

AGENDA

Tuesday, July 16, 2024

4:00 p.m. – 5:30 p.m.

[Click here to join the meeting](#)

Or call in (audio only)

[+1 719-733-3651](tel:+17197333651),15157314#

4:00 p.m.	<p>Call to Order</p> <p>Pursuant to the Colorado Open Meetings Law and the City Charter, since three or more members of the Utilities Board may be attending this public meeting, it is noticed and open to the public. Pursuant to the Utilities Board Bylaws, this Committee of the Utilities Board has determined not to accept public comment at this meeting.</p>	Committee Chair Brian Risley
4:05 p.m.	<p>Review:</p> <ul style="list-style-type: none"> • May 17, 2024 Joint Finance / Strategic Planning Committee minutes 	Committee
4:10 p.m.	Economic Development Update	<p>Dan Norton, General Manager Customer Services</p> <p>Jared Miller, Manager Strategic Customer Relations</p>
4:40 p.m.	Plan Future Meeting: Aug. 20, 2024	Committee Chair Brian Risley
4:50 p.m.	Adjournment	Committee Chair Brian Risley



Minutes
Friday, May 17, 2024
1:00 to 4:00 p.m.

Committee members present via Microsoft Teams or Rosemont Conference Room:
Chair Nancy Henjum, Chair Brian Risley, Lynette Crow-Iverson, Dave Donelson, David Leinweber and Michelle Talarico

Board Members present via Microsoft Teams:
Yolanda Avila and Randy Helms

Staff members present via Microsoft Teams or Rosemont Conference Room:
Travas Deal, Lisa Barbato, Pattie Bengler, Mike Francolino, Tristan Gearhart, Somer Mese, Kelly Aguayo, Jay Anderson, Joe Awad, Kerry Baugh, Peter Bejadar, Steve Berry, Kevin Binkley, Kory Bond, Andie Buhl, Thad Clardy, Andrew Colosimo, Lauren Connolly, David Dalton, Jessica Davis, Steve Duling, Kalea Daub, Marcela Espinoza, Paul Goslin, Brian Grim, Kelly Guisinger, Mallorie Hansen, Brittany Harrison, Adam Hegstrom, John Hunter, Jason Green, Jennifer Jordan, Sarah LaBarre, JerrieAnn LaLond, Drew Latrell, Sam Lawson, Daniel Lewis, David Longrie, Mike Maksimowicz, Tara McGowan, Noemi Martinez, Jared Miller, Kelly Miller, Angelia Mora, Danielle Nieves, Daniel Norton, Jacqueline Nunez, Abigail Ortega, David Padgett, Jessica Ramirez, Jason Reynolds, Lindsay Riley, Jeff Rowbotham, David Ruddy, Juan Santos, Rodger Scriven, Scott Shirola, Leslie Smith, Debbie Snyder, Cali Standard, Lauren Swenson, Matthew Thieme, Shawn Timothy, Amy Trinidad, Natalie Watts, Al Wells, Kyle Wilson and Jane Zook

City of Colorado Springs staff members present via Microsoft Teams or Rosemont Conference Room:
Sally Barber, Renee Congden, Elli Harris-Mevis, Travis Easton, Callie Moyers and Shawn Alessio

Citizens present via Microsoft Teams or Rosemont Conference Room:
Larry Barrett, Candice Frankovelgia and Chris Lieber

1. Call to Order

Committee Chairs Nancy Henjum and Brian Risley called the meeting to order at 1:01 p.m. Ms. Henjum read a statement regarding the Colorado Open Meetings Law and the City Charter and noted that public comment would not be a part of the meeting. Individuals in the room introduced themselves.

2. Review Minutes

Minutes from the April 15, 2024, Finance Committee and the April 16, 2024, Strategic Planning Committee meetings were reviewed and approved for posting.

3. Purpose of Joint Meeting

Chairs Henjum and Risley explained the purpose of today's joint meeting. The purpose is to find alignment between the budgeting and rates work that the Finance Committee is doing with the long-term planning work that the Strategic Planning Committee is doing. This directly correlates to how the organization can move from our mission statement to our vision statement. It is imperative to align strategy and financial plans together.

4. Enterprise Strategic Plan Overview

Ms. Natalie Watts, Manager of Strategic Planning and Governance, reviewed the purpose of the organization's strategic plan. That is to 1) define and communicate what the organization is trying to accomplish; 2) communicate mission, vision and strategy to employees and other stakeholders; 3) align the day-to-day work that everyone is doing with vision and strategy; 4) prioritize programs, projects, and resources; and 5) improve performance using strategic performance measures and targets.

