



May 17, 2022

To: Members of the Jobs, Energy and Commerce Conference Committee

Re: Please support critical climate and energy investments in omnibus jobs, energy and commerce policy and supplemental appropriations, SF4091

Dear Legislators,

Thank you for serving on this important committee. The climate crisis is the most critical challenge facing Minnesota and the world and is deeply interconnected to other challenges facing our state, including creating economic opportunity, racial and environmental justice, a clean environment and robust natural resources, and protecting the health and safety of our communities.

This conference committee has a significant opportunity to invest in the future and health of Minnesota's environment, communities and economy by making strategic investments now that build our resilience to increasing severe weather, move us more quickly toward a clean energy future and reduce and prevent pollution.

We greatly appreciate the provisions and significant investments made in this bill that will improve Minnesotans' quality of life and bolster our fight against climate change. We urge you to support the many good provisions and greater overall investment in the House bill that helps meet the needs of our times by responding to the urgency and magnitude of the climate crisis. At this critical moment, we can not afford to take steps backward. Therefore, we also ask you to remove three major provisions of concern from the Senate version of this bill that would harm our environment and people.

Solar

This bill invests heavily in bringing solar power to public facilities, homes, and institutions. Solar power is increasingly inexpensive and viable in every part of the state. These investments will support good jobs and provide communities with reduced energy costs.

Solar on Schools (p. R3 and R60)

We appreciate the bipartisan support for the Solar for Schools program and ask you to support the funding level recommended by the Senate of \$4.15 million (outside the Xcel service area) in FY 2023 from the general fund and \$8 million (inside the Xcel service area) from the Renewable Development Account in the next biennium. The Solar for Schools Grant Program will stimulate the installation of solar energy systems on Minnesota public schools while using the opportunity to integrate renewable energy use into school curriculum.

We urge you to support the following House provisions

Solar on Public Buildings (p. R3 and R60)

Art. 17, Sec. 2, ppg (a) and Art. 22, Sec. 8 establishes a Solar Grant Program for public buildings that will award grants to local units of government or municipal electric utilities that install solar energy generating

systems on public buildings. The bill invests a total of \$8 million - \$4 million from the General Fund and \$4 million from the Renewable Development Account - in initial funding for this program.

Electrical Panel Upgrades (p. R12)

Art. 18, Sec. 2, ppg (b) invests \$4 million from the Renewable Development Account to establish a pilot program for awarding grants to owners of single-family and multifamily homes to upgrade electrical panels to advance electrification.

Solar Rewards (p. R50-R51)

Article 22, Sec. 31 restores reductions in the financial incentive through the Xcel Energy Solar Rewards program for customers to install solar energy generating systems on their homes. The bill invests an additional \$5 million from the Renewable Development Account in FY 2023 and 2024 and ongoing base funding of \$10 million in 2025.

Removing Barriers to Rooftop Solar (p. R64)

Art. 21, Sec. 11 removes barriers that prevent Minnesotans that live and own homes in homeowner associations from installing rooftop solar systems on their homes. Around one-quarter of Minnesotans live in one of the over 7,700 HOAs. This will increase the growth of rooftop solar in the state, as well as reduce energy bills and increase the value of people's homes.

Energy Storage Incentive Program (p. R4)

Art. 18, Sec. 2, ppg (h) invests \$4 million from the Renewable Development Account to create a new solar battery incentive program in the Xcel territory to help people that add batteries to their solar arrays.

Electric Vehicle Infrastructure

This bill invests in electric vehicle charging infrastructure that will play a crucial role in supporting the adoption of EVs in Minnesota. Vehicle electrification is a crucial part of reducing Minnesota's transportation emissions and improving air quality.

EV Charging in County Government Centers

Art. 17, Sec. 2, ppg (h) and Art. 18, Sec. 2, ppg (f) invests a total of \$1 million - \$500,000 from the General Fund and \$500,000 from the Renewable Development Account - to install a network of electric vehicle charging stations in public parking facilities in county government centers. (p. R3, R13)

EV Charging in Parks (p. R7)

Art. 17, Sec. 6 invests \$4.1 million to install electric vehicle charging stations in public parking facilities located in state and regional parks.

EV Charging at Rest Areas (p. R7-R8)

Art. 17, Sec. 7, ppg (a) invests \$2.1 million to install electric vehicle charging stations at highway safety rest areas.

EV Charging in Parking Facilities (p. R8)

Art. 17, Sec. 8, ppg (a) provides \$133,000 to enable modification of the State Building Code to address needs for electric vehicle charging in parking facilities in new commercial and multifamily buildings that provide on-site parking. Art. 16, Sec. 8, ppg (a)

Bus Fleet Electrification (p. R15)

Art. 18, Sec. 3 invests \$3 million for Metropolitan Council to purchase EV buses, a critical boost to Metro Transit's work to electrify its bus fleet.

Weatherization

This bill invests in weatherization for Minnesota homes. Buildings are one of the largest and most challenging sectors for carbon emissions and improving weatherization will help to sharply cut those emissions and save Minnesotans money on their energy bills, especially benefitting lower income communities by making their homes more energy-efficient and safe.

