

MINNESOTA DEPARTMENT OF COMMERCE

## **REQUEST FOR PROPOSAL**

COMM-SPB04-20250731

### **Minnesota Statewide Solar on Public Buildings Program**

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# REQUEST FOR PROPOSAL (RFP)

COMM-SPB04-20250731

## Minnesota Statewide Solar on Public Buildings Program

### I. Introduction

The Minnesota Department of Commerce (“Department”) seeks proposals from local units of government and Tribal Nations for qualified public buildings throughout Minnesota for the Statewide Solar on Public Buildings Grant Program. In accordance with [Minn. Stat. § 216C.377](#), the Department will distribute up to \$14,500,000 in grants to local governments in designated low-income areas, as defined in [Minn. Stat. § 116M.14](#), to build solar energy generating systems on or adjacent to publicly owned and operated buildings. Selected proposals are required to file for the 48E Clean Electricity Investment Tax Credit via Direct Pay for project costs not covered by the MN Commerce grant. [Direct Pay](#) (aka Elective Pay) is the process by which tax-exempt and government entities can receive a payment equal to the full value of the tax credit for qualifying energy projects without paying taxes. Support will be available from the Department and partners to assist with this process. See *Section VIII: Technical Assistance and Questions* for more information about support resources for Direct Pay.

There are limited funds remaining in the original Solar on Public Buildings program. For these limited funds, entities beyond those designated as low-income in Xcel Energy territory are still eligible and may also respond to this RFP. Funding amounts will be determined in the review process.

This RFP provides a process for local units of government and Tribal Nations to apply to the Solar on Public Buildings program. The application requires technical information about the proposed solar energy generating system including, but not limited to:

- The capacity of a proposed system
- Current energy demand of the public building
- An estimate of energy savings derived from the proposed system
- Cost of the system, installation, and disposal
- Written statement on the likely success of interconnection from the utility
- A formal agreement between the local unit of government and the utility or solar developer

#### A. Background

During the 2023 legislative session, the Minnesota Legislature established the Solar on Public Buildings Grant Program to provide grants to stimulate the installation of solar energy generating systems on public buildings. Also in 2023, the Minnesota State Competitiveness Fund (SCF) was established at the Department, with a subset of funds directed to support grants to eligible entities for projects receiving federal loans or tax credits. The current funding round for the Solar on Public Buildings program derives \$14,500,000 from this SCF funding that must be used only to provide grants for public entities seeking the 48E federal tax credit for solar energy on public buildings owned and operated by local units of government and Tribal Nations that meet the definition of “Low-income area” as defined in [Minn. Stat. § 116M.14](#). By this definition, “Low-income area” means:

- All local governments and Tribal Nations outside the metropolitan area
- Minneapolis
- Saint Paul

- Those cities in the metropolitan area that have a median income for a family of four that is below 80 percent of the median income for a four-person family as of the latest report by the U.S. Census Bureau

The combination of the Solar on Public Buildings grants and the 48E federal tax credit can help provide communities across Minnesota with solar arrays at a greatly reduced cost. This funding round is open to eligible local governments and Tribal Nations in Minnesota in any electric utility service territory. See [Section VIII. Technical Assistance and Questions](#) below for information about Technical Assistance and asking questions.

The recent federal Reconciliation Bill, HR1, made changes to the 48E tax credits. Projects that are able to commence construction before December 31, 2025, will have the most streamlined pathway forward to access these credits. Commerce will work with applicants to further understand the nuances of these new provisions.

### **B. Program Summary**

- Application opens: July 31, 2025
- Application closes: November 14, 2025
- The Department anticipates reviewing complete applications within two weeks of submittal on an ongoing basis.
- Grant negotiations and subsequent grant awards will follow.
- **Expenses must not be incurred, nor will they be reimbursed, prior to full execution of a grant contract.**

## **II. Eligibility**

According to [Minn. Stat. § 216C.377. Subd. 5. Eligible system.](#)

(a) A grant may be awarded to a local unit of government under this section only if the solar energy generating system that is the subject of the grant:

(1) is installed

(i) on or adjacent to a public building that consumes the electricity generated by the solar energy generating system, and

(ii) on property within the service territory of the utility currently providing electric service to the public building; and

(2) has a capacity that does not exceed the lesser of 40 kilowatts or 120 percent of the average annual electricity consumption, measured over the most recent three calendar years of the public building at which the solar energy generating system is installed.

(b) A public building that receives a rebate or other financial incentive under section [Minn. Stat. 216B.241](#) for a solar energy generating system is eligible for a grant under this section for the same solar energy generating system.

(c) Before filing an application for a grant under this section, a local unit of government or public building that is served by a municipal electric utility or cooperative electric association must inform the municipal electric utility or cooperative electric association of the local unit of government's or public building's intention to do so. A municipal electric utility may, under an agreement with a local unit of government, own and operate a solar energy generating system awarded a grant under this section on behalf of and for the benefit of the local unit of government.

## **A. Eligible Applicants**

Eligible applicants for this grant (Applicant) are local units of government and Tribal Nations owning and operating public buildings. This includes a county, city, town or other local government jurisdiction, federally recognized Indian Tribes in Minnesota, excluding school districts eligible to receive financial assistance under the Solar for Schools program ([Minn. Stat. § 216C.375](#)). Federally owned and operated public buildings are not eligible. ([Solar on Public Buildings / Minnesota Department of Commerce - Energy \(mn.gov\)](#)). Local units of government may apply for multiple buildings, but each building must be submitted as separate applications.

