Boulder Energy Future at Boulder Economic Council
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CLEAN LOCAL ENERGY
reliable low-cost possible
BoulderEnergyFuture.com

Municipalization: Where we are today

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Agenda

I Key Milestones

II Legal Outcomes

III Key Issues

IV Next Steps

Key Milestones

- 2013 – Third-party evaluation confirms city can meet requirements; council forms utility.
- 2014 – Create transition plan for operating utility; begin court process.
- 2015 – Implementation of transition plan; RFQ for service providers, RFP for power supply to Xcel; file this summer at Colorado Public Utilities Commission (PUC).

Legal Outcomes

II

- **Federal Energy Regulatory Commission (FERC)**
- **Condemnation filing in district court**
- **Public Utilities Commission (PUC)**

Key Issues

III

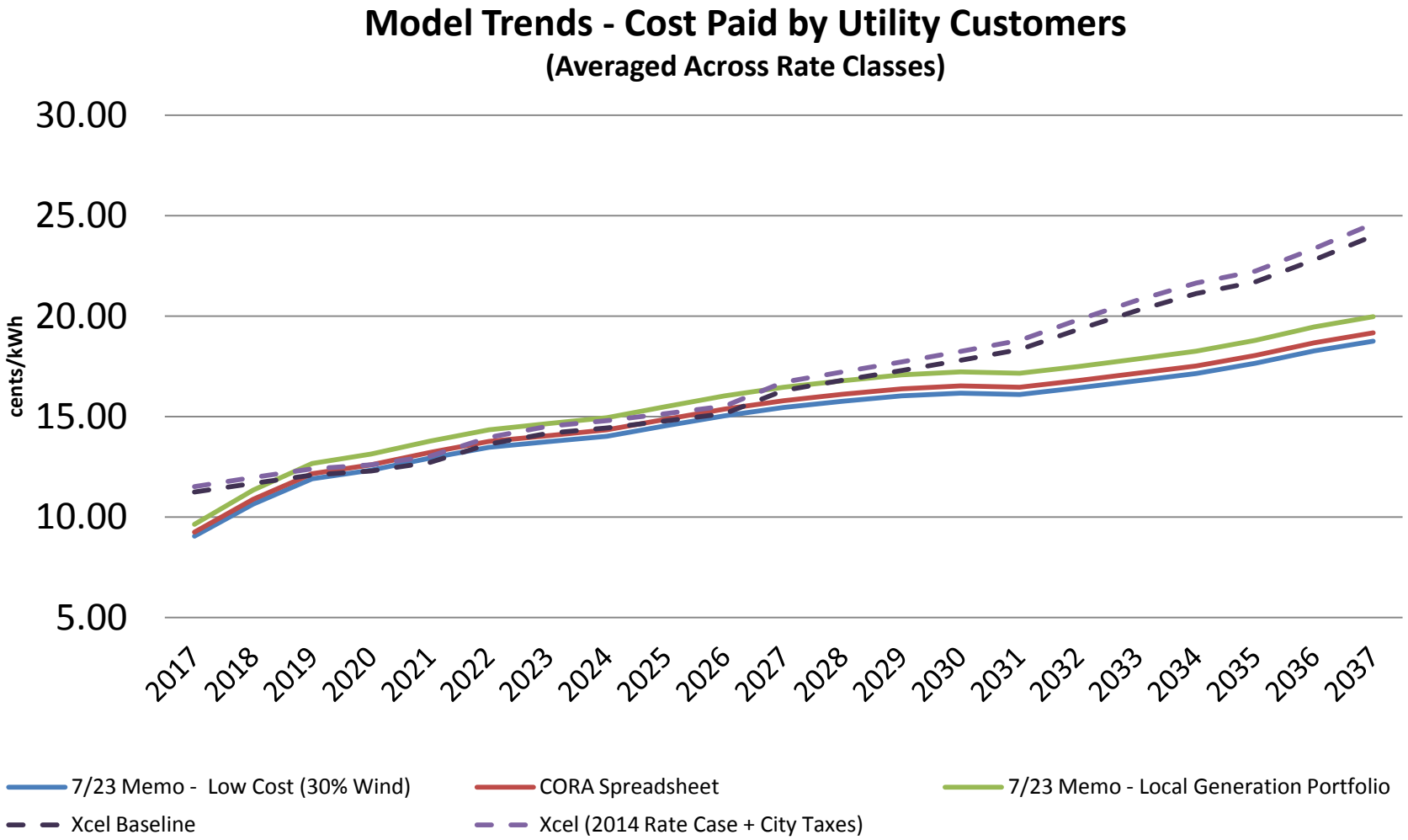
Lower greenhouse gas emissions and **more clean energy** were initial drivers, however -

