GREAT PLAINS INSTITUTE | Better Energy. Better World.

Benefits of the Future Fuels Act

H.F. 2083 (Lippert)

The Future Fuels Act (H.F. 2083) is a technology-neutral clean fuels policy (CFP) that would hold fossil fuel producers accountable for reducing greenhouse gas emissions while supporting a portfolio of clean fuels. The bill is supported by a broad coalition of stakeholders including automakers, clean energy and conservation organizations, and electric utilities.

Reducing Greenhouse Gas Emissions in Minnesota's Transportation Sector

The Future Fuels Act would require at least a 20% reduction in the carbon intensity of Minnesota's transportation fuels by 2035. The policy accounts for greenhouse gas emissions from "wells to wheels"—including production, transportation, and end use—and creates incentives for fuel producers to reduce emissions along the supply chain.

Supporting Transportation Electrification

Among other fuels, the policy would support increased deployment of electric vehicles, including passenger cars, trucks, and buses.

An electric transit bus could generate up to $152,000 over 10 years under a CFP, depending on credit prices. An electric school bus could earn up to $54,000 over the same period. This significantly improves the financial case for electric buses.

- As Minnesota's electric sector continues to decarbonize, EV charging will continue to generate more credit revenue.
- The policy would create incentives to deploy renewable energy to power EVs and produce other fuels, thus contributing to electric sector decarbonization.

The Future Fuels Act could also fund rebates to lower the upfront cost of EVs for Minnesotans.

California's CFP uses a portion of credit revenue from residential EV charging to fund a statewide point-of-sale rebate program.

Increased EV deployment also puts downward pressure on electricity rates, which benefits all ratepayers, not just those who drive an EV.

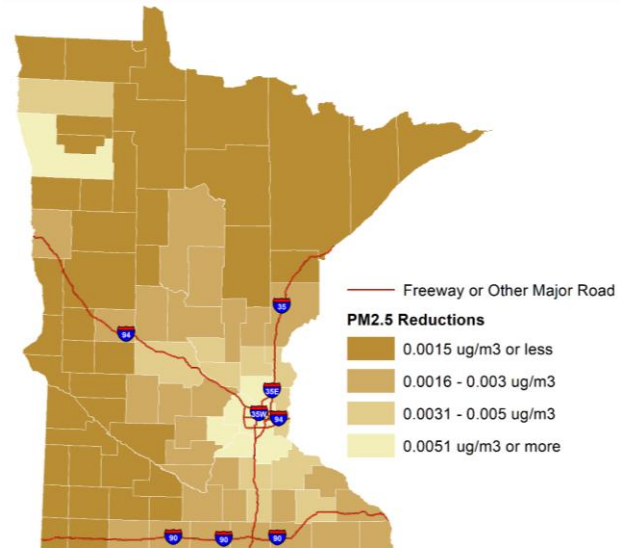
Supporting Minnesota's Economy

The Future Fuels Act would create net positive economic impacts due to increased availability of lower-cost, low-carbon fuels, investments in biofuel and electric vehicle infrastructure, and increased electricity sales.

- ICF modeling found a Minnesota CFP could contribute an annual average of over $197 million to gross domestic product and generate an annual average of 1,500 jobs and $95 million in labor income.
- The policy would also result in net benefits to gasoline users and the trucking sector.
- The program is funded by the fossil fuel industry, not taxpayers.

Benefiting Minnesota's Heavily Burdened Communities

Increased electric vehicle adoption under the Future Fuels Act would generate public health benefits due to reduced tailpipe emissions. It would reduce nitrogen oxide, sulfur oxide, and particulate matter emissions throughout Minnesota, particularly in more densely populated areas and along major roadways.[1]



This would generate statewide annual health benefits of up to $35 million.

Black, Indigenous and people of color (BIPOC) populations, low-income populations, uninsured residents, and people with disabilities, are most impacted by transportation pollution in Minnesota. The Future Fuels Policy would create particular benefits in these overburdened communities.

[1] Modeling and analysis performed in COBRA by McKayla Olig and Paul Meier at the University of Wisconsin in coordination with the Great Plains Institute.