

Document2

Subject Energy grants for buildings in property-damaged areas**Authors** Lee**Analyst** Bob Eleff**Date** March 24, 2021

Summary

House File 2386 establishes a grant program in the department of commerce to incorporate renewable energy technologies, energy storage systems, and energy conservation measures in the new construction or renovation of buildings that were destroyed or damaged during the unrest experienced in Minnesota in May and June 2020.

The grants are to be awarded in two stages: first to organizations or political subdivisions that:

- (1) commit to aggressive outreach efforts to building owners containing minority- and women-owned businesses, and to buildings located in low-income areas;
- (2) have experience working with contractors installing renewable energy and conservation measures in buildings and analyzing the energy savings that result.

These grantees, in turn, make awards to individual building owners.

Commercial/institutional buildings receiving grants must meet the state's Sustainable Building 2030 energy standards, while multifamily housing is required to meet other aggressive efficiency standards. Grants are to be used to pay the difference between constructing and renovating buildings to the state's current energy code and these more stringent standards.

An advisory task force – composed of representatives of organizations with experience in energy conservation and renewable energy systems, businesses and neighborhood residents from the affected areas, organized labor, Xcel Energy, and others – is appointed to advise the commissioner as the RFP is developed, grants are awarded, and funding priorities established.

The bill also authorizes the state to implement pre-weatherization measures in homes containing low-income households located in areas adjacent to those that experienced property damage during the summer of 2020.

Funding for the bill is from the renewable development account; the amount of the appropriation is yet to be determined. Seventy-five percent of the funds are to be spent on building grants, of which 11.1 percent are for newly-constructed multifamily buildings. The balance of the funds are to be used for pre-weatherization measures.

