



**DRAFT**

**2025 ANNUAL OPERATING AND  
FINANCIAL PLAN**



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Note: Immaterial differences may occur due to rounding.

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# EXECUTIVE SUMMARY

## ABOUT THE ANNUAL OPERATING AND FINANCIAL PLAN

The 2025 Proposed Budget was developed to achieve the outcomes most important to the Utilities Board and customers: competitive utility rates; safe, reliable service and outstanding customer experiences.

The budget supports the financial metrics necessary to maintain at least a “AA” credit rating that helps keep customer rates competitive.

## INTRODUCTION

Colorado Springs Utilities (Springs Utilities), like energy and water providers across the country, is

- Facing a rapidly changing industry.
- Complying with increasing regulatory requirements.
- Experiencing increasing infrastructure needs.
- Maintaining competitive pay and benefits in a tight labor market.

To successfully meet current and future customer expectations, Springs Utilities will continue strategic, long-term planning efforts.

The Utilities Board is accountable for ensuring the benefits of local ownership and control for the citizens of Colorado Springs. Their strategic foundation of rates, reliability and relationships guides how the organization continues to uphold its mission of providing safe, reliable competitively-priced utility services for customers.



## TOTAL BUDGET

The 2025 Proposed Budget is \$1.8 billion, an **increase** of \$322.4 million, or 21.4 percent, from the 2024 Approved Budget. This **increase** is primarily the result of higher Capital Projects, Fuel Operations & Maintenance, Non-Fuel Operations & Maintenance, Debt Service, and Surplus Payments to the City. All increases and decreases are described in the detail that follows and are in comparison to the 2024 Approved Budget.

### Capital Projects

Total Capital costs for 2025 are \$628.7 million and represents 34.4 percent of the 2025 Proposed Budget. Capital improvements are required to maintain and rehabilitate aging infrastructure, to provide safe and reliable services to existing customers, to prepare for future demand, and to meet environmental and regulatory requirements.

Total 2025 Capital expenditures **increase** by \$195.7 million, or 45.2 percent from the 2024 Approved Budget.

- Electric Capital **increases** by \$100.0 million, due to the Sustainable Energy Plan (SEP) projects required for execution of the 2020 Electric Integrated Resource Plan (EIRP).
- Natural Gas Capital **increases** by \$0.9 million, due to the Sustainable Energy Plan (SEP) projects required for execution of the 2020 Gas Integrated Resource Plan (GIRP).
- Water Capital **increases** by \$52.8 million, due to additional water supplies needed to meet our community's continued growth. Additionally, upgrades to our water treatment plants, pump stations, and repairs or replacement of water valves and pipelines throughout our system.
- Wastewater Capital **increases** by \$30.1 million, due to Eastern Wastewater System Expansion (EWSE) and regulatory upgrades to our wastewater treatment plants.
- Common Capital to support all the services **increases** by \$12.1 million, due to technology upgrades, fleet purchases, and facility upgrades.

### **Fuel Operations & Maintenance**

Total Fuel Operations & Maintenance costs for 2025 are \$494.0 million and represents 27.0 percent of the 2025 Budget.

Total 2025 Fuel and Purchased Power expenditures **increases** by \$75.2 million, or 18.0 percent, from the 2024 Approved Budget due to a one Standard Deviation (SD), higher forecasted market pricing, capacity charges, new Purchased Power Agreement (PPA), and Regional Transmission Organization (RTO) market.

- A one SD of \$177.0 million added for contingency due to price volatility in the fuels market, this represents a \$35.9 million **increase** to the 2024 Budget.
- Market pricing **increases** \$25.8 million.
- Capacity charges and new PPA **increases** \$9.3 million.
- RTO market **increases** \$3.9 million.

### **Non-Fuel Operations & Maintenance**

Total Non-Fuel Operations & Maintenance costs for 2025 are \$437.8 million and represents 24.0 percent of the 2025 Budget.

Total 2025 Non-Fuel Operations & Maintenance expenditures **increases** by \$33.0 million, or 8.2 percent, from the 2024 Approved Budget, primarily due to retaining and attracting a skilled workforce, inflationary, fleet insourcing program, system growth, reliability, regulatory, Information Technology (IT) lifecycle upgrades, Fort Carson Intergovernmental Service Agreement (IGSA), and North Slope of Pikes Peak Resiliency and Restoration Project.

- To maintain competitive compensation to attract and retain a skilled workforce, labor and benefits **increases** by \$20.9 million, or 8.5 percent from the 2024 Approved Budget. Employee benefits increases 17.1 percent, standby/shift increases 4.2 percent, overtime increases 2.7 percent, and overall increase in base pay 6.5 percent.
  - 127 new positions (supports Capital Projects and Operations & Maintenance); Reliability /Growth, Fort Carson IGA, RTO, Fiber, Regulatory, Technology, Cyber, and Grants
- Fleet insourcing program **increases** \$2.7 million for parts, large equipment maintenance, tire replacements, aerial truck maintenance, and fuel.

- Construction and maintenance of existing and new infrastructure **increases** \$2.7 million to support system growth and reliability.
- Management reserve **increases** \$2.6 million.
- IT lifecycle upgrades **increases** \$2.0 million for operational technology initiatives, software licenses, equipment maintenance, and additional Operations and Maintenance for completed IT projects.
- Fort Carson IGSA **increases** \$1.3 million amendment adds the water distribution systems, including ongoing maintenance, and assisting in the upgrade of the control system.
- North Slope of Pikes Peak Resiliency and Restoration Project **increases** \$1.1 million 100% grant-funded.

### **Debt Service**

Total Debt Service for 2025 is \$228.7 million and represents 12.5 percent of the 2025 Budget.

Total 2025 Debt Service payments **increases** by \$17.6 million or 8.4 percent from the 2024 Approved Budget primarily due to the 2024 bond issuance(s).

### **Surplus Payments to the City**

Total Surplus Payments to the City for 2025 are \$37.1 million and represent 2.0 percent of the 2025 Budget.

Total 2025 Surplus Payments to the City are planned to **increase** by 2.1 percent from the 2024 Approved Budget due to an increase in inside city sales.

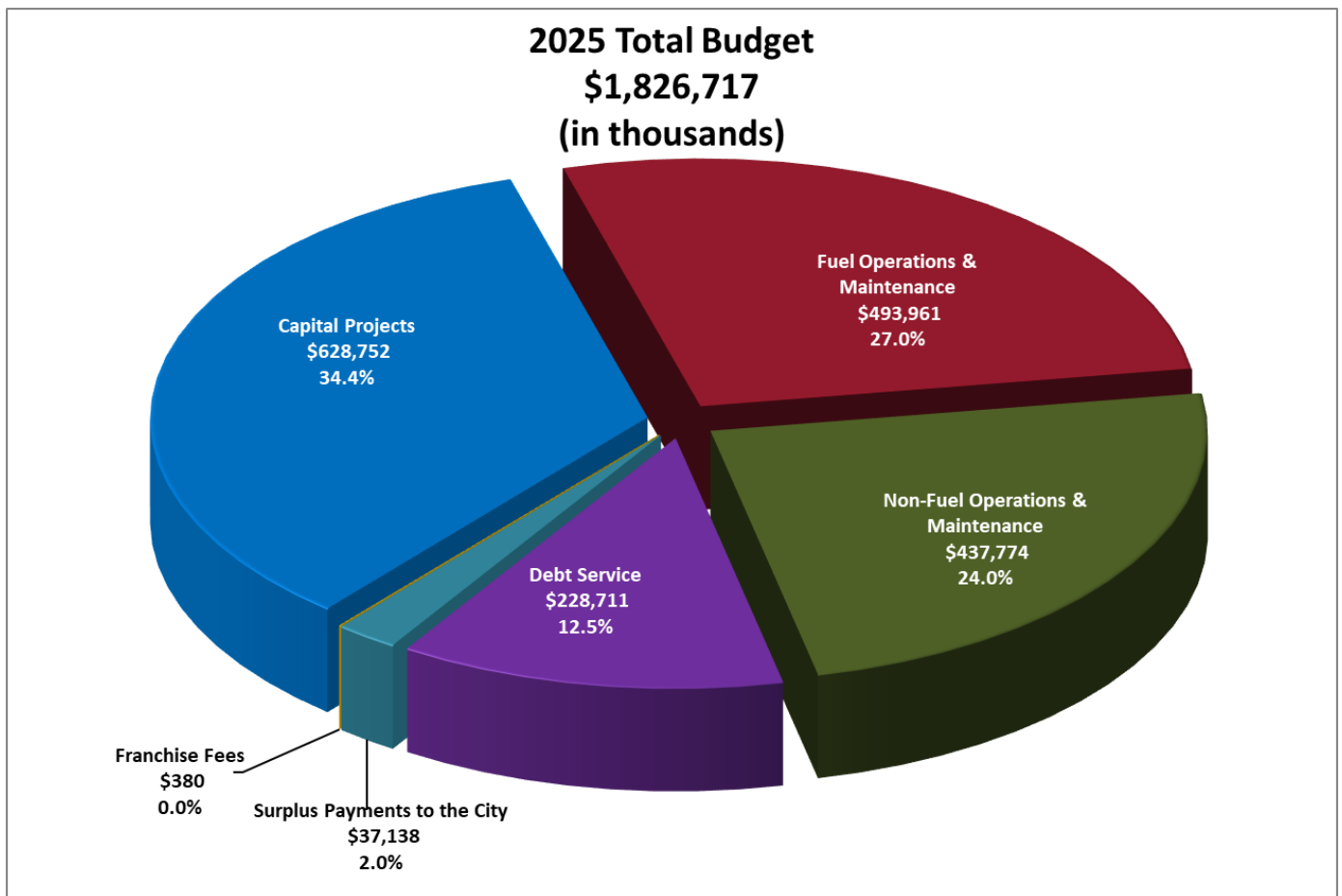
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# BUDGET SUMMARY

## 2025 BUDGET SUMMARY (in thousands)

	2025 Proposed Budget	2024 Approved Budget	Increase / (Decrease)	% Change
Capital Projects	\$ 628,752	\$ 433,018	\$ 195,734	45.2%
Fuel Operations & Maintenance	493,961	418,721	75,240	18.0%
Non-Fuel Operations & Maintenance	437,774	404,749	33,025	8.2%
Debt Service	228,711	211,061	17,650	8.4%
Surplus Payments to the City	37,138	36,381	757	2.1%
Franchise Fees	380	387	(7)	-1.7%
<b>TOTAL</b>	<b>\$ 1,826,717</b>	<b>\$ 1,504,318</b>	<b>\$ 322,399</b>	<b>21.4%</b>



**CAPITAL PROJECTS (in thousands)**

	<b>2025 Proposed Budget</b>	<b>2024 Approved Budget</b>	<b>Increase / (Decrease)</b>	<b>% Change</b>
Electric	\$ 322,987	\$ 222,998	\$ 99,989	44.8%
Natural Gas	42,809	41,898	911	2.2%
Water	150,883	98,059	52,824	53.9%
Wastewater	70,393	40,321	30,072	74.6%
Streetlighting	1,598	1,730	(132)	-7.6%
Common	40,082	28,011	12,071	43.1%
<b>TOTAL</b>	<b>\$ 628,752</b>	<b>\$ 433,018</b>	<b>\$ 195,734</b>	<b>45.2%</b>

**FUEL OPERATIONS & MAINTENANCE COSTS (in thousands)**

	<b>2025 Proposed Budget</b>	<b>2024 Approved Budget</b>	<b>Increase / (Decrease)</b>	<b>% Change</b>
Purchased Power	\$ 79,961	\$ 64,132	\$ 15,830	24.7%
Fuel for Territorial Generation	169,859	151,364	18,495	12.2%
Natural Gas	218,259	203,900	14,359	7.0%
Wholesale:				
Electric	24,680	3,873	20,808	537.3%
Natural Gas	5,904	5,904	0	0.0%
Inter-Service Eliminations <sup>1</sup>	(4,703)	(10,452)	5,749	-55.0%
<b>TOTAL</b>	<b>\$ 493,961</b>	<b>\$ 418,721</b>	<b>\$ 75,240</b>	<b>18.0%</b>

<sup>1</sup> Inter-Service Eliminations are made to eliminate double counting of revenues and expenses provided from one utility service to another. Such revenues and expenses are eliminated on a consolidated enterprise basis.

**NON-FUEL OPERATIONS & MAINTENANCE COSTS BY SERVICE (in thousands)**

	<b>2025 Proposed Budget</b>	<b>2024 Approved Budget</b>	<b>Increase / (Decrease)</b>	<b>% Change</b>
<b>Electric</b>				
Labor & Benefits	\$ 114,815	\$ 105,968	\$ 8,847	8.3%
Non-Labor	67,274	61,334	5,940	9.7%
<b>Total</b>	<b>\$ 182,089</b>	<b>\$ 167,302</b>	<b>\$ 14,786</b>	<b>8.8%</b>
<b>Natural Gas</b>				
Labor & Benefits	\$ 39,571	\$ 36,934	\$ 2,637	7.1%
Non-Labor	21,343	18,065	3,278	18.1%
<b>Total</b>	<b>\$ 60,914</b>	<b>\$ 54,999</b>	<b>\$ 5,915</b>	<b>10.8%</b>
<b>Water</b>				
Labor & Benefits	\$ 74,317	\$ 68,477	\$ 5,839	8.5%
Non-Labor	72,871	67,630	5,241	7.7%
<b>Total</b>	<b>\$ 147,188</b>	<b>\$ 136,107</b>	<b>\$ 11,080</b>	<b>8.1%</b>
<b>Wastewater</b>				
Labor & Benefits	\$ 36,397	\$ 32,895	\$ 3,502	10.6%
Non-Labor	18,723	16,270	2,453	15.1%
<b>Total</b>	<b>\$ 55,119</b>	<b>\$ 49,164</b>	<b>\$ 5,955</b>	<b>12.1%</b>
<b>Streetlighting</b>				
Labor & Benefits	\$ 1,548	\$ 1,455	\$ 92	6.3%
Non-Labor	2,825	2,460	365	14.8%
<b>Total</b>	<b>\$ 4,372</b>	<b>\$ 3,915</b>	<b>\$ 457</b>	<b>11.7%</b>
<b>Inter-Service Eliminations<sup>1</sup></b>	<b>\$ (11,907)</b>	<b>\$ (6,739)</b>	<b>\$ (5,168)</b>	<b>-76.7%</b>
<b>TOTAL</b>	<b>\$ 437,774</b>	<b>\$ 404,749</b>	<b>\$ 33,025</b>	<b>8.2%</b>

<sup>1</sup> Inter-Service Eliminations are made to eliminate double counting of revenues and expenses provided from one utility service to another. Such revenues and expenses are eliminated on a consolidated enterprise basis.

**OPERATIONS & MAINTENANCE AND CAPITAL LABOR & BENEFIT COSTS (in thousands)**

	<b>2025 Proposed Budget</b>	<b>2024 Approved Budget</b>	<b>Increase / (Decrease)</b>	<b>% Change</b>
Operations & Maintenance	\$ 272,677	\$ 250,358	\$ 22,319	8.9%
Capital	55,385	42,956	12,429	28.9%
<b>TOTAL</b>	<b>\$ 328,063</b>	<b>\$ 293,314</b>	<b>\$ 34,748</b>	<b>11.8%</b>

**LABOR & BENEFIT COSTS BY CATEGORY (in thousands)**

	<b>2025 Proposed Budget</b>	<b>2024 Approved Budget</b>	<b>Increase / (Decrease)</b>	<b>% Change</b>
Regular Base Pay	\$ 235,768	\$ 213,851	\$ 21,918	10.2%
Overtime	11,316	11,290	26	0.2%
Standby/Shift	2,595	2,488	107	4.3%
Other Compensation	591	591	-	0.0%
<b>Total Labor</b>	<b>\$ 250,271</b>	<b>\$ 228,220</b>	<b>\$ 22,050</b>	<b>9.7%</b>
Employee Benefits	\$ 76,704	\$ 63,975	\$ 12,730	19.9%
Post-Retirement Expenses	1,087	1,119	(32)	-2.8%
<b>Total Benefits</b>	<b>\$ 77,792</b>	<b>\$ 65,094</b>	<b>\$ 12,698</b>	<b>19.5%</b>
<b>TOTAL</b>	<b>\$ 328,063</b>	<b>\$ 293,314</b>	<b>\$ 34,748</b>	<b>11.8%</b>

**DEBT SERVICE (in thousands)**

	<b>2025 Proposed Budget</b>	<b>2024 Approved Budget</b>	<b>Increase / (Decrease)</b>	<b>% Change</b>
<b>Electric</b>				
Interest Payments <sup>1</sup>	\$ 52,387	\$ 44,376	\$ 8,011	18.1%
Principal Repayments	41,945	39,555	2,389	6.0%
<b>Total</b>	<b>\$ 94,331</b>	<b>\$ 83,931</b>	<b>\$ 10,400</b>	<b>12.4%</b>
<b>Natural Gas</b>				
Interest Payments <sup>1</sup>	\$ 9,418	\$ 8,186	\$ 1,232	15.0%
Principal Repayments	9,102	8,691	411	4.7%
<b>Total</b>	<b>\$ 18,520</b>	<b>\$ 16,877</b>	<b>\$ 1,643</b>	<b>9.7%</b>
<b>Water</b>				
Interest Payments <sup>1</sup>	\$ 47,147	\$ 45,860	\$ 1,287	2.8%
Principal Repayments	42,071	40,306	1,764	4.4%
<b>Total</b>	<b>\$ 89,217</b>	<b>\$ 86,166</b>	<b>\$ 3,052</b>	<b>3.5%</b>
<b>Wastewater</b>				
Interest Payments <sup>1</sup>	\$ 13,653	\$ 12,120	\$ 1,533	12.6%
Principal Repayments	12,460	11,438	1,023	8.9%
<b>Total</b>	<b>\$ 26,114</b>	<b>\$ 23,558</b>	<b>\$ 2,556</b>	<b>10.8%</b>
<b>Streetlighting</b>				
Interest Payments <sup>1</sup>	\$ 226	\$ 239	\$ (13)	-5.5%
Principal Repayments	304	291	13	4.5%
<b>Total</b>	<b>\$ 530</b>	<b>\$ 530</b>	<b>\$ (0)</b>	<b>0.0%</b>
<b>Total</b>				
Interest Payments <sup>1</sup>	\$ 122,831	\$ 110,781	\$ 12,049	10.9%
Principal Repayments	105,881	100,280	5,601	5.6%
<b>TOTAL</b>	<b>\$ 228,711</b>	<b>\$ 211,061</b>	<b>\$ 17,650</b>	<b>8.4%</b>

<sup>1</sup> Bonds are issued for the general system and not specific to service. For forecasting purposes bonds and debt service are allocated based on capital budgets and then recorded to actuals as the expense is incurred. Interest payments are net of subsidies received for Build America Bonds issued for the Southern Delivery System and Front Range Power.

**INTER-SERVICE ELIMINATIONS<sup>1</sup> (in thousands)**

<b>Revenue</b>				
	<b>2025 Proposed Budget</b>	<b>2024 Approved Budget</b>	<b>Increase / (Decrease)</b>	<b>% Change</b>
Electric Service	\$ 10,847	\$ 10,719	\$ 128	1.2%
Natural Gas Service	2,801	3,395	(593)	-17.5%
Water Service	2,863	2,598	265	10.2%
Wastewater Service	100	480	(379)	-79.1%
<b>TOTAL</b>	<b>\$ 16,611</b>	<b>\$ 17,191</b>	<b>\$ (580)</b>	<b>-3.5%</b>

<b>Operations &amp; Maintenance Expense</b>				
	<b>2025 Proposed Budget</b>	<b>2024 Approved Budget</b>	<b>Increase / (Decrease)</b>	<b>% Change</b>
Fuel	\$ 4,703	\$ 10,452	\$ (5,749)	-55.0%
Non-Fuel	11,907	6,739	5,168	76.7%
<b>TOTAL</b>	<b>\$ 16,611</b>	<b>\$ 17,191</b>	<b>\$ (580)</b>	<b>-3.5%</b>

<sup>1</sup> Inter-Service Eliminations are made to eliminate double counting of revenues and expenses provided from one utility service to another. Such revenues and expenses are eliminated on a consolidated enterprise basis.

# 2025 ENTERPRISE FINANCIAL PLAN

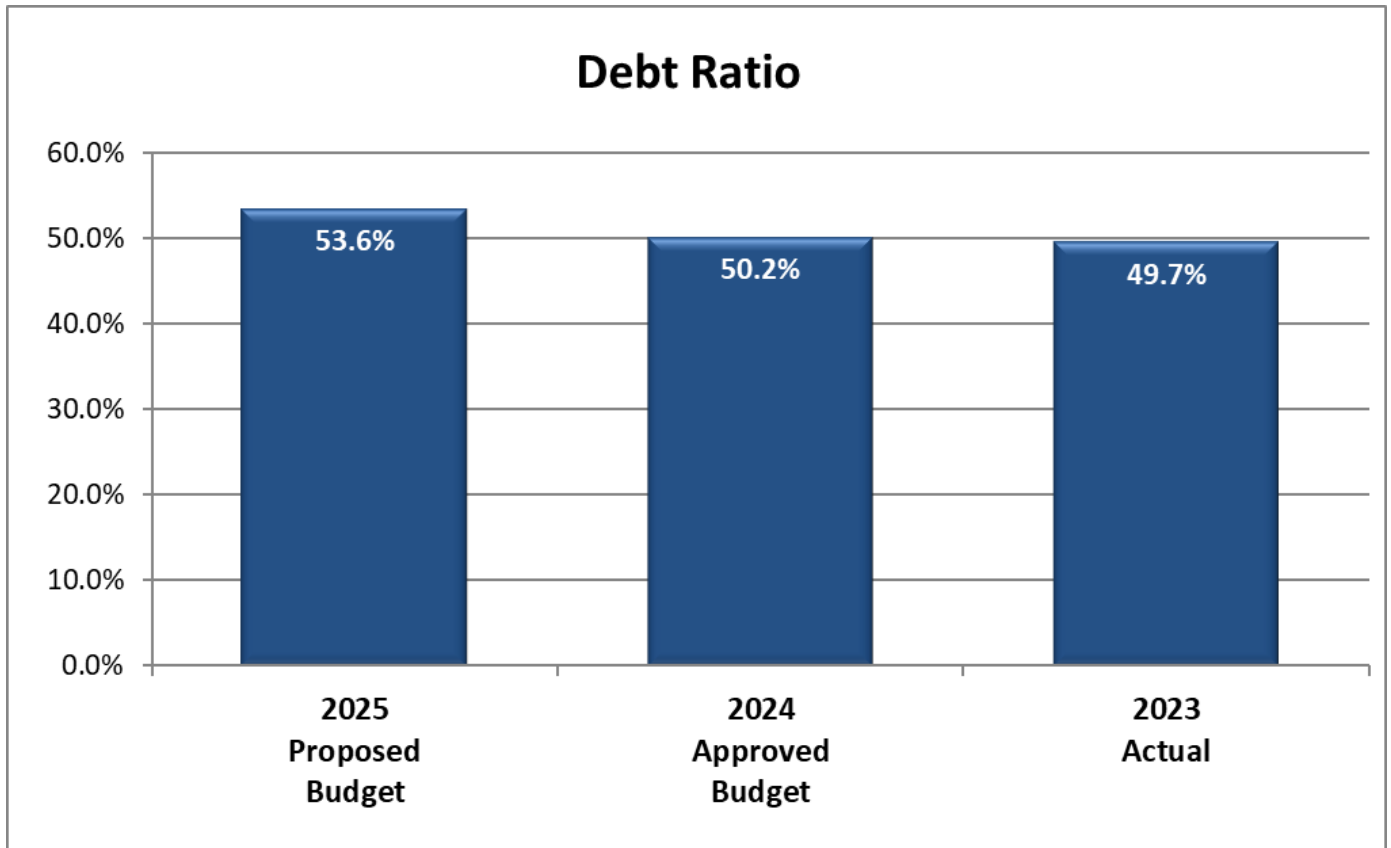
## STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION (in thousands)

	2025 Proposed Budget	2024 Approved Budget	2023 Actual	2025 Proposed Budget Increase/(Decrease) from:			
				2024 Budget		2023 Actual	
<b>OPERATING REVENUES</b>	<b>\$ 1,319,950</b>	<b>\$ 1,174,770</b>	<b>\$ 1,005,708</b>	<b>\$ 145,180</b>	<b>12.4%</b>	<b>\$ 314,242</b>	<b>31.2%</b>
<b>OPERATING EXPENSES</b>							
Production & Treatment	\$ 240,515	\$ 195,421	\$ 155,619	\$ 45,094	23.1%	\$ 84,896	54.6%
Purchased Power, Gas & Water	321,843	287,267	217,770	34,576	12.0%	104,073	47.8%
Transmission & Distribution	65,297	58,578	53,091	6,719	11.5%	12,206	23.0%
Maintenance	71,794	73,218	69,319	(1,424)	-1.9%	2,475	3.6%
Administration & General	188,980	164,129	151,080	24,851	15.1%	37,900	25.1%
Customer Accounting & Collection	32,182	30,630	30,675	1,553	5.1%	1,507	4.9%
Customer Service & Information	11,124	14,228	8,786	(3,105)	-21.8%	2,338	26.6%
Franchise Fees	380	387	357	(7)	-1.7%	24	6.7%
Depreciation & Amortization <sup>1</sup>	201,492	166,412	166,044	35,080	21.1%	35,448	21.3%
<b>Total Operating Expenses</b>	<b>\$ 1,133,607</b>	<b>\$ 990,269</b>	<b>\$ 852,741</b>	<b>\$ 143,338</b>	<b>14.5%</b>	<b>\$ 280,866</b>	<b>32.9%</b>
<b>OPERATING INCOME</b>	<b>\$ 186,342</b>	<b>\$ 184,501</b>	<b>\$ 152,967</b>	<b>\$ 1,842</b>	<b>1.0%</b>	<b>\$ 33,375</b>	<b>21.8%</b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>							
Investment Income	\$ 14,980	\$ 12,163	\$ 29,455	\$ 2,817	23.2%	\$ (14,475)	-49.1%
Other Revenue	5,805	5,868	13,542	(64)	-1.1%	(7,737)	-57.1%
Other Expense	(2,162)	(1,698)	(12,261)	(464)	27.3%	10,099	-82.4%
Interest Expense & Bond Amortization	(116,604)	(102,055)	(91,099)	(14,549)	14.3%	(25,504)	28.0%
<b>Total Non-Operating Revenues/(Expenses)</b>	<b>\$ (97,980)</b>	<b>\$ (85,721)</b>	<b>\$ (60,364)</b>	<b>\$ (12,259)</b>	<b>14.3%</b>	<b>\$ (37,617)</b>	<b>62.3%</b>
<b>INCOME/(LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>\$ 88,362</b>	<b>\$ 98,780</b>	<b>\$ 92,603</b>	<b>\$ (10,417)</b>	<b>-10.5%</b>	<b>\$ (4,241)</b>	<b>-4.6%</b>
Capital Contributions	\$ 70,392	\$ 54,582	\$ 52,931	\$ 15,811	29.0%	\$ 17,461	33.0%
Surplus Payments to the City	(37,138)	(36,381)	(35,298)	(757)	2.1%	(1,840)	5.2%
Transfers - Other	-	-	(1,330)	-	0.0%	1,330	-100.0%
<b>INCREASE/(DECREASE) IN NET POSITION</b>	<b>\$ 121,617</b>	<b>\$ 116,980</b>	<b>\$ 108,906</b>	<b>\$ 4,637</b>	<b>4.0%</b>	<b>\$ 12,710</b>	<b>11.7%</b>

<sup>1</sup> GASB 68 and 75 are excluded in budgets and included in actuals for Depreciation and Amortization.

**FINANCIAL MEASURES – DEBT RATIO (in thousands)**

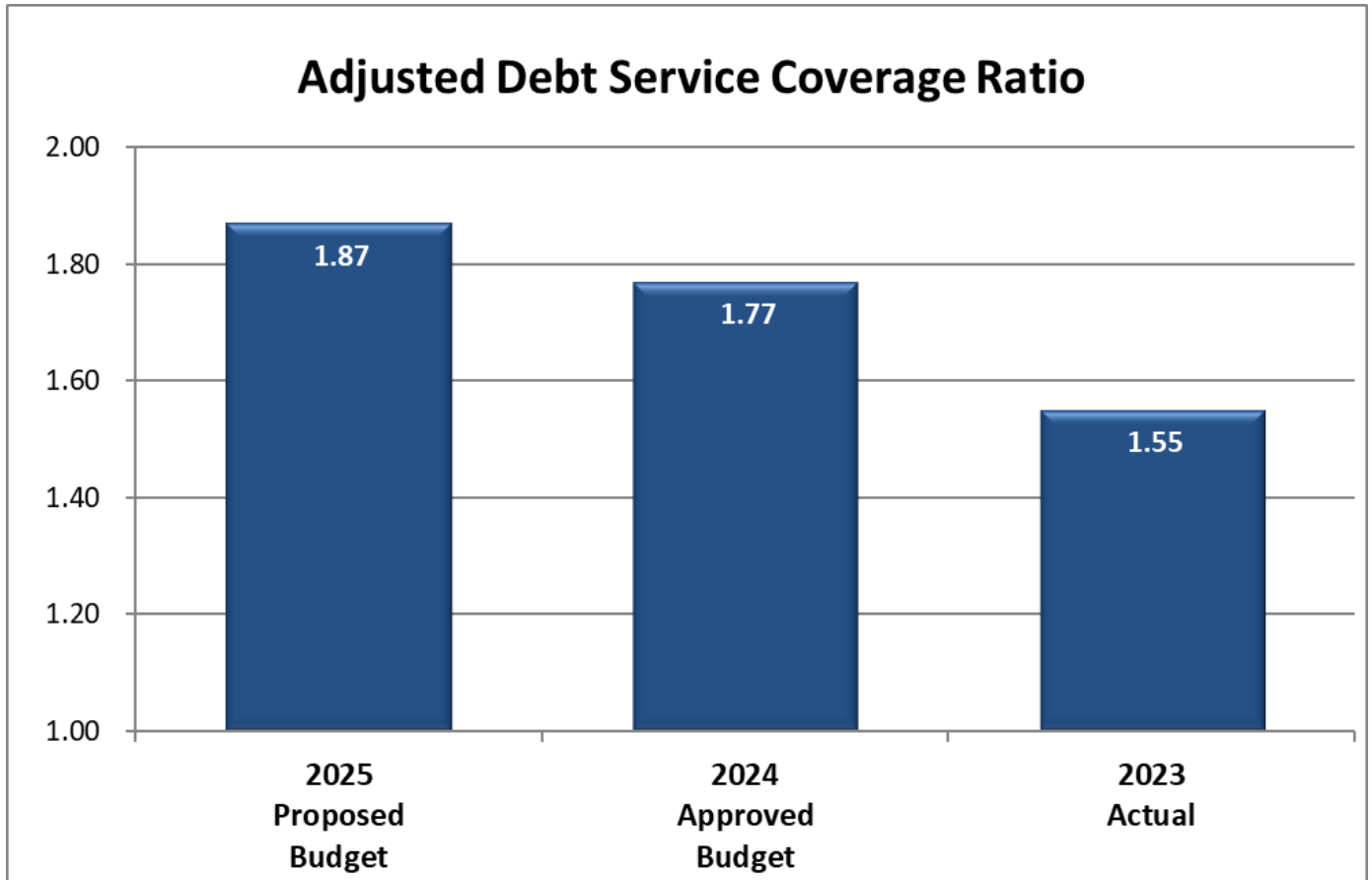
CALCULATION:	2025 Proposed Budget	2024 Approved Budget	2023 Actual	2025 Proposed Budget Increase/(Decrease) from:			
				2024 Budget		2023 Actual	
Current Maturities of Revenue Bonds	\$ 119,207	\$ 115,160	\$ 98,910	\$ 4,047	3.5%	\$ 20,297	20.5%
Current Notes & Loans Payable	470	459	464	12	2.5%	6	1.2%
Revenue Bonds, Net	3,049,735	2,591,788	2,411,651	457,947	17.7%	638,084	26.5%
Notes & Loans Payable	2,805	3,275	3,042	(470)	-14.4%	(237)	-7.8%
Net Gain/(Loss) Debt Refundings	18,311	5,592	(17,869)	12,719	227.5%	36,181	-202.5%
<b>Net Funded Debt</b>	<b>\$ 3,190,528</b>	<b>\$ 2,716,274</b>	<b>\$ 2,496,197</b>	<b>\$ 474,255</b>	<b>17.5%</b>	<b>\$ 694,331</b>	<b>27.8%</b>
Current Maturities of Revenue Bonds	\$ 119,207	\$ 115,160	\$ 98,910	\$ 4,047	3.5%	\$ 20,297	20.5%
Current Notes & Loans Payable	470	459	464	12	2.5%	6	1.2%
Revenue Bonds, Net	3,049,735	2,591,788	2,411,651	457,947	17.7%	638,084	26.5%
Notes & Loans Payable	2,805	3,275	3,042	(470)	-14.4%	(237)	-7.8%
Net Gain/(Loss) Debt Refundings	18,311	5,592	(17,869)	12,719	227.5%	36,181	-202.5%
Net Position	2,763,643	2,695,082	2,525,593	68,561	2.5%	238,050	9.4%
<b>Total Capitalization</b>	<b>\$ 5,954,171</b>	<b>\$ 5,411,355</b>	<b>\$ 5,021,791</b>	<b>\$ 542,816</b>	<b>10.0%</b>	<b>\$ 932,380</b>	<b>18.6%</b>
<b>Debt Ratio</b>	<b>53.6%</b>	<b>50.2%</b>	<b>49.7%</b>	<b>3.4%</b>	<b>6.8%</b>	<b>3.9%</b>	<b>7.8%</b>





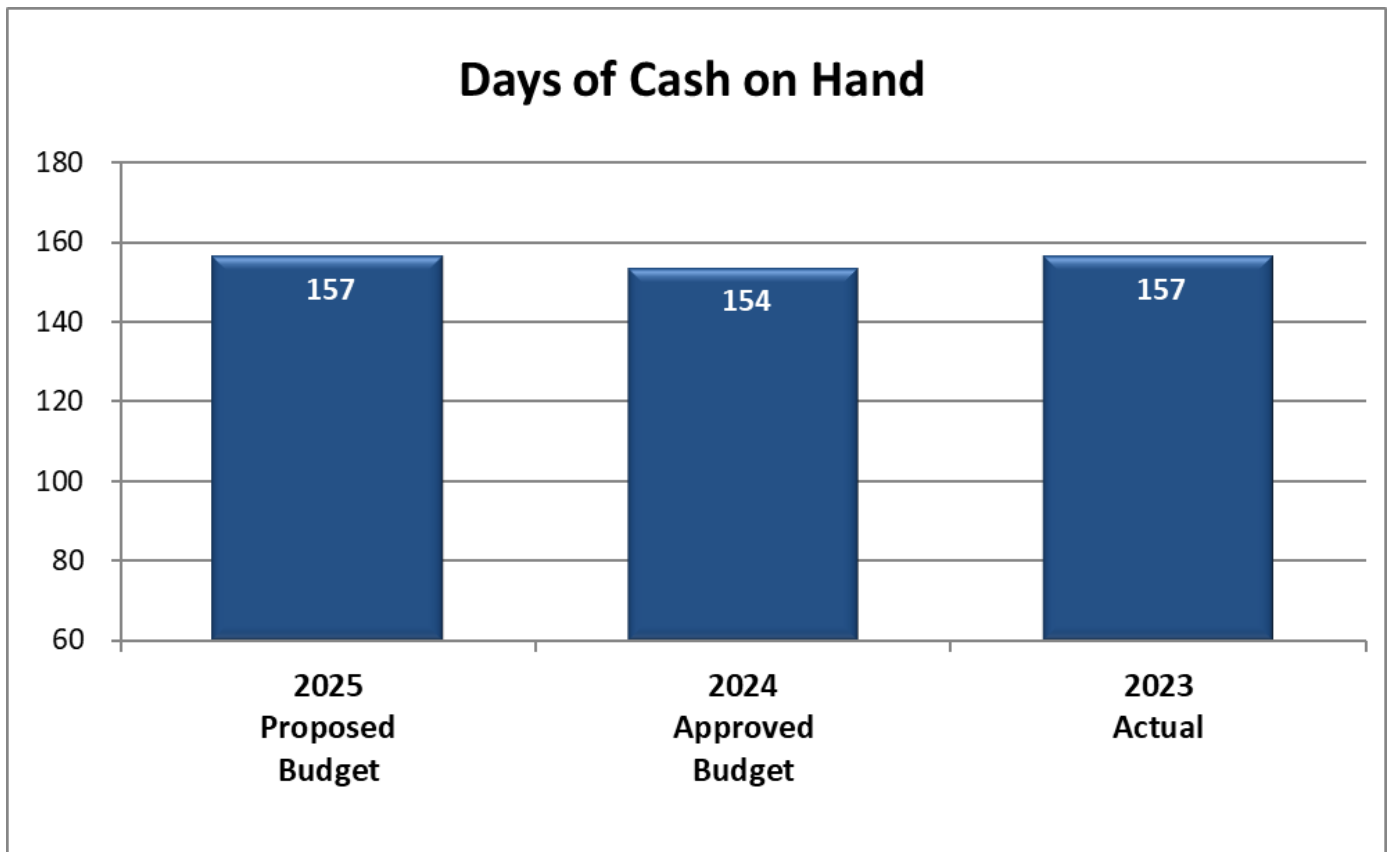
**FINANCIAL MEASURES – ADJUSTED DEBT SERVICE COVERAGE RATIO (in thousands)**

CALCULATION:	2025 Proposed Budget	2024 Approved Budget	2023 Actual	2025 Proposed Budget Increase/(Decrease) from:			
				2024 Budget		2023 Actual	
Operating Revenues	\$ 1,319,950	\$ 1,174,770	\$ 1,005,708	\$ 145,180	12.4%	\$ 314,242	31.2%
Developer Fees	58,953	43,142	32,609	15,811	36.6%	26,343	80.8%
Interest Earnings (excl. Interest on Bonds)	14,874	12,049	11,632	2,824	23.4%	3,242	27.9%
Build America Bonds Subsidy	4,265	4,327	4,388	(63)	-1.4%	(123)	-2.8%
<b>Total Revenue</b>	<b>\$ 1,398,041</b>	<b>\$ 1,234,288</b>	<b>\$ 1,054,337</b>	<b>\$ 163,752</b>	<b>13.3%</b>	<b>\$ 343,704</b>	<b>32.6%</b>
Total Operating Expenses	\$ (1,133,607)	\$ (990,269)	\$ (852,741)	\$ (143,338)	14.5%	\$ (280,866)	32.9%
Depreciation & Amortization	201,492	166,412	166,044	35,080	21.1%	35,448	21.3%
Surplus Payments to the City	(37,138)	(36,381)	(35,298)	(757)	2.1%	(1,840)	5.2%
<b>Net Revenues</b>	<b>\$ 428,788</b>	<b>\$ 374,050</b>	<b>\$ 332,342</b>	<b>\$ 54,738</b>	<b>14.6%</b>	<b>\$ 96,446</b>	<b>29.0%</b>
<b>Bond Year Debt Service</b>	<b>\$ 228,711</b>	<b>\$ 211,061</b>	<b>\$ 214,473</b>	<b>\$ 17,650</b>	<b>8.4%</b>	<b>\$ 14,238</b>	<b>6.6%</b>
<b>Adjusted Debt Service Coverage Ratio</b>	<b>1.87</b>	<b>1.77</b>	<b>1.55</b>	<b>0.10</b>	<b>5.6%</b>	<b>0.32</b>	<b>20.6%</b>



