



STUDY FINDS COLORADO CAN ACHIEVE CLIMATE CHANGE GOALS STATE-WIDE **AND** REDUCE ELECTRIC RATES BY OVER 15% BY 2040

The key is an integrated, multi-sector approach that uses savings from early coal plant retirements to fund transportation and building electrification.

Boulder, CO, November 5, 2019 – A new report commissioned by Community Energy, Inc. finds that replacing Colorado’s aging coal plants with a mix of wind and solar backed by battery storage and some natural gas, and electrifying transport and buildings, would reduce Colorado electric costs and average rates by more than 15% by 2040 and produce annual savings in excess of \$700 million.

The modelling study, prepared by Vibrant Clean Energy, LLC, further finds that re-investing some portion of the coal plant retirement savings into accelerating transportation and building electrification can reduce **STATEWIDE** CO2 emission by 56% by 2030 and almost 70% by 2040, well above the aggressive statutory CO2 emission reduction requirements in recently passed state legislation, HB19-1261. These carbon-reduction targets meet the levels established by the latest climate change science to avoid the most serious climate change impacts.

“Colorado has the opportunity to decarbonize its economy **AND** lower utility rates and costs,” said Eric Blank, EVP at Community Energy, Inc. “The key is to focus across multiple sectors using savings from coal plant retirements to fund building and transport electrification. The new electric demand also allows for far greater renewable penetration as wind and solar facilities that would otherwise be curtailed (due to inadequate demand) can now be used to flexibly charge growing amounts of electric vehicle batteries.

Using assumptions from recent Colorado PUC filings and NREL reports, the study finds that the ability to reduce CO2 emissions and lower utility costs and rates holds true across most natural gas pricing, interest rate and demand growth assumptions. It is primarily driven by the fact that new wind and solar facilities are now far less expensive to build than the operating costs of the aging coal fleet.

The report indicates that there is an opportunity for utilities to recover up to \$1.5 billion in undepreciated asset value by the coal-plant owners to facilitate the voluntary phased retirement of the coal facilities and transport and building electrification. Wind and solar prices in the report reflect a mix of both utility and private ownership, consistent with the approach adopted in the recent Colorado PUC-approved retirement of two coal units in Pueblo Colorado.

According to Chris Clack, CEO of Vibrant Clean Energy, “the Community Energy sponsored study confirms that wind and solar are now far cheaper than the operating costs of many aging coal plants and that it’s now possible to leverage these savings to accelerate transport and building electrification.”

“The path forward to reducing CO2 emissions and lowering electricity costs in Colorado is now clear. Using this study as a guide, the state can now collaborate across sectors to focus on the largest, quickest, and most cost-effective emission reduction opportunities,” said Blank.

About Community Energy:

For more than twenty years, Community Energy, Inc. has partnered with utilities, Fortune 500 companies and local communities to develop over 1,700 MW and invest more than \$3.5 Billion in solar and wind generation. As an early entrant in commercializing renewable energy, Community Energy leverages emerging technologies and resources to support decarbonization of our energy systems and promote fuel-free approaches. Headquartered in Radnor, Pennsylvania and with offices in Boulder, Colorado and Chapel Hill North Carolina, Community Energy has a strong presence in diverse geographical markets. For more information about Community Energy please visit www.communityenergyinc.com.

About Vibrant Clean Energy: A nationally recognized energy grid modeling firm based in Boulder, Colorado. VCE® creates computer optimization software to study pathways for energy systems futures. It also performs studies using WIS:dom® to provide expertise in new arenas of electrification, decarbonization and variable resources. The mission of VCE® is to help facilitate universal, sustainable, and cheap energy for everyone.

A summary of the study and its key assumptions can be downloaded at www.communityenergyinc.com/costudy.