

Here Comes The Sun...



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ST. JOHN'S SOLAR PROJECT



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2013 SOLAR ENERGY LEGISLATION

In 2013, the Minnesota Legislature enacted a bill that contained several provisions designed to promote the growth of solar energy (Laws 2013, ch. 85).

1.5 percent of total energy must come from solar for public utilities by the end of 2020 (M.S. 216B.1691, subd. 2f)

Solar energy may be reimbursed at a new “value of solar” rate by the public utilities (M.S. 216B.164, subd. 10)

Xcel Energy’s solar incentive program (M.S. 216B.164, subd. 10)

“Made in Minnesota” solar incentives program (M.S. 216C.411 to 216C.415)



STATE REGULATION OF SOLAR FARMS

Solar farms are typically subject to state permitting process:

Minnesota Public Utilities Commission (PUC) has authority over site & route selection and issues permits for large electric facilities. (M.S. 216E.02, subd. 2)

“Large electric facilities” are designed for or capable of operation at a capacity of 50 megawatts or more. (M.S. 216E.01, subd. 5 & 6)



- PUC can combine solar energy generating systems to meet the definition of large electric facilities. (M.S. 216E.021(a))
- PUC siting and routing authority preempts local land use ordinances. (M.S. 216E.10, subd. 1)
- Applicant has option of applying to local governments that have jurisdiction over site or route for approval to build project rather than PUC. (M.S. 216E.05, subd. 1)



- A few years ago the PUC indicated that it would no longer accept applications for solar farms in excess of 1 megawatt.
- Applications already in the pipeline will be processed.
- Likely means few if any solar farms in excess of 1 megawatt will be built unless they are owned by Xcel rather than privately developed.



LOCAL REGULATION OF SOLAR FARMS

- Relatively few local governments address large-scale solar installations (i.e., solar farms) in their development regulations
- Solar farms are typically permitted as interim (IUP) or conditional (CUP) uses and subject to specific use standards to address aesthetics or minimize environmental impacts
- Model Solar Ordinance Examples: Stearns County *Land Use and Zoning Ordinance #439*. Section 6, Performance Standards; Part 6.51, Solar Energy Systems

<https://www.planning.org/pas/infopackets/open/eip30.htm>



HOW DOES THE TOWNSHIP BENEFIT FROM A SOLAR POWER FARM?

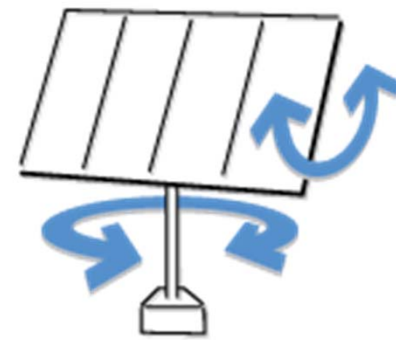
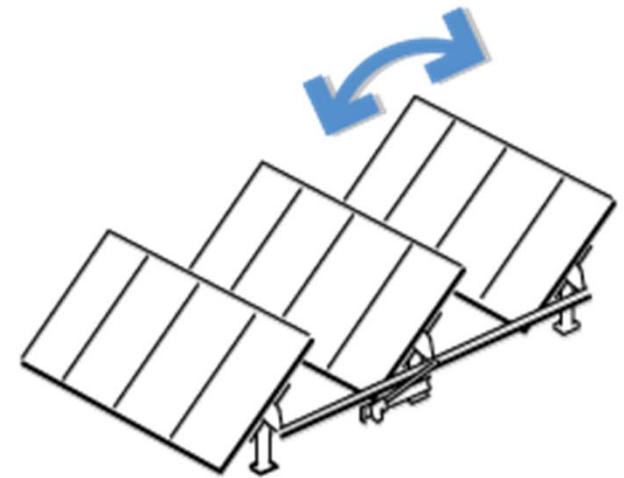
- Ag land where solar panels are located is usually taxed at commercial rates
- Substations and other electrical infrastructure upgrades add to tax value
- Power generated is taxed at \$1.20 per megawatt hour generated with County getting 80% and Township 20% of the tax revenue. Tax only applies to solar farms with capacity greater than 1 megawatt.
- Each megawatt takes up about 5 acres of land.



Ground-Mounted System Ballasted System



Tracking System



IMPACTS TO CONSIDER

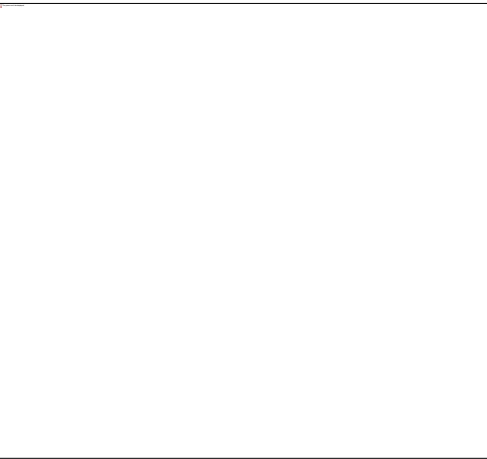
- During construction (roads)
- Siting infrastructure (glare, noise, security)
- Cumulative (drainage, maintenance)
- Decommissioning plans
- Impacts to neighboring residents (aesthetics)
- **NOT IN MY BACK YARD!**



ROAD IMPACTS

- Limit roads the contractors can use during construction and decommissioning as part of CUP/IUP
- Require operator to repair any damage to roads during construction or decommissioning through a road permit agreement with each individual or company. This allows the Township to tailor the agreement to the particular use
- Any such agreement should contain provisions to protect the Township roads that operator is required to follow as a condition of the IUP/CUP





ROAD PERMIT AGREEMENT CONSIDERATIONS



Require Applicant to Pay Town's Costs and Expenses

- All administrative, legal, engineering, inspection and other costs
- Backed by a letter of credit or other security from the Applicant



Require Inspections of the Roads

- Identify roads to be used for solar farm activities
- Jointly inspect, assess and determine the existing condition of roads
- Document the condition of roads through reports, pictures and video
- Township Engineer inspects roads
- Periodically inspect the road during construction/decommissioning



Require Applicant to Repair any Damage to Roads

- Applicant may only utilize roads designated in the agreement
- Unless otherwise agreed, Applicant shall repair damaged roads within 30 days of being notified by the Town
- Applicant must repair roads immediately if emergency or Town will do so and bill Applicant
- One year warranty from date Township accepts in writing finished repairs



RECLAMATION IMPACTS

- Require decommissioning/reclamation when lease terminates or solar farm is no longer in use
- Limit roads the contractors can use during decommissioning
- Require Applicant to enter into a road permit agreement to repair any damage to roads during reclamation
- Require Applicant to provide the Township a long-term bond to ensure that funds will be available for decommissioning/reclamation
- Require that owner maintain the bond at all times



AESTHETICS

- Limit height of panels above grade when oriented at the maximum tilt
- Security fences
- Landscaping/buffering (escrow for warranty to insure survival)
- Weed control
- Limit lighting



AESTHETICS

- Maintain site at all times
- Require applicant to provide detail of interconnection to main power lines—this can add six or more power poles in an industrial-type arrangement that the neighbors will complain about. (Xcel Energy's standard design calls for 3 poles for each MW and the possibility of additional poles for upstream protection of the system)
- Consider requiring this connection to be made underground.



QUESTIONS?