For local governments outside of Xcel territory, local units of government must meet the definition of “Low-income area” as defined in [Minn. Stat. § 116M.14](#) to be eligible. Additionally, these units of government will be required to file for the 48E Clean Electricity Investment Tax Credit via direct pay. Commerce strongly encourages planning for commenced construction by December 31, 2025. All Solar on Public Buildings grant recipients and their selected Developers must follow the applicable *Grantee Duties Task 6. System Component Reporting and End of Life Recycling* requirements as detailed in *RFP Exhibit A. Sample State of Minnesota Grant Contract for Solar on Public Buildings, Contract Exhibit A. Grantee’s Duties*.

## **B. Use of Funds**

Grants awarded to an Applicant may only be used to purchase and install a solar energy generating system including removal and disposal after decommissioning the eligible system described in this application. The project cost is the amount as stated on the selected proposal.

## **C. Financial Need and Maximum Allowable Grant**

The Department of Commerce has been instructed to consider the financial capacity of the local unit of government when determining the amount of the grant award. This funding round is open to eligible local governments in Minnesota in any electric utility service territory.

Per [Minn. Stat. § 116M.14](#), “Low-income area” means:

- (1) Minneapolis, St. Paul;
- (2) Those cities in the metropolitan area as defined in section [473.121, subdivision 2](#), that have a median income for a family of four that is below 80 percent of the median income for a four-person family as of the latest report by the United States Census Bureau; and
- (3) the area outside the metropolitan area.

The maximum allowable grant for this funding round for eligible counties, cities, townships, Tribal Nations, and other local government jurisdictions is up to 70% of the system cost, not to exceed \$112,000. This dollar amount maximum is based on a \$160,000 40kWh system assessed from average system costs in Minnesota.

## D. Federal Tax Credit Filing Requirement

The federal government is offering the 48E Investment Tax Credit, which reimburses local governments and non-profits for eligible projects (including solar arrays) through Direct Pay. Depending on the project, credits totaling between 30-70% of the project cost are available. For projects seeking funding under [Minn. Stat. § 216C.377](#), local governments receiving Solar on Public Buildings grants are required to create a project based around the application for and receipt of the 48E Investment Tax Credit, which will likely cover a majority of the costs of the project when combined with the Solar on Public Buildings grant. Should an applicant receive a tax credit worth more than 30% of project costs, the state award will be adjusted accordingly as no project can receive more than 100% of project funds.

Solar on Public Buildings Grant applicants and recipients are eligible to receive no-cost technical assistance from the State of Minnesota to help with understanding and pursuing Direct Pay tax credits in grant projects. See *Section VIII: Technical Assistance and Questions* for more information about support resources for Direct Pay.

### Federal Tax Credit Details:

48E Base Credit (must meet labor standards)	30%
Domestic Content Bonus	10%
Energy Community Bonus	10%
Low-Income Bonus (in Lower-Middle Income communities or Indian land) OR Qualified low-income residential building project / Qualified low-income economic benefit project*	10-20%
<b>Total</b>	Up to 70% tax credit

\* One low-income bonus is available per project (not both). These bonuses are capped at 1.8 GW/yr. nationally. Registration separate from other tax credit filings required – [more information available here](#).

## III. Application Overview

### A. Application Submission

Applications for grants will be open for submission continuously until November 14, 2025, or notification from the Department that all funds have been committed, whichever occurs first. Should funds remain, the Department may issue subsequent RFPs before the 48E Clean Electricity Investment Tax Credit expires.

Completing the application is required to be considered for a Solar on Public Buildings grant and must be filled out by the county, city, town, other local government jurisdiction or Tribal government's representative or entity with the authority to make an application on their behalf. This representative or entity should register as an "Applicant," in the Department's online submission portal (see *Section V. Applicant Submission Instructions below*). Applicants must complete all required sections of the application in order to be reviewed and considered for grant funding. The application must be completed online through an account on the Department's RFP online submission portal GrantVantage

(gvgrantcloud.com). An Applicant may submit applications for more than one building, but each building must be a separate application.

### **B. Application Checklist**

For timeliness of the application, review, and contracting processes, it is strongly recommended that the Applicant begins these components of the application early in the process:

- Consultation with CERTs (*see Section VIII: Technical Assistance and Questions*)
- Consultation on Direct Pay with Deloitte (*see Section VIII: Technical Assistance and Questions*)
- Procurement and selection of project proposal from a Solar Developer (CERTs can assist with this process)
- MOU with the electric utility (*see Attachments 2a and 2b: Utility MOU Templates*)

Note that no costs should be incurred before the grant contract with the Department is fully executed.

Applicants must commit to applying for Direct Pay Tax Credits (see Federal Tax Credit Filing Requirement in Section II, Subsection D for additional details). The Department offers additional support and assistance from partner organizations in understanding this process and, if application is approved, submitting the Applicant's IRS forms.

The final grant award value will be determined by the Department based upon the Applicant's financial need and final system cost.

### **C. Notification and Next Steps**

Applicants submitting applications that meet all application and eligibility requirements will be notified of their final Solar on Public Buildings grant award amount after review is complete. The Department anticipates responding to Applicants within two weeks of submittal.

Upon being selected for funding, the grant recipient ("Grantee") would enter into a Grant Contract with the Department. The Grant Contract term will be for up to eighteen (18) months. If deemed necessary by the Department, one (1) extension may be possible, as long as the Grantee is making satisfactory progress toward the completion of the project as determined by Department staff and the funds are not set to statutorily expire.

Selected Grantees will be responsible for the scope of work described in *RFP Exhibit A. Sample State of Minnesota Grant Contract for Solar on Public Buildings, Contract Exhibit A. Grantee's Duties*. The Grantee will also have to include pursuit of the 48E and other relevant Direct Pay Federal Tax Credits in any budget and planning processes.

## **IV. Grant Application List of Questions**

The following is a list of questions that will be asked in the Department's online submission portal.

