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# Community Conversation: Colorado's Solar Future

May 2022

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## Overview

- Solar Energy Basics
- Why Solar Energy?
- Regulating the Energy
- Xcel's Proposed Renewable Energy Plan
- Breakout Room Discussion

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# Solar Energy Basics

## ROOFTOP SOLAR

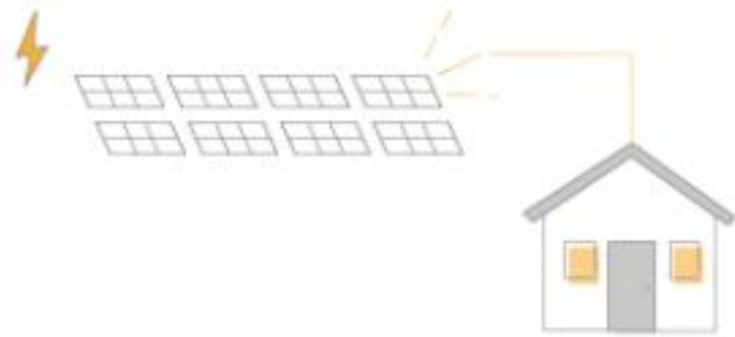
physically installed on  
your property



- Own or lease
- Offsets utility bill for savings
- Eligible for rebates and incentives

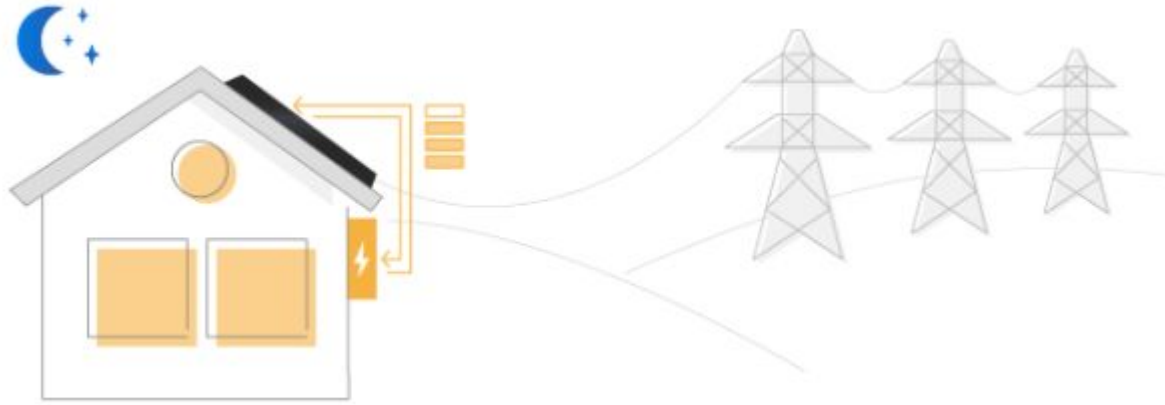
## COMMUNITY SOLAR

power is produced off-site



- Subscription model
- Offsets utility bill for savings

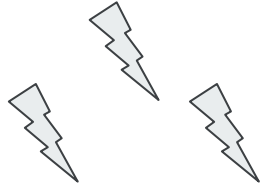
# Battery Storage



- Provides backup power
- Can help you avoid high utility rates
- Solar + Storage system is charged by your solar panels

# How Solar Savings Works

Energy (kWh):



