

ST PAUL

AREA CHAMBER

401 N Robert Street, Suite 150
St. Paul, MN 55101

MAKING CONNECTIONS THAT COUNT

March 25, 2024

Representative Patty Acomb, Chair, House Climate and Energy Finance and Policy Cmte
593 State Office Building
St. Paul, MN 55155

Dear Chair Acomb and Committee Members:

On behalf of the 1,700+ members and affiliates of the St. Paul Area Chamber, I write to express our support for HF 4938, providing funding for the Anaerobic Digester Energy System Project.

Ramsey/Washington Recycling & Energy (R&E) manages the waste from the two counties and does so in an innovative and forward-thinking way. When no curbside organics existed in the counties, R&E developed the Food Scraps Pickup Program, which uses special compostable bags that can be collected with trash, and separated out by robotic sorters at their facility. The separated organics can then be processed by anaerobic digestion and produce biogas.

Along with producing clean, renewable energy, using anaerobic digestion will lead to a significant greenhouse gas emission reduction as compared to landfilling food waste. The public-private partnership between R&E and Dem-Con HZI BioEnergy will create 75,000 tons of organics processing capacity, which will assist the state in achieving its goals related to recycling (75% by 2030) and clean energy (100% by 2040).

The \$30 million state investment requested in this bill will provide lasting, positive environmental impacts for the region and state and we ask for your support.

Respectfully,



B Kyle President & CEO
St. Paul Area Chamber

CC: Rep. Athena Hollins



St. Paul Area Chamber



@SPACC #connectingstp



@stpaulchamber



St. Paul Area Chamber





CONSERVATION
MINNESOTA

March 27, 2024

Chair Acomb and Members of the House Climate and Energy Committee:

Conservation Minnesota urges your support for HF4938 (Hollins), an innovative collaboration to help solve Minnesota's growing solid waste problem.

The Minnesota Pollution Control Agency estimates that food waste makes up 18% of landfills in Minnesota. Food waste in landfills breaks down and produces methane, a greenhouse gas with heat-trapping potential 25 times greater than carbon dioxide.

Hennepin County estimates that organics and food waste make up about 32% of the material in our trash. Without organics diversion programs or food waste prevention, the organics and food waste that we throw away are either buried in landfills or burned at incinerators like the Hennepin Energy Recovery Center (or HERC).

HF4938 presents a significant opportunity to reduce landfilling and incineration of food waste and organics. Developing an anaerobic digester at Shakopee will increase our ability to manage our food waste and convert it to a reliable energy source. This facility will process an estimated 30,000 tons of residential food waste per year which would otherwise be lost to landfills or incinerators. The innovative public/private partnership is exactly the type of creative solution that Minnesota needs to see replicated so our state can truly move the needle towards a zero-waste system.

The Renewable Development Account has proven track record of funding "innovative energy projects" like this proposal. The repurposing of food waste and organic material could reduce demand on traditional fossil-gas sources and could lead to increased efficiencies in our statewide waste disposal system. It would also create a greater source of biochar, which can be useful for sequestering carbon as a soil amendment. This project provides immense value to our clean energy and environmental goals in Minnesota.

We ask for your support of HF4938 to bring this next-generation technology to scale in Minnesota.

Sincerely,

Nels Paulsen, Policy Director

nels@conservationminnesota.org

James Lehner, Policy Associate

james@conservationminnesota.org

March 22, 2024

Re: HF 4938, Anaerobic Digester Letter of Support

Dear Chair Acomb and Committee Members:

The Ramsey County Board of Commissioners is proud to offer our support to HF 4938 (Hollins), a bill that moves us forward towards our vision of creating vibrant, healthy communities without waste.

The Recycling and Energy Board (R&E Board), a Joint Powers Board of Washington and Ramsey Counties, recently launched an innovative Food Scraps Pickup Program to ensure that all households in the two counties have the option to recycle their food scraps easily from home. As you are aware, organics (such as discarded food scraps) make up over 20% of collected trash. It is imperative that we address this to both move towards Minnesota's 75% recycling goal and to reduce the greenhouse gases created by landfills. A key limiting factor has been the lack of sufficient infrastructure to process organics into beneficial products. Composting is the traditional method, but anaerobic digestion has the added benefit of producing biogas, which can be used to produce renewable natural gas.

