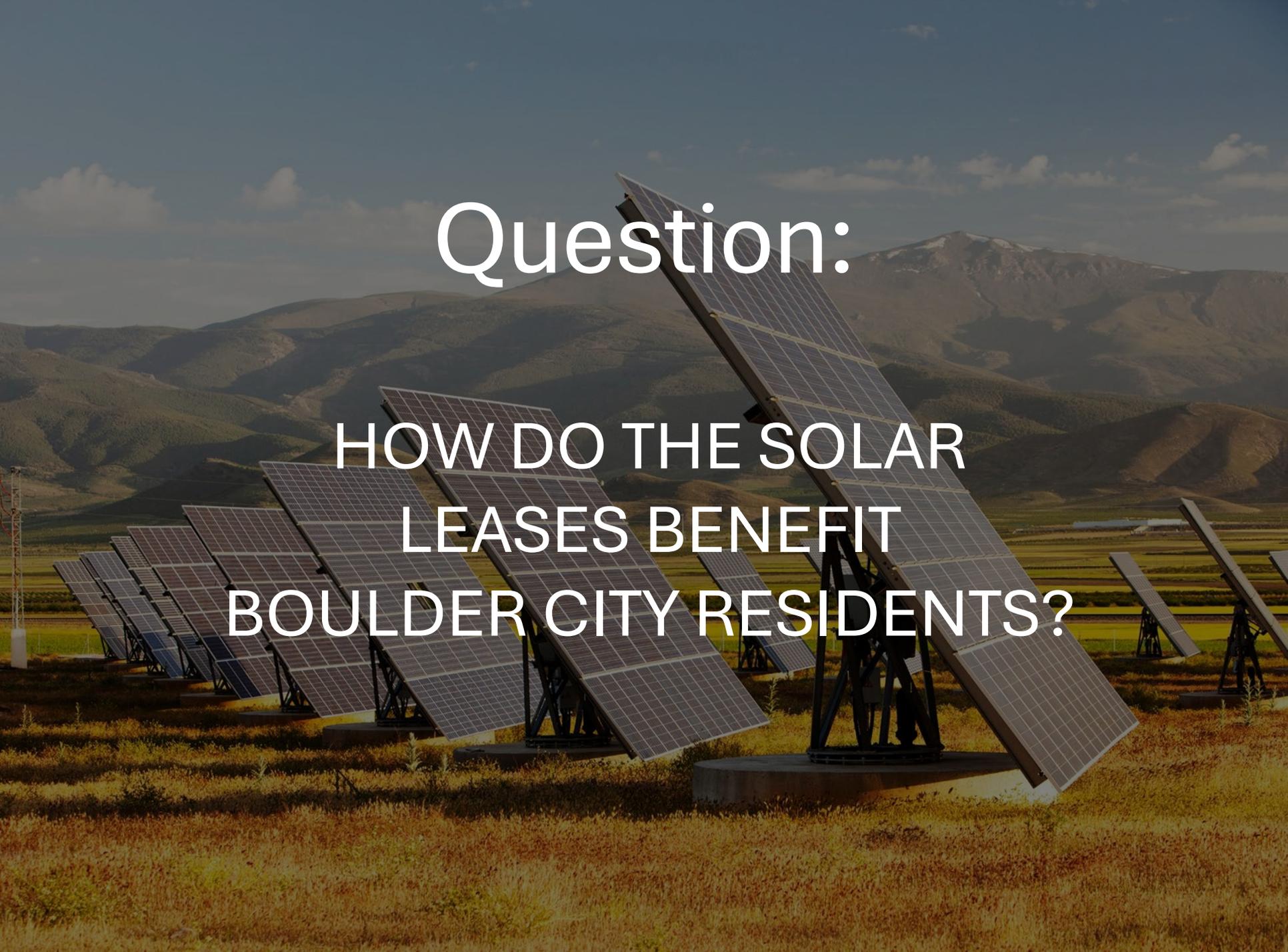




Planning Commission Training

Boulder City Planning
Commission

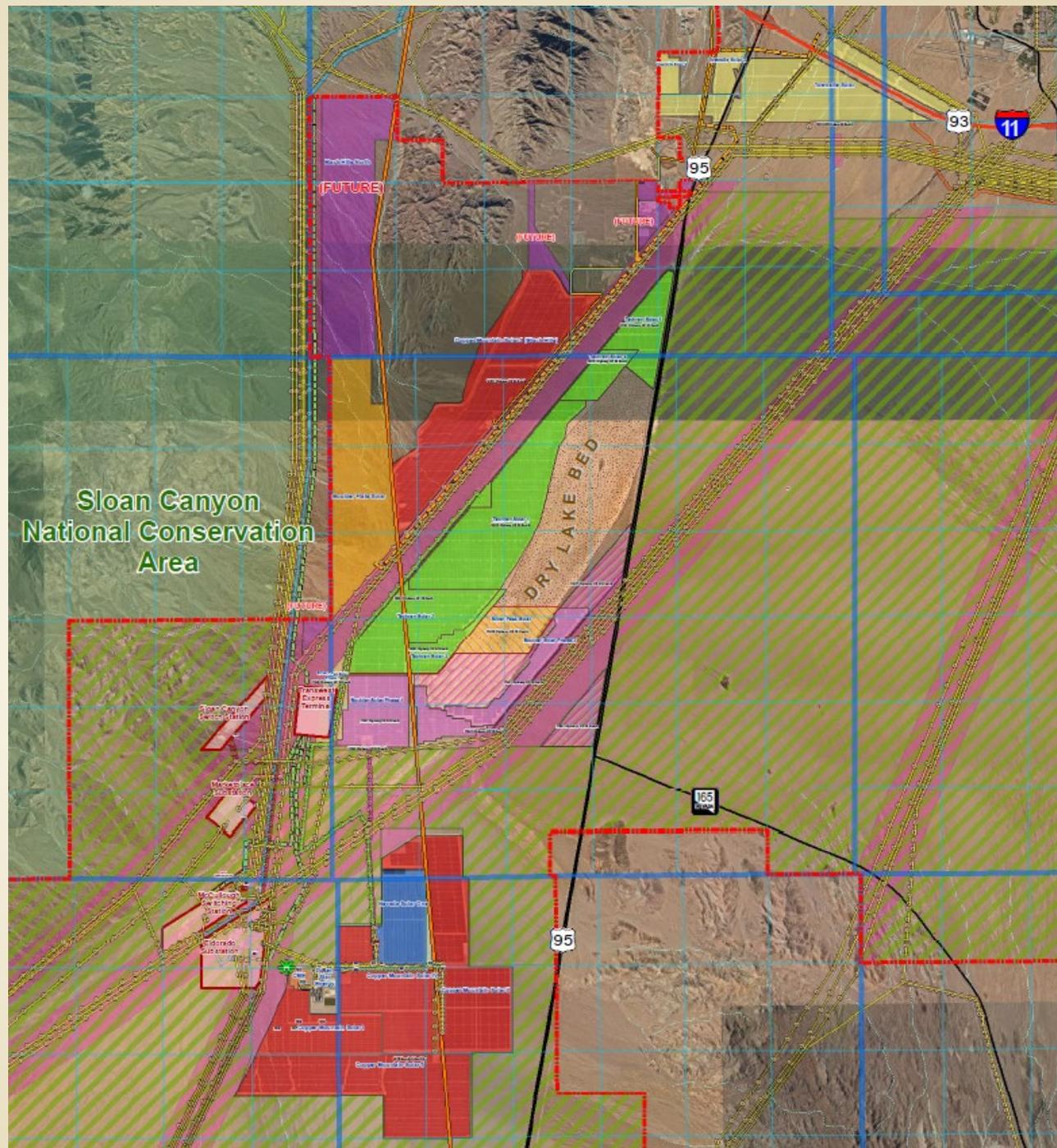
August 21, 2024

A large solar farm with rows of solar panels in a field, with mountains in the background. The solar panels are mounted on metal frames and are tilted towards the sun. The background shows rolling hills and mountains under a clear blue sky with some light clouds. The foreground is a field of dry, yellowish-brown grass.

