

City of Boulder-Xcel Energy Negotiation Town Halls Summary Document

Overview

In June 2020, the City of Boulder and Xcel Energy held four town halls to provide information and get community feedback on ongoing negotiations with Xcel Energy. The 90-minute sessions were held virtually and facilitated by Peak Facilitation’s Heather Bergman.

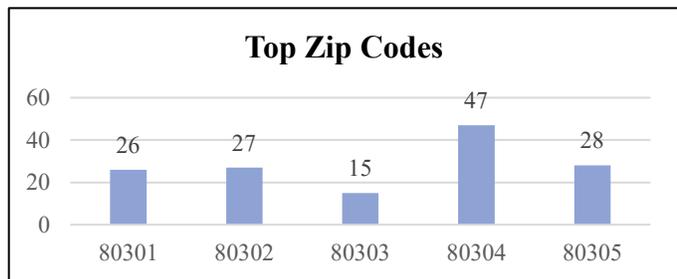
The meetings featured a 30-minute presentation by city staff, Mayor Sam Weaver and representatives from Xcel Energy. One hour of public comment followed the presentation.

This document summarizes the feedback received during the town halls. The public has also provided comment via council email. These emails are [available on the city’s website](#).

Attendance

Numbers are based on Eventbrite registrations and speaker notes and do not include attendance by city or Xcel Energy staff. Participants had the option to attend multiple events and 30% of total participants tuned into more than one town hall. Half the speakers were new voices, while half spoke at more than one town hall.

Event	Attendance	Speakers
June 5	50	20
June 10	61	22
June 22 (Business)	61	17
June 24	76	29
Totals	248 (174 unique)	88 (44 unique)



Key Feedback Themes

This section attempts to summarize the major themes of the verbal comments, presented in no particular order. The town halls were designed to hear a variety of feedback, and given the limited time, the city encouraged people to share new ideas and not repeat what others said. Given these circumstances, this summary of themes does not indicate which comments were most popular.

Please see [Attachment A for complete meeting notes](#).

1. Franchise agreement

Length

- Several folks commented on the ideal length of a new franchise agreement; some were supportive of a franchise having a five-year out, while others thought that a two-year out would be more appropriate.

Opt-out versus opt-in

- Participants had a range of views on a potential opt-out clause in the franchise agreement. Several callers stated that a franchise agreement must have an opt-out, while others thought that the city should have the choice to opt-in to a new franchise at regular intervals.

Exit clause: Who decides whether the city exits?

- Several participants felt that Boulder voters should decide whether the city exits the franchise, not a super-majority of city council.

Effect on Boulder's municipalization

- Some participants feared that entering into a new franchise agreement could jeopardize Boulder's ability to municipalize later.
- Some participants expressed interest in a franchise agreement that would preserve Boulder's progress on municipalization so that, if the city opted out, it could re-start municipalization from where the city is today.
- Some participants want the franchise agreement to include clauses that allow the city to municipalize faster and easier if the city opts-out at a future date. For example, Xcel should agree to sell assets at their depreciated book value, agree not to seek stranded cost or going concern awards and/or agree not to oppose municipalization in the future.
- Some participants want the franchise agreement to formally end (not pause) the city's municipalization efforts.

PUC approval of franchise

- Several participants emphasized that the franchise and any other agreements would require Colorado Public Utilities Commission (PUC) approval; some felt that this requirement should limit what the city asks for in negotiations.

2. Other elements of agreements

Emissions and renewable targets

- Some participants felt that any agreement should allow Boulder to meet its 100% renewable electricity by 2030 goal.
- Other participants encouraged Xcel to meet or beat the city's offers for renewable electricity in its 2018 request for indicative pricing.
- Opinions differed on whether Xcel's commitment to achieving 80% carbon reductions by 2030 was sufficient for Boulder. Some said it was not enough, while others thought that it is enough for Boulder to sign an agreement.
- Several participants stated that Xcel should make its plans to achieve carbon reduction targets public before they could consider supporting an agreement with the utility.

Solar energy

- Several participants want the city and Xcel to work to get rid of the 120% rule
- Several participants want any agreement to allow for more "transactive energy" and an "interactive" grid that allows people to sell or donate energy to neighbors, non-profits or low-income residents.
- Other participants wanted Xcel to better support and market community solar gardens.

Electrification

- Some participants expressed interest in the city and Xcel doing more to support electrification in their homes (heat pumps, induction ranges and electric vehicles). Specifically, participants wanted more rebates.

Storage and microgrids

- Some participants believed that an agreement should protect customers who want to install solar storage.
- Some participants want Xcel to treat customers like they are a part of the grid by allowing them to install battery storage.
- Several participants cited the need for local scale microgrids in the community's energy future and discussed the resilience benefits of microgrids.

Energy efficiency

- Several participants discussed the importance of efficiency across the system statewide, saying that the cleanest and cheapest megawatt is one that's never used.
- Other participants said that Xcel and the city should consider embodied energy use when evaluating energy efficiency.

Nuclear

- A few participants wanted to learn more about Xcel's plans to use more modular nuclear to generate power.