The Utilities Board's current focus areas are Rates (40%), Reliability (40%), and Relationships (20%). The organization's strategy map was also reviewed as were the strategic objectives:

- Deliver quality utilities
- Focus on the customer
- Support our community
- Financial accountability
- Enable employee empowerment

5. 5-Year Project Summary and Prioritization

Ms. Tara McGowan, Manager of Water and Wastewater Design, Ms. Sarah LaBarre, Manager of Electric and Gas Design, and Mr. Daniel Lewis, Supervisor of Supply Chain Support Analytics, presented the 5-year project summary and prioritization.

The organization has established teams that work together to manage their respective budgets (water, wastewater, electric, gas, and common electrical and operating budgets). These subject matter experts work with others within operations and finance to successfully manage these budgets. Budget objectives are to manage to financial targets, prioritize projects, manage human resources, and to document and communicate these goals.

Each service's 5-year budget was reviewed by category, asset type, and budget allocation (financial, regulatory, growth and reliability).

The electric service contains the fiber budget. It was noted there is a significant budget reduction from 2028 to 2029. The main reason for this reduction is in regulatory forecast.

The common budget is a mix of everything, including technology. The largest budget is in 2025, decreasing over the next four years. A substantial portion of the 2025 budget spend is replacement of the Maximo system, which is no longer supported, and the second phase of replacement is being done in 2025. Technology is 65% of the total budget and fleet is at 15% of the 2025 budget.

If Amara is approved as an annexation by City Council, this would be in addition to the numbers that are included in this presentation. This would need to be accomplished through an annexation rider, rate increases or re-prioritization. It is noted that regulatory items cannot be re-prioritized.

6. Financial Considerations

Mr. John Hunter, Financial Planning and Risk Manager, reviewed the organization's financial forecast model including inputs and outputs.

The 5-year financial outlook was reviewed. Capital expenditures are forecast to increase over the next five years, with the highest being in 2027.

Mr. Scott Shirola, Pricing and Rates Manager, reviewed the 2025 multi-year rate case with the choice of either a structured approach or a levelized approach. Board Members prefer the levelized approach (an equal base rate increase in each year). The electric Time-of-Day rates were reviewed.

7. Utilities Policy Advisory Committee (UPAC) Bylaws Changes and Policy Discussion

Ms. Watts reviewed recent changes to the UPAC bylaws. The first change is to include adding language to ensure an assignment is completed within the timeframe of the Utilities Board that approved the assignment. The second change is to establish a UPAC liaison to provide support, guidance and direction to UPAC as they move through an approved assignment. This liaison will either be the Chair or Vice Chair of the Utilities Board. Discussion will take place at the UPAC meeting on June 5 and at the June Utilities Board meeting on June 18.

Ms. Renee Congdon, Colorado Springs City Attorney, mentioned that there are administrative "clean up" items also included in the UPAC bylaws.

8. Undergrounding Discussion

Mr. Joe Awad, General Manager of Systems Planning and Projects, and Mr. Drew Latrell, Engineer V, reviewed proposed policy changes in response to Board Members' requests regarding electric transmission system undergrounding. The organization currently has 90% overhead transmission lines and 10% underground transmission lines.

Board Member Talarico and Board Member Avila have proposed separate requests for undergrounding portions of the Kelker to South Plant transmission line. The

current cost for over heading the line is \$20.9 million. Cost estimates of each of the proposed undergrounding plans vary.

This presentation, including the two proposed resolutions, and discussion will be added to the agenda of the May 22, 2024, Utilities Board Meeting.

9. Closing Remarks and Adjournment

The meeting adjourned at 4:04 p.m.



Colorado Springs Utilities
It's how we're all connected

Economic Development Update

July 16, 2024

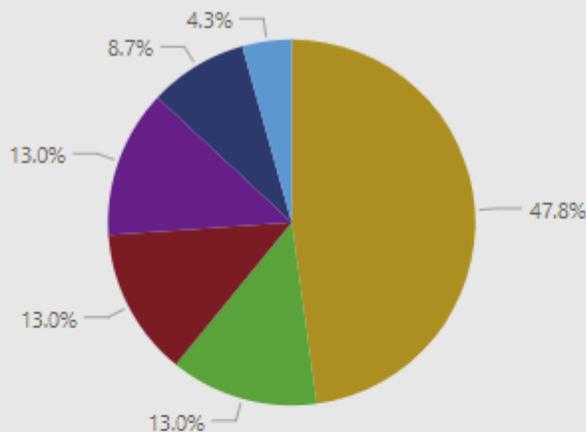
Economic Development Program Dashboard (January - June 2024)