Weatherization Assistance (p. R1-R2)

Art. 17, Sec. 2, ppg (b) invests \$30 million in one-time dollars to provide grants to community action agencies and other agencies to weatherize residences and to install preweatherization measures in residential buildings occupied by eligible low-income households. We are especially pleased to see that this investment will be ongoing with a base of \$15 million.

Competitiveness Account

Minnesota's competitiveness account enables the state to leverage federal dollars for clean energy projects, and short-term capacity needs to help businesses, the state and disadvantaged communities across Minnesota to compete for the opportunities created by this law.

Competitiveness Fund (p. R3, R14)

Article 17, Sec. 2, ppg (f) includes \$10 million in General Fund dollars to the state competitiveness account to leverage federal formula and competitive funds for energy-related infrastructure and clean energy investments in Minnesota.

Article 18, Sec. 2, ppg (j) The bill includes \$10 million in Renewable Development Fund dollars for similar investments, which must specifically benefit customers of Xcel Energy or the Prairie Island Indian Community or its members - the latter of whom bear the burden of nuclear waste storage on their land.

Job Training and Equity

This bill helps to advance equity by providing clean energy training for people of color, immigrant communities, and low-income people that are unemployed or underemployed.

Energy Efficiency Job Training

Art. 17, Sec 4, ppg (a) invests \$500,000 for a grant to Unidos MN Education Fund and New Justice Project MN to address employment and economic disparities for people of color, immigrant communities, and low-income unemployed or underemployed individuals. This funding will support preapprenticeship and workforce training, career development, worker rights training, employment placement and entrepreneurship support, related support services, and the development of transferable skills in high-demand fields related to construction, clean energy, and energy efficiency.

There are three major provisions of concern from the Senate language of this bill. We ask that you remove them from the final version.

Lifting nuclear moratorium (p. R108-R109)

Article 5, Section 7 - We are deeply concerned about this proposed repeal of the state's nuclear moratorium that would remove the prohibition on the issuance of a certificate of need for the construction of new nuclear powered electric generating plants. Nuclear waste from nuclear power plants is highly radioactive and presents a clear threat to the health and safety of Minnesotans. Lifting this moratorium could advance the construction of new nuclear power plants and increased production of nuclear waste when there is still no mechanism in place for the long-term safe storage and removal of nuclear waste. As an example, the Prairie Island Indian Community sits a mere 700 yards from the Prairie Island Nuclear Power plant and the forty-seven casks of highly radioactive spent nuclear fuel. They are the closest community in the country to a nuclear power plant. Every day they, along with other vulnerable communities who reside closest to nuclear power plants, bear the burden of our nation's failed nuclear waste disposal policy. We should not build new

facilities to create more waste when we have yet to resolve the long-term disposal of the waste we already have on hand.

Prohibition on Ban on Natural Gas or Propane Hookups (p. R64)

Article 5, Section 24 would prohibit local government entities from adopting an ordinance, resolution, code, policy, or permit requirement that prohibits or has the effect of preventing a utility from connecting or supplying natural gas or propane to a building or utility customer. This proposed policy would undermine local control and the ability of the local governments to take actions to mitigate climate impacts, protect their residents and communities and move us toward renewable energy opportunities and away from fossil fuel dependence.

Carbon Capture and Sequestration (CCS) (p. R100-R101)

Article 1, Section 22 [216H.022] would support the development and deployment of carbon capture and sequestration technologies in Minnesota that demonstrate at least an 80 percent capability of carbon capture. This is an area where industry needs to be pushed to do more and without very specific safeguards, CCS facilities could be incentivized that will actually take us backward on the climate. Industry claims that it can achieve 90% efficiency – the state of Minnesota should hold them to these claims rather than accepting a lower target of 80%.

Secondly, there are a number of possible unintended consequences that could result from a blanket endorsement of CCS without significant qualifications, including; a) captured carbon could be used as a fracking material for Enhanced Oil Recovery (EOR), b) the State could reward a CCS facility for getting captured carbon into the ground, without safeguards to ensure that carbon stays in the ground, c) we need to anticipate the risk of potential negative environmental or human health effects from the initial production and transportation of captured carbon, or future failure of CCS facilities including secondary effects of increased ethanol production and from the construction and utilization of CO2 pipelines, and d) in the best-case scenario, CCS technology could be used to remove carbon from existing facilities for which a greener alternative does not yet exist. This proposal needs more discussion and evaluation before being enacted.

Conclusion

As you proceed with negotiations over legislative investments this session, we ask that you approve these critical investments in Minnesota's climate and economy that will support a brighter energy future, equity, good-paying jobs, and protect public health by reducing pollution. We look forward to working with you to support these programs and policies.

Sincerely,



Steve Morse
Executive Director

Submitted on behalf of the organizations on the following page.

A.C.E.S. (Austin Coalition for Environmental Sustainability)

Cooperative Energy Futures*

Friends of Minnesota Scientific and Natural Areas

Friends of the Cloquet Valley State Forest

Hastings Environmental Protectors

Honor the Earth

Land Stewardship Project

League of Women Voters Minnesota

Minnesota Center for Environmental Advocacy

Minnesota Interfaith Power and Light

Minnesota Ornithologists Union

Minnesota Trout Unlimited

MN350

Pollinator Friendly Alliance

Renewing the Countryside

Sierra Club North Star Chapter

St. Paul Audubon Society

Vote Climate

**denotes non-MEP member*