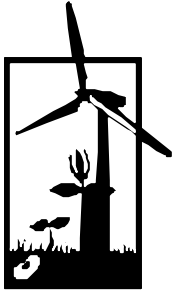


MINNESOTA

SEED

SEED COALITION 2005 POLICY PRIORITIES



**SUSTAINABLE
ENERGY FOR
ECONOMIC
DEVELOPMENT**

*American Wind Energy
Association*

*Bluff Land Environmental
Watch*

Clean Energy Now!

*Clean Water Action
Alliance of Minnesota*

*Communities United for
Responsible Energy*

*Concerned River Valley
Citizens*

Green Institute

*Institute for Agriculture
and Trade Policy*

*Institute for Local Self
Reliance*

*Izaak Walton League,
Midwest Office*

*Minnesota Center for
Environmental Advocacy*

Minnesota Farmers Union

Minnesota Project

*Minnesotans for an
Energy Efficient Economy*

*Minnesota Public Interest
Research Group (MPIRG)*

*Minnesota Renewable
Energy Society*

*North American Water
Office*

*Onanogozie Resource
Conservation and
Development Council*

RENew Northfield

*Three Rivers Resource
Conservation and
Development Council*

*Union of Concerned
Scientists*

*WesMin Resource
Conservation and
Development Council*

Wind on the Wires

Windustry

ADVANCING RENEWABLE ENERGY IN MINNESOTA

Minnesota should commit to expanding opportunity and investment in windpower, biomass, solar power and other renewable energy sources through a simple market-based policy called a Renewable Energy Standard. With this tool, a vigorous and growing market in renewable energy will spring up in Minnesota, and bring economic development in the form of manufacturing, construction and maintenance jobs, keep our energy dollars at home and bring much needed income to the farm economy. Overall energy costs will not be any greater than continued reliance on fossil fuel generated power, and independent analysis shows that this tool can reduce state regulatory burdens on industry and government. Legislation will be re-introduced to set a state Renewable Energy Standard guaranteeing a rapidly expanding market for renewable electricity, with the ability to trade credits between suppliers to reduce the cost of compliance.

MOVING RENEWABLE ENERGY TO MARKET

The Renewable Energy Objective and other public policies are moving the state toward a meaningful commitment to renewable electric production. The SEED Coalition supports transmission planning and investment where necessary to meet Minnesota's renewable energy objectives. Specifically SEED supports:

- Expediting regulatory approval for wind generation facilities;
- Expediting cost recovery for transmission needed to meet the Renewable Energy Objective;
- Ensuring all utilities make timely investments in the infrastructure needed to fully meet the statutory Renewable Energy Objective

ADVANCING COMMUNITY WIND

The Minnesota SEED Coalition supports policies that create stable, meaningful markets for community based wind energy projects, as they provide the most meaningful economic benefits to host communities. The SEED Coalition is advocating for legislation to establish a tariff for community based wind energy projects. The tariff shall apply to every load serving electric utility in Minnesota. The tariff rate for qualifying facilities shall allow for front loaded payment schedules in the terms and conditions of the Power Purchase Agreement. The tariff rate shall also be structured to encourage geographic diversity of wind development.

SOLAR SALES TAX EXEMPTION AND NON-DISCRIMINATION ACT

Minnesota SEED supports a renewal and expansion of the state sales tax exemption for solar electric and solar thermal and related components. Wind generators currently receive this exemption, as do solar electric panels until August, 2005. Solar energy has the potential to be the next big development in renewable energy capacity, as wind has been in recent years. Most of Minnesota has solar energy potential that is equal to Houston, Texas or Tallahassee, Florida. Already, there is a burgeoning interest among consumers and small businesses in installing more solar energy. Solar has the advantage of producing peak output at times of peak demand, as well as being suitable for the urban landscape where a majority of Minnesotans live. Policy actions taken now can pave the way for future development.