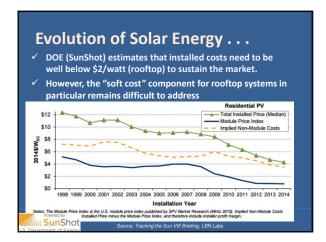


Policy Drivers of Solar Development Federal Investment Tax Credits: • 30% through 2016, 10% in 2017 1.5% • Accelerated Depreciation Solar by 2020: 2013 Policy: 400 MW • 1.5% Solar Energy Standard • Xcel's Community Solar Garden Program Total as • Made in MN Solar Incentives Net Metering updates of 2014: 19 MW













resources are in conflict.

Solar Ready Communities A. Comprehensive Plans that: ✓ address solar resources, ✓ acknowledge solar development benefits, and ✓ guide decision-makers on optimizing opportunities when

Solar Ready Communities B. Development Regulations that: explicitly address solar development in its varied forms, create as-of-right installation opportunities, and sets clear and predictable standards for balancing solar resources with other resources.

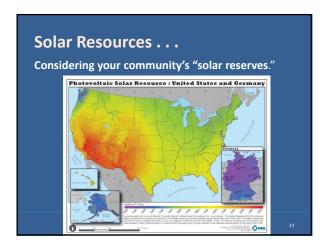
Solar Ready Communities C. Permitting practices that: Reduce time spent on acquiring permits and conducting inspections Make the permit process transparent and predictable to both staff and applicants Ensure the permit process reflects industry best practices Establish a permit fee that appropriately covers local government review and inspection costs



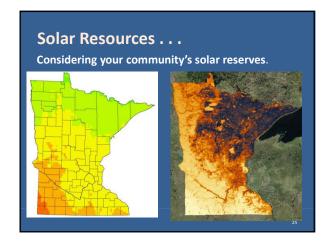


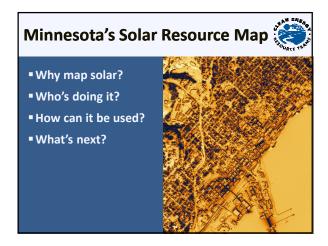




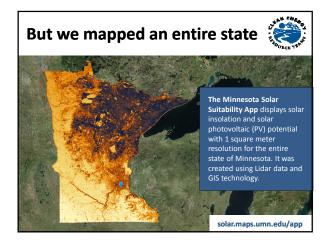


Solar Resources . . . The local landscape defines whether a given site has a solar resource Topography On-site obstructions Obstructions on adjacent land Future obstructions An adequate solar resource location is unshaded for several hours every day (around solar noon), both now and well into the future.











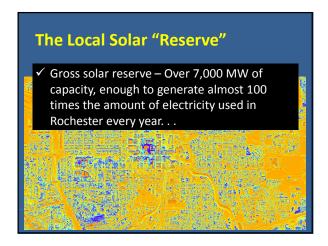


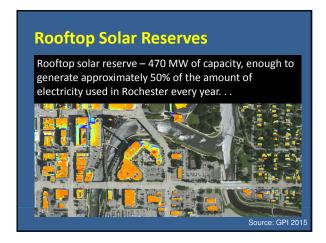










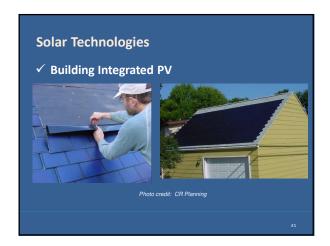


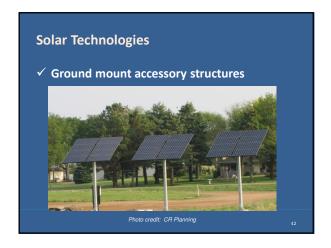


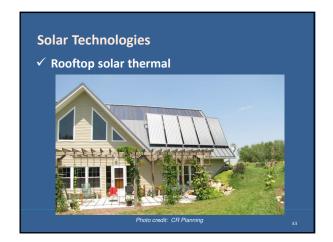




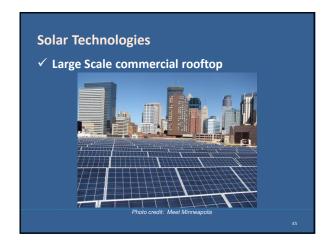




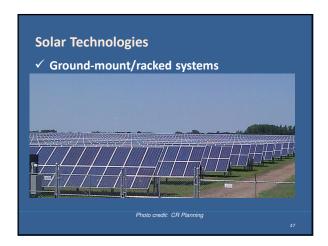




















Statutory Context — Local Authority Enabling statutes for addressing solar resources Enabling solar easements (500.30 Subd. 3.) Power Plant Siting (Minnesota Statutes 216E.01-.05) Solar Property Tax exemption and Production Tax (Minn. Stat. § 272.02, subd. 24)

Solar Statutes affecting local governments 394.25, Subd. 2. Districts set by zoning ordinances. Official controls may be applied to . . . protection and encouragement of access to direct sunlight for solar energy systems as defined in section 216C.06, subdivision 17 . . .