Energy you  
CONSUME



Energy you  
PRODUCE



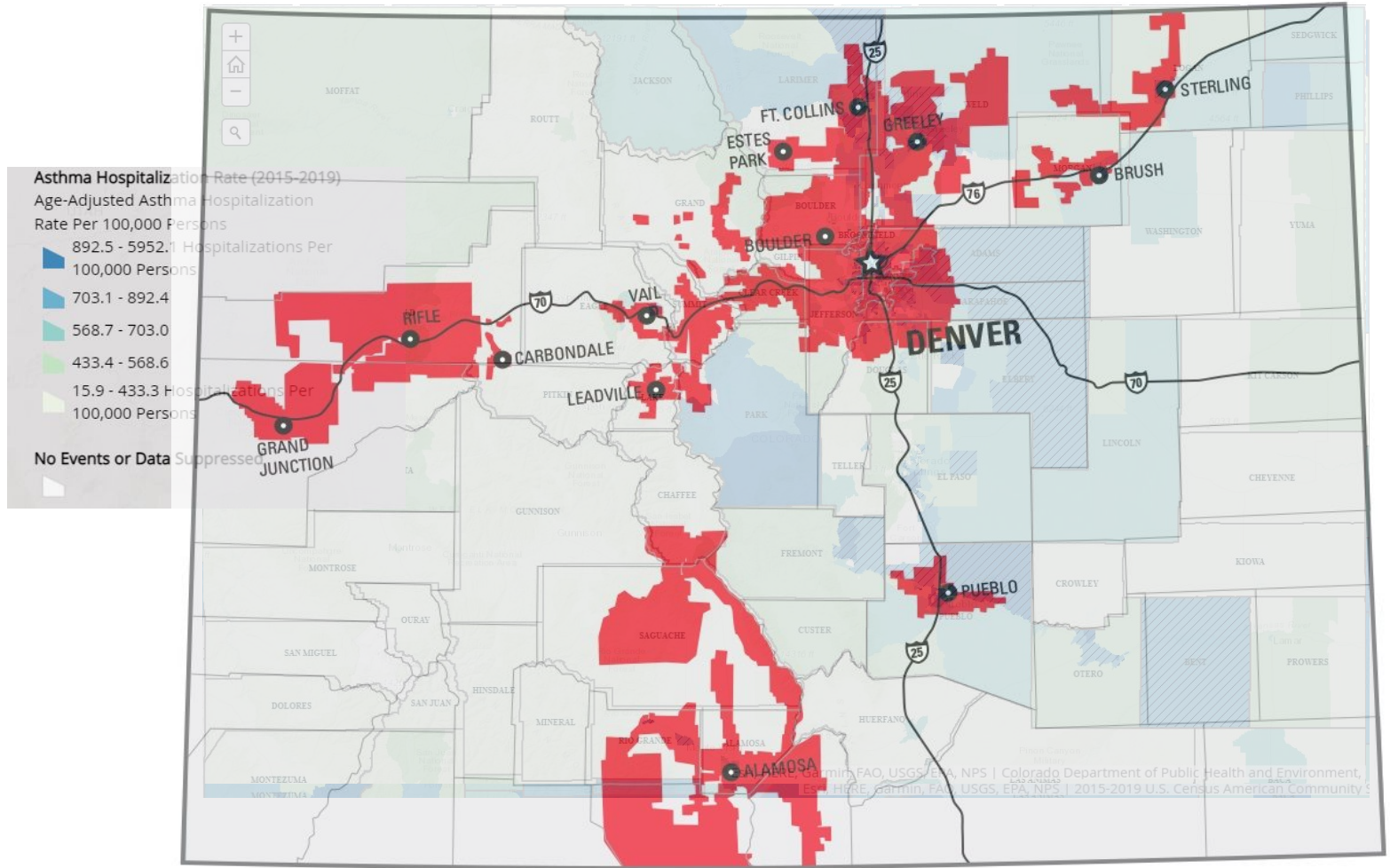
NET  
ENERGY

Bill (\$):



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# Why Solar Energy?



CDPHE Community Health Equity Map (2015-2019 Data). <https://data-cdphe.opendata.arcgis.com/>





## Metro Denver's deteriorating air quality ranks 7th-worst in the nation

BY MOLLY BURKE

April 21, 2022 at 12:00 p.m.



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## Environmental groups sue Gov. Polis' administration over Adams County air polluters

BY CONRAD SWANSON

April 21, 2022 at 12:10 p.m.



## Crews brace for strong winds, explosive wildfire growth in West

BY FELICIA FONSECA

April 21, 2022 at 4:49 p.m.



## The weather records that shaped Colorado this April: Fire danger, wind and lack of moisture

BY ANDY STEIN

April 29, 2022 at 6:00 a.m.



## Hail, fire and drought: Colorado behind only Kansas in spike of major disasters past 20 years

BY ALDO SVALDI

April 19, 2022 at 6:00 a.m.

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# Regulating the Energy

## Public Utilities Commission (PUC)

<https://puc.colorado.gov/>

commissioners + 90 staff members

Governor appoints



Chairman Erik Blank  
appointed 2020

regulates

Legislature guides



Commissioner John C. Gavin  
appointed 2019

proposes  
plan



Commissioner Megan Gilman  
appointed 2020

## Electric Utilities

Investor-owned



Non-PUC Regulated  
Utilities

Member-owned

- Municipal (28)
- Cooperative (22)



Renewable Energy Standard  
(RES) Plan 2022-25

## Public Utilities Commission (PUC)

<https://puc.colorado.gov/>

Conducts hearing and issues orders

Formal intervenors submit positions and recommendations in the form of testimony.

- PUC Staff
- Office of Utility Consumer Advocate (formerly Office of Consumer Council)
- Colorado Energy Office
- Energy Outreach Colorado
- City and County offices
- Solar industry
- Environmental advocates
- **Environmental Justice Coalition**

State government influences decisions.

- Governor's priorities
- Legislation
  - *SB21-272: Commission Modernization Bill*
  - *SB21-103: Sunset Office of Consumer Council*



# Environmental Justice (EJ) Coalition

- COLORADO LATINO FORUM
- CULTIVANDO
- GREENLATINOS
- GRID ALTERNATIVES
- MOTHERS OUT FRONT
- NAACP DENVER
- VOTE SOLAR
- WOMXN FROM THE MOUNTAIN

