

Solar on Public Buildings Grant Program

Kate Barry | Program Administrator

Time	Content
10:30am	Welcome, Introductions, Agenda
10:33	Solar on Public Buildings Grant Program
11:00	Questions/Input
11:10	Estimate System Size and Production
11:20	Procurement Resources
11:29	End





Solar on Public Buildings – MN State Grant Program

216C.377 Solar Grant Program; Public Buildings

§Subd. 2. Establishment; purpose. "A solar on public buildings grant program is established in the department. The purpose of the program is to provide grants to stimulate the installation of solar energy generating systems on public buildings."

Read more: https://www.revisor.mn.gov/statutes/cite/216C.377

Eligibility

4.3M to be distributed in state grants for solar arrays:

- Local units of government: county, statutory or home rule charter city, town, or other local government jurisdiction (excluding school districts), as well as federally recognized Indian Tribes in Minnesota.
- On or adjacent to a publicly owned and operated building.
- In Xcel Energy electric service territory.
- Capacity that is lesser of 40kW or 120% average annual electricity usage

Financial Capacity

§Subd. 9. Grant payments. "In determining the amount of a grant award, the commissioner shall take into consideration the financial capacity of the local unit of government awarded the grant."

Maximum Allowable Grant

Adjusted Net Tax Capacity (ANTC) / Capita*	% System Cost (Up to)	Not to Exceed
Under \$1,000	70%	\$84,000
>\$1,000	60%	\$72,000
>\$2,000	50%	\$60,000
>\$3,500	40%	\$48,000
>\$4,500	30%	\$36,000
Tribal Nation	70%	\$84,000

^{*}The ANTC / Capita financial capacity assessment was determined with data from the MN Department of Revenue. This assessment takes into consideration both the tax base of a local government and the population.

Technical Assistance

§Subd. 8. Technical assistance. "The commissioner must provide technical assistance to local units of government to develop and execute projects under this section."

Technical Assistance

- Public Webinars
- Free consultation and support from the University of Minnesota Clean Energy Resource Teams (CERTS) on:
 - Building selection and energy usage
 - Utility interconnection
 - Selecting a developer through an RFP process
 - Cost-benefit analysis
 - Pre-application review for program application completeness
- Ongoing technical support through completion



Prioritization

§Subd. 6. Application process. (d) The commissioner must develop administrative procedures governing the application and grant award process under this section.

Prioritization Rubric

- Rank your SPB Applications
- Pre-Application Consultation
- Procurement Commitment
- Financial Capacity
- Tie-Breaker: Existing Solar



Prioritization Rubric: Rank your SBP Applications

Description	Applicant's self-prioritization out of all current funding round applications.				
Rank	First	Second	Third	Fourth	Fifth+
Points Awarded	24	18	12	6	0

Prioritization Rubric: Pre-Application Consultation

Description	Applicant met with a CERTs representative for a pre-application consultation.		
Commitment	Yes	No	
Points Awarded	12	0	

Prioritization Rubric: Procurement Commitment

Description	Applicant's commitment to solar procurement best practices when seeking proposals from Developers.				
Commitment	Public RFP	2+ Proposals	No Commitment		
Points Awarded	12	6	0		

Prioritization Rubric: Financial Capacity

Description	Applicant's Grant Award Tier based on financial capacity of local unit of government.				
Tier	1	2	3	4	5
Points Awarded	12	9	6	3	0

Prioritization Rubric (Tie-Breaker): Existing Solar

Description

What percentage of the applicant's buildings currently have a solar array (not including Community Solar Garden subscriptions)?

To be ordered by percentage from least to most within groupings of applications with the same point value from the other 4 metrics.

Application Process

§Subd. 6. Application process. (a) The commissioner must issue a request for proposals to local units of government who may wish to apply for a grant under this section on behalf of a public building.

