



Minnesota Rural Electric Association



11640 73rd Avenue N | Maple Grove, MN 55369 | p: 763-424-1020 f: 763-424-5820 | [www.mrea.org](http://www.mrea.org)

April 23, 2020

Dear House Energy and Climate Finance and Policy Members,

The Minnesota Rural Electric Association and its 44 distribution and 6 generation and transmission electric cooperatives strongly support HF 4502. The Energy Conservation and Optimization Act (ECO) is the result of an effort over the last two years by MREA and its members in partnership with MMUA (Minnesota Municipal Utility Association) and its members, along with advocates from many other organizations including other utilities, conservation groups, consumer groups and the Department of Commerce. The ECO Act of 2020 modernizes the state's outdated Conservation and Improvement Program (CIP) to allow for more energy efficiency programs.

The ECO ACT of 2020 emphasizes end-use total energy efficiency rather than narrowly focusing on reducing electricity use. It also recognizes total energy system efficiency improvements across agriculture and transportation sectors. In addition, the goal will remain at 1.5% annually, but a portion of this can be achieved with efficient electrification programs that utilize innovative technology.

It also eliminates the spending requirement unless the efficiency goal is not met and it retains the exemption for small cooperatives and municipals that is in current law.

This legislation gives co-ops more flexibility to meet their annual energy savings goals, it will benefit the environment, reduce greenhouse gas emissions, encourage innovation with tomorrow's technologies and reduce consumers' total energy bills and provide better tools for reducing carbon.

This legislation has been agreed upon by all stakeholders and we urge opposition to any amendments that are not authors amendments agreed on prior.

We urge committee members to vote yes and thank all of you for your support.

Sincerely,

Darrick Moe  
President & CEO  
Minnesota Rural Electric Association