The R&E Board has entered into a 20-year contract agreement to provide organics to DemCon facility for processing by anaerobic digestion and we are committed to pursuing this next level in waste management for Minnesota. Investment in this facility will produce 75,000 tons per year of new organics processing capacity in Minnesota. The facility will produce 170,000 MMBtu of renewable natural gas and 10,000 tons of biochar each year. This will result in a reduction of greenhouse gas emissions by 31,914 MTCO_{2e} annually compared to if food waste went to a landfill.

The time to invest in this new technology is now. Beginning construction this year will unlock \$30 million in federal tax credits that are only available until the end of 2024. It is time for Minnesota to look to new technologies to manage our organic waste, create renewable natural gas, and move us forward in our recycling goals. For that reason, we strongly support investment in this new and exciting technology and urge committee members to support it as well. Please feel free to contact Melissa Finnegan (651-278-8374) with any questions.

Thank you,



Commissioner Trista Martinson
Ramsey County Board Chair



March 22, 2024

***Sent via Email**

The Honorable Representative Acomb, Chair
Committee on Climate and Energy Finance and Policy
593 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

RE: Support for anaerobic digester energy system ([HF 4938](#))

Dear Chair Acomb and Committee Members:

Olmsted County has expressed interest in processing organics from residents and businesses utilizing anaerobic digestion. The proposed Dem-Con HZI Bioenergy, LLC (DC/HZI) located in Shakopee, Minnesota, would meet this need. Olmsted County recognizes and encourages innovative solutions to reduce waste and move material up the solid waste management hierarchy.

This project could add to Olmsted County's efforts to rethink waste as a resource. The most prominent material in our overall waste stream is organic waste, which accounts for 47% of the waste stream, 20% of which is food waste by weight. The county anticipates we would produce approximately 12,000 tons of organic waste per year that would be available for processing at an anaerobic digester facility.

The proposed DC/HZI digester provides the critical infrastructure needed for organics processing through an innovative solution by producing renewable natural gas (RNG) in Minnesota. Specifically, the DC/HZI digester will process up to 70,000 tons of organic waste, creating 170,000 MMBtu of RNG per year, 10,000 tons of biochar, and reducing over 30,000 tons per year of CO2 equivalent. The RNG provides a renewable energy source with the biochar being used to sequester carbon, both of which help meet the state's climate initiatives.

Olmsted County's Department of Environmental Resources supports the development of the DC/HZI digester. If you have any questions or would like additional information about our initiatives, please reach out to me at 507-328-7008.

Sincerely,

A handwritten signature in black ink that reads "Tony Hill".

Tony Hill
Director of Environmental Resources
507-328-7008
tony.hill@olmstedcounty.gov

March 20, 2024

To whom it may concern:

The Minnesota Pollution Control Agency (MPCA) is actively working to reduce food waste and to improve the management of wasted food in our waste streams. Food waste is one of the most environmentally impactful materials people and businesses regularly throw away in Minnesota's trash. Finding strategies to reduce how much food waste we create and to better manage food that is discarded, are critical steps to reaching the goals Minnesota's Legislature has laid out for the state.

New and innovative strategies are needed to position us for a future where food is no longer discarded in the trash. The Minnesota Legislature adopted a 75% recycling goal for the Twin Cities Metropolitan Area (TCMA) that we're tasked with achieving by the year 2030. We know to meet the challenge, we must dramatically expand programs and infrastructure to rescue food and when that's not possible, transform food waste into animal feed, compost, or digestate/biochar.

The type of organic projects Ramsey and Washington Counties are developing will help Minnesota meet this challenge. Approximately 14% of the state's population live within these two counties. Providing residents curbside food scraps collection and working with businesses on food scrap collection and processing is necessary if our broader goals are going to be met.

The MPCA's 2022 Metropolitan Solid Waste Management Policy Plan directs seven counties covering the Twin Cities metropolitan area to expand organics (i.e., food scraps) collections. The counties' efforts to build an anaerobic digester will further help expand the region's capacity to divert food scraps from the trash. As those programs come online, facilities and markets will be needed to accept the organic material and produce safe and marketable biogas, compost, digestate and biochar products.

Innovative organics diversion efforts like the Ramsey/Washington projects present the opportunity to test and evaluate new technologies and supporting systems, allowing Minnesota to better understand what options are most beneficial in the future. The Legislature has set out ambitious goals for the state, and bold actions are needed to meet them. Funding and policy support are critical elements to ensuring our success as we seek a future where we don't create so much food waste in the first place, and whereby new and innovative solutions create a beneficial use of the food waste that was not prevented.

