

April 7, 2021

Rep. Jamie Long  
Chairperson  
House Climate and Energy Finance and Policy Committee  
517 Rev. Dr. Martin Luther King Jr. Blvd  
St. Paul, MN 55155

Rep. Chris Swedzinski  
Republican Lead  
House Climate and Energy Finance and Policy Committee  
245 Rev. Dr. Martin Luther King Jr. Blvd  
St. Paul, MN 55155

RE: HF 2110 – Omnibus Energy Bill

Dear Chairperson Long and Republican Lead Swedzinski:

On behalf of our members, MMUA thanks you for this opportunity to comment on HF 2110, the 2021 Omnibus Energy Bill. While we are submitting these written comments in lieu of testifying on the bill, we remain available to meet with both of you and to answer any questions either of you or other committee members may have regarding our position on the wide array of issues covered in this omnibus bill.

MMUA is happy to support Article 1, sections 3 – 20, and 32, which encompass the ECO Act of 2021. As you are both aware, enactment of CIP reform as provided in the ECO Act is one of MMUA's top priorities for the session. ECO will provide utilities flexibility to continue providing conservation efforts while recognizing changes in how power is generated and consumed. We strongly encourage the passage of these provisions of HF 2110.

Unfortunately, MMUA has concerns about some of the other provisions of the bill, and must oppose still other provisions of the House Omnibus Energy Bill. These sections include, but may not be limited to the following:

Article 2, Sections 5-8, 23-24, 27-31, and 46-47 seek to codify what is widely referred to as "Clean Energy First." The joint power agencies MMUA and its members work closely with, continue to express concerns about how these provisions would work, and even whether it could work, while still assuring reliable and affordable energy to Minnesota consumers.

Article 2, Sections 9-24, seek to modify the Renewable Energy Standard (RES). Utilities have made great strides in reducing their carbon footprints and continue to increase the use of clean/renewable energy sources, but there are legitimate and costly challenges involved with the sole use of renewables, at least with current infrastructure and technological limitations.

Article 6, sections 4-8, would extend the Cold Weather Rule (CWR) by two weeks on both ends of the protective period, so that it would start October 1 and end April 30. While MMUA does not oppose this change, we do want to reiterate our concern about the size of some arrearages that could arise even after just one more month of extended CWR protections.

Article 6, HF 1031 would repeal the sunset of the Department of Commerce's authority to assess utilities for the department's activities with agencies outside the State. Extending the sunset would be better than repealing it, as the sunset was originally established following much discussion and offer exchanges when it was originally set.

Finally, Article 6 section 15 would impose a reporting mandate on utilities regarding the diversity of a utility's workforce and vendors. MMUA defers to its earlier letter submitted on HF 1592. MMUA supports efforts that would encourage persons of color to pursue a career in the utilities and thus create a more diverse application pool from which utilities could recruit a more diverse workforce, but believes the proposed reporting mandates would simply be a strain on the limited time and funds of many utilities without addressing the actual challenges to having more diverse utilities and suppliers.

Again, MMUA is happy to discuss these and other issues as the 2021 omnibus bill moves through the process.

Sincerely,

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