

Subject Community solar gardens

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Overview

House File 2625 amends the Community Solar Garden statute by having the Department of Commerce manage the program and creating new types of solar gardens containing a higher proportion of residential subscribers.

Summary

Section	Description
1	<p>[216B.1641] Community solar garden.</p> <p>Subd. 1. Definitions.</p> <p>Subd. 2. Solar garden project requirements. Raises the maximum solar garden capacity from one to three megawatts. Drops the requirement that a subscriber must be located in the same or a contiguous county to the solar generation facility if the garden has a minimum setback of 100 feet from the nearest residence and the garden owner certifies that at least ten percent of the garden's capacity is reserved for residential subscribers. Specifies that the utility must purchase electricity from a solar garden at the three-year average value of solar rate when that has been approved by the commission, or the applicable retail rate, except as provided in subdivision 7.</p> <p>Subd. 3. Solar garden plan; requirements; nonutility status. Technical.</p> <p>Subd. 4. Program administration; enforcement. Requires the Department of Commerce to administer the community solar garden program, and lists its duties. Provides for enforcement under section 45.027.</p> <p>Subd. 5. Account established. Establishes a solar garden administrative account in the special revenue fund to hold fees collected by the department under the program.</p> <p>Subd. 6. Community access project. Authorizes the commission to designate a solar garden as a community access project (CAP) if it meets a list of criteria, including that at least 50 percent of the garden's capacity is held by residential</p>

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	<p>subscribers, and that the garden owner does not discriminate against potential subscribers based on income or credit score.</p>
	<p>Subd. 7. Community access project; financial arrangements. Provides that a garden designated by the commission as a community access project must purchase all electricity generated by the solar garden at the utility's retail rate. Limits the amount of required deposits a utility can require of the CAP owner to no more than one cent per watt of the CAP's generating capacity. Provides that all Renewable Energy Credits belong to subscribers unless the operator contracts to sell them and discloses that fact to a subscriber at the time a subscription is entered into.</p>
	<p>Subd. 8. Community access project; reporting. Lists information a CAP owner must include in an annual report to subscribers and the participating utility.</p>
	<p>Subd. 9. Commission order. Requires the commission to issue an order incorporating the provisions of this section within 180 days of the effective date of this act.</p>
2	<p>[216B.243] Low-Income Home Energy Assistance Program (LIHEAP) community solar garden grant program.</p>
	<p>Subd. 1. Establishment; purpose. Establishes a grant program in the Department of Commerce to award grants promoting the development of LIHEAP solar gardens in partnership with community action agencies.</p>
	<p>Subd. 2. Eligibility. Establishes eligibility criteria to receive a grant: (1) solar garden capacity of 500 kW or less; (2) all subscribers are residential customers who received LIHEAP grants in the past year; and (3) the garden is managed by a community action agency or an organization under contract to the department to disburse LIHEAP grants.</p>
	<p>Subd. 3. Application process. Requires the commissioner to develop administrative procedures governing the application and grant award process.</p>
	<p>Subd. 4. Application content. Specifies required application information.</p>
	<p>Subd. 5. Limitations. Limits a grant to 95 percent of the total cost of developing a CAP.</p>
	<p>Subd. 6. Eligible expenditures. Provides that grants may be expended to finance, purchase, and install CAP facilities.</p>

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3	<p>[216B.2422]</p> <p>Subd. 3. Environmental costs. Specifies that the commission must include and consider the environmental cost values it has adopted when evaluating resource options, including power purchase agreements.</p>
4	<p>Greenhouse gas emissions reduction strategy; report.</p> <p>Requires the commissioner of commerce to develop benchmarks and strategies to significantly accelerate greenhouse gas emissions reductions via the listed strategies. A report is due to the legislature by November 30, 2019.</p>
5	<p>Appropriation.</p> <p>Appropriates \$..... from the renewable development account in fiscal year 2020 and fiscal year 2021 to fund the department’s activities to administer and enforce the solar garden program. Appropriates \$1 million in fiscal year 2020 and fiscal year 2021 from the renewable development account for the LIHEAP solar garden grant program.</p>



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