



Energy Transition Advisory Committee (ETAC) Plan

DECEMBER 2022

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Energy Transition Advisory Committee

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EXECUTIVE SUMMARY

The world, the United States and Minnesota are witnessing an energy transition as progress is made toward more environmentally sustainable and more affordable energy production. This transition has significant implications for existing energy production facilities (“power plants”). Some legacy power plants have closed, and many are projected to close as the energy landscape evolves. The transition will significantly impact the workers that power these facilities and the communities that host them.

Many impacts of the energy transition are positive: actively decreasing energy carbon footprints via wind and solar implementation, decreasing energy costs, mitigating climate change by reducing greenhouse gas emissions, improving human health and the environment with decreased air and water pollution and the creation of jobs and economic development opportunities related to the energy transition. Other impacts are challenging.

The host communities (school districts, cities and counties in which the power plants are located) impacted by closures will endure a substantial loss of tax revenue and tax base, the loss of good-paying power plant jobs and community impacts. The power plants these communities hosted generated energy for Minnesota’s homes, businesses, schools, hospitals and more. The workers at the power plants are dedicated and committed, putting in long hours so that Minnesotans have not had to wonder whether they would have power when they flipped the light switch. Power plants and their workers also supported host communities by participating in community activities, volunteering, philanthropy and supporting local businesses.

On April 29, 2022, the ETAC met for the first time to carry out its statutory purpose to “...develop a statewide energy transition plan and to advise the governor, the commissioner, and the legislature on transition issues, established transition programs, economic initiatives, and transition policy.” Minn. Stat. § 116J.5492, subd. 1. Further detail about the plan is provided under Minn. Stat. § 116J.5493. In August 2024 the plan was updated with legislative changes and other accomplishments. In 2025 ETAC created a survey to review and update the plan. This plan reflects those modifications.

The Energy Transition Advisory Committee (ETAC) was created to prepare a plan to assist in addressing the impacts from the closures. The ETAC in 2022 identified the following as priority recommendations to assist the communities and workers:

- **Workforce:** Provide adequate resources to retrain the existing and potential workforce in high-wage, high-demand jobs.
- **Community Engagement:** Support transitioning communities in their community engagement, marketing, planning and outreach.
- **Tax Base:** Explore tax base replacement aids to impacted communities.
- **Re-Use:** Encourage the re-use of existing infrastructure to support economic development and business retention.
- **Economic Diversification:** Create a toolbox to assist impacted communities including best practices and opportunities for economic diversification, capacity building and networking.
- **Energy Transition Office:** Expand and empower the Office of Energy Transition to coordinate programming and support and to provide guidance for recommendations.
- **Energy Transition Advisory Committee:** Legislative action to make the ETAC permanent.



BACKGROUND & HISTORY

HISTORY

The closure of a power plant significantly affects its host community and energy workers. The anticipated impacts that announced power plant closures would have within their communities, include: job loss among power plant employees and contract workers who supported the power plant; the decrease in demand for services and goods among local businesses which were engaged with the power plant; the significant loss of tax base; questions about what would happen at the location of the closure; environmental concerns; other impacts on the community and schools; and the effects on neighboring governments such as the Prairie Island Indian Community, townships, cities and counties. Not preparing and managing the closures has been witnessed in other parts of the United States to result in significant impacts to the energy worker and community.

The communities and power plant workers began working to better understand both the impacts of power plant closures and the efforts being undertaken in similarly situated states to plan and support for their energy transition. Their work led them to Colorado's efforts and its newly created Office of Just Transition, which assists with Colorado's coal mines and coal plant closures on energy workers and communities.

During the 2021 Legislative Session, the State Legislature passed Minnesota State Statutes 116J.5491, creating the Energy Transition Office; 116J.5492, creating the Energy Transition Advisory Committee; and 116J.5493, requiring the development of the Minnesota Energy Transition Plan. Modeled after Colorado's Office of Just Transition, the Minnesota Energy Transition Office was established to assist energy workers and communities affected by power plant closures and is only the second office of its kind in the United States. In 2024 the Legislature added a K-12 school representative.

In early 2025 the Federal Government eliminated the Interagency Working Group on Coal & Power Plant Communities & Economic Revitalization. This group brought together Federal Agencies to find opportunities to assist impacted communities nationwide. This included grants and support not only for impacted communities, but also for clean energy that Utilities had been contemplating in their work. Numerous Federal grants have been eliminated and as of this writing, what may take its place, if any, is unknown. Other Non-Profits, like the Just Transition Fund are working to provide resources, but their funding is also limited. The National Association of Counties has the Building Resilient Economies in Coal Impacted Communities. They continue to provide technical information through webinars.

CREATING THIS PLAN

This Plan was created in 2022 and updated in 2024 and in 2025 by a multi-disciplinary group who engaged in research and analysis, met with organizations and government staff, and compiled this document to assist in the transition planning.

Each member of the ETAC contributed to this document. Consistent with detailed statutory requirements for its composition, the ETAC brought together representatives of affected communities, impacted workers, utilities, lawmakers, state agencies, economic development professionals, the public, and other resources. Each member of the ETAC, and their respective communities and employers, are not presumed to agree with every detail included in this report—but bringing together a number of voices allowed for a variety of perspectives to be shared and reflected in this document.

Additionally, it should be acknowledged that the recommendations contained in this report can only reflect this moment in time. The economy, the state's energy needs, business cycles, the workforce, and community needs will continue to evolve with the changing energy landscape. These changing circumstances may require that this plan be revisited and revised. Moreover, it is anticipated that future power plant closures beyond those within this document might occur and present new challenges and opportunities. It is the ETAC's hope that this document can provide guidance and support as energy workers, host communities, and the state continue the energy transition and that the ideas and recommendations contained herein will continue to be considered, discussed, built upon and pursued.

Thank you to everyone who participated in the creation of this report – your time and hard work is valued and reflected in this document.

IMPACTED POWER PLANTS & COMMUNITIES

The changing energy landscape will impact power plants, energy workers, host communities, and utility owners. Information on a number of Minnesota's base load power plants' locations, fuel sources, number of energy workers, anticipated closure or license end dates, and ownership can be found in Fig. 1 and 2.

FIG. 1

Utility/Plant	City	County	Type	Employees	End of Lives
MN Power					
Boswell 1	Cohasset, MN	Itasca Cty	Coal	170	2018
Boswell 2	Cohasset, MN	Itasca Cty	Coal		2018
Boswell 3*	Cohasset, MN	Itasca Cty	Coal		2030
Boswell 4**	Cohasset, MN	Itasca Cty	Coal		2035
Boswell Common	Cohasset, MN	Itasca Cty	Coal		2035
Laskin Energy Center	Hoyt Lakes, MN	St. Louis Cty	Nat. Gas	10	2030
Taconite Harbor	Schroeder Township	Cook Cty	Coal	Retired	2021
Granite City	St. Cloud, MN	Benton Cty	Nat. Gas	Retired	2019
Xcel Energy					
Granite Falls	Granite Falls, MN	Chippewa Cty	Coal	Retired	2004
Allen S. King	Oak Park Heights	Washington Cty	Coal	87	2028
Sherco Unit 1	Becker, MN	Sherburne Cty	Coal	301	2026
Sherco Unit 2	Becker, MN	Sherburne Cty	Coal		2023
Sherco Unit 3***	Becker, MN	Sherburne Cty	Coal		2030
Monticello	Monticello, MN	Wright Cty	Nuclear	460	2040
Prairie Island Unit 1	Red Wing, MN	Goodhue Cty	Nuclear	600	2033
Prairie Island Unit 2	Red Wing, MN	Goodhue Cty	Nuclear		2034
Otter Tail Power					
Hoot Lake Unit 1	Fergus Falls, MN	Otter Tail Cty	Coal	Retired	2021
Hoot Lake Unit 2	Fergus Falls, MN	Otter Tail Cty	Coal	Retired	2021

*BEC 3 must cease coal operation by 2030, with further facility details pending in the next MP IRP.

**Co-owned with WPPI Energy

***Co-owned with Southern Minnesota Municipal Power

FIG. 2

Map of Minnesota Coal, Nuclear and Coal to Gas Host Communities*



*See Appendix 4 for the full list of host communities.

