



Colorado Springs Utilities

*It's how we're all connected*

# 2025 Rate Case

# Supplemental Filing

October 15, 2024



**Date:** October 15, 2024  
**To:** Members of City Council  
**From:** Scott Shirola, Pricing and Rates Manager  
**Subject:** **SUPPLEMENTAL INFORMATION FOR COLORADO SPRINGS UTILITIES' 2025 RATE CASE FILING**

Colorado Springs Utilities (Utilities) has prepared supplemental information for the 2025 Rate Case originally submitted September 10, 2024. The supplemental material conforms to the requirements of Rules and Procedures of City Council, Part 4 - Utilities Pricing and Tariff Hearing Procedure, Section 1.A.6.

The attached packet contains revised and new information:

Revised Information

- Clerical corrections are incorporated to reflect the most current revisions to the Electric Cost Adjustment (ECA) and Gas Cost Adjustment (GCA) rates, as approved on September 24, 2024
  - Executive Summary, update proposed Sample Monthly Bill for years 2025-2029
  - Electric Report, update Schedule 1 - Sample Monthly Bill Comparison
  - Electric Resolution
    - Change reference of Sheet No. 2.9 from Twenty-Fifth Revised to Twenty-Sixth Revised, effective January 1, 2025
    - Change reference of Sheet No. 2.9 from Twenty-Sixth Revised to Twenty-Seventh Revised, effective October 1, 2025
  - Electric Redline and Final Tariff Sheets
    - Change reference of Sheet No. 2.9 from Twenty-Fifth Revised to Twenty-Sixth Revised, effective January 1, 2025
    - Updated ECA rate references on Sheet 2.17, effective January 1, 2025
    - Change reference of Sheet No. 2.9 from Twenty-Sixth Revised to Twenty-Seventh Revised, effective October 1, 2025
    - Updated ECA rate references on Sheet 2.17, effective October 1, 2025
  - Electric Cost of Service, update Schedule 1 – Sample Monthly Bill Comparison
  - Natural Gas Report, update Schedule 1 – Sample Monthly Bill Comparison
  - Natural Gas Resolution, change reference of Sheet No. 2.4 from Twenty-Sixth Revised to Twenty-Seventh Revised
  - Natural Gas Redline and Final Tariff Sheets
    - Change reference of Sheet No. 2.4 from Twenty-Sixth Revised to Twenty-Seventh Revised
    - Updated GCA reference of Sheet No. 2.5

- Natural Gas Cost of Service, update Schedule 1 – Sample Monthly Bill Comparison
- Electric Report, update Cost of Service and Rate Design section to incorporate additional information related to utilization of load study data and study timelines.

New Information

- Legal Notice – Affidavit of Publication
- Public Outreach
- U.S. Department of Defense Notice of Intent to Submit Public Comments
- Office of the City Auditor – Audit Report

**Revised  
Information**

# **Executive Summary**

**TABLE 1**  
**2025 SAMPLE MONTHLY BILL COMPARISON<sup>(1)</sup>**

Line No.	Rate Class	Current Effective	Proposed 1/1/25	Proposed Increase/ (Decrease)	% Change
(a)	(b)	(c)	(d)	(e) (d) - (c)	(f) (e) / (c)
1	<b>Residential<sup>(2)</sup></b>				
2	Electric	\$ 100.20	\$ 105.15	\$ 4.95	4.9%
3	Gas	40.11	40.99	0.88	2.2%
4	Water	80.14	85.10	4.96	6.2%
5	Wastewater	34.22	37.33	3.11	9.1%
6	<b>Total</b>	<b>\$ 254.67</b>	<b>\$ 268.57</b>	<b>\$ 13.90</b>	<b>5.5%</b>
7	<b>Commercial<sup>(3)</sup></b>				
8	Electric	\$ 645.45	\$ 686.10	\$ 40.65	6.3%
9	Gas	565.09	578.14	13.05	2.3%
10	Water	241.65	260.39	18.74	7.8%
11	Wastewater	126.76	138.02	11.26	8.9%
12	<b>Total</b>	<b>\$ 1,578.95</b>	<b>\$ 1,662.65</b>	<b>\$ 83.70</b>	<b>5.3%</b>
13	<b>Industrial<sup>(4)</sup></b>				
14	Electric	\$ 37,532.80	\$ 38,742.86	\$ 1,210.06	3.2%
15	Gas	5,438.66	5,568.90	130.24	2.4%
16	Water	3,160.35	3,416.44	256.09	8.1%
17	Wastewater	1,630.76	1,778.32	147.56	9.1%
18	<b>Total</b>	<b>\$ 47,762.57</b>	<b>\$ 49,506.52</b>	<b>\$ 1,743.95</b>	<b>3.7%</b>

Notes:

<sup>(1)</sup> Immaterial differences may occur due to rounding.

<sup>(2)</sup> The Residential sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 700 kWh for Electric; 60 Ccf for Natural Gas; 1,100 cf for Water-Inside City Limits; 700 cf for Wastewater-Inside City Limits.

<sup>(3)</sup> The Commercial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 6,000 kWh for Electric; 1,240 Ccf for Natural Gas; 3,000 cf for Water-Inside City Limits; 3,000 cf for Wastewater-Inside City Limits.

<sup>(4)</sup> The Industrial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 400,000 kWh and 1,000 kW for Electric; 12,400 Ccf for Natural Gas; 50,000 cf for Water-Inside City Limits; 50,000 cf for Wastewater-Inside City Limits.

**TABLE 2**  
**2026 SAMPLE MONTHLY BILL COMPARISON<sup>(1)</sup>**

Line No.	Rate Class	Proposed 1/1/25	Proposed 1/1/26	Proposed Increase/ (Decrease)	% Change
(a)	(b)	(c)	(d)	(e) (d) - (c)	(f) (e) / (c)
1	<b>Residential<sup>(2)</sup></b>				
2	Electric	\$ 105.15	\$ 110.31	\$ 5.16	4.9%
3	Gas	40.99	41.91	0.92	2.2%
4	Water	85.10	90.56	5.46	6.4%
5	Wastewater	37.33	40.66	3.33	8.9%
6	<b>Total</b>	<b>\$ 268.57</b>	<b>\$ 283.44</b>	<b>\$ 14.87</b>	<b>5.5%</b>
7	<b>Commercial<sup>(3)</sup></b>				
8	Electric	\$ 686.10	\$ 714.99	\$ 28.89	4.2%
9	Gas	578.14	591.13	12.99	2.2%
10	Water	260.39	277.07	16.68	6.4%
11	Wastewater	138.02	150.31	12.29	8.9%
12	<b>Total</b>	<b>\$ 1,662.65</b>	<b>\$ 1,733.50</b>	<b>\$ 70.85</b>	<b>4.3%</b>
13	<b>Industrial<sup>(4)</sup></b>				
14	Electric	\$ 38,742.86	\$ 40,267.78	\$ 1,524.92	3.9%
15	Gas	5,568.90	5,687.90	119.00	2.1%
16	Water	3,416.44	3,635.22	218.78	6.4%
17	Wastewater	1,778.32	1,936.31	157.99	8.9%
18	<b>Total</b>	<b>\$ 49,506.52</b>	<b>\$ 51,527.21</b>	<b>\$ 2,020.69</b>	<b>4.1%</b>

Notes :

<sup>(1)</sup> Immaterial differences may occur due to rounding.

<sup>(2)</sup> The Residential sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 700 kWh for Electric; 60 Ccf for Natural Gas; 1,100 cf for Water-Inside City Limits; 700 cf for Wastewater-Inside City Limits.

<sup>(3)</sup> The Commercial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 6,000 kWh for Electric; 1,240 Ccf for Natural Gas; 3,000 cf for Water-Inside City Limits; 3,000 cf for Wastewater-Inside City Limits.

<sup>(4)</sup> The Industrial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 400,000 kWh and 1,000 kW for Electric; 12,400 Ccf for Natural Gas; 50,000 cf for Water-Inside City Limits; 50,000 cf for Wastewater-Inside City Limits.

**TABLE 3**  
**2027 SAMPLE MONTHLY BILL COMPARISON<sup>(1)</sup>**

Line No.	Rate Class	Proposed 1/1/26	Proposed 1/1/27	Proposed Increase/ (Decrease)	% Change
(a)	(b)	(c)	(d)	(e) (d) - (c)	(f) (e) / (c)
1	<b>Residential<sup>(2)</sup></b>				
2	Electric	\$ 110.31	\$ 115.82	\$ 5.51	5.0%
3	Gas	41.91	42.87	0.96	2.3%
4	Water	90.56	96.36	5.80	6.4%
5	Wastewater	40.66	44.34	3.68	9.1%
6	<b>Total</b>	<b>\$ 283.44</b>	<b>\$ 299.39</b>	<b>\$ 15.95</b>	<b>5.6%</b>
7	<b>Commercial<sup>(3)</sup></b>				
8	Electric	\$ 714.99	\$ 745.79	\$ 30.80	4.3%
9	Gas	591.13	604.80	13.67	2.3%
10	Water	277.07	294.88	17.81	6.4%
11	Wastewater	150.31	163.78	13.47	9.0%
12	<b>Total</b>	<b>\$ 1,733.50</b>	<b>\$ 1,809.25</b>	<b>\$ 75.75</b>	<b>4.4%</b>
13	<b>Industrial<sup>(4)</sup></b>				
14	Electric	\$ 40,267.78	\$ 41,882.27	\$ 1,614.49	4.0%
15	Gas	5,687.90	5,813.17	125.27	2.2%
16	Water	3,635.22	3,869.23	234.01	6.4%
17	Wastewater	1,936.31	2,109.58	173.27	8.9%
18	<b>Total</b>	<b>\$ 51,527.21</b>	<b>\$ 53,674.25</b>	<b>\$ 2,147.04</b>	<b>4.2%</b>

Notes :

<sup>(1)</sup> Immaterial differences may occur due to rounding.

<sup>(2)</sup> The Residential sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 700 kWh for Electric; 60 Ccf for Natural Gas; 1,100 cf for Water-Inside City Limits; 700 cf for Wastewater-Inside City Limits.

<sup>(3)</sup> The Commercial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 6,000 kWh for Electric; 1,240 Ccf for Natural Gas; 3,000 cf for Water-Inside City Limits; 3,000 cf for Wastewater-Inside City Limits.

<sup>(4)</sup> The Industrial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 400,000 kWh and 1,000 kW for Electric; 12,400 Ccf for Natural Gas; 50,000 cf for Water-Inside City Limits; 50,000 cf for Wastewater-Inside City Limits.