Reliability

- Some participants want Xcel to agree to provide Boulder with better reliability, specifically reliability at least as good as Longmont's.

Environmental and social justice

- Some callers expressed interest in advancing racial and environmental justice through these negotiations, specifically through rates and programs that serve community.

Community Choice Energy

- Several participants want the city to leave open the option to participate in CCE if passed by the legislature in the future.

Undergrounding

- There were differing points of view regarding undergrounding. Some felt that the city should not ask Xcel to restore lost undergrounding funding, while others thought that Xcel should commit to undergrounding the city's electric distribution system on a faster timeline.

Rates

- Several participants expressed concern that Xcel Energy's electric rates would continue to rise. They said the city should seek protection from increasing rates in its agreements.
- Other participants cited the city's rising water utility rates to demonstrate that Xcel Energy is less likely to raise rates than a city-run electric utility.
- Other participants said that Xcel's new time-of-use rates would not support further expansion of renewables.

3. Engagement

Town Halls

- Several participants expressed that there needs to be more dialogue, not just opportunities for the public to speak in response to presentations.
- Several participants said that given the complexity of these issues, the period of brief public input isn't a good process; there's not enough time to create something that will help the community.
- Some participants wished that engagement better included under-represented communities.

Transparency

- Several callers said that Boulder residents should be able to participate directly in negotiations.
- Several callers said that Boulder should share documents it's sharing with Xcel Energy in negotiations.
- Several participants stated that Xcel's plans to achieve its carbon reduction goals should not be hidden behind non-disclosure agreements throughout the negotiation process.

Appreciation for Xcel's participation in events

- Several participants expressed gratitude for Xcel's participation in the town halls.

4. Municipalization

The future of municipalization

- Several callers said that Boulder should end municipalization, citing several reasons listed elsewhere in this section.
- Several participants expressed support for continuing municipalization and cited its benefits (listed below)

Municipalization challenges

- Some participants cited the city's budget challenges as a reason to look for settlement.
- Other participants expressed doubt that the city could successfully complete municipalization and cited the project's tight budget as a reason to settle.

Benefits of municipalization

- Several participants stated that Xcel can't match the potential benefits of municipalization, include, local control, the ability to achieve 100% renewable electricity by 2030, retention of local energy dollars and the ability to leave a monopoly

5. Xcel Energy

Xcel Energy's leadership

- Some participants felt that Xcel is a leader in the energy transition and cited Xcel's investments in utility-scale solar and wind.
- Others felt that Xcel is not leading the clean energy transition.

Xcel Energy's trustworthiness

- Several participants expressed distrust of Xcel based on the city's past experience in negotiations and throughout municipalization.

- Other participants said that Xcel should focus on building trust in the community.

The future for Xcel Energy

- Several participants provided advice to the company for how it should be positioned in the future, including:
 - Better serving customers
 - Selling its expertise, not just electricity generation and delivery
 - Looking to shift away from being a vertically integrated monopoly
 - Offering more customer choice

ATTACHMENT A
Town Hall Speaker Notes

Notes from June 5 Town Hall

[Watch the meeting](#)

Question Period

Steve Haymes

- Xcel's strength is wind
- Distributed is all about solar
- Big issue is integration of wind and the city's desire for distributed generation (solar, rooftop)

Alice Jackson (AJ), President of Xcel Energy – Colorado Response

- Xcel has a lot of wind
- 60,000 rooftop solar customers
- Done a decent job integrating
- Ways to manage physical limits (storage)
- Large-scale solar (700 MW by 2026)
- Get much more in new ERP
- Plenty of room to look at both wind and solar and to look at the gap

Sam Weaver (SW), Mayor of Boulder, Colorado Response

- If we get to 100 MW solar target, it will be a small fraction of all the energy Boulder needs
- DG can work with storage ("islanding")
- Can further enable resilience

David Takahashi

- 4th D: Decouple
- Can we look for energy governance that rewards energy efficiency?
- The cheapest Kwh is the one we do not use

SW Response

- We are focusing on decoupling

AJ Response

- Energy efficiency is very important
- Electrification will make efficiency
- Two pieces: energy efficiency and incentivizing shaving demand curve

Andy Bingle

- 60 MW of solar and hydro distributed energy
- What is Boulder's current energy mix in Boulder?

AJ Response

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Town Hall Speaker Notes

- Two perspectives to look at this:
 - Installed Capacity: (34% renewable, 3% storage, 24% coal, 36% gas, 3% other)
 - Energy actually delivered: (30% renewables, 36% gas, 33% coal)

Comment period

Patrick Murphy

- What's the timeline?
- If we vote yes in November?
- What's the start-date for Xcel?
- What happens to the occupation tax? Where is it going to go? I'd like it to go to renewables, local incentives for renewables, or local incentives for carbon reduction like free LEDs.
- Undergrounding. How can Boulder ask to received benefit of undergrounding quid pro quo?
 - There's a lack of balance here.
 - It'd be nice if Xcel wanted to give it to us
- Vote to terminate: no way council can vote to terminate anything without a public vote. Public should get to vote

