

April 2, 2025

Minnesota Senate Energy, Utilities, Environment, and Climate Committee Room 1150 Minnesota Senate Bldg. Saint Paul, MN 55103

RE: Senate File 761 Minnesota Energy Alley Bill

Dear Chair Frentz, Vice Chair Xiong, Ranking Minority Member Mathews, and Committee Members,

The Center for Rural Affairs is a private non-profit organization that advocates for policies that strengthen rural communities in order to create a more vibrant future. We connect rural citizens with opportunities to engage in the decisions that affect their lives. Investments in energy initiatives can help ensure that rural communities will continue to thrive.

The Center supports Senate File 761, which appropriates \$5 million to Minnesota Energy Alley, an initiative to secure the state's energy and economic development future. This strategic investment elevates Minnesota's attractiveness for new energy business opportunities, supports local job growth, and strengthens the state's transition to a clean energy economy.

Investing in Minnesota Energy Alley is a commitment to supporting homegrown jobs. As of 2023, Minnesota is home to over 62,000 clean energy jobs. Those jobs are growing at a rate nearly five times faster than overall state job growth. Notably, 1 in 3 of these jobs are in Greater Minnesota. To sustain this growth, we must have mechanisms to attract, integrate, and build new technologies in our state. It is a competitive landscape, and strategic initiatives like Minnesota Energy Alley are making a difference in delivering solutions through entrepreneur education, demonstration cohorts, and network building. These efforts help ensure our energy system is more reliable, affordable, and resilient. Beyond this energy initiative, additional investments may help broaden the scope of projects across greater Minnesota that can contribute to advancing Minnesota's clean energy economy while supporting small businesses and creating family supporting careers.

This legislation is a cost-effective investment, with program startups having attracted over \$9 million in investments for MN-based companies, while also providing immediate and future benefits to our regional economy. Minnesota must act now to maintain momentum and leadership in energy, innovation, and entrepreneurship.

Thank you for your consideration.

Sincerely,

Cora Hoffer, Senior Policy Associate

Chaska, MN

Cora Hoffer