



# **MSBA CLE**

## **Recent Developments in Solar Energy Law**

**Jim Denniston**  
**Xcel Energy**

**October 15, 2014**

# Agenda

- **Solar Legislation**
- **Solar Expansion Plan**
- **Customer Programs**

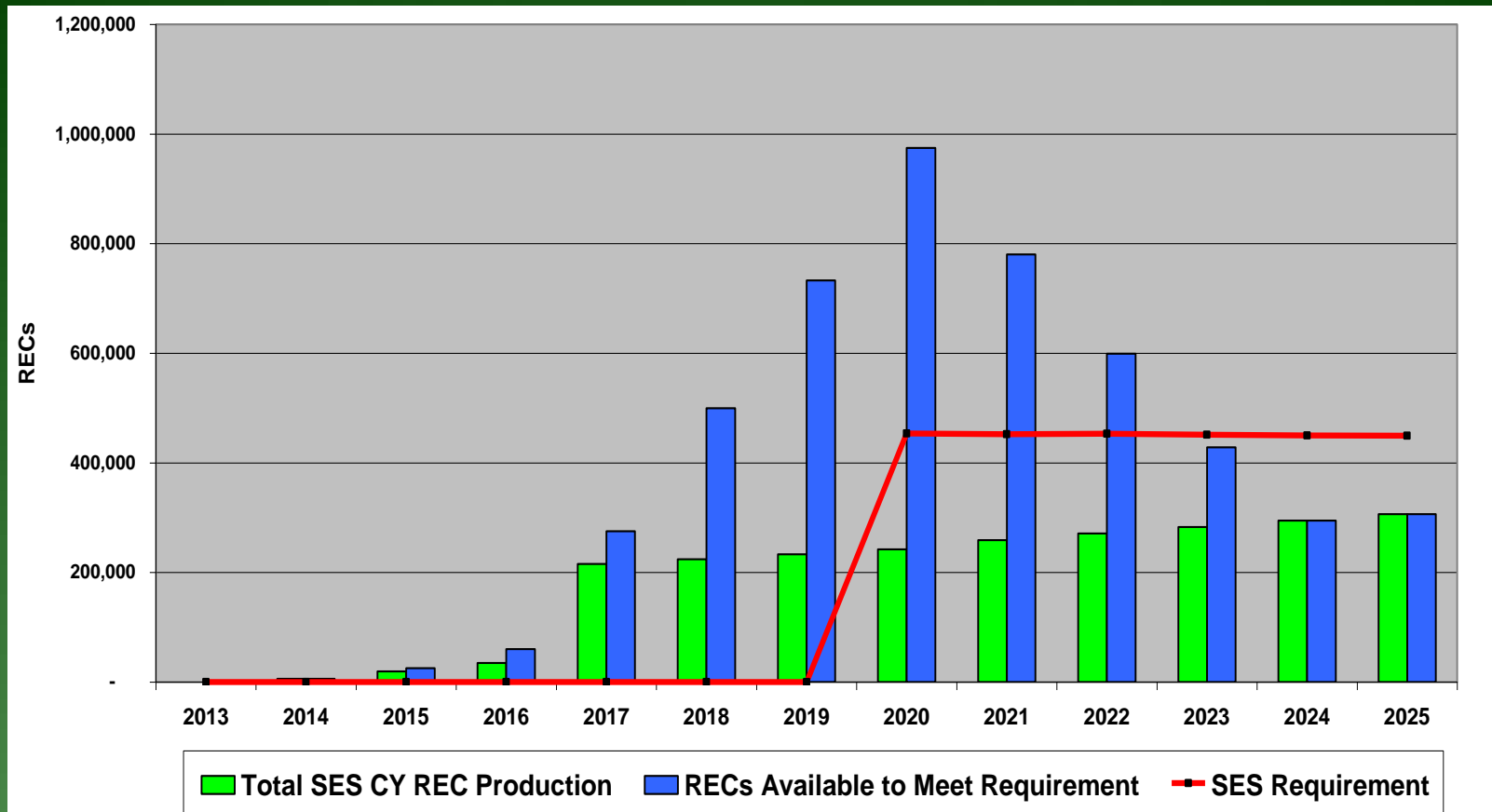


# 2013 Solar Legislation *Highlights*

- **Solar Energy Standard**
  - By 2020, 1.5% of sales must come from solar resources
  - 10% of the 1.5% must come from systems < 20 kW
- **Required customer programs:**
  - Solar\*Rewards (< 20 kW)
  - Made in Minnesota (< 40 kW)
  - Community Solar Gardens (< 1 MW)
- **Net metering expansion and Value of Solar rate**