**TABLE 4**  
**2028 SAMPLE MONTHLY BILL COMPARISON<sup>(1)</sup>**

Line No.	Rate Class	Proposed 1/1/27	Proposed 1/1/28	Proposed Increase/ (Decrease)	% Change
(a)	(b)	(c)	(d)	(e)	(f)
				(d) - (c)	(e) / (c)
1	<b>Residential<sup>(2)</sup></b>				
2	Electric	\$ 115.82	\$ 121.62	\$ 5.80	5.0%
3	Gas	42.87	43.85	0.98	2.3%
4	Water	96.36	102.48	6.12	6.4%
5	Wastewater	44.34	48.31	3.97	9.0%
6	<b>Total</b>	<b>\$ 299.39</b>	<b>\$ 316.26</b>	<b>\$ 16.87</b>	<b>5.6%</b>
7	<b>Commercial<sup>(3)</sup></b>				
8	Electric	\$ 745.79	\$ 777.92	\$ 32.13	4.3%
9	Gas	604.80	619.14	14.34	2.4%
10	Water	294.88	313.70	18.82	6.4%
11	Wastewater	163.78	178.44	14.66	9.0%
12	<b>Total</b>	<b>\$ 1,809.25</b>	<b>\$ 1,889.20</b>	<b>\$ 79.95</b>	<b>4.4%</b>
13	<b>Industrial<sup>(4)</sup></b>				
14	Electric	\$ 41,882.27	\$ 43,595.49	\$ 1,713.22	4.1%
15	Gas	5,813.17	5,944.69	131.52	2.3%
16	Water	3,869.23	4,116.00	246.77	6.4%
17	Wastewater	2,109.58	2,298.14	188.56	8.9%
18	<b>Total</b>	<b>\$ 53,674.25</b>	<b>\$ 55,954.32</b>	<b>\$ 2,280.07</b>	<b>4.2%</b>

Notes :

<sup>(1)</sup> Immaterial differences may occur due to rounding.

<sup>(2)</sup> The Residential sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 700 kWh for Electric; 60 Ccf for Natural Gas; 1,100 cf for Water-Inside City Limits; 700 cf for Wastewater-Inside City Limits.

<sup>(3)</sup> The Commercial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 6,000 kWh for Electric; 1,240 Ccf for Natural Gas; 3,000 cf for Water-Inside City Limits; 3,000 cf for Wastewater-Inside City Limits.

<sup>(4)</sup> The Industrial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 400,000 kWh and 1,000 kW for Electric; 12,400 Ccf for Natural Gas; 50,000 cf for Water-Inside City Limits; 50,000 cf for Wastewater-Inside City Limits.

**TABLE 5**  
**2029 SAMPLE MONTHLY BILL COMPARISON<sup>(1)</sup>**

Line No.	Rate Class	Proposed 1/1/28	Proposed 1/1/29	Proposed Increase/ (Decrease)	% Change
(a)	(b)	(c)	(d)	(e) (d) - (c)	(f) (e) / (c)
1	<b>Residential<sup>(2)</sup></b>				
2	Electric	\$ 121.62	\$ 127.87	\$ 6.25	5.1%
3	Gas	43.85	44.88	1.03	2.3%
4	Water	102.48	109.06	6.58	6.4%
5	Wastewater	48.31	52.65	4.34	9.0%
6	<b>Total</b>	<b>\$ 316.26</b>	<b>\$ 334.46</b>	<b>\$ 18.20</b>	<b>5.8%</b>
7	<b>Commercial<sup>(3)</sup></b>				
8	Electric	\$ 777.92	\$ 811.97	\$ 34.05	4.4%
9	Gas	619.14	634.18	15.04	2.4%
10	Water	313.70	333.85	20.15	6.4%
11	Wastewater	178.44	194.62	16.18	9.1%
12	<b>Total</b>	<b>\$ 1,889.20</b>	<b>\$ 1,974.62</b>	<b>\$ 85.42</b>	<b>4.5%</b>
13	<b>Industrial<sup>(4)</sup></b>				
14	Electric	\$ 43,595.49	\$ 45,410.60	\$ 1,815.11	4.2%
15	Gas	5,944.69	6,082.49	137.80	2.3%
16	Water	4,116.00	4,380.55	264.55	6.4%
17	Wastewater	2,298.14	2,507.02	208.88	9.1%
18	<b>Total</b>	<b>\$ 55,954.32</b>	<b>\$ 58,380.66</b>	<b>\$ 2,426.34</b>	<b>4.3%</b>

Notes :

<sup>(1)</sup> Immaterial differences may occur due to rounding.

<sup>(2)</sup> The Residential sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 700 kWh for Electric; 60 Ccf for Natural Gas; 1,100 cf for Water-Inside City Limits; 700 cf for Wastewater-Inside City Limits.

<sup>(3)</sup> The Commercial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 6,000 kWh for Electric; 1,240 Ccf for Natural Gas; 3,000 cf for Water-Inside City Limits; 3,000 cf for Wastewater-Inside City Limits.

<sup>(4)</sup> The Industrial sample bill is calculated using the existing and proposed rates assuming: 30 days per month; 400,000 kWh and 1,000 kW for Electric; 12,400 Ccf for Natural Gas; 50,000 cf for Water-Inside City Limits; 50,000 cf for Wastewater-Inside City Limits.

**ELECTRIC**

# **Electric Report**

**SCHEDULE 1  
SAMPLE MONTHLY BILL COMPARISON**

<b>Line No.</b>	<b>Rate Class</b>	<b>Current</b>	<b>Proposed</b>	<b>Proposed Increase / (Decrease)</b>	<b>% Change</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (d) - (c)</b>	<b>(f) (e) / (c)</b>
1	Residential:				
2	Non-Fuel	\$ 75.63	\$ 80.58	\$ 4.95	6.6%
3	ECC	3.50	3.50	-	0.0%
4	ECA	21.07	21.07	-	0.0%
5	<b>Total</b>	<b>\$ 100.20</b>	<b>\$ 105.15</b>	<b>\$ 4.95</b>	<b>4.9%</b>
6	Commercial:				
7	Non-Fuel	\$ 439.65	\$ 480.30	\$ 40.65	9.3%
8	ECC	25.20	25.20	-	0.0%
9	ECA	180.60	180.60	-	0.0%
10	<b>Total</b>	<b>\$ 645.45</b>	<b>\$ 686.10</b>	<b>\$ 40.65</b>	<b>6.3%</b>
11	Industrial:				
12	Non-Fuel	\$ 24,195.20	\$ 25,405.26	\$ 1,210.06	5.0%
13	ECC	1,280.00	1,280.00	-	0.0%
14	ECA	12,057.60	12,057.60	-	0.0%
15	<b>Total</b>	<b>\$ 37,532.80</b>	<b>\$ 38,742.86</b>	<b>\$ 1,210.06</b>	<b>3.2%</b>

*Note: The sample bill is calculated using the existing rates and proposed rates assuming: 30 days per month; 700 kWh for Residential; 6,000 kWh for Commercial; 400,000 kWh and 1,000 kW for Industrial.*

## 2. 2025 Cost of Service and Rate Design

Utilities performed a COS study following generally accepted ratemaking practices and proposes rates designed in compliance with all governing policies. The COS utilized a load study conducted in 2024 based on meter data from 2022. Utilities anticipates performing another load study in 2028 based on meter data from 2027 or other appropriate study period. Full detail of rate changes can be found in Schedule 3 of the COS, associated Worksheets, and Electric Rate Schedules. See the Rate Manual in the Appendix of this filing for additional information.

# **Electric Resolution**

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:**

Section 1. That Colorado Springs Utilities Tariff, City Council Volume No. 6, Electric Rate

Schedules shall be revised as follows:

Effective January 1, 2025

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Fifth Revised Sheet No. 2	RATE TABLE	Fourth Revised Sheet No. 2
Fourth Revised Sheet No. 2.1	RATE TABLE	Third Revised Sheet No. 2.1
Third Revised Sheet No. 2.2	RATE TABLE	Second Revised Sheet No. 2.2
Second Revised Sheet No. 2.3	RATE TABLE	First Revised Sheet No. 2.3
Fourth Revised Sheet No. 2.4	RATE TABLE	Third Revised Sheet No. 2.4
Fourth Revised Sheet No. 2.5	RATE TABLE	Third Revised Sheet No. 2.5
Second Revised Sheet No. 2.6	RATE TABLE	First Revised Sheet No. 2.6
Second Revised Sheet No. 2.7	RATE TABLE	First Revised Sheet No. 2.7
Second Revised Sheet No. 2.8	RATE TABLE	First Revised Sheet No. 2.8
Twenty-Sixth Revised Sheet No. 2.9	RATE TABLE	Twenty-Fifth Revised Sheet 2.9
Fourth Revised Sheet No. 2.10	RATE TABLE	Third Revised Sheet No. 2.10
Fourth Revised Sheet No. 2.11	RATE TABLE	Third Revised Sheet No. 2.11
Third Revised Sheet No. 2.12	RATE TABLE	Second Revised Sheet No. 2.12
Original Sheet No. 2.13	RATE TABLE	
Original Sheet No. 2.14	RATE TABLE	
Original Sheet No. 2.15	RATE TABLE	
Original Sheet No. 2.16	RATE TABLE	
Original Sheet No. 2.17	RATE TABLE	
Original Sheet No. 2.18	RATE TABLE	
Original Sheet No. 2.19	RATE TABLE	
Original Sheet No. 2.20	RATE TABLE	
First Revised Sheet No. 12	CONTRACT SERVICE – MILITARY (ECD, EHYDPWR, EINFPRS)	Original Sheet No. 12
First Revised Sheet No. 13	CONTRACT SERVICE – MILITARY WHEELING (ECW)	Original Sheet No. 13
Second Revised Sheet No. 13.3	CONTRACT SERVICE – MILITARY WHEELING (ECW)	First Revised Sheet No. 13.3

Effective October 1, 2025, January 1, 2026, January 1, 2027, January 1, 2028, and January 1, 2029

