



The Minnesota State Energy Office  
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# MN Department of Commerce: Divisions



ENERGY



FINANCIAL INSTITUTIONS



FRAUD



INSURANCE ENFORCEMENT



TELECOM



LICENSING



WEIGHTS & MEASURES

# Federal Statutory Authority: State Energy Program

“To promote the conservation of energy, to reduce the rate of growth of energy demand, and to reduce dependence on imported oil through the development and implementation of a comprehensive State Energy Program and the provision of Federal financial and technical assistance to States in support of such program.”



10 CFR 420



# State Statutory Authority: State Energy Program

“Therefore, the legislature, through its committees, must monitor and evaluate progress toward greater reliance on cost-effective energy efficiency and renewable energy and lesser dependence on fossil fuels in order to reduce the economic burden of fuel imports, diversify utility-owned and consumer-owned energy resources, reduce utility costs for businesses and residents, improve the competitiveness and profitability of Minnesota businesses, create more energy-related jobs that contribute to the Minnesota economy, and reduce pollution and emissions that cause climate change”

MN Statutes (216C, Executive Orders, etc.)



# 2023 MN ENERGY LEGISLATION

Buy Clean, Buy Fair Minnesota  
100% Carbon-Free Electricity by 2040  
Sustainable Building Guidelines Modifications  
Preference Order for Purchase of State Vehicles  
RDA Projects Subject to Prevailing Wage/Diversity Report  
Solar Reward Expansion  
Air Ventilation Program Act  
Auto dealers must employ personnel with knowledgeable of electric vehicles  
Utility Reporting Due Date Modification  
Repeal/Reinstatement of Intervenor Compensation Statute  
Electric Vehicle Deployment Program  
Strengthen MN Homes  
Customer's Access to Electricity Usage Data  
Transportation Electrification Plan  
Community Solar Garden Modifications  
Prairie Island Nuclear Power Plan Settlement Payments  
Distributed Solar Energy Standard  
Energy Storage Systems Deployment Target  
Utility Customer Dispute Resolution  
Definition of Low-Income Household  
Approval of Projects to Modernize Transmission and Distribution System  
Large Wind Energy Conversion System Certification of Need Exemption  
Modification of Threshold Requiring PUC Approval  
Commerce's Assessment Increase  
Compensation for Certain PUC Proceeding Participants  
State Competitiveness Funds (1.0 & 2.0)  
Climate Innovation Finance Authority  
Commissioner authority to administrator Solar for Schools Program  
Pre-weatherization and Workforce Training Program  
Energy Benchmarking  
Electric School Bus Deployment Program  
Solar for School Modifications from Xcel to Commerce Department  
Solar on Public Building Program Establishment  
Energy Storage Incentive Program  
Distribute Energy Resources System Upgrade Program  
Electric Vehicle Rebates  
Dealers Grants to Cover cost manufacturer certification  
PACE Loan Program  
Residential Electrical Panel Upgrade Grant Program  
Residential Heat Pump Rebate Program  
Public Utility Diversity Reporting  
Energy Storage System Definition  
Conforming Changes to definition of large energy power facilities and site permit  
Gas and Hazardous Liquid Definitions Changes  
Greenhouse Gas Emission Reduction Goal Modifications  
Modification to Annual Report on Telecommunications Access Program  
Restriction on single family solar installations prohibited  
Extension of Sunset on Gas Utility Recovery of Infrastructure Costs  
Creation of a Tribal Advocacy Council on Energy  
Electric Grid Resiliency Grants  
Community Solar Garden Study  
Local Climate Action Grant Program  
Transfer of Unexpended Withheld RDA Funds



# Helping Clients & Entities

Program Title	State	Federal (Grants, Loans, Tax Credits, Rebates)	Residential Assistance	Non-Residential Assistance	Work Force Development & Training
Energy Efficiency and Decarbonization					
Pre-weatherization, weatherization, workforce training	X	X	X		X
Strengthen MN Homes	X		X		X
Residential Electric Panel Upgrades	✓	✓	✓		✓

