April 7, 2025

Senate Energy Committee
95 University Avenue West
Saint Paul, MN 55155

RE: SF 2393 Written Testimony

Dear Chair Frentz and members of the committee,

My name is Nick Bowman. I am the Senior Manager, Markets and Research for the Coalition for Community Solar Access (CCSA). CCSA is a trade association representing roughly 120 member companies that develop, own, and operate community solar projects.

As you know, Minnesota has been a national leader in the community solar sector, with over 900 MW of community solar gardens (CSGs) operating in the state. The vast majority of the active sites operate under the state's Legacy CSG program, created by the Legislature in 2013. In 2023, the Legislature enacted HF 21310, creating the Low and Moderate Income (LMI) Accessible CSG program and sunsetting the Legacy CSG program. The new program required that all CSGs have at least 25 individual subscribers per MW of generation capacity; at least 30% of each CSG's capacity is dedicated to LMI subscribers; and at least 55% of each garden's capacity is reserved for LMI customers, public interest subscribers, and/or affordable housing providers. These changes were in response to criticisms that the Legacy program had an inordinate amount of commercial and industrial subscribers. The LMI CSG program also has annual limits on the amount of CSG capacity that can be approved each year. This was in response to concerns about the Legacy program's lack of annual limits. After many years of negotiations between stakeholders, the community solar industry agreed to these changes to create a CSG program that addressed stated concerns, built on the successes of the Legacy Program, and added a new focus on LMI subscribers.

HF 2310 also required the Department of Commerce to contract with a third-party for a benefit-cost analysis of the LMI CSG program. That report, conducted by the Great Plains Institute, found many benefits from the program. The analysis found that the LMI Accessible CSG Program was cost-effective—meaning that its benefits exceed its costs. The authors say, "Over the study period, the CSG program is expected to deliver net benefits of $2.92 billion to

1380 Monroe Street NW, #721
Washington, DC 20010
720-334-8045

info@communitysolaraccess.org
www.communitysolaraccess.org

Minnesota.” Furthermore, LMI subscribers are expected to receive $139 million in benefits, while non-LMI subscribers may see $116 million in benefits.

The authors also had several recommendations to improve the program, including:

- Improved consumer communication targeting potential subscribers;
- Streamlined income verification processes using methods like geo-eligibility and self-attestation;
- More robust consumer protections and clear marketing guidelines; and
- Potential program adjustments like increasing the LMI carve-out and revising capacity limits to adapt to market conditions.

Notably, none of the recommendations were related to the costs of the program.

I was surprised that many of the concerns raised at the Senate Energy Committee Meeting on March 26, 2025 seemed to conflate the Legacy program with the new LMI CSG program. Comments about the program having no annual capacity limits and commercial/industrial subscribers receiving the majority of the CSG output are no longer relevant, given that the Legacy program is no longer accepting new site applications. Some commenters discussed the costs of the program, but the figures discussed were from the Legacy program.

I encourage the Committee to remove the CSG sunset provisions, lines 14.13 to 14.15, from SF 2393. The Legislature and the Department of Commerce should be working to improve the program, along the lines of what was recommended by the Great Plains Institute, not sunsetting the program after just a single year of operation. Thank you for your time and consideration of this matter.

Sincerely,

/s/ Nick Bowman
Senior Manager, Markets & Research
Coalition for Community Solar Access
nick@communitysolaraccess.org