



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

# 2022 Rate Case

September 28, 2021

# Executive Summary

**Rate Case Filing Summary**

Colorado Springs Utilities (Utilities) is submitting a 2022 Rate Case filing that includes proposed changes to the Electric, Natural Gas, Water and Wastewater Rate Schedules, and changes to Utilities Rules and Regulations. The effective date for the proposed changes is January 1, 2022 except where noted otherwise. Please refer to the service specific reports for detail.

**ELECTRIC**

# **Electric Report**

## **Electric Service**

Colorado Springs Utilities (Utilities) engages in the production, purchase, and distribution of electricity. These activities incur fuel related (production and purchases) and non-fuel related (production and distribution) expenditures. Fuel related expenditures are currently recovered through the Electric Cost Adjustment (ECA) and Electric Capacity Charge (ECC). Non-fuel related expenditures are recovered through Access and Facilities Charges and Demand Charges. Utilities proposes the following changes to the Electric Rate Schedules in this filing:

### **Commercial Service - Non-Metered (ENM)** *(Electric Rate Schedules Sheet Nos. 1, 2, 2.9, and 5.1)*

Utilities Rules and Regulations (URR) stipulate all Electric service will be metered except in limited circumstances. These exceptions are currently managed under separate contracts whereby energy estimates are mutually agreed upon by established procedures. The introduction of the ENM rate offers commercial customers a service option intended to provide energy for small devices with low-level usage where metering infrastructure is not feasible or practical. With this new rate offering, Utilities seeks to improve customer experience while mitigating the administrative burden required with separate contracts.

### **Contract Service – Military Wheeling (ECW)** *(Electric Rate Schedules Sheet Nos. 2.5, and 13.3)*

The ECW service transports customers' allocation of hydro power over Utilities' transmission and distribution system. There is an optional Prescheduling and Load Forecasting service available to these customers which has historically been and is currently unutilized. Utilities proposes eliminating this unexercised option of the Wheeling Service.

# **Electric Resolution**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION SETTING ELECTRIC RATES  
WITHIN THE SERVICE AREAS OF COLORADO SPRINGS UTILITIES  
AND CERTAIN OTHER CHANGES TO THE ELECTRIC RATE SCHEDULES**

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed, and the Colorado Springs City Council finds it prudent, to add the Commercial Service - Non-Metered (ENM) Electric rate schedule to Utilities' electric rate schedules; and

**WHEREAS**, Utilities proposed, and the City Council finds it prudent, to modify the Contract Service – Military Wheeling (ECW) to eliminate the optional Prescheduling and Load Forecasting Service; and

**WHEREAS**, the City Council finds Utilities' proposed modifications prudent; and

**WHEREAS**, the City Council finds that the proposed modifications to the electric rate schedules are just, reasonable, sufficient, and not unduly discriminatory and allow Utilities to collect revenues that enable Utilities to continue to operate in the best interest of all its Customers; and

**WHEREAS**, the details of the changes, including the pricing changes noted above and all changes noted in the following clauses, are reflected in the tariff sheets attached to this resolution, are provided in redline format within Utilities' 2022 Rate Case, and are discussed further in the City Council Decision and Order for this case; and

**WHEREAS**, Utilities provided public notice of the proposed changes and complied with the requirements of the City Code for changing its electric rate schedules; and

**WHEREAS**, Utilities proposed to make the electric rate schedule changes effective January 1, 2022; and

**WHEREAS**, specific rates, policy changes, and changes to any terms and conditions of service are set out in the attached tariffs for adoption with the final City Council Decision and Order in this case.

**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, 2022

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Second Revised Sheet No. 1	TABLE OF CONTENTS	First Revised Sheet No. 1
Second Revised Sheet No. 2	RATE TABLE	First Revised Sheet No. 2
Second Revised Sheet No. 2.5	RATE TABLE	First Revised Sheet No. 2.5
Fourteenth Revised Sheet No. 2.9	RATE TABLE	Thirteenth Revised Sheet No. 2.9
Original Sheet 5.1	COMMERCIAL SERVICE – NON-METERED (ENM)	
First Revised Sheet No. 13.3	CONTRACT SERVICE – MILITARY WHEELING (ECW)	Original Sheet No. 13.3

Section 2: The attached Tariff Sheets, Council Decision and Order, and other related matters are hereby approved and adopted.

Dated at Colorado Springs, Colorado, this 23<sup>rd</sup> day of November 2021.

\_\_\_\_\_  
City Council President

ATTEST:

\_\_\_\_\_  
Sarah B. Johnson, City Clerk

**Electric**  
**Redline Tariff Sheets**



<b>ELECTRIC RATE SCHEDULES</b>
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Industrial Service – Time-of-Day Service 4,000 kW Minimum (E8S) .....	9
Industrial Service – Large Power and Light (ELG).....	10
Industrial Service – Time-of-Day Transmission Voltage (ETX).....	11
Contract Service – Military (ECD, EHYDPWR, EINFPRS) .....	12
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Small Power Producers and Cogeneration Service.....	21
Community Solar Garden Bill Credit (Pilot Program) .....	22
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Approval Date: ~~November 12, 2019~~ November 23, 2021  
 Effective Date: ~~January 1, 2020~~ January 1, 2022  
 Resolution No. ~~122-19~~



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

**Billing statements are the sum of rate components listed below each available service.**

Description	Rates	Reference
<b>Residential Service (E1R, ETR)</b>		<b>Sheet No. 4</b>
<b>Standard Option (E1R)</b>		
Access and Facilities Charge, per day	\$0.5103	
Access and Facilities Charge, per kWh	\$0.0777	
Electric Cost Adjustment (ECA), per kWh	Sheet No. 2.9	
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
<b>Time-of-Day Option (ETR)</b>		
Access and Facilities Charge, per day	\$0.5195	
Access and Facilities Charge:		
On-Peak, per kWh	\$0.1827	
Off-Peak, per kWh	\$0.0522	
Electric Cost Adjustment (ECA):		
On-Peak, per kWh	Sheet No. 2.9	
Off-Peak, per kWh	Sheet No. 2.9	
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
<b>Commercial Service – Small (E1C)</b>		<b>Sheet No. 5</b>
Access and Facilities Charge, per day	\$0.5103	
Access and Facilities Charge, per kWh	\$0.0777	
Electric Cost Adjustment (ECA), per kWh	Sheet No. 2.9	
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
<b><u>Commercial Service – Non-Metered (ENM)</u></b>		<b><u>Sheet No. 5.1</u></b>
<u>Access and Facilities Charge, per kWh</u>	<u>\$0.0991</u>	
<u>Electric Cost Adjustment (ECA), per kWh</u>	<u>Sheet No. 2.9</u>	
<u>Electric Capacity Charge (ECC), per kWh</u>	<u>Sheet No. 2.9</u>	

Approval Date: ~~November 10, 2020~~ November 23, 2021  
 Effective Date: ~~January 1, 2021~~ January 1, 2022  
 Resolution No. ~~102-20~~



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

Description	Rates	Reference
<b>Contract Service – Military (ECD, EHYDPWR, EINFPRS)</b>		<b>Sheet No. 12</b>
<b>Standard Option (ECD)</b>		
Access and Facilities Charge, per day	\$40.1585	
Access and Facilities Charge, per meter, per day	\$0.4654	
Demand Charge Primary:		
On-Peak, per kW, per day	\$0.5970	
Off-Peak, per kW, per day	\$0.3230	
Demand Charge Secondary:		
On-Peak, per kW, per day	\$0.6088	
Off-Peak, per kW, per day	\$0.3348	
Electric Cost Adjustment (ECA):		
On-Peak, per kWh	Sheet No. 2.9	
Off-Peak, per kWh	Sheet No. 2.9	
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
<b>Optional Service (EHYDPWR, EINFPRS)</b>		
See rate and charge detail in tariff		
<b>Contract Service – Military Wheeling (ECW)</b>		<b>Sheet No. 13</b>
<b>Required Services</b>		
Wheeling Demand Charge, per kW, per day	\$0.0669	
Open Access Transmission Service (see Open Access Transmission Tariff for applicable charges)		
<b>Optional Services</b>		
<del>Prescheduling and Load Forecasting Service Fee, per day in the Billing Period</del>	<del>\$13.7900</del>	

Approval Date: ~~July 10, 2018~~November 23, 2021  
 Effective Date: ~~August 1, 2018~~January 1, 2022  
 Resolution No. ~~74-18~~



<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> (E1R), (E1C), ( <del>ENM</del> ), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)	\$0.0294	
<b>Time-of-Day ECA (ETR)</b>		
On-Peak, per kWh	\$0.0703	
Off-Peak, per kWh	\$0.0233	
<b>Time-of-Day ECA</b> (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)		
On-Peak, per kWh	\$0.0491	
Off-Peak, per kWh	\$0.0239	
<b>Industrial Service – Large Power and Light (ELG) Supply Credit</b>		
Supply Credit – Primary and Secondary Service, 2.0% of Standard ECA, per kWh	\$(0.0006)	
<b>Electric Capacity Charge (ECC)</b>		<b>Sheet No. 17</b>
Residential Service (E1R), per kWh	\$0.0042	
Residential Time-of-Day Option (ETR), per kWh	\$0.0045	
Commercial Service – Small (E1C), per kWh	\$0.0042	
<u>Commercial Service – Non-Metered (ENM), per kWh</u>	<u>\$0.0042</u>	
Commercial Service – General (E2C), per kWh	\$0.0039	
Commercial Service – General Time-of-Day Option (ETC), per kWh	\$0.0022	
Industrial Service – Time-of-Day 1,000 kWh/Day Min (ETL), per kWh	\$0.0034	
Industrial Service – Time-of-Day 500 KW Minimum (E8T), per kWh	\$0.0036	
Industrial Service – Time-of-Day 4,000 KW Minimum (E8S), per kWh	\$0.0036	
Industrial Service – Large Power and Light (ELG), per kWh	\$0.0022	
Industrial Service – Time-of-Day Transmission Voltage (ETX), per kWh	\$0.0026	
Contract Service – Military (ECD), per kWh	\$0.0030	
Contract Service – Traffic Signals (E2T), per kWh	\$0.0022	
Contract Service – Street Lighting (E7SL), per kWh	\$0.0022	

Approval Date: ~~March 23, 2021~~ November 23, 2021  
 Effective Date: ~~April 1, 2021~~ January 1, 2022  
 Resolution No. ~~50-21~~

**ELECTRIC RATE SCHEDULES**

**COMMERCIAL SERVICE - NON-METERED (ENM)**

**AVAILABILITY**

Available in Utilities' electric service territory for Customers engaged in the operation of a business, governmental service, or an institution, whether or not for profit, who seek to deploy equipment that, on a per device basis, cannot exceed 1,000 kWh within a single monthly billing period. Additionally, the equipment is to be located within the public right-of-way, dedicated utility easements, or defined and platted general utility easements, in conformance with the infrastructure owner's standards and requirements and in conformance with any applicable governmental policies and standards.

**RATE**

See Rate Table for applicable charges.

**TERMS AND CONDITIONS**

Service under this rate schedule is limited to circumstances where Utilities has approved it, has determined that metering is not required because a limited opportunity for load variance, misuse or subterfuge exists, and has agreed upon usage estimating procedures. In establishing usage estimations, Customer is permitted to have a reasonable number of daily usage level categories to accommodate energy consumption differences in approved devices. At any time, Utilities may require verification of usage estimates through testing or other verification procedures. If Utilities determines energy estimates to be inaccurate, Utilities may modify the estimated usage for all of Customer's devices in that daily usage level category or, if the energy usage exceeds the limits for non-metered service, may require the installation of a meter(s) at Customer's expense, and may charge the Customer up to two years of underbilled electric usage.

Approval Date: November 23, 2021

Effective Date: January 1, 2022

Resolution No.

**ELECTRIC RATE SCHEDULES**

**CONTRACT SERVICE – MILITARY WHEELING (ECW)**

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**OPTIONAL SERVICE**

**Prescheduling and Load Forecasting**

~~Prescheduling and Load Forecasting entail projecting power requirements on an hourly basis for the ensuing month using historical consumption data and best estimates of future requirements. Prescheduling also entails scheduling for the ensuing month, ascertaining that scheduled deliveries from Western meet all requirements consistent with contractual agreements between Customer, Western, and Utilities.~~

~~At Customer's option, except as provided below, Utilities will advise and consult with Customer and provide its best estimate of the ensuing calendar month's hourly power requirements, based on historical consumption and other available data. Utilities will further provide a suggested preschedule of deliveries from Western to meet such requirements consistent with contractual agreements. Utilities will develop purchase schedules so as to achieve a better balance between loads and requirements, utilizing current usage patterns and prescheduled deliveries, in an attempt to optimize usage of the Customer's power resources from Western (wheeled power) and from Utilities (Supplemental Power and Energy). Utilities will supply such estimate to Customer on or before the 20th of each month for the following month. Utilities accepts no responsibility for either over-estimating or under-estimating of projected loads, or prescheduling of Western deliveries, for the Customer. If Customer elects this option and so desires, Utilities will transmit the Customer-approved preschedule of Western deliveries to Western.~~

~~Prescheduling and Load Forecasting service may be initiated or terminated by Customer by rendering written notice on or before the 20th of the month preceding the initiation or termination.~~

~~Any Customer who has not elected the Preschedule and Load Forecasting option will provide a schedule for the following month to Utilities by the 20th of the month. If by the 20th of any month, a Customer who has not elected the Preschedule and Load Forecasting option fails to provide the necessary schedule for the following month to Western and Utilities, Utilities will develop the schedule for the Customer in accordance with Western's Scheduling, Accounting, and Billing procedures contained in Western's contract. In this event, the Customer will be deemed to have initiated the Prescheduling and Load Forecasting option and will be billed in accordance with this rate schedule until this option is terminated as described above.~~

Approval Date: June 12, 2018~~November 23, 2021~~  
Effective Date: July 1, 2018~~January 1, 2022~~  
Resolution No. 60-18



**Electric**  
**Final Tariff Sheets**



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Commercial Service – Non-Metered (ENM) .....	5.1
Commercial Service – General (E2C, ETC).....	6
Industrial Service – Time-of-Day Service 1,000 kWh/Day	
Minimum (ETL, ETLO, ETLW).....	7
Industrial Service – Time-of-Day Service 500 kW Minimum (E8T).....	8
Industrial Service – Time-of-Day Service 4,000 kW Minimum (E8S) .....	9
Industrial Service – Large Power and Light (ELG).....	10
Industrial Service – Time-of-Day Transmission Voltage (ETX).....	11
Contract Service – Military (ECD, EHYDPWR, EINFPRS) .....	12
Contract Service – Military Wheeling (ECW).....	13
Contract Service – Traffic Signals (E2T).....	14
Contract Service – Street Lighting (E7SL).....	15
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 Resolution No. \_\_\_\_\_



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Access and Facilities Charge, per kWh	\$0.0777	
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Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
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On-Peak, per kWh	\$0.1827	
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<b>Commercial Service – Small (E1C)</b>		<b>Sheet No. 5</b>
Access and Facilities Charge, per day	\$0.5103	
Access and Facilities Charge, per kWh	\$0.0777	
Electric Cost Adjustment (ECA), per kWh	Sheet No. 2.9	
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
<b>Commercial Service – Non-Metered (ENM)</b>		<b>Sheet No. 5.1</b>
Access and Facilities Charge, per kWh	\$0.0991	
Electric Cost Adjustment (ECA), per kWh	Sheet No. 2.9	
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	

Approval Date: November 23, 2021  
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<b>ELECTRIC RATE SCHEDULES</b>
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Access and Facilities Charge, per day	\$40.1585	
Access and Facilities Charge, per meter, per day	\$0.4654	
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Demand Charge Secondary:		
On-Peak, per kW, per day	\$0.6088	
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On-Peak, per kWh	Sheet No. 2.9	
Off-Peak, per kWh	Sheet No. 2.9	
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
<b>Optional Service (EHYDPWR, EINFPRS)</b>		
See rate and charge detail in tariff		
<b>Contract Service – Military Wheeling (ECW)</b>		<b>Sheet No. 13</b>
<b>Required Services</b>		
Wheeling Demand Charge, per kW, per day	\$0.0669	
Open Access Transmission Service (see Open Access Transmission Tariff for applicable charges)		

Approval Date: November 23, 2021  
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 Resolution No. \_\_\_\_\_



<b>ELECTRIC RATE SCHEDULES</b>
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Description	Rates	Reference
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<b>Time-of-Day ECA (ETR)</b>		
On-Peak, per kWh	\$0.0703	
Off-Peak, per kWh	\$0.0233	
<b>Time-of-Day ECA (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)</b>		
On-Peak, per kWh	\$0.0491	
Off-Peak, per kWh	\$0.0239	
<b>Industrial Service – Large Power and Light (ELG) Supply Credit</b>		
Supply Credit – Primary and Secondary Service, 2.0% of Standard ECA, per kWh	\$(0.0006)	
<b>Electric Capacity Charge (ECC)</b>		<b>Sheet No. 17</b>
Residential Service (E1R), per kWh	\$0.0042	
Residential Time-of-Day Option (ETR), per kWh	\$0.0045	
Commercial Service – Small (E1C), per kWh	\$0.0042	
Commercial Service – Non-Metered (ENM), per kWh	\$0.0042	
Commercial Service – General (E2C), per kWh	\$0.0039	
Commercial Service – General Time-of-Day Option (ETC), per kWh	\$0.0022	
Industrial Service – Time-of-Day 1,000 kWh/Day Min (ETL), per kWh	\$0.0034	
Industrial Service – Time-of-Day 500 KW Minimum (E8T), per kWh	\$0.0036	
Industrial Service – Time-of-Day 4,000 KW Minimum (E8S), per kWh	\$0.0036	
Industrial Service – Large Power and Light (ELG), per kWh	\$0.0022	
Industrial Service – Time-of-Day Transmission Voltage (ETX), per kWh	\$0.0026	
Contract Service – Military (ECD), per kWh	\$0.0030	
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**ELECTRIC RATE SCHEDULES**

**COMMERCIAL SERVICE - NON-METERED (ENM)**

**AVAILABILITY**

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**RATE**

See Rate Table for applicable charges.

**TERMS AND CONDITIONS**

Service under this rate schedule is limited to circumstances where Utilities has approved it, has determined that metering is not required because a limited opportunity for load variance, misuse or subterfuge exists, and has agreed upon usage estimating procedures. In establishing usage estimations, Customer is permitted to have a reasonable number of daily usage level categories to accommodate energy consumption differences in approved devices. At any time, Utilities may require verification of usage estimates through testing or other verification procedures. If Utilities determines energy estimates to be inaccurate, Utilities may modify the estimated usage for all of Customer's devices in that daily usage level category or, if the energy usage exceeds the limits for non-metered service, may require the installation of a meter(s) at Customer's expense, and may charge the Customer up to two years of underbilled electric usage.

Approval Date: November 23, 2021  
Effective Date: January 1, 2022  
Resolution No. \_\_\_\_\_



<b>ELECTRIC RATE SCHEDULES</b>
<b>CONTRACT SERVICE – MILITARY WHEELING (ECW)</b>

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Approval Date: November 23, 2021  
Effective Date: January 1, 2022  
Resolution No. \_\_\_\_\_

# **Schedules**



**Colorado Springs Utilities**  
**2022 Electric Non-Metered Service**

**SCHEDULE 1**  
**ACCESS AND FACILITIES CHARGE PER KWH**

<b>Line No.</b>	<b>Description</b>	<b>Adjusted Total Customer Class Revenue Requirement</b>	<b>Forecasted Sales (kWh)</b>	<b>Total Cost per kWh</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b> <b>(c) / (d)</b>
1	Residential/Small Commercial (E1R/E1C)	\$ 151,763,523	1,531,336,916	\$ 0.0991

*Note: Figures from Column (d) are from the 2018 Electric Cost of Service Study for the applicable customer class.*

Colorado Springs Utilities  
2022 Electric Non-Metered Service

SCHEDULE 2  
ADJUSTED REVENUE REQUIREMENT BY CUSTOMER CLASS

Line No.	Description	Total Revenue Requirement Adjustment	Weighted Average Customers for Meter Charge	Total Customer Class Adjustment	Total Customer Class Revenue Requirement	Adjusted Total Customer Class Revenue Requirement
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(c) * (d)</u>	<u>(f)</u>	<u>(g)</u> <u>(f) - (e)</u>
1	Residential/Small Commercial (E1R/E1C)	\$ 4,526,624	89%	\$ 4,030,531	\$ 155,794,054	\$ 151,763,523

*Note: Figures from Columns (d) and (f) are from the 2018 Electric Cost of Service Study for the applicable customer class.*

**Colorado Springs Utilities**  
**2022 Electric Non-Metered Service**

**SCHEDULE 3**  
**REVENUE REQUIREMENT ADJUSTMENT**

<b>Line No.</b>	<b>Description</b>	<b>Operation and Maintenance Related Expense Adjustment</b>	<b>Capital Related Expense Adjustment</b>	<b>Total Revenue Requirement Adjustment</b>
<b><u>(a)</u></b>	<b><u>(b)</u></b>	<b><u>(c)</u></b>	<b><u>(d)</u></b>	<b><u>(e)</u></b> <b><u>(c) + (d)</u></b>
1	Electric Service, Meters and Installation Revenue Requirement Adjustment	\$ 1,844,195	\$ 2,682,429	\$ 4,526,624

Colorado Springs Utilities  
2022 Electric Non-Metered Service

SCHEDULE 3.1  
OPERATION AND MAINTENANCE ADJUSTMENT ALLOCATOR

<u>Electric Service, Meters and Installation</u>						
Line No.	Description	Operation and Maintenance Expense	Additions to Cash	Subtotal Operation and Maintenance and Additions to Cash	Operation and Maintenance Meter % Allocation	Total Operation and Maintenance Adjustment
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(c) + (d)</u>	<u>(f)</u>	<u>(g)</u> <u>(f) * (e)</u>
1	Electric Service, Meters and Installation Revenue Requirements	\$ 16,106,223	\$ 1,885,927	\$ 17,992,151	10.25%	\$ 1,844,195

*Note:* Consistent with the 2018 Electric Cost of Service Study, Operation and Maintenance (O&M) Expense is functionalized by FERC account and Additions to Cash is allocated based on O&M.

**Colorado Springs Utilities  
2022 Electric Non-Metered Service**

**SCHEDULE 3.2  
OPERATION AND MAINTENANCE METER ALLOCATION FACTOR**

Line No.	Description	Distribution		Total Direct Operation and Maintenance Expense (c) + (d)	Direct Meter Operation and Maintenance Expense (Accts 586, 597)	Operation and Maintenance Meter % Allocation (f) / (e)
		Line	Electric Service, Meters and Installation			
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u>
1	Direct O&M Expense	\$ 8,442,132	\$ 1,014,541	\$ 9,456,673	\$ 968,866	10.25%

**Colorado Springs Utilities**  
**2022 Electric Non-Metered Service**

**SCHEDULE 3.3**  
**CAPITAL RELATED ADJUSTMENT**

<b>Line No.</b>	<b>Description</b>	<b>Debt Service</b>	<b>Cash Funded Capital</b>	<b>Revenue Credits (Other Operating Revenue + Nonoperating Revenue)</b>	<b>Subtotal Revenue Requirements</b>	<b>Capital Meter % Allocation</b>	<b>Total Capital Related Expense Adjustment</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b> <b>(c) + (d) - (e)</b>	<b>(g)</b>	<b>(h)</b> <b>(f) * (g)</b>
1	Electric Service, Meters and Installation Revenue Requirements	\$ 2,650,861	\$ 2,684,493	\$ 224,993	\$ 5,110,361	52.49%	\$ 2,682,429

*Note: Consistent with the 2018 Electric Cost of Service Study, Debt Service, Cash Funded Capital and applicable Revenue credits are functionalized based on a Net Plant Capital allocation.*

**Colorado Springs Utilities**  
**2022 Electric Non-Metered Service**

**SCHEDULE 3.4**  
**CALCULATION OF CAPITAL METER ALLOCATION FACTOR**

<b>Line No.</b>	<b>Description</b>	<b>Electric Service, Meters and Installation (Accts 369-371)</b>	<b>Meters (Acct 370)</b>	<b>Capital Meter % Allocation</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (d) / (c)</b>
1	Net Plant	\$ 39,837,479	\$ 20,909,472	52.49%

**NATURAL GAS**



# **Natural Gas Report**

## **Natural Gas Service**

Colorado Springs Utilities (Utilities) engages in the purchase, transportation, storage, and distribution of natural gas. These activities incur fuel related (purchases, transportation, and storage) and non-fuel related (distribution) expenditures. Fuel related expenditures are currently recovered through the Gas Cost Adjustment (GCA) and the Gas Capacity Charges (GCC). Non-fuel related expenditures are recovered through Access and Facilities and Transportation Charges. Utilities proposes the following changes to the Natural Gas Rate Schedules in this filing:

### **New Industrial Service – Interruptible Prescheduled (G3D)** *(Natural Gas Rate Schedule Sheet Nos. 1, 2.1, 2.2, 2.4, 3, 3.1, 3.2, 7.1, 7.2, 7.3, 7.4, 7.5, and 7.6)*

In an effort to maximize the utilization of existing natural gas capacity without adversely impacting existing interruptible customers, Utilities proposes the addition of a new Industrial Service – Prescheduled Interruptible Rate Schedule available to customers who:

- Connect directly to the 150 pounds-per-square-inch-gauge or higher distribution system
- Have a connected daily load of at least 25,000 Mcf
- Consume 50% or more of their natural gas during Utilities’ defined summer period

Service under this rate schedule is proposed to require day ahead nomination of natural gas volumes. Actual usage will be subject to the daily index gas price and imbalances between nominated volumes and actual usage will be subject to balancing charges. Service under this rate schedule will be subordinate to all firm gas sales, firm gas transportation services, as well as other interruptible services, and is subject to Utilities’ direct intervention during curtailment events.

### **Modifications Industrial Service – Interruptible (G2I, G3M) and Contract Service – Military Interruptible (GCS-INTS, GCS-G7M)** *(Natural Gas Rate Schedule Sheet Nos. 2.1, 3.1, 3.2, 7, 10, and 10.1)*

- Addition of requirement that customers have functional backup equipment and fuel to curtail from the natural gas system for a minimum of 24 hours
- Addition of provision establishing that failure to demonstrate functionality of backup equipment or failure to curtail may result in removal from interruptible service
- Addition of a fee for restoration of service for customer caused power interruption to measurement equipment
- Modification of the Unauthorized Overrun Charge from \$40, to the highest of \$40, the first of month index price, or the daily index price for the date of delivery

**Modifications to Industrial Transportation Service (G4T)** (*Natural Gas Rate Schedule Sheet Nos. 2.2, 8, 8.1, 8.2, 8.3, 8.4, 8.5, and 8.6*)

- Clarify requirement that customers demonstrate capacity on the Colorado Interstate Gas Company system
- Addition of a fee for restoration of service for customer caused power interruption to measurement equipment
- Addition of provision to facilitate intraday gas nominations
- Reduction of Restricted Delivery Day (RDD) Event daily balancing threshold from 20% to 10% of nominated volumes
- Modification of the Daily Balancing Commodity Charge – RDD Event from \$40, to the highest of \$40, the first of month index price, or the daily index price for the date of delivery

**Modification to Contract Service – Military Firm (GCS-FIRM, GCS-G6M) and Contract Service – Military Interruptible (GCS-INTS, GCS-G7M)** (*Natural Gas Rate Schedule Sheet No. 3*)

- Modify the billing unit conversion to adjust metered volumes at the United States Air Force Academy to a pressure base of 12.01 PSIA

# **Natural Gas Resolution**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION SETTING NATURAL GAS RATES  
WITHIN THE SERVICE AREAS OF COLORADO SPRINGS UTILITIES  
AND CERTAIN OTHER CHANGES TO THE NATURAL GAS RATE SCHEDULES**

**WHEREAS**, Colorado Springs Utilities (Utilities) has proposed, and the City Council finds it prudent, to modify the natural gas rate schedules related to Interruptible Service for both Industrial Service – Interruptible (G2I, G3M) and Contract Service – Interruptible (GCS-INTS, GCS-G7M); and

**WHEREAS**, Utilities has proposed, and the City Council finds it prudent, to add a new Industrial Service - Interruptible Prescheduled (G3D) Rate Schedule; and

**WHEREAS**, Utilities has proposed, and the City Council finds it prudent, to modify the natural gas rate schedules related to Industrial Service – Transportation Firm (G4T); and

**WHEREAS**, Utilities has proposed, and the City Council finds it prudent, to modify the Contract Service – Military Firm (GCS-FIRM) and Contract Service – Military Interruptible (GCS-INTS) rate schedules to clarify the pressure adjustment for customers taking service under those rate schedules; and

**WHEREAS**, the City Council finds Utilities’ proposed modifications prudent; and

**WHEREAS**, the details of the changes for each rate class, including the pricing changes noted above and all changes noted in the following clauses, are reflected in the tariff sheets attached to this resolution, are provided in redline format within Utilities’ 2022 Rate Case, and are discussed further in the City Council Decision and Order for this case; and

**WHEREAS**, Utilities provided public notice of the proposed changes and complied with the requirements of the City Code for changing its natural gas rate schedules; and

**WHEREAS**, the City Council finds that the proposed modifications to the natural gas rate schedules are just, reasonable, sufficient, and not unduly discriminatory and allow Utilities to collect revenues that enable Utilities to continue to operate in the best interest of all its Customers; and

**WHEREAS**, Utilities proposed to make the natural gas rate schedule tariff changes effective January 1, 2022; and

**WHEREAS**, specific rates, policy changes, and changes to any terms and conditions of service are set out in the attached tariffs for adoption with the final City Council Decision and Order in this case.

**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, Natural Gas Rate Schedules shall be revised as follows:

Effective January 1, 2022

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Second Revised Sheet No. 1	TABLE OF CONTENTS	First Revised Sheet No. 1
Second Revised Sheet No. 2.1	RATE TABLE	First Revised Sheet No. 2.1
Second Revised Sheet No. 2.2	RATE TABLE	First Revised Sheet No. 2.2
Fourteenth Revised Sheet No. 2.4	RATE TABLE	Thirteenth Revised Sheet No. 2.4
Second Revised Sheet No. 3	GENERAL	First Revised Sheet No. 3
Second Revised Sheet No. 3.1	GENERAL	First Revised Sheet No. 3.1
First Revised Sheet No. 3.2	GENERAL	Original Sheet No. 3.2
Second Revised Sheet No. 7	INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)	First Revised Sheet No. 7
Original Sheet No. 7.1	INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)	
Original Sheet No. 7.2	INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)	
Original Sheet No. 7.3	INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)	
Original Sheet No. 7.4	INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)	
Original Sheet No. 7.5	INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)	
Original Sheet No. 7.6	INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)	
First Revised Sheet No. 8	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	Original Sheet No. 8
First Revised Sheet No. 8.1	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	Original Sheet No. 8.1
First Revised Sheet No. 8.2	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	Original Sheet No. 8.2
First Revised Sheet No. 8.3	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	Original Sheet No. 8.3
First Revised Sheet No. 8.4	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	Original Sheet No. 8.4
First Revised Sheet No. 8.5	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	Original Sheet No. 8.5
First Revised Sheet No. 8.6	INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)	Original Sheet No. 8.6
Second Revised Sheet No. 10	CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)	First Revised Sheet No. 10
Original Sheet No. 10.1	CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)	

Section 2: The attached Tariff Sheets, Council Decision and Order, and other related matters are hereby approved and adopted.

Dated at Colorado Springs, Colorado, this 23<sup>rd</sup> day of November 2021.

\_\_\_\_\_  
City Council President

ATTEST:

\_\_\_\_\_  
Sarah B. Johnson, City Clerk

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





**NATURAL GAS RATE SCHEDULES**

**TABLE OF CONTENTS**

<u><b>DESCRIPTION</b></u>	<u><b>SHEET NO.</b></u>
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Approval Date: ~~November 10, 2020~~November 23, 2021  
 Effective Date: ~~January 1, 2021~~January 1, 2022  
 Resolution No. ~~101-20~~



**NATURAL GAS RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference
<b>Large Commercial Service Seasonal Option (G1S)</b>		
Access and Facilities Charge, per day	\$0.7860	
Access and Facilities Charge:		
Winter (November - April), per Ccf	\$0.1391	
Summer (May - October), per Ccf	\$0.0461	
Gas Cost Adjustment (GCA), per Ccf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Ccf	Sheet No. 2.4	
<b>Industrial Service – Interruptible (G2I, G3M)</b>		<b>Sheet No. 7</b>
<b>Standard Option (G2I)</b>		
Access and Facilities Charge, per day	\$5.1472	
Access and Facilities Charge, per Mcf	\$0.7980	
Gas Cost Adjustment (GCA), per Mcf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	<u>Overrun</u> <u>Index \$40.0000</u>	<u>Sheet No. 3.2</u>
<b>Monthly Index Option (G3M)</b>		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$5.1472	
Access and Facilities Charge, per Mcf	\$0.7980	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	<u>Overrun</u> <u>Index \$40.0000</u>	<u>Sheet No. 3.2</u>
<b>Industrial Service – Interruptible Prescheduled (G3D)</b>		<b>Sheet No. 7.2</b>
<u>Gas Cost, per Mcf</u>	<u>Daily Index</u>	<u>Sheet No. 3.1</u>
<u>Access and Facilities Charge, per day</u>	<u>\$20.6357</u>	
<u>Access and Facilities Charge, per Mcf</u>	<u>\$0.6163</u>	
<u>Gas Capacity Charge (GCC), per Mcf</u>	<u>Sheet No. 2.4</u>	

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**NATURAL GAS RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference
<u>Daily Balancing Commodity Charge – In-Band, per Mcf</u>	<u>\$0.0341</u>	
<u>Daily Balancing Commodity Charge – Out-of-Band, per Mcf</u>	<u>\$0.4571</u>	
<u>Daily Balancing Commodity Charge – Unauthorized, per Mcf</u>	<u>\$2.4425</u>	
<u>Unauthorized Overrun Charge, per Mcf</u>	<u>Overrun Index</u>	<u>Sheet No. 3.2</u>
<b>Industrial Transportation Service – Firm (G4T)</b>		<b>Sheet No. 8</b>
<b>Initial Service Fee (one time)</b>	\$25,000.00	
<b>Transportation Charges:</b>		
Customer Charge, per day	\$19.2212	
Meter Charge per meter, per day	\$0.3231	
Transportation Demand Charge, per MDQ Mcf, per day	\$0.2410	
Transportation Commodity Charge, per Mcf	\$0.7210	
MDQ Overrun Charge: see the Maximum Delivery Quantity Adjustment and Overrun Charges Section for details		
<b>Daily Balancing Charges:</b>		
Daily Balancing Demand Charge, per MDQ Mcf, per day	\$0.0137	
Daily Balancing Commodity Charge – In-Band, per Mcf	\$0.0239	
Daily Balancing Commodity Charge – Out-of-Band, per Mcf	\$2.5000	
Daily Balancing Commodity Charge – RDD Event, per Mcf	<u>Overrun Index</u> <del>\$40.0000</del>	<u>Sheet No. 3.2</u>
<b>Monthly Balancing Charge – Cash-Out:</b>		
Under-deliveries, per Mcf	\$0.7574 + 110% of Index 1	Sheet No. 3.1
Over-deliveries – Credit, per Mcf	90% of Index 2	Sheet No. 3.1

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**NATURAL GAS RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference
<b>Monthly Index Option (GCS-G7M)</b>		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$15.1403	
Access and Facilities Charge, per Mcf	\$0.7870	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	\$40.0000	
<b>Gas Cost Adjustment (GCA)</b>		<b>Sheet No. 11</b>
GCA, per Ccf (G1R), (G1CS), (G1CL), (G1S)	\$0.5477	
GCA, per Mcf (G2I), (GCS-FIRM), (GCS-INTS)	\$5.4770	
<b>Gas Capacity Charge (GCC)</b>		<b>Sheet No. 12</b>
Residential Service – Firm (G1R), per Ccf	\$0.0778	
Commercial Service – Small Firm (G1CS), per Ccf	\$0.0778	
Commercial Service – Large Firm (G1CL), per Ccf	\$0.0737	
Commercial Service – Large Firm (G8M), per Ccf	\$0.0737	
Commercial Service – Large Firm (G1S), per Ccf	\$0.0430	
Industrial Service – Interruptible (G2I), per Mcf	\$0.5570	
Industrial Service – Interruptible (G3M), per Mcf	\$0.5570	
<u>Industrial Service – Interruptible Prescheduled (G3D), per Mcf</u>	<u>\$0.1913</u>	
Contract Service – Military Firm (GCS-FIRM), per Mcf	\$0.7370	
Contract Service – Military Firm (GCS-G6M), per Mcf	\$0.7370	
Contract Service – Military Interruptible (GCS-INTS), per Mcf	\$0.5570	
Contract Service – Military Interruptible (GCS-G7M), per Mcf	\$0.5570	

Approval Date: ~~March 9, 2021~~November 23, 2021  
 Effective Date: ~~March 11, 2021~~January 1, 2022  
 Resolution No. ~~37-21~~



**NATURAL GAS RATE SCHEDULES**

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**GENERAL**

**BILLING UNITS**

The unit of volume for the purpose of measurement will be a cubic foot of gas at a temperature base of 60 degrees Fahrenheit, a pressure base of 12.01 pounds per square inch absolute (PSIA), and an average local atmospheric pressure of 11.76 PSIA, except for the United States Air Force Academy, which will reflect ~~a pressure base of 11.71 PSIA and~~ an average atmospheric pressure of 11.46 PSIA for the heat plant meters and base entrance master meters. United States Air Force Academy Contract Service – Military Firm and Interruptible Rate Schedule volumes will be corrected to 12.01 PSIA pressure base unit of volume for billing.

**Commercial Service – Firm (G8M)**

The estimated volume of gas that the Customer would reasonably expect to use each month under the Monthly Index Rate Option will be specified by contract. This estimated monthly volume will be the basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer’s concurrence.

**Industrial Service – Interruptible (G2I, G3M), Interruptible Prescheduled (G3D)**

Gas volumes will be corrected for pressure, temperature, the deviation from Boyle’s Law and other factors as necessary for accurate measurement. The following definitions will apply:

- Base Volume: Average Daily Volumes equal to the contract monthly volumes divided by the number of days in the month.
- Metered Volumes: Volumes at the Customer’s meter.
- Interruption: Days when Customer is notified that there is no or reduced system capacity or supply, whether on Colorado Interstate Gas Company (CIG) or Utilities, to deliver gas to Customer.

The estimated volume of gas that the Customer would reasonably expect to use each month will be specified in the contract. This estimated monthly volume will be the basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer’s concurrence.

**Contract Service – Military Firm (GCS-Firm, GCS-G6M)**

The estimated volume of gas that the Customer would reasonably expect to use each month under the Monthly Index Rate Option will be specified by contract. This estimated monthly volume will be the

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**NATURAL GAS RATE SCHEDULES**

**GENERAL**

~~basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer's concurrence. If more than one primary sales gas meter serves a military installation, the meters will be totalized.~~

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**NATURAL GAS RATE SCHEDULES**

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**GENERAL**

basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer’s concurrence. If more than one primary sales gas meter serves a military installation, the meters will be totalized.

**GAS DAY**

Gas Day is a period of 24 consecutive hours commencing and ending at 8:00 a.m. Mountain Clock Time, adjusted for Daylight Savings Time when appropriate. “Clock Time” indicates that Utilities will adjust its Gas Day to reflect changes for Daylight Saving time.

**INDICES**

**Monthly Index (G8M, G3M, GCS-G6M, GCS-G7M)**

Index is the first of the month index gas price as published in “Inside FERC’s Gas Market Report” for the average of ~~Colorado Interstate Gas Company-CIG~~ (Rocky Mountains) and Cheyenne Hub. This published Index price will be converted to the applicable Ccf or Mcf at 12.01 PSIA basis for billing purposes, except the United States Air Force Academy will be converted to Mcf at 11.71 PSIA basis for billing purposes.

**Daily Index (G3D)**

Daily Index is the gas price for the date of delivery as published in the Platts Gas Daily Report for the higher of CIG (Rocky Mountains) or Cheyenne Hub. The published Index price will be converted to Mcf at 12.01 PSIA basis for billing purposes.

**Index 1 (G4T)**

Index 1 is the higher of the first of the month Inside FERC Gas Market Report index gas price or Gas Daily daily gas midpoint gas price that occurs during a month at either ~~Roekies-CIG~~ (Rocky Mountains) or Cheyenne Hub, whichever is higher. This published Index price will be converted to Mcf at 12.01 PSIA basis for billing purposes.

**Index 2 (G4T)**

Index 2 is the lower of the first of the month Inside FERC Gas Market Report index gas price or Gas Daily daily gas midpoint gas price that occurs during a month at either ~~Roekies-CIG~~ (Rocky Mountains) or Cheyenne Hub, whichever is lower. This published Index price will be converted to Mcf at 12.01 PSIA basis for billing purposes.

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**NATURAL GAS RATE SCHEDULES**

**GENERAL**

**RATE OPTIONS**

~~Customers may elect rate options on subsequent Natural Gas Rate Schedules tariff sheets with any applicable separate contract requirements as noted below. Rate options are offered for an initial contract period of 12 months. As long as the Customer continues to meet the eligibility requirements, service shall be automatically renewed. After the initial 12-month contract period, Customer may provide written notice 30 days prior to the beginning of the month for which Customer elects not to renew. Customers will be evaluated periodically to ensure they continue to meet the eligibility requirements. In the event that a Customer is no longer eligible, the contract for service shall not renew at the close of the contract anniversary date and Customer shall be required to move to the rate schedule to which they are eligible upon the end of the contract period.~~

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**NATURAL GAS RATE SCHEDULES**

**GENERAL**

**Overrun Index (G2I, G3M, G3D, G4T, GCS-INTS, GCS-G7M)**

The Unauthorized Overrun Charge and Daily Balancing Commodity Charge Restricted Delivery Day (RDD) Event will be the highest of \$40.00 per Mcf, first of the month index gas price as published in “Inside FERC’s Gas Market Report,” or the Daily Index for date of gas delivery as published in the Platts Gas Daily Report. The published Index prices will be the average of CIG (Rocky Mountains) and Cheyenne Hub converted to Mcf at 12.01 PSIA basis for billing purposes.

**RATE OPTIONS**

Customers may elect to enroll in the rate options on the subsequent Natural Gas Rate Schedules tariff sheets based on applicable eligibility and with any applicable contract requirements, as noted. Unless otherwise noted in specific tariff sheets: (a) rate options are offered for an initial contract period of 12-months; (b) service contracts shall be automatically renewed for additional 12-month periods so long as the Customer maintains compliance with eligibility requirements; and (c) following the initial 12-month contract period, Customer may terminate the contract and contract rate participation by providing 30 days written notice to Utilities. Customers will be evaluated periodically to ensure they continue to meet the eligibility requirements. In the event that a Customer is no longer eligible, the contract for service shall not renew at the close of the contract anniversary date and Customer shall be required to move to the rate schedule to which they are eligible upon the end of the contract period.

**RULES AND REGULATIONS**

Service under these rate schedules will be in accordance with the provisions of Utilities’ Rules and Regulations and *Line Extension and Service Standards* for Gas, and if applicable, the conditions of:

- A. any associated contract,
- B. the City Code of the City of Colorado Springs,
- C. the Colorado Revised Statutes,
- D. City Ordinances

Approval Date: ~~June 12, 2018~~ November 23, 2021  
Effective Date: ~~July 1, 2018~~ January 1, 2022  
Resolution No. ~~60-18~~

## NATURAL GAS RATE SCHEDULES

### INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)

#### AVAILABILITY

Available by contract in Utilities' gas service territory for any establishment engaged in the operation of a business or an institution, whether or not for profit. Master meters will not be installed without Utilities' approval.

Customer shall provide a dedicated 120-volt circuit prior to installation of the instrument communication equipment. Customer will coordinate the installation of measurement equipment and connection of the 120-volt circuit to communication equipment with Utilities. Customer must maintain continuous electric service to the gas measurement equipment. A Restoration of Service fee according to Utilities Rules and Regulations section I.B. will be charged for any Customer caused outage that Utilities investigates.

#### CURTAILMENT

Utilities reserves the right to curtail service to the Customer at any time. Interruptible gas sales service will be subordinate to all firm gas sales and firm gas transportation services.

Except for Customers who provide Utilities evidence that their process loads require ambient temperatures above 32 degrees Fahrenheit to operate, Customer is required to have functional backup equipment and fuel with the ability to curtail for a minimum period of 24 hours when notified. The Customer will demonstrate equipment and system functionality at the beginning of each Winter period of November through April with a test event coordinated by Utilities or an actual curtailment occurring within three months of the beginning of the Winter Period. If overrun volumes are used during a test due to system failures, Utilities may waive the Unauthorized Overrun Charge. The Customer must complete a successful test each heating season.

If the Customer fails to satisfactorily demonstrate functional backup equipment and fuel and/or has a history of two or more failed curtailments in a heating season during declared curtailment events, Utilities may move the Customer to firm service.

#### CONVERSION TO FIRM SERVICE

Customer requests to convert to firm service are conditional on Utilities' capacity availability.

#### RATE OPTIONS

Customers may choose between the following:

- A. ~~Standard Option (G2I)~~

Approval Date: ~~November 10, 2020~~ November 23, 2021

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Resolution No. ~~101-20~~ 101-21



**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)**

~~B. Monthly Index Option (G3M)~~

**RATE**

~~See Rate Table for applicable charges.~~

**UNAUTHORIZED OVERRUN**

~~Unauthorized overrun volumes are any gas used by a Customer during an Interruption or gas used in excess of volumes authorized by Utilities for use by Customer on the Daily Index option during a partial curtailment. Unauthorized overrun volumes will be calculated on Customer’s Metered Volumes for the period when Utilities has ordered an Interruption. For any unauthorized volumes, Customer shall pay the Unauthorized Overrun Charge.~~

Approval Date: ~~November 10, 2020~~ November 23, 2021  
Effective Date: ~~January 1, 2021~~ January 1, 2022  
Resolution No. ~~101-20~~

**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)**

**RATE OPTIONS**

Customers may choose between the following:

A. Standard Option (G2I)

B. Monthly Index Option (G3M)

**RATE**

See Rate Table for applicable charges.

**UNAUTHORIZED OVERRUN**

Unauthorized overrun volumes are any gas used by a Customer during an Interruption or gas used in excess of volumes authorized by Utilities for use by Customer on the Daily Index option during a partial curtailment. Unauthorized overrun volumes will be calculated on Customer's Metered Volumes for the period when Utilities has ordered an Interruption. For any unauthorized volumes, Customer shall pay the Unauthorized Overrun Charge.

Approval Date: November 23, 2021

Effective Date: January 1, 2022

Resolution No.

**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**AVAILABILITY**

Available in Utilities' gas service territory for any establishment engaged in the operation of a business or an institution, whether or not for profit who: (a) connect directly to Utilities' 150 pounds-per-square-inch-gauge (PSIG) or higher distribution system; (b) have connected daily load of at least 25,000 Mcf at 12.01 PSIA; and (c) consume 50% or more of their total 12 billing period Mcf during the Summer period of May through October. Service hereunder is conditioned upon availability of Utilities' capacity, resources, and assets without detriment or disadvantage to existing Customers. Service under this rate schedule is subject to availability on a first come, first serve basis and is limited to a maximum daily volume of 110,000 Mcf at 12.01 PSIA.

**CURTAILMENT**

Utilities may require Customer to install remote control equipment, at the Customer's expense, to enable Utilities to directly curtail Customer usage. If Customer fails to curtail during a declared curtailment event, Customer is subject to Utilities' intervention either through remote control or onsite shut-off of gas supply to the Customer's meter or equipment without advance notice. Service under this rate schedule will be subordinate to all firm gas sales, firm gas transportation services, and interruptible services. Customer is required to have functional backup equipment and fuel with the ability to maintain functionality during a curtailment lasting for a minimum of 24 hours. The Customer will demonstrate equipment and system functionality at the beginning of each Winter period of November through April with a test event coordinated by Utilities or an actual curtailment occurring within three months of the beginning of the Winter period. If overrun volumes are used during a test due to system failures, Utilities may waive the Unauthorized Overrun Charge.

If the Customer fails to satisfactorily demonstrate functional backup equipment and fuel and/or has a history of two or more failed curtailments in a heating season during declared curtailment events, Utilities may move the Customer to firm service.

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Resolution No.

**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**SERVICE CONSIDERATIONS**

Customers receiving service under this rate schedule are responsible for all costs to upgrade the measurement and communication equipment required to measure hourly consumption. Customer shall provide at its sole cost a dedicated 120-volt circuit prior to installation of the instrument and communication equipment. Utilities and Customer will work together to coordinate the installation of measurement equipment and connection of the 120-volt circuit to the communication equipment. Eligible Customers must submit a completed signed Interruptible Prescheduled Service Agreement (IPSA) and pay all costs to upgrade the required measurement equipment prior to commencing service under this schedule. Service will start no later than 120 days after those obligations are met. The measurement equipment must be operational and ready for service at least 45 days prior to the requested service date. Customer must maintain continuous electric service to the gas measurement equipment. A Restoration of Service fee according to Utilities Rules and Regulations section I.B. will be charged for any Customer caused outage that Utilities investigates.

System availability may be impacted by either planned or unplanned outages, or critical balancing conditions on the CIG system. Customer will be notified of such events. In the event a Customer terminates interruptible prescheduled service, moving to firm or interruptible service will be conditioned upon Utilities' availability of capacity to serve the Customer's requirement.

**PRESCHEDULING**

Customers receiving service under this rate schedule are required to establish a Maximum Daily Quantity (MDQ) under the IPSA. Customers are required to nominate daily gas supplies by email or phone to designated Utilities Energy Supply Department personnel. Customer nominations may not exceed their MDQ. Nominations are due by 8:00 a.m. Mountain Clock Time on the day prior to metered deliveries. The daily quantity nominated will be reviewed by Utilities to determine if sufficient capacity or supply, whether on CIG or Utilities' system, is forecasted for the following Gas Day. If the nomination is accepted by Utilities, the nominated quantities establish the Customer's Final Scheduled Volumes (FSV). If no or reduced system capacity is forecasted, Utilities will notify the Customer of the maximum allowable FSV by 4:30 p.m. on the day prior to its effectiveness. The Customer is responsible for re-nominating daily quantities by 5:00 p.m. for the following Gas Day at quantities no greater than the maximum allowable FSV.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**INTRADAY NOMINATIONS**

Intraday nominations submitted by email or phone to designated Utilities Energy Supply Department personnel will be considered and may or may not be accepted depending on supply availability, supply or load conditions, storage capacity or availability, capacity on the CIG system, and CIG intraday nomination cycles.

**DAILY BALANCING**

A Customer's Imbalance will be calculated by subtracting the Metered Volume from the FSV. If, on any Gas Day, the absolute value of a Customer's Imbalance is less than or equal to 10% of the Metered Delivered Volume then the absolute value of the Imbalance will be subject to the In-Band Daily Balancing Commodity Charge. On any Gas Day when the absolute value of the Imbalance is more than 10% of the Metered Volume, the absolute value of the Imbalance Volumes within the 10% threshold will be subject to the In-Band Daily Balancing Commodity Charge and the absolute value of any Imbalance Volumes outside the 10% threshold will be subject to the Out-of-Band Daily Balancing Commodity Charge. If, on any Gas Day, the absolute value of Imbalance Volumes results in Critical Condition Daily Unauthorized Overrun charges on the CIG System, the resulting Imbalance volumes will be subject to Utilities' Unauthorized Daily Balancing Commodity Charge. Injection imbalances resulting from curtailment or interruption will not be subject to balancing charges.