Scott Hatfield

- Sad to let muni go
- Lots of problems financially with pandemic, but if we can make progress on renewables and poles and wires this would be good
- Rate and inventory what we currently have; too much focus on renewables, This is about more than that, more needs to be addresses
- Get USGPC per rating system performance and excellence in the grid, a good way to look at reliability issues, management and safety, environmental issues

Crystal Gray

- Key elements in agreement: should address everything based on climate justice and equity for all residents
- We need an honest discussion on Who benefits from an investor-owned utility and who benefits from a Muni.
- Taking \$20+ million in Xcel profits and giving it back to the community to achieve Climate Justice and Equity projects.
- Negotiations are premature
- Why not wait until court and regulatory decisions are made?
- Then, we would know the real costs of the muni
- Xcel should support Rep. Hooten's Community Choice Energy (CCE) Study bill and not oppose it; release Boulder from any agreement if a CCE bill passes.

Chris Hoffman

- Negotiations are a distraction
- Monopoly will use financial resources to distract all voters
- Re-engaging with Xcel is risky
- Some utilities are stepping up, Xcel is not
- Xcel declined offers to use lots of cheap renewables

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- This issue is complex, and the period of brief public input isn't a good process; there's not enough time to create something that will help the community

Steve Whitaker

- We're missing the big picture
- We're missing the opportunity to leave a monopoly
- Monopolies obstruct markets, block innovation, not great for customers
- We don't need a vertically integrated monopoly

Andy Bingle

- Xcel has proven to be a leader, given its size
- Resilience: Important to have DG and storage within Boulder
- Putting the power of your utility within the hands of Boulder citizens
 - E.g. programs that go beyond what the company already offers
 - More engagement directly from Xcel would lead to more community buy-in
- Equity is super important
 - Thought out engagement with lower-income or lesser-served communities

Pam Johnson

- Thanks for the opportunity
- I am very interested in the possibility of a franchise agreement
- Most important piece: system-wide efficiency
 - Any amount of energy we don't use is the cheapest megawatt
- Please consider being truly energy efficient throughout the entire life-cycle (speaking to production of energy efficiency products)

Lynn Segal

- This is unacceptable
- This duplicity
- April 20 meeting in the middle of Covid
- I am speechless
- This is not OK
- Nothing new here over the last 10 years
- Xcel owes us so much money
- Their business model is the problem
- This is not what I want in Boulder's electricity
- I want to legislate from Council on my energy
- Leave us alone; get another state
- We don't need another franchise agreement; we voted the first time
- No way. You had your chance, Xcel. Leave us alone.

David Mollerstun

- Concerned about entering into a franchise agreement
- Could jeopardize Boulder's ability to municipalize later

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Town Hall Speaker Notes

- Could increase Going Concern (quotes APPA)

Steve Pomerance

- Xcel and the city are in binds here
- Xcel is in a bind: with one bill, the legislature could completely change the game here
 - Make it more competitive
- Boulder is the biggest threat to Xcel right now
- Citizens should be in the inside of this
- Boulder needs to either get what we want, without a franchise
- If we must sign a franchise, we must be able to be in a better position to municipalize and get what we really want and need

Patrick Murphy

- If Boulder creates a muni, Boulder is a corporate monopoly
- In negotiations, could Boulder and Xcel discuss stranded cost and going concern?
- Lay cards on your table in the dark
- Get a sense of whether the costs are even sane for Boulder
- It would be nice if we had that real number or a range
- What's Xcel's renewable percentage once Cayote Ridge comes on later this year?
- In the dark room, be honest about the numbers; it's an elephant and hippopotamus in the room. You guys need to talk about the hard stuff

Ronald Sinton

- Data transparency
- This is an opportunity for great transparency
- TOU for every hour
- Xcel transparent with its renewable
- Build it into building codes

Leslie Glustrom

- We have it in the charter that everything is done in the public
- Please read the letter from Empower our Future
- We want Xcel to actually talk to us
- Trust is fundamental to the relationship; lots of past mistakes
- Under Alice's watch, the company's response to municipalization has not helped build trust
- Competition is coming; Xcel should look at our RFIP responses and beat it
- Pay us to be your customer

Ken Regelson

- Xcel's plan for 80% is not leading-edge nor does it lead the clean energy transition
- Look to PRPA
- Draft plan to 95% carbon reduction by 2030
- Why does Xcel keep its plans secret? We want to see them.

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Town Hall Speaker Notes

- We should know what's going on

Paul Culnan

- Given that Xcel will respond to state laws, I trust that they will do what's in their economic interest and add more renewables
- What does Boulder gain by joining a franchise agreement if Xcel is going to do what they're going to do anyway?
- Xcel should be able to exceed what a muni would
- If they can't do what a muni would do, why are we talking?

