

The Honorable Rep. Patty Acomb
100 Rev Dr Martin Luther King Jr Blvd
State Office Building, Room 593
St. Paul, MN 55155

March 4, 2024

Chair Acomb and members of the Climate and Energy Finance and Policy Committee,

Experts and stakeholders across the energy, environmental, and public sectors have clearly identified that expanding our electric transmission infrastructure is one of, if not the most important actions we need to take to achieve renewable energy generation growth and power grid reliability enhancements to successfully transition to a clean and prosperous carbon-neutral economy.

The NextGen Highways Coalition is a national movement, now with its first state-level coalition represented by the signers of this letter. Formed by diverse interests committed to knocking down barriers and opening up pathways to accelerate the critical transmission infrastructure sought by so many parties, the breadth of our coalition demonstrates the consensus that addressing the issues that make transmission development so difficult must be a top priority of our public officials.

Minnesota has a tremendous foundation for leading the country in this area, and this committee can set the tone by endorsing the legislation before it today. HF 3900 is supported by environmental groups, utilities, renewable energy developers, and labor who view it as a simple and common-sense first step to address a central cause slowing down transmission development in Minnesota – deciding where to put the infrastructure and securing the land rights and permits to put it there.

Many proposed transmission projects take years of time and financial investment to first plan a route that meets engineering standards and then negotiate with hundreds of individual landowners and community stakeholders for the rights to utilize that route. This comes at the expense of a speedy project timeline and often runs up against social resistance around impacts to other important land uses or simply folks who don't want a 150-ft. transmission tower dropped into their once unimpeded vista.

HF 3900 provides an option preferred by the vast majority of Minnesotans to solve these issues: ensuring all public rights-of-way (ROW) along interstates and highways are open to co-location of high-voltage transmission infrastructure. The state regulations currently prohibiting this option in interstate ROWs are based on both old federal guidance (since rescinded) and state statutes that have nothing to do with the technical, economic, or social feasibility of constructing high-voltage transmission lines in interstate ROWs. Recent public opinion research showed nearly 80% of Minnesotans would prefer the co-location of transmission lines and public ROWs to other alternatives.

The urgency is real. Minnesota committed to 100% carbon-free electricity by 2040 – 16 years from now. In the world of transmission planning which happens in 10-year cycles, that’s barely a blink of an eye. The calculus is simple:

- The state requires a dramatic expansion of renewable energy development to meet its clean power goals.
- Rapidly expanding transmission infrastructure is essential to achieving that development.
- This bill is a simple, effective, and highly popular solution for creating more options to build transmission faster.

Thank you for your consideration of this important legislation for Minnesota’s energy, economic and environmental future.

Sincerely,

Randy Satterfield
Executive Director
NextGen Highways Coalition

Co-signers



Fresh Energy

Rachel Wiedewitsch
Senior Policy Associate, Clean Electricity



George Damian
Director of Government Affairs



Kayla Christensen
Executive Director



Madelyn Smerillo
Regional Policy Manager



Aurora Vautrin
Political Director



Cora Hoffer
Clean Energy Policy Associate



March 5, 2024

RE: HF 3900

Representative Patty Acomb, Chair
House Climate and Energy Finance and Policy
St. Paul, MN

Dear Representative Acomb and members of the House Climate and Energy Committee:

On behalf of Missouri River Energy Services (MRES) and our 25 municipal electric utility members in Minnesota, we offer the following comments on HF 3900. We have been told that section 2 of the bill is likely to be amended out of the bill. We support removing that section of the bill and focus our comments on section 1 of the bill as originally introduced.

As Minnesota and other states move towards a more geographically and technologically diverse, intermittent, and distributed energy portfolio, more transmission will need to be built. Our existing grid must expand to move renewables to population centers; support electrification; and to provide reliability, resiliency and redundancy. In 2023, the U.S. Department of Energy released its [Transmission Needs Study](#), which quantified the transmission buildout required for the nation. While the study examined several scenarios, the median of the results showed that the country would need 47,000 gigawatt-miles of high voltage lines (over 69 kilovolts) by 2035. This is a 57 percent increase from today's systems. In scenarios that looked at high demand and high clean energy assumptions, it was even more pronounced—33,200 gigawatt-miles by 2030 (a 40 percent increase) and 125,000 gigawatt-miles by 2040, an increase of one and a half times over today's transmission system.

Utilities are not building transmission for superfluous purposes—these transmission projects are mandated by the policies that push for additional inverter-based generation on the grid, more electric vehicles, and increased electrification of homes and businesses. In short, utilities' decisions to build transmission is being dictated by state policies and consumer demands—not by the utilities themselves. We are concerned that HF 3900 seems to encourage more transmission in highway corridors, yet punishes rate-payers if those same transmission lines need to be relocated at a later date.

MRES is a not-for-profit municipal power agency. As such, our rates are entirely cost-based. Likewise, the 25 Minnesota municipal electric utilities we serve are also not-for-profit and serve their communities with reliable, cost-based power. By requiring main street, small-town Minnesota to foot the bill when the Department of Transportation changes its mind, this bill will increase rates and decrease the funds available to invest in reaching our green energy goals.

MRES urges the committee to rethink the impacts of this bill on consumer-owned utilities and put the bill aside, or at least exempt municipal utilities from it. At the very least, there should be some assurance added that if a utility is required to relocate in less than twenty-five years, or if the utility has met certain setback requirements established by the DOT, then the utility and its customer-owners should be reimbursed for the relocation costs. This would give municipal electric utilities and their customers some assurance that when they are pushed to locate lines in certain areas, they are not financially punished for it later.

MRES would like to thank Chair Acomb and the committee for allowing us to comment on this bill.

Sincerely,

A handwritten signature in cursive script that reads "Deb Birgen". The letters are fluid and connected, with a prominent loop at the end of the last name.

Deb Birgen
Vice-President, Government Relations