



Boulder's Municipalization Exploration Study Sociology of Climate Change

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What are we trying to do, why?



- To meet the community's energy goals
 - Access to cleaner sources
 - Reliable
 - Affordable
- To offer more local control and decision-making

Haven't we already led the way?



- Yes, but we have learned that Climate Action Plan tax programs are not enough
- The municipalization exploration project sprung from a grassroots understanding and demand that we focus on changing our supply
- Boulder is a leader in this and other areas – Open Space/Transportation/Climate Action Plan

Timeline

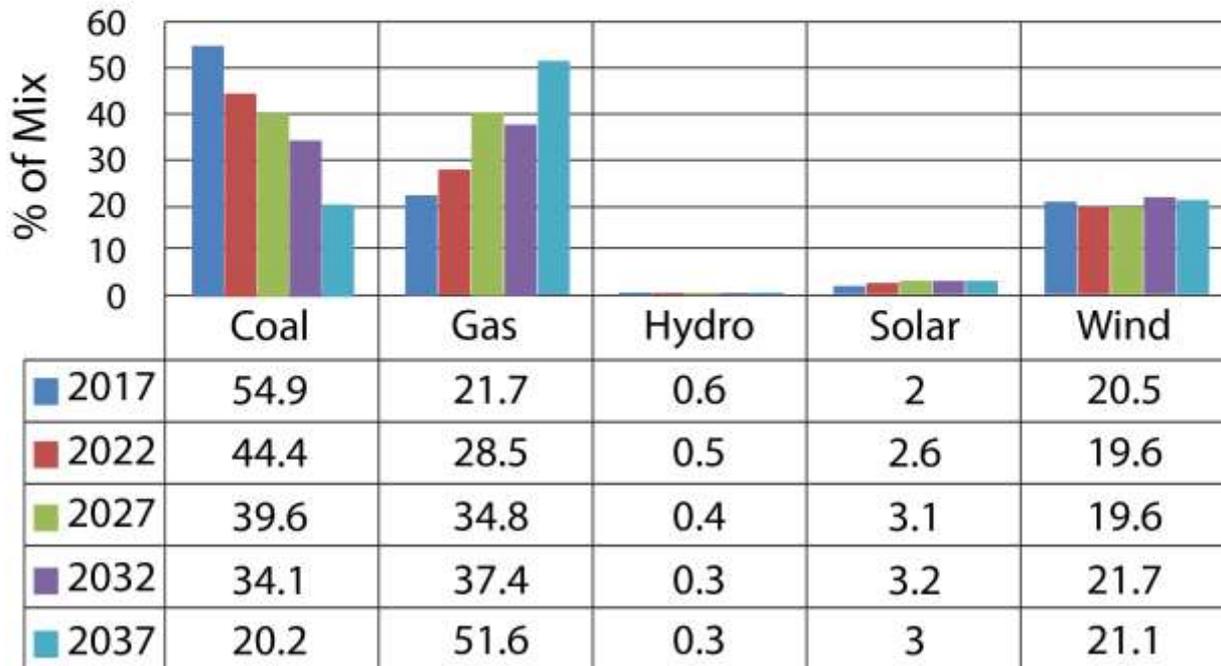


- In 2011, voters approved a five-year Occupation Utility Tax to support effort
- Spent much of the past couple of years conducting a rigorous analysis
- Voters reaffirmed interest in moving forward in November 2013 vote
- Preparing now for likely court and regulatory actions this year, as well as transition planning

Status quo as planned by Xcel



Xcel Energy Colorado Electrical Resource Plan - 5-year increments starting in 2017



Is Boulder's effort without limits?



No. Boulder must meet CHARTER requirements prior to a utility's creation:

- Acquire the electrical distribution system in Boulder and charge rates that do not exceed those rates charged by Xcel Energy at the time of acquisition, and that such rates will produce revenues sufficient to pay for operating expenses and debt payments, plus an amount equal to 25% of the debt payments;
- Ensure reliability comparable to Xcel;
- Include a plan for reduced greenhouse gas emissions and other pollutants and increased renewable energy; and
- Pay no more than \$214 million in costs related to acquisition of Xcel's assets and any lump-sum payment of any stranded costs

How did we engage community?



Rigorous technical analysis (details to come)

Unprecedented community involvement –
expertise from working groups

Transparency of assumptions and feedback from
variety of public events and presentations

What did we look at?

