Statement Before the Minnesota Public Utilities Commission

Re: In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard [Minn. Stat. § 216B.1691]

Hybrid Agenda Meeting – July 17, 2025

Esteemed commissioners, I am Chris Cooper, a Policy Director at Center for Resource Solutions (or CRS), an environmental non-profit that has advised regulators and private industry on the credible use of market instruments for over 25 years. We are constantly reminding stakeholders that power delivered through a bulk power grid renders every volume of electricity indistinguishable from every other, making it impossible to trace any volume consumed from the grid to where it was generated. That is why Renewable Energy Certificates and Energy Attribute Certificates are the best and only way to track the attributes of clean power and protect the purchaser's exclusive right to claim the environmental benefits of using it.

Our Green-e® Energy program, which certifies transactions of these market instruments, has become the gold standard for preventing double-counting and double-claiming across the continent.

So it will come as no surprise that CRS's primary concern with implementation of the Carbon-free Standard is the potential for double-counting and double-claiming, which not only eliminates the environmental benefits of consuming clean energy, but undermines consumer trust in the voluntary market (which is driving a growing share of new capacity additions).

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PUC staff has noted that it is undisputed that applying a grid average fuel mix (which includes utility purchases and all voluntary purchases) to calculate the carbon-free portion of net market purchases permits utilities to claim attributes that are the exclusive property of voluntary purchasers and to count twice the attributes generated or procured by the utility itself.

Nevertheless, proponents of a grid average mix argue simply that the wording of the REO statute permits this kind of flawed accounting.

But double-counting and double-claiming are not merely questions of statutory syntax. Every kilowatt-hour of carbon-free electricity double-counted or double-claimed is a kilowatt-hour lost in the effort to reduce carbon emissions in time to avoid an existential climate crisis. It is akin to running in place and undermines the good-faith efforts of voluntary purchasers investing in a better future for us all—from the multinational corporation leading the charge toward net zero emissions by 2050, to the customer in a senior living home sacrificing a few dollars each month to leave his grandkids a livable planet.

It is implausible that a statute whose objective is to aggressively reduce carbon emissions intentionally permits compliance using a mechanism that essentially erases voluntary efforts to reduce those same emissions. And even if, for some reason, the statute DOES permit its own contravention, then the Commission should exercise the broad authority granted by the statute to close that loophole and ensure that Minnesota's Carbon-free Standard is implemented in a manner that achieves its objective, namely by requiring that all claims to attributes be proven through the retirement of corresponding certificates and that the portion of net market purchases claimed as carbon-free is determined using a residual mix that attempts to exclude specified power already purchased by the utility or through the voluntary market.