



Colorado Springs Utilities

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2022 Rate Case

Supplemental Filing

November 2, 2021



Date: November 2, 2021
To: Members of City Council
From: Scott Shirola, Interim Pricing and Rates Manager
Subject: **SUPPLEMENTAL INFORMATION FOR COLORADO SPRINGS UTILITIES' 2022 RATE CASE FILING**

Colorado Springs Utilities (Utilities) has prepared supplemental information for the 2022 Rate Case originally submitted September 28, 2021. The supplemental material conforms to the requirements of Rules and Procedures of City Council, Part 4 - Utilities Pricing and Tariff Hearing Procedure, Section 1.A.6.

The attached packet contains revised and new information:

- Revised Information
 - Clerical changes to reflect Utilities proposed adjustments to the Electric Cost Adjustment (ECA) and Gas Cost Adjustment (GCA) rates effective November 15, 2021, which will be considered by City Council on November 9, 2021. If approved, ECA and GCA rate adjustments require revisions to the following:
 - Electric Resolution, change reference of Sheet No. 2.9 from Fourteenth Revised to Fifteenth Revised.
 - Electric Redline and Final Tariff Sheets, change Sheet No. 2.9 from Fourteenth Revised to Fifteenth Revised.
 - Natural Gas Resolution, change reference of Sheet No. 2.4 from Fourteenth Revised to Fifteenth Revised.
 - Natural Gas Redline and Final Tariff Sheets, change Sheet No. 2.4 from Fourteenth Revised to Fifteenth Revised.
 - Clerical corrections to comprehensively reflect proposed change to Contract Service – Military Interruptible (GCS-INTS, GCS-G7M) Unauthorized Overrun Charge as noted in Natural Gas Rate Schedule First Revised Sheet No. 3.2 and reflected in the following:
 - Natural Gas Resolution, add reference to Second Revised Sheet No. 2.3.
 - Natural Gas Redline and Final Tariff Sheets, change Unauthorized Overrun Charge, per Mcf from \$40.000 to Overrun Index on Second Revised Sheet No. 2.3 and Fifteenth Revised Sheet No. 2.4.
 - Additional information provided in Water, Wastewater, and Utilities Rules and Regulations Reports to identifying Utilities' anticipated review of Utilities Board policy

related to the transfer of a portion of revenues associated with Regional multipliers to the general revenues of the City of Colorado Springs through Utilities Board's established practice for making changes to Utilities Board policy, which is independent from the rate making process.

- New Information
 - Office of the City Auditor – Audit Report
 - Legal Notice – Affidavit of Publication
 - Public Outreach

Revised Information

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

City Council Vol. No. 6		
Sheet No.	Title	Cancels Sheet No.
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
Fifteenth Revised Sheet No. 2.9	RATE TABLE	Fourteenth 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 23rd day of November 2021.

City Council President

ATTEST:

Sarah B. Johnson, City Clerk

Electric
Redline Tariff Sheets



ELECTRIC RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Electric Cost Adjustment (ECA)		Sheet No. 16
Standard ECA, per kWh (E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)	\$0.0474	
Time-of-Day ECA (ETR)		
On-Peak, per kWh	\$0.0883	
Off-Peak, per kWh	\$0.0413	
Time-of-Day ECA (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)		
On-Peak, per kWh	\$0.0671	
Off-Peak, per kWh	\$0.0419	
Industrial Service – Large Power and Light (ELG) Supply Credit		
Supply Credit – Primary and Secondary Service, 1.3% of Standard ECA, per kWh	\$(0.0006)	
Electric Capacity Charge (ECC)		Sheet No. 17
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: ~~November 9, 2021~~ November 23, 2021
 Effective Date: ~~November 15, 2021~~ January 1, 2022
 Resolution No. _____

Electric
Final Tariff Sheets



ELECTRIC RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Electric Cost Adjustment (ECA)		Sheet No. 16
Standard ECA, per kWh (E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)	\$0.0474	
Time-of-Day ECA (ETR)		
On-Peak, per kWh	\$0.0883	
Off-Peak, per kWh	\$0.0413	
Time-of-Day ECA (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)		
On-Peak, per kWh	\$0.0671	
Off-Peak, per kWh	\$0.0419	
Industrial Service – Large Power and Light (ELG) Supply Credit		
Supply Credit – Primary and Secondary Service, 1.3% of Standard ECA, per kWh	\$(0.0006)	
Electric Capacity Charge (ECC)		Sheet No. 17
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	
Contract Service – Traffic Signals (E2T), per kWh	\$0.0022	
Contract Service – Street Lighting (E7SL), per kWh	\$0.0022	

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

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

City Council Vol. No. 6		
Sheet No.	Title	Cancels Sheet No.
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
Second Revised Sheet No. 2.3	RATE TABLE	First Revised Sheet No. 2.3
Fifteenth Revised Sheet No. 2.4	RATE TABLE	Fourteenth 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 23rd day of November 2021.

