



Energy Resources Policy and Program Implementation

Grace Arnold, Commissioner

Policy and Program Implementation

- Natural Gas Innovation Act (NGIA)
- Solar for Schools
- Energy Conservation & Optimization (ECO)
- Minnesota Efficient Technology Accelerator (META)

Natural Gas Innovation Act (NGIA)

Natural Gas Innovation Act (NGIA)

Stakeholders Involved:

- Department of Commerce
- Regulated Natural Gas Utilities
- Xcel Energy
- LIUNA Minnesota & North Dakota
- Center for Energy and Environment
- Fresh Energy
- Coalition for Renewable Natural Gas
- American Biogas Council
- Rocky Mountain Institute
- Great Plains Institute (neutral party facilitating stakeholder meetings)

Natural Gas Innovation Act (NGIA)

- **Issues being addressed:**
 - How to calculate the greenhouse gas emission impacts of eligible resources to ensure utility plans lead to emission reductions compared to natural gas
 - How to calculate the costs and benefits of eligible resources to ensure utility plans provide net benefits and promote local economic development

Natural Gas Innovation Act (NGIA)

Non-natural gas resources:

- Renewable natural gas (RNG)
- Hydrogen
- Energy efficiency
- Strategic electrification (power-to-ammonia, carbon capture, biogas)

PUC process:

- Lower emissions
- Cost-effective, bring value to utility customers

Natural Gas Innovation Act (NGIA)

Hydrogen - Alternative resources

- Emissions reductions
- Benefits to customers
- Local economic development

Natural Gas Innovation Act (NGIA)

Implementation Process:

- MN Public Utilities Commission (PUC) must establish greenhouse gas emissions and cost-benefit assessment frameworks by **June 1, 2022**
- Framework development and analysis currently underway – on track to meet June 1, 2022 deadline
- Regulated natural gas utilities can file plans for consideration after the PUC issues the Order establishing frameworks

Solar for Schools Program

Commerce Solar for Schools Program

Commerce Administered

Outside Xcel Territory

- Commerce funding: \$8 million
- Projects up to 40 kW – for schools in non-Xcel areas
- January 5, 2022: Program launched with Round 1 RFP
- January 31, 2022: Round 1 RFP deadline
- February 28, 2022: Notification to schools that applied

Questions: SolarForSchools.Commerce@state.mn.us

Commerce Solar for Schools: ROUND 1 RESULTS



- 45 school districts applied
- 122 grant applications =
 - 4.9MW solar
 - \$11.8 funds requested (exceeds available funding)
 - \$96,836 average request

Commerce Solar for Schools Funding

MAXIMUM ALLOWABLE GRANT		
Public School ANTC/APU	% System Cost	Not to Exceed
under \$5,000	95%	\$114,000
> \$5,000	85%	\$102,000
> \$9,250	70%	\$84,000
> \$13,500	55%	\$66,000
> \$17,750	40%	\$48,000
over \$22,000	25%	\$30,000
Colleges & Universities	40%	\$48,000

Commerce Solar for Schools Program

Updates on website:
[Mn.gov/Solar4Schools](https://mn.gov/Solar4Schools)

Solar for Schools Grant Program



About the Grant

Solar for Schools awards grants up to 95% of the installation cost for solar energy systems on Minnesota public schools. The Minnesota Department of Commerce is managing the grant program for schools outside of Xcel Energy Territory.*

Schools are encouraged to visit Commerce to learn about the grant, eligibility, and application process.



Free Technical Assistance

Commerce has partnered with Clean Energy Resource Teams (CERTs) to help schools develop projects and meet the grant's [Readiness Assessment requirements](#) (.pdf).

Schools desiring assistance are encouraged to reach out to CERTs for unbiased technical and general guidance.



