

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

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September 9, 2025

**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

JOINT LETTER

We, the undersigned joint supplemental commenters, write this joint letter in response to the Notice of Comment Period issued in the Future of Gas docket by the Minnesota Public Utilities Commission (Commission) on May 5, 2025, regarding what action(s), if any, the Commission should take to modify existing gas line extension policies for rate regulated gas utilities.¹ Given the broad and complex record before you, we offer this brief letter to highlight the degree of agreement on the main question at issue in this proceeding. For the reasons described below and in the comments that our organizations have contributed to this record, the undersigned diverse list of organizations and individuals are strongly in agreement that gas utility line extension allowances should be ended.

The parties to this letter include Minnesota state agencies including the Minnesota Department of Commerce, the Minnesota Housing Finance Agency, and the Minnesota Pollution Control Agency; a broad range of clean energy and climate advocates working at local, regional, and national levels; ratepayer advocates; environmental justice advocates; energy efficiency advocates; local governments; community organizations; architects and builders; and public health organizations and professionals. We have come together to file this joint letter because we recognize how important it is that the Commission take this initial step in the Future of Gas docket to ensure that this docket drives toward the statutory goals of evaluating the regulatory and policy changes needed to meet or exceed Minnesota's greenhouse gas emission reduction goals.

There is an urgent need to reduce greenhouse gas emissions and a clear legislative direction for the Public Utilities Commission to implement regulatory and policy changes to do so. It is therefore

¹ The undersigned parties may file additional supplemental comments independent of the joint letter with additional positions and recommendations.

unwarranted to continue to require existing customers to subsidize new gas line extensions which lock Minnesota into decades-long emissions, especially when there are viable electric alternatives. Additionally, continuing to commit Minnesotans to significant gas capital asset investments as per-customer demand is flat or declining puts increasing pressure on rates. This results in long-term financial burden being placed on existing customers, particularly on low-income and renter households.

Regulators in at least eight other states have shared similar concerns and have taken action to end these regressive gas line extension subsidies, seeing it as a logical step to take immediately, while the future of gas and decarbonization pathways for the state continue to be determined. This record has also shown the concerning inconsistencies, errors, and lack of transparency in gas utilities' current line extension allowance calculations. And we continue to be concerned about the well-documented negative health impacts associated with gas use in homes. For these reasons and the reasons thoroughly documented in our organizational comments in this record,² we recommend that the Commission end current gas line extension allowances.

Furthermore, we are concerned with the Center for Energy and Environment's suggestion to require a more comprehensive new home Energy Conservation and Optimization (ECO) program while continuing to allow for line extension allowances as this would effectively double down on ratepayer-funded incentives for gas expansion.

Specifically, the joint commenters support the following decision option:

Require that all regulated gas utilities eliminate line extension allowances.

We appreciate the opportunity to comment in this important docket as we work together to meet or exceed Minnesota's greenhouse gas emission reduction goals.

Sincerely,

(listed alphabetically by organization with state agencies first)

Sydney Lieb, Ph.D.
Assistant Commissioner, Office of Regulatory Analysis
Minnesota Department of Commerce

Ryan Baumtrog
Assistant Commissioner, Policy and Community Development
Minnesota Housing Finance Agency

Frank Kohlasch
Assistant Commissioner for Air and Climate Policy
Minnesota Pollution Control Agency

² We have compiled a list of any initial and reply comments submitted by the parties to this letter for ease of reference, included as Attachment A.

Mark Kresowik
Senior Policy Director
American Council for an Energy-Efficient Economy

Jon Hunter
Senior Director, Healthy Air Solutions
American Lung Association in Minnesota

Ayan Derie
Policy Coordinator
Ayada Leads

Noah Cordoba
Minnesota State Manager
Building Decarbonization Coalition

Annie Levenson-Falk
Executive Director
Citizens Utility Board of Minnesota

Megan Hoyer
Director of Climate Equity Action
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City of Minneapolis

Russ Stark
Chief Resilience Officer
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Brian Krohnke
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Pouya Najmaie
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Geanella Ochoa
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Hudson Kingston
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Erica McConnell
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Environmental Law & Policy Center

Caitlin Eichten
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Fresh Energy

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Rachel Wagner
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Kiki Velez
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Marcy Conrad Nutt
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Owner, Yarrow Architecture

