

April 5, 2021

Senator David Senjem
Chair, Senate Energy and Utilities Finance and Policy Committee
3401 Minnesota Senate Building
St. Paul, MN 55155

Re: Support for S.F. 2075—Renewable Natural Gas, Xcel- District Energy St. Paul PPA

Dear Chair Senjem:

The Partnership on Waste and Energy (Partnership) is a Joint Powers Board consisting of Hennepin, Ramsey and Washington counties, formed to address waste management and energy issues, which often intersect. We are expressing our strong support for two provisions of S.F. 2075 related to renewable natural gas and the power purchase agreement (PPA) between Xcel Energy and District Energy St. Paul.

Renewable Natural Gas

The Partnership strongly supports the provisions related renewable natural gas in Article 2, Section 10 of S.F. 2075 and urges approval of this initiative. The development of a stable and reliable market for renewable natural gas is an important step to develop the infrastructure to recycle organics, such as food waste. This is a key priority for the Partnership.

Recycling of food and other organics, over 25% of our trash, will be necessary if metropolitan counties are expected to achieve the 75% recycling goal by 2030 as established in state law. Organics recycling programs are in the early stages of development. A key limiting factor is available infrastructure to process the organics into beneficial products.

Anaerobic digestion (also known as AD) is emerging as a valuable option to increase organics processing in Minnesota. While composting and AD both result in a beneficial soil amendment, AD has the added benefit of producing biogas. This biogas can be converted to various forms of clean, renewable energy, including renewable natural gas.

An objective of the natural gas innovation proposal is to provide a framework within which natural gas utilities can bring renewable natural gas into the marketplace. The Partnership believes this initiative will increase demand for renewable natural gas and create a stronger, more stable marketplace. Furthermore, policies that support the conversion of organics into biogas could substantially reduce greenhouse gas emissions and climate impacts of waste by tapping a readily-available renewable energy source and reducing the state's reliance on fossil fuels.

Xcel-District Energy Power Purchase Agreement (PPA)

Article 2, Sections 8 and 9 of S.F. 2075 provide for an extension of the PPA between Xcel Energy and St. Paul District Energy. We strongly support this extension and see it as necessary to help manage wood waste.

RE: Support for S.F. 2075

Emerald ash borer (EAB) is now identified in 26 Minnesota counties and continues to spread. Communities are removing and replacing ash trees as quickly as they can to slow the spread of EAB. The surge in waste ash wood being generated as we battle EAB is overwhelming our capability to properly manage it. This challenge is one of the urgent concerns of the Partnership.

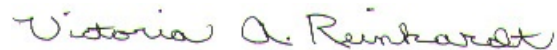
While the Partnership supports the multi-faceted response outlined in the EQB [2019 Emerald Ash Borer in Minnesota Report](#), we recognize that the steps that need to be taken are rolling out too slowly or are on hold for want of resources. We urge the state to ramp up funding and prepare a collaborative statewide EAB plan. In the meantime, we must do something with the growing volumes of wood waste.

Wood waste cannot be landfilled, nor can we open burn it. Our only practical outlet has been to provide wood as a fuel for the St. Paul District Energy facility. It is essential that the PPA between Xcel and St. Paul District Energy be extended to allow additional time to use waste wood responsibly.

We understand that the extension of the PPA is short-term. Nonetheless, we support this extension as an important part of our current best practices for managing waste wood.

Thank you for the opportunity to present the Partnership's support for these provisions in S.F. 2075. We strongly encourage passage to give the region and the state more tools to achieve statutory recycling and waste diversion goals, continue proper management of waste wood created by the EAB infestation and substantially reduce the climate impacts of waste.

Sincerely,



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

cc: Darrin Lee, Committee Administrator
Commissioner Debbie Goettel, Hennepin County
Commissioner Fran Miron, Washington County