COOPERATIVE COMMUNITY SOLAR ACTIVITIES

SOLAR POWERING MINNESOTA

MARCH 7, 2014



A simple way to own solar

WH Solar Community Project #1



olar

- 171 tenKsolar panels
- 32.5 kW of solar panels
- 36 kw of Silent Power battery storage
- Cost: \$4.83/watt with battery
- 25 Members participated (1 to 30 panels)

- Net \$900+/ panel
 - produces about 400 kWh/year
- Members are credited on electric bill
- Payback ~ 20 years
 - ROI 5-20%/yr. based on amount of sunshine
- Worked with Clean Energy Collective of Colorado

Dedication – September 9, 2013



Solar

- Good will & high compliments from members, legislators, regulators, press
 - Minneapolis Star Tribune
 - USA Today
 - Christian Science Monitor
 - National Geographic
 - Widespread industry press
- Unit 2 100% subscribed, Commercial in June
- Reservation list started for Unit #3



WH Members Win

- Available to all WH Members
- "Modular" purchasing choices
- Can transfer ownership
- Best economies of scale
- Quality control
- Optimal placement of panels for best production
- Hassle free business model with Clean Energy Collective (CEC)
- Maintenance free
- Long term equipment warranty



Battery Storage A Solution to Many Issues



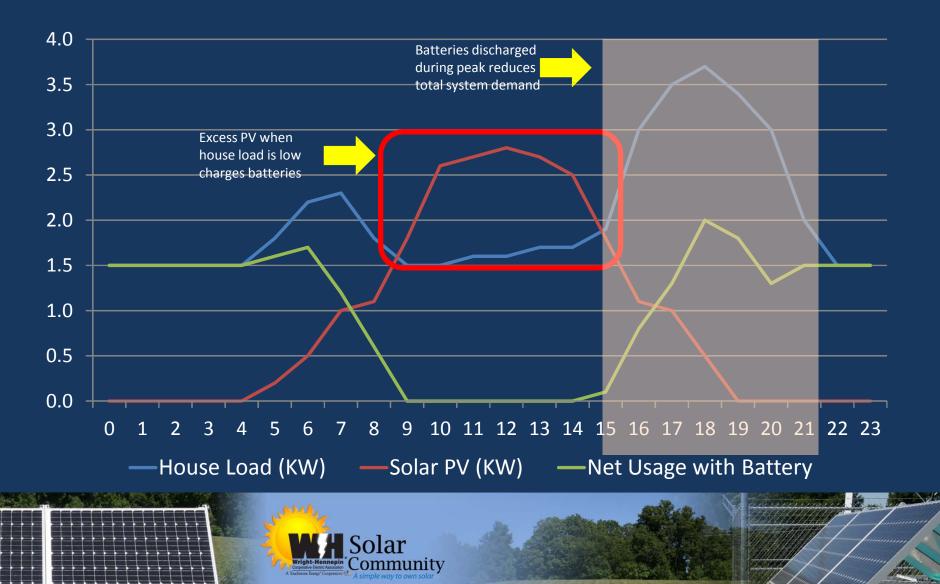
Hotly debated issues

- 1. Ramping & Capacity
- 2. Cost Shifting
- 3. Stranded Investment
- 4. Power Quality

1. "Ramping" and Capacity Growing need for flexibility starting 2015 The Net load "Duck" 27,000 25,000 23,000 21,000 Megawatts 2013 19,000 increased ramp 17,000 2015 Significant change Potential 15,000 starting in 2015 over-generation 13,000 2020 11,000 0 2 3 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 4 5 7 6 California ISO 3 Solar

unity

SOLUTION: Store & Deploy



Wrapping Up

Solar with Battery Storage Projects:

- Put electric utilities in a leadership role
- Provide the renewable energy services that our customers expect us to provide
- No regrets strategy

Next Steps...

- WH would like to shift financial incentives to storage
 - Brings down cost
 - Solar went from \$8/watt
 to \$1/watt
- Need to help storage get there as well



WH Solar Community



Rod Nikula – Wright Hennepin Cooperative Electric Association



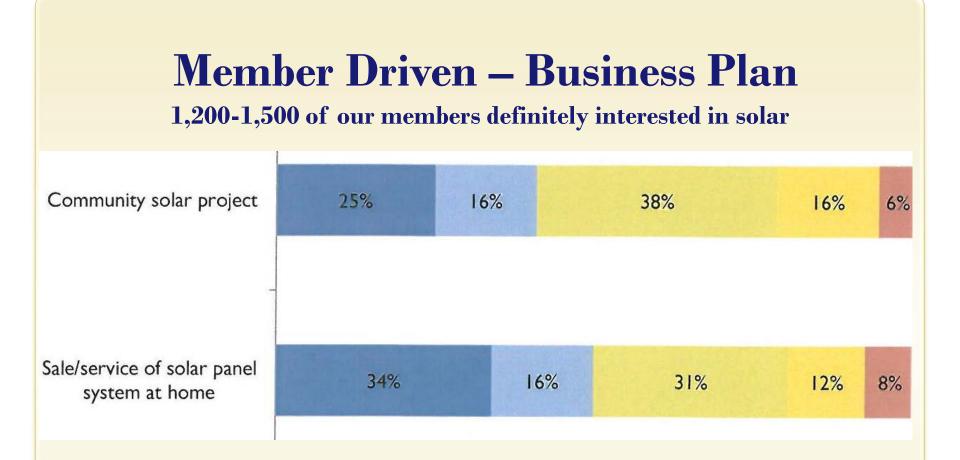
A Cooperative Solar Solution

"Bringing renewable energy to rural Minnesota – just like we brought electricity to the countryside 75 years ago"



