

Arcadia

March 14, 2023

Representative Patty Acomb
Chair, House Climate and Energy Finance and Policy Committee
Minnesota House of Representatives
593 State Office Building
St. Paul, MN 55155

Dear Chair Acomb,

I am writing today on behalf of Arcadia in support of HF 2432. Thank you for the opportunity to comment on this critical legislation that will propel Minnesota towards achieving the state's climate and energy goals. This legislation will improve upon Minnesota's existing community solar garden program to enable a more robust offering that prioritizes Minnesotans.

Arcadia is the largest community solar subscription manager in the country. Arcadia does not develop community solar projects directly; instead, we work with solar developers to subscribe customers and manage those subscriptions. Our software is revolutionizing community solar, making it easy for people to sign up for community solar while providing customer savings without any risk. Today, Arcadia manages 475 community solar projects representing over one gigawatt of capacity across fourteen states, including multiple projects in Minnesota. In total, we manage community solar subscriptions for more than 200,000 subscribers.

Minnesota's community solar garden program has the potential to make solar power accessible to thousands of Minnesotans who cannot install rooftop solar panels on their homes or businesses, either because they live in an apartment complex, rent their home, or cannot afford installing solar panels. As you know, Minnesota was one of the first states in the country to adopt a community solar garden policy in 2013. Minnesota's community solar garden program is intended to bring the benefits of solar power to all Minnesotans, not just those who own their home and can afford solar panels on their rooftop.

HF 2432 will provide necessary improvement to the existing community solar garden program in order to truly expand access to solar energy for residential customers. First, the legislation eliminates the need for subscribers to be located in the same county or a contiguous county as the community solar garden project. The contiguous county requirement is an outlier nationally, and it serves no discernible purpose other than limiting the ability of families in urban and suburban counties to subscribe to projects.

Second, the legislation increases the maximum project size cap from 1 megawatt to 5 megawatts. This change will enable greater economies of scale that will drive down the cost of the projects. Importantly, the change will also allow more customers to subscribe to community solar garden projects and will ensure the projects continue to provide grid benefits to the distribution system.

Third, the legislation establishes a program that will prioritize the engagement of residential customers. A best practice from across the country is to require that at least 50 percent of the capacity of each project be subscribed by residential customers. This requirement ensures that the program is meeting its important equity objectives. Arcadia supports a 50 percent residential requirement for all community solar projects, and we further believe that focusing on low- and moderate-income individuals within this requirement will enable the customers who need savings the most to benefit from the program.

Finally, we note that the residential adder is an essential tool for community solar projects to recruit and retain residential subscribers. Initially adopted by the Minnesota Public Utilities Commission in 2018 as a two-year pilot program, the residential adder pilot was a resounding success. It was subsequently extended by the Commission for an additional two years in 2021. Despite the adder's success in increasing residential subscriber participation in the program, there is uncertainty on whether the adder will be extended further. For this reason, we urge you to consider making the residential adder permanent. This will ensure that community solar garden projects are successfully constructed and residential customers reap the benefits from those projects.

Arcadia strongly supports HF 2432 to ensure that Minnesotans reap the rewards of the community solar garden program. We appreciate your leadership on this important legislation.

Sincerely,



Angela Navarro
Head of State Regulatory Affairs
Arcadia

TO THE CLIMATE AND ENERGY FINANCE AND POLICY COMMITTEE:

Hello, and let me introduce myself.

I am a proud Minnesotan who is subscribed to a solar garden.

I have benefitted from this solar garden in knowing that I am helping the fight in clean energy. The energy savings I receive isn't a ton of money, but the few dollars I save, I put right back into the Minnesota economy. I am not naïve to the fact that we still need coal to fuel our establishments, especially up here in the northern countries, but we can still cut down a little to help not only our fellow Minnesotans, but the only planet we live on, Earth. I, personally would like to see this program grow. This would allow more subscribers to help with Minnesota's economic growth.

I understand that other pro-solar states have followed Minnesota in adopting a community solar policy, but without the arbitrary geographic restrictions that effectively prevent program access by Minnesota subscribers.

