

STATE OF MINNESOTA  
PUBLIC UTILITIES COMMISSION

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**August 25, 2022**

In the Matter of Minnesota Power's Petition for  
Approval of its New SolarSense Customer Solar Program

Docket No. E-015/M-20-607

**REPLY COMMENTS OF FRESH ENERGY**

Fresh Energy submits these reply comments in response to the Commission's August 10, 2022, *Amended Notice of Extended Reply Comment Period* regarding Minnesota Power's SolarSense Annual Report and Proposed Program Modification. We acknowledge that these comments are being filed after the noticed deadline due to an internal mix-up about the August 4 and August 10 extension notices. We apologize for any inconvenience this causes to parties and appreciate the Commission's consideration of our comments.

**Response to Minnesota Interfaith Power and Light, Vote Solar, Solar United Neighbors, and Sierra Club**

**A. Customer Rebate Program**

In initial comments, Minnesota Interfaith Power and Light (MNIPL) and affiliated parties recommended Minnesota Power keep the incentive budget at the current 2022 amount of \$175,349 for the next program year instead of cutting it in half to \$87,675.<sup>1</sup> The parties suggested using the unspent money from the Program Development and Delivery budget from 2021 and subsequent program years to put back into the incentive budget to keep it at the 2022 level of \$175,349. We support this recommendation, as there has been a demonstrated high demand for solar incentives within this program and an increase in the incentive budget will result in more customers installing solar systems.

**B. Low-Income Solar Grant Program**

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<sup>1</sup> Minnesota Interfaith Power and Light, Vote Solar, Sierra Club, Solar United Neighbors, [Initial Comments](#), July 15, 2022, Docket No. E-015/M-20-607, p. 3

In addition, MNIPL and affiliated parties had a few recommendations in initial comments around improved access, transparency, and clarity to Minnesota Power's Low-Income Grant Program. The parties suggested MP create a portal similar to the one used for the Customer Rebate Program that is displayed on the website and shows the current incentive amounts that are available for customers. We agree with this recommendation and believe the creation of a similar portal for the Low-Income program will improve access and transparency for this program and will be useful for solar developers to know how much incentive money is available before submitting an application.

Another recommendation these parties suggested was for MP to clarify what metric it is using to evaluate eligibility for the Low-Income Solar Grant Program. The parties point out that there are currently multiple webpages with different metrics and recommended using the 60% or below state median income benchmark. We support this recommendation — this change will reduce confusion and improve customers' understanding of eligibility requirements.

### **Use of Unspent Program Dollars**

In initial comments, we suggested MP should use a portion of the unspent funds from the 2021 program development and delivery budget or the low-income grant budget to fund a targeted outreach effort for the low-income solar grant program for the next program year to increase participation in this program. Above, we also recommended MP use unspent funds from the program development and delivery budget category to fund additional solar incentives as part of the Customer Rebate Program, on an ongoing basis.

Fresh Energy acknowledges that our recommendation around how to use unspent program funds is open-ended. In initial comments, MNIPL and partners posited that there may be a large increase in the number of low-income grant applications in the 2022 program year.<sup>2</sup> We do not have sufficient information about 2022 application volume yet, but if participation in the Low-Income Grant Program has substantially increased in 2022, it may be beneficial to use the majority of unspent funds for the Customer Rebate Program.

On the other hand, if application volume for 2022 is similar to 2021, we strongly recommend MP use a portion of unspent 2021 funds for a targeted outreach effort to increase participation in the low-income solar grant program. We hope to speak with MP about 2022 application volumes and to have more information about how best to allocate unspent program funds before the Commission meets to consider this matter.

As an initial matter we recommend:

- Any unspent funds from the low-income solar program budget at the end of a program year be used to fund targeted outreach in the next program year.
- Any unspent funds from other budget categories (e.g., Program Development and Delivery)

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<sup>2</sup> Id., p. 4

at the end of a program year are added to the next program year budgets for Customer Rebate Program and/or targeted low-income solar grant program outreach effort. MP should use its best judgement to determine how to allocate unspent funds between these two categories, unless the Commission provides specific direction.

### **Conclusion and Recommendations**

We appreciate Minnesota Power's continued efforts in improving its SolarSense Customer Solar Program. We offer the following updated recommendations to further improve participation in its Low-Income Solar Grant Program and the overall SolarSense Program.

#### **Low-Income Solar Grant Program Modifications**

- We recommend Minnesota Power create a portal similar to the one used for the Customer Rebate Program to display on the Low-Income Solar Grant Program webpage that shows the current incentive amounts available.
- We recommend Minnesota Power use the 60% or below state median income metric to use as its eligibility requirement for the program and remove the previous metrics from its website.
- We recommend Minnesota Power conduct a targeted outreach and education effort tailored to the low-income customer segment to increase awareness of the program and aid in the application process.
- Any unspent funds from the low-income grant program budget should be used to fund the targeted low-income outreach effort in the next program year.

#### **Unspent Funds from the Program Development and Delivery Budget**

- Unused funds from non-low-income budget categories from past program years should be added to the budgets for the targeted Low-Income Grant Program outreach effort and/or the incentive budget for the Customer Rebate Program.

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