Steve Haymes

- Xcel's strength is in wind
- Solar has not been the company's strength
- Southern Company
- Southern California Energy
- Xcel can provide a lot of renewables through wind
- Distributed part of the puzzle is what we do want to see
- Key thing is how to integrate solar and wind

Steve Whitaker

- Muni will be *our* monopoly
- We need to eliminate 120% rule for solar capacity
- We should accelerate our renewable electricity
- Agreement should include provisions in which Xcel doesn't inhibit solar + storage

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Town Hall Speaker Notes

Notes from June 10 Town Hall

[Watch the meeting](#)

Question Period

Patrick Murphy

- Can Boulder enter into a franchise with Xcel that is different from what other communities receive? With respect to Xcel paying Boulder for the lost undergrounding funds, does Xcel have to do the same for all of their franchised communities? Weill the PUC have to approved that?

Alice Jackson, President Xcel Energy – Colorado (AJ) Response

- The PUC can rule however it likes
- Restoring underground fees is a topic of negotiation
 - Undergrounding offers benefits to customers (reliability) and Xcel (reduced need for vegetation management)
 - If Xcel and the city come to agreement, and its approved by Boulder voters, ultimately, the PUC would have to approve the entire franchise agreement

Paul Culnan

- How can a highly regulated utility make any contractual agreements with Boulder in terms of generation in terms of carbon intensity?

AJ Response

- The PUC governs generation investments on the generation side and distribution additions; it's governed by physics as well as commission rules
- The PUC will see Xcel's electric resource plan (ERP) in 2021; this is where the generation component will be heard
- Boulder and other cities can participate in the ERP process

Sam Weaver (SW), Mayor of Boulder Response

- The state requirements will dictate what the PUC and Xcel has to achieve in terms of reducing their carbon intensity
- Sam and Bob have seen Xcel's pathways to 2030
- Staff is analyzing PSCo's pathway to 2030

Steve Haymes

- How do COVID budget impacts affect the municipalization effort and municipalization staffing?

Steve Catanach (SC), Director of Climate Initiatives, City of Boulder Response

- Certainly, it has had an impact
- Department has worked like all other departments to reduce its draw on the general fund
- Have had to lay off one staffer and furlough three others

Steve Pomerance

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- Right now, since Boulder has been out of franchise for 10 years, Xcel is in a bad position to make a stranded cost claim. If we sign a franchise, that situation may change.
- Will you commit, as part of the agreement, that Xcel will not make any stranded cost claims?

SW Response

- Bob and I have not been a part of the distribution discussions at all
- I don't know if I can speak to your legal analysis
- I won't comment on the terms we've discussed so far

David Gehr (DG), Deputy City Attorney Response

- I am not going to comment on legal strategy
- Throughout municipalization, the city and Xcel have not agreed on legal analysis. To date, City has not agreed with Xcel's Stranded cost analysis, and Xcel has not agreed with the city's analysis.

Nancy DeVita

- Where does solar fit into Xcel plans?

AJ Response

- Solar is a part of the future
- 60,000 customers with rooftop solar
- Lots of businesses with large-scale behind-the-meter solar, including IBM in Boulder
- 240 MW behind-the-meter solar being built in Pueblo. Will be the largest in the world.
- We agree, there's a lot more to do with solar around the state. Prices are continuing to look really good.

Comments

Steve Pomerance

- This set-up isn't working
- Many of us on the call are experts in this field and should be better included.
- The city needs to share all of its documents
- Why should the city pay for undergrounding in other communities?
- With respect to the distribution system upgrades, who is going to pay, and who gets the benefit? The public should own infrastructure. Who's going to own the system once its paid for?
- Xcel should not own renewables, which increases costs.
- Xcel should abandon going concern.
- Time to retire coal and acknowledge Comanche should not have been made.

Mike Shimmin

- Xcel limited rooftop solar on my home to 107% of usage in prior year, even though we had room for more.
- Why is Xcel telling us it is moving toward 100% renewables but also limiting rooftop solar?
 - Especially for people who are willing to build it at no cost to Xcel or ratepayers.
- Xcel should consider requiring elimination of 120% rule.

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Reuben Munger

- Re: exit framework: Voters should get to decide whether the city exits.
- The city should provide greater clarity on franchise process to increase public support
- The goal of 100% by 2030 is challenging, and very different and more costly than 80% by 2030
- What is the cost difference between the 80% reduction and 100% renewables?
- Pursue lower cost carbon wins like conservation, energy efficiency, electric vehicle infrastructure and some should be able to be owned by the city, not Xcel.

Conor May

- Need terms that bind Xcel to decarbonization goals on a timeline that is the same or better than what Boulder could achieve on its own. The city can achieve high levels of renewables (~90%) on Day 1, any agreement should put Boulder on similar trajectory.
- Xcel's state obligations to meet emissions reduction targets are necessary conditions to any good deal, but not sufficient for Boulder
- Also important that the community be allowed ownership of generation, microgrids, distributed generation, even if it can be hard to quantify the benefits of this. Negotiations should consider this, too.
- Any agreement should ensure that Xcel not oppose municipalization or some other community-controlled system.
- Agreement should ensure that Xcel be willing to sell distribution at depreciated book value, sell substations, jointly use poles, and not seek a stranded cost award.
- Xcel should respect same values in Boulder with other communities.

KK DuVivier

- Xcel has been very aggressive in suing Boulder. They are clearly trying to wear down Boulder.
- There are too many lawyers; there should be agreement that there will be no future litigation if opt-out is chosen.