Sincerely,

Kirk Koudelka

This document has been electronically signed.

Kirk Koudelka
Assistant Commissioner
Commissioner's Office

KK/TF:kj/rjp



505 Nicollet Mall
PO Box 59038
Minneapolis MN 55459-0038

March 25, 2024

Honorable Chair Acomb and members of the Climate
and Energy Finance and Policy Committee
100 Rev. Dr. Martin Luther King Jr. Blvd.
State Office Building, Room 200
St. Paul, MN 55155

**Re: Letter of Support for Renewable Natural Gas Production from Anaerobic
Digestion of Organics - HF 4938**

CenterPoint Energy, Inc. (CenterPoint Energy) supports the proposed Dem-Con HZI Bioenergy, LLC. (DC/HZI) anaerobic digester for organic wastes as an innovative solution to provide renewable natural gas (RNG) in Minnesota. The proposed project will process food waste and organics from the Twin Cities metropolitan area into RNG and biochar.

Specifically, the proposed DC/HZI digester would process up to 70,000 tons of organic waste creating an estimated 170,000 MMBtu of RNG per year, 10,000 tons of biochar, and reducing over 30,000 tons per year of carbon dioxide equivalent (CO₂e) emissions. The RNG provides a renewable source of energy, and the biochar can be used to sequester carbon, both of which help to meet Minnesota's greenhouse gas reduction goals. The greenhouse gas emission reduction from the proposed digester is equivalent to removing 6,147 passenger vehicles from the road each year ([Greenhouse Gas Equivalencies Calculator | US EPA](#)).

CenterPoint Energy is interested in helping our customers reduce their greenhouse gas emissions by purchasing RNG as part of our overall gas supply. Accordingly, CenterPoint Energy has included this project in our Innovation Plan submitted to the Public Utilities Commission under the Natural Gas Innovation Act (NGIA), approved by the Minnesota Legislature in 2021. NGIA was passed with the intention of helping Minnesota reach its greenhouse gas reduction goals. This proposed project is a great example of the infrastructure necessary to help meet these goals.

If you have any questions or would like additional information about our initiatives, please contact me directly at 612.321.5348.

Sincerely,

A handwritten signature in black ink that reads "Brad Steber". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Brad Steber
Regional Vice President | MN Gas Operations



414 Nicollet Mall
Minneapolis, MN 55401

February 23, 2024

**RE: LETTER OF SUPPORT FOR DEM-CON HZI PROJECT PROVIDING RNG
FROM ANAEROBIC DIGESTION OF ORGANICS**

To Whom it May Concern:

Dem-Con HZI Bioenergy, LLC has proposed an anaerobic digester for organic wastes as an innovative solution to providing renewable natural gas (RNG) in Minnesota. The proposed project will process food waste and organics from the Twin Cities metropolitan area into RNG and biochar.

Northern States Power Company, doing business as Xcel Energy, supports this project which can help make progress toward the state's greenhouse gas emissions reduction goals. Specifically, the proposed digester will process up to 70,000 tons of organic waste creating 170,000 MMBtu of RNG per year. It will also produce 10,000 tons of biochar and reduce emissions by more than 30,000 tons per year of CO₂ equivalent. The RNG provides a low-carbon gas alternative and the biochar produced is used to sequester carbon. These technologies can help advance the state's climate change initiatives.

Xcel Energy has included RNG from this project as a feature in our first Innovation Plan submitted to the Minnesota Public Utilities Commission (PUC) pursuant to the Natural Gas Innovation Act (NGIA) passed by the Minnesota Legislature in 2021. Under these Innovation Plans, natural gas utilities may propose a portfolio of innovative technologies designed to test forward-looking measures to decarbonize natural gas that are in earlier stages of development. This Plan will benefit our customers and the state by providing important learnings as we foster emerging technologies and test new decarbonization strategies.

If Xcel Energy's Innovation Plan is approved and we purchase RNG from DC/HZI's project, this would result in emissions reductions in excess of 20,000 tons of CO₂ equivalent during the first NGIA Plan period. These emissions reductions would support Xcel Energy in achieving our goals which include a 25% greenhouse gas emissions reduction target by 2030 and a net-zero emissions target by 2050 for Xcel Energy natural gas service. More information about our Net Zero Vision can be found here: [Net-Zero-Vision-for-Natural-Gas.pdf \(xcelenergy.com\)](https://www.xcelenergy.com/Net-Zero-Vision-for-Natural-Gas.pdf)

With these goals in mind we offer our enthusiastic support for Dem-Con HZI's important RNG project.