Question:

HOW DO THE SOLAR
LEASES BENEFIT
BOULDER CITY RESIDENTS?

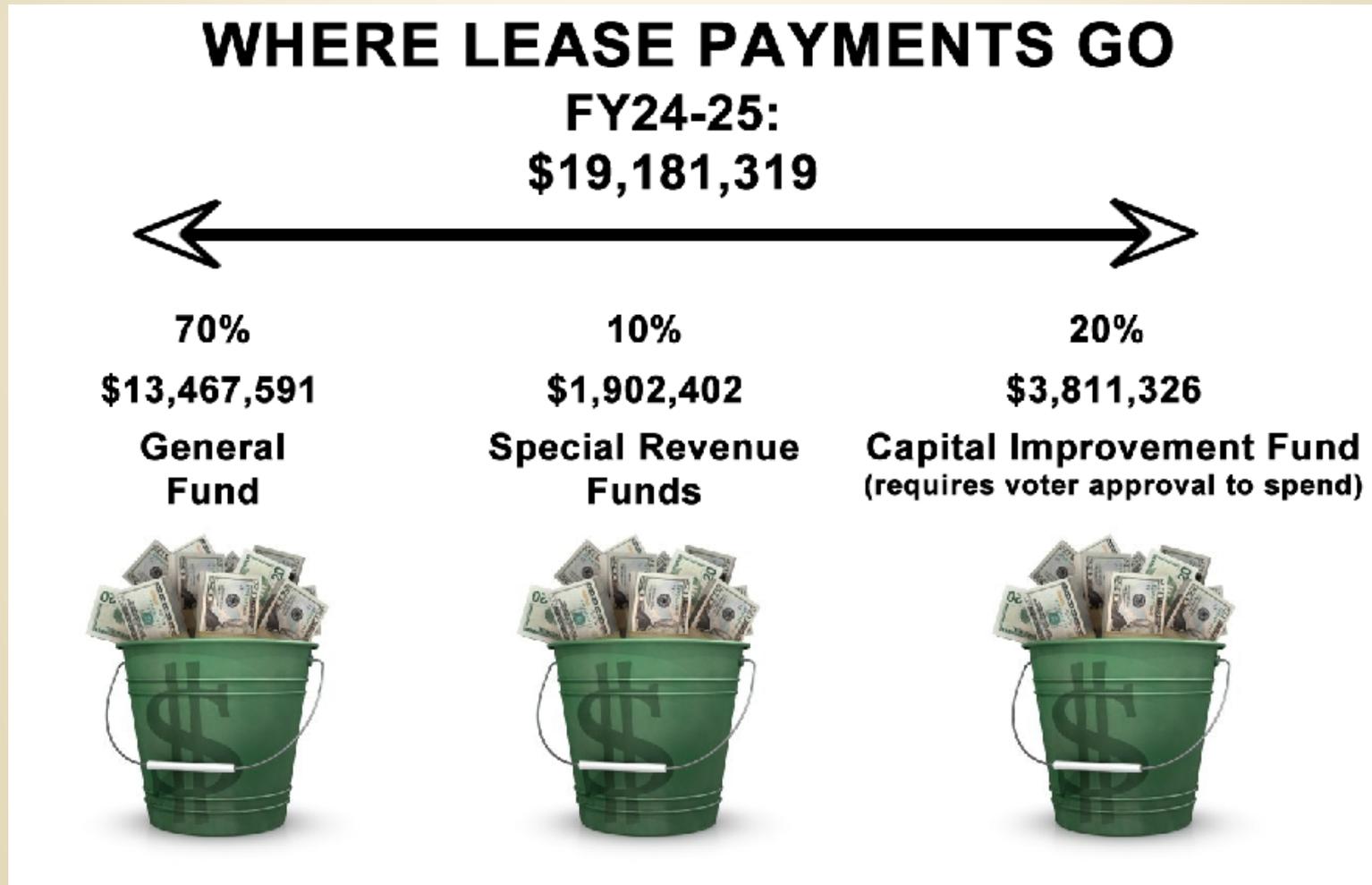
**What City
land is
being used
for
renewable
energy?**



