



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

# 2023 Rate Case

September 13, 2022

# **Executive Summary**

**Rate Case Filing Summary**

Colorado Springs Utilities (Utilities) is submitting a 2023 Rate Case filing that includes proposed changes to the Electric, Natural Gas, Water and Wastewater Rate Schedules, and changes to Utilities Rules and Regulations (URR) and Open Access Transmission Tariff (OATT). The effective date for the proposed changes is January 1, 2023, 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. This report summarizes proposed changes to Electric Rate Schedules.

### 1. Rate Design

#### a. Residential Service Time-of-Day (TOD) Option (ETR) *(Electric Rate Schedules Sheet Nos. 2 and 3.1)*

The ETR rate option supports customer choice for residential customers and offers an opportunity to potentially lower their bill by reducing energy usage during defined on-peak periods. The ETR option was first established by City Council in 1996, and to date a limited number of customers have enrolled in the optional rate. To support greater voluntary customer adoption, integration of renewable energy, and reduction in system peak demand, Utilities proposes the following, effective June 1, 2023:

- Modifications to shorten the Winter On-Peak period from 4:00 pm to 10:00 pm to 4:00 pm to 8:00 pm.
- Shift the Summer On-Peak period by one hour from 3:00 pm to 7:00 pm to 4:00 pm to 8:00 pm.
- Modification of seasonal definitions to reclassify the months of April and May from Summer to Winter thereby shortening the Summer Period down to June through September.
- Establishment of Access and Facilities Charge On-Peak and Off-Peak rates, per kilowatt-hour (kWh) for Summer and Winter Periods.

The proposed changes are designed using forecasted system load data, embedded cost from the 2018 Electric Cost of Service Study, and historical rate class load research. The ETR rates are designed to be revenue neutral to the overall Electric service. For customers utilizing energy in line with average residential usage patterns, ETR rates are designed to be bill neutral over the course of twelve billing periods in comparison to the Residential Service Standard Option (E1R). Individual results for customers voluntarily selecting optional ETR service will vary based on specific seasonal On-Peak and Off-Peak usage.

Utilities anticipates developing a customer research and outreach plan in 2023 to promote greater adoption of the ETR option.

**b. Commercial Service – General TOD Option (ETC)** (*Electric Rate Schedules Sheet No. 2.1*)

The ETC rate option offers commercial customers an opportunity to potentially lower their bill by reducing energy usage during defined on-peak periods to reduce system peak demand. As a continued effort to phase in rates to the appropriate level, this filing proposes adjustments to the Access and Facilities Charge On-Peak and Off-Peak rates, per kWh.

**c. Electric Vehicle (EV) Public Charging** (*Electric Rate Schedules Sheet Nos. 1, 2.11, 2.12, 3.1 and 25*)

Utilities currently has three Level 2 and one Direct Current Fast Charger (DCFC) EV charging station locations available for public use. Energy is currently provided without a fee. Utilities proposes the following:

- Addition of EV Public Charging Rate Schedule for EV charging at Utilities' charging stations available for public use.
- Establishment of Level 2 and DCFC TOD rates, per kWh.
- Establishment of Idle Fees are proposed to be applicable starting 15 minutes after charge is complete to encourage turnover.

**d. Green Power Service** (*Electric Rate Schedules Sheet Nos. 2.9 and 24*)

Green Power Service allows customers to enroll or contract for a higher percentage of renewable energy than provided under standard service. Service under this rate schedule is subject to availability on a first-come, first-serve basis and is currently fully subscribed at the 7,000,000 kWh monthly program limit. This filing proposes the following:

- Increasing the program limit from 7,000,000 to 12,000,000 kWh per month.
- Modification of the pricing methodology to reflect Utilities' cost to provide firm energy service with the transfer or retirement of Renewable Energy Credits (REC).
- Revisions enabling rate adjustments as frequently as monthly based on relevant circumstances including movements in the ECA, REC prices, and cost associated with renewable energy or integration.

**e. Interruptible Service** (*Electric Rate Schedules Sheet Nos. 1, 2.12, 10, 26, 26.1, and 26.2*)

Interruptible service offers industrial customers an opportunity to potentially lower their bill by reducing electric load during interruptible events. To reduce system peak, respond to system or market conditions, or respond to other relevant electric system circumstances, this filing proposes the following effective October 1, 2023:

- Addition of new optional rate schedule for industrial customers with a maximum demand of 500 kWh or greater.
- Establishment of provisions enabling Utilities to directly control customers' loads without notice, up to 100 hours per year, and terms requiring customers to pay for costs associated with installing direct load control equipment.
- Establishment of interruptible service credits based on Utilities' avoided capacity costs.
- The annual load factor kWh will be adjusted for Industrial Service – Large Power and Light (ELG) customers receiving service contracting for interruptible service.

