

## Minnesota Madness

Minnesota politicians are thinking about blowing billions... again! We're not sure what's going on in St. Paul, but instead of balancing the costs and benefits of Minnesota's energy needs, many leaders are transfixed by wind and solar power.

If this story sounds familiar it's because in 2018 we released a video based on a report produced by the Center of the American Experiment. That report detailed how Minnesota politicians sliced and diced billions of dollars in search of lower electricity costs and reduced CO2 emissions. What they got was much higher electric rates and a smaller reduction in CO2 than the national average. Now state leaders may double down on that failure.

Under state law, Minnesota must generate 25 percent of the state's electricity from renewables such as wind and solar by 2025. Some lawmakers want to up the ante to 50 percent by 2030. The prospect of that happening led American Experiment to conduct research for a new report explaining to Minnesotans how much that scheme would cost them, but more importantly, to show that there are other alternatives.

According to American Experiment's report, doubling down on wind and solar would cost an additional \$80.2 billion through 2050 and increase electricity prices by 40 percent compared to 2018 rates. Building and maintaining an electric grid capable of accommodating 45 percent wind and 9 percent solar would cost Minnesota households an extra \$1,200 per year in energy costs through 2050, but only about \$400 would show up on their utility bills.

The rest would be paid for in other ways. For example, the Edina school district would see their electricity bill increase by \$576,000 per year. They'd have to lay off ten well-paid teachers to make up for that cost or raise taxes to keep them on staff.

American Experiment estimates that the renewable Double Down would destroy nearly 21 thousand jobs and reduce state GDP by \$3.1 billion every year. It would create about seven thousand construction jobs, but most of those would be temporary.

The good thing about this report is that American Experiment isn't just dumping on a 50 percent renewable mandate as a really bad idea. The Minnesota think tank has done the analysis on three other options that citizens should consider.

Those options include two nuclear scenarios, short term, and long term, and the Affordable Clean Energy, or ACE, scenario based on EPA regulations designed to reduce carbon emissions from coal-fired power plants.

In both nuclear scenarios, nuclear's share of electricity generation would grow to 78 percent by 2050, over slightly different time scales, reaching the same reduction in CO2 emissions as wind and solar but at a dramatically lower cost.

In the ACE Scenario, existing coal power takes on a larger role at just over 40 percent while complying with new federal CO2 emissions reduction requirements. After minor additional costs upfront, this scenario delivers meaningful long-term savings.

While nuclear is significantly more expensive than coal, it does reduce CO2 emissions on a larger scale as does the renewable option. But these are giant costs for infinitesimal benefits. Mandating 50% renewable electricity would cost Minnesotans \$80 billion and theoretically lower global temperatures by six ten-thousandths of one degree Celsius by 2100.

\$80 Billion for a supposed benefit so tiny that a rounding error would look gigantic by comparison? Hey Minnesotans... it's your call. And it's your money.

For the Clear Energy Alliance, I'm Mark Mathis. Power On.



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