

March 6, 2023

Minnesota House of Representatives
Committee on Climate and Energy Finance and Policy
Minnesota State Office Building, Room 200
Saint Paul, MN 55155

RE: House File 2439, Intervenor Compensation Bill

Dear Chair Acomb, Rep. Kraft, Rep. Swedzinski and members of the committee,

I write today to support continued stakeholder negotiations on HF 2439, a bill to provide compensation from ratepayers of investor-owned utilities to non-profit advocates and Tribal Nations to facilitate greater participation in proceedings involving those utilities at the Minnesota Public Utilities Commission. While ratepayers of these utilities and taxpayers already fund significant public interest intervention by the Minnesota Department of Commerce and the Office of the Minnesota Attorney General, we understand and generally do not oppose what Rep. Hollins is working to accomplish through this bill.

However, voices in the Building Trades have raised valid concerns about HF 2439 that have not yet been addressed. We share those concerns, and therefore ask that the bill be laid over and that members encourage continued stakeholders efforts to find common ground on the bill. Thank you.

Sincerely,

/s/ Mike

Mike Bull
Senior Policy Advisor to ALLETE/MN Power



March 7, 2023

State Office Building
Climate and Energy Finance and Policy Committee
Room 200
Saint Paul, MN 55155

RE: House File 2439, Intervenor Compensation Bill

Dear Chair Acomb, Rep. Hollins, and members of the committee,

CenterPoint Energy values and supports the concepts that HF 2439 (Intervenor Compensation) looks to achieve: adding diverse perspectives and underrepresented groups to proceedings. This legislation aims to do so by providing compensation to non-profit and Tribal Nations participants who materially assist in Minnesota Public Utilities Commission proceedings. This would be in addition to investor-owned utility ratepayers interests being represented by the Office of the Minnesota Attorney General and the Minnesota Department of Commerce.

Unfortunately, we must raise two areas of concern before we can fully support HF 2439. We request page 6, line 8 change from 'may' to 'shall'. This removes any uncertainty that costs deemed appropriate are fully recoverable to a utility. Additionally, there are many diverse voices this bill looks to incorporate, both in policy formation and implementation. Building Trades have raised concerns on HF 2439 that have not been addressed. We see validity in those concerns and ask for time for conversations between stakeholders to continue.

Sincerely,

Jamie Fitzke
CenterPoint Energy
Director of Government Affairs

March 08, 2023

Minnesota House of Representatives
Climate and Energy Finance and Policy Committee
State Office Building, Rm. 200
Saint Paul, MN 55155

RE: House File 2439, Intervenor Compensation Bill

Dear Chair Acomb, Representative Hollins, and Committee Members,

On behalf of Clean Energy Economy MN (CEEM), I write today in support of HF2439, which provides updates to compensate intervening participants in proceedings at the Public Utilities Commission (PUC). This bill provides support for small organizations and Tribal nations to participate in these important proceedings. It also addresses disparities by allowing greater representation of Minnesota's BIPOC communities to make their voices heard on issues at the PUC.

CEEM is an industry-led, nonpartisan, non-profit organization representing the business voice of energy efficiency and clean energy in Minnesota. We work to educate Minnesotans about the economic benefits of transitioning to a clean energy economy and are committed to delivering a 100% clean energy future where all Minnesota businesses and citizens will thrive. Our business membership consists of nearly 50 clean energy companies ranging from start-up businesses to Fortune 100 and 500 corporations that employ tens of thousands of Minnesotans across the state.

Public interest organizations who participate in PUC proceedings invest a tremendous amount of time and effort to best inform the PUC in their decision making. Successful examples of public interest organizations having an intervening impact on PUC decisions include electric rate cases, reporting shut off risks, and affordable payment plans. However, public interest organizations intervening at the PUC can also be expensive and costly to the organization. These costs exhaust resources and create barriers to participation in regulatory proceedings.

This bill, HF2439, would provide a much needed update to the long overdue statute created by the legislature to compensate intervenors extending to participants like 501c3 non-profit organizations, Tribal governments, and Minnesotan residents. Public interest organizations have an influential impact at the PUC and this bill ensures fair compensation for the continuation of an equitable clean energy future in Minnesota.

We thank Rep. Hollins for bringing this bill forward and Chair Acomb for hearing it in committee. If you have any questions, please let us know.

