



Department of Commerce
Division of Energy Resources
Feb. 17, 2025

Grace Arnold | Commissioner

Pete Wyckoff | Deputy Commissioner

Lissa Pawlisch | Assistant Commissioner

MN Department of Commerce

Commissioner Grace Arnold

Energy Resources

Financial Institutions

Enforcement

Insurance

Telecom

Weights and Measures

Licensing

Mission and Strategic Priorities

Protect and assist
consumers

Oversight: 40+
industry areas

Engagement with all
communities

Protect the Public Interest

Trusted Resource

Reduce Economic Barriers

Climate Change Resilience

Strong, Competitive, Fair Marketplace

One Minnesota Budget

- **The Walz-Flanagan Administration is working together across agencies to make Minnesota the best state for children and families.**
 - That's why Governor Walz and Lieutenant Governor Flanagan's One Minnesota Budget invested in over \$700M in a historic climate budget
 - Commerce is now implementing over \$400M in energy-related initiatives!



Division of Energy Resources

Deputy Commissioner Pete Wyckoff

Leading the transition to a clean, equitable, reliable, and affordable energy system

Federal and State Initiatives Assist Comm Lissa Pawlisch

Energy Affordability

- Focus on residential
- Energy assistance
- Weatherization
- Federal Home Energy Rebates

Energy Development

- Non-residential programs
- Technical Assistance & Education
- Environmental Review

Regulatory Affairs Assist Comm Dr. Sydnie Lieb

Regulatory Affairs

- Public Interest Advocacy at the PUC
- Utility energy conservation programs
- Telecommunications

Energy Reliability & Security

- System Reliability Planning
- Risk Monitoring and Response

Minnesota has big climate plans (and big energy LAWS)