**FINANCIAL MEASURES – DAYS OF CASH ON HAND (in thousands)**

CALCULATION:	2025 Proposed Budget	2024 Approved Budget	2023 Actual	2025 Proposed Budget Increase/(Decrease) from:			
				2024 Budget		2023 Actual	
<b>Cash and Cash Equivalents-Unrestricted</b>	<b>\$ 324,085</b>	<b>\$ 286,631</b>	<b>\$ 294,668</b>	<b>\$ 37,454</b>	<b>13.1%</b>	<b>\$ 29,417</b>	<b>10.0%</b>
Cash Expense per Day							
Total Operating Expenses	\$ 1,133,607	\$ 990,269	\$ 852,741	\$ 143,338	14.5%	\$ 280,866	32.9%
Depreciation & Amortization	(201,492)	(166,412)	(166,044)	(35,080)	21.1%	(35,448)	21.3%
Fuel Comodity - Increased Cost	(176,984)	(141,106)	-	(35,878)	25.4%	(176,984)	-
Net Cash Expense	\$ 755,131	\$ 682,751	\$ 686,697	\$ 72,380	10.6%	\$ 68,434	10.0%
Number of Days in Period	365	366	365	(1)	-0.3%	-	0.0%
<b>Net Cash Expense Per Day</b>	<b>\$ 2,069</b>	<b>\$ 1,865</b>	<b>\$ 1,881</b>	<b>\$ 203</b>	<b>10.9%</b>	<b>\$ 187</b>	<b>10.0%</b>
<b>Days of Cash on Hand</b>	<b>157</b>	<b>154</b>	<b>157</b>	<b>3</b>	<b>2.0%</b>	<b>-</b>	<b>0.0%</b>



# 2025-2029 ENTERPRISE FINANCIAL PLAN

## CONDENSED FINANCIAL STATEMENTS (in thousands of dollars)

	2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast
<b>STATEMENT OF NET ASSETS</b>					
<b>Assets</b>					
Current	\$ 663,780	\$ 673,439	\$ 756,040	\$ 767,934	\$ 774,996
Noncurrent -					
Other	667,226	832,303	755,837	477,187	376,889
Capital Assets, Net	5,254,038	5,739,642	6,492,862	7,204,816	7,527,696
Total Assets	<u>\$ 6,585,044</u>	<u>\$ 7,245,384</u>	<u>\$ 8,004,740</u>	<u>\$ 8,449,937</u>	<u>\$ 8,679,580</u>
<b>Liabilities</b>					
Current	\$ 337,164	\$ 266,589	\$ 311,202	\$ 325,246	\$ 316,531
Noncurrent	3,484,237	4,057,265	4,624,819	4,872,563	4,891,396
Total Liabilities	<u>\$ 3,821,401</u>	<u>\$ 4,323,853</u>	<u>\$ 4,936,021</u>	<u>\$ 5,197,809</u>	<u>\$ 5,207,927</u>
<b>Net Assets</b>	2,763,643	2,921,531	3,068,719	3,252,129	3,471,653
<b>Total Liabilities &amp; Net Assets</b>	<u><b>\$ 6,585,044</b></u>	<u><b>\$ 7,245,384</b></u>	<u><b>\$ 8,004,740</b></u>	<u><b>\$ 8,449,937</b></u>	<u><b>\$ 8,679,580</b></u>
<b>STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS</b>					
Operating Revenues	\$ 1,319,950	\$ 1,248,674	\$ 1,464,248	\$ 1,541,562	\$ 1,612,855
Operating Expenses	(1,133,607)	(1,030,428)	(1,218,242)	(1,256,429)	(1,267,870)
Operating Income	<u>\$ 186,342</u>	<u>\$ 218,246</u>	<u>\$ 246,007</u>	<u>\$ 285,133</u>	<u>\$ 344,985</u>
Non-Operating Revenues/(Expenses) - Net	(97,980)	(118,963)	(143,040)	(163,893)	(170,530)
Income/(Loss) Before Contributions & Transfers	<u>\$ 88,362</u>	<u>\$ 99,282</u>	<u>\$ 102,967</u>	<u>\$ 121,240</u>	<u>\$ 174,455</u>
Capital Contributions	\$ 70,392	\$ 95,929	\$ 82,222	\$ 100,599	\$ 83,643
Transfers Out - Surplus Payments to City	(37,138)	(37,323)	(38,001)	(38,430)	(38,573)
<b>Change in Net Assets</b>	<u><b>\$ 121,617</b></u>	<u><b>\$ 157,888</b></u>	<u><b>\$ 147,188</b></u>	<u><b>\$ 183,410</b></u>	<u><b>\$ 219,525</b></u>
Net Assets - Beginning of year	2,642,026	2,763,643	2,921,531	3,068,719	3,252,129
Net Assets - End of Year	2,763,643	2,921,531	3,068,719	3,252,129	3,471,653
<b>STATEMENT OF CASH FLOWS</b>					
Net Cash Provided By (Used In):					
Operating Activities	\$ 467,740	\$ 360,221	\$ 505,544	\$ 571,518	\$ 636,335
Non-Capital Financing Activities	(37,138)	(37,323)	(38,001)	(38,430)	(38,573)
Capital and Related Financing Activities	(251,612)	(159,307)	(492,896)	(818,765)	(710,242)
Investing Activities	14,980	14,803	16,161	16,949	18,921
<b>Net Increase/(Decrease)</b>	<u><b>\$ 193,970</b></u>	<u><b>\$ 178,394</b></u>	<u><b>\$ (9,191)</b></u>	<u><b>\$ (268,727)</b></u>	<u><b>\$ (93,559)</b></u>
<b>Cash and Cash Equivalents and Investments</b>					
Cash & Investments, Beginning of Year	571,498	765,468	943,862	934,671	665,944
Cash & Investments, End of Year	<u>765,468</u>	<u>943,862</u>	<u>934,671</u>	<u>665,944</u>	<u>572,385</u>

Note: Totals may vary due to rounding.

**STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS (in thousands of dollars)**

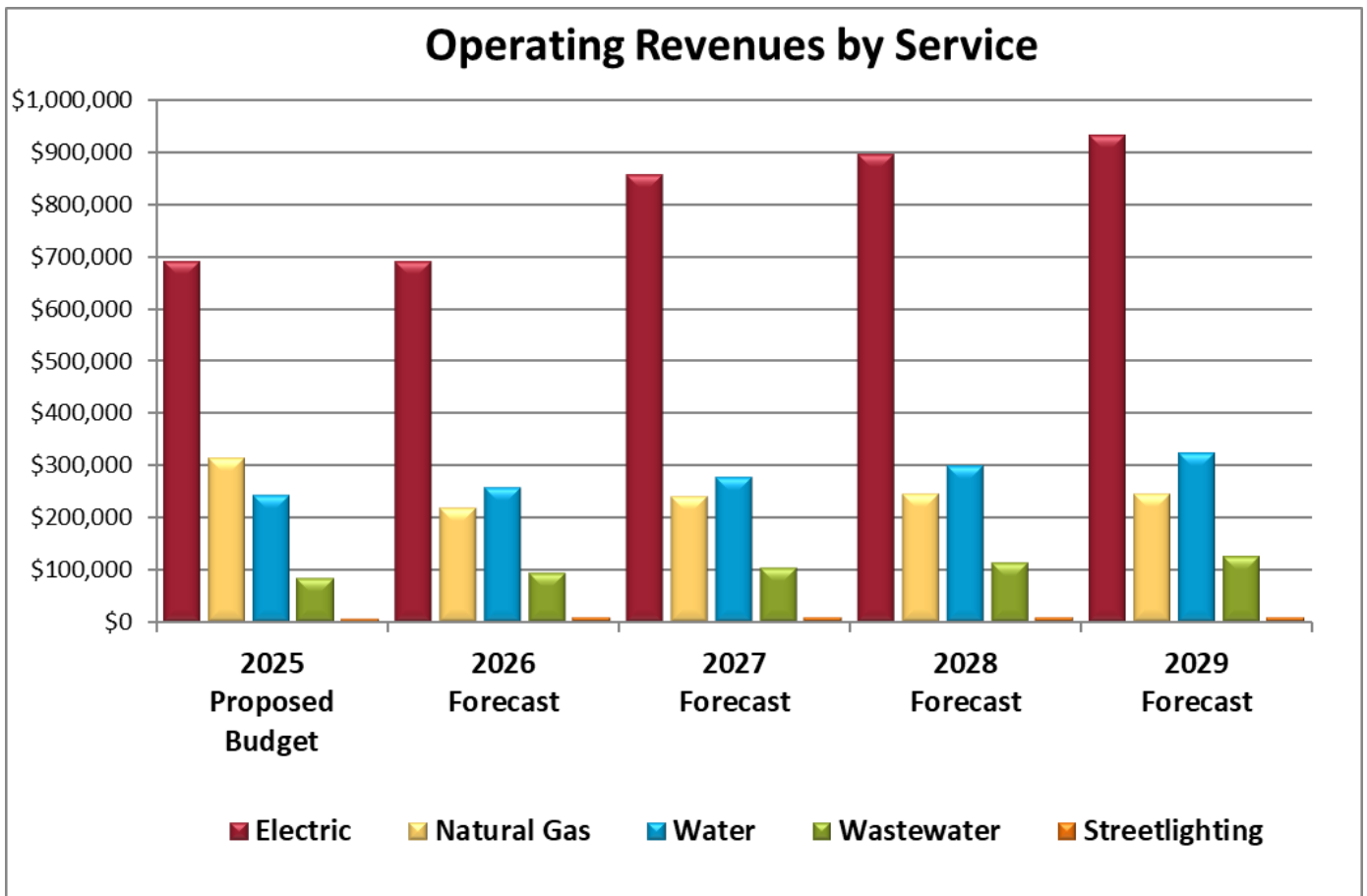
	<b>2025</b>				
	<b>Proposed</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
	<b>Budget</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
<b>OPERATING REVENUES</b>	<b>\$ 1,319,950</b>	<b>\$ 1,248,674</b>	<b>\$ 1,464,248</b>	<b>\$ 1,541,562</b>	<b>\$ 1,612,855</b>
<b>OPERATING EXPENSES</b>					
Production & Treatment	\$ 240,515	\$ 197,988	\$ 223,547	\$ 223,996	\$ 223,591
Purchased Power, Gas & Water	321,843	217,603	331,398	330,978	326,746
Transmission & Distribution	65,297	64,176	64,975	64,042	65,286
Maintenance	71,794	72,895	79,026	75,689	75,071
Administration & General	188,980	207,667	215,715	225,453	238,004
Customer Accounting & Collection	32,182	32,942	33,468	36,808	33,581
Customer Service & Information	11,124	11,895	12,047	12,203	12,362
Franchise Taxes	380	386	391	396	402
Depreciation & Amortization	201,492	224,876	257,676	286,863	292,827
<b>Total Operating Expenses</b>	<b>\$ 1,133,607</b>	<b>\$ 1,030,428</b>	<b>\$ 1,218,242</b>	<b>\$ 1,256,429</b>	<b>\$ 1,267,870</b>
<b>OPERATING INCOME</b>	<b>\$ 186,342</b>	<b>\$ 218,246</b>	<b>\$ 246,007</b>	<b>\$ 285,133</b>	<b>\$ 344,985</b>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>					
Investment Income	\$ 14,980	\$ 14,803	\$ 16,161	\$ 16,949	\$ 18,921
Other Revenue	5,805	5,733	5,659	5,582	5,503
Other Expense	(2,162)	(1,218)	(1,218)	(1,218)	(1,218)
Interest Expense & Bond Amortization	(116,604)	(138,281)	(163,642)	(185,207)	(193,735)
<b>Total Non-Operating Revenues/(Expenses)</b>	<b>\$ (97,980)</b>	<b>\$ (118,963)</b>	<b>\$ (143,040)</b>	<b>\$ (163,893)</b>	<b>\$ (170,530)</b>
<b>INCOME/(LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>\$ 88,362</b>	<b>\$ 99,282</b>	<b>\$ 102,967</b>	<b>\$ 121,240</b>	<b>\$ 174,455</b>
Capital Contributions	\$ 70,392	\$ 95,929	\$ 82,222	\$ 100,599	\$ 83,643
Transfers Out - Surplus Payments to City	(37,138)	(37,323)	(38,001)	(38,430)	(38,573)
Transfers - Other	0	0	0	0	0
<b>INCREASE/(DECREASE) IN NET ASSETS</b>	<b>\$ 121,617</b>	<b>\$ 157,888</b>	<b>\$ 147,188</b>	<b>\$ 183,410</b>	<b>\$ 219,525</b>

Note: Totals may vary due to rounding.

**OPERATING REVENUES BY SERVICE (in thousands of dollars)**

	<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>
Electric	\$ 693,166	\$ 691,921	\$ 857,520	\$ 898,050	\$ 933,644
Natural Gas	313,072	216,446	238,705	243,460	244,722
Water	241,814	256,441	275,822	297,821	321,153
Wastewater	83,413	91,248	102,894	112,929	123,386
Streetlighting	5,096	5,447	5,774	6,120	6,425
Inter-Service Eliminations	(16,611)	(12,830)	(16,467)	(16,818)	(16,475)
<b>TOTAL</b>	<b>\$ 1,319,950</b>	<b>\$ 1,248,674</b>	<b>\$ 1,464,248</b>	<b>\$ 1,541,562</b>	<b>\$ 1,612,855</b>

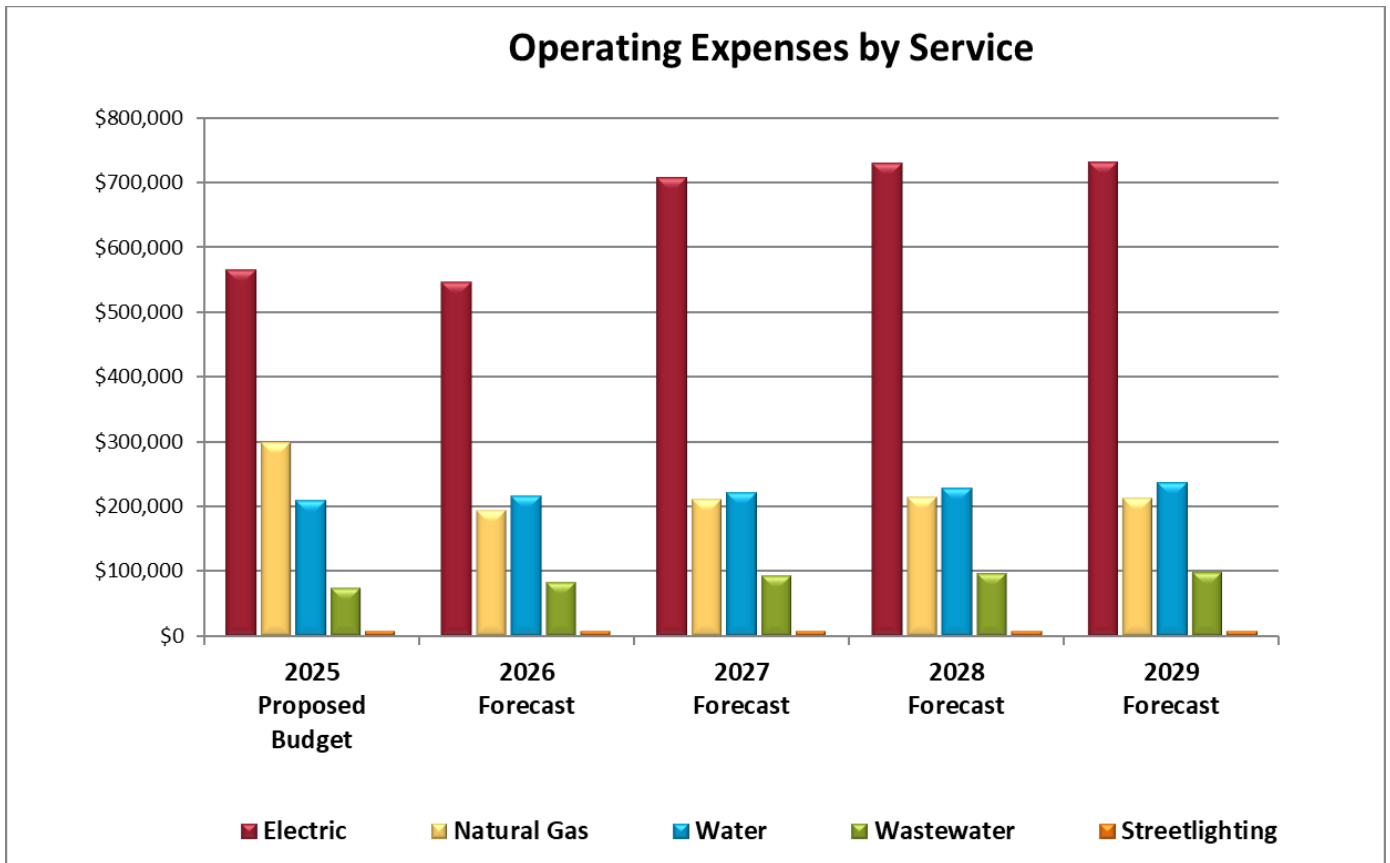
**Note:** Totals may vary due to rounding.



**OPERATING EXPENSES BY SERVICE (in thousands of dollars)**

	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
	<b>Proposed</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
	<b>Budget</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
Electric	\$ 565,247	\$ 546,090	\$ 706,238	\$ 729,166	\$ 731,317
Natural Gas	296,983	193,876	210,371	213,303	212,606
Water	208,129	215,857	220,234	227,970	235,857
Wastewater	73,856	81,008	91,306	96,120	97,747
Streetlighting	6,003	6,427	6,560	6,688	6,818
Inter-Service Eliminations	(16,611)	(12,830)	(16,467)	(16,818)	(16,475)
<b>TOTAL</b>	<b>\$ 1,133,607</b>	<b>\$ 1,030,428</b>	<b>\$ 1,218,242</b>	<b>\$ 1,256,429</b>	<b>\$ 1,267,870</b>

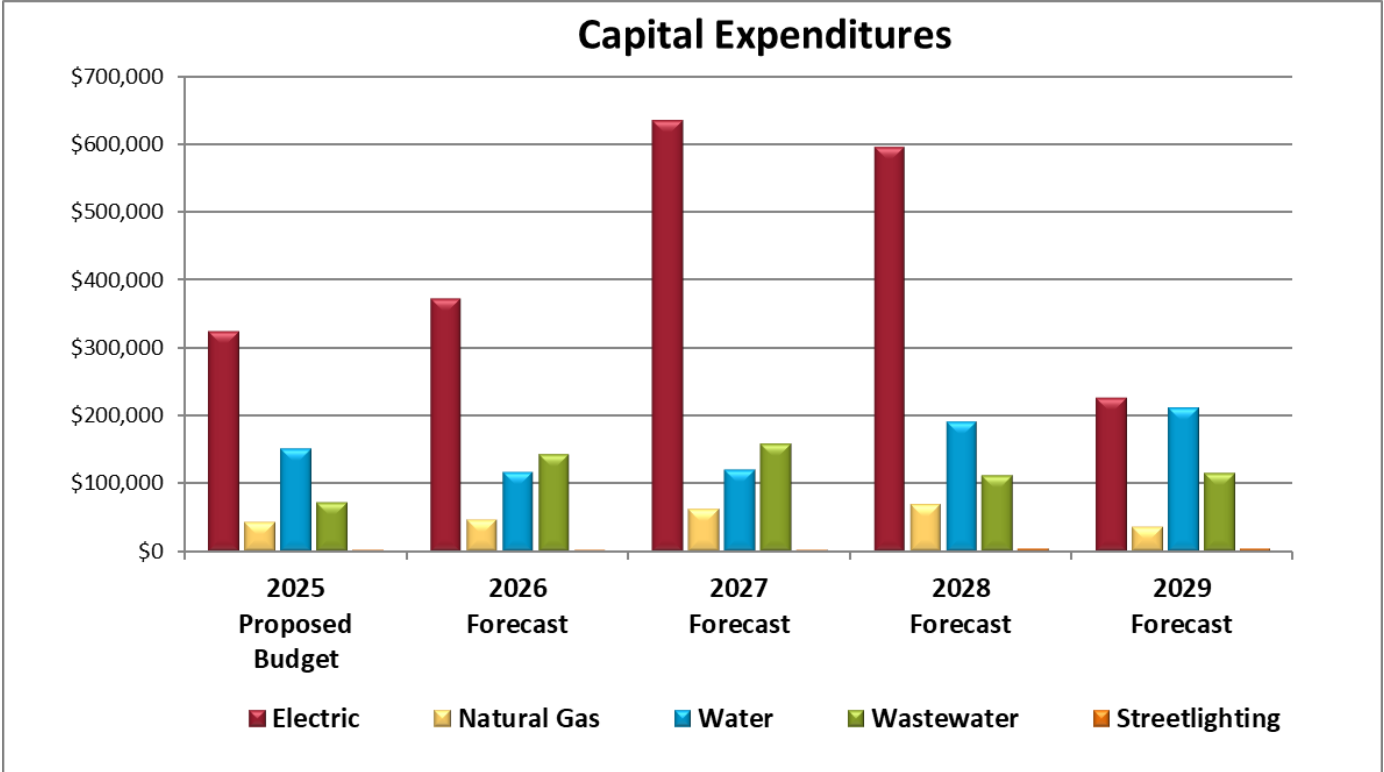
**Note:** Totals may vary due to rounding.



**CAPITAL EXPENDITURES (in thousands of dollars)**

	<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>
Electric	\$ 322,987	\$ 371,163	\$ 634,545	\$ 594,019	\$ 225,256
Natural Gas	42,809	45,099	60,199	68,478	34,850
Water	150,883	115,864	119,202	189,973	209,503
Wastewater	70,393	141,222	157,461	111,348	113,388
Streetlighting	1,598	1,685	1,726	1,791	1,837
Common	40,082	22,012	24,330	19,776	17,439
<b>TOTAL</b>	<b>\$ 628,752</b>	<b>\$ 697,046</b>	<b>\$ 997,463</b>	<b>\$ 985,384</b>	<b>\$ 602,274</b>

**Note:** Totals may vary due to rounding.



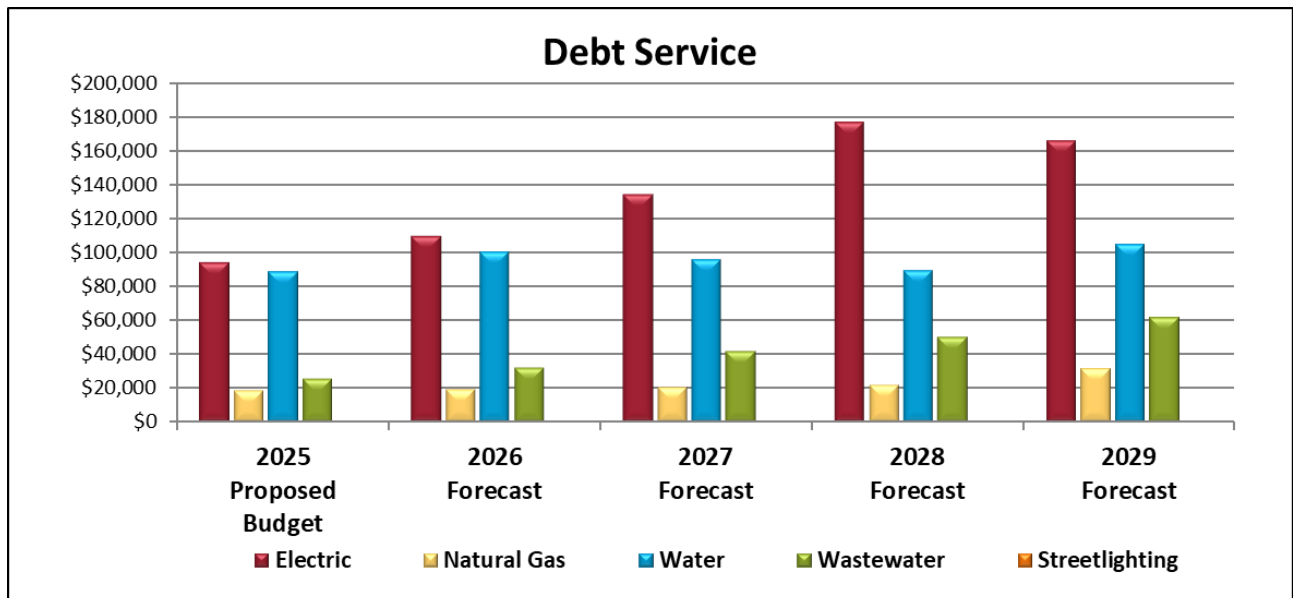
**DEBT SERVICE (in thousands of dollars)**

	<b>2025</b>				
	<b>Proposed</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
	<b>Budget</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
<b>ELECTRIC</b>					
Interest Payments <sup>1</sup>	\$ 52,387	\$ 64,172	\$ 83,476	\$ 101,229	\$ 100,901
Principal Repayments	41,945	45,336	50,479	75,210	65,047
<b>TOTAL</b>	<b>\$ 94,331</b>	<b>\$ 109,508</b>	<b>\$ 133,955</b>	<b>\$ 176,438</b>	<b>\$ 165,948</b>
<b>NATURAL GAS</b>					
Interest Payments <sup>1</sup>	\$ 9,418	\$ 10,509	\$ 11,864	\$ 13,659	\$ 14,508
Principal Repayments	9,102	9,258	8,870	8,121	17,459
<b>TOTAL</b>	<b>\$ 18,520</b>	<b>\$ 19,767</b>	<b>\$ 20,734</b>	<b>\$ 21,780</b>	<b>\$ 31,967</b>
<b>WATER</b>					
Interest Payments <sup>1</sup>	\$ 47,147	\$ 49,933	\$ 51,112	\$ 53,373	\$ 57,002
Principal Repayments	42,071	50,698	45,178	36,137	48,348
<b>TOTAL</b>	<b>\$ 89,217</b>	<b>\$ 100,631</b>	<b>\$ 96,290</b>	<b>\$ 89,510</b>	<b>\$ 105,351</b>
<b>WASTEWATER</b>					
Interest Payments <sup>1</sup>	\$ 13,653	\$ 18,264	\$ 23,999	\$ 28,227	\$ 31,797
Principal Repayments	12,460	14,383	17,812	22,414	29,905
<b>TOTAL</b>	<b>\$ 26,114</b>	<b>\$ 32,647</b>	<b>\$ 41,811</b>	<b>\$ 50,641</b>	<b>\$ 61,702</b>
<b>STREETLIGHTING</b>					
Interest Payments <sup>1</sup>	\$ 226	\$ 212	\$ 199	\$ 185	\$ 168
Principal Repayments	304	270	303	354	244
<b>TOTAL</b>	<b>\$ 530</b>	<b>\$ 481</b>	<b>\$ 502</b>	<b>\$ 539</b>	<b>\$ 412</b>
<b>TOTAL</b>					
Interest Payments <sup>1</sup>	\$ 122,831	\$ 143,089	\$ 170,651	\$ 196,673	\$ 204,377
Principal Repayments	105,881	119,945	122,642	142,236	161,003
<b>TOTAL</b>	<b>\$ 228,711</b>	<b>\$ 263,034</b>	<b>\$ 293,292</b>	<b>\$ 338,909</b>	<b>\$ 365,380</b>

**Note:** Totals may vary due to rounding.

Bonds are issued for the general system and not specific to service. For forecasting purposes bonds and debt service are allocated based on capital budgets. Fiber Optics project is cash funded and no debt is allocated towards it's expenses.

<sup>1</sup> Interest payments are net of subsidies received for Build America Bonds



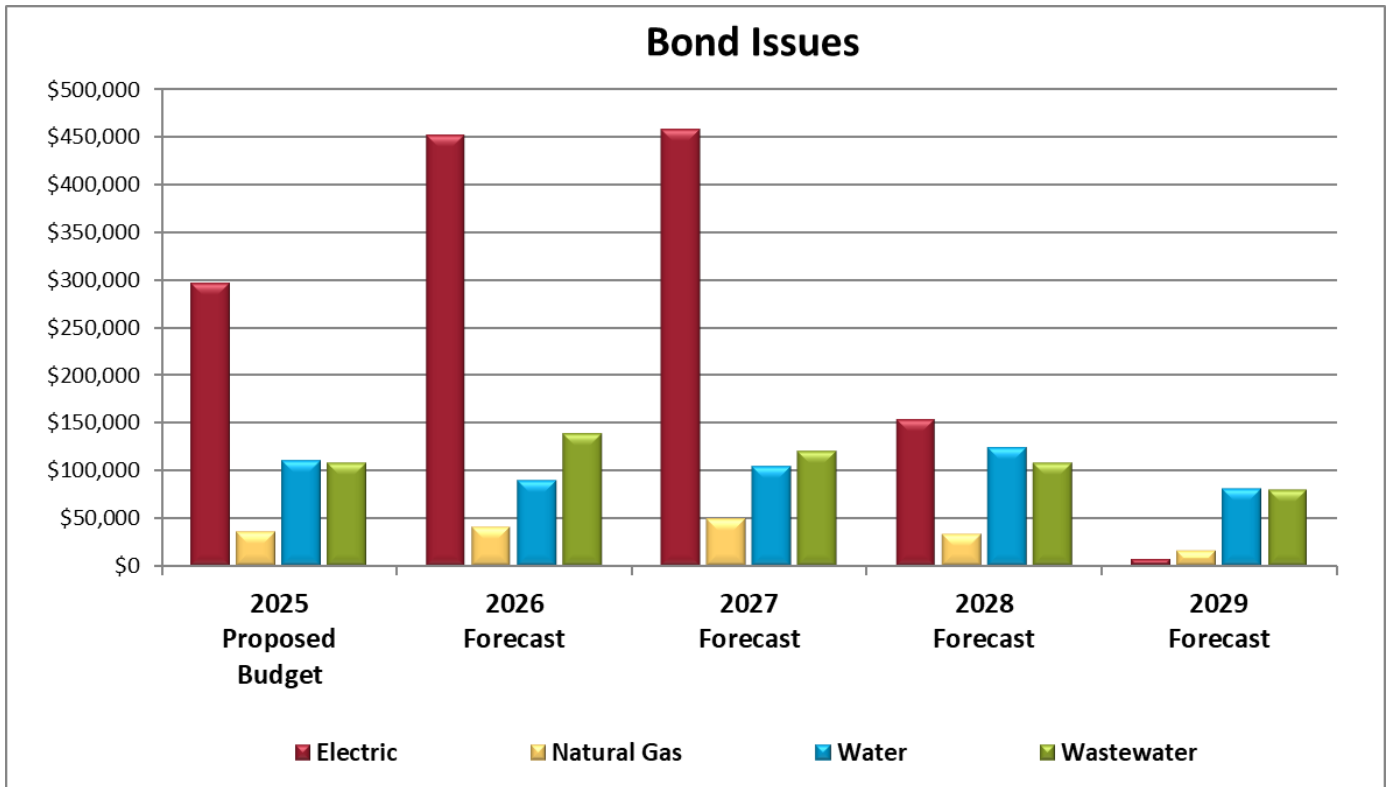


**BOND ISSUES (in thousands of dollars)**

	<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>
Electric	\$ 296,584	\$ 452,383	\$ 458,722	154,169	6,695
Natural Gas	34,948	39,715	48,550	32,437	15,954
Water	109,759	88,747	103,097	122,803	80,880
Wastewater	106,825	138,438	119,891	107,080	79,547
Streetlighting	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 548,115</b>	<b>\$ 719,283</b>	<b>\$ 730,260</b>	<b>\$ 416,490</b>	<b>\$ 183,076</b>

**Note:** Totals may vary due to rounding.

Bonds are issued for the general system (with the exception of SDS) and not specific to service. For forecasting purposes bonds and debt service are allocated based on capital budgets.



**SOURCES and USES OF FUNDS (in thousands of dollars)**

<b>SOURCES OF FUNDS</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
	<b>Proposed Budget</b>				
<b>Operating Revenues:</b>					
Electric	\$ 693,166	\$ 691,921	\$ 857,520	\$ 898,050	\$ 933,644
Natural Gas	313,072	216,446	238,705	243,460	244,722
Water	241,814	256,441	275,822	297,821	321,153
Wastewater	83,413	91,248	102,894	112,929	123,386
Streetlighting	5,096	5,447	5,774	6,120	6,425
Inter-Service Eliminations	(16,611)	(12,830)	(16,467)	(16,818)	(16,475)
Subtotal	<u>\$ 1,319,950</u>	<u>\$ 1,248,674</u>	<u>\$ 1,464,248</u>	<u>\$ 1,541,562</u>	<u>\$ 1,612,855</u>
Investment Income	14,980	14,803	16,161	16,949	18,921
Build America Bonds Subsidy	4,265	4,194	4,120	4,043	3,964
Capital Contributions	58,953	84,489	70,782	89,159	72,203
Bond Proceeds	390,102	543,066	796,603	686,135	275,420
<b>TOTAL SOURCES</b>	<u><b>\$ 1,788,250</b></u>	<u><b>\$ 1,895,226</b></u>	<u><b>\$ 2,351,914</b></u>	<u><b>\$ 2,337,849</b></u>	<u><b>\$ 1,983,362</b></u>
<b>USES OF FUNDS</b>					
Operating Expenses - Fuel	493,961	350,258	491,548	491,494	487,132
Operating Expenses - Non-Fuel	437,774	454,909	468,627	477,675	487,509
Transfers - Surplus Payments to City & Franchise Fees	37,518	37,709	38,392	38,826	38,974
<b>Debt Service Payments:</b>					
Interest Payments	\$ 122,831	\$ 143,089	\$ 170,651	\$ 196,673	\$ 204,377
Principal Repayments	105,881	119,945	122,642	142,236	161,003
Total Debt Service	<u>\$ 228,711</u>	<u>\$ 263,034</u>	<u>\$ 293,292</u>	<u>\$ 338,909</u>	<u>\$ 365,380</u>
<b>Capital Expenditures:</b>					
Cash Funded	\$ 238,650	\$ 153,980	\$ 200,860	\$ 299,249	\$ 326,854
Bond Funded	390,102	543,066	796,603	686,135	275,420
Total Capital	<u>\$ 628,752</u>	<u>\$ 697,046</u>	<u>\$ 997,463</u>	<u>\$ 985,384</u>	<u>\$ 602,274</u>
<b>TOTAL USES</b>	<u><b>\$ 1,826,717</b></u>	<u><b>\$ 1,802,955</b></u>	<u><b>\$ 2,289,322</b></u>	<u><b>\$ 2,332,287</b></u>	<u><b>\$ 1,981,269</b></u>

**Note:** Totals may vary due to rounding.

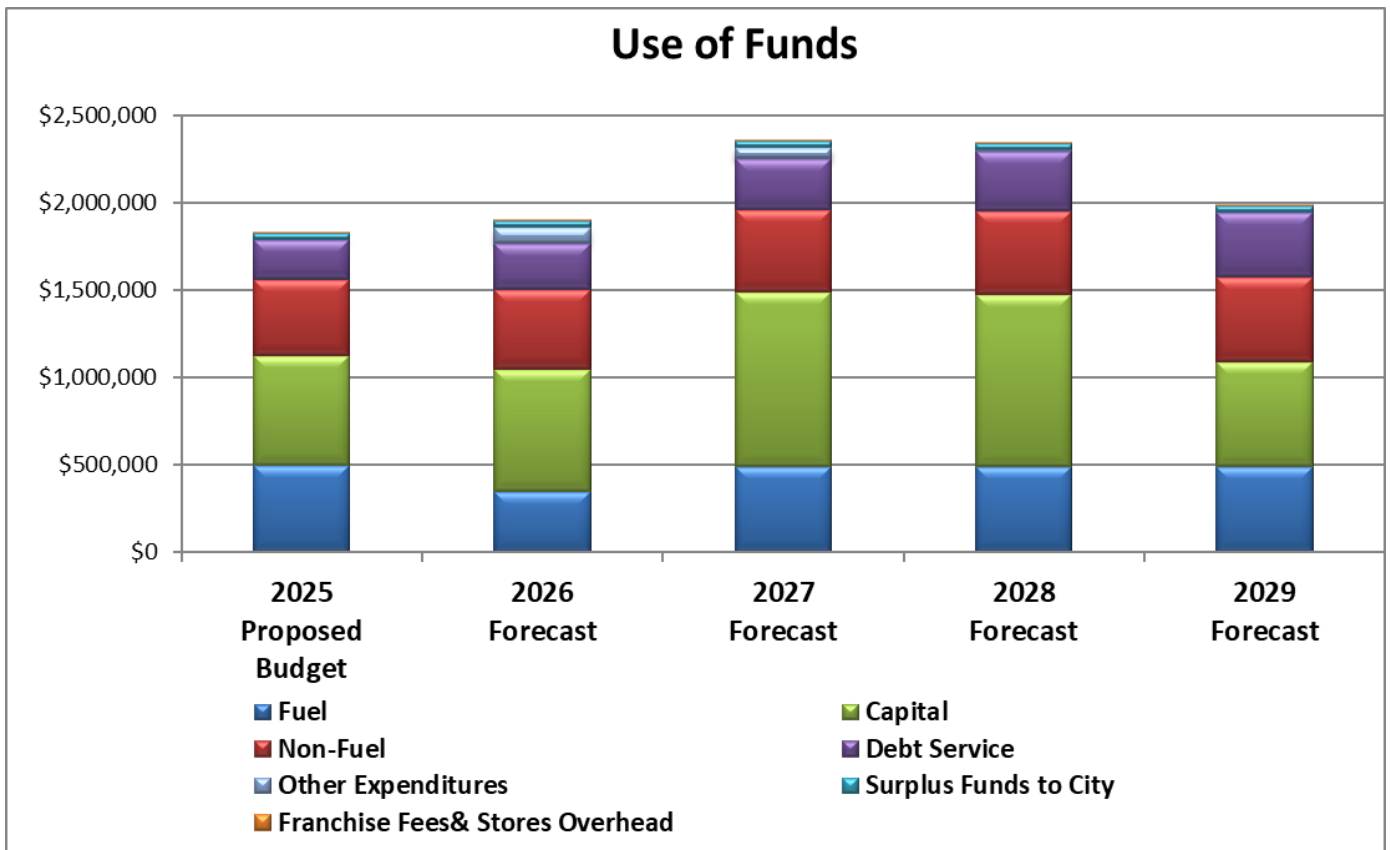
Major non-cash (expense) and revenue items not reflected above that are included on the income statement:

Depreciation & Amortization	<u><b>\$ (201,492)</b></u>	<u><b>\$ (224,876)</b></u>	<u><b>\$ (257,676)</b></u>	<u><b>\$ (286,863)</b></u>	<u><b>\$ (292,827)</b></u>
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**USES OF FUNDS (in thousands of dollars)**

USES OF FUNDS	2025	2026	2027	2028	2029
	Proposed Budget				
Operations & Maintenance					
Fuel	\$ 493,961	\$ 350,258	\$ 491,548	\$ 491,494	\$ 487,132
Non-Fuel	437,774	454,909	468,627	477,675	487,509
Subtotal	\$ 931,735	\$ 805,167	\$ 960,175	\$ 969,169	\$ 974,641
Capital					
Project Capital	628,752	697,046	997,463	985,384	602,274
Subtotal	\$ 628,752	\$ 697,046	\$ 997,463	\$ 985,384	\$ 602,274
Debt Service					
Interest Expense	\$ 122,831	\$ 143,089	\$ 170,651	\$ 196,673	\$ 204,377
Principal Payments	105,881	119,945	122,642	142,236	161,003
Subtotal	\$ 228,711	\$ 263,034	\$ 293,292	\$ 338,909	\$ 365,380
Transfers Out- Surplus Payments to City	\$ 37,138	\$ 37,323	\$ 38,001	\$ 38,430	\$ 38,573
Franchise Fees	380	386	391	396	402
<b>TOTAL</b>	<b>\$ 1,826,717</b>	<b>\$ 1,802,955</b>	<b>\$ 2,289,322</b>	<b>\$ 2,332,287</b>	<b>\$ 1,981,269</b>

**Note:** Totals may vary due to rounding.

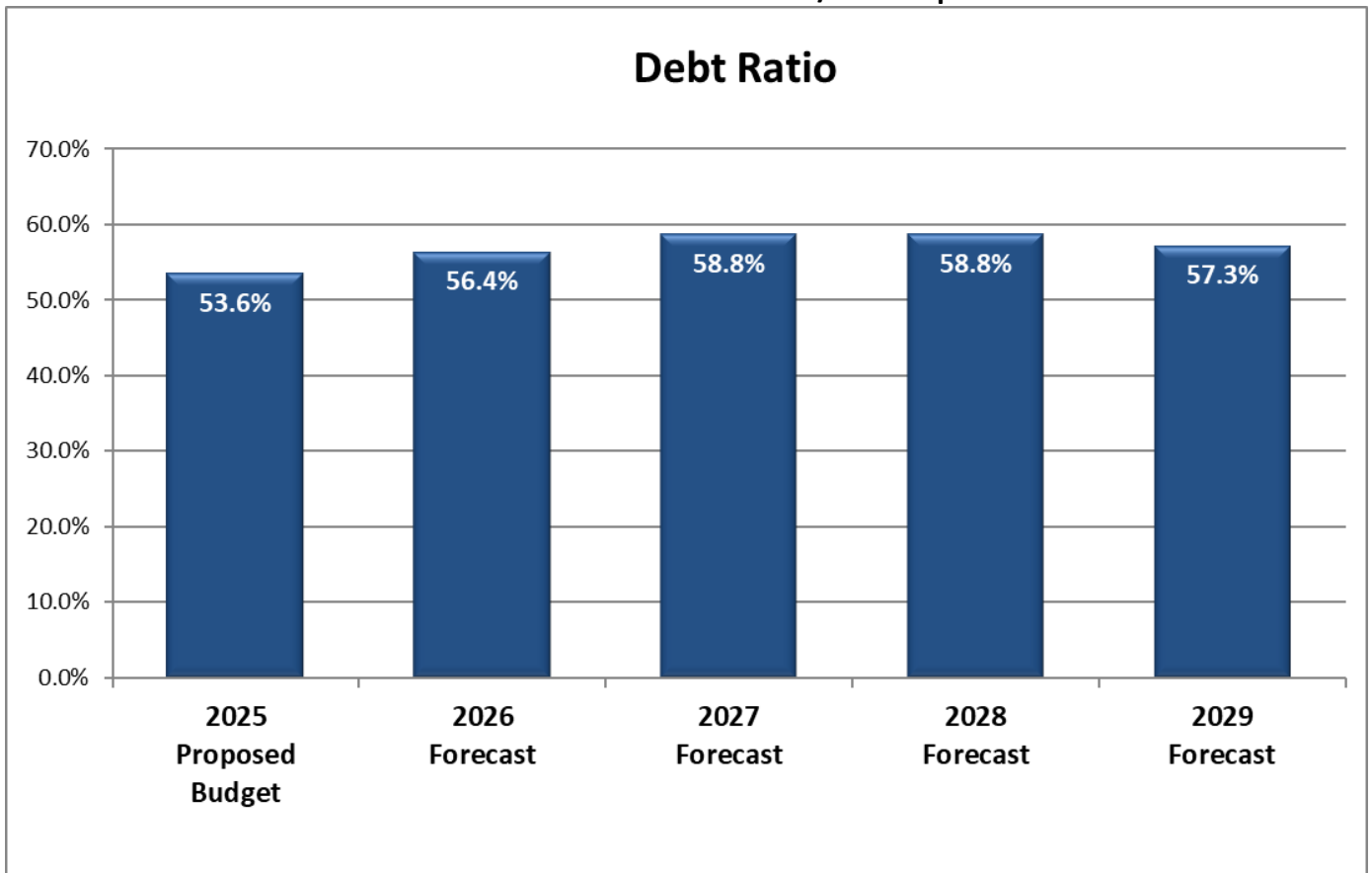


**FINANCIAL MEASURES – DEBT RATIO (in thousands of dollars)**

CALCULATION:	2025	2026	2027	2028	2029
	Proposed Budget				
Current Maturities of Revenue Bonds	\$ 119,207	\$ 135,120	\$ 164,087	\$ 179,600	\$ 173,161
Current Notes & Loans Payable	470	470	470	470	470
Revenue Bonds, Net	3,049,735	3,622,762	4,190,316	4,438,060	4,456,894
Notes & Loans Payable	2,805	2,805	2,805	2,805	2,805
Net Gain/(Loss) on Refundings	18,311	18,311	18,311	18,311	18,311
<b>Net Funded Debt</b>	<b>\$ 3,190,528</b>	<b>\$ 3,779,469</b>	<b>\$ 4,375,990</b>	<b>\$ 4,639,247</b>	<b>\$ 4,651,641</b>
Current Maturities of Revenue Bonds	\$ 119,207	\$ 135,120	\$ 164,087	\$ 179,600	\$ 173,161
Current Notes & Loans Payable	470	470	470	470	470
Revenue Bonds, Net	3,049,735	3,622,762	4,190,316	4,438,060	4,456,894
Notes & Loans Payable	2,805	2,805	2,805	2,805	2,805
Net Gain/(Loss) Debt Refundings	18,311	18,311	18,311	18,311	18,311
Net Position	2,763,643	2,921,531	3,068,719	3,252,129	3,471,653
<b>Total Capitalization</b>	<b>\$ 5,954,171</b>	<b>\$ 6,700,999</b>	<b>\$ 7,444,709</b>	<b>\$ 7,891,376</b>	<b>\$ 8,123,295</b>
<b>Debt Ratio</b>	<b>53.6%</b>	<b>56.4%</b>	<b>58.8%</b>	<b>58.8%</b>	<b>57.3%</b>

Note: Totals may vary due to rounding.

**Debt Ratio calculation: Net Funded Debt/Total Capitalization**

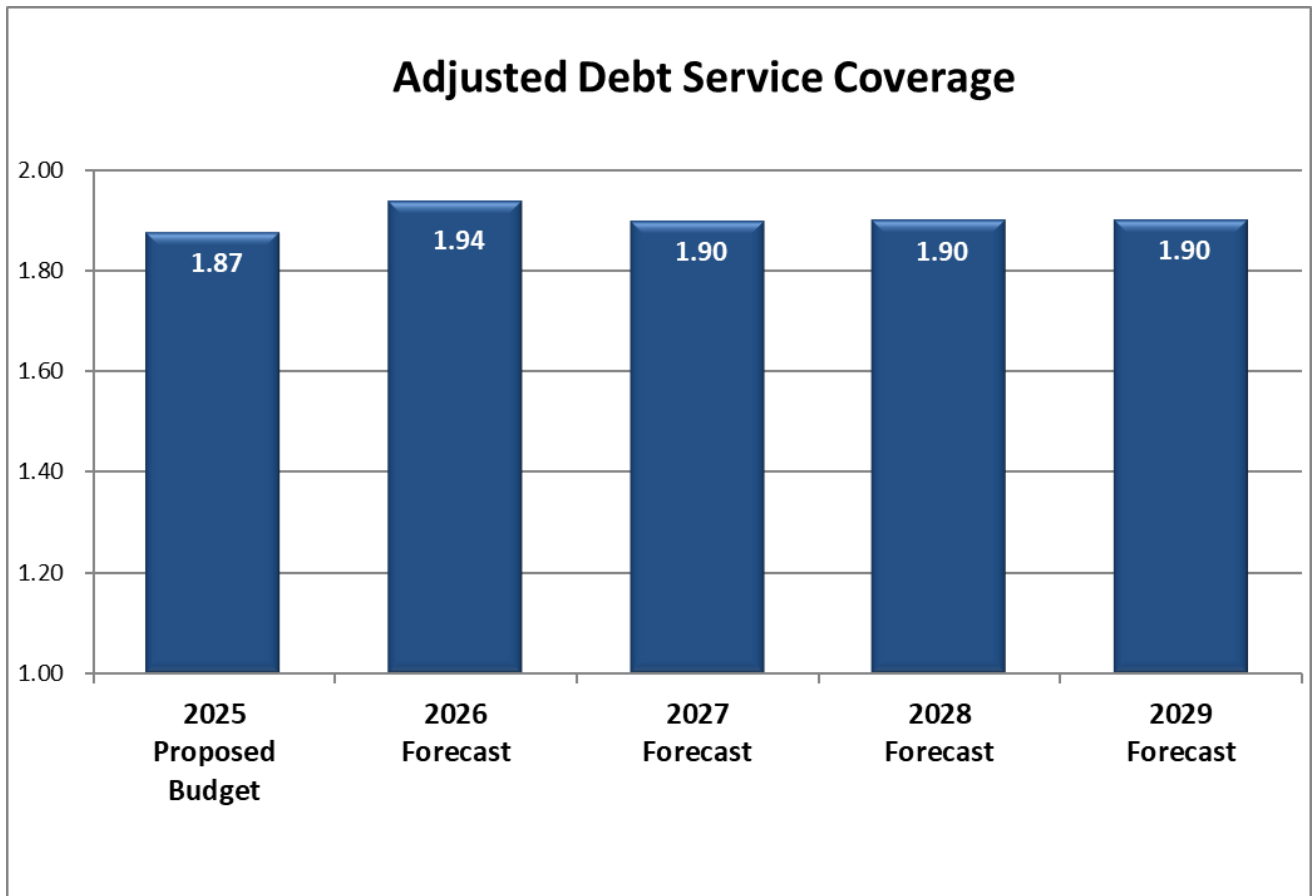


**FINANCIAL MEASURES – ADJUSTED DEBT SERVICE COVERAGE (in thousands of dollars)**

CALCULATION:	2025	2026	2027	2028	2029
	Proposed Budget				
<b>Net Revenues:</b>					
Operating Revenues	\$ 1,319,950	\$ 1,248,674	\$ 1,464,248	\$ 1,541,562	\$ 1,612,855
Developer Fees	58,953	84,489	70,782	89,159	72,203
Interest Earnings (excl. Interest on Bonds)	14,874	14,696	16,055	16,843	18,814
Build America Bonds Subsidy	4,265	4,194	4,120	4,043	3,964
<b>Total Revenue</b>	<b>\$ 1,398,041</b>	<b>\$ 1,352,053</b>	<b>\$ 1,555,205</b>	<b>\$ 1,651,607</b>	<b>\$ 1,707,836</b>
Total Operating Expenses	(1,133,607)	(1,030,428)	(1,218,242)	(1,256,429)	(1,267,870)
Depreciation & Amortization	201,492	224,876	257,676	286,863	292,827
Surplus Payments to the City	(37,138)	(37,323)	(38,001)	(38,430)	(38,573)
<b>Net Revenues</b>	<b>\$ 428,788</b>	<b>\$ 509,177</b>	<b>\$ 556,638</b>	<b>\$ 643,612</b>	<b>\$ 694,221</b>
<b>Bond Year Debt Service</b>	<b>\$ 228,711</b>	<b>\$ 263,034</b>	<b>\$ 293,292</b>	<b>\$ 338,909</b>	<b>\$ 365,380</b>
<b>Adjusted Debt Service Coverage Ratio</b>	<b>1.87</b>	<b>1.94</b>	<b>1.90</b>	<b>1.90</b>	<b>1.90</b>

Note: Totals may vary due to rounding.

**Adjusted Debt Service Coverage Ratio calculation: Net Revenues/Bond Year Debt Service**

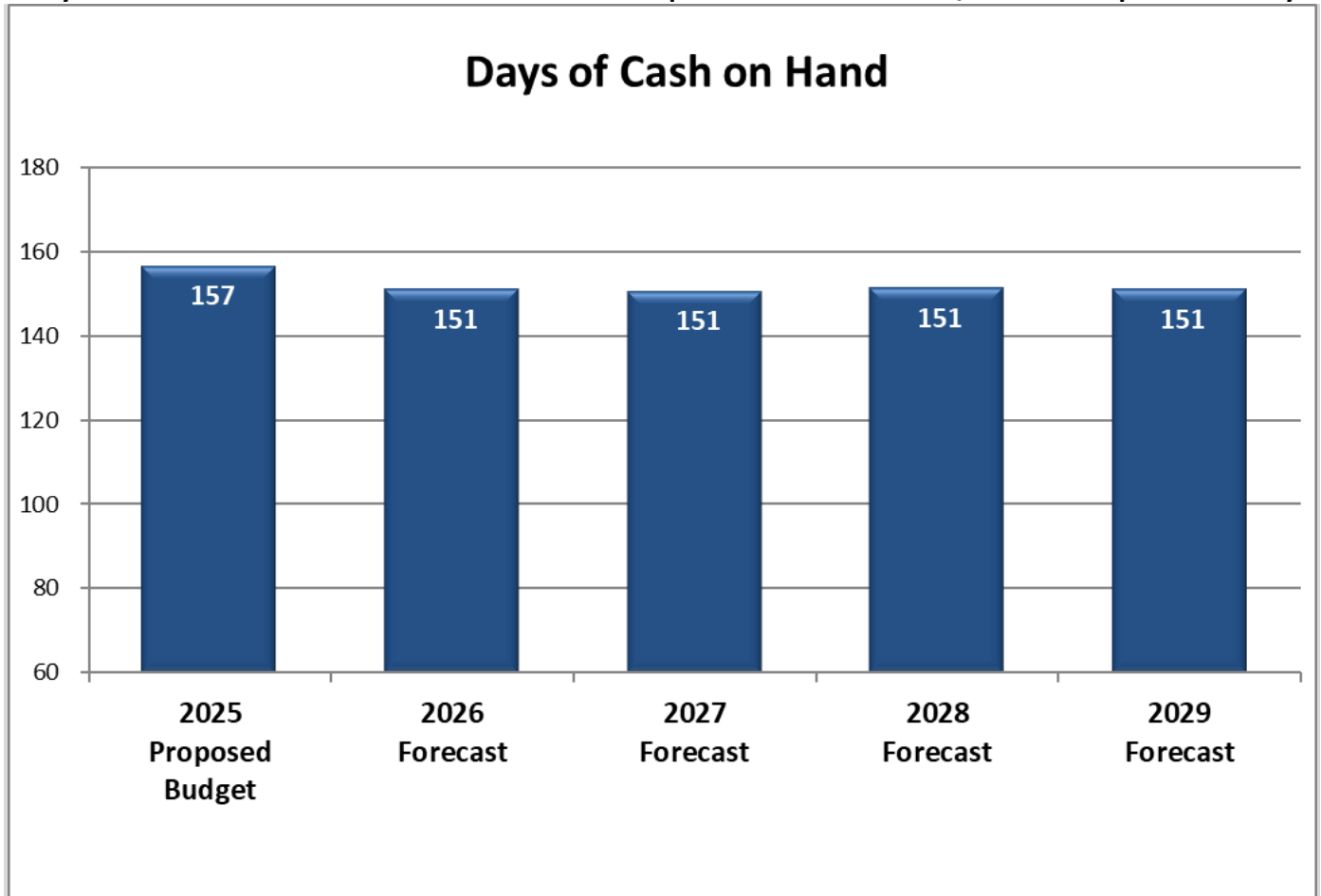


**FINANCIAL MEASURES – DAYS OF CASH ON HAND (in thousands of dollars)**

CALCULATION:	2025	2026	2027	2028	2029
	Proposed Budget				
<b>Cash and Cash Equivalents-Unrestricted</b>	<b>\$ 324,085</b>	<b>\$ 333,607</b>	<b>\$ 396,641</b>	<b>\$ 401,230</b>	<b>\$ 403,998</b>
Cash Expense per Day					
Total Operating Expenses	\$ 1,133,607	\$ 1,030,428	\$ 1,218,242	\$ 1,256,429	\$ 1,267,870
Depreciation & Amortization	(201,492)	(224,876)	(257,676)	(286,863)	(292,827)
Fuel Comodity - Increased Cost	(176,984)	-	-	-	-
Net Cash Expense	<b>\$ 755,131</b>	<b>\$ 805,552</b>	<b>\$ 960,566</b>	<b>\$ 969,565</b>	<b>\$ 975,042</b>
Number of Days in Period	365	365	365	366	365
<b>Net Cash Expense per Day</b>	<b>\$ 2,069</b>	<b>\$ 2,207</b>	<b>\$ 2,632</b>	<b>\$ 2,649</b>	<b>\$ 2,671</b>
<b>Days of Cash on Hand</b>	<b>157</b>	<b>151</b>	<b>151</b>	<b>151</b>	<b>151</b>

Note: Totals may vary due to rounding.

**Days of Cash on Hand calculation: Cash and Cash Equivalents-Unrestricted/Net Cash Expense Per Day**



**CAPITAL EXPENDITURES (in thousands of dollars)**

<b>Electric Service Capital Projects</b>		<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>	<b>Total 5-Yr</b>
1.	SEP EIRP Implementation (193784)	\$ 42,120	\$ 28,080	\$ 315,900	\$ 259,740	\$ 0	\$ 645,840
2.	Operational Fiber Network (193952)	63,045	52,445	49,900	52,303	47,993	265,685
3.	SEP EIRP Implementation - Transmission (194133)	25,000	50,000	75,000	50,000	0	200,000
4.	Airport Peak Innovation Park (APIP) - 600 MW (194139)	0	6,000	27,750	76,250	65,000	175,000
5.	SEP Kelker Substation (Sub) Rebuild-Expansion (193874)	31,485	26,491	9,755	2,329	0	70,060
6.	SEP EIRP Implementation - Subs (194134)	0	10,000	25,000	25,000	0	60,000
7.	SEP Midway (MW)- Kelker (KE) Transmission Line (193880)	19,243	26,624	10,335	0	0	56,202
8.	Substations - Future Capacity (193831)	0	2,000	2,000	12,400	14,600	31,000
9.	Underground (UG) 12.5kV Distribution to New Residential Customers (192296)	4,900	4,922	5,712	6,465	6,586	28,586
10.	Central Bluffs Sub (193642)	16,000	8,000	0	0	0	24,000
11.	Front Range (FR) General Electric Hot Gas Path Replacement (193407)	6,201	3,742	4,400	4,600	4,825	23,768
12.	Electric Service Vehicles & Equipment (180333)	4,227	5,030	4,331	5,272	4,654	23,513
13.	SEP Kelker-South Plant New 115kV Transmission Line (193877)	8,604	14,288	300	0	0	23,192
14.	APIP - Claremont Sub - Add Transformer, Switchgear, and Feeders (193884)	260	17,870	369	0	0	18,499
15.	APIP - Horizon Sub - Add New 34.5kV Transformer, Switchgear, and Feeders (194037)	9,600	7,560	0	0	0	17,160
16.	Electric UG Infrastructure Corrective Maintenance (180331)	2,859	2,926	2,995	3,407	3,632	15,818

Electric Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
17.	System Additions for New Development (193974)	\$ 2,400	\$ 3,150	\$ 3,039	\$ 3,478	\$ 3,582	\$ 15,649
18.	Wildfire Mitigation System Hardening (194132)	612	3,449	3,449	3,449	3,449	14,408
19.	Electric Management Reserve (100905)	500	527	7,620	4,827	863	14,337
20.	Electric UG Infrastructure Preventative Maintenance (193224)	1,890	1,980	2,070	2,400	4,499	12,839
21.	Microgrid and Smart Grid Technologies Demonstration Program at the Tollefson Water Treatment Plant (193865)	500	500	500	5,750	5,500	12,750
22.	Santa Fe Sub - Add New Transformer, Switchgear, and Feeders (194029)	1,150	8,860	2,500	0	0	12,510
23.	Briargate Sub - Add New Transformer, Switchgear, and Feeders (194107)	3,710	5,640	0	2,750	0	12,100
24.	UG 12.5kV Three Phase Mainline to New Residential and Commercial Customers (192298)	2,182	2,225	2,270	2,572	2,624	11,872
25.	Distribution System Improvements (192383)	2,151	2,421	2,421	2,421	2,421	11,835
26.	Sub Equipment Replacement (180449)	1,000	1,888	2,700	3,000	3,000	11,588
27.	South Plant-Fontanero 115kV UG (194060)	0	100	5,700	5,700	0	11,500
28.	UG 12.5kV Commercial Distribution (192297)	2,073	2,115	2,157	2,444	2,493	11,282
29.	Fuller Sub - Add New Transformer, Switchgear, and Feeders (194033)	0	0	1,351	4,340	4,767	10,458
30.	Fontanero Sub - Add Second 115/12.5kV Transformer, Switchgear, Feeders, and retire Yampa Sub (194045)	4,000	4,600	0	0	0	8,600
31.	Electric Meters - Base Requirements (192347)	2,360	1,376	1,404	1,591	1,623	8,355
32.	Flying Horse Sub - Add New Transformer, Switchgear, and Feeders (193780)	850	4,150	3,000	0	0	8,000



Electric Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
33.	SEP Portfolio Management (193887)	\$ 1,561	\$ 1,561	\$ 1,561	\$ 1,561	\$ 1,561	\$ 7,804
34.	Rampart 115/35kV Transformer (193744)	0	860	530	3,230	3,010	7,630
35.	Air West Sub-Add New Feeder (194035)	0	0	7,050	0	0	7,050
36.	Patty Jewett Sub - Add New Transformer, Switchgear, Feeders, and Retire Memorial Hospital Sub (194026)	530	6,370	140	0	0	7,040
37.	FR Tube Section Replacement (193722)	0	0	0	7,000	0	7,000
38.	FR Combustion Turbine (CT) Unit 1 & CT2 Rotor Replacement (193898)	6,750	0	0	0	0	6,750
39.	Kelker-Central Bluff 115kV (194058)	0	100	3,300	3,300	0	6,700
40.	Midway-Nixon 230kV Line Reconductor (194061)	0	100	3,100	3,100	0	6,300
41.	Electric Overhead (OH) Infrastructure Corrective Maintenance (180286)	855	900	945	1,186	1,222	5,108
42.	Fuller Sub - Add Two New Feeders (194028)	2,385	2,385	0	0	0	4,770
43.	Kelker-Rock Island 115kV Line Reconductor (194057)	100	2,100	2,100	0	0	4,300
44.	Tesla Hydro Isolation Valves Replacement Project (193975)	2,921	1,085	0	0	0	4,005
45.	New Sub-Northeast Area of Existing Service Territory (194030)	0	0	0	0	4,000	4,000
46.	Manitou Units 1&2 Turbines & Generators Rehabilitation Project (193970)	3,500	0	0	0	0	3,500
47.	Electric Time and Material (T&M) for Capital Work (192909)	633	645	658	746	761	3,444
48.	Powers Sub Transformer and Switchgear Replacement (194046)	300	1,112	1,959	0	0	3,371
49.	Kelker 12.5kV Feeder Addition (193885)	0	2,500	0	0	0	2,500

Electric Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
50.	Spare Transformer - 230/35kV (194050)	\$ 1,000	\$ 1,421	\$ 0	\$ 0	\$ 0	\$ 2,421
51.	North Plant-Central Bluff 115kV (194056)	0	1,200	1,200	0	0	2,400
52.	Downtown Network Upgrades (182536)	450	630	270	300	600	2,250
53.	Cottonwood-Kettle Creek 115kV Line Reconductor (194059)	100	1,000	1,000	0	0	2,100
54.	FR Heat Recovery Steam Generator (HRSG) Unit 2 Duct Burner Replacement (194115)	0	0	2,050	0	0	2,050
55.	Advanced Distribution Management System (193695)	0	700	300	20	1,000	2,020
56.	FR CT1 & CT2 Fire Protection (194117)	0	0	2,000	0	0	2,000
57.	Rampart Sub New Feeder (194031)	0	1,950	0	0	0	1,950
58.	Atmel Sub - Add New Transformer, Switchgear, and Feeders (193745)	459	609	779	0	0	1,846
59.	FR Air Cooled Condenser (ACC) Gearbox (193487)	360	360	360	360	360	1,800
60.	FR ACC Blade Replacement (193631)	350	350	350	350	350	1,750
61.	Spare Transformer - 35/12.5kV (194087)	0	1,700	0	0	0	1,700
62.	Clear Spring Ranch (CSR) Sitewide Stormwater Improvements (796742)	360	360	330	300	300	1,650
63.	CSR Dam Construction Upgrade (796741)	75	1,500	0	0	0	1,575
64.	FR CT1 Generator Stator Rewind (194092)	1,560	0	0	0	0	1,560
65.	South Plant Aeroderivative Generator (SPAG) Access Platforms (194121)	0	1,500	0	0	0	1,500
66.	SEP Jackson Fuller Energy Storage (194073)	1,494	0	0	0	0	1,494
67.	Electric Transmission Infrastructure Corrective Maintenance (193406)	225	225	225	350	450	1,475

Electric Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
68.	Public Improvements-Electric (180283)	\$ 253	\$ 258	\$ 263	\$ 298	\$ 304	\$ 1,377
69.	Relay Instrumentation Control (RIC) Equipment Replacement (193225)	229	233	238	269	275	1,244
70.	Central Sub (194032)	0	0	0	720	450	1,170
71.	Top Tier Sub Hardening (193775)	276	284	292	301	0	1,153
72.	Arc Flash Mitigation (193079)	199	203	207	234	239	1,082
73.	FR ACC Fan Motor Replacement (194082)	200	200	200	200	200	1,000
74.	FR Secondary Maintenance Shop (193828)	0	0	0	1,000	0	1,000
75.	Nixon CT2 & CT3 Fire Protection (194116)	0	0	1,000	0	0	1,000
76.	FR HRSG1 Duct Burner Replacement (194109)	950	0	0	0	0	950
77.	Nixon 1 Pulverizer Major Component Replacement (192985)	600	75	75	75	75	900
78.	FR Emerson Ovation Distributed Control System (DCS) Human Machine Interface (HMI) Upgrade (194078)	900	0	0	0	0	900
79.	FR HRSG1 Elevator (193118)	800	0	0	0	0	800
80.	Horizon Sub - Add New Transformer, Switchgear, and Feeders (194036)	0	0	0	0	790	790
81.	FR CT1 Operational Flexibility Improvements (193792)	750	0	0	0	0	750
82.	FR CT2 Operational Flexibility Improvements (193793)	750	0	0	0	0	750
83.	Green Mount Substation Rebuild (193699)	0	750	0	0	0	750
84.	FR CT1 Generator Rotor Rewind (194094)	600	0	0	0	0	600
85.	OH Distribution Construction (192295)	109	111	114	129	131	594
86.	Sub Asset Management Software (193892)	564	0	0	0	0	564
87.	Nixon Unit 1 Primary Air (PA) Fan Overhauls (194066)	550	0	0	0	0	550

Electric Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
88.	FR Instrument & Control and Electrical (IC&E) Mezzanine Shop Project (193822)	\$ 0	\$ 0	\$ 500	\$ 0	\$ 0	\$ 500
89.	Nixon 1 Boiler Feed Pump (193812)	500	0	0	0	0	500
90.	Nixon 2 & 3 Compressed Air System (194118)	500	0	0	0	0	500
91.	Cascade Turbine Stop Valve Refurbish / Replace (194108)	500	0	0	0	0	500
92.	Nixon 1 Circ Water Pumps (A/B) Refurbishment (194135)	250	250	0	0	0	500
93.	FR Balance of Plant Valves (193721)	0	0	400	0	0	400
94.	FR Emergency Power Upgrade (193794)	400	0	0	0	0	400
95.	Electric Planning System Model Enhancements (180378)	0	250	30	50	30	360
96.	CSR Coal Combustion Residual (CCR) Landfill Redesign Cover (194062)	125	0	0	0	179	304
97.	Manitou Plant Roof Access (194119)	0	0	300	0	0	300
98.	Airport & Powers - Electric Relocation - CDOT T&M (194103)	300	0	0	0	0	300
99.	Electric Tools & Equip (180332)	50	50	50	50	50	250
100.	System Reliability Improvements (180217)	50	50	50	50	50	250
101.	Electric Field Safety Training Aid (194088)	230	0	0	0	0	230
102.	Advanced Metering Infrastructure (AMI) Network New Growth & Replacement (796463)	44	45	46	47	48	230
103.	Nixon 1 Cooling Tower Fan Blades and Hubs (193189)	50	50	50	50	0	200
104.	Nixon 1 Battery Replacement (193621)	0	0	200	0	0	200
105.	System Improvement Program (SIP)- Arvada & S Nevada (174106)	200	0	0	0	0	200
106.	AMI Project-Multi (796649)	180	0	0	0	0	180

Electric Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
107.	CSR Zero Discharge Impoundment (194084)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 180	\$ 180
108.	230kV Redundant Communications (193783)	0	110	50	0	0	160
109.	Upgrade OH for existing customers (180218)	0	0	0	150	0	150
110.	BRDS03 RTU Replacement (194093)	130	0	0	0	0	130
111.	Nixon 1 Cooling Tower Fan Gearbox (193252)	30	30	30	30	0	120
112.	Remotes Tools & Equipment (Gas Turbine Borescope) (193969)	100	0	0	0	0	100
113.	Front Range HVAC Unit Replacement (193577)	0	30	0	30	0	60
114.	Streetlight Replacements (Outside City Limits) (192931)	9	9	10	11	12	52
115.	8.4 MW Solar Array Project at Fort Carson (194141)	50	0	0	0	0	50
116.	Manitou 3 Control System (193090)	0	0	0	0	50	50
117.	Nixon ZD - Demister Pad Replacement (194069)	0	25	0	25	0	50
118.	FR Units 1 & 2 Continuous Emissions Monitoring System (CEMS) Data Controller Replacement (194125)	0	48	0	0	0	48
119.	Nixon 2 & 3 CEMS Data Control (194131)	0	48	0	0	0	48
120.	FR Inverter System Maintenance (193727)	0	30	0	0	0	30
121.	N1 Distributed Control Sys Rep (180359)	0	0	25	0	0	25
<b>Total Capital Non-Labor Electric</b>		<b>\$ 296,316</b>	<b>\$ 345,320</b>	<b>\$ 608,263</b>	<b>\$ 568,012</b>	<b>\$ 198,787</b>	<b>\$2,016,698</b>

**CAPITAL EXPENDITURES (in thousands of dollars)**

<b>Streetlights Service Capital Projects</b>		<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>	<b>Total 5-Yr</b>
1.	Streetlights - New Construction (892346)	\$ 634	\$ 647	\$ 660	\$ 673	\$ 687	\$ 3,301
2.	Streetlight Replacements (Inside City Limits) (892930)	564	580	598	684	705	3,131
3.	Street Lights (892330)	157	158	160	190	194	860
<b>Total Capital Non-Labor Streetlights</b>		<b>\$ 1,355</b>	<b>\$ 1,386</b>	<b>\$ 1,418</b>	<b>\$ 1,548</b>	<b>\$ 1,586</b>	<b>\$ 7,291</b>

**CAPITAL EXPENDITURES (in thousands of dollars)**

<b>Gas Service Capital Projects</b>		<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>	<b>Total 5-Yr</b>
1.	SEP - Downtown and Military Gas Supply Resiliency Project (293207)	\$ 2,820	\$ 3,320	\$ 26,320	\$ 26,820	\$ 0	\$ 59,280
2.	Distribution Integrity Management Program (DIMP) - Gas 150P System Renewals (293179)	7,433	8,000	1,670	9,461	1,093	27,657
3.	New Construction Billable (293041)	3,521	3,596	3,732	3,949	4,028	18,826
4.	DIMP - Gas Coated Steel Renewals (293180)	2,000	4,000	4,120	4,244	4,371	18,735
5.	Gas Service Vehicles & Equipment (280021)	1,879	2,224	2,588	2,312	2,327	11,330
6.	Gas Unplanned Maintenance (293183)	1,606	2,230	2,269	2,629	1,920	10,652
7.	Gas Meters - Base Requirements (293043)	1,821	1,857	1,894	1,932	1,971	9,475
8.	New Construction Non-Billable (293042)	1,274	1,299	1,299	1,325	1,352	6,548
9.	Gas Management Reserve (200905)	714	860	823	776	1,647	4,820
10.	Gas Distribution System Improvements (293044)	1,006	1,006	889	901	905	4,707
11.	DIMP - Gas Vintage Plastic Renewals (293181)	500	1,000	1,030	1,061	1,093	4,684
12.	Gas T&M for Capital Work (293122)	471	480	490	499	508	2,447
13.	Gas 150P Over Pressure Protection (293186)	2,145	150	0	0	0	2,295
14.	DIMP - Gas Risk Based Projects (293182)	220	230	250	270	1,109	2,079
15.	Gas Propane Air Plant (GPAP) XLE Compressor Replacement (293209)	0	2,000	0	0	0	2,000
16.	Marksheffel Connector GPAP expansion (293170)	2,000	0	0	0	0	2,000
17.	Gas Tools & Equip (280019)	158	410	415	446	400	1,829
18.	Public Improvements-Gas (280024)	236	243	250	255	263	1,247
19.	Gas Operations Tools & Equipment (293206)	200	281	287	219	225	1,212

Gas Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
20.	Gas Maximum Allowable Operating Pressure (MAOP) (293205)	\$ 300	\$ 400	\$ 400	\$ 0	\$ 0	\$ 1,100
21.	DIMP - Gas Bare Steel Replacements (293178)	600	204	208	0	0	1,012
22.	GPAP Cathodic Protection System (293212)	500	0	0	0	0	500
23.	DIMP - Gas Distribution System Improvements (280034)	32	323	33	34	35	456
24.	DIMP - Distribution Regulator Station Replacement (280011)	70	72	74	76	79	372
25.	AMI Network New Growth & Replacement (796463)	39	39	40	41	42	201
26.	DIMP - Emergency Valve Replacement (280005)	40	40	40	40	40	200
27.	AMI Project-Multi (796649)	158	0	0	0	0	158
28.	GPAP Uninterruptible Power Supplies (UPS) Replacement (293211)	140	0	0	0	0	140
29.	Gas Instrumentation & Control (GIC) Meter Station Improve/Upgrades (293184)	10	10	10	10	10	50
<b>Total Capital Non-Labor Gas</b>		<b>\$ 31,891</b>	<b>\$ 34,275</b>	<b>\$ 49,132</b>	<b>\$ 57,299</b>	<b>\$ 23,416</b>	<b>\$ 196,012</b>



**CAPITAL EXPENDITURES (in thousands of dollars)**

<b>Water Service Capital Projects</b>		<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>	<b>Total 5-Yr</b>
1.	Continental-Hoosier System Project (394345)	\$ 3,681	\$ 7,583	\$ 24,343	\$ 67,041	\$ 69,052	\$ 171,699
2.	Finished Water Linear Asset Program (394744)	11,312	11,425	12,693	12,675	24,023	72,128
3.	Water Acquisition (394683)	33,000	0	0	30,000	0	63,000
4.	Tollefson/Mesa Water Treatment Plant (WTP) Upgrades Program Phase 2 and 3 (394761)	800	2,400	2,640	12,006	16,754	34,600
5.	Public Improvement Projects - Water (380083)	4,250	4,000	5,280	5,220	10,250	29,000
6.	Rosemont Pipeline Replacement (394476)	4,855	4,506	4,956	4,034	8,395	26,746
7.	Water Service Vehicles & Equipment (380109)	5,367	2,951	5,194	4,084	6,501	24,098
8.	Austin Bluffs Pump Station and Transmission (2021 Finished Water System Plan (FWSP)) (394779)	980	1,705	5,215	7,080	8,682	23,661
9.	Specialty Valves Rehabilitation and Replacement Program (394651)	10,500	1,760	4,000	3,520	3,480	23,260
10.	Wolf Ranch and Upper Briargate (UBGT) Pressure Zone Interconnection - North Segment, Phase 1 of 2 (394652)	5,589	10,927	4,888	0	0	21,404
11.	Water Management Reserve (300905)	2,872	5,045	6,631	4,365	1,292	20,205
12.	Potable Pumping Station Replacement Program (394587)	6,000	2,623	3,467	3,278	4,590	19,957
13.	Highline Pressure Zone Extension and Redundant Supply (394749)	13,699	3,000	0	0	0	16,699
14.	Centennial Boulevard Pump Station and Transmission (394798)	0	0	0	1,740	12,260	14,000
15.	Arkansas Basin Storage - Clear Creek (394755)	0	11,000	2,000	0	0	13,000