Opportunities by Industry

Prospect Total - 23

Industry

- Manufacturing
- Food and Beverage
- Office
- Technology
- Government
- Retail



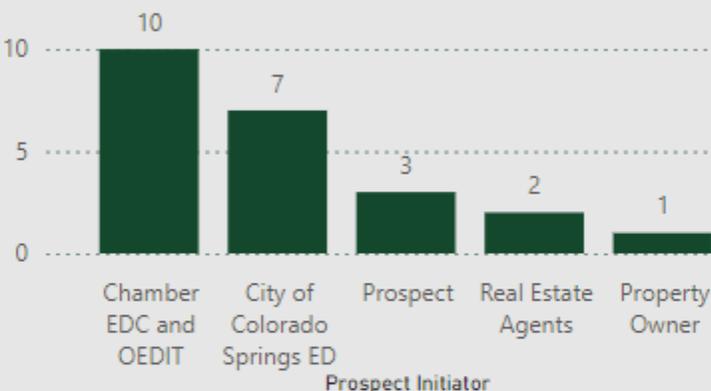
Prospects Summary

2024 Prospects - 23
 Estimated Job Impacts - 3643
 Estimated Capital Investment - \$2.916 Billion
 Carryover Prospects 2021 - 2023 - 6
 Carryover Prospects Job Impacts - 1697
 Carryover Projects Capital Investment - \$2.9 Billion