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Fifth Revised Sheet No. 1	TABLE OF CONTENTS	Fourth Revised Sheet No. 1
Sixth Revised Sheet No. 2	RATE TABLE	Fifth Revised Sheet No. 2
Fifth Revised Sheet No. 2.1	RATE TABLE	Fourth Revised Sheet No. 2.1
Fourth Revised Sheet No. 2.2	RATE TABLE	Third Revised Sheet No. 2.2
Third Revised Sheet No. 2.3	RATE TABLE	Second Revised Sheet No. 2.3
Fifth Revised Sheet No. 2.4	RATE TABLE	Fourth Revised Sheet No. 2.4
Fifth Revised Sheet No. 2.5	RATE TABLE	Fourth Revised Sheet No. 2.5
Third Revised Sheet No. 2.6	RATE TABLE	Second Revised Sheet No. 2.6
Third Revised Sheet No. 2.7	RATE TABLE	Second Revised Sheet No. 2.7
Third Revised Sheet No. 2.8	RATE TABLE	Second Revised Sheet No. 2.8
Twenty-Seventh Revised Sheet No. 2.9	RATE TABLE	Twenty-Sixth Revised Sheet No. 2.9
Fifth Revised Sheet No. 2.10	RATE TABLE	Fourth Revised Sheet No. 2.10
Fifth Revised Sheet No. 2.11	RATE TABLE	Fourth Revised Sheet No. 2.11
Fourth Revised Sheet No. 2.12	RATE TABLE	Third Revised Sheet No. 2.12
First Revised Sheet No. 2.13	RATE TABLE	Original Sheet No. 2.13
First Revised Sheet No. 2.14	RATE TABLE	Original Sheet No. 2.14
First Revised Sheet No. 2.15	RATE TABLE	Original Sheet No. 2.15
First Revised Sheet No. 2.16	RATE TABLE	Original Sheet No. 2.16
First Revised Sheet No. 2.17	RATE TABLE	Original Sheet No. 2.17
First Revised Sheet No. 2.18	RATE TABLE	Original Sheet No. 2.18
First Revised Sheet No. 2.19	RATE TABLE	Original Sheet No. 2.19
First Revised Sheet No. 2.20	RATE TABLE	Original Sheet No. 2.20
Third Revised Sheet No. 3	GENERAL	Second Revised Sheet No. 3
Third Revised Sheet No. 3.1	GENERAL	Second Revised Sheet No. 3.1
Original Sheet No.3.2	GENERAL	
Original Sheet No.3.3	GENERAL	
Original Sheet No.3.4	GENERAL	
First Revised Sheet No. 4	RESIDENTIAL SERVICE (E1R, ETR, ETR-P, ETR-F)	Original Sheet No. 4
First Revised Sheet No. 5	FROZEN COMMERCIAL SERVICE – SMALL (E1C)	Original Sheet No. 5
Original Sheet No.5.2	COMMERCIAL SERVICE – SMALL (ECS, ECS-P, ECS-F)	
First Revised Sheet No. 6	FROZEN COMMERCIAL SERVICE – GENERAL (E2C, ETC)	Original Sheet No. 6
Original Sheet No. 6.1	COMMERCIAL SERVICE – MEDIUM 10 KW MINIMUM (ECM, ECM-P)	
Original Sheet No. 6.2	COMMERCIAL SERVICE – LARGE 50 KW MINIMUM (ECL, ECL-P)	
Second Revised Sheet No. 7	FROZEN INDUSTRIAL SERVICE – 1,000 kWh/DAY MINIMUM (ETL, ETLO, ETLW)	First Revised Sheet No. 7
Original Sheet No. 7.1	INDUSTRIAL SERVICE – 100 kW MINIMUM (EIS, EIS-P)	
First Revised Sheet No. 8	INDUSTRIAL SERVICE – 500 kW MINIMUM (E8T, E8T-P)	Original Sheet No. 8
First Revised Sheet No. 9	INDUSTRIAL SERVICE – 4,000 kW MINIMUM (E8S, E8S-P)	Original Sheet No. 9
Second Revised Sheet No. 10	INDUSTRIAL SERVICE – LARGE POWER AND LIGHT (ELG, ELG-P)	First Revised Sheet No. 10
Second Revised Sheet No. 12	CONTRACT SERVICE – MILITARY (ECD, ECD-P, EHYDPWR, EINFPRS)	First Revised Sheet No. 12



**Electric**

**Redline Tariff Sheets**

**Effective January 1, 2025**



**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference
<b>Electric Cost Adjustment (ECA)</b>		<b>Sheet No. 16</b>
<b>Standard ECA, per kWh</b> <b>(E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)</b>	\$0.0301	
<b>Time-of-Day ECA (ETR)</b>		
On-Peak, per kWh	\$0.0528	
Off-Peak, per kWh	\$0.0264	
<b>Time-of-Day ECA</b> <b>(ETC), (ETX), (ETL), (E8T), (E8S), (ECD)</b>		
On-Peak, per kWh	\$0.0498	
Off-Peak, per kWh	\$0.0246	
<b>Green Power Service</b>		<b>Sheet No. 24</b>
The rate applicable to each kilowatt hour subscribed under this rate schedule	\$0.0366	
<b>Electric Capacity Charge (ECC)</b>		<b>Sheet No. 17</b>
Residential Service (E1R), per kWh	\$0.0050	
Residential Time-of-Day Option (ETR), per kWh	\$0.0050	
Commercial Service—Small (E1C), per kWh	\$0.0050	
Commercial Service—Non-Metered (ENM), per kWh	\$0.0050	
Commercial Service—General (E2C), per kWh	\$0.0042	
Commercial Service—General Time-of-Day Option (ETC), per kWh	\$0.0042	
Industrial Service—Time-of-Day 1,000 kWh/Day Min (ETL), per kWh	\$0.0040	
Industrial Service—Time-of-Day 500 KW Minimum (E8T), per kWh	\$0.0032	
Industrial Service—Time-of-Day 4,000 KW Minimum (E8S), per kWh	\$0.0030	
Industrial Service—Large Power and Light (ELG), per kWh	\$0.0024	
Industrial Service—Time-of-Day Transmission Voltage (ETX), per kWh	\$0.0024	
Contract Service—Military (ECD), per kWh	\$0.0030	

Approval Date: ~~September 24, 2024~~November 12, 2024

Effective Date: ~~October 1, 2024~~January 1, 2025

Resolution No. ~~117-24~~



**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

<del>Contract Service—Traffic Signals (E2T), per kWh</del>	<del>\$0.0024</del>	
<del>Contract Service—Street Lighting (E7SL), per kWh</del>	<del>\$0.0024</del>	

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Approval Date: ~~September 24, 2024~~November 12, 2024  
 Effective Date: ~~October 1, 2024~~January 1, 2025  
 Resolution No. ~~117-24~~



<b><u>ELECTRIC RATE SCHEDULES</u></b>
<b><u>RATE TABLE</u></b>

<u>Description</u>	<u>Rates</u>	<u>Reference</u>
<b><u>Electric Cost Adjustment (ECA)</u></b>		<b><u>Sheet No. 16</u></b>
<b><u>Standard ECA, per kWh</u></b> <b><u>(E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)</u></b>	<u>\$0.0301</u>	
<b><u>Time-of-Day ECA</u></b> <b><u>(ETR)</u></b>		
<u>On-Peak, per kWh</u>	<u>\$0.0528</u>	
<u>Off-Peak, per kWh</u>	<u>\$0.0264</u>	
<b><u>Time-of-Day ECA</u></b> <b><u>(ETC), (ETX), (ETL), (E8T), (E8S), (ECD)</u></b>		
<u>On-Peak, per kWh</u>	<u>\$0.0498</u>	
<u>Off-Peak, per kWh</u>	<u>\$0.0246</u>	
<b><u>Green Power Service</u></b>		<b><u>Sheet No. 24</u></b>
<u>The rate applicable to each kilowatt hour subscribed under this rate schedule</u>	<u>\$0.0366</u>	

Approval Date: November 12, 2024  
Effective Date: January 1, 2025  
Resolution No.

**Electric**

**Redline Tariff Sheets**

**Effective October 1, 2025**



**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

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Approval Date: November 12, 2024  
Effective Date: ~~January 1, 2025~~ October 1, 2025  
Resolution No.

Note: 2025 rates are effective October 1, 2025. All other rates are effective January 1st of the respective year shown. Rates effective 2029 will remain effective until superseded by City Council.



## ELECTRIC RATE SCHEDULES

### RATE TABLE

<u>Description</u>	<u>Rates</u> <small>(Note)</small>				
	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
<u>Electric Cost Adjustment (ECA):</u>					
<u>On-Peak, per kWh</u>	<u>Sheet No. 2.17</u>				
<u>Off-Peak, per kWh</u>	<u>Sheet No. 2.17</u>				
<u>Electric Capacity Charge (ECC), per kWh</u>	<u>Sheet No. 2.18</u>				
<b><u>Energy-Wise Plus Time-of-Day Option (E8T-P)</u></b>					
<u>Access and Facilities Charge, per day</u>	<u>\$23.8421</u>	<u>\$25.2726</u>	<u>\$26.7890</u>	<u>\$28.3963</u>	<u>\$30.1001</u>
<u>Demand Charge Secondary:</u>					
<u>Winter (October – May), per kW, per day</u>	<u>\$0.3066</u>	<u>\$0.3250</u>	<u>\$0.3445</u>	<u>\$0.3652</u>	<u>\$0.3871</u>
<u>Summer (June – September), per kW, per day</u>	<u>\$0.3995</u>	<u>\$0.4235</u>	<u>\$0.4489</u>	<u>\$0.4758</u>	<u>\$0.5043</u>
<u>Access and Facilities Charge:</u>					
<u>Winter (October – May) On-Peak, per kWh</u>	<u>\$0.0400</u>	<u>\$0.0424</u>	<u>\$0.0449</u>	<u>\$0.0476</u>	<u>\$0.0505</u>
<u>Winter (October – May) Off-Peak, per kWh</u>	<u>\$0.0275</u>	<u>\$0.0292</u>	<u>\$0.0310</u>	<u>\$0.0329</u>	<u>\$0.0349</u>
<u>Winter (October – May) Off-Peak Saver, per kWh</u>	<u>\$0.0095</u>	<u>\$0.0101</u>	<u>\$0.0107</u>	<u>\$0.0113</u>	<u>\$0.0120</u>
<u>Summer (June – September) On-Peak, per kWh</u>	<u>\$0.1154</u>	<u>\$0.1223</u>	<u>\$0.1296</u>	<u>\$0.1374</u>	<u>\$0.1456</u>
<u>Summer (June – September) Off-Peak, per kWh</u>	<u>\$0.0275</u>	<u>\$0.0292</u>	<u>\$0.0310</u>	<u>\$0.0329</u>	<u>\$0.0349</u>
<u>Summer (June – September) Off-Peak Saver, per kWh</u>	<u>\$0.0120</u>	<u>\$0.0127</u>	<u>\$0.0135</u>	<u>\$0.0143</u>	<u>\$0.0152</u>
<u>Critical Peak Period (During Event Hours), per kWh</u>	<u>\$0.3866</u>	<u>\$0.4098</u>	<u>\$0.4344</u>	<u>\$0.4605</u>	<u>\$0.4881</u>
<u>Electric Cost Adjustment (ECA):</u>					
<u>On-Peak, per kWh</u>	<u>Sheet No. 2.17</u>				
<u>Off-Peak, per kWh</u>	<u>Sheet No. 2.17</u>				
<u>Off-Peak Saver, per kWh</u>	<u>Sheet No. 2.17</u>				
<u>Electric Capacity Charge (ECC), per kWh</u>	<u>Sheet No. 2.18</u>				
<b><u>Industrial Service 4,000 kW Minimum (E8S, E8S-P) – Sheet No. 9</u></b>					
<b><u>Energy-Wise Standard Time-of-Day Option (E8S)</u></b>					
<u>Access and Facilities Charge, per day</u>	<u>\$53.0851</u>	<u>\$58.4998</u>	<u>\$64.4668</u>	<u>\$71.0424</u>	<u>\$78.2887</u>

Approval Date: November 12, 2024  
 Effective Date: January 1, 2025 October 1, 2025  
 Resolution No.