Utilities may order an intraday partial curtailment if volumes are expected to exceed nominations by 10%.

**UNAUTHORIZED OVERRUN**

Unauthorized overrun volumes are any gas used by a Customer during an Interruption or gas used in excess of volumes authorized by Utilities for use by Customer during a partial or full curtailment. Unauthorized overrun volumes will be calculated on Customer's Metered Volumes for the period when Utilities has ordered an Interruption. For any unauthorized volumes, Customer shall pay the Unauthorized Overrun Charge.

**RATE**

See Rate Table for applicable charges.

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Resolution No.

**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**MAXIMUM DELIVERY QUANTITY ADJUSTMENT**

If a Customer's MDQ is exceeded by the Metered Volumes on any Gas Day, such Customer's MDQ will be increased to the new highest Metered Volume provided system capacity is available.

**INTERRUPTIBLE PRESCHEDULED SERVICE AGREEMENT PERIOD**

Unless otherwise specified, the initial contract period is from the IPSA Service Start Date to October 31st. Unless otherwise stated, the IPSA shall automatically renew for an additional 12-month contract period each November 1st, unless Customer provides advance written notice to Utilities no later than 180 days prior to the November 1st renewal date that Customer elects not to renew for the upcoming IPSA year.

**NOTIFICATION AND CHANGES**

An Interruptible Prescheduled Customer shall notify Utilities in writing of its request to make additions or changes to its service under this rate schedule. Notification shall include Customer name, IPSA #, account number(s), billing information and other information as Utilities may deem appropriate. Any such request shall take place as hereinafter described.

For additions of meters to the IPSA, the requested changes will become effective on a mutually agreeable date between Utilities and the Customer; provided however that service will start no later than 120 days after the IPSA amendment is executed and all measurement equipment costs are paid to Utilities, subject to measurement equipment availability.

To terminate Interruptible Prescheduled Service, the Customer's request must be received in writing by Utilities no less than 180 days prior to the IPSA Renewal Date.

**DEFINITIONS**

**CRITICAL IMBALANCE VOLUMES:** Daily over/under metered volumes that result in Critical Condition Unauthorized charges on the CIG System.

Approval Date: November 23, 2021

Effective Date: January 1, 2022

Resolution No.



**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**CONNECTED LOAD:** The daily connected load amount is the hourly rated load times 24 for functional natural gas equipment used in the Customer's normal operation. Reserve or standby equipment will not be counted in the load calculation. Customers with multiple site locations may aggregate individual site loads as a part of meeting the minimum load threshold. Customer must be the owner/operator of the business and not a third-party provider.

**FINAL SCHEDULED VOLUMES:** Final volumes scheduled by Customer Gas Day in Mcf at 12.01 PSIA using the CIG measured average BTU factor for the Gas Day.

**IMBALANCE OR IMBALANCE VOLUMES:** The Final Scheduled Volumes less the Metered Volumes on a given Gas Day.

**IN-BAND VOLUMES:** Daily imbalance volumes with absolute value less than or equal to 10% of the daily scheduled volumes.

**IPSA RENEWAL DATE:** Automatic yearly renewal date of the IPSA effective November 1<sup>st</sup>.

**IPSA SERVICE START DATE:** The first day of the month that interruptible prescheduled service begins under the IPSA.

**LOST AND UNACCOUNTED FOR GAS (L&U):** L&U gas is consumed by Utilities distribution system and is not part of the Metered Volumes. Utilities will add the L&U to the Metered Volumes for billing purposes. L&U is currently 1.6%, customer shall calculate its nomination on Utilities' system to include L&U.

**METERED VOLUMES:** Volumes provided to the Customer's meter in Mcf at 12.01 PSIA.

**MEASUREMENT:** All volumes will be measured on a Mcf basis at the standard billing base pressure of 12.01 PSIA.

**OUT-OF-BAND VOLUMES:** Daily imbalance volumes with absolute value greater than 10% of the daily scheduled volumes.

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Resolution No.



**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

**AVAILABILITY**

Available to individually metered Customers who are not on a Residential Service Rate Schedule and who have contracted for an alternate source of gas supply and have requested Utilities to transport such alternate gas for the Customer’s account. The alternate source of gas supply must be delivered into Utilities’ system by firm transportation capacity on the ~~Colorado Interstate Gas Company CIG~~ system that is verifiable to Utilities’ satisfaction. The Customer must provide proof of capacity on the CIG system equal to 100% of MDQ each year prior to annual contract renewal. Service hereunder is conditioned upon availability of Utilities’ capacity, resources, and assets without detriment or disadvantage to existing Customers. Customers interested in participating in G4T gas transportation service shall submit a written request for service to include Shipper name, account number(s), billing information, and other information as Utilities may deem appropriate. Utilities will provide to customers requesting this service the cost to upgrade the measurement and appurtenant equipment necessary to receive such service. The measurement equipment upgrade cost will be valid for 12 months from date of issuance.

**SERVICE CONSIDERATIONS**

Transportation Customers are responsible for all costs to upgrade the measurement and communication equipment required to measure daily consumption. Customer shall provide at its sole cost a dedicated 120-volt circuit prior to installation of the instrument communication equipment. Utilities and Customer will work together to coordinate the installation of measurement equipment and connection of the 120-volt circuit to the communication equipment. Customers must submit a completed signed Transportation Service Agreement (TSA), pay the Initial Service Fee, and pay all costs to upgrade the required measurement equipment in order to qualify for service under this schedule. Service will start no later than 120 days after the TSA is executed, the Initial Service Fee is paid in full, and measurement equipment upgrade costs are paid in full to Utilities, subject to equipment availability. The measurement equipment must be operational and ready for service at least 45 days prior to the requested service date. Customer must maintain continuous electric service to the gas measurement equipment. A Restoration of Service fee according to Utilities Rules and Regulations section I.B. will be charged for any Customer caused outage that Utilities investigates. Gas ~~S~~system availability may be impacted by either planned or unplanned outages. Shipper will be notified of such events. In the event a Customer terminates transportation service, returning to firm sales service will be conditioned upon Utilities’ availability of capacity to serve Customer’s firm requirement.

**DAILY BALANCING**

A Shipper’s Imbalance will be calculated by subtracting the Metered Delivered Volume from the Final Scheduled Delivered Volume.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

If, on any Gas Day, the absolute value of a Shipper’s Imbalance is less than or equal to 10% of the Metered Delivered Volume then the absolute value of the Imbalance will be subject to the In-Band Daily Balancing Commodity Charge. On any Gas Day when the absolute value of the Imbalance is more than 10% of the Metered Delivered Volume, the absolute value of the Imbalance Volumes within the 10% threshold will be subject to the In-Band Daily Balancing Commodity Charge and the absolute value of any Imbalance Volumes in excess of the 10% threshold will be subject to the Out-of-Band Daily Balancing Commodity Charge.

**RESTRICTED DELIVERY DAY (~~RDD~~) EVENT**

The declaration by Utilities of ~~a~~ an ~~Restricted Delivery Day (RDD)~~ Event is a notification to Customers that limited capacity is available for balancing. During an RDD Event the Metered Delivered Volumes should not be less than or greater than the Final Scheduled Delivered Volumes.

In the event a condition is developing that may require the implementation of an RDD Event, or circumstances are present that significantly increase the likelihood that such conditions will develop, Utilities will undertake reasonable efforts to notify Shippers and their agents of the developing conditions or circumstances to provide Shippers the time and opportunity to take steps to address the condition. The RDD Event will commence with a NAESB gas pipeline nomination cycle specified in the notification. The RDD Event will end at a time specified in a separate notification. During an RDD Event, all four NAESB pipeline nomination cycles will be available to G4T customers to balance their Metered Delivered Volumes and Final Scheduled Delivered Volumes. Shippers must execute intraday nominations to align Final Scheduled Quantities with expected demand. In the event Utilities declares an RDD Event, Utilities will attempt to notify Shippers and their Agents by 4:00 p.m. the day prior to its effectiveness. However, Utilities may call an RDD Event at any time for any and all Shippers and their Agents, including for specific Shippers and their Agents that Utilities reasonably believes are causing the condition necessitating the RDD.

For deliveries during an RDD Event, the Daily Balancing Charges and provisions set forth above shall continue to apply. Imbalance Volumes in excess of ~~20~~ 10% of the Metered Delivered Volumes will be assessed a charge equal to the Daily Balancing Commodity Charge – RDD Event. RDD Event charges will be assessed in addition to any other balancing charges that may apply.

**MONTHLY BALANCING**

At the end of each Gas Month, the total of daily positive and negative Imbalances that have accumulated throughout the Gas Month, both In-Band and Out-of-Band, will be netted and Cashed Out to zero.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

Utilities will determine the Cash Out quantity applicable to each Shipper/Agent through the last day of the Gas Month. Utilities and Shipper/Agent will Cash Out by applying the applicable Monthly Balancing Charges for either under deliveries or over deliveries to the final Cash Out quantity.

Utilities shall either credit or charge the applicable transportation billing account to reflect the Cash Out amounts due either Shipper/Agent or Utilities, respectively. All Imbalances accrued will be resolved to zero at the end of each Gas Month. Imbalances shall not be carried over.

**OPTIONAL SERVICE**

Shipper may, with an Aggregator, participate in Aggregation as defined in the transportation terms and conditions contained within Utilities’ Rules and Regulations. Individual Shipper’s ~~Maximum Delivery Quantity (MDQ)~~ MDQ will remain in effect and may not be aggregated to avoid MDQ Overrun Charges. The Aggregation Pool will be considered as one Shipper for purposes of calculating the daily scheduling penalties and monthly imbalances, i.e., individual Shipper nominations and consumption will be summed and treated as if they were one Shipper.

Under this aggregation service, the Monthly and Daily Balancing Charges are billed to the Aggregator for the Aggregation Pool, rather than being billed to the Shipper.

**INITIAL SERVICE FEE**

In order to qualify for service under this rate schedule a one-time Initial Service Fee is required of each participating Customer.

**MAXIMUM DELIVERY QUANTITY ADJUSTMENT AND OVERRUN CHARGES**

If a Shipper’s MDQ is exceeded by the Metered Delivered Volumes on any Gas Day, such Shipper’s MDQ will be increased to the new highest Metered Delivered Volume provided system capacity is available. Such increased MDQ will become effective immediately and applied for the current billing month. The Shipper’s Maximum Receipt Quantity (“MRQ”) is equal to the MDQ + ~~Lost and Unaccounted for Gas (L&U)~~ and shall be increased proportionately.

MDQ Overrun Charge: In the event the Metered Delivered Volume exceeds the MDQ, an MDQ Overrun Charge will be applied. The MDQ Overrun Charge will be calculated based on the difference between the maximum Metered Delivered Volume during the billing month minus the current MDQ multiplied by

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

the number of days from either the TSA Service Start Date or the most recent TSA Renewal Date to the end of the previous Gas Month multiplied by the Transportation Demand Charge. The overrun volumes will not be less than zero on any day. If a Shipper nominates an amount that results in their balancing band exceeding their MDQ, the balancing service will be provided. Any balancing service provided resulting in daily Metered Delivered Volumes exceeding the Shipper’s existing MDQ will result in the Shipper’s MDQ being increased to the higher daily Metered Delivered Volume along with the MDQ Overrun Charge.

Shipper may request in writing for Utilities to increase Shipper's MDQ. Providing that system capacity is available, a Shipper's MDQ will be increased effective the beginning of the following month.

Shipper may request in writing for Utilities to decrease Shipper’s MDQ. Upon receipt of any such written request, Utilities will review and evaluate Shipper’s usage history and may grant a reduction of a Shipper’s MDQ if, in its sole discretion, Utilities determines a lower MDQ is justified based on Shipper’s inability to utilize the existing MDQ level under any conditions.

**RATE**

See Rate Table for applicable charges.

**TRANSPORTATION SERVICE AGREEMENT PERIOD**

Unless otherwise specified, the initial contract period is from the TSA Service Start Date to October 31st. ~~Unless otherwise stated, the Transportation Service Agreement-TSA shall automatically renew for an additional 12-month contract period each November 1st, unless Customer provides advance written notice to Utilities no later than 180 days prior to the November 1st renewal date that Customer elects not to renew for the upcoming TSA year.~~

**NOMINATION PROCESS**

Shippers under this rate schedule are required to nominate daily gas supplies from Utilities’ Receipt Point to their individual delivery point using Utilities’ electronic bulletin board (EBB). Shipper nominations may not exceed their MRQ. Nominations are due by 12:00 p.m. Mountain Time on the day prior to metered deliveries. Utilities will confirm these (NAESB cycle 1) nominations with CIG daily by 3:30 p.m. Mountain Time or as may otherwise be required under CIG’s tariff. ~~This is the only nomination allowed on Utilities’ system for the following Gas Day.~~ Utilities will confirm the same quantity of gas nominated on its EBB with the upstream nomination on CIG for deliveries from CIG to

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

~~nominated on its EBB with the upstream nomination on CIG for deliveries from CIG to~~ Utilities. The daily quantity nominated on Utilities’ EBB will be accepted as the maximum quantity deliverable into Utilities’ distribution system for the following Gas Day. However, upstream nominations on CIG may be adjusted in CIG’s remaining nomination cycles to attempt to meet any shortfall in nominated quantities on CIG compared to Utilities.

All nominations on Utilities’ EBB are expected to be made in good faith to match the amount of anticipated actual consumption of the G4T Shippers for whom the nominations are being made. Utilities shall have the right, in its sole discretion, not to confirm any nomination that it deems is being made in order to take unfair advantage of any tariff provisions, including but not limited to, monthly Cash Out, or when Utilities determines its system reliability is being jeopardized.

**NOTIFICATION AND CHANGES TO TRANSPORTATION**

A Transportation Customer shall notify Utilities in writing of its request to make additions or changes to its service under this G4T gas transportation rate schedule. Notification shall include Shipper name, TSA #, account number(s), billing information and other information as Utilities may deem appropriate. Any such request shall take place as hereinafter described.

For additions of meters to the contract, the requested changes will become effective on a mutually agreeable date between CSU and the Transportation Customer; provided however that service will start no later than 120 days after the TSA amendment is executed and all measurement equipment costs are paid to Utilities, subject to measurement equipment availability. The Shipper shall concurrently increase delivery capacity on the CIG system and request Utilities in writing to increase the Shipper’s MDQ for meter additions.

To terminate Gas Transportation Service, the Customer’s request must be received in writing by Utilities no less than 180 days prior to the November 1st TSA Renewal Date. Customers requesting to return to firm sales service will be conditioned upon Utilities’ availability of capacity to serve Customer’s firm requirement.

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## NATURAL GAS RATE SCHEDULES

### INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)

#### **DEFINITIONS**

**CASH OUT:** The application of Monthly Balancing Charges to the end-of-the-month imbalance quantity. (See Monthly Balancing)

**FINAL SCHEDULED DELIVERED VOLUMES:** Final volumes scheduled by CIG for receipt by Shipper at Utilities' City ~~g~~Gates on a given Gas Day, less Utilities' L&U, in Mcf at 12.01 PSIA using the CIG measured average BTU factor for the Gas Day.

**FINAL SCHEDULED RECEIVED VOLUMES:** Final volumes scheduled by CIG for receipt by Shipper at Utilities' City ~~g~~Gates on a given Gas Day in Mcf at 12.01 PSIA using the CIG measured average BTU factor for the Gas Day.

**FINAL SCHEDULED QUANTITIES:** Final quantities scheduled by CIG for receipt by Shipper at Utilities' City ~~g~~Gates on a given Gas Day in Dekatherms.

~~**GAS DAY:** A period of 24 consecutive hours commencing and ending at 8:00 a.m. Mountain Clock Time (MCT), adjusted for Daylight Savings Time when appropriate. "Clock Time" indicates that Utilities will adjust its Gas Day to reflect changes for Daylight Savings Time.~~

**GAS MONTH:** A period beginning at 8:00 a.m. Mountain Clock Time (MCT), adjusted for Daylight Savings Time when appropriate on the first day of a calendar month and ending at 8:00 a.m. Mountain Clock Time (MCT), adjusted for Daylight Savings Time when appropriate of the first day of the next succeeding calendar month.

**IMBALANCE OR IMBALANCE VOLUMES:** The Final Scheduled Delivered Volumes less the Metered Delivered Volumes on a given Gas Day.

**IN-BAND VOLUMES:** Daily under/over deliveries that are less than or equal to 10% of the daily Metered Delivered Volumes.

**LINE-EXTENSION POLICY:** Any new or additional facilities required at the delivery point to provide transportation service shall be paid for by the Customer. All facilities installed by Utilities shall continue to be owned, operated and maintained by Utilities.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

**LOST AND UNACCOUNTED FOR GAS** ~~(L&U)~~: L&U gas is currently 1.6% of the total gas received at the Receipt Point(s). Shipper shall calculate its nominations on Utilities’ system at the Receipt Point(s) to include L&U. L&U is consumed by Utilities’ distribution system and is not part of the Metered Delivered Volumes.

**METERED DELIVERED VOLUMES:** Volumes delivered to the Shipper's meter in Mcf at 12.01 PSIA.

**MDQ OVERRUN:** Metered Delivered Volumes in excess of the Maximum Delivery Quantity specified in the Transportation Service Agreement.

**MEASUREMENT:** All transportation deliveries will be measured on a Ccf or Mcf basis at the standard billing base pressure of 12.01 PSIA.

**NAESB:** North American Energy Standards Board.

**NAESB NOMINATION CYCLES:** Timely Cycle – 12:00 p.m. Mountain Clock Time (MCT) the day prior to Gas Day; Evening Cycle – 5:00 p.m. MCT the day prior to Gas Day; IntraDay 1 Cycle – 9:00 a.m. MCT on Gas Day; IntraDay 2 Cycle – 1:30 p.m. MCT on Gas Day; IntraDay 3 Cycle – 6:00 p.m. MCT on Gas Day.

**NOMINATED VOLUMES:** Daily volumes nominated by the Shipper to be received at Utilities’ City ~~g~~Gate in dekatherms.

**NOMINATIONS:** Shipper’s estimate of gas volume to be transported on Utilities’ distribution system on a daily basis.

**OUT-OF-BAND VOLUMES:** Daily ~~under/over~~over/under deliveries that are greater than 10% of the daily Metered Delivered Volumes.

**OVER DELIVERIES:** Daily Final Scheduled Delivered Volumes that are greater than daily Metered Delivered Volumes.

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**NATURAL GAS RATE SCHEDULES**

**CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)**

**AVAILABILITY**

Available in Utilities’ gas service territory to the United States of America at the Fort Carson Military Installation, the Peterson Air Force Base, and the United States Air Force Academy.

**CURTAILMENT**

Utilities reserves the right to curtail service to the Customer at any time. Interruptible gas sales service will be subordinate to all firm gas sales and firm gas transportation services.

Customer is required to have functional backup equipment and fuel with the ability to curtail for a minimum period of 24 hours when notified. The Customer will demonstrate equipment and system functionality at the beginning of each Winter period of November through April with a test event coordinated by Utilities or an actual curtailment occurring within three months of the beginning of the Winter Period. If overrun volumes are used during a test due to system failures, Utilities may waive the Unauthorized Overrun Charge. The Customer must complete a successful test each heating season.

If the Customer fails to satisfactorily demonstrate functional backup equipment and fuel and or has a history of failed curtailments during declared curtailment events, Utilities may move the Customer to firm service.

**CONVERSION TO FIRM SERVICE**

Customer requests to convert to firm service are conditional on Utilities’ capacity availability.

**RATE OPTIONS**

Customers may choose between the following:

- A. Standard Option (GCS-INTS)
- B. Monthly Index Option (GCS-G7M)

**RATE**

See Rate Table for applicable charges.

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**NATURAL GAS RATE SCHEDULES**

**CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)**

**UNAUTHORIZED OVERRUN**

Unauthorized overrun volumes are any gas used by a Customer during an Interruption or gas used in excess of volumes authorized by Utilities for use by Customer on the Daily Index option during a partial curtailment. Unauthorized overrun volumes will be calculated on Customer's Metered Volumes for the period when Utilities has ordered an Interruption. For any unauthorized volumes, Customer shall pay the Unauthorized Overrun Charge.

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



**NATURAL GAS RATE SCHEDULES**

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

Description	Rates	Reference
<b>Large Commercial Service Seasonal Option (G1S)</b>		
Access and Facilities Charge, per day	\$0.7860	
Access and Facilities Charge:		
Winter (November - April), per Ccf	\$0.1391	
Summer (May - October), per Ccf	\$0.0461	
Gas Cost Adjustment (GCA), per Ccf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Ccf	Sheet No. 2.4	
<b>Industrial Service – Interruptible (G2I, G3M)</b>		<b>Sheet No. 7</b>
<b>Standard Option (G2I)</b>		
Access and Facilities Charge, per day	\$5.1472	
Access and Facilities Charge, per Mcf	\$0.7980	
Gas Cost Adjustment (GCA), per Mcf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	Overrun Index	Sheet No. 3.2
<b>Monthly Index Option (G3M)</b>		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$5.1472	
Access and Facilities Charge, per Mcf	\$0.7980	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	Overrun Index	Sheet No. 3.2
<b>Industrial Service – Interruptible Prescheduled (G3D)</b>		<b>Sheet No. 7.2</b>
Gas Cost, per Mcf	Daily Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$20.6357	
Access and Facilities Charge, per Mcf	\$0.6163	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	

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**NATURAL GAS RATE SCHEDULES**

**RATE TABLE**

<b>Description</b>	<b>Rates</b>	<b>Reference</b>
Daily Balancing Commodity Charge – In-Band, per Mcf	\$0.0341	
Daily Balancing Commodity Charge – Out-of-Band, per Mcf	\$0.4571	
Daily Balancing Commodity Charge – Unauthorized, per Mcf	\$2.4425	
Unauthorized Overrun Charge, per Mcf	Overrun Index	Sheet No. 3.2
<b>Industrial Transportation Service – Firm (G4T)</b>		<b>Sheet No. 8</b>
<b>Initial Service Fee</b> (one time)	\$25,000.00	
<b>Transportation Charges:</b>		
Customer Charge, per day	\$19.2212	
Meter Charge per meter, per day	\$0.3231	
Transportation Demand Charge, per MDQ Mcf, per day	\$0.2410	
Transportation Commodity Charge, per Mcf	\$0.7210	
MDQ Overrun Charge: see the Maximum Delivery Quantity Adjustment and Overrun Charges Section for details		
<b>Daily Balancing Charges:</b>		
Daily Balancing Demand Charge, per MDQ Mcf, per day	\$0.0137	
Daily Balancing Commodity Charge – In-Band, per Mcf	\$0.0239	
Daily Balancing Commodity Charge – Out-of-Band, per Mcf	\$2.5000	
Daily Balancing Commodity Charge – RDD Event, per Mcf	Overrun Index	Sheet No. 3.2
<b>Monthly Balancing Charge – Cash-Out:</b>		
Under-deliveries, per Mcf	\$0.7574 + 110% of Index 1	Sheet No. 3.1
Over-deliveries – Credit, per Mcf	90% of Index 2	Sheet No. 3.1

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

Description	Rates	Reference
<b>Monthly Index Option (GCS-G7M)</b>		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$15.1403	
Access and Facilities Charge, per Mcf	\$0.7870	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	\$40.0000	
<b>Gas Cost Adjustment (GCA)</b>		<b>Sheet No. 11</b>
GCA, per Ccf (G1R), (G1CS), (G1CL), (G1S)	\$0.5477	
GCA, per Mcf (G2I), (GCS-FIRM), (GCS-INTS)	\$5.4770	
<b>Gas Capacity Charge (GCC)</b>		<b>Sheet No. 12</b>
Residential Service – Firm (G1R), per Ccf	\$0.0778	
Commercial Service – Small Firm (G1CS), per Ccf	\$0.0778	
Commercial Service – Large Firm (G1CL), per Ccf	\$0.0737	
Commercial Service – Large Firm (G8M), per Ccf	\$0.0737	
Commercial Service – Large Firm (G1S), per Ccf	\$0.0430	
Industrial Service – Interruptible (G2I), per Mcf	\$0.5570	
Industrial Service – Interruptible (G3M), per Mcf	\$0.5570	
Industrial Service – Interruptible Prescheduled (G3D), per Mcf	\$0.1913	
Contract Service – Military Firm (GCS-FIRM), per Mcf	\$0.7370	
Contract Service – Military Firm (GCS-G6M), per Mcf	\$0.7370	
Contract Service – Military Interruptible (GCS-INTS), per Mcf	\$0.5570	
Contract Service – Military Interruptible (GCS-G7M), per Mcf	\$0.5570	

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**NATURAL GAS RATE SCHEDULES**

**GENERAL**

**BILLING UNITS**

The unit of volume for the purpose of measurement will be a cubic foot of gas at a temperature base of 60 degrees Fahrenheit, a pressure base of 12.01 pounds per square inch absolute (PSIA), and an average local atmospheric pressure of 11.76 PSIA, except for the United States Air Force Academy, which will reflect an average atmospheric pressure of 11.46 PSIA for the heat plant meters and base entrance master meters. United States Air Force Academy Contract Service – Military Firm and Interruptible Rate Schedule volumes will be corrected to 12.01 PSIA pressure base unit of volume for billing.

**Commercial Service – Firm (G8M)**

The estimated volume of gas that the Customer would reasonably expect to use each month under the Monthly Index Rate Option will be specified by contract. This estimated monthly volume will be the basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer’s concurrence.

**Industrial Service – Interruptible (G2I, G3M), Interruptible Prescheduled (G3D)**

Gas volumes will be corrected for pressure, temperature, the deviation from Boyle’s Law and other factors as necessary for accurate measurement. The following definitions will apply:

- Base Volume: Average Daily Volumes equal to the contract monthly volumes divided by the number of days in the month.
- Metered Volumes: Volumes at the Customer’s meter.
- Interruption: Days when Customer is notified that there is no or reduced system capacity or supply, whether on Colorado Interstate Gas Company (CIG) or Utilities, to deliver gas to Customer.

The estimated volume of gas that the Customer would reasonably expect to use each month will be specified in the contract. This estimated monthly volume will be the basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer’s concurrence.

**Contract Service – Military Firm (GCS-Firm, GCS-G6M)**

The estimated volume of gas that the Customer would reasonably expect to use each month under the Monthly Index Rate Option will be specified by contract. This estimated monthly volume will be the

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**NATURAL GAS RATE SCHEDULES**

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**GENERAL**

basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer’s concurrence. If more than one primary sales gas meter serves a military installation, the meters will be totalized.

**GAS DAY**

Gas Day is a period of 24 consecutive hours commencing and ending at 8:00 a.m. Mountain Clock Time, adjusted for Daylight Savings Time when appropriate. “Clock Time” indicates that Utilities will adjust its Gas Day to reflect changes for Daylight Saving time.

**INDICES**

**Monthly Index (G8M, G3M, GCS-G6M, GCS-G7M)**

Index is the first of the month index gas price as published in “Inside FERC’s Gas Market Report” for the average of CIG (Rocky Mountains) and Cheyenne Hub. This published Index price will be converted to the applicable Ccf or Mcf at 12.01 PSIA basis for billing purposes, except the United States Air Force Academy will be converted to Mcf at 11.71 PSIA basis for billing purposes.

**Daily Index (G3D)**

Daily Index is the gas price for the date of delivery as published in the Platts Gas Daily Report for the higher of CIG (Rocky Mountains) or Cheyenne Hub. The published Index price will be converted to Mcf at 12.01 PSIA basis for billing purposes.

**Index 1 (G4T)**

Index 1 is the higher of the first of the month Inside FERC Gas Market Report index gas price or Gas Daily daily gas midpoint gas price that occurs during a month at either CIG (Rocky Mountains) or Cheyenne Hub, whichever is higher. This published Index price will be converted to Mcf at 12.01 PSIA basis for billing purposes.

**Index 2 (G4T)**

Index 2 is the lower of the first of the month Inside FERC Gas Market Report index gas price or Gas Daily daily gas midpoint gas price that occurs during a month at either CIG (Rocky Mountains) or Cheyenne Hub, whichever is lower. This published Index price will be converted to Mcf at 12.01 PSIA basis for billing purposes.

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**NATURAL GAS RATE SCHEDULES**

**GENERAL**

**Overrun Index (G2I, G3M, G3D, G4T, GCS-INTS, GCS-G7M)**

The Unauthorized Overrun Charge and Daily Balancing Commodity Charge Restricted Delivery Day (RDD) Event will be the highest of \$40.00 per Mcf, first of the month index gas price as published in “Inside FERC’s Gas Market Report,” or the Daily Index for date of gas delivery as published in the Platts Gas Daily Report. The published Index prices will be the average of CIG (Rocky Mountains) and Cheyenne Hub converted to Mcf at 12.01 PSIA basis for billing purposes.

**RATE OPTIONS**

Customers may elect to enroll in the rate options on the subsequent Natural Gas Rate Schedules tariff sheets based on applicable eligibility and with any applicable contract requirements, as noted. Unless otherwise noted in specific tariff sheets: (a) rate options are offered for an initial contract period of 12-months; (b) service contracts shall be automatically renewed for additional 12-month periods so long as the Customer maintains compliance with eligibility requirements; and (c) following the initial 12-month contract period, Customer may terminate the contract and contract rate participation by providing 30 days written notice to Utilities. Customers will be evaluated periodically to ensure they continue to meet the eligibility requirements. In the event that a Customer is no longer eligible, the contract for service shall not renew at the close of the contract anniversary date and Customer shall be required to move to the rate schedule to which they are eligible upon the end of the contract period.

**RULES AND REGULATIONS**

Service under these rate schedules will be in accordance with the provisions of Utilities’ Rules and Regulations and *Line Extension and Service Standards* for Gas, and if applicable, the conditions of:

- A. any associated contract,
- B. the City Code of the City of Colorado Springs,
- C. the Colorado Revised Statutes,
- D. City Ordinances

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)**

**AVAILABILITY**

Available by contract in Utilities' gas service territory for any establishment engaged in the operation of a business or an institution, whether or not for profit. Master meters will not be installed without Utilities' approval.

Customer shall provide a dedicated 120-volt circuit prior to installation of the instrument communication equipment. Customer will coordinate the installation of measurement equipment and connection of the 120-volt circuit to communication equipment with Utilities. Customer must maintain continuous electric service to the gas measurement equipment. A Restoration of Service fee according to Utilities Rules and Regulations section I.B. will be charged for any Customer caused outage that Utilities investigates.

**CURTAILMENT**

Utilities reserves the right to curtail service to the Customer at any time. Interruptible gas sales service will be subordinate to all firm gas sales and firm gas transportation services.

Except for Customers who provide Utilities evidence that their process loads require ambient temperatures above 32 degrees Fahrenheit to operate, Customer is required to have functional backup equipment and fuel with the ability to curtail for a minimum period of 24 hours when notified. The Customer will demonstrate equipment and system functionality at the beginning of each Winter period of November through April with a test event coordinated by Utilities or an actual curtailment occurring within three months of the beginning of the Winter Period. If overrun volumes are used during a test due to system failures, Utilities may waive the Unauthorized Overrun Charge. The Customer must complete a successful test each heating season.

If the Customer fails to satisfactorily demonstrate functional backup equipment and fuel and/or has a history of two or more failed curtailments in a heating season during declared curtailment events, Utilities may move the Customer to firm service.

**CONVERSION TO FIRM SERVICE**

Customer requests to convert to firm service are conditional on Utilities' capacity availability.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)**

**RATE OPTIONS**

Customers may choose between the following:

- A. Standard Option (G2I)
  
- B. Monthly Index Option (G3M)

**RATE**

See Rate Table for applicable charges.

**UNAUTHORIZED OVERRUN**

Unauthorized overrun volumes are any gas used by a Customer during an Interruption or gas used in excess of volumes authorized by Utilities for use by Customer on the Daily Index option during a partial curtailment. Unauthorized overrun volumes will be calculated on Customer's Metered Volumes for the period when Utilities has ordered an Interruption. For any unauthorized volumes, Customer shall pay the Unauthorized Overrun Charge.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**AVAILABILITY**

Available in Utilities' gas service territory for any establishment engaged in the operation of a business or an institution, whether or not for profit who: (a) connect directly to Utilities' 150 pounds-per-square-inch-gauge (PSIG) or higher distribution system; (b) have connected daily load of at least 25,000 Mcf at 12.01 PSIA; and (c) consume 50% or more of their total 12 billing period Mcf during the Summer period of May through October. Service hereunder is conditioned upon availability of Utilities' capacity, resources, and assets without detriment or disadvantage to existing Customers. Service under this rate schedule is subject to availability on a first come, first serve basis and is limited to a maximum daily volume of 110,000 Mcf at 12.01 PSIA.

**CURTAILMENT**

Utilities may require Customer to install remote control equipment, at the Customer's expense, to enable Utilities to directly curtail Customer usage. If Customer fails to curtail during a declared curtailment event, Customer is subject to Utilities' intervention either through remote control or onsite shut-off of gas supply to the Customer's meter or equipment without advance notice. Service under this rate schedule will be subordinate to all firm gas sales, firm gas transportation services, and interruptible services. Customer is required to have functional backup equipment and fuel with the ability to maintain functionality during a curtailment lasting for a minimum of 24 hours. The Customer will demonstrate equipment and system functionality at the beginning of each Winter period of November through April with a test event coordinated by Utilities or an actual curtailment occurring within three months of the beginning of the Winter period. If overrun volumes are used during a test due to system failures, Utilities may waive the Unauthorized Overrun Charge.

If the Customer fails to satisfactorily demonstrate functional backup equipment and fuel and/or has a history of two or more failed curtailments in a heating season during declared curtailment events, Utilities may move the Customer to firm service.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**SERVICE CONSIDERATIONS**

Customers receiving service under this rate schedule are responsible for all costs to upgrade the measurement and communication equipment required to measure hourly consumption. Customer shall provide at its sole cost a dedicated 120-volt circuit prior to installation of the instrument and communication equipment. Utilities and Customer will work together to coordinate the installation of measurement equipment and connection of the 120-volt circuit to the communication equipment. Eligible Customers must submit a completed signed Interruptible Prescheduled Service Agreement (IPSA) and pay all costs to upgrade the required measurement equipment prior to commencing service under this schedule. Service will start no later than 120 days after those obligations are met. The measurement equipment must be operational and ready for service at least 45 days prior to the requested service date. Customer must maintain continuous electric service to the gas measurement equipment. A Restoration of Service fee according to Utilities Rules and Regulations section I.B. will be charged for any Customer caused outage that Utilities investigates.

System availability may be impacted by either planned or unplanned outages, or critical balancing conditions on the CIG system. Customer will be notified of such events. In the event a Customer terminates interruptible prescheduled service, moving to firm or interruptible service will be conditioned upon Utilities' availability of capacity to serve the Customer's requirement.

**PRESCHEDULING**

Customers receiving service under this rate schedule are required to establish a Maximum Daily Quantity (MDQ) under the IPSA. Customers are required to nominate daily gas supplies by email or phone to designated Utilities Energy Supply Department personnel. Customer nominations may not exceed their MDQ. Nominations are due by 8:00 a.m. Mountain Clock Time on the day prior to metered deliveries. The daily quantity nominated will be reviewed by Utilities to determine if sufficient capacity or supply, whether on CIG or Utilities' system, is forecasted for the following Gas Day. If the nomination is accepted by Utilities, the nominated quantities establish the Customer's Final Scheduled Volumes (FSV). If no or reduced system capacity is forecasted, Utilities will notify the Customer of the maximum allowable FSV by 4:30 p.m. on the day prior to its effectiveness. The Customer is responsible for re-nominating daily quantities by 5:00 p.m. for the following Gas Day at quantities no greater than the maximum allowable FSV.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**INTRADAY NOMINATIONS**

Intraday nominations submitted by email or phone to designated Utilities Energy Supply Department personnel will be considered and may or may not be accepted depending on supply availability, supply or load conditions, storage capacity or availability, capacity on the CIG system, and CIG intraday nomination cycles.

**DAILY BALANCING**

A Customer's Imbalance will be calculated by subtracting the Metered Volume from the FSV. If, on any Gas Day, the absolute value of a Customer's Imbalance is less than or equal to 10% of the Metered Delivered Volume then the absolute value of the Imbalance will be subject to the In-Band Daily Balancing Commodity Charge. On any Gas Day when the absolute value of the Imbalance is more than 10% of the Metered Volume, the absolute value of the Imbalance Volumes within the 10% threshold will be subject to the In-Band Daily Balancing Commodity Charge and the absolute value of any Imbalance Volumes outside the 10% threshold will be subject to the Out-of-Band Daily Balancing Commodity Charge. If, on any Gas Day, the absolute value of Imbalance Volumes results in Critical Condition Daily Unauthorized Overrun charges on the CIG System, the resulting Imbalance volumes will be subject to Utilities' Unauthorized Daily Balancing Commodity Charge. Injection imbalances resulting from curtailment or interruption will not be subject to balancing charges.

Utilities may order an intraday partial curtailment if volumes are expected to exceed nominations by 10%.

**UNAUTHORIZED OVERRUN**

Unauthorized overrun volumes are any gas used by a Customer during an Interruption or gas used in excess of volumes authorized by Utilities for use by Customer during a partial or full curtailment. Unauthorized overrun volumes will be calculated on Customer's Metered Volumes for the period when Utilities has ordered an Interruption. For any unauthorized volumes, Customer shall pay the Unauthorized Overrun Charge.

**RATE**

See Rate Table for applicable charges.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**MAXIMUM DELIVERY QUANTITY ADJUSTMENT**

If a Customer's MDQ is exceeded by the Metered Volumes on any Gas Day, such Customer's MDQ will be increased to the new highest Metered Volume provided system capacity is available.

**INTERRUPTIBLE PRESCHEDULED SERVICE AGREEMENT PERIOD**

Unless otherwise specified, the initial contract period is from the IPSA Service Start Date to October 31st. Unless otherwise stated, the IPSA shall automatically renew for an additional 12-month contract period each November 1st, unless Customer provides advance written notice to Utilities no later than 180 days prior to the November 1st renewal date that Customer elects not to renew for the upcoming IPSA year.

**NOTIFICATION AND CHANGES**

An Interruptible Prescheduled Customer shall notify Utilities in writing of its request to make additions or changes to its service under this rate schedule. Notification shall include Customer name, IPSA #, account number(s), billing information and other information as Utilities may deem appropriate. Any such request shall take place as hereinafter described.

For additions of meters to the IPSA, the requested changes will become effective on a mutually agreeable date between Utilities and the Customer; provided however that service will start no later than 120 days after the IPSA amendment is executed and all measurement equipment costs are paid to Utilities, subject to measurement equipment availability.

To terminate Interruptible Prescheduled Service, the Customer's request must be received in writing by Utilities no less than 180 days prior to the IPSA Renewal Date.

**DEFINITIONS**

**CRITICAL IMBALANCE VOLUMES:** Daily over/under metered volumes that result in Critical Condition Unauthorized charges on the CIG System.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL SERVICE – INTERRUPTIBLE PRESCHEDULED (G3D)**

**CONNECTED LOAD:** The daily connected load amount is the hourly rated load times 24 for functional natural gas equipment used in the Customer's normal operation. Reserve or standby equipment will not be counted in the load calculation. Customers with multiple site locations may aggregate individual site loads as a part of meeting the minimum load threshold. Customer must be the owner/operator of the business and not a third-party provider.

**FINAL SCHEDULED VOLUMES:** Final volumes scheduled by Customer Gas Day in Mcf at 12.01 PSIA using the CIG measured average BTU factor for the Gas Day.

**IMBALANCE OR IMBALANCE VOLUMES:** The Final Scheduled Volumes less the Metered Volumes on a given Gas Day.

**IN-BAND VOLUMES:** Daily imbalance volumes with absolute value less than or equal to 10% of the daily scheduled volumes.

**IPSA RENEWAL DATE:** Automatic yearly renewal date of the IPSA effective November 1<sup>st</sup>.

**IPSA SERVICE START DATE:** The first day of the month that interruptible prescheduled service begins under the IPSA.

**LOST AND UNACCOUNTED FOR GAS (L&U):** L&U gas is consumed by Utilities distribution system and is not part of the Metered Volumes. Utilities will add the L&U to the Metered Volumes for billing purposes. L&U is currently 1.6%, customer shall calculate its nomination on Utilities' system to include L&U.

**METERED VOLUMES:** Volumes provided to the Customer's meter in Mcf at 12.01 PSIA.

**MEASUREMENT:** All volumes will be measured on a Mcf basis at the standard billing base pressure of 12.01 PSIA.

**OUT-OF-BAND VOLUMES:** Daily imbalance volumes with absolute value greater than 10% of the daily scheduled volumes.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

**AVAILABILITY**

Available to individually metered Customers who are not on a Residential Service Rate Schedule and who have contracted for an alternate source of gas supply and have requested Utilities to transport such alternate gas for the Customer’s account. The alternate source of gas supply must be delivered into Utilities’ system by firm transportation capacity on the CIG system that is verifiable to Utilities’ satisfaction. The Customer must provide proof of capacity on the CIG system equal to 100% of MDQ each year prior to annual contract renewal. Service hereunder is conditioned upon availability of Utilities’ capacity, resources, and assets without detriment or disadvantage to existing Customers. Customers interested in participating in G4T gas transportation service shall submit a written request for service to include Shipper name, account number(s), billing information, and other information as Utilities may deem appropriate. Utilities will provide to customers requesting this service the cost to upgrade the measurement and appurtenant equipment necessary to receive such service. The measurement equipment upgrade cost will be valid for 12 months from date of issuance.

**SERVICE CONSIDERATIONS**

Transportation Customers are responsible for all costs to upgrade the measurement and communication equipment required to measure daily consumption. Customer shall provide at its sole cost a dedicated 120-volt circuit prior to installation of the instrument communication equipment. Utilities and Customer will work together to coordinate the installation of measurement equipment and connection of the 120-volt circuit to the communication equipment. Customers must submit a completed signed Transportation Service Agreement (TSA), pay the Initial Service Fee, and pay all costs to upgrade the required measurement equipment in order to qualify for service under this schedule. Service will start no later than 120 days after the TSA is executed, the Initial Service Fee is paid in full, and measurement equipment upgrade costs are paid in full to Utilities, subject to equipment availability. The measurement equipment must be operational and ready for service at least 45 days prior to the requested service date. Customer must maintain continuous electric service to the gas measurement equipment. A Restoration of Service fee according to Utilities Rules and Regulations section I.B. will be charged for any Customer caused outage that Utilities investigates. Gas system availability may be impacted by either planned or unplanned outages. Shipper will be notified of such events. In the event a Customer terminates transportation service, returning to firm sales service will be conditioned upon Utilities’ availability of capacity to serve Customer’s firm requirement.

**DAILY BALANCING**

A Shipper’s Imbalance will be calculated by subtracting the Metered Delivered Volume from the Final Scheduled Delivered Volume.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

If, on any Gas Day, the absolute value of a Shipper’s Imbalance is less than or equal to 10% of the Metered Delivered Volume then the absolute value of the Imbalance will be subject to the In-Band Daily Balancing Commodity Charge. On any Gas Day when the absolute value of the Imbalance is more than 10% of the Metered Delivered Volume, the absolute value of the Imbalance Volumes within the 10% threshold will be subject to the In-Band Daily Balancing Commodity Charge and the absolute value of any Imbalance Volumes in excess of the 10% threshold will be subject to the Out-of-Band Daily Balancing Commodity Charge.

**RESTRICTED DELIVERY DAY EVENT**

The declaration by Utilities of an RDD Event is a notification to Customers that limited capacity is available for balancing. During an RDD Event the Metered Delivered Volumes should not be less than or greater than the Final Scheduled Delivered Volumes.

In the event a condition is developing that may require the implementation of an RDD Event, or circumstances are present that significantly increase the likelihood that such conditions will develop, Utilities will undertake reasonable efforts to notify Shippers and their agents of the developing conditions or circumstances to provide Shippers the time and opportunity to take steps to address the condition. The RDD Event will commence with a NAESB gas pipeline nomination cycle specified in the notification. The RDD Event will end at a time specified in a separate notification. During an RDD Event, all four NAESB pipeline nomination cycles will be available to G4T customers to balance their Metered Delivered Volumes and Final Scheduled Delivered Volumes. Shippers must execute intraday nominations to align Final Scheduled Quantities with expected demand. In the event Utilities declares an RDD Event, Utilities will attempt to notify Shippers and their Agents by 4:00 p.m. the day prior to its effectiveness. However, Utilities may call an RDD Event at any time for any and all Shippers and their Agents, including for specific Shippers and their Agents that Utilities reasonably believes are causing the condition necessitating the RDD.

For deliveries during an RDD Event, the Daily Balancing Charges and provisions set forth above shall continue to apply. Imbalance Volumes in excess of 10% of the Metered Delivered Volumes will be assessed a charge equal to the Daily Balancing Commodity Charge – RDD Event. RDD Event charges will be assessed in addition to any other balancing charges that may apply.

**MONTHLY BALANCING**

At the end of each Gas Month, the total of daily positive and negative Imbalances that have accumulated throughout the Gas Month, both In-Band and Out-of-Band, will be netted and Cashed Out to zero.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

Utilities will determine the Cash Out quantity applicable to each Shipper/Agent through the last day of the Gas Month. Utilities and Shipper/Agent will Cash Out by applying the applicable Monthly Balancing Charges for either under deliveries or over deliveries to the final Cash Out quantity.

Utilities shall either credit or charge the applicable transportation billing account to reflect the Cash Out amounts due either Shipper/Agent or Utilities, respectively. All Imbalances accrued will be resolved to zero at the end of each Gas Month. Imbalances shall not be carried over.

**OPTIONAL SERVICE**

Shipper may, with an Aggregator, participate in Aggregation as defined in the transportation terms and conditions contained within Utilities' Rules and Regulations. Individual Shipper's MDQ will remain in effect and may not be aggregated to avoid MDQ Overrun Charges. The Aggregation Pool will be considered as one Shipper for purposes of calculating the daily scheduling penalties and monthly imbalances, i.e., individual Shipper nominations and consumption will be summed and treated as if they were one Shipper.

Under this aggregation service, the Monthly and Daily Balancing Charges are billed to the Aggregator for the Aggregation Pool, rather than being billed to the Shipper.

**INITIAL SERVICE FEE**

In order to qualify for service under this rate schedule a one-time Initial Service Fee is required of each participating Customer.

**MAXIMUM DELIVERY QUANTITY ADJUSTMENT AND OVERRUN CHARGES**

If a Shipper's MDQ is exceeded by the Metered Delivered Volumes on any Gas Day, such Shipper's MDQ will be increased to the new highest Metered Delivered Volume provided system capacity is available. Such increased MDQ will become effective immediately and applied for the current billing month. The Shipper's Maximum Receipt Quantity (MRQ) is equal to the MDQ + L&U and shall be increased proportionately.

MDQ Overrun Charge: In the event the Metered Delivered Volume exceeds the MDQ, an MDQ Overrun Charge will be applied. The MDQ Overrun Charge will be calculated based on the difference between the maximum Metered Delivered Volume during the billing month minus the current MDQ multiplied by

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

the number of days from either the TSA Service Start Date or the most recent TSA Renewal Date to the end of the previous Gas Month multiplied by the Transportation Demand Charge. The overrun volumes will not be less than zero on any day. If a Shipper nominates an amount that results in their balancing band exceeding their MDQ, the balancing service will be provided. Any balancing service provided resulting in daily Metered Delivered Volumes exceeding the Shipper’s existing MDQ will result in the Shipper’s MDQ being increased to the higher daily Metered Delivered Volume along with the MDQ Overrun Charge.

Shipper may request in writing for Utilities to increase Shipper's MDQ. Providing that system capacity is available, a Shipper's MDQ will be increased effective the beginning of the following month.

Shipper may request in writing for Utilities to decrease Shipper’s MDQ. Upon receipt of any such written request, Utilities will review and evaluate Shipper’s usage history and may grant a reduction of a Shipper’s MDQ if, in its sole discretion, Utilities determines a lower MDQ is justified based on Shipper’s inability to utilize the existing MDQ level under any conditions.

**RATE**

See Rate Table for applicable charges.

**TRANSPORTATION SERVICE AGREEMENT PERIOD**

Unless otherwise specified, the initial contract period is from the TSA Service Start Date to October 31st. Unless otherwise stated, the TSA shall automatically renew for an additional 12-month contract period each November 1st, unless Customer provides advance written notice to Utilities no later than 180 days prior to the November 1st renewal date that Customer elects not to renew for the upcoming TSA year.

**NOMINATION PROCESS**

Shippers under this rate schedule are required to nominate daily gas supplies from Utilities’ Receipt Point to their individual delivery point using Utilities’ electronic bulletin board (EBB). Shipper nominations may not exceed their MRQ. Nominations are due by 12:00 p.m. Mountain Time on the day prior to metered deliveries. Utilities will confirm these (NAESB cycle 1) nominations with CIG daily by 3:30 p.m. Mountain Time or as may otherwise be required under CIG’s tariff. Utilities will confirm the same quantity of gas nominated on its EBB with the upstream nomination on CIG for deliveries from CIG to

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

Utilities. The daily quantity nominated on Utilities’ EBB will be accepted as the maximum quantity deliverable into Utilities’ distribution system for the following Gas Day. However, upstream nominations on CIG may be adjusted in CIG’s remaining nomination cycles to attempt to meet any shortfall in nominated quantities on CIG compared to Utilities.

All nominations on Utilities’ EBB are expected to be made in good faith to match the amount of anticipated actual consumption of the G4T Shippers for whom the nominations are being made. Utilities shall have the right, in its sole discretion, not to confirm any nomination that it deems is being made in order to take unfair advantage of any tariff provisions, including but not limited to, monthly Cash Out, or when Utilities determines its system reliability is being jeopardized.

**NOTIFICATION AND CHANGES TO TRANSPORTATION**

A Transportation Customer shall notify Utilities in writing of its request to make additions or changes to its service under this G4T gas transportation rate schedule. Notification shall include Shipper name, TSA #, account number(s), billing information and other information as Utilities may deem appropriate. Any such request shall take place as hereinafter described.

For additions of meters to the contract, the requested changes will become effective on a mutually agreeable date between CSU and the Transportation Customer; provided however that service will start no later than 120 days after the TSA amendment is executed and all measurement equipment costs are paid to Utilities, subject to measurement equipment availability. The Shipper shall concurrently increase delivery capacity on the CIG system and request Utilities in writing to increase the Shipper’s MDQ for meter additions.

To terminate Gas Transportation Service, the Customer’s request must be received in writing by Utilities no less than 180 days prior to the November 1st TSA Renewal Date. Customers requesting to return to firm sales service will be conditioned upon Utilities’ availability of capacity to serve Customer’s firm requirement.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

**DEFINITIONS**

**CASH OUT:** The application of Monthly Balancing Charges to the end-of-the-month imbalance quantity. (See Monthly Balancing)

**FINAL SCHEDULED DELIVERED VOLUMES:** Final volumes scheduled by CIG for receipt by Shipper at Utilities’ City Gate on a given Gas Day, less Utilities’ L&U, in Mcf at 12.01 PSIA using the CIG measured average BTU factor for the Gas Day.

**FINAL SCHEDULED RECEIVED VOLUMES:** Final volumes scheduled by CIG for receipt by Shipper at Utilities’ City Gate on a given Gas Day in Mcf at 12.01 PSIA using the CIG measured average BTU factor for the Gas Day.

**FINAL SCHEDULED QUANTITIES:** Final quantities scheduled by CIG for receipt by Shipper at Utilities’ City Gate on a given Gas Day in Dekatherms.

**GAS MONTH:** A period beginning at 8:00 a.m. Mountain Clock Time (MCT), adjusted for Daylight Savings Time when appropriate on the first day of a calendar month and ending at 8:00 a.m. Mountain Clock Time (MCT), adjusted for Daylight Savings Time when appropriate of the first day of the next succeeding calendar month.