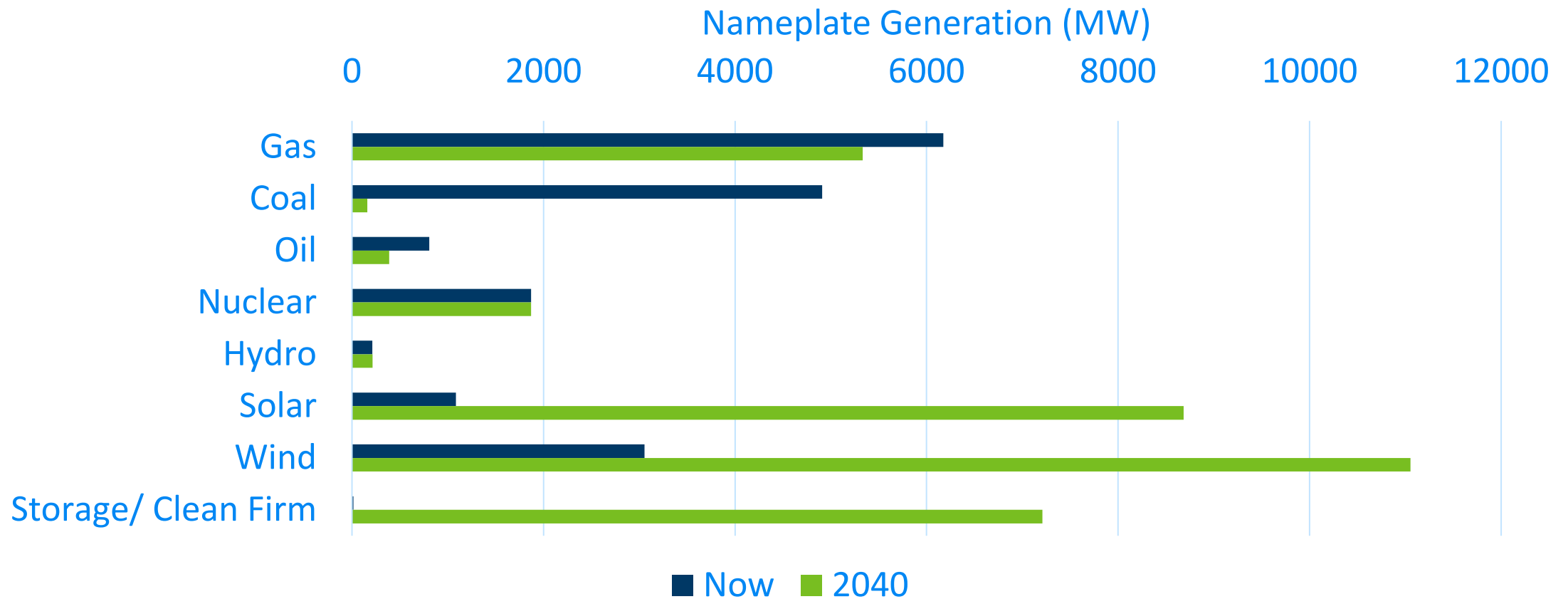
2040: 100% carbon free electricity

2050: net zero greenhouse gas emissions economy wide

Transition: energy system must be fair, affordable, and reliable

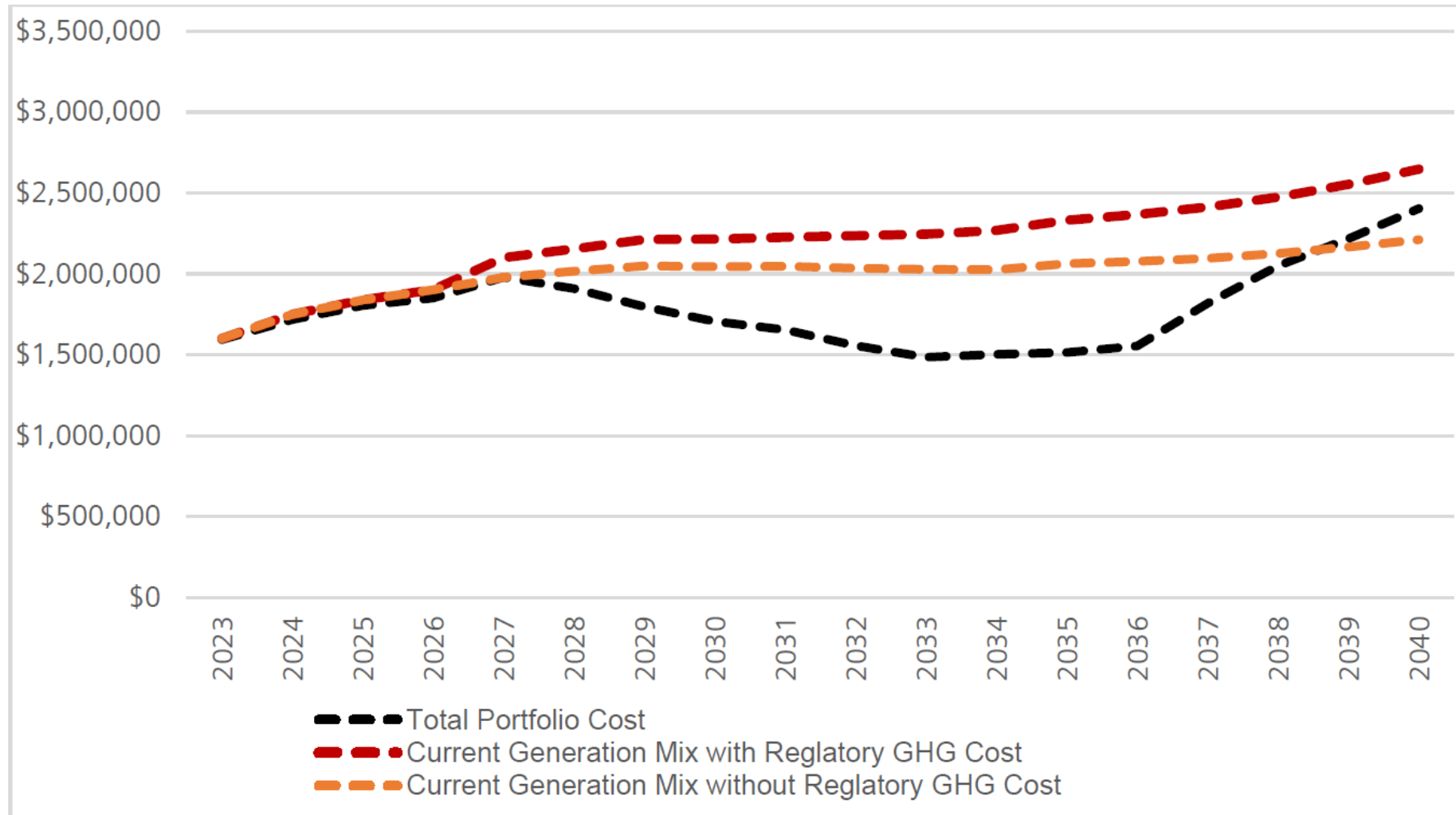
A period of rapid change in energy

Example: Minnesota's Electric Mix



