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Legislative Energy Commission

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January 13, 2015

Chair, Senate Environment and Energy Committee, Senator John Marty Chair, House Energy Policy Committee, Representative Patrick Garofalo

Dear Senator Marty and Representative Garofalo:

This letter serves as the annual report of the Legislative Energy Commission (LEC) on progress toward meeting the goals of the framework for Minnesota's energy future, as required by M.S. 3.8852.

M.S. 3.8852, passed in 2013, requires: "The Legislative Energy Commission, in consultation with the commissioner of commerce and other state agencies, shall develop a framework for the state of Minnesota to transition to a renewable energy economy that ends Minnesota's contribution to greenhouse gases from burning fossil fuels within the next few decades." In addition, the duties of the LEC, stipulated in M.S. 3.8851, Subd. 3, require the commission to "evaluate the energy policies of this state and the degree to which they promote an environmentally and economically sustainable energy future," and to monitor progress towards the state's renewable energy standard and greenhouse gas emissions reductions goals.

To fulfill these duties, the LEC in 2014:

- Met 10 times to provide members with foundational information on a variety of energy policy topics in the areas of electricity, heating, transportation, and agriculture. In addition, the LEC hosted an open informational session on Minnesota utility regulation and visited the Midcontinent Independent System Operator, solar thermal installations, and the biogas plant at the Blue Lake Wastewater Treatment Facility.
- Issued regular energy updates (approximately weekly) to keep members and staff informed about current events in Minnesota, the United States, and around the world.
- Made significant progress towards developing the Energy Future Framework.
 - Engaged stakeholders in diverse sectors, including environment; utility; business; agriculture; forestry; manufacturing; and federal, state, and local government.
 - Convened a core team of eight governmental and private organizations to guide planning. Core team members have committed to participating in the Framework's development.
 - Formulated a plan to develop the framework, including technical analysis, stakeholder engagement, and public outreach.

- Sought funding to realize this work plan.
 - \$300,000 has been awarded by the U.S. Department of Energy to the Department of Commerce, in partnership with the LEC, for energy planning toward 2025, with an emphasis on efficiency and renewable generation. This project can stand alone or be integrated into longer-term energy planning.
 - The Legislative-Citizen Commission on Minnesota Resources (LCCMR) has recommended \$1 million in funding for technical study of various scenarios and clean energy resource portfolios. This and all LCCMR recommendations await action by the 2015 Legislature.
- Conducted research into propane conversion strategies, as requested by the Legislature in 2014. A report with strategies for the Legislature's consideration will be issued January 15, 2015.
- Strengthened relationships with the executive branch, especially through collaboration on energy-related projects.

During the next year, the LEC will continue to provide policy research and opportunities for member and staff education on key energy policy issues.

Sincerely,

Annie

Annie Levenson-Falk, Executive Director Legislative Energy Commission

cc: Legislative Energy Commission members Legislative Reference Library