**2. Other Tariff Changes**

**a. ELG Supply Credit** (*Electric Rate Schedules Sheet Nos. 2.4 and 2.9*)

Utilities Board, at their July 17, 2019 meeting, directed the phase out of the ELG Supply Credit to reflect the appropriate cost of providing energy to the ELG Rate Class. On June 28, 2022, City Council approved the final reduction to the credit, establishing it as \$0.0000, per kWh effective July 1, 2022. This filing removes absolute references to the ELG Supply Credit in Electric Rate Tables.

**b. Rate Options** (*Electric Rate Schedules Sheet No. 3*)

Modification of General provisions for optional rate contracts to standardize expiration (December 31st) and renewal (January 1st) dates to improve contract administration efficiency.

**c. Community Solar Garden Bill Credit Pilot Program** (*Electric Rate Schedules Sheet Nos. 22 and 22.4*)

The Community Solar Garden Bill Credit Pilot Program was approved by City Council in 2011 to allow residential and educational institution customers to subscribe to a Community Solar Garden Facility of the customer's choice. The Community Solar



Garden Facility provides electric energy into Utilities' electric system, and a line-item credit for the customer's share of energy is placed on the customers' monthly bill.

The subscription, operation, maintenance, and financial viability of each Community Solar Garden Facility are private contractual matters between the customer and the Community Solar Garden Facility, and not between the customer and Utilities.

This filing proposes modifications to expand program availability currently limited to residential customers and educational institutions to include non-profit organizations.

# **Electric Resolution**

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

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

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed modifications to the electric rate schedules; and

**WHEREAS**, Utilities proposed to change the Residential Service Time-of-Day (ETR) option Access and Facility Charges, per Day and per kWh; and

**WHEREAS**, Utilities proposed to modify the ETR on-peak and off-peak definitions; and

**WHEREAS**, Utilities proposed to implement the ETR changes effective June 1, 2023; and

**WHEREAS**, Utilities proposed to modify the Commercial Service – General Time-of-Day Option (ETC) Access and Facility Charges, per kWh; and

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed to remove obsolete references to the Industrial Service – Large Power and Light (ELG) Supply Credit; and

**WHEREAS**, Utilities proposed to modify general provisions to standardize optional rate contract expiration and renewal dates; and

**WHEREAS**, Utilities proposed to modify the Community Solar Garden Bill Credit (Pilot Program) to broaden program availability to include non-profit organizations; and

**WHEREAS**, Utilities proposed changes to Green Power Service to adjust the rate, add provisions to allow rate changes as frequently as monthly, and increase the program limit to 12,000,000 kWh per month; and

**WHEREAS**, Utilities proposed to add the Electric Vehicle Public Charging Service – Time-of-Day to Utilities’ electric rate schedules; and

**WHEREAS**, Utilities proposed to add the Interruptible Service to Utilities’ electric rate schedules effective October 1, 2023; 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’ 2023 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, 2023, June 1, 2023, or October 1, 2023 as noted in the tables below; 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, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Third Revised Sheet No. 1	TABLE OF CONTENTS	Second Revised Sheet No. 1
Second Revised Sheet No. 2.1	RATE TABLE	First Revised Sheet No. 2.1
Second Revised Sheet No. 2.4	RATE TABLE	First Revised Sheet No. 2.4
Eighteenth Revised Sheet No. 2.9	RATE TABLE	Seventeenth Revised Sheet No. 2.9
Second Revised Sheet No. 2.11	RATE TABLE	First Revised Sheet No. 2.11
Original Sheet No. 2.12	RATE TABLE	
Second Revised Sheet No. 3	GENERAL	First Revised Sheet No. 3
First Revised Sheet No. 3.1	GENERAL	Original Sheet No. 3.1
First Revised Sheet No. 22	COMMUNITY SOLAR GARDEN BILL CREDIT– (PILOT PROGRAM)	Original Sheet No. 22
First Revised Sheet No. 22.4	COMMUNITY SOLAR GARDEN BILL CREDIT– (PILOT PROGRAM)	Original Sheet No. 22.4
First Revised Sheet No. 24	GREEN POWER SERVICE	Original Sheet No. 24
Original Sheet No. 25	ELECTRIC VEHICLE PUBLIC CHARGING SERVICE– TIME-OF-DAY	

