



117 South First Street • Montevideo, MN 56265

March 26, 2026

Chair Swedzinski  
Chair Acomb  
House Energy Finance and Policy  
Re: H.F. 4153

Chairs Swedzinski and Acomb, and Committee Members,

CURE is a rurally based, non-profit organization dedicated to protecting and restoring resilient communities and landscapes by harnessing the power of the people who care. We appreciate the opportunity to testify in opposition to H.F. 4153.

The legislature passed a handful of laws last year aiming to address some of the concerns around the sudden, intense interest in hyperscale data center development in our state. But these laws are a floor, not a ceiling. Still, this bill intends to cut holes in the floor, and only for specific projects who have submitted some local permit application or are found in specific burdened communities.

Section one appears to exempt certain data center developers from completing the preapplication evaluation established last year. This has no practical impact on anything other than paperwork; a developer is merely given a break from providing the Department of Natural Resources with a minimal amount of information<sup>1</sup> that precedes other regulatory action. As we have testified before, and despite the rampant confusion about what the law does in practice, last year's laws do not establish adequate protections for our shared water resources.<sup>2</sup> However, this does not mean that some projects should be excepted from this requirement before it is even implemented.

If the legislature wants to protect Minnesota's water and communities from the unique impacts of hyperscale data centers, the committee should focus its time on H.F. 3793. It is important for large industrial water users like hyperscale data centers to obtain their own water appropriation permit, not hide behind municipal wells and permits. Reporting the actual amount of water used also allows our state to get a complete picture of water use by permit holders. This information is of utmost importance and concern for rural Minnesotans who rely on clean water for their livelihoods and drinking water.

Many legislators and advocates have championed last year's laws as "nation-leading," and held up the law as a beacon of compromise and cooperation. Now, H.F. 4153 wants certain data center developers, who worked to get into Minnesota ahead of any kind of protections, to be exempt from those laws.

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<sup>1</sup> See attached.

<sup>2</sup> CURE, Testimony on H.F. 3793, March 10, 2026,  
[https://www.house.mn.gov/comm/docs/1\\_b6MpmHiUeGoEAACXCWZw.pdf](https://www.house.mn.gov/comm/docs/1_b6MpmHiUeGoEAACXCWZw.pdf).

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Specifically, based on the definitions in the bill, this may apply to the proposed Microsoft and Amazon data centers in Becker, and a to-be-identified data center in Cohasset.<sup>3</sup>

Contrary to compromise and nation-leading standards, H.F. 4153 again attempts to weaken an already voluntary part of last year's law: the application of an *optional* clean energy and capacity tariff. The bill would ensure that its favored data centers don't have to comply with this entirely optional tariff.<sup>4</sup>

Most concerningly, H.F. 4153 could see some of the largest companies in the world exempt from paying into the low-income weatherization fund as established last year. This is in addition to the ECO Act exemptions that were negotiated as a condition of the fee.<sup>5</sup> As currently written, qualified large-scale data centers are required to pay between \$2 and \$5 million to the special weatherization account based on their peak demand. That weatherization account could provide tangible benefits to low-income Minnesotans in terms of comfort and energy affordability, so exempting even one or two large data centers from compliance may make a significant difference in the number of individuals who might benefit from the program.

At a time where fiscal responsibility is in the national and state spotlight, H.F. 4153 also hopes to reinstate the sales tax exemption on electricity purchases, but *only* for qualified large-scale data centers located in specific rural communities hosting end-of-life thermal energy plants. When this provision was repealed last year, the restored sales tax was estimated to bring in nearly \$140 million over the next four years.<sup>6</sup> In practice, H.F. 4153 would provide an additional unnecessary tax break for the largest and wealthiest companies on the planet, at the expense of our state and rural communities asked to host new heavy industry.

For these reasons, CURE urges you to oppose H.F. 4153.

Sincerely,

/s/ Sarah Mooradian

Government Relations & Policy Director

CURE

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<sup>3</sup> Cohasset Public Utility Board, Minutes, Dec. 2, 2024, <https://www.cohasset-mn.com/vertical/sites/%7B4DED3294-59E1-4C4A-B675-C7E6970BA170%7D/uploads/12-02-2024.pdf>; Cohasset Economic Development Authority, Minutes, Mar. 4, 2025, [https://www.cohasset-mn.com/vertical/sites/%7B4DED3294-59E1-4C4A-B675-C7E6970BA170%7D/uploads/3-4-2025\\_MINUTES.pdf](https://www.cohasset-mn.com/vertical/sites/%7B4DED3294-59E1-4C4A-B675-C7E6970BA170%7D/uploads/3-4-2025_MINUTES.pdf).

<sup>4</sup> Minn. Stat. § 216B.1623 (1). (“The clean energy and capacity tariff shall require a special contract between the utility and one or more customers that shall: (1) *be optional for participating customers.*”) (Emphasis added).

<sup>5</sup> The attached Data Practices Act Request response document confirms the intended negotiation.

<sup>6</sup> FY 2026-2027 Biennial Budget Tax Bill Leader Agreement,

<https://www.house.mn.gov/WorkingGroups/2025/Documents/Tax%20Bill%20Leadership%20Agreement%20Spreadsheet%205.29.25.pdf>.

## Large Data Center Information Request

Minnesota Statute 103G.265 Subd 5 allows the DNR to request data center project proposers to submit information on their project, specifically as it relates to water needs. This includes facility information, timing of water use and water quality/temperature needs. This only applies to data center projects where proposed water use is expected to be greater than or equal to 100 million gallons of water per year (MGY).