City Council President

ATTEST:

Sarah B. Johnson, City Clerk

Natural Gas
Redline Tariff Sheets



NATURAL GAS RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Contract Service – Military Firm (GCS-FIRM, GCS-G6M)		Sheet No. 9
Standard Option (GCS-FIRM)		
Access and Facilities Charge, per day	\$14.5375	
Access and Facilities Charge, per meter, per day	\$0.3343	
Access and Facilities Charge, per Mcf	\$1.7700	
Gas Cost Adjustment (GCA), per Mcf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Monthly Index Option (GCS-G6M)		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$14.5375	
Access and Facilities Charge, per meter, per day	\$0.3343	
Access and Facilities Charge, per Mcf	\$1.7700	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Contract Service – Military Interruptible (GCS-INTS, GCS-G7M)		Sheet No. 10
Standard Option (GCS-INTS)		
Access and Facilities Charge, per day	\$15.1403	
Access and Facilities Charge, per Mcf	\$0.7870	
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</u> \$40.0000	<u>Sheet No. 3.2</u>

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
Monthly Index Option (GCS-G7M)		
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	<u>Overrun</u> Index \$40.0000	<u>Sheet No. 3.2</u>
Gas Cost Adjustment (GCA)		Sheet No. 11
GCA, per Ccf (G1R), (G1CS), (G1CL), (G1S)	\$0.8130	
GCA, per Mcf (G2I), (GCS-FIRM), (GCS-INTS)	\$8.1300	
Gas Capacity Charge (GCC)		Sheet No. 12
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: ~~November 9, 2021~~ November 23, 2021
 Effective Date: ~~November 15, 2021~~ January 1, 2022
 Resolution No. _____

Natural Gas
Final Tariff Sheets



NATURAL GAS RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Contract Service – Military Firm (GCS-FIRM, GCS-G6M)		Sheet No. 9
Standard Option (GCS-FIRM)		
Access and Facilities Charge, per day	\$14.5375	
Access and Facilities Charge, per meter, per day	\$0.3343	
Access and Facilities Charge, per Mcf	\$1.7700	
Gas Cost Adjustment (GCA), per Mcf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Monthly Index Option (GCS-G6M)		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$14.5375	
Access and Facilities Charge, per meter, per day	\$0.3343	
Access and Facilities Charge, per Mcf	\$1.7700	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Contract Service – Military Interruptible (GCS-INTS, GCS-G7M)		Sheet No. 10
Standard Option (GCS-INTS)		
Access and Facilities Charge, per day	\$15.1403	
Access and Facilities Charge, per Mcf	\$0.7870	
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

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



NATURAL GAS RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Monthly Index Option (GCS-G7M)		
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	Overrun Index	Sheet No. 3.2
Gas Cost Adjustment (GCA)		Sheet No. 11
GCA, per Ccf (G1R), (G1CS), (G1CL), (G1S)	\$0.8130	
GCA, per Mcf (G2I), (GCS-FIRM), (GCS-INTS)	\$8.1300	
Gas Capacity Charge (GCC)		Sheet No. 12
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	

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

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. Through Utilities Board’s established practice for

making changes to Utilities Board policy, which is independent from the ratemaking process, Utilities anticipates reviewing Utilities Board policy related to the transfer of a portion of revenues associated with regional multipliers to the general revenues of the City of Colorado Springs. Utilities will coordinate with the City and will recommend any appropriate policy changes to Utilities Board during the first quarter of 2022.

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.

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. Through Utilities Board’s established practice for making changes to Utilities Board policy, which is independent from the ratemaking process, Utilities anticipates reviewing Utilities Board policy related to the transfer of a portion of revenues associated with regional multipliers to the general revenues of the City of Colorado Springs. Utilities will coordinate with the City and will recommend any appropriate policy changes to Utilities Board during the first quarter of 2022.

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. Through Utilities Board's established practice for making changes to Utilities Board policy, which is independent from the ratemaking process, Utilities anticipates reviewing Utilities Board policy related to the transfer of a portion of revenues associated with regional multipliers to the general revenues of the City of Colorado Springs. Utilities will coordinate with the City and will recommend any appropriate policy changes to Utilities Board during the first quarter of 2022.

