



Chair Swedzinski and Members of the House Energy Committee:

The Minnesota Center for Environmental Advocacy (MCEA) is a nonprofit public interest law firm and advocacy organization with a 50-year history of defending Minnesota's environment and the health of its people. We write to express our deep concerns about HF 28 (Mekeland), which would allow data centers and other large users of diesel backup generators to avoid meaningful regulation of their disruptive backup generator needs.

First, this committee should know that HF 28 could affect a proceeding currently pending in front of the Minnesota Public Utilities Commission (PUC). Docket No. 24-435 is a request from Amazon to be exempted from the Certificate of Need process for the 250 diesel backup generators proposed for their Becker data center. The Legislature should always tread carefully when proposed legislation could pre-empt an existing process.

Second, Section 1 of HF 28 would supercharge the use of AUARs (Alternative Urban Areawide Reviews) to avoid full analysis and public notice of proposed projects. The Minnesota Environmental Quality Board states on their website that "responsible governmental units can use an AUAR as a planning tool to understand how different development scenarios will affect the environment of their community before the development occurs." In some cases, the AUAR process is being used instead to allow large data center developments to conceal their ownership and other information from the public during the environmental review process. The language in Section 1 would encourage incomplete reviews, since it would allow permitting to proceed even if an incomplete AUAR did not look at a "phased action, connected action, or component of the project that was not evaluated ..." This confounds the purpose of environmental review, which is to inform the permitting process.

The remainder of HF 28 exempts backup generators from meaningful review and treats them the same as the solar and wind proposals that were given less stringent review in the clean energy permitting law passed last year. MCEA was deeply involved in and supported the passage of the clean energy permitting law because it streamlined reviews of projects with little or well-known environmental impacts, like solar and wind. 250 diesel generators are not the same as a solar array, and the permitting law would not have passed last year if diesel generators were included alongside solar and wind.

MCEA strongly opposes HF 28 for these reasons. We suggest that the PUC process for considering Amazon's proposal be allowed to continue, instead of being pre-empted by action from the Legislature. There is a need for legislation to address the electricity demands, water consumption, and land use challenges posed by an explosion of hyperscale data center proposals in Minnesota. However, HF 28 is the wrong approach, and would exempt data centers and their associated backup power generation from Minnesota's environmental standards.

Sincerely,

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