There are other considerations:

- **Rates**
- **Reliability**
- **Opportunity**

Key Issues: Rates

III



Key Issues: Rates

III

Cost Category Breakdown			
Xcel (6-year Avg)	**%**	**%**	**City of Boulder (6-year Avg)**
O&M (Excl. Fuel & PP)	18%	15%	O&M (Excl. Fuel & PP)
Fuel & PP	39%	66%	Fuel & PP & Transmission
Deprec./Amort. Exp. & Earnings on Rate Base	25%	16%	Debt Service
Taxes Other than Income	12%	3%	PILOT & General Fund Transfer
Income Taxes	6%	0%	N/A
Total	**100%**	**100%**	

Key Issues: Reliability

III

Reliability Comparison Data		
Note: APPA survey data based on 11 publically owned utilities in Region 1 which includes Colorado, Wyoming, New Mexico and Utah		
2013 Data		
	Public Service (Boulder Region)	APPA Region 1 Average
SAIFI (# per year)	0.91	1.02
SAIDI (in minutes)	91.8	53.05
CAIDI (in minutes)	102	78.69
Acronym	**Stands or**	
SAIFI	System Average Interruption Frequency Index	
SAIDI	System Average Interruption Duration Index	
CAIDI	Customer Average Interruption Duration Index	

Key Issues: Opportunity

III

- National and state trends are toward more innovation and open markets.
- Cities are leveraging their publicly owned utilities for economic vitality.
- For example: San Antonio's CPS Energy, the nation's largest municipal utility, has implemented the "New Energy Economy (NEE)" program, which has led businesses to preferentially locate headquarters and manufacturing facilities in San Antonio.

Key Issues: Opportunity

III

- Another example - Chattanooga, Tennessee has reinvented their public utility as an “energy service provider”. In addition to access to low-cost, reliable power, local industries benefit from:
  - Time Of Use pricing expected to result in savings of $2.3 million a year for 22 manufacturers involved a pilot
  - Smart sensors minimizing the spread of electricity outages
  - Some business customers are able to forgo redundant electric feeds because of high reliability
  - Ability to notify customers about spikes in energy demand
  - The grid is projected to provide the city $300 million in economic benefits over 10 years

Key Issues: Opportunity

III

The energy utility market is changing. This shift is necessary and inevitable.

Causes include:

