

December 15, 2021

To the leaders of Great River Energy,

Many people throughout Minnesota, and across the country, celebrated Great River Energy's move in 2020 to retire Coal Creek Station and make a groundbreaking transition to clean energy. That's why so many member-owners and member-owner advocates were so disappointed when GRE unexpectedly changed course. Minnesota has a deep cooperative heritage and has been a leader in the clean energy transition, making it that much more frustrating to see Great River Energy heading in the wrong direction. Minnesotans expect the best from our electric cooperatives and our electric cooperative leaders.

With that in mind, we urge you to stop the sale of Coal Creek Station. There is a better path forward.

The federal policy landscape has changed significantly since the GRE Board voted to approve this sale.

The impending passage of the Build Back Better Act will fundamentally change energy economics for rural electric cooperatives. Combined with new access to clean energy tax credits, rural electric cooperatives will have nearly \$10 billion available to them to help retire their coal plants and invest in clean energy. This historic investment will be the single largest direct investment in rural electrification in American history. With Build Back Better funding, alongside the billions of dollars made available for a multitude of other investments, GRE will have access to more resources than any other point in its history. And, by retiring Coal Creek instead of selling it, GRE would retain ownership of its incredibly valuable transmission line which could bring clean, renewable energy to Minnesota.

It would be a historic missed opportunity for Great River Energy and its member cooperatives and member-owners to move forward with the sale of Coal Creek and the HVDC line on the eve of this major federal investment in clean energy.

Hundreds of co-op member-owners have shared concerns about the process and outcome of the sale of Coal Creek and the HVDC transmission lines in a public comment period in the MN Public Utilities Commission docket on the transfer of the transmission line. These member-owners, from multiple distribution cooperatives, nearly unanimously asked the Commission to deny the permit transfer. From the beginning of the negotiation with government officials in North Dakota to the yet to be finalized deal with Rainbow Energy, member-owners have been left in the dark. GRE must stop the sale and restore trust and transparency in its decision making.

This historic federal funding is an investment in addressing the climate crisis through rural economic development. GRE has a long commitment to environmental stewardship, and its plans to add more wind energy and new battery technology show a clear commitment to reducing climate emissions and costs. Unfortunately, the sale of Coal Creek and contract with Rainbow Energy for a decade undermines that progress by enabling Coal Creek to continue operating. While Rainbow Energy says it plans to install carbon capture to Coal Creek, that technology remains untested and incredibly expensive. If Rainbow Energy, a company that has never owned or operated a coal plant before, is successful in installing carbon capture where others have failed, it is likely the CO2 would be used for enhanced oil recovery, further contributing to climate emissions, instead of being sequestered underground. Coal Creek must be retired to ensure a sustainable future.

Minnesota's electric cooperative member-owners deserve to be a part of this historic federal investment and deserve to have federal dollars made available to them for clean energy and energy efficiency investments in their communities. These opportunities will be significantly diminished should GRE move ahead with the proposed sale.

Great River Energy must keep the door open to bring major Federal investments home to rural Minnesotans. That's why member-owners need our cooperative leaders to stop this sale, push for the passage of the Build Back Better Act, and realize this historic investment in rural America.

Sincerely,

Erik Hatlestad CURE's Energy Democracy Program Director