



March 24, 2025

Senator Nick Frentz
Energy, Utilities, Environment, and Climate Committee
95 University Ave, W.
St. Paul, MN 55115

Dear Chair Frentz and Committee Members,

The Building Decarbonization Coalition ("BDC") respectfully submits this letter of support for SF2454, a bill to appropriate additional funding to the geothermal planning grant program for local governments to do the groundwork necessary to bring clean energy to their communities from right beneath their feet.

Previous funding into this program and broad interest from local governments and their constituents across Minnesota demonstrate that Minnesotans want to see increased deployment of geothermal and thermal energy network systems in their jurisdictions. In addition to granting communities [reliable, clean, and local energy](#), these systems generate local jobs in their design and maintenance and reduce strain on the electric grid compared to other forms of electrification. These planning grants afford communities the opportunity to develop the social and technical blueprints for system development necessary to seek funding from within or better position themselves to seek competitive funding from external state, utility, or federal sources.

The appropriation of Renewable Development Account ("RDA") funding in this bill into the account and its direction to Xcel's territory provide a ripe opportunity to ready local government's plans for system development ahead of Xcel's next Innovation Plan as part of their ongoing Natural Gas Innovation Act ("NGIA") cycles. These plans are crucial mechanisms to pilot innovative solutions like this and having local governments lead the planning ahead of time would only accelerate this process going forward.

Sincerely,

Noah Cordoba
Minnesota State Manager
noah@buildingdecarb.org