Sincerely,

/s/

RYAN LONG
PRESIDENT, XCEL ENERGY - MINNESOTA, NORTH DAKOTA AND SOUTH DAKOTA

INTERNATIONAL UNION OF OPERATING ENGINEERS

LOCAL No. 49, 49A, 49B, 49C, 49D, 49E, 49L
MINNESOTA • NORTH DAKOTA • SOUTH DAKOTA

EUGENE J. GROVER, President
RYAN P. DAVIES, Vice President
STEVE R. PIPER, Recording-Corresponding Secretary
MARVIN J. HOSE, Treasurer



JASON A. GEORGE
Business Manager/
FINANCIAL SECRETARY

2829 Anthony Lane South, Minneapolis, MN 55418-3285
Phone (612) 788-9441 • Toll Free (866) 788-9441 • Fax (612) 788-1936

Dear Chair Frentz,

The International Union of Operating Engineers Local 49 (IUOE Local 49) represents more than 13,000 Operating Engineers and their families in Minnesota. Our members include heavy equipment operators and mechanics, along with stationary engineers. Our members perform construction and maintenance work on a wide array of energy infrastructure projects.

We write to express our support for SF 4889, which will provide needed financial support to Dem-Con HZI Bioenergy's anaerobic digester project. The project is a unique private-public partnership that will allow for processing of food waste in the Twin Cities metropolitan area into renewable natural gas (RNG) and biochar.

In addition to our work in other parts of the energy sector, our members perform ongoing maintenance work on the natural gas distribution system. As such, we are actively engaged at the Public Utilities Commission (PUC) in the implementation of the Natural Gas Innovation Act (NGIA). As members of the committee know, NGIA provides an opportunity for natural gas utilities to pilot innovative resources that reduce greenhouse gas emissions. The initial innovation plans from both Xcel and Centerpoint include the use of RNG as an innovative resource that can serve to replace a portion of the natural gas in their system. If the Dem-Con project were to move forward, it would create an available source of RNG for potentially both utilities to use and help reduce greenhouse gas emissions from Minnesota buildings.

In addition to the greenhouse gas emission reductions and reducing the need for landfiling, the project will also create jobs for construction workers. We would encourage the committee members to support this proposal.

Sincerely,

John Pollard, Political Director, International Union of Operating Engineers Local 49

From: [Steve Albrecht \(TO\)](#)
To: [Finnegan, Melissa](#)
Cc: [Elizabeth Emerson](#)
Subject: SMSC LOS for Dem-Con HZI Digester Project
Date: Monday, March 25, 2024 5:12:49 PM
Attachments: [image001.png](#)

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Melissa-

The purpose of this email is to follow up on our Letter of Support for the Dem-Con HZI Digester Project. It is our understanding the funding source will be the Renewable Development Account (RDA). SMSC supports this important project as an RDA project also. Please include our previous LOS in support of the RDA funding proposal. Please let me know if you have any questions.

Sincerely,

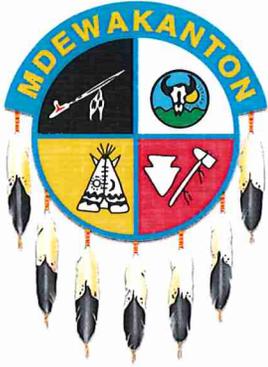
Steve Albrecht



STEVE ALBRECHT
Operations Administrator • Land
Shakopee Mdewakanton Sioux Community
d: 952.233.4236 | c: 612.590.5277
SMSCLand.Org
Steve.Albrecht@shakopeedakota.org

The Shakopee Mdewakanton Sioux Community is a federally recognized, sovereign Indian tribe located southwest of Minneapolis/St. Paul. With a focus on being a good neighbor, good steward of the earth, and good employer, the SMSC is committed to charitable donations, community partnerships, a healthy environment, and a strong economy.

