



Minnesota Housing  
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Suite 400  
St. Paul, MN 55102

September 9, 2025

**VIA ELECTRONIC TRANSMISSION FILING**

Mike Bull  
Acting Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place E, Suite 350  
Saint Paul, MN 55101

RE: In the Matter of a Commission Evaluation of Changes to Natural Gas Utility Regulatory and Policy Structures to Meet State Greenhouse Gas Reduction Goals - Docket No. G999/CI-21-565

Dear Acting Executive Secretary Bull,

Minnesota Housing respectfully offers these comments in response to the Minnesota Public Utilities Commission (Commission) Notice of Comment Period issued on May 5, 2025 in PUC Docket No. 6999/CI-21-565, regarding what action the Commission should take to modify existing gas line extension policies for rate regulated gas utilities.

Minnesota Housing is the state's housing finance agency. We finance housing that low and moderate-income Minnesotans can afford while helping Minnesotans buy and fix up their homes. Along with fostering strong communities, we provide resources to stabilize neighborhoods, communities and families. We work cooperatively with others to support the development and preservation of affordable rental housing. For more than 50 years, we've worked to provide access to safe, decent and affordable housing and to build stronger communities across the state. In 2024, we distributed \$1.96 billion in resources and served 73,650 households.

Minnesota's climate has changed and will continue to change, affecting the well-being of our communities. These changes stem from many factors including human activities that release Greenhouse gas emissions, such as using natural gas to heat our homes. Residential emissions are rising and new housing development, as well as existing housing, plays a substantial role in energy consumption and Greenhouse gas emissions. Minnesota Housing recognizes its role in mitigating climate change by financing energy efficient housing that is powered by clean energy while also ensuring Minnesotans have resilient homes that are affordable, safe, healthy, and comfortable in the face of extreme climate impacts.

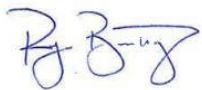
Minnesota Housing's priorities are in alignment with broader state energy goals, building codes, and resiliency efforts centered around climate change. In executive order 19-37, Governor Tim Walz established the Climate Change Subcabinet, of which Minnesota Housing is a member. The Subcabinet has worked together to release the Climate Action Framework, which identifies policies and strategies to reduce statewide Greenhouse gas emissions across all sectors as well as identify policies and strategies that will enhance the climate resiliency of Minnesota's communities. In addition, Minnesota Housing's 2024 – 2027 Strategic Plan outlines a key strategy to provide owners, developers and property managers equitable access to information, financial support and incentives to make energy and climate-resiliency improvements. This strategy includes providing technical assistance, incentives, and financing for energy and resiliency technologies. Other Minnesota Housing documents and plans also outline additional incentives and requirements for implementing energy efficiency, clean energy, and climate resiliency technologies in housing finance programs across the Agency. Examples of these include the Affordable Housing Plan, the Qualified Allocation Plan, and the Minnesota Overlay & Guide to the Enterprise Green Communities Criteria.

Minnesota Housing supports and advocates for policies and practices that create access, choice and a full range of housing options that are affordable in all communities. However, affordability must consider both the up-front construction costs with the long-term lifecycle costs of a home for its residents. Minnesota Housing has concerns that continued subsidy for the natural gas system will put more long-term burden on those Minnesotans with fewer financial resources, who may be at increased risk for rate increases as the natural gas infrastructure ages. Higher home energy bills already disproportionately affect people with low incomes and these families often lack the means to implement money-saving home energy, electrification and climate resiliency upgrades, maintain their indoor air quality, and affordably heat and cool their homes.

With these factors in mind, Minnesota Housing supports ending current gas line extension policies to subsidize new customers' connection to the natural gas system as a first step in helping the state meet our Greenhouse Gas emission reduction goals.

We appreciate the opportunity to engage in this comment period and look forward to continued discussions around this topic.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Baumtrog".

Ryan Baumtrog

Assistant Commissioner for Policy and Community Development

*Equal Opportunity Employer*