Prospect Total by Initiator

Prospect Total - 23

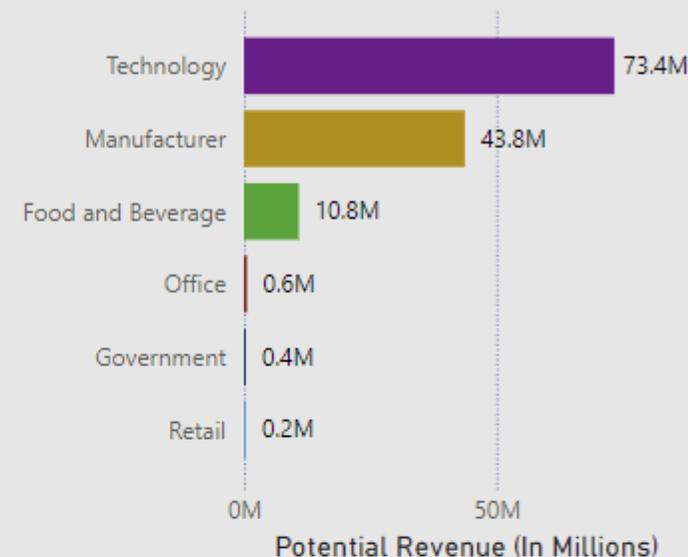
Sum of Prospect Total



Potential Revenue by Industry

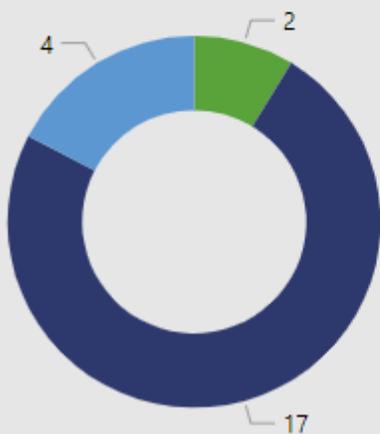
Prospect Total - 23

Category



Opportunities by Type

Greenfield Prospects, Infill Prospects, and Customer Expansions



- Customer Expansions
- Greenfield Prospects
- Infill Prospects

Business Retention Visits

In-Person Meetings - 42
 Virtual Meetings - 32

Economic Development Results

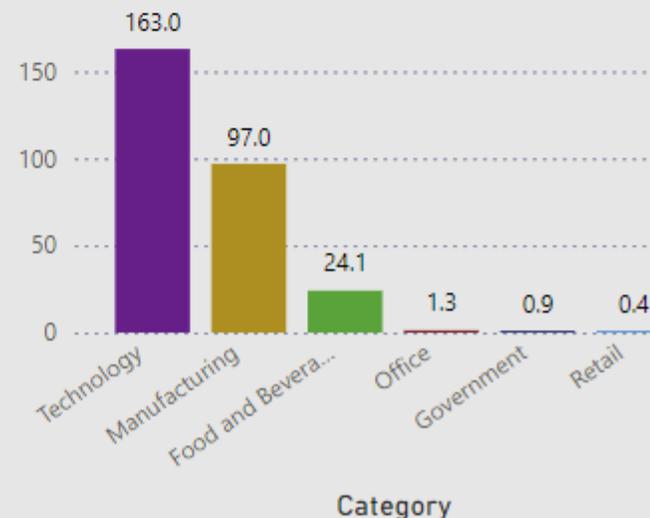
Rapid Response and Announcements



Potential Megawatts by Industry

Prospect Total - 23

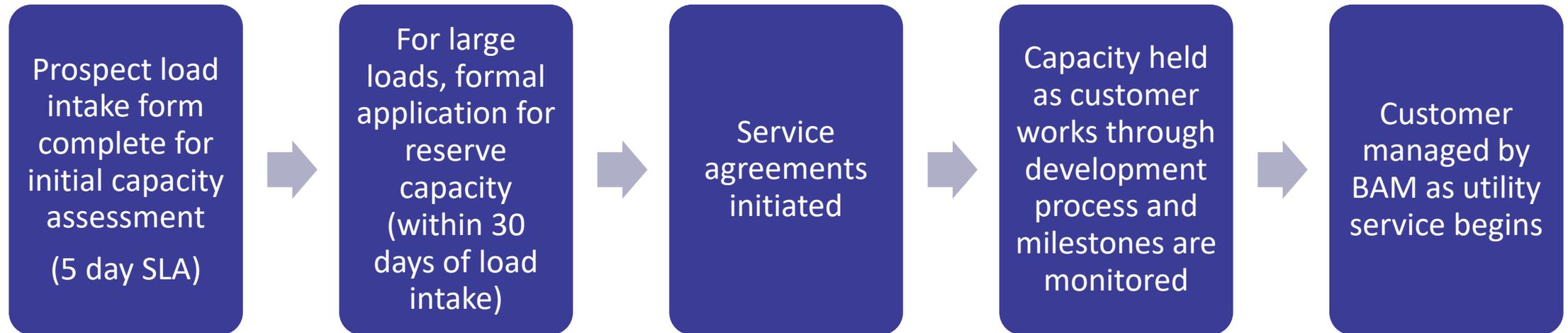
Potential MW



Utilities & Peak Innovation Park Partnership

- Biweekly utility construction coordination meetings
- Worked 17 prospect opportunities in PIP this year
- Executive Agreement between Utilities and PIP
- Design and budget in process for 600 MW
 - \$ 148 M estimated budget for transmission
 - \$ 40 M estimated budget for substation
 - RFP for generation resource
- Eastern Wastewater System Extension project coordination

Reserve Capacity Process Steps



Capacity Study Requirements and fee

Electric	5 MW	No fee	20 MW	Variable fee
Natural Gas	2.5 MMBTU	No fee	10 MMBTU	\$ 1,000
Water	0.25 MGD	No fee	1 MGD	\$ 2,000
Wastewater	0.25 MGD	No fee	1 MGD	\$ 2,000

Reserving Capacity Checklist

- A Load Intake Form must be completed (Current process with a 5 day SLA)
- Application to reserve capacity submitted within 30 days (1 month) of Load Intake Form

- Applications for reserving capacity must meet minimum load requirements

Electric	5 MW
Gas	2.5 MM BTU/h
Water	0.25 MGD
Wastewater	0.25 MGD

- Any request equal to or over the following will require a detailed capacity study prior to approving application (See URR for applicable fees)

Electric	20 MW
Gas	10 MM BTU/h
Water	1 MGD
Wastewater	1 MGD

- Development plan submitted through City Planning within 120 days (4 months)
- Construction drawings submitted through applicable agency (e.g. Regional Building, State of Colorado, etc.) within 120 days (4 months)
- Construction drawings approved, including service contract and associated payment with Utilities within 180 days (6 months)
- Approval of a building permit or a utility service plan must be obtained within 120 days (4 months) from the date of payment of the charges set out in Utilities' tariffs (Currently in City Code for W/WW)
- Construction of the premise or facility to be served by the connection must begin within 180 days (6 months) from building permit issuance or utility service plan approval (Currently in City Code for W/WW)
- Construction shall be pursued to completion without suspension or abandonment (Currently in City Code for W/WW)



Economic Development Application: Request for Reserving Resource & Distribution Capacity

Colorado Springs Utilities (“Springs Utilities”) requires potential, new and expanding customers that desire to request reservation of utility service capacity to complete this Economic Development Application. This application, along with payment of applicable fees, will place you in queue for capacity as it becomes available. An application requesting a reservation of capacity for new or expansion loads are required if requested loads exceed the following:

- Electric requirements exceeding 5 MW
- Natural gas requirements exceeding 2.5 MMBTU/h
- Water or wastewater requirements exceeding 0.25 MGD

