

May 8th, 2025

Re: SF 2393 Community Solar Sunset language

Dear Members of the Senate Finance Committee:

My name is Kristen Fornes and I am the Head of ENGIE North America's Distributed Solar and Storage business. I am writing today to <u>express my strong opposition to Lines 12.5 to 12.7 of SF 2393</u>. This short provision reads:

Sec. 5. Minnesota Statutes 2024, section 216B.1641, is amended by adding a subdivision 12.6 to read:

Subd. 15. Sunset. This section expires July 31, 2030.

This proposed subdivision would sunset the popular and beneficial Low-to-Moderate Income (LMI) Accessible Community Solar Garden (CSG) Program to new projects as of July 31, 2030, as described in the MNSEIA, CCSA, Vote Solar letter (to which I am a signatory).

Equally concerning is the uncertain effect it could have on operational projects. Section 216B.1641 – which this amendment would expire – contains the entirety of MN's CSG program. What happens to operating CSG projects if the entire CSG statutory framework expires?

ENGIE currently has 42 MW of operational community solar projects in Minnesota that have been online since 2017. We are also developing additional projects for the LMI CSG Program adopted by the General Assembly just two years ago.

ENGIE has invested millions of dollars in our Minnesota community solar portfolio in good faith and in reliance on established law. According to the original CSG statute from 2013 and the updated 2022 law, the Community Solar program has a 25-year tenure. ENGIE relied on the program's 25-year tenure to invest in the state of Minnesota. The business case for this investment was built around the 25-year tenure of the CSG contracts. The CSG contracts are predicated on Sec. 5. Minnesota Statutes 2024, section 216B.1641, the section that this amendment proposes to expire.

If this bill ends the CSG program for operational projects after July 31, 2030, it would irreparably harm ENGIE's investments made in Minnesota to date. ENGIE's customers – municipalities, school districts, houses of worship, small and large businesses alike – signed long-term contracts with ENGIE with the expectation that these projects will deliver savings. These MN entities will also be harmed should this bill become law. Now, multiply those losses across all MN CSG investors, owners, operators, customers, and landowners.

Passing this bill would result in an unprecedented interference in existing contracts for operating energy infrastructure. If retroactive changes in law were routine, can you imagine the impact this would have on business? Not only would it send a signal that Minnesota is a risky place to invest, but it would also lead to years of litigation, abandoned projects, and stranded costs for ratepayers. Passing investment-destroying retroactive changes in law is not a reputation that the state of Minnesota wants to earn. I urge you to please reject this bill.



Kristen Fornes Head of ENGIE North America Distributed Solar and Storage