Lake Region Electric Cooperative Tim Thompson, CEO





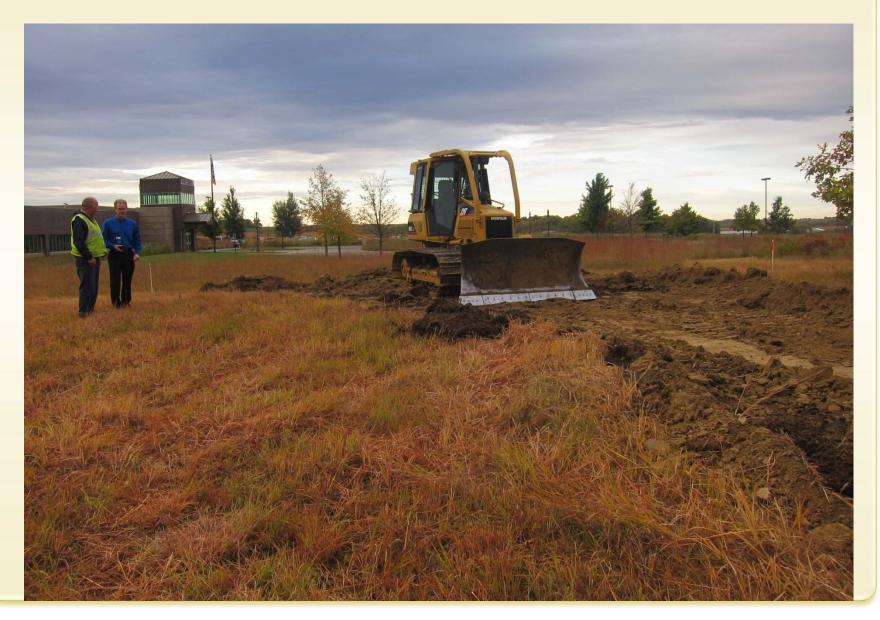
"While members are very satisfied, they are willing to shop for a better deal if they had a choice" comment from NRECA's Gina Ricci regarding 2012 survey results





Geothermal Closed Loop Installation and Geo Loop Tariff

Site Leveling & Preparation







Hubbell Helical Foundation Anchors (36)



Height – 2 ft. Above Grade



Weed Mat & Rock







Panel Installation



Completed Project



Lake Region Community Solar Fact Sheet

Location	LREC Campus, Pelican Rapids, MN
System Size	39.36 KW DC
Footprint	4000+ Sq. Ft.
Array Installation	LREC
Foundation Manufacturer	Hubbell Chance (made in the USA)
Module Manufacturer	tenKsolar (made in Minnesota)
Wattage per Module	410
Number of Modules (panels)	96

Lake Region Community Solar Fact Sheet Average Annual Energy Production Array 54,644 kWh Average Annual Energy Production Per panel 588 kWh Installed Cost \$3.66/Watt \$1,500 Price per panel 13.2¢ kWh Subscriber cost per kWh **Retail Rate Crossover (2.5% escalation)** Year 6 February 2014 Update 49 panels sold, purchased by 24 members 10 members purchased 35 panels 14 members purchased single panels No takers on a fractional panel yet

Working with NRCO



PAQS CONTACT US TRETURN TO CO-OP

Clean energy for you and your community.

ABOUT SCOOP View More

There is growing interest among our members in the construction of solar generation resources right in our own backyard. Community solar lowers the cost to individual coop members through economies of scale. sCOOP is perfect for members who do not want to, or can't, install solar on their own property.



MEMBER COMMUNITY INFO

Lake Region Electric Cooperative members now have the opportunity to purchase part of the output from solar panels located at our service center. We will take care of operations, maintenance, and insurance of the solar farm. Each panel is 410 watts and will produce about 588 kWhs of electricity each year.



Summary of what we have learned

- Member survey shows 1200-1500 members are "definitely interested" in Community Solar
- Community solar can help LREC achieve their goal of solar being good for all members
- National Renewables Cooperative Organization (NRCO) was a valuable partner - capturing tax equity and working through the complexities
- The story within the story is: LREC staff is developing the core competencies and skill sets to design and build solar arrays
- Staff labor for construction, operations and maintenance is capitalized into the project, bringing a rate benefit for their entire membership
- Our co-op's community solar project is a market based approach to offering solar electricity and the greatest thing is that everyone in its value chain is either local or, like NRCO, a member of our cooperative family



Rocky Mountain Institute Solar Business Models project

- GRE with Dakota Electric and Steele-Waseca
- Project goals
 - Analyze & calculate sources of solar PV benefits & costs
 - Evaluate models for community solar PV that enable utility to recover costs while meeting customer needs
 - Support rollout and preliminary evaluation of community solar model and share key learnings
- Timeline
 - Project kickoff in January 2014
 - Findings targeted Q4 2014







