



February 9, 2021

Minnesota House of Representatives
Climate and Energy Finance and Policy Committee
State Office Building
St. Paul, MN 55155

Re: Modifying energy code for new commercial buildings

Dear Chair Long and Committee Members,

On behalf of Clean Energy Economy MN (CEEM), we write today in support of modifying the energy code for new commercial buildings. We support this bill because it defines a clear pathway to lower emissions and energy usage in Minnesota's buildings. By setting down clear parameters, this bill strengthens our state's clean energy businesses through policy leadership.

CEEM is an industry-led, nonprofit organization representing the business voice of clean energy in Minnesota. We work to help educate Minnesotans about the economic benefits of transitioning to a clean energy economy, and we are committed to growing and strengthening Minnesota's clean energy business ecosystem. Our membership consists of more than 40 clean energy companies ranging from start-up businesses to Fortune 100 and 500 corporations which employ thousands of Minnesotans across the state.

We thank Chair Long, and the leadership of the Building Efficiency Workgroup with the Department of Labor and Industry for advancing this draft legislation. If passed, the measure would set Minnesota on a course to require developers to construct net-zero buildings. Of note, Minnesota's commercial and large multifamily buildings make up roughly 19.5% of the state's energy consumption.¹ Modernizing building codes is a policy opportunity that helps drive greater efficiency and saves money for Minnesota homes and businesses. Providing additional energy efficiency options in buildings is a smart economic decision and one that benefits all Minnesotans - creating jobs and driving down emissions.

Since the onset of the COVID pandemic, clean energy jobs have declined 13.8%,² but the sector is poised for growth and recovery. Prior to the COVID-19 pandemic, over 61,000 Minnesotans were working in our state's clean energy industry, with clean energy jobs growing two and a half times faster than all other sectors of our economy.³ Stakeholders can and should continue to work together in order to identify shared solutions that deliver on market opportunities, jobs, and policy goals alike.

Additionally, CEEM and its member businesses know that climate risk is business risk. A movement toward low-carbon and carbon-free economies means lowering business risk. Businesses know their investors, customers, employees, and stakeholders expect them to have sustainable operations. State policies that support this progress sends a signal that Minnesota is open for business.

¹ Improving building energy efficiency in commercial and multi-family construction - Recommendations from the Minnesota Department of Labor and Industry and the Minnesota Department of Commerce informed by stakeholder workgroup activities and discussions. December 2020 (Based on 2017 data)

² BW Research Partnership- Clean Energy Employment Initial Impacts from the COVID-19 Economic Crisis, December 2020. January 13, 2021. <https://e2.org/wp-content/uploads/2021/01/Clean-Energy-Jobs-December-COVID-19-Memo-Final.pdf>

³ 2020 CleanJobs Midwest report <https://www.cleanenergyeconomymn.org/mn-clean-jobs-numbers>

Accelerating our transition to a cleaner and cheaper energy system will provide Minnesota with a competitive advantage and spur additional economic opportunities and benefits for all Minnesotans. Our organization looks forward to working with legislators, clean energy businesses and other stakeholders in the near-term to move Minnesota towards a thriving and prosperous clean energy future.

Sincerely,



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