

May 6, 2021

Senator Gary Dahms
Senator David Senjem
Senator Paul Utke
Senator Andrew Mathews
Senator Nick Frentz

Representative Zack Stephenson
Representative Jamie Long
Representative Patty Acomb
Representative Athena Hollins
Representative Tim O'Driscoll

Dear Members of the Omnibus Commerce Policy and Finance Bill Conference Committee (S.F. 972):

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. We seek to end waste, promote renewable energy and enhance the health and resiliency of communities we serve while advancing equity and responding to the challenges of a changing climate. We would like to comment on several provisions in the House and Senate versions of S.F. 972.

Provisions We Support

- **St. Paul District Energy/Xcel Energy Power Purchase Agreement (PPA)** (*Senate Art 5., Sec. 8-9, Lines 31.9-33.23; House Art. 12, Sec. 9-10, Lines 286.19-289.25*): We support the proposed short-term extension of the PPA between Xcel Energy and St. Paul District Energy. The surge of wood waste driven by the expanding Emerald Ash Borer (EAB) infestation cannot be landfilled, sent to waste-to-energy facilities or open-burned. The only practical outlet for this material at the present time is as fuel for the St. Paul District Energy facility. It is essential that this PPA be extended to allow additional time to develop alternatives for the proper handling of this waste wood.
- **Natural Gas Utility Innovation Plans** (*Senate Art. 5, Sec. 10, Lines 33.25-43.20; House Art. 8, Sec. 32, Lines 194.24-206.20*): We support the provisions authorizing gas utilities to petition PUC to include renewable natural gas (RNG) in its ongoing energy portfolio. The development of a stable and reliable market for renewable natural gas is an important step to recycle organics such as food waste and compostable packaging through the development of anaerobic digestion (AD) facilities. Conversion of organics into biogas can 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.
- **Future Fuels Act** (*House Art. 9, Sec. 3, Lines 235.7-239.14*): We support provisions establishing a technology- and fuel-neutral framework to decarbonize transportation fuels in Minnesota. Anaerobic digestion of organic material such as food waste can create clean, renewable fuels for the transportation sector. The Future Fuels Act will be a force for developing strong, reliable markets for biogas, supporting the development of infrastructure to substantially reduce the climate impacts of waste.

Provisions We Oppose

- **Exclusion of Waste-to-Energy as Eligible Renewable Energy Technology** (*House Art. 8, Sec. 9, Subd 1(a)(5), Line 176.15 and Sec. 10, Lines 177.6-177.17*): We support the eligibility of technologies that recover energy from waste in the state's long-standing renewable energy statutes and oppose singling out individual facilities that operate in good standing with all state and federal permits.

Provisions We Support with Reservations

- **Clean Energy, Carbon-Free Energy** (*House Art. 8, Sec. 5-32, Lines 174.3-194.23*): We support moving toward a substantially fossil-free and carbon-free electric grid in the timeframe the committee suggests. We encourage the committee not conflate state waste management policy goals with energy policy in ways that may lead the state in a direction that is neither fiscally nor environmentally sound. As such, we support flexibility in achieving clean energy and carbon-free electricity that optimizes overall environmental benefits while achieving the primary goal of reducing total greenhouse gas emissions in all aspects of the economy. Portions of the clean energy and carbon-free energy provisions in the House bill are inconsistent with such beneficial flexibility.

The Partnership strongly supports the existing state waste hierarchy. We support adopting state policies that work toward achieving zero waste, consistent with the Partnership's stated vision of ending waste. Our many waste and materials management programs successfully reduce waste generation, prevent waste through reuse and recover materials for recycling and composting.

Hennepin, Ramsey and Washington counties are leaders in Minnesota in efforts to reduce, reuse and recycle. We have created programs like [Choose to Reuse](#), [Fixit Clinics](#), [e-waste](#) and mattress recycling, [food scrap \(organics\) drop-off sites](#), [Master Recycler/Recycling Ambassador](#) training, [recycling grants](#) and [implementation support](#) for businesses and non-profits and the adoption of [ordinances](#) requiring residential and business organics collection programs. These and other programs like them have been emulated by communities elsewhere in the nation.

Waste-to-Energy (WTE) is not used to replace more preferential management methods. The primary purpose of WTE is to reduce landfilling. Landfills have created a legacy pollution problem in Minnesota that has cost hundreds of millions of dollars and will cost hundreds of millions of dollars more into the future. Landfilling is a significant source of methane in the atmosphere, at least 23 times more potent than carbon dioxide (CO₂) in its impact on climate change.

As long as society generates waste, the designation of WTE as a renewable energy resource in state policy is reasonable, as that resource is not depleted when used. Electricity and steam generation are byproducts of WTE, a function that helps to offset the costs of dealing with the societal problem of waste. The renewable energy designation helps facilities achieve higher value for the energy.

While the Partnership strongly supports efforts to substantially redirect state waste policy and resources towards achieving zero waste, waste-to-energy is the only type of power generation

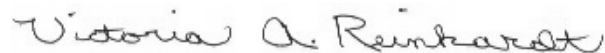
that can result in a net reduction in greenhouse gas emissions by mitigating methane emissions from landfills. We seek to work with legislators to achieve mutual goals of sound solid waste management that achieves environmental and health outcomes, and the adoption of greenhouse gas reduction goals that achieves carbon neutrality in Minnesota. The Partnership believes that integrating energy and materials management strategies to reach beyond current goals, policies and structures will achieve a more sustainable economy without waste, reduce greenhouse gases and improve other environmental outcomes.

Thank you for the opportunity to present the Partnership's positions in the effort to create a Commerce omnibus bill that best advances local government efforts in achieving state public health, environmental protection, waste management and energy goals in partnership with the state, municipalities, businesses and non-private organizations.

Please contact Sam Richie at Fryberger, Buchanan, Smith & Frederick, P.A. for further information on the Partnership's positions on these issues (srichie@fryberger.com, 218-301-9758).

We are grateful for your consideration of the Partnership's energy concerns and would respond promptly to any question or comment that you may have.

Sincerely,



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

cc: Commissioner Debbie Goettel, Hennepin County
Commissioner Fran Miron, Washington County
Darrin Lee, Senate Energy and Utilities Finance and Policy Committee Administrator
Mike Molzahn, House Climate and Energy Finance and Policy Committee Administrator
Adeline Miller, House Commerce Finance and Policy Committee Administrator
Owen Neubauer, Senate Commerce and Consumer Protection Finance and Policy Committee Administrator