Joe Breddan

- Boulder has taken leadership where others have been insufficient. I am Interested in Boulder continuing to be a leader, especially in absence of national leadership and insufficient state moves.
- Muni is facing some tough headwinds, including the COVID budget cuts
- I hope that we're awfully careful about entering into a five-year agreement which is half of the IPCC's best estimate of the time we have left to clean up emissions.
- Must meet Xcel financial goals and their first obligation is to their shareholders.
- It has not always felt like good faith negotiations; many of us are wary of Xcel given past experience.
- There is some work to do to earn the trust of a majority of Boulder voters.
- Lots of transparency, clear performance metrics and clear recourse for non-performance would go a long way.

Steve Haymes

- The real goal is to get to 100% renewables, not obsessing on Xcel hate.

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Town Hall Speaker Notes

- Xcel is wind leader.
- Xcel has added over a GW of wind in Colorado.
- Nitpicking on microgrids misses the larger goal of 100% renewables.
- Nitpicking again risks reaching an agreement.
- I'd like to talk to Alice.

Patrick Murphy

- Something I'd like to see: all of the Occupation Tax, which is a carbon tax, should be used to reduce carbon and not assigned to the general fund.
- The city collects about \$8M annually.
- If Boulder is serious about carbon reduction, it needs to end municipalization.
- We need to collaborate and spend money on real carbon reduction.
- I don't want to see something like the Boulder Water Utility monopoly that keeps raising rates.
- A highly regulated monopoly is better than an unregulated city monopoly.

Crystal Gray

- Look through a lens of climate justice and equity.
- Have an honest discussion about who benefits from an investor-owned utility.
- Listen to the community and end systemic racism.

Lynn Segal

- I attended a planning board meeting to discuss the important topic of development in Gunbarrel; there was an outage during council and one participant had to start up his generator to participate in the meeting.
- We've proven that in Boulder we would have better resilience under a municipal electric utility.
- We've spent 10 years, why are we considering a deal now at the 11th hour? We need choice.
- We need greater transparency, no NDAs

Ken Regelson

- We're moving from consistent coal and natural gas to renewables, which is much more variable.
- We need time of renewables. Xcel's time-of-use rates don't work well for renewables.
- We need better data to make good choices moving forward.

David Takahashi

- Question is on centralization, reliability, resilience and damage liability.
- In California, PG&E fears wildfires sparked by their system, which results in rolling blackout for customers.
- As we enter fire season, what will Xcel choose: customer service or stakeholder value? How granular will shutdowns be?

Paul Culnan

- What about social justice if Xcel continues to serve? Regarding, particularly, externalities.
- CO2 costs are not paid by ratepayers or shareholders.
- Xcel must accept financial responsibility for CO2 externalities.

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Town Hall Speaker Notes

- Negotiations should not be secret; Xcel has no competitors, city has obligation to be open.
- The city charter says that these are public meetings; they should be happening in public.

Leslie Glustrom

- Comanche 3 is having more troubles.
- How do we know Xcel will value Boulder? Revenue. Knowledge.
 - Signing bonus?
 - Grocery coupons?
 - How will the company show that they value Boulder?
 - We want you to value our knowledge.
- Xcel keeps saying we can't possibly do what Boulder wants.
- Xcel will benefit from partnership because competition is coming.
- We have experience, knowledge, commitment.
- Appreciate the opportunity to speak, but 2-minutes of one-way communication is not a relationship

Tom Wilke

- This was a productive meeting.
- He appreciates that things are different this time around.
- Alice's comments were very encouraging.
- Conflict and adversarial relationship are not helpful for either party.
- Encouraged that Xcel is stepping up with new ideas, and that the city is coming forward with new ideas.
- Agreement is a much better solution than fighting.

Phil Wardwell

- As a stockholder, I'm not happy with slow walking legal strategy.
- I am very concerned about climate change.
- I want the company to be more service-oriented.
- Market community solar gardens.
- Customer proposals should be accepted.
- Xcel should sell expertise, work with cities that want to municipalize as well.
- The way to make money in 2020 is to sell services to customers, not as being a vertically integrated monopoly.
- Xcel must keep the customers happy.

Julie Zahniser

- I want to express caution into entering an agreement with Xcel.
- It is possible to reach out climate goals at low prices.
- Forbes article said that all of the US could reach 90% renewables by 2035 at no cost to customers.
- Surrounding munis (Longmont, Loveland, Estes Part and Fort Collins) are going faster than Xcel and at lower cost and are achieving 50% carbon reduction this year.
- Boulder should have the same deal. Non-carbon power by 2033.

ATTACHMENT A
Town Hall Speaker Notes

Notes from June 22 Business Town Hall

[Watch the meeting](#)

Question Period

1. **Tom Asprey:** Why is a franchise a requirement for these discussions? It doesn't seem that it is necessary.

David Gehr (Deputy City Attorney): Legally, a franchise isn't required. However, the benefit is that it lays out the ground rules for engagement as it relates to the permitting process for work that takes place in public rights-of-way.