The move to clean energy will save Minnesotans money

Figure 6-14: Siemens PTI Market Outlook Total Cost vs CGM Portfolio Cost (2021 \$000)

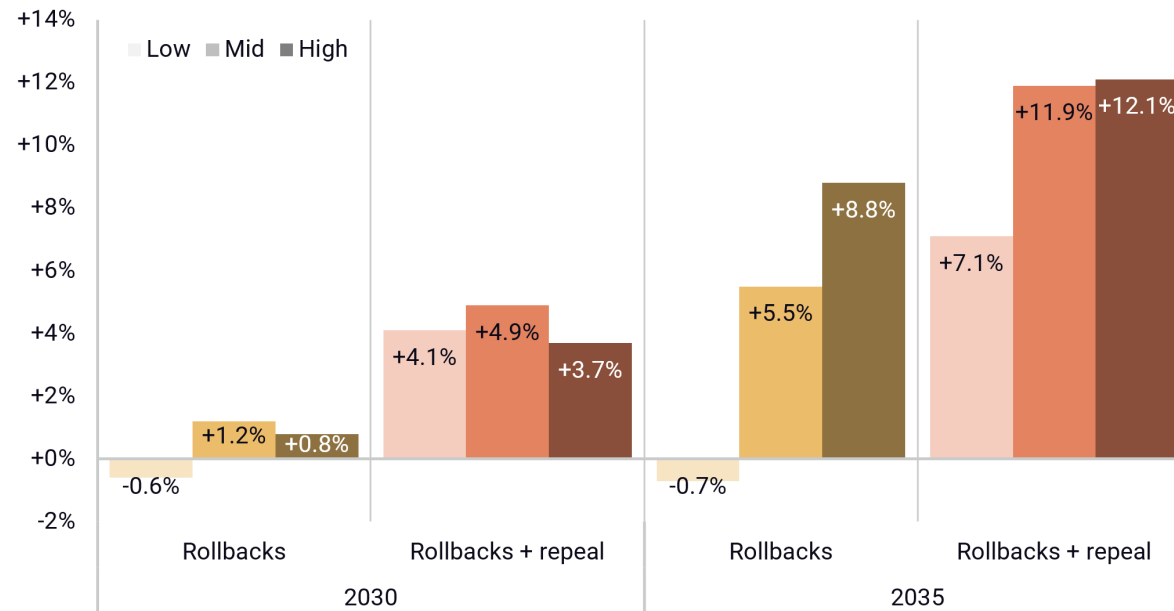


Creating a more affordable, reliable, equitable, and clean energy system requires infrastructure...