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# Xcel's Proposed Plan

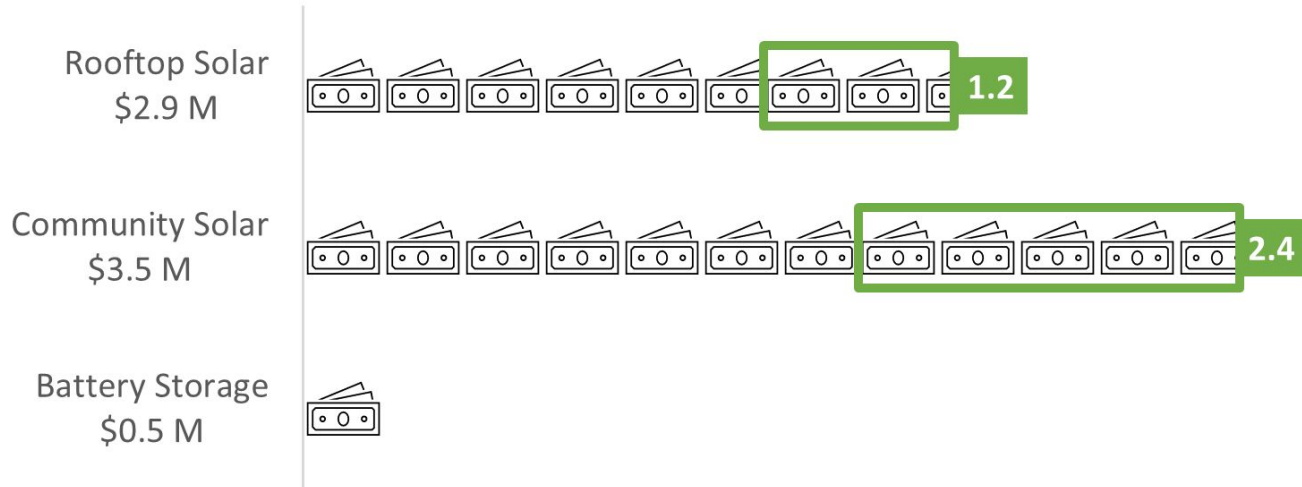
# Xcel Energy's Renewable Energy Plan 2022-25



- A four-year roadmap for how Xcel will expand renewable energy in CO
- Almost doubles the renewable energy in CO over the next four years
- Offers battery storage for homes and community solar customers
- Invests more than \$3 Billion in renewable energy over the next four years
- Adds enough renewable energy to power 750,000 homes

# Xcel Plan Budget (million \$)

## Total for Year 1: \$6.9M



🏠 Spending Level (million \$)

🏠 Income-Qualified Spending Level



# What is the RESA? Renewable Energy Standard Adjustment



A bill “rider” (charge) on your monthly bill to pay for renewable-energy resources

- Over \$900M collected through RESA since its start in 2006
- Low-income ratepayers have paid at least **\$105M** into the RESA
- Only ~\$1M (slightly more than 1%) to date of RESA investment has been dedicated to low-income customer programs
- Formerly 2%, reduced to 1%; Xcel is proposing to keep it there



## Renamed from Low-Income Rooftop Solar

- Continue to be coordinated by the Colorado Energy Office (CEO), who will install rooftop solar PV on qualified low-income-occupied dwellings located within the Company's service area.
- The solar PBI REC purchase of **\$0.034/kWh** and an **upfront incentive of \$2.00/Watt paid to CEO continues.**
- CEO may leverage additional funds from organizations other than Public Service to cover the cost of the solar installations.



A community solar garden is a solar electric generation facility with a maximum of 5 MW in which subscriptions are owned by 10 or more customers of a qualifying retail utility

- 5% low-income **carve-out**
- **Eligibility:** Customers must qualify for LIHEAP or be a member of Energy Outreach Colorado, GRID Alternatives, or The Atmosphere Conservancy. Municipal housing authorities are also eligible
- Bill credit/reduction
- Workforce component

**Xcel Settlement Agreement**  
13.5 MW of RFPs for new LMI community solar systems, Xcel Energy assuming 5% carveout through new program

# Proposed Solar\*Rewards plus Storage program



VOTE SOLAR

Transition the stand-alone Solar\*Rewards Small program to a new solar plus storage offering with **multi-incentives** of solar and storage for residential customers. The solar and battery offering **will support approximately 340 battery systems** on an annual basis.

- **Contract Period:** contract with the Company to generate solar energy for a term of 20 years with a Performance Based Incentive (PBI) payment stream
- An **up-front storage incentive** per participating customer premise (based upon kW of installed battery capacity),
- An annual incentive for allowing the company to dispatch the battery.

# Issues with the Plan



- Funding proposal for income-qualified customers is not proportional to customer contributions
- Proposal keeps the RESA at 1%, meaning less funding for future programs
- No plan to promote battery storage for low-income customers
- Stakeholder engagement during the drafting of this plan was lacking
- No definition for “low-income” nor “disproportionately impacted communities”
- No clear plan to measure income qualified customer participation
- Xcel released this plan late, making it impossible to comply with the law in 2022



## Questions for Breakout Discussion

- What are your initial thoughts about the plan?
- What parts of the plan do you like or dislike?
- How do we measure the success of equity programs?
- What would you like to see included in the plan?



## Next Steps:

Public Written Comments  
Public Hearing

Contact for questions and feedback

[claudine@votesolar.org](mailto:claudine@votesolar.org)

[juanmadrid@greenlatinos.org](mailto:juanmadrid@greenlatinos.org)