Gladys Mejia
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Resilient Cities & Communities

Jenna Warmuth
Senior Manager, Midwest Regional Policy

Rewiring America

Margaret Levin
Minnesota State Director
Sierra Club

Tim Delhey Eian
Principal, Certified Passive House Designer
TE Studio Passive House Design

Emilia Gonzalez Avalos
Executive Director
Unidos MN

James Gignac
Midwest Policy Director
Union of Concerned Scientists

Curtis Nordgaard
Pediatrician and Assistant Professor of Pediatrics
University of Minnesota Medical School
(Signing in an individual professional capacity)

ATTACHMENT A

Initial and reply comments submitted by the parties to this letter (not including supplemental comments):

- Minnesota Department of Commerce Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7BB0C1EA97-0000-C93F-9C83-9360C201C27D%7D/download?contentSequence=0&rowIndex=44>.
- American Council for an Energy-Efficient Economy (ACEEE) Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7BB022EA97-0000-CF16-A9E8-59D0D7672A12%7D/download?contentSequence=0&rowIndex=56>.
- American Lung Association Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7B6060EF97-0000-C11E-B344-3A01A58DEA49%7D/download?contentSequence=0&rowIndex=58>.
- Citizens Utility Board Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7B60E2EB97-0000-C717-AA9B-F620C46786CE%7D/download?contentSequence=0&rowIndex=65>.
- Citizens Utility Board Reply Comments (August 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7B80868B98-0000-CA3C-A8DD-ADB4B763C17F%7D/download?contentSequence=0&rowIndex=32>.
- Comunidades Organizando el Poder y la Acción Latina (COPAL), Ayada Leads, Health Professional for a Healthy Climate and Dr. Curtis Nordgaard Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7BC060EF97-0000-C218-88F6-7C726CDD2172%7D/download?contentSequence=0&rowIndex=4>.
- CURE Reply Comments (August 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7B100E8B98-0000-C315-82FB-CCFC78AD72A4%7D/download?contentSequence=0&rowIndex=27>.
- Fresh Energy and MCEA Initial Comments (July 2025) *available at*
<https://www.edockets.state.mn.us/documents/%7BC0E0EB97-0000-C211-B70F-4B0FD3A483D5%7D/download?contentSequence=0&rowIndex=26>.
- Fresh Energy and MCEA Initial Comments expert report by Andrew Twite, Javelina Energy in Attachment A (July 2025) *available at*
<https://www.edockets.state.mn.us/documents/%7BD0E0EB97-0000-C715-92E4-1C172CCAEFEB%7D/download?contentSequence=0&rowIndex=27>.
- Fresh Energy and MCEA Reply Comments (August 2025) *available at*
<https://www.edockets.state.mn.us/documents/%7B90868B98-0000-CB1C-BA4E-E6E5AB7E438D%7D/download?contentSequence=0&rowIndex=23>.
- Local Governments Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7B60E3EB97-0000-CA1D-B555-0D5679CCA08A%7D/download?contentSequence=0&rowIndex=65>.
- Midwest Building Decarbonization Coalition, Sierra Club, Resilient Cities and Communities, Cooperative Energy Futures, Community Power, Native Sun Community Power Development, Justice Impacted Individuals Voting Effectively, and Just Us Gardens Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7BD0DFEB97-0000-C611-8176-CE79D2098B36%7D/download?contentSequence=0&rowIndex=61>.

- MN350 Action Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7BF0D2EB97-0000-C115-AA61-6FAA03AFAA20%7D/download?contentSequence=0&rowIndex=69>.
- Rachel Wagner, Simona Fischer Public Comments (September 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7BD0521599-0000-CC10-AD6E-A9371FE0EBF7%7D/download?contentSequence=0&rowIndex=5>.
- Rewiring America Initial Comments (July 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7B406DEB97-0000-CB15-AAE6-D8310CBAC00F%7D/download?contentSequence=0&rowIndex=54>.
- Rewiring America Reply Comments (August 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7B306C8B98-0000-CB18-A188-024738B4D758%7D/download?contentSequence=0&rowIndex=29>.
- Tim Eian Public Comments (August 2025) *available at*
<https://efiling.web.commerce.state.mn.us/documents/%7B802AA998-0000-C211-BF02-11CFC9F19E3D%7D/download?contentSequence=0&rowIndex=27>.