Water Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
16.	Reduced Briargate Tank (2021 FWSP) (394771)	\$ 1,186	\$ 10,995	\$ 0	\$ 0	\$ 0	\$ 12,181
17.	Raw Water System Improvements Program (394684)	200	400	2,200	2,175	5,775	10,750
18.	Water Meters - Base Requirements (394204)	743	1,486	1,517	1,681	3,006	8,433
19.	Homestake Discharge Pipeline Replacement (394731)	212	639	2,251	2,319	2,388	7,809
20.	Ruxton 24" and 30" Raw Water Main Replacement/Rehabilitation (394790)	3,500	2,500	1,000	0	0	7,000
21.	Potable Water Tank Refurbishment/Replacement Program (394575)	1,054	1,065	1,183	1,181	2,239	6,722
22.	N. Slope - South Catamount Dam Rehabilitation (394696)	6,000	0	0	0	0	6,000
23.	Rosemont Dam Rehabilitation (394788)	0	500	3,000	2,000	0	5,500
24.	Pine Valley & McCullough Finished Water Baffling (394722)	2,250	2,250	0	0	0	4,500
25.	Homestake Collection System Pipeline Repair and Rehabilitation (394711)	2,000	2,000	0	0	0	4,000
26.	Fort Carson 20" Main Replacement (394799)	0	200	440	435	2,675	3,750
27.	AMI Project - Water (394669)	3,700	0	0	0	0	3,700
28.	Stetson Hills and Marksheffel 36" Water Main Gap (2021 FWSP) (394784)	0	251	2,330	0	0	2,581
29.	Homestake 72 Inline Valve on Discharge Line" (394675)	1,500	835	0	0	0	2,335
30.	Water System Infrastructure Continuity (380096)	360	360	396	392	742	2,250
31.	Water Infrastructure Corrosion Program-Raw Water (394678)	292	298	335	338	639	1,903
32.	Restoration of Yield (ROY) Storage (394419)	200	200	200	200	1,000	1,800
33.	Ute Pass WTP Improvements Program (394691)	947	62	88	283	301	1,681

Water Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
34.	12"/16"/20" Broadmoor Area Main Replacement (394800)	\$ 0	\$ 200	\$ 220	\$ 435	\$ 645	\$ 1,500
35.	McCullough Filter Trough Repair/Replacement (394726)	0	100	100	900	300	1,400
36.	Tollefson - Pikeview System Improvements (394704)	0	0	0	650	675	1,325
37.	Homestake Suction Pipeline Replacement (394477)	1,266	0	0	0	0	1,266
38.	Fire Hydrant Installation (380099)	200	200	220	217	413	1,250
39.	Lab Capital Equipment - Water (380082)	51	160	242	239	318	1,009
40.	Water Valve Replacement (394703)	160	160	176	174	330	1,000
41.	Kissing Camels Pressure Zone Expansion (2021 FWSP) (394772)	100	900	0	0	0	1,000
42.	Homestake Vehicles & Equipment (380124)	212	273	281	0	179	946
43.	Pikes Peak Community College Main (394533)	0	100	750	0	0	850
44.	Homestake Dam Protective Mastic Liner (394712)	0	0	0	0	836	836
45.	Water Tools & Equip (380101)	112	112	123	122	231	700
46.	Developer Initiated and Unserved Area Projects - Water (394114)	108	110	113	134	142	608
47.	Centennial Boulevard Bottleneck (2021 FWSP) (394783)	0	0	0	60	500	560
48.	Homestake Pipeline Replacement for Leak Remediation (394715)	133	137	141	145	0	555
49.	Highline Pressure Zone Interconnect at Mesa and Uintah (2021 FWSP) (394767)	0	0	146	400	0	546
50.	Water Tap Install - New Cust (380108)	30	50	50	50	50	230
51.	Homestake Structure Improvements (380094)	0	164	45	0	0	209
52.	McCullough WTP Fire Panel (394805)	200	0	0	0	0	200

Water Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
53.	Pine Valley/McCullough Analyzer Replacements (394721)	\$ 0	\$ 183	\$ 0	\$ 0	\$ 0	\$ 183
54.	JDP Pikeview Non-Potable Pump Upgrades (2022 Non-Potable Water System Plan (NPSP)) (394803)	0	17	157	0	0	174
55.	AMI Network New Growth & Replacement (796463)	28	28	29	29	30	144
56.	Homestake Mass Asset Valve Purchases (394753)	27	27	28	29	30	141
57.	Homestake Supervisory Control and Data Acquisition (SCADA) System Upgrades (380125)	42	38	17	17	0	115
58.	AMI Project-Multi (796649)	112	0	0	0	0	112
59.	Homestake Microwave & Radio Infrastructure Improvements (394488)	50	50	0	0	0	100
60.	Pine Valley/McCullough Sealant and Efflorescence (394728)	0	100	0	0	0	100
61.	Pine Valley/McCullough SCADA & Programmable Logic Controller (PLC) Standardization (394727)	0	0	0	0	95	95
62.	Homestake Pipeline Pressure Pit (394446)	45	45	0	0	0	90
63.	Homestake Surge Chamber Epoxy Coating (394634)	0	0	79	0	0	79
64.	Water System Design Review, Inspection and Acceptance (394132)	12	12	12	12	12	60
65.	Homestake 10 Nozzle Repairs for Four Surge Tanks" (394676)	50	0	0	0	0	50
66.	Westmoor Park Pressure Zone Redundancy (2021 FWSP) (394782)	0	0	0	0	50	50
<b>Total Capital Non-Labor Water</b>		<b>\$ 129,989</b>	<b>\$ 96,132</b>	<b>\$ 99,175</b>	<b>\$169,660</b>	<b>\$188,879</b>	<b>\$ 683,836</b>

**CAPITAL EXPENDITURES (in thousands of dollars)**

<b>Wastewater Service Capital Projects</b>		<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>	<b>Total 5-Yr</b>
1.	EWSE Crosstown Interceptor - Phase 1 (495435)	\$ 2,689	\$ 24,655	\$ 51,573	\$ 34,283	\$ 33,453	\$146,653
2.	EWSE New Lift Stations and Force Mains - Phase 1 (495436)	18,872	36,514	28,691	28,691	28,691	141,458
3.	EWSE Milton Proby Interceptor - Phase 1 (495437)	482	10,161	24,368	16,998	16,518	68,527
4.	Northern Monument Creek Interceptor (NMCI) (495356)	4,000	25,000	11,190	0	0	40,190
5.	Sanitary Sewer Creek Crossing (SSCC) Collection System Rehabilitation/Replacement Program (495253)	2,970	3,240	4,290	3,600	3,600	17,700
6.	JDPWRRF Facility-Wide EI&C Upgrades & Power Quality Protection (495440)	0	1,000	2,500	8,000	5,700	17,200
7.	Local Collectors Evaluation and Rehabilitation Program (LCERP) (495121)	1,800	2,250	2,450	3,000	6,000	15,500
8.	LVSWRRF Influent Junction Box Replacement (495363)	4,000	5,150	6,150	0	0	15,300
9.	Wastewater Management Reserve (400905)	1,544	3,578	5,262	2,391	500	13,276
10.	LVSWRRF Aeration System Modifications (495307)	10,960	550	0	0	0	11,510
11.	JDPWRRF Biological Nutrient Removal (BNR) Upgrades - Phase 1 (495426)	315	1,078	4,355	4,600	0	10,347
12.	LVSWRRF Recycled Activated Sludge (RAS) Pump Replacement (495402)	285	6,005	2,655	0	0	8,945
13.	Wastewater Service Vehicles & Equipment (480017)	1,257	1,649	2,353	1,357	2,327	8,943
14.	Wastewater Lift Station and Force Main Evaluation and Rehabilitation Program (495281)	573	983	398	348	2,985	5,287

Wastewater Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
15.	Wastewater Lift Station and Force Main NMCI Related Infrastructure Improvement Program (495401)	\$ 890	\$ 1,350	\$ 1,350	\$ 200	\$ 1,400	\$ 5,190
16.	Public Improvement Projects - Wastewater (480015)	900	900	1,200	1,000	1,000	5,000
17.	Collection System Rehabilitation/Replacement (495236)	1,710	450	740	500	500	3,900
18.	CSR Sitewide Stormwater Improvements (796742)	840	840	770	700	700	3,850
19.	CSR Dam Construction Upgrade (796741)	175	3,500	0	0	0	3,675
20.	LVSRRF Sludge Pump Replacement (495309)	1,890	1,200	0	0	0	3,090
21.	CSRRRF Gas and Steam System Improvements (495467)	0	1,500	1,500	0	0	3,000
22.	LVSRRF UV Disinfection Electrical System Improvements (495410)	900	1,631	0	0	0	2,531
23.	CSRRRF Electrical Upgrades Project (495343)	2,300	0	0	0	0	2,300
24.	WRRF Improvements Program (495338)	315	360	475	400	400	1,950
25.	WRRF Control System Upgrade Program (495328)	315	324	441	380	400	1,860
26.	JDPWRRF Hydrocyclones (495439)	748	1,065	0	0	0	1,813
27.	LVSRRF Effluent Temperature Project (495382)	0	0	0	500	1,233	1,733
28.	JDPWRRF HVAC Upgrades (495456)	475	459	0	0	723	1,657
29.	LVSRRF WAS Thickening Improvements (495384)	0	0	0	0	1,632	1,632
30.	Wastewater Infrastructure Corrosion Program (495322)	281	287	388	331	338	1,624
31.	Lab Equipment Capital - Wastewater (480003)	713	175	324	200	200	1,612
32.	JDPWRRF UV System Controls Upgrade (495445)	1,416	0	0	0	0	1,416

Wastewater Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
33.	Developer Initiated and Unserved Area Projects - Wastewater (495106)	\$ 223	\$ 235	\$ 249	\$ 262	\$ 277	\$ 1,246
34.	LVSRRF HVAC (High Priority) (495373)	1,070	0	0	0	0	1,070
35.	LVSRRF Replace Gates at Primary Clarifiers (495412)	0	850	0	0	0	850
36.	LVSRRF Primary Effluent Pump Station (PEPS) Improvements (495409)	350	466	0	0	0	816
37.	JDPWRRF Odor Control Carbon Media Replacement (495314)	0	670	0	0	0	670
38.	LVSRRF Roof Replacement Program (495330)	455	0	70	70	70	665
39.	JDPWRRF Advanced Wastewater Treatment (AWT) Basin Concrete Repairs (495442)	616	0	0	0	0	616
40.	LVSRRF Grit Pump Replacement (495376)	614	0	0	0	0	614
41.	LVSRRF Secondary Clarifier Rehabilitation (495408)	0	0	0	0	610	610
42.	CCTV Equipment (480004)	153	153	124	90	90	610
43.	LVSRRF Headworks Odor Control Media Replacement (495310)	180	0	190	0	200	570
44.	JDPWRRF Thermal Energy Recovery (495441)	0	0	0	0	559	559
45.	LVSRRF Sky Flume Odor Control Media Replacement (495323)	250	0	276	0	0	526
46.	JDPWRRF Grit System Conversion (495453)	0	0	0	0	439	439
47.	Wastewater Tools and Equipment (495321)	72	72	96	80	80	400
48.	JDPWRRF RAS Pumping Improvements (495443)	0	0	0	300	0	300
49.	LVSRRF Septage Improvements (495381)	0	0	0	206	0	206
50.	LVSRRF Replace Treated Effluent UV bulbs (495333)	0	0	200	0	0	200

<b>Wastewater Service Capital Projects</b>		<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>	<b>Total 5-Yr</b>
51.	CSRRRF Replace Electrical Equipment in Mechanical Room (495357)	\$ 0	\$ 0	\$ 168	\$ 0	\$ 0	\$ 168
52.	JDPWRRF Headworks Influent and Primary Clarifier Influent Gates Replacement (495448)	0	0	0	125	43	168
53.	JDPWRRF Odor Control and Chemical Improvements (495447)	0	164	0	0	0	164
54.	LVTP09 Elevator Modernization (495438)	150	0	0	0	0	150
55.	JDPWRRF UV Treated Effluent Bulb Replacement (495275)	0	120	0	0	0	120
56.	JDPWRRF Non-Potable Flash Mixer Replacement (495449)	0	0	0	0	90	90
57.	CSRRRF Grit Solid Waste Disposal Area Plan (495423)	0	79	0	0	0	79
58.	LVSRRRF Replace batteries at the UV System (495326)	0	0	0	70	0	70
59.	JDPWRRF Replace Capacitors in UV UPS System (495369)	0	0	0	60	0	60
60.	Wastewater System Design Review, Inspection and Acceptance (495062)	12	12	12	12	12	60
61.	LVSRRRF Aquadisk Filter Replacement (495367)	0	0	50	0	0	50
62.	LVSRRRF Replace Capacitors in UV UPS System (495368)	50	0	0	0	0	50
63.	JDPWRRF UV Disinfection-Lower Bulb Replacement (495319)	0	44	0	0	0	44
64.	JDPWRRF Replace UPS Batteries at the UV System (495312)	0	0	0	25	15	40
65.	JDPWRRF Aquadisk Filter Replacement (495316)	0	0	40	0	0	40
66.	LVSRRRF JB-2 Odor Control Media Replacement (495335)	0	0	27	0	0	27
<b>Total Capital Non-Labor Wastewater</b>		<b>\$ 67,811</b>	<b>\$ 138,719</b>	<b>\$ 154,925</b>	<b>\$ 108,779</b>	<b>\$ 110,784</b>	<b>\$ 581,017</b>



**CAPITAL EXPENDITURES (in thousands of dollars)**

<b>Common Service Capital Projects</b>		<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>	<b>Total 5-Yr</b>
1.	Common Service Vehicles & Equipment (580175)	\$ 4,353	\$ 1,458	\$ 3,986	\$ 3,200	\$ 1,551	\$ 14,549
2.	Computer Maintenance Management System (CMMS) (596710)	4,935	4,681	2,332	0	0	11,948
3.	Network Enterprise Services Program (596544)	2,000	2,000	2,500	2,500	2,500	11,500
4.	Geographic Information System (GIS) Technology Modernization Project (596651)	2,000	2,000	2,000	2,000	2,000	10,000
5.	Data Analytics and Strategy - Storage & Access (596712)	4,500	1,000	1,000	1,000	1,000	8,500
6.	Infrastructure Platform Program (596535)	2,800	1,000	1,100	1,200	1,300	7,400
7.	Common Management Reserve (500905)	738	1,176	1,169	1,162	350	4,595
8.	Trunked Radio System Replacement Program (596669)	969	931	973	958	0	3,830
9.	Vac Material Processing Wash Plant Recovery System (596761)	2,600	0	0	0	0	2,600
10.	SCADA (580216)	10	10	10	300	1,300	1,630
11.	BRDS02 Data Center Power Distribution Units (PDU)/UPS Upgrade (596758)	1,500	0	0	0	0	1,500
12.	Network TIL Redesign (596759)	1,500	0	0	0	0	1,500
13.	ESSC Roof Top Unit (596630)	0	0	1,297	0	0	1,297
14.	BRDS02 Halon Replacement (586280)	1,050	0	0	0	0	1,050
15.	LVTP09 Boiler Replacement Project (596735)	773	0	0	0	0	773
16.	ESSC01 Roof Upgrade and Replacement (596626)	0	0	742	0	0	742
17.	JPSC01 Roof Upgrade and Replacement (596750)	0	650	0	0	0	650
18.	Direct Cloud (596757)	500	0	0	0	0	500
19.	ServiceNow Rebuild (596711)	500	0	0	0	0	500

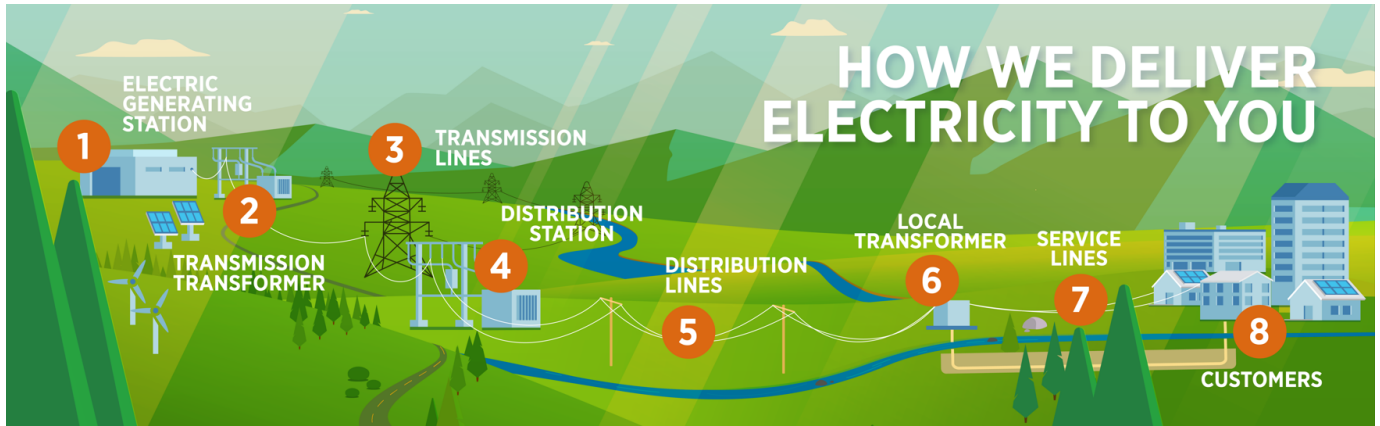
Common Service Capital Projects		2025 Proposed Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Total 5-Yr
20.	FONT01 Roof Upgrade and Replacement (596627)	\$ 500	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500
21.	Microwave Radio Lifecycle Replacement (596717)	107	91	94	128	64	484
22.	Cyber Operations and Resiliency Program (596545)	100	100	50	50	50	350
23.	Common Tools & Equip (580141)	125	110	30	30	30	325
24.	Clevert Mobile Workforce Management System Expansion (596668)	300	0	0	0	0	300
25.	ESSC01 Elevator Upgrades (596755)	300	0	0	0	0	300
26.	Systems, Diagnostics, Controls (SDC) Vibration Monitoring and Analysis Program Update (596760)	225	0	0	0	0	225
27.	Security Camera System Upgrade (596656)	200	0	0	0	0	200
28.	Mobile Mapping Upgrade (596728)	0	0	0	200	0	200
29.	MESA01 Boiler Replacement Project (596754)	195	0	0	0	0	195
30.	Technology Services and Support Program (596533)	34	34	34	34	34	170
31.	GPS Data Collector / Survey Equipment Upgrades (596646)	65	0	40	0	60	165
32.	Financial System Upgrade (Infor V11-3Q22)* (596678)	145	0	0	0	0	145
33.	UCSC01 Switchgear Replacement (596756)	125	0	0	0	0	125
34.	Fort Carson Intergovernmental Service Agreement (IGSA) Tools and Equipment (596729)	100	25	0	0	0	125
35.	Advanced Geomatics Surveying Group (ADG) UAV - Drones (596645)	25	0	75	0	0	100
36.	Communication Site Battery Replacement (596716)	0	0	20	0	46	67

<b>Common Service Capital Projects</b>		<b>2025 Proposed Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>	<b>Total 5-Yr</b>
37.	ADG Lidar Upgrade / Simultaneous Location and Mapping (SLAM) / EOS (596556)	\$ 50	\$ 0	\$ 0	\$ 0	\$ 0	\$ 50
38.	ADG Land Services Sonar (596727)	35	0	0	0	0	35
<b>Total Capital Non-Labor Common</b>		<b>\$ 33,360</b>	<b>\$ 15,267</b>	<b>\$ 17,452</b>	<b>\$ 12,762</b>	<b>\$ 10,286</b>	<b>\$ 89,126</b>

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# ELECTRIC AND STREETLIGHT SERVICE OVERVIEW

## SYSTEM HIGHLIGHTS



- 1 ELECTRICITY IS GENERATED A VARIETY OF WAYS, INCLUDING USING NATURAL GAS, COAL, SUN, WIND AND WATER
- 2 INCREASES THE POWER'S VOLTAGE FOR TRAVEL ACROSS LONG DISTANCES
- 3 232+ MILES OF UNDERGROUND AND OVERHEAD TRANSMISSION LINES TRANSPORT HIGH VOLTAGE ELECTRICITY ACROSS THE REGION
- 4 DECREASES THE POWER'S VOLTAGE FOR LOCAL DISTRIBUTION

- 5 3,900+ MILES OF UNDERGROUND AND OVERHEAD DISTRIBUTION LINES THAT DELIVER POWER TO NEIGHBORHOOD TRANSFORMERS
- 6 DECREASES THE POWER'S VOLTAGE FOR USE IN HOMES AND BUSINESSES
- 7 DELIVER ELECTRICITY TO CUSTOMERS EITHER UNDERGROUND OR OVERHEAD
- 8 FINALLY, THE ELECTRICITY IS DELIVERED TO YOU

## STATISTICS

- Number of active electric meters: 253,193
- Annual electric use: 4.84 million MWh
- Record peak demand: 989 MW (July 2021)
- Net generating capability: 992 MW winter (2023-2024), 968 MW summer (2024)
- Power purchases (summer 2024):
  - Western Area Power Administration 76 MW
  - Black Hills Colorado Electric, LLC Wind 60 MW
  - Palmer Solar Array 60 MW
  - Grazing Yak Solar Array 35 MW
  - Clear Spring Ranch Solar Array 10 MW
  - US Air Force Academy Solar 5 MW
  - Solar Gardens 4 MW
- Average System Availability Index (ASAI): 99.9998%
- System Average Interruption Duration Index (SAIDI): 45.66 minutes

## Electric Service Capital Projects

2025  
Proposed  
Budget

- |   |                      |
|---|----------------------|
| <b>1. Operational Fiber Network (193952)</b>  | <b>\$ 63,045,000</b> |
| Construction and installation of a secure, city-wide, fiber optic telecommunications infrastructure system to enhance the existing Utilities network and future Colorado Springs Utilities operations.  |                      |
| <b>2. SEP EIRP Implementation (193784)</b>  | <b>42,120,000</b>    |
| Contract agreements for approximately 1,150 megawatts of renewable generation (wind and solar), 200 megawatts of storage and 350 megawatts of natural gas generation through 2028 as needed to support the decommissioning of Drake, Nixon 1 and the Birdsall power plants, and to meet system load growth.   |                      |
| <b>3. SEP Kelker Substation Rebuild-Expansion (193874)</b>  | <b>31,485,002</b>    |
| Double the substation size to accommodate the growing energy demands in the southeastern area of Colorado Springs. Project will connect the new Kelker-South Plant and Midway-Kelker transmission lines and address the SEP's goals to improve system reliability by expanding our energy resources to meet the growing energy needs of our community. Construction began in January 2023 and is expected to be complete in 2027. |                      |
| <b>4. SEP EIRP Implementation - Transmission (194133)</b>   | <b>25,000,000</b>    |
| Transmission interconnection for the 1,700 megawatts of replacement generation and storage through 2028 needed to support the decommissioning of Drake, Nixon 1 and the Birdsall power plants, and to meet system load growth.  |                      |
| <b>5. SEP MW-KE Transmission Line (193880)</b>  | <b>19,242,704</b>    |
| Upgrade the existing 115kV transmission line to a double circuit 115kV/230kV transmission line to increase import capability into the system. The upgrade will replace all existing wooden poles with steel monopoles. Additionally, we will upgrade equipment within our Nixon, Fountain, Bradley, and Kelker Substations to support this increased energy load, construction is scheduled to begin by fall 2025.                |                      |
| <b>6. Central Bluffs Substation (193642)</b>  | <b>16,000,000</b>    |
| Provide a new facility to accommodate future load growth and contingency needs around the North Nevada revitalization project and UCCS. Utilities to remove 2 substations and 1 switchstation from service which would otherwise require significant upgrades. Work planned to be accomplished In 2025 includes completion of new substation design and partial construction.   |                      |

<b>7.</b>	<b>APIP - Horizon Substation - Add New (34.5kV) Transformer, Switchgear, and Feeders (194037)</b> Install a new 150MVA 34.5kV transformer, switchgear, and four feeders to support anticipated large customer growth and provide a source for future 34.5/13.2kV substation(s).	<b>\$ 9,600,000</b>
<b>8.</b>	<b>SEP Kelker-South Plant New 115kV Transmission Line (193877)</b> Installation of new 115kV transmission line connecting the Kelker substation to South Plant Substation downtown. 2025 will consist of further land acquisition and design requirements, construction is scheduled to begin in 2026 and be completed in 2027.	<b>8,604,232</b>
<b>9.</b>	<b>Front Range CT1 &amp; CT2 Rotor Replacement (193898)</b> Purchase and Installation of CT1 and CT2 Combustion Turbine Rotors: CT1 and CT2 will have refurbished rotors installed, CT2 will be installed in the Fall of 2024 and CT1 will be installed in the Spring of 2025. Purchase cost of rotor will be spread out over 2023, 2024 and 2025	<b>6,750,000</b>
<b>10.</b>	<b>Front Range General Electric Hot Gas Path Replacement (193407)</b> Payments toward the contractual long-term service agreement (LTSA) with General Electric (GE) for two Frame 7FA Combustion Turbines at the Front Range Power Plant. The parts included in this capital project include but not limited to rows 1, 2 and 3 turbine blades, buckets and nozzle replacement parts considered as part of the "Hot Gas Path" of the combustion turbine. Payment is based on the operating hours of the plants and is a contractual obligation.	<b>6,201,347</b>
<b>11.</b>	<b>Underground 12.5kV Distribution to New Residential Customers (192296)</b> Development driven yearly program to install underground electric single-phase distribution to residential areas not currently served. In addition, this budget supports upgrades to the system as necessitated by load additions. The requesting developer pays the Contribution in Aid of Construction contract based on the Utilities Rules and Regulations. This program is an Obligation to Serve as per Colorado Springs City Code Section 12.2.301.	<b>4,900,359</b>
<b>12.</b>	<b>Electric Service Vehicles &amp; Equipment (180333)</b> Replacement and purchase of Vehicles and Equipment for the Colorado Springs Utilities Electric Service to maintain a safe, cost effective and reliable fleet.	<b>4,226,980</b>
<b>13.</b>	<b>Fontanero Substation - Add Second 115/12.5 kV Transformer, Switchgear, Feeders, and retire Yampa Sub (194045)</b> Install a new 50 MVA, 115/12.47kV transformer, associated switchgear, and four feeders to support area growth and pick up load served from Yampa substation. The Yampa transformer has now failed for the second time and has a temporary replacement.	<b>4,000,000</b>

<b>14.</b>	<b>Briargate Substation - Add New Transformer, Switchgear, and Feeders (194107)</b> Add a new transformer, switchgear, breaker and up to 4 new feeders at Briargate Substation for load alleviation, contingency and future load growth.	<b>\$ 3,710,000</b>
<b>15.</b>	<b>Manitou Units 1&amp;2 Turbines &amp; Generators Rehabilitation Project (193970)</b> Rehabilitate Units 1&2 at the Manitou Hydroelectric Facility to include a full generator rewind, new rotor field, and new runner.	<b>3,500,000</b>
<b>16.</b>	<b>Tesla Hydro Isolation Valves Replacement Project (193975)</b> Purchase and install of the main 36" spherical stop valve and three additional spherical valves at the Tesla Hydro Electric Plant, a FERC-mandated tunnel inspection in 2025 will also be performed. Design and construction will occur in 2025 and 2026.	<b>2,920,500</b>
<b>17.</b>	<b>Electric Underground Infrastructure Corrective Maintenance (180331)</b> Reactive replacement of existing capital assets and related infrastructure (including cable, conduit, vaults, transformers, switches, reclosers) of the underground electric distribution system due to third-party damage or catastrophic, functional, or operational failures. Colorado Springs Utilities has about 3,000 circuit miles in the primary underground distribution system. This ongoing corrective maintenance program is adjusted annually based on Inspections, Condition Assessment and Risk Analysis. Reimbursed funds from third-party damages are credited back to the Utilities general fund.	<b>2,858,663</b>
<b>18.</b>	<b>System Additions for New Development (193974)</b> Development driven program to install new electric three phase mainline infrastructure to connect new development areas and provide redundancy per our design standards. This program is deemed as an Obligation to Serve as per Colorado Springs City Code Section 12.2.301.	<b>2,400,000</b>
<b>19.</b>	<b>Fuller Substation - Add Two New Feeders (194028)</b> Add a 3rd and 4th distribution feeder from the 230/13.2kV transformer to serve new load in the vicinity of Fuller substation.	<b>2,385,000</b>
<b>20.</b>	<b>Electric Meters - Base Requirements (192347)</b> Growth-driven and lifecycle replacement program, which purchases electric meters and minor material needed. It provides for Capital additions to connect new residential, commercial, and industrial electric customers to Springs Utilities system. In addition, it provides for Capital replacements of damaged and defective meters, and support of the Electric Measurement Accuracy Control (EMAC) Program. Electric meters are an obligation to serve requirement.	<b>2,359,948</b>



<b>21.</b>	<b>Underground 12.5kV Three Phase Mainline to New Residential and Commercial Customers (192298)</b>	<b>\$ 2,181,504</b>
	Development driven program to install underground electric three phase distribution to residential and commercial areas not currently served. In addition, this budget supports upgrades to the system as necessitated by load additions. The requesting developer pays the Contribution in Aid of Construction contract based on the Utilities Rules and Regulations. This program is an Obligation to Serve as per Colorado Springs City Code Section 12.2.301.	
<b>22.</b>	<b>Distribution System Improvements (192383)</b>	<b>2,151,000</b>
	The electrical distribution system requires system enhancements and line extensions to maintain electric reliability and contingency switching solutions for existing customers. These projects are critical to the reliability and integrity of the system, especially as many areas are experiencing unprecedented load growth.	
<b>23.</b>	<b>Underground 12.5kV Commercial Distribution (192297)</b>	<b>2,073,081</b>
	Development driven program to install new electric three phase mainline infrastructure including transformers to meet the demands of new commercial customers. The requesting customer pays the Contribution in Aid of Construction contract, based on Utilities Rules and Regulations. This program is deemed as an Obligation to Serve as per Colorado Springs City Code Section 12.2.301.	
<b>24.</b>	<b>Electric Underground Infrastructure Preventative Maintenance (193224)</b>	<b>1,890,000</b>
	Preventative/proactive replacement/rehabilitation of existing capital assets and related infrastructure (including cable, conduit, vaults, transformers, switches, reclosers) of the underground electric distribution system that are beyond their expected reliable life, have a high probability/consequence of failure based on risk-based models, or are assets that should be replaced based on operational/inspectional data. This program also includes system stewardship maintenance such as cable rejuvenation and rehab of infrastructure for safety, risk mitigation, or operational needs.	
<b>25.</b>	<b>SEP Portfolio Management (193887)</b>	<b>1,560,886</b>
	Portfolio level work required to manage and deliver all the projects identified within Sustainable Energy Plan portfolio.	
<b>26.</b>	<b>FRPP CT1 Generator Stator Rewind (194092)</b>	<b>1,560,000</b>
	Front Range CT1 Generator Stator Rewind	

<b>27.</b>	<b>SEP Jackson Fuller Energy Storage (194073)</b>	<b>\$ 1,494,000</b>
	Jackson Fuller Energy Storage is a system of large-scale lithium-ion (Li-ion) batteries that store electrical energy in the form of chemical energy, converting it back to electrical energy when needed. Jackson Fuller Energy Storage supplements renewable energy sources like solar and wind by storing excess energy for use during low generation or discharging energy during peak consumption periods. Jackson Fuller Energy Storage supports the Sustainable Energy Plan's (SEP) goal of acquiring new energy resources that reduce emissions and manage costs.	
<b>28.</b>	<b>Santa Fe Substation - Add New Transformer, Switchgear, and Feeders (194029)</b>	<b>1,150,000</b>
	Install a new 50MVA 115/13.2kV transformer, switchgear, and up to four feeders to provide contingency planning and support to the local area.	
<b>29.</b>	<b>Substation Equipment Replacement (180449)</b>	<b>1,000,000</b>
	Capitalized switchgear, circuit breaker, and battery replacements and upgrades to transformers in substations to ensure the integrity of the electric system.	
<b>30.</b>	<b>Spare Transformer - 230/35 kV (194050)</b>	<b>1,000,000</b>
	Per the Springs Utilities Spare Transformer philosophy due to the lengthy lead time for transformers, this will provide a backup for our 230-34.5 kV Transformers at Claremont, Kelker, and Horizon.	
<b>31.</b>	<b>Front Range HRSG1 Duct Burner Replacement (194109)</b>	<b>950,000</b>
	During FR2309 the center support of the duct burner was found damaged beyond repair. Recommendations from OEM are to replace.	
<b>32.</b>	<b>Front Range Emerson Ovation DCS HMI Machine Upgrade (194078)</b>	<b>900,000</b>
	The Front Range Power Plant Emerson Ovation DCS control system needs all HMI machines replace because of time in service. The operator machines need to be replaced every 5 years and the servers need to be replaced every 7 years. All machines will be about 9 years old by 2025. The current software revision (3.6) is also considered retired by Emerson and needs to be upgraded to the latest version (3.8 or 4.0 depending on the release dates). This is required so we can continue to be supported by Emerson for our DCS system.	
<b>33.</b>	<b>Electric Overhead Infrastructure Corrective Maintenance (180286)</b>	<b>855,000</b>
	Replacement of existing capital assets and related infrastructure (including conductors, structures/poles, transformers, switches, reclosers) of the overhead electric distribution system due to third-party damage or catastrophic, functional, or operational failures. Colorado Springs Utilities has over 800 circuit miles in the primary distribution system with an average age of about 40 years. This ongoing corrective maintenance program is adjusted annually based on Inspections, Testing, Condition Assessment and Risk Analysis. Reimbursed funds from third-party damages are credited to Utilities.	

<b>34.</b>	<b>Flying Horse Substation - Add New Transformer, Switchgear, and Feeders (193780)</b>	<b>\$ 850,000</b>
	Add new transformer, switchgear, breaker and up to 4 new feeders for contingency of the other transformer and future load growth. Work planned for completion in 2026 includes completion of feeder planning, civil/structural (external) design, electrical (internal) design, and order of remaining equipment.	
<b>35.</b>	<b>Front Range HRSG1 Elevator (193118)</b>	<b>800,000</b>
	Install an elevator on Front Range Heat Recovery Steam Generator 1 (HRSG1) to safely transport personnel and tools to the top of the structure and provide a means for evacuating someone from of the top of HRSG1 in an emergency.	
<b>36.</b>	<b>Front Range CT2 Operational Flexibility Improvements (193793)</b>	<b>750,000</b>
	Upgrade the combustion turbine controls to improve performance. The upgrades will improve the unit’s capability to respond to greater renewables penetration as well as drive greater value in a market. The equipment was purchased in 2024 for installation occurring in 2025.	
<b>37.</b>	<b>Front Range CT1 Operational Flexibility Improvements (193792)</b>	<b>750,000</b>
	Upgrade the combustion turbine controls to improve performance. The upgrades will improve the unit’s capability to respond to greater renewables penetration as well as drive greater value in a market. The equipment was purchased in 2024 for installation occurring in 2025.	
<b>38.</b>	<b>Electric Time and Material for Capital Work (192909)</b>	<b>632,810</b>
	Electric Third-Party Billing projects (requests by customers to move existing electric infrastructure) that are requested during the year. The work is required to be compliant with the Electric Line Extension Service Standards and the National Electric Safety Code. Colorado Springs Utilities will charge the customer 95% of the cost to accomplish this work.	
<b>39.</b>	<b>Wildfire Mitigation System Hardening (194132)</b>	<b>612,000</b>
	Modifications to existing overhead electric infrastructure for wildfire risk mitigation	
<b>40.</b>	<b>FRPP CT1 Generator Rotor Rewind (194094)</b>	<b>600,000</b>
	Front Range CT1 Generator Rewind	
<b>41.</b>	<b>Nixon 1 Pulverizer Major Component Replacement (192985)</b>	<b>600,000</b>
	Project will support the replacement of critical components in coal pulverizers and the overhaul two pulverizers.	

<b>42.</b>	<b>Substation Asset Management Software (193892)</b>	<b>\$ 564,145</b>
	Create and maintain Ambient Adjusted Ratings in support of FERC Order 881. Also, there is a need to purchase software to assist with managing substation data, facility ratings and to develop risk analysis for enhanced planning, budgeting, and compliance in the future.	
<b>43.</b>	<b>N1 PA Fan Overhauls (194066)</b>	<b>550,000</b>
	The Primary Air (PA) fans at the Nixon Power Plant are a critical component to the combustion process and have exhibited issues that will affect the availability and reliability of the Nixon Power Plant. Gouges, holes, and blade thinning were found to be present, in varying capacity, on all 7 PA fans at Nixon. The 7 PA fans are labeled "A" through "G" and as of date; "C" was overhauled in 2019, and "B", "F" and "G" were overhauled in 2024. The capital budget is for the overhaul of the 3 remaining PA fans "A", "D", and "E".	
<b>44.</b>	<b>Patty Jewett Substation - Add New Transformer, Switchgear, Feeders, and Retire Memorial Hospital Sub (194026)</b>	<b>530,000</b>
	Install a new 25MVA 34.5/13.2kV transformer, switchgear, two new feeders, and retire aging equipment at Memorial Hospital substation.	
<b>45.</b>	<b>Electric Management Reserve (100905)</b>	<b>500,000</b>
<b>46.</b>	<b>Nixon 1 Boiler Feed Pump (193812)</b>	<b>500,000</b>
	There are two Boiler Feed Pumps (BFPs) at the Nixon Power Plant labeled "A" and "B" and both are required to be in-service for Nixon to be online (Nixon cannot run with only one BFP). Over the last year, a project has been executed to provide a newly refurbished rotating assembly (the component of the pump that develops the flow and pressure of the process water). There are plans to replace one of the two BFP's rotating assemblies. The capital budget is for the repair/refurbishment of the replaced rotating assembly to maintain a critical spare.	
<b>47.</b>	<b>Nixon 2 &amp; 3 Compressed Air System (194118)</b>	<b>500,000</b>
	Replacement of the air compressor and associated equipment for N2 & N3.	
<b>48.</b>	<b>Microgrid and Smart Grid Technologies Demonstration Program at the Tollefson Water Treatment Plant (193865)</b>	<b>500,000</b>
	Demonstration projects to determine benefit-cost analysis of new technologies and communications to enhance power system operation, reliability, and customer program and service offerings. It will leverage the robust city-wide fiber network to expand operational capabilities such as monitoring, control, communications, and analytics.	
<b>49.</b>	<b>Cascade Turbine Stop Valve Refurbish / Replace (194108)</b>	<b>500,000</b>
	Cascade turbine stop valve refurbishment to like new condition.	