**IMBALANCE OR IMBALANCE VOLUMES:** The Final Scheduled Delivered Volumes less the Metered Delivered Volumes on a given Gas Day.

**IN-BAND VOLUMES:** Daily under/over deliveries that are less than or equal to 10% of the daily Metered Delivered Volumes.

**LINE-EXTENSION POLICY:** Any new or additional facilities required at the delivery point to provide transportation service shall be paid for by the Customer. All facilities installed by Utilities shall continue to be owned, operated and maintained by Utilities.

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**NATURAL GAS RATE SCHEDULES**

**INDUSTRIAL TRANSPORTATION SERVICE – FIRM (G4T)**

**LOST AND UNACCOUNTED FOR GAS:** L&U gas is currently 1.6% of the total gas received at the Receipt Point(s). Shipper shall calculate its nominations on Utilities’ system at the Receipt Point(s) to include L&U. L&U is consumed by Utilities’ distribution system and is not part of the Metered Delivered Volumes.

**METERED DELIVERED VOLUMES:** Volumes delivered to the Shipper's meter in Mcf at 12.01 PSIA.

**MDQ OVERRUN:** Metered Delivered Volumes in excess of the Maximum Delivery Quantity specified in the Transportation Service Agreement.

**MEASUREMENT:** All transportation deliveries will be measured on a Ccf or Mcf basis at the standard billing base pressure of 12.01 PSIA.

**NAESB:** North American Energy Standards Board.

**NAESB NOMINATION CYCLES:** Timely Cycle – 12:00 p.m. Mountain Clock Time (MCT) the day prior to Gas Day; Evening Cycle – 5:00 p.m. MCT the day prior to Gas Day; IntraDay 1 Cycle – 9:00 a.m. MCT on Gas Day; IntraDay 2 Cycle – 1:30 p.m. MCT on Gas Day; IntraDay 3 Cycle – 6:00 p.m. MCT on Gas Day.

**NOMINATED VOLUMES:** Daily volumes nominated by the Shipper to be received at Utilities’ City Gate in dekatherms.

**NOMINATIONS:** Shipper’s estimate of gas volume to be transported on Utilities’ distribution system on a daily basis.

**OUT-OF-BAND VOLUMES:** Daily over/under deliveries that are greater than 10% of the daily Metered Delivered Volumes.

**OVER DELIVERIES:** Daily Final Scheduled Delivered Volumes that are greater than daily Metered Delivered Volumes.

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**NATURAL GAS RATE SCHEDULES**

**CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)**

**AVAILABILITY**

Available in Utilities’ gas service territory to the United States of America at the Fort Carson Military Installation, the Peterson Air Force Base, and the United States Air Force Academy.

**CURTAILMENT**

Utilities reserves the right to curtail service to the Customer at any time. Interruptible gas sales service will be subordinate to all firm gas sales and firm gas transportation services.

Customer is required to have functional backup equipment and fuel with the ability to curtail for a minimum period of 24 hours when notified. The Customer will demonstrate equipment and system functionality at the beginning of each Winter period of November through April with a test event coordinated by Utilities or an actual curtailment occurring within three months of the beginning of the Winter Period. If overrun volumes are used during a test due to system failures, Utilities may waive the Unauthorized Overrun Charge. The Customer must complete a successful test each heating season.

If the Customer fails to satisfactorily demonstrate functional backup equipment and fuel and or has a history of failed curtailments during declared curtailment events, Utilities may move the Customer to firm service.

**CONVERSION TO FIRM SERVICE**

Customer requests to convert to firm service are conditional on Utilities’ capacity availability.

**RATE OPTIONS**

Customers may choose between the following:

- A. Standard Option (GCS-INTS)
- B. Monthly Index Option (GCS-G7M)

**RATE**

See Rate Table for applicable charges.

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**NATURAL GAS RATE SCHEDULES**

**CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)**

**UNAUTHORIZED OVERRUN**

Unauthorized overrun volumes are any gas used by a Customer during an Interruption or gas used in excess of volumes authorized by Utilities for use by Customer on the Daily Index option during a partial curtailment. Unauthorized overrun volumes will be calculated on Customer's Metered Volumes for the period when Utilities has ordered an Interruption. For any unauthorized volumes, Customer shall pay the Unauthorized Overrun Charge.

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# **Schedules**

**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 1**  
**SUMMARY OF PROPOSED RATES**

<b>Line</b>	<b>Description</b>	<b>Rate</b>
<b>No.</b>		
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	Access and Facilities Charge per Day	\$ 20.6357
2	Access and Facilities Charge per Mcf	\$ 0.6163
3	Daily Balancing Charges per Mcf	
4	In Band	\$ 0.0341
5	Out of Band	\$ 0.4571
6	Unauthorized	\$ 2.4425
7	Gas Capacity Charge per Mcf	\$ 0.1913
8	Gas Cost per Mcf	Daily Index
9	Unauthorized Overrun Charge	Overrun Index

**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 2**  
**ACCESS AND FACILITIES CHARGE PER DAY**

<b>Line No.</b>	<b>Description</b>	<b>Included Customer Cost</b>	<b>Average Weighted Customers</b>	<b>Rate Per Day</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
1	Access and Facilities per Day	\$ 26,841,048	3,564	\$ 20.6357

*Note: Average Weighted Customers based on 213,815 total average forecasted customer from the 2020 Natural Gas Cost of Service Study and a customer weighting of 60.0.*

**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 3**  
**ACCESS AND FACILITIES CHARGE PER MCF**

<b>Line No.</b>	<b>Description</b>	<b>Included Commodity Cost</b>	<b>2021 Forecasted Sales in Mcf</b>	<b>Rate Per Mcf</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (c) / (d)</b>
1	Access and Facilities per Mcf	\$ 18,753,526	30,427,398	\$ 0.6163

**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 4**  
**CLASSIFICATION OF FUNCTIONAL EXPENDITURES**

Line No.	Function	Total <sup>(1)</sup>	Included Cost		Excluded Cost <sup>(2)</sup>	
			Commodity Related	Customer Related	Demand Related	Direct
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Manufactured Gas Production	\$ 1,578,314	\$ -	\$ -	\$ 1,578,314	\$ -
2	Distribution					
3	Mains and Other	44,498,495 <sup>(3)</sup>	10,629,107	-	33,869,388	-
4	Services and Installations	9,151,979	-	9,151,979	-	-
5	Meters and House Regulators	4,006,406	-	4,006,406	-	-
6	G4T	117,983	-	-	-	117,983
7	Customer	13,682,663	-	13,682,663	-	-
8	Surplus Payments to the City	8,124,419	8,124,419	-	-	-
9	<b>Total</b>	<b>\$ 81,160,258</b>	<b>\$ 18,753,526</b>	<b>\$ 26,841,048</b>	<b>\$ 35,447,702</b>	<b>\$ 117,983</b>

Notes:

<sup>(1)</sup> Classification of Functional Expenditures Totals are based on 2020 Natural Gas Cost of Service Study Schedule 5.

<sup>(2)</sup> Maximum Day (Demand Related) costs are excluded from interruptible service. Direct costs are directly assigned to the Industrial Transportation Service - Firm Rate Class.

<sup>(3)</sup> Mains and Other cost is classified as 76.1% Demand Related and 23.9% Commodity Related based on the percent of summer sales from Schedule 9.

**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 5**  
**DAILY BALANCING COMMODITY CHARGE<sup>(1)</sup>**

<b>Line No</b>	<b>Description</b>	<b>In-Band</b>	<b>Out-of-Band</b>	<b>Unauthorized</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
1	Injection/Withdrawal per Dth	\$ 0.0075	\$ 0.2413	\$ -
2	Withdrawal Delivery per Dth	0.0220	0.2870	2.8697
3	Fuel Storage <sup>(2)</sup>	0.0107	0.0107	0.0107
4	Charge per Dth	\$ 0.0402	\$ 0.5390	\$ 2.8804
5	<b>Daily Balancing Charge per Mcf<sup>(3)</sup></b>	<b>\$ 0.0341</b>	<b>\$ 0.4571</b>	<b>\$ 2.4425</b>

Notes :

<sup>(1)</sup> Cost in Dth are based on CIG tariff rates.

<sup>(2)</sup> Fuel Storage calculated on Schedule 6.

<sup>(3)</sup> Daily Balancing Charges per Mcf are converted from a PSIA of 14.73 to 12.01 assuming an annual heating value of 1,040 Btu per cubic foot.



**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 6**  
**FUEL STORAGE COST**

<b>Line No</b>	<b>Description</b>	<b>CIG</b>	<b>CHY</b>	<b>Average</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
1	<b>Forecasted Gas Price per Dth</b>			
2	Jan	\$ 4.1050	\$ 4.1850	\$ 4.1450
3	Feb	3.9100	3.9824	3.9462
4	Mar	3.3685	3.4855	3.4270
5	Apr	2.5833	2.6667	2.6250
6	May	2.4539	2.5362	2.4950
7	Jun	2.5647	2.6053	2.5850
8	Jul	2.6600	2.7112	2.6856
9	Aug	2.6600	2.7276	2.6938
10	Sep	2.5655	2.6145	2.5900
11	Oct	2.5213	2.5787	2.5500
12	Nov	2.8256	2.9145	2.8700
13	Dec	3.0670	3.1631	3.1150
14	Average	<u>\$ 2.9404</u>	<u>\$ 3.0142</u>	<u>\$ 2.9773</u>
15	Storage Fuel Gas Surcharge			<u>0.36%</u>
16	<b>Fuel Storage per Dth</b>			<u><b>\$ 0.0107</b></u>

*Note: Fuel Storage Gas Surcharged based on CIG tariff rate.*

**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 7**  
**GAS CAPACITY CHARGE**

<b>Line No.</b>	<b>Description</b>	<b>Included Commodity Cost</b>	<b>Forecasted Sales in Mcf</b>	<b>Rate Per Mcf</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (c) / (d)</b>
1	Gas Capacity Charge	\$ 5,520,572	28,861,570	\$ 0.1913

*Note: Forecasted GCC sales based on Gas Capacity Charges approved by City Council on July 28, 2020. GCC sales exclude sales of Industrial Transportation Service - Firm.*

**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 8**  
**GAS CAPACITY CHARGE FORECASTED EXPENSE**

Line No.	Description	Account	Total Forecast Capacity 08/20 - 07/21 <sup>(1)</sup>	Included Cost		Excluded Cost <sup>(2)</sup>	
				Commodity Related	Demand Related	Commodity Related	Demand Related
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(g)
1	Retail Gas Transportation - Commodity/Demand <sup>(3)</sup>	804020	\$ 17,401,914	\$ 4,156,698	\$ 1,133,484	\$ 12,111,732	
2	Retail Gas Transportation - Commodity <sup>(3)</sup>	804020	595,392	595,392	-	-	
3	Gas No-Notice Storage - Commodity	804040	112,031	112,031	-	-	
4	Gas No-Notice Storage - Commodity/Demand <sup>(3)</sup>	804040	4,563,673	1,090,099	297,258	3,176,317	
5	Gas Young Storage - Commodity	804030	16,334	-	16,334	-	
6	Gas Young Storage - Commodity/Demand <sup>(3)</sup>	804030	728,182	-	221,367	506,815	
7	Gas Young Storage - Trans Demand	804030	-	-	-	-	
8	Tallgrass - Trans Demand	804070	-	-	-	-	
9	Total Forecasted Capacity Expense		\$ 23,417,527	\$ 5,954,221	\$ 1,668,443	\$ 15,794,863	
10	Plus: Cumulative Over/(Under) Recovery <sup>(2)(3)</sup>		(1,815,459)	(433,649)	(118,251)	(1,263,559)	
11	<b>Total</b> (Line 9 + Line 10)		<b>\$ 21,602,068</b>	<b>\$ 5,520,572</b>	<b>\$ 1,550,192</b>	<b>\$ 14,531,304</b>	

Notes:

<sup>(1)</sup> Total Forecasted Capacity expense is based on Gas Capacity Charge approved by City Council on July 28, 2020.

<sup>(2)</sup> Demand Related costs are excluded from interruptible service. Storage related costs are excluded based on direct recovery through Daily Balancing Charges.

<sup>(3)</sup> Commodity/Demand Expense classification for Retail Gas Transportation, No-Notice and Young Storage are adjusted from 69.6% Demand Related and 30.4% Commodity Related to 76.1% Demand Related and 23.9% Commodity Related based on the percent of summer sales from Schedule 9. Excluded Commodity Related Cumulative Over/(Under) Recovery is based on the difference of 30.4% and 23.9%.

**Colorado Springs Utilities**  
**2022 Natural Gas Industrial Service - Interruptible Prescheduled**

**SCHEDULE 9**  
**SUMMER NATURAL GAS SALES IN MCF**

<b>Line No.</b>	<b>Month</b>	<b>Total</b>	<b>Winter</b>	<b>Summer</b>	<b>Percent Summer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>
1	Jan	4,744,418	4,744,418	-	
2	Feb	4,249,405	4,249,405	-	
3	Mar	3,434,651	3,434,651	-	
4	Apr	2,534,013	2,534,013	-	
5	May	1,625,081	-	1,625,081	
6	Jun	927,543	-	927,543	
7	Jul	796,557	-	796,557	
8	Aug	795,087	-	795,087	
9	Sep	1,030,814	-	1,030,814	
10	Oct	2,092,941	-	2,092,941	
11	Nov	3,361,384	3,361,384	-	
12	Dec	4,835,503	4,835,503	-	
13	<b>Total</b>	<b>30,427,398</b>	<b>23,159,375</b>	<b>7,268,023</b>	<b>23.9%</b>

WATER

# **Water Report**

## Water Service

Colorado Springs Utilities (Utilities) operates an extensive network of Supply, Treatment, Transmission, and Distribution facilities in order to maintain a dependable water supply for the largest city in Colorado not located on a major water source. Utilities proposes the following changes to the Water Rate Schedules in this filing.

### **Contract Service – Regional (WCR)** (*Water Rate Schedule Sheet Nos. 1, 2.2 and 7.1*)

Utilities proposes a new rate schedule, Contract Service – Regional (WCR), to be assessed for each new connection to Utilities’ supply system for regional customers. Service under this rate schedule will be available by contract outside the city limits in areas where Utilities’ water system is available for use by Utilities to serve institutions, plants, organized water districts, municipal corporations, or other similar organizations and only with prior approval by the City Council.

The rate methodology used to determine the Commodity Charge for this service uses Average System Cost plus a 20% multiplier. Average System Cost considers a system wide water Cash Needs method utilizing the average system cost excluding costs not applicable to regional customers. This methodology is an economically efficient option that provides appropriate price signals to regional entities (and to their retail customers) for usage of water services. This rate design represents a reasonable methodology for determining the charges applicable to regional entities for utilizing Utilities’ facilities and is the same methodology used for the wastewater rate, Contract Service – Regional.

Utilities’ customers do not subsidize regional entities, which is an important factor in concluding that the rate design is fair and equitable. Service to regional entities does not require Utilities to make investments that it otherwise would not have made, as well as the fact that existing investments such as treatment plant and distribution system have sufficient capacity. Utilities’ customers within the service territory receive full benefit of miscellaneous revenues, including revenue from regional customer usage.

The use of a multiplier is a standard rate design technique used by local governments to serve customers located outside their jurisdictional limits. In 2017, the Utilities Policy Advisory Committee (UPAC) recommended a multiplier of 20% for regional water service and a multiplier of 10% for regional wastewater service. The UPAC recommendation recognized that the use of a multiplier: is consistent with industry practice; acknowledges citizen investment in infrastructure and system planning; addresses the recovery of administrative costs of finance, legal, billing, and water accounting; considers risk associated with regional service with the higher water multiplier reflecting the service’s additional complexity.

The customer has two service options under this rate schedule. The Convey, Treat, and Deliver option is available to regional customers who have their own raw water supply and will be using

Utilities' system to convey, treat, and deliver the water to the customer's system. The rate for this service is \$0.0553 per cubic foot (cf).

In addition to the conveyance, treatment, and delivery of water, the full service option allows the customer to also purchase their water supply needs from Utilities. Under this option, the customer will pay Commodity Charge of \$0.0898 per cf.

**Augmentation (W1G)** (*Water Rate Schedule Sheet No. 2.2*)

Augmentation (W1G) Service pricing is based on the replacement cost of water, utilizing Utilities' lowest cost supplementary water long-term contract at \$500 per acre foot, or \$0.0115 per cf. Utilities continues a phased-in approach to bring this rate to full cost. This filing increases the commodity charge by 3.7% or \$0.0003 per cf, changing the rate from \$0.0081 to \$0.0084 per cf.



# Water Resolution

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION SETTING WATER RATES  
WITHIN SERVICE AREA OF  
COLORADO SPRINGS UTILITIES**

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed and the Colorado Springs City Council finds it prudent add the Contract Service – Regional (WCR) rate schedule to Utilities’ water rate schedules to provide service to eligible Regional Customers using the Average System Cost methodology for both the Full Service and Convey, Treat, and Deliver options; and

**WHEREAS**, Utilities proposed, and the City Council finds it prudent, to increase the Augmentation (W1G) rate to move toward the appropriate cost for the service; and

**WHEREAS**, the City Council finds Utilities’ proposed modifications prudent; and

**WHEREAS**, the City Council finds that the proposed addition of the Contract Service – Regional (WCR) rate schedule and the modification to the Augmentation (W1G) water rate schedule are reasonable in light of all circumstances and allow Utilities to collect revenues that enable Utilities to continue to operate in the best interest of all of its Customers; and

**WHEREAS**, the details of the proposed changes for the rate schedules are reflected in the tariff sheets attached to this resolution, are provided in redline format within Utilities’ 2022 Rate Case, and are discussed further in the City Council Decision and Order for this case; and

**WHEREAS**, Utilities provided public notice of the proposed changes and complied with the requirements of the City Code for changing its water rate schedules; and

**WHEREAS**, Utilities proposed to make the water rate schedule tariffs changes effective January 1, 2022; and

**WHEREAS**, specific rates, policy changes, and changes to any terms and conditions of service are set out in the attached tariffs for adoption with the final City Council Decision and Order in this case.

**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, Water Rate Schedules shall be revised as follows:

Effective January 1, 2022

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Second Revised Sheet No. 1	TABLE OF CONTENTS	First Revised Sheet No. 1
Fourth Revised Sheet No. 2.2	RATE TABLE	Third Revised Sheet No. 2.2
Original Sheet No. 7.1	CONTRACT SERVICE – REGIONAL (WCR)	

Section 2: The attached Tariff Sheets, Council Decision and Order, and other related matters are hereby approved and adopted.

Dated at Colorado Springs, Colorado, this 23<sup>rd</sup> day of November 2021.

\_\_\_\_\_  
City Council President

ATTEST:

\_\_\_\_\_  
Sarah B. Johnson, City Clerk

**Water**

**Redline Tariff Sheets**



<b>WATER RATE SCHEDULES</b>
<b>TABLE OF CONTENTS</b>

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Approval Date: ~~November 12, 2019~~ November 23, 2021  
 Effective Date: ~~January 1, 2020~~ January 1, 2022  
 Resolution No. ~~120-19~~



<b>WATER RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates	Reference
<b>Large Nonseasonal Service (WLNS)</b>		<b>Sheet No. 6</b>
Service Charge, per metered service point, per day:		
Less than 2 inch	\$1.7570	
2 inch	\$2.8112	
3 inch	\$5.2710	
4 inch	\$8.7851	
6 inch	\$17.5702	
8 inch	\$28.1123	
10 inch	\$40.4114	
Commodity Charge, per cf	\$0.0489	
<b>Contract Service – Military (WSC-MIL)</b>		<b>Sheet No. 7</b>
Commodity Charge:		
November through April, per cf	\$0.0477	
May through October, per cf	\$0.0596	
<b><u>Contract Service – Regional (WCR)</u></b>		<b><u>Sheet No. 7.1</u></b>
<b><u>Full Service Option</u></b>		
<u>Commodity Charge, per cf</u>	<u>\$0.0898</u>	
<b><u>Convey, Treat, and Deliver Option</u></b>		
<u>Commodity Charge, per cf</u>	<u>\$0.0553</u>	
<b>Nonpotable (WN, W1P)</b>		<b>Sheet No. 8</b>
<b>Miscellaneous Service (WN)</b>		
Commodity Charge, per cf	\$0.0266	
<b>Contract Service (W1P)</b>		
Commodity Charge, per cf	\$0.0153	
<b>Augmentation (W1G)</b>		<b>Sheet No. 9</b>
Commodity Charge, per cf	<del>\$0.008</del> <sup>\$0.0084</sup>	

Approval Date: ~~November 10, 2020~~<sup>November 23, 2021</sup>  
 Effective Date: ~~January 1, 2021~~<sup>January 1, 2022</sup>  
 Resolution No. ~~103-20~~

**WATER RATE SCHEDULES**

**CONTRACT SERVICE – REGIONAL (WCR)**

**AVAILABILITY**

Available by contract outside the corporate limits of the City in areas where Utilities' water supply system is available for use to serve institutions, plants, organized water districts, municipal corporations, or other similar organizations and only with prior approval by the City Council. This rate is not available to a Customer receiving service under Utilities' Residential Service (WR) Outside City Limits or Nonresidential Service (WG, WM) Outside City Limits rate schedules.

**RATE OPTIONS**

Customers may request the following options for Utilities' evaluation:

A. Full Service

On-demand deliveries of Utilities' owned water to a single point of delivery with volumetric limitations as set forth in a regional service contract. Regional Customers will maintain ownership and control over their water supply infrastructure.

B. Convey, Treat, and Deliver

On-demand deliveries by Utilities of a Regional Customer's owned or otherwise controlled alternative source of water supply. The alternative source of water supply must be delivered into Utilities' water supply system and will be treated and delivered through Utilities' infrastructure to a single point of delivery with volumetric limitations as set forth in a regional service contract. Regional Customers maintain ownership and control over their water supply infrastructure.

**RATE**

See Rate Table for applicable charges.

Approval Date: November 23, 2021

Effective Date: January 1, 2022

Resolution No.

**Water**  
**Final Tariff Sheets**





**WATER RATE SCHEDULES**

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Large Nonseasonal Service (WLNS).....	6
Contract Service – Military (WSC-MIL).....	7
Contract Service – Regional (WCR).....	7.1
Nonpotable (WN, W1P).....	8
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Temporary Service – Hydrant Use (WHYDM).....	10
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Approval Date: November 23, 2021  
 Effective Date: January 1, 2022  
 Resolution No. \_\_\_\_\_



**WATER RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference
<b>Large Nonseasonal Service (WLNS)</b>		<b>Sheet No. 6</b>
Service Charge, per metered service point, per day:		
Less than 2 inch	\$1.7570	
2 inch	\$2.8112	
3 inch	\$5.2710	
4 inch	\$8.7851	
6 inch	\$17.5702	
8 inch	\$28.1123	
10 inch	\$40.4114	
Commodity Charge, per cf	\$0.0489	
<b>Contract Service – Military (WSC-MIL)</b>		<b>Sheet No. 7</b>
Commodity Charge:		
November through April, per cf	\$0.0477	
May through October, per cf	\$0.0596	
<b>Contract Service – Regional (WCR)</b>		<b>Sheet No. 7.1</b>
<b>Full Service Option</b>		
Commodity Charge, per cf	\$0.0898	
<b>Convey, Treat, and Deliver Option</b>		
Commodity Charge, per cf	\$0.0553	
<b>Nonpotable (WN, W1P)</b>		<b>Sheet No. 8</b>
<b>Miscellaneous Service (WN)</b>		
Commodity Charge, per cf	\$0.0266	
<b>Contract Service (W1P)</b>		
Commodity Charge, per cf	\$0.0153	
<b>Augmentation (W1G)</b>		<b>Sheet No. 9</b>
Commodity Charge, per cf	\$0.0084	

Approval Date: November 23, 2021  
 Effective Date: January 1, 2022  
 Resolution No. \_\_\_\_\_

**WATER RATE SCHEDULES**

**CONTRACT SERVICE – REGIONAL (WCR)**

**AVAILABILITY**

Available by contract outside the corporate limits of the City in areas where Utilities' water supply system is available for use to serve institutions, plants, organized water districts, municipal corporations, or other similar organizations and only with prior approval by the City Council. This rate is not available to a Customer receiving service under Utilities' Residential Service (WR) Outside City Limits or Nonresidential Service (WG, WM) Outside City Limits rate schedules.

**RATE OPTIONS**

Customers may request the following options for Utilities' evaluation:

A. Full Service

On-demand deliveries of Utilities' owned water to a single point of delivery with volumetric limitations as set forth in a regional service contract. Regional Customers will maintain ownership and control over their water supply infrastructure.

B. Convey, Treat, and Deliver

On-demand deliveries by Utilities of a Regional Customer's owned or otherwise controlled alternative source of water supply. The alternative source of water supply must be delivered into Utilities' water supply system and will be treated and delivered through Utilities' infrastructure to a single point of delivery with volumetric limitations as set forth in a regional service contract. Regional Customers maintain ownership and control over their water supply infrastructure.

**RATE**

See Rate Table for applicable charges.

Approval Date: November 23, 2021  
Effective Date: January 1, 2022  
Resolution No. \_\_\_\_\_

# **Schedules**

Colorado Springs Utilities  
2022 Water Contract Service - Regional

SCHEDULE 9  
CONTRACT SERVICE - REGIONAL: FULL SERVICE OPTION  
AVERAGE SYSTEM COST (EXCLUDING CERTAIN COSTS) PLUS 20%  
MULTIPLIER

Line No.	Category	Rate Calculation	Functional Costs		
			Source of Supply and Pumping	Treatment	Mains, Reservoirs and Other
(a)	(b)	(c)	(d)	(e)	(f)
1	Total Operation and Maintenance Expense	\$ 103,916,564	\$ 60,019,920	\$ 15,737,919	\$ 26,520,948
2	Surplus Payments to City	2,321,998	-	-	-
3	Debt Service	76,042,580	40,626,957	8,371,620	25,112,525
4	Cash Funded Capital	31,967,815	17,079,313	3,519,376	10,557,145
5	Additions to Cash	21,936	12,670	3,322	5,598
6	Full Service Cost Basis	\$ 214,270,893	\$ 117,738,860	\$ 27,632,236	\$ 62,196,216
7	Colorado Springs Utilities' System Sales (cf)	2,864,094,911			
8	Full Service Average System Cost excluding certain costs, per cf (line 6 / line 7)	\$ 0.0748			
9	Multiplier	1.20			
10	<b>Total Commodity Charge, per cf (line 8 x line 9)</b>	<b>\$ 0.0898</b>			

Note:  
Average System Cost is derived from Colorado Springs Utilities' functional revenue requirement per Schedule 4 of the 2020 Water Cost of Service Study, excluding certain costs that are not applicable to the Regional Customer. Functional Costs for Full Service exclude all costs associated with Transmission & Distribution - Services, Meters, Installations, Hydrants and Customer Costs and a pro-rata share of Surplus Payments to the City.

Colorado Springs Utilities  
2022 Water Contract Service - Regional

**SCHEDULE 9**  
**CONTRACT SERVICE - REGIONAL: FULL SERVICE OPTION**  
**AVERAGE SYSTEM COST (EXCLUDING CERTAIN COSTS) PLUS 20%**  
**MULTIPLIER**

Line No.	Category	Functional Costs			
		Services, Meters, Installations, and Hydrants <sup>(Note)</sup>	Nonpotable	Customer <sup>(Note)</sup>	Surplus Payments to the City <sup>(Note)</sup>
(a)	(b)	(g)	(h)	(i)	(i)
1	Total Operation and Maintenance Expense	\$ -	\$ 1,637,778	\$ -	\$ -
2	Surplus Payments to City	-	-	-	2,321,998
3	Debt Service	-	1,931,479	-	-
4	Cash Funded Capital	-	811,981	-	-
5	Additions to Cash	-	346	-	-
6	Full Service Cost Basis	\$ -	\$ 4,381,583	\$ -	\$ 2,321,998
7	Colorado Springs Utilities' System Sales (cf)				
8	Full Service Average System Cost excluding certain costs, per cf (line 6 / line 7)				
9	Multiplier				
10	<b>Total Commodity Charge, per cf (line 8 x line 9)</b>				

Note:  
Average System Cost is derived from Colorado Springs Utilities' functional revenue requirement per Schedule 4 of the 2020 Water Cost of Service Study, excluding certain costs that are not applicable to the Regional Customer. Functional Costs for Full Service exclude all costs associated with Transmission & Distribution - Services, Meters, Installations, Hydrants and Customer Costs and a pro-rata share of Surplus Payments to the City.

Colorado Springs Utilities  
2022 Water Contract Service - Regional

**SCHEDULE 9.1**  
**CONTRACT SERVICE - REGIONAL: CONVEY, TREAT AND DELIVER**  
**OPTION**  
**AVERAGE SYSTEM COST (EXCLUDING CERTAIN COSTS) PLUS 20%**  
**MULTIPLIER**

Line No.	Category	Rate Calculation	Functional Costs		
			Source of Supply and Pumping <sup>(Note)</sup>	Treatment	Mains, Reservoirs and Other <sup>(Note)</sup>
(a)	(b)	(c)	(d)	(e)	(f)
1	Total Operation and Maintenance Expense	\$ 43,161,661	\$ 13,665,997	\$ 15,737,919	\$ 13,757,745
2	Surplus Payments to City	1,360,924	-	-	-
3	Debt Service	57,063,421	23,579,277	8,371,620	25,112,525
4	Cash Funded Capital	23,989,098	9,912,577	3,519,376	10,557,145
5	Additions to Cash	9,111	2,885	3,322	2,904
6	Convey, Treat, Deliver Cost Basis	\$ 125,584,215	\$ 47,160,736	\$ 27,632,236	\$ 49,430,319
7	Colorado Springs Utilities' System Sales (cf)	2,727,466,863			
8	Convey, Treat, Deliver Charge excluding certain costs, per cf (line 6 / line 7)	\$ 0.0460			
9	Multiplier	1.20			
10	<b>Total Commodity Charge, per cf (line 8 x line 9)</b>	<b>\$ 0.0553</b>			

Note:  
Average System Cost is derived from Colorado Springs Utilities' functional revenue requirement per Schedule 4 of the 2020 Water Cost of Service Study, excluding certain costs that are not applicable to the Regional Customer. Functional Costs for Convey, Treat, & Deliver exclude all costs associated with Transmission & Distribution - Services, Meters, Installations, Hydrants, Nonpotable, and Customer Costs as well as certain costs associated with Source of Supply and Pumping and Transmission & Distribution - Mains, Reservoirs, and Other and a pro-rata share of Surplus Payments to the City.

Colorado Springs Utilities  
2022 Water Contract Service - Regional

**SCHEDULE 9.1**  
**CONTRACT SERVICE - REGIONAL: CONVEY, TREAT AND DELIVER**  
**OPTION**  
**AVERAGE SYSTEM COST (EXCLUDING CERTAIN COSTS) PLUS 20%**  
**MULTIPLIER**

Line No.	Category	Functional Costs			
		Services, Meters, Installations, and Hydrants <sup>(Note)</sup>	Nonpotable <sup>(Note)</sup>	Customer <sup>(Note)</sup>	Surplus Payments to the City <sup>(Note)</sup>
(a)	(b)	(g)	(h)	(i)	(j)
1	Total Operation and Maintenance Expense	\$ -	\$ -	\$ -	\$ -
2	Surplus Payments to City	-	-	-	1,360,924
3	Debt Service	-	-	-	-
4	Cash Funded Capital	-	-	-	-
5	Additions to Cash	-	-	-	-
6	Convey, Treat, Deliver Cost Basis	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,360,924</u>
7	Colorado Springs Utilities' System Sales (cf)				
8	Convey, Treat, Deliver Charge excluding certain costs, per cf (line 6 / line 7)				
9	Multiplier				
10	<b>Total Commodity Charge, per cf (line 8 x line 9)</b>				

Note:  
Average System Cost is derived from Colorado Springs Utilities' functional revenue requirement per Schedule 4 of the 2020 Water Cost of Service Study, excluding certain costs that are not applicable to the Regional Customer. Functional Costs for Convey, Treat, & Deliver exclude all costs associated with Transmission & Distribution - Services, Meters, Installations, Hydrants, Nonpotable, and Customer Costs as well as certain costs associated with Source of Supply and Pumping and Transmission & Distribution - Mains, Reservoirs, and Other and a pro-rata share of Surplus Payments to the City.



WASTEWATER

# **Wastewater Report**

## **Wastewater Service**

Colorado Springs Utilities (Utilities) provides wastewater services for the City of Colorado Springs and for those areas approved by the City Council on a long-term, contractual basis. Utilities proposes the following changes to Wastewater Rate Schedules in this filing.

### **Contract Service – Regional (S9C) (*Wastewater Rate Schedule Sheet Nos. 1, 2.1 and 7*)**

Utilities proposes to change the name of the rate schedule, Contract Service – Outside City Limits, to Contract Service – Regional (S9C). This change more appropriately describes the rate class as serving regional entities outside the city limits and aligns with the proposed water rate schedule Contract Service – Regional (WCR).

This filing also proposes the final year three increase to the Treatment Charge of the Contract Service – Regional (S9C) Rate Schedule based on the 2020 Cost of Service study. The 6.5% or \$0.0019 per cubic foot (cf) increase to the Treatment Charge changes the rate from \$0.0293 to \$0.0312 per cf.

Contract Service – Regional (S9C) pricing methodology is Average System Cost excluding costs not applicable to regional customers plus the addition of a 10% multiplier. The pricing also excludes any benefit from Utilities' miscellaneous and interest revenues from the rate class, keeping the benefit of such revenues to customers within the service territory.

The use of a multiplier is a standard rate design technique used by local governments to serve customers located outside their jurisdictional limits. In 2017, the Utilities Policy Advisory Committee (UPAC) recommended a multiplier of 20% for regional water service and a multiplier of 10% for regional wastewater service. The UPAC recommendation recognized that the use of a multiplier: is consistent with industry practice; acknowledges citizen investment in infrastructure and system planning; addresses the recovery of administrative costs of finance, legal, billing, and water accounting; considers risk associated with regional service with the higher water multiplier reflecting the service's additional complexity.

# Wastewater Resolution

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION SETTING A WASTEWATER RATE WITHIN THE SERVICE AREAS OF COLORADO SPRINGS UTILITIES AND CERTAIN OTHER CHANGES TO WASTEWATER RATE SCHEDULES**

**WHEREAS**, Colorado Springs Utilities (Utilities) conducted a 2020 cost of service study and proposed to phase in the Contract Service – Outside City Limits (S9C) rate increase over a three-year period to reflect the appropriate cost for the service; and

**WHEREAS**, Utilities proposed, and the City Council finds it prudent, to implement the year three increase to Contract Service – Outside City Limits (S9C) rate for wastewater utility service; and

**WHEREAS**, Utilities proposed to change the name of the rate schedule Contract Service – Outside City Limits (S9C) to Contract Service – Regional (S9C) to align with the water service Contract Service – Regional (WCR) rate schedule; and

**WHEREAS**, the City Council finds Utilities' proposed modifications prudent; and

**WHEREAS**, the City Council finds that the proposed modifications to the Contract Service – Outside City Limits (S9C) wastewater rate schedule are reasonable in light of all circumstances and allows Utilities to collect revenues that enable Utilities to continue to operate in the best interest of all of its Customers; and

**WHEREAS**, the details of the proposed changes for this rate class are reflected in the tariff sheets attached to this resolution, are provided in redline format within Utilities' 2022 Rate Case, and are discussed further in the City Council Decision and Order for this case; and

**WHEREAS**, Utilities provided public notice of the proposed change and complied with the requirements of the City Code for changing its wastewater rate schedules; and

**WHEREAS**, Utilities proposed to make the wastewater rate schedule tariff changes effective January 1, 2022; and

**WHEREAS**, specific rates, policy changes, and changes to any terms and conditions of service are set out in the attached tariffs for adoption with the final City Council Decision and Order in this case.

**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, Wastewater Rate Schedules shall be revised as follows:

Effective January 1, 2022

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
First Revised Sheet No. 1	TABLE OF CONTENTS	Original Sheet No. 1
Fourth Revised Sheet No. 2.1	RATE TABLE	Third Revised Sheet No. 2.1
First Revised Sheet No. 7	CONTRACT SERVICE – REGIONAL (S9C)	Original Sheet No. 7

Section 2: The attached Tariff Sheet, Council Decision and Order, and other related matters are hereby approved and adopted.

Dated at Colorado Springs, Colorado, this 23<sup>rd</sup> day of November 2021.

\_\_\_\_\_  
City Council President

ATTEST:

\_\_\_\_\_  
Sarah B. Johnson, City Clerk

**Wastewater**  
**Redline Tariff Sheets**



**WASTEWATER RATE SCHEDULES**

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<b><u>DESCRIPTION</u></b>	<b><u>SHEET NO.</u></b>
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Approval Date: ~~June 12, 2018~~November 23, 2021

Effective Date: ~~July 1, 2018~~January 1, 2022

Resolution No. ~~60-18~~





<b>WASTEWATER RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates	Reference
<b>Outside City Limits</b>		
Service Charge, per day	\$1.5381	
Normal Quantity Charge, per cf	\$0.0428	
Extra Strength Surcharges Biochemical Oxygen Demand (BOD) and/or Total Suspended Solids (TSS) Surcharges will be charged to Customers whose discharges exceed the normal domestic strength.		
BOD, per excess BOD billing unit	\$0.0057	
TSS, per excess TSS billing unit	\$0.0030	
Consumptive Use Adjustment (CUA) Charge, per day, per meter	\$0.0800	
Irrigation Adjustment (IA) Charge, per day, per meter	\$0.0800	
<b>Contract Service – Military (MIL)</b>		<b>Sheet No. 6</b>
Treatment Charge, per cf	\$0.0264	
Extra Strength Surcharges Biochemical Oxygen Demand (BOD) and/or Total Suspended Solids (TSS) Surcharges will be charged to Customers whose discharges exceed the normal domestic strength.		
BOD, per excess BOD billing unit	\$0.0038	
TSS, per excess TSS billing unit	\$0.0020	
<b>Contract Service – <del>Outside City Limits</del><u>Regional</u> (S9C)</b>		<b>Sheet No. 7</b>
Treatment Charge, per cf	<del>\$0.0293</del> <u>\$0.0312</u>	
Extra Strength Surcharges Biochemical Oxygen Demand (BOD) and/or Total Suspended Solids (TSS) Surcharges will be charged to Customers whose discharges exceed the normal domestic strength.		
BOD, per excess BOD billing unit	\$0.0042	
TSS, per excess TSS billing unit	\$0.0022	

Approval Date: ~~November 10, 2020~~November 23, 2021  
 Effective Date: ~~January 1, 2021~~January 1, 2022  
 Resolution No. ~~104-20~~



**WASTEWATER RATE SCHEDULES**

**CONTRACT SERVICE – ~~OUTSIDE CITY LIMITS~~ REGIONAL (S9C)**

**AVAILABILITY**

Available by contract outside the corporate limits of the City in areas where Utilities' wastewater treatment system is available for use to serve institutions, plants, organized sewer districts, municipal corporations, or other similar organizations and only with prior approval by the City Council. This rate is not available to a Customer receiving service under Utilities' Residential Service (SR) Outside City Limits or Nonresidential Service (SC) Outside City Limits rate schedules.

**RATE**

See Rate Table for applicable charges.

**DETERMINATION OF BILLING UNITS**

**Treatment Charge**

Treatment Charge units are determined by a flow meter installed by the Customer in accordance with Utilities' *Line Extension and Service Standards* for Wastewater.

**Extra Strength Surcharges**

BOD billing units and TSS billing units are determined pursuant to the Extra Strength Surcharges Rate Schedule.

Approval Date: ~~June 12, 2018~~ November 23, 2021  
Effective Date: ~~July 1, 2018~~ January 1, 2022  
Resolution No. ~~60-18~~

**Wastewater**  
**Final Tariff Sheets**



**WASTEWATER RATE SCHEDULES**

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Liquid Waste Hauler (WWLIQ) .....	8
Extra Strength Surcharges.....	9

Approval Date: November 23, 2021  
 Effective Date: January 1, 2022  
 Resolution No. \_\_\_\_\_



<b>WASTEWATER RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates	Reference
<b>Outside City Limits</b>		
Service Charge, per day	\$1.5381	
Normal Quantity Charge, per cf	\$0.0428	
Extra Strength Surcharges Biochemical Oxygen Demand (BOD) and/or Total Suspended Solids (TSS) Surcharges will be charged to Customers whose discharges exceed the normal domestic strength.		
BOD, per excess BOD billing unit	\$0.0057	
TSS, per excess TSS billing unit	\$0.0030	
Consumptive Use Adjustment (CUA) Charge, per day, per meter	\$0.0800	
Irrigation Adjustment (IA) Charge, per day, per meter	\$0.0800	
<b>Contract Service – Military (MIL)</b>		<b>Sheet No. 6</b>
Treatment Charge, per cf	\$0.0264	
Extra Strength Surcharges Biochemical Oxygen Demand (BOD) and/or Total Suspended Solids (TSS) Surcharges will be charged to Customers whose discharges exceed the normal domestic strength.		
BOD, per excess BOD billing unit	\$0.0038	
TSS, per excess TSS billing unit	\$0.0020	
<b>Contract Service – Regional (S9C)</b>		<b>Sheet No. 7</b>
Treatment Charge, per cf	\$0.0312	
Extra Strength Surcharges Biochemical Oxygen Demand (BOD) and/or Total Suspended Solids (TSS) Surcharges will be charged to Customers whose discharges exceed the normal domestic strength.		
BOD, per excess BOD billing unit	\$0.0042	
TSS, per excess TSS billing unit	\$0.0022	

Approval Date: November 23, 2021  
 Effective Date: January 1, 2022  
 Resolution No. \_\_\_\_\_



**WASTEWATER RATE SCHEDULES**

**CONTRACT SERVICE – REGIONAL (S9C)**

**AVAILABILITY**

Available by contract outside the corporate limits of the City in areas where Utilities’ wastewater treatment system is available for use to serve institutions, plants, organized sewer districts, municipal corporations, or other similar organizations and only with prior approval by the City Council. This rate is not available to a Customer receiving service under Utilities’ Residential Service (SR) Outside City Limits or Nonresidential Service (SC) Outside City Limits rate schedules.

**RATE**

See Rate Table for applicable charges.

**DETERMINATION OF BILLING UNITS**

**Treatment Charge**

Treatment Charge units are determined by a flow meter installed by the Customer in accordance with Utilities’ *Line Extension and Service Standards* for Wastewater.

**Extra Strength Surcharges**

BOD billing units and TSS billing units are determined pursuant to the Extra Strength Surcharges Rate Schedule.

Approval Date: November 23, 2021  
Effective Date: January 1, 2022  
Resolution No. \_\_\_\_\_

# **Schedules**

Colorado Springs Utilities  
2020 Wastewater Cost of Service Study

SCHEDULE 9  
CONTRACT SERVICE - REGIONAL  
AVERAGE SYSTEM COST (EXCLUDING CERTAIN COSTS) PLUS 10%  
MULTIPLIER

Line No.	Category	Rate Calculation	Functional Costs			
			Collection System <sup>(1)</sup>	Preliminary Treatment Facility	Primary Clarifiers and Effluent Pumping	Trickling Filter Facility
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Total Operation and Maintenance Expense	\$ 22,685,462	\$ 8,712,929	\$ 345,925	\$ 1,336,966	\$ 39,188
2	Debt Service	14,674,692	9,618,363	2,005,209	467,944	102,438
3	Cash Funded Capital	7,766,683	5,090,586	1,061,271	247,663	54,216
4	Additions to Cash	(398,180)	(152,931)	(6,072)	(23,467)	(688)
5	Cost Basis	44,728,656	\$ 23,268,946	\$ 3,406,333	\$ 2,029,106	\$ 195,154
6	Colorado Springs Utilities' System Treatment in cf [Schedule 6.3 line 7, column (d)]	1,574,390,132				
7	Average System Cost excluding certain costs, per cf (line 5 / line 6)	\$ 0.0284				
8	10% Multiplier	1.10				
9	<b>Total Treatment Charge, per cf (line 7 x line 8)</b>	<b>\$ 0.0312</b>				
10	<b>Proposed Phase In:</b>					
11	Current effective Treatment Charge, per cf	\$ 0.0255				
12	Total Proposed Increase Treatment Charge, per cf (line 9 - line 11)	\$ 0.0057				
13	Proposed Year One Phase in of Increase, per cf (line 12 / 3 years)	\$ 0.0019				
14	<b>Treatment Charge, per cf effective January 1, 2020 (line 11 + line 13)</b>	<b>\$ 0.0274</b>				
15	Proposed Year Two Phase in of Increase, per cf (line 12 / 3)	\$ 0.0019				
16	<b>Treatment Charge, per cf effective January 1, 2021 (line 14 + line 15)</b>	<b>\$ 0.0293</b>				
17	Proposed Year Three Phase in of Increase, per cf (line 13 / 3)	\$ 0.0019				
18	<b>Treatment Charge, per cf effective January 1, 2022 (line 16 + line 17)</b>	<b>\$ 0.0312</b>				

Notes:

<sup>(1)</sup> Average System Cost is derived from Colorado Springs Utilities' functional revenue requirement per the 2020 Wastewater Cost of Service Study, Schedule 4, excluding certain costs that are not applicable to the Regional Customer.  
Functional costs exclude 50% of the total Collection System and 100% of Industrial Pretreatment and Customer costs.

<sup>(2)</sup> Estimated Regional Customer revenue is included in Miscellaneous and Interest Revenues per the 2020 Wastewater Cost of Service Study, Schedule 4, Line 7.



Colorado Springs Utilities  
2020 Wastewater Cost of Service Study

SCHEDULE 9  
CONTRACT SERVICE - REGIONAL  
AVERAGE SYSTEM COST (EXCLUDING CERTAIN COSTS) PLUS 10%  
MULTIPLIER

Line No.	Category	Rate Calculation	Functional Costs				
			Activated Sludge Facility	Solids Handling Facility	Laboratory	Industrial Pretreatment <sup>(1)</sup>	Customer <sup>(1)</sup>
(a)	(b)	(c)	(h)	(i)	(j)	(k)	(l)
1	Total Operation and Maintenance Expense	\$ 22,685,462	\$ 6,161,064	\$ 3,323,995	\$ 2,765,395	\$ -	\$ -
2	Debt Service	14,674,692	914,632	1,554,810	11,296	-	-
3	Cash Funded Capital	7,766,683	484,075	822,894	5,978	-	-
4	Additions to Cash	(398,180)	(108,140)	(58,344)	(48,539)	-	-
5	Cost Basis	44,728,656	\$ 7,451,631	\$ 5,643,355	\$ 2,734,130	\$ -	\$ -
6	Colorado Springs Utilities' System Treatment in cf [Schedule 6.3 line 7, column (d)]	1,574,390,132					
7	Average System Cost excluding certain costs, per cf (line 5 / line 6)	\$ 0.0284					
8	10% Multiplier	1.10					
9	<b>Total Treatment Charge, per cf (line 7 x line 8)</b>	<b>\$ 0.0312</b>					
10	<b>Proposed Phase In:</b>						
11	Current effective Treatment Charge, per cf	\$ 0.0255					
12	Total Proposed Increase Treatment Charge, per cf (line 9 - line 11)	\$ 0.0057					
13	Proposed Year One Phase in of Increase, per cf (line 12 / 3 years)	\$ 0.0019					
14	<b>Treatment Charge, per cf effective January 1, 2020 (line 11 + line 13)</b>	<b>\$ 0.0274</b>					
15	Proposed Year Two Phase in of Increase, per cf (line 12 / 3)	\$ 0.0019					
16	<b>Treatment Charge, per cf effective January 1, 2021 (line 14 + line 15)</b>	<b>\$ 0.0293</b>					
17	Proposed Year Three Phase in of Increase, per cf (line 13 / 3)	\$ 0.0019					
18	<b>Treatment Charge, per cf effective January 1, 2022 (line 16 + line 17)</b>	<b>\$ 0.0312</b>					

Notes:

<sup>(1)</sup> Average System Cost is derived from Colorado Springs Utilities' functional revenue requirement per the 2020 Wastewater Cost of Service Study, Schedule 4, excluding certain costs that are not applicable to the Regional Customer.  
Functional costs exclude 50% of the total Collection System and 100% of Industrial Pretreatment and Customer costs.

<sup>(2)</sup> Estimated Regional Customer revenue is included in Miscellaneous and Interest Revenues per the 2020 Wastewater Cost of Service Study, Schedule 4, Line 7.

**UTILITIES RULES  
AND REGULATIONS (URR)**

# **Utilities Rules and Regulations (URR) Report**

### **Utilities Rules and Regulations (URR)**

Colorado Springs Utilities' (Utilities) URR are a part of the collective Tariffs that govern Utilities in accordance with the Colorado Springs City Code. The URR establishes general and service specific terms and conditions. Utilities is proposing the following URR changes in this filing.

#### **Electric Service Standards** (*URR Sheet No. 56*)

Utilities provisions stipulate that Electric service will be metered except in limited circumstances. These exceptions are currently managed under separate contracts whereby energy estimates are mutually agreed upon by established procedures. The proposed introduction of the Commercial Service – Non-Metered (ENM) Rate Schedule offers commercial customers a service option intended to provide energy for small devices with low-level usage where metering infrastructure is not feasible or practical. Utilities proposes to clarify that provisions requiring the establishment of written agreements apply when service under the ENM Rate Schedule is not available.

#### **Water Development Charge** (*URR Sheet Nos. 82, 82.1, 83, and 83.1*)

A Water Development Charge (WDC) is a one-time assessment for capacity in the existing water system for new water connections and expansions of existing service. WDC revenues are used to reduce the total water revenue requirement utilized in cost of service studies and are not designed to recover the cost of growth and expansion.

In determining WDCs, Utilities uses the Equity Buy-in method which is based on a value per unit of capacity of the existing water system. Utilities proposes a modification to the Equity Buy-in methodology. Currently, the formula for determining the value per unit of capacity is trended original cost less depreciation plus five years of forecasted capital expenditures divided by system capacity. The proposed modification removes the forecasted capital expenditures from system valuation and maintains the remainder of the existing formula.

Updating the WDCs based on current infrastructure and the proposed modification results in a decrease to most of the charges. Utilities proposes to phase in the change to the full charge over a two-year period. The first phase incorporates 50% of the change with an effective date of July 1, 2022. The second phase incorporates the remaining 50% with an effective date of July 1, 2023. For full detail of the proposed changes, please refer to the redline URR tariff sheets included in this filing. After the second phase implementation Utilities plans to regularly review the WDCs at no longer than two-year intervals and make updates when necessary.

**Water Resource Fee** (*URR Sheet Nos. 82, 82.1, 83, 83.1, 84, 85, 86, 87, and 88*)

Similar to a WDC, which is a water connection charge for capacity based on the value of the existing system, Utilities proposes a new connection charge, the Water Resource Fee (WRF), for capacity based on the cost of projected capital expenditures for growth and expansion.

Over a ten-year forecast period, Utilities identified that approximately 22% or \$272.9 million of total projected water capital costs are related to supporting growth and expansion. Although these capital costs could continue to be recovered through water rates, Utilities believes that the best option is the proposed WRF. If adopted, the WRF would be assessed on all new water connections, along with the WDC, and is designed to recover the projected growth and expansion related capital costs of the water system.

The proposed WRF is based on the capacity requirement of each new water connection and the associated projected water infrastructure needed to serve such new development. All revenue from the WRF will be restricted to fund growth and expansion related projects and any associated debt service. The WDC will continue to be based on the capacity requirement for each new connection associated with existing water infrastructure.

