



Dear Senators,

I am writing as a business owner in strong opposition to the Senate Omnibus Bill SF 2393 concerning the portions of the bill pertaining to solar. There are 3 solar measure's I'd like to call attention to:

1. The definition of "capacity" on lines 11.21- 11.23.
2. The exemption from the average retail rate for cooperatives and municipal energy suppliers on lines 13.18-13.24
3. The grandfathering language which implies that if passed, these measures would take affect beginning June 30, 2025, on line 14.9 of the bill.

My company, **Cedar Creek Energy**, is based in Blaine, MN. We've been providing solar energy services for over 17 years, have completed more than 2,500 projects, and currently employ over 100 Minnesotans. Just this past quarter, two of our solar installers earned their journeyman licenses—a testament to the long-term, career-supporting jobs our industry provides. Statewide, the solar industry supports approximately 5,000 jobs.

I want to emphasize that this letter is not just to express opposition, but to advocate for better energy policy. **MnSEIA** (Minnesota Solar Energy Industries Association) is committed to working collaboratively with cooperatives and municipal utilities to develop fair, effective solutions. We believe there are viable alternatives that can achieve utility goals without compromising the solar industry's ability to thrive in these territories.

Here are some key points of concern:

- According to the Minnesota Public Utilities Commission (PUC), **less than 3%** of cooperative and municipal utility customers currently have solar installations (see Exhibit A). With such low penetration, the proposed changes would not result in significant financial benefits for utilities. In fact, several of the larger cooperatives have testified that they are comfortable with current net metering rates.
- **The bill introduces infeasible capacity requirements. Inverter and energy storage manufacturers do not produce 39.99 kW inverters**—they manufacture standardized sizes, typically **20 kW, 30 kW, or 50 kW**. While smaller sizes are available for the residential market, sites with 3-phase power, like commercial buildings are greatly affected by this.

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- These standard inverters already include technology that allows them to be **power-limited to meet the 39.99 kW requirement** under current **net metering standards**.
- Mandating a non-existent inverter size would **disrupt the industry** and increase costs for consumers and businesses.
- The Midcontinent Independent System Operator (MISO) permits the use of power-limiting controls in Inverters, such as solar photovoltaic (PV) and wind energy systems. These controls are essential for ensuring that the power output of Inverters aligns with the specifications outlined in their interconnection agreements, thereby maintaining grid reliability and stability. **If MISO permits this action as the grid operator, the cooperatives and municipal utilities should continue to follow their guidance.**
- The **proposed effective date of June 30, 2025**, is also problematic. In Minnesota, the solar installation season is heavily dependent on weather, with backlogs common during the winter months. Projects currently in the pipeline were sold under existing net metering assumptions. Implementing changes on such short notice undermines customers' expectations and the financial planning that guided these investments.

At a time of increased energy demands, this bill is a disservice to cooperative members and solar customers. Cooperative and municipal utility members who are looking for long-term energy savings, energy independence, and resiliency, will be hurt by this bill. Particularly those in rural Minnesota. **Electric cooperatives exist to serve their members—how does this bill serve them?**

Cedar Creek Energy and the solar industry recognize that we are in a period of transition and we remain committed to partnering with utilities and grid operators to maintain a balanced and forward-thinking energy landscape—one that supports growth, innovation, and consumer choice.

To preserve the viability of our industry and the **5,000 solar jobs** it supports across Minnesota, I respectfully urge you to **remove the solar provisions from SF 2393**.

Sincerely,
Rob Appelhof
President, Cedar Creek Energy

EXHIBIT A :

https://mn.gov/puc/assets/MN%20PUC%20DER%20in%20Minnesota%20graphics%20%28published%209-10-2024%29_tcm14-643877.pdf

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Percent of Customers with DERs Installed