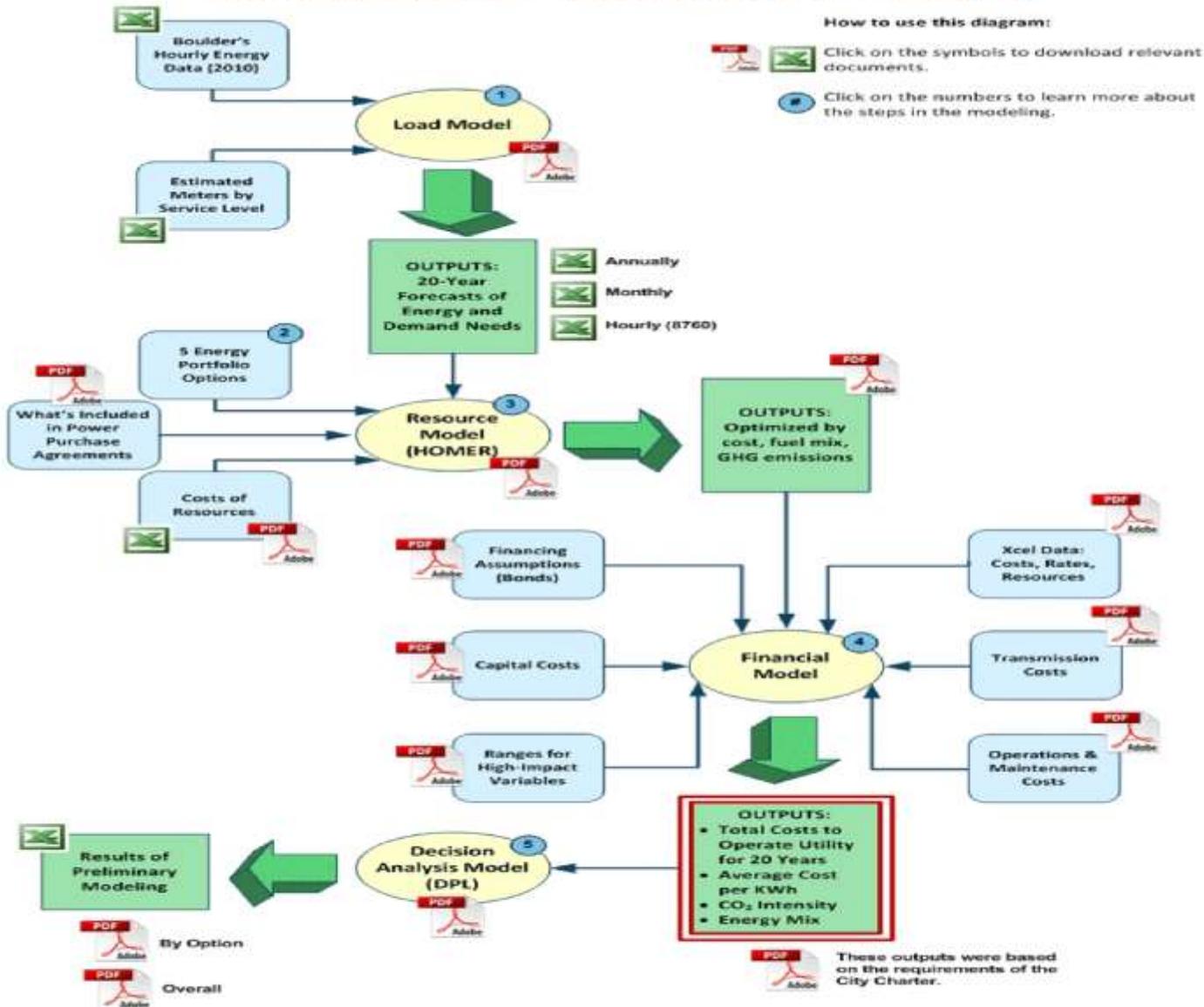


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Municipalization Exploration Modeling



CLEAN LOCAL ENERGY reliable low-cost possible

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- How reliability was incorporated
- What the models DO and DON'T DO

KEY	
INPUTS	(Light Blue Box)
OUTPUTS	(Green Box)
SOFTWARE PROCESSING	(Yellow Oval)

What did we discover?



- A local utility would have a high likelihood of:
 - 2x as much renewable energy, $\frac{1}{2}$ the GHGs
 - Equal or better reliability
 - Lower rates on day 1 and over 20 years

What else could a local utility do?



- **Put needs of community first when prioritizing capital investments**
 - Undergrounding – Micro Grids – other tech
 - Proactive grid management & replacement plan
- **Increased Renewables and distributed generation opportunities (Not limited to 120%)**
 - Equal or greater energy efficiency & solar incentives
 - More than double the renewable energy and half the emissions on Day 1
- **Services and Pricing – Focus and Flexibility (No PUC)**
- **Increased Community involvement**

And there's more ...



- Tailor rate structures to help customers – change the business model
- Utilize knowledge of local clean-tech sector and labs and integrate emerging innovations
- Keep money in the local community and offer incentives to bring more business, industry here
- Respond quickly to outages and emergency situations and coordinate with Public Works

Next Steps



1. Legal/Regulatory Processes
2. More Working Groups analysis
3. Transition Plan
4. Boulder Xcel Energy Partnership Task Force
5. Energy Services concept, implementation