Solar Statutes affecting local governments Metropolitan Land Planning Act ✓ Subd. 2. Land use plan. (b) A land use plan shall contain a protection element, as appropriate, for historic sites, the matters listed in the water management plan required by section 103B.235, and an element for protection and development of access to direct sunlight for solar energy systems.

Solar Statutes affecting local governments

394.25, Subd. 7. Variances; practical difficulties.

✓ The board of adjustment shall have the exclusive power to order the issuance of variances from the requirements of any official control including restrictions placed on nonconformities. Variances shall only be permitted when they are in harmony with the general purposes and intent of the official control and when the variances are consistent with the comprehensive plan. . . Practical difficulties include, but are not limited to, inadequate access to direct sunlight for solar energy systems. . . .

..

Solar Statutes affecting local governments

Solar and Wind Easements

Minnesota Stat. 500.30 Subd. 3. allows the purchase and holding of easements protecting access to solar and wind energy.

Required Contents - Any deed, will, or other instrument that creates a solar or wind easement shall include, but the contents are not limited to:

- a) A description of the real property subject to the easement and a description of the real property benefiting from the solar or wind easement: and
- b) For solar easements, a description of the vertical and horizontal angles, expressed in degrees and measured from the site of the solar energy system, at which the solar easement extends over the real property subject to the easement. . .

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Solar Statutesaffecting local governments

Power Plant Siting Act (Minnesota Statutes 216E.01-.05)

216E.021 Solar Energy Size Determination.

The alternating current nameplate capacity of one solar energy generating system must be combined with the alternating current nameplate capacity of any other solar energy generating system that:

- (1) is constructed within the same 12-month period as the solar energy generating system; and
- (2) exhibits characteristics of being a single development, including but not limited to ownership structure, an umbrella sales arrangement, shared interconnection, revenue sharing arrangements, and common debt or equity financing.

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Solar Statutes affecting local governments

Power Plant Siting Act (Minnesota Statutes 216E.01-.05) Subdivision 1. Local review.

(a) Notwithstanding the requirements of sections 216E.03 and 216E.04, an applicant who seeks a site or route permit for one of the projects identified in this section shall have the option of applying to those local units of government that have jurisdiction over the site or route for approval to build the project....

Subd. 2. Applicable projects.

Applicants may seek approval from local units of government to construct the following projects:

(1) large electric power generating plants with a capacity of less than 80 megawatts . . .

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Solar Statutes affecting local governments

Property Taxes, Solar Energy Generating Systems

Personal property consisting of solar energy generating systems, as defined in the newly-enacted Solar Energy Production Tax, is exempt.

- Principal uses (solar farms or gardens) the land on which the system is located shall be classified as class 3a property.
- Accessory uses the solar energy system is disregarded for purposes of classification.

(Minn. Stat. § 272.02, subd. 24)

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Solar Statutes

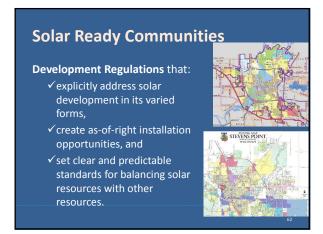
affecting local governments

Solar energy production tax

- ✓ The new production tax only applies to solar energy generating systems with a capacity exceeding one megawatt alternating current and establishes a tax rate of \$1.20 per megawatt hour.
- ✓ The production tax is paid to the county in which the system is located, with 80 percent of the revenue distributed to the county and the remaining 20 percent to cities and townships. (Minn. Stat. § 272.0295)

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Basic Solar Energy Zoning – Principal Uses

Do your basic zoning tools set clear standards for solar farm or garden development?

- ✓ Use Are principal solar land uses allowed? Are clear land use priorities set in districts, overlays?
- ✓ **Submittal requirements** What information do you need from solar farm developers?
- ✓ Coverage How does your ordinance consider solar collector surfaces in coverage or impervious surface ratios?

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Advanced Solar Zoning

Does your zoning use advanced regulatory concepts that can affect solar development?

- Design standards Are community aesthetic or character standards part of local regulations?
- ✓ **Solar easements or cross-property protection** Does local regulation protect the long-term solar resource when someone makes a long-term investment in solar infrastructure?
- Home Owners Associations— Does the community have an interest in ensuring solar development rights in common interest communities?
- ✓ Integrating with other processes agricultural protection, municipal utility, historic preservation, etc.

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Incentives and Requirements

Does your development regulation use incentives?

- ✓ **Density bonus** for solar development
- ✓ Protect solar resources when subdividing
- ✓ **Identify** preferred areas for solar farms
- ✓ Financial incentives in fee structure
- ✓ Planned Unit Development conditions
- ✓ "Solar ready" construction



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