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Duluth-Detroit Lakes Plumbers and Pipefitters Local #11

Minneapolis-St. Cloud Plumbers Local #15

Minneapolis-St. Cloud Pipefitters Local #539

Minneapolis-St. Paul Sprinkler Fitters Local #417

> Minneapolis Gas Workers Local #340

Moorhead Plumbers and Pipefitters Local #300

Rochester Plumbers and Pipefitters Local #6

> St. Paul – Mankato Plumbers Local #34

St. Paul – Mankato Pipefitters Local #455

Virginia
Plumbers and Pipefitters
Local #589

Road Sprinkler Fitters Local #669 District 28

MINNESOTA PIPE TRADES ASSOCIATION

Affiliate of the United Association

Composed of Journeyman and Apprentices of the Plumbing and Pipe Fitting Industry

Of the United States and Canada

State Federation of Labor – A.F.L.-C.I.O.

March 17, 2024

Rep. Patti Acomb, Chair Climate and Energy Finance and Policy Committee

Dear Chair Acomb and Members of the House Committee on Climate and Energy Finance and Policy:

On behalf of the Minnesota Pipe Trades Association, I write in support of HF 4688 and HF 4689.

Minnesota Pipe Trades Association is an umbrella organization representing nearly 10,000 men and women working in piping related industries throughout Minnesota. Our members perform mechanical construction and repair work, including plumbing, pipefitting, and fire protection. The energy sector is critical for our members who build and maintain and repair thermal power-plants – including coal, gas and nuclear, along with petroleum and renewable fuel refineries and pipelines.

The energy transition is going to be challenging for those who have spent their careers working in the traditional energy sector. A "just transition" means ensuring that we are accounting for their unique skill sets and affording them opportunities to contribute to the low-carbon energy sector.

The installation of geothermal heating and cooling systems and thermal energy networks represents an important opportunity to put our members to work decarbonizing buildings. While geothermal systems can save building owners money over time, they can have higher upfront costs than air source heat pumps and traditional furnaces. By providing consumer rebates to building owners through HF 4689, we can help them get over the initial hurdle of installing a system. Utility-built thermal energy networks also present an important opportunity for our members. Utilities like Xcel and CenterPoint are already planning pilot projects for these types of systems. The Public Utilities Commission work group in HF 4688 will help accelerate these efforts.

We thank Representative Hemmingsen-Jaeger for bringing forward these important bills and would encourage members to support both bills.

Sincerely,

David Ybarra, President

Dear Chair Acomb and Members of the House Climate and Energy Finance and Policy Committee.

As utilities, clean energy advocates, labor unions, industry groups, and ratepayer advocates we write to express our support for HF 4688 a bill to create a Public Utilities Commission (PUC) working group to examine the deployment of thermal energy networks in the regulated utility context.

As Minnesota seeks to meet its greenhouse gas emissions goals, thermal energy networks have the potential to play a significant role in decarbonizing the heating and cooling of residential and commercial buildings as well as a potential to reduce energy costs. Through the use of geothermal technology or by capturing waste heat from sources like wastewater treatment systems, thermal energy networks use a shared network of pipes to move that heat in and out of buildings as needed. This creates an efficient and decarbonized source of heating and cooling. In addition to decarbonization benefits, thermal energy networks would create good paying job opportunities for skilled construction trades workers helping support Minnesotan work opportunities during the clean energy transition.

Because regulated gas utilities have significant experience building, maintaining and operating energy distribution systems, they are well positioned to deploy thermal energy networks. Both Centerpoint and Xcel Energy have proposed thermal energy network pilots in their initial innovation plans under the Natural Gas Innovation Act. However, there are a number of outstanding regulatory questions as it pertains to the deployment of thermal energy networks by regulated utilities. This working group will provide an opportunity for a wide array of stakeholders to discuss how these networks can be deployed in a way that best serves the public interest and advances state greenhouse gas emissions goals.

We would encourage members to support this commonsense proposal.

Sincerely,

Jamie Fitzke, CenterPoint Energy
Jim Pearson, Xcel Energy
Audrey Partridge, Center for Energy and Environment
Annie Levenson-Falk, Citizens Utility Board of Minnesota
Aurora Vautrin, 100% Campaign
Justin Fay, Fresh Energy
Joel Smith, LIUNA MN & ND
John Pollard, International Union of Operating Engineers Local 49
David Ybarra, Minnesota Pipe Trades Association