



# Community Solar Gardens

Michelle Rosier | Regulatory Analysis Division Manager

# Community Solar Gardens

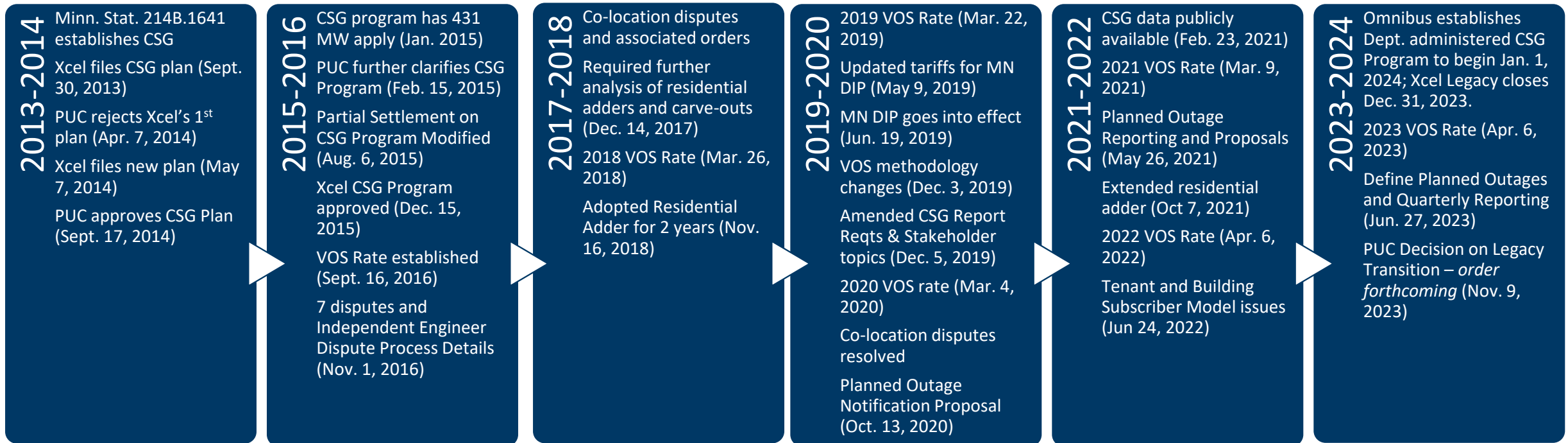
Minn. Stat. 216B.1641 established Community Solar Gardens in 2013.

- Required Xcel to offer CSG program with third party developers
- Enabled other utilities to offer CSG program.

