

## THE OFFICE OF CLEAN ENERGY DEMONSTRATIONS

## Energy Improvements in Rural or Remote Areas — Fort Lupton Microgrid Project

The Energy Improvements in Rural or Remote Areas (ERA) Program, managed by the U.S. Department of Energy's (DOE) Office of Clean Energy Demonstrations (OCED), aims to fund community-driven energy projects that demonstrate clean energy systems, deliver measurable and sustained benefits to people who live in rural or remote areas, and build clean energy knowledge, capacity, and self-reliance throughout rural America. As part of the ERA Program's cooperative agreement funding opportunity, OCED sought applications with a range of different technologies to improve the resilience, reliability, and affordability of energy systems in communities across the country with 10,000 or fewer people. OCED selected 17 projects across 20 states and 30 tribal nations for a total of up to \$366 million in federal funding. Following negotiations, in September 2024, OCED awarded the Fort Lupton Microgrid Project with more than \$275,000 for Phase 1 of the project, located in Fort Lupton, CO.



#### Project at a Glance

» Total OCED Cost Share: Up to \$6.1 million

» Phase 1 Total Project Amount: \$349,323\*

» Phase 1 OCED Award Amount: \$279,459\*\*

» Phase 1 Scope of Work: Planning, development, design activities, and initiating stakeholder engagement activities

» Phase 1 Timeline: Up to 12 months

» Recipient: United Power is a rural electric cooperative that provides electric services to homes and businesses throughout Colorado's northern front range

» Project Locations: Fort Lupton, CO

» Start Date: October 2024

\*Represents the total project cost for Phase 1.

\*\*Represents OCED's cost share for Phase 1. Additional funding for this project is subject to future award negotiations at the end of each project phase.

#### **About This Project**

United Power, in partnership with Schneider Electric, plans to replace an aging diesel generator with a microgrid consisting of a 300 kW natural gas generator, 900 kW floating solar photovoltaic (solar PV) array, and a 1.7 MWh battery energy storage system. Fort Lupton, CO's water treatment plant currently depends on a backup diesel generator during periods of high demand and power outages. The aging generator's unreliability can halt operations at the plant, negatively impacting communities in this region.

Once designed, built, and operating, the fully integrated microgrid would improve power resiliency at the water treatment plant, reduce water evaporation, and help reduce municipal spending.

To overcome barriers that prevent many rural utilities from developing clean energy infrastructure, a 20-year agreement would be brokered, allowing United Power to own the microgrid while the City of Fort Lupton pays for microgrid upgrades. This project could serve as a model for future agreements between small utilities and local public works departments, expanding access to clean and resilient energy.

In September 2024, OCED awarded Fort Lupton Microgrid Project with more than \$275,000 to conduct Phase 1 of its project, which is expected to last up to one year. During this phase, United Power will conduct planning, development and design activities, including securing agreements, providing input into OCED's National Environmental Policy Act review, and initiating community and labor engagement.

# Fort Lupton Microgrid Project Project Fact Sheet

#### **Project Site**

The Fort Lupton Microgrid Project would be sited on the Fort Lupton community's municipal water treatment plant. Households in rural Colorado have faced historic challenges securing a reliable clean water supply, particularly in areas where groundwater is contaminated. The Fort Lupton Microgrid Project would ensure a flow of reliable power to the town's water treatment plant, helping to increase the reliability of clean drinking water.

#### **Community Benefits Commitments**

Community benefits commitments are a key component of the Fort Lupton Microgrid Project. The commitments are informed and developed—in consultation with local communities—to mitigate potential negative impacts of this project and maximize local community benefits. The Fort Lupton Microgrid Project aims to implement these commitments through:

- Engaging with the local community, community organizations and nonprofits, local government, water treatment plant staff, local businesses, and other stakeholders to **foster collaboration**, address community concerns, and ensure the project's alignment with diverse perspectives and community needs.
- Collaborating with Aims Community College and the BUENO (Bilinguals United for Education and New Opportunities) Center for Multicultural Education to create bilingual workforce development training opportunities and pre-apprenticeship programs.
- Partnering with Mesa Hotline School to support pre-apprenticeship programs for local utility line workers.
- Including **prevailing wage requirements** in construction contracts and seeking construction bids that favor wages and benefits, apprenticeships and training, and community outreach.
- Creating six full-time equivalent construction jobs for the local workforce.

More details on the Fort Lupton Microgrid Project's community benefits commitments can be found in the <u>Community</u> Benefits Commitments Fact Sheet.



Fort Lupton welcome sign

### Fort Lupton Microgrid Project **Project Fact Sheet**

#### **Energy Improvements in Rural or Remote Areas Program Goals**

Nearly one in six Americans live in rural or remote communities and face a unique set of energy challenges due to their smaller populations and isolation from larger electrical systems—including higher electric bills, unreliable energy supplies, and/or no access to electricity at all. The ERA Program aims to address these challenges by funding community-driven energy projects that demonstrate clean energy systems; deliver measurable and sustained benefits to people who live in rural or remote areas; and build clean energy knowledge, capacity, and self-reliance throughout rural America. This program will leverage DOE's expertise in resilient energy solutions while recognizing the unique environmental, cultural, and economic landscapes of rural and remote communities. The selected projects cover a range of clean energy technologies—from solar, battery storage systems and microgrids to hydropower, heat pumps, biomass, and electric vehicle charging infrastructure—to ensure new economic opportunities in every pocket of the nation.



Aerial view of Fort Lupton, CO

#### Contact

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#### More Resources

Website: energy.gov/oced/era

Office of Clean Energy Demonstrations: energy.gov/oced



The U.S. Department of Energy established OCED to help scale the emerging technologies needed to tackle our most pressing climate challenges and achieve net-zero emissions by 2050. OCED's mission is to deliver clean energy demonstration projects at scale in partnership with the private sector to accelerate deployment, market adoption, and the equitable transition to a decarbonized energy system.