Missouri River Energy Services, Deb Birgen
Testimony on BE 133 before the House Climate and Energy Finance and Policy Committee
February 1, 2022

Good afternoon Chair Long and members of the committee, my name is Deb Birgen and I represent Missouri River Energy Services (MRES). We are a municipal power agency that provides wholesale power to 61 municipal electric utilities in four states; 25 of which are in Western Minnesota.

We are still in the process of reviewing the proposed bill HFXX (Revisor BE133) before you to understand the impacts it will have on MRES and its members. I am writing to provide a few brief comments and look forward to working with you and your committee as it moves forward.

Several portions of this bill combined will amend the Integrated Resource Plan (or IRP) requirements under section 216B.2422 to require detailed analysis regarding local jobs impacts. MRES supports hiring local workers on its projects. For example, when MRES recently constructed the Red Rock Hydro Electric Project, MRES urged the lead contractor to employ as many local workers as possible. Nonetheless, we are concerned about adding another layer of analysis to the IRP process that may add costs without benefiting workers and hope that we can discuss ways to address those concerns.

MRES serves municipal electric utilities in four states and either owns or takes power on contract from generation resources in six states: Iowa, Minnesota, North Dakota, South Dakota, Wisconsin, and Wyoming. We believe that the language of the proposal may need to be adjusted so that its reach does not extend beyond Minnesota to other states that have their own rules and regulations regarding energy.

Section 7 of the bill raises concerns as well. This section requires that for each non-renewable resource unit that may end its service life within the next 15 years, the utility's IRP must include a plan to replace the facility and a plan on transmission upgrades due to the facility retirement.

This adds unneeded steps in the IRP process. Planning out 15 years is much too far into the horizon for a specific resource or resources to substitute for a unit that may be retiring. This is especially true with on-going changes in resource technologies. Making extrapolations for 15 years in the future may just inundate the Department of Commerce with paperwork that yields no worthwhile facts or concreate plans.

Furthermore, as to transmission planning, the RTOs already have processes required in each of their respective tariffs for transmission planning and upgrades upon a unit's retirement. For example, in MISO, owners of required units must to go through a process outlined in Attachment Y. This obligates them to do transmission studies to determine what if any transmission modifications may be required prior to retirement of a generator—any generator. Doing what is proposed in this language would prove to be nothing more than an academic exercise, especially 15 years prior. This is unnecessary, untimely and redundant language and analysis that is not needed and is already done in the RTO process.

We will continue to review and analyze this legislation, including the other portions on siting and permitting. We look forward to working with you on these issues.

Thank you for your time and consideration.