- 2024 permitting reform
- Federal support is important

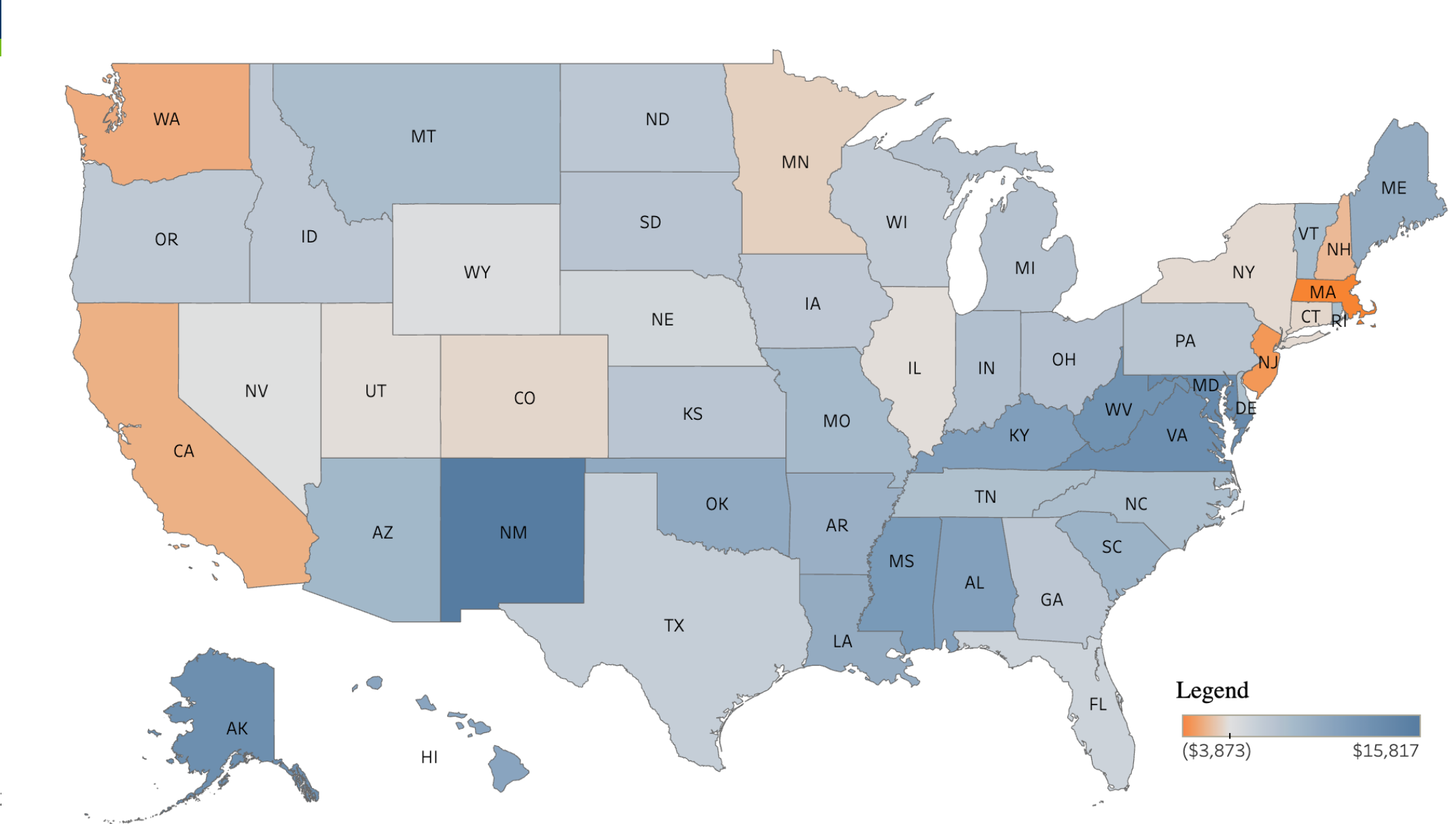
FIGURE 1

Average annual household energy expenditures
% increase from current policy



Most of our funding is federal

- Annual State General Fund Request: \$14.25 million
- Current Federal Funding via Commerce: ~\$1 billion
- Obligated Federal Grants to MN Energy Sector: >> \$1 billion



- **Ongoing state general fund appropriations**
- Status of prior state funding
- Ongoing federal funding
- Temporary Federal formula funds (IIJA and IRA)
- Competitive funds

Division of Energy Resources General Fund FY 2026-27 Appropriation Request

FY 26: \$14.25 million

- \$6.04 million non-ridered
- \$3.2 million for weatherization and pre-weatherization
- Includes \$500,000 in pass through funds

