Community Conversation: Colorado's Solar Future

May 2022
Overview

● Solar Energy Basics
● Why Solar Energy?
● Regulating the Energy
● Xcel’s Proposed Renewable Energy Plan
● Breakout Room Discussion
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):

Bill ($):

- $ - $ - $ + $ + $ = NET ENERGY
Why Solar Energy?
Metro Denver’s deteriorating air quality ranks 7th-worst in the nation
BY MOLLY BURKE
April 21, 2022 at 12:00 p.m.

SUBSCRIBER ONLY
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.
Regulating the Energy
Public Utilities Commission (PUC)  
[https://puc.colorado.gov/](https://puc.colorado.gov/)  
commissioners + 90 staff members

Chairman Erik Blank  
appointed 2020

Commissioner John C. Gavin  
appointed 2019

Commissioner Megan Gilman  
appointed 2020

Governor appoints

Legislature guides

Electric Utilities

Investor-owned

Non-PUC Regulated Utilities
Member-owned
- Municipal (28)
- Cooperative (22)
Public Utilities Commission (PUC)  
[https://puc.colorado.gov/](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
Xcel's Proposed Plan

- 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

- Rooftop Solar
  - $2.9 M
  - Spending Level (million $)
  - Income-Qualified Spending Level

- Community Solar
  - $3.5 M
  - 2.4

- Battery Storage
  - $0.5 M
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.
Solar Rewards Community Solar Program (CSG)

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

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

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