



“I think the attitude of ‘we want to do better’ is what makes Boulder great. When it comes to our power, we need to do better. And we can.”

Lynn Hill
Elite Rock Climber

BoulderEnergyFuture.com



“It’s brilliant that Boulder is looking at changing its relationship with our power supply. That is the real issue.”

Alex Bogusky
Creative Insurgent, COMMON

BOULDER'S ENERGY FUTURE

In 2006, Boulder voters passed the nation's first "carbon tax" to reduce the city's greenhouse gas emissions. Last year, Boulder's 20-year franchise agreement with Xcel Energy expired, giving the city the opportunity to thoroughly research the future of its energy. Now, Boulder is looking at the best paths for achieving the goals that the community has said are important. These goals are:

CLEAN: Cleaner energy that makes use of more renewable sources of power;

LOCAL: As much local generation as possible to stimulate Boulder's economy and drive competition;

RELIABLE: Reliable power at affordable, stable rates;

POWER: More local control of energy decisions and investments.

There are several different ideas about how these goals might be met. In the coming months, we, as a community, will have the opportunity to learn more, and to decide the path we think is best. While our City Council is expected to make a recommendation this summer, the ultimate choice will be up to voters this November.

You have the power to decide: The city has been working with a team of industry experts to collect and analyze information about our energy goals and options. They have been looking at the opportunities and benefits, the drawbacks and potential costs, and the possibilities and potential pitfalls of various options.

There are still questions left to answer, but much of what we have learned so far was outlined in a May 10, 2011, memo to City Council. This memo, the formal presen-

tation to council, and a taped version of the council's study session are available at boulderenergyfuture.com. The city is also preparing a community guide to help provide concise, easy-to-understand answers to key questions you might have.

The city's commitment to you is this:

Our community's decision will be grounded in solid data, an understanding of the implications and clear communication to support an informed choice by Boulder voters.

City Council is currently considering three paths to accomplish our goal of reliable energy that is increasingly clean and competitively priced:

1. A NEW PARTNERSHIP WITH XCEL ENERGY

What this path might look like: The city could work with Xcel Energy—our current energy provider—to reach a Boulder-specific set of agreements that would better achieve our community's goals. Xcel would remain our primary power provider. Based on feedback from Xcel, it is likely the utility would only consider this path if the city agrees to sign (and voters approve) a new, 20-year franchise agreement.

What we're hearing: Very little, mostly because the specifics of this option remain unclear. While the city has been talking with Xcel about the community's goals for many months, and the company has said it is working on some ideas, the utility had not presented a proposal as of May 19 when this booklet went to press. Without details, it is difficult to compare this option with the others that are on the table or to consider the potential benefits and drawbacks of this approach.

2. FORMING A LOCAL POWER UTILITY

What this path might look like: The city could form a new energy utility, giving Boulder local control of its energy decision-making. Twenty-nine cities in Colorado run their own energy utilities and there are a variety of models. Some cities run the utility themselves, while others contract with vendors to maintain day-to-day operations. A locally owned and operated utility would choose where it gets its power and how to invest its revenues. It could purchase energy from Xcel or from other providers. Regardless, Boulder would still be "tied" to the regional energy grid and state law would provide us with access to constant power.

What we're hearing: This option represents the biggest change for Boulder—and there are many viewpoints.

Some say a local power utility, which would be free from Public Utility Commission regulations and shareholder pressures that govern Xcel Energy, could increase renewables, encourage more market competition and support local energy-related businesses, while maintaining reliability and ultimately lowering rates. These community members believe Boulder would get more of a say in how and where it gets its energy. They want the revenue that comes from providing energy to Boulder residents and businesses to stay in Boulder and be invested according to community values. (Revenues from the utility would, however, have to be used for energy-related purposes; they could not be used for other needs.)

Others worry about the costs of starting up a new endeavor and of acquiring the system that Xcel currently owns to distribute power. They point out that the process could involve lengthy court disputes. Some say rates would have to go up to support these issues. They have questions about who would make the utility's decisions and want assurances that the supply would be reliable.

3. KEEPING THE CURRENT SYSTEM AS IS

What this path might look like: There would be no obvious changes. Under state law, even without a franchise agreement, Xcel Energy is required to provide electricity and gas service to residents and businesses in Boulder. The utility would follow its existing business model and treat Boulder the same as the rest of its service area, with the exception of collecting the Climate Action Plan tax and the Utility Occupation Tax. These are fees customers pay to support energy conservation programs in our community and to replace money Boulder would have received to fund core city services if the city had signed a 20-year franchise agreement. These taxes expire in 2013 and 2015.

What we're hearing: Some say that Xcel already has a good record of investing in renewable energy, and that it will continue to do so under the new Clean Air-Clean Jobs Act and the state's "Renewable Portfolio Standard." They say the utility has provided reliable and affordable service and see little reason to make a change.

Others believe the utility has not done enough to expand its use of renewable energy sources and has financial incentives, due to its investments in coal plants, to continue to rely on fossil fuels. They say the company, because of the regulations it must follow and the business model it chooses to follow, is slow to change and has been insufficiently responsive to our community's goals. Pointing to rising coal costs and the company's own projections, they say that customers are likely to see significant increases in their bills over the next 10 years.

We hope this overview has given you a basic idea of the energy choices we face. No matter where you stand, the city hopes you will learn more and encourages you to give us feedback at www.BoulderEnergyFuture.com.



“If you want to actually get things done, if you want to make positive changes, you start at the local level.”

