

**RE: HF2083 (Lippert)** March 29, 2022

To: Chair Long and Members of the Climate and Energy Finance and Policy Committee,

On behalf of the members of Conservation Minnesota, <u>we write to express our strong support for HF2083</u> (<u>Lippert</u>). As an organization, our mission is to protect the people and the places that Minnesotans love; and reducing transportation emissions is central to this goal.

Currently, our state is failing to meet emissions reduction goals under the bipartisan Next Generation Energy Act. A major reason for this failure is the transportation sector, Minnesota's largest emissions source. Vehicle electrification is an important solution in transportation emissions reduction, but technological constraints limit its near-term scale. Rapid decarbonization of the sector will rely on multiple policies and multiple technologies, including both electrification and sustainable biofuels produced right here in Minnesota.

As introduced, HF2083 (Lippert), or the Future Fuels Act, establishes a clean fuel standard, with the goal of achieving a 20 percent reduction in carbon intensity for all transportation fuel supplied in Minnesota by the end of 2035. Under this standard, transportation fuel suppliers could either adapt to meet carbon intensity reduction standards or purchase credits from suppliers who meet benchmarks and earn credits. This creates incentives for innovation and emissions reductions in the industry and advances electrification and sustainable biofuel production.

The Future Fuels Act will provide investments and markets for local farmers and fuel producers, and the clean fuels they produce will reduce emissions in the transportation sector. But this legislation will also provide benefits through maximizing the resource value of organic waste for fuel production; increasing energy independence through local sourcing; spurring consumer demand for cleaner products across the marketplace; and reducing the health impacts of air pollution, especially in environmental justice areas of concern.

HF2083 builds on the precedent of successful clean fuel policies in other states. Here in Minnesota, thorough stakeholder discussions with agricultural producers, fuel suppliers, electrification experts, environmental organizations, and others have helped shape a local clean fuel standard. The Future Fuels Act establishes a Minnesota-centric solution with strong protections for our environment and strong incentives for sustainable fuel production.

Thank you to Representative Lippert for authoring HF2083 – one piece of the climate solution. Minnesotans are waiting for long-overdue climate action. The Future Fuels Act answers this call, and we urge your support.

Sincerely,

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