Effective June 1, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Third Revised Sheet No. 2	RATE TABLE	Second Revised Sheet No. 2
Second Revised Sheet No. 3.1	GENERAL	First Revised Sheet No. 3.1

Effective October 1, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Fourth Revised Sheet No. 1	TABLE OF CONTENTS	Third Revised Sheet No. 1
First Revised Sheet No. 2.12	RATE TABLE	Original Sheet No. 2.12
First Revised Sheet No. 10	INDUSTRIAL SERVICE– LARGE POWER AND LIGHT (ELG)	Original Sheet No. 10
Original Sheet No. 26	INTERRUPTIBLE SERVICE	
Original Sheet No. 26.1	INTERRUPTIBLE SERVICE	
Original Sheet No. 26.2	INTERRUPTIBLE SERVICE	

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 8<sup>th</sup> day of November 2023.

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

ATTEST:

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

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



**ELECTRIC RATE SCHEDULES**  
**TABLE OF CONTENTS**

<u>DESCRIPTION</u>	<u>SHEET NO.</u>
Rate Table .....	2
General .....	3
Residential Service (E1R, ETR) .....	4
Commercial Service – Small (E1C).....	5
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
Electric Cost Adjustment (ECA).....	16
Electric Capacity Charge (ECC).....	17
Totalization Service .....	18
Enhanced Power Service.....	19
Renewable Energy Net Metering .....	20
Small Power Producers and Cogeneration Service.....	21
Community Solar Garden Bill Credit (Pilot Program) .....	22
Community Solar Garden Program .....	23
Green Power Service.....	24
<u>Electric Vehicle Public Charging Service – Time-of-Day.....</u>	<u>25</u>

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~181-21~~



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

<u><b>DESCRIPTION</b></u>	<u><b>SHEET NO.</b></u>
Rate Table .....	2
General .....	3
Residential Service (E1R, ETR) .....	4
Commercial Service – Small (E1C).....	5
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
Electric Cost Adjustment (ECA).....	16
Electric Capacity Charge (ECC).....	17
Totalization Service .....	18
Enhanced Power Service.....	19
Renewable Energy Net Metering .....	20
Small Power Producers and Cogeneration Service.....	21
Community Solar Garden Bill Credit (Pilot Program) .....	22
Community Solar Garden Program .....	23
Green Power Service.....	24
Electric Vehicle Public Charging Service – Time-of-Day.....	25
<u>Interruptible Service.....</u>	<u>26</u>

Approval Date: November 8, 2022  
 Effective Date: ~~January 1, 2023~~ October 1, 2023  
 Resolution No. \_\_\_\_\_





<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	<del>\$0.5195</del> <u>\$0.5641</u>	
Access and Facilities Charge:		
<u>Winter (October – May) On-Peak, per kWh</u>	<del>\$0.1827</del> <u>\$0.1207</u>	
<u>Winter (October – May) Off-Peak, per kWh</u>	<del>\$0.0522</del> <u>\$0.0604</u>	
<u>Summer (June – September) On-Peak, per kWh</u>	<u>\$0.2414</u>	
<u>Summer (June – September) Off-Peak, per kWh</u>	<u>\$0.0604</u>	
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>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~~November 8, 2022  
 Effective Date: ~~January 1, 2022~~June 1, 2023  
 Resolution No. ~~181-21~~



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

Description	Rates	Reference
<b>Commercial Service – General (E2C, ETC)</b>		<b>Sheet No. 6</b>
<b>Standard Option (E2C)</b>		
Access and Facilities Charge, per day	\$0.7943	
Access and Facilities Charge, per kWh	\$0.0662	
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 (ETC)</b>		
Access and Facilities Charge, per day	\$0.8453	
Access and Facilities Charge:		
On-Peak, per kWh	<del>\$0.1093</del> <u>\$0.1210</u>	
Off-Peak, per kWh	<del>\$0.0437</del> <u>\$0.0484</u>	
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	

Approval Date: ~~November 10, 2020~~November 8, 2022  
 Effective Date: ~~January 1, 2021~~January 1, 2023  
 Resolution No. ~~102-20~~