Community Solar Gardens

Solar on Public Buildings

Solar for Schools (colleges)

Solar for Schools

Greenhouse Gas Reduction Fund

Greenhouse Gas Reduction Fund - National Clean Investment Fund

Greenhouse Gas Reduction Fund Solar - Clean Communities Investment Accelerator

Grants for Renewable Energy Projects

Bonus Tax Credits (DAC, American Made, Workforce)

Benchmarking Energy Use Data	X				
State Competitiveness Fund					
Cost-share Coverage	X			X	
Support for local Grant-seeking assistance	X			X	
Grants to leverage tax-credits and loans (if projects serve Income-qualified households)	X			X	
Minnesota Climate Innovation Finance Authority	X		X	X	



Describe state policy that makes residential, commercial and community renewable energy possible in Minnesota.



# State Statutory Authority: State Energy Program

Two primary Minnesota Statutes

216B: Public Utilities

216C: Energy Planning and Conservation

These statutes provide the framework and guidance for most of the work we do in the Division of Energy Resources.





# Minnesota Statute 216C: Energy Planning & Conservation

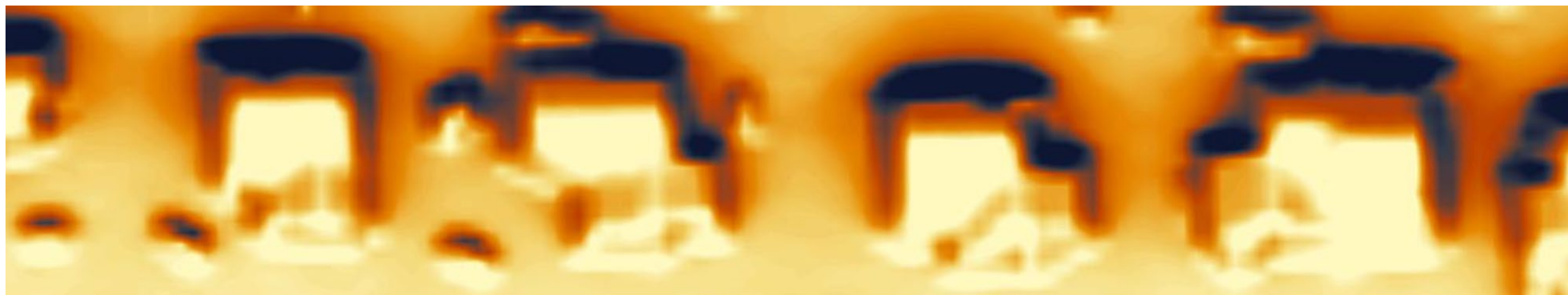
- Minnesota Statute 216C Spells out the Powers and Duties for the Commissioner of Commerce
- 216C.053 Renewable Energy Development
- 216C.11 Energy Conservation Information Center
- 216C.17 Energy Forecasts and Statistics Report
- 216C.25 Solar Energy System Standards
- 216C.417 Made in Minnesota

# Minnesota Statute 216B: Public Utilities

- Most of the policies that make solar possible in Minnesota are found in Minnesota Statutes Chapter 216B: Public Utilities.
- 216B defines the framework for how our utilities interact with their customers and how they are regulated by the state, specifically the PUC (Public Utilities Commission).
- 216B.1611 Interconnection of on-site Distributed Generation
- 216B.164 Cogeneration and Small Power Production (includes net metering)
- 216B.1611 Community Solar Gardens
- 216B.1642 Solar Site Management

# Net Metered Facility

- "Net metered facility" means an electric generation facility constructed for the purpose of offsetting energy use through the use of renewable energy or high-efficiency distributed generation sources.
- Subd. 3. Purchases; small facilities. .... In the case of net input into the utility system by a qualifying facility having less than 40-kilowatt capacity, compensation to the customer shall be at a per kilowatt-hour rate determined under paragraph (c), (d), or (f).