A request equal to or over the following will require a detailed capacity study prior to approving application, subject to applicable fees (See URR):

- Electric requirements equal to or exceeding 20 MW
- Natural gas requirements equal to or exceeding 10 MM BTU/h
- Water or wastewater requirements exceeding 1 MGD

Business Name _____

Contact _____

Address / TSN Number _____

Contact email/phone _____

Please provide the following utility requirements:

Electric Load Ramp Requirements

Year	Peak Demand (MW)	Peak Month	Peak Hour	Annual Usage (kWh)

Natural Gas Load Ramp Requirements

Year	Peak Demand (MMBTU / h)	Peak Month	Peak Hour	Annual Usage (MMBTU)

Water and Wastewater Load Ramp Requirements

Year	Water Peak Demand (MGD)	Water Annual Usage (MG)	Wastewater Discharge (MGD)

This application does not formally request utility service at a specific address. Connection to a Springs Utilities system requires Springs Utilities approval, which is contingent upon the customer satisfying all the requirements. Those requirements include: Springs Utilities' Tariffs, Line Extension and Service Standards, City of Colorado Springs City Code, and all other applicable policies, utilities rules and regulations (URRs), that are in effect for each requested utility service at the time the application for service is made by the customer and formally accepted by Springs Utilities. Connection requirements may include the provision of necessary line extensions, and other utility system improvements, and payment of all applicable fees or charges related to the requested service. Information concerning these requirements can be obtained from the Utilities Development Services office, 1521 Hancock Expressway, Colorado Springs, CO 80903, telephone (719) 668-8259.

Springs Utilities seeks to expand its utility supply and facilities as necessary to meet anticipated load growth. Springs Utilities' services are provided to eligible customers at the time of connection to Springs Utilities' utility distribution system on a "first come, first served" basis after acceptance of the customer's application, as described above. In certain instances, Springs Utilities' supply and system capacities are limited. Accordingly, no specific allocations or amounts of Springs Utilities supply or facilities are reserved for service to the subject Property, and no commitments are made as to the availability of utility service at future times. This application, along with payment of applicable fees (see URR), will put you in queue for capacity as it becomes available.

Customer Name:

Customer Signature

Date

Interconnection Study Cost Requirement for Large Load Customers (Applicable for Large Loads that Exceed 20 MW)

Effective Date: XX/XX/2024

Section 1. Large Load Interconnection System Impact Study Agreement

The “Large Load Interconnection Study Agreement” shall provide that Interconnection Customer will compensate Transmission Provider for the actual cost of each phase of the Interconnection System Impact Study. Activities such as Scoping meeting and study requirements are parallel to Colorado Springs Utilities “Open Access Tariff, City Council Volume No.3 – LGIP”.

Section 2. Execution of Large Load Interconnection Study Agreement.

Interconnection Customer shall execute and deliver the Large Load Interconnection Study Agreement to the Transmission Provider, along with each of the following:

a. Demonstration of Site Control:

Site Control for Facility’s Tie Line: Reasonable evidence of Site Control for at least fifty percent (50%) of the mileage of the Facility’s high voltage tie line to the Point of Interconnection, or in lieu of Site Control for the Large Load Facility’s high voltage tie line, additional financial security in the amount of \$80,000 per line mile of right-of-way.

If Interconnection Customer elects to provide additional financial security in lieu of evidence of Site Control for the Large Load Facility’s high voltage tie line, the additional financial security will be considered at risk and subject to the provisions agreed upon. If Large Load customer subsequently satisfies the applicable Site Control requirement for the Large Load Facility’s high voltage tie line, the amount of additional in lieu of financial security will be refunded to the Interconnection Customer.

b. Study deposit, which shall be one of the following:

1. \$35,000 base, plus \$1,000 per additional MW for Interconnection Requests ≥ 20 MW; or
2. \$150,000 base, plus \$1,000 per additional MW for Interconnection Requests ≥ 100 MW or
3. \$250,000 for Interconnection Requests ≥ 200 MW.

An Interconnection Request for a Replacement of an existing or retired Large Load Facility shall be accompanied by a study deposit in the amount of \$120,000. Study deposits provided pursuant to this section shall be applied toward any Interconnection Studies applicable to the Interconnection Request.

Additional costs will be billed to customer, any residual funds will be refunded.

c. Technical Requirements

1. Detailed description of load.
2. Point of Interconnection, substation requirements and equipment for ultimate build-out.

3. Expected in-service data
4. Type of expected Motor loads to include machine characteristics
6. Voltage and frequency requirements