

# MINUTES

CITY OF FORT COLLINS • BOARDS AND COMMISSIONS



## ENERGY BOARD

September 8, 2022 – 5:30 pm  
222 Laporte Ave – Colorado Room

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### ROLL CALL

**Board Members Present:** Alan Braslau (remote), Steve Tenbrink, Dan Gould, Marge Moore (remote), Emilio Ramirez (remote), Jeremy Giovando (remote), John Fassler, Bill Becker, Sidra Aghababian

**Board Members Absent:**

### OTHERS PRESENT

**Staff Members Present:** Christie Fredrickson, Adam Bromley, Brian Tholl, John Phelan, Leland Keller (remote), Honore Depew (remote), Cyril Vidergar (remote), Heather Young, Shannon Ash, Lance Smith (remote), Kendall Minor

**Members of the Public:** Tom Loran, Rich Stave

### SOLAR 120% RULE CODE REVISIONS

*John Phelan, Energy Services Manager & Energy Policy Advisor*  
*Leland Keller, Energy Services Engineer*

Staff is proposing to replace the 120% rule in code because it will encourage solar systems that serve increased use from electrification (e.g., electric vehicles, heat pumps), accelerate contribution to reaching the community's renewable electricity goals, as well as simplify application process for customers, solar trade allies, and staff.

Our Climate Future targets 5% local solar and Platte River Power Authority's resource planning includes 100 to 150 megawatts of distributed solar by 2030. Along with this change, staff anticipates 60-75 megawatts of solar (and increase of 2.5) inclusive of 5,000-7,000 solar systems (roughly 20% of single-family homes). In order to sustainably scale solar in the community, staff will have to evaluate the City's rate mechanisms after the change, as well as on an annual basis. If the utility maintains the current solar credit rate as retail rates increase over time, there will be no reduction in benefit (the self-consumed benefit continues to increase). Staff will also annually review all the rate components (base charges, solar credit, distribution facilities, and Time-of-Day charges) to ensure it remains sustainable

The new proposed ordinance reads as follows: "The qualifying facility is sized according to policies set by the Utilities Executive Director under Subsection (h) of this Section, relative to an allowable reference size or the customer generator's average annual electricity consumption at that site, including all contiguous property owned or leased by the customer-generator, without regard to interruptions in contiguity caused by easements, public thoroughfares, transportation rights-of-way or utility rights-of-way."

The recommended ordinance will replace 120% language in all rate codes with reference to the Utilities Director Administrative Rules. The proposed rules for customer-owned systems will have sizing approval for up to 200% of historical annual use, or 12 kW DC or less. For third party-owned systems (Purchase Power Agreements or leases) will have sizing approval for up to 120% of historical annual use, limited by the Platte River power supply agreement. The rules include details on how percentages are calculated, options for homes without history, and a process for exceptions. Council adopts these rules and they can be subsequently adapted administratively. If these changes are approved, it is expected to reduce staff review of calculations from roughly 600 to less than 40 annually.

Board member Braslau said the sizing limits don't read clearly to him and suggested clarifying it by noting that the system is limited to 12 kW of it can be larger if it falls beneath 200% of the home's historical usage.

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### REGULAR MEETING

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Mr. Phelan noted that a caveat exists for third party-owned systems (PPA or lease), the 120% rule will remain due to the Power Supply Agreement with Platte River Power Authority.

Board member Braslau noted there is no mention of the rate in the ordinance or in text of the administrative rules, which he believes is fundamental to increase in solar capacity beyond 120%. He said it is important to encourage self-consumption and not to encourage individuals to get into the business of selling energy. Mr. Phelan said there will be info in the Council Agenda Item Summary that will discuss the rate goals, but the action staff is requesting is not related to rates.

Board member Braslau also asked if it is possible to add a cap on residential customers are paid annually beyond their self-consumption. Vice Chairperson Becker said if the rate is appropriate, then having private investment capital in our climate future is a good thing. Additionally, Mr. Braslau wondered if staff could compare subsidies to what the City is spending in the Income Qualified Assistance Plan.

Mr. Phelan said staff calculated that the current rate structure represents about 0.5% residential revenue, or about 40 cents per month on non-solar customers (about \$300,000). If we don't make any of the rate structure adjustments, it could go up to approximately \$1 per month, which is why staff is proposing the differentials.

**Vice Chairperson Becker moved the Energy Board recommends that Council adopt the Ordinance that replaces the current solar sizing requirements in code with revised language referencing Utility Executive Director's administrative rules and that approves the October 2022 solar sizing rules, inclusive of the minor language clarifications suggested by the Energy Board. Board member Moore seconded the motion.**

Discussion:

Board member Braslau noted that nothing in this recommendation goes against his previous comments, he thinks simplifying the code and will allow for flexibility. He clarified that he does support this motion.

**The motion passed unanimously, 9-0.**