

Sector by Sector Climate and Energy Outcomes Analysis

As compiled by Chris Conry at the close of Minnesota's 2023 Legislative Session

First, Minnesota passed one of the most progressive 100% clean energy bills in the U.S., then secured additional renewable energy policy and investments in the environment and climate omnibus bills. These include:

On renewables...

- Creating a Distributed Solar Energy Standard for Utilities
- Improving Community Solar Gardens Improvements
- Expanding Solar on Schools = \$29.3m
- Expanding Solar*Rewards Program = \$12.5m
- Establishing Solar on Public Buildings = \$5m
- Ending Homeowners Association Bans on Rooftop Solar
- Ordering a Utility Energy Storage System Capacity Study at the PUC

On transmission & siting policy & investments...

- Approving Siting Power Lines on Public Highway
- Streamlining Wind Siting for Independent Power Producers.
- Requiring Distribution Planning at Xcel
- Creating an Inconnection Docket at the PUC
- Funding High Voltage Transmission Line in Northern MN = \$15m
- Creating Electric Grid Resiliency Grants = \$5.3m
- Creating Distributed Energy Upgrade Grants = \$10.3m
- Funding the Univ. of St. Thomas Microgrid = \$7.9m

Second, Minnesota had a transformative session for transit, securing new, dedicated, & at-scale funding for transit, roughly \$1b per biennium. In addition, the legislature enacted the following:

On transit...

- Creating Dedicated Metropolitan Transit Funding (Sales Tax) = \$1.74b
- Expanding Metro Area Transit Bonding Authority = \$104.5m
- Funding Northern Lights Express Passenger Train = \$194.7m
- Investing in Greater MN Transit = \$85m
- Expanding Bus Rapid Transit = \$72m
- Extending the Blue Line Train = \$50m
- Expanding Passenger Rail to Chicago = \$14.6m
- Funding Highway 169 Bus Rapid Transit = \$3m
- Requiring Intercity Passenger Rail Planning = \$2m
- Requiring a Northstar Commuter Rail Study
- Establishing the Transit Service Intervention Project
- Establishing the Transit Rider Investment Project
- Ordering Transit Signal Priority System Planning
- Creating a Transit Fare Elimination Pilot Program

On active transportation...

- Investing in the Active Transportation Program = \$58.1m
- Funding Safe Routes to Schools = \$29.2m
- Creating Active Transportation Training Requirements for Schools
- Creating an Active Transportation Advisory Council at MNDOT

On transportation and land use policy...

- Requiring MNDOT to Set GHG Reduction Targets
- Requiring GHGs to Be Considered by MNDOT for Road Construction
- Creating a Greenhouse Gas Emissions Impact Mitigation Working Group
- Requiring Climate-Related Planning in Metro Area Comprehensive Plans
- Requiring MSP Airport to Report on Progress to 80% GHG Reduction by 2030
- Funding Reconnect Rondo = \$1m
- Creating a Clean Fuel Standard Working Group
- Requiring Train Derailment Emergency Response Preparedness

On vehicle electrification...

- Requiring Utility Transportation Electrification Planning Requirement
- Establishing National EV Infrastructure (NEVI) Program in MN
- Making Federal EV Charging Match = \$13.6m
- Funding a new Electric School Buses Program = \$13m
- Creating a Preference for EVs for State Fleets
- Requiring & Funding EV Dealer Training
-

Third, Minnesota made major investments and policy improvements on building decarbonization including a \$2.6b bonding bill and updated commercial energy codes.

On capital investments...

- Capital Investment Bill = \$2.637b - These improvements will make our buildings and transportation systems more efficient, lower emitting, and, soon, better climate adapted.

On building investments...

- Creating a Pre-Weatherization Program for Low-Income Homeowners = \$45.1m
- Creating an HVAC Upgrade Program for Schools = \$1m
- Establishing the Strengthening Minnesota Homes Program to prepare homes for high wind and hail events

On building policy standards...

- Updating the Commercial Building Codes
- Establishing a Statewide Commercial Buildings Benchmarking Program
- Funding a Climate Impacts on Public Buildings Study
- Adding Climate Resiliency to MN's Sustainable Building Guidelines
-

Fourth, Minnesota grew its work to tackle emissions from working lands. These investments included:

On healthy soil...

- Creating Soil Health Financial Assistance Program & Grants = \$21.1m
- Investing in the Agriculture Best Practices Loan Program = \$9.6m
- Expanding Cover Crop Incentives for Landowners = \$12.6m
- Investing in Soil Health Equipment Grants = \$2.5m
- Funding Forever Green Research at UMN = \$9.2m
- Implementing Tillage, Cover Crop, and Erosion Evaluations = \$850k
- Funding a Deep Winter Greenhouse Program = \$700k
- Funding Heritage Oilseed Research = \$600k

On emerging farmers...