FY 27: \$14.25 million

Additional: \$600,000 in RDA funds for the biennium, \$400,000 of which are pass through funds

Overall operating adjustment for Commerce: FY26: \$1.2 million, FY27+: \$1.8 million

Sources of Funding

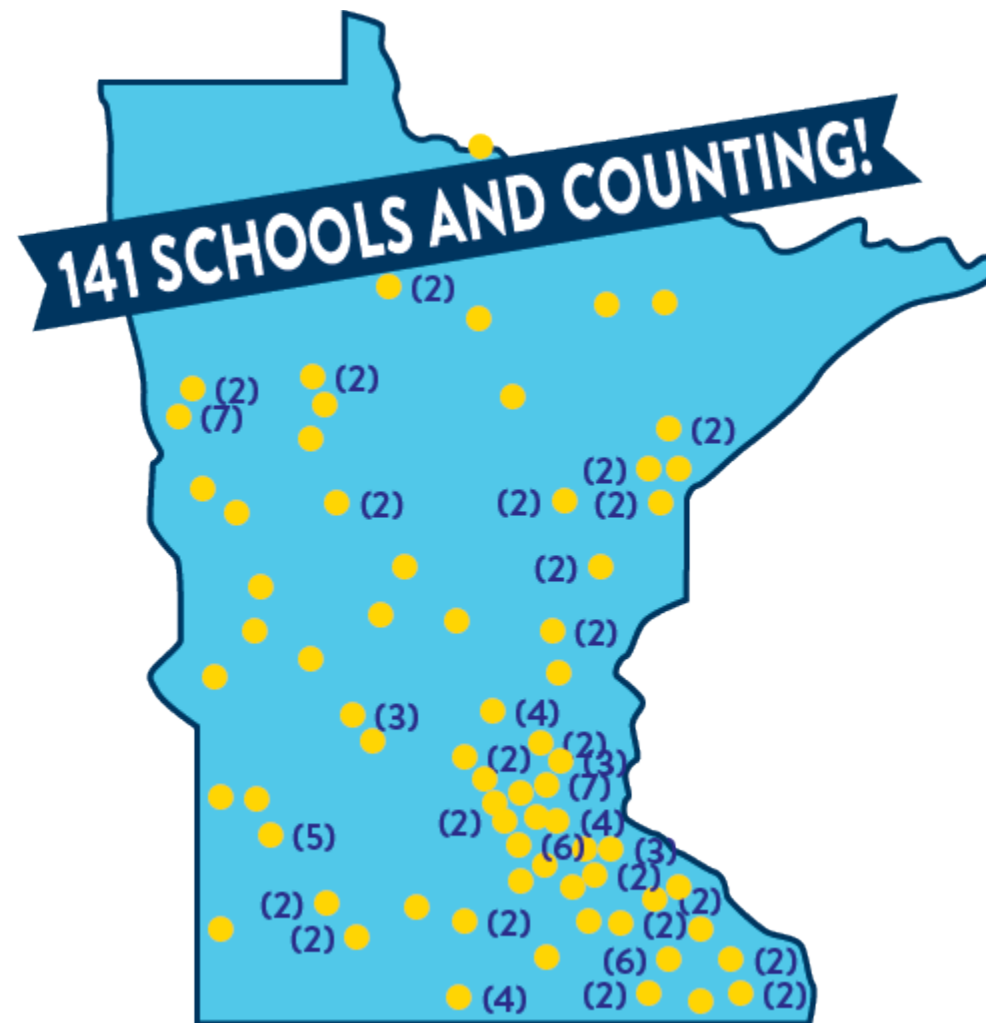
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2023/24 Programs

- Solar Energy Production Incentive (Solar*Rewards)
- Distributed Energy Upgrade Grants Program
- Solar-Powered Storage Incentive Grant Program
- Electric Vehicle Rebate Application
- Electric Vehicle Dealer Certification
- Solar for Schools
- Community Solar Gardens
- Pre-Weatherization, Weatherization & Workforce Training
- Tribal Advocacy Council on Energy
- School Air Ventilation Program
- Solar on Public Buildings
- Heat Pump Rebate Program
- Residential Electric Panel Grants
- Strengthen Minnesota Homes
- Benchmarking Energy Use Data
- Onsite Energy Upgrades
- Electric Grid Resilience Grants
- Electric School Bus Grants
- Minnesota Climate Finance Authority