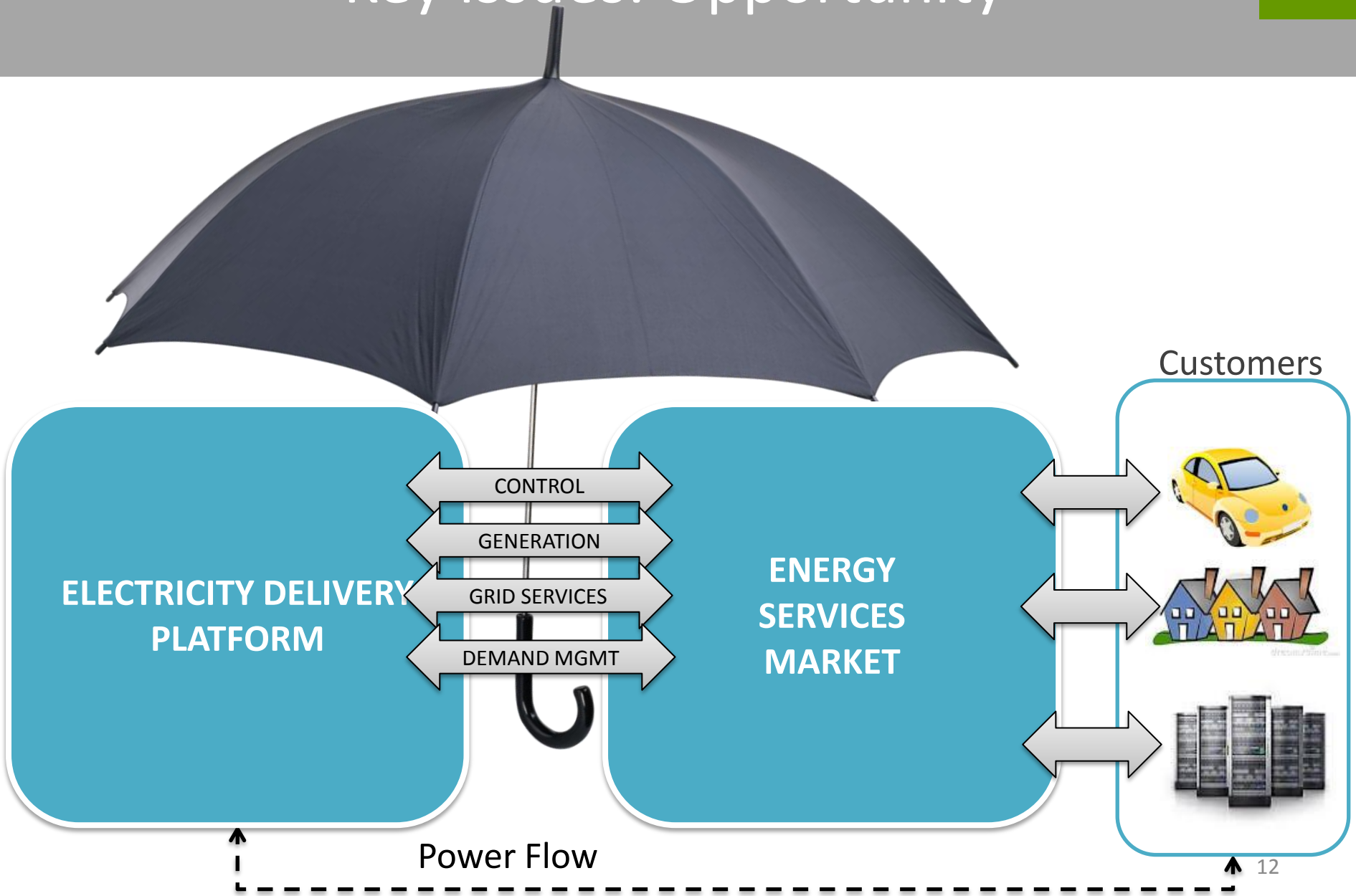
- Changing needs and demographics
- Deregulation and competition
- Technology
- Public pressure

Current Business Model

Desired Business Model

Key Issues: Opportunity

III



What We Are Doing Today

III

- Boulder Energy Challenge
  - Provided grants to six local energy innovators
- Platinum Level Solar Friendly Community
- Solar Localization Analysis
- Solar Grants Program
- Grant Applications for Nanogrid and Other Innovative Demonstration Projects

What We Can't Do Today

III

- Control the carbon intensity of our energy portfolio
- Determine the strategic investments in our grid infrastructure to support distributed generation, microgrids, etc
- Support innovative products and services to the home and energy system that are not behind the meter
- Significantly increase the resilience of our system

Next Steps

IV

- We are moving ahead but will stop if we cannot meet the charter requirements.
- We are always open to **true partnership** with Xcel and **welcome alternatives and proposals** that address the Boulder community's energy goals.
- **Next Steps:**
  - File application with the PUC
  - Transition plan implementation
  - Condemnation
  - Utility start up in 12/17

Connect and Learn More

IV

Follow along at www.BoulderEnergyFuture.com

- Sign up for E-News updates and newsletter
- Use online comment form for questions, feedback or suggestions
- Follow the Local Environmental Action Division (LEAD) on Twitter! **@boulderlead**

Send an email to the staff team at

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Contact Heather Bailey with questions/comments

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