I have seen, in Florida, an actual community dependent on solar only. It is called Babcock Ranch. It powers 2,000 homes, plus a school and health care center. When hurricane Ian hit, it was left virtually unscathed. That town still had electricity, water and internet. What happens when we, in Minnesota, have a blizzard? Downed power lines, hundreds of thousands of people with no electricity, for days, even weeks.

Of course in Minnesota, totally dependent on solar is not viable, it can still cut down on energy that is not clean.

Why is everyone so gung-ho on electric vehicles? Because they want clean energy!! Well, isn't that what a solar garden does?

Isn't the President of the United States pushing for cleaner energy? Doesn't this bill basically tell him that we as a state do not care what he wants?

Let's look at some facts:

1. You used to have to be a homeowner with a perfect roof to have solar availability. Not to mention the costs involved, but what about resale value? You could imagine the potential home buyers that see that and would turn away. With a community solar garden, that no longer is a problem.
2. Our cost of electricity should not be dependent on the Russia-Ukraine conflict, but it is. Community solar gardens keep money in the local economy and reduce our exposure to global commodity price shocks.
3. Rural landowners benefit from this, providing a steady income during down crop years or bad weather, which we have had in the last few years. This helps landowners who participate in community solar gardens to stay afloat and not lose their land.
4. Upgrades are paid by the developers of the solar gardens, not by the state, to upgrade our aging electrical infrastructure. This helps our rural Minnesotans to have reliable electricity.
5. Community solar gardens produce approximately enough clean electricity to power 175,000 homes. This equals approximately 2 billion pounds of coal from being burned.

6. Community solar gardens also are a bee friendly habitat, and doesn't Minnesota pride itself on being a nature friendly state?
7. Minnesota also gets a portion of this community solar garden in approximately \$3 million in annual state employment taxes, not to mention the \$19 million in tax revenue.

Lastly, I would just like to say, when looking at this bill, don't do what the big electrical companies want you to do, but what we, the people who you are working for would like you to do. Keep the community solar gardens alive and thriving, so ALL Minnesotans can benefit from this.

Thank you for taking the time to read this letter, and I hope you will vote in the people's favor.

Sincerely,

Dennis Hogsett

A handwritten signature in black ink, appearing to read 'Dennis Hogsett', with a long horizontal line extending to the right.

445 Kroshus Dr.

Dilworth, MN 56529

To the applicable elected officials,

We would like to communicate our support for the continued improvement and expansion of the community solar garden program in Minnesota. Mark and I signed a solar lease around November 5, 2018 with US Solar – the community solar garden that was built as a result of this solar lease, USS Kasch, is currently operational on our land. We have been very happy with US Solar as their staff has always been responsive. The community solar program provides us with a passive income stream and helps provide carbon-free electricity to our local community. We believe the expansion of the community solar garden program would benefit Minnesota landowners just like us.

Sincerely,

Janet and Mark Kaschmitter
Benton County, Minnesota

Thank you, Committee members,

My name is Craig Petter and I have been a community solar subscriber since 2019. Participating in the community solar program is important to me as it allows me to participate in the green energy transition without having to put expensive solar panels on my home. I am writing in support of House Bill 2432 as it includes necessary changes to support the community solar program in Minnesota going forward. I live in Hennepin County and many of my neighbors are unable to subscribe to get the benefits I see because of the contiguous county restriction. The changes in the bill are necessary to make the program more accessible so that the benefits of the program can be spread more equitably across the state.

Every month I see savings on my electricity bill I would not otherwise see without my subscription to my community solar garden, and it is important that others not in a position to invest in solar panels themselves are not left behind as the state moves forward with more clean energy. Every person in Minnesota should have the same opportunities to participate and directly share in the economic value created by investments in renewable energy.

I'm proud to be a subscriber to solar energy and I understand that other states have followed Minnesota's example by creating similar community solar programs, but without the arbitrary geographic restrictions we have in Minnesota. This is why I encourage you to vote in favor of House Bill 2432 so we can better align our program in Minnesota both with other states and with our values by being more inclusive to all.

Thank you for your time and consideration,

A handwritten signature in black ink that reads "Craig Petter". The signature is written in a cursive style with a large, stylized initial "C".

Craig Petter
4204 Aquila Ave. N.
New hope, MN 55428



March 14, 2023

I write today to provide the Minnesota Multi Housing Association's (MHA) position on the DE1 for HF 2269, Energy Benchmarking.