Note: 2025 rates are effective October 1, 2025. All other rates are effective January 1st of the respective year shown. Rates effective 2029 will remain effective until superseded by City Council.



<b>ELECTRIC RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates	Reference
<b>Electric Cost Adjustment (ECA)</b>		<b>Sheet No. 16</b>
<del>Standard ECA, per kWh (E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)</del>	<del>\$0.0301</del>	
<del>Time-of-Day ECA (ETR)</del>		
<del>On-Peak, per kWh</del>	<del>\$0.0528</del>	
<del>Off-Peak, per kWh</del>	<del>\$0.0264</del>	
<del>Time-of-Day ECA (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)</del>		
<del>On-Peak, per kWh</del>	<del>\$0.0498</del>	
<del>Off-Peak, per kWh</del>	<del>\$0.0246</del>	
<b>Green Power Service</b>		<b>Sheet No. 24</b>
<del>The rate applicable to each kilowatt hour subscribed under this rate schedule</del>	<del>\$0.0366</del>	

Approval Date: November 12, 2024  
 Effective Date: ~~January 1, 2025~~ October 1, 2025  
 Resolution No.





**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

<u>Description</u>	<u>Rates</u>
<b><u>Electric Cost Adjustment (ECA) – Sheet No. 16</u></b>	
<u>Fixed ECA, per kWh</u> (E1R, ETR-F, E1C, ENM, ECS-F, E2C, ETLO, ETLW, ELG, E2T, E7SL)	<u>\$0.0301</u>
<u>Energy-Wise Standard Time-of-Day ECA</u> (ETR, ECS, ETC, ECM, ECL, ETX, ETL, EIS, E8T, E8S, ETX, ECD)	
<u>On-Peak, per kWh</u>	<u>\$0.0530</u>
<u>Off-Peak, per kWh</u>	<u>\$0.0265</u>
<u>Energy-Wise Plus Time-of-Day Option ECA</u> (ETR-P, ECS-P, ECM-P, ECL-P, EIS-P, E8T-P, E8S-P, ELG-P, ECD-P)	
<u>On-Peak, per kWh</u>	<u>\$0.0645</u>
<u>Off-Peak, per kWh</u>	<u>\$0.0258</u>
<u>Off-Peak Saver, per kWh</u>	<u>\$0.0206</u>
<b><u>Green Power Service – Time-of-Day – Sheet No. 24</u></b>	
<u>The rate applicable to each kilowatt hour subscribed under this rate schedule</u>	<u>\$0.0366</u>

Approval Date: November 12, 2024  
 Effective Date: ~~January 1, 2025~~ October 1, 2025  
 Resolution No.

**Electric**

**Final Tariff Sheets**

**Effective January 1, 2025**



<b>ELECTRIC RATE SCHEDULES</b>
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<b>RATE TABLE</b>
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Approval Date: November 12, 2024  
Effective Date: January 1, 2025  
Resolution No.

<b>ELECTRIC RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates	Reference
<b>Electric Cost Adjustment (ECA)</b>		<b>Sheet No. 16</b>
<b>Standard ECA, per kWh</b> <b>(E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)</b>	\$0.0301	
<b>Time-of-Day ECA</b> <b>(ETR)</b>		
On-Peak, per kWh	\$0.0528	
Off-Peak, per kWh	\$0.0264	
<b>Time-of-Day ECA</b> <b>(ETC), (ETX), (ETL), (E8T), (E8S), (ECD)</b>		
On-Peak, per kWh	\$0.0498	
Off-Peak, per kWh	\$0.0246	
<b>Green Power Service</b>		<b>Sheet No. 24</b>
The rate applicable to each kilowatt hour subscribed under this rate schedule	\$0.0366	

Approval Date: November 12, 2024  
 Effective Date: January 1, 2025  
 Resolution No.

**Electric**

**Final Tariff Sheets**

**Effective October 1, 2025**



**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

Description	Rates <sup>(Note)</sup>				
	2025	2026	2027	2028	2029
Electric Cost Adjustment (ECA):					
On-Peak, per kWh	Sheet No. 2.17				
Off-Peak, per kWh	Sheet No. 2.17				
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.18				
<b>Energy-Wise Plus Time-of-Day Option (E8T-P)</b>					
Access and Facilities Charge, per day	\$23.8421	\$25.2726	\$26.7890	\$28.3963	\$30.1001
Demand Charge Secondary:					
Winter (October – May), per kW, per day	\$0.3066	\$0.3250	\$0.3445	\$0.3652	\$0.3871
Summer (June – September), per kW, per day	\$0.3995	\$0.4235	\$0.4489	\$0.4758	\$0.5043
Access and Facilities Charge:					
Winter (October – May) On-Peak, per kWh	\$0.0400	\$0.0424	\$0.0449	\$0.0476	\$0.0505
Winter (October – May) Off-Peak, per kWh	\$0.0275	\$0.0292	\$0.0310	\$0.0329	\$0.0349
Winter (October – May) Off-Peak Saver, per kWh	\$0.0095	\$0.0101	\$0.0107	\$0.0113	\$0.0120
Summer (June – September) On-Peak, per kWh	\$0.1154	\$0.1223	\$0.1296	\$0.1374	\$0.1456
Summer (June – September) Off-Peak, per kWh	\$0.0275	\$0.0292	\$0.0310	\$0.0329	\$0.0349
Summer (June – September) Off-Peak Saver, per kWh	\$0.0120	\$0.0127	\$0.0135	\$0.0143	\$0.0152
Critical Peak Period (During Event Hours), per kWh	\$0.3866	\$0.4098	\$0.4344	\$0.4605	\$0.4881
Electric Cost Adjustment (ECA):					
On-Peak, per kWh	Sheet No. 2.17				
Off-Peak, per kWh	Sheet No. 2.17				
Off-Peak Saver, per kWh	Sheet No. 2.17				
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.18				
<b>Industrial Service 4,000 kW Minimum (E8S, E8S-P) – Sheet No. 9</b>					
<b>Energy-Wise Standard Time-of-Day Option (E8S)</b>					
Access and Facilities Charge, per day	\$53.0851	\$58.4998	\$64.4668	\$71.0424	\$78.2887

Approval Date: November 12, 2024  
 Effective Date: October 1, 2025  
 Resolution No.

Note: 2025 rates are effective October 1, 2025. All other rates are effective January 1st of the respective year shown. Rates effective 2029 will remain effective until superseded by City Council.



<b>ELECTRIC RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates
<b>Electric Cost Adjustment (ECA) – Sheet No. 16</b>	
Fixed ECA, per kWh (E1R, ETR-F, E1C, ENM, ECS-F, E2C, ETLO, ETLW, ELG, E2T, E7SL)	\$0.0301
Energy-Wise Standard Time-of-Day ECA (ETR, ECS, ETC, ECM, ECL, ETX, ETL, EIS, E8T, E8S, ETX, ECD)	
On-Peak, per kWh	\$0.0530
Off-Peak, per kWh	\$0.0265
Energy-Wise Plus Time-of-Day Option ECA (ETR-P, ECS-P, ECM-P, ECL-P, EIS-P, E8T-P, E8S-P, ELG-P, ECD-P)	
On-Peak, per kWh	\$0.0645
Off-Peak, per kWh	\$0.0258
Off-Peak Saver, per kWh	\$0.0206
<b>Green Power Service – Time-of-Day – Sheet No. 24</b>	
The rate applicable to each kilowatt hour subscribed under this rate schedule	\$0.0366

Approval Date: November 12, 2024  
 Effective Date: October 1, 2025  
 Resolution No.

**Electric**  
**Cost of Service Study**



**Colorado Springs Utilities**  
**2025 Electric Cost of Service Study**

**SCHEDULE 1**  
**SAMPLE MONTHLY BILL COMPARISON**

<b>Line No.</b>	<b>Rate Class</b>	<b>Current</b>	<b>Proposed</b>	<b>Proposed Increase / (Decrease)</b>	<b>% Change</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b> <b>(d) - (c)</b>	<b>(f)</b> <b>(e) / (c)</b>
1	Residential:				
2	Non-Fuel	\$ 75.63	\$ 80.58	\$ 4.95	6.6%
3	ECC	3.50	3.50	-	0.0%
4	ECA	21.07	21.07	-	0.0%
5	<b>Total</b>	<b>\$ 100.20</b>	<b>\$ 105.15</b>	<b>\$ 4.95</b>	<b>4.9%</b>
6	Commercial:				
7	Non-Fuel	\$ 439.65	\$ 480.30	\$ 40.65	9.3%
8	ECC	25.20	25.20	-	0.0%
9	ECA	180.60	180.60	-	0.0%
10	<b>Total</b>	<b>\$ 645.45</b>	<b>\$ 686.10</b>	<b>\$ 40.65</b>	<b>6.3%</b>
11	Industrial:				
12	Non-Fuel	\$ 24,195.20	\$ 25,405.26	\$ 1,210.06	5.0%
13	ECC	1,280.00	1,280.00	-	0.0%
14	ECA	12,057.60	12,057.60	-	0.0%
15	<b>Total</b>	<b>\$ 37,532.80</b>	<b>\$ 38,742.86</b>	<b>\$ 1,210.06</b>	<b>3.2%</b>

*Note: The sample bill is calculated using the existing rates and proposed rates assuming: 30 days per month; 700 kWh for Residential; 6,000 kWh for Commercial; 400,000 kWh and 1,000 kW for Industrial.*

**NATURAL GAS**

# **Natural Gas Report**

**SCHEDULE 1  
SAMPLE MONTHLY BILL COMPARISON**

<b>Line No.</b>	<b>Rate Class</b>	<b>Current</b>	<b>Proposed</b>	<b>Proposed Increase / (Decrease)</b>	<b>% Change</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b> <b>(d) - (c)</b>	<b>(f)</b> <b>(e) / (c)</b>
1	Residential:				
2	Non-Fuel	\$ 23.23	\$ 24.11	\$ 0.88	3.8%
3	GCA	10.35	10.35	-	0.0%
4	GCC	5.78	5.78	-	0.0%
5	Clean Heat Rider	0.75	0.75	-	0.0%
6	<b>Total</b>	<b>\$ 40.11</b>	<b>\$ 40.99</b>	<b>\$ 0.88</b>	<b>2.2%</b>
7	Commercial:				
8	Non-Fuel	\$ 240.83	\$ 253.88	\$ 13.05	5.4%
9	GCA	213.90	213.90	-	0.0%
10	GCC	104.16	104.16	-	0.0%
11	Clean Heat Rider	6.20	6.20	-	0.0%
12	<b>Total</b>	<b>\$ 565.09</b>	<b>\$ 578.14</b>	<b>\$ 13.05</b>	<b>2.3%</b>
13	Industrial:				
14	Non-Fuel	\$ 2,196.06	\$ 2,326.30	\$ 130.24	5.9%
15	GCA	2,139.00	2,139.00	-	0.0%
16	GCC	1,041.60	1,041.60	-	0.0%
17	Clean Heat Rider	62.00	62.00	-	0.0%
18	<b>Total</b>	<b>\$ 5,438.66</b>	<b>\$ 5,568.90</b>	<b>\$ 130.24</b>	<b>2.4%</b>

*Note: The sample bill is calculated using existing rates and proposed rates assuming: 30 days per month; 60 Ccf for Residential; 1,240 Ccf for Commercial; 12,400 Ccf for Industrial.*

## 2. 2025 Cost of Service and Rate Design

Utilities performed a COS study following generally accepted ratemaking practices and proposes rates designed in compliance with all governing policies. Full detail of rate changes can be found in Schedule 3 of the COS, associated Worksheets, and Natural Gas Rate Schedules. See the Rate Manual in the Appendix of this filing for additional information.