Example 1: Solar for Schools

- Minn. Stat. 216C.375
- Two funding rounds were held in 2024
- Expands Solar for Schools program to support K-12, state colleges/universities with solar adoption
- \$30M total appropriation
- 141 schools have been funded in the program's first 3 years, totaling 18 MW



Example 2: Electric Grid Resilience Grants

- Minn. Law Ch. 60- HF 2310, Article 12, Sec. 72
- For eligible electric utilities to increase their electric grid resiliency by preparing for, adapting to, or minimizing the consequences of extreme weather or malicious physical or cyber-attacks
- \$5.3M available; \$250,000 max per award
- Program launched in September 2024, receiving 40 applications from 29 applicants for \$7.4M total requested
- Awards to be announced in late January/early February 2025

Example 3: State Competitiveness Fund

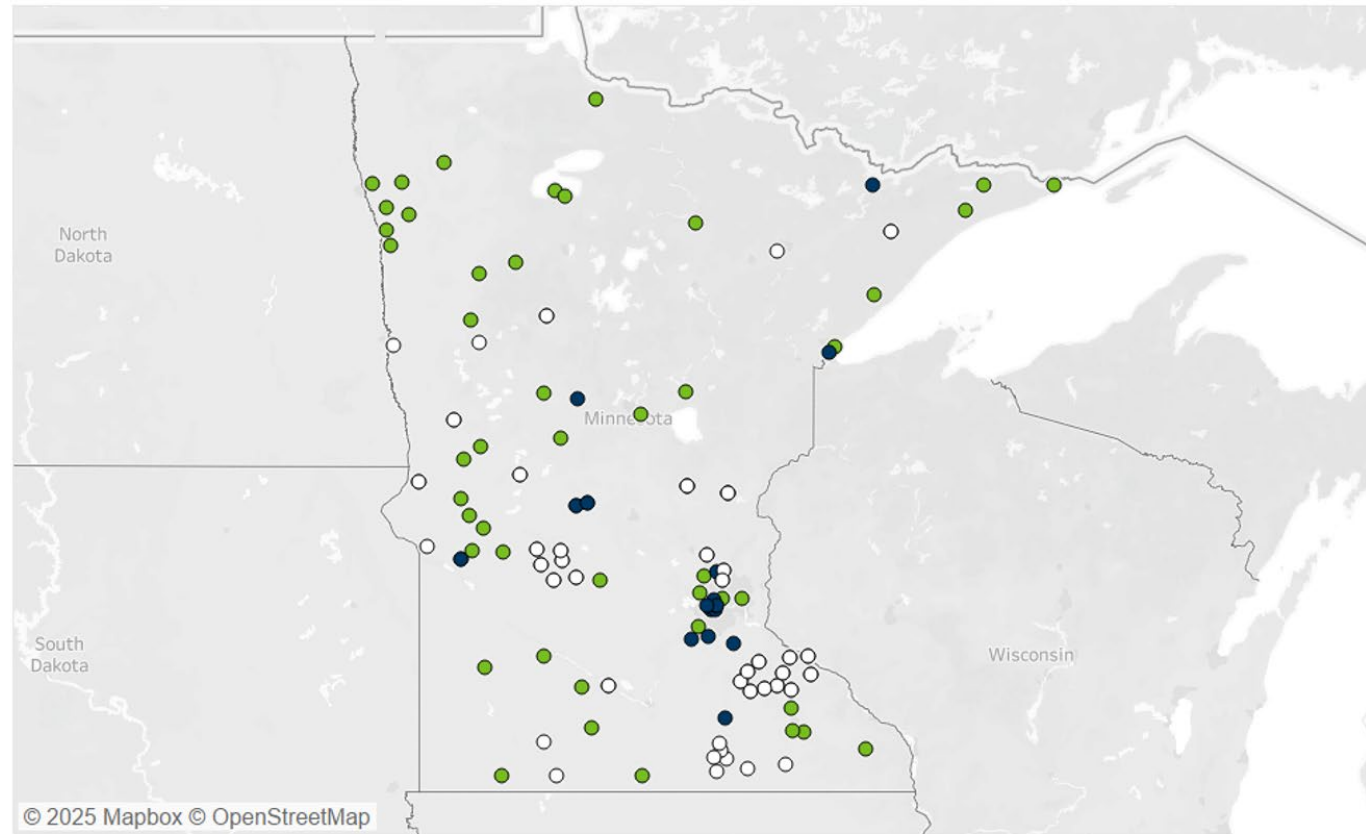
Minn. Stat. 216C.391

Matching Grants (\$100M)

- Matching grants for energy projects to enable use of federal grants, low-interest loans, and clean energy tax credits created by IRA and IIJA
- To date, more than \$80M has been reserved for 99 entities
- Awards range from \$29,000 to \$10M
- Nearly \$17M in SCF matching Funds has leveraged more than \$90M in federal funding
- Fourth round closed January 17, 2025

State Competitiveness Fund Matching Funds

SCF Matching Funds Award Status January 2025



Award Status

- SCF Matching Funds Returned (Federal Fund Denied)
- SCF Matching Funds Given (Federal Fund Approved)
- SCF Matching Funds Reserved (Pending Federal Fund Approval)