- Expanding the Beginning Farmer Tax Credit = \$16m
- Adding LGBTQIA+ to Emerging Farmers Definition
- Funding Urban and Youth Agriculture = \$8m
- Expanding the Emerging Farmer Office = \$2.9m
- Supporting Livestock & Meat Processing for Farmers= \$2.5m
- Investing in Farm Business Management Training = \$1m
- Funding Farmer Down Payment Assistance Grants = \$1m
- Funding Community Development Technical Assistance Grants = \$275k

On local food system development...

- Investing in the Farm to School Program = \$4.9m
- Supporting the Good Food Access Program = \$4m
- Funding the Good Acre LEAFF Program = \$600k
- Creating Grants to Farmers Market Hubs = \$200k
- Establishing & Funding a Farm-to-Institution Coordinator Position in Ag Dept

On working lands conservation...

- Investing in the Conservation Reserve Program = \$16.5m
- Funding the Reinvest in MN Program = \$12.9m
- Funding Other Climate-Related Land Conservation = At Least \$66.8m

Likewise, Minnesota grew its work to tackle emissions from natural lands. These investments included:

On the Environment & Natural Resources Trust Fund Reauthorization...

- In 2024, Minnesota voters will get to vote on the reauthorization of the constitutional dedication of our state lottery proceeds to protection, conservation, preservation, and enhancement of Minnesota's air, water, land, fish, wildlife, and other natural resources.

On forests...

Investing in the:

- ReLeaf Program = \$15.2m
- Private Forest Landowner Assistance = \$4.2m
- Planting Tomorrow's Forests Today = \$3m
- Community Tree Planting Grants = \$10.6m
- Badoura State Forest Nursery = \$10m
- State Forest Reforestation = \$6m
- Emerald Ash Borer Replacement = \$1m
- Accelerated Tree Seed Collection = \$800k
- Creating a Lowland Conifer Reserve Program Study

On grasslands, prairies, wetlands, peatlands, bogs, & fens...

Investing in:

- Carbon Sequestration via Grasslands Protections = \$26m
- Carbon Sequestration via Peatlands Protections = \$15.6m
- Lawns to Legumes Program = \$4m
- Natural Resources Acquisition and Betterment of Public Lands = \$2.5m
- Creating the Habitat Enhancement Landscape Program = \$4m
- Establishing the Habitat Friendly Utilities Program = \$1m

Sixth, Minnesota started to tackle industrial emissions. For example:

- Setting Buy Clean, Buy Fair Requirements for Public Procurement
- Funding Sustainable Aviation Fuel Tax Credits = \$11.6m
- Investing in Green Fertilizer Production Facilities = \$7m

Seventh, Minnesota made historic progress on improving waste management statewide. These improvements include:

On waste reduction policy...

- Creating Digital Fair Repair Consumer Protections
- Setting Biodegradable & Compostable Product Labeling Standards
- Creating a Statewide Zero Waste Study
- Creating a Solar Energy Equipment End of Life Management Study

On waste reduction investments...

- Expanding Waste Prevention & Reduction Grants & Loans = \$25.9m
- Expanding Local Recycling Programs (SCORE Funding) = \$14.2m
- Accelerating Pollution Prevention at Small Businesses = \$1.8m
- Funding the Hennepin County Anaerobic Digester = \$26m
- Funding Olmsted County Waste Diversion Improvements = \$10m

Minnesota also had a transformational year on eight key cross cutting strategies. These are the initiatives that don't fit neatly in a single economic sector, but build up, sharpen, & make sectoral strategies work. The eight

categories are:

- Economywide
- Environmental Justice
- Workforce Development
- Economic Development
- Financing
- Consumer Protections
- Adaptation & Resilience
- Democracy Defense & Expansion

Minnesota enacted the Next Generation Climate Act, setting a statewide goal of reducing GHG's 50% by 2030 and to net zero by 2050 while avoiding adverse impacts on communities already overexposed to pollution. To make this possible, the state also invested economywide planning, in climate action planning:

- Local Climate Action Planning Grants = \$5m
- Small Communities Partnership Grants = \$5m
- Clean Energy Resource Teams = \$2m
- GreenStep Cities = \$380k
- Tribal Advocacy Council on Energy = \$300k
- Funding a Climate Pathways Analysis for State Decarbonization Planning
- Creating a Climate Implementation Coordinator at Dept of Ag
- Funding Staffing for a Climate & Public Health Program at the Dept. of Health
- Increasing Data Management and Data Quality Capacity = \$7.3m
- Disaggregating Demographic Data across the State Enterprise = \$5m

Minnesota's progress on environmental justice was nothing short of historic, passing a nation-leading requirement for a Cumulative Impacts Analysis for new & ongoing pollution permits in Environmental Justice Areas. The state also made scaled investments in:

On lead safety...