# **Natural Gas Resolution**

Effective January 1, 2025, January 1, 2026, January 1, 2027, January 1, 2028, and January 1, 2029

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Third Revised Sheet No. 2	RATE TABLE	Second Revised Sheet No. 2
Fourth Revised Sheet No. 2.1	RATE TABLE	Third Revised Sheet No. 2.1
Fourth Revised Sheet No. 2.2	RATE TABLE	Third Revised Sheet No. 2.2
Fourth Revised Sheet No. 2.3	RATE TABLE	Third Revised Sheet No. 2.3
Twenty-Seventh Revised Sheet No. 2.4	RATE TABLE	Twenty-Sixth Revised Sheet No. 2.4
First Revised Sheet No. 2.5	RATE TABLE	Original Sheet No. 2.5
Original Sheet No. 2.6	RATE TABLE	
Original Sheet No. 2.7	RATE TABLE	
Fourth Revised Sheet No. 3.1	GENERAL	Third Revised Sheet No. 3.1
Fourth Revised Sheet No. 7	INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)	Third Revised Sheet No. 7
First Revised Sheet No. 7.2	INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)	Original Sheet No. 7.2
First Revised Sheet No. 7.3	INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)	Original Sheet No. 7.3
Second Revised Sheet No. 8.1	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	First Revised Sheet No. 8.1
Second Revised Sheet No. 8.2	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	First Revised Sheet No. 8.2
Second Revised Sheet No. 8.3	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	First Revised Sheet No. 8.3
Second Revised Sheet No. 8.4	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	First Revised Sheet No. 8.4
Second Revised Sheet No. 8.5	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	First Revised Sheet No. 8.5
Second Revised Sheet No. 8.6	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	First Revised Sheet No. 8.6
First Revised Sheet No. 8.7	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	Original Sheet No. 8.7
Second Revised Sheet No. 9	CONTRACT SERVICE – MILITARY FIRM (GCS-FIRM, GCS-G6M)	First Revised Sheet No. 9
Fourth Revised Sheet No. 10	CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)	Third Revised Sheet No. 10

**Natural Gas**  
**Redline Tariff Sheets**



**NATURAL GAS RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference			
<b>Monthly Index Option (GCS-G7M)</b>					
Gas Cost, per Mef	Index	Sheet No. 3.1			
Access and Facilities Charge, per day	\$15.1403				
Access and Facilities Charge, per Mef	\$0.8630				
Gas Capacity Charge (GCC), per Mef	Sheet No. 2.4				
Colorado Clean Heat Plan Charge, per Mef	Sheet No. 2.5				
Unauthorized Overrun Charge, per Mef	Overrun Index	Sheet No. 3.2			
<b>Gas Cost Adjustment (GCA)</b>		<b>Sheet No. 11</b>			
GCA, per Cef (G1R), (G1CS), (G1CL), (G1S)	\$0.1725				
GCA, per Mef (G2I), (GCS-FIRM), (GCS-INTS)	\$1.7250				
<b>Gas Capacity Charge (GCC)</b>		<b>Sheet No. 12</b>			
Residential Service—Firm (G1R), per Cef	\$0.0964				
Commercial Service—Small Firm (G1CS), per Cef	\$0.0964				
Commercial Service—Large Firm (G1CL), per Cef	\$0.0840				
Commercial Service—Large Firm (G8M), per Cef	\$0.0840				
Commercial Service—Large Firm (G1S), per Cef	\$0.0386				
Industrial Service—Interruptible (G2I), per Mef	\$0.3850				
Industrial Service—Interruptible (G3M), per Mef	\$0.3850				
Industrial Service—Interruptible Prescheduled (G3D), per Mef	\$0.2514				
Contract Service—Military Firm (GCS-FIRM), per Mef	\$0.8400				
Contract Service—Military Firm (GCS-G6M), per Mef	\$0.8400				
Contract Service—Military Interruptible (GCS-INTS), per Mef	\$0.3850				
Contract Service—Military Interruptible (GCS-G7M), per Mef	\$0.3850				
<u>Description</u>	<u>Rates <sup>(Note)</sup></u>				
	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>

Approval Date: ~~September 24, 2024~~November 12, 2024  
 Effective Date: ~~October 1, 2024~~January 1, 2025  
 Resolution No. 116-24

Note: Rates are effective January 1st of the respective year shown. Rates effective 2029 will remain effective until superseded by City Council.





<b>NATURAL GAS RATE SCHEDULES</b>
<b>RATE TABLE</b>

<u>Gas Capacity Charge (GCC), per Mcf</u>	<u>Sheet No. 2.6</u>				
<u>Colorado Clean Heat Plan Charge, per Mcf</u>	<u>Sheet No. 2.7</u>				
<u>Unauthorized Overrun Charge, per Mcf – Sheet No. 3.2</u>	<u>Overrun Index</u>				
<b><u>Monthly Index Option (GCS-G7M)</u></b>					
<u>Gas Cost, per Mcf – Sheet No. 3.1</u>	<u>Index</u>				
<u>Access and Facilities Charge, per day</u>	<u>\$15.1403</u>	<u>\$15.7459</u>	<u>\$16.3757</u>	<u>\$17.0307</u>	<u>\$17.7119</u>
<u>Access and Facilities Charge, per Mcf</u>	<u>\$0.8860</u>	<u>\$0.9214</u>	<u>\$0.9583</u>	<u>\$0.9966</u>	<u>\$1.0365</u>
<u>Gas Capacity Charge (GCC), per Mcf</u>	<u>Sheet No. 2.6</u>				
<u>Colorado Clean Heat Plan Charge, per Mcf</u>	<u>Sheet No. 2.7</u>				
<u>Unauthorized Overrun Charge, per Mcf – Sheet No. 3.2</u>	<u>Overrun Index</u>				

Approval Date: ~~September 24, 2024~~ November 12, 2024  
 Effective Date: ~~October 1, 2024~~ January 1, 2025  
 Resolution No. ~~116-24~~

Note: Rates are effective January 1st of the respective year shown. Rates effective 2029 will remain effective until superseded by City Council.



**NATURAL GAS RATE SCHEDULES**

**RATE TABLE**

<b>Description</b>	<b>Rates</b>	<b>Reference</b>
<del>Colorado Clean Heat Plan Charge</del>		<del>Sheet No. 13</del>
<del>Residential Service—Firm (G1R), per Ccf</del>	<del>\$0.0125</del>	
<del>Commercial Service—Small Firm (G1CS), per Ccf</del>	<del>\$0.0125</del>	
<del>Commercial Service—Large Firm (G1CL), per Ccf</del>	<del>\$0.0050</del>	
<del>Commercial Service—Large Firm (G8M), per Ccf</del>	<del>\$0.0050</del>	
<del>Commercial Service—Large Firm (G1S), per Ccf</del>	<del>\$0.0050</del>	
<del>Industrial Service—Interruptible (G2I), per Mcf</del>	<del>\$0.0500</del>	
<del>Industrial Service—Interruptible (G3M), per Mcf</del>	<del>\$0.0500</del>	
<del>Industrial Service—Interruptible Prescheduled (G3D), per Mcf</del>	<del>\$0.0500</del>	
<del>Contract Service—Military Firm (GCS-FIRM), per Mcf</del>	<del>\$0.0500</del>	
<del>Contract Service—Military Firm (GCS-G6M), per Mcf</del>	<del>\$0.0500</del>	
<del>Contract Service—Military Interruptible (GCS-INTS), per Mcf</del>	<del>\$0.0500</del>	
<del>Contract Service—Military Interruptible (GCS-G7M), per Mcf</del>	<del>\$0.0500</del>	
<u>Description</u>	<u>Rates</u>	
<u>Gas Cost Adjustment (GCA) – Sheet No. 11</u>		
<u>GCA, per Ccf</u> <u>(G1R), (G1CS), (G1CL), (G1S)</u>	<u>\$0.1725</u>	
<u>GCA, per Mcf</u> <u>(G2I), (GCS-FIRM), (GCS-INTS)</u>	<u>\$1.7250</u>	

Approval Date: ~~November 14, 2023~~ November 12, 2024  
 Effective Date: ~~January 1, 2024~~ January 1, 2025  
 Resolution No. ~~186-23~~

**Natural Gas**  
**Final Tariff Sheets**



<b>NATURAL GAS RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates <sup>(Note)</sup>				
	2025	2026	2027	2028	2029
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.6				
Colorado Clean Heat Plan Charge, per Mcf	Sheet No. 2.7				
Unauthorized Overrun Charge, per Mcf – Sheet No. 3.2	Overrun Index				
<b>Monthly Index Option (GCS-G7M)</b>					
Gas Cost, per Mcf – Sheet No. 3.1	Index				
Access and Facilities Charge, per day	\$15.1403	\$15.7459	\$16.3757	\$17.0307	\$17.7119
Access and Facilities Charge, per Mcf	\$0.8860	\$0.9214	\$0.9583	\$0.9966	\$1.0365
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.6				
Colorado Clean Heat Plan Charge, per Mcf	Sheet No. 2.7				
Unauthorized Overrun Charge, per Mcf – Sheet No. 3.2	Overrun Index				

Approval Date: November 12, 2024  
 Effective Date: January 1, 2025  
 Resolution No.

Note: Rates are effective January 1st of the respective year shown. Rates effective 2029 will remain effective until superseded by City Council.



<b>NATURAL GAS RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates
<b>Gas Cost Adjustment (GCA) – Sheet No. 11</b>	
GCA, per Ccf (G1R), (G1CS), (G1CL), (G1S)	\$0.1725
GCA, per Mcf (G2I), (GCS-FIRM), (GCS-INTS)	\$1.7250

Approval Date: November 12, 2024  
Effective Date: January 1, 2025  
Resolution No.

