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WIND RUSH: Colorado Can Benefit from Texas Approach to Renewable Energy, Analysis Shows **Report Released as Senate Debate Heats Up**

BOULDER, CO—A bill with broad support throughout Colorado could bring the state huge economic and environmental benefits at virtually no cost, a coalition of renewable energy advocates said today. The groups cited a report, released today, analyzing the impacts of similar legislation passed in Texas in 1999. The report analyzes the factors that led to Texas's success with renewable energy and shows how Colorado is positioned to reap the same gains.

Senate Bill 151, sponsored by Terry Phillips, faces action Friday in the Senate Appropriations Committee. If it passes the committee vote, it is widely expected to pass on the Senate floor. The bill has the backing of the Governor's office, the Speaker of the House, who sponsored similar legislation that was successful in the House, County Commissions across the state, the Rocky Mountain Farmers Union, environmental groups, and rural economic development groups. It also has the support of Xcel Energy, which would be responsible for complying with the legislation.

The bill would establish a Renewable Energy Standard for the state, requiring Xcel to have 800 megawatts—enough to power nearly half a million homes—of power from renewable resources by 2010. A similar bill was enacted in Texas in 1999, leading to a "wind rush" in that state. By 2002, this wind rush had created 2500 wind-related jobs and 2900 additional indirectly related jobs. It had also generated \$2.5 million in landowner royalties and \$13.2 million in local sales taxes. Most of these benefits have accrued to drought-plagued rural areas, while the environmental benefits and costs savings associated with renewable energy have been enjoyed by all of the state's residents.

"The Texas experience shows us just how much we have to gain by going this route," said Rick Gilliam of the Land and Water Fund of the Rockies. Gilliam helped draft legislation similar to SB 151 that has already passed the Colorado House. "In fact, the Texas standard has been so successful in terms of cost-effectiveness, ease of administration, and market development, that we essentially modeled the Colorado initiative on the Texas example. The Colorado legislation is designed to use market forces to encourage compliance, by allowing those who can develop renewables at the least cost to do so and sell 'credits' to utilities less well positioned to take advantage of renewables."

"This report shows the factors that made the Texas standard so effective," added Craig Cox, of the Colorado Coalition for New Energy Technologies. "It demonstrates that where there is broad public and governmental support for renewables, the market is just waiting to happen. Over 80% of Colorado

residents want to see their utilities use more renewables, and the Governor's office also supports a standard."

"The Texas experience shows us that a renewable standard helps create the kinds of economies of scale that really drive down the price of renewables," said Ron Lehr, of the Colorado Renewable Energy Society. Lehr, a former Public Utilities Commissioner, said that wind is now cost-competitive with natural gas. "In fact, low-priced wind is helping drive down the costs of fossil fuels as well. Because Colorado's energy market is driven by regulated monopolies, we actually need legislation to liberate the market forces that the Texas experience shows us will take over."

"In some counties, a wind farm could easily double the existing tax base," said Matt Baker, of EnvironmentColorado. "That will go a long way toward funding local schools and other critical community needs, as the Texas experience has shown."

The report, entitled "Renewable Power: How Colorado Can Reap A Texas-sized Benefit," has been authored by the Land and Water Fund. It is available at www.lawfund.org, or by calling Claudia Putnam, 303 444 1188 x227.

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