Community Concerns

In 2022, surveys were conducted by the ETAC to solicit public input. Surveys were sent to the impacted communities, counties and Prairie Island Indian Community. Survey responses showed that impacted communities are looking to support the economic development and expansion of current businesses, as well as to attract new businesses. Responses also indicated that community needs beyond the power plant closure also compete for the communities' scarce resources. Communities are not only facing the loss of power plants, but simultaneously many are struggling with demands for housing, child care, infrastructure, business needs and workforce challenges.

The energy transition will look different in each community. Figure 1 shows the announced dates of known power plant closures and the usable/permitted/licensed life of the power plants.

It is unlikely that any one singular new business will fully replace the jobs and tax revenues that were provided by the power plant. Creative business retention, local business growth, and economic diversification within the local economy is critical to prepare for and mitigate the impacts of a changing energy landscape. Economic development efforts have begun in many communities, but additional resources from federal, state, and local governments, as well as private and non-profit entities, are necessary and critical to strengthening those efforts. The ETAC recommends an expansion of state economic development resources to assist communities in managing their assets, exploring new opportunities for long-term growth, and attracting and retaining businesses in a competitive market. While grant-match-requirements for such existing programs are common, many shared in their survey responses that they had concerns about how such requirements could impact their community's ability to compete for those resources.

A second survey was completed in October 2022 to receive stakeholder comments from the Draft ETAC plan. The survey indicated concern about their community's future and the negative impacts of power plant closures on their local economy (particularly for displaced workers, families in the community); concern about the future energy supply and increased energy prices for the state due to future plant closures; lack of clarity and uncertainty regarding future job opportunities for displaced workers and availability of re-training; lack of communications regarding plant closures and the rationale for announced plant closures; and concern about alternatives, such as solar energy. The surveys all show the need for community planning efforts should occur before, during, and after plant closure.

In June 2025 a survey to the communities was sent out to ensure that current needs are reflected within the plan.

FIG. 3 Community Response Surveys

Chart 1. Need Ratings for Infrastructure Areas (Q4)

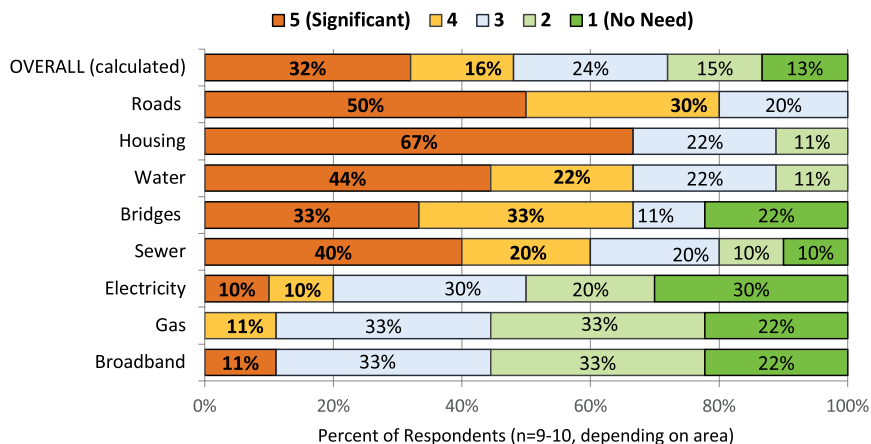
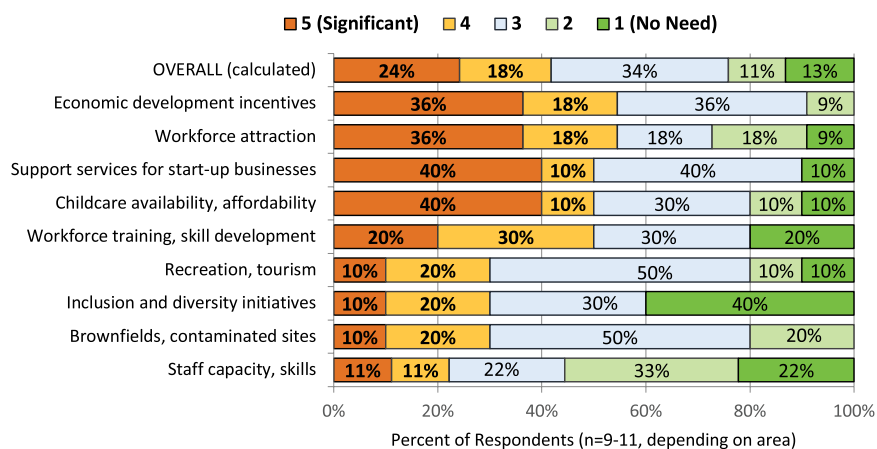


Chart 2. Need Ratings for Community and Economic Development Areas (Q6)



Note: ETAC depends on community responses for the information shown in the charts.



The power plant’s continuing need for staff until its closure adds to the complexity of the transition. Employees who plan to relocate may be less concerned about the power plant’s staffing requirements, as they might secure a job without retraining by expanding the geographic scope of their job search or they might choose to move prior to the plant closure. However, employees who wish to remain in their community might experience a tension between the power plant’s ongoing staffing needs to maintain safe operations and their own desire to secure a replacement job. As demonstrated by the Fergus Falls community’s experience, an employer can support a successful transition by communicating and working cooperatively with workers.

Many of the impacted workers love their communities and want to stay. Employee education and retraining efforts can assist employees and contract workers who are affected by the power plant closure and allow them the opportunity to remain in their communities.

Additionally, power plant closure does not just affect the worker, but rather their family and the entire community. Mental health services should be available to support community needs. Companies and unions may provide mental health benefits, but additional resources for employees, their families and communities should be considered.

Assessing the Impact on Tax Revenue

The ETAC was also tasked by statute with assessing the impact of plant closures on local government finances. To achieve this, all local jurisdictions shown below were contacted and surveyed. Affected communities responded and provided assessments of the revenue impacts on school district budgets, local tax revenues, and local fees for trash and sewer. These reported impacts are summarized below. Overall, communities anticipate considerable local revenue declines as a result of power plant closure.



The communities impacted by power plant closures generally have small populations, as reflected in the below table:

Because they have a small population and in some cases have few other large businesses in the community, the cities, counties, and school districts near power plants receive a large proportion of their tax revenues from the local power plant, creating challenges for communities after the plant closes. In some communities and school districts, more than 40% of tax revenues that fund their operations come from the local power plants. The following table below provides a few illustrative examples from operating power plants:

Of note, the Prairie Island Indian Community does not receive taxes from the local power plant. Nonetheless, the Prairie Island Indian Community is significantly impacted by the power

plant, which is located within hundreds of feet of their sovereign nation.

Additionally, the decommissioning, demolition, and environmental clean-up processes following a power plant closure can take years. For example, it took more than a decade for the demolition phase to occur in Granite Falls. During these years, redevelopment of the former power plant site is not possible, and community-wide economic development efforts take on increased importance. In another example, Xcel Energy is developing a solar project near the existing Sherco coal plant site. The first phase of the solar project began operation in late 2024 and phase 2 and 3 expected to come online in 2025 and 2026. Sherco's first coal unit retired in late 2023.¹



ETAC STRUCTURE

The ETAC created an Executive Committee, comprised of a Chair and Vice-Chair, to help lead and guide its work. The ETAC also created the following five task forces to allow its members the opportunity to delve into more specific topics:

1. Workforce
2. Community Engagement
3. Tax Base and Financial Incentives
4. Re-Use
5. Economic Diversification

The Task Forces engaged with presenters, conducted research, and created goals, recommendations, and best practices, which they then reported to the whole ETAC. The Task Forces asked for comments and input from the whole ETAC to ensure that members' voices were heard—regardless of the Task Forces on which they served.

The ETAC utilized past research, including state- and regional-level reports, numerous studies, Integrated Resource Plans, local government advice and best practices for power plant and other closures, and more as a foundation to create this plan. Numerous presentations guided the ETAC's decisions and recommendations.