### **Section 1. Building and Project Basics**



Project Name:

List the name of the local unit of government followed by the individual building name where the System will be installed. Example: "City of Esko – Public Works Building."

Local Unit of Government Information:

- Local Unit of Government and building
- Mailing/Office Address
- System Installation Site: Building Name
- Proposed System Site Address

Building Ownership Eligibility:

Does Applicant own and operate the building for which the System will be providing electric service?

Eligible entities must meet the following statutory requirements: [Minn. Stat. 216C.377 Subd. 1.](#):

(f) "Public building" means:

- (1) a building owned and operated by a local unit of government; or
- (2) a building owned by a federally recognized Indian Tribe in Minnesota whose primary purpose is Tribal government operations.

Please briefly explain how the building meets this requirement. At a minimum, we expect that this would require a local government to pay the building's electric utility bill and have some oversight over the management of the facility.

Local Unit of Government Contacts:

Provide the name, title, and email address for each of the key project contacts below.

- Authorized Local Unit of Government Representative: The Authorized Representative who supports this application for funding and will serve as the primary signatory related to this application process and subsequent funding agreement with the Department.
- Primary Contact: Enter if different from Authorized Local Unit of Government Representative above.

Authority to Apply:

Upload a letter signed by an authorized local unit of government representative (City Manager, County Administrator, Tribal Council Chair, for example) indicating approval for the Primary Contact to pursue this grant application. The letter should also indicate any specific efforts already undertaken by the Applicant to pursue a solar project to demonstrate readiness to apply and verify the accuracy of the application.

**Section 2. Energy Use and Production**

The capacity of the planned solar array must not exceed the lesser of 40 kilowatts or 120 percent of the average annual electricity consumption of the building, measured over the most recent three calendar years.

To determine the eligible system size for your building, you will need the following:

Three Years of Electricity Use:

Upload (1) PDF file containing a spreadsheet detailing (3) years of monthly electricity use in kWh for the building for which the solar will be installed. For each year, provide and prominently highlight the annual total kWh usage. If (3) years of electrical data is unavailable (e.g., if new construction), upload a PDF detailing the reason and providing an estimated annual energy consumption in kWh of the building based on known factors (e.g., energy estimates, similar building size, etc.).

#### Recent Electrical Bill:

Upload (1) PDF of a recent electrical bill for the installation site. Bill must state (and Applicant must highlight) the following information: name on the bill, total energy use (in kWh) that month on the meter the System will be attached to, the electric meter number, and the name of the electric utility. If no recent electric bill (e.g., new construction), Applicant should upload a PDF providing electric meter number, electric utility name, \$ / kWh rate(s), and demand charge rate(s) (\$ / kW).

#### Existing Distributed Energy Resource:

Describe any existing distributed energy resource that currently provides electricity to the individual public building as well as the local government system including any subscriptions to a community solar garden. For each, specify year installed/subscribed, system size, and system location (ground, roof, offsite).

#### Energy Production Site Assessment Report:

Upload a PDF estimated annual energy production report for the System at the proposed site. Applicants can upload a report from PVwatts (<https://pvwatts.nrel.gov/>), an alternate modeling program report, or a copy of a virtual or preliminary site assessment done through a developer or consultant. Be sure to take into account any known production losses (e.g., snow, shade). A video and pdf tutorial for PVWatts can be found on the [Solar on Public Buildings webpage](#).

#### Energy Production and Usage Worksheet

Once you have compiled the above information, use *Attachment 7: Energy Production and Usage Worksheet* to show the estimated size and energy production of the array meet program requirements (the planned solar array must not exceed the lesser of 40 kilowatts or 120 percent of the average annual electricity consumption of the building). In the Worksheet:

- B2: Enter the average annual energy usage (based on three years of data) in kWh of the building (or an estimate if a new build). This should be detailed in the Three Years of Electricity Use spreadsheet you attach.
- B3: Enter the anticipated system size of the array (maximum 40 kWac).
- B4: Enter the estimated annual energy production from the PV Watts (or alternate modeling program) report.
- B5: If applicable, enter the average annual production of any existing distributed energy resource (including any community solar garden subscriptions) for the building.
- B6: Will automatically generate the total estimated energy production (combined estimate of the solar array and existing energy resource; B4+B5).
- B7: Will automatically generate the percentage of the total estimated energy production of the average annual energy usage. This should not be more than 120% (B6/B2).

#### Energy Production and Usage Values

Enter the numeric value of the information from *Attachment 7: Energy Production and Usage Worksheet*.

- Average Annual Energy Use of the building (kWh).
- Anticipated System size/capacity (kWac).
- Estimated Energy Production of the solar array (kWh).
- Average Annual Energy Production of existing energy resource including CSG (kWh).
- Total estimated annual energy production (C+D).
- Percentage of total *energy production* of average annual energy usage (E/A).

### **Section 3. Utility and Interconnection**

#### **Electric Utility Contact Information:**

- Electric Utility Provider
- Electric Utility Contact Name (First and Last)
- Title
- Email Address

#### **Utility Funding Support Under Statute:**

Note and describe any utility support being pursued as authorized by [Minn. Stat. § 216B.241](#) in addition to this grant. If none is being pursued, write 'none.'

#### **Utility Acknowledgement to Pursue Project:**

The MOU, see RFP *Attachments 2a and 2b: Utility MOU Templates*, must make clear that the utility currently foresees no significant issues that would impact the interconnection of the System as outlined with proposed Developer. The MOU must be in PDF format and signed by the Authorized representative of the potential Grantee and an authorized representative from the utility.