What percentage of City land is dedicated renewable energy uses?

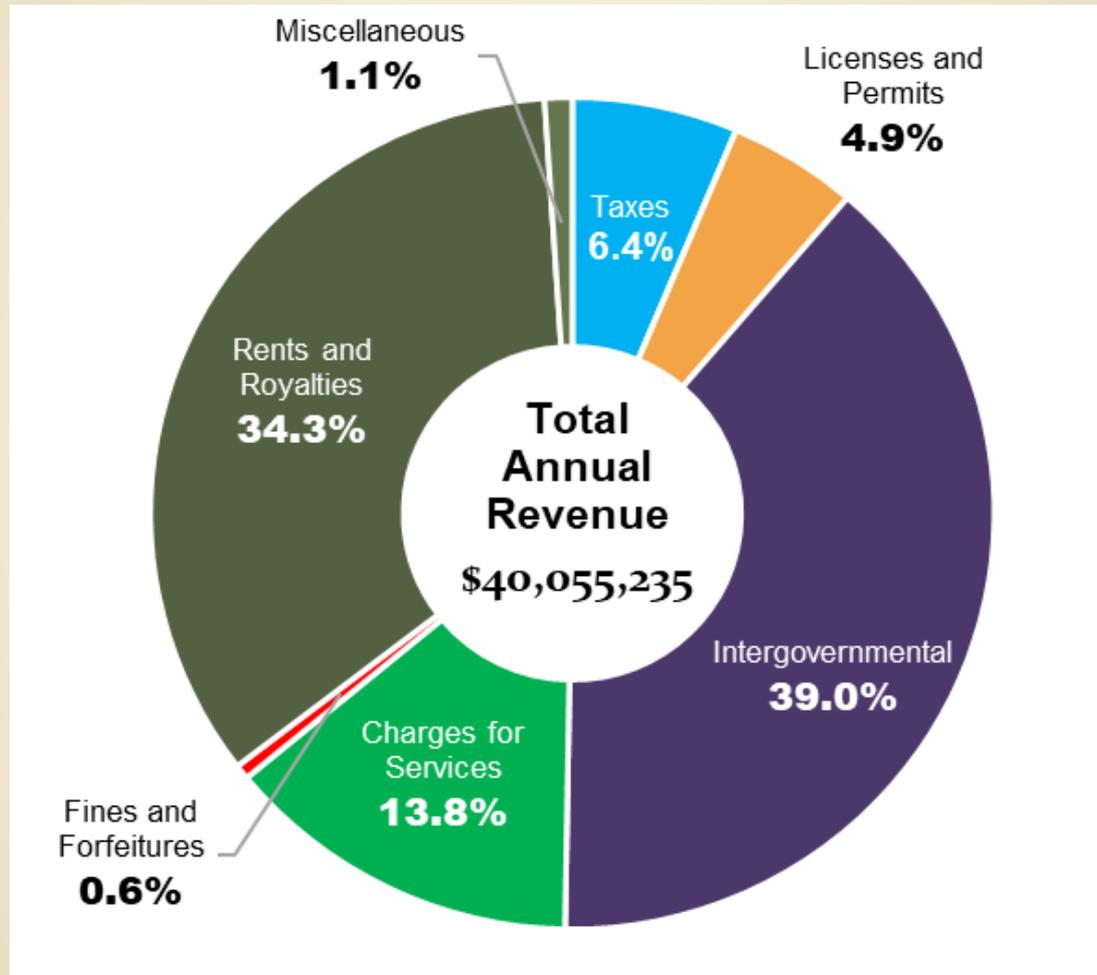
- The City is 135,880 acres in size.
- 75.7% (102,863 acres) is zoned Open Space.
- 12.5% (17,107 acres) is zoned Energy Resources.
- Based on the 2024 Land Management Process List, approximately 1,595 acres of additional City owned land is available for future renewable energy and utility uses.
- This would add another 1.2% to the total land dedicated to Energy Resources uses.

