



117 South First Street • Montevideo, MN 56265

February 13, 2025

Chair Swedzinski
House Energy Finance and Policy Committee
Re: H.F. 28

Chair Swedzinski and Committee Members,

CURE is a rurally based, non-profit organization dedicated to protecting and restoring resilient towns and landscapes by harnessing the power of the people who care about them. We appreciate the opportunity to testify in opposition to H.F. 28.

Less than two months ago, Amazon Data Services (ADS) asked the Public Utilities Commission (PUC) for expedited review of its request for an exemption to the typical Certificate of Need process required under Minnesota law.¹ ADS is seeking to build a hyperscale data center in Becker and wants to have emergency backup generation available in the event that Xcel is unable to provide power. According to their filing, ADS would build 250 generators, operating on polluting diesel fuel, for a combined capacity of up to 600 MW, which is approximately the amount of electricity generated at the Monticello nuclear plant. Groups including CURE and the Minnesota Center for Environmental Advocacy, and importantly, the Department of Commerce and the Minnesota Office of the Attorney General, submitted comments to the PUC stating their position that a Certificate of Need is required in this instance. H.F. 28 would appear to end-run the ongoing discussions before the PUC.

This bill seeks to exempt any internal combustion engine used for emergency backup generation with a combined capacity greater than 50 MW from Certificate of Need proceedings. It would also allow for minimal environmental review and expedited permitting under the “standard” or local review processes. In other words, anyone, anywhere in Minnesota, could construct and operate a fossil fuel generation facility of a size that we normally permit as a power plant without having to prove that the generation is needed, thoroughly evaluate its environmental and human health impacts, or establish that the same goal cannot be met through less harmful means.

Diesel generators, like those proposed by ADS, can emit high levels of particulate matter, including fine particles and ultrafine particles known as PM_{2.5}, nitrogen oxides, and other toxic and carcinogenic air contaminants. Even if operated under the parameters of “emergency backup generation” (which does allow for operation in non-emergency situations), the size and scale of this facility means the surrounding community could still face a serious if intermittent pollution burden which should not be causally dismissed.

¹ Amazon Data Services, *In the Matter of Amazon Data Services, Inc.’s Petition for an Exemption from Certificate of Need Requirements for Emergency Backup Generators at Becker, Minnesota*, eDockets Document No. 202412-213305-01, <https://www.edockets.state.mn.us/documents/%7BA0131894-0000-CA1F-896D-37D55FD8A087%7D/download?contentSequence=0&rowIndex=17>.



The bill goes a step further in Section 1 and proposes to create a huge loophole in our bedrock environmental protections that would allow businesses to utilize the Alternative Urban Areawide Review (AUAR) process to circumvent typical environmental review. AUARs are intended to allow local governments to analyze different development scenarios, not the impacts of specific projects. Indeed, the AUAR that Becker completed prior to the ADS facility proposal mentions data centers but has no real or detailed assessment of the environmental impacts expected from facility of this size and scope.² AUARs were certainly not intended for the use of private companies to avoid compliance with the Minnesota Environmental Policy Act. Unsurprisingly, AUARs have less stringent requirements when it comes to the level of detail of environmental review and allow for less community engagement during the review process.

CURE urges this committee to think about the impetus of this bill, who would benefit from its passage, and who would be harmed. As the AI and hyperscaler sector surges forward at an unforeseen speed, we ask committee members to consider the implications of allowing some of the most powerful and wealthy companies to establish their own AI fiefdoms, above the law and unaccountable to the people and the State of Minnesota.

Sincerely,

/s/ Sarah Mooradian
Government Relations & Policy Director
CURE
117 S 1st Street
Montevideo, MN 56265
(320) 269-2984
sarah@curemn.org

² *Xcel Energy/City of Becker Alternative Urban Areawide Review (AUAR)*, Jan. 2023, <https://www.ci.becker.mn.us/DocumentCenter/View/2689/Xcel-Energy--City-of-Becker-AUAR>.