



*To unify, support, and serve  
as a common voice for municipal utilities*

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**FOR IMMEDIATE RELEASE**

**FLAWS IN CARBON-FREE BILL THREATEN SMALL TOWN MINNESOTA**

*MMUA calls for changes to ensure reliable, affordable, and sustainable energy future for all Minnesotans.*

**[PLYMOUTH, MINNESOTA, January 30, 2023]**—The cost of utilities for customers and the impact on small Minnesota towns may be staggering under the Carbon Free Energy Bills (SF 4/HF 7) as they are currently written. Municipal utilities do not typically generate power. This reality, along with their smaller size and customer base, means they will experience significant negative impacts if the bills are enacted without changes.

MMUA urges legislators to make adjustments to ensure that flaws in the bills are addressed so hometown ratepayers are protected from forces beyond their control. Specifically:

- The bills should ensure that municipal utilities and their ratepayers are not negatively affected by the need to generate power with locally owned legacy equipment during weather and grid emergencies.
- Language should be removed that weakens customer protections against devastating blackouts and high rate increases.
- The bills should exempt municipal utilities from repercussions of decisions made by entities with whom they may have contractual agreements that pre-date the new law.

"Hometown utility leaders are right to be concerned about these well-intentioned bills as currently written," says Karleen Kos, CEO of MMUA. "I have never met a municipal utility customer or employee who wasn't supportive of clean energy, but this law is not realistic for small town utility operations. What makes sense for Xcel is simply not feasible for Ely or Elbow Lake."

MMUA encourages ratepayers across Minnesota to raise these issues with their legislators and with Governor Walz. "If we are truly 'One Minnesota' as Governor Walz has said, then our lawmakers need to join us at the table to fix problems with these well-intentioned bills," says Kos. "We all want a carbon free future, but the path to that goal needs to be based in the realities of our towns today. By working together, we can attain carbon free power that is also reliable, affordable, and sustainable."

**About MMUA:** The Minnesota Municipal Utilities Association was established in 1931 to unify, support, and serve as a common voice for municipal utilities. The organization represents nonprofit hometown utilities in 124 communities around the state that serve a median 1,275 customers. MMUA provides safety, training, compliance, and government relations services in Minnesota cities as well as from its offices in Plymouth and its Marshall-based training center.

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