



117 South First Street • Montevideo, MN 56265

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April 14, 2026

Chair Acomb  
Chair Swedzinski  
House Energy Finance and Policy  
Re: H.F. 2862

Chairs Acomb and Swedzinski, 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 strong support of the DE-1 Amendment to H.F. 2862.

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. These laws are a floor, not a ceiling, and several issues remain unresolved, including water use, taxes, community impacts, and perhaps most importantly, transparency.

While Minnesota currently allows for the use of Alternative Urban Areawide Reviews (AUARs) as environmental review, these are inconsistently applied across the state. This has caused significant frustration for members of the public and has even led to litigation. Certain projects may also trigger additional environmental review in the form of an Environmental Assessment Worksheet (EAW) or Environmental Impact Statement (EIS), adding to the total time a project might undergo environmental review. When the AUAR option was developed, the legislature was not contemplating hyperscale data centers, and using this incorrect tool for such massive projects has demonstrably failed residents statewide.

The DE-1 Amendment to H.F. 2862 provides the essential clarity, consistency, and efficiency in environmental review and permitting desired by both developers and the public.

First, the amendment requires the disclosure of key information during the permitting process and operation. This includes the infrastructure needs of the facility, the anticipated and *actual* energy and water use of the facility, and a description of the kinds of service the facility might deliver (i.e. cloud storage, streaming, or surveillance). Importantly, it explicitly excludes trade secret information from public disclosure, consistent with existing Minnesota law. These minimum requirements for information do not tax the developer or end-user, as they already have the required information available to them. At the same time, sharing this information with the public provides the kind of transparency your constituents facing hyperscale data center development need.

Second, the DE-1 Amendment establishes consistent and meaningful opportunities for public engagement. We all understand the need to feel like our voices and opinions on issues directly impacting our lives matter, whether the proposed project is a hyperscale data center, a housing development, or a

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transmission line. This process ensures that the public can learn about the project *before* final decisions are made, can weigh in *during* the process, and understand what to expect *after* a proposed project is permitted. These opportunities do not slow down the process but rather avoid expensive and time-consuming legal challenges after the fact.

Third, the process described in the DE-1 Amendment creates consistency for the developer. We have repeatedly heard that a lack of clarity around the permitting process or environmental review makes doing business here more difficult for data center operators. Establishing a clear process provides the certainty for developers looking to Minnesota as a place to operate in the future.

It is important for the legislature to act now and create clear, consistent guidelines for the permitting and review of proposed hyperscale data centers. The public must be included in the process to ensure that these projects are in the public's best interest. This is what communities across the state are asking for, and what businesses expect. For these reasons, CURE urges you to support the DE-1 Amendment to H.F. 2862.

Sincerely,

/s/ Sarah Mooradian  
Government Relations & Policy Director  
CURE  
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Montevideo, MN 56265  
(320) 269-2984  
sarah@curemn.org

Date of Hearing April 14, 2026 & Bill Number: HF2862 (Acomb)  
To: Members of the Energy Finance and Policy Committee  
From: Rebecca Gilbertson and other immediate affected residents  
Affiliation: Stop the Hermantown Data Center  
City of Residence: Hermantown, Minnesota

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I'm writing on behalf of Stop the Hermantown Data Center, LLC, (SHDC). SHDC is a non-profit organization comprised of residents of Hermantown, surrounding affected communities, and even regional residents who formed a grass-roots organization to require the City of Hermantown to honor its obligation of transparency to the residents when considering such a project. SHDC is wholly supportive of HF 2862 (Acomb) and other data center reform bills being proposed this legislative session.

The proposed hyperscale data center in Hermantown, Minnesota is a 1.8 million square foot, 187-acre project, with possibility to expand to 279 acres, and yet to 403 acres. Google's announcement of *ownership* of the project on Tuesday, March 3 was contested by area residents as 13 of the 17 parcels of the proposed location (78%) are yet privately owned. The location is deeply problematic with hundreds of residents, children and families, generations of agricultural and farming lands, hundreds-old growth oak trees, prairielands, 55 acres of wetlands, abundant wildlife, and designated trout streams. **70-80% of individuals oppose or strongly oppose the data center, including its inappropriate siting. Surprisingly, immediate affected residents are watching committee voting decisions on data center reform bills this legislative session, including HF2862.**

Residents, who were informed about the hyperscale data center project from the Star Tribune (following their data practice act request of the City of Hermantown) assert that local decision making regarding hyperscale data center environmental review is deeply problematic. A data practices act request yielded 1600 pages of planning for over a year-and-a-half prior to the newspaper announcement about the project in September. Assistant City Administrator, Joe Wicklund, signed a "Mutual Non-Disclosure Agreement" on behalf of the "City of Hermantown" with Mortenson Development, Inc. on May 21, 2024. Another data practices act request also showed that Harmony Group LLC (one of Google's shell companies) was willing to pay legal fees related to lawsuits against the city for keeping the project secretive.

