



March 22, 2022

The Honorable Nick Frentz  
Chair, Energy, Utilities, Environment, and Climate Committee  
Minnesota Senate  
3109 Minnesota Senate Building  
St. Paul, MN 55155

The Honorable Andrew Mathews  
Ranking Minority Member, Energy, Utilities, Environment, and Climate Committee  
Minnesota Senate  
2233 Minnesota Senate Building  
St. Paul, MN 55155

Dear Chair Frentz, Ranking Minority Member Mathews, and Members of the Committee:

Legal Aid writes in support of the DE amendment to SF 2688. This amendment would go a long way to insulate our clients from artificially inflated energy costs in Community Solar Garden (CSG) programs and ensure that operators of those programs have no conflict of interest in the delivery of those programs.

Legal Aid's clients should have equitable opportunities to participate and benefit from renewable energy programs, such as CSGs. However, our clients are utility customers who often struggle to pay utility bills and maintain essential utility services. They should not wind up paying higher than necessary costs of participation.

Further, because utilities are natural monopolies, the insertion of private, for-profit companies between the customer-utility relationship typically bodes ill for the customer because incentives for profit making by the private company and the furtherance of the public interest on behalf of the customer diverge.

This is not theoretical. Legal Aid has seen these problems first-hand, especially in the tenant-landlord space. Landlords and their agent billing companies have used CSG program to profit at the expense of our clients, some going so far as to involuntarily remove clients from the existing utility accounts to bundle them into a subscription plan that benefits the landlords and billers and harms the tenants, who see little monetary benefit, lose all consumer protections they enjoyed as regulated utility customers, and become subject to higher costs and even eviction.

The DE would foster equitable participation of low-income customers in a CSG but protect the public interest by aligning the interests of the enumerated participants (i.e., a cooperative association, nonprofit organization, or federally recognized Indian Tribe) and the low-income subscribers.

Additionally, beneficial improvements include: language providing that subscriber participation is strictly voluntary; and to prohibiting the dubious practice Legal Aid has witnessed first-hand of landlords involuntarily removing tenants from the existing utility accounts and conscripting them without their consent into CSG programs wherein the landlord “subscribes” on their behalf.

Thank you for making the dramatic improvements to SF 2688 as introduced. Legal Aid supports the DE and encourages further strengthening of the bill as it moves through the process.

Sincerely,

A handwritten signature in cursive script that reads "Ron Elwood".

Ron Elwood  
Supervising Attorney

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