

# MIDWEST ENERGY NEWS

## St. Paul public housing agency signs up for community solar

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While solar energy is sometimes thought of as only accessible to wealthy homeowners, a recently announced solar project, if approved, will benefit some of Minnesota's poorest residents.

The [St. Paul Public Housing Authority](#) will be the main subscriber for a proposed \$40 million community solar garden project that will be built by [Geronimo Energy](#) just outside the Twin Cities.

Under a pending agreement the housing authority would buy enough solar energy from a proposed solar garden to offset 85 percent of the electric consumption of 16 residential high rises housing more than 2,550 low income residents, many of them senior citizens. In addition, the agency's headquarters would be covered by the agreement.

The agency will save \$183,000 annually, or more than \$4 million over the life of the 25 year solar garden contract.

"Our sole mission is promoting affordable, safe homes for people and that money we're not spending for energy we can put toward our mission," said Louise Seeba, the agency's general counsel. "But even if it were zero savings we think it's right thing to do for the environment...it's a win-win."

Geronimo's solar director, Nathan Franzen, said the state's community solar garden legislation was in part intended for customers like the housing authority. The narrow rooftops of the agency's many high rises could have never held enough solar panels to offset its energy needs, he said.

The agency is stable, credit worthy, and a "fixture in the community," Franzen said. However, "there's no way it could ever do this on its own."

The project is one of a growing number of expected announcements of corporations and government agencies signing on to community solar gardens. Ecolab [announced](#) in January it will offset the electric consumption of its Minnesota operations through a subscription to gardens that will be operated by [SunEdison](#).

Xcel Energy currently provides electricity to the housing authority's high rises. While the agency annually goes through a process to reduce its carbon footprint with energy efficient lighting and other changes, she said, having renewable energy has part of mix represented an important next step.

The St. Paul PHA would become the only federally funded housing agency in the country to offset its energy use through community solar, Seeba added.

The agency would have purchased 100 percent of its electric needs from Geronimo, but that would have exceeded a state limit on the amount of output a subscriber can buy from a single solar garden.

"We'll be looking for other opportunities and more renewable energy when the opportunity arises," Seeba said.

The community solar garden legislation passed in 2013 and gained the approval of the Minnesota Public Utilities Commission a year later. Under the law, the gardens provide subscriptions to consumers, businesses and government entities in exchange for credits on their energy bills.

The agreement still needs approval from the United States Department of Housing and Urban Development (HUD). Xcel also has to approve the project. Franzen said the paperwork was submitted in December on the first day of the community solar program began accepting applications.

"We have to explain to the federal government that this saves money we can then use for affordable housing," Seeba said. "Regulation requires we get HUD approval if we enter into a contract that's greater than five years."

The agency's ability to know what the cost of its energy will be for the next quarter century "really allows us to look into the future of our energy costs." The Geronimo contract will cost

around \$1.5 million annually, less than the agency's yearly Xcel bill of \$1.68 million, she said.

The city council in Rosemount, the suburb where the project will be located, signed off in December. Once ground is broken the project will employ as many as 250 workers during construction and installation.

Geronimo's solar gardens in Rosemount will have a total of 21 megawatts available, Franzen said. More than half of that energy already has been sold. The Edina-based company — which develops utility-scale wind and solar — is working with other government entities on community garden deals though no other has been inked yet.

Rosemount was chosen for a good grid connectivity that runs into the Twin Cities.

“We put a lot of time and effort into picking good locations and this is a perfect spot,” he said.

“We're really pleased to come to an agreement with them. It really matches the intent and purpose of the program.”

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