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Shakopee Mdewakanton Sioux Community

2330 SIOUX TRAIL NW • PRIOR LAKE, MINNESOTA 55372
TRIBAL OFFICE: 952.445.8900 • FAX: 952.233.4256

OFFICERS

Cole W. Miller
Chairman

Natasha K. Coursolle
Vice-Chairwoman

Ashley J. Cornforth
Secretary/Treasurer

February 7, 2024

Legislative Citizen Commission on Minnesota Resources
Attn. Becca Nash, Director
100 Rev. Dr. Martin Luther King Jr. Blvd.
State Office Building, Room 65
St. Paul, MN 55155

RE: Innovative Solution to Renewable Energy from Food Waste - LCCMR Proposal

Dear Director Nash,

The Shakopee Mdewakanton Sioux Community (SMSC) supports the Dem-Con HZI Digester project submitted by the Recycling and Energy (R&E) Board for an innovative solution to providing renewable energy from food waste. The proposed project will process food waste and organics from Ramsey and Washington counties into renewable natural gas (RNG) through anaerobic digestion. The project will also use pyrolysis to create a marketable biochar which can be used as a soil amendment and sequesters carbon helping to meet the state climate change initiatives.

Specifically, the Dem-Con digester will process up to 50,000 tons of organic waste from Ramsey and Washington counties creating 170,000 MMBtu of RNG per year, 10,000 tons of biochar, and reducing over 10,000 tons per year of CO2 equivalent. This emission reduction from the proposed digester is equivalent to removing 2,155 passenger vehicles from the road each year ([Greenhouse Gas Equivalencies Calculator | US EPA](#)).

The Dakota people have long considered their relationship with the earth as a kinship. Following the tradition of planning seven generations ahead, the SMSC intends to protect and preserve the environment for future generations. This project is complementary to the SMSC's Organic Recycling Facility and will assist the metro region in reaching the 75% recycling goal by 2030. We support the waste management hierarchy and view the waste stream as a resource stream working to recover maximum value from discarded materials. The proposed project provides the infrastructure necessary to help meet these goals and is a critical step toward developing a sustainable waste management strategy protective of Minnesota's environment and natural resources.

If you have any questions or would like additional information, please contact Tribal Operations Administrator Steve Albrecht at steve.albrecht@shakopeedakota.org.

Sincerely,

Cole W. Miller
Chairman

March 26, 2024

Rep. Patty Acomb
Chair, House Climate and Energy Finance and Policy Committee
593 State Office Building
St. Paul, MN 55155

Re: Support for Anaerobic Digestion and H.F. 4938 (Rep. Hollins)

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

The Partnership on Waste and Energy (Partnership) is a Joint Powers Board consisting of Hennepin, Ramsey, and Washington counties, formed to address waste and energy issues. The Partnership seeks to end waste, promote renewable energy and enhance the health and resiliency of the communities we serve while advancing equity and responding to the challenges of a changing climate.

Organic materials, including food waste, make up the largest proportion of our trash—about 25%. Methane from organic materials decomposing in a landfill creates a warming effect 84 times greater than carbon dioxide over a 20-year period. Anaerobic digestion offers a solution to keep organic materials out of landfills, create clean renewable energy and reduce greenhouse gases.

Anaerobic digestion captures methane in a controlled process that creates beneficial products, such as carbon-negative renewable natural gas (RNG) that displaces fossil fuels in transportation or utility applications. The process also produces a digestate that can be used as a nutrient-rich fertilizer, or to create biochar for soil amendment or remediation and carbon sequestration. However, digesters need a significant up-front capital investment to construct.

H.F. 4938 provides essential funding for an anaerobic digestion facility in the southwest metro that will produce about 170,000 MMBtu of RNG and 10,000 tons of biochar annually. This public-private partnership, led by Ramsey/Washington Recycling & Energy, will help utilities implement the Renewable Natural Gas Innovation Act, help the state meet its climate goals and help the metro area meet a statutory requirement of 75% recycling by 2030.

State investment is critical for the success of local projects. The time is now for the creative financing solutions needed to achieve energy, environmental and economic benefits for the Twin Cities region and the state. By working together, we can create renewable energy, reduce greenhouse gases and reduce the amount of waste headed to landfills in Minnesota.

Sincerely,



Commissioner Victoria Reinhardt, Ramsey County
Chair, Partnership on Waste and Energy

PARTNERSHIP ON WASTE AND ENERGY
HENNEPIN | RAMSEY | WASHINGTON

100 Red Rock Road | Newport, MN 55055
info@recyclingandenergy.org | 651-768-6670