Timeline

The department will administer the third funding round in 2025:

• Round 3: May 2025 – December 2025: Funds remaining after Rounds 1 and 2

Round 3: Public Building Readiness Assessment

Step 1: Notice of Intent: Public Building Readiness Assessment

- Date of Issue: May 19, 2025
- Public Building Readiness Assessment Due: June 30, 2025
- Public Building Readiness Eligibility Notification: Monday, July 28, 2025

Round 3: Full Grant Application

Step 2: Full Grant Application

- Application Open: Upon Notification
- Application Due: Monday, November 17, 2025
- Final Notification: Monday, December 15, 2025

Prepare for Readiness Assessment

- Schedule a pre-application consultation
 - 11 County Metro: Aaron Backs <u>abacks@gpisd.net</u>
 - Outside of Metro: Pete Lindstrom <u>plindstr@umn.edu</u>
- Request Project ID Number for each building: <u>SolarOnPublicBuildings.COMM@state.mn.us</u>
- Gather energy usage data:
 - Spreadsheet with last three years of energy use monthly energy use in kWh
 - Average annual energy use over last three years
- Estimate system size and production (https://pvwatts.nrel.gov/)
- Determine system budget
- Assess utility grid capacity (instructions are posted on <u>Solar on Public Buildings webpage</u>)





Questions/Input

Estimate System Size + Production

https://pvwatts.nrel.gov/

Procurement Resources

§Subd. 11. Contractor conditions. "A contractor or subcontractor performing construction work on a project supported by a grant awarded under this section:

- (1) must pay employees working on the project no less than the prevailing wage rate, as defined in section 177.42; and
 - (2) is subject to the requirements and enforcement provisions of sections 177.27, 177.30, 177.32, 177.41 to 177.435, and 177.45."

Prevailing Wage Laws

- Contractors must pay no less than the prevailing wage. [Minn Stat 177.41 177.44]
- Contractor submit wage and payment details to the local unit of government.

Procurement Law and Best Practices

- § Minn. 471.345 UNIFORM MUNICIPAL CONTRACTING LAW
 - § Subd. 4.Contracts exceeding \$25,000 but not \$175,000
 - § Subd. 13.Energy efficiency projects.
- Best Practices
 - Seek Multiple Bids
 - Request for Proposals
 - Receive input from stakeholders

Request for Proposals (RFP)

- Template RFP
 - Contact CERTs for use and distribution
- CERTs Distribution List:
 - Peter Lindstrom: plindstr@umn.edu
 - Aaron Backs: abacks@gpisd.net
- State Master Contract (next slide)

State Solar Master Contract



Questions and Assistance:

- State Solar Master Contract
- Doug Heeschen, <u>doug.heeschen@state.mn.us</u>

Includes:

- pre-vetted vendors qualified to design and install solar
- many consumer protections incorporated into contract*
- technical assistance through RFP and proposal selection

^{*}vendors only pre-qualified for use through the contract. Use of one of the contract vendors outside of use of the contract and full contract process, does not guarantee the contract's consumer protections. If selecting a contract vendor outside of the master contract, public RFP process recommended as procurement best practice

Guaranteed Energy Savings (GES)

Statutory Requirements: If entering a GES with a vendor, as defined in Minn. Stat. § 471.345, Subd. 13, must follow the statutory requirements, including:

- The municipality shall publish notice of the meeting in which it proposes to award the contract, names of the parties to the proposed contract, and the contract's purpose.
- The qualified provider shall issue a report, summarizing estimates of all costs [...] and estimates of the amounts by which energy or operating costs will be reduced.
- The qualified provider provides a written <u>guarantee</u> that the energy or operating cost savings will meet or exceed the costs of the system.
- The municipality shall provide a copy of the contract and the report from the qualified provider to Commerce via energysavings.programs@state.mn.us within 30 days of the effective date.
- The qualified provider to whom the contract is awarded shall give a sufficient bond to the municipality for its faithful performance.

Guaranteed Energy Savings (GES)

Best Practices:

- Seek proposals from multiple qualified providers by publishing notice of the proposed contract in the municipality's official newspaper and in other publications (e.g., through the CERTs RFP distribution list); if the municipality determines that additional publication is necessary to notify multiple qualified providers.
- Utilize the Department of Commerce's <u>Energy and Cost Savings Guarantee template</u>, with modifications as deemed necessary. See also the Department's <u>Energy Savings and Performance</u> <u>Contracting page</u> for additional reference and documents.
- Work with CERTs staff in reviewing the qualified provider's report and guarantee, with focus on financial metrics and assumptions.



Thank You!

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