<b>50.</b>	<b>Atmel Substation - Add New Transformer, Switchgear, and Feeders (193745)</b> Install a new 50MVA 115/13.2kV transformer, switchgear, and up to four feeders to provide contingency planning and support to the local area.	<b>\$ 458,543</b>
<b>51.</b>	<b>Downtown Network Upgrades (182536)</b> This program includes adding cable limiters to secondary connections replacing wishbone bus equipment to help increase the safety of the Downtown Network over the next 3-5 years. Additional funding in 2025 and beyond is allocated for rebuilding and replacing the cables and duct structure at about 1-2 blocks per year.	<b>450,000</b>
<b>52.</b>	<b>Front Range Emergency Power Upgrade (193794)</b> Upgrade of the Front Range Power Plant emergency power supply system.	<b>400,000</b>
<b>53.</b>	<b>Front Range ACC Gearbox (193487)</b> Gearbox replacement on the Air-Cooled Condenser (ACC).	<b>360,000</b>
<b>54.</b>	<b>CSR Sitewide Stormwater Improvements (796742)</b> Design, permitting, and implementation of necessary improvements to control stormwater runoff around the Clear Spring Ranch Resource Recovery Facility and the southern Clear Spring Ranch solid waste disposal units to protect existing infrastructure from damage and prevent stormwater from co-mingling with waste. Design was completed in 2024, improvements will be implemented over the next five years (2025-2029).	<b>360,000</b>
<b>55.</b>	<b>Front Range ACC Blade Replacement (193631)</b> Replacement of Front Range aluminum Air Cooled Condenser (ACC) fan blades with fiberglass to improve blade longevity. This is a multi-year project to replace ACC blades.	<b>350,000</b>
<b>56.</b>	<b>Powers Substation Transformer and Switchgear Replacement (194046)</b> This substation transformer is the highest priority replacement in our system due to the age, condition, through faults, etc. The prioritization list of transformers replacement is held by Electric planning and available if needed.	<b>300,000</b>
<b>57.</b>	<b>Airport &amp; Powers - Electric Relocation - CDOT T&amp;M (194103)</b> Relocate both 600A & 200A for CDOT. They are redoing the intersection and creating a bridge over Powers. This work started in 2024. This is a customer requested relocation.	<b>300,000</b>
<b>58.</b>	<b>Top Tier Substation Hardening (193775)</b> Colorado Springs Utilities security department has created a standard on intrusion detection systems in top tier substations. This work was done from 2014 to 2017. The technology continues to improve, and this project will allow us to stay current and phase out the old equipment as it reaches end of life in 6-7 years.	<b>275,512</b>

<b>59.</b>	<b>APIP - Claremont Substation - Add Transformer, Switchgear, and Feeders (193884)</b> Install a new 150MVA 230/34.5kV power transformer and four new 34.5kV feeders to tie into Powers Substation, Peterson Field Substation, Horizon Substation, and PIP area.	<b>\$ 260,000</b>
<b>60.</b>	<b>Public Improvements-Electric (180283)</b> This budget is to install or relocate existing electric facilities in conjunction with Municipal Government Public Works projects, Pikes Peak Rural Transit Authority, and Improvement Districts. This budget is required by the 2001 Utilities Relocation Executive Agreement.	<b>253,003</b>
<b>61.</b>	<b>Nixon 1 Circ Water Pumps (A/B) Refurbishment (194135)</b> Nixon 1 Circ Water Pumps Refurbishment. Inspections have determined that the pumps require to be pulled and sent to shop for impeller replacement and pump refurbishment.	<b>250,000</b>
<b>62.</b>	<b>Electric Field Safety Training Aid (194088)</b> Purchase of the Timpson Electrical and Aerial Services, TTU2 Circuit Panel trainer. The trainer allows the Electric Line series employees to train in real-world conditions in a controlled environment improving linemen and public safety.	<b>230,000</b>
<b>63.</b>	<b>RIC Equipment Replacement (193225)</b> This program is designed to systematically replace aging electromechanical transmission/distribution protection panels with microprocessor panels to reduce O&M costs, improve protection system reliability, and enhance system functionality.	<b>228,545</b>
<b>64.</b>	<b>Electric Transmission Infrastructure Corrective Maintenance (193406)</b> Reactive replacement of existing capital assets and related infrastructure (including conductors, structures, foundations, poles, cable, vaults/lids) of the overhead and underground electric transmission system due to third-party damage or catastrophic, functional, or operational (e.g., safety, reliability) failures. Colorado Springs Utilities has over 230 circuit miles in the electric transmission system. This ongoing corrective maintenance program is adjusted annually based on Inspections, Condition Assessment and Analysis. Reimbursed funds from third-party damages are credited to Utilities.	<b>225,000</b>
<b>65.</b>	<b>Front Range ACC Fan Motor Replacement (194082)</b> Systematic replacement of all Air-Cooled Condenser fan motors as they near end of useful life. One row's motors will be replaced annually.	<b>200,000</b>
<b>66.</b>	<b>SIP- Arvada &amp; S Nevada (174106)</b> System Improvement Project to bury overhead line along Arvada and Motor Way at S Nevada. Customer requested for funds in 2025. The customer requesting the work will be responsible for 50% of the cost in accordance with the System Improvement Policy based on the Utilities Rules and Regulations. Work will be completed in 2025.	<b>200,000</b>

<b>67.</b>	<b>Arc Flash Mitigation (193079)</b> Design and install controls and equipment to limit potential arc-flash exposure levels in substation switchgear and distribution feeder protective systems.	<b>\$ 198,734</b>
<b>68.</b>	<b>AMI Project-Multi (796649)</b> Springs Utilities will continue to execute its strategy for a necessary transition from Automated Meter Reading (AMR) to Advanced Metering Infrastructure (AMI). This project reflects intended purchase of 2-way electric, gas, and water modules to replace residential, commercial, and industrial meters and modules in Utilities' service territory.	<b>180,000</b>
<b>69.</b>	<b>BRDS03 RTU Replacement (194093)</b> Replacing Make Up Air Unit (MAU) at BRDS03 (Harley's Hangar) that is at end of life.	<b>130,000</b>
<b>70.</b>	<b>CSR CCR Landfill Redesign Cover (194062)</b> Design and construction of final cover for the Clear Spring Ranch Coal Combustion Residual landfill. Final Permit-level design for final cover is planned for 2025, 60% and 90% design will take place in 2029 and construction of final cover will occur in approximately 2030, following Nixon Power Plant shutdown. Design and permitting in 2025 is intended to both meet regulatory requirements and to lessen operation and maintenance costs associated with the current design plans.	<b>125,000</b>
<b>71.</b>	<b>Overhead Distribution Construction (192295)</b> This is a development driven budget to install new overhead electric service to new residential and commercial customers in areas that are currently fed by overhead distribution lines or are located outside of the city limits. In addition, the budget also supports upgrades to the overhead distribution system as necessitated by load additions. This budget is an Obligation to Serve as per Colorado Springs City Code Section 12.2.301.	<b>109,121</b>
<b>72.</b>	<b>Remotes Tools &amp; Equipment (Gas Turbine Borescope) (193969)</b> Purchase of borescope for TNGG inspections and maintenance.	<b>100,000</b>
<b>73.</b>	<b>Cottonwood-Kettle Creek 115kV Line Reconductor (194059)</b> Reconductor existing Cottonwood-Kettle Creek 115kV transmission line to increase load carrying capabilities and to address contingency loading issues	<b>100,000</b>
<b>74.</b>	<b>Kelker-Rock Island 115kV Line Reconductor (194057)</b> Reconductoring of existing Kelker-Rock Island 115kV transmission line to increase load carrying capabilities and to address contingency loading issues.	<b>100,000</b>
<b>75.</b>	<b>CSR Dam Construction Upgrade (796741)</b> Design and construction of repairs/upgrades to the Clear Spring Ranch (CSR) to minimize amount of ground water leaving the CSR site. Design will occur in 2025, the first phase of construction is expected to occur in 2026.	<b>75,000</b>

<b>76.</b>	<b>8.4 MW Solar Array Project at Fort Carson (194141)</b> Telemetry related equipment required for behind the 8.4 MW Solar Array Project at Ft. Carson	<b>\$ 50,000</b>
<b>77.</b>	<b>System Reliability Improvements (180217)</b> Address electric system reliability issues or concerns in areas that exceed established criteria. These projects shall improve area and system reliability for both overhead and underground systems. Typical projects include upgrades such as distribution protection, ring ties and distribution coordination.	<b>50,000</b>
<b>78.</b>	<b>Electric Tools &amp; Equip (180332)</b> Replacement of tools & equipment for the Construction and Maintenance electric service to stay current with technology while utilizing the tooling to make capital improvements or add capital equipment to our electric system.	<b>50,000</b>
<b>79.</b>	<b>Nixon 1 Cooling Tower Fan Blades and Hubs (193189)</b> Replace Nixon 1 Cooling Tower Fan Blades and Hubs to maintain unit reliability.	<b>50,000</b>
<b>80.</b>	<b>AMI Network New Growth &amp; Replacement (796463)</b> Purchase additional Advanced Metering Infrastructure (AMI) network equipment to accommodate new growth in Springs Utilities service territory and on-going maintenance needs. The expansion and maintenance of the Network supports the ability to collect data for internal business purposes. This is an ongoing program which enables our obligation to serve, and therefore legal & regulatory scoring applies.	<b>44,165</b>
<b>81.</b>	<b>Nixon 1 Cooling Tower Fan Gearbox (193252)</b> Replace Nixon 1 Cooling Tower Fan Gearbox	<b>30,000</b>
<b>82.</b>	<b>CMD Streetlight Replacements (Outside City Limits) (192931)</b> Reactive replacement of existing capital assets and related infrastructure (including conductors, structures, poles, cable, luminaires) of the overhead and underground streetlight system outside of the City of Colorado Springs to include private roads within the city limits and all roads outside the city limits, but within the electric service territory, due to third-party damage or catastrophic, functional, or operational (e.g., safety, reliability, obsolescence) failures.	<b>9,000</b>
	<b>Subtotal Capital - Electric</b>	<b>\$ 296,315,784</b>
	<b>Capital Labor &amp; Benefits</b>	<b>\$ 22,750,957</b>
	<b>Administration &amp; General Expense</b>	<b>\$ 3,920,354</b>
	<b>2025 Total Capital - Electric with Allocated Components</b>	<b>\$ 322,987,095</b>



**Streetlight Service Capital Projects**

**2025  
Proposed  
Budget**

<p><b>1. Streetlights - New Construction (892346)</b> Install new street lighting infrastructure for new residential subdivisions and newly developed arterial roadways. City Ordinance 02-187 which is part of Colorado Springs City Code 7.7.801.</p>	<p><b>\$ 634,262</b></p>
<p><b>2. Streetlight Replacements (Inside City Limits) (892930)</b> Reactive replacement of existing capital assets and related infrastructure (including conductors, structures, poles, cable, luminaires) of the overhead and underground streetlight system within the City of Colorado Springs due to third-party damage or catastrophic, functional, or operational (e.g., safety, reliability, obsolescence) failures. This ongoing corrective maintenance program is adjusted annually based on a service level agreement with the City of Colorado Springs for this activity.</p>	<p><b>563,520</b></p>
<p><b>3. Streetlights (892330)</b> Multiyear program to install residential and arterial roadway streetlights in previously developed areas, as per the Transfer Agreement to General Fund signed in May of 2006, and support Public Safety Lighting requested by Colorado Springs Utilities customers, the Colorado Springs Police Department, and the General City.</p>	<p><b>156,859</b></p>
<p><b>Subtotal Capital - Streetlights</b></p>	<p><b>\$ 1,354,641</b></p>
<p><b>Capital Labor &amp; Benefits</b></p>	<p><b>\$ 243,462</b></p>
<p><b>Administration &amp; General Expense</b></p>	<p><b>\$ -</b></p>
<p><b>2025 Total Capital - Streetlights with Allocated Components</b></p>	<p><b><u>\$ 1,598,103</u></b></p>

**ELECTRIC EXPENDITURES SUMMARY (in thousands)**

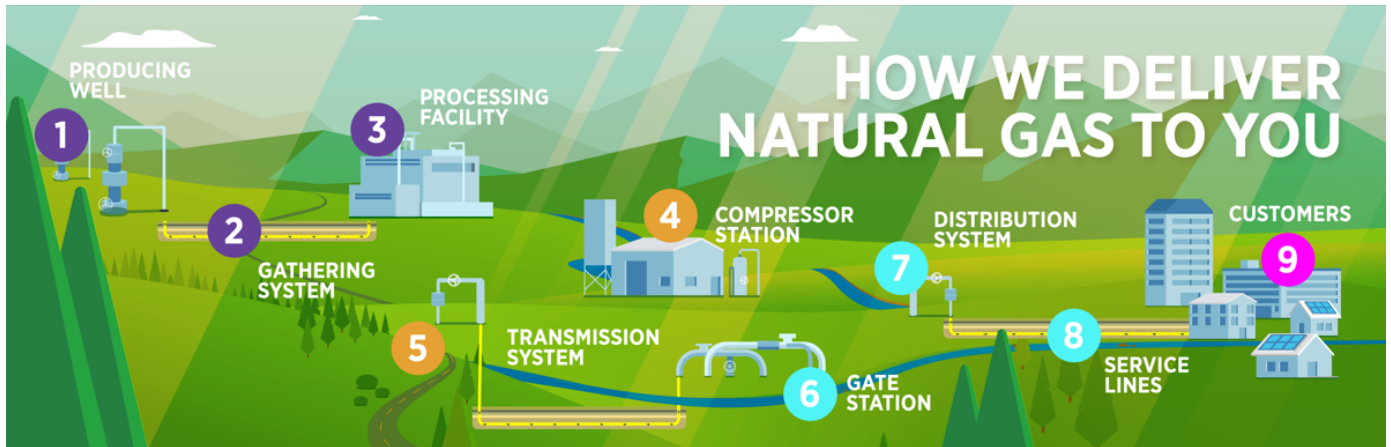
Account Group				2025 Proposed Budget			
	2025	2024	2023	Increase/ (Decrease) from:			
	Proposed Budget	Approved Budget		Actual	2024 Budget		2023 Actual
<b>Fuel Operations and Maintenance</b>	<b>\$ 274,501</b>	<b>\$ 219,369</b>	<b>\$ 201,539</b>	<b>\$ 55,132</b>	<b>25.1%</b>	<b>\$ 72,962</b>	<b>36.2%</b>
<b>Non-Labor Operations &amp; Maintenance</b>							
Production and Treatment	\$ 5,060	\$ 986	\$ 2,208	\$ 4,074	413.3%	\$ 2,852	129.2%
Purchased Power	760	531	581	229	43.1%	178	30.7%
Transmission and Distribution	8,494	5,908	8,205	2,586	43.8%	289	3.5%
Maintenance	18,718	23,285	20,533	(4,568)	-19.6%	(1,815)	-8.8%
Customer Service and Information	2,058	3,256	2,426	(1,198)	-36.8%	(368)	-15.2%
Administrative and General	27,670	22,514	19,620	5,156	22.9%	8,049	41.0%
Customer Accounting and Collections	4,514	4,853	4,481	(339)	-7.0%	32	0.7%
<b>Total Non-Labor Operations &amp; Maintenance</b>	<b>\$ 67,274</b>	<b>\$ 61,334</b>	<b>\$ 58,055</b>	<b>\$ 5,940</b>	<b>9.7%</b>	<b>\$ 9,218</b>	<b>15.9%</b>
<b>Labor &amp; Benefits</b>							
Production and Treatment	\$ 7,848	\$ 7,685	\$ 5,658	\$ 163	2.1%	\$ 2,190	38.7%
Transmission and Distribution	19,644	19,492	15,164	152	0.8%	4,479	29.5%
Maintenance	22,261	19,986	19,544	2,275	11.4%	2,717	13.9%
Customer Service and Information	1,442	2,050	1,062	(609)	-29.7%	379	35.7%
Administrative and General	56,787	50,718	48,474	6,069	12.0%	8,313	17.1%
Customer Accounting and Collections	6,834	6,038	6,286	796	13.2%	548	8.7%
<b>Total Labor &amp; Benefits</b>	<b>\$ 114,815</b>	<b>\$ 105,968</b>	<b>\$ 96,189</b>	<b>\$ 8,847</b>	<b>8.3%</b>	<b>\$ 18,626</b>	<b>19.4%</b>
<b>Total Non-Fuel Operations &amp; Maintenance <sup>1</sup></b>	<b>\$ 182,089</b>	<b>\$ 167,302</b>	<b>\$ 154,245</b>	<b>\$ 14,786</b>	<b>8.8%</b>	<b>\$ 27,844</b>	<b>18.1%</b>
Streetlight	\$ 4,372	\$ 3,915	\$ 4,120	\$ 457	11.7%	\$ 253	6.1%
Transfers to City- Surplus	26,592	25,855	24,515	737	2.9%	2,077	8.5%
Debt Service	94,861	84,461	85,957	10,400	12.3%	8,903	10.4%
Direct Capital	324,585	224,728	199,372	99,857	44.4%	125,213	62.8%
Allocated Capital <sup>2</sup>	15,644	10,972	13,618	4,672	42.6%	2,026	14.9%
<b>Total</b>	<b>\$ 922,644</b>	<b>\$ 736,602</b>	<b>\$ 683,366</b>	<b>\$ 186,042</b>	<b>25.3%</b>	<b>\$ 239,278</b>	<b>35.0%</b>

<sup>1</sup> Non-Fuel O&M does not include inter-service eliminations, GASB 68 and 75 pension and OPEB expense.

<sup>2</sup> Common Capital allocated to Electric Service.

# NATURAL GAS SERVICE OVERVIEW

## SERVICE HIGHLIGHTS



### OIL AND GAS COMPANIES

- 1 EXTRACT NATURAL GAS FROM THE GROUND.**
- 2 TRANSPORT NATURAL GAS TO PROCESSING FACILITY.**
- 3 REMOVE IMPURITIES THAT CORRODE PIPELINES AND REDUCE ENERGY VALUE OF GAS.**

### PIPELINE COMPANIES

- 4 BOOST PRESSURE OF NATURAL GAS TO MOVE THROUGH TRANSMISSION SYSTEM.**
- 5 TRANSPORT NATURAL GAS HUNDREDS OF MILES UNDERGROUND FROM PRODUCING REGIONS.**

### COLORADO SPRINGS UTILITIES

- 6 REDUCES PRESSURE FOR SAFE DISTRIBUTION LOCALLY; MERCAPTAN (ROTTEN EGG SMELL) IS ADDED.**
- 7 MOVES NATURAL GAS UNDERGROUND FROM GATE STATIONS THROUGH THE CITY.**
- 8 DISTRIBUTES NATURAL GAS TO HOMES AND BUSINESSES.**

### CUSTOMERS

- 9 RECEIVE SAFE, RELIABLE NATURAL GAS.**

Call or click [co811.org](http://co811.org) at least three days before beginning any digging project to have your utility lines marked for free.



## STATISTICS

- Number of active natural gas meters: 224,832
- Total net throughput volume: 24,366,099 Mcf at 14.65 psia
- Peak demand: 266,786 Mcf at 14.73 psia (February 2011)
- Miles of main: 2,751

## Natural Gas Service Projects

2025  
Proposed  
Budget

- |  |                     |
|--|---------------------|
| <b>1. DIMP - Gas 150P System Renewals (293179)</b>   | <b>\$ 7,433,144</b> |
| <p>The gas distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks. The 150 PSIG system consists of the highest-pressure mains in the distribution system. Because the pressure is higher the consequence of failure is higher and poses a greater risk to the safety of our customers if left unmaintained. This capital program identifies the highest risk 150 PSIG main segments and replaces them with more modern coated steel piping.</p> |                     |
| <b>2. New Construction Billable (293041)</b>   | <b>3,521,392</b>    |
| <p>Development driven program to install new gas mains and service stubs to residential and commercial areas not currently served. This program also funds the extensions of the 150-psig gas mainlines as necessitated by load additions. The requesting customer pays the Contribution in Aid of Construction contract based on the Utilities Rules and Regulations. The program is an Obligation to Serve as per Colorado Springs City Code section 12.3.201.</p>   |                     |
| <b>3. SEP - Downtown and Military Gas Supply Resiliency Project (293207)</b>   | <b>2,820,000</b>    |
| <p>Improve gas supply reliability to the South Plant natural gas units to operate as needed year around, increase resiliency to Fort Carson military installation, and supply gas to proposed Horizon 350-Megawatt Gas Plant. Design 2025; Construction: 2027-2028.</p>  |                     |
| <b>4. Gas 150P Over Pressure Protection (293186)</b>   | <b>2,144,999</b>    |
| <p>Distribution system improvements driven by regulatory compliance with Pipeline and Hazardous Materials Safety Administration, Part 192.195 for over pressure protection at five gate stations. Projects include installation of new gas infrastructure. Work in 2025 includes construction activities at Drennan and Security Gate Stations.</p>  |                     |
| <b>5. DIMP - Gas Coated Steel Renewals (293180)</b>  | <b>2,000,000</b>    |
| <p>Distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks. Aging coating materials can deteriorate and become disbonded from the pipe. When coatings fail, corrosion can attack the exposed steel pipe. This program is to replace high risk segments of coated steel pipe.</p>   |                     |

<b>6.</b>	<b>Marksheffel Connector GPAP expansion (293170)</b>	<b>\$ 2,000,000</b>
	Increase the peak shaving capacity of existing Propane Air Plant from 1,800 dekatherm/hour to 2,100 dekatherm/hour needed for increased customer gas load growth with the ability to increase capacity to the 2,400 dekatherm/hour recommended by the 2020 Gas Integrated Resource Plan (GIRP). This will be accomplished by installing three additional air compressors at the Propane Air Plant along with a new 16" high pressure gas distribution steel pipeline from the North City Gate Station to the existing high pressure steel main line on Dublin Rd.	
<b>7.</b>	<b>Gas Service Vehicles &amp; Equipment (280021)</b>	<b>1,878,852</b>
	Replacement and purchase of Vehicles and Equipment for the Colorado Springs Utilities Gas Service to maintain a safe, cost effective and reliable fleet	
<b>8.</b>	<b>Gas Meters - Base Requirements (293043)</b>	<b>1,820,700</b>
	Growth-driven and lifecycle replacement program, which purchases gas meters, modules, temperature and pressure instruments, parts, connection materials and regulators. It provides for Capital additions to connect new residential, commercial, and industrial gas customers to Springs Utilities system. In addition, it provides for Capital replacements of damaged/defective meters and meters replaced through the Gas Measurement Accuracy Control (GMAC) Program. Gas meters are an obligation to serve requirement.	
<b>9.</b>	<b>Gas Unplanned Maintenance (293183)</b>	<b>1,605,533</b>
	Program is to complete emergent gas distribution maintenance projects that cannot be planned within the normal budget cycle. Projects may include renewals due to leaks, excavation damages and cathodic protection system failures. Federal Regulations require prompt remedial action for correcting these deficiencies. Typically, prompt remedial action is within one calendar year. Response to city improvement projects may also be performed within this program. Program scoping is based on a historical trend of past program activity.	
<b>10.</b>	<b>New Construction Non-Billable (293042)</b>	<b>1,273,558</b>
	Installation of gas main extensions to new customers which requires the oversizing of the mainline for future developments. This is required to meet new customer growth identified through the gas modeling software and is not covered by developer advance payments. In addition, installation of scattered service stubs for infill areas and the inspection cost for all new services.	
<b>11.</b>	<b>Gas Distribution System Improvements (293044)</b>	<b>1,006,000</b>
	Complete the installation of new gas main infrastructure to the existing distribution system to provide capacity, improve system reliability and service to existing and future customers. Projects may include reinforcements of existing infrastructure, pressure uprates, main extensions, and new regulator stations.	
<b>12.</b>	<b>Gas Management Reserve (200905)</b>	<b>713,913</b>

<b>13.</b>	<b>DIMP - Gas Bare Steel Replacements (293178)</b>	<b>\$ 600,000</b>
	Distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks. Uncoated steel pipelines are known as bare steel pipelines. The age and lack of protective coating typically makes bare steel pipelines of higher risk as compared to some other pipelines and candidates for accelerated replacement programs. This capital program identifies the highest risk bare steel mains and services and replaces them with plastic.	
<b>14.</b>	<b>DIMP - Gas Vintage Plastic Renewals (293181)</b>	<b>500,000</b>
	Distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks. Some vintage plastic pipe and fittings are known to be prone to stress cracking due to the characteristics of the pipe resin or the design of the fittings. This program is to replace high risk vintage pipe segments, fittings, and valves.	
<b>15.</b>	<b>GPAP Cathodic Protection System (293212)</b>	<b>500,000</b>
	The Gas Propane Air Plant was originally designed to have a cathodic protection system to prevent corrosion of the underground buried pipes. Currently, the cathodic protection system is no longer serviceable, and the capital budget is for the repair or replacement of the cathodic protection system to restore to a serviceable condition.	
<b>16.</b>	<b>Gas Time and Material for Capital Work (293122)</b>	<b>470,630</b>
	Third-Party Billing projects (requests by customers to move existing gas infrastructure) that are requested during the year. The work is required to be compliant with the Gas Line Extension Service Standards and Public Utility Commission Part 192. Colorado Springs Utilities will charge the customer 95% of the cost to accomplish this work.	
<b>17.</b>	<b>Gas Maximum Allowable Operating Pressure (MAOP) (293205)</b>	<b>300,000</b>
	Maximum Allowable Operating Pressure (MAOP) Program exists to verify and validate gas operating pressures, materials, and components in the gas distribution system. Requirements tied to CFR 192.611.	
<b>18.</b>	<b>Public Improvements-Gas (280024)</b>	<b>236,124</b>
	Install or relocate existing gas facilities in conjunction with Municipal Government Public Works projects, Pikes Peak Rural Transit Authority, and Improvement Districts. Required by the 2001 Utilities Relocation Executive Agreement.	
<b>19.</b>	<b>DIMP - Gas Risk Based Projects (293182)</b>	<b>220,000</b>
	Distribution integrity management regulations require natural gas distribution companies, to develop, write, and implement an integrity management program that identifies and implements measures to address risks. This program is to address risks identified by the DIMP Program that do not fit in the Bare Steel, Coated Steel, 150 PSIG System and Vintage Plastic replacement programs. These risks are primarily identified by SME information and failure data.	

<b>20.</b>	<b>Gas Operations Tools &amp; Equipment (293206)</b> Replacement of tools & equipment for the Gas Leak Search, Gas Distribution Operations, and Gas Instrument Control Teams to stay current with technology while utilizing the tooling to make capital improvements or add capital equipment to our gas system.	<b>\$ 200,000</b>
<b>21.</b>	<b>Gas Tools &amp; Equip (280019)</b> Replacement of tools & equipment for the Construction and Maintenance gas service to stay current with technology while utilizing the tooling to make capital improvements or add capital equipment to our gas system.	<b>158,000</b>
<b>22.</b>	<b>AMI Project-Multi (796649)</b> Springs Utilities will continue to execute its strategy for a necessary transition from Automated Meter Reading (AMR) to Advanced Metering Infrastructure (AMI). This project reflects intended purchase of 2-way electric, gas, and water modules to replace residential, commercial, and industrial meters and modules in Utilities' service territory.	<b>157,500</b>
<b>23.</b>	<b>Gas Propane Air Plant UPS Replacement (293211)</b> Upsizing the UPS to allow for a longer runtime during a site outage. It also address the networking issues that were identified during the FMECA process to improve overall plant reliability.	<b>140,000</b>
<b>24.</b>	<b>DIMP - Distribution Regulator Station Replacement (280011)</b> Replacement of district regulator stations that are in poor condition. Each regulator station has two regulators, one is for normal control of the flow of gas and the other provides over pressure protection in the event the control regulator fails. Some of the regulators to be replaced are custom fabricated or the manufacturers have discontinued the regulator model and no longer supply replacement parts. Gas Distribution Operations (GDO) determines which regulators to replace based on type of equipment (obsolete).	<b>70,000</b>
<b>25.</b>	<b>DIMP - Emergency Valve Replacement (280005)</b> Replacement of non-functional valves identified through performing annual inspection, maintenance, and operation of all designated Gas Emergency Valves per DOT (Department of Transportation) requirements. Emergency Valves are designed to stop the flow of gas in specific situations such as creek crossings (an Emergency Valve would be located on each side of the streambed above the high-water mark). Emergency Valves are in the main line and are boxed and accessible from ground level.	<b>40,000</b>
<b>26.</b>	<b>AMI Network New Growth &amp; Replacement (796463)</b> Purchase additional Advanced Metering Infrastructure (AMI) network equipment to accommodate new growth in Springs Utilities service territory and on-going maintenance needs. The expansion and maintenance of the Network supports the ability to collect data for internal business purposes. This is an ongoing program which enables our obligation to serve, and therefore legal & regulatory scoring applies.	<b>38,644</b>

<b>27.</b>	<b>DIMP - Gas Distribution System Improvements (280034)</b>	<b>\$ 31,518</b>
	Gas distribution system improvements driven by regulatory compliance with the Pipeline and Hazardous Materials Safety Administration, Part 192. Projects include installation of new gas infrastructure such as metering and regulating equipment, emergency valves, and telemetry monitor points.	
<b>28.</b>	<b>Gas Instrumentation &amp; Control (GIC) Meter Station Improve/Upgrades (293184)</b>	<b>10,000</b>
	Upgrade aging gas meter station equipment. There are currently 5-meter stations in our system; Drennan, North, South, McClintock, and Security. These stations are where Colorado Springs Utilities takes possession of the Natural Gas from Kinder Morgan. This is also where Springs Utilities odorizes the gas to be distributed to our customers	
	<b>Subtotal Capital - Gas</b>	<b>\$ 31,890,507</b>
	<b>Capital Labor &amp; Benefits</b>	<b>\$ 10,412,534</b>
	<b>Administration &amp; General Expense</b>	<b>\$ 505,852</b>
	<b>2025 Total Capital - Gas with Allocated Components</b>	<b>\$ 42,808,893</b>



**NATURAL GAS EXPENDITURES SUMMARY (in thousands)**

Account Group	2025 Proposed Budget	2024 Approved Budget	2023 Actual	2025 Proposed Budget Increase/ (Decrease) from:			
				2024 Budget		2023 Actual	
<b>Fuel Operations &amp; Maintenance</b>	\$ 224,163	\$ 209,804	\$ 123,194	\$ 14,359	6.8%	\$ 100,969	82.0%
<b>Non-Labor Operations &amp; Maintenance</b>							
Transmission and Distribution	\$ 3,379	\$ 2,930	\$ 3,759	\$ 449	15.3%	\$ (380)	-10.1%
Maintenance	2,472	1,017	1,814	1,455	143.0%	658	36.3%
Customer Service and Information	3,521	3,186	2,093	335	10.5%	1,429	68.3%
Administrative and General	9,103	7,565	6,470	1,538	20.3%	2,633	40.7%
Customer Accounting and Collections	2,867	3,366	3,088	(499)	-14.8%	(220)	-7.1%
<b>Total Non-Labor Operations &amp; Maintenance</b>	<b>\$ 21,343</b>	<b>\$ 18,065</b>	<b>\$ 17,224</b>	<b>\$ 3,278</b>	<b>18.1%</b>	<b>\$ 4,119</b>	<b>23.9%</b>
<b>Labor &amp; Benefits</b>							
Transmission and Distribution	\$ 10,820	\$ 10,249	\$ 8,418	\$ 571	5.6%	\$ 2,403	28.5%
Maintenance	4,085	2,394	3,481	1,691	70.6%	603	17.3%
Customer Service and Information	666	1,299	469	(633)	-48.8%	197	42.0%
Administrative and General	17,877	17,579	16,750	298	1.7%	1,127	6.7%
Customer Accounting and Collections	6,123	5,413	5,636	710	13.1%	487	8.6%
<b>Total Labor &amp; Benefits</b>	<b>\$ 39,571</b>	<b>\$ 36,934</b>	<b>\$ 34,754</b>	<b>\$ 2,637</b>	<b>7.1%</b>	<b>\$ 4,817</b>	<b>13.9%</b>
<b>Total Non-Fuel Operations &amp; Maintenance <sup>1</sup></b>	<b>\$ 60,914</b>	<b>\$ 54,999</b>	<b>\$ 51,978</b>	<b>\$ 5,915</b>	<b>10.8%</b>	<b>\$ 8,936</b>	<b>17.2%</b>
Transfers to City- Surplus	\$ 8,028	\$ 8,332	\$ 8,607	\$ (304)	-3.7%	\$ (579)	-6.7%
Debt Service	18,520	16,877	16,786	1,643	9.7%	1,733	10.3%
Direct Capital	42,809	41,898	42,179	911	2.2%	630	1.5%
Allocated Capital <sup>2</sup>	3,002	1,994	2,475	1,008	50.5%	527	21.3%
<b>Total</b>	<b>\$ 357,435</b>	<b>\$ 333,904</b>	<b>\$ 245,220</b>	<b>\$ 23,531</b>	<b>7.0%</b>	<b>\$ 112,215</b>	<b>45.8%</b>

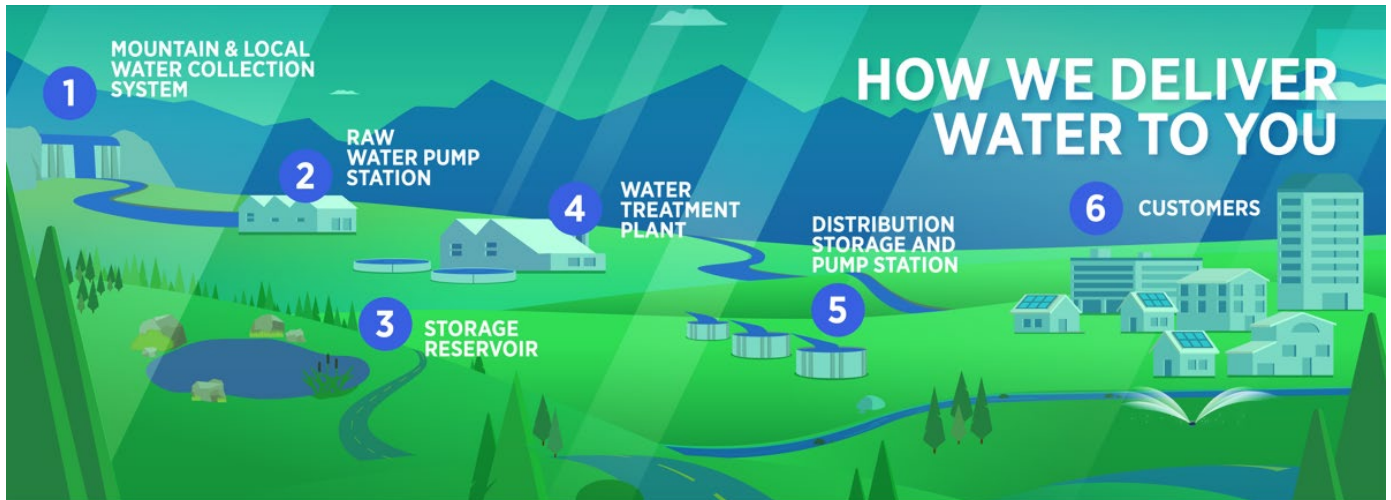
<sup>1</sup> Non-Fuel O&M does not include inter-service eliminations, GASB 68 and 75 pension and OPEB expense.

<sup>2</sup> Common Capital allocated to Natural Gas Service.

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# WATER SERVICE OVERVIEW

## SERVICE HIGHLIGHTS



- 1 COLLECTS ROCKY MOUNTAIN SNOWMELT FROM UP TO 100+ MILES AWAY
- 2 MOVES COLLECTED WATER TO STORAGE RESERVOIRS
- 3 CAN HOLD UP TO 3.5 YEARS OF SUPPLY AND SUPPORT RECREATION
- 4 6 PLANTS TREAT WATER TO MEET OR EXCEED DRINKING STANDARDS
- 5 TREATED WATER IS PUMPED ACROSS THE CITY
- 6 WATER IS AVAILABLE AT YOUR TAP

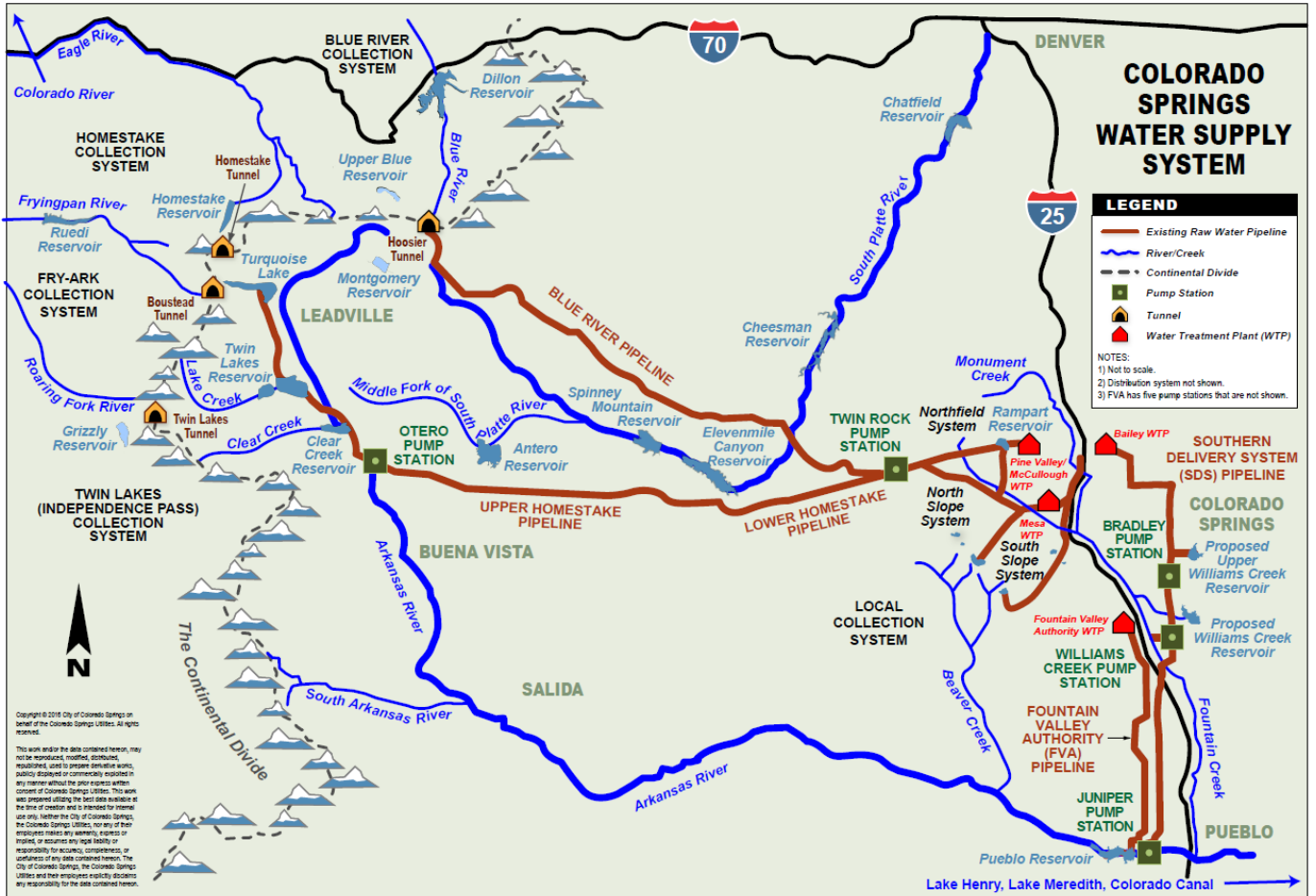
### DID YOU KNOW?

