

Frequently Asked Questions About Community Solar Gardens

Q: What is a community solar garden?

A: A community solar garden is a solar photovoltaic system (solar PV system) that is not located on or at a subscriber's home, but still produces electricity for subscribers. Investing in a community solar garden is a way for a subscriber to invest in renewable energy, and receive a monthly credit for producing solar energy. This energy does not come from Xcel Energy, although it will feed Xcel Energy's grid. While subscribers will not directly receive energy from the community solar garden PV cells, subscribers will receive the credit for the energy that their PV cells produce. Credits will be seen on subscribers' Xcel Energy monthly bill.

Q: Where are community solar gardens located?

A: Solar gardens are typically located on large areas of open land outside of the city.

Q: Who is eligible to sign up to be a part of a community solar garden?

A: Any resident who pays his or her own Xcel Energy electric bill is eligible. Residents *must* have an Xcel Energy account in order to subscribe. Some developers require residents to have 2 years of electric bill payments to Xcel Energy to sign up.

Q: How does a solar garden developer get approval to offer subscriptions to residents?

A: Xcel Energy has to approve all solar garden developers before the developers begin construction of solar gardens. Xcel Energy's review of community solar garden developers is limited to technical review—whether a developer has the technical capability to build a community solar garden that will properly hook up to the Xcel Energy power grid.

Q: What kinds of questions should be asked of community solar developers and their contractors?

A: Individuals are responsible for selecting developers. There are many different types of contracts, and residents need to sign a contract that best fits their needs. Interested residents should rely on resources, such as CERTS's Community Solar Garden Subscriber Questions, (http://www.cleanenergyresourceteams.org/sites/default/files/CommunitySolarGarden_SubscriberQuestions_04-27-15.pdf) when contacting community solar garden developers.

Q: What community groups are already working with a developer and are able to help interested residents subscribe to a community solar garden?

A: Several community groups have gone through the process of selecting community solar developers and contractors after reviewing many developer contracts. Two such

organizations are Alliance for Sustainability, which has selected a developer, and Cooperative Energy Futures, which is a cooperatively owned solar garden developer. Interested residents can contact these organizations directly to learn about subscribing with the developers that these organizations work with.

Learn more about these organizations at:

Alliance for Community Solar: <http://allianceforsustainability.com/communitysolar/>

Cooperative Energy Futures: <http://cooperativeenergyfutures.com/communitysolar/>

Q: What am I signing up for when I sign up for a community solar garden subscription?

A: If you sign up for a community solar garden subscription, you can choose the amount of your monthly energy bill that you instead pay for as a monthly subscription fee to the community solar garden developer.

- For example, if a resident chooses a 100% pay-as-you-go subscription (all of the subscriber's Xcel energy costs are paid instead as a subscription fee), his or her whole Xcel bill may be covered by the bill credits that he or she is receiving. Instead of sending money to Xcel, the resident sends a subscription payment every month to the community solar garden developer (source: Alliance for Sustainability).
- Residents also have the option of paying money upfront through an upfront subscription to get more savings over time. People who subscribe upfront may see nearly 100% of their energy bill covered by the subscription credits.
- Residents who subscribe to a contract with the developer that Alliance for Sustainability is working with will save, on average, 9% annually on her or his energy bill.
- Cooperative Energy Futures uses an escalating savings starting at 7% savings and escalating to 45% savings over 25 years, at an average of 22% discount over the life of the subscription.
- Different payment plans are available depending on the developer that the resident chooses to contract with.

Q: How long are the community solar garden subscription contracts typically in force?

A: The range is typically 20 to 25 years (source: Community Solar Garden Subscriber Questions, http://www.cleanenergyresourceteams.org/sites/default/files/CommunitySolarGarden_SubscriberQuestions_04-27-15.pdf).

- For example, the contract that Alliance for Sustainability uses with its developer is for a 25 year subscription term that can be transferred for a \$100 administrative fee (if the subscriber moves outside of an Xcel service network, or wants to transfer the subscription to someone else).

Q: Are there any upcoming deadlines? How long do LSEC neighborhood residents have to subscribe to a community solar garden before they are fully subscribed?

A: Sean Gosieski of Alliance for Sustainability expects that the existing community solar garden subscriptions for his organization will fill by February or March 2016. The gardens will be built by summer or fall 2016.

Timothy DenHerder-Thomas of Cooperative Energy Futures, a cooperatively owned developer of community solar gardens, explained that existing subscription openings in Cooperative Energy Futures will be filled very soon. The current openings are at the Shiloh Temple in North Minneapolis. However, Cooperative Energy Futures opens new projects on an ongoing basis, and will offer future opportunities to those interested community solar garden subscriptions.

Information about current listings of what gardens have subscriptions available can be found at:

Clean Energy Resources Teams map of current community solar garden developments:
<http://www.cleanenergyprojectbuilder.org/solar-gardens>

Minneapolis Green:
<http://mplsgreen.com/>

Q: What is the future of community solar gardens after 2016?

A: After February 2016, planning for new community solar gardens will slow. The MN PUC put a 1 mega watt cap on co-location, and the federal solar tax credit for investors will be reduced from 30% to 10% beginning in 2017. It will be more challenging to finance community solar gardens using a process that makes high returns for tax equity investors after 2017.

Q: What is the status of Xcel's approval process for solar gardens?

A: Xcel Energy has one garden operational. In addition Xcel Energy has over 136 applications approved, for roughly 130 megawatts of capacity, that are waiting for signed interconnection agreements to be returned from the developer, and an additional 24 applications, for 23 megawatts of capacity, ready to start construction.

Where can I find more information?

Clean Energy Resource Teams links and resources for community solar garden subscriptions:

<http://www.cleanenergyresourceteams.org/solargardens#subscribers>

Community Solar Garden Subscriber Questions (from CERTS):

http://www.cleanenergyresourceteams.org/sites/default/files/CommunitySolarGarden_SubscriberQuestions_04-27-15.pdf

What Community Solar Garden subscription agreements should include:

http://www.cleanenergyresourceteams.org/sites/default/files/CommunitySolarGarden_DisclosureChecklist_12-11-14_0.pdf

MN Community Solar:

<http://www.mncommunitysolar.com/faithcommunitysolar>

Cooperatively owned solar garden developer, Cooperative Energy Futures:

<http://cooperativeenergyfutures.com/communitysolar/>

Sign up form for cooperatively owned solar garden developer Cooperative Energy Futures:

<http://cooperativeenergyfutures.com/communitysolar/subscribe-now/>

Community Solar Resource Page, Alliance for Sustainability:

<http://allianceforsustainability.com/communitysolar/>

- **Aggregation Partner Revenue!** When solar gardens get opened in 2016 as an Aggregation Partner of MN Community Solar/ Novel Energy Solutions the Alliance for Sustainability will receive a \$100 referral fee per customer signed up, that Alliance for Sustainability will split with its partner neighborhood groups and congregations based on the number of households that signed up through their neighborhood or congregation through Alliance for Sustainability and the neighborhood's shared outreach campaign.
- For example, if a neighborhood association had events with the Alliance and MNCS that signed up 50 households with subscription agreements with MNCS/Novel, the neighborhood would receive $50 \times \$50 = \$2,500$.
- As of November 2015, neighborhoods that are partnering with the Alliance for Sustainability and MN Community Solar to sign up neighbors to join a solar garden include Longfellow Community Council, Transition Longfellow, East Isles, and the Whittier Alliance.