

March 7, 2025

I'm writing you to express my objection to Senate File 1142.

This bill would severely reduce the return on investment for small producers of electricity. It would slash the price received for the electricity they put into the grid if they are connected through a co-op or municipal utility.

Currently the rate that a small producer (under 40 kilowatt output) receives from selling electricity to a utility is based on the average retail utility energy rate. In my area around Morris, that is about 9 or 10 cents per kilowatt hour. If this bill is enacted it would change to a rate based on "avoided costs" which is much lower, about 2 cents per kilowatt hour. That would be a terrible hit to people such as myself who have already invested in systems such as solar and it would be such a low rate of return as to severely discourage new investment in these systems.

If Minnesota is going to reach its goal of 100% carbon-free electricity by 2040 it needs to keep moving forward with more clean, efficient energy and encourage production at all levels, including local small scale systems. Please reject Senate File 1142 and keep the rate that small producers receive as it is now.

Thank you, sincerely, David Jungst, Morris, MN