If a completed MOU has not been obtained by the time the Applicant submits the Application, Applicants must upload a document explaining the ongoing communications and any concerns with an estimated timeline to obtain the MOU. *Grant contracts will not be finalized until a completed MOU has been submitted.*

### **Section 4. Developer Information, System Details, and Proposed Contract**

#### **Developer Contact Information:**

Selected Developer  
Primary Contact Name (First and Last)  
Title  
Email Address

#### **Project Information**

Final System Size (kWdc)

Final System Size (kWac)

Estimated Y1 System Energy Production (kWh)

### Final System Energy Production Estimate Report

Upload a final PDF report detailing the System's annual energy production at the final system site as calculated by the Developer and using their preferred modeling program. All assumptions and financial inputs, including production loss estimates due to snow and shade, should be clearly listed.

Note: All financial assumptions used need not be detailed and justified in this report, only listed.

However, these assumptions must be detailed and justified in system contract between Applicant and Developer. See Upload Copy of System Contract Agreement Including Developer System Proposal question below for details and requirements.

### System Site

Describe the final system design, describe and justify any changes to the installation site, describe any known needs or issues which may impact the installation timeline and/or cost.

### **System Project Details**

#### System Modules:

List the number used, type/model, reusability/recyclability, and rates capacity of the system's modules.

#### System Inverters:

List the number, type/model, and reusability/recyclability of inverters used.

#### Describe the permitting and interconnection process for the System:

Detail the Developer's processes and estimated timelines in combination with all relevant information gathered via *ongoing* communications with the Applicant as well as the Applicant's electric utility provider. Do you anticipate any delays or issues related to interconnection of the System (related to the Developer, Applicant, electric utility, or otherwise)?

#### System Site Plan:

Upload the System's site plan.

#### Upload Copy of System Contract Agreement Including Developer System Proposal:

Contract **must include** a signed and completed PDF **System 25Y Cashflow Analysis form**. The 25Y *Cashflow Analysis* must include the following (See *RFP Attachment 3: System 25Y Cashflow Template* document for further details and instructions):

1. Financial Assumptions: (a) Indicate and justify losses to production due to snow, shade, and total losses used in modeling of System energy production. (b) Indicate and justify degradation rate used in modeling of System 25Y energy production. (c) Use only the electric rate less any demand charges specific to Applicant when calculating 25Y electric savings value from System production. If Developer wants to run a second analysis using some level of demand charge savings, they must indicate and justify the level of demand charge savings modeled.
2. Expenses: List all Applicant expenses pertaining to the System including, but not limited to, installation costs, end-of-life decommissioning and recycling, fair market value provisions, inverter replacement, operations and maintenance costs.

3. Savings/Income: List all sources of savings or income pertaining to the System including, but not limited to, Solar on Public Buildings grant value, other grants or incentives, 25Y electric savings value.

In (1) combined PDF document, upload a copy of the System proposal and proposed contract agreement between the Applicant and the Developer. Contract must:

- Ensure that system ownership and financing will be structured so Applicant qualifies for 48E and other federal Direct Pay Tax Credits.
- Identify where and how the full grant value is being passed to the Applicant by clearly indicating System costs and System lifetime values prior to as well as after the grant.
- Clearly identify which parties are responsible for System O&M throughout a 25Y analysis.
- Provide estimates and/or known System O&M costs throughout the 25Y analysis period, including recycling costs for any failed components replaced during an O&M contract period.
- Provide estimates for System end-of-life decommissioning and component recycling costs.
- Provide estimates and/or known recycling costs for failed System components replaced during the lifetime of the System that are outside any O&M contract period.
- Include description of the reusability/recyclability of the system components (panel, inverter, balance of system). Include a detailed breakdown and explanation of the rationale behind the Fair Market Value (FMV) calculation methodology for the system (if third-party financed or PPA)
- Include all applicable System Reporting and Recycling clauses, outlined in *RFP Exhibit A: Sample State of Minnesota Grant Contract for Solar on Public Buildings*, *Contract Exhibit A: Grantee's Duties*

## **Section 5. Financing and Procurement**

### Planned Ownership:

Identify the type of planned financing/ownership of the System if known.

- Power Purchase Agreement (PPA)
- Direct Ownership, No Debt
- Debt Financed
- Other
- Unknown

### System's Full Project Budget:

Upload *Exhibit F: Grantee Budget Template*, which includes applicant's full budget plan to finance the System and any other details pertaining to a financing plan. List each funding source/type (e.g., bank loan, operating budget, fundraised dollars), the amount (range or specific amount) and whether it is secured or not. Be sure to include the Solar on Public Buildings grant value on this list as well as the 48E Federal Direct Pay tax credit and any applicable bonus tax credits currently available to local governments and Tribal Nations through Direct Pay.

### Commitment to file for Direct Pay Tax Credit

Selected proposals are required to file for the 48E Clean Electricity Investment Tax Credit via Direct Pay for project costs not covered by the MN Commerce grant. [Direct Pay](#) is the process by which tax-exempt and government entities can receive a payment equal to the full value of the tax credit for

qualifying energy projects without paying taxes. Please indicate commitment to file for the 48E Clean Electricity Investment Tax Credit.

In the event a local unit of government receives a state Solar on Public Buildings grant and federal tax credits that combined total more than 100% of the cost of the system and installation, the local government must return the surplus funds to the Minnesota Department of Commerce.

Please indicate your familiarity with the Direct Pay Tax Credits below. This will not affect the Department's consideration of your application; technical assistance is available for award recipients at no additional cost through a MN state contract with Deloitte. See *Section VIII: Technical Assistance and Questions* for more information about support resources for Direct Pay.