Utilities proposes to phase in the WRF over a two-year period. The first phase will incorporate 50% of the full WRF amount with an effective date of July 1, 2022. The full WRF amount will have an effective date of July 1, 2023. For full detail of proposed changes, please refer to the redline URR tariff sheets included in this filing. After the second phase implementation Utilities plans to regularly review the WRFs at no longer than two-year intervals and make updates when necessary.

**Water and Wastewater Extension Policy** (*URR Sheet Nos. 91, 91.1, 91.2, 91.3, 91.4, 112, and 112.1*)

Utilities proposes the establishment of an oversize participation fund to effectively manage how oversized water distribution mains and wastewater collection mains are funded. The fund will have an initial balance of \$10.0 million. Subject to availability, qualifying projects are limited to pipelines of 24-inch diameter or greater and minimum estimated cost of \$1.5 million. Funding for approved projects will be limited to \$4.0 million. Property owners or developers of approved projects will be required to pay 25% of their project obligation at the time of construction, and the remaining 75% will be paid in three equal payments, plus financing costs, over a three-year period. Payments from property owners or developers of approved projects and any recovery agreement charges will be credited to the fund for use by future approved projects.

**WDC and Wastewater Development Charge (WWDC) Deferral for Affordable Housing**  
*(URR Sheet Nos. 87 and 109)*

Utilities proposes modifications to preclude new WDC and WWDC deferrals for affordable housing. Outside of the rate case process, Utilities anticipates replacing the deferral program with a payment program executed through an agreement with the City. Deferrals granted prior to January 1, 2022 will remain subject to existing terms and conditions.

**Backflow Test Entry Fee** *(URR Sheet Nos. 4, 15, 99, and 99.1)*

Where required, backflow prevention assemblies prevent water from flowing back into Utilities' Water distribution system. Assemblies are owned and operated by customers, who are required by the Colorado Department of Public Health and Environment to complete annual compliance test. Customers are responsible for hiring a backflow tester to perform the annual test and enter results into Utilities' confidential online test entry system. Utilities proposes the addition of a \$50 test entry fee to be assessed when the tester or customer requests Utilities to enter the test results.

**Water Regional System Availability Fee** *(URR Sheet Nos. 4, 102.1, and 102.2)*

Utilities proposes a Water Regional System Availability Fee (WRSAP) to be assessed for each new connection to Utilities' supply system for Contract Service – Regional Customers. Regional water service will be available outside the corporate limits of the City in areas where Utilities' water system is available for institutions, plants, organized water districts, municipal corporations, or other similar organizations. Service is available by contract and only with prior approval by the City Council. The fee will be assessed on any regional customer being served on the proposed Contract Service – Regional water tariff and the customer can elect to pay the WRSAP in full at the time of connection or make an annual payment for a contract period not to exceed 25 years. For detail concerning the proposed Contract Service – Regional water tariff, please refer to the Water Service Report included in this filing.

The fee is distinct from a WDC which is assessed on a new connection of a customer within the service territory. It is based on the capacity requirement for each new Contract Service – Regional connection associated with existing infrastructure and is designed to include only the components of the infrastructure that the regional customer will be using. WRSAP revenues will be used to reduce the total water revenue requirement utilized in cost of service studies.

For full detail of the proposed changes, please refer to the redline URR tariff sheets included in this filing.

**Wastewater Regional System Availability Fee** (*URR Sheet Nos. 4.1, 118, and 119*)

Similar to the WRSFAF, Utilities is also proposing a Wastewater Regional System Availability Fee (WWRSAF) to be assessed for each new connection to Utilities' wastewater system, for Contract Service – Regional customers. Regional wastewater service will be available outside the corporate limits of the City in areas where Utilities' treatment system is available for institutions, plants, organized sewer districts, municipal corporations or other similar organizations. Service is available by contract and only with prior approval by the City Council. The fee will be assessed on any regional customer being served on the existing Contract Service – Regional wastewater tariff.

The fee is distinct from a Wastewater Development Charge assessed on a new connection of a customer within the service territory. It is based on the capacity requirement for each new Contract Service – Regional connection associated with existing wastewater infrastructure and is designed to include only the components of the infrastructure that the regional customer will be using. WWRSAF revenues will be used to reduce the total wastewater revenue requirement utilized in cost of service studies.

For full detail of the proposed changes, please refer to the redline URR tariff sheets included in this filing.

Both the WRSFAF and WWRSAF will include a multiplier assessed on each fee. The use of a multiplier is a standard rate design technique used by local governments to serve customers located outside their jurisdictional limits. In 2017, the Utilities Policy Advisory Committee (UPAC) recommended a multiplier of 20% for regional water service and a multiplier of 10% for regional wastewater service. The UPAC recommendation recognized that the use of a multiplier: is consistent with industry practice; acknowledges citizen investment in infrastructure and system planning; addresses the recovery of administrative cost of finance, legal, billing and water accounting; considers risk associated with regional service with the higher water multiplier reflecting the service's additional complexity.

# **Utilities Rules and Regulations (URR) Resolution**



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION REGARDING CERTAIN CHANGES TO  
THE UTILITIES RULES AND REGULATIONS OF  
COLORADO SPRINGS UTILITIES**

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed modifications to the Utilities Rules and Regulations section of its tariff; and

**WHEREAS**, Utilities' Water connection charges and fees are assessed for each new connection to Utilities' supply system except for those Customers receiving service under the Augmentation Water Service Rate Schedule and Utilities current effective Water Development Charges (WDC) are based on the capacity requirement for each new connection associated with existing facilities; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to modify the WDC to reflect the appropriate charge; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to implement WDC changes through a phased-in approach with one half the change effective July 1, 2022 and the full change effective July 1, 2023; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to establish a new connection fee, the Water Resource Fee (WRF), to be assessed with each new retail Customer connection, designed to recover growth and expansion related capital costs, which is based on the capacity requirement of each new connection associated with facilities needed to serve new Customers; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to implement the WRF through a phased in approach with one half the full amount effective July 1, 2022 and the full amount effective July 1, 2023; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to establish a new connection fee, the Water Regional System Availability Fee (WRSF), to be assessed with each new connection of a Regional water Customer outside of the City Limits which is based on the capacity requirement of each new connection associated with facilities needed to serve the new Regional Customer; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to establish a new connection fee, the Wastewater Regional System Availability Fee (WWRSF), to be assessed with each new connection of a Regional wastewater Customer outside of the City Limits which is based on the capacity requirement of each new connection associated with facilities need to serve the new Regional Customer; and

**WHEREAS**, the City Council finds Utilities' proposed modifications prudent, reasonable, and necessary and that the proposed connection fees are applied to the costs originating through such connections; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to clarify the requirements of establishing separate written agreement in limited circumstances where unmetered electric service is permitted; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to establish a new Oversize Main Extension Fund to assist in the financing of qualifying large, offsite water and wastewater facilities; and

**WHEREAS**, Utilities will develop program rules to manage the Oversize Main Extension Fund qualifications and administration details reflected in attached tariff sheets; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to prohibit new WDC and Wastewater Development Charge (WWDC) deferrals for Affordable Housing effective January 1, 2022; and

**WHEREAS**, WDC and WWDC deferrals granted prior to January 1, 2022 will remain subject to existing terms and conditions; and

**WHEREAS**, Utilities proposed and City Council finds it prudent to establish a backflow test entry fee to be assessed when Customers or testers request Utilities to enter annual test results into Utilities' system to ensure compliance with requirements; and

**WHEREAS**, Utilities finds Utilities' proposed modifications prudent; and

**WHEREAS**, the details of the changes noted above, and all changes noted in the following clauses, are reflected in the tariff sheets attached to this resolution and are provided in redline format within Utilities' 2022 Utilities Rules and Regulations Rate Case; and

**WHEREAS**, Utilities provided public notice of the proposed changes and complied with the requirements of the City Code for changing its Utilities Rules and Regulations; and

**WHEREAS**, Utilities proposed to make the tariff changes effective January 1, 2022, July 1, 2022, or July 1, 2023, as noted in the tables below; and

**WHEREAS**, specific policy changes, and changes to any terms and conditions of service are set out in the attached tariffs for adoption with the final City Council Decision and Order in this case.

**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, Utilities Rules and Regulations shall be revised as follows:

Effective January 1, 2022

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
First Revised Sheet No. 4	GENERAL	Original Sheet No. 4
Original Sheet No. 4.1	GENERAL	
Second Revised Sheet No. 15	GENERAL	First Revised Sheet No. 15
First Revised Sheet No. 56	ELECTRIC	Original Sheet No. 56
Second Revised Sheet No. 87	WATER	First Revised Sheet No. 87
Second Revised Sheet No. 88	WATER	First Revised Sheet No. 88
Second Revised Sheet No. 91	WATER	First Revised Sheet No. 91
First Revised Sheet No. 91.1	WATER	Original Sheet No. 91.1
Original Sheet No. 91.2	WATER	
Original Sheet No. 91.3	WATER	
Original Sheet No. 91.4	WATER	
Second Revised Sheet No. 99	WATER	First Revised Sheet No. 99
Original Sheet No. 99.1	WATER	
First Revised Sheet No. 100	WATER	Original Sheet No. 100
Original Sheet No. 102.1	WATER	
Original Sheet No. 102.2	WATER	
First Revised Sheet No. 104	WASTEWATER	Original Sheet No. 104
Second Revised Sheet No. 109	WASTEWATER	First Revised Sheet No. 109
Third Revised Sheet No. 112	WASTEWATER	Second Revised Sheet No. 112
First Revised Sheet No. 112.1	WASTEWATER	Original Sheet No. 112.1
Original Sheet No. 118	WASTEWATER	
Original Sheet No. 119	WASTEWATER	

Effective July 1, 2022

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Second Revised Sheet No. 4	GENERAL	First Revised Sheet No. 4
First Revised Sheet No. 82	WATER	Original Sheet No. 82
Original Sheet No. 82.1	WATER	
First Revised Sheet No. 83	WATER	Original Sheet No. 83
Original Sheet No. 83.1	WATER	
First Revised Sheet No. 84	WATER	Original Sheet No. 84
First Revised Sheet No. 85	WATER	Original Sheet No. 85
Second Revised Sheet No. 86	WATER	First Revised Sheet No. 86
Third Revised Sheet No. 87	WATER	Second Revised Sheet No. 87

Effective July 1, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Second Revised Sheet No. 82	WATER	First Revised Sheet No. 82
First Revised Sheet No. 82.1	WATER	Original Sheet No. 82.1
Second Revised Sheet No. 83	WATER	First Revised Sheet No. 83
First Revised Sheet No. 83.1	WATER	Original Sheet No. 83.1

Section 2: The attached Tariff Sheets and other related matters are hereby approved and adopted.

Dated at Colorado Springs, Colorado, this 23<sup>rd</sup> day of November 2021.

\_\_\_\_\_  
City Council President

ATTEST:

\_\_\_\_\_  
Sarah B. Johnson, City Clerk

**Utilities Rules and Regulations  
(URR)**

**Redline Tariff Sheets**



<b>UTILITIES RULES AND REGULATIONS</b>
<b>GENERAL</b>

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Approval Date: ~~June 12, 2018~~ November 23, 2021  
 Effective Date: ~~July 1, 2018~~ January 1, 2022  
 Resolution No. ~~60-18~~



**UTILITIES RULES AND REGULATIONS**

**GENERAL**

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~~G. Applicability of City Code Wastewater~~ .....117

Approval Date: ~~June 12, 2018~~ November 23, 2021  
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<b>UTILITIES RULES AND REGULATIONS</b>
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Approval Date: November 23, 2021  
Effective Date: January 1, 2022  
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**UTILITIES RULES AND REGULATIONS**

**GENERAL**

**Fees – cont'd**

DESCRIPTION	AMOUNT	REFERENCE
<b>WATER</b>		
Water Service Permit Fee		Water, Sheet No. 97
<ul style="list-style-type: none"> <li>Initial inspection \$80</li> <li>Reinspection/return trip (each) \$50</li> </ul>		
Water non-compliance		Water, Sheet No. 99
<ul style="list-style-type: none"> <li>First violation \$0 - \$5,000</li> <li>Second &amp; subsequent violations \$5,000 - \$10,000</li> </ul>		
<u>Water Backflow Test Entry Fee</u>	<u>\$50</u>	<u>Water, Sheet No. 99.1</u>
<b>WASTEWATER</b>		
Wastewater non-compliance with Utilities' <i>Line Extension and Service Standards</i>		Wastewater, Sheet No. 103
<ul style="list-style-type: none"> <li>First violation \$0 - \$500</li> <li>Second &amp; subsequent violations \$500 - \$1,000</li> </ul>		
Wastewater, Emergency and After-Hours Inspection	Time and Materials Cost	Wastewater, Sheet No. 103
Residential Wastewater Fees (including mobile homes, townhouses)		Wastewater, Sheet No. 103
<ul style="list-style-type: none"> <li>New Connection \$80</li> <li>Additional installation, repair or alteration \$100</li> <li>Reinspection \$50</li> </ul>		
Multi-Family Wastewater Fees, per service line		Wastewater, Sheet No. 103
<ul style="list-style-type: none"> <li>New Connection \$100</li> <li>Additional installation, repair or alteration \$120</li> <li>Reinspection \$70</li> </ul>		
Nonresidential Wastewater, without grease trap		Wastewater, Sheet No. 103
<ul style="list-style-type: none"> <li>New Connection \$100</li> <li>Additional installation, repair or alteration \$120</li> <li>Reinspection \$70</li> </ul>		
Nonresidential Wastewater, with grease trap or sand/oil interceptor		Wastewater, Sheet No. 103
<ul style="list-style-type: none"> <li>New Connection \$175</li> <li>Additional installation, repair or alteration \$195</li> <li>Reinspection \$145</li> </ul>		
Wastewater Discharge Permit Fee, per calendar year (no pro-rata)	\$1,132	Wastewater, Sheet No. 117
Wastewater Zero Discharge Permit Fee	\$50	Wastewater, Sheet No. 117

Approval Date: ~~November 12, 2019~~ November 23, 2021  
 Effective Date: ~~January 1, 2020~~ January 1, 2022  
 Resolution No. ~~123-19~~

## UTILITIES RULES AND REGULATIONS

### ELECTRIC

#### VI. ELECTRIC

##### A. Electric Service Standards

##### 1. Utility Provisions

Utilities will furnish, install at its expense, own and maintain the equipment to properly meter the service required except as specified under the Totalization Service charge in the Electric Rate Schedules, and the Automated-Meter Opt-Out Program.

All electric service will be metered except in limited circumstances. Customers may receive service without metering at tariffed rates pursuant to Electric Rate Schedule Sheet No. 5.1 or uUpon execution of a separate written agreement in which Utilities and the Customer agree upon usage estimation procedures; ~~Customers may receive service without metering at tariffed rates.~~ This separate written agreement option will be limited to instances when Electric Rate Schedule Sheet No. 5.1 is not available and when average, individual, commercial facility loads are estimated to be less than 66 kWh/day and when Utilities, at its sole discretion, (1) determines that metering is not appropriate or cost effective and (2) determines that a limited opportunity for load variance, misuse or subterfuge exists. At any time during the contract period, Utilities may check the Customer's usage and a meter(s) will be installed in a Customer-owned socket(s) if deemed necessary by Utilities.

Standard service consists of overhead service including an overhead service drop from the service line to the Customer's Premise. In the event underground service is desired or is required in an underground service area, the Customer will provide contributions in aid-of-construction. In some existing locations, if this equipment is on the load side of the Point of Common Coupling (aka Service Point as defined by the National Electric Code), the customer is responsible to install or remove the Utilities metering equipment for maintenance and repair.

The Customer will pay the specified fee for design of Line Extensions.

##### a. Primary Service

This type of service (highest voltage located on the Customer's Premise) is alternating current, 60 hertz, three-phase, four wire wye, 12,470/7,200 volts or 34,500/19,900 volts nominal.

This does not preclude Utilities from providing primary or secondary service to a customer at Utilities convenience, provided the service is metered and billed under the appropriate Electric Tariff.

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Resolution No. ~~60-18~~



**UTILITIES RULES AND REGULATIONS**

**WATER**

**VIII. WATER**

A. Water ~~Development Charge~~ Connection Charges and Fees

~~A~~ Water connection charges and fees are Development Charge (WDC) is assessed for each new connection to Utilities’ supply system except for those Customers receiving service under the Augmentation Water Service Rate Schedule or Contract Service – Regional Rate Schedule which is addressed in Section VIII.K. below. The water connection charges and fees consist of the Water Development Charge (WDC) and the Water Resource Fee (WRF). The WDC is based on the capacity requirement for each new connection associated with existing facilities. The WRF is based on the capacity requirement of each new connection associated with facilities needed to serve new development.

~~The applicable WDC is shown below.~~

1. For each Single-Family Residential Connection with a ¾ inch water meter:

a. Inside City Limits:

WDC -

Less than 1,500 square foot lot.....	<del>\$5,779.00</del>	<u>\$5,538.00</u>
Between 1,500 and 2,999 square foot lot.....	<del>\$5,887.00</del>	<u>\$5,662.00</u>
Between 3,000 and 4,999 square foot lot.....	<del>\$6,533.00</del>	<u>\$6,147.00</u>
Between 5,000 and 6,999 square foot lot.....	<del>\$7,956.00</del>	<u>\$7,600.00</u>
Between 7,000 and 8,999 square foot lot.....	<del>\$9,292.00</del>	<u>\$8,638.00</u>
Between 9,000 and 10,999 square foot lot.....	<del>\$10,197.00</del>	<u>\$9,461.00</u>
Between 11,000 and 14,999 square foot lot...	<del>\$11,555.00</del>	<u>\$10,696.00</u>
15,000 square foot or larger lot.....	<del>\$12,913.00</del>	<u>\$11,931.00</u>

WRF -

Less than 1,500 square foot lot.....	<u>\$1,923.00</u>
Between 1,500 and 2,999 square foot lot.....	<u>\$1,974.00</u>
Between 3,000 and 4,999 square foot lot.....	<u>\$2,092.00</u>
Between 5,000 and 6,999 square foot lot.....	<u>\$2,630.00</u>
Between 7,000 and 8,999 square foot lot.....	<u>\$2,899.00</u>
Between 9,000 and 10,999 square foot lot.....	<u>\$3,168.00</u>
Between 11,000 and 14,999 square foot lot.....	<u>\$3,572.00</u>
15,000 square foot or larger lot.....	<u>\$3,976.00</u>

~~Outside City Limits~~

Less than 1,500 square foot lot.....	<del>\$8,669.00</del>
Between 1,500 and 2,999 square foot lot.....	<del>\$8,830.00</del>

Approval Date: ~~June 12, 2018~~ November 23, 2021  
Effective Date: ~~July 1, 2018~~ July 1, 2022  
Resolution No. ~~60-18~~



**UTILITIES RULES AND REGULATIONS**

**WATER**

<del>Between 3,000 and 4,999 square foot lot.....</del>	<del>\$9,800.00</del>
<del>Between 5,000 and 6,999 square foot lot.....</del>	<del>\$11,934.00</del>
<del>Between 7,000 and 8,999 square foot lot.....</del>	<del>\$13,938.00</del>
<del>Between 9,000 and 10,999 square foot lot.....</del>	<del>\$15,296.00</del>
<del>Between 11,000 and 14,999 square foot lot.....</del>	<del>\$17,332.00</del>
<del>15,000 square foot or larger lot.....</del>	<del>\$19,369.00</del>

~~2. For each Nonresidential, Single-Family Residential (1" or larger meter), Multi-Family or Mixed-Use connection based on meter size:~~

~~Inside City Limits~~

<del>3/4 inch or less (excludes Single-Family Residential).....</del>	<del>\$9,292.00</del>
<del>1 inch.....</del>	<del>\$15,487.00</del>
<del>1-1/2 inch.....</del>	<del>\$30,973.00</del>
<del>2 inch.....</del>	<del>\$49,557.00</del>
<del>3 inch.....</del>	<del>\$92,920.00</del>
<del>4 inch.....</del>	<del>\$154,867.00</del>
<del>6 inch.....</del>	<del>\$495,542.00</del>
<del>8 inch.....</del>	<del>\$867,222.00</del>
<del>10 inch.....</del>	<del>\$1,300,880.00</del>
<del>12 inch.....</del>	<del>\$1,641,618.00</del>

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**UTILITIES RULES AND REGULATIONS**

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**WATER**

**VIII. WATER**

A. Water Connection Charges and Fees

Water connection charges and fees are assessed for each new connection to Utilities’ supply system except for those Customers receiving service under the Augmentation Water Service Rate Schedule or Contract Service – Regional Rate Schedule which is addressed in Section VIII.K. below. The water connection charges and fees consist of the Water Development Charge (WDC) and the Water Resource Fee (WRF). The WDC is based on the capacity requirement for each new connection associated with existing facilities. The WRF is based on the capacity requirement of each new connection associated with facilities needed to serve new development.

1. For each Single-Family Residential Connection with a ¾ inch water meter:

a. Inside City Limits:

WDC -

Less than 1,500 square foot lot .....	<del>\$5,538.00</del>	<u>\$5,297.00</u>
Between 1,500 and 2,999 square foot lot.....	<del>\$5,662.00</del>	<u>\$5,436.00</u>
Between 3,000 and 4,999 square foot lot.....	<del>\$6,147.00</del>	<u>\$5,760.00</u>
Between 5,000 and 6,999 square foot lot.....	<del>\$7,600.00</del>	<u>\$7,243.00</u>
Between 7,000 and 8,999 square foot lot.....	<del>\$8,638.00</del>	<u>\$7,984.00</u>
Between 9,000 and 10,999 square foot lot.....	<del>\$9,461.00</del>	<u>\$8,725.00</u>
Between 11,000 and 14,999 square foot lot.....	<del>\$10,696.00</del>	<u>\$9,837.00</u>
15,000 square foot or larger lot.....	<del>\$11,931.00</del>	<u>\$10,949.00</u>

WRF -

Less than 1,500 square foot lot .....	<del>\$1,923.00</del>	<u>\$3,847.00</u>
Between 1,500 and 2,999 square foot lot.....	<del>\$1,974.00</del>	<u>\$3,948.00</u>
Between 3,000 and 4,999 square foot lot.....	<del>\$2,092.00</del>	<u>\$4,183.00</u>
Between 5,000 and 6,999 square foot lot.....	<del>\$2,630.00</del>	<u>\$5,260.00</u>
Between 7,000 and 8,999 square foot lot.....	<del>\$2,899.00</del>	<u>\$5,798.00</u>
Between 9,000 and 10,999 square foot lot.....	<del>\$3,168.00</del>	<u>\$6,337.00</u>
Between 11,000 and 14,999 square foot lot.....	<del>\$3,572.00</del>	<u>\$7,144.00</u>
15,000 square foot or larger lot.....	<del>\$3,976.00</del>	<u>\$7,952.00</u>

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

**b. Outside City Limits:**

**WDC -**

Less than 1,500 square foot lot .....	\$8,307.00
Between 1,500 and 2,999 square foot lot.....	\$8,492.00
Between 3,000 and 4,999 square foot lot.....	\$9,220.00
Between 5,000 and 6,999 square foot lot.....	\$11,399.00
Between 7,000 and 8,999 square foot lot.....	\$12,957.00
Between 9,000 and 10,999 square foot lot.....	\$14,192.00
Between 11,000 and 14,999 square foot lot.....	\$16,044.00
15,000 square foot or larger lot.....	\$17,896.00

**WRF -**

Less than 1,500 square foot lot .....	\$2,885.00
Between 1,500 and 2,999 square foot lot.....	\$2,961.00
Between 3,000 and 4,999 square foot lot.....	\$3,138.00
Between 5,000 and 6,999 square foot lot.....	\$3,945.00
Between 7,000 and 8,999 square foot lot.....	\$4,349.00
Between 9,000 and 10,999 square foot lot.....	\$4,752.00
Between 11,000 and 14,999 square foot lot.....	\$5,358.00
15,000 square foot or larger lot.....	\$5,964.00

**2. For each Nonresidential, Single-Family Residential (1 inch or larger meter), Multi-Family or Mixed-Use connection based on meter size:**

**a. Inside City Limits:**

**WDC -**

3/4 inch or less (excludes Single-Family Residential).....	\$8,598.00
1 inch.....	\$14,330.00
1-1/2 inch .....	\$28,660.00
2 inch.....	\$45,856.00
3 inch.....	\$92,568.00
4 inch.....	\$156,476.00
6 inch.....	\$425,616.00
8 inch.....	\$644,390.00
10 inch.....	\$966,609.00
12 inch.....	\$1,265,421.00

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

b. Outside City Limits:

WDC -

Less than 1,500 square foot lot .....	<del>\$8,307.00</del>	<u>\$7,946.00</u>
Between 1,500 and 2,999 square foot lot.....	<del>\$8,492.00</del>	<u>\$8,154.00</u>
Between 3,000 and 4,999 square foot lot.....	<del>\$9,220.00</del>	<u>\$8,640.00</u>
Between 5,000 and 6,999 square foot lot.....	<del>\$11,399.00</del>	<u>\$10,865.00</u>
Between 7,000 and 8,999 square foot lot.....	<del>\$12,957.00</del>	<u>\$11,976.00</u>
Between 9,000 and 10,999 square foot lot....	<del>\$14,192.00</del>	<u>\$13,088.00</u>
Between 11,000 and 14,999 square foot lot...	<del>\$16,044.00</del>	<u>\$14,756.00</u>
15,000 square foot or larger lot.....	<del>\$17,896.00</del>	<u>\$16,424.00</u>

WRF -

Less than 1,500 square foot lot .....	<del>\$2,885.00</del>	<u>\$5,770.00</u>
Between 1,500 and 2,999 square foot lot.....	<del>\$2,961.00</del>	<u>\$5,922.00</u>
Between 3,000 and 4,999 square foot lot.....	<del>\$3,138.00</del>	<u>\$6,275.00</u>
Between 5,000 and 6,999 square foot lot.....	<del>\$3,945.00</del>	<u>\$7,890.00</u>
Between 7,000 and 8,999 square foot lot.....	<del>\$4,349.00</del>	<u>\$8,698.00</u>
Between 9,000 and 10,999 square foot lot.....	<del>\$4,752.00</del>	<u>\$9,505.00</u>
Between 11,000 and 14,999 square foot lot.....	<del>\$5,358.00</del>	<u>\$10,716.00</u>
15,000 square foot or larger lot.....	<del>\$5,964.00</del>	<u>\$11,927.00</u>

2. For each Nonresidential, Single-Family Residential (1 inch or larger meter), Multi-Family or Mixed-Use connection based on meter size:

a. Inside City Limits:

WDC -

3/4 inch or less (excludes Single-Family Residential) .....	<del>\$8,598.00</del>	<u>\$7,904.00</u>
1 inch.....	<del>\$14,330.00</del>	<u>\$13,174.00</u>
1-1/2 inch .....	<del>\$28,660.00</del>	<u>\$26,347.00</u>
2 inch.....	<del>\$45,856.00</del>	<u>\$42,156.00</u>
3 inch.....	<del>\$92,568.00</del>	<u>\$92,216.00</u>
4 inch.....	<del>\$156,476.00</del>	<u>\$158,084.00</u>
6 inch.....	<del>\$425,616.00</del>	<u>\$355,690.00</u>
8 inch.....	<del>\$644,390.00</del>	<u>\$421,558.00</u>
10 inch.....	<del>\$966,609.00</del>	<u>\$632,337.00</u>
12 inch.....	<del>\$1,265,421.00</del>	<u>\$889,224.00</u>

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

WRF -

<u>3/4 inch or less (excludes Single-Family Residential).....</u>	<u>\$2,870.00</u>
<u>1 inch.....</u>	<u>\$4,784.00</u>
<u>1-1/2 inch .....</u>	<u>\$9,567.00</u>
<u>2 inch.....</u>	<u>\$15,308.00</u>
<u>3 inch.....</u>	<u>\$33,485.00</u>
<u>4 inch.....</u>	<u>\$57,404.00</u>
<u>6 inch.....</u>	<u>\$129,158.00</u>
<u>8 inch.....</u>	<u>\$153,076.00</u>
<u>10 inch.....</u>	<u>\$229,614.00</u>
<u>12 inch.....</u>	<u>\$322,895.00</u>

b. Outside City Limits:

WDC -

<u>3/4 inch or less (excludes Single-Family Residential) .....</u>	<u><del>\$13,938.00</del></u>	<u>\$12,897.00</u>
<u>1 inch.....</u>	<u><del>\$23,230.00</del></u>	<u>\$21,495.00</u>
<u>1-1/2 inch .....</u>	<u><del>\$46,460.00</del></u>	<u>\$42,991.00</u>
<u>2 inch.....</u>	<u><del>\$74,336.00</del></u>	<u>\$68,785.00</u>
<u>3 inch.....</u>	<u><del>\$139,380.00</del></u>	<u>\$138,852.00</u>
<u>4 inch.....</u>	<u><del>\$232,300.00</del></u>	<u>\$234,713.00</u>
<u>6 inch.....</u>	<u><del>\$743,313.00</del></u>	<u>\$638,424.00</u>
<u>8 inch.....</u>	<u><del>\$1,300,833.00</del></u>	<u>\$966,585.00</u>
<u>10 inch.....</u>	<u><del>\$1,951,320.00</del></u>	<u>\$1,449,913.00</u>
<u>12 inch.....</u>	<u><del>\$2,462,427.00</del></u>	<u>\$1,898,132.00</u>

WRF -

<u>3/4 inch or less (excludes Single-Family Residential).....</u>	<u>\$4,305.00</u>
<u>1 inch.....</u>	<u>\$7,175.00</u>
<u>1-1/2 inch .....</u>	<u>\$14,351.00</u>
<u>2 inch.....</u>	<u>\$22,961.00</u>
<u>3 inch.....</u>	<u>\$50,228.00</u>
<u>4 inch.....</u>	<u>\$86,105.00</u>
<u>6 inch.....</u>	<u>\$193,737.00</u>
<u>8 inch.....</u>	<u>\$229,614.00</u>
<u>10 inch.....</u>	<u>\$344,421.00</u>
<u>12 inch.....</u>	<u>\$484,342.00</u>

~~Mixed Use Premises shall pay the rate per water meter under Section VIII.A.2. when one water meter is requested. If more than one water meter is requested, the~~

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**UTILITIES RULES AND REGULATIONS**

**WATER**

~~nonresidential use shall pay the rate per water meter under Section VIII.A.2., and the Multi-Family use shall pay the rate per water meter in Section VIII.A.3. multiplied by the number of dwelling units for individually metered connections provided the metering configuration is approved by Utilities.~~

- ~~3. For each Multi-Family Residential Premises connection or for each additional 3/4 inch Residential connection on a Single Platted Lot:~~
  - ~~Inside City Limits .....\$5,295.00~~
  - ~~Outside City Limits.....\$7,942.00~~

~~Individually metered Multi-Family Premise connections shall pay the applicable WDC in Section VIII.A.3. multiplied by the number of dwelling units, while Master Metered Multi-Family Premise connections shall pay the WDC per meter under Section VIII.A.2.~~

- ~~4. For Nonpotable Water Connection Based on Meter Size:~~
  - ~~2 inches or less .....\$10,714.00~~
  - ~~3 inch.....\$23,614.00~~
  - ~~4 inch.....\$37,680.00~~
  - ~~6 inch.....\$75,167.00~~

~~Upon approval of Utilities, payment of the WDC for a new non-potable point of service is not required if there will be an offsetting reduction in potable water consumption from an existing potable water service. Requests for new or additional water demands will be required to pay the nonpotable WDC.~~

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

WRF -

3/4 inch or less (excludes Single-Family Residential) .....	<del>\$2,870.00</del> <u>\$5,740.00</u>
1 inch.....	<del>\$4,784.00</del> <u>\$9,567.00</u>
1-1/2 inch .....	<del>\$9,567.00</del> <u>\$19,135.00</u>
2 inch.....	<del>\$15,308.00</del> <u>\$30,615.00</u>
3 inch.....	<del>\$33,485.00</del> <u>\$66,971.00</u>
4 inch.....	<del>\$57,404.00</del> <u>\$114,807.00</u>
6 inch.....	<del>\$129,158.00</del> <u>\$258,316.00</u>
8 inch.....	<del>\$153,076.00</del> <u>\$306,152.00</u>
10 inch.....	<del>\$229,614.00</del> <u>\$459,228.00</u>
12 inch.....	<del>\$322,895.00</del> <u>\$645,790.00</u>

b. Outside City Limits:

WDC -

3/4 inch or less (excludes Single-Family Residential) .....	<del>\$12,897.00</del> <u>\$11,856.00</u>
1 inch.....	<del>\$21,495.00</del> <u>\$19,761.00</u>
1-1/2 inch .....	<del>\$42,991.00</del> <u>\$39,521.00</u>
2 inch.....	<del>\$68,785.00</del> <u>\$63,234.00</u>
3 inch.....	<del>\$138,852.00</del> <u>\$138,324.00</u>
4 inch.....	<del>\$234,713.00</del> <u>\$237,126.00</u>
6 inch.....	<del>\$638,424.00</del> <u>\$533,534.00</u>
8 inch.....	<del>\$966,585.00</del> <u>\$632,337.00</u>
10 inch.....	<del>\$1,449,913.00</del> <u>\$948,506.00</u>
12 inch.....	<del>\$1,898,132.00</del> <u>\$1,333,836.00</u>

WRF -

3/4 inch or less (excludes Single-Family Residential) .....	<del>\$4,305.00</del> <u>\$8,611.00</u>
1 inch.....	<del>\$7,175.00</del> <u>\$14,351.00</u>
1-1/2 inch .....	<del>\$14,351.00</del> <u>\$28,702.00</u>
2 inch.....	<del>\$22,961.00</del> <u>\$45,923.00</u>
3 inch.....	<del>\$50,228.00</del> <u>\$100,456.00</u>
4 inch.....	<del>\$86,105.00</del> <u>\$172,211.00</u>
6 inch.....	<del>\$193,737.00</del> <u>\$387,474.00</u>
8 inch.....	<del>\$229,614.00</del> <u>\$459,228.00</u>
10 inch.....	<del>\$344,421.00</del> <u>\$688,842.00</u>
12 inch.....	<del>\$484,342.00</del> <u>\$968,684.00</u>

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

Mixed-Use Premises shall pay the rate per water meter under Section VIII.A.2. when one water meter is requested. If more than one water meter is requested, the nonresidential use shall pay the rate per water meter under Section VIII.A.2. and the Multi-Family use shall pay the rate per water meter in Section VIII.A.3. multiplied by the number of dwelling units for individually metered connections provided the metering configuration is approved by Utilities.

3. For each Multi-Family Residential Premises connection or for each additional 3/4 inch Residential connection on a Single Platted Lot:

a. Inside City Limits:

<u>WDC .....</u>	<u>\$5,295.00</u>	<u>\$4,684.00</u>
<u>WRF .....</u>		<u>\$1,479.00</u>

b. Outside City Limits:

<u>WDC .....</u>	<u>\$7,942.00</u>	<u>\$7,025.00</u>
<u>WRF .....</u>		<u>\$2,218.00</u>

Individually metered Multi-Family Premise connections shall pay the applicable WDC and WRF in Section VIII.A.3. multiplied by the number of dwelling units, while Master Metered Multi-Family Premise connections shall pay the WDC and WRF per meter under Section VIII.A.2.

4. For Nonpotable Water Connection Based on Meter Size:

<u>2 inches or less .....</u>	<u>\$10,714.00</u>
<u>3 inch.....</u>	<u>\$23,614.00</u>
<u>4 inch.....</u>	<u>\$37,680.00</u>
<u>6 inch.....</u>	<u>\$75,167.00</u>

Upon approval of Utilities, payment of the WDC for a new nonpotable point of service is not required if there will be an offsetting reduction in potable water consumption from an existing potable water service. Requests for new or additional water demands will be required to pay the nonpotable WDC. No WRF is applied to nonpotable water connections.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

Mixed-Use Premises shall pay the rate per water meter under Section VIII.A.2. when one water meter is requested. If more than one water meter is requested, the nonresidential use shall pay the rate per water meter under Section VIII.A.2. and the Multi-Family use shall pay the rate per water meter in Section VIII.A.3. multiplied by the number of dwelling units for individually metered connections provided the metering configuration is approved by Utilities.

3. For each Multi-Family Residential Premises connection or for each additional 3/4 inch Residential connection on a Single Platted Lot:

a. Inside City Limits:

WDC .....	<del>\$4,684.00</del> <u>\$4,072.00</u>
WRF .....	<del>\$1,479.00</del> <u>\$2,957.00</u>

b. Outside City Limits:

WDC .....	<del>\$7,025.00</del> <u>\$6,108.00</u>
WRF .....	<del>\$2,218.00</del> <u>\$4,436.00</u>

Individually metered Multi-Family Premise connections shall pay the applicable WDC and WRF in Section VIII.A.3. multiplied by the number of dwelling units, while Master Metered Multi-Family Premise connections shall pay the WDC and WRF per meter under Section VIII.A.2.

4. For Nonpotable Water Connection Based on Meter Size:

2 inches or less .....	\$10,714.00
3 inch.....	\$23,614.00
4 inch.....	\$37,680.00
6 inch.....	\$75,167.00

Upon approval of Utilities, payment of the WDC for a new nonpotable point of service is not required if there will be an offsetting reduction in potable water consumption from an existing potable water service. Requests for new or additional water demands will be required to pay the nonpotable WDC. No WRF is applied to nonpotable water connections.

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

5. Additional WDC and WRF Due

An additional WDC and WRF charge is applicable to:

- a. any increase in size of an existing meter, or
- b. any increased consumption that results in damage to Utilities' facilities or exceeds the capacity of the meter. The Customer shall pay the cost to upgrade the service and replace the meter and applicable ~~water development charge~~ WDC and WRF, or
- c. any increased water consumption that occurs because of changes in operations, the remodeling or moving of existing buildings or structures, or the construction of additional buildings or structures.

The additional WDC and WRF charge will be assessed for any such increase in meter size in an amount representing the difference between the charge which would be imposed for the existing meter size and the charge which would be imposed for the size of the proposed meter. Payment for the additional WDC and WRF charge will be collected prior to issuance of a building or nonpotable permit or as provided in Section VIII.A.11. or when the increased water consumption begins. Any request for a change in water service shall be administered as a new application for service and subject to all requirements of the City Code and tariffs. If the change in use does not result in an increase in meter size, no additional WDC and WRF is due.

6. Non-waiver of the WDC and WRF

The applicable WDC and WRF will not be waived for any governmental, quasi-governmental or nonprofit organization or any other entity requesting connection to Utilities' supply system.

7. WDC and WRF Deferral for Community Gardens

A Community Garden established on a Premise within the Exclusive Water Service Territory may be eligible for deferral of the WDC and WRF.



<b>UTILITIES RULES AND REGULATIONS</b>
<b>WATER</b>

~~A non-profit entity may submit an application to Utilities for WDC deferral for the purposes of a Community Garden. The WDC may be deferred for qualifying~~

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

A nonprofit entity may submit an application to Utilities for WDC and WRF deferral for the purposes of a Community Garden. The WDC and WRF may be deferred for qualifying Community Gardens until such time as use of the service line is no longer solely for a Community Garden or is not for nonprofit use. Upon a change of use from a Community Garden, if the Premise requires a permanent water service connection, the WDC and WRF shall be due in accordance with the then current Tariffs for a new connection.

8. Credit for Prior WDC and WRF Payment

Credit for the WDC and WRF paid for a prior development may be given for reuse of existing connections or for new connections to a land parcel where ~~the all connection fees and charges were paid in full at issuance of the building permit~~ WDC charge was paid. Credit is determined based on the then current WDC and WRF for the existing meter size. Credit for Multi-Family Residential dwelling units and nonresidential service must be determined by inspection by Utilities before any remodeling, moving or demolition of the structure occurs. No refund for excess credits will be given.

Credit for the WDC and WRF may only be transferred between Premises if all of the conditions listed below are met to Utilities' satisfaction. Any sale of credit for the WDC and WRF is expressly prohibited. Credit for a WDC and WRF can only be transferred one time. Any paid recovery agreement charges shall remain with the donor Premises and are not eligible to be transferred. No refund of excess credits, if any, will be given.

Conditions:

- a. There must be common ownership of the donor Premises and recipient Premises; the party requesting the transfer of credit for the WDC and WRF must provide Utilities with proof of common ownership, which may include, but is not limited to evidence of common ownership at a parent company level;
- b. Both the donor Premises and the recipient Premises must be Nonresidential, Multi-Family or Mixed Use;
- c. The donor Premises must be a vacant parcel without structure(s);
- d. The recipient Premises must meet and comply with all then current infill descriptions and/or criteria established by City of Colorado Springs;

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**WATER**

- ~~e. The recipient Premises must have an approved development plan, in accordance with applicable laws and regulations, prior to Utilities' approval of a transfer of the WDC credit;~~
- ~~f. If the donor Premises will be left without any remaining WDC credits, the Owner shall remove the water service line to the donor Premises in accordance with City Code and Utilities' *Water Line Extension and Service Standards*;~~

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

- e. The recipient Premises must have an approved development plan, in accordance with applicable laws and regulations, prior to Utilities' approval of a transfer of the WDC and WRF credit;
- f. If the donor Premises will be left without any remaining WDC and WRF credits, the Owner shall remove the water service line to the donor Premises in accordance with City Code and Utilities' *Line Extension and Service Standards for Water*;
- g. All service line ordinances, regulations, and policies shall apply to transferred WDC and WRF credit and any applicable charges and/or fees shall be paid; and
- h. The party requesting the credits transfer shall pay to Utilities a fee of \$100.00 and shall commit to be responsible for all costs associated with the transfer, including but not limited to, title commitment, processing, and recording fees.

Upon the completion of a transfer of credit for the WDC and WRF, the transfer will be effectuated by recording a notice to the El Paso County Clerk and Recorder for both the donor Premises and the recipient Premises, which recording fees shall be paid by the owner of the donor and recipient Premises. The notice shall include the credits transferred and remaining, and applicable service dates associated with each Premises.

9. Request for WDC and WRF Refund

Requests for a refund of the WDC and WRF for connections not constructed must be made in writing to Utilities within two years of payment of the WDC and WRF. No refunds of any such charges will be made unless a request is received by Utilities within two years of payment and no service has been connected.

10. Inactive Water Service

In the event that a service line was classified as abandoned and/or inactive through prior Utilities' Rules and Regulations standards and/or City Code provisions, the property Owner(s) may request to reestablish utility service from Utilities and Utilities shall reestablish the service upon payment of applicable fees and compliance with applicable rules and regulations.

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Resolution No. ~~123-19~~

## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

11. Timing of Payment of the WDC and related Connection Charges

Payment for a new connection or increased service level as provided in Section VIII.A.5.:

- a. Shall be due in full in cash or check prior to the issuance of a building permit, or
- b. The WDC may be deferred until the time prior to the installation of a meter to serve a Premise. The deferred WDC, Recovery Agreement Charges or any other fees – shall be paid at the then current rates plus an additional charge equal to a five percent annual interest rate, calculated per day, of the deferred amount and shall be paid in full in cash or check prior to the installation of meters and prior to the provision of service. The payment of all Water Service Permit Fees and all other related charges as determined by Utilities shall be paid prior to the issuance of the building permit.

12. WDC Deferral for Primary Employers

A Primary Employer enlarging its facilities or building new facilities within the City limits may be eligible for deferral of the WDC.

If the commercial or nonresidential operation meets the Primary Employer criteria, it may submit an application for development charge deferral to Utilities. Upon approval of the application by the Greater Colorado Springs Economic Development Corporation and the City of Colorado Springs Office of Economic Development, the company is qualified to pay the WDC on a five-year payment schedule. Payments can be made either on a monthly or yearly basis at a preset date as agreed in the contract for service. Interest charges on WDC not paid will be calculated in accordance with the published ten-year U.S. Treasury Note rate (Interest Rate).

13. WDC Deferral for Affordable Housing

The Affordable Housing Program for WDC deferral is based on the targeted income level for the affordable housing project. Effective January 1, 2022, no new deferrals through the Affordable Housing Program for WDC will be granted. Deferrals granted prior to January 1, 2022 remain subject to the terms and conditions herein. Projects, which are a mix of affordable and traditional units, are eligible to receive a deferral only for that portion of the project which is affordable and qualifies under this program.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

11. Timing of Payment of the WDC, WRF, and related Connection Charges

Payment for a new connection or increased service level as provided in Section VIII.A.5.:

- a. Shall be due in full in cash or check prior to the issuance of a building permit, or
- b. The WDC and WRF may be deferred until the time prior to the installation of a meter to serve a Premise. The deferred WDC, WRF, Recovery Agreement Charges or any other fees – shall be paid at the then current rates plus an additional charge equal to a five percent annual interest rate, calculated per day, of the deferred amount and shall be paid in full in cash or check prior to the installation of meters and prior to the provision of service. The payment of all Water Service Permit Fees and all other related charges as determined by Utilities shall be paid prior to the issuance of the building permit.

12. WDC and WRF Deferral for Primary Employers

A Primary Employer enlarging its facilities or building new facilities within the City limits may be eligible for deferral of the WDC and WRF.

If the commercial or nonresidential operation meets the Primary Employer criteria, it may submit an application for development charge deferral to Utilities. Upon approval of the application by the Greater Colorado Springs Economic Development Corporation and the City of Colorado Springs Office of Economic Development, the company is qualified to pay the WDC and WRF on a five-year payment schedule. Payments can be made either on a monthly or yearly basis at a preset date as agreed in the contract for service. Interest charges on WDC and WRF not paid will be calculated in accordance with the published ten-year U.S. Treasury Note rate (Interest Rate).

13. WDC Deferral for Affordable Housing

The Affordable Housing Program for WDC deferral is based on the targeted income level for the affordable housing project. Effective January 1, 2022, no new deferrals through the Affordable Housing Program for WDC will be granted. Deferrals granted prior to January 1, 2022, remain subject to the terms and conditions herein.

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

Single-family residences or Multi-Family Residential Premises construction that meet:

- a. The affordable housing criteria as defined by the City of Colorado Springs Housing and Community Development Office, and
- b. The energy and water conservation standards defined in Utilities' Affordable Housing Program are eligible for a deferral of the WDC.

Affordable Housing projects target individuals whose income is equal to or less than 80% of the area median income.

Deferral of the WDC is on a first come, first-served basis and will not, in aggregate, exceed five percent of Utilities' previous year's total WDC revenues. Therefore, regardless of the number of applications reviewed and preliminarily approved, deferrals will be issued on an annual basis up to, but not exceeding, the financial guidelines. All projects obtaining a service contract during a given year after this limitation has been met will not receive deferrals, nor will the WDC be eligible for refund in subsequent calendar years.

The amounts to be repaid under the Affordable Housing Program will be based on the WDC in effect at the time the first repayment is made but will not exceed the deferred amount plus interest charges. Interest charges used to determine the "not-to-exceed" amount will be calculated from the date of deferral to the date of first repayment in accordance with the Interest Rate in effect on the date of deferral, compounded annually.

- Zero percent of total WDC is due at time of application for utilities.
- 100% of total WDC plus any applicable interest is due at first subsequent sale of property, or beginning in the sixth year after deferral (or at any time prior to that date at Owner's option) and for four years thereafter. Repayment of the 100% of WDC deferral is collected annually as follows:

6th year – 20%

7th year – 20%

8th year – 20%

9th year – 20%

10th year – 20% Final Payment

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

##### B. Water Extension Policy

A property Owner or developer is responsible for the cost of engineering, construction, and materials for all water system infrastructure and related appurtenances necessary to serve the Premises or development. Utilities will approve the plans and specifications of such facilities and appurtenances and inspect and approve the actual construction prior to connection of such facilities. The property Owner or developer is also responsible for any required pumping facilities (including pressure relief valves, pressure reducing valves and flow control valves) and vaults, and all fire hydrants that are necessary to serve the Premises or development.

##### 1. Pipelines

Utilities may require that a property Owner or developer construct water distribution facilities through or adjacent to unserved or undeveloped lands. In that circumstance, the property Owner or developer ~~will~~may be required to pay the entire cost of such facilities. However, Utilities may agree in a Recovery Agreement with such property Owner or developer to ~~assist in the collection of~~ a pro rata share of the eligible cost of such facilities and interest as provided within Section VIII.C., Water Recovery Agreement Charge, of these Rules and Regulations from the property Owner or developer of such unserved or undeveloped lands at the time of connection to the facilities and refund such cost as provided in the Recovery Agreement.

Utilities may require that a property Owner or developer construct a Water Distribution Main of a larger diameter than that required for the property Owner's or developer's needs to provide for the service of lands beyond the Premises or development. In the event Utilities determines that construction of such an oversized Water Distribution Main is necessary for the efficient expansion of the system, the property Owner or developer served ~~may be~~is responsible for the costs of engineering, materials and installation of such main.

## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

In that circumstance, the property Owner or developer may recover the cost of capacity associated with the oversizing requirement. Pipe capacity will be based on the capacity required to serve the proposed development as calculated by Utilities for the smaller water main diameter (12-inch minimum diameter, or greater as determined by Utilities to serve the proposed development) and the larger diameter (oversized pipe) required by Utilities. Indirect costs incurred by the property Owner or developer, including but not limited to, easement acquisition and access road costs, are not reimbursable.

Utilities may agree in a Recovery Agreement with such property Owner or developer to ~~assist in the collection of~~ the oversize capacity cost allocation from benefiting future developments (i.e., an “Oversize Recovery”). Considering the potential magnitude of an Oversize Recovery as compared to a standard main extension Recovery Agreement it is reasonable to structure Oversize Recoveries in a different fashion. For Oversize Recoveries only, recovery charges will be collected at the time of connection of a branch main to the oversized pipe. Utilities will collect Oversize Recovery charges based on capacity of the branch main. There is no limit on the total time period for an Oversize Recovery. Escalation of Oversize Recovery charges follow the process as provided within Section VIII.C., Water Recovery Agreement Charge, of these Rules and Regulations.

~~If Utilities determines that extension of a water distribution system is in the best interest of Utilities to protect water service to existing Customers, to allow for the continued development within the service area, and/or to provide benefit to the entire service area, Utilities may, at its sole discretion, design and construct the water distribution system located outside the boundaries of the unserved or undeveloped land. Utilities will recover the cost to design and construct such facilities, with interest, through a Recovery Agreement charge from the property Owner or developer of unserved or undeveloped lands prior to connection to such facilities. Utilities may implement an Advance Recovery Agreement charge to collect the cost of the facilities in advance of its construction. Advance Recovery Agreements are limited to Utilities’ designated projects to the extent Utilities determines, at its sole discretion.~~

a. Oversize Main Extension Fund

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Resolution No. ~~53-20~~



**UTILITIES RULES AND REGULATIONS**

**WATER**

Subject to funding availability and program rules as developed by Utilities, Utilities' Oversize Main Extension Fund is available to assist in the financing of qualifying large, offsite water and wastewater facilities. See also Section IX. C.1.a. The initial fund balance is limited to \$10,000,000 for water and wastewater facilities combined. At its sole discretion, Utilities may increase the fund balance to \$15,000,000 for water and wastewater facilities combined.

i. Qualifications

Utilities will review applications and award funds to the highest ranking projects. Utilities may award partial funding based on funding availability and or project ranking. Facilities eligible for

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

consideration must meet the following qualifications, as well as those qualifications established by Utilities in the program rules.