*To date, although the project size meets the requirement for mandatory EIS, as the 1.8 million square feet/4 buildings = 450,000 square feet (Minnesota rule 4410.4400), the local municipality has allowed TWO Alternative Urban Areawide Review (AUAR), paid for by taxpayer dollars. Residents are reeling as they feel they have no recourse in the decision-making process of their local government. We cannot recall elected officials without a home rule charter (yes, there is a local ongoing charter effort). We support HF 2862 as it provides additional regulation such as requiring the PUC as the RGU. The bill also addresses questions we've been asking for months, including: energy use, transmission infrastructure, cooling system, electronic waste, decommissioning.*

In summary, given the history of improper environmental review of an environmentally sensitive area, any effort or attempt to place regulation surrounding development activity of the wealthiest companies in human history who proclaim that they are using green energy while proposing to destroy the pristine environment that is Minnesota, and *our homes and way of life*, is welcome.





# CLEAN WATER ACTION

PEOPLE • ACTION • JUSTICE

April 12, 2026

RE: HF2862 (Acomb) & HF2862 DE 1 Support

Chair Acomb, co-chair Swedzinski, and members of the House Energy Committee,

Thank you for the opportunity to offer written testimony, especially given your lengthy agenda for the day. Clean Water Action Minnesota respectfully urges you to support the HF2862 (Acomb) DE 1 amendment, and HF2862 (Acomb) once amended. This amendment will provide critical safeguards for hyperscale data center development, requiring environmental review, flexibility reporting, and operating permits for these facilities. As we know, hyperscale data centers consume extreme amounts of electricity, and requiring these reviews and operational reports will provide both decision-makers and community members the vital information necessary to ensure the best decisions are being made when considering allowing the construction and operation of hyperscale data centers in our communities and state.

In general, hyperscale data centers pose significant and alarming risks to our energy resources, and our environment as a whole. As such, it is imperative to require environmental review and permits, along with flexibility reports, to ensure best integration into our existing power grid and electricity demands. The Congressional Research Service published a [report](#) in January 2026 using data from the U.S. Energy Information Association<sup>1</sup> and the Electric Power Research Institute<sup>2</sup>, and found that hyperscale data centers have a power draw of anywhere between 100 megawatts and 1,000 megawatts—the equivalent of 80,000 to 800,000 U.S. households. Further, the International Energy Agency found<sup>3</sup> that over 40% of data centers in the U.S. use natural gas to power the facility. This is an extreme energy demand to host these hyperscale data centers, and one which could result in the degradation of air quality in host communities.

In requiring an environmental review be conducted prior to the construction of any hyperscale data center, along with public notice and subsequent public engagement, we can ensure we are making well-informed decisions based on the specific operational plans

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<sup>1</sup> <https://www.eia.gov/pressroom/releases/press530.php>

<sup>2</sup> <https://www.epri.com/research/products/3002028905>

<sup>3</sup> <https://www.iea.org/reports/energy-and-ai/energy-supply-for-ai#abstract:~:text=With%20a%20share%20of%20over%2040%25%2C%20natural%20gas%20is%20currentl y%20the%20biggest%20source%20of%20electricity%20for%20data%20centres%20in%20the%20United%20States>

and demands for any hyperscale data center facility. Additionally, by issuing an operational permit for a hyperscale data center, communities and local governments have the means to hold the operator(s) accountable if there are any violations. We also appreciate the language contained in the DE 1 amendment to account for electronic waste management, as valuable resources can be recovered with proper electronic waste disposal, along with the requirement for decommissioning plans for when these facilities reach their end of life.

Finally, the inclusion of the flexibility report requirement provides the opportunity for hyperscale data centers to be “good neighbors,” and potentially even assets to our power grid. We greatly appreciate the language in Section 2, subd. 2(6) pertaining to co-locating hyperscale facilities next to existing electric generating facilities to protect residential utility ratepayers from any costs imposed by the data center. We have seen far too many examples elsewhere in the country of hyperscale data centers spiking electricity rates for residential consumers; as we struggle with affordability issues across the board, we must protect Minnesotans against rising costs of essential services like electricity.