- ☐ Yes, I am familiar with Direct Pay Tax Credits. My organization has applied for a reimbursement for a previous project.
- ☐ Yes, I am familiar with Direct Pay Tax Credits, but my organization has not filed an application.
- ☐ No, I am unfamiliar with Direct Pay Tax Credit and will need assistance in understanding this process.
- ☐ Other [short answer]

Developer's Plan to Reduce Capital Expenses:

Describe any Developer efforts or commitments to provide financial assistance to the Applicant by (1) reducing the Applicant's initial capital expense to purchase and install the System and/or (2) helping to maximize the lifetime value of the System for the Applicant. Examples include but are not limited to, detailing (1) Specific discounts or services provided free of charge not typically offered by Developer, (2) any value or savings passed onto the Applicant via depreciation or ITC (where applicable), and (3) any other direct means or discounts the Developer is using to reduce the Applicant's capital expense, helping maximize the System's lifetime value.

Applicant Procurement Process:

Describe the procurement process that was undertaken by the Applicant prior to selecting final proposal and Developer.

Developer Prevailing Wage Assurance:

Applicants will be held to Subd. 11 Contractor conditions of the enabling legislation

*"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](#)."*

The Solar on Public Buildings program requires contractors to pay no less than the prevailing wage. Contractors will be required to commit in writing to this and submit wage and payment details to the local unit of government to keep for no less than three years.

#### MPCA Recycling form:

As part of the Minnesota Department of Commerce's (Department) [Solar on Public Buildings program](#), under the terms of the State of Minnesota Grant Contract, Task 2 *Grantee's Duties*, Exhibit A denotes Grantee and/or Developer responsibility for tracking and recycling all System equipment that ceases to function as intended (for any reason), including counts of module and inverter type. This must be reported on an annual basis, by March 31 for the previous calendar year, to the Minnesota Pollution Control Agency (MPCA). Per the terms of Exhibit A, *Grantee Duties*, Task 6, reporting is required for projects (6.1) at system level work order execution, (6.2) throughout an operations and maintenance contract, (6.3) while system components are under warranty, (6.4) throughout a third-party ownership contract, and (6.5) at the system's end of life decommissioning. This applies to all Grantees under the Department's Solar on Public Buildings Program.

### **Section 6. Applicant Information**

#### SWIFT Vendor Number and Location ID:

If the Applicant (the local unit of government) has had a contract with the State of Minnesota before, list the SWIFT Vendor Number and Location ID (for example: 000012345\_Loc 001). Applicants deemed eligible and ready to proceed will need to have a State of Minnesota Vendor Number before entering into a grant agreement. Information on how to register for a Vendor Number: [Overview for Vendors / Minnesota Office of State Procurement \(mn.gov\)](#).

Organization Contact Information: Please complete and upload *Attachment 9: State Energy Office Agreement Contact Information Sheet*

Upload W9 Form (PDF): Upload the Applicant's W-9.

#### Applicant Exceptions to State of Minnesota Sample Grant Contract:

An example of the State of Minnesota Grant Contract is attached to the RFP as Exhibit A or can be found at [Request for Proposals \(RFP\) / Minnesota Department of Commerce - Business \(mn.gov\)](#) by scrolling down to the attachments listed under the RFP posting. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.

## **V. Application Submission Instructions**

An application **must** be submitted online using the Department's RFP submission portal, *Attachment 1: Step-by-Step Application Guide*. Tips to submitting a successful application include:

1. **Create an Account on the submission portal.** [GrantVantage \(gvgrantcloud.com\)](#) is the link to the application submission portal. To submit a response to this RFP, you must first create an account on the submission portal, unless you have previously created an account. **Please create only one account and register one user** per applicant. All submissions need to go through that one user account and person. More than one application may be submitted per account. Please create an "Applicant" user profile when registering in the system. *Attachment 1: Step-by-Step Applicant Guide* is available on the Department's [Request for Proposals \(RFP\) / Minnesota Department of Commerce - Business \(mn.gov\)](#) webpage.
2. **Applicant Name.** When applying to this announcement, in "Organization Name," please enter the applicant's local unit of government's legal name; and in "Project Name," use the name of



the local unit of government followed by the individual building name where the System will be installed. Example: "City of Esko – Public Works Building."

3. **[Complete the application in the submission portal.](#)** Log into your account with the user credentials you created in Step 1. View the application form and respond to all applicable questions under each of the sections in the form.
4. **Application Due Date:** Applications will be accepted in the submission portal continuously until November 14, 2025, or notification from the Department that all funds have been committed, whichever occurs first.. Please take note of the following recommendations:
  - **Prepare.** Read the step-by-step applicant user guide which will instruct Applicants how to begin, complete, and apply. Familiarize yourself with the submission portal and application form to make sure you are well-prepared and familiar with the form and the system.
  - **Read carefully. *Please*** read the questions carefully and answer thoroughly, yet briefly. If more information is needed for your Application, the Department will reach out to you.
  - **Recommended approach.** A recommended approach is for Responders to draft a Word document with the responses to each question. The questions are in Section IV. Grant Application List of Questions above, including any preferred formatting. When ready, copy and paste your responses into the online application form in the submission portal. Responders may save an in-process application in the submission portal as often as desired and come back to it later to revise or add to it.
  - **Submit the application as soon as possible.** We will be reviewing and awarding grants on a rolling basis and as expeditiously as possible. We further encourage applicants to submit as soon as possible to take advantage of the 48E tax credit before it expires. Please see an outline of relevant dates and timelines for this tax credit in Attachment 8: Direct Pay Tax Credit Background Guide and Support Information. Responders who encounter what they believe are technical system errors must report to the GrantVantage Support desk ([ApplicantSupport@grantvantage.com](mailto:ApplicantSupport@grantvantage.com)) allowing for ***at least two hours*** for the technical assistance team to respond to any technical system errors reported with the actual submission.

The following will ***not*** be considered:

- Proposals submitted after the RFP has closed.
- Emailed proposals (except in extenuating circumstances at the sole discretion of the Department)
- Mailed proposals
- Faxed proposals

All costs incurred in responding to this RFP will be borne by Applicant. The State reserves the right to accept or reject any and all proposals.

