

MODERNIZE AGING WATER INFRASTRUCTURE

Governor Walz' budget includes feasibility studies and funding for projects to save local governments money by lowering the energy costs of aging wastewater and drinking water plants across the State. These facilities are essential for public health and economic growth but are often energy and heat inefficient. By providing upfront capital for studies and projects, Minnesotans across the state will benefit from the planning that will make these essential facilities more cost-effective, help communities build more resilience, and save money.

WHAT DOES THIS BILL DO?

This proposal will fund up to 100 feasibility studies and six demonstration projects for water and wastewater infrastructure projects to enable the reduction of energy bills and demonstrate energy + storage applications that could serve as models of energy assurance for critical infrastructure.

Commerce would administer the funding for combined heat and power (CHP), energy efficiency, renewable energy (EERE), and/or energy storage projects, coordinating with relevant agencies.

WHY IS THIS BILL IMPORTANT?

Local governments across the state are struggling to maintain and upgrade their wastewater treatment plants. Wastewater and drinking water treatment plants are critical infrastructures for public health and economic growth. Their continued operation protects human health and vitality. Electricity is typically 40 percent of the operating costs of a plant – a significant cost for cities and towns to cover. These large energy-consuming facilities contain about five times more energy than is needed for their treatment and also waste significant amounts of heat. These facilities need the upfront capital for feasibility studies, as the Public Finance Authority (PFA) is not able to fund studies. Lowering operating costs will free up scarce taxpayer dollars for other vital services and infrastructure needs.

HOW WILL MINNESOTANS BE BETTER OFF IF WE PASS THIS BILL?

Efficiency and renewable measures taken at the local level decrease costs to governmental entities, freeing up much-needed dollars for other local or tribal-led initiatives. With the addition of renewable energy, energy efficiency measures - and backup storage - plants will be able to operate without needing outside power, maintaining critical services in the event of a disaster and increasing community resiliency. Supporting Minnesota's wastewater and drinking water infrastructure to continue to access clean water during power outages provides families, and children access to safe drinking water throughout their life even during their most vulnerable times during disasters. Not only would this policy help stabilize operating costs over time, but as 100-year weather disasters have increased in frequency, this policy would implement more efficient infrastructure resulting in less capacity onsite backup power being needed in the event of a power outage.