

March 31, 2025

Chair Chris Swedzinski Energy Finance and Policy Committee 2nd Floor Centennial Office Building Saint Paul, MN 55155 Chair Patty Acomb Energy Finance and Policy Committee 5th Floor Centennial Office Building Saint Paul, MN 55155

Re: Support for improved oversight of large water appropriation projects in HF2928

Chair Swedzinski, Chair Acomb and committee members,

As a science-based organization with a focus on water sustainability, Freshwater urges you to support HF2928, which would provide necessary improvements to the evaluation and permitting of large water appropriation projects.

Projects such as hyperscale data centers can use millions of gallons of water each day for cooling, and they are being proposed and sited in Minnesota communities at an alarmingly fast rate. A large water user today may limit water supply for future residents or businesses, underscoring the need for careful consideration of long-term regional impacts.

We have met with multiple state agencies, cities and legislators to hear their concerns around data centers and other large industrial water users. This has brought to light a variety of issues with the way these projects often develop, including:

- Municipalities are asked to approve water-intensive projects within short timelines, limiting their ability to fully consider sustainable design alternatives and long-term project risks.
- Businesses seek to use municipal water supply sources in order to expedite permitting.
- Water managers may not receive adequate information to evaluate project requirements and impacts early in the planning process.

We believe the provisions described in HF2928 would provide a more formalized process to ensure large water appropriation projects are sited and designed responsibly. This would help to safeguard the future water supply for Minnesota communities.

Thank you for your consideration, and we appreciate your work for the State of Minnesota.

Michelle Stockness, PE

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Executive Director, Freshwater