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The Honorable Nick Frentz Chair, Energy, Utilities, Environment, and Climate Committee Minnesota Senate 95 University Avenue West, Room 3109 St. Paul, MN 55155

Chair Frentz and Committee Members,

Fresh Energy is a 30-year-old, Minnesota-based nonpartisan, not-for-profit organization. We work to shape and drive bold policy solutions to achieve equitable carbon-neutral economies. We appreciate the opportunity to share our thoughts in support of Senate File 2900.

Fresh Energy supports Senate File 2900 and the establishment of a geothermal heat exchange system rebate program.

The deployment of geothermal heating systems across Minnesota is a critical component of Minnesota's energy transition. Geothermal heating systems have the greatest efficiency and are the most reliable technology for heating buildings and transitioning Minnesota to an energy independent, low carbon economy. Older buildings take a lot of heat and geothermal systems are poised to deliver year-round comfort and reliability in Minnesota's most challenging conditions.

The greatest challenge when installing these systems is overcoming the upfront costs. The 15 percent rebate will be a big step in alleviating this financial barrier and help businesses, non-profits and municipalities across the state. This will also lower the heating and cooling costs for the building occupants, making these buildings more affordable.

We encourage you to support Senate File 2900 and the establishment of a geothermal heat exchange system rebate program to support Minnesotans looking to invest in a clean energy future.

Sincerely,

Sam Friesen Managing Director, Buildings Friesen@fresh-energy.org