We appreciate that the author reached out to us to engage on this important issue. We are continuing to process the impact of the DE1 amendment but believe it has improved the proposal and addressed two primary concerns of MHA. Our concerns of the original proposal included that there were heavy administrative requirements placed on housing providers and the required disclosure of energy star ratings to prospective customers.

The change to the disclosure requirements and the pivot toward ratings being used as a marketing option for high performers is a welcome improvement. Additionally, the amendment addressed many of the administrative issues we had raised. However, in review of the proposal we are concerned that if energy providers are not generating the energy information as required in this proposal, the requirement would fall back on the housing provider.

We are grateful for the movement in the DE1 amendment. We will continue to work with the author and other stakeholders to address our remaining concerns as we continue to process the DE1 amendment.

Best regards,

Kyle D. Berndt
Director of Public Policy
Minnesota Multi Housing Association

03.14.2023

Dear Climate and Energy Finance and Policy Committee:

I am writing in support of HF 2432, regarding solar gardens.

This purpose of this statute is increasing maximum capacity of community solar gardens, removing location restriction, and authorizing a new type of solar garden.

I am in support of this program as it has been successful already and helps bring folks like me as a subscriber into the solar economy. I chose to join US Solar about 3 years ago because it was important for me to financially support clean energy and this was a clear way for me to be involved without needing to purchase my own solar panels. At the time I joined US Solar, I was living in an apartment, so even as a renter, I could support a local solar garden! Now I am a home owner in St. Louis Park (with my husband, David Heinrich) and we continue to be members of US Solar, which we feel good about supporting. I recently learned that the capacity for involvement in solar communities in certain parts of Minnesota is dwindling due to geographic restrictions. It would be truly disappointing if I was no longer able to participate in a solar garden like US Solar.

We would like to see these solar programs grow so that more Minnesotans can participate in and directly share in the economic value created by solar gardens. Other states around the country have followed Minnesota in adopting a community solar policy, but without the arbitrary geographic restrictions that effectively prevent program access by Minnesotans in certain parts of the state.

I ask you to please support this legislation so that Minnesota can continue to lead the solar energy movement and expand access to solar gardens in our state. Please feel free to contact me with any questions or further discussion.

Sincerely,

A handwritten signature in black ink that reads "Natalie Heinrich". The signature is written in a cursive, flowing style.

Natalie Heinrich
2753 Edgewood Ave S, St. Louis Park MN 55426
Natalie.t.heinrich@gmail.com
612-269-9306



408 Saint Peter Street, Suite 350
Saint Paul, MN 55102

PHONE 651 225 0878

EMAIL info@fresh-energy.org

WEBSITE fresh-energy.org

March 15, 2023

Minnesota House of Representatives Climate and Energy Finance and Policy Committee
593 Minnesota State Office Building
100 Rev. Dr. Martin Luther King, Jr. Blvd, Saint Paul, MN 55155

Dear Chair Acomb and Committee Members,

My name is Joe Dammal and I am writing to you today on behalf of Fresh Energy. Fresh Energy is a 30-year-old, Minnesota based non-partisan, non-profit organization that is working to achieve equitable, carbon neutral economies. We appreciate the opportunity to testify on House File 2269.

Buildings are one of the largest contributors to greenhouse gas emissions and account for about 40 percent of emissions both statewide and nationally. In order to address these emissions, understanding where the largest and highest emitting buildings are and how much energy they are using is a critical first step. The goal of House File 2269 is to do just that, by implementing an energy benchmarking requirement for buildings over 50,000 square feet. Benchmarking is a best practice that compares a building or equipment energy performance to itself, to peers, or to established standards. Additionally, the program in this bill will give tenants the opportunity to understand their building's energy use and how it compares to other buildings. The goal of benchmarking is to identify opportunities for improvement in performance, energy efficiency, safety, and comfort, while establishing a baseline for addressing emissions from this sector.

State-owned buildings have been using a benchmarking tool to evaluate energy use and identify opportunities for energy improvement since the early 2000's. Today, the system keeps data on more than 7,500 public buildings in Minnesota and has identified more than \$23 million in potential energy savings. Expanding this practice to large commercial buildings will help identify no-cost operational changes a building manager can make to save on energy bills as well as prioritize efficiency investments a property owner can make.

