



April 10, 2014

NEWS

LPEA approves 1.025 megawatts at six potential “solar gardens” *Long-awaited LPEA Policy 366 paves the way for entrepreneurial solar developers*

DURANGO, Colo. – Members of La Plata Electric Association (LPEA) will soon be able to offset their use of electricity with local renewable generation, as the LPEA Board of Directors has developed and approved Policy 366, paving the way for independent developers to this year build 1.025 megawatts of Community Solar Gardens (CSGs) in LPEA’s service territory.

Solar gardens (or “solar farms”) are distributed solar electric generation facilities from which consumers can purchase “shares” or panels accounting for a specified amount of solar generation. LPEA’s policy will enable its members who have poor or no solar rooftop space, an opportunity to participate in solar electric generation. The CSGs can potentially also allow renters, low-income members and others unable to install solar generation the ability to own interests in solar generation facilities.

“The solar garden concept being initiated by cooperatives across the country is an example of what cooperatives have always done – respond to their member-customers’ requests,” said Greg Munro, LPEA CEO. “Our board has approached this prudently and we’ve tried to learn from projects initiated by other co-ops. We have endeavored to be fiscally responsible and fair to our entire membership as we move forward with this process.”

LPEA will enter into contractual agreements with four “Applicant/Subscriber Organizations,” with six projects to be located in La Plata County. LPEA members who live anywhere in the cooperative’s service territory will be eligible to “buy in” to an approved CSG.

CSG developers (Subscriber Organizations) now moving ahead with their projects, expected to be completed by the end of 2014, are: Armadillo Community Solar Garden, LLC; Clean Energy Collective; Solar Garden Partners (two projects) and Sun Mesa Solar Gardens (two projects).

LPEA will not develop or manage any of the aforementioned CSGs. LPEA members will need to contract directly with a Subscriber Organization to participate. Contact information for all Subscriber Organizations will be available on the LPEA web site, www.lpea.coop.

“We invited entrepreneurs to develop solar gardens at sites of their choosing, as long as the generation fits into our system,” said Munro, explaining that some co-ops have chosen to own and manage their own gardens. “We will not own any of these currently approved gardens, but will purchase the power they generate, and it will be fed back onto our system.”

In addition to protecting the cooperative from financial risk, this program structure allows the independent developers to take advantage of federal tax credits, which LPEA, as a not-for-profit cooperative, cannot. This helps these CSG developers build larger facilities than LPEA could for the same investment, according to Munro.

Each month the CSG manager will supply LPEA with an accounting of the percentage of solar power generated by LPEA members who have purchased shares/panels in the CSG. In turn, and the co-op will apply a credit to members’ regular electric bill. The amount will depend on the member-consumers’ investment, as well as the amount of solar electricity generated during the month.

With the addition of these six solar gardens, LPEA will have approximately 4.5 percent of its power needs generated locally from renewable resources.

“We have a limit to the amount of energy we can produce locally given our long term, all requirements contract with Tri-State Generation and Transmission, which is one reason we established the application process,” added Munro. “We are butting up against the 5 percent cap for local renewable generation. We’re working to get that cap increased but until that time, we’re contractually bound to not exceed our limit.”

Tri-State also purchases renewable generation in La Plata Electric’s service area, such as the generation from the Vallecito Hydroelectric system. Thus, according to Munro, when LPEA cannot purchase more under the contract, Tri-State does try to step in and assist.

LPEA, a Touchstone Energy Cooperative celebrating 75 years in 2014, provides to its more than 30,000 members, with nearly 41,000 meters, safe, reliable electricity at the lowest reasonable cost, while being environmentally responsible. For further information visit, www.lpea.coop.

###