Cedar Falls Utilities?

• Municipal utility in northeast Iowa

• 112 MW peak, about 18,000 electric customers

• Directly participate in MISO as LSE and TO in an area with high wind penetration
  – **Low** avoided energy costs
  – **Small** off peak vs on peak price differential
Solar Credit: What Was Set In Stone

• Traditional Technology in central location
• CFU would facilitate the project
  – Minimize hassle and cost to customers
  – Offer same opportunity to all customers
• Project construction to be funded by actively participating customers
  – Before selecting a bid: proof of sufficient participant capital
A Pricing Problem: Sizing a Self-Funded Project

• Customers want to know how much it costs before committing

• We need to know how many customers are interested before we can pick a size (or a bid)
Our Answer: Upfront Payment Amount Determined over Two Iterations

- Customers make single upfront payment; receive bill credits for fixed time period
- Issue “preliminary price” to gauge interest; pick “final price” once system size is known
  - Had collected bids for several array sizes
- Problems solved
  - Proof of participant capital
  - Fluidity/ease of recalculation in bid process
  - Simple to understand (and to market)
What Happened

• $399 initial price (500 kW total project size)
  – Knew to start at less than $500
  – Knew to offer payment over 1 year (financing)
  – Enough interest at that level to build 1.3 MW project

• Back out to customers with our “final” price of $270 (1.5 MW total project size)
  – Attained full subscription
  – About 1,300 participants from all sectors