# Minnesota's Clean Energy Goals

**Renewable Energy Goal:** *Derive 25% by 2025 of total energy used in the state from renewable resources for heating, industrial processes, transportation, and electricity generation.*

**GHG Emissions Reduction Goal:** *Reduce greenhouse gas emissions (GHG) statewide to a level at least 15% below 2005 base levels by 2015, 40% by 2040, and 80% by 2050*

**Energy Savings Goal and the Conservation Improvement Program:** *Energy savings of 1.5% of average annual retail sales each year for electric and natural gas utilities, unless adjusted by the commissioner to no less than 1.0%*

**Building Energy Use:** *Energy savings of 1.5% of annual electricity and natural gas retail sales through conservation programs, rate design, energy codes, appliance standards, market transformation or consumer behavior.*

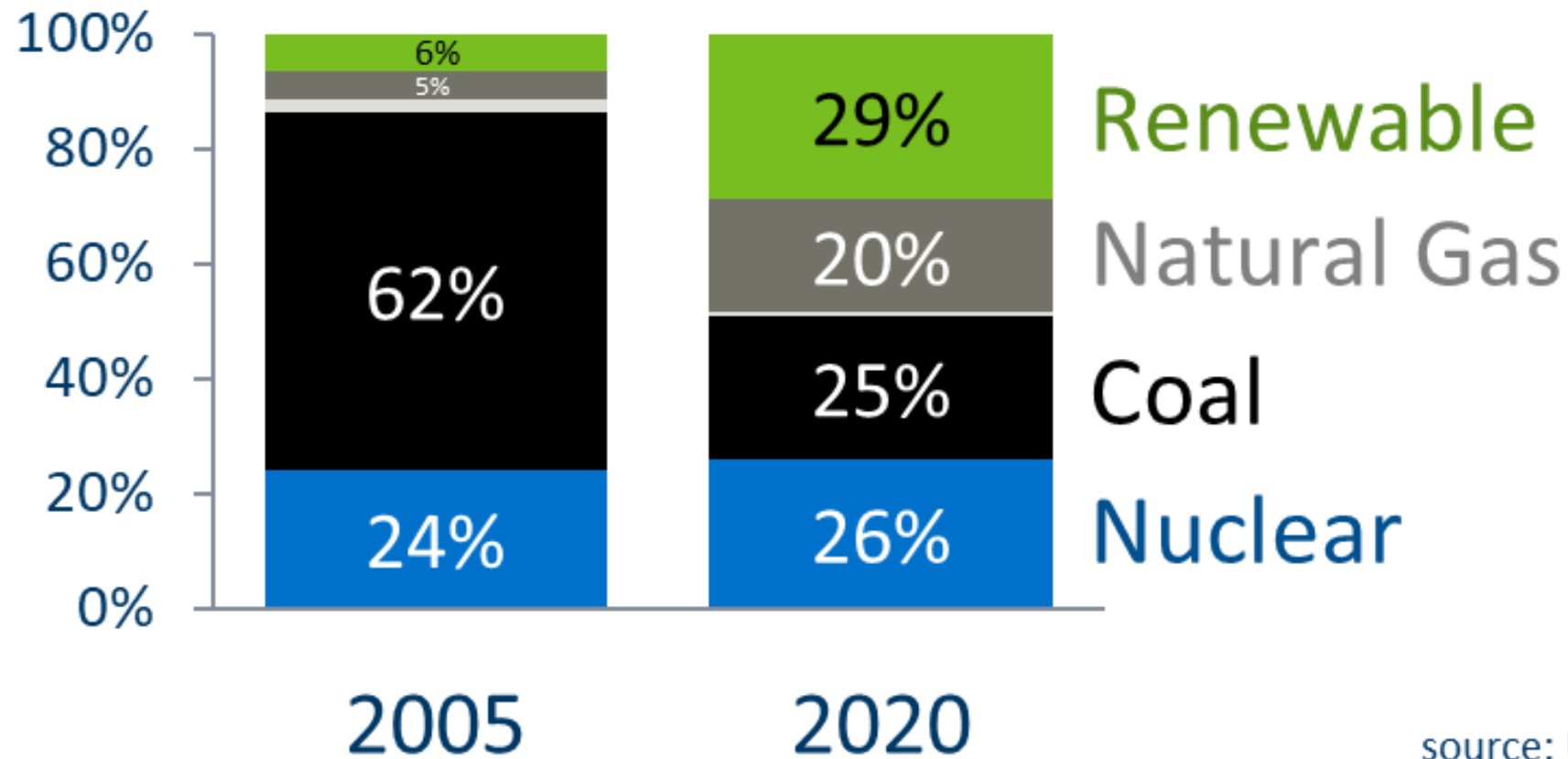
**Renewable Electricity Standards:** *Derive 25% of retail electricity sold in the state from renewable resources by 2025; 30% for Xcel Energy by 2020*