**Natural Gas**  
**Cost of Service Study**

**Colorado Springs Utilities**  
**2025 Natural Gas Cost of Service Study**

**SCHEDULE 1**  
**SAMPLE MONTHLY BILL COMPARISON**

<b>Line No.</b>	<b>Rate Class</b>	<b>Current</b>	<b>Proposed</b>	<b>Proposed Increase / (Decrease)</b>	<b>% Change</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>
				<b>(d) - (c)</b>	<b>(e) / (c)</b>
1	Residential:				
2	Non-Fuel	\$ 23.23	\$ 24.11	\$ 0.88	3.8%
3	GCA	10.35	10.35	-	0.0%
4	GCC	5.78	5.78	-	0.0%
5	Clean Heat Rider	0.75	0.75	-	0.0%
6	<b>Total</b>	<b>\$ 40.11</b>	<b>\$ 40.99</b>	<b>\$ 0.88</b>	<b>2.2%</b>
7	Commercial:				
8	Non-Fuel	\$ 240.83	\$ 253.88	\$ 13.05	5.4%
9	GCA	213.90	213.90	-	0.0%
10	GCC	104.16	104.16	-	0.0%
11	Clean Heat Rider	6.20	6.20	-	0.0%
12	<b>Total</b>	<b>\$ 565.09</b>	<b>\$ 578.14</b>	<b>\$ 13.05</b>	<b>2.3%</b>
13	Industrial:				
14	Non-Fuel	\$ 2,196.06	\$ 2,326.30	\$ 130.24	5.9%
15	GCA	2,139.00	2,139.00	-	0.0%
16	GCC	1,041.60	1,041.60	-	0.0%
17	Clean Heat Rider	62.00	62.00	-	0.0%
18	<b>Total</b>	<b>\$ 5,438.66</b>	<b>\$ 5,568.90</b>	<b>\$ 130.24</b>	<b>2.4%</b>

*Note: The sample bill is calculated using existing rates and proposed rates assuming: 30 days per month; 60 Ccf for Residential; 1,240 Ccf for Commercial; 12,400 Ccf for Industrial.*

**New  
Information**



# **Legal Notice**



# **Public Outreach**



## **2025-2029 Rate Case Public Outreach Overview**

This document describes the strategic and comprehensive public outreach plan for the Five-Year (2025-2029) Rate Case. The rate case is communicated to residential and business customers using a variety of channels as indicated in the table on the following page.

Public outreach about the rate case began in early June, with the State of Utility event. Key messages from the Strategic Rates and Budget Communication Plan were distributed to internal stakeholders in June and July 2024. The employee Intranet page is updated periodically with the latest information pertaining to the rates and budget.

Education and awareness materials supporting the rate case were developed using the theme: Building the Future: Our Five-Year Financial Plan. The communication strategy focuses on informing customers of the “why” behind the capital investments, and how rates will fund these investments over the next five years to support three key areas of regulations, reliability and growth.

Webpages for the rate case and budget were developed for [csu.org](http://csu.org), with information on the largest capital projects within each service line. “Building the Future” videos highlighting the need for the rate increases have been developed for digital communication channels. The entire rate case was posted on [csu.org](http://csu.org) Sept. 11, 2024. The Draft 2025 Annual Operating and Financial Plan was posted on the website Oct. 1, 2024.

A special media presentation and interview opportunity with the Chief Planning and Finance Officer was provided in August for local broadcast and print reporters. An email detailing cost adjustment updates and proposed rate changes was distributed to 175,000 residential customers on Sept. 24, 2024. A letter to the editor from the CEO was submitted and published in the Gazette in September. More media coverage is expected from Oct. 22 through mid-January 2025.

To better equip our service center with information about the rate case and 2025 Draft Annual Operating Budget, employees from Pricing and Rates provide a presentation for small groups of service center representatives. This includes a high-level overview of the Rate Case and 2025 Budget. Call center staff have received a fact sheet with detailed information to use as they engage customers. This year, a Rates 101 training course is being developed for employees to facilitate better understanding of the rate making process.

Customers can attend Utilities Board and City Council meetings virtually or in person and provide public comment. Past Utilities Board meetings are available at [csu.org](http://csu.org). Additionally, all City Council meetings are shown on various days and times on SpringsTV, Channel 18.

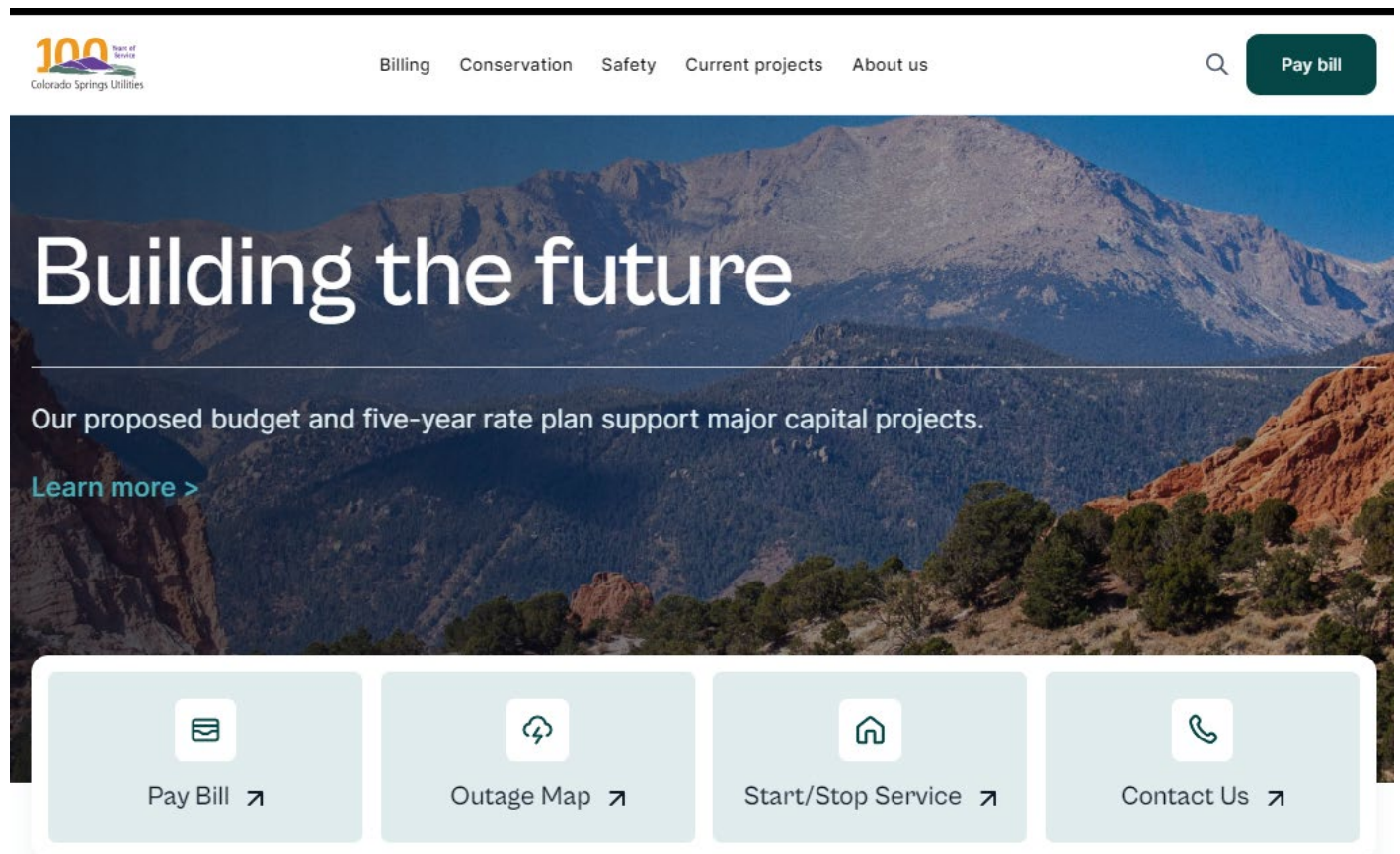
Customers who cannot attend Board and Council meetings can provide their feedback on the rate case directly to City Council members via phone or email, through Springs Utilities’ social media pages, through AskUs (email response from [csu.org](http://csu.org) users) and comments to call center representatives.

Additionally, the following channels and tactics will be utilized:

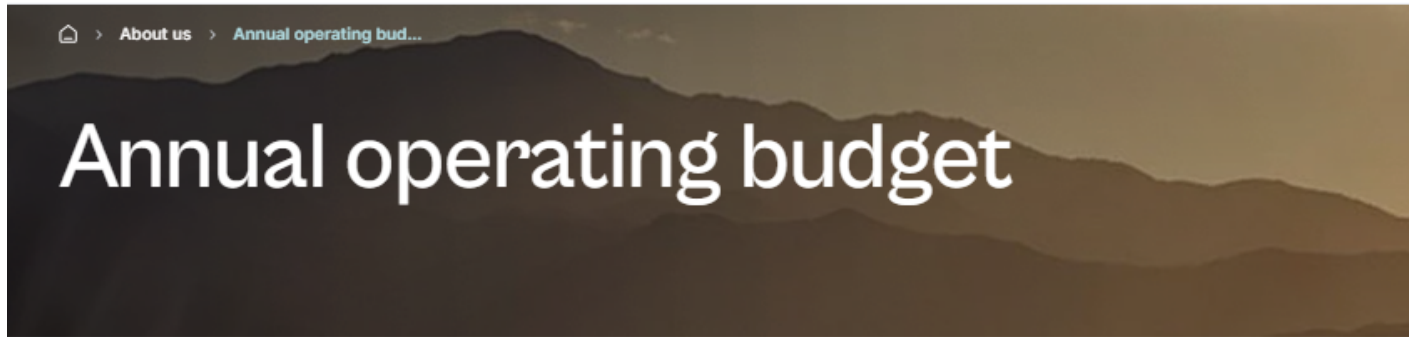
<b>Communications Channels</b>	<b>Employee</b>	<b>Residential</b>	<b>Business</b>	<b>Timing</b>
State of the Utility	X	X	X	June 6, 2024
Strategic Communications Plan (including key messages)	X			June 2024
Media interviews (TV, radio, print)	X	X	X	June 2024 - ongoing
Website (csu.org): updates include rate case filing, proposed budget, cost adjustments, rates and budget webpages, main page rotator	X	X	X	July 2024 – January 2025
Employee/customer fact sheet	X	X	X	August 2024 – January 2025
Social media	X	X	X	Ongoing
Insight	X			Ongoing (weekly)
Intranet: including the main rotator	X			July 2024 – ongoing
Smart Home e-newsletter		X		August 2024 – January 2025
First Source e-newsletter			X	August 2024 – January 2025
Memo to all employees	X			June 2024, September 2024
UB memo/updates	X			Ongoing
Mid-market monthly e-newsletter			X	August 2024 – January 2025
Building the Future videos (all four services)	X	X	X	September – January 2025
Strategic account managers one-on-one meetings, emails and phone calls			X	Ongoing
Business Customer Rate Forum			X	Sept. 28, 2024
Residential customer email: rates and cost adjustments		X		September 2024
Rates Customer Service Center presentation	X			November 2024
Bill package: Connection, bill messages		X		December 2024 – January 2025

The following is a sample of messages across various channels.