- a. Premises or developments served by the facilities must be located inside the City limits; and
- b. Pipelines must have a 24-inch minimum diameter; and
- c. The estimated facility cost must exceed \$1,500,000; and
- d. Property Owner or developer must apply within Utilities' application period and the facility must be selected under Utilities' program rules. Separate applications are required for water and wastewater facilities. Fund qualifications and limitations apply separately to each water or wastewater facility; and
- e. At the time of application, the property Owner or developer must provide cost estimates and other documentation as required under Utilities' program rules.

ii. Administration

- a. The property Owner or developer served by the qualifying facility is responsible for engineering, construction, materials, and installation of oversized mains. All applicable rules and regulations and Water Line Extension and Service Standards apply.
- b. As established by program rules, cost documentation will be reviewed by Utilities. Failure to efficiently manage project cost or meet program rules may result in denial of fund payments. Fund payments to the property Owner or developer will be paid as progress payments, no more often than monthly, as Utilities in its sole discretion determines construction progress. Payments from the fund reduce the fund balance.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

- c. The property Owner or developer served by the qualifying facility is responsible for the cost of capacity required to serve the property Owner's or developer's proposed development (the Property Owner's or Developer's Share). The property Owner or developer will be responsible for paying an amount estimated to be twenty-five percent of the Property Owner's or Developer's Share for the construction of the facilities before Utilities' makes any progress payment from the Fund. The property Owner or developer will repay the outstanding balance of the Property Owner or Developer's Share in three annual payments. Interest will be charged on the outstanding balance during such repayment period based on the Interest Rate, compounded annually. Utilities will calculate the outstanding balance of the Property Owner's or Developer's Share at the time of completion of construction of the facility such that the three annual payments are equal.
- d. A qualifying facility is limited to \$4,000,000 of funding. In the event the estimated construction costs exceeds the funding limit, the property Owner or developer will be required to fund the balance of cost.
- e. All costs advanced by Utilities for construction of the oversize capacity allocation benefiting future developments will be collected with interest through Recovery Agreement Charges collected at the time of connection of the branch main to the oversize pipe. Future developments are not eligible to apply for Fund financing.
- f. Costs collected by Utilities, whether through annual payments from property Owners or developers of served facilities or Recovery Agreement Charges, will be credited to the Fund.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

If Utilities determines that extension of a water distribution system is in the best interest of Utilities to protect water service to existing Customers, to allow for the continued development within the service area, and/or to provide benefit to the entire service area, Utilities may, at its sole discretion, design and construct the water distribution system located outside the boundaries of the unserved or undeveloped land. Utilities will recover the cost to design and construct such facilities, with interest, through a Recovery Agreement Charge from the property Owner or developer of unserved or undeveloped lands prior to connection to such facilities. Utilities may implement an Advance Recovery Agreement Charge to collect the cost of the facilities in advance of its construction. Advance Recovery Agreements are limited to Utilities' designated projects to the extent Utilities determines, at its sole discretion.

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

not limited to failure to obtain a Water Service Permit, including a Temporary Water Service Permit for Fire Hydrant Use, and to obtain applicable inspections, may result in fines. See Section I.B. Fee Table.

- b. All costs to remove non-complying construction or to otherwise remedy such non-compliance may be assessed as provided in the Utilities' *Line Extension and Service Standards* for Water.

#### 6. Prohibited Construction

- a. Only Utilities may tap into a Utilities-owned and maintained Water Distribution Main.
- b. Only Utilities may install taps for Service Lines larger than two inches in diameter.

#### 7. Pipe Cuts

Utilities performed pipe cuts are available on a Time and Material basis.

#### 8. Hydrant Laterals

As specified in the Utilities' *Line Extension and Service Standards* for Water, taps are not permitted on hydrant laterals of the Water System.

#### G. Utilities' Liability – Water

Utilities is not liable for failure to maintain water pressures sufficient for any proposed use of water. This section is in addition to, and does not limit, Utilities Rules and Regulations – General.

#### ~~H. Applicability of City Code – Water~~

~~Water service outside City limits and outside the Exclusive Water Service Territory defined in these Tariffs is subject to the requirements of the City Code (including without limitation Part 2 of Article 6 of Chapter 7 pertaining to Annexations) as the City Code is now in effect and as it may be amended from time to time hereafter by City Council.~~

**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

**H. Backflow Test Entry Fee**

Backflow prevention assemblies prevent water from flowing back into Utilities' water distribution system and are owned and operated by Owner, as defined in these Utilities Rules and Regulations, and/or User, as defined in the City Code. The Colorado Department of Public Health and Environment establishes the backflow prevention requirements applicable to Utilities and Utilities' Customers which are codified in Colorado Springs City Code. Utilities tracks the number of backflow prevention assemblies associated with Utilities' water distribution system and the annual testing results of those backflow prevention assemblies to ensure compliance with requirements. The Customer is responsible for hiring a backflow tester to perform annual compliance test and enter confidential results into Utilities' system. The Backflow Test Entry Fee will be assessed to Customers or authorized testers when requested that Utilities perform that test entry.

**I. Applicability of City Code – Water**

Water service outside City limits and outside the Exclusive Water Service Territory defined in these Tariffs is subject to the requirements of the City Code (including without limitation Part 2 of Article 6 of Chapter 7 pertaining to Annexations) as the City Code is now in effect and as it may be amended from time-to-time hereafter by City Council.

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Resolution No.

## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

##### IJ. Exclusive Water Service Territory

In addition to all areas within the municipal limits of the City of Colorado Springs, the following areas have been designated as being within Utilities Exclusive Water Service Territory:

- (1) The Fort Carson cantonment area: That portion of Township 15 South, Range 66 West and of Section 36, Township 15 South, Range 67 West, of the 6th P.M., El Paso County, Colorado more particularly described as follows:

BEGINNING at the Northwest corner of Section 10, Township 15 South, Range 66 West; thence southeasterly on the easterly line of Tract No. 1 as described in Decree on Declaration of Taking, recorded in Book 985 at Page 346 of the records of said county about 4480 feet to the northerly line of Parcel No. A-1-A as described in Decree on Declaration of Taking No. 2, recorded in Book 985 at Page 405 of said records; thence easterly on said northerly line about 990 feet to the westerly right-of-way line of Interstate Highway 25; thence southerly on said westerly right-of-way line about 0.5 mile to the West line of the East half of the Northeast quarter of the Northeast quarter of Section 15, Township 15 South, Range 66 West; thence southerly on said West line about 600 feet; thence easterly on the South line of said East half of the Northeast quarter of the Northeast quarter of Section 15 about 485 feet to said westerly right-of-way line of Interstate Highway 25; thence southerly on said westerly right-of-way line about 4.4 miles to the South line of Section 36, Township 15 South, Range 66 West; thence westerly on the South lines of Sections 36, 35, 34, 33, 32 and 31, Township 15 South, Range 66 West and on the South line of Section 36, Township 15 South, Range 67 West about 6.1 miles to the easterly right-of-way line of Colorado State Highway 115; thence northerly on said easterly right-of-way line about 5.6 miles to the North line of Section 9, Township 15 South, Range 66 West; thence easterly on the North lines of Sections 9 and 10, Township 15 South, Range 66 West about 2.0 miles to the Point of Beginning.

- (2) The United States Air Force Academy: That portion of Township 12 South, Range 67 West and of Sections 6, 7, 18, 19, 20, 29, 30, 31, and 32, Township 12 South, Range 66 West and of Sections 5 and 6, Township 13 South, Range 66 West and of Section 1, Township 13 South, Range 67 West of the 6th P.M., El Paso County, Colorado more particularly described as follows:

BEGINNING at the Southwest corner of Section 5, Township 13 South, Range 66 West and with all bearings herein being relative to the Colorado coordinate system of 1927 central zone; thence N01°01'41"W on the West line of said section, 295.44 feet to a point on the northeasterly right-of-way line of the Atchison, Topeka and Santa Fe Railroad; thence S38°22'56"E on said northeasterly right-of-way line, 161.96 feet; thence N31°51'43"E, 751.80 feet; thence N55°05'43"E, 150.80 feet; thence N02°47'17"W, 543.00 feet; thence N01°16'00"E, 1216.51 feet; thence N50°50'42"E, 4249.41 feet to the Southeast corner of the West half of the East half of

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

**K. Water Regional System Availability Fee**

A Water Regional System Availability Fee (WRSAF) is assessed for each new connection to Utilities’ supply system by contract outside the corporate limits of the City in areas where Utilities’ water system is available for use by Utilities to serve institutions, plants, organized water districts, municipal corporations, or other similar organizations and only with prior approval by the City Council. Customer can elect to pay the WRSAF in full at the time of connection or make an annual payment for a period not to exceed 25 years. Interest will be charged on the outstanding balance during such repayment period based on the Interest Rate, compounded annually. A calculation will be made by Utilities at the time of connection such that the 25 annual payments are equal. Utilities may assess a deposit to ensure Customer’s payment of the WRSAF at the time of connection pursuant to the contract in its sole discretion.

Any entity that paid a WRSAF or an analogous charge through a contract in place prior to the implementation of this tariff is deemed to have met the obligation of this tariff and will not be charged an additional WRSAF except as required by Section VIII.K.3.

**1. Base WRSAF based on meter size:**

	<u>Total</u>	<u>Annual</u>
<u>2 inch.....</u>	<u>\$1,258,047.00.....</u>	<u>\$71,145.00</u>
<u>3 inch.....</u>	<u>\$2,731,945.00.....</u>	<u>\$154,496.00</u>
<u>4 inch.....</u>	<u>\$5,036,310.00.....</u>	<u>\$284,812.00</u>
<u>6 inch.....</u>	<u>\$9,980,129.00.....</u>	<u>\$564,393.00</u>
<u>8 inch.....</u>	<u>\$19,191,421.00.....</u>	<u>\$1,085,307.00</u>
<u>10 inch.....</u>	<u>\$31,473,827.00.....</u>	<u>\$1,779,898.00</u>
<u>12 inch.....</u>	<u>\$46,827,341.00.....</u>	<u>\$2,648,165.00</u>

**2. WRSAF Full Service Option - Annual Cost of Water**

Customers contracting for the Full Service Option will also pay an annual fee of \$1,760 per acre foot of water based upon the maximum number of acre feet that can be delivered to a Customer in any contract year under each individual Full Service contract.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

**3. Additional WRSAF Due**

An additional WRSAF charge is applicable to:

- a. any increase in size of an existing meter, or
- b. any increased consumption that results in damage to Utilities' facilities or exceeds the capacity of the meter.

The Customer shall pay the cost to upgrade the service and replace the meter and applicable WRSAF. The additional WRSAF will be assessed for any such increase in meter size in an amount representing the difference between the charge which would be imposed for the existing meter size and the charge which would be imposed for the size of the new meter. Payment for the additional WRASF will be collected:

- c. at the time the meter size is increased in relation to Section VIII.K.3.a. and
- d. in accordance with Utilities' billing requirements in relation to Section VIII.K.3.b.

Any request for a change in water service type shall be administered as a new application for service and is subject to all requirements of the City Code and tariffs. If the change in use does not result in an increase in meter size, no additional WRSAF is due.

**4. Non-waiver of the WRSAF**

The applicable WRSAF will not be waived for any entity requesting connection to Utilities' water supply system.



**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont'd**

All costs to remove non-complying construction or to otherwise remedy such non-compliance may be assessed as provided in the Utilities' *Line Extension and Service Standards* for Wastewater.

B. Wastewater Development Charge (WWDC)  
A ~~Wastewater Development Charge (WWDC)~~ is assessed for each new connection to Utilities' wastewater treatment system except for those Customers receiving service under the Contract Service – Regional Rate Schedule addressed in Section IX.H. below. The charge is based on type of building, facility or unusual wastewater characteristics of the new connection and assists the ratepayer by partially defraying the costs of capital improvements of the system. The applicable WWDC is shown below.

1. For each Single Family Residential connection – with a ¾ inch water meter.

Inside City Limits

Wastewater Service Area.....\$1,868.00

Outside City Limits

Wastewater Service Area.....\$2,802.00

2. For each Multi-Family Premise connection for each dwelling unit within a Multi-Family Residential Premise with individual ¾ inch water meters.

Inside City Limits

Wastewater Service Area.....\$1,213.00

Outside City Limits

Wastewater Service Area .....\$1,820.00

Individually metered Multi-Family Premise connections shall pay the rate in Section IX.B.2. multiplied by the number of dwelling units, while Master Meter Multi-Family Premise connections shall pay the WWDC per meter size in Section IX.B.3.

**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont'd**

10. WWDC Deferral for Primary Employers

A Primary Employer enlarging its facilities or building new facilities within the City limits may be eligible for deferral of the WWDC.

If the commercial or industrial operation meets the Primary Employer criteria, it may submit an application for development charge deferral to Utilities. Upon approval of the application by Utilities, the company is qualified to pay the WWDC on a five-year payment schedule. Payments can be made either on a monthly or yearly basis at a preset date as agreed to in the contract for service. Interest charges on WWDC not paid will be calculated in accordance with the published 10-year U.S. Treasury Note rate (Interest Rate).

11. WWDC Deferral for Affordable Housing

The Affordable Housing Program for WWDC deferral is based on the targeted income level for the affordable housing project. ~~Effective January 1, 2022, no new deferrals through the Affordable Housing Program for WWDC will be granted. Deferrals granted prior to January 1, 2022, remain subject to the terms and conditions herein. Projects, which are a mix of affordable and traditional units, are eligible to receive a deferral only for that portion of the project which is affordable and qualifies under this program.~~

Single-family residences or Multi-Family Residential Premises construction that meet:

- a. the affordable housing criteria as defined by the City of Colorado Springs Housing and Community Development Office, and
- b. the energy and water conservation standards defined in Utilities' Affordable Housing Program are eligible for a deferral of the WWDC.

Affordable Housing projects target individuals whose income is equal to or less than 80% of the area median income.

Deferral of the WWDC is on a first-come, first-served basis and will not, in aggregate, exceed five percent of Utilities' previous year's total WWDC revenues. Therefore, regardless of the number of applications reviewed and preliminarily approved, deferrals will be issued on an annual basis up to, but not exceeding, the financial guidelines. All projects obtaining a service contract during a given year after this limitation has been met will not receive deferrals, nor will the WWDC be eligible for refund in subsequent calendar years.

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## UTILITIES RULES AND REGULATIONS

### WASTEWATER

#### Wastewater – cont'd

##### C. Wastewater Extension Policy

A property Owner or developer is responsible for the cost of engineering, construction and materials for all wastewater collection system infrastructure and related appurtenances necessary to serve the Premises or development. Utilities will approve the plans and specifications of such facilities and appurtenances and inspect and approve the actual construction prior to connection of such facilities.

##### 1. Pipelines

Utilities may require that a property Owner or developer construct wastewater collection facilities through or adjacent to unserved or undeveloped lands. In that circumstance, the property Owner or developer ~~will~~may be required to pay the entire cost of such facilities. However, Utilities may agree in a Recovery Agreement with such property Owner or developer to ~~assist in the collection of~~ a pro rata share of the eligible cost of such facilities and interest as provided within Section IX.D., Wastewater Recovery Agreement Charge, of these Rules and Regulations from the property Owner or developer of such unserved or undeveloped lands at the time of connection to the facilities and refund such cost as provided in the Recovery Agreement.

Utilities may require that a property Owner or developer construct a Wastewater Collection Main of a larger diameter than that required for the property Owner's or developer's needs to provide for the service of lands beyond the Premises or development. In the event Utilities determines that construction of such an oversized Wastewater Collection Main is necessary for the efficient expansion of the system, the property Owner or developer served ~~may be~~is responsible for the costs of engineering, materials and installation of such main.

In that circumstance, the property Owner or developer may recover the cost of capacity associated with the oversizing requirement. Pipe capacity will be based on the capacity required to serve the proposed development as calculated by Utilities for the smaller wastewater main diameter (12-inch minimum diameter, or greater as determined by Utilities to serve the proposed development) and the larger diameter (oversized pipe) required by Utilities. Indirect costs incurred by the property Owner or developer, including but not limited to, easement acquisition and access road costs, are not reimbursable.

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Resolution No. ~~53-20~~

## UTILITIES RULES AND REGULATIONS

### WASTEWATER

#### Wastewater – cont'd

Utilities may agree in a Recovery Agreement with such property Owner or developer to ~~assist in the collection of~~ oversize capacity cost allocation from benefiting future developments (i.e., an “Oversize Recovery”). Considering the potential magnitude of an Oversize Recovery as compared to a standard main extension Recovery Agreement it is reasonable to structure Oversize Recoveries in a different fashion. For Oversize Recoveries only, recovery charges will be collected at the time of connection of a branch main to the oversized pipe. Utilities will collect Oversize Recovery charges based on capacity of the branch main. There is no limit on the total time period for an Oversize Recovery. Escalation of Oversize Recovery charges follow the process as provided within Section IX.D., Wastewater Recovery Agreement Charge, of these Rules and Regulations.

a. Oversize Main Extension Fund

Subject to funding availability and program rules as developed by Utilities, Utilities’ Oversize Main Extension Fund is available to assist in the financing of qualifying large, offsite water and wastewater facilities. See Section VII.B.1.a.

If Utilities determines that extension of a wastewater collection system is in the best interest of Utilities to protect wastewater service to existing Customers, to allow for the continued development within the service area, and/or to provide benefit to the entire service area, Utilities may, at its sole discretion, design and construct the wastewater collection system located outside the boundaries of the unserved or undeveloped land. Utilities will recover the cost to design and construct such facilities, with interest, through a Recovery Agreement charge from the property Owner or developer of unserved or undeveloped lands prior to connection to such facilities. Utilities may implement an Advance Recovery Agreement charge to collect the cost of the facilities in advance of its construction. Advance Recovery Agreements are limited to Utilities’ designated projects to the extent Utilities determines, at its sole discretion.

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**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont'd**

**H. Wastewater Regional System Availability Fee (WWRSAF)**

A WWRSAF is assessed for each new connection to Utilities' wastewater collection system by contract outside the corporate limits of the City in areas where Utilities' wastewater collection system is available for use to serve institutions, plants, organized sewer districts, municipal corporations, or other similar organizations and only with prior approval by the City Council. Customer shall pay the WWRSAF in full at the time of connection.

Any entity that paid a WWRSAF or an analogous charge through a contract in place prior to the implementation of this tariff is deemed to have met the obligation of this tariff and will not be charged an additional WWRSAF except as required by Section IX.H.2.

**1. WWRSAF based on average flow capacity in MGD:**

	<u>Total</u>
<u>Less than 0.10 MGD .....</u>	<u>\$7,162.00</u>
<u>Between 0.10 and 0.29 MGD .....</u>	<u>\$28,216.00</u>
<u>Between 0.30 and 0.59 MGD .....</u>	<u>\$64,390.00</u>
<u>Between 0.60 and 0.74 MGD .....</u>	<u>\$96,947.00</u>
<u>Between 0.75 and 0.99 MGD .....</u>	<u>\$125,886.00</u>
<u>Between 1.00 and 1.49 MGD .....</u>	<u>\$180,148.00</u>
<u>Between 1.50 and 1.99 MGD .....</u>	<u>\$252,496.00</u>
<u>Between 2.00 and 2.49 MGD .....</u>	<u>\$324,844.00</u>
<u>Between 2.50 and 2.99 MGD .....</u>	<u>\$397,193.00</u>
<u>3.00 MGD or greater .....</u>	<u>\$434,091.00</u>

**2. Additional WWRSAF Due**

An additional WWRSAF charge is applicable to:

- a. any increase in MGD outside the current range, or
- b. any increased collection that results in damage to Utilities' facilities or exceeds the capacity of the meter.

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**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont'd**

The Customer shall pay the cost to upgrade the service and replace the meter and applicable WWRSAF based on MGD. The additional WWRSAF will be assessed for any such increase in MGD in an amount representing the difference between the charge which would be imposed for the existing MGD range and the charge which would be imposed for the new MGD range. Payment for the additional WWRSAF will be collected:

- c. at the time the increased collection begins in relation to Section IX.H.2.a.;  
and
- d. in accordance with Utilities' billing requirements in relation to Section IX.H.2.b.

Any request for a change in wastewater service shall be administered as a new application for service and subject to all requirements of the City Code and tariffs. If the change in use does not result in an MGD range greater than the current MGD range, no additional WWRSAF will be due.

3. Non-waiver of the WWRSAF

The applicable WWRSAF will not be waived for any entity requesting connection to Utilities' wastewater collection system.

**Utilities Rules and Regulations  
(URR)**

**Final Tariff Sheets**



**UTILITIES RULES AND REGULATIONS**

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**UTILITIES RULES AND REGULATIONS**

**GENERAL**

**Fees – cont'd**

DESCRIPTION	AMOUNT	REFERENCE
<b>WATER</b>		
Water Service Permit Fee		Water, Sheet No. 97
• Initial inspection	\$80	
• Reinspection/return trip (each)	\$50	
Water non-compliance		Water, Sheet No. 99
• First violation	\$0 - \$5,000	
• Second & subsequent violations	\$5,000 - \$10,000	
Water Backflow Test Entry Fee	\$50	Water, Sheet No. 99.1
<b>WASTEWATER</b>		
Wastewater non-compliance with Utilities' <i>Line Extension and Service Standards</i>		Wastewater, Sheet No. 103
• First violation	\$0 - \$500	
• Second & subsequent violations	\$500 - \$1,000	
Wastewater, Emergency and After-Hours Inspection	Time and Materials Cost	Wastewater, Sheet No. 103
Residential Wastewater Fees (including mobile homes, townhouses)		Wastewater, Sheet No. 103
• New Connection	\$80	
• Additional installation, repair or alteration	\$100	
• Reinspection	\$50	
Multi-Family Wastewater Fees, per service line		Wastewater, Sheet No. 103
• New Connection	\$100	
• Additional installation, repair or alteration	\$120	
• Reinspection	\$70	
Nonresidential Wastewater, without grease trap		Wastewater, Sheet No. 103
• New Connection	\$100	
• Additional installation, repair or alteration	\$120	
• Reinspection	\$70	
Nonresidential Wastewater, with grease trap or sand/oil interceptor		Wastewater, Sheet No. 103
• New Connection	\$175	
• Additional installation, repair or alteration	\$195	
• Reinspection	\$145	
Wastewater Discharge Permit Fee, per calendar year (no pro-rata)	\$1,132	Wastewater, Sheet No. 117
Wastewater Zero Discharge Permit Fee	\$50	Wastewater, Sheet No. 117

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**UTILITIES RULES AND REGULATIONS**

**ELECTRIC**

**VI. ELECTRIC**

A. Electric Service Standards

1. Utility Provisions

Utilities will furnish, install at its expense, own and maintain the equipment to properly meter the service required except as specified under the Totalization Service charge in the Electric Rate Schedules, and the Automated-Meter Opt-Out Program.

All electric service will be metered except in limited circumstances. Customers may receive service without metering at tariffed rates pursuant to Electric Rate Schedule Sheet No. 5.1 or upon execution of a separate written agreement in which Utilities and the Customer agree upon usage estimation procedures. This separate written agreement option will be limited to instances when Electric Rate Schedule Sheet No. 5.1 is not available and when average, individual, commercial facility loads are estimated to be less than 66 kWh/day and when Utilities, at its sole discretion, (1) determines that metering is not appropriate or cost effective and (2) determines that a limited opportunity for load variance, misuse or subterfuge exists. At any time during the contract period, Utilities may check the Customer's usage and a meter(s) will be installed in a Customer-owned socket(s) if deemed necessary by Utilities.

Standard service consists of overhead service including an overhead service drop from the service line to the Customer's Premise. In the event underground service is desired or is required in an underground service area, the Customer will provide contributions in aid-of-construction. In some existing locations, if this equipment is on the load side of the Point of Common Coupling (aka Service Point as defined by the National Electric Code), the customer is responsible to install or remove the Utilities metering equipment for maintenance and repair.

The Customer will pay the specified fee for design of Line Extensions.

a. Primary Service

This type of service (highest voltage located on the Customer's Premise) is alternating current, 60 hertz, three-phase, four wire wye, 12,470/7,200 volts or 34,500/19,900 volts nominal.

This does not preclude Utilities from providing primary or secondary service to a customer at Utilities convenience, provided the service is metered and billed under the appropriate Electric Tariff.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**VIII. WATER**

A. Water Connection Charges and Fees

Water connection charges and fees are assessed for each new connection to Utilities' supply system except for those Customers receiving service under the Augmentation Water Service Rate Schedule or Contract Service – Regional Rate Schedule which is addressed in Section VIII.K. below. The water connection charges and fees consist of the Water Development Charge (WDC) and the Water Resource Fee (WRF). The WDC is based on the capacity requirement for each new connection associated with existing facilities. The WRF is based on the capacity requirement of each new connection associated with facilities needed to serve new development.

1. For each Single-Family Residential Connection with a ¾ inch water meter:

a. Inside City Limits:

WDC -

Less than 1,500 square foot lot .....	\$5,538.00
Between 1,500 and 2,999 square foot lot.....	\$5,662.00
Between 3,000 and 4,999 square foot lot.....	\$6,147.00
Between 5,000 and 6,999 square foot lot.....	\$7,600.00
Between 7,000 and 8,999 square foot lot.....	\$8,638.00
Between 9,000 and 10,999 square foot lot.....	\$9,461.00
Between 11,000 and 14,999 square foot lot.....	\$10,696.00
15,000 square foot or larger lot.....	\$11,931.00

WRF -

Less than 1,500 square foot lot .....	\$1,923.00
Between 1,500 and 2,999 square foot lot.....	\$1,974.00
Between 3,000 and 4,999 square foot lot.....	\$2,092.00
Between 5,000 and 6,999 square foot lot.....	\$2,630.00
Between 7,000 and 8,999 square foot lot.....	\$2,899.00
Between 9,000 and 10,999 square foot lot.....	\$3,168.00
Between 11,000 and 14,999 square foot lot.....	\$3,572.00
15,000 square foot or larger lot.....	\$3,976.00

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**VIII. WATER**

**A. Water Connection Charges and Fees**

Water connection charges and fees are assessed for each new connection to Utilities’ supply system except for those Customers receiving service under the Augmentation Water Service Rate Schedule or Contract Service – Regional Rate Schedule which is addressed in Section VIII.K. below. The water connection charges and fees consist of the Water Development Charge (WDC) and the Water Resource Fee (WRF). The WDC is based on the capacity requirement for each new connection associated with existing facilities. The WRF is based on the capacity requirement of each new connection associated with facilities needed to serve new development.

**1. For each Single-Family Residential Connection with a ¾ inch water meter:**

**a. Inside City Limits:**

**WDC -**

Less than 1,500 square foot lot .....	\$5,297.00
Between 1,500 and 2,999 square foot lot.....	\$5,436.00
Between 3,000 and 4,999 square foot lot.....	\$5,760.00
Between 5,000 and 6,999 square foot lot.....	\$7,243.00
Between 7,000 and 8,999 square foot lot.....	\$7,984.00
Between 9,000 and 10,999 square foot lot.....	\$8,725.00
Between 11,000 and 14,999 square foot lot.....	\$9,837.00
15,000 square foot or larger lot.....	\$10,949.00

**WRF -**

Less than 1,500 square foot lot .....	\$3,847.00
Between 1,500 and 2,999 square foot lot.....	\$3,948.00
Between 3,000 and 4,999 square foot lot.....	\$4,183.00
Between 5,000 and 6,999 square foot lot.....	\$5,260.00
Between 7,000 and 8,999 square foot lot.....	\$5,798.00
Between 9,000 and 10,999 square foot lot.....	\$6,337.00
Between 11,000 and 14,999 square foot lot.....	\$7,144.00
15,000 square foot or larger lot.....	\$7,952.00

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

b. Outside City Limits:

WDC -

Less than 1,500 square foot lot .....	\$8,307.00
Between 1,500 and 2,999 square foot lot.....	\$8,492.00
Between 3,000 and 4,999 square foot lot.....	\$9,220.00
Between 5,000 and 6,999 square foot lot.....	\$11,399.00
Between 7,000 and 8,999 square foot lot.....	\$12,957.00
Between 9,000 and 10,999 square foot lot.....	\$14,192.00
Between 11,000 and 14,999 square foot lot.....	\$16,044.00
15,000 square foot or larger lot.....	\$17,896.00

WRF -

Less than 1,500 square foot lot .....	\$2,885.00
Between 1,500 and 2,999 square foot lot.....	\$2,961.00
Between 3,000 and 4,999 square foot lot.....	\$3,138.00
Between 5,000 and 6,999 square foot lot.....	\$3,945.00
Between 7,000 and 8,999 square foot lot.....	\$4,349.00
Between 9,000 and 10,999 square foot lot.....	\$4,752.00
Between 11,000 and 14,999 square foot lot.....	\$5,358.00
15,000 square foot or larger lot.....	\$5,964.00

2. For each Nonresidential, Single-Family Residential (1 inch or larger meter), Multi-Family or Mixed-Use connection based on meter size:

a. Inside City Limits:

WDC -

3/4 inch or less (excludes Single-Family Residential).....	\$8,598.00
1 inch.....	\$14,330.00
1-1/2 inch .....	\$28,660.00
2 inch.....	\$45,856.00
3 inch.....	\$92,568.00
4 inch.....	\$156,476.00
6 inch.....	\$425,616.00
8 inch.....	\$644,390.00
10 inch.....	\$966,609.00
12 inch.....	\$1,265,421.00

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

b. Outside City Limits:

WDC -

Less than 1,500 square foot lot .....	\$7,946.00
Between 1,500 and 2,999 square foot lot.....	\$8,154.00
Between 3,000 and 4,999 square foot lot.....	\$8,640.00
Between 5,000 and 6,999 square foot lot.....	\$10,865.00
Between 7,000 and 8,999 square foot lot.....	\$11,976.00
Between 9,000 and 10,999 square foot lot.....	\$13,088.00
Between 11,000 and 14,999 square foot lot.....	\$14,756.00
15,000 square foot or larger lot.....	\$16,424.00

WRF -

Less than 1,500 square foot lot .....	\$5,770.00
Between 1,500 and 2,999 square foot lot.....	\$5,922.00
Between 3,000 and 4,999 square foot lot.....	\$6,275.00
Between 5,000 and 6,999 square foot lot.....	\$7,890.00
Between 7,000 and 8,999 square foot lot.....	\$8,698.00
Between 9,000 and 10,999 square foot lot.....	\$9,505.00
Between 11,000 and 14,999 square foot lot.....	\$10,716.00
15,000 square foot or larger lot.....	\$11,927.00

2. For each Nonresidential, Single-Family Residential (1 inch or larger meter), Multi-Family or Mixed-Use connection based on meter size:

a. Inside City Limits:

WDC -

3/4 inch or less (excludes Single-Family Residential).....	\$7,904.00
1 inch.....	\$13,174.00
1-1/2 inch .....	\$26,347.00
2 inch.....	\$42,156.00
3 inch.....	\$92,216.00
4 inch.....	\$158,084.00
6 inch.....	\$355,690.00
8 inch.....	\$421,558.00
10 inch.....	\$632,337.00
12 inch.....	\$889,224.00

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

WRF -

3/4 inch or less (excludes Single-Family Residential).....	\$2,870.00
1 inch.....	\$4,784.00
1-1/2 inch .....	\$9,567.00
2 inch.....	\$15,308.00
3 inch.....	\$33,485.00
4 inch.....	\$57,404.00
6 inch.....	\$129,158.00
8 inch.....	\$153,076.00
10 inch.....	\$229,614.00
12 inch.....	\$322,895.00

b. Outside City Limits:

WDC -

3/4 inch or less (excludes Single-Family Residential).....	\$12,897.00
1 inch.....	\$21,495.00
1-1/2 inch .....	\$42,991.00
2 inch.....	\$68,785.00
3 inch.....	\$138,852.00
4 inch.....	\$234,713.00
6 inch.....	\$638,424.00
8 inch.....	\$966,585.00
10 inch.....	\$1,449,913.00
12 inch.....	\$1,898,132.00

WRF -

3/4 inch or less (excludes Single-Family Residential).....	\$4,305.00
1 inch.....	\$7,175.00
1-1/2 inch .....	\$14,351.00
2 inch.....	\$22,961.00
3 inch.....	\$50,228.00
4 inch.....	\$86,105.00
6 inch.....	\$193,737.00
8 inch.....	\$229,614.00
10 inch.....	\$344,421.00
12 inch.....	\$484,342.00

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

WRF -

3/4 inch or less (excludes Single-Family Residential).....	\$5,740.00
1 inch.....	\$9,567.00
1-1/2 inch .....	\$19,135.00
2 inch.....	\$30,615.00
3 inch.....	\$66,971.00
4 inch.....	\$114,807.00
6 inch.....	\$258,316.00
8 inch.....	\$306,152.00
10 inch.....	\$459,228.00
12 inch.....	\$645,790.00

b. Outside City Limits:

WDC -

3/4 inch or less (excludes Single-Family Residential).....	\$11,856.00
1 inch.....	\$19,761.00
1-1/2 inch .....	\$39,521.00
2 inch.....	\$63,234.00
3 inch.....	\$138,324.00
4 inch.....	\$237,126.00
6 inch.....	\$533,534.00
8 inch.....	\$632,337.00
10 inch.....	\$948,506.00
12 inch.....	\$1,333,836.00

WRF -

3/4 inch or less (excludes Single-Family Residential).....	\$8,611.00
1 inch.....	\$14,351.00
1-1/2 inch .....	\$28,702.00
2 inch.....	\$45,923.00
3 inch.....	\$100,456.00
4 inch.....	\$172,211.00
6 inch.....	\$387,474.00
8 inch.....	\$459,228.00
10 inch.....	\$688,842.00
12 inch.....	\$968,684.00

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

Mixed-Use Premises shall pay the rate per water meter under Section VIII.A.2. when one water meter is requested. If more than one water meter is requested, the nonresidential use shall pay the rate per water meter under Section VIII.A.2. and the Multi-Family use shall pay the rate per water meter in Section VIII.A.3. multiplied by the number of dwelling units for individually metered connections provided the metering configuration is approved by Utilities.

3. For each Multi-Family Residential Premises connection or for each additional 3/4 inch Residential connection on a Single Platted Lot:

a.	Inside City Limits:	
	WDC .....	\$4,684.00
	WRF .....	\$1,479.00
b.	Outside City Limits:	
	WDC .....	\$7,025.00
	WRF .....	\$2,218.00

Individually metered Multi-Family Premise connections shall pay the applicable WDC and WRF in Section VIII.A.3. multiplied by the number of dwelling units, while Master Metered Multi-Family Premise connections shall pay the WDC and WRF per meter under Section VIII.A.2.

4. For Nonpotable Water Connection Based on Meter Size:
- |                        |             |
|------------------------|-------------|
| 2 inches or less ..... | \$10,714.00 |
| 3 inch.....            | \$23,614.00 |
| 4 inch.....            | \$37,680.00 |
| 6 inch.....            | \$75,167.00 |

Upon approval of Utilities, payment of the WDC for a new nonpotable point of service is not required if there will be an offsetting reduction in potable water consumption from an existing potable water service. Requests for new or additional water demands will be required to pay the nonpotable WDC. No WRF is applied to nonpotable water connections.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

Mixed-Use Premises shall pay the rate per water meter under Section VIII.A.2. when one water meter is requested. If more than one water meter is requested, the nonresidential use shall pay the rate per water meter under Section VIII.A.2. and the Multi-Family use shall pay the rate per water meter in Section VIII.A.3. multiplied by the number of dwelling units for individually metered connections provided the metering configuration is approved by Utilities.

3. For each Multi-Family Residential Premises connection or for each additional 3/4 inch Residential connection on a Single Platted Lot:

- a. Inside City Limits:
  - WDC .....\$4,072.00
  - WRF .....\$2,957.00
- b. Outside City Limits:
  - WDC .....\$6,108.00
  - WRF .....\$4,436.00

Individually metered Multi-Family Premise connections shall pay the applicable WDC and WRF in Section VIII.A.3. multiplied by the number of dwelling units, while Master Metered Multi-Family Premise connections shall pay the WDC and WRF per meter under Section VIII.A.2.

- 4. For Nonpotable Water Connection Based on Meter Size:
  - 2 inches or less ..... \$10,714.00
  - 3 inch..... \$23,614.00
  - 4 inch..... \$37,680.00
  - 6 inch..... \$75,167.00

Upon approval of Utilities, payment of the WDC for a new nonpotable point of service is not required if there will be an offsetting reduction in potable water consumption from an existing potable water service. Requests for new or additional water demands will be required to pay the nonpotable WDC. No WRF is applied to nonpotable water connections.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

5. Additional WDC and WRF Due

An additional WDC and WRF is applicable to:

- a. any increase in size of an existing meter, or
- b. any increased consumption that results in damage to Utilities' facilities or exceeds the capacity of the meter. The Customer shall pay the cost to upgrade the service and replace the meter and applicable WDC and WRF, or
- c. any increased water consumption that occurs because of changes in operations, the remodeling or moving of existing buildings or structures, or the construction of additional buildings or structures.

The additional WDC and WRF will be assessed for any such increase in meter size in an amount representing the difference between the charge which would be imposed for the existing meter size and the charge which would be imposed for the size of the proposed meter. Payment for the additional WDC and WRF charge will be collected prior to issuance of a building or nonpotable permit or as provided in Section VIII.A.11. or when the increased water consumption begins. Any request for a change in water service shall be administered as a new application for service and subject to all requirements of the City Code and tariffs. If the change in use does not result in an increase in meter size, no additional WDC and WRF is due.

6. Non-waiver of the WDC and WRF

The applicable WDC and WRF will not be waived for any governmental, quasi-governmental or nonprofit organization or any other entity requesting connection to Utilities' supply system.

7. WDC and WRF Deferral for Community Gardens

A Community Garden established on a Premise within the Exclusive Water Service Territory may be eligible for deferral of the WDC and WRF.

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

A nonprofit entity may submit an application to Utilities for WDC and WRF deferral for the purposes of a Community Garden. The WDC and WRF may be deferred for qualifying Community Gardens until such time as use of the service line is no longer solely for a Community Garden or is not for nonprofit use. Upon a change of use from a Community Garden, if the Premise requires a permanent water service connection, the WDC and WRF shall be due in accordance with the then current Tariffs for a new connection.

8. Credit for Prior WDC and WRF Payment

Credit for the WDC and WRF paid for a prior development may be given for reuse of existing connections or for new connections to a land parcel where all connection fees and charges were paid in full at issuance of the building permit. Credit is determined based on the then current WDC and WRF for the existing meter size. Credit for Multi-Family Residential dwelling units and nonresidential service must be determined by inspection by Utilities before any remodeling, moving or demolition of the structure occurs. No refund for excess credits will be given.

Credit for the WDC and WRF may only be transferred between Premises if all of the conditions listed below are met to Utilities' satisfaction. Any sale of credit for the WDC and WRF is expressly prohibited. Credit for a WDC and WRF can only be transferred one time. Any paid recovery agreement charges shall remain with the donor Premises and are not eligible to be transferred. No refund of excess credits, if any, will be given.

Conditions:

- a. There must be common ownership of the donor Premises and recipient Premises; the party requesting the transfer of credit for the WDC and WRF must provide Utilities with proof of common ownership, which may include, but is not limited to evidence of common ownership at a parent company level;
- b. Both the donor Premises and the recipient Premises must be Nonresidential, Multi-Family or Mixed Use;
- c. The donor Premises must be a vacant parcel without structure(s);
- d. The recipient Premises must meet and comply with all then current infill descriptions and/or criteria established by City of Colorado Springs;

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

- e. The recipient Premises must have an approved development plan, in accordance with applicable laws and regulations, prior to Utilities' approval of a transfer of the WDC and WRF credit;
- f. If the donor Premises will be left without any remaining WDC and WRF credits, the Owner shall remove the water service line to the donor Premises in accordance with City Code and Utilities' *Line Extension and Service Standards* for Water;
- g. All service line ordinances, regulations, and policies shall apply to transferred WDC and WRF credit and any applicable charges and/or fees shall be paid; and
- h. The party requesting the credits transfer shall pay to Utilities a fee of \$100.00 and shall commit to be responsible for all costs associated with the transfer, including but not limited to, title commitment, processing, and recording fees.

Upon the completion of a transfer of credit for the WDC and WRF, the transfer will be effectuated by recording a notice to the El Paso County Clerk and Recorder for both the donor Premises and the recipient Premises, which recording fees shall be paid by the owner of the donor and recipient Premises. The notice shall include the credits transferred and remaining, and applicable service dates associated with each Premises.

9. Request for WDC and WRF Refund

Requests for a refund of the WDC and WRF for connections not constructed must be made in writing to Utilities within two years of payment of the WDC and WRF. No refunds of any such charges will be made unless a request is received by Utilities within two years of payment and no service has been connected.

10. Inactive Water Service

In the event that a service line was classified as abandoned and/or inactive through prior Utilities' Rules and Regulations standards and/or City Code provisions, the property Owner(s) may request to reestablish utility service from Utilities and Utilities shall reestablish the service upon payment of applicable fees and compliance with applicable rules and regulations.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

11. Timing of Payment of the WDC and related Connection Charges

Payment for a new connection or increased service level as provided in Section VIII.A.5.:

- a. Shall be due in full in cash or check prior to the issuance of a building permit, or
- b. The WDC may be deferred until the time prior to the installation of a meter to serve a Premise. The deferred WDC, Recovery Agreement Charges or any other fees – shall be paid at the then current rates plus an additional charge equal to a five percent annual interest rate, calculated per day, of the deferred amount and shall be paid in full in cash or check prior to the installation of meters and prior to the provision of service. The payment of all Water Service Permit Fees and all other related charges as determined by Utilities shall be paid prior to the issuance of the building permit.

12. WDC Deferral for Primary Employers

A Primary Employer enlarging its facilities or building new facilities within the City limits may be eligible for deferral of the WDC.

If the commercial or nonresidential operation meets the Primary Employer criteria, it may submit an application for development charge deferral to Utilities. Upon approval of the application by the Greater Colorado Springs Economic Development Corporation and the City of Colorado Springs Office of Economic Development, the company is qualified to pay the WDC on a five-year payment schedule. Payments can be made either on a monthly or yearly basis at a preset date as agreed in the contract for service. Interest charges on WDC not paid will be calculated in accordance with the published ten-year U.S. Treasury Note rate (Interest Rate).

13. WDC Deferral for Affordable Housing

The Affordable Housing Program for WDC deferral is based on the targeted income level for the affordable housing project. Effective January 1, 2022, no new deferrals through the Affordable Housing Program for WDC will be granted. Deferrals granted prior to January 1, 2022 remain subject to the terms and conditions herein.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

11. Timing of Payment of the WDC, WRF, and related Connection Charges

Payment for a new connection or increased service level as provided in Section VIII.A.5.:

- a. Shall be due in full in cash or check prior to the issuance of a building permit, or
- b. The WDC and WRF may be deferred until the time prior to the installation of a meter to serve a Premise. The deferred WDC, WRF, Recovery Agreement Charges or any other fees – shall be paid at the then current rates plus an additional charge equal to a five percent annual interest rate, calculated per day, of the deferred amount and shall be paid in full in cash or check prior to the installation of meters and prior to the provision of service. The payment of all Water Service Permit Fees and all other related charges as determined by Utilities shall be paid prior to the issuance of the building permit.

12. WDC and WRF Deferral for Primary Employers

A Primary Employer enlarging its facilities or building new facilities within the City limits may be eligible for deferral of the WDC and WRF.

If the commercial or nonresidential operation meets the Primary Employer criteria, it may submit an application for development charge deferral to Utilities. Upon approval of the application by the Greater Colorado Springs Economic Development Corporation and the City of Colorado Springs Office of Economic Development, the company is qualified to pay the WDC and WRF on a five-year payment schedule. Payments can be made either on a monthly or yearly basis at a preset date as agreed in the contract for service. Interest charges on WDC and WRF not paid will be calculated in accordance with the published ten-year U.S. Treasury Note rate (Interest Rate).

13. WDC Deferral for Affordable Housing

The Affordable Housing Program for WDC deferral is based on the targeted income level for the affordable housing project. Effective January 1, 2022, no new deferrals through the Affordable Housing Program for WDC will be granted. Deferrals granted prior to January 1, 2022, remain subject to the terms and conditions herein.

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

Single-family residences or Multi-Family Residential Premises construction that meet:

- a. The affordable housing criteria as defined by the City of Colorado Springs Housing and Community Development Office, and
- b. The energy and water conservation standards defined in Utilities' Affordable Housing Program are eligible for a deferral of the WDC.

Affordable Housing projects target individuals whose income is equal to or less than 80% of the area median income.

Deferral of the WDC is on a first come, first-served basis and will not, in aggregate, exceed five percent of Utilities' previous year's total WDC revenues. Therefore, regardless of the number of applications reviewed and preliminarily approved, deferrals will be issued on an annual basis up to, but not exceeding, the financial guidelines. All projects obtaining a service contract during a given year after this limitation has been met will not receive deferrals, nor will the WDC be eligible for refund in subsequent calendar years.

The amounts to be repaid under the Affordable Housing Program will be based on the WDC in effect at the time the first repayment is made but will not exceed the deferred amount plus interest charges. Interest charges used to determine the "not-to-exceed" amount will be calculated from the date of deferral to the date of first repayment in accordance with the Interest Rate in effect on the date of deferral, compounded annually.

- Zero percent of total WDC is due at time of application for utilities.
- 100% of total WDC plus any applicable interest is due at first subsequent sale of property or beginning in the sixth year after deferral (or at any time prior to that date at Owner's option) and for four years thereafter. Repayment of the 100% of WDC deferral is collected annually as follows:

6th year – 20%

7th year – 20%

8th year – 20%

9th year – 20%

10th year – 20% Final Payment

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

B. Water Extension Policy

A property Owner or developer is responsible for the cost of engineering, construction, and materials for all water system infrastructure and related appurtenances necessary to serve the Premises or development. Utilities will approve the plans and specifications of such facilities and appurtenances and inspect and approve the actual construction prior to connection of such facilities. The property Owner or developer is also responsible for any required pumping facilities (including pressure relief valves, pressure reducing valves and flow control valves) and vaults, and all fire hydrants that are necessary to serve the Premises or development.

1. Pipelines

Utilities may require that a property Owner or developer construct water distribution facilities through or adjacent to unserved or undeveloped lands. In that circumstance, the property Owner or developer may be required to pay the entire cost of such facilities. However, Utilities may agree in a Recovery Agreement with such property Owner or developer to collect a pro rata share of the eligible cost of such facilities and interest as provided within Section VIII.C., Water Recovery Agreement Charge, of these Rules and Regulations from the property Owner or developer of such unserved or undeveloped lands at the time of connection to the facilities and refund such cost as provided in the Recovery Agreement.

Utilities may require that a property Owner or developer construct a Water Distribution Main of a larger diameter than that required for the property Owner's or developer's needs to provide for the service of lands beyond the Premises or development. In the event Utilities determines that construction of such an oversized Water Distribution Main is necessary for the efficient expansion of the system, the property Owner or developer served may be responsible for the costs of engineering, materials and installation of such main.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

In that circumstance, the property Owner or developer may recover the cost of capacity associated with the oversizing requirement. Pipe capacity will be based on the capacity required to serve the proposed development as calculated by Utilities for the smaller water main diameter (12-inch minimum diameter, or greater as determined by Utilities to serve the proposed development) and the larger diameter (oversized pipe) required by Utilities. Indirect costs incurred by the property Owner or developer, including but not limited to, easement acquisition and access road costs, are not reimbursable.

Utilities may agree in a Recovery Agreement with such property Owner or developer to collect the oversize capacity cost allocation from benefiting future developments (i.e., an “Oversize Recovery”). Considering the potential magnitude of an Oversize Recovery as compared to a standard main extension Recovery Agreement it is reasonable to structure Oversize Recoveries in a different fashion. For Oversize Recoveries only, recovery charges will be collected at the time of connection of a branch main to the oversized pipe. Utilities will collect Oversize Recovery charges based on capacity of the branch main. There is no limit on the total time period for an Oversize Recovery. Escalation of Oversize Recovery charges follow the process as provided within Section VIII.C., Water Recovery Agreement Charge, of these Rules and Regulations.

a. Oversize Main Extension Fund

Subject to funding availability and program rules as developed by Utilities, Utilities’ Oversize Main Extension Fund is available to assist in the financing of qualifying large, offsite water and wastewater facilities. See also Section IX. C.1.a. The initial fund balance is limited to \$10,000,000 for water and wastewater facilities combined. At its sole discretion, Utilities may increase the fund balance to \$15,000,000 for water and wastewater facilities combined.

i. Qualifications

Utilities will review applications and award funds to the highest ranking projects. Utilities may award partial funding based on funding availability and or project ranking. Facilities eligible for

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

consideration must meet the following qualifications, as well as those qualifications established by Utilities in the program rules.

- a. Premises or developments served by the facilities must be located inside the City limits; and
- b. Pipelines must have a 24-inch minimum diameter; and
- c. The estimated facility cost must exceed \$1,500,000; and
- d. Property Owner or developer must apply within Utilities' application period and the facility must be selected under Utilities' program rules. Separate applications are required for water and wastewater facilities. Fund qualifications and limitations apply separately to each water or wastewater facility; and
- e. At the time of application, the property Owner or developer must provide cost estimates and other documentation as required under Utilities' program rules.

#### ii. Administration

- a. The property Owner or developer served by the qualifying facility is responsible for engineering, construction, materials, and installation of oversized mains. All applicable rules and regulations and Water Line Extension and Service Standards apply.
- b. As established by program rules, cost documentation will be reviewed by Utilities. Failure to efficiently manage project cost or meet program rules may result in denial of fund payments. Fund payments to the property Owner or developer will be paid as progress payments, no more often than monthly, as Utilities in its sole discretion determines construction progress. Payments from the fund reduce the fund balance.

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**WATER**

**Water – cont'd**

- c. The property Owner or developer served by the qualifying facility is responsible for the cost of capacity required to serve the property Owner's or developer's proposed development (the Property Owner's or Developer's Share). The property Owner or developer will be responsible for paying an amount estimated to be twenty-five percent of the Property Owner's or Developer's Share for the construction of the facilities before Utilities' makes any progress payment from the Fund. The property Owner or developer will repay the outstanding balance of the Property Owner or Developer's Share in three annual payments. Interest will be charged on the outstanding balance during such repayment period based on the Interest Rate, compounded annually. Utilities will calculate the outstanding balance of the Property Owner's or Developer's Share at the time of completion of construction of the facility such that the three annual payments are equal.
- d. A qualifying facility is limited to \$4,000,000 of funding. In the event the estimated construction costs exceeds the funding limit, the property Owner or developer will be required to fund the balance of cost.
- e. All costs advanced by Utilities for construction of the oversize capacity allocation benefiting future developments will be collected with interest through Recovery Agreement Charges collected at the time of connection of the branch main to the oversize pipe. Future developments are not eligible to apply for Fund financing.
- f. Costs collected by Utilities, whether through annual payments from property Owners or developers of served facilities or Recovery Agreement Charges, will be credited to the Fund.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

If Utilities determines that extension of a water distribution system is in the best interest of Utilities to protect water service to existing Customers, to allow for the continued development within the service area, and/or to provide benefit to the entire service area, Utilities may, at its sole discretion, design and construct the water distribution system located outside the boundaries of the unserved or undeveloped land. Utilities will recover the cost to design and construct such facilities, with interest, through a Recovery Agreement Charge from the property Owner or developer of unserved or undeveloped lands prior to connection to such facilities. Utilities may implement an Advance Recovery Agreement Charge to collect the cost of the facilities in advance of its construction. Advance Recovery Agreements are limited to Utilities' designated projects to the extent Utilities determines, at its sole discretion.

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## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

not limited to failure to obtain a Water Service Permit, including a Temporary Water Service Permit for Fire Hydrant Use, and to obtain applicable inspections, may result in fines. See Section I.B. Fee Table.

- b. All costs to remove non-complying construction or to otherwise remedy such non-compliance may be assessed as provided in the Utilities' *Line Extension and Service Standards* for Water.