¹[Sherco Solar Project](#)

FIG. 4 OVERVIEW OF ENERGY TRANSITION COMMUNITIES

SOCIAL AND ECONOMIC INDICATORS

Community/County	City Population 2023	% Change Fixed Base ⁽¹⁾	Power Plant	Power Plant Owner	Plant Type	Plant End of Life	Plant Employees	Total city employment 2023	% Change Fixed Base ⁽¹⁾	School District	School Enrollment (K-12) 2023 ⁽²⁾	% Change Fixed Base ⁽¹⁾	Median Household Income ⁽³⁾	% Change Fixed Base ⁽¹⁾	Median Earnings for Workers (dollars)	% Change Fixed Base ⁽¹⁾	City/Twp Operating Budget^^	City/Twp Property Tax Revenues^^	Budget per Capita
Becker (Sherburne)	4,958	0.79%	Sherco Unit 1	Xcel Energy	Coal	2026	301	2,678	-4%	0726	2,963	0.2%	\$ 90,188	19%	\$ 47,571	8%	\$ 7,263,179.00	\$ 5,837,029.00	\$ 1,464.94
			Sherco Unit 2		Coal	2023													
			Sherco Unit 3***		Coal	2030													
Cohasset (Itasca)	2,700	-0.37%	Boswell 1	MN Power	Coal	2018	170	1,180	-11%	0318	280	14.3%	\$ 87,833	29%	\$ 48,345	28%	\$ 4,327,842.00	\$ 3,900,300.00	\$ 1,602.90
			Boswell 2		Coal	2018													
			Boswell 3		Coal	2030													
			Boswell 4**		Coal	2035													
			Boswell Common		Coal	2035													
Fergus Falls (Otter Tail)	14,138	2.79%	Hoot Lake Unit 1	Otter Tail Power	Coal	2021	Retired	6,494	-4%	'0544	2,938	-0.6%	\$ 50,865	19%	\$ 36,310	14%	\$ 48,936,224.00	\$ 8,168,525.00	\$ 3,461.33
			Hoot Lake Unit 2		Coal	2021													
Fox Lake Township (Martin)	187	-9.22%	Fox Lake Generating Station	Alliant (interstate Power & Light)	Natural Gas (prior- coal)	2017	Retired	78	-27%	2448	650	-3.7%	\$ 74,375	-10%	\$ 48,750	26%	\$ 160,484.00	\$ 101,561.00	\$ 858.20
Granite Falls (Chippewa)	2,612	-0.91%	Granite Falls	Xcel Energy	Coal	2004	Retired	1,212	-3%	2190	616	-10.3%	\$59,402	16%	\$ 36,827	38%	\$ 8,311,092.00	\$ 2,322,047.00	\$ 3,181.89
Hoyt Lakes (St. Louis)	2,074	-1.19%	Laskin Energy Center	MN Power	Natural Gas (prior- coal)	2030	10	787	-7%	2711	889	-8.5%	\$ 64,514	10%	\$ 34,038	7%	\$ 4,637,217.00	\$ 1,814,709.00	\$ 2,235.88
Monticello (Wright)	14,607	6.62%	Monticello	Xcel Energy	Nuclear	2050	460	8,297	16%	0082	4,142	-1.4%	\$ 81,563	14%	\$ 46,519	15%	\$ 54,161,000.00	\$ 13,074,000.00	\$ 3,707.88
Oak Park Heights (Washington)	4,782	-2.69%	Allen S. King	Xcel Energy	Coal	2028	87	1,702	-13%	0834	2,588	-8.6%	\$ 84,639	19%	\$ 59,021	43%	\$ 7,297,640.00	\$ 6,758,680.00	\$ 1,526.06
Red Wing (Goodhue)	16,660	1.80%	Prairie Island Unit 1	Xcel Energy	Nuclear	2033	600	7,895	-3%	0256	2,335	-12.9%	\$ 65,259	14%	\$ 39,770	12%	\$ 46,184,691.00	\$ 26,245,478.00	\$ 2,772.19
			Prairie Island Unit 2		Nuclear	2034													
Schroeder Township (Cook)	178	0.00%	Taconite Harbor	MN Power	Coal	2021	Retired	126	4%	0166	459	-6.3%	\$ 74,688	28%	\$ 41,806	0%	\$ 260,847.00	\$ 53,871.00	\$ 1,465.43
St. Cloud (Stearns)	69,926	2.25%	Granite City Generation	Xcel Energy	Natural Gas	2020	Retired	35,645	1%	0047	9,286	-8.7%	\$ 61,112	21%	\$ 33,362	26%	\$ 87,021,700.00	\$ 40,044,600.00	\$ 1,244.48

Notes:
All statistics are for communities, unless indicated otherwise.
⁽¹⁾ Fixed base: 2020.
⁽²⁾ Data are presented at the school district level, with exceptions for Cohasset (which includes a portion of the Grand Rapids Public School District) and Oak Park Heights (which includes portions of the Stillwater Area Public School District).
These exceptions are based on the proximity of schools in those districts to the respective communities.
⁽³⁾ Includes all income (wages, salaries, investments, social security payments, retirement income, etc.) of everyone living in a household.
**WPPI is co-owner
*** Southern MN Municipal Power Agency is co-owner
^Note, the population of St. Cloud in Benton, Sherburne, and Stearns counties combined. St. Cloud spans multiple counties. It's operating budget represents all counties.
^^ Property Tax Revenues and Operating Budget (total revenues and other sources) are by city from the Office of the State Auditor Minnesota City Budgets for 2024
https://www.auditor.state.mn.us/media/nsliuglm/cibudget_24_report.pdf
~Population from Census.gov, from the DecennialPL2020 dataset
<https://data.census.gov/table?q=population&g=060XX00US2700956896,2702325262,2703158999,2704953620,2706112412,2709140058,2711120906,2713730302,2714104618,2714156896,2714556896,2716347914,2717143774>
~~School district from tax statements for the parcel with the electric generation machinery.
a - Township operating budget and property tax data from the Office of State Auditor Town Report for 2022
<https://www.osa.state.mn.us/media/mzvdeji5/tnfinances22report.pdf>

Sources:
Population: Census Bureau, Table DP05, ACS Demographic and Housing Estimates, 5-Year Estimates; Incorporated Places and Minor Civil Divisions Datasets (for Schroeder Township).
Employment: Census Bureau, Table DP03, ACS Selected Economic Characteristics, 5 Year Estimates.
School Enrollment: Minnesota Department of Education.
Median Household Income: Census Bureau, Table DP03, ACS Selected Economic Characteristics, 5 Year Estimates.
Median Earnings for Workers: Census Bureau, Table DP03, ACS Selected Economic Characteristics, 5 Year Estimates.
Minnesota Department of Revenue

ENERGY TRANSITION PLAN

I. WORKFORCE

Goal

Workers displaced from power plant closures should be supported as they plan for and go through the transition. All workers affected by power plant closures should be empowered to achieve new career goals that allow them and their families to thrive economically.

Key Findings

The Energy Omnibus bill passed in 2021 requires that utilities provide a resource plan to the Public Utilities Commission that details how the utility will work with energy workers to minimize dislocation impacts. A power plant closure will likely have widespread effects and impact not only those directly employed by the power plant, but also contract workers, employees of businesses that provide goods and services to the power plant, and youth who are aging into the labor market during the transition. Workforce supports should be broad, tailored to each community's workers' needs, and adaptable to changing circumstances. Opportunities to use federal and state funds and programs to support workers should be explored.



Recommendations & Strategies

1. The development of a rapid response strategy that suits the unique circumstances of a power plant closure would help communities and energy workers as they plan for and undergo the transition. A rapid response strategy should consider the following:
 - Notice: Provide early and effective notice of a power-plant-related workforce downsizing or closure.
 - Asset Mapping: Identify key resources in the community that have the potential to provide assistance to affected workers and businesses.
 - Training Services: Explore public and private methods to assist employees in accessing training services.
 - Access to Benefits: State agencies and local partners should consider allowing access to benefits and support prior to plant closure and formal separation, including services listed in Recommendation 2.
 - Early Retirement: Consider offering employees early retirement incentives.
2. Explore and/or develop possible funding sources and programs to support transitioning energy workers directly and through employers, local governments and educational institutions including:
 - Employer-provided training services;
 - Services offered through the Dislocated Worker Program;
 - Unemployment Insurance reemployment assistance benefits;
 - Efforts supported by the Minnesota Jobs Skills Partnership Board (MJSB); and
 - Creating an open appropriation for the purpose of supporting workers affected by the transition.
3. The Energy Transition Office should compile and make available a list of existing funding sources and programs to support workers through the transition.
4. Possible federal programs to assist dislocated workers should be explored and supported.

