

To Whom it may Concern,

The undersigned collectively provide these Reply Comments to the Initial Comments of other parties on Minnesota Power's (or the "Company") 2021 Integrated Resource Plan in Docket No. E015/RP-21-33.

Specifically, we'd like to address the term "Just Transition", our disagreement with its characterization within Minnesota Power's initial filing, and how we think the concept could be reasonably progressed in this IRP.

### **Just Transition, an exploration of the Framework**

In the Spring of 2020, back when Zoom was exciting and the only thing going, a number of volunteers from Northern Minnesota, under the auspices of the Northland Climate Policy Team facilitated by Minnesota Interfaith Power and Light, started to meet virtually to explore the concept of "Just Transition" together. It turns out that if you read about action to address climate change and foster equitable, sustainable economies, "Just Transition" commonly pops up, but within its complexities is difficult to pin down.

Not only is it a term little used outside select circles, but it's used in such a variety of ways and circumstances that its meaning is elusive. At its most basic level, "transition" refers to the need to transition to clean energy, and by extension a regenerative economy, in the face of overwhelming evidence that the burning of fossil fuels to drive our economies is driving rapid, global climate change. And social injustices that a fossil fuel-based economy causes warrant a "Just" framework to restructure society into a right relationship with the natural world.

Experts such as The 100% Network in its Comprehensive Building Blocks for a Regenerative & Just 100% Policy report describe a Just Transition as requiring us *"to build a visionary economy for life in a way that is very different than the economy we are in now. Constructing a visionary economy for life calls for strategies that democratize, decentralize and diversify economic activity while we damper down consumption, and (re)distribute resources and power. Just Transition initiatives shift the economy from dirty energy to energy democracy, from funding highways to expanding public transit, from incinerators and landfills to zero waste, from industrial food systems to food sovereignty, from gentrification to community land rights, and from rampant destructive development to ecosystem restoration. Core to a Just Transition is deep democracy in which workers and communities have control over the decisions that affect their daily lives."*

It is perhaps most often used in common language as a type of transactional term, where support is given to fossil fuel workers, and the communities in which they live, in return for society *transitioning* to renewable energy. Those folks have been trying to make a living by keeping our lights on and the wheels turning; it would thus be *unjust* to leave them behind.

However, many people in poverty have been historically kept out of, and directly harmed by, the fossil fuel economy. Even when our economy was “running hot” back in 2018, Northeast Minnesota’s poverty rate was 14.2%, 4% above the state average, while certain populations, such as African Americans, American Indians, or distinct rural areas in the Northland, had poverty rates ranging from 25 to 50%. The undersigned maintain that a transition to renewable energy sources - wind, solar and storage - would be considered *just* only when also lifting up the lives of people previously, and in some cases intentionally, left behind in our region.

Another consideration in how the term should be applied in our region is that the pollution from fossil fuel-based energy resources causing climate change is not evenly distributed. By examining the zip codes where coal ash is deposited, where highway cloverleafs abound, where a refinery is located, you’ll find that often, in both rural and urban areas, poverty, populations of color, and pollution overlap. And often times these are communities in which the people who live there also work in the industries that produce the pollution. The undersigned maintain that the industries – and those that govern them – have a responsibility to prioritize these areas for cleanup and assistance, so that we do not *unjustly* burden current and future generations with the pollution of our past, even as the rest of us transition to a cleaner future.

In this light, the undersigned greatly appreciated the PSE Health and Equity Study, submitted by The Minnesota Center for Environmental Advocacy, Sierra Club, Fresh Energy and Clean Grid Alliance within this docket. The Report substantially adds to public understanding of the impacts of continued fossil fuel use for electricity generation in our regions. By doing so it expands what we should all consider reasonably “Just” within this docket.

### **Just Transition’s current use by Minnesota Power within their initial IRP filing**

Minnesota Power’s proposed IRP uses the term “Just Transition” seven times within the 68-page main document, in reference to supporting the workers of their remaining coal power plants at the Clay Boswell Energy Center, and the communities in which they are based, the town of Cohasset, the nearby city of Grand Rapids, and Itasca County. Minnesota Power uses the term to justify their status quo, such as a delay in closing those plants for five years or more. Their use of “Just Transition” effectively puts off the necessary energy transition from a fossil fuel-based economy to an equitable, sustainable one: Clay Boswell continues to release harmful emissions, create more coal ash onsite that is poisoning local groundwater, and put new clean energy jobs on the sideline, all while generating guaranteed revenue for Minnesota Power from all of their ratepayers.

“Just Transition”, as defined by the Company, is a shallow, corporate vision of the term that we cannot agree with, nor do we think it should be applied within this docket as a foundational reason to keep Boswell open longer than necessary. Instead, we find it to be at best a narrow, and at worst a cynical, definition of the term that seeks to delay a clean energy transition with none of the urgency of the climate crisis or the social injustices we find ourselves in. While supporting workers and communities affected by the closure of a coal plant is laudable,

delaying those closures in the name of either social justice or energy transition supports neither.

### **Clean Energy Alternative IRP Plan is supportive of a regional Just Transition**

The undersigned do find that a broad-based regional application of “Just Transition” is reasonably asserted within the Clean Energy Alternative Plan, as submitted in initial comments by the Energy Futures Group and Applied Economics Clinic, on behalf of The Minnesota Center for Environmental Advocacy, Sierra Club, Fresh Energy and Clean Grid Alliance. The vast expansion of wind, solar, and storage assets within the Alternative Plan, coupled with the recommendations to close Hibbard as soon as possible, close Boswell’s remaining plants as soon as feasible, and not construct the NTEC facility – all for a similar cost to Minnesota Power’s proposed IRP plan - centers both an actual transition to clean energy production while seeking to mitigate the negative impact from fossil fuel generation facilities on our northern communities.

Finally, we feel compelled to point out that with the passage of the recent federal Inflation Reduction Act (IRA), there are very substantial increased financial incentives, for not only construction of renewables and the retirement of existing fossil fuel energy facilities, but also very specific incentives for justice, including additional funding for building clean energy in energy communities, low-income communities, and with American made products. In short, this law would seem to be a strong catalyst to Just Transition in northern Minnesota and makes a Minnesota Power IRP plan weighted more heavily towards renewables, energy storage, and clean local economic development even more attractive, sooner, with more robust local social justice impacts.

As such, we feel the Commission should seriously consider the recommendations of the Clean Energy Alternative Plan, particularly in the light of the passage of the IRA, and use both as a more serious reading of how a Just Transition could be reasonably applied in northern Minnesota.

Respectfully,

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