

March 1, 2022

Representative Jamie Long, Chair Representative Chris Swedzinski, Ranking Member Members of the House Climate and Energy Finance and Policy Committee

RE: MREA Opposition to Energy Storage Mandates in HF 1651

Dear Chair Long, Rep. Swedzinski and members of the committee,

The Minnesota Rural Electric Association ("MREA") is the statewide association representing the interests of all 50 of the non-profit member-owned, membergoverned electric cooperatives in Minnesota – all 44 distribution cooperatives and all 6 generation and transmission cooperatives.

Electric cooperatives all over the state are installing storage at various points on their systems, learning through experience and from each other, how energy storage deployment can benefit their members. As the operation and economics of distributed energy storage continue to improve, you can be assured that Minnesota's electric cooperatives will expand the deployment of these systems.

However, this legislation leapfrogs that necessary technology and market improvements to mandate deployment of energy storage. Doing so will only unnecessarily increase costs to the members of Minnesota electric cooperatives. With distribution systems that average under 7 members per mile, Minnesota non-profit cooperatives must be highly strategic about where and when they make infrastructure investments to ensure continued affordability and reliability of service for their membership.

We urge the committee to not adopt these energy storage mandates. Thank you.

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Mike Bull, Director Policy and Regulatory Affairs