

CITY COUNCIL COMMUNICATION



MEETING DATE: October 24, 2023

ITEM NUMBER: 5.A

SECOND READING:

{{customfields.ResoOrdNumber}}

TYPE OF ITEM: Special Reports/Presentations

PRESENTED BY:

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SUBJECT/AGENDA TITLE:

Electric Utility Update, Including Platte River Power Authority's Integrated Resource Plan Process

EXECUTIVE SUMMARY:

Fifty years ago (1973), the City of Longmont partnered with Estes Park, Fort Collins, and Loveland to create Platte River Power Authority (Platte River), a not-for-profit, community-owned public power generation and transmission utility that provides safe, reliable, environmentally responsible, and financially sustainable energy and services to its owner communities for delivery to their customers. Platte River is governed by an eight-person board of directors that includes two members from each owner community (the mayor or designee and another council-appointed representative who typically is the municipal utility director).

Longmont Power & Communications (LPC) is the local and city-owned, not-for-profit electric distribution utility that operates and maintains Longmont's electric grid. LPC and Platte River, along with the other owner community utilities, work together to maintain their mutual objectives of safety, reliability, environmental stewardship, and financial sustainability in each community. The City of Longmont and Platte River share a goal to proactively work toward a 100% noncarbon energy mix by 2030, per the Resource Diversification Policy passed by the Platte River Board in 2018. Making progress toward this aggressive goal while maintaining mutual objectives requires methodical resource planning and continued collaboration on new initiatives and programming.

To this end, Platte River's Integrated Resource Plan (IRP) is a comprehensive, long-term strategy that efficiently meets projected energy demand through a balanced integration of supply- and demand-side resources. Its primary goal is to determine the optimal combination of resources for supplying reliable, cost-effective, and environmentally sustainable electricity

to its customers. Supply-side resources include renewable and dispatchable sources, with considerations for availability, cost, and environmental impact. Additionally, the IRP considers demand-side resources and engages public input for community alignment. Regular reviews and updates adapt the Plan to changing circumstances, technologies, and regulations. Mandated by the Western Area Power Administration (WAPA) every 5 years, the IRP paves the way toward a cleaner, greener, and resilient energy future.

Beyond Platte River's IRP, LPC must do its part locally to support and promote efforts that align with the IRP and local goals.

COUNCIL OPTIONS:

1. N/A

RECOMMENDED OPTIONS:

N/A

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:

N/A

BACKGROUND AND ISSUE ANALYSIS:

Typically, an IRP is developed for the next 10-20 years and is updated every few years. It includes a short-term action plan and an annual follow-up on plan execution. WAPA mandates the submission of an IRP every five years to maintain federal hydropower allocations. Platte River's last IRP was submitted in 2020 and the utility is currently in the process of developing the plan it will submit in 2024 – slightly ahead of the five-year schedule but necessary to evolve with unprecedented changes in the industry.

The primary objective of an IRP is to determine the optimal combination of resources that ensures a reliable, cost-effective, and environmentally sustainable electricity supply to customers. Supply-side resources include renewable energy options like solar, wind, hydro and dispatchable resources. Each resource has its advantages and limitations, such as maturity, availability, cost, and environmental impact. Platte River aims to strike a balance between maximizing the use of renewable and clean energy while maintaining reliability and financial sustainability. In addition to the supply-side resources, Platte River also is considering demand-side resources in its analysis.

Moreover, an effective IRP involves collaboration and engagement. Public input and feedback are essential to ensure that the Plan aligns with the needs and expectations of the communities it serves.

Periodic reviews and updates are crucial for an IRP to remain relevant and adaptable to changing circumstances. As new technologies emerge, market conditions shift and environmental regulations evolve, the IRP must be adjusted accordingly to remain on track in achieving its objectives. Platte River is committed to evaluating all these elements.

Platte River's IRP is a forward-looking roadmap that guides the utility in making informed decisions about the optimal mix of energy resources, focusing on reliability, financial sustainability, and environmental responsibility. By striking the right balance between supply-side and demand-side resources, the IRP paves the way for a cleaner, greener, and more resilient energy future for customers.

Additional opportunities to learn more about the IRP process include a community engagement meeting at Platte River Headquarters in Fort Collins on Thursday, Nov. 2, 2023, from 6 p.m. – 8 p.m.

Another community engagement event will be held here in Longmont at the Longmont Museum on Monday, Nov. 13, 2023, from 6:30 p.m. – 8:30 p.m.

Stay informed by visiting prpa.org/2024irp (www.prpa.org/2024irp/information/).

ATTACHMENTS:

None