## csu.org Homepage



## Budget webpage



### Related links

[Five-year rate case: 2025-2029](#)

[2025 rates & budget fact sheet](#)

[Proposed 2025 budget](#)

[Finance Committee July 2024 budget presentation](#)

[Rates, fees & cost adjustments](#)

We develop our annual budget to meet system needs, provide value to our customers' lives and support economic growth. As a community-owned utility, we are a nonprofit and do not make money on the rates we charge.

Base rates support the annual budget and are designed to cover the cost to provide services. Base rates fund major projects, system improvements and maintenance to meet regulations, support customer needs and maintain service reliability.

### Important dates:

- Aug. 21, 2024: Proposed Budget and Rate Case Presentation - Utilities Board
- Oct. 22, 2024: City Council Budget First Reading & Rate Case Hearing
- Nov. 12, 2024: City Council Budget Second Reading and Rate Case Decision
- Jan. 1, 2025: New base rates (2025-2029) and 2025 budget effective.

### Budget drivers

The drivers of the budget fall into these primary categories:

- **Reliability.** System improvements or equipment required to operate the existing system reliably and resiliently.
- **Regulatory.** Required by local, state or federal law.
- **Growth/capacity.** Projects that increase capacity for population or system growth.

### Our commitment to customers

These projects help us to maintain the reliability our customers have come to expect, while allowing us to support the city's growth and meet regulations.



# Five-year rate case page



Home > [About us](#) > [Our budget](#) > [Five-year rate case:...](#)

## Five-year rate case: 2025 - 2029

### Related links

[Annual operating budget](#)

[Major projects](#)

As a municipally owned utility, we do not make a profit on customer rates. Unlike investor-owned utilities who design rates to pay shareholder dividends, we set rates to cover only the cost to serve our customers, ultimately providing the lowest rates possible.

The [annual budget and rate case](#) is presented to the Utilities Board and must be approved by City Council each year.

We typically propose a one-year budget and rate case. Base rates pay for infrastructure projects – building, maintaining and upgrading the pipes and wires in our large system.

Base rates changes are presented each year to support the budget. This year, because of the major capital needs over the next five years, we are proposing a five-year rate case. The rate case includes increases across all four services for 2025-2029.







# CONNECTION

September 2024



## BRIEFLY

- 1 Update your contact information**  
Log in to MyAccount to update your email and phone number.
- 2 Download the CS Utilities app**  
Start or stop service, pay your bill and check your balance all in one place.
- 3 Water-wise resources**  
Get rebates, free webinars and tips from experts for a healthy landscape.

Scan code to learn more



719-448-4800 • [csu.org](http://csu.org)

## Proposed rates to fund the future

We are facing a period of historic demands and industry change. Over the next five years, we have major projects planned to ensure reliability for decades to come. The 2025 proposed budget is currently estimated at \$1.8 billion – a 21% increase over the 2024 approved budget.

The budget drivers fall into these categories:

- **Reliability.** Structures or equipment required to operate the existing system.
- **Regulatory.** Required by local, state or federal law.
- **Growth.** Projects that increase capacity for population or system growth.

We've proposed an increased budget to our Utilities Board to pay for these necessary projects. Increasing our budget will result in proposed rate increases across all four services for the next five years. If approved by City Council, the total estimated impact on a typical residential bill for 2025 is about \$23 a month (\$14 base rate total plus \$9 fuel rates).

Despite these challenges, we believe this plan will keep rates competitive. Peer utilities across the state and nation are facing similar issues, especially energy providers. We understand increases have an impact on our customers and are committed to providing assistance programs, rebates, efficiency information and rate options to support you. Learn more at [csu.org](http://csu.org).

## Videos



### Building the Future: Water

 Colorado Springs Utili...  
2.44K subscribers

[Subscribe](#)

 1  [Share](#) 



### Building the Future: Wastewater

 Colorado Springs Utili...  
2.44K subscribers

[Subscribe](#)

 0  [Share](#) 



### Building the Future: Electric

 Colorado Springs Utili...  
2.44K subscribers

[Subscribe](#)


 10  [Share](#) 

## Social media

**Colorado Springs Utilities** Oct 4 · 🌐

At a time when prices are going up on many things, it's difficult to also ask for rate increases. But the consequences of not implementing specific projects and investments now to meet regulatory mandates and changing customer needs will result in much higher costs down the road.

Learn more: <https://bit.ly/3Y9SWoO>




22 likes 14 comments 1 share

Like Comment Copy Share

**Colorado Springs Utilities** 1h · 🌐

We're investing more than \$660 million in water capital projects over the next five years to continue providing water to our growing community. This includes our water sharing program in the Lower Arkansas River Valley and upgrading our water storage capacity with the Continental Hoosier System Project. These important investments are part of our five-year financial plan, and ensure our growing community has reliable water long into the future.




1 like 42 plays

Like Comment Copy Share

**Colorado Springs Utilities** 1h · 🌐

We're investing more than \$660 million in water capital projects over the next five years to continue providing water to our growing community. This includes our water sharing program in the Lower Arkansas River Valley and upgrading our water storage capacity with the Continental Hoosier System Project. These important investments are part of our five-year financial plan, and ensure our growing community has reliable water long into the future.

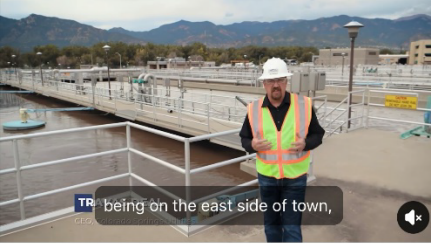


1 like 42 plays

Like Comment Copy Share

**Colorado Springs Utilities** Oct 3 · 🌐

Over the next five years, major system investments are needed to meet regulations, support growth and maintain our reliability. The Eastern Wastewater System Expansion is a major driver of our proposed wastewater base rate increase. The decades-long expansion of our wastewater system will provide the critical backbone needed to serve new customers in the eastern part of our city. Phase 1, at an estimated cost of \$396 million, includes the construction of approximately 11 miles of gravity wastewater main, seven miles of force mains and two new lift stations.



10 likes 1 comment 1 share 1.3K plays

Like Comment Copy Share



## Blogs

Blog post

### Investing in our future: why rate increases are crucial now



As a four-service utility, our pipes, wires and plants occupy large geographic areas both inside and outside of Colorado Springs. In fact, portions of our water system stretch across 11 Colorado counties.

The many miles of infrastructure that deliver water, wastewater, electric and natural gas services to you requires ongoing maintenance and replacement to maintain reliability, ensure safety and meet regulatory requirements.

Occasionally, these needs are far greater than normal and that is the case now. Changing regulations, technologies and customer demands, along with aging infrastructure, are quickly converging in a way that presents major challenges for our customers and organization.

 Steve B.

Duration: 1 minute

Published on October 2, 2024

Blog Post

## A message from the CEO



Travas Deal

Duration: 1 minute

Published on August 28, 2024

### Building the Future: our five-year financial plan

I am honored as CEO to celebrate Colorado Springs Utilities' century of service this year. We have a great deal to be proud of – and a lot of work ahead of us.

Our municipal utility has about \$4.6 billion in assets that have been built to support our city over the last 100 years. During the next five years, this will nearly double to include another \$3.9 billion. These investments are needed for the community's future.

After months of work, my team has developed a five-year financial plan to continue providing our customers with safe and reliable utility services while meeting all regulatory requirements. Here is a look at a few of the significant capital budget drivers.

### Sustainable Energy Plan: meeting state regulations

Colorado regulations require us to reduce our carbon emissions 80% by 2030. To meet this mandate, we must retire our coal-fired power plants by the end of this decade. To ensure we can continue providing our community with reliable electricity, we must replace this lost power with new investments in renewable and natural gas generation.

Because these new renewable energy resources will be located outside of city limits, additional investments in transmission lines and substations are also critical.



## Building the future: wastewater systems



Danielle N.

🕒 Duration: 1 minute

📅 Published on July 31, 2024

Over the next five years, we will have major investments on the horizon. These are needed to meet regulations, support growth and maintain reliability.

One major investment is an expanded wastewater system to meet the demands of growth within the city.

The Eastern Wastewater System Expansion consists of three large, complex projects that will provide the critical backbone needed to serve customers in a rapidly growing area in the city's eastern portion.

The project includes design and construction of two lift stations and 18 miles of new pipelines that will help move waste from eastern Colorado Springs to an existing treatment plant in the city.

The current estimated cost of the first phase is \$396 million. When complete, this expansion will serve up to 225,000 residents.

Charges paid by builders, along with wastewater base rates, will fund this phase. We're proposing a wastewater base rate increase of 9% to be implemented over the next five years (2025-2029) to fund this and other necessary wastewater capital investments.

As we embark on this new chapter, we're committed to ensuring another century of reliable utility services.



# FIRST SOURCE

October 2024



Over the next five years, in order to meet state emissions regulations and maintain reliability, we're proposing more than \$2 billion in electric grid enhancements and additional power generation in solar, natural gas and wind. These investments will ensure reliable, cost-effective and sustainable energy for the future. Click [here](#) to learn more.



# SMART HOME

October 2024

Do you know the three S's of natural gas safety? Learn these [safety tips](#) to keep you and your family safe.



Over the next five years, in order to meet demand in our growing city, we're investing more than \$660 million in water storage and acquisition. Our water sharing program with farmers in the Lower Arkansas River Valley and the enlargement of Montgomery Reservoir will help ensure every citizen has access to water long into the future.



**Department of Defense  
Notice of Intent to Submit  
Public Comments**



**DEPARTMENT OF THE ARMY**  
**UNITED STATES ARMY LEGAL SERVICES AGENCY**  
**9275 GUNSTON ROAD**  
**FORT BELVOIR, VIRGINIA 22060-5546**

REPLY TO  
ATTENTION OF  
Environmental Law Division

October 11, 2024

**Sent Via Electronic Mail**

**City Clerk's Office for Colorado Springs**  
[CityClerk@coloradosprings.gov](mailto:CityClerk@coloradosprings.gov)

**Colorado Springs Utilities Rates Manager**  
Scott Shirola – [sshirola@csu.org](mailto:sshirola@csu.org)

**Colorado Springs Utilities Principal Account Manager**  
Steve Carr – [scarr@csu.org](mailto:scarr@csu.org)

**Re: U.S. Department of Defense and other Federal Executive Agencies Notice of Intent to Submit Public Comments in Colorado Springs Utilities 2025 Rate Case before the Colorado Springs Utilities Board.**

Dear City Clerk's Office:

My name is Kyle J. Smith. I am an attorney with the United States Army Legal Service Agency and the designated customer representative for the United States Department of Defense ("DOD") and other Federal Executive Agencies ("FEA") regarding utility regulatory matters involving Colorado Springs Utilities ("CSU") pursuant to 40 U.S.C. § 501(c), as delegated by the General Services Administration.