Benchmarking also helps identify hidden problems by providing high-level building efficiency information that can flag equipment failure or unexpected operation – common causes of unnecessarily high operating costs. Issues like stuck variable air volume boxes and simultaneous heating and cooling are common in larger buildings. According to a three-year U.S. EPA analysis of 35,000 benchmarked buildings, buildings reduced energy consumption by an average of 2.4% annually, for a total savings of 7% on energy bills after three years.

House File 2269 will help property owners reduce energy use and operating costs, and will help Minnesota understand the sources of and reduce greenhouse gas emissions. We thank Representative Kraft for authoring House File 2269; Fresh Energy is committed to continuing to work with the bill author and stakeholders to help create an efficient and cost-effective benchmarking program that works for Minnesota.

Sincerely,

Joe Dammal

Managing Director, Buildings – Fresh Energy

dammal@fresh-energy.org

Mike and Peggy King
27920 Smithtown Road
Shorewood, Mn. 55331

To Whom it may Concern:

We own acreage in Carver County which is zoned agricultural and is rented to a local farmer. Several years ago, U.S. Solar erected a solar array on twelve acres of the parcel. This multi-use land management has been a harmonious working model for the farmer, profitable for the community, the environment and for us.

Their promise to landscape the surrounding premises in an attractive manner with trees was honored, making the site blend in with the cropland. Close proximity to the electrical poles allowed efficient hook up.

We have appreciated the professional handling of all aspects of this operation, and while we are ignorant of its solar energy capture, are grateful to be a part of the clean energy pursuit.

Sincerely,
Mike and Peggy King

David Shaffer
Director of Policy
(e) David.Shaffer@novelenergy.biz
(c) 612-849-0231



Date: 3/13/2023

Re: Letter of Support

Novel Energy Solutions (NES) is a Community Solar Garden Developer from St. Charles Minnesota. We were started by the Kaehler family on their family farm. Our company grew dramatically because of the 2013 community solar legislation. We're nearly a 300-person company now.

Our business model puts the community in "community solar." We work with residential and commercial customers to find them gardens to participate in. We use our farm roots to work with farmers and other landowners to make sure gardens are located in areas that allow the farmers to harvest corn, soy and the sun.

We'd like to continue to grow our family business, help more farmers, employ more Minnesotans and help our friends and neighbors of all income levels save on their energy bills. While we currently serve residential customers, we want to serve even more low-income and residential subscribers in the future. That is why we request your support of HF 2432.

As you'd imagine, NES supports 2432 in full. We see the same opportunity this year as we saw in 2013. There's a real chance to create jobs while pushing back on climate change. Strong public policy is the biggest driver of solar deployment – even more than the sun – and this committee has an opportunity to help drive more distributed solar deployment across our state.

With Minnesota now on a trajectory to 100% carbon free energy by 2040, we need to get going right away. If the legislature invests in both utility-scale and distributed resources, the state can help hedge its bet on delivering on its lofty vision. NES wants to help Minnesota achieve its goals by working on more distributed generation. This bill helps local companies like us do exactly that.

The 1) removal of the contiguous county requirement, 2) new community access program, and 3) increasing the garden size will help Minnesota stay a national leader in not only carbon-free technology but also in homegrown, democratized, renewable energy. Members of the House Energy and Climate Committee, please help our company continue to grow and include HF 2432 in your omnibus bill.

A handwritten signature in black ink, appearing to be "David Shaffer", written over a horizontal line.

Signature: _____

Name: David Shaffer
Title: Director of Policy and Government Affairs
Party: Novel Energy Solutions
Date: 3/13/2023

To Minnesota's legislators,

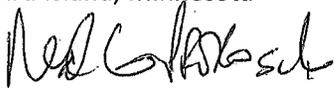
My name is Neal Prokosch. My family hosts a community solar garden operated by US Solar on our land in Renville County, Minnesota. The community solar program provides my family with a passive income stream that complements and diversifies the revenue made from our farmland. The community solar garden provides carbon-free electricity to our western-Minnesota community. Our family has found that the solar garden makes for a low-key neighbor – it doesn't emit odor, noise, etc.

