

## Boulder City Council votes to proceed with municipalization

**From the April 19, 2017 issue of *Public Power Daily***

Originally published April 18, 2017

By [Jeannine Anderson](#)

*News Editor*

At the end of a nearly five-hour special meeting and public hearing the evening of April 17, the Boulder City Council voted 6-3 to keep moving forward with its effort to form a city-owned electric utility and take over electric service from investor-owned Xcel Energy, rather than to pursue a settlement with Xcel.

The Colorado city has been pursuing the public power option for a number of years.

At its April 17 meeting and public hearing, the City Council had before it two settlement proposals from Xcel that the city leaders could have decided to place on the November ballot. Both proposals — one to create a partnership between the investor-owned utility and the city, and another to let Boulder buy Xcel's system, for a price of up to \$900 million — [would end all litigation](#) between the two parties.

The city also had another option: to reject both settlement proposals and go to an eight-day hearing before the Colorado Public Utilities Commission that is scheduled to start on April 26. That is the option that the city leaders chose.

The PUC is currently reviewing the city's [application](#), filed in September 2016, asking for approval to transfer the electric system assets necessary to operate a municipal electric utility. Those assets would be transferred from Xcel Energy to Boulder.

### **Overflow crowd; comments last for 3 hours**

Ninety people signed up to speak at the public hearing, and an overflow crowd attended the event, reported the local newspaper, the Boulder Daily Camera. The public comments lasted for three hours and "were overwhelmingly in favor of staying the PUC course and rejecting the current settlement paths," the newspaper reported.



*The city of Boulder has been pursuing the public power option for years, in hopes of getting a power supply that focuses more on renewable resources and less on fossil fuels.*

The City Council debated the merits of what city leaders called “a pause” in Boulder’s efforts to municipalize. A pause would have halted the city’s efforts to create its own utility and would have allowed city leaders to put one or more of the settlement proposals from Xcel Energy on the ballot in the upcoming elections in November. Taking this step would have meant stopping the process before the PUC.

Boulder Mayor Suzanne Jones was among those who voted against stopping the PUC proceedings.

"We have spent a lot of time and money to get to this place in order to finally get an answer," she said. "We need to follow through."

Voting with the mayor were City Council members Matt Appelbaum, Aaron Brockett, Lisa Morzel, Sam Weaver and Mary Young.

Voting in favor of a pause were Mayor Pro Tem Andrew Shoemaker and council members Bob Yates and Jan Burton.

### **Boulder seeks to de-carbonize its electricity**

The Colorado city of 100,000, located 35 miles northwest of Denver, has sought for about a decade to find a way to reduce the carbon content of its energy supply and to add more renewable resources to its power supply — and has been investigating the option of creating a local public power utility as one way of accomplishing those goals.

Voters in Boulder considered this topic, or related issues, in 2010, 2011, 2013 and 2014. In each of those four elections, a majority of voters wanted the city to pursue the creation of a local electric utility.

Over the last six years, the city has developed detailed plans to acquire Xcel’s assets, but the private utility has opposed those plans, resulting in legal fights between the two. Xcel’s two settlement proposals were reached after 15 months of negotiations.

An updated analysis released by the city [last November](#) found that creating a public power utility would be cost effective over 20 years. Even with conservative estimates, “a city-operated utility could meet each of the financial charter metrics approved by voters in 2011 and 2013 and would allow the city to reach at least 80 percent renewable electricity by 2030,” Boulder said.

The PUC, which is due to take up Boulder’s application next week, is expected to make a decision in the matter by mid-June.

Meanwhile, Xcel Energy and IBM, which owns a large data center in Boulder, have filed motions with the PUC asking it to dismiss the city’s application. The PUC has said it would consider those motions by April 19.