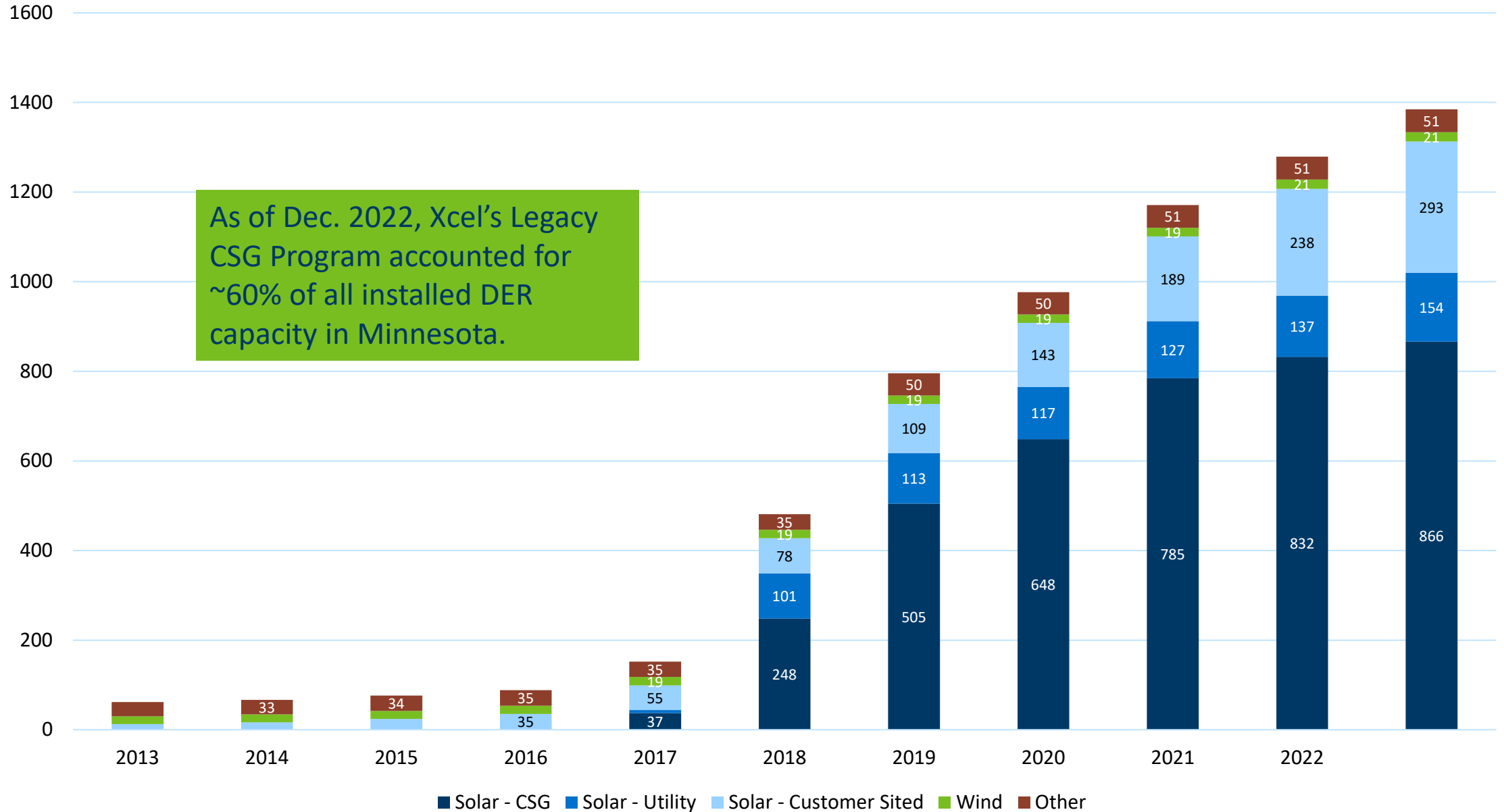
As of 2023, only Xcel offers CSG under the statute.

According to Clean Energy Resource Teams (CERTs), 38 other utilities offer utility-owned CSG options. (source: <https://www.cleanenergyresourceteams.org/solargardens#where-to-find-it>)

# Legacy CSG Program Timeline



## Cumulative Installed DER Capacity (MW)



# “Legacy” CSG Program

- 485 project sites for a total of 886 MWac.
- 742 gardens received Applicable Retail Rate; 198 receive a Value of Solar rate.
- Overall, 32,676 subscribers receiving bill credits of nearly \$18 million a month (Sept 2023).
- In 2022, avg. residential customer paid ~\$3.70/mo. for CSG bill credits.
- 377 CSG applications (329MWac) are in progress.
- 79 applications not yet deemed complete.

11/9/2023

Source: [Xcel 3rd Quarter Report \(Docket No. 13-867\)](#)

## Attachment A Minnesota Solar\*Rewards Community®

Status Report | October 2023

### PROJECT STATUS

- MNDIP Applications = 835
- New Applications (2023) = 113
- Total No. of Applications under the VOS = 829

	Project Sites	MW (AC)
<b>TOTAL</b>	<b>862</b>	<b>*1,215+</b>
Completed Projects	485	886
In Progress Applications	377	*329+
<b>IN PROGRESS APPLICATION SUMMARY</b>		
Application	79	*60+
Engineering Review	195	170
Supplemental Review	5	5
Study	58	56
Material Modification Review	12	11
On Hold	112	90
Interconnection Agreement	8	8
Design & Construction	104	99
*Applications prior to submission may not have a value, therefore this is a minimum.		