New
Information

Legal Notice

AFFIDAVIT OF PUBLICATION

STATE OF COLORADO
COUNTY OF EL PASO

I, Lorre Cosgrove, being first duly sworn, deposes and says that she is the Legal Sales Representative of The Colorado Springs Gazette, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Colorado Springs Gazette; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 10/01/2021**

That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice; that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado.



Lorre Cosgrove
Sales Center Agent

Subscribed and sworn to me this 10/01/2021, at said City of Colorado Springs, El Paso County, Colorado.
My commission expires March 30, 2022.



Sandra King
Notary Public
The Gazette

**SANDRA KING
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20184014369
MY COMMISSION EXPIRES MARCH 30, 2022**

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LEGAL NOTICE
COLORADO SPRINGS UTILITIES
121 SOUTH TEJON
COLORADO SPRINGS, COLORADO 80903

Notice of Proposed Rate Changes, Tariff Changes, and Modifications to Utilities Rules and Regulations is required by C.R.S. Section 13-1-100(2)(2)(D) to provide notification when rate of tariff changes are proposed.

Colorado Springs Utilities (Utilities), an enterprise of the City of Colorado Springs, a Colorado home-rule city and municipal corporation, has proposed rate changes, tariff changes, and modifications to Electric, Natural Gas, Water and Wastewater services, as well as Utilities Rules and Regulations (URR).

Electric Service
Utilities proposes the addition of Commercial Service- Non-Metered Electric (EMM) to Utilities' electric rate schedules, and the modification of Contract Service- Military Wheeling to eliminate the optional Prescheduling and Load Management Service.

The following changes are proposed to the Natural Gas Service:
Modification of tariff terms and conditions and charges related to unauthorized overrun charges specific to Industrial Service- Interruptible (IG, IGMA), and Contract Service- Interruptible (IGS-INT).

Addition of a new Industrial Service- Interruptible Prescheduled (G3D) Rate Schedule.
Modification of tariff terms and conditions and Daily Balancing Charges specific to Industrial Service- Transportation Firm (G4T).

Modification of the general terms to clarify the procedure attributable to Contract Service- Military Firm (GCS-FIRM) and Contract Service- Military Interruptible (GCS-INTSI).

Water Service
Utilities proposes an increase to the Automation Service Commodity Charge and the addition of Contract Service- Regional to Utilities' water rate schedules.

Wastewater Service
Utilities proposes to increase the Contract Service- Outside City Limits Treatment Charge and to resume the service Contract Service- Regional.

The following changes are proposed to the Utilities Rules and Regulations:
Clarify the requirements of establishing separate written agreements in limited circumstances where unmetered electric service is permitted.
Establish a new Oversize Main Extension fund to assist in the financing of qualifying large, off-site water and wastewater facilities.

Modify the new Water Development Charge (WDC). WDC is a one-time connection fee for a facility in the existing water system and is charged to new water connections and expansion of existing services. Utilities proposes a phase in of the change to the full charge over a two-year period. The first phase will have an effective date of July 1, 2022, at 50% of the charge, and the second phase will have an effective date of July 1, 2023, at 100% of the charge.
Establishment of a new connection fee, the Water Resource Fee (WRF), to be assessed with each new connection to Utilities' water system (designed to recover growth and expansion with limited cost). The fee will be based on the meter size of the new connection. The proposed WRF is based on the capacity requirement of each new connection associated with facilities needed to serve new developments. Utilities proposes a phase in of the WRF to the full charge over a two-year period. The first phase will have an effective date of July 1, 2022, at 50% of the full WRF amount. The second phase will have an effective date of July 1, 2023, at the full WRF amount.

Prohibit new WDC and Wastewater Development Charge deferrals for Affordable Housing after January 1, 2022.
Establish a show-flow 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.

Establish the Water Regional System Availability Fee and Wastewater Regional System Availability Fee as new connection fees to be assessed to each new regional Customer outside the City Limits.

The proposed changes are described in more detail in the material Utilities filed with the City Clerk. Customers are urged to review the complete filing in order to identify all aspects of the proposal that may affect them. Copies of the proposed resolutions and the accompanying tariff sheets and a set of all materials were provided to City Council. The proposed changes are on file open for public review in the office of the City Clerk, 30 South Nevada Avenue, Colorado Springs, Colorado, 80903 and are posted on the Utilities website www.cspu.org. City Council may also consider tariff changes proposed by Customers which differ from the changes mentioned above.