We'd like to communicate our general support for community solar and would love to see the community solar garden program in our great state expand. The expansion of Minnesota's community solar program would provide more farmland-owning Minnesotan families just like us with the opportunity to host a solar garden. Additionally, it would allow more Minnesotans the opportunity to subscribe to the carbon-free electricity generated by these community solar gardens.

Sincerely,

The Prokosch Family

Bird Island, Minnesota

 3-13-23

Letter in Support of HF 2432

Monday, March 13, 2023 5:18 PM

Hello,

I am writing to express my wholehearted support of HF 2432 (Revisor number: 23-04293). I am a father of 4 young children, and am passionate about living more sustainably to ensure that they can enjoy the same natural environment that I did growing up. The sad news is that we are nowhere near achieving the climate goals that scientists have set forth; we need to do more.

To that end, I've wanted to install solar panels but have not had the financial ability to do so. When I first learned about solar gardens, I was excited about the prospect of getting involved in solar energy - they provide an amazing opportunity for folks like myself to live more sustainably and provide a better future for our children. The problem is that I, like over 500,000 other MN citizens, live in Ramsey county. As a result, I am not able to subscribe to Solar Gardens due to a lack of availability within Ramsey county and adjacent counties.

This bill would open up opportunities for myself and many others to get into the solar industry. Removing arbitrary geographic barriers and increasing the capacity limit would enable significant growth in solar gardens and give the people more power to live sustainably themselves. I understand that other pro-solar states have followed Minnesota's example in adopting community solar policies, but without the geographic restrictions that currently hinder my participation. The time is ripe for Minnesota to update its policies to spur further innovation and sustainable growth.

Thank you for your time and consideration,



Samuel Schreiner
2901 14th St NW
New Brighton, MN 55112

Members of the Climate and Energy Finance and Policy committee,

I'm writing to provide my support to the community solar garden (CSG) program as an extremely worthwhile way for homeowners like myself to engage with and support renewable solar energy in Minnesota.

I have always been interested in renewable sources of energy and was excited to find CSG opportunities at our residence. Our property is not conducive to local installation of solar capacity due to minimal sunlight given tree cover in our established Plymouth neighborhood. CSG programs such as US Solar have provided me an easy way to participate in the solar economy and have been a painless transition from the historic relationship I've had with Xcel Energy. The biggest limitation I found was the waiting period to find me a 'slot' in a CSG given the country-based restrictions requiring my CSG to be physically present in Hennepin County.

I believe there are many like me who would be very interested in CSG options but are turned off by the wait, or possible non-existence, of capacity given the geographical restrictions of these programs. The expansion of access to CSG opportunities not only speeds up the move to renewable energy solutions, but also provide valuable regional infrastructure to those garden providers and the state as a whole. The population of the core metro counties should not be limited in their CSG options due to geographical limitations and garden providers outside of the metro area should have the ability to satisfy customers throughout the state wherever possible.

The more we can do to support the Minnesota clean energy economy, the better! Community solar gardens provide a unique source of energy independence and an opportunity for Minnesota residence like myself to 'practice what they preach' in regards to clean energy use. The last thing we want are people engaged enough to want CSGs getting stopped due to arbitrary geographical restrictions.

Regards,

A handwritten signature in black ink that reads "Steven Eichten". The signature is written in a cursive, slightly slanted style.

Steven Eichten
18210 19th Ave North
Plymouth, MN 55447



Community Power
2720 E 22nd St
Minneapolis, MN 55406
www.communitypowermn.org

March 14, 2023

To Minnesota House Representatives and Committee Administrator Molzahn -

I write with enthusiastic and longtime support for the Community Access Bill, HF2432. Our communities have been waiting for this deepening of access and focus for residents since the Community Solar Garden program's inception, and Cooperative Energy Futures have represented us and many other grassroots groups in working tirelessly for it over years. This is most accurate for communities of color and those who have been persistently excluded from engagement such as renters and low wealth households.

Who We Are: I am on core staff at Community Power, which is an energy democracy organization located in Minneapolis that supports community members seeking to build a clean, local, equitable, affordable, and reliable energy future. Community Power is a partner to community-based organizations across the state seeking to support their own members to have decision-making power in local energy systems in order for energy to *build* community wealth rather than *extract* it.