- Our water is collected from 3 river basins (Arkansas, Colorado and South Platte) and travels through 4 transmission pipelines and stored in our 25 reservoirs.
- We provide treated water to more than 500 million people through 2,555 miles of water distribution mains.
- A typical Colorado Springs home uses about 100,000 gallons of water each year, 60% indoors and 40% outdoors.



## STATISTICS

- Number of active water meters: 158,270
- Annual potable water deliveries: 65,615 AF (21.4 billion gallons)
- Total nonpotable output (all sources): 6,692 AF
- Total Arkansas River and Local Exchange: 34,664 AF
- Treatment capacity: 278 mgd (peak), 233 mgd (sustained)
- Record peak demand: 182 mgd (July 2001)
- Water System includes:
  - 4 trans mountain diversion systems that carry water from over 100 miles away
  - 2,283 miles of potable water mains
  - 25 raw water storage reservoirs
  - 11 raw water pump stations (including 2 Fountain Valley Authority)
  - 6 water treatment plants (including 1 Fountain Valley Authority)



## Water Service Projects

2025  
Proposed  
Budget

- |  |                      |
|--|----------------------|
| <b>1. Water Acquisition (394683)</b>   | <b>\$ 33,000,000</b> |
| Developing new water sharing projects with agriculture to acquire sources of supply. Acquiring new water supplies through partnerships with agriculture in the near-term is essential for mitigating risks from drought and administration of water rights associated to other sources of supply. Acquiring new water supplies through is essential for long-term water resource development, diversity, and reliability to serve the city through buildout.   |                      |
| <b>2. Highline Pressure Zone Extension and Redundant Supply (394749)</b>   | <b>13,699,398</b>    |
| Design and construction of 5.2 miles of 30" and 24" water transmission and distribution main extending Highline Pressure Zone to south to provide water service to southerly portion of the Banning Lewis Ranch annexation area along with redundant water supply to Colorado Springs Airport. Project plan to begin construction beginning of 4th quarter 2024 and proceed through 2025 with final completed schedule by mid-2026.  |                      |
| <b>3. Finished Water Linear Asset Program (394744)</b>   | <b>11,312,000</b>    |
| Colorado Springs Utilities has over 2,100 miles of transmission and distribution water mains we serve. Finished Water Linear Asset Program (FWLAP) is a capital program focused on renewing degraded/aging finished water infrastructure through various methods, minimizing current and future water main system failures, and delivering safe, reliable drinking water along with fire protection to customers. Program plan for 2025 is to rehabilitate approximately 50 miles of this pipeline using Condition Assessment, Cathodic Protection, Design, Lining and Replacement |                      |
| <b>4. Specialty Valves Rehabilitation and Replacement Program (394651)</b>   | <b>10,500,000</b>    |
| Rehabilitation and/or replacement of specialty valves in the water system to ensure safe and reliable water service to our customers. The program plan for 2025 includes: Completion of Academy & Meadowland Vault Project and FLYR5 Pressure Reducing Valve Construction.   |                      |
| <b>5. Potable Pumping Station Replacement Program (394587)</b>   | <b>6,000,000</b>     |
| Rehabilitation and/or replacement of pump stations, equipment, and systems to ensure safe and reliable water service to our customers. The program plan for 2025 includes replacement of the Lower Skyway Pump Station, design was completed in 2024, construction will start in 2025 and continue through 2026.   |                      |
| <b>6. N. Slope - South Catamount Dam Rehabilitation (394696)</b>   | <b>6,000,000</b>     |
| Design and construction for rehabilitation of the upstream steel face and aging outlet works at South Catamount reservoir. Work will include coating of dam face and rehabilitation of the outlet works. Design was completed in 2024, Construction started in 2024 and will continue through 2025.  |                      |

<b>7.</b>	<b>WOLF and UBG Pressure Zone Interconnection - North Segment, Phase 1 of 2 (394652)</b>	<b>\$ 5,589,000</b>
	Design and construction of two pipelines from Old Ranch Road and Powers to the Highway 83 Pump Station to increase reliability, reduce pumping requirements, and provide an emergency connection between the two Briargate Pressure Zones. Work in 2025 will be focused on design and preparation for Construction.	
<b>8.</b>	<b>Water Service Vehicles &amp; Equipment (380109)</b>	<b>5,367,337</b>
	Replacement and purchase of Vehicles and Equipment for the Colorado Springs Utilities Water Service to maintain a safe, cost effective and reliable fleet	
<b>9.</b>	<b>Rosemont Pipeline Replacement (394476)</b>	<b>4,854,879</b>
	Initiate design of critical section(s) of the 14 miles of Rosemont pipeline and replacement of these sections. Multi-year project to address permitting and construction sequence needs of the project.	
<b>10.</b>	<b>Public Improvement Projects - Water (380083)</b>	<b>4,250,000</b>
	Participation in Colorado Springs Utilities' share of water relocations, lowering's, betterments, and improvements because of Pikes Peak Rural Transportation Authority (PPRTA), City Capital Improvements Projects, El Paso County and Colorado Department of Transportation (CDOT) public improvement projects. 2025 public improvement water projects include Powers and Airport project, Circle Dr. Bridges, Fontanero & I-25 Bridges, Academy Blvd. Reconstruction, Galley over West Fork, Nevada Ave Storm Sewer Outfall.	
<b>11.</b>	<b>AMI Project - Water (394669)</b>	<b>3,700,000</b>
	Springs Utilities will continue to execute its strategy for a necessary transition from Automated Meter Reading (AMR) to Advanced Metering Infrastructure (AMI). This project reflects intended purchase of 2-way water modules to replace residential, commercial, and industrial modules in Utilities' service territory.	
<b>12.</b>	<b>Continental-Hoosier System Project (394345)</b>	<b>3,681,095</b>
	Permit and design a storage enlargement of 8100 ac-ft at Montgomery Reservoir to improve collection and conveyance management while increasing the average annual yield delivered through the Blue River pipeline by 4000 ac-ft. This is a critical project to improve drought resiliency and maintain system reliability for current customers and at future buildout of the City.	
<b>13.</b>	<b>Ruxton 24 and 30" Raw Water Main Replacement/Rehabilitation" (394790)</b>	<b>3,500,000</b>
	Relocate one 24-inch and one 30-inch raw water line within Ruxton Avenue extents. Design work being coordinated with City of Manitou Springs. Water main relocation and/or rehabilitation work currently scheduled to occur in the off-tourist months of 2025, 2026 and 2027.	
<b>14.</b>	<b>Water Management Reserve (300905)</b>	<b>2,872,469</b>

<b>15.</b>	<b>Pine Valley &amp; McCullough Finished Water Baffling (394722)</b> Alternative selection, design, and construction of upgrades to the Pine Valley and McCullough Water Treatment Plants to ensure compliance with disinfection regulations. Design will occur in 2025, construction is expected to occur in 2025 and 2026.	<b>\$ 2,250,000</b>
<b>16.</b>	<b>Homestake Collection System Pipeline Repair and Rehabilitation (394711)</b> Preparation and interior relining of the above grade reaches of the Homestake Collection System. Project is on-going, multi-year; construction will continue in 2025 and 2026.	<b>2,000,000</b>
<b>17.</b>	<b>Homestake 72 Inline Valve on Discharge Line" (394675)</b> Design, construction, and installation of a 72" valve on the Otero Pump Station Discharge Line to prevent drain back and flooding of the Pump Station. Design was completed and the valve was pre-purchased in 2024. Construction will be phased over 2025 and 2026 to ensure reliability of water delivery from Homestake.	<b>1,500,000</b>
<b>18.</b>	<b>Homestake Suction Pipeline Replacement (394477)</b> Proactive replacement of sections of the Homestake Suction Pipeline to ensure reliability of water delivery from Homestake. Project is on-going, multi-year; construction will conclude in 2025.	<b>1,266,323</b>
<b>19.</b>	<b>Reduced Briargate Tank (2021 FWSP) (394771)</b> Design and construction of a 5-million-gallon Reduced Briargate Tank to serve the largest closed zone in the system. Design will be completed in 2025, construction will occur in 2026.	<b>1,186,086</b>
<b>20.</b>	<b>Potable Water Tank Refurbishment/Replacement Program (394575)</b> Condition assessment, evaluation, prioritization, design, rehabilitation, and construction of potable water tank assets to ensure finished water system reliability. Design of Austin Bluffs 5MG tank will occur in 2025, construction of Austin Bluffs 5MG tank is expected to occur in 2026.	<b>1,054,236</b>
<b>21.</b>	<b>Austin Bluffs Pump Station and Transmission (2021 FWSP) (394779)</b> Design and construction of a pump station and transmission mains near the Austin Bluffs tanks to transport water from the Northfield pressure zone to the Templeton pressure zone. Design and procurement will occur in 2025 and 2026, construction is expected to occur 2027-2029.	<b>980,000</b>
<b>22.</b>	<b>Ute Pass WTP Improvements Program (394691)</b> Upgrades, rehabilitation, and replacement of equipment at the Ute Pass Water Treatment Plant. Design for replacement of new sodium hypochlorite disinfection and sodium hydroxide chemical feed systems was completed in 2024, construction will occur in 2025.	<b>946,960</b>



<b>23.</b>	<b>Tollefson/Mesa WTP Upgrades Program Ph 2 and 3 (394761)</b>	<b>\$ 800,000</b>
	Implement Phase 2 & 3 Improvements identified in the Tollefson/Mesa WTP Facility Plan. Facility Plan to be updated to finalize most critical upgrades. Project will design improvements which include new filtration , ozone, sodium hypochlorite and total organic removal facilities. Studies and Alternatives Analysis (SAA) will occur in 2025. Design will begin pending results of SAA, be performed in late 2025 - 2027. Construction is expected to begin in 2028.	
<b>24.</b>	<b>Water Meters - Base Requirements (394204)</b>	<b>743,143</b>
	Growth-driven program, which purchases water meters and water modules. Capital additions to connect new residential, commercial, and industrial water customers to Springs Utilities water system. In addition, it provides for Capital replacements of damaged and defective meters. New growth and the need for water meters are an obligation to serve	
<b>25.</b>	<b>Water System Infrastructure Continuity (380096)</b>	<b>360,000</b>
	Adds and replaces water system infrastructure when project costs are over the \$5,000 O&M threshold and when the project is not covered by the water main replacement program. This program is budgeted annually and accounts for necessary infrastructure needs that are not funded under other programs.	
<b>26.</b>	<b>Water Infrastructure Corrosion Program-Raw Water (394678)</b>	<b>292,469</b>
	Water Infrastructure Corrosion Program - Raw Water (WICP-RW) identifies, assesses, prioritizes, and constructs repair/replacement of raw water cathodic protection systems to ensure safe and reliable water service to customers. The WICP is essential for compliance with Utilities Excellence in Governance Policy I-6.	
<b>27.</b>	<b>Homestake Discharge Pipeline Replacement (394731)</b>	<b>212,180</b>
	Proactive replacement of critical sections of the Homestake Discharge Pipeline to ensure reliability of water delivery from Homestake. Project is on-going, multi-year; study and design will occur in 2025-2026, construction will start in 2027.	
<b>28.</b>	<b>Homestake Vehicles &amp; Equipment (380124)</b>	<b>212,180</b>
	The Homestake fleet includes forty-nine units. To maintain a safe, cost effective, and reliable fleet for the Homestake Water Project, it is necessary to replace vehicles and equipment according to a scheduled program.	
<b>29.</b>	<b>ROY Storage (394419)</b>	<b>200,000</b>
	Per requirements contained in the 2004 6-party intergovernmental agreement (IGA) between City of Pueblo, Pueblo Water, the Southeast Colorado Water Conservancy District, City of Fountain, City of Aurora, and later Pueblo West Metro District the ROY (Recovery of Yield) participants acquired a project site near Boone Colorado which will allow the IGA parties to collectively recapture 5,000 ac-ft of foregone exchanges. Development of additional raw water storage is a primary recommendation of the Integrated Water Resource Plan.	



<b>30.</b>	<b>Fire Hydrant Installation (380099)</b>	<b>\$ 200,000</b>
	Replace hydrants that are non-operational or that are obsolete because replacement parts are no longer manufactured. These hydrants are identified through the O&M preventive maintenance program and notification by internal and external sources.	
<b>31.</b>	<b>Raw Water System Improvements Program (394684)</b>	<b>200,000</b>
	Implement prioritized infrastructure improvements from the Raw Water System Plans. The raw water systems have unique and diverse infrastructure consisting of linear assets, intakes, diversions, tunnels, and dams. Priority infrastructure improvements are reviewed annually and updated every 5 to 10 years depending on the frequency stipulated by the asset class or system needs.	
<b>32.</b>	<b>McCullough Water Treatment Plant Fire Panel (394805)</b>	<b>200,000</b>
	Replace and upgrade entire Fire Protection System at McCullough Water Treatment Plant administration building.	
<b>33.</b>	<b>Water Valve Replacement (394703)</b>	<b>160,000</b>
	Replace water valves when they are not covered by the water main replacement program. Examples are smaller footage jobs that are not engineered, large valve replacement, pipe replacement work and rehabilitation done for Water System Continuity or needs not covered by the City's Paving Initiative. This program is budgeted annually and accounts for necessary infrastructure needs that are not funded under other programs.	
<b>34.</b>	<b>Homestake Pipeline Replacement for Leak Remediation (394715)</b>	<b>132,613</b>
	Pipeline failures can prevent the Otero Pump Station from pumping for two to six weeks. This amounts to between 1.6 billion and 5.2 billion gallons of lost pumping opportunity. To maintain the operational capability of this critical infrastructure, it is imperative that leaking or failed sections of pipe be replaced. Homestake personnel are experienced in the replacement of leaking or failed PCP with steel pipe, having already performed this task in eight locations. Purchase and installation of pipe replacement kits.	
<b>35.</b>	<b>AMI Project-Multi (796649)</b>	<b>112,500</b>
	Springs Utilities will continue to execute its strategy for a necessary transition from Automated Meter Reading (AMR) to Advanced Metering Infrastructure (AMI). This project reflects intended purchase of 2-way electric, gas, and water modules to replace residential, commercial, and industrial meters and modules in Utilities' service territory.	
<b>36.</b>	<b>Water Tools &amp; Equip (380101)</b>	<b>112,000</b>
	Purchase of large tools and equipment over \$5,000 for the Construction and Maintenance Group (CMG), such as shoring, large pumps, and other equipment needs.	

<b>37.</b>	<b>Developer Initiated and Unserved Area Projects - Water (394114)</b>	<b>\$ 107,689</b>
	Colorado Springs Utilities' cost participation in qualifying developer-initiated or other customer projects to promote the extension and development of an integrated water distribution system and provide service capability to previously unserved areas within the water service territory.	
<b>38.</b>	<b>Kissing Camels Pressure Zone Expansion (2021 FWSP) (394772)</b>	<b>100,000</b>
	Construct 200-feet of 8-inch water main and two pressure-reducing valve (PRV) vaults to expand Kissing Camels pressure zone to resolve local low-pressure issues. Project is identified, recommended, and prioritized in the 2021 Finished Water System Plan.	
<b>39.</b>	<b>Lab Capital Equipment - Water (380082)</b>	<b>50,575</b>
	The Colorado Springs Utilities laboratory maintains over 30 distinct analytical instruments and ancillary pieces of equipment vital to the function of the laboratory. These instruments and equipment require periodic replacement as they reach the end of their life-span, or as technological advances and improved analytical methods drive the need for new instrumentation. Instruments and equipment necessary for continued Safe Drinking Water Act (SDWA) compliance. 2025 capital purchases include- Total Organic Carbon (TOC) and Incubator.	
<b>40.</b>	<b>Homestake Microwave &amp; Radio Infrastructure Improvements (394488)</b>	<b>50,000</b>
	Install, upgrade, and improve Voice & Data Communication Systems used in support of System Control and Data Acquisition (SCADA) operations for the Homestake Watershed. A partnership comprised of Colorado Springs Utilities, Aurora Water, and Federal government agencies will leverage resources needed to establish a fully redundant, SCADA and voice communications relay and backhaul network.	
<b>41.</b>	<b>Homestake 10 Nozzle Repairs for Four Surge Tanks (394676)</b>	<b>50,000</b>
	The Surge Tanks are devices that protect the 66" discharge line's integrity during flow surges. In 2017, the Surge Tank shut off valves were closed to allow the tanks to be drained for re-lining. During the tank relining process, it was discovered that some of the nozzles under the shutoff valves have corroded. Wall thickness are still within the pressure design window but will need to be repaired while the line is drained for the valve replacements.	
<b>42.</b>	<b>Homestake Pipeline Pressure Pit (394446)</b>	<b>45,000</b>
	Installation of new vaults and pressure monitoring equipment will increase Homestake's capability to quickly to locate pipeline leaks and failures which speeds the emergency response and potentially reduces the extent of property damage. It is proposed to add pressure pits at Stations 574+82 and 825+50.	
<b>43.</b>	<b>Homestake SCADA System Upgrades (380125)</b>	<b>42,436</b>
	The Homestake Supervisory Control and Data Acquisition (SCADA) system upgrades include replacing and upgrading equipment that is essential for reliable operation of the Otero Pump Station.	

<b>44. Water Tap Install - New Cust (380108)</b>	Inspection and installation of water taps for new residential and commercial customers on Colorado Springs Utilities owned water mains.	<b>\$ 30,000</b>
<b>45. AMI Network New Growth &amp; Replacement (796463)</b>	Purchase additional Advanced Metering Infrastructure (AMI) network equipment to accommodate new growth in Springs Utilities service territory and on-going maintenance needs. The expansion and maintenance of the Network supports the ability to collect data for internal business purposes. This is an ongoing program which enables our obligation to serve, and therefore legal & regulatory scoring applies.	<b>27,603</b>
<b>46. Homestake Mass Asset Valve Purchases (394753)</b>	Purchase and installation of specialized shutoff valves and air valves. Pipeline failures can prevent the Otero Pump Station from pumping for two to six weeks. This amounts to between 1.6 billion and 5.2 billion gallons of lost pumping opportunity. To maintain the operational capability of this critical infrastructure, it is imperative that shutoff valves and air valves be replaced on a rotating schedule. Homestake personnel are experienced in the replacement of these type of valves.	<b>26,523</b>
<b>47. Water System Design Review, Inspection and Acceptance (394132)</b>	Water system extension design review, inspection, and documentation for developers and contractors to ensure compliance with City Code and Colorado Springs Utilities' current Line Extension & Service Standards, and to protect system integrity.	<b>12,000</b>
<b>Subtotal Capital - Water</b>		<b>\$ 29,988,694</b>
<b>Capital Labor &amp; Benefits</b>		<b>\$ 13,559,652</b>
<b>Administration &amp; General Expense</b>		<b>\$ 7,334,856</b>
<b>2025 Total Capital - Water with Allocated Components</b>		<b>\$ 150,883,202</b>

**WATER EXPENDITURES SUMMARY (in thousands)**

Account Group	2025 Proposed Budget	2024 Approved Budget	2023 Actual	2025 Proposed Budget Increase/ (Decrease) from:			
				2024 Budget		2023 Actual	
<b>Non-Labor Operations &amp; Maintenance</b>							
Production and Treatment	\$ 31,052	\$ 29,155	\$ 27,897	\$ 1,897	6.5%	\$ 3,155	11.3%
Purchased Water	10,326	9,988	9,267	338	3.4%	1,059	11.4%
Transmission and Distribution	3,392	1,904	2,115	1,488	78.2%	1,277	60.4%
Maintenance	6,281	7,798	7,024	(1,516)	-19.4%	(743)	-10.6%
Customer Service and Information	2,071	2,297	1,691	(226)	-9.8%	380	22.5%
Administrative and General	17,296	13,990	11,931	3,305	23.6%	5,365	45.0%
Customer Accounting and Collections	2,453	2,498	2,399	(45)	-1.8%	53	2.2%
<b>Total Non-Labor Operations &amp; Maintenance</b>	<b>\$ 72,871</b>	<b>\$ 67,630</b>	<b>\$ 62,325</b>	<b>\$ 5,241</b>	<b>7.7%</b>	<b>\$ 10,546</b>	<b>16.9%</b>
<b>Labor &amp; Benefits</b>							
Production and Treatment	\$ 12,702	\$ 12,382	\$ 11,137	\$ 320	2.6%	\$ 1,564	14.0%
Transmission and Distribution	8,866	8,482	6,748	384	4.5%	2,119	31.4%
Maintenance	10,436	10,333	9,076	103	1.0%	1,360	15.0%
Customer Service and Information	562	1,097	397	(535)	-48.8%	165	41.5%
Administrative and General	37,439	32,376	30,945	5,063	15.6%	6,494	21.0%
Customer Accounting and Collections	4,312	3,807	3,964	505	13.3%	348	8.8%
<b>Total Labor &amp; Benefits</b>	<b>\$ 74,317</b>	<b>\$ 68,477</b>	<b>\$ 62,266</b>	<b>\$ 5,839</b>	<b>8.5%</b>	<b>\$ 12,051</b>	<b>19.4%</b>
<b>Total Non-Fuel Operations &amp; Maintenance <sup>1</sup></b>	<b>\$ 147,188</b>	<b>\$ 136,107</b>	<b>\$ 124,591</b>	<b>\$ 11,080</b>	<b>8.1%</b>	<b>\$ 22,597</b>	<b>18.1%</b>
Transfers to City- Surplus	\$ 2,369	\$ 2,400	\$ -	\$ (31)	-1.3%	\$ 2,369	- %
Debt Service	89,217	86,166	88,381	3,052	3.5%	836	0.9%
Direct Capital	150,883	98,059	72,752	52,824	53.9%	78,131	107.4%
Allocated Capital <sup>2</sup>	15,680	10,969	13,615	4,711	42.9%	2,065	15.2%
<b>Total</b>	<b>\$ 405,338</b>	<b>\$ 333,702</b>	<b>\$ 299,339</b>	<b>\$ 71,636</b>	<b>21.5%</b>	<b>\$ 105,999</b>	<b>35.4%</b>

<sup>1</sup> Non-Fuel O&M does not include inter-service eliminations, GASB 68 and 75 pension and OPEB expense.

<sup>2</sup> Common Capital allocated to Water Service.

# WASTEWATER SERVICE OVERVIEW

## SERVICE HIGHLIGHTS



- 1 WASTEWATER GOES DOWN YOUR DRAINS
- 2 TAKES WASTEWATER FROM HOMES AND BUSINESSES TO LIFT STATIONS
- 3 MOVES WASTEWATER FROM LOW TO HIGH ELEVATIONS
- 4 MOVES WASTEWATER TO RESOURCE RECOVERY FACILITY
- 5 3 RECOVERY FACILITIES TREAT WASTEWATER THROUGH MULTI-STEP PROCESS
- 6 THE RECLAIMED WATER IS RELEASED TO FOUNTAIN CREEK WHERE WE'RE ABLE TO REUSE IT THROUGH WATER EXCHANGES

### DID YOU KNOW?

- We operate one of Colorado's largest water resource recovery systems, collecting wastewater from more than 152,000 service points through 1,800 miles of pipe.
- Our recovery facilities process 36 million gallons of wastewater daily.
- We use state-of-the-art ultraviolet disinfection processes for treatment.
- Reclaimed water (treated wastewater) is returned to streams or reused for irrigation, augmentation and in utilities' operations.
- Between 2025 - 2030, we'll invest \$428 million in our wastewater system to meet growing city demand.



## STATISTICS

- Number of active accounts: 152,888
- Wastewater treated: average of 38 million gpd
- Combined permitted capacity: 95 million gpd
- Miles of sewer main pipe: 1,821 miles
- Wastewater System includes:
  - 2 water resource recovery facilities
  - 1 solid handling facility
  - 21 lift stations

## Wastewater Service Projects

2025  
Proposed  
Budget

- |   |                      |
|---|----------------------|
| <b>1. EWSE New Lift Stations and Force Mains - Phase 1 (495436)</b>   | <b>\$ 18,871,906</b> |
| Design and construction of new lift stations and force mains from near the intersection of Jimmy Camp Creek and the southern City Limits to the future Milton Proby Interceptor to provide wastewater services to the southeastern region of Colorado Springs. The lift stations will be built in phases as flow increases. The first phase will manage 2 million gallons per day of wastewater flow. Design is expected to start in 2025, construction is expected to begin in 2026.   |                      |
| <b>2. LVSWRRF Aeration System Modifications (495307)</b>  | <b>10,960,000</b>    |
| Construction and installation of an upgraded Aeration System to support wastewater treatment at the Las Vegas Street Water Resource Recovery Facility (LVSWRRF). Project design was completed in 2023 and construction was started in 2024; construction will continue in 2025 and 2026.  |                      |
| <b>3. LVSWRRF Influent Junction Box Replacement (495363)</b>  | <b>4,000,000</b>     |
| Design and construction for the rehabilitation and/or replacement of various components of the Las Vegas Street Water Resource Recovery Facility (LVSWRRF) influent infrastructure, to include pipes, manholes, gates, junction boxes, a new diversion structure, and odor control. Work in 2025 will include completing the design and starting construction activities. Construction will continue into 2027.   |                      |
| <b>4. Northern Monument Creek Interceptor (495356)</b>  | <b>4,000,000</b>     |
| Design and construction to install the Northern Monument Creek Interceptor (NMCI), approximately 8.5 miles of 30" pipe and appurtenances from the southern edge of the US Air Force Academy to the Upper Monument Creek Wastewater Treatment Facility on the northern edge of the Air Force Academy. NMCI will enable Utilities to eliminate at least one lift station in the near term, allow the flexibility to eliminate more in the future, and will accept wastewater flows from two sanitation districts north of Colorado Springs. Design work will be completed in 2025 with construction in 2026 and 2027. |                      |
| <b>5. SSCC Collection System Rehabilitation/Replacement Program (495253)</b>  | <b>2,970,000</b>     |
| Sanitary Sewer Creek Crossing (SSCC) Rehabilitation/Replacement program evaluates, protects, and rehabilitates sanitary sewer pipelines that cross creeks and drainages in Utilities' service area. Capital funds are budgeted according to a 2016 Inter-Governmental Agreement (IGA) and related Executive Agreement and reported annually to the City of Colorado Springs. In 2025, two large-scale projects are planned to continue and/or commence to meet Utilities \$3.3M 2025 Stormwater IGA commitment.   |                      |

<b>6.</b>	<b>EWSE Crosstown Interceptor - Phase 1 (495435)</b>	<b>\$ 2,689,052</b>
	Design and construction of a gravity interceptor to convey flow from the northeastern and eastern regions of Colorado Springs to the Las Vegas Water Resource Recovery Facility (LVSWRRF). The pipeline is approximately 41,000 LF and ranges from 30 inches to 54 inches in diameter. Design is expected to start in 2025, construction is expected to start in 2026.	
<b>7.</b>	<b>CSRRRF Electrical Upgrades Project (495343)</b>	<b>2,300,000</b>
	Design and construction of major improvements on the electrical feed, switchgear, power distribution, and electrical and instrumentation systems on the Clear Spring Ranch Resource Recovery Facility (CSRRRF). Most of the equipment, wiring and conduit to be replaced have been in service since 1985 and are past the end of their useful life. Construction activities began Q3 of 2023 and anticipated to last through 2025.	
<b>8.</b>	<b>LVSWRRF Sludge Pump Replacement (495309)</b>	<b>1,890,000</b>
	Design and replacement of the blended sludge pumps that are used to pump solids from the Las Vegas Street Water Resource Recovery Facility to the Clear. Design will be complete in early 2025. Construction will start in 2025 and continue through 2026.	
<b>9.</b>	<b>Local Collectors Evaluation and Rehabilitation Program (LCERP) (495121)</b>	<b>1,800,000</b>
	Local Collectors Evaluation and Rehabilitation Program (LCERP) is multi-year capital program with goal to determine the condition and prioritize sanitary sewer pipe line less than 10" in diameter to be re-inspected or rehabilitated. In 2025 LCERP is scheduled to rehabilitate approximately 30,000 feet of pipe.	
<b>10.</b>	<b>Collection System Rehabilitation/Replacement (495236)</b>	<b>1,710,000</b>
	Collection System Rehabilitation/Replacement (CSRR) Project is multi-year capital program providing assessment and rehabilitation\replacement of large diameter collection system pipelines (10" and greater). Large diameter sanitary sewer collection system consists of approximately 270 miles of pipe. 2025 CSRR will rehabilitate approximately 2,000 feet of pipe.	
<b>11.</b>	<b>Wastewater Management Reserve (400905)</b>	<b>1,544,144</b>
<b>12.</b>	<b>JDPWRRF UV System Controls Upgrade (495445)</b>	<b>1,416,300</b>
	The JD Phillips Water Resource Recovery Facility (JDPWRRF) UV disinfection system is installed at the outlet of the plant to sterilize the bacteria before discharging the effluent to the receiving stream as well as prior to non-potable water filtration as required by the operating permit. The UV Controls System Upgrade project will update the controls system for both the final effluent and non-potable reuse UV systems by WEDECO. The current WEDCO system is being phased out and will soon not have manufacturer support.	
<b>13.</b>	<b>Wastewater Service Vehicles &amp; Equipment (480017)</b>	<b>1,257,474</b>
	Replacement and purchase of Vehicles and Equipment for the Colorado Springs Utilities Wastewater Service to maintain a safe, cost effective and reliable fleet.	

<b>14.</b>	<b>LVSRRF HVAC (High Priority) (495373)</b>	<b>\$ 1,070,000</b>
	Replace the air handling units located in critical areas that were in the poorest condition as determined in the 2019 Facility Plan at the Las Vegas Street Water Resource Recovery Facility.	
<b>15.</b>	<b>LVSRRF UV Disinfection Electrical System Improvements (495410)</b>	<b>900,000</b>
	Design and installation of upgrades to the UV disinfection electrical system at the Las Vegas Street Water Resource Recovery Facility (LVSRRF) to ensure system compliance. Design will occur in 2025, construction will occur 2025-2026.	
<b>16.</b>	<b>Public Improvement Projects - Wastewater (480015)</b>	<b>900,000</b>
	Colorado Springs Utilities' share of wastewater relocations, lowering's, betterments, and improvements because of Pikes Peak Rural Transportation Authority (PPRTA), City Capital Improvements Projects, El Paso County and Colorado Department of Transportation (CDOT) public improvement projects. 2025 public improvement wastewater projects include Circle Dr. Bridges, Fontanero and I-25 Bridges, Academy Blvd. Reconstruction, Galley and West Fork of Sand Creek, and Nevada Ave Storm Sewer Outfall.	
<b>17.</b>	<b>WW Lift Station and Force Main NMCI Related Infrastructure Improvement Program (495401)</b>	<b>890,000</b>
	Condition assessment, evaluation, prioritization, design, rehabilitation, and construction of wastewater lift stations and force mains related to the Northern Monument Creek Interceptor (NMCI) to ensure wastewater system reliability. 2025 work will focus on design of the Middle Tributary connection to NMCI.	
<b>18.</b>	<b>CSR Sitewide Stormwater Improvements (796742)</b>	<b>840,000</b>
	Design, permitting, and implementation of necessary improvements to control stormwater runoff around the Clear Spring Ranch Resource Recovery Facility and the southern Clear Spring Ranch solid waste disposal units to protect existing infrastructure from damage and prevent stormwater from co-mingling with waste. Design was completed in 2024, improvements will be implemented over the next five years (2025-2029).	
<b>19.</b>	<b>JDPWRRF Hydrocyclones (495439)</b>	<b>748,453</b>
	Design and installation of Hydrocyclones at the JD Phillips Water Resource Recovery Facility to improve process conditions and provide more operational flexibility. Design will be complete in 2025. Construction will start in 2025 and continue through 2026.	



<b>20.</b>	<b>Lab Equipment Capital - Wastewater (480003)</b>	<b>\$ 712,800</b>
	The Colorado Springs Utilities laboratory maintains over 30 distinct analytical instruments and ancillary pieces of equipment vital to the function of the laboratory. These instruments and equipment require periodic replacement as they reach the end of their life-span, or as technological advances and improved analytical methods drive the need for new instrumentation. Instruments and equipment necessary for continued Clean Water Act compliance. 2025 capital purchases include- Triple Quad, Dishwasher, and Gas Chromatography (GC)-Trace.	
<b>21.</b>	<b>JDPWRRF AWT Basin Concrete Repairs (495442)</b>	<b>616,400</b>
	The concrete at the top of the AWT basins at JD Phillips Water Resource Recovery Facility (JDPWRRF) is crumbling due to the corrosive environment and the freeze thaw cycle. The proposed project includes removal and replacement of approximately one foot of concrete in the affected areas. Construction is expected to occur in 2025.	
<b>22.</b>	<b>LVSWRRF Grit Pump Replacement (495376)</b>	<b>614,000</b>
	Replace the grit pumps that pump an abrasive solution from the grit removal basins to the grit cyclones where they are then removed from the Las Vegas Street Resource Recovery Facility. The abrasive nature of the grit has worn out the internals of the pumps requiring them to be replaced very soon.	
<b>23.</b>	<b>Wastewater Lift Station and Force Main Evaluation and Rehabilitation Program (495281)</b>	<b>572,886</b>
	Condition assessment, evaluation, prioritization, design, rehabilitation, and construction of wastewater lift stations and force mains to ensure wastewater system reliability. Focus in 2025 will be upgrades to the Chapel Hills and Coronado lift stations.	
<b>24.</b>	<b>EWSE Milton Proby Interceptor - Phase 1 (495437)</b>	<b>481,584</b>
	Design and construction of a gravity interceptor to convey flow from the southeastern region of Colorado Springs to the Las Vegas Water Resource Recovery Facility (LVSWRRF). The interceptor originates near the intersection of Milton Proby and Powers and extends to the Sand Creek Lift Station (approximately 18,500 LF) and is 48 inches in diameter. Design is expected to start in 2025, construction is expected to start in 2026.	
<b>25.</b>	<b>JDPWRRF HVAC Upgrades (495456)</b>	<b>475,000</b>
	Replace the air handling units located in critical areas that were in the poorest condition as determined in the 2021 Facility Plan at the J.D. Phillips Water Resource Recovery Facility. The driver for these projects is aging infrastructure.	
<b>26.</b>	<b>LVSWRRF Roof Replacement Program (495330)</b>	<b>455,000</b>
	The Las Vegas Water Resource Recovery Facility has 25 buildings with roofing systems that need repair or replacement. This program provides funding to replace the roofs in a systematic approach.	

<b>27.</b>	<b>LVSRRF PEPS Improvements (495409)</b>	<b>\$ 350,000</b>
	Modify and upgrade the existing Primary Effluent Pump Station (PEPS) electrical system and natural-gas-driven pumps at the Las Vegas Street Water Resource Recovery Facility (LVSRRF) to ensure the safety, and reliability of PEPS in the event of a power outage. Design will occur in 2025, construction is expected to occur in 2026.	
<b>28.</b>	<b>JDPWRRF BNR Upgrades - Phase 1 (495426)</b>	<b>315,000</b>
	Study, design, and construction of process improvements for the JD Phillips Water Resource Facility for stability and compliance with upcoming nutrient regulations. Study and design will occur in 2025-2026, construction is expected to occur 2027-2028.	
<b>29.</b>	<b>WRRF Control System Upgrade Program (495328)</b>	<b>315,000</b>
	Install control system, variable frequency drive and instrumentation improvements at Las Vegas, JD Phillips, and Clear Spring Ranch Water Resource Recovery Facilities. This project will improve control system reliability and efficiency at the treatment plants due to aging and obsolete controls, variable frequency drives and instrumentation and control schemes.	
<b>30.</b>	<b>WRRF Improvements Program (495338)</b>	<b>315,000</b>
	The Water Resource Recovery Facilities consists of three major treatment plants. This program is used to provide funding for small projects that are identified either through the Facility Plan or through opportunities identified during operations. A typical use for this program could be replacement of pumps or valves identified as capital assets in the Unit of Property book but not large enough to justify their own project.	
<b>31.</b>	<b>LVSRRF RAS Pump Replacement (495402)</b>	<b>285,000</b>
	Design and construction of replacement of the Recycled Activated Sludge (RAS) Pumps at the Las Vegas Street Water Resource Recovery Facility. Design will occur in 2025, construction is expected to occur in 2026-2027.	
<b>32.</b>	<b>Wastewater Infrastructure Corrosion Program (495322)</b>	<b>280,908</b>
	Wastewater Infrastructure Corrosion Program (WWICP) identifies, evaluates, monitors, prioritizes, and constructs repair/replacement of failing cathodic protection systems to insure safe and reliable wastewater services to customers. 2025 capital program evaluation includes cataloging and condition assessment of several asset groups based on criticality with focus on cathodic protection systems repairs deemed necessary by the evaluation process.	
<b>33.</b>	<b>LVSRRF Sky Flume Odor Control Media Replacement (495323)</b>	<b>250,000</b>
	The odor control vessels at the Las Vegas Street Water Resource Recovery Facility contain a media which removes the odors that are released from the primary sedimentation and sky flume areas. These areas release hydrogen sulfide which needs to be removed to reduce the damage to the infrastructure and minimize the release to the environment. The spent media must be replaced every three years to mitigate odor emissions from the plant.	