Where does the lease revenue go?



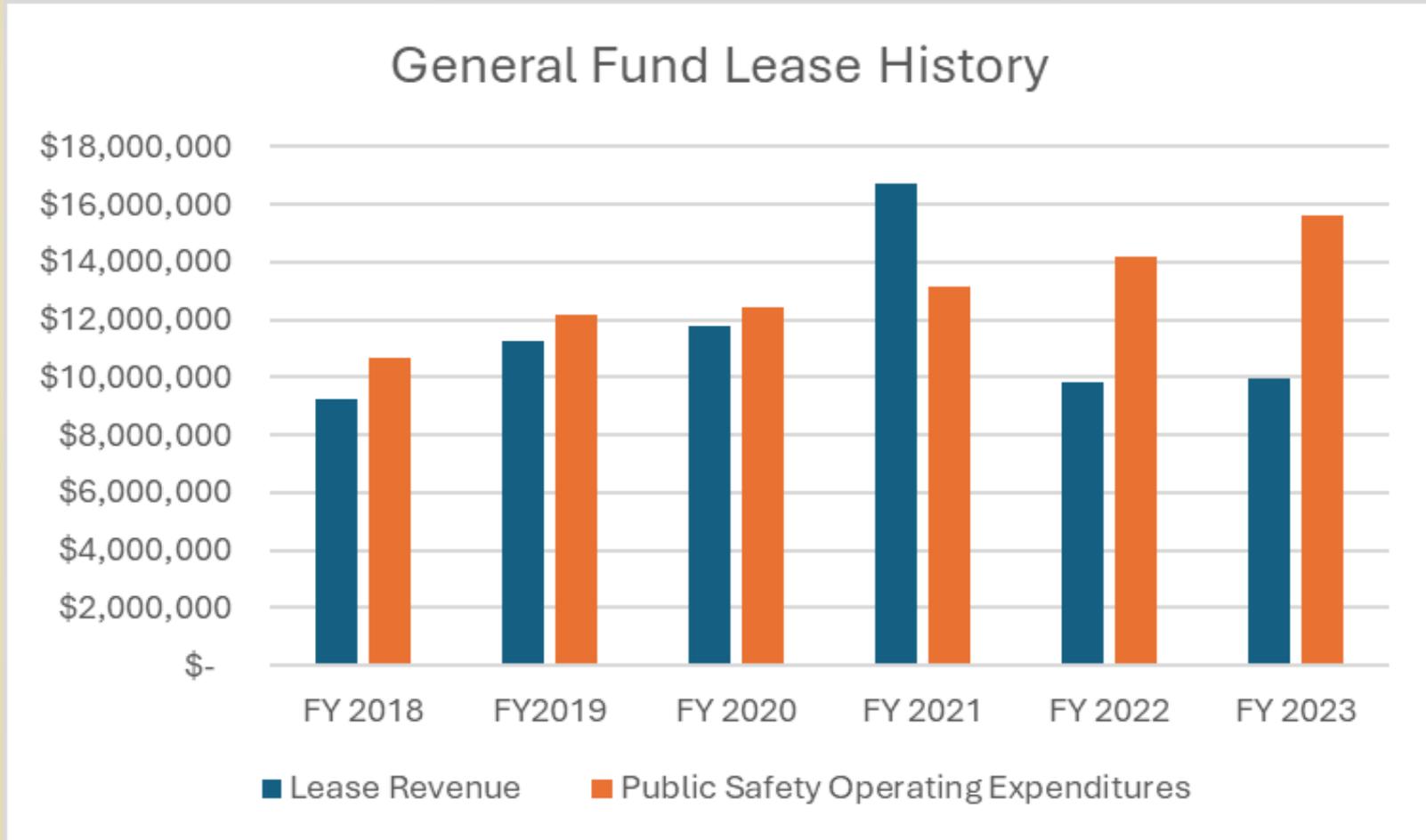
Source: Finance Department

Where does the City's general fund revenue come from?



Source: Finance Department

To look at it another way:

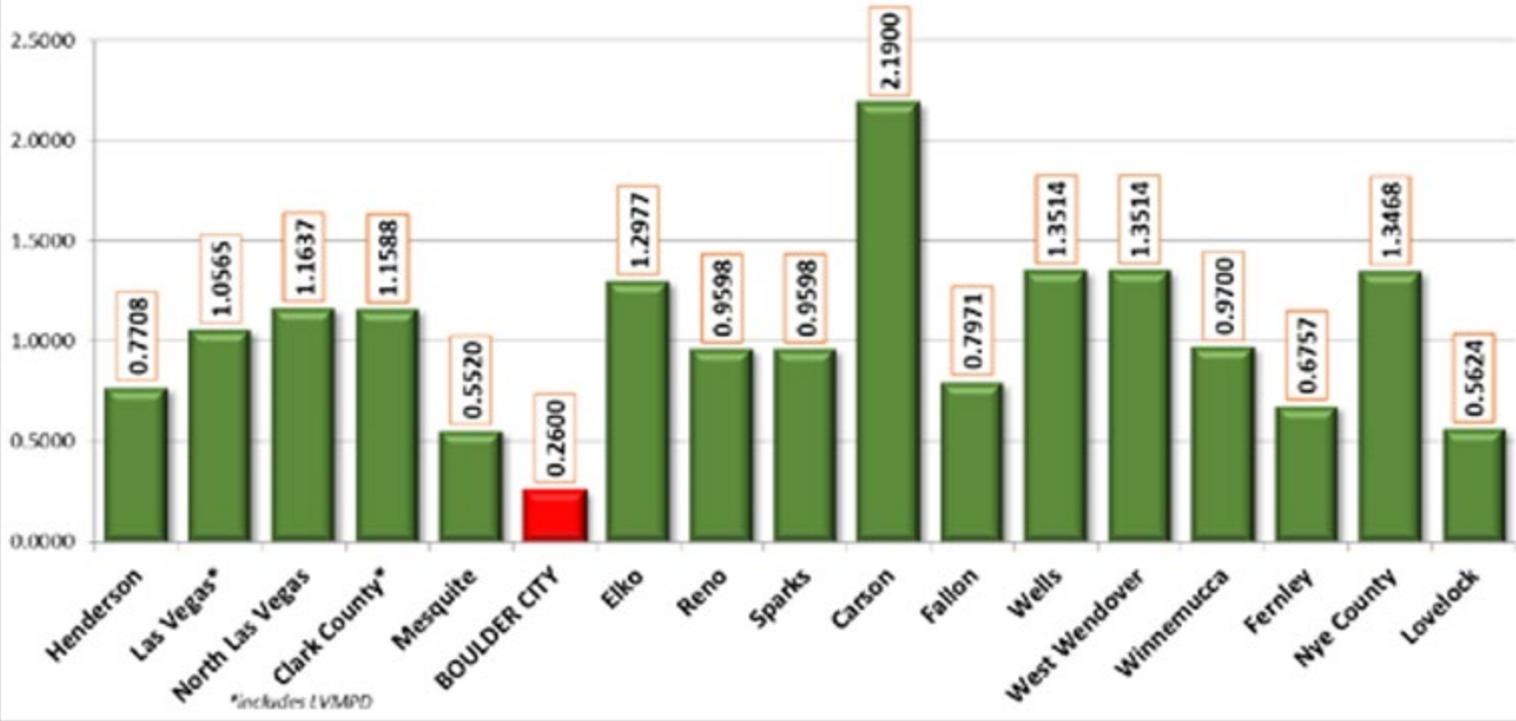


Source: Finance Department

How do residents benefit?

- Other communities in Southern Nevada have funded their growing operations through growth (i.e. development fees, property tax revenue from additional properties, and gaming).
- Lease revenues allow the City to fund essential city services without additional growth or gaming.
- This helps to maintain the high quality of life expected by Boulder City residents.
- We are able to do this while maintaining the lowest property tax rate in the State of Nevada.
- Far below other communities –with the next lowest being more than double our mil levy.

Tax Rate Comparison Levy per \$100 Assessed Valuation



Source: Finance Department

Where Does Our Power Come From?

2023 Boulder City Renewable Energy

	Total Load Mwh.	Hydro Load Mwh	Hydro & Solar Mwh	Hydro % of Total Load	Hydro & Solar % of Total Load
Summer	55,801	23,091	34,251	41%	61%
Winter	32,790	13,197	24,357	40%	74%
Fall	32,185	15,410	24,455	48%	76%
Spring	32,106	22,423	26,143	70%	81%
Grand Total	152,881	74,121	109,206	48%	71%

Source: Utility Department

Why is solar lease revenue unable to be used to reduce my utility bills?

- Pursuant to Section 142.3 of the City Charter lease revenue must be allocated 20% to the Capital Improvement fund and 80% to current operational expenses which are paid from the General Fund.
- The utility fund is an enterprise fund; pursuant to Governmental Accounting Standards Board Statements, operations of an enterprise fund need to be fully funded by the fees charged to customers who use the utilities.
- Boulder City already has one of the lowest utility rates in the state, and using lease revenues to reduce utility rates undermines the principal of self-sustaining enterprise funds and takes away funds for other City operational expenses.

Why the City is limited in negotiating free solar power?