5. Workforce training and retraining programs should be designed to enhance equity rather than enforce disparities, with possible efforts including:
 - Consulting with Tribal Nations and engaging with communities that have experienced discrimination and barriers regarding current and potential training and retraining programs;
 - Tracking data on employee demographics and pay;
 - Encouraging employee recruitment from outside typical networks;
 - Monitoring promotion patterns and eliminating biased language in job descriptions; and
 - Exploring efforts to eliminate harassment in the workplace.
6. Opportunities to include youth and new workers in the local labor force should be explored in transitioning communities. Possible opportunities might include:
 - Enrolling and/or providing high school students in summer youth employment programs;
 - Supporting high school graduates in affected communities who seek Pell grants and Pell Promise awards;
 - Considering state subsidies for youth in affected communities;
 - Supporting initiatives to increase career and technical education in high schools; and
 - Providing or expanding affected communities' access to sectoral training programs that have strong evidence of success.
 - Continue or add Tour of Manufacturing Events
 - Modify the current legislation for Electric Generation
 - Transition Aid to ensure long-term phased aid aid to assist transitioning
7. Mental health resources should be accessible to workers and communities leading up to, during and after plant closure. Such support will foster continued participation in the workforce by helping affected individuals navigate what is likely to be an emotional situation.
8. State and local governments, employers, labor unions, and workers should communicate and work collaboratively before separation from employment and throughout the transition to better support impacted workers. Open communication and collaboration are likely to facilitate impacted workers' efforts to:
 - Plan for the transition;
 - Continue their self-sufficiency;
 - Maximize their options; and
 - Adapt to changing circumstances.
9. State and local governments, employers, and labor unions should consider conducting public meetings to provide impacted workers with information about the training, education, and other programs that are available to them.
10. When considering workforce solutions, additional opportunities for state agency coordination and learning should be explored.



II. COMMUNITY ENGAGEMENT

Goal

Ensure that transitioning communities experience engagement and communication that are timely, thoughtful and effective, with established deadlines and timelines.

Key Findings

Community engagement and communication are critical for the success of the transition process. Each community is unique, and the process, solutions and communications should be tailored to the community's specific needs. State and federal authorities, unions, community partners, academic and scientific researchers, non-profits, interest groups, economic development agencies, business groups, and the utilities themselves can and should all weave threads in the tapestry of conversation. Communication can reduce anxiety and ensure that the community receives accurate and timely information to engage in effective short-term and long-term planning.



Recommendations & Strategies

1. Community engagement is an important part of the decommissioning process. Community engagement and planning should begin well in advance of the plant closure and continue after the plant has closed. Funding to support communication, marketing efforts, planning, and community engagement before, during, and after plant closure should be identified and might include, for example, efforts to support communities' engagement and direct participation in matters before the Public Utilities Commission.
2. Special consideration should be given to reach people of diverse backgrounds and those who may feel disenfranchised, including Native American people, in a multi-disciplinary communication approach to meet people where they are at. This could include, for example, a power plant closing ceremony to allow people to grieve, reflect and remember.
3. The creation of multi-agency state action teams made up of technical experts in relevant fields should be considered. These state action teams could be used to provide assistance and communicate guidance to impacted communities.
4. Consider expanding the Energy Transition Office to support the development of community-led engagement efforts by providing guidance on how to foster beneficial community conversations, create task forces and community advisory panels, implement surveys, and undertake local and regional planning efforts.
5. Communities should identify new or repurposed resources to kick-start community engagement. Community leaders of all types should engage the Office of Energy Transition and schedule conversations on the specific topics that would best help their community chart a successful course through the challenges ahead.
6. Consider expanding the Energy Transition Office to support the development of peer-to-peer networks and coalitions to bring forward the collective voice of small communities to the state and federal government. A peer-to-peer network of communities undergoing similar transitions across the state and the country could facilitate the sharing of ideas, information and experiences.
7. Tribal Nations should be consulted on issues related to the transition and included in communications about relevant programs, funding opportunities, and resources that might assist them through the transition process. A power plant's impact on Tribal lands and culture should be acknowledged. For example, the Prairie Island Indian Community should be consulted to create a plan for burial grounds that were disturbed during the construction and operation of the Prairie Island plant.

8. Communications regarding the ongoing environmental impacts of the power plant should continue into the future. For example, communications should alert future generations to coal ash areas and the special environmental needs and restrictions of those areas.

III. TAX BASE AND FINANCIAL INCENTIVES

Goal

Impacted communities should be able provide stable and diverse funding for local services, infrastructure, and institutions when tax revenues from power plants decline or are eliminated. Strategies should be developed to identify, organize and support investment opportunities and create mechanisms that allow private and public capital to co-invest in a manner that reduces community risk. Policies should encourage investments in assets that continue to generate wealth and increase the resilience and capacity of local institutions.

Key Findings

The retirement of a power plant has a large impact on a community's tax base. Power plant-related property may make up to 40-70% of a host city's tax base and significantly contribute to operations of local counties and school districts. Taking proactive steps to address the transition's effects on the local tax base requires the open disclosure of decommissioning plans by electric utility companies. Host communities may be able to obtain relevant information through publicly available information, as regulated utilities are required to provide planned retirement dates in public filings in Minnesota. Regardless of whether the exact date of plant closure is known, host communities should anticipate and plan for eventual closure. Best practices to address the loss of tax revenue from the power plant include:

- Proactive tax diversification
- Proactive budget review and planning
- Identification of opportunities based on regional strengths
- Economic development and diversification
- Prepare a transition plan to guide work.

The amount of property taxes a power plant pays each year is subject to change as a result of many factors. One factor is the estimated market value applied to the overall system value of the company operating the power plant. The estimated market value changes as a result of market conditions, new plant being added by the company, depreciation of existing plant, amount of nontaxable property the company operates, etc. Property taxes may also change as a result of changes in the community's levy and the estimated market value changes of other property types within the community.

Recommendations & Strategies

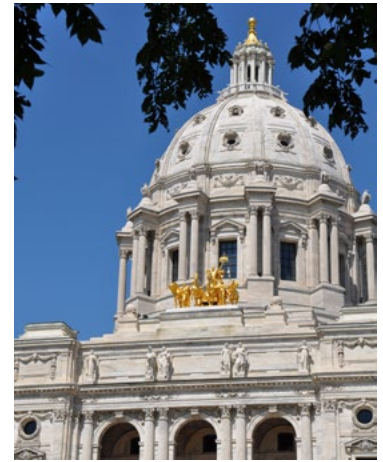
1. Communities should start working now to assess how the plant closure will affect their tax base, inventory available assets, identify funding options, repurpose existing revenue streams and tax expenditures, and develop new sources of funding and other fiscal strategies for the legislature to consider.
2. State and utility partners should create a regular, clear, consistent and predictable process for retiring plants and communicating about those closures to allow communities to anticipate and plan for the effects to their tax base.²



²The amount of tax-base the community shares as part of the fiscal disparities program may also change as power plants retire. The fiscal disparities program is a commercial-industrial tax-base sharing program within the Twin Cities metropolitan area and a separate program in the Iron Range of northeastern Minnesota. A community shares 40% of its growth in commercial-industrial property tax base between the communities in the program.

<https://www.house.mn.gov/hrd/pubs/fiscaldis.pdf>

3. The legislature should consider making the ETAC permanent so that the ETAC can continue to gather information about the impact of a plant's closure on the tax base and the effectiveness of various strategies to replace tax revenues.
4. The legislature should consider funding to support ongoing research and analysis. Such funding could support research by economists, researchers, and subject matter experts to develop estimates of revenue impacts to individual taxing districts in transitioning communities, identify funding needs, and estimate program costs.
5. The legislature should consider an investment fund that both provides short-term local commitments to lower the risk for investors and long-term capital.
6. Modify the current legislation for Electric Generation Transition Aid to ensure phased long-term aid for transitioning communities impacted by tax loss.



Achievements

The legislature should continue to provide transition aid for impacted cities, counties, and schools. Click the link for more information at [State Statute 447A.24 Electric Generation Transition Aid](#).

The Electric Generation Transition Aid, enacted during the 2023 legislative session, provides aid to certain counties, cities, and school districts when a generation unit of an electric generation facility owned by a public utility retires in their jurisdiction. The facility must be powered by coal, natural gas, or nuclear and retired after 2016. In order to be eligible for the aid, the net tax capacity of the facility must have been more than 4% of the jurisdiction's net tax capacity before retirement. The aid is equal to the difference in net tax capacity of the facility before and after retirement times the jurisdiction's pre-retirement tax rate. The aid is reduced by 5% each year after the first two aid amounts.