**Solar Electricity Standard:** *Generate 1.5% of public utility retail electricity sales from solar energy by 2020, and 10% of all retail electricity sales from solar energy by 2030*

# MINNESOTA'S ENERGY PROFILE :

Coal is dropping significantly; renewables are expanding quickly for power generated in Minnesota

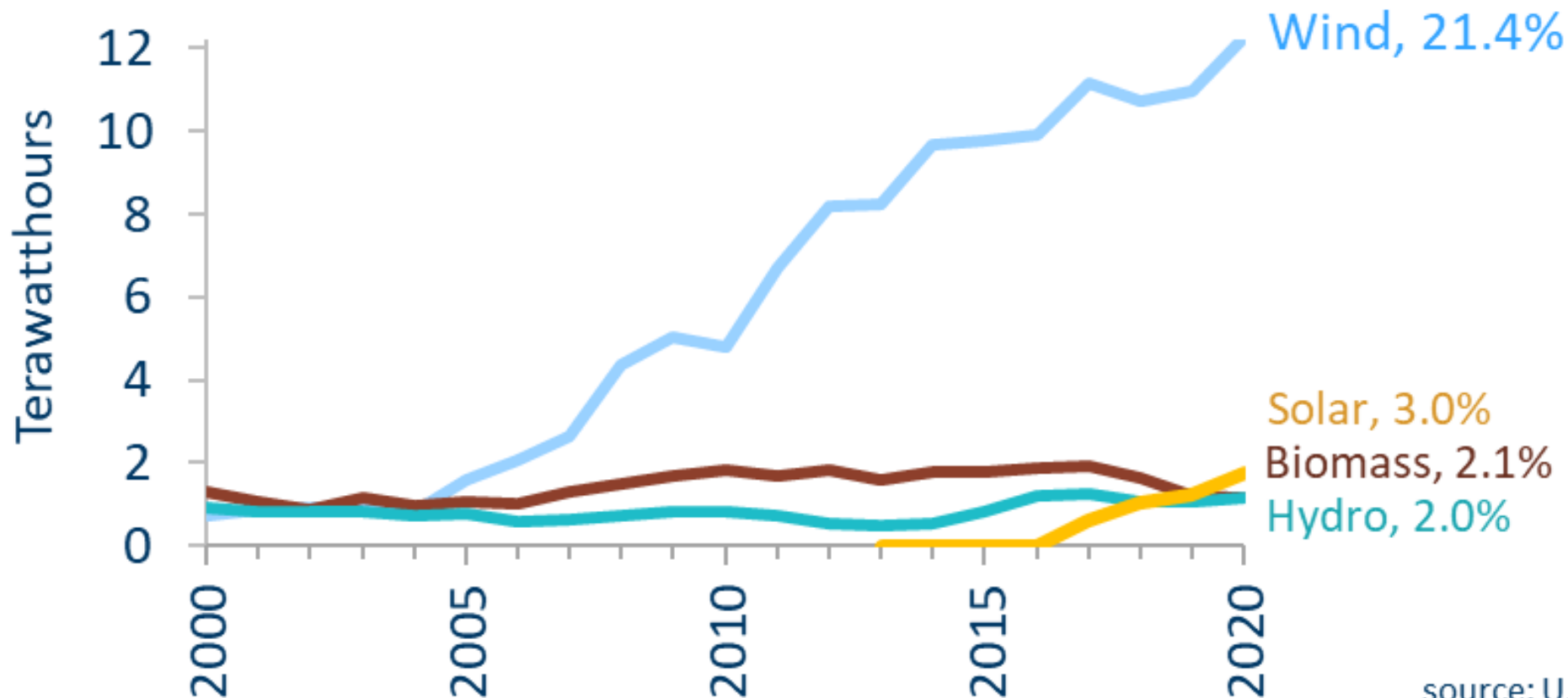
## Electricity Generated in Minnesota



# MINNESOTA's ENERGY PROFILE:

Wind dominates renewable electricity generation in MN; solar rising rapidly