CSU provides electric, natural gas supply and transportation, and water utility services to four DOD military installations located in or near the City of Colorado Springs: Peterson Space Force Base ("Peterson SFB"), Fort Carson Army Base ("Ft. Carson"), the United States Air Force Academy ("USAFA"), and Cheyenne Mountain Air Force Station ("CMAFS"). Peterson SFB and CMAFS also receive wastewater treatment services from CSU. According to the City of Colorado Springs Annual Comprehensive Financial Report for the year ending December 31, 2023 ("2023 ACFR"), the four DOD military facilities incur over \$46 million annually in utility service costs provided by CSU, with non-supply base rate costs exceeding \$30 million. Additionally, the 2023 ACFR indicates that these DOD facilities represent approximately 22.7% of total employment in El Paso County, with over 66,000 employees.

On September 10, 2024, CSU submitted its official request to increase its electric, natural gas, potable water, and wastewater rates, to be effective January 1st of each year from 2025 through 2029. CSU is scheduled to present its Proposed Budget and 5 -year Rate Case ("Rate Case") to the City Council on October 22, 2024. I am submitting this letter to provide notice that I intend to submit comments and provide a brief presentation at the October 22, 2024 hearing as the customer representative for DoD/FEA, pursuant to Colorado Springs Code 12.1.108(C)(3)(d). A general summary of the topics that will be addressed by DOD/FEA's comments/presentation are as follows:

1. DOD/FEA will address the requirements of E.O. 14057 for all Federal Executive Agencies to achieve 100% carbon pollution free energy (CFE)- consumption on an annual basis and 50% actual CFE consumption on a 24/7 hourly basis by 2030.
2. DOD/FEA has concerns with CSU's proposal to set rates with five-years of incremental rate increases based on CSU's 5-year Capital Improvement Program ("CIP"). First, five years of CIP projections is far reaching and should not be used for rate setting purposes. Second, the scale of CSU's 5-year CIP seems very large and may not be realized. According to CSU's 5-year rate plan, it anticipates spending \$3.9 billion on new CIP projects between 2025 and 2029, with an average of over \$780 million annually. Since CSU uses a cash-needs approach to determine its total revenue requirement, a substantial portion—around \$1,2 billion—is proposed to be funded directly through annual operating revenues or cash reserves ("Pay-go"). If CSU set a lower Pay-go target, its current operating revenues would be sufficient to cover non-fuel operation and maintenance ("O&M") costs, annual debt service obligations, and transfers to the City's general fund for the 2026-2029 period. The sole driver of future rate increases is the proposed reliance on a significantly higher level of Pay-go funding.
3. The approval of five years of large incremental rate increases based on greatly unknown projected costs without any interim review of utility rates is not sound ratemaking. It would be far more prudent to have approval of a single rate increase to take effect and then revisit the costs in a year or two to have a more accurate measure of costs for the utilities. This approach would also better match anticipated debt issuances to actual levels.
4. DOD/FEA will also propose adjustments to the allocation methodologies proposed by CSU for allocating the revenue increase among the different rate classes.

I appreciate the opportunity given to DOD/FEA to participate in the Rate Case process and present comments and exhibits at the hearing with the Colorado Springs Utilities Board. If you have any questions or concerns, please contact me at (703) 693 - 1274 or my email at [kyle.j.smith124.civ@army.mil](mailto:kyle.j.smith124.civ@army.mil). Thank you.

Kind regards,

/s Kyle J. Smith

Kyle J. Smith

General Attorney

U. S. Army Legal Services Agency

Regulatory Lawyer – Env. Law Div.

9275 Gunston Road

Fort Belvoir, VA 22060-5546

Phone: (703) 693 - 1274

Email: [kyle.j.smith124.civ@army.mil](mailto:kyle.j.smith124.civ@army.mil)

**Office of the City Auditor**  
**Audit Report**



# OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

Jacqueline M. Rowland  
City Auditor, CPA CFE PMP

## 24-21 Colorado Springs Utilities 2025-2029 Proposed Rate Increases

October 2024

### **Purpose**

The 2025 proposed electric, gas, water and wastewater five-year rate case review focused on accuracy and consistency of the methodology used to develop the proposed base rate changes effective January 1, 2025. We also reviewed for compliance with rate development guidance approved by the Colorado Springs Utilities (Utilities) Board.

### **Highlights**

We conclude the cost of service studies supporting the proposed base rate changes, effective January 1, 2025, for electric, gas, water, and wastewater services were prepared accurately. Methodology changes were appropriately disclosed in Utilities filing reports and rate changes were within tolerances approved by Utilities Board guidance. We identified one opportunity for improvement in our review. Please see page three for details.

The 2025 Rate Case was part of a five-year financial plan which proposed annual rate increases to electric, gas, water, and wastewater effective January 1st for each of the years 2025 through 2029. Utilities used a forecast for 2026 through 2029 and smoothed the percentage increases each year to phase-in rate increases for each service. The proposed total increase for years 2025-2029 is \$79.79 or 28.9% for residential, \$395.67 or 25% for commercial, and \$10,618.09 or 21.7% for industrial for all four services based on the monthly sample bill provided by Utilities.

Additionally, Utilities proposed to establish Energy-Wise Time-of-Day (Energy-Wise) as the standard rate option for most customers with changes effective October 1, 2025. Customers will pay different rates for electricity based on the time of day use. Utilities reported a systematic, managed approach to transition applicable customers to the Energy-Wise option will occur over a period of time to be established by them. Utilities engaged a third-party consultant to design the Energy-Wise rates and indicated they were designed to collect the same revenue as the legacy rates within the rate class. Given the timeframe for our review, testing of this assertion was not performed but we plan to perform a separate review next year.

*(Continued on page 2)*

### **Management Response**

Management was in agreement with our recommendations.

### **Opportunity for Improvement**

1. Utilities Management should:

- Incorporate more comprehensive reporting related to capital spending into the I-2 report to Utilities Board.
- Consider performing annual review of actuals to forecast to determine if changes in proposed rates are needed. Results should be reported to the Utilities Board.

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# 24-21 COLORADO SPRINGS UTILITIES 2025-2029 PROPOSED RATE INCREASES

Our review consisted of verifying the consistency of allocation to ratepayers using the following methods:

- Comparison of proposed rate case to prior case to identify significant changes or trends
- Testing mathematical accuracy and agreeing specific line items to supporting documentation to ensure all other forecasted revenues were accounted for in the case
- Reviewing rate case for format and methodology changes
- Verifying proposed rates were within Utilities Board approved guidance

We will consider additional review of actual results against the proposed rate case in the future.

## 2025 Forecasted Revenue Requirement by Service

The electric revenue requirement increased \$24.2 million or 6.5%. Gas revenue requirements increased \$3.6 million or 4% over the revenue at current rates. Water revenue requirements increased \$13.9 million or 6.5% over the revenue at current rates. Wastewater revenue requirements increased \$6.6 million or 9% over the revenue at current rates. See *Proposed 5-Year Rate Increase by Service for Residential* table below for percentage increases proposed for 2026 through 2029.

The primary rate drivers for increased rates were reported as funding reliability, regulatory, and growth infrastructure investments for all four services. Utilities advised the Eastern Wastewater System Expansion (eastern expansion) was a driver included in growth infrastructure for the wastewater service. The eastern expansion consists of three large, complex projects that will provide the critical backbone needed to serve customers in a rapidly growing area in the city's eastern portion.

Also, Colorado state regulation requires a reduction in carbon emissions. Utilities will acquire the needed renewable energy using Purchase Power Agreements (PPA's). PPA's are contracts to purchase a certain amount of renewable energy for a period of time. The costs are not known at this time but Utilities anticipates costs will increase when PPA's are put in place. PPA's are not part of this base rate case but will be included in fuel cost adjustments. Changes to fuel cost adjustments directly reflect the cost Utilities are paying and passing directly through to customers. Changes to the fuel cost adjustments are typically made quarterly.

Budget and base rate proposals are presented to the Utilities Board and approved by City Council each year. Base rates pay for major projects, system improvements and maintenance to meet regulations, support customer needs, and maintain service reliability. Utilities anticipates their need to build new infrastructure over the next five years will increase capital projects \$600 to \$950 million annually. This resulted in the proposed five-year rate case.

Proposed 5-Year Rate Increase by Service for Residential					
	2025	2026	2027	2028	2029
<b>Electric</b>	6.6%	6.4%	6.4%	6.4%	6.4%
<b>Gas</b>	3.9%	4.3%	4.3%	4.3%	4.3%
<b>Water</b>	5.4%	6.4%	6.4%	6.4%	6.4%
<b>Wastewater</b>	9.2%	9.0%	9.0%	9.0%	9.0%

# 24-21 COLORADO SPRINGS UTILITIES 2025-2029 PROPOSED RATE INCREASES

## ***Opportunity for Improvement 1***

Significant changes to forecasts could be required during the five year period. Utilities is also implementing Energy-Wise rates beginning in 2025 which could result in changes to the forecast.

Annually, Utilities proposes a budget to include planned capital projects as part of the annual appropriation. Instruction 2 (I-2) Financial Condition and Activities reported to Utilities Board required reporting of cancelled projects and new projects over \$500,000. Additional key capital budget variances were reported quarterly to the Utilities Finance Committee.

Research of nine other large public power utilities ratemaking practices indicated that five of the nine approved rates annually. The remainder utilized a 2-3 year rate increase approval cycle. This is likely because of the rapid changes in the electric industry that require more frequent forecast updates.

As would be expected, project cost estimates and project timing may change after budget submission with management approval. There was a possibility that capital spending requirements would increase in one service and decrease in another during the five year period proposed in the rate case.

Utilities has considered developing more comprehensive reporting of actual capital spending as compared to the annual budget as part of the I-2 report. More comprehensive reporting including a breakdown by project would provide greater visibility for stakeholders into capital budget adjustments.

## ***Management Response***

Utilities Management agrees with the City Auditor's Office identification for this Improvement to our reporting. Utilities will work in partnership with the City Auditors' Office and the Utilities Board Finance Committee to bring suggested improvements to the I-2 reporting. We anticipate any improvement suggestions to our reporting will be completed by the end of the 1<sup>st</sup> quarter 2025.

## ***Recommendation***

Utilities Management should:

- Incorporate more comprehensive reporting related to capital spending into the I-2 report to Utilities Board.
- Consider performing annual review of actuals to forecast to determine if changes in proposed rates are needed. Results should be reported to the Utilities Board.