

Comments from International Union of Operating Engineers Local 49

May 15 2024

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

RE: In the Matter of a Petition by CenterPoint Energy for Approval of its First Natural Gas Innovation Plan (23-215)

Dear Mr. Seuffert,

Thank you for the opportunity to submit supplemental comments on CenterPoint Energy's first Natural Gas Innovation Plan.

We continue to support the plan proposed by CenterPoint Energy which will allow for the deployment of a diverse array of innovative technologies that will reduce carbon emissions while creating good paying jobs for local construction workers.

We believe it is important to reiterate that the purpose of the Natural Gas Innovation Act (NGIA) is to allow regulated gas utilities to deploy a wide range of innovative resources, including both fuel and non-fuel options. The bipartisan bill recognized that at this point there remains considerable uncertainty as to the best path to reduce carbon emissions in the building sector. In light of this, the legislature specifically required that fuels make up at least 50 percent of the first innovation plan for each utility.

Despite this requirement, several stakeholders submitted comments opposing a number of the pilots that utilize decarbonized fuels. Some argued that decarbonized fuels like hydrogen and renewable natural gas should only be utilized in so-called "hard to decarbonize" contexts like heavy industry. In our view, this approach runs contrary to the intent of the legislature when they passed the NGIA. Additionally, while industrial uses are challenging to fully electrify, so is residential heating in Minnesota which typically requires natural gas backups to air source heat pumps. While we agree that each pilot should be evaluated on its own merits, we would encourage the Public Utilities Commission (PUC) to recognize that the future of our gas system is still unknown and support an array of resources as required by the law, instead of presuming a specific pathway to decarbonization for the buildings sector.

We would also encourage the PUC to grant reasonable flexibility for Centerpoint Energy to allocate approved funding across different pilot projects. Given the innovative nature of these resources, there remains uncertainty as to the final cost of deployment. Providing this flexibility will allow Centerpoint to maximize the use of ratepayer dollars in the deployment of innovative

resources and avoid having to spend PUC time and resources making minor adjustments to the approved plan.

Thank you for the opportunity to submit comments.

Sincerely,

Nathan Runke, Regulatory and Political Affairs Coordinator, International Union of Operating Engineers Local 49