



March 9, 2021

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

Re: Minnesota's Community Solar Program

Dear Chair Long and Committee Members,

Clean Energy Economy MN (CEEM) writes today to express its support of bills to advance our nation-leading community solar program. We represent many businesses that develop and install community solar garden (CSG) projects, and we believe removing the contiguous county restrictions is part of continuing the program's success in providing local clean energy benefits while stimulating economic growth.

As an industry-led, nonprofit organization that is dedicated to strengthening Minnesota's clean energy business ecosystem, CEEM is appreciative of the leadership Xcel Energy has demonstrated in undertaking efforts to diversify and transform its clean energy options for customers. CEEM, alongside Xcel, understands the need and importance of maintaining a diverse mix of technologies within a portfolio – including solar energy – in order to achieve ambitious corporate and policy-driven goals for clean energy. As our electricity grid continues to age and change, demand for technology solutions at varying scales, including both local and utility-scale solutions, will also increase in order to meet the wide-ranging needs of our power system.

CEEM notes that a number of our member companies work to bring the economic benefits of clean energy to landowners, their neighbors, and other energy customers. We support advancing our state's community solar programs. In particular, we support removing the contiguous county restriction. This red tape creates an unnecessary barrier towards development of CSG's where they may be most useful for the grid, for farmers, and for subscribers. We agree that Xcel should be able to adequately plan for a future grid with increasing distributed energy, including community solar. We note that the contiguous county restriction limits access to customers that seek clean energy options. Each of those installations were carefully negotiated with local farmers to best use their land in responsible ways and in the long-term benefit of the land owners.

An expansion of community solar gardens will also distribute more tax benefits and jobs to more parts of Minnesota. In 2018, it is estimated that local government tax revenues throughout Minnesota increased by over \$2 million due to the CSG program. This new revenue not only adds to a local government's bottom line, but relieves any pressure to increase property taxes on residents and farmers. According to industry data, each 1-megawatt solar project requires about 40 workers during construction. Removing the contiguous county restriction will open up an estimated 300 megawatts of untapped solar potential - leading to 12,000 new CSG construction jobs over the next 6-24 months.

Lastly, advances in technology and business model innovations are driving down the costs for renewable energy, like solar energy. We must understand the total benefits to our state from CSG's alongside the utility rate for power purchased from these projects.

With over 61,800 Minnesotans working in our state's clean energy industry and clean energy jobs growing two times faster than all other sectors of our economy (pre-pandemic) – the future is indeed bright. Stakeholders can and should continue to work together in order to identify shared solutions that deliver on CSG goals, while also removing barriers to clean energy development across Minnesota.

Sincerely,



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