



March 29, 2022

Dear Members of the House Climate and Energy Finance & Policy Committee:

We appreciate the opportunity to provide comments on HF 2083 (Rep. Lippert) as amended by the DE4 amendment.

The Minnesota Chamber, which represents over 6,300 businesses with over 500,000 employees, believes in the triple goal of affordable, reliable, and cleaner energy. We support our members' interests and efforts to advance sustainability, and we work hard to help them reduce energy consumption, divert waste, and minimize environmental impact.

We raise the following concerns regarding HF 2083:

- According to the U.S Energy Information Administration, Minnesota's average retail cost for a gallon of gasoline has increased by 42.6% since this time last year. Based on the experience of other states, a low-carbon fuel standard would likely further increase the cost of gasoline by a more than nominal amount at a time when Minnesota consumers can least afford it.
- Reliable availability of the fuel Minnesota depends on is yet another concern. There is a significant risk that the supply of the types of fuels promoted through this bill will not match the level of demand utilized by consumers.
- Finally, the types of fuels mandated by the bill could void warranties for specialized equipment in use by many industries. This would have a significant impact on the cost of Minnesota businesses with operational disruptions.

Mandating that Minnesota become an outlier on fuels through HF 2083 has the potential to make the state become more expensive and less competitive.

Sincerely,

Brian Cook
Director, Energy and Elections Policy

Bentley Graves
Director, Health Care and Transportation Policy