- Funding Lead Pipe Removal from Drinking Water Systems = \$240m
- Funding Lead Safe Homes = \$4m
- Banning on Lead & Cadmium in Children's Products
-

On air emissions...

- Funding Industrial Facility Air Toxic and Criteria Air Emission Reduction Grants = \$6.2m
- Increasing Community Air Monitoring = \$8.5
- Requiring Metro Air Toxics Emissions Reporting
- Strengthening Air Emissions Permitting
- Investing in Air Compliance Equipment
- Establishing Odor Management Program for Metro Facilities
- Dedicating 40% of Large PCA Settlements to Community Health Boards
- Including Climate Impacts Analysis in Environmental Reviews

To make this transition happen, Minnesota made meaningful investments in Workforce Development, including:

- Tribal Construction Workforce Training Programs = \$3.6m
- Expanding Equity in Apprenticeship (LEAP Grants) = \$3.6m
- Growing Clean Economy Apprenticeships = \$3m
- Clean Economy Equitable Workforce = \$3m
- Minnesota GreenCorp = \$2.6m
- Rise Up Center in Minneapolis = \$1.5m
- Environmental Careers Pathway Program = \$1.1m
- Building Strong Communities Program = \$800k
- Strengthening Utility Diversity Reporting Requirements
- Requiring Prevailing Wages for Clean Energy Investments
-

To build these jobs, Minnesota also invested in economic development, protecting host communities & accelerating clean energy business development.

On host communities...

- Community Energy Transition Office & Grant Program = \$11.4m
- Host Community Economic Development Program = \$3.5m
- Electric Utility Transition Aid to Local Governments = \$7m
- Increased Annual Payments to the Prairie Island Indian Community by \$3.75m per year
- Requiring Xcel to Plan for the Decommissioning of the Allen S. King Coal Plant
- Enacting the Petroleum Refinery Safety Act

On economic development...

- Creating & Funding the Energy Alley Program = \$3m
- Supporting the East Phillips Neighborhood Institute Roof Depot Project = \$6.5m
- Creating a Battery Storage with MN Iron Ore Feasibility Study

To make these jobs possible, Minnesota created major new financing options, including:

On federal matching funds...

- Creating the State Competitiveness Fund = \$190m
- Providing IIJA Matches for Multimodal Transportation = \$276.4m
- Creating and funding the Transportation Advancement Account = \$203.3m
- Establishing a Federal Funds Coordinator at MMB
- Providing Federal Grants Technical Assistance for Transportation = \$2m

On climate & clean energy financing...

- Establishing a MN Climate Innovation Finance Authority = \$45m
- Adding Farmlands to the PACE Program

All of these investments only work if they work for consumers. Minnesota took huge steps to protect energy consumers. This include:

On consumer protections...

- Establishing Intervenor Compensation for Public Interest Advocates at the PUC
- Ordering Natural Gas Price Gouging Rebates = \$13.6m
- Improving Utility Consumer Dispute Resolution at the PUC
- Ensuring Consumer Access to Energy Use Data
- Requiring Climate Risk Disclosures for Large Banks

On consumer incentives...

Investing in:

- Electric Vehicle Rebates = \$15.7m
- Heat Pump Incentives = \$13m
- Residential Electric Panel Upgrades = \$7.5m
- Energy Storage Incentives = \$7m
- Electric Assisted Bicycle Rebates = \$4m
- Creating Homesteading Eligibility for ITIN Users
- Strengthening Minnesota Homes Program

To prepare and adapt to our changing climate, Minnesota made breakthrough investments in adaptation, resilience, and disaster preparedness. These investments include:

On adaptation & resilience planning...

- Creating Resilient Communities Grants for Local Govts = \$100m
- Funding Disaster Assistance Contingency Account = \$40m
- Preparing for Local Transportation Disaster Support = \$7.3m
- Investing in Wildfire Aviation Infrastructure = \$6.4m
- Expanding the Weather Ready Program at the U of M Extension = \$4m

On adaptation & resilience implementation...

Investing in:

- Flood Mitigation = \$122.7m
- Living Snow Fences = \$2.5m
- Highways for Habitat = \$1m

Government works when it's representative & responsive. Minnesota acted in 2023 to protect and expand our democracy through:

- Restoring The Vote for the Formerly Incarcerated
- Establishing Automatic Voter Registration

- Allowing for Pre-Registration of 16 & 17 year-olds
- Establishing Permanent Absentee Voting
- Providing Drivers Licenses for Undocumented Minnesotans