### PROGRAM UPDATES

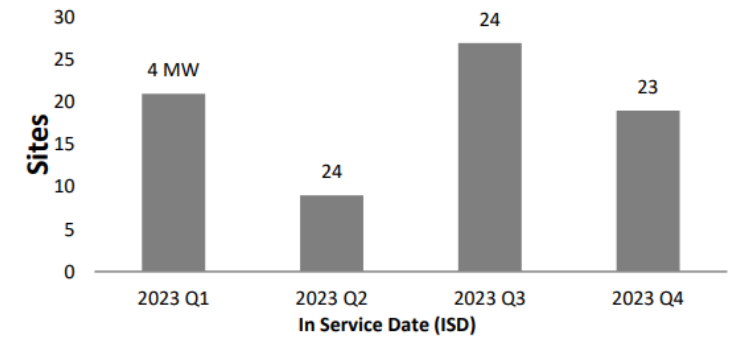
- Register [here](#) for Q4 MN DER Stakeholder Workgroup Meeting – November 15, 1–3pm CST in Roseville, MN
- Utilize the [Community Solar Garden Resources](#) and [Interconnection](#) webpages to stay up to date
- MN CSG Legislation [Reply Comments](#), Hearing TBD; awaiting Commission action
- Check your inbox: Community Solar Garden Program Transition email sent out October 11

mn.gov/puc

Docket No. E002/M-13-867  
Quarterly Compliance Filing  
Attachment A, pg. 1 of 1

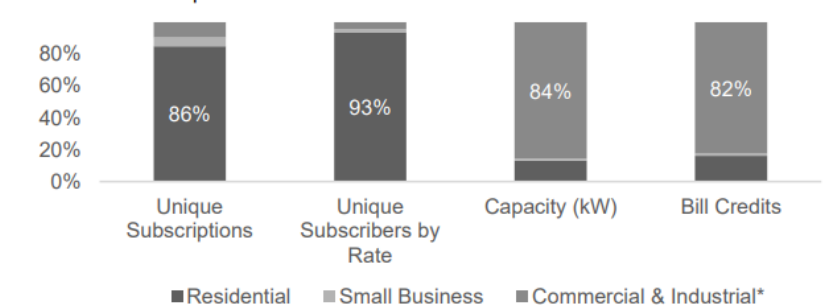
### SOLAR GARDENS IN DESIGN & CONSTRUCTION

- 104 MW (AC) in Design & Construction across 99 sites



### ACTIVE SOLAR GARDENS

- Details below are through August 2023
- Total Bill Credits paid ~\$48 million
- 2022 Bill Credit Cost ~\$3.70/per month for \*average residential customer



\*Average calculated is for customers with a monthly usage of 650 kWh per month.

# Forecasted CSG costs

MN Jurisdiction	2022 FCA Forecast	2022 FCA Actual	2024 FCA Forecast
Total fuel costs	\$849.4 million	\$950.2 million	\$1.023 billion
CSG above market costs	\$167.2 million (19.7%)	\$84.1 million (8.8%)	\$249.3 million (24.4%)
CSG total costs	\$200.7 million (23.6%)	\$184.0 million (19.4%)	\$329.3 million (32.2%)
Total sales	26,988 GWh	28,318 GWh	26,842 GWh
CSG sales	1,577 GWh (5.8%)	1,404 GWh (5.0%)	<i>Trade secret</i>
Total cost/MWh	\$31.47/MWh (\$0.0315/kWh)	\$33.55/MWh (\$0.0336/kWh)	\$38.10/MWh (\$0.0381/kWh)
CSG cost/MWh	\$127.29/MWh (\$0.127/kWh)	\$131.12 MWh (\$0.131/kWh)	<i>Trade secret</i>

