

March 21, 2023

Minnesota House of Representatives  
Climate and Energy Finance and Policy Committee  
State Office Building, Rm. 200  
Saint Paul, MN 55155

RE: House File 2620, Distributed Energy Resources Grid Upgrade

Dear Chair Acomb, Representative Pursell, and Committee Members,

On behalf of Clean Energy Economy MN (CEEM), I write today in support of HF2620, a bill to help Xcel Energy customers seeking to install solar and other clean energy technology who have been met with extreme costs to connect to the grid. The bill also creates a program regulated by the Department of Commerce to provide funding to Xcel to address serious and crippling interconnection issues. The funding helps to resolve grid constraints in the areas facing the most constrained capacity issues.

CEEM is an industry-led, nonpartisan, non-profit organization representing the business voice of energy efficiency and clean energy in Minnesota. We work to educate Minnesotans about the economic benefits of transitioning to a clean energy economy and are committed to delivering a 100% clean energy future where all Minnesota businesses and citizens will thrive. Our business membership is comprised of nearly 50 clean energy companies ranging from start-up businesses to Fortune 100 and 500 corporations that employ tens of thousands of Minnesotans across the state.

We thank Rep. Pursell for bringing this bill forward and Chair Acomb for hearing it in committee. This bill will assist in efficiently building out the necessary infrastructure to meet 100% clean energy by 2040. Right now, the grid in Xcel Energy territory is facing too many bottlenecks that are holding up residential, commercial, and other distributed generation (DG) projects from generating clean renewable energy.

Over the past few years, a growing number of Xcel Energy customers have faced significant interconnection costs in order to connect their solar or other DG projects to the grid. This bill provides one-time seed funding for a cost-sharing program developed by Xcel to alleviate some of these smaller grid upgrade costs. The bill also provides a more comprehensive program overseen by Commerce to provide funding for necessary DG interconnection upgrades, streamline review processes, minimize barriers for customers, and advance new technology solutions to minimize costs.

Today, almost 58,000 Minnesotans work in clean energy with over 8,200 of those jobs in renewable energy.<sup>1</sup> Distributed generation projects are a key driver of these local jobs and economic investment in our state. The only way Minnesota will reach our 100% clean energy by 2040 goal in an equitable way is by incorporating a significant amount of distributed generation allowing Minnesotans a pathway to a resilient clean energy future.

Thank you for the opportunity to share our support for this proposal and for allowing us to make clear the importance of making this critical investment as soon as possible. If you have any questions, please let us know.

Sincerely,



George Damian  
Director of Government Affairs  
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<sup>1</sup> 2022 Clean Jobs Midwest Report: <https://www.cleanenergyeconomymn.org/clean-jobs-midwest>