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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 588

01/31/2019 Authored by Drazkowski, Bahr, Lucero and Gruenhagen The bill was read for the first time and referred to the Energy and Climate Finance and Policy Division

1.1 A bill for an act
1.2 relating to energy; providing for administration of the community solar garden
1.3 program; repealing the community solar garden program; proposing coding for
1.4 new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 2018,
1.5 section 216B.1641.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. [216B.1643] COMMUNITY SOLAR GARDEN PROGRAM
1.8 ADMINISTRATION.

1.9 A community solar garden program approved by the commission under section
1.10 216B.1641, before July 1, 2019, must be administered under the provisions of Minnesota
1.11 Statutes 2018, section 216B.1641, until the power purchase agreement with the community
1.12 solar garden facility owner expires or the last contract between a subscriber and the
1.13 community solar garden facility owner expires, whichever is later.

1.14 Sec. 2. REPEALER.

1.15 Minnesota Statutes 2018, section 216B.1641, is repealed.

**216B.1641 COMMUNITY SOLAR GARDEN.**

(a) The public utility subject to section 116C.779 shall file by September 30, 2013, a plan with the commission to operate a community solar garden program which shall begin operations within 90 days after commission approval of the plan. Other public utilities may file an application at their election. The community solar garden program must be designed to offset the energy use of not less than five subscribers in each community solar garden facility of which no single subscriber has more than a 40 percent interest. The owner of the community solar garden may be a public utility or any other entity or organization that contracts to sell the output from the community solar garden to the utility under section 216B.164. There shall be no limitation on the number or cumulative generating capacity of community solar garden facilities other than the limitations imposed under section 216B.164, subdivision 4c, or other limitations provided in law or regulations.

(b) A solar garden is a facility that generates electricity by means of a ground-mounted or roof-mounted solar photovoltaic device whereby subscribers receive a bill credit for the electricity generated in proportion to the size of their subscription. The solar garden must have a nameplate capacity of no more than one megawatt. Each subscription shall be sized to represent at least 200 watts of the community solar garden's generating capacity and to supply, when combined with other distributed generation resources serving the premises, no more than 120 percent of the average annual consumption of electricity by each subscriber at the premises to which the subscription is attributed.

(c) The solar generation facility must be located in the service territory of the public utility filing the plan. Subscribers must be retail customers of the public utility located in the same county or a county contiguous to where the facility is located.

(d) The public utility must purchase from the community solar garden all energy generated by the solar garden. The purchase shall be at the rate calculated under section 216B.164, subdivision 10, or, until that rate for the public utility has been approved by the commission, the applicable retail rate. A solar garden is eligible for any incentive programs offered under either section 116C.7792 or section 216C.415. A subscriber's portion of the purchase shall be provided by a credit on the subscriber's bill.

(e) The commission may approve, disapprove, or modify a community solar garden program. Any plan approved by the commission must:

- (1) reasonably allow for the creation, financing, and accessibility of community solar gardens;
- (2) establish uniform standards, fees, and processes for the interconnection of community solar garden facilities that allow the utility to recover reasonable interconnection costs for each community solar garden;
- (3) not apply different requirements to utility and nonutility community solar garden facilities;
- (4) be consistent with the public interest;
- (5) identify the information that must be provided to potential subscribers to ensure fair disclosure of future costs and benefits of subscriptions;
- (6) include a program implementation schedule;
- (7) identify all proposed rules, fees, and charges; and
- (8) identify the means by which the program will be promoted.

(f) Notwithstanding any other law, neither the manager of nor the subscribers to a community solar garden facility shall be considered a utility solely as a result of their participation in the community solar garden facility.

(g) Within 180 days of commission approval of a plan under this section, a utility shall begin crediting subscriber accounts for each community solar garden facility in its service territory, and shall file with the commissioner of commerce a description of its crediting system.

(h) For the purposes of this section, the following terms have the meanings given:

- (1) "subscriber" means a retail customer of a utility who owns one or more subscriptions of a community solar garden facility interconnected with that utility; and
- (2) "subscription" means a contract between a subscriber and the owner of a solar garden.