

[SB21-261 Public Utilities Commission Encourage Renewable Energy Generation](#)

Thursday, May 27, 2021

House Energy & Environment

Opposition Testimony, Kelly Brough, Denver Metro Chamber of Commerce

Thank you, Mister Chair and members of the committee, for the opportunity to provide this written testimony today. My name is Kelly Brough and I am the President and CEO of the Denver Metro Chamber of Commerce. I submit this testimony on behalf of the Chamber, our 3,000 members and their 400,000 employees, to express our opposition to Senate Bill 261.

While this bill makes substantial changes to the state's renewable energy standards and customer-sited distributed generation facilities, like rooftop solar, our concerns are around the significant cost shift these changes will result in for average power users, both residential and commercial.

Removing the current 120%-of-usage cap on consumer-sited distribution generation facilities will increase costs for a majority of energy users. Typically, regulators would be able to utilize rate designs that account for high use of the grid to help protect other customers from increased costs. However, provisions in this bill will prevent that from happening. Additionally, removing the cap will require infrastructure upgrades and customers who directly benefit from those upgrades will not share in these costs.

This legislation further creates cost shift concerns as it will require energy providers to pay consumers with customer-sited facilities a higher rate for their excess energy. For example, right now utilities can secure new wind power at scale for less than 1.5 cents per unit, but it costs them roughly 11.5 cents per unit to acquire excess power from rooftops. The difference between those two costs is borne by other customers and already equates to about \$70M annually.

More must be done to mitigate against cost-shifting. We respectfully ask the committee to oppose Senate Bill 261. Thank you.