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TESTIMONY

H.F.no.1078 Bill for an act related to energy;
Establishing policy encouraging renewable production of thermal energy.

Before the House Committee on Energy, Finance and Policy
Monday, March 2, 2009, 2:45 pm.

By: Mario Monesterio
Westwood Renewables LLC

Good afternoon Chair Hilty and members of the Committee. My name is Mario Monesterio and I am testifying on behalf of Westwood Renewables LLC., a local company of which I'm a principal. We provide complete solar energy solutions. I myself have more than 25 years experience in solar and wind energy systems.

Although we are not experts in biomass-sourced energy we do provide strong support for the Solar Thermal technologies included in H.F. 1078 bill, which will establish a long overdue policy for encouraging solar production of thermal energy.

As mentioned by previous testimony, thermal production accounts for more than a third of the total energy consumption mostly used for heating and industrial processes. It is a fact that Minnesota receives as much direct sunlight as Houston, Texas, and much more than Germany, which has three times the installed solar capacity of the entire United States.

The state has extensive policies supporting solar electric production but very minimal policies for solar thermal production – despite the fact that at the present time solar thermal energy is more advantageous in both economic and carbon emission impacts, due to its higher efficiency and lower costs. Solar thermal energy costs are at parity with conventional energy generation today, according to the Solar Energy Industries Association, while solar electrical power – photovoltaic power – is still a few years from parity, given the currently available technology's efficiency and present-day costs.

My company receives requests for renewable energy solutions at an ever-increasing rate. Typically, after evaluating a client's energy consumption and specific home or business premises, we find that second to energy conservation, solar thermal is the most economical renewable energy investment they can make. The State's incentives have not reflected the accessibility of solar thermal energy for ordinary homes and businesses. But I am confident that strong incentivized support for this technology will help make solar thermal systems the primary solar energy choice for most situations concerned with cost and emissions.

[3:17 (Mario Monesterio)]

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Comprehensive renewable energy solutions enabling the alignment of economic viability, environmental sustainability, and energy security.

Furthermore, in the case of utility-scale applications, as an example, solar thermal energy can be used to further reduce District Energy Saint Paul's loads and emissions. The Twin Cities and the State have a decided advantage in having the largest provider of district heating and cooling in North America, and numerous larger-scale solar PV and thermal installations already undergoing development. We have the intellectual capital right here. What we need now is an environment that will bring the solar industry to scale. We have made a fair start, and we are at a tipping point with regard to opportunities to reduce emissions, facilitate use of solar thermal technologies and development of yet better ones, and in doing so redevelop the State's technological vanguard, avoid energy rationing, and make the operation of homes and businesses more sustainable by making energy costs and impacts more stable.

There is an experienced, committed, and growing solar industry in Minnesota. The Department of Commerce's Office of Energy Security publishes a directory of Renewable Energy (RE) practitioners – in the past two years, there has been a more than 200% increase in RE companies listed. Over the past four years, I have established two companies, providing jobs – with prospects of creating an additional 20 new positions over the next 18 months, not including contract hiring. We support no fewer than five Minnesota renewable energy equipment manufacturers and are considering developing a distribution center.

Although the Federal ITC helps drive much of the market stimulus, it is State level commitment that will solidify industry growth and national leadership to further attract new business. The State's closer proximity to local businesses and homeowners can encourage participation in RE at all levels – and solar thermal will give a good return on incentives.

Thank you for the opportunity to testify.