

August 5, 2021

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

Submitted via mn.gov/puc eFiling

Re: Letter of Support, COVID-19 Relief and Recovery, Xcel Energy's Petition for Approval of Electric Vehicle Programs, Docket No. E002/M-20-745

Dear Executive Secretary Seuffert:

The Minnesota Pollution Control Agency (MPCA) appreciates the additional opportunity to participate in the Minnesota Public Utility Commission's (MPUC) "Inquiry into Utility Investments that May Assist in Minnesota's Economic Recovery from the COVID-19 Pandemic" (Docket number E,G-999/CI-20-492), and specifically Xcel Energy's electric vehicle (EV) program proposals (Docket numbers E002/M-20-745). The MPCA submitted comments on October 16, 2020, broadly supporting efforts in this docket and others to advance transportation electrification, renewable energy, and equity (document ID number 202010-167451-01). This letter serves to highlight the MPCA's support for transit electrification and Xcel Energy's proposal for electric transit bus rebates.

Transportation is the largest emitter of greenhouse gases (GHGs) in Minnesota and reducing emissions from this sector is critical for achieving the statutory GHG reduction goals outlined in the Next Generation Energy Act (Minn. Stat. 216H). Electrification of transportation, including buses, is a critical part of broad efforts to reduce emissions from this sector. The MPCA continues to support electrification of the transportation system through our Clean Cars Minnesota rulemaking to increase the availability of light-duty electric vehicles, and through our investments of Volkswagen settlement funds. The MPCA will invest the 15% maximum amount allowed by the Volkswagen Settlement on light duty vehicle charging stations, a total of \$7 million dollars over 10 years (2016 through 2026). In the first two of three phases MPCA will have invested over \$12 million dollars for heavy duty-electric trucks, buses, and equipment. These investments are critical for making electric vehicles accessible to more Minnesotans and for advancing the technology into the heavy- and medium-duty vehicle classes. The VW Settlement grants have strict parameters that can limit applicants, especially the requirements to scrap an old vehicle. The utility investments proposed in this docket and others, therefore, would serve as important complements to the investments of the MPCA and others.

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Electrifying buses is especially important in advancing equity and environmental justice. In Minnesota, communities of color and lower-income communities are disproportionately exposed to air pollution while being less likely to own their own vehicle and more likely to rely on public transit.¹ Transitioning the buses that operate in these communities to clean and quiet electric buses is an important aspect for advancing transportation equity and environmental justice.

Funding support for Metro Transit and other transit providers is critically important for deploying electric buses in our communities. The proposed electric bus rebates would help transit providers transition some of their oldest, highest-polluting buses to cleaner, quieter alternatives. The proposal would advance environmental justice and support Minnesota's climate goals.

We appreciate your consideration of these comments. If you have any questions regarding our comments, please contact Amanda Jarrett Smith of my staff at 651-757-2486 or at amanda.smith@state.mn.us.

Sincerely,

Frank L Kohlasch

This document has been electronically signed.

Frank L. Kohlasch
Climate Director

FLK/AJS:je

¹ Traffic, Air Pollution, Minority and Socio-Economic Status: Addressing Inequities in Exposure and Risk. Gregory C. Pratt, et al. (<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC4454972/>)