

# First NCP4CE Review of the PRPA Zero Net Carbon Portfolio Analysis

*Statement posted on December 21, 2017*

On December 7<sup>th</sup>, the Platte River Power Authority (PRPA) publicly released its “[Zero Net Carbon \(ZNC\) Portfolio Analysis](#).” That study shows that the PRPA could supply zero net carbon electricity to its four owner communities (Estes Park, Fort Collins, Longmont, and Loveland) at a net cost only 8% higher than the base case over the period 2018 – 2050. This 8% additional cost applies only to the generation and transmission of electricity to the four communities – not to the distribution of electricity and the associated administrative costs WITHIN each community. Since these distribution and administrative costs are substantial, the cost increase to utility customers would be significantly less than 8%. Therefore, the study shows that zero net carbon electricity is achievable at a very small cost premium compared to continuing our heavy reliance on fossil fuels.

The Northern Colorado Partners for Clean Energy (NCP4CE) notes that the PRPA’s ZNC study is based on keeping its Rawhide coal-fired plant open until 2030, and then replacing it that year with a gas-fired plant of roughly the same size. The gas-fired plant would generate approximately 25% of the electricity used by the PRPA’s owner communities. New wind turbines and solar arrays would also be added, which would produce MORE electricity than what is needed by the PRPA’s owner communities. The excess wind- and solar-generated electricity would then be sold to other utilities. The carbon emissions from the gas-fired plant would be offset by those sales – hence the “Net” in the ZNC moniker. The NCP4CE does not support this approach, which continues to rely on a significant amount of fossil fuel-generated power.

The NCP4CE has commissioned two reviews of the PRPA’s ZNC study. The first of those reviews, conducted by the Catalyst Cooperative, is being released today and is available [here](#). The second review – which will take a deeper dive into the AURORA dispatch model at the heart of the PRPA’s study – will be available in February of 2018.

The Catalyst Cooperative review found that the PRPA’s study is based on generally conservative assumptions that favor the continued use of coal and natural gas over wind, solar, and battery storage. That review suggests that future analyses – which the PRPA has committed to performing – should explore the impact of modifying the following variables:

- Future fuel prices for coal and natural gas,
- Future costs of wind, solar, and electricity storage,
- Reduced carbon intensity of the regional electric grid (meaning offsetting sales of renewable electricity would have to be increased),
- Earlier investments in energy efficiency and demand response.

The Catalyst Cooperative review also encourages the PRPA and its owner communities to account for the climate impact of methane leaks during the natural gas extraction and distribution processes, as well as methane emissions from reservoirs used to generate hydroelectricity. Such an accounting would allow an assessment of how much additional renewable generation would be needed to offset those emissions.

Finally, the Catalyst Cooperative review suggests that it would be better to invest sooner in renewable generation capacity than contemplated by the PRPA’s study, in order to reduce carbon emissions still

further for the same marginal costs. In light of this suggestion, the NCP4CE was very pleased to learn that in early December, the PRPA decided to acquire 150 Megawatts of wind-turbine capacity - which was not included in the ZNC study.

The NCP4CE looks forward to working with the PRPA and its owner communities in the months and years to come to refine their analysis of how we can eliminate the carbon emissions associated with the electricity we use in order to help preserve a livable climate.

###

The member organizations of the NCP4CE are: 350 Northern Colorado, Colorado Sierra Club, Community for Sustainable Energy, Environment Colorado, the Estes Valley Clean Energy Coalition, the Fort Collins Sustainability Group, the Northern Colorado Renewable Energy Society, Renewables Now Loveland, Sustainable Resilient Longmont, and Transition Fort Collins.