Once the aid is less than \$5,000, the aid stops. The legislation also includes elimination provisions. The aid is calculated and certified by the Minnesota Department of Revenue and paid on July 20 and December 26 of each year. Visit the department's [Electric Generation Transition Aid webpage](#) for historical certification amounts and more information.

DEED's Business Development Managers are actively marketing communities for business retention and expansion.

IV. RE-USE

Goal

Transitioning communities should be empowered to develop and implement locally driven plans for the re-use of property.

Key Findings

One of the key discussion topics for any community with a plant closure is how to redevelop and/or re-use the site, with the aim to use existing land assets or interconnects to the grid for future resource development. Much depends on the current owners of each site, local zoning and comprehensive plans, environmental remediation and the infrastructure needs specific to the site. Additionally, many power plant sites have heightened environmental restrictions due to their proximity to waterways. Cultural impacts, including those at the Prairie Island location, should also be considered. Communities should keep in mind that re-use may vary from site to site—some may develop asset-based plans, others may be brought back to their original state or rezoned for different purposes.

Recommendations & Strategies

The re-use plan must be locally driven, and strong partnerships between the facility, the local government, and the public are critical to success. Each community and property owner will have their own goals.



1. The legislature should allocate funding for planning grants and consultants, which will assist impacted communities to develop re-use plans. Consultants and planning grants should address environmental and infrastructure concerns, including water, sewer, storm sewer, roads, bridges and long-term post closure care of ash landfill, as well as support communications about the history of the site and re-use opportunities and challenges.
2. Communities should consult with Tribal Governments per Minnesota State Statute 10.65 whenever possible, recognizing that Tribal Governments are their own government. Communication and consultation with Tribal Governments early and often is important.
3. Consider expanding the Energy Transition Office so that it can be used as a one-stop shop for grant information and grant opportunities for transition-related re-use and redevelopment efforts.
4. The legislature should explore new programs or adjustments to existing programs that would make host communities more competitive in seeking funding for redevelopment projects.
5. When considering research and resource development, the legislature should consider commissioning playbooks, similar to those in Pennsylvania, for locations that are interested in commercial and industrial redevelopment.
6. Risk transfer for environmental cleanup on a site can be a challenge for a community to assume. Coordination between the responsible party and the community on the redevelopment is key.
7. Communities should commission site evaluation studies to determine best future uses before decommissioning/ demolition so that any potential site alterations can be accomplished during the process. Eligible use of any planning funds shall include using facilitators to help communities and the site owner collaborate on redevelopment plans.
8. Communities should explore existing state programs, including the Shovel Ready Certification, Minnesota Business First Stop, and Redevelopment Grant Program.
9. Permits, infrastructure upgrades, extensions to the property or more may be needed to assist in redevelopment. State bonding funds for infrastructure improvements should be considered.
10. Research alternative uses for the power plant site. Including, but not limited to other electric generation options. This includes, but is not limited to solid waste and bio-mass. Further review and research on other models of electric generation may develop and change with technological changes.



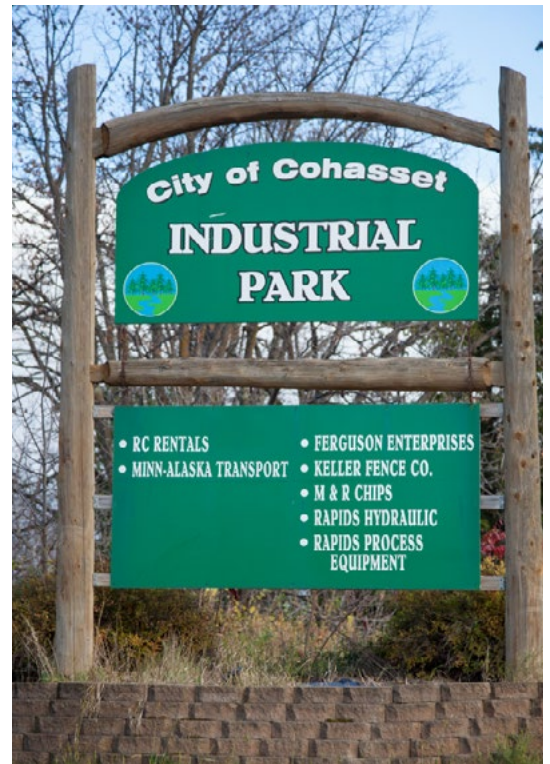
V. ECONOMIC DIVERSIFICATION

Goal

Transitioning communities should be supported as they develop and implement community-based and locally driven strategies to diversify their economies, retain energy transition workers, promote good new jobs and achieve long-term socioeconomic vitality.

Key Findings

As stated in the Minnesota Vitality Council Report, “Economic diversification is the most critical strategy that communities must deploy in order to realize a successful transition. The closure of power plants may force some communities into necessary conversations that virtually every community has when experiencing the end of a long history with a large single employer: how can we create a future together that will make us less dependent on one industry, and this less likely to happen again? The state can play an important role in providing information on funding opportunities or identifying gaps/needs in capacity.” The economic transition of communities will be a long-term undertaking, and the State’s commitment should also be long-term and must meet communities where they are, ensuring they drive their own process. Community resilience, economic diversity, equity, the creation of local wealth, long-term business development and expansion, and stable jobs that pay living wages and provide good benefits should be prioritized.



Recommendations & Strategies

1. Communities should start planning now – they can begin assessing the impacts of plant closures, the impacts on the communities and workforce, take inventory of available assets, and start planning for a diverse economic future now. Those with plans need to implement plans.
2. The legislature should consider creating additional programs and resources at DEED focused on retaining and attracting businesses to impacted communities which will also assist the community’s workforce. This could include:
 - Adjusting job creation requirements for existing programs so communities can more easily attract businesses;
 - Ensuring investments that support local economic development plans are focused on creating new businesses and high wage jobs, and increasing sales tax revenues and property tax values;
 - Creating a state-wide investment fund focused on making capital investments in transitioning communities in collaboration with those communities;
 - Fund DEED’s Community Energy Transition Grant Program³
 - Waiving local matching-fund requirements for incentive programs for companies locating in impacted communities (e.g., one deal waiver per county) to attract new primary employers and help diversify the economy, including a sunset date and opportunity to review for possible extension;
 - Appropriating funding for financial incentives within a defined timeframe to attract businesses to impacted communities to support the retention and attraction of businesses; and
 - Supporting community diversity to attract workers from outside the community to join the local workforce.



³It was funded for \$5M in FY 24 & FY 25

3. Grants and programs should be tailored to the unique needs of each community, as each impacted community and school has different needs.
4. The state should consider investments in physical and community infrastructure to maintain and improve quality of life and critical services. Such strategies could include:
 - Investments for housing, broadband, healthcare, K12 and higher education, mental health resources, recreation, child care, arts and culture, and the public sector workforce;
 - Investments in roads, rails, and airports, and the public sector;
 - Technical assistance to plan for long-term recovery of lost local tax revenues; and
 - Funding for Shovel Ready certification for all impacted communities.
5. Further conversation should be conducted about Tax Increment Financing (TIF) requirements as it relates to economic development efforts in the impacted communities.
6. Communities continue to face challenges in childcare, housing, infrastructure (roads, water, sewer, stormsewer, and in some counties electricity needs for industrial and commercial development.)
7. Continue to evaluate data centers, as appropriate, to assist in business tax base and workforce needs.
8. Continue to work with DEED's Workforce Strategy Consultants to assist current businesses, workforce needs.

VI. OTHER ITEMS

Recommendations & Strategies

1. Change State Statute to continue the ETAC beyond the plan submittal.
2. Conduct a periodic review of the plan to ensure the recommendations are still valid and update to current needs and conditions as warranted.
3. Minnesota Statute 10.65 should be followed by cities, counties and state agencies when consulting with Minnesota's 11 Federally Recognized Native American Tribes
4. There should be a discussion about the treatment of the burial grounds and human remains that were impacted at the Prairie Island Indian Community by the Prairie Island plant.

In the analysis, other items emerged that were not in the scope of the ETAC plan, but were recommended for further research. They include:

- Impact of nuclear waste at the Prairie Island location and its relation/distance to Prairie Island Indian Community.
 - Preparing a plan for the recycling, reuse, etc. of windmills and solar.
5. Utilities continue to work on their projected load growths and how they plan for future business electrical demand based on the growth.
 6. Uncertainty has and continues to occur. Need to keep a watchful eye on uncertainties including: Federal funding and support, regulations, permitting, and projects.
 7. Monitor the sale of MN Power.

