



Minnesota Solar Energy Industries Association

We Move Minnesota Solar + Storage Forward

March 26, 2026

Co-chair Chris Swedzinski

Minnesota House Energy Finance and Policy Committee

Chair Swedzinski and Members of the Committee,

MnSEIA writes to express concerns with HF 4308, specifically the modification of the Distributed Solar Energy Standard (DSES) that would effectively allow an opt out of the program, listed on lines 7.14-7.15, and lines 7.18-7.27.

The DSES was established in 2023 as part of a negotiated compromise that placed new limits on the size of the Community Solar Garden (CSG) program, and its complete redesign into the Low-to-Moderate Income (LMI) CSG program. At the time, utilities asserted they could deliver the benefits of distributed solar more efficiently through utility-led procurement. The DSES was designed to test that claim. This provision undermines that compromise and weakens the very policy intended to demonstrate whether the utilities can in fact do better and cheaper.

Importantly, early implementation of the DSES has been constrained by structural issues that have distorted outcomes. Xcel Energy's initial Request for Proposals, for example, included requirements that effectively limited eligibility to projects already in progress before the RFP was sent out. In practice this has resulted in a small number of projects being redirected from other programs to the DSES rather than fostering any new development. In a sense, then we see growing pains, as utilities learn how to cost-effectively develop mid-scale solar facilities with reduced land use. As the program progresses, we hope to see progress as utilities learn to effectively implement these facilities.

Further, the bill's reliance on levelized cost of energy (LCOE) comparisons can be misleading in this context. LCOE for resources interconnected to a utility's system reflects only the cost of generation and does not account for transmission and distribution infrastructure, which the utility can account for via other means. Utility-scale generation often appears less expensive than it is under this metric, because those additional system costs are not included. In contrast, distribution-sited solar, such as DSES projects are interconnected at the distribution level, near demand, providing a more complete total cost, and include any system upgrades necessary to interconnect. Comparing against utility LCOE alone is therefore not an apples-to-apples evaluation. Given these early limitations and frictions, it is premature to conclude that DSES projects are inherently uncompetitive on cost.

For these reasons, MnSEIA respectfully opposes HF 4308. Any efforts related to the DSES at this time should focus on improving implementation to ensure a fair, competitive process that captures the full value of distributed solar for Minnesota ratepayers.

Sincerely,

/s/ David Moberg

Manager of Government Affairs

MnSEIA

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CLEAR ENERGY COALITION

BLACK VISIONS • COOPERATIVE ENERGY FUTURES • COMMUNITY POWER
VOTE SOLAR • INSTITUTE FOR LOCAL SELF-RELIANCE • SIERRA CLUB
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CLEAR Coalition

Advancing a Clean, Local,
Equitable, Affordable, and Reliable
Energy Future for Minnesota

Contact: Katie Kienbaum
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March 25, 2026

RE: HF 4308 (Swedzinski)

Chair Swedzinski, Chair Acomb, and Members of the Committee,

The CLEAR Energy Coalition is writing to express our opposition to House File 4308, which would end payments made in return for the storage of nuclear waste in our state and weaken the distributed solar energy standard, among other provisions. Our coalition advocates for clean, affordable, and reliable energy for all communities in Minnesota. We believe this legislation would threaten Minnesota's ability to reach those aims.

Discontinuing the payments that Xcel Energy must make for nuclear waste stored on-site at its Monticello Nuclear Generating Plant would remove an incentive for the utility to responsibly limit the amount of waste stored indefinitely in aboveground dry casks.

Furthermore, this would negatively impact energy affordability in Minnesota. Since the payments are deposited into the Renewable Development Account, this bill would slash funds that support clean energy efforts throughout Xcel's service territory. This includes programs such as the Solar*Rewards Income-Qualified Program, which enables low-income households to save money on their electric bills through rooftop solar, and the Solar for Schools Program, which helps schools install solar arrays and educate their students. Cutting funding for these programs would reduce options for residents and community institutions that want to reduce their energy costs and slow Minnesota's progress toward its goal of 100% carbon-free electricity by 2040.

Additionally, weakening the distributed solar energy standard (established in 2023) by creating new exemptions would similarly make it harder for the state to meet its carbon-free electricity goal and to reap the grid benefits of deploying more distributed energy resources.

We appreciate your consideration.

Sincerely,

The CLEAR Energy Coalition

Black Visions
Cooperative Energy Futures
Minnesota Interfaith Power & Light
Solar United Neighbors

Community Power
Institute for Local Self-Reliance
Sierra Club North Star Chapter
Vote Solar