



May 9th, 2016

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3235 Minnesota Senate Building
95 University Ave. W.
St. Paul, MN 55155

Representative Jim Knoblach
State Office Building, Room 453
100 Rev. Dr. Martin Luther King Jr. Blvd.
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Senator Michelle Fischbach
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Representative Jenifer Loon
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Representative Denny McNamara
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Dear Omnibus Supplemental Appropriations Bill Conferees:

As the Conference Committee convenes to consider differences in the House and Senate versions of the Omnibus Supplemental Appropriations bill (H.F. 2749 and S.F. 2356), the undersigned organizations call your attention to the following priorities and concerns of the environmental and conservation community of Minnesota. These issues are key to protecting Minnesota's Great Outdoors through effective environmental review, local control of zoning, and forward-looking energy policies providing us clean water, healthy air, and abundant wildlife for future generations.

SUPPORT Senate Position: University of Minnesota Forever Green Initiative (Senate Article 3, Sec. 2: lines 57.14 - 57.27).

The Forever Green research and outreach is needed to accelerate development of economically viable perennial and cover crops that enhance water quality, soil health and habitat while providing expanded profitable cropping options for producers.

Language:

\$1,000,000 the second year is for grants to the Board of Regents of the University of Minnesota to fund the Forever Green Agriculture Initiative and to protect the state's natural resources [...] available until June 30th, 2018.

SUPPORT Senate Position: \$85 million for border-to-border broadband grants in FY 2016 and FY 2017 (Senate Article 5, Sec. 2: lines 102.24 - 103.3).

Expanding broadband internet access in rural Minnesota is a critical initiative for economic development. The House position of \$15 million in FY 2017 and \$25 million in FY 2018 would delay critical investments and is insufficient to meet the need. Tens of millions of dollars' worth of applications to the border-to-border broadband grant program have gone unfilled over the last two rounds of applications.

Language:

Sec. 2. DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT.
Border-To-Border Broadband Development Program. (a) \$85,000,000 in fiscal year 2017 [...] is a onetime appropriation.

SUPPORT Senate Position: Working Lands Watershed Restoration Program (Senate Article 7, Secs. 2, 3, 4 & 19: lines 165.27-165.30; 166.25-166.28; 167.1-168.11; and 177.18-178.14).

Establishes the Working Lands Watershed Restoration Program to provide incentives to landowners to grow perennial crops for use in biomass processing facilities and for livestock. The program will select two pilot watersheds with access to viable proposed biomass facilities. Priority will be given to agricultural lands in those watersheds that implement watershed clean-up plans. The funding provides development of an in-depth feasibility study and detailed program plan to implement the program, including maximizing the use of federal funds.

Appropriation Language (**165.27-165.30; 166.25-166.28**):

\$115,000 the second year is for the working lands program feasibility study and program plan.

This is a onetime appropriation and is available until June 30, 2018.

and

\$479,000 the second year is for the working lands program feasibility study and program plan.

This is a onetime appropriation and is available until June 30, 2018.

Policy Language (**167.1-168.11; and 177.18-178.14**):

Sec. 4. [103F.519] WORKING LANDS WATERSHED RESTORATION PROGRAM.

Subdivision 1. Definitions. (a) For purposes of this section, [...] proposed biomass processing facility.

and

Sec. 19. FEASIBILITY STUDY AND PROGRAM PLAN; WORKING LANDS WATERSHED RESTORATION PROGRAM.

(a) The Board of Water and Soil Resources shall develop a detailed plan to implement Minnesota Statutes, section [...] and to the Clean Water Council.

OPPOSE House Position: Weakening community zoning rights (House Article 10, Sec. 65: lines 198.11 - 199.4).

Current law is working and should not be changed. This language weakens the interim ordinance emergency power that allows cities to quickly put a temporary freeze on specified types of proposed development, giving the community time to study the issue, review their existing authority and, if necessary, create the appropriate zoning ordinances. This right is essential when the community is

caught off-guard by potentially harmful proposals not anticipated by existing zoning ordinances. The language unnecessarily delays cities from enacting an interim ordinance that “prohibit activities relating to housing.”