2. **Leslie Glustrom:** 4 questions for Xcel:
 - a. Reliability- Will Xcel commit to a verified increase in reliability? Given the higher reliability of other jurisdictions in our region, it's an important consideration.
 - b. Can Xcel commit to minimizing the cost to customers? Given rates continue to rise, we need to be clear about the impact of rate increases, not just the overall impact to customers' bills.
 - c. Carbon: Can Xcel give an anticipated percentage of renewables by 2030 and commit to that target? The 2019 legislation requires an 80% reduction in emissions, but it isn't clear how that equates to renewables on the system.
 - d. Competition: Competition is coming to Colorado. We saw through the city's recent indicative pricing that other providers can achieve higher levels of renewables (close to 90% on day 1) as a significant savings (close to \$40M annually). Will Xcel agree to match those types of competitive offers from other providers?

Holly Velasquez Horvath (Xcel Energy):

- a. Xcel's Advanced Grid Initiatives effort is likely to result in increased reliability for customers.
 - b. The 2019 legislation was the approval for the carbon reduction goal. While the actual portfolio will be determined through next year's ERP at the Commission, the company has already committed to be at 55% renewables in 2026 and has high hopes to increase that amount in order to align with the 2030 emission reduction goal.
3. **K.K. Duvier:** I am confused about the terms. Are we talking about a settlement agreement with Xcel or a franchise agreement?

David Gehr: It's both. We are discussing under what terms the city would be willing to put its muni effort on hold and go back into franchise with Xcel. The Settlement discussions relate to what the city and Xcel would agree to in addition to a traditional franchise.

4. **Steve Whitaker:** During Holly's presentation, she spoke of "customer choice". I'm confused. Does Xcel offer the ability to choose a power provider? What is my choice exactly?

Holly Velasquez Horvath: Xcel Energy is a regulated monopoly, and there is no legal ability to choose your provider. When we describe choice, it means "how you receive your energy" in terms of the variety of programs that Xcel offers to customers. We have a number of programs aimed at energy efficiency, and if you want to have 100% renewables and pay a small premium, you can use programs like Windsource or Renewable Connect.

ATTACHMENT A Town Hall Speaker Notes

Comments

David Takahashi: With the price on wind dropping and the fact that sun is free, utilities will continue to be disrupted. How will Xcel react to concepts like choice and renewables?

Dan Powers: Grateful that Xcel and the City may be in the final conversation related to municipalization. Appreciate Xcel's ongoing relationship with the federal labs, and Xcel's ability to scale solutions. Given the investment Boulder has made in this process, its clear that money could have been better used to achieve goals.

Steve Whitaker: I support the city creating a municipal electric utility. From a philosophical standpoint, a monopoly limits our ability to access a competitive and free market, which is so important for successful business models. The regulated monopoly model is to capture and keep customers. We need to create a muni, and we should not enter a franchise agreement.

Maya Reznick: Would like to know how Xcel is thinking about existing or the potential for hydroelectric power, and the use of modular nuclear. How is Xcel thinking about providing consistent base-load power as you integrate renewables? Is Xcel considering nuclear? Is Xcel part of the research effort on nuclear?

Ron Sinton: The best way to address the gap in Xcel's emission reduction goal and Boulder's 2030 100% renewable electricity goal is to better manage our load. Demand shifting has the added benefit of being implemented through local building codes and addresses our equity goals by using least-cost renewables.

Brian Coppom: From my experience in telecom, it's important to anticipate that what seems practical is usually much harder when it comes to managing infrastructure. This is a long-term issue and need to be considered.

Leslie Glustrom: Excited about the potential of creating a new chapter in our on-going efforts. Would like there to be a very quantitative discussion about reliability. How will we measure the local reliability and show progress? Public engagement needs to be part of any agreement. Given competition is coming, we should stay out of franchise, use the agreement as an opportunity to work together.

K.K Duvier: Should prioritize choice. Discussion being framed as muni or franchise. Where is a third option? We need to keep competition open.

Tom Asprey: If we are making a choice about giving up on municipalization, I would like to see a cost/benefit analysis of all options? What are the specific costs to Boulder? What are the benefits of any agreement? Undergrounding and DSP nice, but we need a full analysis, and we don't have that time.

Lynn Segal: How will Xcel keep rates low? We are in an economic crisis, and we don't need a facilitator for this process. Xcel is tied to Comanche 3. Ron Sinton's comment was good about demand shifting. Boulder needs to take control of its own resources.

Crystal Gray: Want to stress the importance of climate justice and equity, and the importance of the benefits to all customers through the partnership. Staff created a white paper in 2012, and on page 3

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they described that it's not about the "wires and poles, it's about the goals". If we want to develop new programs that allow electricity to be shared between customers, how could we do that?

Paul Culnan: The new state statutes require Xcel to include a cost of carbon in choosing their portfolios. I would like to see Xcel evaluating a cost of carbon for the previous decisions.

Lynn Segal: The Mayor referred to the meetings as "introductory", yet here we are at the 11th hour. This is too little too late.

Responses

Holly Velasquez Horvath:

In response to the question about hydroelectric and nuclear, Xcel has always been interested in hydro, and currently operate two nuclear units in Minnesota. It's a reliable source of energy, and the company is always evaluating ways to advance that technology.

