



Cedar Falls Utilities
THE POWER OF SERVICE

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