- Solar developers contract with third-parties to purchase the power from the development and the revenue generated is used to finance the project, known as power-purchase agreements (PPAs).
- Until recently with the innovations in battery storage technology, solar power was an “intermittent” power source, only producing power during peak sunlight exposure .
- No power is being produced at night, or during inclement weather.
- Boulder City must have adequate energy resource capacity to provide the necessary power for customers at all times known as a “firm power” source. Because solar is a generally intermittent source, without adequate battery storage, Boulder City is limited in what it could procure from a solar developer to meet its firm power needs.

Why the City is limited in negotiating free solar power?

- The power currently being produced by solar developer tenants is under contract with third-parties, called power-purchase agreements (PPAs), and there is not remaining power to be sold.
- The cost of power from the City's hydro sources, that supply roughly 50% of the City's power are typically less than that available from solar sources.
- The City is exploring the purchase of power at a reduced rate from any new lessees.

Where does the solar energy go?

- The solar fields in Boulder City generate approximately 2,435 MW
- Examples of where power being generated by the solar developments include:
 - NV Energy
 - Los Angeles Department of Water and Power
 - Pacific Gas and Electric
 - San Diego Gas & Electric

In Summary:

- The City has some of the lowest property tax and utility rates in the State of Nevada.
- Had the City not negotiated the renewable energy leases over the past 20 years, the City would have been required to increase property taxes to maintain services, or greatly reduce services to support residents.
- A significant majority of the land in the community is open space (75% percent).
- The City is able to maintain important services without growth.

Questions?

