

March 10, 2025

Chair Swedzinski and Members of the Committee,

We are writing to express our opposition to House File 787, a bill exempting electricity generated outside Minnesota from the requirement that a proportion of retail electricity be carbon-free by certain dates.

The 100% clean energy law is popular with Minnesotans. Its passage was made possible due its support by a broad coalition of stakeholders. Their support was secured because attaining the law's standards is both necessary and possible. However, the pathways to reaching compliance are complex. For this reason, the law provides both guidance about and a process for problem solving the law's implementation.

For example, regarding the accounting of electricity purchased from out of state, section 216B.1691 reads:

- Subd. 2d. **Commission order.** (a) The commission shall issue necessary orders detailing the criteria and standards used to: (1) measure an electric utility's efforts to meet the standards under subdivisions 2a, 2f, and 2g; and (2) determine whether the utility is achieving the standards.
- (b) In the order under paragraph (a), the commission shall include criteria and standards that: (1) protect against undesirable impacts on the reliability of the utility's system and economic impacts on the utility's ratepayers and that consider technical feasibility; and (2) require the commission to allow for partial compliance with subdivision 2g from:
- (i) electricity generated from facilities that utilize carbon-free technologies for electricity generation, but only for the percentage that is carbon-free; and
- (ii) an electric utility's annual purchases from a regional transmission organization net of the electric utility's sales to the regional transmission organization, but only for the percentage of annual net purchases that is carbon-free, which percentage the commission must calculate based on the regional transmission organization's systemwide annual fuel mix or an applicable subregional fuel mix.

In other words, the law provides for the Public Utilities Commission to issue orders about out of state electricity purchases after ongoing and robust engagement of interested stakeholders, a process they are currently leading in Docket No. E-999 /CI-23-151.

We continue to believe that this process is the optimal way to ensure that Minnesota both engages key stakeholders and meets its clean energy goals.

Thank you for the opportunity to provide comments,

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