VII. ACHIEVEMENTS

1. Change State Statute to continue the ETAC beyond the plan submittal. ETAC will continue until June 30, 2027 per Statute 116J.5492. Will need to be reviewed regarding a possible extension in the future.
2. ETO office completed Strategic Planning and Implementation Plan. The planning team included: Impacted cities and counties, non-profits, Unions, Prairie Island Indian Community, Coalition of Utility Cities, DEED Business Development, DEED Workforce Strategy Consultants, Federal - Intergovernmental Working Group and EPA, Initiative Foundation and ETO Staff.
3. Legislative provided \$5 million in fiscal years 2024 and 2025 for grants for impacted communities. See Appendix 5 for brief description of awardees.
4. Legislature added a K-12 school representative to ETAC during the 2024 legislative session.
5. Environmental Quality Board hires staff to assist impacted communities.
6. Energy Transition Summit and subsequent optional Federal and State funding meetings for impacted city and counties.



APPENDICES

- 1) Stakeholder Survey
- 2) Property Tax Payments Data
- 3) Workforce Flow Chart image
- 4) Full list of impacted communities
- 5) Community Energy Transition FY 24 & 25 Awardees

APPENDIX 1

STAKEHOLDER SURVEY

The ETAC was not required to receive any input from the Stakeholders to create this plan. However, from the beginning the ETAC wanted to include Stakeholders. To go to where the Stakeholders were at, the meetings were always held in an impacted community in a hybrid format. This allowed anyone to attend the open meetings and to ensure those stakeholders felt welcome to attend. The ETAC Executive Committee directed ETO staff to include public comments on the agenda to visibly show that comments were welcome.

Stakeholders were also invited to attend ETAC meetings, provided the same information as the ETAC for their meetings and provided access to the ETO webpage for documents related to the ETAC work.

The ETAC also wanted to ensure that surveys were sent to receive comments from those that might not attend meetings. With analysis from the August, pre-draft Stakeholder survey we determined that:

Marketing and communication are critical. Funds for marketing and communication should be focused on the following in impacted communities:

- a. Address plant closure information
- b. Address plant closure concerns – including reliability
- c. Address confusion on the power plant closures including dates
- d. Correct incorrect information

Key Findings from the August pre-draft Stakeholder survey:

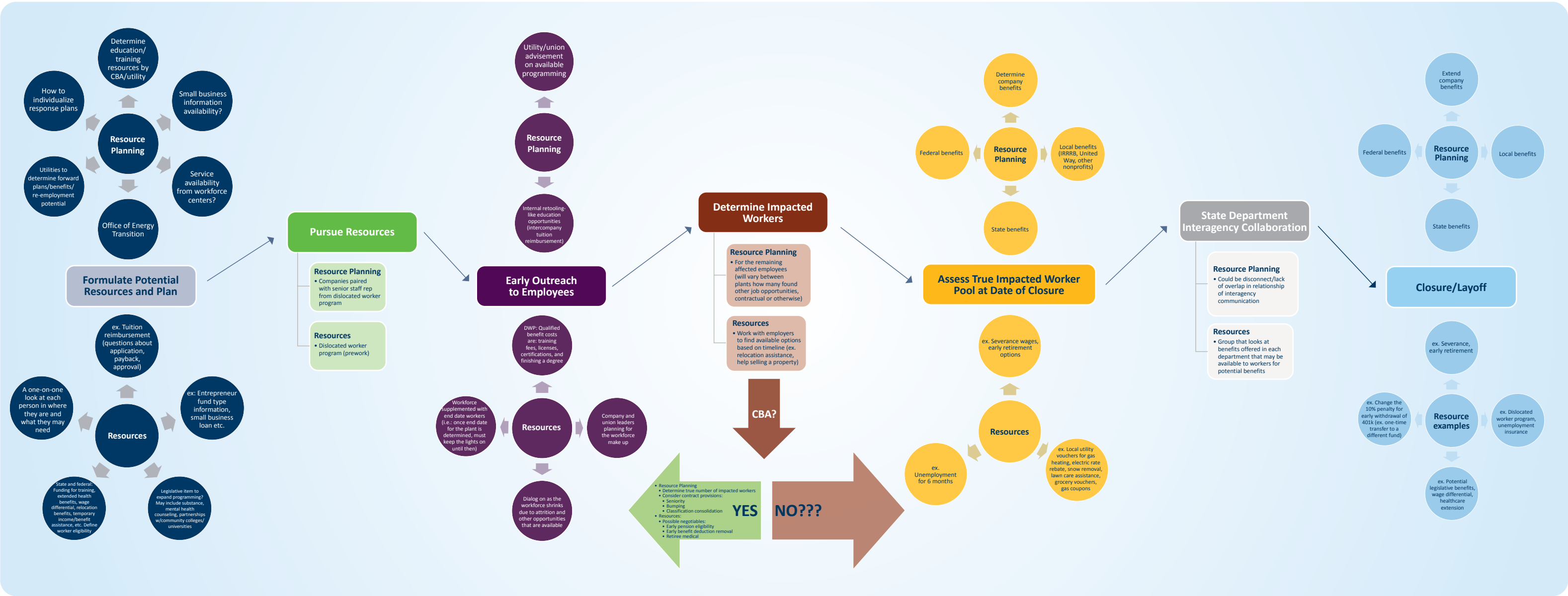
- Michael Child's communication to the ETAC on the concerns was reinforced with a strong response from the Prairie Island Indian Community.
- There was a lack of participation from power plant workers. However, it is possible that power plant workers are receiving such good information that they did not feel the need to complete the survey.
- To date, there was very little to no response from some counties that are impacted.

APPENDIX 2

Northern States Power Company, Minnesota Property Tax Payments by Plant and Jurisdiction