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Notes from June 24 Town Hall

[Watch the meeting](#)

Question Period

Karen Hollweg

- Keeping rates low. Can you tell us more about that? Is that all we can know?

Alice Jackson

- Residential customers bills are 35% lower than national average
- Bills have gone down 8%
- Good for business
- Benefits has been the proof in the pudding as customers added more renewables to the system

Evan Freirich

- How can Xcel reach an agreement that is enforceable?

Alice Jackson (Xcel Energy)

- When we sign an agreement, we do expect that the franchise and other agreements are enforceable
- The PUC will look at it.

David Gehr (Deputy City Attorney)

- Trying to work out how the other agreements might be enforceable.
- The big enforceable piece will be the option to opt-out.

Brad Segal

- Why five years? What would the out be like?
- How will we be able to maintain our legal status quo? We should know how that ahead of time?

David Gehr

- These are some of the hard conversations we're having right now
- It's an issue of negotiation
- Nothing magical about five years, but as we've discussed, this is supposed to be a partnership. Five years is not an awful long time to be able to evaluate how it's going.

Pat Hillmeyer

- Would we see a bigger push for electrification? I took advantage of the Xcel rebates.
- I'd like to see a bigger push for all-electrification from both sides.

Alice Jackson

- Beneficial electrification has been a focus for policy makers
- For the company, this is something we look like
- We are prohibited to incentivize switching from gas to electric

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- Going to see more and more beneficial electrification.
- More tech innovation is coming, too.
- We'll be discussing in our distribution team.

Steve Catanach (City of Boulder)

- The city is very focused
- We need to clean up our grid
- It's vital that we electrify our transportation and industrial and residential natural gas
- City supports multiple programs
- Working to create opportunity to expand technology and explore

Donna George

- Is local generation going to be on rooftops or on open space?
- I don't want solar farms on open space
- Rebates for solar and electric cars?

David Gehr

- Solar farms would not be a use that's compliant with our charter regarding open space

Duncan Gilchrist

- If we were to enter into an agreement, how would the public be able to get involved?
- Considering democratization as a core value, what opportunity would we have to participate after we sign the agreement?

Bob Morehouse

- This is a once-in-a-generation opportunity to make a difference for our community
- It's not going to be easy
- The Eiffel Tower almost didn't get built
- All the great things that we take advantage of took a lot of courage
- I've stopped calling it muni—it's Local Power

Marguerite Berringer

- This is an extraordinary time to start talking about these transitions
- I am a strong supporter of municipalization in Boulder
- I work in this industry and have a lot of experience reviewing the work of utilities. I see a lot of un-met promises from them.
- Xcel has benefits, but they won't pay attention to individual issues for Boulder.
- Our goals are different than Ward county, for example
- We should acknowledge that racial justice is environmental justice and taking local hold of our own power would give us the opportunity to really make decisions that reflect our needs.
- We've had rate increases in Colorado, almost every year since 2006. Xcel also proposed one last year. I don't understand how that's making things affordable.
- We need more accountability.

Ramesh Bhatt

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- Xcel should guarantee 100% renewables by 2030
- The 80% goal is not the same
- Renewable energy is much cheaper than fossil fuel
- Rates should be going down, not up
- We want rates to go down
- Xcel should share some of the immense profits that it takes out of boulder
- Profits would be invested into the community

Brian Highland

- Why are we doing these negotiations now when we're only a year away from having a vote on Local Power?
- We are so close to the finish line.

Julie Zahniser

- I want to confirm that Xcel is regulated by Colorado Revised Statute 40-3-106, which specifically prohibits advantages and states that a public utility shall not established or maintain any unreasonable differences to rates, charges service facilities or between localities or class of service.
- If so, how can Xcel commit to offers to meet Boulder's unique goals
- Agreements have to have PUC approval
- I want to make sure that the sequence of our committing our on our end where we think we have a promise is something that we can absolutely know will be approved by the PUC,

Patrick Murphy

- Billing versus rates
- Bills and rates have gone up for Boulder water utilities
- Please Xcel, don't raise rates and bills
- Water utility is a good example
- Xcel, raise rooftop solar limit above 120%
- Where does that extra 20% go?
- Fountain has owned their own system for a long time
- Boulder would owe
- Cost of litigation
- Bond costs for massive loan
- End the muni would be on the November ballot
- I hope negotiations will work out
- ½ Boulder ready to push back hard on the muni

Steve Haymes

- Question for Steve
- Has Boulder completed a distributed energy resource plan?
- Where is Boulder in the process of developing a DERP?
- Collaborative efforts that helped Xcel and NREL
- Interstate grid integration studies is a very important place for collaboration

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Paul Culnan

- We need a process where we can submit written questions
- Emily and Sarah can moderate
- Needs to continue from this point
- I have more questions; I want more answers
- Xcel's 2030 plan is secret
- Need NDA for every citizen in Boulder who wants to vote on this
- How much is renewables, how much of it is fossil fuel.
- There's a lot we need to know what their plan is
- We should wait until next year

Tim Schoechle

- Format is too constrained
- First third was a sales pitch
- Why is undergrounding a bargaining chip?
- The total so far spent by the city is less than the profits extracted by Xcel energy each year
- Boulder has done plenty to lower carbon
- Boulder will never get to its goal with Xcel in charge and all the baggage (prior investment, system structure, need for profits)
- Limitations of building out local solar grids and microgrids

Karen Hollweg

- Concerned that rates will be approved through the PUC
- Profits will go to corporate and share holders
- I don't see how local control can be a part of the agreement, no matter how good it is
- Change in corporate leadership
- How do we know that agreement will stand if there is a change in corporate leadership?