# Solar Energy Standard

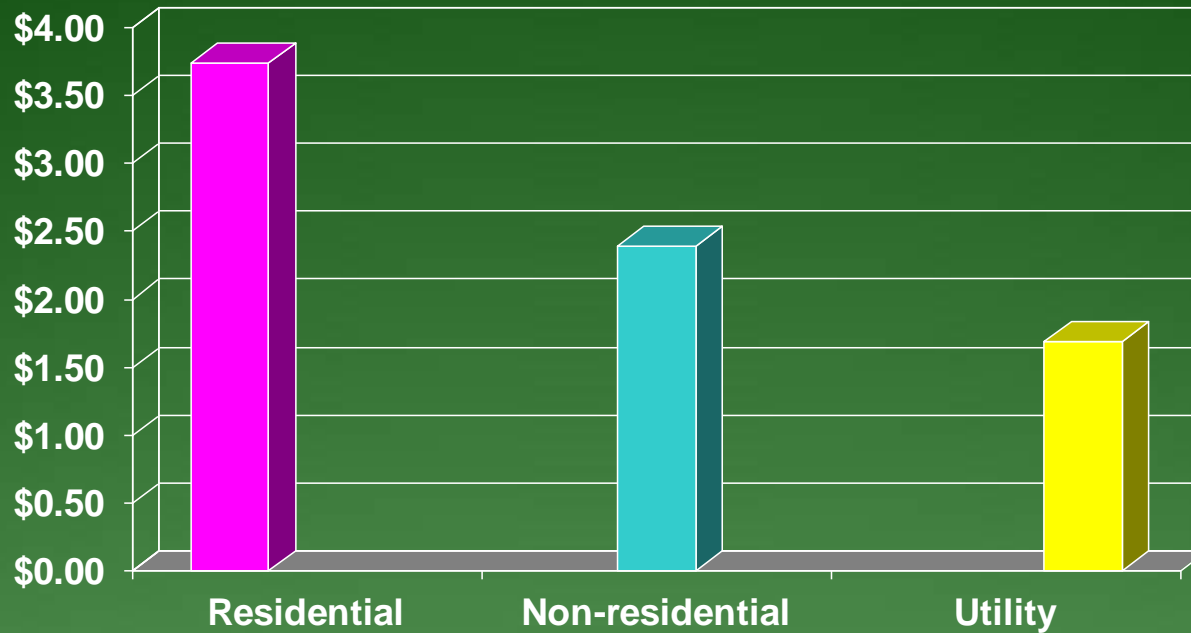
## *Estimated Compliance Requirements*



# Solar Energy Standard, cont.

## *Balancing Cost*

\$/watt dc (as of Q2 2014-GTM Research)



# Solar Energy Standard, cont.

## *Managing Uncertainty*

- Investment Tax Credit
- Installed cost of solar
- Potential for changing political priorities over longer term
- Customer adoption
  - Unlimited solar gardens program
  - \$5 million annually for Solar\*Rewards
  - \$15 million annually for Made in Minnesota (statewide)

# Customer Programs

## *Solar\*Rewards*

- Production-based incentives paid over 10 years
- Launched August 4, 2014
- Results to date (9/12/14):

2014 Capacity	MW Allocated	MW Available
4.6 MW	3.6 MW	1 MW

# Customer Programs, cont.

## *Solar\*Rewards Community*

- **Solar Garden Rules**

- **Less than 1 MW**
- **Within utility service territory**
- **Subscribers in host or contiguous county**
- **Garden must have minimum of 5 subscribers**
- **Subscription limited to 120% annual usage**
- **Single subscriber limited to 40% garden capacity**
- **Gardens < 40 kW eligible for incentives**



# Customer Programs, cont.

## *Solar\*Rewards Community*

- **Key Commission Decisions**
  - Energy credited at applicable retail rate with REC sale option
  - Subscriber defined at organization level for C&I customers
  - Consumer protection obligations largely rest with garden operators

# Conclusions

- **Solar is one component of a diverse energy portfolio**
- **We support a balanced approach to solar that:**
  - captures the efficiencies of large-scale solar
  - meets the different needs and interests of our customers
- **We will continue to adapt our solar acquisition plans as needed**