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Energy Assistance Program Dashboard

10/1/24 - 1/27/25 (Updated Weekly)

\$50,664,456

AWARDED TO HOUSEHOLDS

Benefits by County

Mouse over a county for more information.

\$634

AVERAGE HOUSEHOLD BENEFIT

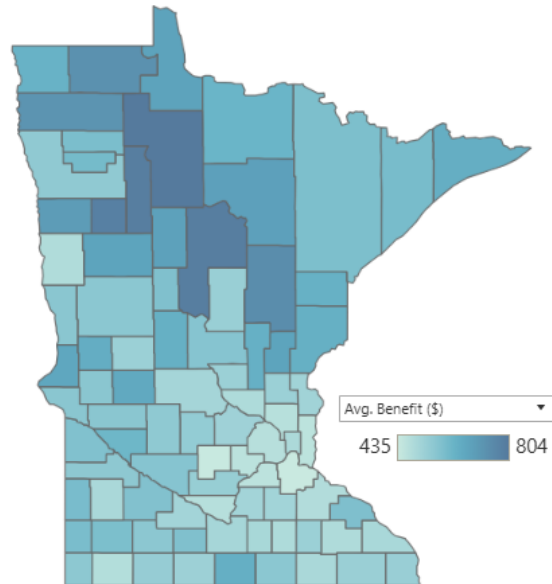
How does Energy Assistance award benefits?

Energy Assistance has helped **80,168** households this program year.

51% have a person over 60

43% have a disabled member

15% have a child under 6



Emergency Assistance

Emergency assistance helps households at risk of losing heat or power.

10,242

DISCONNECTIONS PREVENTED

3,367

HEATING FUEL DELIVERIES

2,893

FURNACE REPAIRS

Energy Assistance

Federal Allocation to MN for this year:
\$125.5 million

(We have 90%)

Weatherization Assistance

For this year: \$18 million

Supplemented by *Bipartisan Infrastructure Bill* (BIL) funds: \$19.5 million

BIL funding for 4 more years



[Consumer Help](#) [Solar & Wind](#) [Help with Heating Bills](#) [Conserving Energy](#) [For Industry & Government](#) [Policy, Data & Reports](#)

Weatherization Assistance Program

[Home](#) > [Help with Heating Bills](#) > [Weatherization Assistance Program](#)

Weatherization Assistance Program

The Weatherization Assistance Program provides free home energy upgrades to income-eligible homeowners and renters to help save energy and make sure your home is a healthy and safe place to live.

Weatherization works closely with its companion program, the Energy Assistance Program, to help permanently reduce the energy bills for low-income Minnesotans.