Language:

(c) If a proposed interim ordinance by a statutory or home rule charter city purports to regulate, restrict, or prohibit activities relating to housing, a public hearing must be held following a ten-day notice [...] section is effective for interim ordinances proposed on or after August 1, 2016.

OPPOSE Senate Position: DNR Pineland Sands aquifer study that undermines established environmental review practices (Senate Article 4, Sec. 2: lines 82.14 – 82.17)

R.D. Offut has proposed expansion of chemically-intensive potato production in the Pineland Sands aquifer (Cass, Hubbard, and Wadena counties), an aquifer which is highly vulnerable to contamination and already stressed by high rates of clearcutting and irrigation. This study allows that expansion to move forward before impacts are fully assessed, rather than following standard environmental review procedures. The memorandum of understanding between the DNR and Offut fundamentally undermines environmental review, a well-established public process that studies impacts before permitting in order to consider mitigation.

Senate Language:

\$1,000,000 the second year is for an impact study of irrigation on the Pineland Sands aquifer. This is a onetime appropriation and is available until June 30, 2019.

OPPOSE House Position: Micro-managing of lakes to use as storm water ponds (House Article 2, Sec. 35: lines 51.2-51.15).

This provision mandates the water level of Big Lake, replacing science and established public water laws with politics by having the Legislature determine the lake level. Micromanaging DNR by dictating permit requirements sets a terrible precedent for our natural lakes. Farmers favor a lower level in order to crop closer to the lake and the watershed district wants to use the lake as a stormwater pond for the City of Herman. The DNR opposes the language in the House bill, and no Senate companion was even introduced.

Language:

Sec. 35. WATER LEVEL CONTROL PERMIT FOR BIG LAKE; GRANT COUNTY. Notwithstanding Minnesota Statutes, sections 103G.407 and 103G.408, the commissioner of natural resources must issue a permit to the Bois de Sioux Watershed District [...] domain.

OPPOSE House Position: Phase out the Renewable Development Fund (House Article 16, Sec. 4: lines 134.6 to 134.16).

Section 4 phases out the Renewable Development Fund (RDF). The House language places cap on the cumulative amount of annual transfer payments that Xcel makes to the RDF for each cask of high-level nuclear waste. This transfer payment requirement was part of a long-term agreement with the Prairie Island Indian Community, Xcel Energy, and other stakeholders. Any change should be done in partnership with all of the original stakeholders. The RDF pays for research and development of clean energy projects that drive our energy system forward.

Language:

Subd. 1a. Payment termination. (a) The commissioner shall track the cumulative transfers made to the account each year since 1999 for each dry cask containing spent fuel that is stored at an independent spent-fuel storage facility at Prairie [...] ceased operation.

OPPOSE House Position: Expanding and restructuring the Public Utilities Commission (House Article 16, Secs. 5 & 6: lines 134.18 to 135.21).

House language would increase the number of PUC members from 5 to 9 and appoint them from compound districts. Major changes should not be made without full public hearings.

Language:

The Public Utilities Commission shall consist of ~~five~~ nine members, eight of whom shall each represent one of the state's congressional districts, and one member appointed at large. At the time of appointment, each member, except for the at-large appointee, must reside in the congressional district the member is to represent [...] following final enactment.

OPPOSE House Position: Regulating Community Solar Garden contracts at the PUC (House Article 16, Sec. 7: lines 137.1 to 137.26).

Community solar allows anyone with a utility bill to invest in local energy that supports solar businesses right here in Minnesota. The PUC doesn't have the expertise or capacity to analyze individual customer contracts – this would simply add red tape for consumers and businesses. This section will potentially derail hundreds of millions of dollars of investment in Minnesota—much of this investment in greater Minnesota.

Language:

(9) certify that the utility and the owner of a solar garden will submit copies of all marketing and promotional material and sample contracts to the commission, and that the materials will be updated periodically; [...] on or after that date.