## MN Renewable Electricity Generation

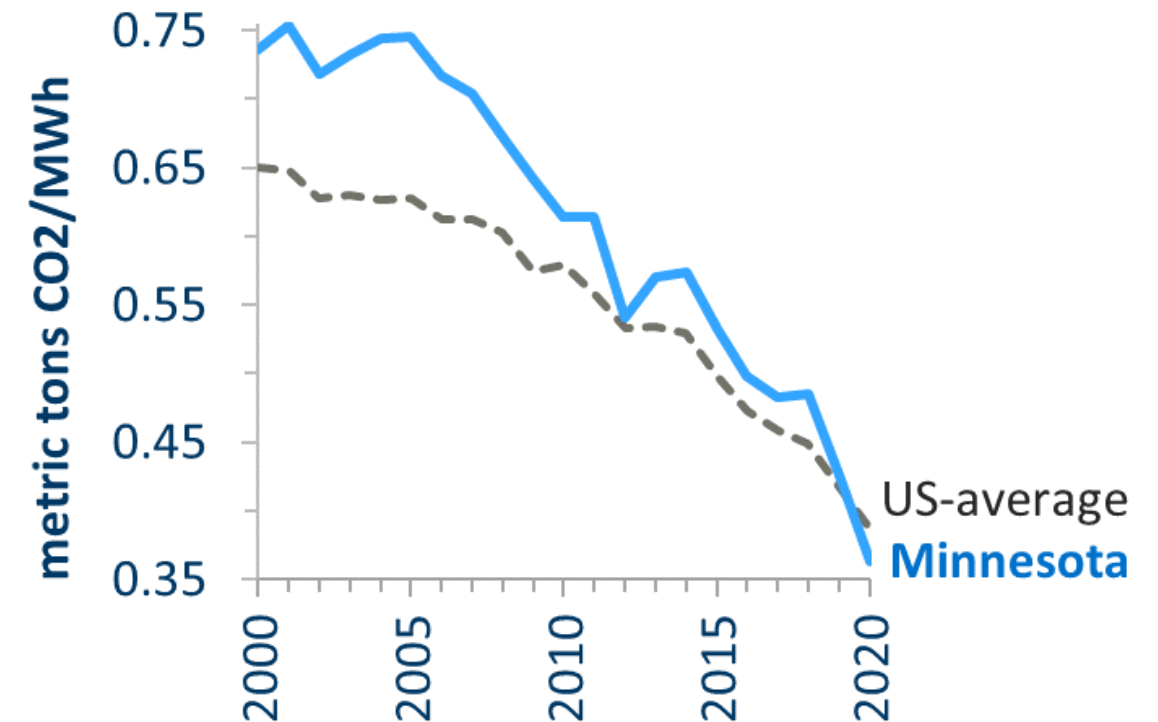




# Generation Mix Over Time

- State policies and market forces have resulted in a rapid decarbonization of Minnesota's power sector.
- Minnesota's carbon intensity dropped below the national average in 2020

## Carbon Intensity of Electricity



Source: U.S.EIA data





Questions?  
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