

April 6, 2025

Chair Frentz and Members of the Committee,

We are writing to express our strong concerns about three provisions in Senate File 2393 and our strong belief that, with some changes, a good omnibus budget bill is possible this year.

Our first two concerns relate to changes to 2023's 100% clean electricity law: the carve out for the use of biodiesel fuel in backup generation and the redefinition of new, large hydroelectric generation as a technology eligible for the renewable energy standard.

Overall, we continue to support the design of the original law. In particular, the law requires the Public Utilities Commission (PUC) to issue necessary orders detailing the criteria and standards used to a) measure Minnesota's renewable energy, solar energy, and carbon-free energy standards, b) determine whether a utility is achieving those standards, and c) allow for partial compliance for electricity generated from facilities that utilize carbon-free technologies for electricity generation, but only for the percentage that is carbon-free.

As the committee is well aware, this process is ongoing in PUC Docket 23-151. The uses of both biodiesel and hydroelectric are relevant to this proceeding. We trust that the PUC's final orders will provide guidance on how to evaluate the fuels used and/or energy generated in all regulated facilities, including peaking facilities. We do not support creating facility-by-facility or fuel-by-fuel carve outs to the renewable energy or carbon-free standards.

Second, regarding the language exempting data center's back-up generation from the requirement to obtain a certificate of need: we strongly oppose this language, as is. There have been constructive (and ongoing) conversations with stakeholders about how to mitigate the impacts of large-scale data centers on land and water, greenhouse gas emissions, utility efficiency programs, and host communities. Without assurances on these issues, we do not believe it is reasonable to provide a wholesale exemption for what could be very large, potentially 600 MW, or larger, energy generating facilities.

Finally, our optimism about the potential for a good bill is fueled by two provisions. We support both the \$2 million investment in the geothermal planning grant program and its expanded eligibility for Tribal governments. Then, we also support the \$2.2 million investment in the geothermal system at the Como Park Zoo in Saint Paul, MN. These changes will help extend Minnesota's leadership on this innovative, carbon-free technology.

We look forward to continuing to work together on this bill.

Thank you for your leadership this year,



## Aurora Vautrin

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