

C-BED Testimony
H.F. 357
February 18, 2009

Mister Chair, Members, Good afternoon and thank you for the opportunity to speak with you today. My name is Mike Franklin and I am the Director of Energy policy for the Minnesota Chamber of Commerce. The Chamber represents 2,400 small, medium and large companies across the state of Minnesota. With respect to energy policy, we focus on the needs of the business energy customer, for whom reliability and cost competitiveness are the primary factors of any energy policy decision.

Mr. Chair, the Chamber was an active and motivated participant for several years in the discussion over Minnesota's renewable energy policy, and the RES in particular. As many committee members know, our ^{members} ~~concerns~~ were concerned by the possibility that a mandate would reduce Minnesota's national and international economic competitiveness. While we neither supported nor opposed the RES as passed, we were satisfied that if a mandate were to pass the legislature, the one crafted by this committee struck an appropriate balance between environmental & economic goals, and gave customers some assurance that both goals were important to the legislature, and would be important to the PUC.

Maintaining that balance is why we have strong concerns about HF 357. As others ^{also} have testified, we are very concerned with a policy that sets a statutory price for certain projects and then mandates that utilities buy them, regardless of reliability concerns or competitiveness of the project with all other eligible technologies. While this approach may result in more small C-BED projects, we are concerned that it would make the RES even more expensive than it otherwise will be, and possibly will jeopardize reliability for utility customers.

Our sincere hope is that committee members will work with utilities, customers and community energy advocates to help competitive projects become viable without jeopardizing the careful balance struck by the 2007 legislature in passing the RES, or jeopardizing Minnesota's electric reliability and economic competitiveness.