

March 31, 2025

Co-Chair Acomb, Co-Chair Swedzinski, and members of the Committee:

Minnkota Power Cooperative appreciates the opportunity to comment on House File 2928.

Minnkota is a not-for-profit electric generation and transmission cooperative who provides wholesale power to eleven member-owner distribution co-ops, eight of which are located in northwestern Minnesota. These members serve nearly 151,000 consumer accounts in a 34,500 square-mile area. As a rural electric cooperative, whose members are predominately in rural, agricultural areas, we take great interest in opportunities that would strengthen the economy in our communities. It is our mission to provide our member owners with the best energy value, and we continue to invest in ways to keep energy affordable and reliable in an environmentally responsible way.

Minnkota appreciates the committee's time and attention to the discussion on data centers as they present an opportunity for Minnesota due to their growing demand nationwide. However, Minnkota has significant concerns with HF 2928, as currently drafted. Minnkota opposes any barrier to entry for load growth opportunities in the state of Minnesota.

One specific area of concern is the language in Sec. 8, Subd. 2, which directs a data center to generate, procure or purchase carbon-free energy equal to 65 percent, increasing to 100 percent of its electricity consumption or requirements, measured on a hourly basis (p. 8, lines 8.13 - 8.17). This legislation would almost assuredly discourage investment in data centers within Minnesota and push development away from our member-owner cooperatives' service territories due to the following reasons:

- 1) The overall cost of the development of a resource portfolio that could supply 100% carbon free energy measured on an hourly basis
- 2) The development timeline associated with building such a resource portfolio
- 3) The impracticality of procuring hourly carbon-free energy credits based on an "hourly credit" market that does not currently exist

Minnesota already has a carbon free standard which is applicable to all load served in Minnesota. Applying alternative or additional requirements on specific load types is unnecessary, unduly burdensome, and would likely limit the development of data centers in Minnesota.

Thank you for your time and consideration.

Sincerely,
MINNKOTA POWER COOPERATIVE, INC.
/s/ Todd Sailer
Todd Sailer, VP – Power Supply