



**Minutes
Strategic Planning Committee
January 21, 2025**

Committee members present in the Rosemont Conference Room or online:

Dave Donelson, David Leinweber and Brian Risley

Board Members present in the Rosemont Conference Room or online:

Nancy Henjum

Staff members present in the Rosemont Conference Room or online:

Travas Deal, Lisa Barbato, Mike Francolino, Tristan Gearhart, Somer Mese, Jay Anderson, Alex Baird, Kevin Binkley, Andy Colosimo, Matt Dudden, Jason Green, Ginny Halvorson, Jennifer Jordan, David Longrie, Jared Miller, Daniel Norton, Jacqueline Nunez, Christopher Olney, Abigail Ortega, David Padgett, Joseph Rasmussen, Jason Reynolds, Jason Rigler, Kathryn Rozwod, Bethany Schoemer, Leslie Smith, Gail Pecoraro, Natalie Watts, Al Wells and Jane Zook

City of Colorado Springs staff members present in the Rosemont Conference Room or online:

Shawn Alessio, Sally Barber, David Beckett, Renee Congdon and Rhea Hendrixson

Call to Order

Committee Chair Brian Risley called the meeting to order at 2:00 p.m. and read into the record the statement regarding the Colorado Open Meetings Law and the City Charter and noted that public comment would not be a part of the meeting.

Minutes

The minutes from the Nov. 19, 2024, Strategic Planning Committee meeting were approved for posting.

Compliance Reports

I-6 Infrastructure

Ms. Abigail Ortega, General Manager of Infrastructure and Resource Planning, reviewed the I-6 Infrastructure compliance report, which was included in the meeting materials packet.

Committee Member Leinweber asked if this covers the process and not the details. Ms. Ortega stated this is correct. The Integrated Resource Plans go more into the details on projects and plans. Mr. Travas Deal, Chief Executive Officer, said that this is more of a report on the guiding principles.

Energy Integrated Resource Plan (EIRP) and Schedule

Ms. Kathryn Rozwod, Energy Resource Planning Supervisor, gave an overview of the Energy Integrated Resource Plan.

Energy Vision

The organization's energy vision is to "Provide resilient, reliable and cost-effective energy that is environmentally sustainable, reduces our carbon footprint and uses state-of-the-art technologies to enhance our quality of life for generations to come".

Current Plan Review

The Integrated Resource Plan (IRP) was most recently updated in 2020. The Clean Energy Plan was filed in 2021 and was verified in 2022. The Clean Heat Plan and the electric Request for Proposal (RFP) resource solicitation were submitted in 2023. The electric RFP selections were made in 2024. The IRP will be updated in 2025, and the EIRP filing and entry into the Regional Transmission Organization (RTO) is planned for 2026.

The Utility Policy Advisory Committee (UPAC) had input into the development of the energy vision, pillars, and goals. The vision, goals and strategies steer the planning approach.

Integrated Resource Plan Update Overview

The IRP's strategic objectives are operational excellence, focus on the customer, financial accountability and support our community.

Public process oversight includes recommendations to the Strategic Planning Committee to include goals, inputs, scenarios and sensitivities; recommendation to the Utilities Board to draft the portfolio, and approval of the IRP by the full Utilities Board.

Once approved, desired outputs include balanced system plans, system strategies, action plans (focus areas) and energy messaging.

Committee Member Leinweber asked if climate changes play a role in the planning process. Ms. Ortega said that different proposals for environmental inputs need to be determined before specific dates can be promised.

Board Member Henjum asked how much of the energy used by artificial intelligence (AI) is distributed across the globe versus how much is used locally by data centers? Mr. Deal said that the data is consumed at the processing plant. Where the data center is located will determine where the energy is used, not specifically where the resident pulling the AI is located.

Committee Member Leinweber asked if the local military installations house their data locally, and if they keep the organization aware of their needs to this type of storage. Mr. Deal said that they are making decisions on their current load and redundancy of load.

Stakeholder Engagement Plan

The purpose of stakeholder engagement is to engage through the planning process; to confirm existing plan direction; to communicate relevant updates/changes to the plan; to educate about the planning purpose, drivers and policy; to collect and incorporate feedback; and to provide status updates for completed and planned projects.