The City Council set a hearing to be held November 9, 2021 to consider the proposed changes. The hearing will be held in City Council Chambers, 107 North Nevada Avenue, Suite 200, Colorado Springs, Colorado beginning at 10 a.m. The proposed changes, if approved by City Council, will go into effect January 1, 2022, or as otherwise provided in the City Council resolution approving the changes. For certain connection charges, the effective dates will be phased in on July 1, 2022 and July 1, 2023. The proposed resolution and tariffs, including terms and conditions of service as filed with the City Clerk, may be changed by City Council prior to becoming effective as a result of information presented at the hearing by members of the public, witnesses for Customers, the City Auditor, or Utilities.

In addition to public comments taken during the hearing, written comments will be accepted at the office of the City Clerk. Public comments may also be submitted electronically to the City Clerk in advance of the hearing to CityClerk@coloradosprings.gov. Each Utilities Customer has the right to appeal, personally or through counsel, for the purpose of providing testimony regarding the proposed changes. Any Customer who desires to present witnesses, other than the Customer, should file a notice of intent to Present Witnesses and a request for the testimony of each witness, as provided in Section 13-1-100 (3)(3) of the City Code, with the City Clerk's Office, 30 South Nevada Avenue, Colorado Springs, Colorado 80903 or electronically to CityClerk@coloradosprings.gov and with the Colorado Springs Utilities Water Management, 121 South Tejon Street, Colorado Springs, Colorado 80903 on or before 5 p.m. on October 29, 2021. Customers desiring further information on the proposed rate changes described in this notice should telephone Colorado Springs Utilities at (719) 448-4800.

NOTICE TO ELECTRIC AND NATURAL GAS CUSTOMERS OF COLORADO SPRINGS UTILITIES
HEARING DATE: November 9, 2021

Published in The Gazette October 1, 2021.

**Public
Outreach**



2022 Rate Case Public Outreach Overview

This document describes the strategic and comprehensive public outreach plan for the 2022 rate case. The rate case is communicated to residential and business customers using a variety of channels as indicated in the table on the following page.

The Strategic Rates and Budget Communication Plan, including key messages, was distributed to appropriate members of management in September 2021. The Pricing Intranet page is updated periodically with the latest information and tools pertaining to the rates and budget.

The entire rate case was posted on csu.org Sept. 28, 2021, including a link on our homepage. The Draft 2021 Annual Operating and Financial Plan is also posted on the website. More thorough media coverage is expected from Nov. 9 through mid-January 2022.

To better equip our service center with information about the 2022 Rate Case and Draft Annual Operating Budget, employees from Customer and Workforce Communications departments will provide a pre-recorded presentation for small groups of call center representatives. This virtual session includes a high-level overview of the rates case, 2022 budget and changes in the ECA/GCA. Call center staff were provided a one-sheeter with detailed information to use as reference as they engage customers.

Customers can attend Utilities Board meetings and City Council meetings virtually and provide public comment. Video of Utilities Board and City Council meetings are streamed live online, and past Board meetings are available at csu.org. Additionally, all City Council meetings are shown on various days and times on SpringsTV, Channel 18.

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

Communications Channels	Residential	Business	Timing
Water Resource Fee (WRF) Public engagement scheduling (Stakeholder Relations)		x	Feb. 1, 2021
Future of Community Development Summit with Housing & Building Association (HBA)		x	Apr. 6, 2021
Utilities Board Lunch Briefing (WRF)			May 19, 2021
Meeting with HBA (WRF)		x	May 25, 2021
Water Resource Fee Public Affairs Plan	x	x	Jun. 1, 2021

Meeting with HBA (WRF)		x	Jul. 19, 2021
Finance Committee (WRF)			Aug. 13, 2021
Utility Board Update (WRF)			Aug. 18, 2021
Military and Chamber/EDC engagement (WRF)		x	Aug. 19, 2021
Website (csu.org): Rate case filing, proposed budget, interactive bill calculator, videos of live and past Utilities Board meetings	X	X	September 2021 – January 2022
Strategic Communications Plan	X	X	September 2021 – January 2022
Infographics depicting rates for each class of customer	X	X	November 2021 – January 2022
Employee “one-pager”	X	X	November 2021 – February 2022
Social media	X	X	Ongoing
Utilities Board public meetings	X	X	Monthly
City Council public meetings	X	X	Twice monthly
Meetings with news reporters	X	X	As-needed basis
Bill package: Connection, envelope and/or bill messages	X		Ongoing
Smart Home e-newsletter	X		November 2021
Weekly communications/memo to Utilities Board members	X	X	Every Friday
Intranet: including the URSULA rotator and the Pricing and Rates group page	X	X	September 2021 – January 2022
Strategic account managers one-on-one meetings, emails and phone calls		X	Ongoing
Rates Call Center tailgate	X	X	November 2021
City Council website: video of live and past City Council meetings, SpringsTV Ch. 18	X	X	September 2021 – January 2022
First Source e-newsletter		X	Nov. 1, 2021
CONNECTION printed newsletter	X		December 2021
Mid-market monthly newsletter		x	(October TBD 2021)

