



Sundial Solar

A Brighter Idea

To: **MINNESOTA PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger, Chair

David Boyd, Commissioner

Nancy Lange, Commissioner

Dan Lipschultz, Commissioner

Betsy Wergin, Commissioner

Comments - In the Matter of Xcel Energy's Proposed plan for a *Community Solar Garden Program*

Docket No. E002/M-13-867 Pursuant to Minn. Stat. §216B.1641

Date: October 1, 2014

Dear Commissioners,

Rather than rehash all the relevant background in this docket thus far - which we have all read until our eyes glaze over- we'll concentrate on what we want to say. We hereby offer the following comments/suggestions for consideration by the Commission:

- 1) In agreement with many other parties who have previously commented, it is our strong belief that if Value of Solar Tariff (VOST) is mandated or otherwise adopted by any utility that it should be at the exclusive discretion of the solar system owner whether to opt-into the VOST program or opt-out. This is especially relevant with our Commercial – Industrial customers. The reasons for this are many, some of which are very clear:
 - a) **Community Solar Garden (CSG) projects are currently being planned** around the Applicable Retail Rate (ARR) and there must be certainty they will be allowed to carry forward without a loss of economic viability.
 - b) **Sundial has clients outside both the CSG program and state rebate program** who are presently building solar systems that employ other methods to finance their installation. These groups are relying on the fact they own the SRECs from their system as ordered by the Commission in Docket 13-315. Forcing them into a VOST program would take away their ownership and destroy the model upon which they relied to build the system.
 - c) **Current system owners outside state or Xcel rebate programs** which have already installed solar on their properties did so based on the available economics at the time. These pioneering individuals and businesses need certainty that they will be able to control their systems, the solar economics, and also maintain ownership of the RECs associated with them as already ordered by the Commission (Docket 13-315).
 - d) **Per chance the VOST rate is less than the Applicable Retail Rate**, preexisting solar systems as well as those planned outside the Community Solar Garden model, should be allowed to opt-out of going into VOST program.
- 2) We urge the Commission to apply environmental adders to the equation that results in a final VOST minimum rate – including SRECs – of \$0.15/kwh with annual escalation of at least 2%. This figure has been recognized by many parties as a minimum viable rate to build and sustain a vibrant Community Solar Garden.

Respectfully,

Jon Kramer, CEO