
Energy Transition Office

Annual Report
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Minnesota Department of Employment and Economic Development (DEED)

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Introduction and 2022 Highlights

The Energy Transition Office (ETO) is within the Minnesota Department of Employment and Economic Development (DEED). The office was created by statute in 2021 and staffed in 2022. The purpose of the office is:

- (1) address economic dislocations experienced by impacted workers after an impacted facility is retired;
- (2) implement recommendations of the Minnesota energy transition plan developed in section [116J.5493](#);
- (3) improve communication among local, state, federal, and private entities regarding impacted facility retirement planning and implementation;
- (4) address local tax and fiscal issues related to the impacted facility's retirement and develop strategies to reduce the resulting economic dislocation experienced by impacted communities and impacted workers; and
- (5) assist the establishment and implementation of economic support programs, including but not limited to property tax revenue replacement, community energy transition programs, and economic development tools, for impacted communities and impacted workers.

Responsibilities of the ETO are statutorily outlined in Minn Stat. § 116J.5491 with the ultimate goal of assisting the workforce and communities impacted by power plant closures. Within its duties, the ETO connects communities, workers, etc. with Federal, State, regional, non-profit resources to improve their ability to successfully transition from the power plant closure.

2022 Highlights

- Set up the office, hired a Director.
- Set up the Energy Transition Advisory Committee and appointed members and elected Chairs. Energy Transition Advisory Committee convened monthly at impacted communities and established committee's that met bi-weekly to work on the plan.
- Met with impacted communities and workers, toured power plants.
- Assisted with the Green Jobs sprint from the Minnesota Business Vitality Council (MBVC). The sprint identified resources for host communities on current and emerging green jobs that the host communities may have interest in attracting. Additional research for the sprint included the newly released Inflation Reduction Act that had many components that host communities may have interest in including grants and opportunities from the US Federal Government. ETO staff worked on this sprint with other State agencies in further cross-coordination efforts.
- Received information from other states, MN State agencies, non-profits, communities, etc. on their transition and used the information to inform the Advisory Committee and stakeholders.
- Completed the Energy Transition Plan.

Impacted Communities Locations and Populations



City	Population
Becker	4,800
Cohasset	2,700
Fergus Falls	14,100
Granite Falls	2,700
Hoyt Lakes	2,000
Monticello	14,500
Oak Park Heights	4,850
Red Wing	16,500
Schroeder Township	190

City, County or School District	Percentage of Tax Revenues from Local Power Plant †	Actual Amounts of Tax Revenues from Local Power Plant (2021)
City of Becker	65%	\$3,761,000*
Becker School District	44%	\$3,069,000*
Sherburne County	11.70%	\$4,051,000*
City of Cohasset	55%	\$2,200,000†
Cohasset School District	16%	\$1,678,634†
Itasca County	14.29%	\$9,105,754†
City of Monticello	49%	\$5,794,000*
Monticello School District	38%	\$4,077,000*
Wright County	7.75%	\$7,104,000*
City of Red Wing	47%	\$11,163,000*
Red Wing School District	42%	\$3,820,000*
Goodhue County	19%	\$7,400,000*
City of Oak Park Heights	30%	\$1,617,000*
Stillwater School District	4.36%	\$936,000*
Washington County	1.09%	\$878,000*
City of Hoyt Lakes	33%	\$1,500,00*
St. Louis County	.33%	\$388,141*
Mesabi East School District	10%	\$734,380*
City of Granite Falls	51% - previous	\$622,980 – previous*
Chippewa County	22%	\$622,980*
Granite Falls School District	6%	\$26,740*
City of Fergus Falls	5.88%	\$705,160*
Otter Tail County	.64%	\$705,160*
Fergus Falls Public Schools	2.99%	\$705,160*
Schroeder Township	21.38%	\$277,492*
Cook County	did not submit	
Cook County ISD 166	1%	\$181,104*

*As submitted by governmental unit or school district

Integrated Resource Plan Power Plan End of Life

Utility/Plant	City	County	Type	Employees	End of Lives
MN Power					
Boswell 1	Cohasset, MN	Itasca Cty	Coal	170	2018
Boswell 2	Cohasset, MN	Itasca Cty	Coal		2018
Boswell 3*	Cohasset, MN	Itasca Cty	Coal		2030
Boswell 4**	Cohasset, MN	Itasca Cty	Coal		2035
Boswell Common	Cohasset, MN	Itasca Cty	Coal		2035
Laskin Energy Center	Hoyt Lakes, MN	St. Louis Cty	Nat. Gas	10	2030
Taconite Harbor	Schroeder Township	Cook Cty	Coal	Retired	2021
Xcel Energy					
Granite Falls	Granite Falls, MN	Chippewa Cty	Coal	Retired	2004
Allen S. King	Oak Park Heights	Washington Cty	Coal	87	2028
Sherco Unit 1	Becker, MN	Sherburne Cty	Coal	301	2026
Sherco Unit 2	Becker, MN	Sherburne Cty	Coal		2023
Sherco Unit 3***	Becker, MN	Sherburne Cty	Coal		2030
Monticello	Monticello, MN	Wright Cty	Nuclear	460	2040
Prairie Island Unit 1	Red Wing, MN	Goodhue Cty	Nuclear	600	2033
Prairie Island Unit 2	Red Wing, MN	Goodhue Cty	Nuclear		2034
Otter Tail Power					
Hoot Lake Unit 1	Fergus Falls, MN	Otter Tail Cty	Coal	Retired	2021
Hoot Lake Unit 2	Fergus Falls, MN	Otter Tail Cty	Coal	Retired	2021

*BEC 3 must cease coal operation by 2030, with further facility details pending in the next MP IRP.

**Co-owned with WPPI Energy

***Co-owned with Southern Minnesota Municipal Power

Next Steps and Recommendations

Over the past year, the emphasis was on starting the ETO office then starting and completing the Energy Transition Plan. The upcoming year will be focused on:

- 2023 will witness the closure of Unit 2 in Becker. The Office will continue to support, assist and advise as the community needs.
- Support, assist and advise communities that have already witnessed closures or transition of their power plant including Fergus Falls, Granite Falls, Hoyt Lakes and Schroeder township.
- Engage with stakeholders, workers, utilities and communities to support energy transition efforts

- Educate and coordinate impacted communities on Federal, State, non-profit, etc. funding and educational opportunities. Including opportunities for impacted communities to learn about resources available to them.
- Support the Energy Transition Advisory Committee and its activities
- Monitor transition efforts in other states and localities
- Attend Xcel Energy outreach meetings per orders of the PUC as well as attend other appropriate meetings with other Utilities on their plant closure process.
- In coordination with the efforts of DEED's Business Development office. Continue to support communities with Economic Diversification efforts. Efforts include leveraging and partnering with local resources (Chambers, community organizations and others) on business attraction, retention and expansion efforts.

Continued outreach to the communities on their ongoing evolving needs especially changes with plant closing, staffing changes.

Attachment – Energy Transition Advisory Committee Plan