

SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION

S.F. No. 1424

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DATE	D-PG	OFFICIAL STATUS
02/18/2019	433	Introduction and first reading
		Referred to Energy and Utilities Finance and Policy
02/25/2019	506a	Comm report: To pass as amended and re-refer to E-12 Finance and Policy

- 1.1 A bill for an act
- 1.2 relating to energy; establishing a grant program to assist public school districts to
- 1.3 install solar energy systems; creating reserve accounts; appropriating money;
- 1.4 proposing coding for new law in Minnesota Statutes, chapter 216C.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. [216C.375] SOLAR ENERGY GRANTS FOR SCHOOL DISTRICTS.
- 1.7 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
- 1.8 the meaning given them.
- 1.9 (b) "Energy storage system" means a commercially available technology capable of (1)
- 1.10 absorbing and storing electrical energy, and (2) dispatching stored electrical energy at a
- 1.11 later time.
- 1.12 (c) "Photovoltaic device" has the meaning given in section 216C.06, subdivision 16.
- 1.13 (d) "School district" means an independent or special school district.
- 1.14 (e) "Solar energy system" means photovoltaic devices installed alone or in conjunction
- 1.15 with a solar thermal system or an energy storage system.
- 1.16 (f) "Solar thermal system" means a flat plate or evacuated tube with a fixed orientation
- 1.17 that collects the sun's radiant energy and transfers it to a storage medium for distribution as
- 1.18 energy to heat or cool air or water.
- 1.19 Subd. 2. Establishment. A grant program is established under the Department of
- 1.20 Commerce to award grants to school districts to fund the design, purchase, and installation
- 1.21 of solar energy systems on school district buildings.

2.1 Subd. 3. Reserve accounts created; use of funds in reserve accounts. (a) A solar
2.2 energy for schools program reserve account number 1 is created in the renewable
2.3 development account under section 116C.779, subdivision 1, paragraph (a). Money received
2.4 from the renewable development account must be transferred to the commissioner of
2.5 commerce and credited to this account. Grant awards made with funds in this account are
2.6 to be used only for grants for solar energy systems installed on school buildings receiving
2.7 retail electric service from the public utility that is subject to section 116C.779, subdivision
2.8 1, and for reasonable costs incurred by the department to administer this section attributable
2.9 to the grant awards made from reserve account number 1. Money in the account is held in
2.10 the account and does not lapse.

2.11 (b) A solar energy for schools program reserve account number 2 is created in the
2.12 renewable development account under section 116C.779, subdivision 1, paragraph (a).
2.13 Money received from the general fund must be transferred to the commissioner of commerce
2.14 and credited to this account. Grant awards made with funds in this account are to be used
2.15 only for grants for solar energy systems installed on school buildings receiving retail electric
2.16 service from a utility that is not subject to section 116C.779, subdivision 1, and for reasonable
2.17 costs incurred by the department to administer this section attributable to the grant awards
2.18 made from reserve account number 2. Money in the account is held in the account and does
2.19 not lapse.

2.20 Subd. 4. Eligible expenditures. (a) Grants awarded to a school district under this section:

2.21 (1) may be used to pay up to 95 percent of the cost of designing, engineering, purchasing,
2.22 and installing a solar energy system;

2.23 (2) must be used to fund a solar energy system whose capacity matches the electric load
2.24 of the school district building using the electricity generated, but must not exceed 300
2.25 kilowatts; and

2.26 (3) must be used to fund a solar energy system placed on, adjacent to, or in proximity
2.27 to the school district building using the electricity generated.

2.28 (b) A school district that receives a rebate or other financial incentive for a solar energy
2.29 system under section 116C.7792 or from any utility is not eligible to receive a grant under
2.30 this section for the same solar energy system.

2.31 Subd. 5. Application process. A school district must submit an application to the
2.32 commissioner on a form prescribed by the commissioner. The commissioner must develop
2.33 administrative procedures governing the application and grant award process, and must
2.34 award grants on a first-come, first-served basis.

3.1 Subd. 6. **Geographical distribution of grants.** The commissioner must endeavor to
3.2 award grants under this section to school districts located throughout the state within the
3.3 applicable electric service territories.

3.4 Subd. 7. **Other funds.** A school district may issue debt under section 123B.62 to provide
3.5 its share of the costs for a solar energy system receiving a grant under this section.

3.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.7 Sec. 2. **APPROPRIATION.**

3.8 (a) \$3,000,000 in fiscal year 2020 is transferred from the renewable development account
3.9 under Minnesota Statutes, section 116C.779, subdivision 1, to the commissioner of commerce
3.10 to conduct the program established under Minnesota Statutes, section 216C.375. The
3.11 commissioner of commerce must deposit the appropriation in the account established under
3.12 Minnesota Statutes, section 216C.375, subdivision 3, paragraph (a).

3.13 (b) \$..... in fiscal year 2020 is appropriated from the general fund to the commissioner
3.14 of commerce to conduct the program established under Minnesota Statutes, section 216C.375.
3.15 The commissioner of commerce must deposit the appropriation in the account established
3.16 under Minnesota Statutes, section 216C.375, subdivision 3, paragraph (b).

3.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.