Proposed Rate Changes

2022 Rate Case



Base rates support the operations and maintenance expenditures (pipes, wire, plants) to maintain safe and reliable utility services. Changes to base rates, if necessary, are proposed in the fall in coordination with our budget for the following year. As a community-owned, not-for-profit utility, our rates cover the costs associated to serve customers. The Public Hearing for the 2022 Rate Case is set for the Nov. 9, 2021 Colorado Springs City Council meeting.

Cost Adjustments only apply to electric and natural gas services. Because the national markets for natural gas and electricity are volatile and uncontrollable, we use cost adjustments to compensate for increases and decreases in market prices. Changes to the cost adjustments, which are typically made quarterly, directly reflect the costs we are paying and passing directly through to customers.

Our budget is developed to achieve competitive utility rates; safe, reliable service; and outstanding customer experiences. The budget supports the financial metrics necessary to maintain a healthy "AA" credit rating that helps keep customer rates competitive.

Planning & Finance

Download financial documents demonstrating our fiscally-responsible use of funds.

[FINANCIAL REPORTS](#) >

We prioritize upgrades to responsibly manage necessary investments for our customers.

[BUDGET & RATE CHANGES](#) >

A sound plan puts us all on the same page so our work is productive and effective for the entire community.

[STRATEGIC PLANNING](#) >

View our full tariffs or download rate sheets with our most common schedules.

[RATES & TARIFFS](#) >

Revenue generated by the sale of equipment and vehicles helps keep rates low for all customers.

[SURPLUS AUCTION](#) >

Rates & Tariffs

Download a rate sheet for our most common schedules.

[Business Rate Sheet](#) >[Residential Rate Sheet](#) >

Detailed terms and conditions for all prices and schedules are provided in our tariffs.

For more details about utility regulations, review the City Codes of Colorado Springs.

[Electric Tariff](#) >[Water Tariff](#) >[Natural Gas Tariff](#) >[Open Access Transmission Tariff](#) >[Wastewater Tariff](#) >[Utilities Rules & Regulations Tariff](#) >

Office of the City Auditor
Audit Report



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

Jacqueline M. Rowland
City Auditor, CPA CFE PMP

21-20 Colorado Springs Utilities 2022 Rate Case

October 2021

Purpose

The purpose of this review focused on accuracy and consistency of the methodology used to develop proposed rates and fees.

Highlights

We conclude that overall the modifications included in the Rate Case Filing Report and supporting schedules for proposed rates and fees for gas, electric, water, and wastewater services effective January 1, 2022 were prepared accurately. Methodology changes were appropriately disclosed in Utilities filing reports. Changes were consistent with rate design guidance approved by Utilities Board, industry guidance such as the American Water Works Association, and any Utilities Policy Advisory Council recommendations. We noted the following methodology changes and rates as compared to the most recent rate filings.

Water service:

- Regional customer rates and fees – The filing includes a new rate schedule for each new connection to Utilities' supply system for regional customers. Average System Cost plus a 20% multiplier was used to develop the commodity charge, as recommended by Utilities Policy Advisory Council. Utilities is also proposing a Water Regional System Availability Fee (WRSF) to be assessed for each new connection to the supply system for Contract Service – Regional Customers. Service is available by contract and only with prior approval from City Council.
- Development Charges – Water Development Charge (WDC) was updated based on current infrastructure and a proposed modification to the Equity Buy-in methodology. A new connection charge, Water Resource Fee (WRF), for capacity based on the cost of projected capital expenditures for growth and expansion.

Electric service: A new ENM (non-metered) rate that offers commercial customers a service option intended to provide energy for small devices with low-level usage.

Gas service: A new Industrial Service – Prescheduled Interruptible Rate Schedule. Utilities also proposed modifications to the methodologies used to determine rates for Military and Interruptible customers.

Wastewater service: Utilities proposed the final year three increase to the Treatment Charge for Regional Contract Service. Utilities also proposed a Wastewater Regional System Availability Fee to be assessed for each new connection to the wastewater system for Contract Service – Regional Customers. Service is available by contract and only with prior approval from City Council.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.

City Council's Office of the City Auditor
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