<b>34.</b>	<b>Developer Initiated and Unserved Area Projects - Wastewater (495106)</b>	<b>\$ 222,950</b>
	Cost participation in qualifying developer-initiated or other customer projects to promote the extension and development of an integrated collection system and provide service capability to previously unserved areas within the wastewater service territory.	
<b>35.</b>	<b>LVSRRF Headworks Odor Control Media Replacement (495310)</b>	<b>180,000</b>
	The odor control vessels at the Las Vegas Street Water Resource Recovery Facility contain a media which removes odors that are removed from the headworks facility, namely the step screens, screenings building and the grit chambers. These areas generate unpleasant nuisance odors and hazardous gases which need to be removed to maintain a safe working environment. The spent media must be replaced after approximately five years to mitigate odor emissions from the plant.	
<b>36.</b>	<b>CSR Dam Construction Upgrade (796741)</b>	<b>175,000</b>
	Design and construction of repairs/upgrades to the Clear Spring Ranch (CSR) to minimize amount of ground water leaving the CSR site. Design will occur in 2025, the first phase of construction is expected to occur in 2026.	
<b>37.</b>	<b>CCTV Equipment (480004)</b>	<b>153,000</b>
	Provides for replacement or upgrades of CCTV Cameras & Equipment.	
<b>38.</b>	<b>LVTP09 Elevator Modernization (495438)</b>	<b>150,000</b>
	Renovate the existing elevator systems at life serving the Combined Laboratory (LVTP09) at our Las Vegas site. Scope will include new digital controls and refurbished elevators equipment.	
<b>39.</b>	<b>Wastewater Tools and Equipment (495321)</b>	<b>72,000</b>
	Purchase large tools and equipment for the Distribution, Collection & Treatment Department, Wastewater Collections Section.	
<b>40.</b>	<b>LVSRRF Replace Capacitors in UV UPS System (495368)</b>	<b>50,000</b>
	Replace the capacitors which are an integral part of the power supply system for the UV disinfection system at the Las Vegas Street Water Resource Recovery Facility.	
<b>41.</b>	<b>Wastewater System Design Review, Inspection and Acceptance (495062)</b>	<b>12,000</b>
	Pipeline design review, inspection, and documentation for developers and contractors to ensure compliance with City Code and current Line Extension & Service Standards, and to protect system integrity.	
	<b>Subtotal Capital - Wastewater</b>	<b>\$ 67,810,857</b>
	<b>Capital Labor &amp; Benefits</b>	<b>\$ 2,075,956</b>
	<b>Administration &amp; General Expense</b>	<b>\$ 505,852</b>
	<b>2025 Total Capital - Wastewater with Allocated Components</b>	<b>\$ 70,392,665</b>

**WASTEWATER EXPENDITURES SUMMARY (in thousands)**

Account Group	2025 Proposed Budget	2024 Approved Budget	2023 Actual	2025 Proposed Budget Increase/ (Decrease) from:			
				2024 Budget		2023 Actual	
<b>Non-Labor Operations &amp; Maintenance</b>							
Production and Treatment	\$ 5,524	\$ 5,122	\$ 4,184	\$ 403	7.9%	\$ 1,340	32.0%
Transmission and Distribution	2,168	1,669	1,679	499	29.9%	490	29.2%
Maintenance	1,984	2,230	2,618	(246)	-11.0%	(634)	-24.2%
Customer Service and Information	415	200	378	214	107.0%	36	9.6%
Administrative and General	7,764	6,120	5,293	1,644	26.9%	2,470	46.7%
Customer Accounting and Collections	868	929	966	(62)	-6.7%	(99)	-10.2%
<b>Total Non-Labor Operations &amp; Maintenance</b>	<b>\$ 18,723</b>	<b>\$ 16,270</b>	<b>\$ 15,119</b>	<b>\$ 2,453</b>	<b>15.1%</b>	<b>\$ 3,604</b>	<b>23.8%</b>
<b>Labor &amp; Benefits</b>							
Production and Treatment	\$ 4,446	\$ 3,840	\$ 3,783	\$ 606	15.8%	\$ 663	17.5%
Transmission and Distribution	7,040	6,441	5,704	599	9.3%	1,337	23.4%
Maintenance	4,894	5,010	4,526	(115)	-2.3%	368	8.1%
Customer Service and Information	389	842	269	(453)	-53.8%	120	44.5%
Administrative and General	15,432	13,051	12,432	2,381	18.2%	3,000	24.1%
Customer Accounting and Collections	4,194	3,710	3,862	484	13.0%	332	8.6%
<b>Total Labor &amp; Benefits</b>	<b>\$ 36,397</b>	<b>\$ 32,895</b>	<b>\$ 30,576</b>	<b>\$ 3,502</b>	<b>10.6%</b>	<b>\$ 5,820</b>	<b>19.0%</b>
<b>Total Non-Fuel Operations &amp; Maintenance <sup>1</sup></b>	<b>\$ 55,119</b>	<b>\$ 49,164</b>	<b>\$ 45,695</b>	<b>\$ 5,955</b>	<b>12.1%</b>	<b>\$ 9,424</b>	<b>20.6%</b>
Debt Service	\$ 26,114	\$ 23,558	\$ 23,349	\$ 2,556	10.8%	\$ 2,765	11.8%
Direct Capital	70,393	40,321	17,823	30,072	74.6%	52,570	295.0%
Allocated Capital <sup>2</sup>	5,756	4,076	5,059	1,680	41.2%	697	13.8%
<b>Total</b>	<b>\$ 157,381</b>	<b>\$ 117,119</b>	<b>\$ 91,925</b>	<b>\$ 40,262</b>	<b>34.4%</b>	<b>\$ 65,456</b>	<b>71.2%</b>

<sup>1</sup> Non-Fuel O&M does not include inter-service eliminations, GASB 68 and 75 pension and OPEB expense.

<sup>2</sup> Common Capital allocated to Wastewater Service.

# ENTERPRISE-WIDE

Common Service Projects		2025 Proposed Budget
1.	<p><b>Computer Maintenance Management System (CMMS) (596710)</b></p> <p>Maximo Upgrade to a supported version of Maximo. There will be two phases: 1. Hire a consultant to write a SOW defining the steps needed to complete the upgrade and integration with necessary applications. 2. Send out for RFP utilizing the SOW from step 1 to define the efforts. The System integrator will execute the SOW from Phase 1. The focus is on improving and automating maintenance protocols for physical assets such as heavy machinery, equipment, and vehicles</p>	\$ 4,935,000
2.	<p><b>Data Analytics and Strategy - Storage &amp; Access (596712)</b></p> <p>Ensure the reliable and secure accessibility of all data across the enterprise through standardized interfaces. This initiative facilitates agile and timely analytics, enabling informed business decisions, robust reporting, and seamless interconnections. The program will leverage advanced cloud and on-premise technologies to effectively realize enterprise objectives.</p>	4,500,000
3.	<p><b>Common Service Vehicles &amp; Equipment (580175)</b></p> <p>Replacement and purchase of Vehicles and Equipment for the Colorado Springs Utilities Common Service to maintain a safe, cost effective and reliable fleet.</p>	4,353,499
4.	<p><b>Infrastructure Platform Program (596535)</b></p> <p>Ongoing system upgrades and replacements to ensure reliability and security. Incorporates compliance with Cyber Security policies and next generation of hardware for data center and operations infrastructure. Supports our evolving capacity, performance, and expected growth needs.</p>	2,800,000
5.	<p><b>Vac Material Processing Wash Plant Recovery System (596761)</b></p> <p>Upgrade hydro-excavator vac and boring operation units' site for dumping (presently a contained open pond within the pit) material at the Sand Creek Recycle Center. The new recycling plant will allow us to meet environmental compliance and regulations presently and into the future, while also allow for the use reuse capabilities of some product/material recycled through the cleaning process (Clean recycling).</p>	2,600,000
6.	<p><b>GIS Technology Modernization Project (596651)</b></p> <p>Esri (solution provider) is requiring the current Geographic Information System (GIS), ArcGIS Geometric Network, be replaced with a new "Utility Network" system by the end of 2028 for the storing and management of GIS utility (linear) infrastructure data. The new Esri Utility Network is a comprehensive framework of functionality in the GIS for spatially modeling multi-service utilities. This is a multi-year Capital project due to the extensive changes from the current system to the new system.</p>	2,000,000

<b>7.</b>	<b>Network Enterprise Services Program (596544)</b>	<b>\$ 2,000,000</b>
	Continue with the annual lifecycle management of network security, switching, and routing hardware, prioritizing devices approaching end-of-support and those presenting advanced technology opportunities. Capital and O&M funds are required for the purchasing of the hardware.	
<b>8.</b>	<b>BRDS02 Data Center PDU/UPS Upgrade (596758)</b>	<b>1,500,000</b>
	Engineering services will be procured to conduct a study and create documentation for upgrading the existing Power Distribution Units (PDUs) and Uninterruptible Power Supplies (UPSs) at the BRDS02 (SECC) data center. Capital funds will also be allocated to hire a vendor for hardware procurement and installation.	
<b>9.</b>	<b>Network TIL Redesign (596759)</b>	<b>1,500,000</b>
	Re-establishing a TIL/sandbox environment will require capital and O&M funds. Acquiring the necessary hardware and tools for this environment will strategically enhance the capability and resilience of our Infrastructure IT team.	
<b>10.</b>	<b>BRDS02 Halon Replacement (586280)</b>	<b>1,050,446</b>
	The BRDS02 (SECC) chemical fire suppression serves for dry fire suppression protection of critical electrical, computing, and system control functions in BRDS02, including both the data center and system control operations. This project proposes to replace the existing Halon fire suppression system with a clean agent system.	
<b>11.</b>	<b>Trunked Radio System Replacement Program (596669)</b>	<b>969,000</b>
	Life cycle replacement of trunked radios for Colorado Springs Utilities.	
<b>12.</b>	<b>LVTP09 Boiler Replacement Project (596735)</b>	<b>773,000</b>
	Replacing 2 existing cast iron boilers in the Las Vegas Lab LVTP09 that are at end of life.	
<b>13.</b>	<b>Common Management Reserve (500905)</b>	<b>737,869</b>
<b>14.</b>	<b>Direct Cloud (596757)</b>	<b>500,000</b>
	Provide direct access to cloud providers, enabling seamless integration and interaction with their services. This direct access streamlines the process of deploying, managing, and scaling applications, while also enhancing performance and reducing latency. The cloud providers to connect to will be Azure and AWS. All others will be done on a case-by-case basis after project completion with approval from the Cloud Governance Council.	
<b>15.</b>	<b>FONT01 Roof Upgrade and Replacement (596627)</b>	<b>500,000</b>
	Life cycle replacement and upgrades to the Fontanero Facilities/Security Management - Water Services Division Building (FONT01) roof.	

<b>16.</b>	<b>ServiceNow Rebuild (596711)</b> ServiceNow Rebuild will improve IT service delivery, increase task automation, align to updated data standards, and support regulatory and business needs for both IT and the enterprise at large.	<b>\$ 500,000</b>
<b>17.</b>	<b>ESSC01 Elevator Upgrades (596755)</b> Renovate the existing elevator systems at life, serving our East Service Center Facility (ESSC01). Scope will include new digital controls and refurbished elevators equipment.	<b>300,000</b>
<b>18.</b>	<b>Clevest Mobile Workforce Management System Expansion (596668)</b> The Mobile Workforce Management (MWM) system (aka Clevest) is critical to field crews who provide service to customers. There are new modules from IFS (solution provider) that would improve customer service, increase business process efficiencies, and improve customer and employee safety. The Capital funding for this request includes additional modules and licensing, professional services for implementation of new modules, and upgrading the system. IFS requires the system be upgraded every two years.	<b>300,000</b>
<b>19.</b>	<b>SDC Vibration Monitoring and Analysis Program Update (596760)</b> The Systems Monitoring, Diagnostics, and Controls section of Operations Technical Services is responsible for executing equipment vibration monitoring and analysis as part of a condition-based maintenance program across the water, wastewater, and electric service lines. The existing tools used for this program are approaching obsolescence and require replacement.	<b>225,000</b>
<b>20.</b>	<b>Security Camera System Upgrade (596656)</b> Complete replacement of the Pelco camera system utilized in Security Operations due to end of life / no longer serviceable.	<b>200,000</b>
<b>21.</b>	<b>MESA01 Boiler Replacement Project (596754)</b> Replacing existing boiler at MESA01 (Mesa Conservation and Environmental Center) that are at end of life.	<b>194,750</b>
<b>22.</b>	<b>Financial System Upgrade (Infor V11-3Q22)* (596678)</b> Replace the on-premise Lawson Financial and Human Resources system with the latest cloud version of Infor's Cloud Suite applications. Phase 1 will migrate existing financial and HR data and functionality to the cloud; Phases 2 & 3 of the project will introduce new finance and HR modules and introduce some supply chain modules to the Infor system.	<b>145,019</b>
<b>23.</b>	<b>CMN Tools &amp; Equip (580141)</b> Replacement of tools & equipment for the Construction and Maintenance common service to stay current with technology, regulations, and safety requirements while utilizing the tooling to make capital improvements or add capital equipment to our system.	<b>125,000</b>

<b>24.</b>	<b>UCSC01 Switchgear Replacement (596756)</b> Replacement of mission critical main switchgear and controls at our Utilities Customer Service Center which are currently "at life".	<b>\$ 125,000</b>
<b>25.</b>	<b>Microwave Radio Lifecycle Replacement (596717)</b> Upgrade the microwave radio system due to components which are end of life and support. This microwave transports Colorado Springs Utilities network traffic into the mountains and metro area.	<b>107,342</b>
<b>26.</b>	<b>Ft Carson IGSA Tools and Equipment (596729)</b> Purchase common service capital Springs Utilities materials or equipment in support of the IGSA (Intergovernmental Service Agreement) with Ft Carson. Items procured with this activity will be covered by credits from monthly billing sent to Ft Carson.	<b>100,000</b>
<b>27.</b>	<b>Cyber Operations and Resiliency Program (596545)</b> Annual improvements to Operational Technology cybersecurity monitoring, alerting, and auditing technologies.	<b>100,000</b>
<b>28.</b>	<b>GPS Data Collector / Survey Equipment Upgrades (596646)</b> Upgrade base model GPS collectors and radi receivers to ensure reliability, maintenance coverage, satellite signals, etc.	<b>65,000</b>
<b>29.</b>	<b>ADG Lidar Upgrade / SLAM / EOS (596556)</b> Update oldest Survey hardware to the latest affordable version. This equipment is for field survey crews in Advanced Geomatics Surveying Group (ADG). or for equipment managed by Asset Management for Construction crew use. This equipment ranges from GPS collectors and receivers to LiDAR sensors, to Drone survey equipment, to terrestrial LiDAR scanners.	<b>50,000</b>
<b>30.</b>	<b>ADG Land Services Sonar (596727)</b> Purchase a sonar sensor incorporated into a small remote-controlled boat (3ft x 1ft x 1ft). Purchase is intended to replace the current sensor that is too small, works too slowly, is attached to a small, manned boat, and takes three people when in use (two in boat, one on shore). The new remote-controlled boat can be manned by one person on the shore thus reducing the need for two people. This unit also keeps employees safe (no one is on the water). The unit will be used to help create and update our reservoir volumes table's that are used by the water group.	<b>35,000</b>
<b>31.</b>	<b>Technology Services and Support Program (596533)</b> Replace end-of-life large format printers/plotters.	<b>34,000</b>



<b>32. ADG UAV - Drones (596645)</b>	Purchase of a smaller drone for inspection purposes only. We also plan to purchase a second drone camera to produce high resolution imagery and for taking oblique pictures. These instruments will allow us to help the inspection staff be acquiring pictures and video with high enough resolution to determine potential failure points from the desktop. This reduces the need for field staff in bucket trucks, helps with safety, and makes the entire process more efficient.	<b>\$ 25,000</b>
<b>33. SCADA (580216)</b>	The SCADA (Supervisory Control and Data Acquisition) team currently budgets \$10K per year for emergency purchases of the various technology hardware that could fail. The SCADA technology hardware (servers, firewalls, switches, all electric transmission/distribution/gas/water workstations, and monitors) are scheduled for lifecycle replacement every 3-5 years which is standard for technology equipment. Due to the purchase of higher-end hardware, we plan the replacement of this hardware every 5 years as opposed to every 3 years. The 5-year replacement budget is estimated at \$1.3 million.	<b>10,000</b>
<b>Subtotal Capital - Common</b>		<b>\$ 33,359,925</b>
<b>Capital Labor &amp; Benefits</b>		<b>\$ 6,342,905</b>
<b>Administration &amp; General Expense</b>		<b>\$ 379,389</b>
<b>2025 Total Capital - Common with Allocated Components</b>		<b>\$ 40,082,219</b>

**ADMINISTRATIVE AND GENERAL (in thousands)**

Account Group	Service	2025 Proposed Budget	2024 Approved Budget	2023 Actual	2025 Proposed Budget Increase/ (Decrease) from:				
					2024		2023		
					Budget	%	Actual	%	
<b>Non-Labor Administrative and General</b>									
Customer Service and Information	Electric	\$ 2,058	\$ 3,256	\$ 2,426	\$ (1,198)	-36.8%	\$ (368)	-15.2%	
	Natural Gas	3,521	3,186	2,093	335	10.5%	1,429	68.3%	
	Water	2,071	2,297	1,691	(226)	-9.8%	380	22.5%	
	Wastewater	415	200	378	214	107.0%	36	9.6%	
	<b>Sub-Total</b>	<b>\$ 8,065</b>	<b>\$ 8,939</b>	<b>\$ 6,588</b>	<b>\$ (874)</b>	<b>-9.8%</b>	<b>\$ 1,477</b>	<b>22.4%</b>	
Administrative and General	Electric	\$ 27,670	\$ 22,514	\$ 19,620	\$ 5,156	22.9%	\$ 8,049	41.0%	
	Natural Gas	9,103	7,565	6,470	1,538	20.3%	2,633	40.7%	
	Water	17,296	13,990	11,931	3,305	23.6%	5,365	45.0%	
	Wastewater	7,764	6,120	5,293	1,644	26.9%	2,470	46.7%	
	Streetlight	330	259	223	71	27.6%	107	47.9%	
	<b>Sub-Total</b>	<b>\$ 62,162</b>	<b>\$ 50,448</b>	<b>\$ 43,538</b>	<b>\$11,715</b>	<b>23.2%</b>	<b>\$18,624</b>	<b>42.8%</b>	
Customer Accounting and Collections	Electric	\$ 4,514	\$ 4,853	\$ 4,481	\$ (339)	-7.0%	\$ 32	0.7%	
	Natural Gas	2,867	3,366	3,088	(499)	-14.8%	(220)	-7.1%	
	Water	2,453	2,498	2,399	(45)	-1.8%	53	2.2%	
	Wastewater	868	929	966	(62)	-6.7%	(99)	-10.2%	
	Streetlight	18	15	16	3	18.2%	2	13.5%	
	<b>Sub-Total</b>	<b>\$ 10,719</b>	<b>\$ 11,662</b>	<b>\$ 10,950</b>	<b>\$ (943)</b>	<b>-8.1%</b>	<b>\$ (231)</b>	<b>-2.1%</b>	
<b>Total Non-Labor Administrative and General</b>	<b>Total</b>	<b>\$ 80,947</b>	<b>\$ 71,049</b>	<b>\$ 61,077</b>	<b>\$ 9,898</b>	<b>13.9%</b>	<b>\$19,870</b>	<b>32.5%</b>	
<b>Labor &amp; Benefits Administrative &amp; General</b>									
Customer Service and Information	Electric	\$ 1,442	\$ 2,050	\$ 1,062	\$ (609)	-29.7%	\$ 379	35.7%	
	Natural Gas	666	1,299	469	(633)	-48.8%	197	42.0%	
	Water	562	1,097	397	(535)	-48.8%	165	41.5%	
	Wastewater	389	842	269	(453)	-53.8%	120	44.5%	
	<b>Sub-Total</b>	<b>\$ 3,058</b>	<b>\$ 5,289</b>	<b>\$ 2,197</b>	<b>\$ (2,231)</b>	<b>-42.2%</b>	<b>\$ 861</b>	<b>39.2%</b>	
Administrative and General	Electric	\$ 56,787	\$ 50,718	\$ 48,474	\$ 6,069	12.0%	\$ 8,313	17.1%	
	Natural Gas	17,877	17,579	16,750	298	1.7%	1,127	6.7%	
	Water	37,439	32,376	30,945	5,063	15.6%	6,494	21.0%	
	Wastewater	15,432	13,051	12,432	2,381	18.2%	3,000	24.1%	
	Streetlight	801	685	656	116	16.9%	145	22.1%	
	<b>Sub-Total</b>	<b>\$128,336</b>	<b>\$114,410</b>	<b>\$109,257</b>	<b>\$13,927</b>	<b>12.2%</b>	<b>\$19,079</b>	<b>17.5%</b>	
Customer Accounting and Collections	Electric	\$ 6,834	\$ 6,038	\$ 6,286	\$ 796	13.2%	\$ 548	8.7%	
	Natural Gas	6,123	5,413	5,636	710	13.1%	487	8.6%	
	Water	4,312	3,807	3,964	505	13.3%	348	8.8%	
	Wastewater	4,194	3,710	3,862	484	13.0%	332	8.6%	
	<b>Sub-Total</b>	<b>\$ 21,463</b>	<b>\$ 18,968</b>	<b>\$ 19,749</b>	<b>\$ 2,495</b>	<b>13.2%</b>	<b>\$ 1,715</b>	<b>8.7%</b>	
<b>Total Labor &amp; Benefits Administrative and General</b>	<b>Total</b>	<b>\$152,858</b>	<b>\$138,666</b>	<b>\$131,203</b>	<b>\$14,192</b>	<b>10.2%</b>	<b>\$21,655</b>	<b>16.5%</b>	
<b>Total Administrative and General<sup>1</sup></b>		<b>\$233,804</b>	<b>\$209,715</b>	<b>\$192,280</b>	<b>\$24,089</b>	<b>11.5%</b>	<b>\$41,524</b>	<b>21.6%</b>	

<sup>1</sup>Total Administrative and General does not include inter-service eliminations, GASB 68 and 75 pension and OPEB expense.

# TOTAL LABOR AND NON-FUEL OPERATIONS & MAINTENANCE

## By Account Group (in thousands)

Account Group	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Proposed Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
Labor	\$ 250,271	\$ 228,220	\$ 206,306	\$ 22,050	9.7%	\$ 43,965	21.3%
Benefits	77,792	65,094	63,764	12,698	19.5%	14,028	22.0%
Outside Professional Services	58,056	50,716	52,887	7,340	14.5%	5,169	9.8%
Equipment Lease & Maintenance	33,162	27,829	29,222	5,332	19.2%	3,939	13.5%
Buildings & Utilities	24,974	25,711	25,040	(737)	-2.9%	(66)	-0.3%
Office Expenses, Materials & Supplies	42,900	38,657	40,041	4,243	11.0%	2,859	7.1%
Travel, Education & Employee Expenses	4,736	3,637	3,314	1,099	30.2%	1,422	42.9%
Conserve, Safety, Customer Assist & Financial Info	5,280	6,156	3,801	(876)	-14.2%	1,479	38.9%
Professional/Industry Memberships & Publications	1,893	1,802	1,977	91	5.0%	(84)	-4.3%
Misc. Accounting General	24,680	19,420	8,340	5,260	27.1%	16,340	195.9%
<b>Total <sup>1</sup></b>	<b>\$ 523,743</b>	<b>\$ 467,243</b>	<b>\$ 434,693</b>	<b>\$ 56,500</b>	<b>12.1%</b>	<b>\$ 89,051</b>	<b>20.5%</b>

## By Division (in thousands)

Division	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Proposed Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
Corporate	\$ 19,797	\$ 14,907	\$ 9,108	\$ 4,890	32.8%	\$ 10,689	117.4%
CEO Direct Reports (Division 1)	1,313	1,240	1,214	73	5.9%	98	8.1%
Admin and Human Resources (Division 2)	110,907	98,056	82,338	12,851	13.1%	28,569	34.7%
Planning and Finance (Division 4)	23,715	19,501	19,129	4,214	21.6%	4,586	24.0%
Customer & Enterprise Services (Division 5)	77,452	66,849	66,825	10,603	15.9%	10,627	15.9%
Operations Division (Division 7)	226,491	210,621	201,898	15,870	7.5%	24,593	12.2%
System Planning and Projects (Division 9)	64,068	56,069	54,180	7,999	14.3%	9,889	18.3%
<b>Total <sup>1</sup></b>	<b>\$ 523,743</b>	<b>\$ 467,243</b>	<b>\$ 434,693</b>	<b>\$ 56,500</b>	<b>12.1%</b>	<b>\$ 89,051</b>	<b>20.5%</b>

<sup>1</sup>Totals exclude inter-service eliminations, Administration & General overhead, GASB 68 and 75 pension, and OPEB expense.

**By Division (in thousands)**

Account Group	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Approved Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
<b>Corporate</b>							
Labor	\$ 908	\$ 574	\$ 140	\$ 334	58.2%	\$ 769	550.9%
Outside Professional Services	1,397	1,138	1,285	259	22.8%	111	8.6%
Equipment Lease & Maintenance	6	7	10	(1)	-16.5%	(4)	-42.4%
Buildings & Utilities	-	175	-	(175)	-100.0%	-	0.0%
Office Expenses, Materials & Supplies	602	574	667	29	5.0%	(65)	-9.8%
Travel, Education & Employee Expenses	85	55	50	30	55.4%	35	70.2%
Conserve, Safety, Customer Assist & Financial Info	5	3	-	2	50.0%	5	0.0%
Professional/Industry Memberships & Publications	-	1	-	(1)	-100.0%	-	0.0%
Misc. Accounting General	16,795	12,381	6,956	4,414	35.6%	9,839	141.4%
<b>Sub-Total <sup>1</sup></b>	<b>\$ 19,797</b>	<b>\$ 14,907</b>	<b>\$ 9,108</b>	<b>\$ 4,890</b>	<b>32.8%</b>	<b>\$ 10,689</b>	<b>117.4%</b>

<sup>1</sup>Totals exclude inter-service eliminations, Administration & General overhead, GASB 68 and 75 pension, and OPEB expense.

**CORPORATE SIGNIFICANT FINANCIAL CHANGES**

2024 to 2025

- **\$0.3 million Labor** – New General Manager position to support RTO
- **\$0.3 million Outside Professional Services** – Increases in payments to the City, most significantly influenced by City Council and Real Estate Services
- **Equipment Lease & Maintenance** – Decrease in office machine lease
- **(\$0.2 million) Buildings & Utilities** – Decrease in janitorial service
- **Office Expenses, Materials & Supplies** – Increase to support new position
- **Travel, Education & Employee Expenses** – Increase to support new position
- **Conserve, Safety, Customer Assist & Financial Info** – Increase in community events/outreach
- **Professional/Industry Memberships & Publications** – No Significant Change
- **\$4.4 million Misc. Accounting General** - Increases/(Decreases) most significantly influenced by the following
  - \$2.6 million Increase in non-fuel management reserve
  - \$2.4 million Increase in Martin Drake Power Plant demolition payments
  - **(\$0.6 million)** Net decreases most significantly influenced by lower bad debts

2023 to 2025

- **\$0.8 million Labor** - Increases most significantly influenced by the following
  - \$0.3 million Accounting’s Payroll Accrual Error occurred in 2023, therefore 2023 is under reported
  - \$0.3 million New General Manager position to support RTO
  - \$0.1 million Increase in Overtime
  - \$0.1 million Pay Changes
- **\$0.1 million Outside Professional Services** – Increases in payments to the City, most significantly influenced by City Council, Real Estate Services, City Clerk, and Planning’s Landscape Architect
- **Equipment Lease & Maintenance** – Decrease in internal vehicle maintenance
- **Buildings & Utilities** – No Change
- **(\$0.1 million) Office Expenses, Materials & Supplies** – Decreases in obsolete inventory
- **Travel, Education & Employee Expenses** – Increase to support new position
- **Conserve, Safety, Customer Assist & Financial Info** – Increase in community events/outreach
- **Professional/Industry Memberships & Publications** – No Change

- **\$9.8 million Misc. Accounting General** - Increases/(Decreases) most significantly influenced by the following
  - \$5.6 million New Governmental Accounting Standards Board (GASB) 96: Subscription-based information technology arrangements (SBITAs) amortization of 15 information technology (IT) software arrangements resulting credit occurred in 2023 not planned for in 2025
  - \$3.5 million Increase in non-fuel management reserve
  - \$2.4 million Increase in Martin Drake Power Plant demolition payments
  - **(\$0.9 million)** Decrease in the SDS regulatory asset amortization payment
  - **(\$0.7 million)** Decrease ORACLE - Customer Care & Billing Upgrade Capital to O&M write-off
  - **(\$0.1 million)** Decrease lower bad debts

### By Division (in thousands)

Account Group	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Approved Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
<b>CEO Direct Reports (Division 1)</b>							
Labor	\$ 650	\$ 693	\$ 563	\$ (43)	-6.3%	\$ 87	15.4%
Outside Professional Services	155	63	105	92	147.5%	50	47.6%
Office Expenses, Materials & Supplies	2	-	1	2	- %	1	226.3%
Travel, Education & Employee Expenses	73	60	41	13	21.5%	32	77.3%
Professional/Industry Memberships & Publications	433	424	505	9	2.1%	(72)	-14.2%
<b>Sub-Total <sup>1</sup></b>	<b>\$ 1,313</b>	<b>\$ 1,240</b>	<b>\$ 1,214</b>	<b>\$ 73</b>	<b>5.9%</b>	<b>\$ 98</b>	<b>8.1%</b>

<sup>1</sup>Totals exclude inter-service eliminations, Administration & General overhead, GASB 68 and 75 pension, and OPEB expense.

### CEO DIRECT REPORTS (DIVISION 1) SIGNIFICANT FINANCIAL CHANGES

#### 2024 to 2025

- **Labor** – Position classification changes downward
- **\$0.1 million Outside Professional Services** – Increase to supplement grant writing consulting services
- **Office Expenses, Materials & Supplies** – No Significant Change
- **Travel, Education & Employee Expenses** – Inflationary increases in seminars/conferences, travel, and safety clothing
- **Professional/Industry Memberships & Publications** – No Significant Change

#### 2023 to 2025

- **\$0.1 million Labor** – Increases most significantly influenced by
  - Government Affairs Specialist Sr. full year in 2025 as compared to ½ year in 2023
  - New Government Affairs Specialist position to serve as a liaison to Congressional staff and federal agencies, tracks and provides analysis on federal legislative proposals and rulemakings and provides direct assistance to the Grants Management Coordinator with grant application support.
- **Outside Professional Services** – Increase to supplement grant writing consulting services
- **Office Expenses, Materials & Supplies** – Increase to support new position
- **Travel, Education & Employee Expenses** – Increase to support new position and inflationary increases
- **(\$0.1 million) Professional/Industry Memberships & Publications** – In 2023, the American Public Power Association (APPA) membership payment included two years (2023 and 2024). The 2025 payment includes one year (2025).

Account Group	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Approved Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
<b>Admin and Human Resources (Division 2)</b>							
Labor	\$ 28,377	\$ 27,530	\$ 14,051	\$ 847	3.1%	\$ 14,326	102.0%
Benefits	77,792	65,094	63,764	12,698	19.5%	14,028	22.0%
Outside Professional Services	585	1,165	652	(579)	-49.7%	(67)	-10.2%
Equipment Lease & Maintenance	878	863	738	15	1.7%	140	18.9%
Office Expenses, Materials & Supplies	491	388	507	102	26.4%	(17)	-3.3%
Travel, Education & Employee Expenses	853	694	524	159	22.8%	329	62.8%
Conserve, Safety, Customer Assist & Financial Info	1,751	2,229	1,922	(478)	-21.5%	(171)	-8.9%
Professional/Industry Memberships & Publications	174	88	173	86	98.1%	1	0.6%
Misc. Accounting General	6	5	6	1	22.8%	1	10.2%
<b>Sub-Total <sup>1</sup></b>	<b>\$ 110,907</b>	<b>\$ 98,056</b>	<b>\$ 82,338</b>	<b>\$ 12,851</b>	<b>13.1%</b>	<b>\$ 28,569</b>	<b>34.7%</b>

<sup>1</sup>Totals exclude inter-service eliminations, Administration & General overhead, GASB 68 and 75 pension, and OPEB expense.

### **ADMIN AND HUMAN RESOURCES (DIVISION 2) SIGNIFICANT FINANCIAL CHANGES**

#### 2024 to 2025

- **\$0.8 million Labor** – Increases/(Decreases) most significantly influenced by the following
  - \$0.7 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$0.4 million Base Pay Adjustment Pool - the 2025 base pay budget proposes a 2.7 percent increase above the 2024 base pay budget. As in 2023 and 2024, base pay adjustment dollars will be distributed for operational adjustments and performance, and market-based adjustments. Due to the timing of budgeting, 2024 adjustments for the second half of the year are compounded into the 2025 adjustment pool.
  - \$0.3 million Four new positions
    - One Business Applications Admin I to support Phase II of the Infor upgrade to implement personnel administration (discipline & grievances), performance management, talent acquisition, and succession planning.
    - Three Public Affairs Specialists to support internal creative team
  - \$0.1 million Internships
  - (\$0.7 million) Employee Leave Payouts – sick leave conversion, retiree sick leave, and separating employee vacation expenses
- **\$12.7 million Benefits** – Increase to account for one hundred twenty-seven new positions
- **(\$0.6 million) Outside Professional Services** – Decreases most significantly influenced by the following
  - (\$0.3 million) – lower reliance on outside creative services media
  - (\$0.1 million) – budgeted in 2024 as an offset to one of the three Public Affairs Specialist positions
  - (\$0.1 million) – CDOT Drug and Alcohol Testing and Drug Free Workplace Training expenses shift to Operations Division (Division 7)
  - (\$0.1 million) – net remaining employee climate survey required every 5 years, 2024 was the 5th year and new pre-employment drug screen vendor lower cost
- **Equipment Lease & Maintenance** – No Significant Change
- **\$0.1 million Office Expenses, Materials & Supplies** – Increase in materials & supplies for safety and health needs

- **\$0.2 million Travel, Education & Employee Expenses** – Increases most significantly influenced by the following
  - \$0.1 million increase to support new positions
  - \$0.1 million net remaining Service Awards Banquet and Retiree Banquet not budgeted for in 2024
- **(\$0.5 million) Conserve, Safety, Customer Assist & Financial Info** – lower reliance on advertising and customer information outside creative services media. Offsets remaining two Public Affairs Specialist positions
- **\$0.1 million Professional/Industry Memberships & Publications** – E Source and Smart Energy Consumer not budgeted for in 2024
- **Misc. Accounting General** – slight increase in workers’ compensation insurance

#### 2023 to 2025

- **\$14.3 million Labor** – Increases/(Decreases) most significantly influenced by the following
  - \$13.8 million Base Pay Adjustment Pool - the 2025 base pay budget proposes a 2.7 percent increase above the 2024 base pay budget. As in 2023 and 2024, base pay adjustment dollars will be distributed for operational adjustments and performance, and market-based adjustments. Due to the timing of budgeting, 2024 adjustments for the second half of the year are compounded into the 2025 adjustment pool.
  - \$0.8 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$0.3 million four new positions
  - \$0.2 million Accounting’s Payroll Accrual Error occurred in 2023, therefore 2023 is under reported
  - \$0.1 million employee incentives
  - **(\$0.9 million) Employee Leave Payouts** – sick leave conversion, retiree sick leave, and separating employee vacation expenses
- **\$14.0 million Benefits** – Increase to account for one hundred forty-two new positions
- **(\$0.1 million) Outside Professional Services** – lower reliance on outside creative services media
- **\$0.1 million Equipment Lease & Maintenance** – in part, new HR Info Systems software maintenance technology platform to conduct pay equity analysis and remaining contractual increases
- **Office Expenses, Materials & Supplies** – No Significant Change
- **\$0.3 million Travel, Education & Employee Expenses** – Increases to account for
  - \$0.2 million increase to support new positions
  - \$0.1 million Employee Relocation Expenses
- **(\$0.2 million) Conserve, Safety, Customer Assist & Financial Info** – lower reliance on advertising and customer information outside creative services media. Offsets remaining two Public Affairs Specialist positions
- **Professional/Industry Memberships & Publications** – No Significant Change
- **Misc. Accounting General** – slight increase in workers’ compensation insurance



**By Division (in thousands)**

Account Group	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Approved Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
<b>Planning and Finance (Division 4)</b>							
Labor	\$ 7,473	\$ 6,187	\$ 5,815	\$ 1,286	20.8%	\$ 1,658	28.5%
Outside Professional Services	7,028	5,300	5,805	1,728	32.6%	1,223	21.1%
Equipment Lease & Maintenance	95	-	-	95	- %	95	- %
Office Expenses, Materials & Supplies	48	15	46	33	221.7%	2	5.1%
Travel, Education & Employee Expenses	63	73	54	(10)	-13.7%	9	15.8%
Professional/Industry Memberships & Publications	194	116	220	78	67.0%	(26)	-11.8%
Misc. Accounting General	8,814	7,810	7,189	1,004	12.9%	1,625	22.6%
<b>Sub-Total <sup>1</sup></b>	<b>\$ 23,715</b>	<b>\$ 19,501</b>	<b>\$ 19,129</b>	<b>\$ 4,214</b>	<b>21.6%</b>	<b>\$ 4,586</b>	<b>24.0%</b>

<sup>1</sup>Totals exclude inter-service eliminations, Administration & General overhead, GASB 68 and 75 pension, and OPEB expense.

**PLANNING AND FINANCE (DIVISION 4) SIGNIFICANT FINANCIAL CHANGES**

2024 to 2025

- **\$1.3 million Labor** – Increases most significantly influenced by the following
  - \$0.8 million Nine new positions
    - Four positions to support RTO
    - Three positions to support Enterprise Resource Planning (ERP) INFOR Technology upgrade
    - One position to support the Grant Program
    - One position to support Reliability & Growth-related work
  - \$0.4 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$0.1 million One position transfer from System Planning and Projects (Division 9)
- **\$1.7 million Outside Professional Services** – Increase in legal fees
- **\$0.1 million Equipment Lease & Maintenance** – New Accounting software maintenance agreements
  - Calculating leasing contracts
  - Financial statement preparation
- **Office Expenses, Materials & Supplies** – Increases most significantly influenced by postage and materials & supplies
- **Travel, Education & Employee Expenses** – Decrease in parking fees
- **\$0.1 million Professional/Industry Memberships & Publications** – Subscription to S&P Global Platts
- **\$1.0 million Misc. Accounting General** – Increases/(Decreases) most significantly influenced by the following
  - \$0.8 million Insurance Premiums
    - 30% increase in Liability Policies
    - 7% increase in Property
  - \$0.3 million New line of credit; non-use fees for new Letter of Credit to secure future gas reserve capacity
  - **(\$0.1 million)** Damage claims against Utilities



## 2023 to 2025

- **\$1.7 million Labor** – Increases most significantly influenced by the following
  - \$0.8 million Nine new positions
    - Four positions to support RTO
    - Three positions to support Enterprise Resource Planning (ERP) INFOR Technology upgrade
    - One position to support the Grant Program
    - One position to support Reliability & Growth-related work
  - \$0.6 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$0.2 million Accounting's Payroll Accrual Error occurred in 2023, therefore 2023 is under reported
  - \$0.1 million One position transfer from System Planning and Projects (Division 9)
- **\$1.2 million Outside Professional Services** – Increases most significantly influenced by the following
  - \$1.0 million in legal fees
  - \$0.2 million grant administration
- **\$0.1 million Equipment Lease & Maintenance** – New Accounting software maintenance agreements
  - Calculating leasing contracts
  - Financial statement preparation
- **Office Expenses, Materials & Supplies** – Increases most significantly influenced by postage
- **Travel, Education & Employee Expenses** – Increase to support new positions
- **Professional/Industry Memberships & Publications** – 2023 actuals included a payment to the volumes load forecast consultant under memberships rather than consultants
- **\$1.6 million Misc. Accounting General** – Increases most significantly influenced by the following
  - \$1.4 million Insurance Premiums
    - 39% increase in Liability Policies
    - 19% increase in Property
    - 16% increase in Cyber
    - 40% increase in City shared policies
  - \$0.2 million New line of credit; non-use fees for new Letter of Credit to secure future gas reserve capacity

**By Division (in thousands)**

Account Group	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Approved Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
<b>Customer &amp; Enterprise Services (Division 5)</b>							
Labor	\$ 40,242	\$ 36,298	\$ 34,813	\$ 3,945	10.9%	\$ 5,430	15.6%
Outside Professional Services	2,811	2,131	3,011	680	31.9%	(200)	-6.6%
Equipment Lease & Maintenance	26,513	21,633	22,960	4,879	22.6%	3,553	15.5%
Buildings & Utilities	1,557	1,203	1,222	354	29.4%	335	27.5%
Office Expenses, Materials & Supplies	5,494	5,233	5,266	260	5.0%	228	4.3%
Travel, Education & Employee Expenses	698	273	257	425	155.6%	441	171.9%
Conserve, Safety, Customer Assist & Financial Info	58	16	5	42	268.6%	53	1055.4%
Professional/Industry Memberships & Publications	79	62	88	18	28.5%	(9)	-9.8%
Misc. Accounting General	-	(1)	(796)	1	-100.0%	796	-100.0%
<b>Sub-Total <sup>1</sup></b>	<b>\$ 77,452</b>	<b>\$ 66,849</b>	<b>\$ 66,825</b>	<b>\$ 10,603</b>	<b>15.9%</b>	<b>\$ 10,627</b>	<b>15.9%</b>

<sup>1</sup>Totals exclude inter-service eliminations, Administration & General overhead, GASB 68 and 75 pension, and OPEB expense.