Our Connection to Communities & Solar: Since a short-time after the launch of the CSG program, we have proudly accepted the invitation to partner on outreach with CEF for multiple of their cooperatively-owned solar garden projects. We continue to gladly accept this invitation to partner because CEF models the type of economic development Minnesota most needs - one that not only talks about participation, access, and wealth-building but really does it. CEF's gardens do not require income-testing nor credit checks to join as a member; and they have diligently worked to involve "harder to reach" energy users including renters, small businesses, homeowners, affordable housing units, libraries, and small landlords. Over years, we have engaged East African and Latinx households and other local businesses in Saint Cloud, Becker, Monticello, Faribault, Mankato, Cannon Falls, and many other smaller communities. We door-knocked, met with local community leaders, attended festivals, and spent countless hours talking with and getting to know subscribers. We've hosted events at the local breweries, libraries at the excited invitation of their staff with food brought by the local-area restaurants who also joined as subscribers.

Our Ask: Please support the Community Access Bill (HF2432), which would create a subset of the Community Solar Garden program to ensure the CSG program's original intention of access to solar is achieved - serving all Minnesotans, particularly residents.

This new program would deepen equitable access and grid benefits by:

- eliminating the ability of developers to check credit or income;
- requiring developers to have at least 50% residential subscribers;
- requiring developers to have at least 25% low-income subscribers,

- giving a higher price for the electricity¹ provided to the grid by these residential, low/moderate income subscribers in order to 1) give them a fair and similar rate for the electricity they add to the grid to the rate that homeowners who can afford to put panels on their house receive, and 2) to value the additional work required to reach marginalized energy users that are "hard to reach" often precisely because of the demands put on their lives through instability that legacies of exclusion and discrimination have created or exacerbated (e.g. 2-3 jobs, health burdens, housing insecurity, mistrust/unfamiliarity, language barrier, lack of demographic representation and affinity, etc)
- and removing the financial bottlenecks for all energy users to participate in clean energy without crowding communities with only distant-from-use massive utility-scale solar projects that generate 30x fewer jobs than small-scale solar,² and the coal/gas industry that is not only produces fewer jobs per project but is cutting jobs even as production grows³

We appreciate your time and thoughtful consideration and hope you support and champion this bill.

Sincerely,

Alice Madden

Community Power Energy Democracy Staff / alice@communitypowermn.org

¹ Applicable Retail Rate instead of just Value of Solar

² <https://www.freeingenergy.com/rooftop-small-solar-creates-more-jobs-employment-utility/>

³ <https://www.cnn.com/2022/06/28/politics/solar-wind-fossil-fuel-jobs-report-climate/index.html>

Testimony of Larry Weiss to House Climate and Energy Finance and Policy, Re: HF 2432

Madame Chair, Mr. Vice Chair, and committee members, thank you for allowing me to appear before you today. My name is Larry Weiss, and I live in Minneapolis. I am here in support of HF 2432 to improve Minnesota's Community Solar program. My wife and I have been Community Solar subscribers, customers of US Solar, for about five years. It was hassle-free and cost us nothing to sign up, and it has saved us about \$100 per year in energy cost. But overwhelmingly most importantly to us, it guaranteed that the total amount of electricity we use is being supplied to the grid by solar energy. We care deeply about our grandchildren's future. We are proud to be a small part of the program that has installed the great majority of all photovoltaic generation installed in our state, and that serves as a beacon to other states.

I strongly support the bill's extension of the Community Solar program to all public utilities and its elimination of the contiguous county provision now in effect. I have a number of friends who have wanted to become Community Solar subscribers but have been unable to do so either because they are outside of Xcel's territory or because they are in that territory but no subscriptions were available due to a lack of new interconnection availability in a county contiguous to the one they live in. These are all people who also want the option of ensuring that their electricity usage is covered by solar energy, and who care deeply about the future of our planet.

I strongly support the bill's provision to allow Community Solar installations to be up to five MW. One of the objections to Community Solar is its relatively high cost of installation. The current one MW limitation artificially limits economy of scale and ensures that the cost cannot come down.

Finally, I strongly support the Community Access provision in this bill because it allows people who have been redlined from Community Solar due to their income level or credit score – but who also care deeply about their children's and grandchildren's futures – to participate.

I thank you for the chance to speak before you today.