City	11,318,000	10,751,000	10,242,000	11,080,000	11,163,000	11,535,000	9,828,000	12,845,000	11,651,000	10,256,000	8,492,000	6,142,000
County	6,703,000	6,525,000	6,974,000	7,413,000	7,400,000	7,278,000	6,866,000	7,664,000	7,021,000	6,247,000	5,351,000	4,105,000
School District	2,927,000	3,070,000	3,375,000	3,509,000	3,820,000	4,042,000	4,701,000	4,341,000	4,123,000	3,108,000	2,884,000	2,403,000
Prairie IIsand Total	20,948,000	20,346,000	20,591,000	22,002,000	22,383,000	22,855,000	21,395,000	24,850,000	22,795,000	19,611,000	16,727,000	12,650,000
City	5,258,000	5,163,000	5,474,000	5,579,000	5,794,000	5,501,000	5,462,000	5,676,000	5,520,000	5,374,000	5,050,000	4,010,000
County	4,960,000	5,042,000	5,921,000	6,681,000	7,104,000	6,988,000	7,058,000	7,013,000	6,590,000	6,231,000	5,737,000	3,897,000
School District	3,100,000	3,346,000	3,499,000	3,725,000	4,077,000	4,040,000	4,450,000	4,551,000	4,469,000	4,624,000	4,409,000	3,392,000
Monticello Total	13,318,000	13,551,000	14,894,000	15,985,00	16,975,000	16,529,000	16,970,000	17,240,000	16,579,000	16,229,000	15,196,000	11,299,000
City	3,861,000	4,212,000	4,363,000	4,175,000	3,761,000	3,509,000	3,462,000	3,435,000	3,253,000	2,788,000	2,663,000	2,543,000
County	3,020,000	3,351,000	3,751,000	4,152,000	4,051,000	4,085,000	4,239,000	4,356,000	4,201,000	3,942,000	4,044,000	4,060,000
School District	2,506,000	2,840,000	3,037,000	3,214,000	3,069,000	3,116,000	3,214,000	3,158,000	3,055,000	2,982,000	2,427,000	2,382,000
SHERCO Total	9,387,000	10,403,000	11,151,000	11,541,000	10,881,000	10,710,000	10,915,000	10,949,000	10,509,000	9,712,000	9,134,000	8,985,000
City	1,613,000	1,516,000	1,614,000	1,698,000	1,617,000	1,528,000	1,571,000	1,810,000	1,714,000	1,733,000	1,687,000	1,554,000
County	708,000	677,000	782,000	908,000	878,000	935,000	945,000	1,012,000	937,000	926,000	903,000	861,000
School District		997,000	933,000	1,081,000	936,000	869,000	1,031,000	1,096,000	1,058,000	1,039,000	1,048,000	1,046,000
King Total	3,356,000	3,190,000	3,329,000	3,687,000	3,431,000	3,332,000	3,547,000	3,918,000	3,709,000	3,698,000	3,638,000	3,461,000
City	696,000	620,000	775,000	719,000	685,000	707,000	670,000	681,000	760,000	770,000	794,000	764,000
County	402,000	385,000	476,000	482,000	493,000	517,000	499,000	511,000	571,000	581,000	574,000	545,000
School District	372,000	307,000	395,000	381,000	364,000	404,000	360,000	386,000	417,000	433,000	448,000	564,000
Riverside Total	1,470,000	1,312,000	1,646,000	1,582,000	1,542,000	1,628,000	1,529,000	1,578,000	1,748,000	1,784,000	1,816,000	1,873,000
City	860,000	811,000	778,000	735,000	785,000	810,000	793,000	814,000	734,000	762,000	553,000	528,000
County	780,000	763,000	689,000	734,000	828,000	837,000	825,000	868,000	946,000	1,037,000	735,000	725,000
School District	788,000	722,000	691,000	765,000	855,000	833,000	824,000	793,000	869,000	937,000	668,000	648,000
High Bridge Total	2,428,000	2,296,000	2,158,000	2,234,000	2,468,000	2,480,000	2,442,000	2,475,000	2,549,000	2,736,000	1,956,000	1,901,000
City	377,000	387,000	343,000	355,000	337,000	356,000	316,000	348,000	314,000	288,000	268,000	245,000
County	223,000	235,000	233,000	238,000	223,000	225,000	221,000	208,000	189,000	175,000	169,000	164,000
School District	97,000	111,000	113,000	112,000	115,000	125,000	151,000	118,000	111,000	87,000	91,000	96,000
Red Wing Total	697,000	733,000	689,000	705,000	675,000	706,000	688,000	674,000	614,000	550,000	528,000	505,000
City	342,000	294,000	333,000	325,000	351,000	343,000	330,000	327,000	314,000	297,000	286,000	277,000
County	315,000	266,000	303,000	311,000	339,000	327,000	312,000	298,000	280,000	259,000	242,000	246,000
School District	257,000	234,000	223,000	229,000	249,000	244,000	242,000	243,000	218,000	214,000	198,000	202,000
Wilmarth Total	914,000	794,000	859,000	865,000	939,000	914,000	884,000	868,000	812,000	770,000	726,000	725,000
City	569,166	453,860	517,814	562,662	516,698	504,906	495,796	529,787	469,151	438,234	412,808	404,028
County	315,595	308,095	352,071	388,141	387,810	383,734	389,913	460,208	392,227	301,368	310,600	288,066
School District	106,564	100,274	126,375	162,134	137,327	139,634	159,999	187,071	164,564	131,409	160,535	125,511
Hoyt Lakes	991,325	862,230	996,259	1,112,937	1,041,835	1,028,274	1,045,707	1,177,066	1,025,941	871,012	883,943	817,605
City	1,677,947	1,657,117	1,641,340	1,850,161	1,499,213	1,427,552	1,620,152	1,601,922	1,412,662	1,251,285	1,248,314	1,032,267
County	2,348,863	2,468,187	2,512,684	3,003,258	3,159,764	3,007,070	4,030,700	3,785,118	3,620,484	3,222,219	2,977,511	2,758,232
School District	1,112,043	1,245,023	1,201,710	1,454,331	1,434,036	1,438,994	1,974,566	1,493,231	1,450,899	1,276,899	1,249,148	1,227,465
Cohasset	5,138,853	5,370,327	5,355,734	6,307,750	6,093,012	5,873,616	7,625,418	6,880,271	6,484,045	5,750,403	5,474,974	5,017,964
City	690	2,958	4,017	5,069	5,193	5,279	5,182	6,434	5,757	4,456	4,296	3,244
County	11,508	50,458	69,156	71,957	78,782	75,214	82,576	79,047	64,912	59,678	50,856	41,348
School District	3,681	7,968	10,064	13,800	15,741	16,276	21,208	20,047	20,167	12,196	11,789	9,726
Schroeder	15,879	61,384	83,237	90,826	99,716	96,769	108,966	105,527	90,836	76,330	66,941	54,317
System	58,664,057	58,918,941	61,752,230	66,112,513	66,528,563	66,152,659	67,150,091	70,714,864	66,915,822	61,787,745	56,146,857	47,288,886

APPENDIX 3



APPENDIX 4

FULL LIST OF IMPACTED COMMUNITIES

Utility Name	Plant Name	Generator ID	County	City	Operating Year (or Expected)	Planned/ Actual Retirement Year	Fuel Source
Northern States Power Co - Minnesota	Allen S King	1	Washington	Oak Park Heights	1958	2028	Subbituminous Coal
Northern States Power Co - Minnesota	Black Dog	2	Dakota	Burnsville	1954	2031	Natural Gas
Northern States Power Co - Minnesota	Black Dog	5	Dakota	Burnsville	2002	2031	Natural Gas
Northern States Power Co - Minnesota	Black Dog	6-1	Dakota	Burnsville	2018	2058	Natural Gas
Northern States Power Co - Minnesota	Blue Lake	BLL09	Scott	Shakopee	2025		Natural Gas
Northern States Power Co - Minnesota	Blue Lake	BLL10	Scott	Shakopee	2025		Natural Gas
Northern States Power Co - Minnesota	Blue Lake	BLL11	Scott	Shakopee	2025		Natural Gas
Northern States Power Co - Minnesota	Blue Lake	7	Scott	Shakopee	2005		Natural Gas
Northern States Power Co - Minnesota	Blue Lake	8	Scott	Shakopee	2005		Natural Gas
ALLETE, Inc.	Clay Boswell	1	Itasca	Cohasset	1958	2018	Subbituminous Coal
ALLETE, Inc.	Clay Boswell	2	Itasca	Cohasset	1960	2018	Subbituminous Coal
ALLETE, Inc.	Clay Boswell	3	Itasca	Cohasset	1973		Subbituminous Coal
ALLETE, Inc.	Clay Boswell	4	Itasca	Cohasset	1980		Subbituminous Coal
Interstate Power and Light Co	Fox Lake	1	Martin	Manyaska Township	1950	2017	Natural Gas
Interstate Power and Light Co	Fox Lake	3	Martin	Manyaska Township	1962	2017	Natural Gas
Northern States Power Co - Minnesota	Granite City	1	Benton	St. Cloud	1969	2019	Natural Gas
Northern States Power Co - Minnesota	Granite City	2	Benton	St. Cloud	1969	2019	Natural Gas
Northern States Power Co - Minnesota	Granite City	3	Benton	St. Cloud	1969	2019	Natural Gas
Northern States Power Co - Minnesota	Granite City	4	Benton	St. Cloud	1969	2019	Natural Gas
Northern States Power Co - Minnesota	High Bridge	7	Ramsey	St. Paul	2008		Natural Gas
Northern States Power Co - Minnesota	High Bridge	8	Ramsey	St. Paul	2008		Natural Gas
Northern States Power Co - Minnesota	High Bridge	9	Ramsey	St. Paul	2008		Natural Gas

Impacted Communities continued on p. 25

FULL LIST OF IMPACTED COMMUNITIES (CONTINUED)