## VI. Evaluation

The Department will review complete applications as they are received and anticipates responding to Applicants within two weeks of submittal. Application submissions will be screened according to whether they successfully meet each indicator (each question in the application) or fail to meet each indicator. Applications must meet all required components to be considered. Funds will be awarded on



an on-going basis to eligible applicants. For this reason, we are requesting contract related information up front to help expedite the award and contracting process for those that qualify.

The Department may choose to contact the Applicant to address simple clarification, omission, or a technical fix. Applicants should respond in five (5) business days to the Department's request. If there is difficulty in meeting this five (5) day timeframe, please contact [SolaronPublicBuildings@state.mn.us](mailto:SolaronPublicBuildings@state.mn.us), and copy [Energy.Contracts@state.mn.us](mailto:Energy.Contracts@state.mn.us) with your intention to respond as soon as possible. Reaching out to ask clarifying questions of the Department's request will be considered meeting the five (5) day timeframe. The Department reserves the right to withdraw an application from consideration if an applicant fails to respond within the five-day timeframe.

Applications will be reviewed on a case-by-case basis and in the order in which they are received (see *table below: Application Considerations*). As part of the Application evaluation, the Department will determine the final grant amount using Applicant financial commitments in combination with system installation cost, as detailed below.

The State reserves the right to accept or reject any and all proposals.

<b>Application Considerations</b>	
<b>Application Completeness</b>	
<b>Description</b>	Applicant thoroughly answers required components, uploads necessary material, and demonstrates an overall readiness and ability to install the proposed System.
<b>Readiness Commitments</b>	
<b>Description</b>	Application provides proof of self-identified commitments, potentially including proof of financial contribution towards System installation costs and understanding of and commitment to filing for 48E Clean Electricity Investment Tax Credit.
<b>Financial Benefit to Applicant</b>	
<b>Description</b>	Project contract and/or proposal with Developer clearly demonstrates a System lifetime financial benefit to Applicant. All System cashflow assumptions, calculations, and justifications used are reasonable, transparent, thorough, and logical. Uploaded Developer Contract meets all other Full Grant Application guidelines related to financial and production modeling and includes a completed <i>Attachment 3: System 25Y Cashflow</i> , signed by Applicant's Authorized Representative.
<b>Electric Utility Engagement</b>	
<b>Description</b>	Application demonstrates ongoing communication and collaboration with Applicant's electric utility, having addressed any potential issues and/or factors related to System interconnection and financial modeling as outlined in the Developer's contract with Applicant. Also demonstrates communication and collaboration in relation to relevant financial assumptions used in <i>System 25Y Cashflow</i> including electric rate escalators, electric rate, demand charge savings, and any electric tariff changes that may result from installation of System. Application includes completed <i>Attachments 2a or 2b: Utility MOU Template</i> .

## VII. Notifications and Next Steps

### A. Notification

The Department anticipates responding to Applicants within two weeks of submittal of complete applications. Applicants not awarded a grant may contact the Department for feedback and will be encouraged to continue to develop and re-submit their Application.

The Department may choose to contact the Applicant to address simple clarification, omission, or a technical fix. Applicants should respond in five (5) business days to the Department's request. If there is difficulty in meeting this five (5) business day timeframe, please contact [SolaronPublicBuildings@state.mn.us](mailto:SolaronPublicBuildings@state.mn.us), and copy [Energy.Contracts@state.mn.us](mailto:Energy.Contracts@state.mn.us) with your intention to respond as soon as possible. Reaching out to ask clarifying questions of the Department's request will be considered meeting the five (5) business day timeframe. The Department reserves the right to withdraw an application from consideration if an applicant fails to respond within the five-day timeframe.

The Department may also choose to contact the Applicant to request supplemental application information. Should the process of meeting any of the above requirements necessitate edits to the potential Grantee's Application, including changes to General Information, System Information, or Developer Information, the Grantee should notify the Department if it anticipates needing longer than

6-8 weeks to meet these requirements. The grantee must email [SolarOnPublicBuildings@state.mn.us](mailto:SolarOnPublicBuildings@state.mn.us) detailing their request for an exception, including a brief explanation of planned edits.

Applicants awarded Solar on Public Building grants will be made public and posted online on the [Department's Solar on Public Buildings page](#).

### **B. Installation Milestones**

Grant Contracts between the Department and the Applicant will have a term of eighteen (18) months from date of execution to complete the installation and submit all permit, commissioning, and other System paperwork deemed necessary by the Department. One (1) extension may be granted to the Grantee by the Department if extenuating circumstances prevail. Grantees will be expected to submit progress reports according to the installation milestones described in *Exhibit A: Sample State of Minnesota Grant Contract for Solar on Public Buildings*.

The Department strongly encourages projects to commence construction as soon as possible to facilitate the most streamlined access to the tax credits.

### **C. Next Steps**

For responder(s) selected for an award, a Pre-Award Risk Assessment must be completed according to [Minn. Stat. 16B.981](#). The Department will send selected responder(s) the required documents to complete and return based on their type of organization. See Section XII. A. for a complete list of required documents.

## **VIII. Technical Assistance and Questions**

According to Subd. 8. Technical assistance of the enabling legislation. *"The commissioner must provide technical assistance to local units of government to develop and execute projects under this section."*

The Department will provide technical assistance to local governments including, but not limited to, the following:

1. Public webinar(s)
2. Guidance on additional state and federal clean energy funding opportunities
3. Free consultation and support from the University of Minnesota partner Clean Energy Resource Teams (CERTs)
4. Direct Pay Tax Credit Free consultation and support from Deloitte through an existing contract with the State of Minnesota
5. Ongoing technical assistance through completion of the project.