Sincerely,



George Damian
Director of Government Affairs
gdamian@cleanenergyeconomymn.org

March 7, 2023

Members, House Climate and Energy Finance and Policy Committee

Re: Support for HF 2439 – PUC participant compensation

Dear Senators:

The undersigned organizations and entities represent or support tribal, Indigenous, communities of color, rural, suburban, urban, low-income, youth, faith-based and environmental justice communities. We write in support of SF 2460, which updates the statute that provides compensation to public-interest intervenors in Public Utilities Commission (PUC) proceedings.

Increasingly, the PUC makes important decisions that impact our communities. PUC decisions govern the cost of energy, the selection and location of energy resources, the design of utility rates and programs, options for renewable energy, and even the availability of basic data about utility service and its impacts on Minnesota households.

However, our communities struggle to make our voices heard in these important decision-making processes. Intervening in a PUC proceeding is difficult, time consuming, and expensive. As a result, the PUC lacks a view into how many important decisions will affect Minnesotans – and particularly Minnesotans from those communities that have historically borne the brunt of pollution and unaffordable energy.

This bill provides support for small organizations and Tribal nations to participate in these important proceedings. To be clear, groups have to earn compensation under the bill: it is only available if a participant makes a unique contribution to a proceeding, provides convincing arguments and evidence, and meets a list of other strict criteria. Still, the bill will make possible greater representation of Minnesota's BIPOC communities and others who struggle to make our perspectives heard today.

We encourage you to support this important bill.

Sincerely,





Resilient Cities & Communities
Visionary People. Vibrant Places. Regenerative Futures.



Community Stabilization Project



IILSR INSTITUTE FOR
Local Self-Reliance



**Union of
Concerned
Scientists**



cc: Mike Molzahn, Committee Administrator
Joseph Birkholz, Office of Governor Tim Walz

March 7, 2023

Re: Testimony on HF 2439, Compensation in Public Utilities Commission proceedings

Dear Chair Acomb and members of the committee,

My name is John Farrell, and I am a co-director of the Institute for Local Self-Reliance, a Minnesota-based nonprofit that advocates for policy to diminish monopoly power and to increase the power of local communities. The Institute for Local Self-Reliance strongly supports this legislation to clarify the rules for participants in Public Utilities Commission proceedings to receive compensation for their participation. In particular, we believe this legislation strengthens the public oversight of monopoly utility companies, whose interest is defined by their legal obligation to their shareholders.

Electric and gas companies are unique among businesses operating in Minnesota, protected from competition by state laws that guarantee them captive customers. The state's regulatory commission was established over 100 years ago to provide proper oversight of these utilities and to ensure that the public interest remains paramount. It's an ongoing challenge.

Collectively, the state's three investor-owned utilities employ or contract with 105 lobbyists to persuade legislators or Public Utilities Commissioners that policies and rules favoring utility shareholders are in the public interest, according to the Minnesota Campaign Finance Board. That's one lobbyist for every two of you. Since 2009, these three utilities have spent more than \$30 million on lobbying to ensure that their private, shareholder interest receives a hearing.

While the customer benefits from covering the cost of utility lobbyists are uncertain, compensating participants for improving public interest outcomes at the Commission pays back. In Xcel Energy's recent resource plan, for example, intervenors provided independent modeling that showed the utility's plans would cost customers more than alternatives, helping the Commission reach a decision that will result in cleaner air and water, and lower costs for Minnesota electricity customers. Utility customers should pay for intervention that leads to these better outcomes, just as they're obligated to pay for the utility lobbyists that often oppose them.

Thank you for your consideration of this legislation. We ask that you vote in favor.

Sincerely,

John Farrell, Co-Director, Institute for Local Self-Reliance



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

My name is Tom Dicklich and I am the Executive Director of the Minnesota Building and Construction Trades Council. Together, our affiliated Unions represent over 70,000 union workers across the state.

Our members are affected by decisions made by the Public Utilities Commission in their capacities as workers who build and maintain energy infrastructure; customers who pay utility bills and rely on utility services for power and fuel; and employees of construction companies that not only rely on utility services but often work in energy-intensive industries.

The Minnesota Building Trades has participated in PUC proceedings on a limited basis, and several of our affiliated unions intervene more regularly in dockets that impact our members. We appreciate the willingness of the Commissioners to consider the views of stakeholders – not just from organized labor but from groups and individuals representing business, community and environmental concerns.