Info for Service Providers

[Policies and guidelines for providers](#)

If you qualify, a local Weatherization service provider may conduct a free home energy assessment to determine if cost-effective energy efficiency improvements can be completed in your home. Weatherization services could help decrease your annual energy costs by up to 30 percent.

Potential energy upgrades include:

- Exterior wall and attic insulation
- Air leakage reduction
- Furnace, boiler, and water heater repair or replacement
- Ideas to help you reduce your home's energy use, such as using a programmable thermostat

- Ongoing state general fund appropriations
- Status of prior state funding
- Ongoing federal funding
- **Temporary Federal formula funds (IIJA and IRA)**
- Competitive funds

BIL and IRA Clean Energy & Power Formula Funds (\$273 million in total funding)

- Energy Efficiency and Conservation Block Grants: \$7.1 million
- Energy Efficiency Revolving Loan Fund: \$1.9 million
- Expanded State Energy Program Funding: \$7.7 million
- Strengthening Reliability and Resiliency of Minnesota's Electrical Grid: \$30.9 million
- Supplemental funds for Weatherization Assistance: \$76.2 million
- Home Electrification Appliance Rebates (HEAR): \$74 million
- Home Efficiency Rebates (HOMES): \$74.3 million

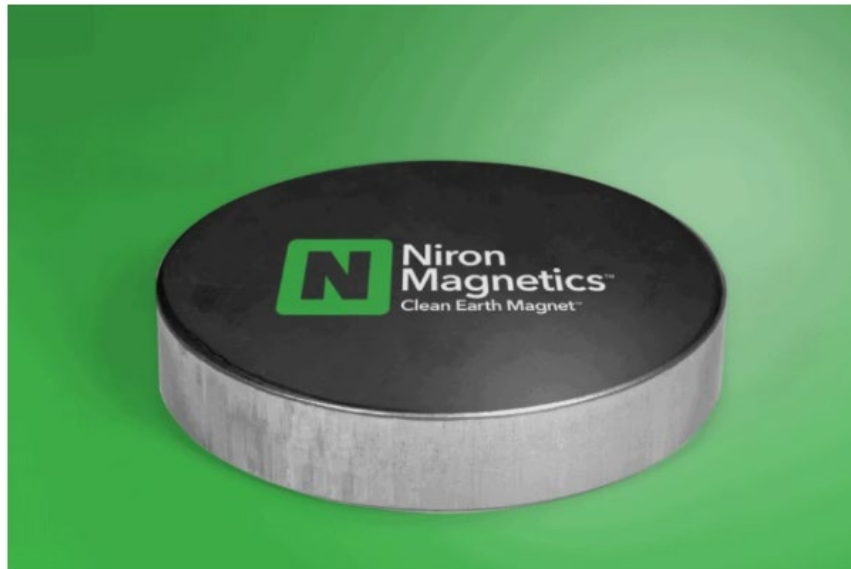
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BUSINESS

New Sartell manufacturer awarded \$52M tax credit

Niron Magnetics plans to move to Sartell and previously entered a purchase agreement of a 79-acre plat of city-owned property.



Niron Magnetics, a manufacturer of rare-earth-free permanent magnetics, plans to open a full-scale manufacturing facility in Sartell. Contributed / National Association of Manufacturers



Great River Energy's \$812 million New ERA award will enable the cooperative to procure 1,275 megawatts of renewable energy from rural areas across Minnesota and North Dakota.

Major Federal Funding– Examples of Successful Applications

JTIQ GRIP Grant	Commerce	\$464 million	Grid Improvements
GRIP Grant	Xcel	\$100 million	Grid Improvements
GRIP Grant	Allete	\$50 million	Grid Improvements
Solar for All	Commerce	\$62 milion	Distributed Solar
Solar for All	MTERA	\$62 milion	Distributed Solar
New ERA	Connexus	\$170 million	Energy Transition
New ERA	Great River Energy	\$812 million	Energy Transition
Hydrogen Hub	Xcel and others, Heartland Hub	\$925 million	Developing a new industry
Manufacturing Tax Credit	Niron Magnetics	\$52 million	Manufacturing

Questions?

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