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The Honorable Josh Heintzeman Chair, Environment and Natural Resources Finance and Policy Committee Minnesota House of Representatives 658 Cedar Street, 2nd Floor Saint Paul, MN 55155

Chair Heintzeman and Committee Members,

Fresh Energy is a 30-year-old, Minnesota-based nonpartisan, not-for-profit organization. We work to shape and drive bold policy solutions to achieve equitable carbon-neutral economies. We appreciate the opportunity to share our concerns regarding House File 28.

Data Centers are rapidly emerging as both an economic development opportunity for the state as well as an infrastructure challenge and affordability opportunity for the electricity system due to massive new electricity demand potential.

To be clear, Fresh Energy believes that the question of what an appropriate regulatory review should look like for data center backup generation is a valid one for policymakers to explore. However, that discussion should take place in the context of a broader conversation about the future of data centers and the many and varied real public policy needs presented by their potential proliferation in Minnesota. In the face of these new scale and type of electricity customers, we agree that the question of how to regulate or review backup generation is especially relevant and should be answered with a fully developed policy framework. House File 28 offers only an exemption, which is simply the absence of regulatory review. For this reason, we oppose this legislation and encourage committee members to do the same.

Legislative and other policy discussions about the future of data centers will continue throughout this session and likely for years into the future. Fresh Energy is committed to participating thoughtfully in these discussions and we look forward to working with members to develop appropriate policies that best protect the interests of Minnesotans.

Sincerely,

Allen Gleckner Chief Policy Officer, Fresh Energy