Stakeholder engagement activities include customer surveys, public meetings, and Utilities Board meetings.

The approximate draft timeline is October 2025.

Customer Feedback

Ms. Leslie Smith, Customer Insights and Programs Supervisor, said that in 2020 customers were asked, "Please rate how important each of the attributes should be to Colorado Springs Utilities future energy planning." The attribute choices were cost, diversity, environment, flexibility, implementation, innovation, reliability, and stewardship. Residential customers' top three choices were cost, environment, and reliability; commercial customers' top choices were cost, reliability, and environment, and employees' top three choices were reliability, cost, and environment.

Residential customers were also asked if a rate increase was necessary, how much of an increase would be acceptable. The highest percentage of responses indicated that a \$5 or less increase would be acceptable (22%), closely followed by no increase (21%).

Ms. Smith said that since 2020, customers have been asked if they are worse off financially than they were the previous year. In 2024, 38% of Springs Utilities customers feel that they are worse off than they were in 2023.

On the energy horizon, there is a risk of customer backlash against clean energy plans. When offered a range of energy issues, more customers select energy affordability as a bigger issue than the environment. The percentage gap between these two issues has declined from 12.8% in 2023 to 11.6% in 2024.

Committee Member Leinweber said that one of the things he has noticed is that air quality in residents' homes is being talked about more and more, pushing a narrative against natural gas stoves, because homes are now sealed more than ever before. Studies have indicated that burning a natural gas flame may be more dangerous than before. Ms. Smith said that these studies are different across different parts of the country, but the organization does survey for this information.

Ms. Smith said that Springs Utilities customers completing survey data are very highly educated, more so than other metropolitan areas in Colorado.

Economic Development Update

Mr. Jared Miller, Strategic Customer Relations Manager, reviewed the Economic Development Program Dashboard (January – December 2024).

In 2024, there have been 42 prospects, with 5,133 estimated job impacts. The estimated capital investment is \$6.198 billion.

Potential revenue by industry:

\$410.0 million – Technology

\$177.9 million – Manufacturing

\$11.7 million – Food and Beverage

\$800,000 – Office

\$400,000 – Government

\$200,000 – Retail

Committee Chair Risley asked if there is any insight into Q1 numbers. Mr. Miller said that the Peak Innovation Park remains the primary focus for innovation with the data center and new manufacturing. Mr. Deal said that he believes that numbers may slow down initially under the new administration, many of these initiatives are very load-driven. It is important to look at sustainable infrastructure for the community and how resources are utilized.

Committee Member Leinweber asked if the generators are on order and Ms. Barbato said they are.

Future Meetings Format Update

Ms. Natalie Watts, Strategic Planning and Governance Manager, said that the meeting structure for future committee meetings will be piloted in February 2025. All committee meetings will be combined into one Working Committee meeting, which will meet the Monday or Tuesday prior to the Utilities Board meeting. This change will need approval of the full Utilities Board with a vote at the February 2025 meeting. These changes will require changes to the Utilities Board Bylaws and the Excellence in Governance Manual.

Committee Chair Risley asked how items would be determined to be brought forward to the Working Committee. Ms. Watts said that the final decision would be at the discretion of the full Utilities Board.

Mr. Deal stated that many details are still to be determined, but the purpose behind the Working Committee is to streamline information sharing. One of the objectives of the Working Committee is to have a quorum, which is sometimes not achieved at the existing committee meeting structure. Committee Member Donelson said that this will be timesaving to cover items from the Personnel, Strategic Planning, Finance, and Program Management Review Committees for the full Board in one meeting.

Committee Chair Risley said that his concern is that the discussion would remain more detailed, information sharing and less formal. Committee Member Henjum suggested keeping the meeting location in Rosemont Conference Room over at the more formal Blue River Board Room dais.

Committee Member Leinweber said that the biggest challenge for him has always been that this is a volunteer position and he is making large scale decisions for a large organization. He relies on the subject matter experts within the organization to provide the technical expertise to make critical decisions for the organization and the community.

Adjournment

The meeting adjourned at 3:36 p.m.