### **A. Technical Assistance from CERTs:**

The Department has contracted with the Clean Energy Resource Teams ("CERTs") to provide general guidance and technical assistance on this project. CERTs, in a statewide partnership with the Department, connects individuals and their communities to the resources they need to identify and implement community-based clean energy projects. CERTs empowers communities and their members to adopt energy conservation, energy efficiency, and renewable energy technologies and practices for their homes, businesses, and local institutions.

**Website:** [Clean Energy Resource Teams](#)

**Phone:** 612-625-8759

**Email:** [info@cleanenergyresourceteams.org](mailto:info@cleanenergyresourceteams.org)

Local governments and Tribal Nations can pursue these services free of charge at any time, and CERTs will be available to provide technical assistance. The following free technical assistance services have been made available for local units of government:

- Solar 101 Training for Local Units of Government
- Virtual Site Assessments and Site Selection
- Assistance with Template Request for Proposals (RFP)
- Tips to Selecting a Solar Contractor
- Financing a System and Ownership Options
- Assistance with Promotion (Ribbon-cutting, storytelling, etc.)
- General inquiries to CERTs that are not unique to a specific project and can be useful to other Applicants, will be noted and uploaded to the [Department's Solar on Public Buildings page](#). Please visit this website regularly to learn from others' inquiries.

#### **B. Technical Assistance from Deloitte:**

The State of Minnesota has contracted with Deloitte to provide general guidance and technical assistance related to Direct Pay tax credits for entities across Minnesota; this assistance extends to groups wanting to apply for the Solar on Public Buildings grant program. The primary contract is managed by the Minnesota Departments of Administration and Management and Budget (MMB) to provide 1-on-1 technical assistance for MN entities that are filing for Direct Pay tax credits. Applicants can contact Deloitte representatives through the email below, or by completing the survey link to provide Deloitte with background information on your project.

**Website:** [State of Minnesota Deloitte Direct Pay Assistance Survey](#)

**Email:** [StateofMNIRATaxComplianceSupport@deloitte.com](mailto:StateofMNIRATaxComplianceSupport@deloitte.com)

Not sure where to send your questions or inquiries? Send to [Energy.Contracts@state.mn.us](mailto:Energy.Contracts@state.mn.us).

## **IX. RFP Questions**

The Department welcomes questions from Applicants. All questions about the RFP are to be submitted by email to: [energy.contracts@state.mn.us](mailto:energy.contracts@state.mn.us). *Please note the Section of the RFP, and the page number, that the question is regarding.*

Grants Staff  
Department of Commerce  
Division of Energy Resources  
[energy.contracts@state.mn.us](mailto:energy.contracts@state.mn.us)

Responses to questions submitted will be posted to the [RFP page of Commerce's website](#). Commerce will intermittently post responses to all questions and will not be responding to questions individually. (Interested parties who downloaded the RFP from this site, will receive a notice when responses are posted.)

## X. Exhibits and Attachments

The following Exhibits must be attached to the application for the application to be considered complete.

**Exhibit A:** Sample State of Minnesota Grant Contract for Solar on Public Buildings

**Exhibit B:** Exceptions Form

**Exhibit C:** Conflict of Interest

**Exhibit D:** Performance Capacity

**Exhibit E:** Felony Financial Certification

**Exhibit F:** Grantee Budget Template

- Exhibit A & B: Exhibit A is the Sample State of Minnesota Grant Contract Template for Solar on Public Buildings that will be used with selected responders. *If the responder has any exceptions* to the terms and conditions in the Grant Contract Template, Exhibit B must be completed and submitted with the application. The Department is not obligated to consider exceptions to the Grant Contract Template if this form is not submitted with the application.
- Exhibits C, D, E, and F are required.

The following items are attached for reference.

**Attachment 1:** Step-by-Step Application Guide

**Attachment 2a:** Utility MOU Template – All Utilities Except Xcel Energy

**Attachment 2b:** Utility MOU Template – Xcel Energy

**Attachment 3:** System 25Y Cashflow Template

**Attachment 4:** Guide for Minnesota Prevailing Wage Statement of Compliance Form

**Attachment 5:** Sample Minnesota Prevailing Wage Certified Payroll Form

**Attachment 6:** MPCA Recycling form

**Attachment 7:** Energy Production and Usage Worksheet

**Attachment 8:** Direct Pay Tax Credit Background Guide and Support Information

**Attachment 9:** State Energy Office Agreement Contact Information Sheet

## XI. Timeline

All times given in this RFP are Central Prevailing Time.

Issue Date of RFP:

July 31, 2025

**Applications Due**

Continuous until November 14, 2025, or until all funds are committed, whichever occurs first

Grant Award Notification:

Varies

Q&A Period:

Continuous until November 7, 2025

Grant Contracts between the Department and the Applicant will have a term of eighteen (18) months from date of execution to complete the installation and submit all permit, commissioning, and other System paperwork deemed necessary by the Department. One extension, of no more than six (6) months, may be granted to the Grantee by the Department upon written request. Work on the individual contract cannot begin and costs cannot be incurred prior to the execution date of the Grant Contract.

## **XII. General Requirements**

### **Affirmative Action and Non-Discrimination requirements for all Grantees:**

- A. The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified. [Minn. Stat. §363A.02](#). The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.
- B. The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Minnesota Rules, part [5000.3500](#)
- C. The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

### **Audits**

Per [Minn. Stat. §16B.98](#) Subdivision 8, the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the Commissioner of Administration, the state granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant contract agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

### **Conflicts of Interest**

The Department will take steps to prevent individual and organizational conflicts of interest, both in reference to Applicants and reviewers per [Minn. Stat. § 16B.98](#) and [Conflict of Interest Policy for State Grant-Making](#).