OPPOSE House Position: Exempting the energy used for Pipelines from the Conservation Improvement Program (House Article 16, Secs. 8 & 9: lines 137.27 to 142.3). Minnesota's Conservation Improvement Program helps cut waste from our energy system, saving consumers, businesses, and utilities money. The implementation of that program involves dozens of utilities, program implementers, and independent nonprofits who specialize in energy savings.

OPPOSE House Position: Exempting Municipal and Cooperative utilities from the 1.5 percent Energy Efficiency savings goal (House Article 16, Sec. 10: lines 142.4 to 142.29). The goal currently in place has served our state well by driving the success of utility programs to meet and exceed a specific benchmark. Instead of exempting them, continue the discussion with the municipal and cooperative utilities of how to improve and expand the CIP program.

OPPOSE House Position: Exempting interstate pipelines, including future proposals and those currently under review, from the Certificate of Need permitting process at the Public Utilities Commission (House Article 16, Sec. 11: lines 143.24 - 144.20). The Certificate of Need process facilitates input from all stakeholders, including local governments and the public, and provides an important early vetting process for projects that could eventually involve the use of eminent domain authority. The process evaluates such factors as forecasted demand for the energy, alternative proposals to meet demand and considerations of the consequences to the public of building the pipeline. This language offers no alternative process for Minnesota to determine the need for an interstate pipeline.

Language:

; or

(8) an interstate pipeline traversing Minnesota whose termini lie outside the state. [...] date of this section.

OPPOSE House Position: Prohibiting solar development on sites where 3 or more acres of trees would be cut down (House Article 16, Sec. 13: lines 144.31 to 145.5). This amendment is makes growing solar businesses jump through a hoop that not a single other industry is forced to jump through.

Language:

Sec. 13.

[216E.023] PROHIBITION; SITING SOLAR SYSTEM; TREE CUTTING.

No state or local site permit may be issued for a solar energy generating system that would contribute to meeting the requirements of section [...] following final enactment.

OPPOSE House Position: Prohibiting use of state funds for implementing the Clean Power Plan (House Article 16, Sec. 18: lines 146.21 to 146.31). Minnesota has a history of passing common sense, bipartisan energy policy. These policies have put the state in a strong position to meet the Clean Power Plan goals. With more than 54,000 clean energy jobs already in Minnesota, the Clean Power Plan gives us the opportunity to continue moving that job growth forward.

Language:

Sec. 18. PROHIBITION ON EXPENDITURE OF STATE FUNDS; CLEAN

POWER PLAN. No state agency shall expend state funds to develop a state plan as required by the federal Clean Power Plan unless and until a final decision in the case of West Virginia, et. al., v. United States Environmental Protection Agency [...] amendments made to the plan.

Thank you for your commitment to protecting our Great Outdoors and giving these issues your full consideration. If you have questions or would like further information, please contact Matt Norton at mattnorton@mepartnership.org or 651-290-0154.

Sincerely,



Steve Morse, Executive Director
Minnesota Environmental Partnership

Alliance for Sustainability

Audubon Chapter of Minneapolis

Audubon Society of St. Paul

Austin Coalition for Environmental Sustainability

Clean Water Fund/Action Alliance

CURE (Clean Up the River Environment)

Environment Minnesota

Fresh Energy

Friends of the Boundary Waters Wilderness

Friends of the Cloquet Valley State Forest

Lutheran Advocacy - Minnesota

Mankato Area Environmentalists

Minnesota Center for Environmental Advocacy

Minnesota Conservation Federation

Minnesota Food Association

Minnesota Forestry Association

Minnesota Ornithologists' Union

Minnesota Public Interest Research Group

Minnesota Renewable Energy Society

Minnesota River Valley Audubon Chapter

Friends of The Mississippi River

Friends of The Parks & Trails of St. Paul &
Ramsey County

Institute for Local Self Reliance

Izaak Walton League of America - Minn. Division

Kids for Saving Earth

Land Stewardship Project

League of Women Voters Minnesota

Lower Phalen Creek Project

MN350

Renewing the Countryside

Save Our Sky Blue Waters

Save Lake Superior Association

Sierra Club - North Star Chapter

St. Croix River Association

Transit for Livable Communities

Voyageurs National Park Association

WaterLegacy