#### 6. Prohibited Construction

- a. Only Utilities may tap into a Utilities-owned and maintained Water Distribution Main.
- b. Only Utilities may install taps for Service Lines larger than two inches in diameter.

#### 7. Pipe Cuts

Utilities performed pipe cuts are available on a Time and Material basis.

#### 8. Hydrant Laterals

As specified in the Utilities' *Line Extension and Service Standards* for Water, taps are not permitted on hydrant laterals of the Water System.

#### G. Utilities' Liability – Water

Utilities is not liable for failure to maintain water pressures sufficient for any proposed use of water. This section is in addition to, and does not limit, Utilities Rules and Regulations – General.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

H. Backflow Test Entry Fee

Backflow prevention assemblies prevent water from flowing back into Utilities' water distribution system and are owned and operated by Owner, as defined in these Utilities Rules and Regulations, and/or User, as defined in the City Code. The Colorado Department of Public Health and Environment establishes the backflow prevention requirements applicable to Utilities and Utilities' Customers which are codified in Colorado Springs City Code. Utilities tracks the number of backflow prevention assemblies associated with Utilities' water distribution system and the annual testing results of those backflow prevention assemblies to ensure compliance with requirements. The Customer is responsible for hiring a backflow tester to perform annual compliance test and enter confidential results into Utilities' system. The Backflow Test Entry Fee will be assessed to Customers or authorized testers when requested that Utilities perform that test entry.

I. Applicability of City Code – Water

Water service outside City limits and outside the Exclusive Water Service Territory defined in these Tariffs is subject to the requirements of the City Code (including without limitation Part 2 of Article 6 of Chapter 7 pertaining to Annexations) as the City Code is now in effect and as it may be amended from time-to-time hereafter by City Council.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

J. Exclusive Water Service Territory

In addition to all areas within the municipal limits of the City of Colorado Springs, the following areas have been designated as being within Utilities Exclusive Water Service Territory:

- (1) The Fort Carson cantonment area: That portion of Township 15 South, Range 66 West and of Section 36, Township 15 South, Range 67 West, of the 6th P.M., El Paso County, Colorado more particularly described as follows:

BEGINNING at the Northwest corner of Section 10, Township 15 South, Range 66 West; thence southeasterly on the easterly line of Tract No. 1 as described in Decree on Declaration of Taking, recorded in Book 985 at Page 346 of the records of said county about 4480 feet to the northerly line of Parcel No. A-1-A as described in Decree on Declaration of Taking No. 2, recorded in Book 985 at Page 405 of said records; thence easterly on said northerly line about 990 feet to the westerly right-of-way line of Interstate Highway 25; thence southerly on said westerly right-of-way line about 0.5 mile to the West line of the East half of the Northeast quarter of the Northeast quarter of Section 15, Township 15 South, Range 66 West; thence southerly on said West line about 600 feet; thence easterly on the South line of said East half of the Northeast quarter of the Northeast quarter of Section 15 about 485 feet to said westerly right-of-way line of Interstate Highway 25; thence southerly on said westerly right-of-way line about 4.4 miles to the South line of Section 36, Township 15 South, Range 66 West; thence westerly on the South lines of Sections 36, 35, 34, 33, 32 and 31, Township 15 South, Range 66 West and on the South line of Section 36, Township 15 South, Range 67 West about 6.1 miles to the easterly right-of-way line of Colorado State Highway 115; thence northerly on said easterly right-of-way line about 5.6 miles to the North line of Section 9, Township 15 South, Range 66 West; thence easterly on the North lines of Sections 9 and 10, Township 15 South, Range 66 West about 2.0 miles to the Point of Beginning.

- (2) The United States Air Force Academy: That portion of Township 12 South, Range 67 West and of Sections 6, 7, 18, 19, 20, 29, 30, 31, and 32, Township 12 South, Range 66 West and of Sections 5 and 6, Township 13 South, Range 66 West and of Section 1, Township 13 South, Range 67 West of the 6th P.M., El Paso County, Colorado more particularly described as follows:

BEGINNING at the Southwest corner of Section 5, Township 13 South, Range 66 West and with all bearings herein being relative to the Colorado coordinate system of 1927 central zone; thence N01°01'41"W on the West line of said section, 295.44 feet to a point on the northeasterly right-of-way line of the Atchison, Topeka and Santa Fe Railroad; thence S38°22'56"E on said northeasterly right-of-way line, 161.96 feet; thence N31°51'43"E, 751.80 feet; thence N55°05'43"E, 150.80 feet; thence N02°47'17"W, 543.00 feet; thence N01°16'00"E, 1216.51 feet; thence N50°50'42"E, 4249.41 feet to the Southeast corner of the West half of the East half of

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

K. Water Regional System Availability Fee

A Water Regional System Availability Fee (WRSFAF) is assessed for each new connection to Utilities’ supply system by contract outside the corporate limits of the City in areas where Utilities’ water system is available for use by Utilities to serve institutions, plants, organized water districts, municipal corporations, or other similar organizations and only with prior approval by the City Council. Customer can elect to pay the WRSFAF in full at the time of connection or make an annual payment for a period not to exceed 25 years. Interest will be charged on the outstanding balance during such repayment period based on the Interest Rate, compounded annually. A calculation will be made by Utilities at the time of connection such that the 25 annual payments are equal. Utilities may assess a deposit to ensure Customer’s payment of the WRSFAF at the time of connection pursuant to the contract in its sole discretion.

Any entity that paid a WRSFAF or an analogous charge through a contract in place prior to the implementation of this tariff is deemed to have met the obligation of this tariff and will not be charged an additional WRSFAF except as required by Section VIII.K.3.

1. Base WRSFAF based on meter size:

	<u>Total</u>	<u>Annual</u>
2 inch.....	\$1,258,047.00.....	\$71,145.00
3 inch.....	\$2,731,945.00.....	\$154,496.00
4 inch.....	\$5,036,310.00.....	\$284,812.00
6 inch.....	\$9,980,129.00.....	\$564,393.00
8 inch.....	\$19,191,421.00.....	\$1,085,307.00
10 inch.....	\$31,473,827.00.....	\$1,779,898.00
12 inch.....	\$46,827,341.00.....	\$2,648,165.00

2. WRSFAF Full Service Option - Annual Cost of Water

Customers contracting for the Full Service Option will also pay an annual fee of \$1,760 per acre foot of water based upon the maximum number of acre feet that can be delivered to a Customer in any contract year under each individual Full Service contract.

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**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

3. Additional WRSF Due

An additional WRSF charge is applicable to:

- a. any increase in size of an existing meter, or
- b. any increased consumption that results in damage to Utilities' facilities or exceeds the capacity of the meter.

The Customer shall pay the cost to upgrade the service and replace the meter and applicable WRSF. The additional WRSF will be assessed for any such increase in meter size in an amount representing the difference between the charge which would be imposed for the existing meter size and the charge which would be imposed for the size of the new meter. Payment for the additional WRASF will be collected:

- c. at the time the meter size is increased in relation to Section VIII.K.3.a. and
- d. in accordance with Utilities' billing requirements in relation to Section VIII.K.3.b.

Any request for a change in water service type shall be administered as a new application for service and is subject to all requirements of the City Code and tariffs. If the change in use does not result in an increase in meter size, no additional WRSF is due.

4. Non-waiver of the WRSF

The applicable WRSF will not be waived for any entity requesting connection to Utilities' water supply system.

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**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont’d**

All costs to remove non-complying construction or to otherwise remedy such non-compliance may be assessed as provided in the Utilities’ *Line Extension and Service Standards* for Wastewater.

**B. Wastewater Development Charge (WWDC)**

A WWDC is assessed for each new connection to Utilities’ wastewater treatment system except for those Customers receiving service under the Contract Service – Regional Rate Schedule addressed in Section IX.H. below. The charge is based on type of building, facility or unusual wastewater characteristics of the new connection and assists the ratepayer by partially defraying the costs of capital improvements of the system. The applicable WWDC is shown below.

1. For each Single Family Residential connection – with a ¾ inch water meter.

Inside City Limits

Wastewater Service Area.....\$1,868.00

Outside City Limits

Wastewater Service Area.....\$2,802.00

2. For each Multi-Family Premise connection for each dwelling unit within a Multi-Family Residential Premise with individual ¾ inch water meters.

Inside City Limits

Wastewater Service Area.....\$1,213.00

Outside City Limits

Wastewater Service Area .....\$1,820.00

Individually metered Multi-Family Premise connections shall pay the rate in Section IX.B.2. multiplied by the number of dwelling units, while Master Meter Multi-Family Premise connections shall pay the WWDC per meter size in Section IX.B.3.

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**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont'd**

10. WWDC Deferral for Primary Employers

A Primary Employer enlarging its facilities or building new facilities within the City limits may be eligible for deferral of the WWDC.

If the commercial or industrial operation meets the Primary Employer criteria, it may submit an application for development charge deferral to Utilities. Upon approval of the application by Utilities, the company is qualified to pay the WWDC on a five-year payment schedule. Payments can be made either on a monthly or yearly basis at a preset date as agreed to in the contract for service. Interest charges on WWDC not paid will be calculated in accordance with the published 10-year U.S. Treasury Note rate (Interest Rate).

11. WWDC Deferral for Affordable Housing

The Affordable Housing Program for WWDC deferral is based on the targeted income level for the affordable housing project. Effective January 1, 2022, no new deferrals through the Affordable Housing Program for WWDC will be granted. Deferrals granted prior to January 1, 2022, remain subject to the terms and conditions herein.

Single-family residences or Multi-Family Residential Premises construction that meet:

- a. the affordable housing criteria as defined by the City of Colorado Springs Housing and Community Development Office, and
- b. the energy and water conservation standards defined in Utilities' Affordable Housing Program are eligible for a deferral of the WWDC.

Affordable Housing projects target individuals whose income is equal to or less than 80% of the area median income.

Deferral of the WWDC is on a first-come, first-served basis and will not, in aggregate, exceed five percent of Utilities' previous year's total WWDC revenues. Therefore, regardless of the number of applications reviewed and preliminarily approved, deferrals will be issued on an annual basis up to, but not exceeding, the financial guidelines. All projects obtaining a service contract during a given year after this limitation has been met will not receive deferrals, nor will the WWDC be eligible for refund in subsequent calendar years.

Approval Date: November 23, 2021  
Effective Date: January 1, 2022  
Resolution No. \_\_\_\_\_

**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont'd**

C. Wastewater Extension Policy

A property Owner or developer is responsible for the cost of engineering, construction and materials for all wastewater collection system infrastructure and related appurtenances necessary to serve the Premises or development. Utilities will approve the plans and specifications of such facilities and appurtenances and inspect and approve the actual construction prior to connection of such facilities.

1. Pipelines

Utilities may require that a property Owner or developer construct wastewater collection facilities through or adjacent to unserved or undeveloped lands. In that circumstance, the property Owner or developer may be required to pay the entire cost of such facilities. However, Utilities may agree in a Recovery Agreement with such property Owner or developer to collect a pro rata share of the eligible cost of such facilities and interest as provided within Section IX.D., Wastewater Recovery Agreement Charge, of these Rules and Regulations from the property Owner or developer of such unserved or undeveloped lands at the time of connection to the facilities and refund such cost as provided in the Recovery Agreement.

Utilities may require that a property Owner or developer construct a Wastewater Collection Main of a larger diameter than that required for the property Owner's or developer's needs to provide for the service of lands beyond the Premises or development. In the event Utilities determines that construction of such an oversized Wastewater Collection Main is necessary for the efficient expansion of the system, the property Owner or developer served may be responsible for the costs of engineering, materials and installation of such main.

In that circumstance, the property Owner or developer may recover the cost of capacity associated with the oversizing requirement. Pipe capacity will be based on the capacity required to serve the proposed development as calculated by Utilities for the smaller wastewater main diameter (12-inch minimum diameter, or greater as determined by Utilities to serve the proposed development) and the larger diameter (oversized pipe) required by Utilities. Indirect costs incurred by the property Owner or developer, including but not limited to, easement acquisition and access road costs, are not reimbursable.

Approval Date: November 23, 2021  
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Resolution No. \_\_\_\_\_

**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont'd**

Utilities may agree in a Recovery Agreement with such property Owner or developer to collect oversize capacity cost allocation from benefiting future developments (i.e., an “Oversize Recovery”). Considering the potential magnitude of an Oversize Recovery as compared to a standard main extension Recovery Agreement it is reasonable to structure Oversize Recoveries in a different fashion. For Oversize Recoveries only, recovery charges will be collected at the time of connection of a branch main to the oversized pipe. Utilities will collect Oversize Recovery charges based on capacity of the branch main. There is no limit on the total time period for an Oversize Recovery. Escalation of Oversize Recovery charges follow the process as provided within Section IX.D., Wastewater Recovery Agreement Charge, of these Rules and Regulations.

a. Oversize Main Extension Fund

Subject to funding availability and program rules as developed by Utilities, Utilities’ Oversize Main Extension Fund is available to assist in the financing of qualifying large, offsite water and wastewater facilities. See Section VII.B.1.a.

If Utilities determines that extension of a wastewater collection system is in the best interest of Utilities to protect wastewater service to existing Customers, to allow for the continued development within the service area, and/or to provide benefit to the entire service area, Utilities may, at its sole discretion, design and construct the wastewater collection system located outside the boundaries of the unserved or undeveloped land. Utilities will recover the cost to design and construct such facilities, with interest, through a Recovery Agreement charge from the property Owner or developer of unserved or undeveloped lands prior to connection to such facilities. Utilities may implement an Advance Recovery Agreement charge to collect the cost of the facilities in advance of its construction. Advance Recovery Agreements are limited to Utilities’ designated projects to the extent Utilities determines, at its sole discretion.

Approval Date: November 23, 2021  
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Resolution No. \_\_\_\_\_



<b>UTILITIES RULES AND REGULATIONS</b>
<b>WASTEWATER</b>

**Wastewater – cont’d**

H. Wastewater Regional System Availability Fee (WWRSAF)

A WWRSAF is assessed for each new connection to Utilities’ wastewater collection system by contract outside the corporate limits of the City in areas where Utilities’ wastewater collection system is available for use to serve institutions, plants, organized sewer districts, municipal corporations, or other similar organizations and only with prior approval by the City Council. Customer shall pay the WWRSAF in full at the time of connection.

Any entity that paid a WWRSAF or an analogous charge through a contract in place prior to the implementation of this tariff is deemed to have met the obligation of this tariff and will not be charged an additional WWRSAF except as required by Section IX.H.2.

1. WWRSAF based on average flow capacity in MGD:

	<u>Total</u>
Less than 0.10 MGD .....	\$7,162.00
Between 0.10 and 0.29 MGD .....	\$28,216.00
Between 0.30 and 0.59 MGD .....	\$64,390.00
Between 0.60 and 0.74 MGD .....	\$96,947.00
Between 0.75 and 0.99 MGD .....	\$125,886.00
Between 1.00 and 1.49 MGD .....	\$180,148.00
Between 1.50 and 1.99 MGD .....	\$252,496.00
Between 2.00 and 2.49 MGD .....	\$324,844.00
Between 2.50 and 2.99 MGD .....	\$397,193.00
3.00 MGD or greater.....	\$434,091.00

2. Additional WWRSAF Due

An additional WWRSAF charge is applicable to:

- a. any increase in MGD outside the current range, or
- b. any increased collection that results in damage to Utilities’ facilities or exceeds the capacity of the meter.

Approval Date: November 23, 2021  
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 Resolution No. \_\_\_\_\_

**UTILITIES RULES AND REGULATIONS**

**WASTEWATER**

**Wastewater – cont'd**

The Customer shall pay the cost to upgrade the service and replace the meter and applicable WWRSF based on MGD. The additional WWRSF will be assessed for any such increase in MGD in an amount representing the difference between the charge which would be imposed for the existing MGD range and the charge which would be imposed for the new MGD range. Payment for the additional WWRSF will be collected:

- c. at the time the increased collection begins in relation to Section IX.H.2.a.;  
and
- d. in accordance with Utilities' billing requirements in relation to Section IX.H.2.b.

Any request for a change in wastewater service shall be administered as a new application for service and subject to all requirements of the City Code and tariffs. If the change in use does not result in an MGD range greater than the current MGD range, no additional WWRSF will be due.

3. Non-waiver of the WWRSF

The applicable WWRSF will not be waived for any entity requesting connection to Utilities' wastewater collection system.

Approval Date: November 23, 2021  
Effective Date: January 1, 2022  
Resolution No. \_\_\_\_\_

**Water Development Charge  
(WDC)  
Schedules**

**Colorado Springs Utilities**  
**2022 Water Development Charges**

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*Note: Immaterial differences may occur due to rounding.*

Colorado Springs Utilities  
2022 Water Development Charges

SCHEDULE 1  
SUMMARY OF CURRENT AND PROPOSED CHARGES

Line No.	Description	Current Charge	Proposed Charge July 1, 2022	Proposed Increase / (Decrease)	Percent Change
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u> <u>(g) - (h)</u>	<u>(e)</u> <u>(d) - (c)</u>	<u>(f)</u> <u>(e) / (c)</u>
1	<b>Single-Family Residential with a 3/4 inch or less water meter:</b>				
2	Inside City				
3	Less than 1,500 square foot lot	\$ 5,779	\$ 5,538	\$ (241)	-4.2%
4	Between 1,500 and 2,999 square foot lot	\$ 5,887	\$ 5,662	\$ (226)	-3.8%
5	Between 3,000 and 4,999 square foot lot	\$ 6,533	\$ 6,147	\$ (387)	-5.9%
6	Between 5,000 and 6,999 square foot lot	\$ 7,956	\$ 7,600	\$ (357)	-4.5%
7	Between 7,000 and 8,999 square foot lot	\$ 9,292	\$ 8,638	\$ (654)	-7.0%
8	Between 9,000 and 10,999 square foot lot	\$ 10,197	\$ 9,461	\$ (736)	-7.2%
9	Between 11,000 and 14,999 square foot lot	\$ 11,555	\$ 10,696	\$ (859)	-7.4%
10	15,000 square foot or larger lot	\$ 12,913	\$ 11,931	\$ (982)	-7.6%
11	Outside City ( <i>1.5 times Inside City</i> )				
12	Less than 1,500 square foot lot	\$ 8,669	\$ 8,307	\$ (362)	-4.2%
13	Between 1,500 and 2,999 square foot lot	\$ 8,830	\$ 8,492	\$ (338)	-3.8%
14	Between 3,000 and 4,999 square foot lot	\$ 9,800	\$ 9,220	\$ (580)	-5.9%
15	Between 5,000 and 6,999 square foot lot	\$ 11,934	\$ 11,399	\$ (535)	-4.5%
16	Between 7,000 and 8,999 square foot lot	\$ 13,938	\$ 12,957	\$ (981)	-7.0%
17	Between 9,000 and 10,999 square foot lot	\$ 15,296	\$ 14,192	\$ (1,104)	-7.2%
18	Between 11,000 and 14,999 square foot lot	\$ 17,332	\$ 16,044	\$ (1,288)	-7.4%
19	15,000 square foot or larger lot	\$ 19,369	\$ 17,896	\$ (1,473)	-7.6%
20	<b>Nonresidential, Single-Family Residential (1 inch or larger meter), Multi-Family or Mixed Use:</b>				
21	Inside City				
22	3/4 inch or less	\$ 9,292	\$ 8,598	\$ (694)	-7.5%
23	1 inch	\$ 15,487	\$ 14,330	\$ (1,157)	-7.5%
24	1-1/2 inch	\$ 30,973	\$ 28,660	\$ (2,313)	-7.5%
25	2 inch	\$ 49,557	\$ 45,856	\$ (3,701)	-7.5%
26	3 inch	\$ 92,920	\$ 92,568	\$ (352)	-0.4%
27	4 inch	\$ 154,867	\$ 156,476	\$ 1,609	1.0%
28	6 inch	\$ 495,542	\$ 425,616	\$ (69,926)	-14.1%
29	8 inch	\$ 867,222	\$ 644,390	\$ (222,832)	-25.7%
30	10 inch	\$ 1,300,880	\$ 966,609	\$ (334,271)	-25.7%
31	12 inch	\$ 1,641,618	\$ 1,265,421	\$ (376,197)	-22.9%
32	Outside City ( <i>1.5 times Inside City</i> )				
33	3/4 inch or less	\$ 13,938	\$ 12,897	\$ (1,041)	-7.5%
34	1 inch	\$ 23,230	\$ 21,495	\$ (1,735)	-7.5%
35	1-1/2 inch	\$ 46,460	\$ 42,991	\$ (3,469)	-7.5%
36	2 inch	\$ 74,336	\$ 68,785	\$ (5,551)	-7.5%
37	3 inch	\$ 139,380	\$ 138,852	\$ (528)	-0.4%
38	4 inch	\$ 232,300	\$ 234,713	\$ 2,413	1.0%
39	6 inch	\$ 743,313	\$ 638,424	\$ (104,889)	-14.1%
40	8 inch	\$ 1,300,833	\$ 966,585	\$ (334,248)	-25.7%
41	10 inch	\$ 1,951,320	\$ 1,449,913	\$ (501,407)	-25.7%
42	12 inch	\$ 2,462,427	\$ 1,898,132	\$ (564,295)	-22.9%
43	<b>Multi-Family Residential (individually metered dwelling units) with 3/4 inch or less meter size:</b>				
44	Inside City	\$ 5,295	\$ 4,684	\$ (612)	-11.5%
45	Outside City ( <i>1.5 times Inside City</i> )	\$ 7,942	\$ 7,025	\$ (917)	-11.5%

Colorado Springs Utilities  
2022 Water Development Charges

SCHEDULE 1  
SUMMARY OF CURRENT AND PROPOSED CHARGES

Line No.	Description	Current Charge	Proposed Charge July 1, 2023	Proposed Increase / (Decrease)	Percent Change
(a)	(b)	(c)	(g) From S6	(h) [(g) - (c)] * 50%	(i) (h) / (d)
1	<b>Single-Family Residential with a 3/4 inch or less water meter:</b>				
2	Inside City				
3	Less than 1,500 square foot lot	\$ 5,779	\$ 5,297	\$ (241)	-4.4%
4	Between 1,500 and 2,999 square foot lot	\$ 5,887	\$ 5,436	\$ (226)	-4.0%
5	Between 3,000 and 4,999 square foot lot	\$ 6,533	\$ 5,760	\$ (387)	-6.3%
6	Between 5,000 and 6,999 square foot lot	\$ 7,956	\$ 7,243	\$ (357)	-4.7%
7	Between 7,000 and 8,999 square foot lot	\$ 9,292	\$ 7,984	\$ (654)	-7.6%
8	Between 9,000 and 10,999 square foot lot	\$ 10,197	\$ 8,725	\$ (736)	-7.8%
9	Between 11,000 and 14,999 square foot lot	\$ 11,555	\$ 9,837	\$ (859)	-8.0%
10	15,000 square foot or larger lot	\$ 12,913	\$ 10,949	\$ (982)	-8.2%
11	Outside City (1.5 times Inside City)				
12	Less than 1,500 square foot lot	\$ 8,669	\$ 7,946	\$ (362)	-4.4%
13	Between 1,500 and 2,999 square foot lot	\$ 8,830	\$ 8,154	\$ (338)	-4.0%
14	Between 3,000 and 4,999 square foot lot	\$ 9,800	\$ 8,640	\$ (580)	-6.3%
15	Between 5,000 and 6,999 square foot lot	\$ 11,934	\$ 10,865	\$ (535)	-4.7%
16	Between 7,000 and 8,999 square foot lot	\$ 13,938	\$ 11,976	\$ (981)	-7.6%
17	Between 9,000 and 10,999 square foot lot	\$ 15,296	\$ 13,088	\$ (1,104)	-7.8%
18	Between 11,000 and 14,999 square foot lot	\$ 17,332	\$ 14,756	\$ (1,288)	-8.0%
19	15,000 square foot or larger lot	\$ 19,369	\$ 16,424	\$ (1,473)	-8.2%
20	<b>Nonresidential, Single-Family Residential (1 inch or larger meter), Multi-Family or Mixed Use:</b>				
21	Inside City				
22	3/4 inch or less	\$ 9,292	\$ 7,904	\$ (694)	-8.1%
23	1 inch	\$ 15,487	\$ 13,174	\$ (1,157)	-8.1%
24	1-1/2 inch	\$ 30,973	\$ 26,347	\$ (2,313)	-8.1%
25	2 inch	\$ 49,557	\$ 42,156	\$ (3,701)	-8.1%
26	3 inch	\$ 92,920	\$ 92,216	\$ (352)	-0.4%
27	4 inch	\$ 154,867	\$ 158,084	\$ 1,609	1.0%
28	6 inch	\$ 495,542	\$ 355,690	\$ (69,926)	-16.4%
29	8 inch	\$ 867,222	\$ 421,558	\$ (222,832)	-34.6%
30	10 inch	\$ 1,300,880	\$ 632,337	\$ (334,271)	-34.6%
31	12 inch	\$ 1,641,618	\$ 889,224	\$ (376,197)	-29.7%
32	Outside City (1.5 times Inside City)				
33	3/4 inch or less	\$ 13,938	\$ 11,856	\$ (1,041)	-8.1%
34	1 inch	\$ 23,230	\$ 19,761	\$ (1,735)	-8.1%
35	1-1/2 inch	\$ 46,460	\$ 39,521	\$ (3,469)	-8.1%
36	2 inch	\$ 74,336	\$ 63,234	\$ (5,551)	-8.1%
37	3 inch	\$ 139,380	\$ 138,324	\$ (528)	-0.4%
38	4 inch	\$ 232,300	\$ 237,126	\$ 2,413	1.0%
39	6 inch	\$ 743,313	\$ 533,534	\$ (104,889)	-16.4%
40	8 inch	\$ 1,300,833	\$ 632,337	\$ (334,248)	-34.6%
41	10 inch	\$ 1,951,320	\$ 948,506	\$ (501,407)	-34.6%
42	12 inch	\$ 2,462,427	\$ 1,333,836	\$ (564,295)	-29.7%
43	<b>Multi-Family Residential (individually metered dwelling units) with 3/4 inch or less meter size:</b>				
44	Inside City	\$ 5,295	\$ 4,072	\$ (612)	-13.1%
45	Outside City (1.5 times Inside City)	\$ 7,942	\$ 6,108	\$ (917)	-13.1%

**Colorado Springs Utilities**  
**2022 Water Development Charges**

**SCHEDULE 2**  
**NET REPLACEMENT PLANT**

Line No.	Description	Gross Replacement Plant	Depreciation Factor	Net Replacement Plant
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(c) * (d)</u>
1	<b>Water Plant</b>			
2	Direct Plant			
3	Source of Supply	\$ 950,842,209	86.8%	\$ 825,675,897
4	Pumping	231,159,639	77.1%	178,284,294
5	Treatment	371,343,322	52.8%	196,040,231
6	Transmission and Distribution:			
7	Mains, Reservoirs, and Other	1,024,641,765	69.3%	710,152,228
8	Services, Meters, and Installations	212,834,337	61.5%	130,811,296
9	Nonpotable	93,144,360	55.3%	51,490,555
10	Total Direct Plant	<u>\$ 2,883,965,634</u>		<u>\$ 2,092,454,501</u>
11	Allocated Plant			
12	General Plant	\$ 123,472,097	49.8%	\$ 61,464,503
13	Common Plant	162,965,783	34.7%	56,582,858
14	Total Allocated Plant	<u>\$ 286,437,880</u>		<u>\$ 118,047,361</u>
15	<b>Total Water Plant</b>	<u><b>\$ 3,170,403,514</b></u>		<u><b>\$ 2,210,501,862</b></u>

Colorado Springs Utilities  
2022 Water Development Charges

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Gross Plant as of 2010	Additions				
				2011	2012	2013	2014	2015
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	<b>Water Plant</b>							
2	Direct Plant <sup>(1)</sup>							
3	Source of Supply							
4	Land and Land Rights <sup>(2)</sup>	310	\$ 111,590,998	\$ 26,923	\$ -	\$ -	\$ -	\$ 3,715,418
5	Structures and Improvements	311	17,578,659	-	715,615	293,724	6,486,474	-
6	Collecting & Impound Reservoirs	312	67,020,914	176,474	1,670,931	-	33,238,059	4,259,094
7	Lake/River/Other Intake	313	5,795,693	-	-	-	-	-
8	Wells & Springs	314	4,686,373	-	-	-	80,036	-
9	Tunnels	315	76,493,776	-	-	-	449,005	-
10	Supply Mains	316	161,850,875	-	982,175	36,176	15,339,980	2,642,979
11	Other Water Ser Plt Etc	317	871,391	-	-	-	192,396	-
12	Total Source of Supply		<u>\$ 445,888,680</u>	<u>\$ 203,397</u>	<u>\$ 3,368,721</u>	<u>\$ 329,900</u>	<u>\$ 55,785,950</u>	<u>\$ 10,617,491</u>
13	Pumping							
14	Land and Land Rights <sup>(2)</sup>	320	\$ 490,066	\$ -	\$ -	\$ -	\$ -	\$ -
15	Structures and Improvements	321	20,015,697	-	-	-	380,497	-
16	Elect Pumping Equipment	325	25,631,893	-	-	-	1,033,169	-
17	Hydraulic Pumping Equipment	327	2,310,380	-	-	-	-	-
18	Other Pumping Equipment	328	1,426,865	-	-	-	-	-
19	Total Pumping		<u>\$ 49,874,901</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,413,666</u>	<u>\$ -</u>
20	Treatment							
21	Land and Land Rights <sup>(2)</sup>	330	\$ 662,342	\$ -	\$ -	\$ -	\$ -	\$ -
22	Structures and Improvements	331	93,161,975	-	12,443	-	13,269,346	-
23	Treatment Equipment	332	61,236,086	-	-	-	-	556,101
24	Total Treatment		<u>\$ 155,060,402</u>	<u>\$ -</u>	<u>\$ 12,443</u>	<u>\$ -</u>	<u>\$ 13,269,346</u>	<u>\$ 556,101</u>
25	Transmission & Distribution							
26	Mains, Reservoirs, and Other							
27	Land and Land Rights <sup>(2)</sup>	340	\$ 5,824,679	\$ 854,704	\$ 336,756	\$ 39,410	\$ -	\$ -
28	Structures and Improvements	341	10,641,358	-	-	28,681	-	-
29	District Reservoirs	342	37,883,560	-	261	-	3,927,116	19,470
30	Mains	343	611,172,394	20,678,977	17,952,190	16,087,479	22,256,421	19,151,757
31	Total Mains, Reservoirs, and Other		<u>\$ 665,521,992</u>	<u>\$ 21,533,681</u>	<u>\$ 18,289,208</u>	<u>\$ 16,155,570</u>	<u>\$ 26,183,537</u>	<u>\$ 19,171,227</u>



Colorado Springs Utilities  
2022 Water Development Charges

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Additions					Total
			2016	2017	2018	2019	2020	
(a)	(b)	(c)	(i)	(k)	(l)	(m)	(n)	(o)
1	<b>Water Plant</b>							
2	Direct Plant <sup>(1)</sup>							
3	Source of Supply							
4	Land and Land Rights <sup>(2)</sup>	310	\$ 28,694,691	\$ 198,416	\$ 8,750,131	\$ -	\$ 26,843,354	\$ 179,819,932
5	Structures and Improvements	311	-	1,878,149	-	525,765	-	27,478,386
6	Collecting & Impound Reservoirs	312	184,888	6,869,765	4,114,176	-	278,314	117,812,615
7	Lake/River/Other Intake	313	-	-	-	-	-	5,795,693
8	Wells & Springs	314	-	-	-	-	-	4,766,409
9	Tunnels	315	-	7,435,362	-	-	-	84,378,143
10	Supply Mains	316	330,974,179	894,160	33,946	11,274,115	23,532	524,052,117
11	Other Water Ser Plt Etc	317	5,675,127	-	-	-	-	6,738,914
12	Total Source of Supply		<u>\$ 365,528,885</u>	<u>\$ 17,275,853</u>	<u>\$ 12,898,252</u>	<u>\$ 11,799,880</u>	<u>\$ 27,145,200</u>	<u>\$ 950,842,209</u>
13	Pumping							
14	Land and Land Rights <sup>(2)</sup>	320	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 490,066
15	Structures and Improvements	321	50,103,874	-	-	-	-	70,500,068
16	Elect Pumping Equipment	325	40,703,680	-	1,031,553	-	61,634	68,461,929
17	Hydraulic Pumping Equipment	327	-	-	-	-	-	2,310,380
18	Other Pumping Equipment	328	87,319,937	-	650,394	-	-	89,397,196
19	Total Pumping		<u>\$ 178,127,491</u>	<u>\$ -</u>	<u>\$ 1,681,947</u>	<u>\$ -</u>	<u>\$ 61,634</u>	<u>\$ 231,159,639</u>
20	Treatment							
21	Land and Land Rights <sup>(2)</sup>	330	\$ 6,854,150	\$ -	\$ -	\$ -	\$ -	\$ 7,516,492
22	Structures and Improvements	331	105,139,245	230,949	-	-	-	211,813,958
23	Treatment Equipment	332	88,074,226	-	-	186,980	1,959,479	152,012,873
24	Total Treatment		<u>\$ 200,067,621</u>	<u>\$ 230,949</u>	<u>\$ -</u>	<u>\$ 186,980</u>	<u>\$ 1,959,479</u>	<u>\$ 371,343,322</u>
25	Transmission & Distribution							
26	Mains, Reservoirs, and Other							
27	Land and Land Rights <sup>(2)</sup>	340	\$ 4,494,893	\$ 797,034	\$ 748,086	\$ -	\$ -	\$ 13,095,563
28	Structures and Improvements	341	-	50,256	156,500	425,463	6,190,662	17,492,920
29	District Reservoirs	342	90,210	6,474,839	9,531	-	1,390,496	49,795,484
30	Mains	343	58,047,328	55,232,764	45,901,867	32,999,463	44,777,159	944,257,799
31	Total Mains, Reservoirs, and Other		<u>\$ 62,632,431</u>	<u>\$ 62,554,894</u>	<u>\$ 46,815,984</u>	<u>\$ 33,424,926</u>	<u>\$ 52,358,317</u>	<u>\$ 1,024,641,765</u>

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SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Gross Plant as of 2010	Additions				
				2011	2012	2013	2014	2015
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
32	Services, Meters, and Installations							
33	Services	345	\$ 3,063,902	\$ 406,951	\$ 360,884	\$ 377,221	\$ 422,330	\$ 370,507
34	Meters	346	56,142,684	772,277	852,481	1,133,196	1,062,153	578,673
35	Meter Installation	347	10,594,049	1,023,553	665,221	849,448	435,837	784,183
36	Hydrants	348	81,140,153	1,955,886	2,431,575	3,102,846	3,851,891	4,218,238
37	Other Trs/Dpt Plt Irr	349	29,838	-	-	-	-	194,797
38	Total Services, Meters, and Installations		<u>\$ 150,970,626</u>	<u>\$ 4,158,667</u>	<u>\$ 4,310,161</u>	<u>\$ 5,462,711</u>	<u>\$ 5,772,212</u>	<u>\$ 6,146,398</u>
39	Nonpotable							
40	Activated Sludge Facility							
41	Structures	360	\$ 380,301	\$ -	\$ -	\$ -	\$ -	\$ -
42	Equipment	361	15,193	-	-	-	-	-
43	Trickling Filter Pump Station							
44	Structures	362	57,074	-	-	-	-	-
45	Equipment	363	9,167	-	-	-	-	-
46	Tertiary Filtration and Chlorinating							
47	Structures	364	17,419,225	-	-	-	-	-
48	Equipment	365	10,854,258	-	-	-	-	-
49	Reservoirs	366	85,133	-	-	-	-	-
50	Nonpotable							
51	Structures	370	17,132,603	-	-	-	-	-
52	Equipment	371	8,826,334	64,465	-	-	458,085	-
53	Pipeline	372	32,794,456	-	-	327,054	331,557	-
54	Pikeview System	373	-	-	-	-	-	-
55	Total Nonpotable		<u>\$ 87,573,745</u>	<u>\$ 64,465</u>	<u>\$ -</u>	<u>\$ 327,054</u>	<u>\$ 789,642</u>	<u>\$ -</u>
56	Total Direct Plant		<u>\$ 1,554,890,346</u>	<u>\$ 25,960,211</u>	<u>\$ 25,980,533</u>	<u>\$ 22,275,235</u>	<u>\$ 103,214,353</u>	<u>\$ 36,491,216</u>
57	Allocated Plant <sup>(3)</sup>							
58	General Plant	303, 388-399	\$ 52,125,412	\$ 10,603,911	\$ 914,556	\$ 697,275	\$ 5,895,325	\$ 3,134,273
59	Common Plant	387-399	117,310,444	5,212,426	5,298,367	4,380,694	7,063,989	2,062,371
60	Total Allocated Plant		<u>\$ 169,435,856</u>	<u>\$ 15,816,336</u>	<u>\$ 6,212,924</u>	<u>\$ 5,077,969</u>	<u>\$ 12,959,314</u>	<u>\$ 5,196,645</u>
61	<b>Total Water Plant</b>		<u><b>\$ 1,724,326,202</b></u>	<u><b>\$ 41,776,547</b></u>	<u><b>\$ 32,193,457</b></u>	<u><b>\$ 27,353,204</b></u>	<u><b>\$ 116,173,667</b></u>	<u><b>\$ 41,687,861</b></u>

Notes :

<sup>(1)</sup> Water Plant replacement cost calculated using original plant cost and the Handy Whitman Index of Public Utility Construction Costs.

<sup>(2)</sup> Land replacement costs based on original plant costs.

<sup>(3)</sup> General and Common replacement cost calculated using original plant cost and the Consumer Price Index.

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SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Additions					Total
			2016	2017	2018	2019	2020	
(a)	(b)	(c)	(i)	(k)	(l)	(m)	(n)	(o)
32	Services, Meters, and Installations							
33	Services	345	\$ 330,481	\$ 234,339	\$ 207,885	\$ 364,990	\$ 263,493	\$ 6,402,984
34	Meters	346	715,122	918,718	938,921	686,904	828,748	64,629,877
35	Meter Installation	347	658,911	1,606,821	1,841,612	920,831	162,390	19,542,856
36	Hydrants	348	3,534,952	7,526,911	4,938,302	4,801,246	4,207,248	121,709,249
37	Other Trs/Dpt Plt Irr	349	-	-	-	176,234	148,503	549,372
38	Total Services, Meters, and Installations		\$ 5,239,467	\$ 10,286,789	\$ 7,926,720	\$ 6,950,205	\$ 5,610,382	\$ 212,834,337
39	Nonpotable							
40	Activated Sludge Facility							
41	Structures	360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 380,301
42	Equipment	361	-	-	-	-	-	15,193
43	Trickling Filter Pump Station							-
44	Structures	362	-	-	-	-	-	57,074
45	Equipment	363	-	-	-	-	-	9,167
46	Tertiary Filtration and Chlorinating							-
47	Structures	364	-	-	-	-	-	17,419,225
48	Equipment	365	-	-	-	-	21,296	10,875,554
49	Reservoirs	366	100,934	321	-	-	-	186,388
50	Nonpotable							-
51	Structures	370	-	-	-	-	-	17,132,603
52	Equipment	371	-	-	-	-	-	9,348,885
53	Pipeline	372	139,468	501,298	3,626,137	-	-	37,719,970
54	Pikeview System	373	-	-	-	-	-	-
55	Total Nonpotable		\$ 240,402	\$ 501,619	\$ 3,626,137	\$ -	\$ 21,296	\$ 93,144,360
56	Total Direct Plant		\$ 811,836,297	\$ 90,850,104	\$ 72,949,039	\$ 52,361,991	\$ 87,156,309	\$ 2,883,965,634
57	Allocated Plant <sup>(3)</sup>							
58	General Plant	303, 388-399	\$ 40,520,773	\$ 2,586,368	\$ 843,834	\$ 4,393,704	\$ 1,756,667	\$ 123,472,097
59	Common Plant	387-399	4,891,579	5,601,073	5,480,693	2,570,306	3,093,840	162,965,783
60	Total Allocated Plant		\$ 45,412,352	\$ 8,187,440	\$ 6,324,527	\$ 6,964,010	\$ 4,850,507	\$ 286,437,880
61	<b>Total Water Plant</b>		<b>\$ 857,248,648</b>	<b>\$ 99,037,544</b>	<b>\$ 79,273,566</b>	<b>\$ 59,326,001</b>	<b>\$ 92,006,816</b>	<b>\$ 3,170,403,514</b>

Notes :

<sup>(1)</sup> Water Plant replacement cost calculated using original plant cost and the Handy Whitman Index of Public Utility Construction Costs.

<sup>(2)</sup> Land replacement costs based on original plant costs.

<sup>(3)</sup> General and Common replacement cost calculated using original plant cost and the Consumer Price Index.

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**SCHEDULE 2.2**  
**DEPRECIATION FACTOR CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Gross Plant as of 12/31/2020</b>	<b>Accumulated Depreciation</b>	<b>Net Plant as of 12/31/2020</b>	<b>Depreciation Factor</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (c) + (d)</b>	<b>(f) (e) / (c)</b>
1	<b>Water Plant</b>				
2	Direct Plant				
3	Source of Supply	\$ 809,187,879	\$ (106,519,317)	\$ 702,668,562	86.8%
4	Pumping	169,355,153	(38,738,217)	130,616,936	77.1%
5	Treatment	295,199,706	(139,357,349)	155,842,357	52.8%
6	Transmission and Distribution:				
7	Mains, Reservoirs, and Other	821,120,232	(252,023,420)	569,096,812	69.3%
8	Services, Meters, and Installations	150,399,233	(57,961,524)	92,437,709	61.5%
9	Nonpotable	65,135,365	(29,128,289)	36,007,077	55.3%
10	Total Direct Plant	<u>\$ 2,310,397,568</u>	<u>\$ (623,728,115)</u>	<u>\$ 1,686,669,453</u>	
11	Allocated Plant				
12	General Plant	\$ 104,432,757	\$ (52,446,051)	\$ 51,986,705	49.8%
13	Common Plant	157,834,553	(103,033,294)	54,801,259	34.7%
14	Total Allocated Plant	<u>\$ 262,267,309</u>	<u>\$ (155,479,345)</u>	<u>\$ 106,787,964</u>	
15	<b>Total Water Plant</b>	<u><b>\$ 2,572,664,878</b></u>	<u><b>\$ (779,207,461)</b></u>	<u><b>\$ 1,793,457,417</b></u>	

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SCHEDULE 3  
FUNCTIONALIZATION OF NET REPLACEMENT PLANT EQUITY

Line No.	Description	Total	Source of Supply	Pumping	Treatment	Transmission and Distribution		
						Mains, Reservoirs, and Other	Services, Meters, and Installations	Nonpotable
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	<b>Water Plant</b>							
2	Direct Plant							
3	Source of Supply	\$ 825,675,897	\$ 825,675,897	\$ -	\$ -	\$ -	\$ -	\$ -
4	Pumping	178,284,294	-	178,284,294	-	-	-	-
5	Treatment	196,040,231	-	-	196,040,231	-	-	-
6	Transmission and Distribution:							
7	Mains, Reservoirs, and Other	710,152,228	-	-	-	710,152,228	-	-
8	Services, Meters, and Installations	130,811,296	-	-	-	-	130,811,296	-
9	Nonpotable	51,490,555	-	-	-	-	-	51,490,555
10	Total Direct Plant	<u>\$ 2,092,454,501</u>	<u>\$ 825,675,897</u>	<u>\$ 178,284,294</u>	<u>\$ 196,040,231</u>	<u>\$ 710,152,228</u>	<u>\$ 130,811,296</u>	<u>\$ 51,490,555</u>
11	Allocated Plant							
12	General Plant	\$ 61,464,503	\$ 25,606,188	\$ 4,759,857	\$ 5,679,105	\$ 20,738,653	\$ 3,368,554	\$ 1,312,146
13	Common Plant	56,582,858	23,572,488	4,381,819	5,228,058	19,091,544	3,101,016	1,207,933
14	Total Allocated Plant	<u>\$ 118,047,361</u>	<u>\$ 49,178,675</u>	<u>\$ 9,141,675</u>	<u>\$ 10,907,163</u>	<u>\$ 39,830,197</u>	<u>\$ 6,469,571</u>	<u>\$ 2,520,079</u>
15	<b>Total Water Plant</b>	<b>\$ 2,210,501,862</b>	<b>\$ 874,854,572</b>	<b>\$ 187,425,969</b>	<b>\$ 206,947,394</b>	<b>\$ 749,982,425</b>	<b>\$ 137,280,867</b>	<b>\$ 54,010,634</b>
16	Less Outstanding Debt	(1,016,865,395)	(423,627,370)	(78,746,812)	(93,954,805)	(343,099,149)	(55,729,181)	(21,708,077)
17	<b>Total Water Plant Equity</b>	<b>\$ 1,193,636,467</b>	<b>\$ 451,227,202</b>	<b>\$ 108,679,157</b>	<b>\$ 112,992,589</b>	<b>\$ 406,883,276</b>	<b>\$ 81,551,686</b>	<b>\$ 32,302,557</b>
18	Functional Allocation Factor	100.0%	41.7%	7.7%	9.2%	33.7%	5.5%	2.1%

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**SCHEDULE 3.1**  
**FUNCTIONAL ALLOCATION FACTOR CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Net Plant as of 12/31/2020</b>	<b>Functional Allocation Factor</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	<b>Direct Plant</b>		
2	Source of Supply	\$ 702,668,562	41.7%
3	Pumping	130,616,936	7.7%
4	Treatment	155,842,357	9.2%
5	Transmission and Distribution:		
6	Mains, Reservoirs, and Other	569,096,812	33.7%
7	Services, Meters, and Installations	92,437,709	5.5%
8	Nonpotable	36,007,077	2.1%
9	<b>Total Direct Plant</b>	<b>\$ 1,686,669,453</b>	<b>100.0%</b>

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**SCHEDULE 4**

**CLASSIFICATION OF NET REPLACEMENT PLANT EQUITY AND WATER RIGHTS**

<b>Line No.</b>	<b>Description</b>	<b>Total</b>	<b>Commodity</b>	<b>Demand</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
1	Water Rights	\$ 5,225,000,000	\$ 5,225,000,000	\$ -
2	Source of Supply	451,227,202	451,227,202	-
3	Pumping	108,679,157	108,679,157	-
4	Treatment	112,992,589	-	112,992,589
5	Transmission and Distribution:			
6	Mains, Reservoirs, and Other	406,883,276	-	406,883,276
7	Services, Meters, and Installations	81,551,686	-	81,551,686
8	Nonpotable	32,302,557	-	32,302,557
9	<b>Total</b>	<b>\$ 6,418,636,467</b>	<b>\$ 5,784,906,360</b>	<b>\$ 633,730,108</b>

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**SCHEDULE 4.1  
CLASSIFICATION PERCENTAGES**

<b>Line No.</b>	<b>Description</b>	<b>Commodity</b>	<b>Demand</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	Water Rights	100.0%	0.0%
2	Source of Supply	100.0%	0.0%
3	Pumping	100.0%	0.0%
4	Treatment	0.0%	100.0%
5	Transmission and Distribution:		
6	Mains, Reservoirs, and Other	0.0%	100.0%
7	Services, Meters, and Installations	0.0%	100.0%
8	Nonpotable	0.0%	100.0%



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**SCHEDULE 5**

**SINGLE-FAMILY RESIDENCE (SFR) CALCULATED WATER DEVELOPMENT CHARGE**

<b>Line No.</b>	<b>Description</b>	<b>Unit Value</b>	<b>SFR Capacity Requirements</b>	<b>SFR Calculated Charge</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b> <b>(c) * (d)</b>
1	Commodity (Acre-Feet)	\$ 27,831	0.238368	\$ 6,634
2	Demand (MGD)	2,657,595	0.000508	1,350
3	<b>Total</b>			<b>\$ 7,984</b>

*Note: Million Gallons per Day (MGD)*

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**SCHEDULE 5.1  
SFR CAPACITY REQUIREMENTS**

<b>Line No.</b>	<b>Description</b>	<b>Forecasted Residential Sales (Cf)</b>	<b>Water Loss Factor</b>	<b>Forecasted Residential Production (Cf)</b>	<b>Units: Acre-Foot or MGD</b>	<b>Forecasted Residential Customers</b>	<b>SFR Capacity Requirements</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b> <b>(c) * (d)</b>	<b>(f)</b>	<b>(g)</b>	<b>(h)</b> <b>(f) / (g)</b>	
1	Annual Commodity	1,271,018,372	110.3%	1,401,933,264	32,183.96 <sup>(1)</sup>	135,018	0.238368	Acre-Feet
2	Maximum Day Demand	8,317,657	110.3%	9,174,376	68.62 <sup>(2)</sup>	135,018	0.000508	MGD

Notes:

<sup>(1)</sup> Total Residential Cf production (column (e)) divided by 43,560 Cf per acre-foot.

<sup>(2)</sup> Total Residential Cf production (column (e)) times 7.48 gallons per Cf divided by 10<sup>6</sup>.