Organizational conflicts of interest occur when:

- a Grantee or Applicant is unable or potentially unable to render impartial assistance or advice to the Department due to competing duties or loyalties.
- a Grantee's or Applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties.

In cases where a conflict of interest is suspected, disclosed, or discovered, the Applicants or Grantees will be notified and actions may be pursued, including but not limited to disqualification from eligibility for the grant award or termination of the Grant Contract.

### **Grant Monitoring**

[Minn. Stat. §16B.97](#) and [Policy 08-10](#) Grant Monitoring require the following:

- One monitoring visit during the grant period on all state grants of \$50,000 and higher.

- Annual monitoring visits during the grant period on all grants of \$250,000 and higher
- Conducting a financial reconciliation of grantee's expenditures at least once during the grant period on grants of \$50,000 and higher. For this purpose, the grantee must make expense receipts, employee timesheets, invoices, and any other supporting documents available upon request by the State.

### **Grant Payments**

Per [Policy 08-08](#) reimbursement is the preferred method for making grant payments. All grantee requests for reimbursement must correspond to the approved grant budget. The State shall review each request for reimbursement against the approved grant budget, grant expenditures to-date and the latest grant progress report before approving payment. Grant payments shall not be made on grants with past due progress reports unless the Department of Commerce has given the grantee a written extension.

### **Public Data**

Per [Minn. Stat. § 13.599](#)

- Names and addresses of grant applicants will be public data once proposal responses are opened.
- All remaining data in proposal responses (except trade secret data as defined and classified in [Minn. Stat. § 13.37](#)) will be public data after the evaluation process is completed (for the purposes of this grant, when all Grant Contracts have been fully executed).
- All data created or maintained by the Minnesota Department of Commerce as part of the evaluation process (except trade secret data as defined and classified in [Minn. Stat. § 13.37](#)) will be public data after the evaluation process is completed (for the purposes of this grant, when all Grant Contracts have been fully executed).

### **Required Financial and Grantee Capacity Review**

Minn. Stat. §16B.981/[Chapter 62 - MN Laws](#), Article 7, Section 11 requires that a pre-award risk assessment is conducted for grant awards of \$50,000 or more.

In order to comply with this requirement, the following information and documents will need to be submitted before the grant contract agreement is fully executed:

#### **A. Required financial and grantee capacity review**

[Minn. Stat. §16B.981](#) requires that a pre-award risk assessment is conducted for grant awards of \$50,000 or more.

**All grantees** as defined in [Minn. Stat. §16B.981 Subd. 1 \(c\)](#) applying for grants in the state of Minnesota must undergo a financial and capacity review prior to a grant award of \$50,000 and higher. [Minn. Stat. §16B.981 Subd. 1 \(c\)](#) includes non-profit organizations, political subdivisions, and for-profit business. If this RFP results in a grant award of \$50,000 and higher, our grant staff will contact you about submitting the following information, as applicable to your organization.

#### **1. Capacity Response:**

History and/or ability of grantee to perform duties required of the grant, required of all responders. ([Minn. Stat. 16B.981 Subd. 2 \(1\)](#))

## **2. Felony Financial Certification:**

No current principals have been convicted of a felony financial crime in the last ten years, required of all responders. ([Minn. Stat. 16B.981 Subd. 2 \(6\)](#))

## **3. Evidence of good standing:**

Filed and up-to-date with the Secretary of State. Required for nonprofit and for-profit potential grantees. Required of nonprofit and for-profit grantees. ([Minn. Stat. 16B.981 Subd. 2 \(4\)](#))

## **4. Nonprofit grantees as applicable**

- Most recent Form 990 or Form 990-EZ
- Most recent audited financial statement of a charitable organization which has received total revenue in excess of \$750,000 for the 12 months of operations covered by the statement per [Minn. Stat. §309.53](#)
- Most recent board-reviewed (or managing group if applicable) financial statements, description of internal controls over business expenditures and outcomes of grant funds, if awarded, and evidence of exemption

([Minn. Stat. 16B.981 Subd. 2 \(2\)](#))

## **5. For-profit Certification Disclosure and required documents**

- Most recent federal and state tax returns:
- If not in business long enough to have a tax return, description of internal controls over business expenditures and outcomes of grant funds, if awarded
- Current financial statements
- Certification that business is not under bankruptcy proceedings
- Disclosure of any liens on assets

([Minn. Stat. 16B.981 Subd. 2 \(3\)](#))

The submission of inaccurate or misleading information may be grounds for disqualification from the grant contract agreement award and may subject an organization to suspension or debarment proceedings, as well as other remedies available to the State, by law.

Based on Minn. Stat. §16B.981/[Chapter 62 - MN Laws](#), Article 7, Section 11, Subd. 3-5 establishes the authority for a granting agency to:

- Provide or require enhanced grant oversight
- Request additional information from a potential grantee to determine whether there is a substantial risk that the potential grantee cannot or would not perform the required duties of the grant agreement.
  - The potential grantee has 30 business days to respond
- Develop a plan to address the risk or concerns identified
- Not award the grant.
  - The granting agency must provide notice of this determination to not award the grant to the grantee and the Commissioner of Administration.
  - The notice must include the following:
    - The reason for postponing/not awarding the grant
    - The timeline for the process for contesting the agency's decision

## **Sample State of Minnesota Grant Contract**

You should be aware of the State's standard contract terms and conditions in preparing your response. The Sample SPB State of Minnesota Grant Contract is attached for your reference (Exhibit A). Much of



the language reflected in the contract is required by statute. If you take exception to any of the terms, conditions, or language in the contract, you must indicate those exceptions in Exhibit B: Exceptions Form; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.

**Voter Registration Requirement:**

The Grantee will comply with [Minn. Stat. § 201.162](#) by providing voter registration services for its employees and for the public served by the grantee.