



RECENT DEVELOPMENTS IN SOLAR ENERGY LAW

MSBA CLE

Overview of the Minnesota Solar Market

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MSBA: Recent Developments in Solar Energy Law:

Solar Energy in Minnesota



Minnesota Energy Policy Landscape

Early Support for Renewables

- No native fossil fuel resources.
- Traditional rate-regulated, monopoly utilities.
- Early Support for Renewables:
 - First Net-Metering Law (1981) §216B.164
 - 1993: Resource Planning Preference §216B.2422
 - 1994: Renewable Development Fund §116C.779
 - 1994: Wind Requirements 425+400 MW

Minnesota Energy Policy Landscape

Strong Support for Renewables

- Renewable Energy Goal Standard §216B.1691
 - 2001 MN Energy Security & Reliability Act
 - 10% RE Goal by 2015 (good faith effort)
 - Next Generation Energy Act of 2007
 - 25% by 2025/30% by 2020 for Xcel
- GHG (Next Gen Energy Act 2007)
 - Emissions Reduction Goal §216H.03
 - Coal Moratorium §216H.03

Minnesota Energy Policy Landscape

Limited Solar Development and Opportunities Prior to 2013

- Under 20 MW
- Generally small projects
 - Incentives for small projects (e.g., Xcel Solar Rewards and Minnesota Bonus Programs).
 - A few larger projects: Convention Center, Ikea, Slayton.
- One community solar program
 - Wright-Hennepin Cooperative Electric Association.



The New Minnesota Solar Market

2013 SOLAR LEGISLATION

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2013 Legislation: Large & Small Solar

- Solar Energy Standard
 - 1.5% retail sales by 2020
 - (Some exceptions apply)
 - 2030 Goal: 10% state's retail sales
- Incentives for Small & Local
 - 10% carve out, $\leq 20\text{kW}$
 - Made in MN, $\leq 40\text{KW}$
 - Production Incentive, $\leq 20\text{kW}$



2013 Legislation: DG Enhancements

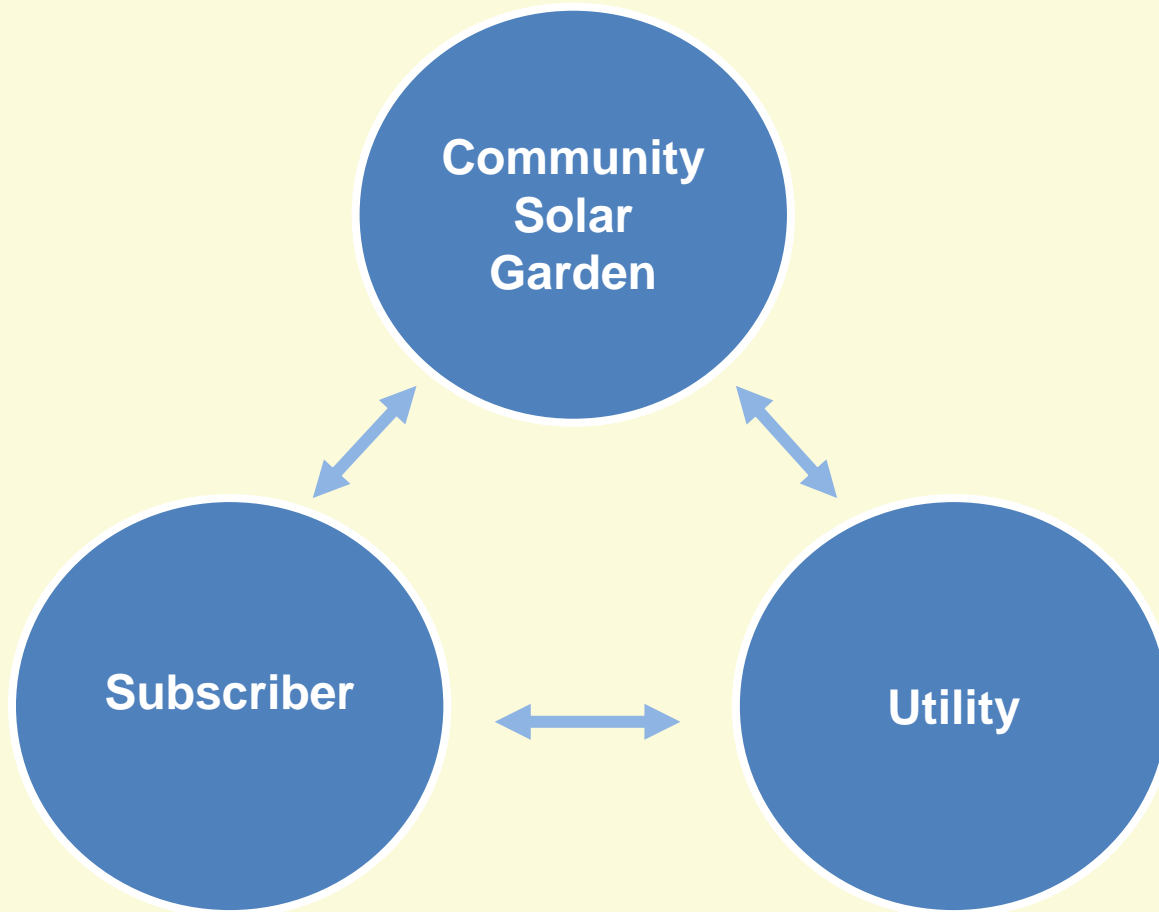
- Net-Metering: §216B.164
 - Increased individual system capacity cap from 40 kW to 1 MW for investor-owned utilities
 - Under 40 kW program largely kept whole
- Aggregation of meters on contiguous property
- 120% on-site annual consumption
- Utilities may cap at 4% of retail electricity sales
- Did *not* address third party financing

2013 Legislation: DG Innovations

- Community Solar Garden Program: §216B.1641
 - Increases access, similar to virtual net metering
 - Formal Definition:

“A facility that generates electricity by means of a ground-mounted or roof-mounted solar photovoltaic device whereby subscribers receive a bill credit for the electricity generated in proportion to the size of their subscription.”
Section 216B.1641 subd. (b) of MN Statutes.

A Three Party Arrangement



2013 Legislation: DG Innovations

- Value of Solar §216B.1641, subd.10
 - New approach designed to address utility & developer needs
 - Optional alternative to net metering (utility choice)
 - Customers are charged for electricity consumed at the customer's retail rate.
 - Customer are compensated for generation through a bill credit at the value of solar rate, which encompasses value to utility, its customers, and society.

Creating the New Solar Market

- How Much?
 - Rate/Cost?
 - What are the Rules?
-
- SES CI-13-542
- RFP M-14-162
- VOS M-14-65
- CSG M-13-867
- REC CI-13-720
- ELCC CI-13-315
- RE Integration CI-13-486
- Capacity CN-12-1240
- Interconnection M-14-648
- NEM R-13-729
- Xcel NEM M-13-642
- Resource Plan RP-13-368

Solar Models

- Behind the Meter/On-Site
 - Residential, business, government, schools
 - Net metering/VOS
- Community Solar
 - CSGs
 - Alternative structures
- Utility-Scale Solar





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QUESTIONS?

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