David Takahashi

- We need to consider when rates will begin falling
- The raw materials don't cost anything
- Why won't rates reach a plateau?
- Can we make the current policy of Xcel selling electricity at retail while buying at wholesale become a bit fairer deal for the sake of resilient distributed energy?
- Time-of-use rates are being used as a stick

Leslie Glustrom

- We'd like more exchange
- 80% reduction is not equivalent to percent renewable electricity
- Reliability: Would the company commit to bringing us reliability that's equal to Longmont?
- Rates versus bills is a very serious concern
- My bill is negative
- Low-income (as rates go up and up)
- I am worried that we're doing this too quickly

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- I would like to see a public response to the Empower Our Future check list

Pat Hillmeyer

- I appreciate where Xcel has been going
- As a good-faith step, removing the 120% rule would be great
- I am much more of an electric user
- Still using a net-larger amount of electricity than I am using
- I want to see for folks who don't have a rood—keep pushing for community solar

Tom Asprey

- This whole process seems very fast
- I served on the 2013 working group
- Xcel meant something very different than what we meant about partnership
- You don't partner with a customer
- Please clarify what you think it is you're actually getting here from Xcel

Conor May

- I still believe we will be able to incorporate more renewables into our portfolio faster without entering into a franchise agreement and could likely do it for cheaper; the city doesn't have a profit motive.
- It's better to own than to rent.
- Advantages that come with DG, microgrids and transactive energy
- Utility-scale wind and solar are cost-effective on their face, but bigger is not always cheaper
- The city could integrate more DG than Xcel
- New tech is on the horizon. We need the flexibility.

KK DuVivier

- People on this call are deeply disturbed about the consequences of climate change
- Even a five-year franchise is too long
- Thinking on the scale of climate change
- Don't compromise Boulder's ability to keep PSCo to their word and don't compromise our ability to go another way
- Two-year period and opt-in
- Time is of the essence here

Steve Pomerance

- This is premature
- Why is the city withholding documents that it's sharing with Xcel?
- We are the clients
- If undergrounding is the issue, get the legislature to clarify that everybody should get undergrounding, we're all paying the same rates
- What are other areas doing that don't have franchises?
- If we go into a franchise, before the leg passes CCE, we are screwed.
- We don't know what a citizen vote means

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- Two-year opt-in
- Why is the 80% plan secret?

Brad Segal

- I agree with Steve
- I think we're rushing into this
- I don't see what the urgency is
- We don't have patience, and it's killing us
- We don't have a crisis
- We don't need to sign a franchise
- Five years may be too long to meet flexibility goals
- This is not the year to ask
- Those people want to see what the costs of muni are
- We are violating that trust by moving ahead too quickly
- Let's be smart and try to honor what the voters asked us to do.

Liz Jacques

- I am so proud to be a 32-year resident of Boulder
- What's the public safety piece of all this?
- I doubt that Boulder can really pull this off
- The city was not there when we needed them during the flood
- I don't think the city will be able to provide the necessary personnel or expertise to reliably run the utility.
- Public safety: when we have a fire along the front range, is the city of boulder able to continue to provide service as needed
- Xcel respond within an hour to respond in the flood
- My background is in finance, so I wonder whether the numbers make sense, but I am really concerned about public safety

Evan Freirich

- Xcel would like the city of boulder to have a vote on whatever that they are proposing to the city
- Xcel should agree to not fund any promotion of the ballot item
- Xcel would say that they haven't been constricting the city of boulder, to me it looks like they've used every effort to delay
- I would Xcel agree that it would not oppose the valuation of the transfer of assets

Karey Crist-Janner

- What the city should press on, in a world of DER and the advent of storage....
- Customers are asking for storage for resilience and because they're beginning to understand that they can be a part of the grid
- It's an opportune time to be a really great pilot project
- Data-sharing
- Boulder should get involved in those dockets at the PUC
- We're finally now able to actualize; it can be done in the regulated space

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Donna George

- Why do they even have the 120% rule? Is it financial?
- You should be able to put as much solar on as possible and be able to sell it to neighbors
- Really important as we are dealing with climate change
- We should look for rebates for EVs and solar panels on homes to get more people able to make this transition
- Storage blows up. I want it to be safe storage
- Resilient to heat (storage)

Mary Pettigrew

- This is an existential crisis
- I've taken great comfort in knowing that my city was willing to pursue public power
- The talks have come out of nowhere
- Unnecessary speed to this process
- We need to do the right thing given the lack of leadership at the national level