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SCHEDULE 5.2  
UNIT VALUE OF CAPACITY CALCULATION

Line No.	Description	Commodity			Demand		
		Value	Annual Capacity (AF)	Value per AF (c)/(d)	Value	Max Day Capacity (MGD)	Value per MGD (f)/(g)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Water Rights	\$ 5,225,000,000	209,000	\$ 25,000	\$ -	-	\$ -
2	Source of Supply	451,227,202	208,500	2,164	-	-	-
3	Pumping	108,679,157	163,000	667	-	-	-
4	Treatment	-	267,000	-	112,992,589	238.46	473,843
5	Transmission and Distribution:						
6	Mains, Reservoirs, and Other	-	267,000	-	406,883,276	238.46	1,706,296
7	Services, Meters, and Installations	-	-	-	81,551,686	238.46	341,993
8	Nonpotable	-	209,000	-	32,302,557	238.46	135,463
9	<b>Total Value</b>	<b>\$ 5,784,906,360</b>		<b>\$ 27,831</b>	<b>\$ 633,730,108</b>		<b>\$ 2,657,595</b>

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**SCHEDULE 6**  
**DEVELOPMENT CHARGE CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Factor</b>	<b>Proposed Charge</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	<b>Single-Family Residential with a 3/4 inch or less water meter:</b>		
2	Between 7,000 and 8,999 square foot lot	1.00	\$ 7,984
3	Residential Inside City based on lot size		
4	Less than 1,500 square foot lot	0.66	\$ 5,297
5	Between 1,500 and 2,999 square foot lot	0.68	\$ 5,436
6	Between 3,000 and 4,999 square foot lot	0.72	\$ 5,760
7	Between 5,000 and 6,999 square foot lot	0.91	\$ 7,243
8	Between 9,000 and 10,999 square foot lot	1.09	\$ 8,725
9	Between 11,000 and 14,999 square foot lot	1.23	\$ 9,837
10	15,000 square foot or larger lot	1.37	\$ 10,949
11	Outside City ( <i>1.5 times Inside City</i> )		
12	Less than 1,500 square foot lot		\$ 7,946
13	Between 1,500 and 2,999 square foot lot		\$ 8,154
14	Between 3,000 and 4,999 square foot lot		\$ 8,640
15	Between 5,000 and 6,999 square foot lot		\$ 10,865
16	Between 7,000 and 8,999 square foot lot		\$ 11,976
17	Between 9,000 and 10,999 square foot lot		\$ 13,088
18	Between 11,000 and 14,999 square foot lot		\$ 14,756
19	15,000 square foot or larger lot		\$ 16,424
20	<b>Nonresidential, Single-Family Residential (1 inch or larger meter), Multi-Family or Mixed Use:</b>		
21	Inside City		
22	3/4 inch or less	0.99	\$ 7,904
23	1 inch	1.67	\$ 13,174
24	1-1/2 inch	3.33	\$ 26,347
25	2 inch	5.33	\$ 42,156
26	3 inch	11.67	\$ 92,216
27	4 inch	20.00	\$ 158,084
28	6 inch	45.00	\$ 355,690
29	8 inch	53.33	\$ 421,558
30	10 inch	80.00	\$ 632,337
31	12 inch	112.50	\$ 889,224

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**SCHEDULE 6**  
**DEVELOPMENT CHARGE CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Factor</b>	<b>Proposed Charge</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
32	Outside City <i>(1.5 times Inside City)</i>		
33	3/4 inch or less		\$ 11,856
34	1 inch		\$ 19,761
35	1-1/2 inch		\$ 39,521
36	2 inch		\$ 63,234
37	3 inch		\$ 138,324
38	4 inch		\$ 237,126
39	6 inch		\$ 533,534
40	8 inch		\$ 632,337
41	10 inch		\$ 948,506
42	12 inch		\$ 1,333,836
43	<b>Multi-Family Residential (individually metered dwelling units) with 3/4 inch or less meter size:</b>		
44	Inside City	0.51	\$ 4,072
45	Outside City <i>(1.5 times Inside City)</i>		\$ 6,108

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**SCHEDULE 6.1**  
**METER CAPACITY RATIOS**

<b>Line No.</b>	<b>Meter Size</b>	<b>Meter Capacity - Gallons Per Minute (GPM)</b>	<b>Meter Capacity Ratio</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	3/4 inch or less	30	-
2	1 inch	50	1.67
3	1-1/2 inch	100	3.33
4	2 inch	160	5.33
5	3 inch	350	11.67
6	4 inch	600	20.00
7	6 inch	1,350	45.00
8	8 inch	1,600	53.33
9	10 inch	2,400	80.00
10	12 inch	3,375	112.50

*Note: Meter Ratio is calculated by dividing larger meter capacity by the 3/4 inch or less capacity (GPM = 30).*

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**SCHEDULE 6.2  
METER FACTOR FOR NONRESIDENTIAL ≤ 3/4 INCH**

<b>Line No.</b>	<b>Description</b>	<b>Residential Usage</b>	<b>Nonresidential Usage (≤ 3/4 Inch Meter)</b>	<b>Ratio</b>	<b>Percentage of Plant by Classification</b>	<b>Factor</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b> <b>(d) / (c)</b>	<b>(f)</b>	<b>(g)</b> <b>(e) * (f)</b>
1	Average Daily Usage (Cf)	25.72	33.99	1.32	49.4% <sup>(1)</sup>	0.65
2	Maximum Day / Average Day (Cf)	2.40	1.61	0.67	50.6% <sup>(2)</sup>	0.34
3	Composite Nonresidential factor for meter size ≤ 3/4 inch					<u>0.99</u>

Notes:

<sup>(1)</sup> Percentage of Plant classified by Acre-Feet (from S3.1 - Source of Supply + Pumping).

<sup>(2)</sup> Percentage of Plant classified by MGD (from S3.1 - Treatment + T&D + Nonpotable).

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2022 Water Development Charges**

**SCHEDULE 6.3  
RESIDENTIAL LOT SIZE FACTORS**

<b>Line No.</b>	<b>Description</b>	<b>Lot Size Midpoint</b>	<b>Percent Irrigated</b>	<b>Average Irrigated Area (sq. ft.)</b>	<b>Irrigation Water (Cf)</b>	<b>Total Annual Water (Cf)</b>	<b>Factor<sup>(3)</sup></b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(c) * (d)</u>	<u>(f)</u> <u>(e) * 2.14<sup>(1)</sup></u>	<u>(g)</u> <u>(f) + 5,796<sup>(2)</sup></u>	<u>(h)</u>
1	Between 7,000 and 8,999 square foot lot	8,000	20.0%	1,600	3,424	9,220	1.00
2	Less than 1,500 square foot lot	1,500	10.0%	150	321	6,117	0.66
3	Between 1,500 and 2,999 square foot lot	2,250	10.0%	225	482	6,278	0.68
4	Between 3,000 and 4,999 square foot lot	4,000	10.0%	400	856	6,652	0.72
5	Between 5,000 and 6,999 square foot lot	6,000	20.0%	1,200	2,568	8,364	0.91
6	Between 9,000 and 10,999 square foot lot	10,000	20.0%	2,000	4,280	10,076	1.09
7	Between 11,000 and 14,999 square foot lot	13,000	20.0%	2,600	5,564	11,360	1.23
8	15,000 square foot or larger lot	16,000	20.0%	3,200	6,848	12,644	1.37

Notes:

<sup>(1)</sup> 2.14 is the additional Cf/square foot of irrigation water needed to maintain a healthy landscape.

<sup>(2)</sup> 5,796 is the average annual indoor use (Cf).

<sup>(3)</sup> Factor is calculated by dividing total annual water per lot size by total annual water for the lot size of 7,000 to 8,999 sq. ft. (Line 1).



**Water Resource Fee  
(WRF)  
Schedules**

**Colorado Springs Utilities  
2022 Water Resource Fee**

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*Note: Immaterial differences may occur due to rounding.*

**Colorado Springs Utilities**  
**2022 Water Resource Fee**

**SCHEDULE 1**  
**SUMMARY OF PROPOSED CHARGES**

Line No.	Description	Proposed Charge July 1, 2022	Proposed Charge July 1, 2023
<u>(a)</u>	<u>(b)</u>	<u>(c)</u> <u>(d) * 50%</u>	<u>(d)</u> <u>From \$6</u>
1	<b>Single-Family Residential with a 3/4 inch or less water meter:</b>		
2	Inside City		
3	Less than 1,500 square foot lot	\$ 1,923	\$ 3,847
4	Between 1,500 and 2,999 square foot lot	\$ 1,974	\$ 3,948
5	Between 3,000 and 4,999 square foot lot	\$ 2,092	\$ 4,183
6	Between 5,000 and 6,999 square foot lot	\$ 2,630	\$ 5,260
7	Between 7,000 and 8,999 square foot lot	\$ 2,899	\$ 5,798
8	Between 9,000 and 10,999 square foot lot	\$ 3,168	\$ 6,337
9	Between 11,000 and 14,999 square foot lot	\$ 3,572	\$ 7,144
10	15,000 square foot or larger lot	\$ 3,976	\$ 7,952
11	Outside City ( <i>1.5 times Inside City</i> )		
12	Less than 1,500 square foot lot	\$ 2,885	\$ 5,770
13	Between 1,500 and 2,999 square foot lot	\$ 2,961	\$ 5,922
14	Between 3,000 and 4,999 square foot lot	\$ 3,138	\$ 6,275
15	Between 5,000 and 6,999 square foot lot	\$ 3,945	\$ 7,890
16	Between 7,000 and 8,999 square foot lot	\$ 4,349	\$ 8,698
17	Between 9,000 and 10,999 square foot lot	\$ 4,752	\$ 9,505
18	Between 11,000 and 14,999 square foot lot	\$ 5,358	\$ 10,716
19	15,000 square foot or larger lot	\$ 5,964	\$ 11,927
20	<b>Nonresidential, Single-Family Residential (1 inch or larger meter), Multi-Family or Mixed Use:</b>		
21	Inside City		
22	3/4 inch or less	\$ 2,870	\$ 5,740
23	1 inch	\$ 4,784	\$ 9,567
24	1-1/2 inch	\$ 9,567	\$ 19,135
25	2 inch	\$ 15,308	\$ 30,615
26	3 inch	\$ 33,485	\$ 66,971
27	4 inch	\$ 57,404	\$ 114,807
28	6 inch	\$ 129,158	\$ 258,316
29	8 inch	\$ 153,076	\$ 306,152
30	10 inch	\$ 229,614	\$ 459,228
31	12 inch	\$ 322,895	\$ 645,790

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 1  
SUMMARY OF PROPOSED CHARGES**

Line No.	Description	Proposed Charge July 1, 2022	Proposed Charge July 1, 2023
<u>(a)</u>	<u>(b)</u>	<u>(c)</u> <u>(d) * 50%</u>	<u>(d)</u> <u>From S6</u>
32	Outside City <i>(1.5 times Inside City)</i>		
33	3/4 inch or less	\$ 4,305	\$ 8,611
34	1 inch	\$ 7,175	\$ 14,351
35	1-1/2 inch	\$ 14,351	\$ 28,702
36	2 inch	\$ 22,961	\$ 45,923
37	3 inch	\$ 50,228	\$ 100,456
38	4 inch	\$ 86,105	\$ 172,211
39	6 inch	\$ 193,737	\$ 387,474
40	8 inch	\$ 229,614	\$ 459,228
41	10 inch	\$ 344,421	\$ 688,842
42	12 inch	\$ 484,342	\$ 968,684
43	<b>Multi-Family Residential (individually metered dwelling units) with 3/4 inch or less meter size:</b>		
44	Inside City	\$ 1,479	\$ 2,957
45	Outside City <i>(1.5 times Inside City)</i>	\$ 2,218	\$ 4,436

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 2  
FORECASTED GROWTH RELATED  
PLANT**

<b>Line No.</b>	<b>Description</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>	<b>(g)</b>	<b>(h)</b>
1	Water Purchases	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ 8,800,000
2	Source of Supply	7,429,155	6,122,757	5,733,219	11,144,513	26,307,757	20,932,708
3	Treatment	-	-	-	-	-	-
4	Transmission and Distribution:						
5	Mains, Reservoirs, and Other	-	-	-	-	-	-
6	<b>Total</b>	<b>\$ 7,429,155</b>	<b>\$ 6,122,757</b>	<b>\$ 5,733,219</b>	<b>\$ 11,144,513</b>	<b>\$ 31,307,757</b>	<b>\$ 29,732,708</b>

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 2  
FORECASTED GROWTH RELATED  
PLANT**

<b>Line No.</b>	<b>Description</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>Total Forecasted Growth Related Plant</b>
<b>(a)</b>	<b>(b)</b>	<b>(i)</b>	<b>(i)</b>	<b>(k)</b>	<b>(l)</b>	<b>(m)</b>
1	Water Purchases	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 8,800,000	\$ 49,000,000
2	Source of Supply	78,860,479	48,458,316	15,617,120	1,855,870	222,461,894
3	Treatment	-	-	-	-	-
4	Transmission and Distribution:					
5	Mains, Reservoirs, and Other	255,155	252,911	511,448	380,161	1,399,674
6	<b>Total</b>	<b>\$ 87,915,634</b>	<b>\$ 57,511,227</b>	<b>\$ 24,928,568</b>	<b>\$ 11,036,031</b>	<b>\$ 272,861,569</b>

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 3  
CLASSIFICATION OF FORECASTED GROWTH RELATED PLANT  
AND WATER PURCHASES**

<b>Line No.</b>	<b>Description</b>	<b>Total</b>	<b>Commodity</b>	<b>Demand</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
1	Water Purchases	\$ 49,000,000	\$ 49,000,000	\$ -
2	Source of Supply	222,461,894	222,461,894	-
3	Treatment	-	-	-
4	Transmission and Distribution:	-		
5	Mains, Reservoirs, and Other	1,399,674	-	1,399,674
6	<b>Total</b>	<b>\$ 272,861,569</b>	<b>\$ 271,461,894</b>	<b>\$ 1,399,674</b>

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 4**

**SINGLE-FAMILY RESIDENCE (SFR) CALCULATED WATER RESOURCE FEE**

<b>Line No.</b>	<b>Description</b>	<b>Unit Cost</b>	<b>SFR Capacity Requirements</b>	<b>SFR Calculated Fee</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (c) * (d)</b>
1	Commodity (Acre-Feet)	\$ 24,201	0.238368	\$ 5,769
2	Demand (MGD)	58,320	0.000508	30
3	<b>Total</b>			<b>\$ 5,798</b>

*Note: Million Gallons per Day (MGD)*



**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 4.1  
SFR CAPACITY REQUIREMENTS**

<b>Line No.</b>	<b>Description</b>	<b>Forecasted Residential Sales (Cf)</b>	<b>Water Loss Factor</b>	<b>Forecasted Residential Production (Cf)</b>	<b>Units: Acre-Feet or MGD</b>	<b>Forecasted Residential Customers</b>	<b>SFR Capacity Requirements</b>	
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b> <b>(c) * (d)</b>	<b>(f)</b>	<b>(g)</b>	<b>(h)</b> <b>(f) / (g)</b>	
1	Annual Commodity	1,271,018,372	110.3%	1,401,933,264	32,183.96 <sup>(1)</sup>	135,018	0.238368	Acre-Feet
2	Maximum Day Demand	8,317,657	110.3%	9,174,376	68.62 <sup>(2)</sup>	135,018	0.000508	MGD

Notes:

<sup>(1)</sup> Total Residential Cf production (column (e)) divided by 43,560 Cf per acre-foot.

<sup>(2)</sup> Total Residential Cf production (column (e)) times 7.48 gallons per Cf divided by 10<sup>6</sup>.

Colorado Springs Utilities  
2022 Water Resource Fee

SCHEDULE 4.2  
UNIT COST OF CAPACITY CALCULATION

Line No.	Description	Commodity			Demand		
		Cost	Annual Capacity (Acre-Feet)	Cost per Acre-Foot (e) / (d)	Cost	Max Day Capacity (MGD)	Cost per MGD (f) / (g)
(a)	(b)	(c)	(d)	(e) (c) / (d)	(f)	(g)	(h) (f) / (g)
1	Water Purchases	\$ 49,000,000	11,000	\$ 4,455	\$ -	-	\$ -
2	Source of Supply	222,461,894	11,266	19,746	-	-	-
3	Treatment	-	-	-	-	24.00	-
4	Transmission and Distribution:						
5	Mains, Reservoirs, and Other	-	-	-	1,399,674	24.00	58,320
6	<b>Total Cost</b>	<b>\$ 271,461,894</b>		<b>\$ 24,201</b>	<b>\$ 1,399,674</b>		<b>\$ 58,320</b>

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 5  
WATER RESOURCE FEE CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Factor</b>	<b>Proposed Charge</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
1	<b>Single-Family Residential with a 3/4 inch or less water meter:</b>		
2	Inside City		
3	Between 7,000 and 8,999 square foot lot	1.00	\$ 5,798
4	Less than 1,500 square foot lot	0.66	\$ 3,847
5	Between 1,500 and 2,999 square foot lot	0.68	\$ 3,948
6	Between 3,000 and 4,999 square foot lot	0.72	\$ 4,183
7	Between 5,000 and 6,999 square foot lot	0.91	\$ 5,260
8	Between 9,000 and 10,999 square foot lot	1.09	\$ 6,337
9	Between 11,000 and 14,999 square foot lot	1.23	\$ 7,144
10	15,000 square foot or larger lot	1.37	\$ 7,952
11	Outside City ( <i>1.5 times Inside City</i> )		
12	Less than 1,500 square foot lot		\$ 5,770
13	Between 1,500 and 2,999 square foot lot		\$ 5,922
14	Between 3,000 and 4,999 square foot lot		\$ 6,275
15	Between 5,000 and 6,999 square foot lot		\$ 7,890
16	Between 7,000 and 8,999 square foot lot		\$ 8,698
17	Between 9,000 and 10,999 square foot lot		\$ 9,505
18	Between 11,000 and 14,999 square foot lot		\$ 10,716
19	15,000 square foot or larger lot		\$ 11,927
20	<b>Nonresidential, Single-Family Residential (1" or larger meter), Multi-Family or Mixed Use:</b>		
21	Inside City		
22	3/4 inch or less	0.99	\$ 5,740
23	1 inch	1.67	\$ 9,567
24	1-1/2 inch	3.33	\$ 19,135
25	2 inch	5.33	\$ 30,615
26	3 inch	11.67	\$ 66,971
27	4 inch	20.00	\$ 114,807
28	6 inch	45.00	\$ 258,316
29	8 inch	53.33	\$ 306,152
30	10 inch	80.00	\$ 459,228
31	12 inch	112.50	\$ 645,790

Colorado Springs Utilities  
2022 Water Resource Fee

SCHEDULE 5  
WATER RESOURCE FEE CALCULATION

Line No.	Description	Factor	Proposed Charge
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
32	Outside City <i>(1.5 times Inside City)</i>		
33	3/4 inch or less		\$ 8,611
34	1 inch		\$ 14,351
35	1-1/2 inch		\$ 28,702
36	2 inch		\$ 45,923
37	3 inch		\$ 100,456
38	4 inch		\$ 172,211
39	6 inch		\$ 387,474
40	8 inch		\$ 459,228
41	10 inch		\$ 688,842
42	12 inch		\$ 968,684
43	<b>Multi-Family Residential (individually metered dwelling units) with 3/4 inch or less meter size:</b>		
44	Inside City	0.51	\$ 2,957
45	Outside City <i>(1.5 times Inside City)</i>		\$ 4,436

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 5.1  
METER CAPACITY RATIOS**

<b>Line No.</b>	<b>Meter Size</b>	<b>Meter Capacity - Gallons Per Minute (GPM)</b>	<b>Meter Capacity Ratio</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	3/4 inch or less	30	-
2	1 inch	50	1.67
3	1-1/2 inch	100	3.33
4	2 inch	160	5.33
5	3 inch	350	11.67
6	4 inch	600	20.00
7	6 inch	1,350	45.00
8	8 inch	1,600	53.33
9	10 inch	2,400	80.00
10	12 inch	3,375	112.50

*Note: Meter Ratio is calculated by dividing larger meter capacity by the 3/4 inch or less capacity (GPM = 30).*

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 5.2  
METER FACTOR FOR NONRESIDENTIAL ≤ 3/4 INCH**

<b>Line No.</b>	<b>Description</b>	<b>Residential Usage</b>	<b>Nonresidential Usage (≤ 3/4 Inch Meter)</b>	<b>Ratio</b>	<b>Percentage of Plant by Classification</b>	<b>Factor</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(d) / (c)</u>	<u>(f)</u>	<u>(g)</u> <u>(e) * (f)</u>
1	Average Daily Usage (Cf)	25.72	33.99	1.32	49.4% <sup>(1)</sup>	0.65
2	Maximum Day / Average Day (Cf)	2.40	1.61	0.67	50.6% <sup>(2)</sup>	0.34
3	Composite Nonresidential factor for meter size ≤ 3/4 inch					<u>0.99</u>

Notes:

<sup>(1)</sup> Percentage of Plant classified by Acre-Feet from 2020 Water Cost of Service Study (Source of Supply + Pumping).

<sup>(2)</sup> Percentage of Plant classified by MGD from 2020 Water Cost of Service Study (Treatment + T&D + Nonpotable).

**Colorado Springs Utilities  
2022 Water Resource Fee**

**SCHEDULE 5.3  
RESIDENTIAL LOT SIZE FACTORS**

<b>Line No.</b>	<b>Description</b>	<b>Lot Size Midpoint</b>	<b>Percent Irrigated</b>	<b>Average Irrigated Area (sq. ft.)</b>	<b>Irrigation Water (Cf)</b>	<b>Total Annual Water (Cf)</b>	<b>Factor<sup>(3)</sup></b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u>	<u>(h)</u>
				<u>(e) * (d)</u>	<u>(e) * 2.14</u> <sup>(1)</sup>	<u>(f) + 5,796</u> <sup>(2)</sup>	
1	Between 7,000 and 8,999 square foot lot	8,000	20.0%	1,600	3,424	9,220	1.00
2	Less than 1,500 square foot lot	1,500	10.0%	150	321	6,117	0.66
3	Between 1,500 and 2,999 square foot lot	2,250	10.0%	225	482	6,278	0.68
4	Between 3,000 and 4,999 square foot lot	4,000	10.0%	400	856	6,652	0.72
5	Between 5,000 and 6,999 square foot lot	6,000	20.0%	1,200	2,568	8,364	0.91
6	Between 9,000 and 10,999 square foot lot	10,000	20.0%	2,000	4,280	10,076	1.09
7	Between 11,000 and 14,999 square foot lot	13,000	20.0%	2,600	5,564	11,360	1.23
8	15,000 square foot or larger lot	16,000	20.0%	3,200	6,848	12,644	1.37

Notes:

<sup>(1)</sup> 2.14 is the additional Cf/square foot of irrigation water needed to maintain a healthy landscape.

<sup>(2)</sup> 5,796 is the average annual indoor use (Cf).

<sup>(3)</sup> Factor is calculated by dividing total annual water per lot size by total annual water for the lot size of 7,000 to 8,999 sq. ft. (Line 1).

**Water Regional System  
Availability Fee  
(WRSAF) Schedules**



**Colorado Springs Utilities**  
**2022 Water Regional System Availability Fee**

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Notes :

*Immaterial differences may occur due to rounding.*

*Acre Foot or Acre Feet (AF) and Million Gallons per Day (MGD)*

**Colorado Springs Utilities**  
**2022 Water Regional System Availability Fee**

**SCHEDULE 1**  
**SUMMARY OF PROPOSED FEES**

<b>Line No.</b>	<b>Meter Size</b>	<b>Total Base Fee<sup>(1)</sup></b>	<b>Annual Base Fee<sup>(1)</sup></b>	<b>Annual Water Fee per Acre-Foot<sup>(2)</sup></b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
1	2 inch	\$ 1,258,047	\$ 71,145	\$ 1,760
2	3 inch	\$ 2,731,945	\$ 154,496	\$ 1,760
3	4 inch	\$ 5,036,310	\$ 284,812	\$ 1,760
4	6 inch	\$ 9,980,129	\$ 564,393	\$ 1,760
5	8 inch	\$ 19,191,421	\$ 1,085,307	\$ 1,760
6	10 inch	\$ 31,473,827	\$ 1,779,898	\$ 1,760
7	12 inch	\$ 46,827,341	\$ 2,648,165	\$ 1,760

Notes :

<sup>(1)</sup> Customer may elect lump sum payment at time of connection or an annual payment not to exceed 25 years.

<sup>(2)</sup> Customers contracting for Full Service option will pay an annual fee for water.

**Colorado Springs Utilities**  
**2022 Water Regional System Availability Fee**

**SCHEDULE 2**  
**NET REPLACEMENT PLANT**

Line No.	Description	Gross Replacement Plant	Depreciation Factor	Net Replacement Plant
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(c) * (d)</u>
1	<b>Water Plant - Base</b>			
2	Direct Plant			
3	Source of Supply - Base	\$ 524,052,117	88.1%	\$ 461,824,084
4	Pumping	231,159,639	77.1%	178,284,294
5	Treatment	371,343,322	52.8%	196,040,231
6	Transmission and Distribution:			
7	Mains, Reservoirs, and Other	1,024,641,765	69.3%	710,152,228
8	Nonpotable	93,144,360	55.3%	51,490,555
9	Total Direct Plant - Base	<u>\$ 2,244,341,204</u>		<u>\$ 1,597,791,392</u>
10	Allocated Plant			
11	General Plant	\$ 101,156,675	53.2%	\$ 53,802,368
12	Common Plant	124,342,892	34.7%	43,172,721
13	Total Allocated Plant	<u>\$ 225,499,567</u>		<u>\$ 96,975,089</u>
14	<b>Total Water Plant - Base</b>	<u><u>\$ 2,469,840,771</u></u>		<u><u>\$ 1,694,766,481</u></u>
15	<b>Water Plant - Annual Cost of Water</b>			
16	Direct Plant			
17	Source of Supply - Annual Cost of Water	\$ 426,790,093	85.2%	\$ 363,758,792
18	Total Direct Plant - Annual Cost of Water	<u>\$ 426,790,093</u>		<u>\$ 363,758,792</u>
19	Allocated Plant			
20	General Plant	\$ 17,155,569	53.2%	\$ 9,124,561
21	Common Plant	29,692,366	34.7%	10,309,397
22	Total Allocated Plant	<u>46,847,935</u>		<u>19,433,958</u>
23	<b>Total Water Plant - Annual Cost of Water</b>	<u><u>\$ 473,638,028</u></u>		<u><u>\$ 383,192,750</u></u>

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Gross Plant as of 2010	Additions				
				2011	2012	2013	2014	2015
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	<b>Water Plant - Base</b>							
2	Direct Plant <sup>(1)</sup>							
3	Source of Supply - Base							
4	Supply Mains	316	\$ 161,850,875	\$ -	\$ 982,175	\$ 36,176	\$ 15,339,980	\$ 2,642,979
5	Total Source of Supply - Base		\$ 161,850,875	\$ -	\$ 982,175	\$ 36,176	\$ 15,339,980	\$ 2,642,979
6	Pumping							
7	Land and Land Rights <sup>(2)</sup>	320	\$ 490,066	\$ -	\$ -	\$ -	\$ -	\$ -
8	Structures and Improvements	321	20,015,697	-	-	-	380,497	-
9	Elect Pumping Equipment	325	25,631,893	-	-	-	1,033,169	-
10	Hydraulic Pumping Equipment	327	2,310,380	-	-	-	-	-
11	Other Pumping Equipment	328	1,426,865	-	-	-	-	-
12	Total Pumping		\$ 49,874,901	\$ -	\$ -	\$ -	\$ 1,413,666	\$ -
13	Treatment							
14	Land and Land Rights <sup>(2)</sup>	330	\$ 662,342	\$ -	\$ -	\$ -	\$ -	\$ -
15	Structures and Improvements	331	93,161,975	-	12,443	-	13,269,346	-
16	Treatment Equipment	332	61,236,086	-	-	-	-	556,101
17	Total Treatment		\$ 155,060,402	\$ -	\$ 12,443	\$ -	\$ 13,269,346	\$ 556,101
18	Transmission & Distribution							
19	Mains, Reservoirs, and Other							
20	Land and Land Rights <sup>(2)</sup>	340	\$ 5,824,679	\$ 854,704	\$ 336,756	\$ 39,410	\$ -	\$ -
21	Structures and Improvements	341	10,641,358	-	-	28,681	-	-
22	District Reservoirs	342	37,883,560	-	261	-	3,927,116	19,470
23	Mains	343	611,172,394	20,678,977	17,952,190	16,087,479	22,256,421	19,151,757
24	Total Mains, Reservoirs, and Other		\$ 665,521,992	\$ 21,533,681	\$ 18,289,208	\$ 16,155,570	\$ 26,183,537	\$ 19,171,227

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Additions					Total
			2016	2017	2018	2019	2020	
(a)	(b)	(c)	(i)	(k)	(l)	(m)	(n)	(o)
1	<b>Water Plant - Base</b>							
2	Direct Plant <sup>(1)</sup>							
3	Source of Supply - Base							
4	Supply Mains	316	\$ 330,974,179	\$ 894,160	\$ 33,946	\$ 11,274,115	\$ 23,532	\$ 524,052,117
5	Total Source of Supply - Base		\$ 330,974,179	\$ 894,160	\$ 33,946	\$ 11,274,115	\$ 23,532	\$ 524,052,117
6	Pumping							
7	Land and Land Rights <sup>(2)</sup>	320	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 490,066
8	Structures and Improvements	321	50,103,874	-	-	-	-	70,500,068
9	Elect Pumping Equipment	325	40,703,680	-	1,031,553	-	61,634	68,461,929
10	Hydraulic Pumping Equipment	327	-	-	-	-	-	2,310,380
11	Other Pumping Equipment	328	87,319,937	-	650,394	-	-	89,397,196
12	Total Pumping		\$ 178,127,491	\$ -	\$ 1,681,947	\$ -	\$ 61,634	\$ 231,159,639
13	Treatment							
14	Land and Land Rights <sup>(2)</sup>	330	\$ 6,854,150	\$ -	\$ -	\$ -	\$ -	\$ 7,516,492
15	Structures and Improvements	331	105,139,245	230,949	-	-	-	211,813,958
16	Treatment Equipment	332	88,074,226	-	-	186,980	1,959,479	152,012,873
17	Total Treatment		\$ 200,067,621	\$ 230,949	\$ -	\$ 186,980	\$ 1,959,479	\$ 371,343,322
18	Transmission & Distribution							
19	Mains, Reservoirs, and Other							
20	Land and Land Rights <sup>(2)</sup>	340	\$ 4,494,893	\$ 797,034	\$ 748,086	\$ -	\$ -	\$ 13,095,563
21	Structures and Improvements	341	-	50,256	156,500	425,463	6,190,662	17,492,920
22	District Reservoirs	342	90,210	6,474,839	9,531	-	1,390,496	49,795,484
23	Mains	343	58,047,328	55,232,764	45,901,867	32,999,463	44,777,159	944,257,799
24	Total Mains, Reservoirs, and Other		\$ 62,632,431	\$ 62,554,894	\$ 46,815,984	\$ 33,424,926	\$ 52,358,317	\$ 1,024,641,765

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Gross Plant as of 2010	Additions				
				2011	2012	2013	2014	2015
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
25	Nonpotable							
26	Activated Sludge Facility							
27	Structures	360	\$ 380,301	\$ -	\$ -	\$ -	\$ -	\$ -
28	Equipment	361	15,193	-	-	-	-	-
29	Trickling Filter Pump Station							
30	Structures	362	57,074	-	-	-	-	-
31	Equipment	363	9,167	-	-	-	-	-
32	Tertiary Filtration and Chlorinating							
33	Structures	364	17,419,225	-	-	-	-	-
34	Equipment	365	10,854,258	-	-	-	-	-
35	Reservoirs	366	85,133	-	-	-	-	-
36	Nonpotable							
37	Structures	370	17,132,603	-	-	-	-	-
38	Equipment	371	8,826,334	64,465	-	-	458,085	-
39	Pipeline	372	32,794,456	-	-	327,054	331,557	-
40	Pikeview System	373	-	-	-	-	-	-
41	Total Nonpotable		\$ 87,573,745	\$ 64,465	\$ -	\$ 327,054	\$ 789,642	\$ -
42	Total Direct Plant - Base		\$ 1,119,881,916	\$ 21,598,147	\$ 19,283,826	\$ 16,518,800	\$ 56,996,171	\$ 22,370,306
43	Allocated Plant <sup>(3)</sup>							
44	General Plant	303, 388-399	\$ 39,771,690	\$ 8,090,784	\$ 697,807	\$ 532,021	\$ 4,708,851	\$ 2,391,451
45	Common Plant	387-399	89,507,869	3,977,081	4,042,654	3,342,470	5,389,824	1,573,589
46	Total Allocated Plant		\$ 129,279,558	\$ 12,067,865	\$ 4,740,461	\$ 3,874,490	\$ 10,098,675	\$ 3,965,040
47	<b>Total Water Plant - Base</b>		<b>\$ 1,249,161,474</b>	<b>\$ 33,666,011</b>	<b>\$ 24,024,287</b>	<b>\$ 20,393,290</b>	<b>\$ 67,094,846</b>	<b>\$ 26,335,346</b>

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Additions					Total
			2016	2017	2018	2019	2020	
(a)	(b)	(c)	(i)	(k)	(l)	(m)	(n)	(o)
25	Nonpotable							
26	Activated Sludge Facility							
27	Structures	360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 380,301
28	Equipment	361	-	-	-	-	-	15,193
29	Trickling Filter Pump Station							
30	Structures	362	-	-	-	-	-	57,074
31	Equipment	363	-	-	-	-	-	9,167
32	Tertiary Filtration and Chlorinating							
33	Structures	364	-	-	-	-	-	17,419,225
34	Equipment	365	-	-	-	-	21,296	10,875,554
35	Reservoirs	366	100,934	321	-	-	-	186,388
36	Nonpotable							
37	Structures	370	-	-	-	-	-	17,132,603
38	Equipment	371	-	-	-	-	-	9,348,885
39	Pipeline	372	139,468	501,298	3,626,137	-	-	37,719,970
40	Pikeview System	373	-	-	-	-	-	-
41	Total Nonpotable		\$ 240,402	\$ 501,619	\$ 3,626,137	\$ -	\$ 21,296	\$ 93,144,360
42	Total Direct Plant - Base		\$ 772,042,125	\$ 64,181,622	\$ 52,158,013	\$ 44,886,021	\$ 54,424,258	\$ 2,244,341,204
43	Allocated Plant <sup>(3)</sup>							
44	General Plant	303, 388-399	\$ 37,118,824	\$ 1,973,399	\$ 643,845	\$ 3,887,668	\$ 1,340,337	\$ 101,156,675
45	Common Plant	387-399	3,732,275	4,273,618	4,181,769	1,961,144	2,360,600	124,342,892
46	Total Allocated Plant		\$ 40,851,098	\$ 6,247,017	\$ 4,825,614	\$ 5,848,812	\$ 3,700,937	\$ 225,499,567
47	<b>Total Water Plant - Base</b>		<b>\$ 812,893,223</b>	<b>\$ 70,428,639</b>	<b>\$ 56,983,627</b>	<b>\$ 50,734,833</b>	<b>\$ 58,125,195</b>	<b>\$ 2,469,840,771</b>

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Gross Plant as of 2010	Additions				
				2011	2012	2013	2014	2015
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
48	<b>Water Plant - Annual Cost of Water</b>							
49	Direct Plant <sup>(1)</sup>							
50	Source of Supply - Annual Cost of Water							
51	Land and Land Rights <sup>(2)</sup>	310	\$ 111,590,998	\$ 26,923	\$ -	\$ -	\$ -	\$ 3,715,418
52	Structures and Improvements	311	17,578,659	-	715,615	293,724	6,486,474	-
53	Collecting & Impound Reservoirs	312	67,020,914	176,474	1,670,931	-	33,238,059	4,259,094
54	Lake/River/Other Intake	313	5,795,693	-	-	-	-	-
55	Wells & Springs	314	4,686,373	-	-	-	80,036	-
56	Tunnels	315	76,493,776	-	-	-	449,005	-
57	Other Water Ser Plt Etc	317	871,391	-	-	-	192,396	-
58	Total Direct Plant - Annual Cost of Water		\$ 284,037,804	\$ 203,397	\$ 2,386,546	\$ 293,724	\$ 40,445,970	\$ 7,974,512
59	Allocated Plant <sup>(3)</sup>							
60	General Plant	303, 388-399	\$ 9,497,250	\$ 1,932,033	\$ 166,632	\$ 127,043	\$ 912,133	\$ 571,065
61	Common Plant	387-399	21,373,963	949,704	965,363	798,162	1,287,059	375,764
62	Total Allocated Plant		\$ 30,871,213	\$ 2,881,736	\$ 1,131,995	\$ 925,206	\$ 2,199,192	\$ 946,829
63	<b>Total Water Plant - Annual Cost of Water</b>		<b>\$ 314,909,017</b>	<b>\$ 3,085,134</b>	<b>\$ 3,518,541</b>	<b>\$ 1,218,930</b>	<b>\$ 42,645,162</b>	<b>\$ 8,921,341</b>

Notes:

<sup>(1)</sup> Water Plant replacement cost calculated using original plant cost and the Handy Whitman Index of Public Utility Construction Costs.

<sup>(2)</sup> Land replacement costs based on original plant costs.

<sup>(3)</sup> General and Common replacement cost calculated using original plant cost and the Consumer Price Index.



Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Additions					Total
			2016	2017	2018	2019	2020	
(a)	(b)	(c)	(i)	(k)	(l)	(m)	(n)	(o)
48	<b>Water Plant - Annual Cost of Water</b>							
49	Direct Plant <sup>(1)</sup>							
50	Source of Supply - Annual Cost of Water							
51	Land and Land Rights <sup>(2)</sup>	310	\$ 28,694,691	\$ 198,416	\$ 8,750,131	\$ -	\$ 26,843,354	\$ 179,819,932
52	Structures and Improvements	311	-	1,878,149	-	525,765	-	27,478,386
53	Collecting & Impound Reservoirs	312	184,888	6,869,765	4,114,176	-	278,314	117,812,615
54	Lake/River/Other Intake	313	-	-	-	-	-	5,795,693
55	Wells & Springs	314	-	-	-	-	-	4,766,409
56	Tunnels	315	-	7,435,362	-	-	-	84,378,143
57	Other Water Ser Plt Etc	317	5,675,127	-	-	-	-	6,738,914
58	Total Direct Plant - Annual Cost of Water		\$ 34,554,706	\$ 16,381,693	\$ 12,864,307	\$ 525,765	\$ 27,121,668	\$ 426,790,093
59	Allocated Plant <sup>(3)</sup>							
60	General Plant	303, 388-399	\$ 2,615,338	\$ 471,236	\$ 153,746	\$ 389,028	\$ 320,065	\$ 17,155,569
61	Common Plant	387-399	891,246	1,020,515	998,582	468,310	563,698	29,692,366
62	Total Allocated Plant		\$ 3,506,584	\$ 1,491,752	\$ 1,152,329	\$ 857,338	\$ 883,762	\$ 46,847,935
63	<b>Total Water Plant - Annual Cost of Water</b>		<b>\$ 38,061,290</b>	<b>\$ 17,873,444</b>	<b>\$ 14,016,636</b>	<b>\$ 1,383,103</b>	<b>\$ 28,005,431</b>	<b>\$ 473,638,028</b>

Notes:

<sup>(1)</sup> Water Plant replacement cost calculated using original plant cost and the Handy Whitman Index of Public Utility Construction Costs.

<sup>(2)</sup> Land replacement costs based on original plant costs.

<sup>(3)</sup> General and Common replacement cost calculated using original plant cost and the Consumer Price Index.

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 2.2  
DEPRECIATION FACTOR CALCULATION

Line No.	Description	Gross Plant as of 12/31/2020	Accumulated Depreciation	Net Plant as of 12/31/2020	Depreciation Factor
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(c) + (d)</u>	<u>(f)</u> <u>(e) / (c)</u>
1	<b>Water Plant - Base</b>				
2	Direct Plant				
3	Source of Supply - Base	\$ 448,715,155	\$ (53,282,222)	\$ 395,432,932	88.1%
4	Pumping	169,355,153	(38,738,217)	130,616,936	77.1%
5	Treatment	295,199,706	(139,357,349)	155,842,357	52.8%
6	Transmission and Distribution:				
7	Mains, Reservoirs, and Other	821,120,232	(252,023,420)	569,096,812	69.3%
8	Nonpotable	65,135,365	(29,128,289)	36,007,077	55.3%
9	Total Direct Plant - Base	<u>\$ 1,799,525,611</u>	<u>\$ (512,529,497)</u>	<u>\$ 1,286,996,114</u>	
10	Allocated Plant				
11	General Plant	\$ 86,629,658	\$ (40,553,798)	\$ 46,075,860	53.2%
12	Common Plant	120,427,764	(78,614,403)	41,813,361	34.7%
13	Total Allocated Plant	<u>\$ 207,057,422</u>	<u>\$ (119,168,201)</u>	<u>\$ 87,889,220</u>	
14	<b>Total Water Plant - Base</b>	<u><b>\$ 2,006,583,033</b></u>	<u><b>\$ (631,697,698)</b></u>	<u><b>\$ 1,374,885,335</b></u>	
15	<b>Water Plant - Annual Cost of Water</b>				
16	Direct Plant				
17	Source of Supply - Annual Cost of Water	<u>\$ 360,472,724</u>	<u>\$ (53,237,095)</u>	<u>\$ 307,235,629</u>	85.2%
18	<b>Total Source of Supply - Annual Cost of Water</b>	<u><b>\$ 360,472,724</b></u>	<u><b>\$ (53,237,095)</b></u>	<u><b>\$ 307,235,629</b></u>	

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 3  
FUNCTIONALIZATION OF NET REPLACEMENT PLANT EQUITY

Line No.	Description	Total	Source of Supply	Pumping	Treatment	Transmission & Distribution: Mains, Reservoirs, and Other	Nonpotable
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	<b>Water Plant - Base</b>						
2	Direct Plant						
3	Source of Supply - Base	\$ 461,824,084	\$ 461,824,084	\$ -	\$ -	\$ -	\$ -
4	Pumping	178,284,294	-	178,284,294	-	-	-
5	Treatment	196,040,231	-	-	196,040,231	-	-
6	Transmission and Distribution:						
7	Mains, Reservoirs, and Other	710,152,228	-	-	-	710,152,228	-
8	Nonpotable	51,490,555	-	-	-	-	51,490,555
9	Total Direct Plant - Base	<u>\$ 1,597,791,392</u>	<u>\$ 461,824,084</u>	<u>\$ 178,284,294</u>	<u>\$ 196,040,231</u>	<u>\$ 710,152,228</u>	<u>\$ 51,490,555</u>
10	Allocated Plant						
11	General Plant	\$ 53,802,368	\$ 16,530,919	\$ 5,460,390	\$ 6,514,929	\$ 23,790,869	\$ 1,505,262
12	Common Plant	43,172,721	13,264,932	4,381,589	5,227,785	19,090,545	1,207,870
13	Total Allocated Plant	<u>\$ 96,975,089</u>	<u>\$ 29,795,850</u>	<u>\$ 9,841,979</u>	<u>\$ 11,742,713</u>	<u>\$ 42,881,415</u>	<u>\$ 2,713,131</u>
14	<b>Total Water Plant - Base</b>	<b>\$ 1,694,766,481</b>	<b>\$ 491,619,935</b>	<b>\$ 188,126,273</b>	<b>\$ 207,782,944</b>	<b>\$ 753,033,642</b>	<b>\$ 54,203,686</b>
15	Less Outstanding Debt	(775,868,296)	(238,387,569)	(78,742,693)	(93,949,890)	(343,081,202)	(21,706,941)
16	<b>Total Water Plant Equity - Base</b>	<b><u>\$ 918,898,185</u></b>	<b><u>\$ 253,232,365</u></b>	<b><u>\$ 109,383,580</u></b>	<b><u>\$ 113,833,054</u></b>	<b><u>\$ 409,952,440</u></b>	<b><u>\$ 32,496,745</u></b>
17	Functional Allocation Factor	100.0%	30.7%	10.1%	12.1%	44.2%	2.8%

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 3  
FUNCTIONALIZATION OF NET REPLACEMENT PLANT EQUITY

Line No.	Description	Total	Source of Supply	Pumping	Treatment	Transmission & Distribution: Mains, Reservoirs, and Other	Nonpotable
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
18	<b>Water Plant - Annual Cost of Water</b>						
19	Direct Plant						
20	Source of Supply - Annual Cost of Water	\$ 363,758,792	\$ 363,758,792	\$ -	\$ -	\$ -	\$ -
21	Total Direct Plant - Annual Cost of Water	\$ 363,758,792	\$ 363,758,792	\$ -	\$ -	\$ -	\$ -
22	Allocated Plant						
23	General Plant	\$ 9,124,561	\$ 9,124,561	\$ -	\$ -	\$ -	\$ -
24	Common Plant	10,309,397	10,309,397	-	-	-	-
25	Total Allocated Plant	\$ 19,433,958	\$ 19,433,958	\$ -	\$ -	\$ -	\$ -
26	<b>Total Water Plant - Annual Cost of Water</b>	<b>\$ 383,192,750</b>	<b>\$ 383,192,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
27	Less Outstanding Debt	(185,272,875)	(185,272,875)	-	-	-	-
28	<b>Total Water Plant Equity - Annual Cost of Water</b>	<b>\$ 197,919,875</b>	<b>\$ 197,919,875</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
29	Functional Allocation Factor	100.0%	100.0%	0%	0%	0%	0%

**Colorado Springs Utilities**  
**2022 Water Regional System Availability Fee**

**SCHEDULE 3.1**  
**FUNCTIONAL ALLOCATION FACTOR CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Net Plant as of 12/31/2020</b>	<b>Functional Allocation Factor</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	<b>Direct Plant - Base</b>		
2	Source of Supply - Base	\$ 395,432,932	30.7%
3	Pumping	130,616,936	10.1%
4	Treatment	155,842,357	12.1%
5	Transmission and Distribution:		
6	Mains, Reservoirs, and Other	569,096,812	44.2%
7	Nonpotable	36,007,077	2.8%
8	<b>Total Direct Plant - Base</b>	<b>\$ 1,286,996,114</b>	<b>100.0%</b>
9	<b>Direct Plant - Annual Cost of Water</b>		
10	Source of Supply - Annual Cost of Water	\$ 307,235,629	100%
11	<b>Total Direct Plant - Annual Cost of Water</b>	<b>\$ 307,235,629</b>	<b>100%</b>

**Colorado Springs Utilities**  
**2022 Water Regional System Availability Fee**

**SCHEDULE 4**  
**CLASSIFICATION OF NET REPLACEMENT PLANT EQUITY**

<b>Line No.</b>	<b>Description</b>	<b>Total</b>	<b>Commodity</b>	<b>Demand</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
1	<b>Classification - Base</b>			
2	Source of Supply - Base	\$ 253,232,365	\$ 253,232,365	\$ -
3	Pumping	109,383,580	109,383,580	-
4	Treatment	113,833,054	-	113,833,054
5	Transmission and Distribution:			
6	Mains, Reservoirs, and Other	409,952,440	-	409,952,440
7	Nonpotable	32,496,745	-	32,496,745
8	<b>Total - Base</b>	<b>\$ 918,898,185</b>	<b>\$ 362,615,945</b>	<b>\$ 556,282,239</b>
9	<b>Classification - Annual Cost of Water</b>			
10	Source of Supply - Annual Cost of Water	\$ 197,919,875	\$ 197,919,875	\$ -
11	<b>Total - Annual Cost of Water</b>	<b>\$ 197,919,875</b>	<b>\$ 197,919,875</b>	<b>\$ -</b>

**Colorado Springs Utilities**  
**2022 Water Regional System Availability Fee**

**SCHEDULE 4.1**  
**CLASSIFICATION PERCENTAGES**

<b>Line No.</b>	<b>Description</b>	<b>Commodity</b>	<b>Demand</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	<b>Classification Percentages - Base</b>		
2	Source of Supply - Base	100.0%	0.0%
3	Pumping	100.0%	0.0%
4	Treatment	0.0%	100.0%
5	Transmission and Distribution:		
6	Mains, Reservoirs, and Other	0.0%	100.0%
7	Nonpotable	0.0%	100.0%
8	<b>Classification Percentages - Annual Cost of Water</b>		
9	Source of Supply - Annual Cost of Water	100.0%	0.0%

Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 5  
WATER REGIONAL SYSTEM AVAILABILITY FEES - BASE CALCULATION

Line No.	Description	Meter Size						
		2 inch	3 inch	4 inch	6 inch	8 inch	10 inch	12 inch
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
<b>Base Calculation</b>								
1	Value per AF	\$ 1,886	\$ 1,886	\$ 1,886	\$ 1,886	\$ 1,886	\$ 1,886	\$ 1,886
2	Value per MGD	\$ 2,332,812	\$ 2,332,812	\$ 2,332,812	\$ 2,332,812	\$ 2,332,812	\$ 2,332,812	\$ 2,332,812
Meter Capacity Midpoint Including Water Loss:								
3								
4	AF	167.06	362.79	668.79	1,325.31	2,548.51	4,179.54	6,218.39
5	MGD	0.314368	0.682672	1.258500	2.493883	4.795651	7.864848	11.701471
6	Base Fee - AF (line 1 * line 4)	\$ 315,010	\$ 684,076	\$ 1,261,082	\$ 2,499,015	\$ 4,805,501	\$ 7,880,982	\$ 11,725,458
7	Base Fee - MGD (line 2 * line 5)	\$ 733,362	\$ 1,592,545	\$ 2,935,843	\$ 5,817,759	\$ 11,187,350	\$ 18,347,208	\$ 27,297,327
8	Base Fee before Multiplier	\$ 1,048,372	\$ 2,276,621	\$ 4,196,925	\$ 8,316,774	\$ 15,992,851	\$ 26,228,189	\$ 39,022,784
9	Multiplier	1.20	1.20	1.20	1.20	1.20	1.20	1.20
10	<b>Total Base Fee (line 8 * line 9)</b>	<b>\$ 1,258,047</b>	<b>\$ 2,731,945</b>	<b>\$ 5,036,310</b>	<b>\$ 9,980,129</b>	<b>\$ 19,191,421</b>	<b>\$ 31,473,827</b>	<b>\$ 46,827,341</b>
Annual Base Fee Calculation								
11	Annual Base Fee Calculation							
12	Discount Rate <sup>(1)</sup>	3.14%	3.14%	3.14%	3.14%	3.14%	3.14%	3.14%
13	Contract Term (Years)	25	25	25	25	25	25	25
14	<b>Annual Base Fee<sup>(2)</sup></b>	<b>\$ 71,145</b>	<b>\$ 154,496</b>	<b>\$ 284,812</b>	<b>\$ 564,393</b>	<b>\$ 1,085,307</b>	<b>\$ 1,779,898</b>	<b>\$ 2,648,165</b>

Notes :

<sup>(1)</sup> Yield to maturity of the 25-year tenor of Utilities' 2020C debt issuance.

<sup>(2)</sup> Calculated based on the payment of a loan at 3.14% annual interest for 25 years at the beginning of each period.



Colorado Springs Utilities  
2022 Water Regional System Availability Fee

SCHEDULE 5.1  
UNIT VALUE OF CAPACITY CALCULATION FOR BASE FEES

Line No.	Description	Commodity			Demand		
		Value	Annual Capacity (AF)	Value per AF	Value	Max Day Capacity (MGD)	Value per MGD
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(c) / (d)</u>	<u>(f)</u>	<u>(g)</u>	<u>(h)</u> <u>(f) / (g)</u>
1	<b>Unit Value of Capacity - Base</b>						
2	Source of Supply - Base	\$ 253,232,365	208,500	\$ 1,215	\$ -	-	\$ -
3	Pumping	109,383,580	163,000	671	-	-	-
4	Treatment	-	267,000	-	113,833,054	238.46	477,367
5	Transmission and Distribution:						
6	Mains, Reservoirs, and Other	-	267,000	-	409,952,440	238.46	1,719,166
7	Nonpotable	-	-	-	32,496,745	238.46	136,278
8	<b>Total Unit Value of Capacity - Base</b>			<b>\$ 1,886</b>			<b>\$ 2,332,812</b>

**Colorado Springs Utilities**  
**2022 Water Regional System Availability Fee**

**SCHEDULE 6**

**WATER REGIONAL SYSTEM AVAILABILITY FEE - ANNUAL  
 COST OF WATER PER AF CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Value</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	Value of Source of Supply and Water per AF	\$ 25,949
2	Fee Calculation:	
3	Discount Rate <sup>(1)</sup>	3.14%
4	Contract Term (Years)	25
5	Payment per AF <sup>(2)</sup>	\$ 1,467
6	Multiplier	1.20
7	<b>Total Water Fee per AF</b>	<b>\$ 1,760</b>

Notes:

<sup>(1)</sup> Yield to maturity of the 25-year tenor of Utilities' 2020C debt issuance.

<sup>(2)</sup> Calculated based on the payment of a loan at 3.14% annual interest for 25 years at the beginning of each period.

