



April 1, 2025

Re: Support for Senate File 2570, Community Energy Transition Grants

Chair Champion and Members of the Jobs and Economic Development Committee:

The Coalition of Utility Cities (CUC) is thrilled to support Senate File 2570, which would provide additional grant funds to the Community Energy Transition Grant Program. CUC is a membership organization made up of seven cities that host the State's largest investor-owned power plants. CUC includes the cities of Becker, Cohasset, Granite Falls, Hoyt Lakes, Monticello, Oak Park Heights, and Red Wing. These plants alone make up between 30-70% of the property tax base in their host cities.

As you are aware, the plants in many of our communities have been scheduled for retirement in the coming years. These plant retirements will have broad-ranging impacts, including massive property tax shifts and job losses. The CET Grants Program was created in 2020 to be a flexible grant program to be one piece of the puzzle in assisting our communities' efforts to diversify our economies and prepare for these massive economic transitions.

We are sincerely grateful to this Committee, and to legislators like Senator Hauschild, Senator Housley, Senator Mathews, and others, who have helped make Minnesota a nationwide leader in support the local governments and workers who will be directly impacted by the retirement of fossil fuel plants. This program is a key tool in that work.

In 2023, \$10 million was allocated to this program. To date, those funds have provided 11 grants to:

The cities of: Granite Falls; Fergus Falls; Becker; Oak Park Heights; Cohasset; Monticello; Red Wing
The counties of: Benton; Cook; Sherburne; Otter Tail County

These grants have enabled planning, development, and redevelopment efforts to move forward on a pace that would not have otherwise been possible, supporting the local economic transition for communities with extremely urgent needs.

Today, coal unit retirements are under way in Becker, and just a few short years away in Oak Park Heights and Cohasset. Investing in locally led redevelopment efforts is now more urgent than ever.

Thank you for your consideration.

Mayor Mary McComber
City of Oak Park Heights
CUC President

Rachel Leonard
City Administrator
City of Monticello
CUC Vice President

Marshall Hallock
Administrative Business Director
City of Red Wing
CUC Secretary/Treasurer