

Case Study: Community Solar for Municipal Utilities

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About CFU

- Municipally owned, serve the City of Cedar Falls, IA (northeast IA)
- Provide electric, natural gas, water, cable TV, high speed data and soon phone services
- About 18,000 electric customers



CFU Community Solar Concept

Develop a community solar project that would:

- Provide for broad customer participation
- Be financially supported by those customers with an interest and willingness to participate financially
- Be local and visible in our community
- Showcase renewable energy



CFU Community Solar Project



- 1.5 MW fixed tilt installation
 - Online by April 1
- Customers pay upfront fee
 - Receive utility bill credits for 20 years
 - Credits for the energy output from their proportional share of the array
- Currently 96% subscribed



CFU Community Solar Project



- CFU chose to handle all customer interaction
 - Marketing, customer enrollment, billing
 - Coordinated the location
- Third party (RER Energy)
 - Build and owns system
 - CFU purchases power via power purchase agreement (PPA)



Fundamental Question

1. Why are you interested in community solar?
 - Example 1: Meeting a requirement
 - Example 2: Voluntary project partially or fully funded by participating customers
 - Example 3: price-competitive generation resource needed for supply side reasons



Fundamental Answer

The project motivations can affect the type of community solar model chosen:

- Do participants pay upfront, or do they pay over time?
- Do you want to use utility staff or turnkey providers to implement the project?
- System size
 - Affects ownership model (PPA versus full purchase or other options)



Implementation Components

1. Utility Staff versus third party providers
 - Marketing
 - Customer surveys to gauge interest
 - Customer enrollment and services
 - Billing system modifications
 - Site acquisition/construction
 - Rate design/financial modeling
 - Legal
 - Customer and developer agreements



Community Solar Project Size

- Municipal utilities cannot take many solar tax credits directly
 - Need to coordinate through a power purchase agreement or other option in order to pursue credits
- Your project size may affect your appetite for pursuing 3rd party ownership models/tax credits
 - Third party coordination adds to cost
 - < 500 kW vs 1+ MW



Questions?