Sincerely,

Avonna Starck

Minnesota State Director

[astarck@cleanwater.org](mailto:astarck@cleanwater.org)

Kyle Rosas

Minnesota State Deputy Director

[krosas@cleanwater.org](mailto:krosas@cleanwater.org)



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Administration

April 13, 2026



Community  
Center

Representative Acomb and Representative Swedzinski, Co-Chairs  
House Energy Finance and Policy Committee  
MN House of Representatives  
St. Paul, MN 55155



Community  
Development



Finance

Co-Chairs Rep. Acomb and Rep. Swedzinski,



Parks and  
Recreation

On behalf of the city of Becker, I write in strong opposition to HF 2862. This bill imposes so many requirements on a particular industry – data centers – that it has the effect of banning data centers in Minnesota, without explicating stating that.

There are many concerning aspects of this bill, including:

- Moves decision making to the state level, rather than local level.
- A ten-year limit on permit issuance with no assurance of permit renewal.
- Bills should be clearly written. In this case there is so many ambiguous clauses, i.e. “unforeseen contingencies”, “commensurate with”, “determines will not benefit the public interest”, “consistent with reasonable requirements,” that compliance with the law would be virtually impossible, and open to litigation.
- Reporting requirements are burdensome, and we are not aware of similar reporting requirements for any other business operating in MN who are not receiving any public grants or loans.
- Finally, this bill refers to numerous existing MN rules that these companies already need to comply with, making this bill needlessly duplicative.



Pebble Creek  
Golf Club



Police  
Department



Public Works

This bill is clearly written to discourage any data center from locating in Minnesota – regardless of the potential benefit and unfairly singles out their operations for onerous requirements. For the reasons above, we strongly oppose this bill and urge the committee to vote it down.

Mark Kolbinger, Mayor  
City of Becker



April 14, 2026

Representative Patty Acomb  
Co-Chair  
House Energy Finance and Policy Committee

Representative Chris Swedzinski  
Co-Chair  
House Energy Finance and Policy Committee

Representatives Acomb and Swedzinski:

I write today on behalf of the Minnesota Chamber of Commerce, a statewide organization representing more than 6,300 businesses and more than half a million employees across the state. The Chamber advocates for policies that enhance Minnesota's economy.

The Chamber is opposed to the DE amendment to HF 2862 (Rep. Acomb), which creates additional regulatory hurdles for data center project proposers that would have no significant benefit for environmental protection or utility rates. This legislation only serves to disincentivize investment and economic growth in Minnesota.

The agreement reached in last year's bill to allow for data center construction carefully balanced incentives for development with protection of water resources, fee structure, and energy use. We believe that law should be followed before adopting more regulatory burdens for these projects.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Morley", is positioned above the typed name.

Andrew Morley  
Director, Environmental Policy  
Minnesota Chamber of Commerce  
[amorley@mnchamber.com](mailto:amorley@mnchamber.com)  
763-221-7523

Date of Hearing April 14, 2026 & Bill Number: HF2862 (Acomb)  
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April 14, 2026

Minnesota House of Representatives  
Committee on Energy Finance and Policy  
Capitol 123  
Saint Paul, MN 55155

RE: House File 2862 – Data Center permitting and environmental review (DE1)

Dear Chair Acomb, Chair Swedzinski, and Committee Members,

On behalf of Clean Energy Economy MN (CEEM), we write regarding House File 2862, as amended by the DE1 amendment, related to data center development and associated energy infrastructure.

CEEM is an industry-led, nonpartisan nonprofit representing the business voice of energy efficiency and advanced energy companies in Minnesota. Our more than 70 member companies employ tens of thousands of Minnesotans and are committed to policies that support reliability, affordability, and economic growth.

Minnesota is increasingly recognized as a competitive destination for data center investment, enhanced by the strong, bipartisan framework enacted last session. That law is working—attracting projects that support job growth, expand the tax base, and drive investment in grid infrastructure, while advancing renewable energy, encouraging responsible water use, and ensuring new large loads are responsible for their own costs.

CEEM appreciates the intent behind this legislation and the importance of responsible development. However, we respectfully urge the Committee to reconsider advancing the DE amendment at this time. The current framework is still being implemented and delivering results; significant changes now risk disrupting that progress and creating uncertainty in a highly competitive market.

If further policy changes are considered, they should follow the same stakeholder-driven approach that made the 2025 legislation successful—bringing together developers, utilities, regulators, and policymakers to ensure balanced, durable outcomes.

Maintaining that collaborative approach will be critical to ensuring Minnesota continues to lead in responsible data center development while supporting reliability, affordability, and our carbon-free goals.

CEEM and our members stand ready to engage with the Committee, other lawmakers, and all stakeholders, and welcome the opportunity to provide additional information and perspective as discussions continue.

Sincerely,



George Damian  
Director of Government Affairs  
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