**CUSTOMER & ENTERPRISE SERVICES (DIVISION 5) SIGNIFICANT FINANCIAL CHANGES**

2024 to 2025

- **\$3.9 million Labor** – Increases/(Decreases) most significantly influenced by the following
  - \$3.0 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$1.3 million Fourteen new positions
    - Thirteen positions to support Reliability & Growth-related work
    - One to support Cybersecurity due to increased attacks on critical infrastructure
  - (\$0.3 million) Two positions transferred to System Planning and Projects (Division 9)
  - (\$0.1 million) One position transferred to Operations (Division 7)
- **\$0.7 million Outside Professional Services** – Increases/(Decreases) most significantly influenced by the following
  - \$0.4 million Consulting resources for Time-of-Day project, KUBRA API maintenance charges; Revenue Processing - GardaWorld and KUBRA (CDS processing, kiosk fees) expenses. Pikes Peak United Way, Experian/Online ID verification for starts
  - \$0.2 million Agency labor in wire stripping
  - \$0.1 million Agency labor in procurement services Sourcing Supervisor to support Infor Phase 3 implementation
  - \$0.1 million Cybersecurity review and input. Onboarding resources to assist on projects like the All-Energy Sources project to support contract, design reviews, and provide security requirements to help with resource management.
  - \$0.1 million Third party sourcing coach to train internal sourcing team on strategic sourcing concepts/negotiation. Anticipate annualized cost savings of \$4.0 million to \$6.0 million on a Direct Material Spend of \$55.0 million.
  - \$0.1 million Collection Agencies increases % of bad debts collected paid to collection agencies
  - (\$0.3 million) Decrease in Oracle database managed consulting services to patching as internal IT staffing levels have normalized.

- **\$4.9 million Equipment Lease & Maintenance** – Increases most significantly influenced by
  - \$2.5 million Software Maintenance Fees
    - \$0.9 million IT lifecycle upgrades
    - \$0.6 million Cybersecurity agreements
    - \$0.6 million Software Maintenance fees transferred from System Planning and Projects (Division 9)
    - \$0.2 million Customer Applications Management (CAM) managing My Business Usage (MBU) and Storm Center, previously managed by Ops
    - \$0.2 million Fleet management solution with SmartApps
  - \$2.4 million Fleet insourcing, most significant parts
- **\$0.4 million Buildings & Utilities** – Increase in building leases and maintenance for new warehouse at 3610 Stone Ave.
- **\$0.3 million Office Expenses, Materials & Supplies** – Increases most significantly influenced by high demand of warehouse items such as desktops, laptops, docking stations and monitors due to failures, increased employee count, and lifecycle replacements.
- **\$0.4 million Travel, Education & Employee Expenses** – Increases in training, travel, safety clothing, seminars, and conferences to support new positions
- **Conserve, Safety, Customer Assist & Financial Info** – Increase strategic customer relationships by adding workshops, meetings, and facilities tours
- **Professional/Industry Memberships & Publications** – Inflationary increases in memberships and increases to support new positions
- **Misc. Accounting General** – No Significant Change

#### 2023 to 2025

- **\$5.4 million Labor** – Increases most significantly influenced by the following
  - \$3.1 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$2.0 million Eighteen new positions
    - Seventeen positions to support Reliability & Growth-related work
    - One to support Cybersecurity due to increased attacks on critical infrastructure
  - \$0.6 million Accounting's Payroll Accrual Error occurred in 2023, therefore 2023 is under reported
  - \$0.1 million Overtime/Standby/Shift to account for pay changes
  - **(\$0.3 million)** Two positions transferred to System Planning and Projects (Division 9)
  - **(\$0.1 million)** One position transferred to Operations (Division 7)
- **(\$0.2 million) Outside Professional Services** – Decrease in Oracle database managed consulting services to patching as internal IT staffing levels have normalized
- **\$3.6 million Equipment Lease & Maintenance** – Increases/**(Decreases)** most significantly influenced by
  - \$5.6 million Software Maintenance Fees
    - \$3.8 million IT lifecycle upgrades
    - \$0.8 million Cybersecurity agreements
    - \$0.6 million Software Maintenance fees transferred from System Planning and Projects (Division 9)
    - \$0.2 million Customer Applications Management (CAM) managing My Business Usage (MBU) and Storm Center, previously managed by Ops
    - \$0.2 million Fleet management solution with SmartApps
  - **(\$2.0 million)** Fleet insourcing

- **\$0.3 million Buildings & Utilities** - Increase in building leases and maintenance for new warehouse at 3610 Stone Ave.
- **Office Expenses, Materials & Supplies** – No Significant Change
- **\$0.4 million Travel, Education & Employee Expenses** – Increases in training, travel, safety clothing, seminars, and conferences to support new positions
- **Conserve, Safety, Customer Assist & Financial Info** – Increase strategic customer relationships by adding workshops, meetings, and facilities tours
- **Professional/Industry Memberships & Publications** – Decrease primarily related to dropping The Downtown Partnership Membership
- **\$0.8 million Misc. Accounting General** – 2023 year-end resulted in a credit for transformer purchases (2022 charge, 2023 reversal) not planned for in 2025

**By Division (in thousands)**

Account Group	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Approved Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
<b>Operations Division (Division 7)</b>							
Labor	\$ 135,868	\$ 122,803	\$ 119,841	\$ 13,065	10.6%	\$ 16,027	13.4%
Outside Professional Services	30,462	30,651	28,987	(189)	-0.6%	1,475	5.1%
Equipment Lease & Maintenance	5,564	4,715	4,615	849	18.0%	949	20.6%
Buildings & Utilities	22,401	24,315	23,774	(1,914)	-7.9%	(1,373)	-5.8%
Office Expenses, Materials & Supplies	30,092	26,100	27,105	3,992	15.3%	2,987	11.0%
Travel, Education & Employee Expenses	2,385	2,042	1,976	343	16.8%	409	20.7%
Professional/Industry Memberships & Publications	654	776	658	(122)	-15.7%	(4)	-0.6%
Misc. Accounting General	(935)	(781)	(5,058)	(154)	19.7%	4,123	-81.5%
<b>Sub-Total <sup>1</sup></b>	<b>\$ 226,491</b>	<b>\$ 210,621</b>	<b>\$ 201,898</b>	<b>\$ 15,870</b>	<b>7.5%</b>	<b>\$ 24,593</b>	<b>12.2%</b>

<sup>1</sup>Totals exclude inter-service eliminations, Administration & General overhead, GASB 68 and 75 pension, and OPEB expense.

**OPERATIONS DIVISION (DIVISION 7) SIGNIFICANT FINANCIAL CHANGES**

2024 to 2025

- **\$13.1 million Labor** – Increases most significantly influenced by the following
  - \$7.4 million Eighty-five new positions
    - Forty positions to support Reliability & Growth-related work
    - Twenty-two to support Fiber
    - Twelve to support Fort Carson
    - Seven to support RTO
    - Four to support Regulatory
  - \$4.9 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$0.4 million Four positions transferred from System Planning and Projects (Division 9)
  - \$0.2 million Overtime/Standby/Shift to account for pay changes
  - \$0.1 million One position transferred from Customer & Enterprise Services (Division 5)
- **Outside Professional Services** – No Significant Change
- **\$0.8 million Equipment Lease & Maintenance** – Increases most significantly influenced by
  - \$0.5 million Internal vehicle maintenance to support Fort Carson
  - \$0.3 million 8% increase in software maintenance and licensing fees

- **(\$1.9 million) Buildings & Utilities – (Decreases)**/Increases most significantly influenced by the following
  - **(\$0.9 million)** Plaza Common Area Maintenance (CAM) and Pikes Peak Regional Building (PPRB) building lease payments were transferred to System Planning & Projects (Division 9)
  - **(\$0.8 million)** Cost of Utilities
  - **(\$0.8 million)** Power for Pumping costs
  - \$0.6 million Security service contract price increases
- **\$4.0 million Office Expenses, Materials & Supplies** – Increase in materials and supplies stock/non-stock
  - \$1.2 million Chemical costs price and usage
  - \$1.1 million Power plant outage and maintenance costs
  - \$0.7 million Construction and maintenance
  - \$0.5 million to support Fort Carson
  - \$0.3 million Advanced Metering Technologies
  - \$0.2 million to support additional Fiber crews for tools
- **\$0.3 million Travel, Education & Employee Expenses** – Increases in training, travel, safety clothing, seminars, and conferences to support new positions
- **(\$0.1 million) Professional/Industry Memberships & Publications** – Decrease in Southwest Power Pool (SPP) fees
- **(\$0.2 million) Misc. Accounting General** – Fountain Valley Treatment Plant

#### 2023 to 2025

- **\$16.0 million Labor** – Increases/**(Decreases)** most significantly influenced by the following
  - \$8.2 million Ninety-two new positions
    - Forty-seven positions to support Reliability & Growth-related work
    - Twenty-two to support Fiber
    - Twelve to support Fort Carson
    - Seven to support RTO
    - Four to support Regulatory
  - \$6.0 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$1.4 million Accounting's Payroll Accrual Error occurred in 2023, therefore 2023 is under reported
  - \$0.5 million Four positions transferred from System Planning and Projects (Division 9)
  - \$0.1 million One position transferred from Customer & Enterprise Services (Division 5)
  - **\$(0.2 million)** Overtime/Standby/Shift
- **\$1.5 million Outside Professional Services** – Increase most significantly influenced by the following
  - \$0.8 million New environmental regulations for Greenhouse Gas generation plant sites and the annual increases for the emission permits.
  - \$0.3 million to support Fort Carson
  - \$0.2 million consultants supporting the GIS modernization project
  - \$0.1 million CDOT Drug and Alcohol Testing and Drug Free Workplace Training expenses shifted from Admin and Human Resources (Division 2)
- **\$0.9 million Equipment Lease & Maintenance** – Increases most significantly influenced by
  - \$0.5 million Internal vehicle maintenance to support Fort Carson
  - \$0.4 million 12.5% increase in software maintenance and licensing fees

- **(\$1.4 million) Buildings & Utilities – (Decreases)**/Increases most significantly influenced by the following
  - **(\$2.1 million)** Power for Pumping costs at Homestake due to storage being at capacity
  - **(\$1.0 million)** Plaza Common Area Maintenance (CAM) and Pikes Peak Regional Building (PPRB) building lease payments were transferred to System Planning & Projects (Division 9)
  - \$1.1 million Facility projects
  - \$0.7 million Security service contract price increases
  - \$0.1 million Cost of Utilities
- **\$3.0 million Office Expenses, Materials & Supplies** – Increase in materials and supplies stock/non-stock
  - \$1.3 million Chemical costs price and usage
  - \$1.1 million Fountain Valley Water Conveyance increase variable and fixed expenses, including capital projects and project funds reserves
  - \$0.5 million to support Fort Carson
- **\$0.4 million Travel, Education & Employee Expenses** – Increases in training, travel, safety clothing, seminars, and conferences to support new positions
- **Professional/Industry Memberships & Publications** – No Significant Change
- **\$4.1 million Misc. Accounting General** – Increases/**(Decreases)** most significantly influenced by the following
  - \$3.4 million Homestake Expenses
  - \$0.7 million Fountain Valley Treatment Plant
  - \$0.2 million Southern Delivery System
  - **(\$0.3 million)** 2023 Capital to O&M reclass Nixon 1 Cooling Tower Fan Motors & Motor Controls

#### By Division (in thousands)

Account Group	FY25 Proposed Budget	FY24 Approved Budget	FY23 Actuals	FY25 Approved Budget Increase/ (Decrease) from:			
				FY24 Budget		FY23 Actuals	
<b>System Planning and Projects (Division 9)</b>							
Labor	\$ 36,752	\$ 34,136	\$ 31,084	\$ 2,616	7.7%	\$ 5,668	18.2%
Outside Professional Services	15,619	10,269	13,042	5,350	52.1%	2,577	19.8%
Equipment Lease & Maintenance	106	611	899	(504)	-82.6%	(793)	-88.2%
Buildings & Utilities	1,016	17	44	999	5732.4%	971	2185.9%
Office Expenses, Materials & Supplies	6,171	6,347	6,448	(176)	-2.8%	(277)	-4.3%
Travel, Education & Employee Expenses	580	441	412	139	31.5%	168	40.8%
Conserve, Safety, Customer Assist & Financial Info	3,467	3,908	1,874	(441)	-11.3%	1,593	85.0%
Professional/Industry Memberships & Publications	358	335	334	23	6.9%	24	7.3%
Misc. Accounting General	-	6	43	(6)	-100.0%	(43)	-100.0%
<b>Sub-Total <sup>1</sup></b>	<b>\$ 64,068</b>	<b>\$ 56,069</b>	<b>\$ 54,180</b>	<b>\$ 7,999</b>	<b>14.3%</b>	<b>\$ 9,889</b>	<b>18.3%</b>

<sup>1</sup> Totals exclude inter-service eliminations, Administration & General overhead, GASB 68 and 75 pension, and OPEB expense.

### SYSTEM PLANNING AND PROJECTS (DIVISION 9) SIGNIFICANT FINANCIAL CHANGES

#### 2024 to 2025

- **\$2.6 million Labor** – Increases/**(Decreases)** most significantly influenced by the following
  - \$1.5 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.

- \$1.4 million Fourteen new positions
  - Eleven positions to support Reliability & Growth-related work
  - Two to support RTO
  - One to support Regulatory
- \$0.3 million Two positions transferred from Customer & Enterprise Services (Division 5)
- **(\$0.4 million)** Four positions transferred to Operations (Division 7)
- **(\$0.1 million)** Overtime/Standby/Shift
- **(\$0.1 million)** One position transferred to Planning and Finance (Division 4)
- **\$5.4 million Outside Professional Services** – Increases most significantly influenced by the following
  - \$1.3 million North Slope Pikes Peak Resiliency Restoration implementation associated with CWCB Wildfire Ready grant received for planning efforts in 2024
  - \$0.6 million Finished Water Linear Asset Program to replace approximately 50 miles of this pipeline using condition assessment, cathodic protection, design, lining, and replacement
  - \$0.5 million Raw and Finished water facility and system plans and analysis to satisfy regulatory requirements and maintain service reliability
  - \$0.5 million Electric transmission and distribution consulting for studies and reliability tool improvements
  - \$0.4 million Energy rebate programs shifted from Conserve, Safety, Customer Assist & Financial Info
  - \$0.3 million Computer Maintenance Management System, specifically the Maximo upgrade
  - \$0.3 million Wilson Ranch steel water tank demolition
  - \$0.3 million Plaza Divestment Project to assist with employee moves and other preparations for the sale of Plaza office space
  - \$0.3 million new residential water rate, irrigation controls, and other efficiency programs
  - \$0.2 million Time-of-Day Rates project
  - \$0.2 million Relocate utilities during capital Water and Wastewater Public Improvement Projects (PIP)
  - \$0.2 million LVSRRF Sludge Pump Replacement
  - \$0.1 million Agency labor to support compliance projects
  - \$0.1 million Pole attachment program which is a pass-through cost and was not previously budgeted
  - \$0.1 million Outage Management Communications
- **(\$0.5 million) Equipment Lease & Maintenance** – Decreases most significantly influenced by the following
  - **(\$0.6 million)** Software Maintenance fees transferred to Customer & Enterprise Services (Division 5)
  - \$0.1 million Software Maintenance Fees to support the Maximo upgrade
- **\$1.0 million Buildings & Utilities** – Plaza Common Area Maintenance (CAM) and Pikes Peak Regional Building (PPRB) building lease payments were transferred from Operations (Division 7)
- **Office Expenses, Materials & Supplies** – No Significant Change
- **\$0.1 million Travel, Education & Employee Expenses** – Increase in seminars, conferences, and travel expenses to support new positions
- **(\$0.4 million) Conserve, Safety, Customer Assist & Financial Info** – shifted to Outside Professional Services to support energy rebates programs
- **Professional/Industry Memberships & Publications** – Increase in National Association of Clean Water Agencies (NACWA) membership
- **Misc. Accounting General** – Land Title agreements were moved out of CT90 and into Outside Professional Services since we have third parties administer them



## 2023 to 2025

- **\$5.7 million Labor** – Increases/(Decreases) most significantly influenced by the following
  - \$2.9 million Pay Changes - Actual pay changes from 2023 and 2024 are budgeted in a base pay adjustment pool within Employee Corporate Expenses, however once pay changes, it is accounted for in the area in which the employee works.
  - \$2.6 million Twenty-seven new positions
    - Twenty-Four positions to support Reliability & Growth-related work
    - Two to support RTO
    - One to support Regulatory
  - \$0.6 million Accounting's Payroll Accrual Error occurred in 2023, therefore 2023 is under reported
  - \$0.3 million Two positions transferred from Customer & Enterprise Services (Division 5)
  - **(\$0.5 million)** Four positions transferred to Operations (Division 7)
  - **(\$0.1 million)** Overtime/Standby/Shift
  - **(\$0.1 million)** One position transferred to Planning and Finance (Division 4)
- **\$2.6 million Outside Professional Services** – Increases most significantly influenced by the following
  - \$1.3 million North Slope Pikes Peak Resiliency Restoration implementation associated with CWCB Wildfire Ready grant received for planning efforts in 2024
  - \$0.6 million Finished Water Linear Asset Program to replace approximately 50 miles of this pipeline using condition assessment, cathodic protection, design, lining, and replacement
  - \$0.5 million Raw and Finished water facility and system plans and analysis to satisfy regulatory requirements and maintain service reliability
- **(\$0.8 million) Equipment Lease & Maintenance** – Software Maintenance fees transferred to Customer & Enterprise Services (Division 5)
- **\$1.0 million Buildings & Utilities** - Plaza Common Area Maintenance (CAM) and Pikes Peak Regional Building (PPRB) building lease payments were transferred from Operations (Division 7)
- **Office Expenses, Materials & Supplies** – No Significant Change
- **\$0.2 million Travel, Education & Employee Expenses** – Increase in seminars, conferences, and travel expenses to support new positions
- **\$1.6 million Conserve, Safety, Customer Assist & Financial Info** – Increases most significantly influenced by the following
  - \$0.4 million Commercial Efficiency Program
  - \$0.3 million Residential Insulation & A/S Rebates
  - \$0.3 million Water Conservation
  - \$0.2 million Residential Furnace Rebates
  - \$0.2 million Business Custom Rebates
  - \$0.1 million Electric Residential Load Cycling Program
- **Professional/Industry Memberships & Publications** – Increase in National Association of Clean Water Agencies (NACWA) membership
- **Misc. Accounting General** – Land Title agreements were moved out of CT90 and into Outside Professional Services since we have third parties administer them



## GLOSSARY OF TERMS

**Acre-feet (AF)** – The volume (as of irrigation water) that will cover one acre to a depth of one foot.

**Adjusted debt service coverage ratio** – Adjusted debt service coverage is a measure of an organization’s ability to pay its debt service obligations. The ratio is calculated as follows: (Net revenues/ Debt Service). Springs Utilities reduces net revenues by surplus funds transferred to the City in this calculation.

**Advanced Metering Infrastructure (AMI)** – An integrated communications and data network of advanced metering, automation, and sensing devices, which enable improved operating efficiencies and end user consumption information.

**Airport Peak Innovation Park (APIP)** – Planned commercial and industrial development area within the Colorado Springs Airport property.

**Annual Operating and Financial Plan (AOFPP)** – The annual plan that financially moves Springs Utilities toward achieving our strategic destination. The AOFPP provides financial data based on analysis of the current budget.

**Appropriation** – Sources and Uses of Funds approved through ordinance by City Council.

**Authorities** – A legal entity of two or more participants organized to accomplish a mutually advantageous goal. Springs Utilities currently participates in several Authorities created for the acquisition, collection, and/or storage of water.

**Authority debt service** – Off balance sheet principal and interest obligations related to the Authorities Springs Utilities currently participates in, such as the Fountain Valley Authority.

**Automated Meter Reading (AMR)** – Using wireless radio transmitters, AMR remotely reads customer meters and then transfers the data into the billing system. Springs Utilities utilizes AMR for meter reads for all services.

**Bond amortization expenses** – The recognition of bond expenses over the life of the issue.

**Bond interest** – Interest on bonds issued.

**Bond proceeds** – Monies that Springs Utilities receives when it sells bonds to fund major capital projects. The proceeds are normally net of bond issuance expenses.

**Bond proceeds applied** – Funds that are spent in an accounting period, such as a budget year, which are obtained through bond financing.

**Bond ratings** – A measure of the quality and safety of a bond, based on the issuer's financial condition; more specifically, an evaluation from a rating agency indicating the likelihood that a debt issuer will be able to meet scheduled interest and principal repayments. Springs Utilities maintains a “Aa2” as rated by Moody's, a “AA” as rated by Standard & Poor’s, and a “AA” as rated by Fitch Ratings.

**Capital expenditures** – Capital expenditures are those investments in property, plant, and equipment that have a useful life that is greater than one year (depreciable assets) and an expenditure threshold equal to or greater than \$5,000. They can be comprised of either constructed or purchased assets and are distinguished from Operation and Maintenance expense.

**Capital outlay** – Capital outlay is the amount used during a period to acquire or improve long-term assets such as property, plant, or equipment.

**Capitalized interest** – Interest payments on bonds that are capitalized over the life of a project rather than expensed in the current year. This applies primarily to the Southern Delivery System.

**CCF / ccf** – 100 cubic feet

**CF / cf** – Cubic feet

**Change in cash on hand** – A change in total cash position during a specific reporting period. As used in the sources and uses statement, this will define cash used as a source of funds or cash additions as a use of sources.

**City** – City of Colorado Springs

**City Charter** – The City of Colorado Springs is a Colorado home rule municipality operating under its City Charter. The Charter defines the basic legal requirements and process for approval of the budget, along with the annual appropriation ordinance, annual sources ordinance and any supplemental appropriations.

**City Code** – The Colorado Springs City Code encompasses any regulation or provision required and/or enforced within the City of Colorado Springs ([coloradosprings.gov](http://coloradosprings.gov)).

**City gate** – Point at which a local utility distribution system connects to the interstate pipeline. This facility reduces the pressure of the natural gas from its transmission rate (from 200 to 1,500 pounds per square inch) down to a rate more appropriate to consumer usage (as low as 3 psi). The city gate also adds sour-smelling Mercaptan to the naturally odorless gas to make it easier to quickly sniff out a natural gas leak.

**Colorado Renewable Energy Standard** – legislation signed on March 22, 2010, by Governor Bill Ritter ([HB 1001](#)) requiring that 30 percent of Colorado’s electricity come from renewable energy sources by 2020. ([c2es.org](http://c2es.org))

**Common bond reserve fund** – Classified as a restricted investment, this fund is derived from a mixture of bond proceeds and customer revenues. This fund was established for the benefit of bondholders to prevent deficiencies in the payment of principal and interest on outstanding Senior Lien debt. Deposits are not required if the fund is not less than a minimum reserve as prescribed by the Bond Ordinance. Any excess may be transferred to the unrestricted fund (Income Fund).

**Construction funds applied** – These are unspent construction funds borrowed in previous time periods or use of fund balance (reserve to meet contingencies and unforeseen events). Funds applied are carried forward into the new budget year.

**Contribution in Aid of Construction (CIAC)** – These are tariff-based fees, fees that offset construction costs and developer contributed plant. These can also be cash and non-cash contributions from developers for specific projects. A primary example is the development charge on new water and wastewater connections to Springs Utilities’ system. A development charge is assessed for connection to the water and wastewater systems to compensate existing customers for the costs of developing the current system and to help pay for the growth of the system caused by new customers.

**Critical Infrastructure Protection (CIP)** – Coordinated efforts to improve and sustain physical and cyber security especially regarding the bulk power system of North America and reliability, i.e., standards development, compliance enforcement, assessments of risk and preparedness, disseminating critical information via alerts to industry, and raising awareness of key issues. ([nerc.com](http://nerc.com))

**Customer rebates** – Springs Utilities offers several rebates for energy and water efficiency updates to customers to help them conserve resources and save money, including but not limited to windows, furnace, and irrigation controllers.

**Days of cash on hand** – This metric is an indication of Springs Utilities’ ability to fund Operations & Maintenance expenditures at any given time. It is calculated as follows: Unrestricted cash and cash equivalents/ (Average Annual Net Cash Expense /# of days in the year).

**Debt** – To raise cash for a portion of capital improvements, Springs Utilities sells bonds to investors. The timing and the size of the bond issue is determined by the amount of capital spending identified in financial forecasts, for the following budget year. Debt service includes both the principal and interest payments to investors.

**Depreciation** – Depreciation represents the use of capital assets over their expected useful life. Eventually all physical assets wear out or become obsolete. Depreciation recognizes this fact but does not represent either an actual cash outflow or cash inflow.

**Derivatives** – Contracts which derive their value from underlying assets, such as commodities and bonds. Buyers and sellers often hedge against uncertainty about future price by making a contract for future trading at a specified price. The contract is a financial instrument called a derivative. An interest rate swap contract is a current example of a Utilities derivative instrument.

**Distribution Integrity Management Regulations (DIMP)** – Integrity management regulation to identify, prioritize and mitigate risks to the gas distribution system.

**Electric Cost Adjustment (ECA)** – Mechanism that tracks and passes through to customers the actual cost of purchased fuel or purchased electricity. Adjustments can be decreases or increases.

**Electric Integrated Resource Plan (EIRP)** – Long-term strategic plan which establishes the planning goals and principles and identifies the preferred future electric resource portfolio.

**Federal Energy Regulatory Commission (FERC)** – An independent agency which regulates the interstate transmission of electricity, natural gas, and oil. ([ferc.gov](http://ferc.gov))

**Financial metrics** – Springs Utilities sets financial targets to measure performance in specific areas which enable the organization to financially sustain a “AA” bond rating.

**Fixed cost coverage ratio** – Total fixed costs coverage is the ratio of net pledged revenues to debt service on long-term debt including fixed Operations & Maintenance contracts and fixed capacity payments. Fixed cost coverage ratio is calculated as: (Net pledged revenues available for Debt Service + Authority Debt Service + Electric Capacity Payment)/(Springs Utilities’ Debt Service + Authority Debt Service + Electric Capacity Payments).

**Franchise fees (taxes)** – Springs Utilities pays a franchise fee to other cities to provide electric and natural gas service within their municipal boundaries.

**Gallons per day (gpd)** – Measurement of fluids.

**GASB** – Governmental Accounting Standards Board. Springs Utilities financial statements are prepared in accordance with accepted accounting principles in the United States of America as applied to units of local government, which are promulgated by GASB.

**Gas Cost Adjustment (GCA)** – Mechanism that tracks and passes through to customers the actual cost of the purchased natural gas. Adjustments can be decreases or increases.

**Gas Integrated Resource Plan (GIRP)** - Long-term strategic plan which establishes the planning goals and principles and identifies the preferred future gas resource portfolio.

**Green Mountain Falls** – A community located west of Colorado Springs.

**Heating degree days** – The number of days times the number of degrees that the average temperature is below 65 degrees Fahrenheit.

**Hedging (or price hedging)** – Method to reduce the risk of loss caused by price fluctuation. It consists of the purchase or sale of equal quantities of the same or similar commodities in two different markets at the same time, with the expectation that a future change in price in one market will be offset by an opposite change in the other market.

**Inter-service eliminations** – Deduction of revenue and operating expense generated internally and between services. These amounts are reflected when each service is reported, but “eliminated” when consolidated results are reported to prevent double counting of internal revenues and their corresponding operating and maintenance expense.

**Integrated resource plan** – A long-term strategic plan that combines technical analysis and public participation for business development in the various services.

**Interest expense** – Interest expense is the cost of borrowing funds. It is shown as a financial expense item within the income statement.

**Interest income** – Springs Utilities invests certain cash assets to receive interest earnings until that cash is needed. All interest earned is recorded as interest income.

**Joint venture** – A contractual agreement that joins two or more parties for the purpose of executing a business undertaking. All parties agree to share in the profits and losses of the enterprise.

**Kilovolt (kV / KV)** – A unit of potential equal to 1,000 volts.

**Kilowatt (KW)** – A unit of potential equal to 1,000 watts.

**Kilowatt hour (kWh)** – The work performed by one kilowatt of electric power in one hour. A kWh is the unit on which the price of electrical energy is based. Example: a 1000-watt light bulb operating for one hour will use one kWh.

**Liquidity** – Liquidity refers to how quickly an asset can be turned into cash, used up, or expires; used in reference to assets, which are listed on the balance sheet in the order of their liquidity.

**Mcf** – 1,000 cubic feet

**Manitou Springs** – A community located four miles west of Colorado Springs.

**Mark-to-Market valuations** – An accounting procedure by which assets are "marked," or recorded, at their current market value, which may be higher or lower than their purchase price or book value.

**Measure** – Statement of how success in achieving an objective will be measured and tracked. Measures are written statements of what we will track and trend over time, not the actual targets such as direction and speed.

**Megawatt (MW)** – 1,000 watts

**Megawatt hour (MWh)** – A unit of energy, especially electrical energy, equal to the work done by one watt acting for one hour and equivalent to 3,600 joules.

**mgd** – Millions of gallons per day

**Mission** – A statement that defines the reason an organization exists. Springs Utilities' mission is to provide safe, reliable, competitively priced electric, natural gas, water, and wastewater services to our citizen-owners and customers.

**Non-Fuel, Non-Labor Operations & Maintenance** – See Operations & Maintenance expense.

**Nonpotable** – Water not suited for drinking.

**North American Electric Reliability Corporation (NERC)** – The electric reliability organization (ERO) certified by the Federal Energy Regulatory Commission to establish and enforce reliability standards for the bulk power system. ([nerc.com](http://nerc.com))

**Off-system sales** – Electric sales outside of the system.

**OPEB** – Other Postemployment Benefits.

**Operating cash** – Operating cash, classified as unrestricted cash, is derived from customer revenues and excess earnings from restricted funds. These funds are used to pay for operating and maintenance expenses and the portion of capital activities not covered by bond proceeds. The major accounts included are the operating checking, savings, petty cash, and excess cash in deposit accounts linked to an investment safekeeping institution.

**Operating income** – Operating revenues less operating expense.

**Operations & Maintenance expense** – Day-to-day expenses that Springs Utilities incurs to produce and deliver electricity, natural gas, water, and wastewater treatment. The major categories of Operations & Maintenance expenses are (1) labor, (2) purchased fuel, power, and gas, and (3) operating and maintenance expense (all other Non-Fuel and Non-Fuel expenses).

**Operating revenue** – Revenue which Springs Utilities receives from customers for the sale of electricity, natural gas, water, wastewater, and streetlight use. Miscellaneous revenues are also included in this category.

**Other reserve funds** – Typically classified as restricted cash and investments, these funds are derived from bond proceeds. They are also established for the benefit of bondholders to prevent deficiencies in the payment of principal and interest on outstanding debt but are established for Subordinate Lien Bondholders when a Surety Bond has not been purchased for the same purpose.

**Overhead (OH)** – Electric distribution lines located above ground.

**Principal and interest funds** – Principal and interest funds, classified as restricted investment, are derived from operating or income funds and are used to pay debt service.

**PSIA** – Pounds per square inch (absolute pressure)

**Purchased fuel, power, and gas** – Springs Utilities purchases coal, natural gas, and other fuels for electric generation, natural gas for gas system distribution, and electricity from other suppliers. These expenses comprise purchased fuel, power, and natural gas.

**Public Utilities Commission (PUC)** – Operated in each state, the Colorado PUC is a Colorado entity which has full economic and quality of service regulatory authority over intrastate telecommunication services, and investor-owned electric, natural gas, and water utilities, as well as partial regulatory control over municipal utilities and electric associations.

**Purchased Power** – Electricity purchased by Springs Utilities from other suppliers; a component of purchased fuel, power, and natural gas.

**Purchased Power Agreement (PPA)** – A long-term contract between an electricity generator and a customer, usually a utility, government, or company. PPAs may last anywhere between 5 and 20 years, during which time the power purchaser buys energy at a pre-negotiated price.

**Rebate funds** – Typically classified as restricted investments, these funds are derived from customer revenues and excess earnings from restricted funds. They are subject to First Lien Bond provisions and may be required to be remitted to the U.S. Treasury because of arbitrage calculations.

**Regional Haze Rules** – In 1999, the U.S. Environmental Protection Agency finalized the Regional Haze Rule which calls for state, tribal and Federal agencies to work together to improve visibility in 156 national parks and wilderness areas; including the 21 Class I Wilderness areas managed by the U.S. Fish and Wildlife Service.

**Regional Transmission Organization (RTO)** – The [United States](#) is an [electric power transmission system operator](#) (TSO) that coordinates, controls, and monitors a multi-state electric [grid](#). The transfer of electricity between states is considered interstate commerce, and electric grids spanning multiple states are therefore regulated by the [Federal Energy Regulatory Commission](#) (FERC).<sup>141</sup>

**Remarketing, liquidity, and other financing fees** – Various fees including those paid to a Remarketing Agent for computing rates applicable to variable rate bonds, and for arranging the remarketing (re-selling) of any variable rate bonds tendered for purchase by the bond owners and fees paid to a Liquidity Provider (usually a bank) for agreeing to purchase any variable rate bonds tendered. It also includes the costs for the line of credit, rating agency annual review costs, arbitrage expenses, the cost of swap valuations, disclosure expenses, and miscellaneous financing costs.

**Restricted cash and investments** – A distinction are made between restricted and unrestricted funds when managing cash and investments. Restricted cash and investments consist of acquisition funds, principal and interest funds, common bond reserve funds, other reserve funds, and rebate funds.

**Sedimentation** – The process of depositing sediment (matter that settles to the bottom of a liquid), settling.

**Single Family Equivalent (SFE)** – Single family household.

**Sources of funds** – The origination of cash received by Springs Utilities to pay for various activities of the organization. There are three major categories of cash sources: operations, financing and investments/other. The primary source of cash is from operations; customers paying for the utility services provided to them. The second largest source is from financing. As needed, Springs Utilities generates cash from selling bonds to investors to pay for capital improvements of the system. The remaining cash receipts include cash from interest on investments, contributions-in-aid, and customer deposits.

**Southwest Power Pool (SPP)** – A nonprofit corporation mandated by the Federal Energy Regulatory Commission to ensure reliable supplies of power, adequate transmission infrastructure and competitive wholesale electricity prices on behalf of its members.

**Supervisory Control and Data Acquisition (SCADA)** – A process control system that is used in myriad applications, including manufacturing, communications, distribution (water, gas, power) and heating, cooling, and security in buildings. A SCADA system collects data from sensors in local and remote locations and sends them to central computers to control local machinery.

**Surplus Payments to the City** – Springs Utilities provides for surplus payments to the City based on a fixed rate per kWh of electricity, Mcf at 14.65 psi of natural gas delivered and cf water delivered within the City limits, without exclusion for interdepartmental deliveries.

**Sustainable Energy Plan (SEP)** – A set of projects necessary to achieve the Utilities Board’s direction as set forth in the 2020 Electric and Gas Integrated Resource Plans.

**Territorial generation** – Electric generation within Springs Utilities’ certificated service territory.

**Third-Party Billing** – A form of billing where an intermediary manages the invoicing and payment between a purchaser and a vendor.

**Time and materials** – Time and materials accounts include revenues and expenses applicable to operations which are non-utility in character but nevertheless constitute a distinct operating activity. Specifically, damages to utility equipment by third parties and Springs Utilities subsequent billing to those third parties for reimbursement of repair work are recorded to time and materials accounts.

**Underground (UG)** – Electric transmission, distribution lines located below/under the ground.

**Use of funds** – Springs Utilities budgeted expenditure for cash received. The use of cash is reported using the same major categories: operations, financing and investments/other. The largest use of cash is for operational expenses; labor, fuel, and other expenses related to the day-to-day operation and maintenance of Springs Utilities’ systems. The amount of operating cash used to pay for capital projects is also identified. Financing costs represent the principal and interest payments for the outstanding bond issues. Investments/other include purchase of investments, payments for joint ventures, and other cash expenses.

**WRRF** – Water Resource Recovery Facility

**Watershed** – A region or area bounded peripherally by a divide, and draining ultimately to a particular watercourse or body of water.

**Watt** – The absolute meter-kilogram-second unit of power equal to the work done at the rate of one joule per second or to the power produced by a current of one ampere across a potential difference of one volt:  $\frac{1}{746}$  horsepower.

**Western Area Power Administration (WAPA)** – One of four power marketing administrations within the U.S. Department of Energy whose role is to market and transmit electricity from multi-use water projects. WAPA's mission is to market and deliver reliable, renewable, cost-based hydroelectric power and related services within a 15-state region of the central and western United States.

**Wheeling** – Refers to the ability of an energy consumer to select their own energy supplier, or "wheel in" energy from one of two or more different suppliers. Springs Utilities primarily wheels electricity from WAPA to local military bases and charges for the use of the transmission system.

**Working capital** – Current assets minus inventories minus prepaids minus current liabilities.

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# APPENDIX

HOLD for signed 2025 Annual Budget Ordinance

HOLD for signed 2025 Annual Budget Ordinance

HOLD for signed 2025 Annual Budget Ordinance

HOLD for signed 2025 Source of Funds Ordinance

HOLD for signed 2025 Source of Funds Ordinance

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