*Disclaimer: All data collected or provided as part of the pre-application process is considered nonpublic under Minnesota Statute 103G.265 Subd 5(g) until which time a preliminary well construction assessment, permit application, amendment or environmental review commences.*

### Project Name

What is the name of the Project:

What is the alternative name for the project (if applicable):

Who is proposing the Project?

### Project Contacts

Please complete the table below identifying the primary contact information for the project proposer.

	Proposer Contact	Consultant Contact	Water Supplier Contact (if applicable)
Entity			
Name			
Email			
Phone			

### Project Description

Please provide the following information:

1. A map of the property indicating the parcels where the proposed data center will be constructed.
2. GPS coordinates for the center of the project location:
  - a. Latitude (x):
  - b. Longitude (y):

## **Please describe your construction plans and timeframe for the facility**

*Please provide information on how many buildings will be constructed, when construction is planned to begin, and when construction is anticipated to be completed.*

### **Data Center Water Source Information**

1. What is the proposed source of water?
  - a. If purchasing water, what city or entity you are purchasing water from?
2. What is the projected annual volume (Million gallons per year [MGY]):
  - a. What is the average daily volume (in MGY):
  - b. What is the maximum daily volume (in MGY):
3. Are you proposing to have onsite water storage?
  - a. What is the volume of onsite water storage (in MGY)?
  - b. Will there be significant differences in seasonal water use? For example, summer use compared to winter use. If yes, please describe below.
4. Will the facility have multiple water sources?
  - a. If yes, what is and who is providing the secondary source of water?
5. Will additional water treatment be necessary at the data center?
6. What is your incoming water temperature need?
7. Please identify any water quality needs/concerns:
8. Have you submitted the project to the Minnesota Conservation Explorer to identify any rare resources within the vicinity of the project?

**Please provide any additional information on the proposed water source**



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**Subject:** Daily Policy Update 4/24/2025

**Date:** Thu, 24 Apr 2025 20:59:38 +0000

**Importance:** Normal

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**Minnesota Department of Commerce**  
**DAILY POLICY UPDATE**  
Thursday, April 24, 2025

**Committee Hearing Notes (for GO Awareness)**

• **Thursday, April 24**

- **House Ways and Means** – The Committee heard the following bill **SF 2216 (Klein) 3<sup>rd</sup> Engrossment** Senate Commerce & Cannabis Policy & Budget Omnibus Bill; **HF 2442 (Acomb) 1<sup>st</sup> Engrossment** House Energy Budget Omnibus.

The committee substitute the language of **HF 2443 as amended** by the **A6 amendment** (House Commerce & Cannabis Budget Omnibus Bill) onto **SF 2216 3<sup>rd</sup> Engrossment**.

**SF 2216 as amended** passed and referred to General Register.

Rep. Acomb presented **HF 2442 1<sup>st</sup> Engrossment**. Rep. Acomb presented the **DE3 amendment**, which was adopted. **DE3 amendment** is "light on" base funding February Forecast for the Commerce Department Energy Budget and PUC Budget. Rep. Swedzinski was not available during this hearing.

**HF 2442 as amended** was laid over.

**Key Items of Interest (for Policy Advisor awareness only)**

- **Data Center Meeting** – Today, Commerce Department Deputy Commissioner of Energy Resources Pete Wyckoff met with Google and Meta Data Center representatives in which it was discussed the Governor's priority for

protecting ratepayers and protecting 100% by 2040. In the meeting also it was discussed weatherization funding but emphasized that such funding would be in exchange for getting out of CIP/ECO obligations and had nothing to do with Tax bill. Google said they would stay in CIP/ECO rather than pay into the weatherization fund.

Sergio L. Valle-Rodríguez, MPA

Legislative Assistant



[mn.gov/commerce](http://mn.gov/commerce)

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Chair Acomb, Chair Swedzinski, and Members of the House Energy Committee:

Thank you for the opportunity to testify on HF 4153 (Mekeland), a bill that would partially repeal last session's data center law depending on when a large-scale data center began applying for permits and the location of the proposed data center.

Minnesota Center for Environmental Advocacy (MCEA) opposes this bill, since it would allow most of the existing hyper-scale data center proposals in Minnesota to evade statutes that protect electric ratepayers from bearing the cost of providing electric service to these data centers, that require large-scale data centers to contribute to low-income weatherization programs, and allow voluntary preapplication review of the water availability at a site.

Specifically, there are timing and geographic exclusions in HF 4153 that would limit application of many of the data center provisions adopted last year. With regard to timing, any data center that "has filed an application on or before January 1, 2025, with a county, town, or municipality for a permit or approval" would be exempt from many provisions of the 2025 data center law. On geography, any proposed data center in a county, municipality, or tribal government area eligible for Community Energy Transition Grants would be excluded from the data center law. That includes any county which contains a fossil fuel or nuclear power plant that closed or is scheduled to close between 2021 and 2038.

Many of the hyper-scale data center proposals in Minnesota would be grandfathered under the timing exclusion. Currently, there is only one large-scale data center under construction, but many of the known large-scale data center proposals would be exempted if this timing exclusion becomes law because they applied for a permit in or before 2025.

The geographic exclusion uses the definition of eligible community under a grant program that has nothing to do with data centers to limit applicability of the 2025 data center law. If adopted, proposals in certain counties across the state would have different standards than in other counties, creating a patchwork effect.

The 2025 data center included some important protections and guardrails to protect Minnesotans from impacts of the wave of hyper-scale data center proposals that we've seen. It wasn't perfect, and there is still work to do. But a partial repeal of this law moves us backwards, not forwards. MCEA strongly opposes HF 4153, and asks the committee to vote no on proposals to move us backward on data center protections.

Sincerely,  
Aaron Klemz  
Strategy Officer