Apply for a Grant

There will be at least two funding rounds annually. The 2022 rounds are as follows:

Round 1

Readiness Assessment: Jan. 5 – Jan 31
Full Grant Application: due May 31

Round 2

Readiness Assessment: July 1–July 31
Full Grant Application: due Nov. 30

This program is for schools located **outside of Xcel Energy territory only. Xcel Energy has developed their own program for schools and colleges. [Contact Xcel](#) to learn more.*

Xcel Solar for Schools Program

Xcel Administered – Xcel Solar* Rewards for Schools program Xcel territory

- Xcel funding: \$8 million
- Incentive program
- Up to 1 MW
- 12/20/21 – Commerce posted approval
- 01/28/22 – Xcel filed tariff – PUC [Docket 21.718](#)
- PUC must review
- Program launch: Estimate Quarter 2, 2022

Questions: SolarProgramMN@xcelenergy.com

Xcel Solar for Schools Funding

	10-year PBI (\$/kWh)	Upfront Incentive (\$/W)
Non-Income-Qualified Schools	\$0.04	\$0.10
State College and University Campuses	\$0.04	\$0.10
Income-Qualified Schools:		
≤40 kW AC	\$0.04	\$1.10
>40 and ≤100 kW AC	\$0.04	\$0.90
>100 and ≤500 kW AC	\$0.04	\$0.70
>500 and <1000 kW AC	\$0.04	\$0.60

Energy Conservation & Optimization ECO Act

Energy Conservation and Optimization Act (ECO)

Stakeholders Involved:

- Department of Commerce
- Electric and natural gas IOUs
- Minnesota Municipal Utilities Assoc. and member utilities
- Minnesota Rural Electric Assoc. and member utilities
- Energy efficiency advocates
- Low-income advocates
- Consumer protection advocates
- CIP program implementers

Energy Conservation and Optimization Act (ECO)

Issues being addressed:

Developing methodologies to ensure utilities implementing ECO-related CIP measures can do so in a manner that is accurate and consistent for utilities.

Energy Conservation and Optimization Act (ECO)

ECO Act Framework:

Provides utilities opportunities to optimize energy use and delivery through inclusion of load management programs and efficient fuel switching programs

Raises energy savings goals for electric investor-owned utilities

More than doubles low-income spending requirement for investor-owned utilities

Provides greater planning flexibility for municipal and cooperative utilities

Includes activities to improve energy efficiency for public schools

Energy Conservation and Optimization Act (ECO)

Implementation Process: Minnesota Department of Commerce must work with stakeholders to develop technical guidance on the following schedule:

- December 31, 2021 – Methodology to determine electric vehicle charging sales to be removed from utility gross annual retail sales.
(Completed December 30, 2021)
- March 15, 2022 - Pre-weatherization measures and efficient fuel-switching methodologies. (On track to meet deadline)

Once technical guidance is completed:

- Minnesota municipal and cooperative utilities will use guidance in the development of 2023 CIP plans.
- Minnesota IOUs will be able to use guidance to modify current CIP plans and/or for the development of CIP plans for 2024-2026 triennial.

Minnesota Efficient Technology Accelerator (META)

Minnesota Efficient Technology Accelerator (META)

META framework:

Allows for programs that accelerate deployment and reduce the cost of emerging and innovative efficient technologies

Activities may include strategic initiatives with technology:

- Manufacturers
- Equipment installers
- Key actors in technology supply chain

Proposals may be filed by nonprofit organizations with extensive experience implementing energy efficiency programs in Minnesota and conducting efficient technology research.

Minnesota Efficient Technology Accelerator (META)

Stakeholders Involved:

- Department of Commerce
- Center for Energy and Environment
- Electric and natural gas IOUs
- Energy efficiency advocates

Issues being addressed:

To develop a program to accelerate deployment and reduce the cost of emerging and innovative efficient technologies and approaches and lower energy costs for Minnesota consumers.

Minnesota Efficient Technology Accelerator (META)

Implementation Process:

July 14, 2021, Center for Energy and Environment (CEE) submitted Notice of Intent to file META proposal.

- August 13, 2021, Department of Commerce issued an order finding that CEE was eligible to file a META proposal per criteria laid out in 216B.241 subd. 14(a).
- CEE has engaged with Commerce and utilities and plans to engage a broader stakeholder audience in coming weeks to continue developing its proposal.
- META proposal from CEE likely to be filed in coming months.
- No other organizations have filed a Notice of Intent.

QUESTIONS?

Commerce Government Affairs

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