We support efforts to make PUC proceedings more open and inclusive of diverse voices, including funding for participation by Tribal governments. But we are concerned that HF 2439 as currently proposed will not accomplish this goal, but could instead do the opposite by providing a much larger megaphone to groups that are well resourced and represented in the process. We also believe that, as currently structured, HF 2439 could invite abuse by private interests that might seek to use the program for financial gain at the expense of ratepayers.

Under HF 2439, organizations that seek compensation must spend their own resources participating in the process and do so effectively enough to impact the ultimate decision in order to qualify for reimbursement of some or all of their expenses. As a result, those likely to claim the bulk of compensation awards are the usual suspects: organizations that already receive hundreds of thousands of dollars in foundation funding to lobby the PUC. Meanwhile, communities and groups that are not lucky enough to receive foundation funding or equivalent resources could see little benefit and even see their voices diminished as well-funded voices get louder.

Similarly, nothing in HF 2439 as currently proposed would prevent individuals or organizations from attempting to use the program to advance private interests at ratepayer expense. Under the current language, there is no upper limit to the amount that a private individual could earn annually for putting their stamp on a wide range of

proceedings that can include matters as simple as approval of land and equipment sales. There is also nothing that would prevent an industry-affiliated nonprofit organization from being compensated as much as \$200,000 per year for advocacy that advances the interest of their business sponsors.

Finally, we are concerned that some of the millions of dollars in proposed resources for intervenor compensation could be used to delay or block the deployment of energy infrastructure needed to reliably and affordably meet the state's energy goals. As currently proposed, HF 2439 could provide hundreds of thousands of dollars in compensation to opponents of energy projects, including not only gas-fired power plants that may be needed to maintain reliability, but also new renewable generation and transmission or and investments to extend the lives of existing nuclear power plants. By using ratepayer funds to intervene in Certificate of Need or other resource proceedings, these organizations and individuals could slow the energy transition and increase costs for ratepayers.

Based on these concerns, we urge members of the House Climate and Energy Finance and Policy Committee to carefully weigh the potential unintended consequences of a significant and costly change to the current intervenor compensation program, and to consider changes to the scope of the bill in order to minimize risks to ratepayers and to the public interest. If legislators choose to move forward with the bill this session, we ask that the expansion be authorized on a pilot basis at a smaller scale that does not unduly burden ratepayers or drown out the voices of those without the resources or expertise to benefit from the program.

Sincerely,

Tom Dicklich
Executive Director



March 07, 2023

Re: Support of HF2439

Chair Acomb and committee members,

Vote Solar is a non-profit advocacy policy organization working to repower our communities with sunshine and build a thriving clean economy with affordable solar energy for all. I am the Midwest Regional Director for Vote Solar and a lifelong resident of Minnesota, and I am writing in support of House File 2439.

Public Utilities Commission ("PUC") proceedings are highly technical, time intensive, and often inherently prohibitive for community members or underresourced organizations to actively participate. The PUC website states that "One of [its] key functions ... is to balance the private and public interests affected in each docket, and to make decisions that appropriately balance these interests." Without the ability and resources to actively participate in the processes of the PUC, the public's interests are not adequately represented. Entities such as investor-owned utilities, and other well-funded public institutions, have a structural advantage in the process. A mechanism that levels the playing field for community-based and underresourced organizations is vital to a fair and democratic process.

Vote Solar is currently intervening in the Xcel Rate Case as a member of the Just Solar Coalition ("JSC") - represented by the Environmental Law & Policy Center. The JSC supports a transition to a green energy economy that not only includes everyone but also helps to close the employment gap, improves the natural world, and creates a new story about the community's role in the energy system. This is an innovative community-based approach to rate case intervention. The coalition's intervention is only possible through concerted efforts by coalition members to fundraise and utilize in-kind contributions - along with plans to apply for intervenor compensation at the conclusion of the docket. Funding an intervention in this way is no small feat and is not practical for many organizations. Innovative, public, tribal, and community-based interventions can be made possible through stronger intervenor compensation mechanisms.

I urge committee members to support HF2439. This bill is a step toward a more inclusive and fair decision-making process that supports just and reasonable regulatory outcomes.

Jenna Warmuth | Midwest Regional Director | She/Her/Hers
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