Clean Energy Economy MN

CleanEnergyEconomyMN.org



January 21, 2021

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

Re: 100% Clean Energy Standard

Dear Chair Long and Committee Members,

On behalf of Clean Energy Economy MN (CEEM), we write today in support of the 100% Clean Energy Standard legislation. We support this bill because it 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 remain 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 Governor Walz and Lieutenant Governor Flanagan, for advancing this 100% Clean Energy Standard legislation. This is the definition of bold policy leadership -- and we're pleased to convey the support of Minnesota's clean energy business community.

CEEM supports this policy for three reasons: 1) it clarifies the state's commitment toward clean and carbon-free resources alongside our utilities, unlocking jobs and investment; 2) it considers the both the technological and social changes involved in a clean energy transition, ensuring benefits for communities and workers as system changes happen; and 3) it delivers on our state's commitment to building a clean energy economy. In short, this policy supports a transition to a clean, affordable, reliable energy system, while it unleashes economic opportunities across our state.

While advances in technology and business model innovations are driving down the costs for clean energy, strong policies are still needed to ensure timely investments are made in low-cost and competitive clean energy resources. Commitments to clean energy means investment certainty for businesses providing and receiving clean energy solutions across the state. Minnesota's innovators are delivering solar, wind, biomass, energy efficiency, and other solutions across the state. Minnesota's businesses are demanding secure, clean, and affordable clean energy options. States, cities, and Fortune 500 companies are increasingly working toward low and no-carbon energy futures. States which are able to provide policy support will attract more businesses. All of this means more investment right here in Minnesota.

Investments in clean energy are a down payment on good jobs for Minnesotans. Prior to the COVID-19 pandemic, Minnesota was home to over 61,000 clean energy jobs – and these jobs were growing two and a half times faster than all other sectors of our state's economy according to the 2020 analysis within our Clean Jobs Midwest report.¹ And this growth brought benefits to all corners of our state, as 37 percent of clean energy jobs are in Greater Minnesota. Since the onset of the COVID pandemic, clean energy jobs

¹https://www.cleanenergyeconomymn.org/mn-clean-jobs-numbers

have declined 13.8 percent.² While grim, we also know the sector is poised for recovery and growth. By passing policies that support continued investment in clean energy technologies, you are fueling the engine that drives recovery and growth, not only for the clean energy industry, but Minnesota's economy overall.

Lastly, our 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.

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. This bill will also continue to diversify our state's energy mix by significantly expanding our use of clean, reliable, and affordable energy. 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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² BW Research (2021) <u>https://e2.org/wp-content/uploads/2021/01/Clean-Energy-Jobs-December-COVID-19-Memo-Final.pdf</u>