



MN Solar Project Financing Options

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ATTORNEYS

Made in Minnesota (MIM) Solar PV Incentive Program

- For systems up to 40 kW
- 40% of project cost paid over ten years based on energy performance
- \$150 million available through DER over ten years
- Only available in Investor Owned Utility (IOU) service areas

Made In Minnesota (MIM) Solar Thermal Incentive Program

- For solar thermal air heat and solar thermal hot water
- Up to 25% of the project or \$25,000
- \$250,000 per year for five years
- 50% for air heat and 50% for hot water

Xcel Energy Small Solar Incentive Program

- For systems up to 20 kW
- \$5 million per year for five years managed by Xcel Energy
- Performance-based incentive paid over ten years
- Awaiting approval by Xcel and DER, including rates

Renewable Development Fund (RDF) Solar Grants

- \$43 million Xcel Energy grants approved by the PUC
- 17 Solar PV projects selected
- Next RDF grant round in 2-3 years

Conservation Improvement Program (CIP) Funds for Solar

- Utilities can spend up to 10% of CIP funds for solar projects
- Work with utilities other than IOUs

Rural Energy Assistance Program (REAP) Grants for Solar

- Federal agricultural bill just passed
- REAP grant funds up to 25% of project or \$500,000
- Grant proposals reviewed by MN USDA Office

Community Solar Gardens

- Xcel Energy must offer a community solar garden program
- New PUC approved rates for community solar
- Not less than five subscribers per system
- No Subscriber with more than 40% of system
- Each subscriber must have at least 200 watts

3rd Party Solar Financing

- Use of Federal Investment Tax Credit (FITC)
- Equipment depreciation
- Solar financing agreements

New “On-Bill” Loan Repayment Financing Program for Solar and Energy Conservation (HF 2375)

- Authored by Rep. Hortman and Sen. Marty
- Permits utilities to use CIP funds to establish on-bill loan repayment program
- Allows customers to finance eligible renewable energy and energy conservation projects with installment loans with qualifying banks
- Will help with customer financing of solar projects