**Colorado Springs Utilities**  
**2022 Water Regional System Availability Fee**

**SCHEDULE 6.1**  
**UNIT VALUE OF CAPACITY CALCULATION FOR ANNUAL COST OF WATER**

<b>Line No.</b>	<b>Description</b>	<b>Value</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>
1	Value of Source of Supply - Annual Cost of Water	\$ 197,919,875
2	Annual Capacity (AF)	208,500
3	Value of Source of Supply per AF <i>(line 1 / line 2)</i>	\$ 949
4	Value of Water per AF	\$ 25,000
5	<b>Value of Source of Supply and Water per AF</b> <i>(line 3 + line 4)</i>	<b>\$ 25,949</b>

**Wastewater Regional  
System Availability Fee  
(WWRSAF) Schedules**

**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

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*Notes :*

*Immaterial differences may occur due to rounding.*

*MGD = Million Gallons per Day*

**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

**SCHEDULE 1**  
**SUMMARY OF PROPOSED FEES**

<b>Line No.</b>	<b>Fee per MGD Range</b>	<b>Fees</b>
<b><u>(a)</u></b>	<b><u>(b)</u></b>	<b><u>(c)</u></b>
1	Less Than 0.1 MGD	\$ 7,162
2	Between 0.1 MGD and 0.29 MGD	\$ 28,216
3	Between 0.3 MGD and 0.59 MGD	\$ 64,390
4	Between 0.6 MGD and 0.74 MGD	\$ 96,947
5	Between 0.75 MGD and 0.99 MGD	\$ 125,886
6	Between 1 MGD and 1.49 MGD	\$ 180,148
7	Between 1.5 MGD and 1.99 MGD	\$ 252,496
8	Between 2 MGD and 2.49 MGD	\$ 324,844
9	Between 2.5 MGD and 2.99 MGD	\$ 397,193
10	Greater than 3 MGD	\$ 434,091

**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

**SCHEDULE 2**  
**NET REPLACEMENT PLANT**

<b>Line No.</b>	<b>Description</b>	<b>Gross Replacement Plant</b>	<b>Depreciation Factor</b>	<b>Net Replacement Plant</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (c) * (d)</b>
1	<b>Wastewater Plant</b>			
2	Direct Plant			
3	Major Interceptors	\$ 430,744,614	81.4%	\$ 350,659,119
4	Liquid Treatment	255,274,787	47.7%	121,740,162
5	Sludge Conveyance	61,031,440	58.6%	35,744,251
6	Sludge Treatment	65,185,974	29.2%	19,050,188
7	<b>Total Direct Plant</b>	<b>\$ 812,236,815</b>		<b>\$ 527,193,720</b>
8	Allocated Plant			
9	General Plant	\$ 36,016,779	50.5%	\$ 18,172,669
10	Common Plant	53,017,323	34.7%	18,407,985
11	Laboratory	-	18.5%	-
12	<b>Total Allocated Plant</b>	<b>\$ 89,034,102</b>		<b>\$ 36,580,654</b>
13	<b>Total Wastewater Plant</b>	<b>\$ 901,270,917</b>		<b>\$ 563,774,374</b>

Colorado Springs Utilities  
2022 Wastewater Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Gross Plant As of 2010	Additions				
				2011	2012	2013	2014	2015
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	<b>Wastewater Plant</b>							
2	Direct Plant <sup>(1)</sup>							
3	Major Interceptors							
4	Land - Collection System <sup>(2)</sup>	302	\$ 330,425	\$ 146,165	\$ 16,884	\$ 25,384	\$ -	\$ -
5	Sewer Mains and Laterals	305	308,890,261	11,778,975	7,512,396	6,513,909	7,620,785	5,445,154
6	Pumping Station Equipment	306	12,520,560	718,804	-	-	-	-
7	Pumping Station Structure	307	14,705,711	-	-	-	-	-
8	Metering Facilities	308	104,046	-	-	-	-	-
9	Building and Structures	309	2,764,711	5,042	-	-	-	26,822
10	Total Major Interceptors		<u>\$ 339,315,714</u>	<u>\$ 12,648,985</u>	<u>\$ 7,529,280</u>	<u>\$ 6,539,293</u>	<u>\$ 7,620,785</u>	<u>\$ 5,471,976</u>
11	Liquid Treatment							
12	Land - Treatment Plants <sup>(2)</sup>	301	\$ 2,627,470	\$ -	\$ -	\$ -	\$ -	\$ -
13	Preliminary Treatment Facility							
14	Structure	311	71,284,978	-	421,214	-	-	-
15	Equipment	312	42,716,907	68,857	-	-	111,857	-
16	Trickling Filter Facility							
17	Primary Clarification							
18	Structure	318	774,280	-	-	-	-	-
19	Equipment	319	83,690	-	-	-	190,990	53,484
20	Trickling Filter							
21	Structure	320	5,261,717	-	-	-	-	-
22	Equipment	321	4,293,557	-	-	-	-	-
23	SEC Clarification							
24	Structure	322	2,167,049	-	-	-	-	-
25	Equipment	323	1,326,668	-	-	-	-	-
26	Trickling Filter Pump Station							
27	Structure	324	588,124	-	-	-	-	-
28	Equipment	325	335,435	-	-	-	-	-
29	Chlorination/Dechlorination FAC							
30	Structure	326	1,149,625	-	-	-	-	-
31	Equipment	327	1,925,420	-	-	-	-	-



Colorado Springs Utilities  
2022 Wastewater Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Additions					Total
			2016	2017	2018	2019	2020	
(a)	(b)	(c)	(i)	(k)	(l)	(m)	(n)	(o)
1	<b>Wastewater Plant</b>							
2	Direct Plant <sup>(1)</sup>							
3	Major Interceptors							
4	Land - Collection System <sup>(2)</sup>	302	\$ -	\$ 13,470	\$ -	\$ -	\$ -	\$ 532,327
5	Sewer Mains and Laterals	305	6,156,897	7,443,379	18,309,273	8,480,845	9,323,806	397,475,679
6	Pumping Station Equipment	306	27,019	-	-	330,491	-	13,596,874
7	Pumping Station Structure	307	-	719,064	-	-	-	15,424,775
8	Metering Facilities	308	-	-	-	21,442	-	125,487
9	Building and Structures	309	-	792,896	-	-	-	3,589,472
10	Total Major Interceptors		<u>\$ 6,183,916</u>	<u>\$ 8,968,808</u>	<u>\$ 18,309,273</u>	<u>\$ 8,832,778</u>	<u>\$ 9,323,806</u>	<u>\$ 430,744,614</u>
11	Liquid Treatment							
12	Land - Treatment Plants <sup>(2)</sup>	301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,627,470
13	Preliminary Treatment Facility							
14	Structure	311	-	-	-	488,651	418,101	72,612,944
15	Equipment	312	113,887	260,832	-	-	20,914	43,293,253
16	Trickling Filter Facility							
17	Primary Clarification							
18	Structure	318	-	-	-	-	-	774,280
19	Equipment	319	-	-	185,198	-	-	513,361
20	Trickling Filter							
21	Structure	320	-	-	-	-	-	5,261,717
22	Equipment	321	-	-	-	-	-	4,293,557
23	SEC Clarification							
24	Structure	322	-	-	-	-	-	2,167,049
25	Equipment	323	-	-	-	-	-	1,326,668
26	Trickling Filter Pump Station							
27	Structure	324	-	-	-	-	-	588,124
28	Equipment	325	-	-	-	-	-	335,435
29	Chlorination/Dechlorination FAC							
30	Structure	326	-	-	-	-	-	1,149,625
31	Equipment	327	-	-	-	-	-	1,925,420

Colorado Springs Utilities  
2022 Wastewater Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Gross Plant As of 2010	Additions				
				2011	2012	2013	2014	2015
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
32	Solids Contact Facilities							
33	Structure	328	1,704,966	-	-	-	-	-
34	Equipment	329	4,175,628	-	-	-	-	-
35	Activated Sludge Facility							
36	Primary Clarifier and Effluent Pump							
37	Structure	330	23,518,812	-	-	-	-	-
38	Equipment	331	1,694,403	-	-	-	-	-
39	Aeration Basins and Blower Bldg							
40	Structure	332	10,082,208	-	-	-	-	-
41	Equipment	333	9,900,955	-	17,346	-	123,865	-
42	SEC Clarification and Polymer Bldg							
43	Structure	334	6,897,390	-	-	-	-	-
44	Equipment	335	8,862,354	-	-	-	-	-
45	Thickening Facility							
46	Structure	336	5,636,068	-	-	-	-	-
47	Equipment	337	7,361,632	-	-	-	-	-
48	Chlorination/Dechlorination FAC							
49	Structure	338	8,297,084	16,911,074	-	-	-	-
50	Equipment	339	4,509,266	151,343	-	-	-	102,403
51	Total Liquid Treatment		\$ 227,175,686	\$ 17,131,274	\$ 438,559	\$ -	\$ 426,711	\$ 155,886
52	Sludge Conveyance							
53	Solids Handling Facility							
54	Blended Sludge Pump Station							
55	Structure	346	\$ 1,014,735	\$ -	\$ -	\$ -	\$ -	\$ -
56	Equipment	347	18,538,348	-	-	-	-	-
57	Sludge Pipeline							
58	Structure	348	41,398,652	-	-	-	-	-
59	Equipment	349	79,705	-	-	-	-	-
60	Total Sludge Conveyance		\$ 61,031,440	\$ -	\$ -	\$ -	\$ -	\$ -



Colorado Springs Utilities  
2022 Wastewater Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Gross Plant As of 2010	Additions				
				2011	2012	2013	2014	2015
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
61	Sludge Treatment							
62	Digesters							
63	Structure	350	\$ 25,070,098	\$ -	\$ -	\$ -	\$ -	\$ 515,040
64	Equipment	351	15,462,105	-	-	-	-	-
65	Sludge/Supernatant Lagoons							
66	Structure	352	20,724,927	-	-	-	-	-
67	Equipment	353	2,832,555	-	-	-	-	-
68	Total Sludge Treatment		\$ 64,089,684	\$ -	\$ -	\$ -	\$ -	\$ 515,040
69	Total Direct Plant		\$ 691,612,525	\$ 29,780,259	\$ 7,967,839	\$ 6,539,293	\$ 8,047,496	\$ 6,142,902
70	Allocated Plant <sup>(3)</sup>							
71	Laboratory	375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
72	General Plant	387-399	20,722,886	583,613	455,879	255,299	1,814,110	1,081,988
73	Common Plant	387-499	41,060,549	1,674,939	1,640,914	1,273,318	1,882,862	511,873
74	Total Allocated Plant		\$ 61,783,435	\$ 2,258,552	\$ 2,096,793	\$ 1,528,617	\$ 3,696,973	\$ 1,593,861
75	<b>Total Wastewater Plant</b>		<b>\$ 753,395,960</b>	<b>\$ 32,038,811</b>	<b>\$ 10,064,632</b>	<b>\$ 8,067,909</b>	<b>\$ 11,744,469</b>	<b>\$ 7,736,763</b>

Notes:

<sup>(1)</sup> Wastewater Plant replacement cost calculated using original plant cost and the Handy Whitman Index of Public Utility Construction Costs.

<sup>(2)</sup> Land replacement costs based on original plant costs.

<sup>(3)</sup> General and Common replacement cost calculated using original plant cost and the Consumer Price Index.

Colorado Springs Utilities  
2022 Wastewater Regional System Availability Fee

SCHEDULE 2.1  
GROSS REPLACEMENT PLANT

Line No.	Description	Account	Additions					Total
			2016	2017	2018	2019	2020	
(a)	(b)	(c)	(i)	(k)	(l)	(m)	(n)	(o)
61	Sludge Treatment							
62	Digesters							
63	Structure	350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,585,138
64	Equipment	351	438,919	-	-	-	-	15,901,024
65	Sludge/Supernatant Lagoons							
66	Structure	352	-	-	-	-	-	20,724,927
67	Equipment	353	-	-	-	-	142,331	2,974,885
68	Total Sludge Treatment		\$ 438,919	\$ -	\$ -	\$ -	\$ 142,331	\$ 65,185,974
69	Total Direct Plant		\$ 6,857,566	\$ 9,240,066	\$ 18,554,166	\$ 9,321,428	\$ 18,173,274	\$ 812,236,815
70	Allocated Plant <sup>(3)</sup>							
71	Laboratory	375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
72	General Plant	387-399	822,130	3,021,588	518,164	1,568,467	5,172,656	36,016,779
73	Common Plant	387-499	1,149,485	1,281,410	1,255,128	584,734	702,111	53,017,323
74	Total Allocated Plant		\$ 1,971,615	\$ 4,302,997	\$ 1,773,291	\$ 2,153,201	\$ 5,874,767	\$ 89,034,102
75	<b>Total Wastewater Plant</b>		<b>\$ 8,829,182</b>	<b>\$ 13,543,063</b>	<b>\$ 20,327,457</b>	<b>\$ 11,474,630</b>	<b>\$ 24,048,042</b>	<b>\$ 901,270,917</b>

Notes:

<sup>(1)</sup> Wastewater Plant replacement cost calculated using original plant cost and the Handy Whitman Index of Public Utility Construction Costs.

<sup>(2)</sup> Land replacement costs based on original plant costs.

<sup>(3)</sup> General and Common replacement cost calculated using original plant cost and the Consumer Price Index.

**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

**SCHEDULE 2.2**  
**DEPRECIATION FACTOR CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Gross Plant as of 12/31/2020</b>	<b>Accumulated Depreciation</b>	<b>Net Plant as of 12/31/2020</b>	<b>Depreciation Factor</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (c) + (d)</b>	<b>(f) (e) / (c)</b>
1	<b>Wastewater Plant</b>				
2	Direct Plant				
3	Major Interceptors	\$ 306,763,438	\$ (57,034,495)	\$ 249,728,943	81.4%
4	Liquid Treatment	185,111,207	(96,831,951)	88,279,256	47.7%
5	Sludge Conveyance	37,740,265	(15,636,944)	22,103,321	58.6%
6	Sludge Treatment	46,929,282	(33,214,497)	13,714,785	29.2%
7	Total Direct Plant	<u>\$ 576,544,193</u>	<u>\$ (202,717,887)</u>	<u>\$ 373,826,305</u>	
8	Allocated Plant				
9	General Plant	\$ 28,875,571	\$ (14,306,078)	\$ 14,569,493	50.5%
10	Common Plant	35,818,718	(23,382,209)	12,436,509	34.7%
11	Laboratory	1,262,785	(1,029,472)	233,313	18.5%
12	Total Allocated Plant	<u>\$ 65,957,074</u>	<u>\$ (38,717,759)</u>	<u>\$ 27,239,314</u>	
13	<b>Total Wastewater Plant</b>	<u><b>\$ 642,501,266</b></u>	<u><b>\$ (241,435,647)</b></u>	<u><b>\$ 401,065,620</b></u>	

**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

**SCHEDULE 3**  
**FUNCTIONALIZATION OF NET REPLACEMENT PLANT EQUITY**

<b>Line No.</b>	<b>Description</b>	<b>Total</b>	<b>Major Interceptors</b>	<b>Liquid Treatment</b>	<b>Sludge Conveyance</b>	<b>Sludge Treatment</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>	<b>(g)</b>
1	<b>Wastewater Plant</b>					
2	Direct Plant					
3	Major Interceptors	\$ 350,659,119	\$ 350,659,119	\$ -	\$ -	\$ -
4	Liquid Treatment	121,740,162	-	121,740,162	-	-
5	Sludge Conveyance	35,744,251	-	-	35,744,251	-
6	Sludge Treatment	19,050,188	-	-	-	19,050,188
7	<b>Total Direct Plant</b>	<b>\$ 527,193,720</b>	<b>\$ 350,659,119</b>	<b>\$ 121,740,162</b>	<b>\$ 35,744,251</b>	<b>\$ 19,050,188</b>
8	Allocated Plant					
9	General Plant	\$ 18,172,669	\$ 12,139,973	\$ 4,291,484	\$ 1,074,500	\$ 666,711
10	Common Plant	18,407,985	12,297,173	4,347,054	1,088,414	675,345
11	Laboratory	-	-	-	-	-
12	<b>Total Allocated Plant</b>	<b>\$ 36,580,654</b>	<b>\$ 24,437,146</b>	<b>\$ 8,638,538</b>	<b>\$ 2,162,913</b>	<b>\$ 1,342,056</b>
13	<b>Total Wastewater Plant</b>	<b>\$ 563,774,374</b>	<b>\$ 375,096,266</b>	<b>\$ 130,378,700</b>	<b>\$ 37,907,164</b>	<b>\$ 20,392,244</b>
14	Less Outstanding Debt	(160,659,966)	(107,326,432)	(37,939,926)	(9,499,382)	(5,894,227)
15	<b>Total Wastewater Plant Equity</b>	<b>\$ 403,114,407</b>	<b>\$ 267,769,833</b>	<b>\$ 92,438,774</b>	<b>\$ 28,407,783</b>	<b>\$ 14,498,017</b>
16	Functional Allocation Factor	100.0%	66.8%	23.6%	5.9%	3.7%
17	Functional Laboratory Allocation	100.0%	0.0%	86.6%	0.0%	13.4%

**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

**SCHEDULE 3.1**  
**FUNCTIONAL ALLOCATION FACTOR CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Net Plant as of 12/31/2020</b>	<b>Functional Allocation Factor</b>	<b>Functional Laboratory Allocation Factor</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
1	<b>Direct Plant</b>			
2	Major Interceptors	\$ 249,728,943	66.8%	0.0%
3	Liquid Treatment	88,279,256	23.6%	86.6%
4	Sludge Conveyance	22,103,321	5.9%	0.0%
5	Sludge Treatment	13,714,785	3.7%	13.4%
6	<b>Total Direct Plant</b>	<b>\$ 373,826,305</b>	<b>100.0%</b>	<b>100.0%</b>



**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

**SCHEDULE 4**  
**WASTEWATER REGIONAL SYSTEM**  
**AVAILABILITY FEES CALCULATION**

Line No.	Description	MGD Blocks				
		Less Than 0.1 MGD	Between 0.1 MGD and 0.29 MGD	Between 0.3 MGD and 0.59 MGD	Between 0.6 MGD and 0.74 MGD	Between 0.75 MGD and 0.99 MGD
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u>
1	Value per MGD	\$ 131,543	\$ 131,543	\$ 131,543	\$ 131,543	\$ 131,543
2	MGD Midpoint	0.0495	0.1950	0.4450	0.6700	0.8700
3	Base Fee before Multiplier <i>(line 1 * line 2)</i>	\$ 6,511	\$ 25,651	\$ 58,536	\$ 88,134	\$ 114,442
4	Multiplier	1.10	1.10	1.10	1.10	1.10
5	<b>Fee</b> <i>(line 3 * line 4)</i>	<b>\$ 7,162</b>	<b>\$ 28,216</b>	<b>\$ 64,390</b>	<b>\$ 96,947</b>	<b>\$ 125,886</b>

**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

**SCHEDULE 4**  
**WASTEWATER REGIONAL SYSTEM**  
**AVAILABILITY FEES CALCULATION**

Line No.	Description	MGD Blocks				
		Between 1 MGD and 1.49 MGD	Between 1.5 MGD and 1.99 MGD	Between 2 MGD and 2.49 MGD	Between 2.5 MGD and 2.99 MGD	Greater than 3 MGD
<u>(a)</u>	<u>(b)</u>	<u>(h)</u>	<u>(i)</u>	<u>(j)</u>	<u>(k)</u>	<u>(l)</u>
1	Value per MGD	\$ 131,543	\$ 131,543	\$ 131,543	\$ 131,543	\$ 131,543
2	MGD Midpoint	1.2450	1.7450	2.2450	2.7450	3.0000
3	Base Fee before Multiplier <i>(line 1 * line 2)</i>	\$ 163,771	\$ 229,542	\$ 295,313	\$ 361,084	\$ 394,628
4	Multiplier	1.10	1.10	1.10	1.10	1.10
5	<b>Fee</b> <i>(line 3 * line 4)</i>	<b>\$ 180,148</b>	<b>\$ 252,496</b>	<b>\$ 324,844</b>	<b>\$ 397,193</b>	<b>\$ 434,091</b>

**Colorado Springs Utilities**  
**2022 Wastewater Regional System Availability Fee**

**SCHEDULE 4.1**  
**UNIT VALUE OF CAPACITY CALCULATION**

<b>Line No.</b>	<b>Description</b>	<b>Value</b>	<b>Annual Capacity (MGD)</b>	<b>Value per MGD</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (c)/(d)</b>
1	Major Interceptors	\$ 267,769,833	95	\$ 2,818,630
2	Liquid Treatment	92,438,774	95	973,040
3	Sludge Conveyance	28,407,783	95	299,029
4	Sludge Treatment	14,498,017	95	152,611
5	Total Value per MGD			\$ 4,243,310
6	Marginal Cost Factor			3.1%
7	<b>Value per MGD</b> <i>(line 5 * line 6)</i>			<b>\$ 131,543</b>

# APPENDICES

# Rate Manual



Colorado Springs Utilities

*It's how we're all connected*

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# Rate Manual

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# Introduction

Colorado Springs Utilities Board (Utilities Board) directs Colorado Springs Utilities (Utilities) to apply ratemaking practices that are just, reasonable and not unduly discriminatory. Pricing of services derive result in revenues that are sufficient to provide safe, reliable utility services to Colorado Springs Utilities citizens and customers while maintaining financial viability of each separate regulated service. The Excellence in Governance Policy Manual includes a specific instruction and guidelines related to pricing of services that establish guidance, structure and transparency in the development of rates (see Appendix).

Furthermore, City Council is directed to apply certain legal standards to the approval of rates for regulated utility products and services. (City Code §12.1.108(E) and (F), contains the standards for energy (E) and water/wastewater (F), and CRS 40-3.5-101 *et seq* of the Colorado Statutes sets forth the standards for energy service beyond municipal limits.) This manual outlines the basic elements involved in determination of the sufficient revenue levels and allocation of the revenue responsibility to the various classes of customers, which is an important first step in the setting of sound rates for services that meet the standards referenced above.

The concepts and procedures described in this manual are based on principles that are generally accepted and widely applied throughout the utility industry. However, due to the unique nature of each utility and the individual utility services offered by different utilities, variations on these concepts and procedures are commonplace within the industry. Courts have recognized that the ratemaking function is as much art as science, and tend to be deferential to rate-setting authorities. The 1944 U.S. Supreme Court *Hope* decision, established that Cost of Service ratemaking is a starting point for determining “just and reasonable” rate(s) and “it is the result reached not the method employed which is controlling.” Consequently, there is no one judicially sanctioned ratemaking methodology, rather there are numerous paths which may lead to rates that meet the relevant legal



standards. The Colorado Supreme Court (1997) stated, “Ratemaking is not an exact science, but, rather, a matter of reasoned judgment.”

Generally accepted ratemaking practice to develop utility rates involves the following analytic procedures:

- Determine the total annual Revenue Requirement for the time period when the rates are to be in effect.
- Perform Cost of Service Study that is used to:
  - Functionalize, at the account level, the relevant expenditure items to the basic functional categories, (e.g., for electric, these are generation, transmission and distribution).
  - Classify each functionalized cost into broad categories utilizing cost causation principles (e.g., for natural gas, these are demand, commodity and customer).
  - Allocate to customer classes based on the service characteristic of each individual class.
- Utilize the results from the Revenue Requirement and the Cost of Service analysis to establish cost-based rates that meet the overall rate design goals and objectives of the utility:
  - Produce revenues equivalent to the Revenue Requirement;
  - Maximize utilization of service infrastructure by encouraging efficient usage;
  - Assure maximum stability of revenues;
  - Distribute the total Revenue Requirement reasonably among the different classes of customers; and
  - Promote economic development by attracting and retaining customers within the service territory.

# Basic Sources of Data

Colorado Springs Utilities (Utilities) maintains financial and accounting records that utilize a chart of accounts based primarily upon the uniform system of accounts prescribed by the Federal Energy Regulatory Commission and/or the National Association of Regulatory Utility Commissioners.

Utilities develops rates to support the annual Budget. The basic sources of data used to extract a Cost of Service Study include financial forecasting models and historical cost accounting data. The annual Budget is a critical data source that is prepared annually and represents the first year in a five-year Annual Operating and Financial Plan.

Other significant data sources are forecasted customers, sales units and demand by rate class. Customers and sales units are derived from statistically adjusted econometric forecast models and demands are derived from historical load studies. The forecast models assume 30-year normal weather.

# Revenue Requirement

The development of the Revenue Requirement is the first analytical step of the ratemaking process. In order to provide adequate utility service to customers, Utilities must receive sufficient revenue from each service to ensure proper operation and maintenance, development and perpetuation of the system and financial stability. Utilities utilizes a version of the Cash-Needs Method to determine the Revenue Requirement. The essence of this method is to provide revenues from the service sufficient to cover all cash obligations as they come due for the period over which the rates are to be in effect. This method is depicted in the following formula:

$$\underline{\mathbf{RR = O\&M + SPTC + DS + CFC + AC}}$$

## **RR = Revenue Requirement**

Revenue Requirement is expressed in terms of a forecasted test year for purposes of determining that rate levels are sufficient and rate changes are appropriate. The Revenue Requirement will vary by year, and by service due to the direct relationship to the annual Budget. Utilities develops annual Budget to achieve the outcomes identified as most important to the Utilities Board and customers. Further, the annual Budget supports the financial metrics necessary to maintain a healthy “AA” credit rating and financial stability.

## **O&M = Operating and Maintenance Expense**

O&M expense represents the day-to-day costs Utilities incurs to produce and deliver electricity, natural gas, water, and wastewater treatment services, and perform administrative and general functions.

**SPTC = Surplus Payments to the City of Colorado Springs**  
(electric, natural gas, and water services)

The City Charter of the City of Colorado Springs (City) provides for the appropriation of any remaining surplus of net earnings to the general revenues of the City. Pursuant to its authority as the legislative body for the City and as the ratemaking body for Utilities, City Council has established planned Surplus Payments to the City of Colorado Springs for Utilities' Electric, Natural Gas, and Water services.

**DS = Debt Service payments**

Debt service payments that include both principal and interest payments associated with outstanding revenue bonds and notes and loans payable.

**CFC = Cash Funded Capital**

Cash requirements necessary to fund capital projects and balance the need for additional debt service.

**AC = Additions to Cash**

Cash requirements necessary to maintain financial stability and designated financial metric levels.

# Cost of Service Study

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## Functionalization

Functionalization is the assignment of costs according to distinct operational functions of the specific utility service. The accounting system and the related chart of accounts establish a structure aligned with these operational functions. This system is a means whereby such costs can be assigned or divided among the major utility functions, thereby making a systematic and rational connection to the following steps in the process.

## ELECTRIC

The major functions generally used for purposes of cost allocation for electric utilities are:

- Generation
- Transmission
- Distribution
- Customer

The *Generation* function includes all costs involved in the generation of power not included in the Electric Cost Adjustment (see Electric and Gas Cost Adjustment Procedures section). The *Transmission* function includes all costs associated with the high-voltage transfer of power from one geographical location to another within a system. The *Distribution* function includes all costs associated with the transfer of power from the transmission system to the consumers. The *Customer* function includes all other costs involved in providing services to customers that are not included in the other functions.

## NATURAL GAS

The major functions generally used for purposes of cost allocation for natural gas utilities are:

- Production
- Distribution
- Customer

The *Production* function includes all costs involved in the production of manufactured gas, not included in the Gas Cost Adjustment (see Electric and Gas Cost Adjustment Procedures section). The *Distribution* function includes all costs associated with the delivery of natural gas from the city gate to the consumers. The *Customer* function includes all other costs involved in providing services to customers that are not included in the other functions.

## WATER

The major functions generally used for purposes of cost allocation for water utilities are:

- Source of Supply
- Treatment
- Transmission
- Distribution
- Nonpotable
- Customer

The *Source of Supply* function includes all costs involved in obtaining and delivering raw water to the local treatment plants. The *Treatment* function includes all costs associated with the water treatment process. The *Transmission* function includes all costs related to moving water from the treatment plants to the local storage tanks. The *Distribution* function includes all costs associated with the delivery of water from the storage tanks to the consumers. The *Nonpotable* function includes all costs related to the production of nonpotable water. The *Customer* function includes all other costs involved in providing services to customers that are not included in the other functions.

## WASTEWATER

The major functions generally used for purposes of cost allocation for wastewater utilities are:

- Collection
- Treatment
- Sludge Handling
- Customer

The *Collection* function includes all costs involved in the delivery of wastewater from the consumers to the treatment plants. The *Treatment* function includes all costs of treating the wastewater, separating it from the sludge and discharge into the creek or into the nonpotable system. The *Sludge Handling* function includes the cost of conveying, treatment and disposal of the sludge. The *Customer* function includes all other costs involved in providing services to customers that are not included in the other functions.

## INDIRECT COSTS

An important part of the functionalization procedure is the arrangement of costs that cannot be directly assigned to distinct operational functions. These costs are incurred on behalf of more than one service or provide benefit to the organization as a whole. These include but are not limited to costs associated with general and common plant, customer accounts, service and information expense and administrative and general (A&G) expense. In a multi-service utility such as Utilities, allocations are applied to assign these expenditures according to a formula consistent with generally accepted ratemaking practices demonstrating a systematic, rational and defensible approach to functionalize indirect costs.

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## **Classification**

Classification further segregates the functionalized costs based on attributes bearing a relationship to a measurable characteristic of the service or groups of services. Classification is based on the principle of cost causation; costs are identified as being caused by a service or group of services if:

- the costs exist as a direct result of providing the service or group of services, or
- the costs are avoided if the service or group of services is not provided.

Although it would be ideal if each group of costs could be directly assigned to a particular service characteristic, in practice this will almost never occur.

### **ELECTRIC**

The most widely used classification components for electric utility service are Demand, Energy and Customer. *Demand*-related costs include those items that are related to system capacity and peak usage, and may be separated by the generation, transmission and distribution functions. *Energy*-related costs include those items that relate to the total kilowatt hours consumed during a period of time, and often are separated into peak and off-peak costs. *Customer*-related costs include items, such as billing and accounting that are related to the number of customers served.

An important component of the classification process for electric service is the division of generation and transmission between demand and energy. As a measure of average utilization of system resources (energy) in relation to peak demand the system load factor is used to classify demand and energy portions of generation transmission expenses.

Another important component of the classification process is the division of distribution costs between demand and customer. The design of the distribution system is driven by both the demand on the system and the number of customers connected to the system. Utilities has consistently split the distribution costs between demand and customer by 65% and 35%, respectively.



## **NATURAL GAS**

The most widely used classification components for natural gas service are Demand, Commodity and Customer. *Demand*-related costs include those items that are related to system capacity and peak usage, and may be separated by the production and distribution functions. *Commodity*-related costs include those items that relate to the total units of gas consumed during a period of time. *Customer*-related costs include items, such as billing and accounting that are related to the number of customers served.

## **WATER**

The most widely used classification components for water service are Base, Extra Capacity and Customer. *Base*-related costs are those that tend to vary with the total quantity of water used, plus those O&M expenses and capital costs associated with the average level of service provided throughout the year, referred to as average annual day. *Extra Capacity*-related costs are associated with meeting requirement in excess of the average use; these costs are further subdivided into costs necessary to meet maximum-day and maximum-hour demands. *Customer*-related costs include items, such as billing and accounting that are not related to the amount of service provided.

## **WASTEWATER**

The most widely used classification components for wastewater service are Volume, Customer, Pretreatment and two strength categories; Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS). *Volume*-related costs include those items that are related to the volume of wastewater that is treated. *Customer*-related costs include items, such as billing and accounting that are related to the number of customers served. *Pretreatment*-related costs reflect those cost items related to the various pretreatment programs. The two strength categories represent costs related to reducing the strength loadings to acceptable levels.

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## **Allocation**

Allocation assigns the functionalized and classified costs to the various customer classes. A customer class is a relatively uniform group of customers that possess similar characteristics such as load characteristics, delivery volume, customer service costs and other conditions of service. Utilities utilizes forecasted data in the development of allocation factors that include, but are not limited to, the following advantages: 1) alignment of developing Utilities rates consistent with the annual Budget and Budget Appropriation, 2) the underlying data used to develop allocation factors between rate classes will match the billing determinants used in the development of the rates for any particular rate class, 3) forecasted data captures changes in class consumption due to various reasons such as weather patterns and customer shifts from one customer class to another. In some circumstances, certain costs are incurred for the direct benefit of customer classes and as such are directly assigned.

### **ELECTRIC**

The three cost categories utilized for electric service allocations are Demand, Energy and Customer. In 2014, Utilities conducted an Allocation Methodology Project to review and evaluate industry allocation methodologies appropriate for Utilities based upon predefined selection criteria. As a result of this project, Utilities selected and implemented the Average and Excess 3 coincident peak (CP) method for generation and transmission *Demand* costs. This methodology allocates based upon both the contribution of each rate class to average load and the average of the three peak hours of the three highest months. The distribution *Demand* is allocated based on each class' annual non-coincident peak (NCP), with recognition to the voltage level the Customer receives service. The *Energy* costs are allocated on the basis of sales or energy output to lines to each class. The *Customer* costs are allocated based on weighted customer numbers.

## **NATURAL GAS**

The three cost categories utilized for natural gas service allocations are Demand, Commodity and Customer. The gas supply *Demand* costs are allocated to firm gas sales customers based on their CP and to interruptible sales customers based upon an assumed 100% load factor. The *Commodity* costs are allocated to customers based upon their commodity sales. The *Customer* costs are allocated based upon weighted customer numbers.

## **WATER**

The four cost categories utilized for water service allocations are Annual, Maximum Day, Maximum Hour and Customer. The *Annual* (sometimes referred to as the base) costs are allocated based upon sales to each class. The *Maximum Day* costs are allocated based on the daily CP of each class. The *Maximum Hour* costs are allocated based on the hourly CP of each class. The *Customer* costs are allocated based on weighted customer numbers.

## **WASTEWATER**

The five cost categories utilized for wastewater service allocations are Volume, Biochemical Oxygen Demand (BOD), Total Suspended Solids (TSS), Pretreatment and Customer. The *Volume* costs are allocated based on the volume discharged by each group. The *BOD* costs are allocated by the BOD loadings of each group. The *TSS* costs are allocated by the TSS loadings of each group. The *Pretreatment* costs are allocated based on volume discharged by each group. The *Customer* costs are allocated based on weighted customer numbers.

# Electric Cost Adjustment (ECA) and Gas Cost Adjustment (GCA)

The cost adjustment is a direct flow-through rate structure, standard in the industry and designed to recover fuel-related costs. Fuel costs are variable and driven by fluctuation in fuel prices, most notably natural gas market prices. Utilities produces and purchases electricity and recovers these fuel-related costs through the Electric Cost Adjustment (ECA). Utilities purchases natural gas and recovers these fuel-related costs through the Gas Cost Adjustment (GCA).

Currently, all retail electric customers and most retail natural gas customers take service under rate schedules that have a cost adjustment clause. The ECA and GCA rates are designed to be modified utilizing City Code § 12.1.107(D), Procedure to Change Certain Rates or Charges and Authorize Refunds by Resolution. Utilities can adjust as often as monthly by Resolution after review by the Office of the City Auditor and approval by City Council. Utilities closely monitors actual sales and forecast data in order to file a proposed ECA and/or GCA rate adjustment with City Council consistent with Cost Adjustment Guidelines identified below.

Initiating a timely response to fluctuation in market prices and consumption supports:

- Providing a price signal to customers based on the true cost of electricity and natural gas;
- Accurately reflecting customers' energy consumption volume and associated costs;
- Effectively managing over and under collection balances; and
- Utilities' financial stability.

Utilities maintains process documentation that codifies and standardizes the ECA and GCA expense accounts.

# Electric Capacity Charge

The Electric Capacity Charge rate (ECC) is designed to recover costs associated with the transportation and storage of natural gas and fixed capacity payments to the Western Area Power Administration (WAPA). These expenditures are made in order to reserve transmission capacity related purchased power and natural gas used for electric generation. Capacity costs are allocated to each electric customer class using the Average and Excess 3 coincident peak (CP) method, and recovered through a per kilowatt hour charge.

The ECC rate is designed to be modified utilizing City Code § 12.1.107(D), Procedure to Change Certain Rates or Charges and Authorize Refunds by Resolution. These ECC costs are natural gas and purchase power related and not within the control of Utilities. Utilities is allowed to adjust as often as monthly by Resolution after review by the Office of the City Auditor and approval by City Council.

# Natural Gas Capacity Charge

The Natural Gas Capacity Charge (GCC) rate is designed to recover costs associated with transportation and storage of natural gas. These costs are largely comprised of fixed capacity charges in order to ensure firm delivery of natural gas to Utilities. These costs are allocated to each customer class using the Average and Excess coincident peak (CP) method, and recovered through a per hundred cubic feet charge.

The GCC rate is designed to be modified utilizing City Code § 12.1.107(D), Procedure to Change Certain Rates or Charges and Authorize Refunds by Resolution. These GCC costs are natural gas fuel related and not within the control of Utilities. Utilities is allowed to adjust as often as monthly by Resolution after review by the Office of the City Auditor and approval by City Council.

# Water and Wastewater Connection Charges and Fees

Each time a new connection is made to the wastewater and/or water system, Utilities requires the payment of a connection charge(s) or fee(s). Such charges are commonly levied in the case of municipal water and wastewater systems. Connection charges serve the purpose of collecting a portion of the costs incurred by past and existing customers in developing the system currently in place in addition to collection of costs incurred for the growth of the system caused by new customers.

The methodology used by Utilities to calculate connection charges follows generally accepted industry standards. The accepted development charge methodology utilized comes from the Colorado Supreme Court in its ruling in *Krupp v. Breckenridge Sanitation District*, issued in early 2001. The basic tenets of that ruling are followed by Utilities in methodology so that the charges are 1) based upon clearly defined needs and costs; and 2) are derived in a manner which fairly apportions costs in accordance with the benefits provided.

The imposition of connection charges mitigates the possibility that existing customers will bear an undue share of the costs of system growth. Funding capital improvements through connection fees greatly decreases the need to collect dollars needed to pay for growth through rate structures that existing customers pay.

Utilities uses the Equity Buy-In approach to ensure that the connection charge balances the sharing of capital costs between existing and new customers. The Equity Buy-In method is generally accepted throughout the country as an appropriate method and is consistent with the standards outlined in the aforementioned *Krupp v. Breckenridge*, and shares the cost of infrastructure between existing and new customers.

The following connection charges and fees are assessed by Utilities:

## Water and Wastewater Development Charges

This charge is assessed at the time of connection to the water and/or wastewater system for capacity in the existing system by a new customer within Utilities' service territory. The amount of the fee depends on lot size for residential customers and meter size for nonresidential customers. A multiplier of 1.50 is assessed for customers outside the city limits.

## Water Resource Fee

This charge is assessed at the time of connection to the water system for capacity based on the cost of projected capital expenditures for growth and expansion by a new customer within Utilities' service territory. The amount of the fee depends on lot size for residential customers and meter size for nonresidential customers. A multiplier of 1.5 is assessed for customers outside the city limits.

## Water and Wastewater Regional System Availability Fees

This charge is assessed at the time of connection to the water and/or wastewater system by a regional customer (institutions, organized water districts, municipal corporations, or other similar organizations) outside the city limits. It is based on the amount of capacity in the existing system utilized by the customer. The charge is determined by the meter size for water regional customers and peak day million gallons per day for wastewater regional customers. A multiplier of 1.20 is assessed for water regional customers and 1.10 for wastewater regional customers.

The use of a multiplier is a standard rate design technique used by local governments to serve customers located outside their jurisdictional limits. In 2017, the Utilities Policy Advisory Committee (UPAC) recommended a multiplier of 20% for regional water service and a multiplier of 10% for regional wastewater service. The UPAC recommendation recognized that the use of a multiplier: is consistent with industry practice; acknowledges citizen investment in infrastructure and system planning; addresses the recovery of administrative cost of finance, legal, billing and water accounting; considers risk associated

with regional service with the higher water multiplier reflecting the service's additional complexity.



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# Appendix

The following Instruction and Guidelines are excerpts from the Excellence in Governance Policy Manual.

## INSTRUCTIONS

Category:	<b>Utilities Board Instructions to the Chief Executive Officer</b>	Date of Adoption:	<b>May 16, 2018</b>
Policy Title (Number):	<b>Pricing of Services (I-1)</b>	Revision Date:	
Monitoring Type:	<b>Internal</b>	Revision Number:	
Monitoring Frequency:	<b>Annual</b>		
Guidelines:	<b>Rate Design (G-5) Electric and Gas Cost Adjustments (G-6)</b>		

**The Chief Executive Officer shall direct that pricing practices result in rates that are just, reasonable and not unduly discriminatory. Accordingly, the CEO shall:**

1. Establish pricing practices that result in revenues that are sufficient to provide safe, reliable utility services to Colorado Springs Utilities citizens and customers.
2. Establish pricing practices that maintain financial viability of each separate regulated service.

## GUIDELINES

Guideline:	<b>Rate Design (G-5)</b>	Date of Adoption:	<b>September 19, 2014</b>
Applicable Policy Title (Number):	<b>Pricing of Services (I-1)</b>	Revision Date:	<b>February 17, 2021</b>
		Revision Number:	2

### Rate Design

1. Rates should be designed applying the principles of economic efficiency and revenue stability.

- A. Economic efficiency supports efficient use of resources, promotes innovative response to changing demand and supply patterns and leads to optimal consumer and utility decision-making in new technologies and resources, such as those that recognize time varying costs and benefits of demand response (i.e., rate design that recover costs that vary with time or demand and/or encourage efficient use of resources).

A proposed rate may be designed based on the ability of a customer class to influence system efficiency and maintain high load factor usage that result in deferring capital costs for added capacity.

- B. Rates support revenue stability through sufficient and predictable recovery of the approved revenue requirement.
2. Applying the remaining supporting pricing principles of equitable for all customers, customer satisfaction and customer bill stability will be considered holistically in rate design.
    - A. A rate is considered equitable for all customers if it is within plus or minus five percent (5%) of the customer class costs established by a Cost of Service study.
    - B. Economic development supports attracting and/or retaining customers in the Colorado Springs area is an appropriate consideration in the design of rates for certain rate classes.
  3. Prior to rate design, a Cost of Service study should be used, where appropriate, to establish costs assigned to each customer class and may vary substantially from study to study.

- A. Deviation from a Cost of Service study should be described in the rate filing.

## GUIDELINES

Guideline:	<b>Electric and Gas Cost Adjustments (G-6)</b>	Date of Adoption:	<b>January 20, 2016</b>
Applicable Policy Title (Number):	<b>Pricing of Services (I-1)</b>	Revision Date:	<b>August 22, 2018</b>
		Revision Number:	<b>1</b>

### Electric and Gas Cost Adjustments

1. Utilities produces and purchases electricity and recovers fuel related costs through the Electric Cost Adjustment (ECA). Utilities purchases natural gas and recovers fuel related costs through the Gas Cost Adjustment (GCA).
2. Cost adjustment rates are proposed in a timely manner to pass-through cost in order to:
  - A. Respond to fluctuations in fuel markets.
  - B. Provide a price signal to customers based on the true cost of electricity and natural gas.
  - C. Accurately reflect customer energy consumption and associated costs.
3. Rate adjustments are filed with City Council on a quarterly basis (January, April, July and October) to pass-through forecasted fuel related costs.
  - A. When collected balances are within plus or minus \$5,000,000, refund/recovery will utilize seasonal forecast sales and target a zero-dollar collected balance at the end of a twelve-month period.
  - B. When collected balances exceed plus or minus \$5,000,000, refund/recovery will be accelerated utilizing a multiplier:
    - i. ECA multiplier of 2.0 will be applied to quarterly seasonal forecast sales.
    - ii. GCA multiplier of 2.0 will be applied to January and October quarterly forecast sales.
4. The Large Power and Light (ELG) electric rate is designed to attract and retain customers with a large industrial load and high load factor. The ELG Supply Credit is established as a percentage of the ECA to reflect ELG's energy cost as compared to average energy cost of the electric system. The ELG Supply Credit percentage is reviewed and adjusted annually, as necessary.

# Hearing Procedures

**CITY OF COLORADO SPRINGS**  
**RULES AND PROCEDURES OF CITY COUNCIL<sup>1</sup>**

**Adopted by Resolution No. 42-13**

**Effective April 16, 2013**

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<sup>1</sup> Rules of Council are adopted by § 3-50 of the Charter of the City of Colorado Springs.

## **PART 4 - UTILITIES PRICING AND TARIFF HEARING PROCEDURE**

The following rules shall govern Council hearings concerning the adoption of resolutions which change the pricing or tariff for any regulated utility service of Colorado Springs Utilities (Utilities):

### **4-1. HEARING PROCESS**

#### **A. Pre-Hearing Procedures**

- (1) The process to change pricing or tariffs for any regulated utility service shall commence with the filing by Utilities of a resolution identifying the proposed changes, accompanied by the proposed tariffs, at a regular or special meeting of Council. Council shall establish a date for a public hearing at that meeting, which hearing shall be no less than thirty (30) calendar days nor more than sixty (60) calendar days from the date of the notice to customers of the proposed resolution.
- (2) Utilities shall be responsible for notifying customers of proposed changes in pricing or tariffs for any regulated utility service as required by the City Code and Colorado law. Utilities shall place one copy of the Utilities filing and any written documents provided to Council to explain the proposed resolution on file in the office of the City Clerk. These documents shall be available for public inspection.
- (3) Before or during any public hearing, Council may be assisted by legal, technical or other professional personnel as it deems necessary. If Council retains a professional consultant or advisor, the consultant or advisor shall provide a written report to Council, Utilities and any customer who has filed a notice of intent under subsection A.8 below at least ten (10) working days prior

to the public hearing. A copy shall also be filed with the City Clerk and shall be available for public inspection.

- (4) If the change in pricing is supported by a cost of service study, Utilities shall provide a draft copy of the proposal and cost of service study to the City Auditor at least thirty (30) calendar days prior to the filing. If the proposed changes do not require a supporting cost of service study, Utilities shall provide a draft of the proposal to the City Auditor seven (7) calendar days prior to the filing of the proposed resolution. If the City Auditor chooses to file a report on the proposal, such report shall be filed with the City Clerk and Utilities at least five (5) calendar days prior to the public hearing.
- (5) Drafts of the proposed resolution and tariff sheets will be provided to the City Attorney seven (7) calendar days prior to filing with Council.
- (6) Subsequent to the Utilities filing and before the public hearing, Utilities may make the following changes to its filed proposal provided that copies of any changes are filed with the City Clerk and sent to customers who have notified the City Clerk of their intention to present witnesses: a) minor corrections or administrative clarifications to the Utilities' filing; b) supplements containing additional information necessary or appropriate to substantiate the filing; c) modifications which reduce the amount of the change requested.
- (7) Prior to the public hearing, no increase in the prices as noticed may be proposed without notification to all customers who notified the City Clerk of their intention to present witnesses at the hearing and without publication of such changes at least once in a newspaper of general circulation within the City. Material supporting any proposal to increase the prices as previously noticed must be filed with the City Clerk and held open for public inspection.



- (8) The representative or attorney of a customer who wishes to present testimony by witnesses other than the customer must file a notice of intent with the City Clerk disclosing the names of witnesses, a short summary of testimony and a copy of all exhibits and other documentation to be presented to Council no less than seven (7) working days prior to the public hearing. A copy of all such material must be filed at the same time with the Utilities' Pricing Department Manager.
- (9) There is no formal right to discovery, but parties are urged to share information in order to expedite the proceeding. Parties are also encouraged to meet in advance of the hearing to narrow or resolve the disputed issues between them. Nothing shall prohibit the Utilities from meeting with customers outside of the hearing process to discuss proposed changes in pricing or tariffs and to solicit their input. (2011)

#### B. Hearing Procedures

- (1) Council shall hear the matter in its legislative capacity. The Colorado Court Rules of Civil Procedure and the Rules of the Public Utilities Commission of the State of Colorado shall not apply to the proceedings. Council is not bound by the rules of evidence. Council may take notice of general, technical or scientific facts, or of laws, regulations or court decisions without the necessity of presentation of evidence.
- (2) At the public hearing Utilities shall make a presentation to explain the filing and the need for changes in pricing or tariffs. Any customer shall be allowed to present testimony and/or exhibits relevant to the proposed changes during that portion of the public hearing when public comment is allowed.

- (3) At the public hearing, Council may question witnesses and may allow such questioning, rebuttal or argument by Utilities, and by customers, their attorneys or representatives, as Council deems appropriate. Council may limit the time for presentation by Utilities, customers and their attorneys or representatives, as it deems appropriate. Testimony must be relevant to the issues being heard and shall not be repetitious. If the testimony or exhibits are repetitious, Council may require all similarly interested customers to designate a spokesperson or may appoint one for them.
- (4) No party shall have a right to present written briefs during or at the conclusion of the public hearing, unless requested by Council.
- (5) Pursuant to the legal requirement that pricing and tariff decisions must be based on information contained "on the record", once the proposed resolution has been filed if Councilmembers have communications about matters subject to decision outside of the public hearing such communications are considered to be "*ex parte* communications". When an *ex parte* communication occurs, the pertinent details of the communication should be noted during the public hearing. In recognition of the fact that Councilmembers also serve on the Utilities Board, and that Councilmembers/Board members and members of Utilities staff frequently communicate on a number of issues, if an *ex parte* communication occurs between a Councilmember and a staff member of Utilities, the staff member will reduce the pertinent elements of the communication to writing. The writing will be distributed to all Councilmembers and customers who have filed notices of intent, and shall be placed on file with the City Clerk as part of the record of the proceeding.

#### C. Post-Hearing Procedures

- (1) At the conclusion of the public hearing, Council shall identify issues for deliberation and decision. Council may adjourn to another time to complete its

deliberation and make a decision on the issues. Council may revise any proposed pricing or tariff as a result of the information presented at the public hearing. All decisions made by Council shall be based on the record.

- (2) After its deliberations, Council shall instruct the City Attorney to draft a proposed Decision and Order. The Decision and Order shall incorporate a description of the history of the proceeding, the issues identified by Council for deliberation, and Council's findings on the issues.
- (3) The written Decision and Order of Council shall be incorporated in a Resolution of Council revising pricing or tariffs. The Decision and Order shall be adopted in open public session and shall be placed on file with the City Clerk. It shall identify the date on which changes in pricing or tariffs were approved and the date on which they shall become effective.
- (4) All prices, as established by Council in these proceedings, shall meet the requirements of the City Code. All prices shall be designated in tariff sheets and shall remain on file in the City Clerk's Office and the Utilities Pricing Department.
- (5) No party shall have the right to request rehearing, reargument or reconsideration of the decision of Council.
- (6) The Utilities filing and supporting documentation, all subsequent documents submitted to Council or the City Clerk by Utilities, customers or their representatives, the report of the City Auditor, the presentations to Council by any party, all Council deliberations, its Decision and Order, and the Resolution adopted, shall constitute the record of these proceedings.

#### **4-2. EXPEDITED HEARING PROCESS FOR INSTANCES OF GOOD CAUSE**

##### **A. Instances for Which Good Cause Exists (2011)**

- (1) Certain pricing and tariff changes may be made, or refunds authorized, without meeting the notice and public hearing requirements imposed by Section I of this Part 4, provided that good cause exists. In the following instances, good cause exists:
  - a. Changes to the gas cost adjustment to reflect increased or decreased gas costs.
  - b. Changes to the electric cost adjustment to reflect increased or decreased costs of the fuel used for electric generation or purchased power costs.
  - c. Refunds to customers.
  - d. Changes to other fees, rates or charges that are not within the control or discretion of the City or the Utilities.
  - e. Changes to the pricing of water necessary to avoid a water shortage.
  - f. Tariff changes which have no adverse impact on customers.
- (2) Council may find that good cause exists in other instances, and must state the nature and circumstances of the good cause in the resolution resulting from its action.

#### B. Process for Expedited Hearing

- (1) Proceedings for consideration of matters for which good cause exists shall be conducted in a legislative manner as a Council item.

- (2) When Utilities proposes changes to the gas cost adjustment or the electric cost adjustment, drafts of the proposal including the proposed resolution and tariffs will be provided to the City Auditor and the City Attorney seven (7) calendar days prior to filing the proposal with Council. If the City Auditor finds that the proposed adjustment is adequately supported and conforms to the requirements of the cost adjustment tariffs, the City Auditor will provide such findings in a letter to the Council that will be included in the filing by Utilities. If the proposed changes to the gas cost adjustment or the electric cost adjustment are supported by a letter from the City Auditor, the resolution effecting the change will be placed on the Council's Consent Calendar. (2011)
- (3) The resolution adopting changes shall be considered an Order of Council, shall specify the changes to be made and shall state: a) the circumstances which establish good cause and necessitate the change being made under these procedures, b) the effective date of the changes, and c) the manner in which the changes shall be published. (2000, 2004; 2011)