

March 10, 2025

Minnesota Senate
Committee on Energy, Utilities, and Climate
Room 1150
Saint Paul, MN 55155

RE: Senate File 1142 - Modification to Net Energy Metering

Dear Chair Frentz and committee members,

On behalf of Clean Energy Economy MN (CEEM), we write today with concerns for Senate File 1142, a proposal that would significantly change Minnesota's net metering policies. These changes redefine key terms, drastically adjust compensation structures, and will adversely affect homeowners, farmers, and small businesses who have decided to take control of their energy future by choosing solar.

CEEM is an industry-led, nonpartisan, non-profit organization representing the business voice of energy efficiency and clean energy in Minnesota. We are focused on educating Minnesotans about the economic benefits of transitioning to a clean energy economy. Our business membership comprises over 70 clean energy companies ranging from start-up businesses to Fortune 100 and 500 corporations that employ tens of thousands of Minnesotans across the state. CEEM stands committed to delivering a 100% clean energy future where all Minnesota businesses and citizens will thrive.

The proposal in SF1142 discourages solar adoption and therefore undercuts consumer choice and restricts energy independence, weakening the reliability and resiliency of the grid, and will put Minnesota at a competitive disadvantage as we work to retain, grow, and attract clean energy businesses and market opportunities. At a time when our state is facing massive load growth from electrification, data centers, and more – we should be expanding, not restricting, access to rooftop and distributed solar. As we work toward the state's 100% carbon-free electricity law, these extreme changes will also put over 5,000 well-paying solar jobs at risk, undermining a rising industry that supports our economy.

On behalf of our solar business members, CEEM recommends and supports a more measured approach to changes to net metering policies, such as conducting a comprehensive "cost-of-service" study. This study would assess the true financial impact of net metering at the average retail rate or enacting policies that accelerate energy storage deployment for residential and small commercial solar users.

We thank you for this opportunity to share our concerns with SF1142. CEEM and our business members are prepared to collaborate with stakeholders about concerns with the current net metering system to ensure continued growth and innovation.

Sincerely,



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