Shawn Coleman
Business/Political Expert



“We do our children a disservice if we teach them that our resources are endless. This is our time, our planet. We only have one chance to do this. To do it right.”

Elaine McCarthy
2010 Educator of the Year



“If you look at anything that’s changed over time, it was once seen as something that couldn’t be changed. Since society is man-made, we can change anything we want.”

Isaac Karsen
CU Student

Please Join Us

Learn more and give feedback at these events:

Info Forum: *Know Your Power*

Thursday, June 2 | 6 to 8:30 PM

East Boulder Community Center
5660 Sioux Drive, Boulder

Speakers: Tom Plant, former director of the Governor’s Energy Office; Steve Catanach, Power & Light Manager of the Fort Collins Utilities; and Paul Fenn, director of Local Power, Inc. Xcel Energy has been invited to participate. City staff will be available to answer your questions.

City Council Study Session

Tuesday, June 14 | 6 to 9 PM

1777 Broadway St., Boulder

www.BoulderEnergyFuture.com features a comment form. All comments submitted there will be shared with City Council.

Feedback Forum:

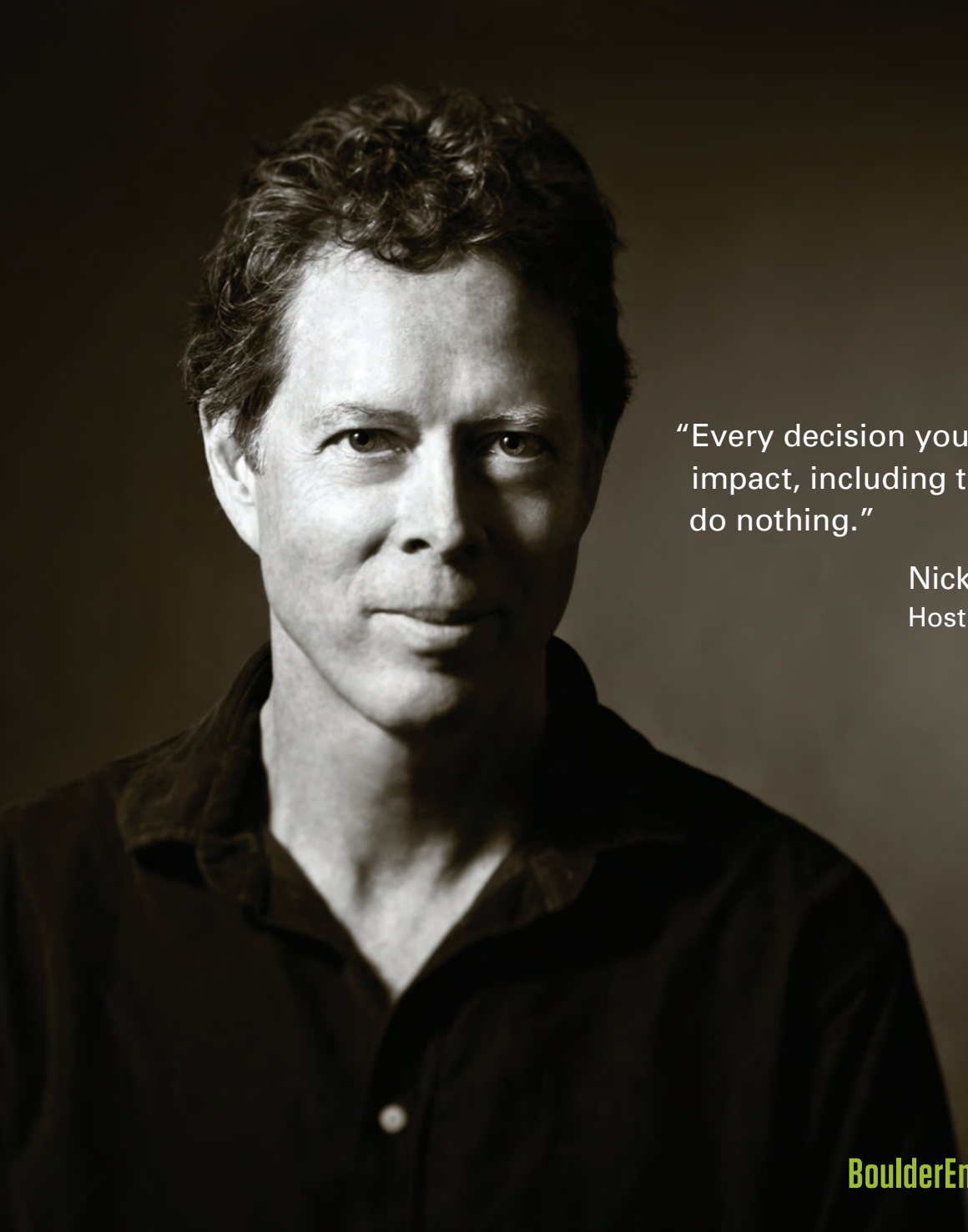
You Have the Power to Decide

Tuesday, June 28 | 6 to 8:30 PM

East Boulder Community Center
5660 Sioux Drive, Boulder

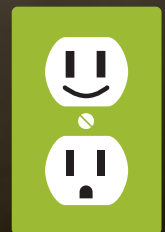
Speakers to be determined



A black and white portrait of Nick Forster, a man with curly hair, looking directly at the camera. He is wearing a dark polo shirt. The background is dark and out of focus.

“Every decision you make has an impact, including the decision to do nothing.”

Nick Forster
Host of E-Town



BoulderEnergyFuture.com