Utility Name	Plant Name	Generator ID	County	City	Operating Year (or Expected)	Planned/ Actual Retirement Year	Fuel Source
Otter Tail Power Co	Hoot Lake	2	Otter Tail	Fergus Falls	1959	2021	Subbituminous Coal
Otter Tail Power Co	Hoot Lake	3	Otter Tail	Fergus Falls	1964	2021	Subbituminous Coal
Northern States Power Co - Minnesota	Inver Hills	1	Dakota	Inver Grove Heights	1972	2026	Natural Gas
Northern States Power Co - Minnesota	Inver Hills	2	Dakota	Inver Grove Heights	1972	2026	Natural Gas
Northern States Power Co - Minnesota	Inver Hills	3	Dakota	Inver Grove Heights	1972	2026	Natural Gas
Northern States Power Co - Minnesota	Inver Hills	4	Dakota	Inver Grove Heights	1972	2026	Natural Gas
Northern States Power Co - Minnesota	Inver Hills	5	Dakota	Inver Grove Heights	1972	2026	Natural Gas
Northern States Power Co - Minnesota	Inver Hills	6	Dakota	Inver Grove Heights	1972	2026	Natural Gas
Northern States Power Co - Minnesota	Minnesota Valley	3	Chippewa	Granite Falls City	1953	2004	Natural Gas
Northern States Power Co - Minnesota	Monticello Nuclear Facility	1	Wright	Monticello	1971		Nuclear
Northern States Power Co - Minnesota	Prairie Island	1	Goodhue	Red Wing	1974		Nuclear
Northern States Power Co - Minnesota	Prairie Island	2	Goodhue	Red Wing	1974		Nuclear
ALLETE, Inc.	Rapids Energy Center	6	Itasca	Grand Rapids	1969		Natural Gas
ALLETE, Inc.	Rapids Energy Center	7	Itasca	Grand Rapids	1980		Natural Gas
Northern States Power Co - Minnesota	Riverside (MN)	10	Hennepin	Minneapolis	2009		Natural Gas
Northern States Power Co - Minnesota	Riverside (MN)	9	Hennepin	Minneapolis	2009		Natural Gas
Northern States Power Co - Minnesota	Riverside (MN)	ST7	Hennepin	Minneapolis	1987		Natural Gas
Northern States Power Co - Minnesota	Sherburne County	2	Sherburne	Becker	1977	2023	Subbituminous Coal
Northern States Power Co - Minnesota	Sherburne County	1	Sherburne	Becker	1976	2026	Subbituminous Coal
Northern States Power Co - Minnesota	Sherburne County	3	Sherburne	Becker	1987	2034	Subbituminous Coal
Otter Tail Power Co	Solway CT	1	Beltrami	Lammers	2003		Natural Gas
ALLETE, Inc.	Syl Laskin	1	St Louis	Hoyt Lakes	1953		Natural Gas
ALLETE, Inc.	Syl Laskin	2	St Louis	Hoyt Lakes	1953		Natural Gas
ALLETE, Inc.	Taconite Harbor Energy Center	GEN1	Cook	Schroeder	1957	2023	Subbituminous Coal
ALLETE, Inc.	Taconite Harbor Energy Center	GEN2	Cook	Schroeder	1957	2023	Subbituminous Coal

APPENDIX 5

COMMUNITY ENERGY TRANSITION FY 24 & 25 AWARDEES

City of Granite Falls

Grant Awarded: \$750,000

Project: **Industrial Park/City East side Watermain**

Project Goal: The funding will allow the City to install a watermain looping the City's east side including the Industrial Park. The project will help many businesses already in the park and aid in attracting new business by being able to provide a stable utility.

City of Fergus Falls

Grant Awarded: **\$640,250**

Project: **Purchase of the Old Lumber Yard for Workforce Housing**

Project Goal: The City of Fergus Falls will use the Community Energy Transition grant to acquire the Old Lumber Yard on Stanton Avenue for development into workforce housing. Support for workforce housing is crucial to build and maintain an adequate labor force to fill positions in major industries post-plant closure.

City of Monticello

Grant Awarded: **\$1,000,000**

Project: **Northwest Growth Area Utility Expansion**

Project Goal: To continue this transition strategy, the City was awarded \$1 million of the CET grant in FY 24 to complete the installation public utility services proposed in the Northwest Growth Area. The project will help to replace the jobs and tax base that will be lost from the plant closure. Study estimates that development in this area could add up to 4,300 jobs, plus \$16 million in tax capacity.

Sherburne County

Grant Awarded: **\$1,000,000**

Project: **TH 25 Tier 1 Environmental Documentation**

Project Goal: This project to plan for transportation infrastructure investments and improved connectivity between I-94 and State Highway 10 that will attract new businesses and employees into the region, which is vital to the community's economic recovery efforts. Environmental clearance and preliminary design of the interchange are needed to attract businesses to the area and create jobs.

Cook County

Grant Awarded: **\$1,000,000**

Project: **Taconite Harbor Strategic Plan & Waste Transfer Station Construction**

Project Goals: To encourage diversification and investment in critical public infrastructure, Cook County was awarded \$1M to support strategic planning efforts related to the closure of Taconite Harbor Energy Center and construction of a new waste transfer station in Grand Marais.

Construction of an indoor waste transfer station will improve solid waste processing in Cook and eastern Lake County and is necessary for economic growth and diversification. Simply put, all industries, households and tourism activity require safe and reliable waste management.

City of Becker

Grant Awarded: \$770,000

Project: **Planning for grade separation Interchange at US Highway 10/MN TH Intersection**

Project Goals: Becker was awarded \$770,000 in CET grant funding to complete the planning process for a new grade separated interchange at the intersection of US Highway 10/MN Trunk Highway 25/County Road 52/BNSF Rail line/First Street and Edgewood Street in Becker (hereinafter referred to as "the

intersection.") This intersection is the west entrance into the Becker Business Park. The project will accomplish economic impacts, safety improvements and huge benefits to the community

City of Oak Park Heights

Grant Awarded: **\$440,000**

Project: **PFAS Treatment: Feasibility & Preliminary Design**

Project Goal: The City of Oak Park Heights proposes to use the Community Energy Transition Grant funds for PFAS Treatment: Feasibility and Pre-Design. PFAS contamination is a pressing issue for Oak Park Heights.

The City has two drinking water wells, and both wells produce water that exceeds the Minnesota Department of Health's (MDH) Health Based Guidance Values for PFAS. PFAS pollution may hamper the City's economic development efforts and impact the overall quality of life in our community.

City of Red Wing

Grant Awarded: **\$1,000,000**

Project: **Red Wing's Economic Resiliency Transition Plan, The Future**

Project Goals: The City of Red Wing was awarded \$1M to complete strategic analysis and associated planning tasks to mitigate the effects of the Prairie Island Nuclear Generating Plant closure. Following our 2040 Community Plan, the city will develop a comprehensive Economic Resiliency Transition Plan and implementation tools to support a sustainable transition from an energy economy and a stable economic future for the community.

Benton County

Grant Awarded: **\$1,000,000**

Project: **Removal of Transmission Lines Along CSAH 29 Corridor**

Project Goals: Benton County was awarded \$1M for the relocation of Xcel's electric transmission poles along the CSAH 29 Corridor. The first phase of the project of constructing a roundabout at the intersection of CR29 and CR1 - which is part of the larger Beltline Corridor project. The implementation of this project will help a rapidly developing area of the St. Cloud APO Region linking metro growth centers with major residential, commercial, industrial and airport sites.

City of Cohasset

Grant Awarded: **\$750,000**

Project: **Blackwater Banks Infrastructure Phase 3**

Project Goals: The city of Cohasset was awarded \$750,000 of the Community Energy Transition Grant Program to help fund the third phase of infrastructure costs for the Blackwater Banks Riverfront Development Project. This project is located on the Mississippi River in Cohasset and will substantially expand and enhance the growing community's downtown area.

Completion of the infrastructure will create an investment-ready site that is fully prepared for development of new housing, recreational amenities, restaurants, retails, lodging, and more.

Otter Tail County

Grant Awarded: **\$650,000**

Project: **Westridge Mall Redevelopment**

Project Goals: The funding application to the Community Energy Transition program is being requested for the purchase and selective demolition of the vacant, blighted portion of the Westridge Mall in Fergus Falls.

Otter Tail County will take the necessary steps to advance the redevelopment of the site and work to ensure the preservation of four remaining businesses still physically connected to the mall structure but under separate ownership.

City of Oak Park Heights

Grant Awarded: **\$374,812.50**

Project: **City of Oak Park Heights PFAS Treatment Phase 2**

Project Goals: The City of Oak Park Heights proposes to use the Community Energy Transition Grant funds for PFAS Treatment Phase 2. The project includes performing engineering work to get the City's plans to 60% complete to determine the process, equipment and estimated costs related to removing PFAS from the City's water system.

As a proactive measure, the City aims to leverage this grant to target PFAS (Per- and Polyfluoroalkyl Substances) contamination, thereby fostering a safer, healthier, and more economically resilient community.

Goodhue County

Grant Awarded: **\$125,930**

Project: **Employment and Tax Base Diversification Fee Reimbursement Program**

Project Goals: The grant funds will be used to reimburse qualifying building permit fees, sewer and water access fees to applicants. The goal is to encourage residential and commercial property growth and improvement which will attract new investment from the outside area. The goal is to increase the tax base and generate sustainable tax revenues.



**EMPLOYMENT AND
ECONOMIC DEVELOPMENT**
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