- CSG costs are the CSG bill credits paid to subscribers.
- CSG bill credits are more than > 3 times the cost per MWh than gas, solar and wind PPAs in the FCA.
- Only MN jurisdiction pays the above market cost for CSG (bill credits above the locational marginal price).
- Except for PPAs, the fuel clause does include capital or O&M costs for generation (including CSG).
- Current cost allocation: MN jurisdiction CSG costs are allocated to customer classes the same way other all other fuel costs are allocated.
- Xcel proposal: Allocate to customer class based on the class's subscribed CSG capacity or assign directly to CSG subscribers. Department recommends no change. (Docket No. 03-802)



# CSG Bill Credits

	Applicable Retail Rate (ARR)	Value of Solar	Average Retail Rate
Application	Pre-2017 CSG Applications	2017-2023 CSG Applications Deemed Complete	CSG under New Department Program
2023 Rate <sup>1</sup>	Varies depending on customer class b/w \$0.132 - \$0.19/kWh	\$0.1323/kWh <sup>2</sup>	<i>N/A. Would vary depending on customer class between \$0.066 - \$0.14/kWh<sup>3</sup></i>
Sept 2023 Bill Credits Paid <sup>4</sup>	\$14.6 million	\$3.3 million	<i>N/A</i>
Sept 2023 Unique Subscribers <sup>4</sup>	20,841	6,933	<i>N/A</i>
Changes to rate	Annual	25-year rate schedule	Annual
Statute	216B.1641(d)	216B.164; Subd. 10	Ch. 60; Subd. 12, Sec. 14; Stat. 216B.1641; Subd. 8

<sup>1</sup> Xcel Rate Book, Sec. 9, starting at Sheet No. 64.1

<sup>2</sup> Levelized Cost over 25-years. 2023 Vintage is \$0.1058 (Year 1) and \$0.189 (Year 25)

<sup>3</sup> Order Forthcoming (Docket No. 23-335)

<sup>4</sup> Xcel Energy, 3Q 2023 Report, Att. B (Docket No. 13-867)

# Regulatory Topics – Xcel CSG

- Customer protections with third party CSG providers.
- Costs and timeliness of interconnection for CSG and other DER projects.
- Utility business practice related to interconnection review and grid upgrades.
- 2023 legislative implementation
- CSG cost recovery methodology in the fuel clause
- ARR methodology and whether ARR customers should transfer to a VOS bill credit



# Recent PUC Decisions & Notices

Order Date	Topic	Docket No.
Apr. 6, 2023	2023 VOS Rate	13-867
Jun. 20, 2023	Order Defining Planned Outage and Requiring Continued Quarterly Reports	13-867
Jun. 27, 2023	2023 ARR and Methodology Change to remove fuel clause compounding	13-867
Aug. 11, 2023	Approved tariff and contract changes for CSG and low-income affordability programs	13-867
<i>forthcoming</i>	<i>PUC Implementation of New CSG Legislation</i>	23-335

Notice Date	Topic	Docket No.	Due Dates
Oct. 9, 2023	Should CSG Subscribers on ARR transfer to a VOS rate?	13-867	Dec. 8; Dec. 22 (Nov. 7 extension)
Aug 24, 2023	Should Xcel make changes to CSG cost recovery in the fuel clause?	03-802	Nov. 22 (Oct. 17 extension)
Sep. 22, 2023	What should be the 2024 VOS Rate?	13-867	Nov. 27; Dec. 7 (Oct. 24 extension)
Sep. 22, 2023	Should the Commission investigate MN Solar Advocates Complaint Against Xcel re: Technical Planning Limit/Standard	23-424	Closed (Oct. 4 extension)

# Thank You!

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