



**Comments on CenterPoint Energy's Investments that May Assist in
Minnesota's Economic Recovery from the COVID-19 Pandemic.**

PUC Docket Numbers: G-008/M-20-889 & E,G-999/CI-20-492

LIUNA Minnesota & North Dakota appreciates the opportunity to offer reply comments on CenterPoint Energy's proposed Tranche 1 economic recovery investments. After reviewing the first round of comments, we continue to believe that the proposed investments are prudent, and also consistent with the Commission's call for proposals that provide system benefits while supporting economic recovery and advancing environmental and equity goals.

In our view, CenterPoint's proposal to accelerate planned replacement of bare steel mains and legacy polyurethane pipe is exactly the kind of smart investment that the economic recovery docket has made possible, and we appreciate the support from the Department of Commerce (DoC). These pipe materials are obsolete and included in CenterPoint's replacement program, and the question is not whether they would be replaced, but when.

There is no evidence that ratepayers will pay any more for accelerated replacement. To the contrary, the record in the 20-492 docket clearly shows that the economic benefits of the project can be maximized by making the investments now, when demand is relatively slack due to the COVID-19 pandemic. For LIUNA members, this investment will amount to jobs now, when they are most needed, rather than later, when we have reason to believe that other opportunities will be available -- especially if we make these investments now.

We also support CenterPoint's proposed addition of two proposed hydrogen pilots. While the number of immediate jobs created by these projects is modest, we believe that they are crucial to the longer-term effort to cost-effectively decarbonize our buildings and industries while preserving hundreds of jobs for LIUNA members and others that safely maintain our natural gas distribution infrastructure.

The recent natural gas price spike that originated in Texas is cited by both DoC and the Office of the Attorney General (OAG) as a reason to deny or defer approval of proposed investments. But in the case of the hydrogen pilots, the price spike reinforces the need to support innovation in the natural gas industry in order to build local supply and reduce reliance on national commodity markets.

We believe that it would be a mistake to retreat from making beneficial investments based on the recent price spike, especially when the Commission has tools, including deferred accounting, that can and should be used to mitigate rate impacts resulting from the storm.

Thank you for the opportunity to comment.

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