**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference
<b>Industrial Service – Large Power and Light (ELG)</b>		<b>Sheet No. 10</b>
Access and Facilities Charge, per day	\$6.3800	
Demand Charge Primary, per kW, per day	\$0.6038	
Demand Charge Secondary, per kW, per day	\$0.6156	
Electric Cost Adjustment (ECA), per kWh	Sheet No. 2.9	
<del>Supply Credit – Primary and Secondary Service, per kWh</del>	<del>Sheet No. 2.9</del>	-
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
<b>Industrial Service – Time-of-Day Transmission Voltage (ETX)</b>		<b>Sheet No. 11</b>
Access and Facilities Charge, per day	\$42.7178	
Demand Charge:		
On-Peak, per kW, per day	\$0.7874	
Off-Peak, per kW, per day	\$0.4331	
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	

Approval Date: ~~October 23, 2018~~ November 8, 2022  
 Effective Date: ~~November 1, 2018~~ January 1, 2023  
 Resolution No. ~~115-18~~



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

Description	Rates	Reference
<b>Electric Cost Adjustment (ECA)</b>		<b>Sheet No. 16</b>
Standard ECA, per kWh (E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)	\$0.0523	
<b>Time-of-Day ECA (ETR)</b>		
On-Peak, per kWh	\$0.0932	
Off-Peak, per kWh	\$0.0462	
<b>Time-of-Day ECA (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)</b>		
On-Peak, per kWh	\$0.0720	
Off-Peak, per kWh	\$0.0468	
<del><b>Industrial Service—Large Power and Light (ELG) Supply Credit</b></del>		
<del>Supply Credit—Primary and Secondary Service, 0.0% of Standard ECA, per kWh</del>	<del>\$(0.0000)</del>	<del>-</del>
<b><u>Green Power Service</u></b>		<b><u>Sheet No. 24</u></b>
<u>The rate applicable to each kilowatt hour subscribed under this rate schedule</u>	<del>\$0.0307</del> <u>\$0.0581</u>	
<b>Electric Capacity Charge (ECC)</b>		<b>Sheet No. 17</b>
Residential Service (E1R), per kWh	\$0.0044	
Residential Time-of-Day Option (ETR), per kWh	\$0.0048	
Commercial Service – Small (E1C), per kWh	\$0.0044	
Commercial Service – Non-Metered (ENM), per kWh	\$0.0043	
Commercial Service – General (E2C), per kWh	\$0.0043	
Commercial Service – General Time-of-Day Option (ETC), per kWh	\$0.0024	
Industrial Service – Time-of-Day 1,000 kWh/Day Min (ETL), per kWh	\$0.0037	
Industrial Service – Time-of-Day 500 KW Minimum (E8T), per kWh	\$0.0042	
Industrial Service – Time-of-Day 4,000 KW Minimum (E8S), per kWh	\$0.0038	
Industrial Service – Large Power and Light (ELG), per kWh	\$0.0024	
Industrial Service – Time-of-Day Transmission Voltage (ETX), per kWh	\$0.0028	

Approval Date: ~~June 28, 2022~~November 8, 2022  
 Effective Date: ~~July 1, 2022~~January 1, 2023  
 Resolution No. ~~85-22~~



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

Contract Service – Military (ECD), per kWh	\$0.0033	
Contract Service – Traffic Signals (E2T), per kWh	\$0.0024	
Contract Service – Street Lighting (E7SL), per kWh	\$0.0024	

Approval Date: ~~June 28, 2022~~ November 8, 2022  
 Effective Date: ~~July 1, 2022~~ January 1, 2023  
 Resolution No. ~~85-22~~



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

Description	Rates	Reference
<b>Community Solar Garden Bill Credit (Pilot Program)</b>		<b>Sheet No. 22</b>
The rate applicable to each kilowatt hour under the Bill Credit section of this rate schedule	\$0.0984	
<b>Community Solar Garden Program</b>		<b>Sheet No. 23</b>
<b>Customer Rate Class – Credit, per kWh</b>		
Residential Service (E1R)	\$0.0680	
Residential Time-of-Day Option (ETR)	\$0.0811	
Commercial Service – Small (E1C)	\$0.0680	
Commercial Service – General (E2C)	\$0.0648	
Commercial Service – General Time-of-Day Option (ETC)	\$0.0493	
Industrial Service – Time-of-Day 1,000 kWh/Day Minimum (ETL)	\$0.0622	
Industrial Service – Time-of-Day 500 KW Minimum (E8T)	\$0.0547	
Industrial Service – Time-of-Day 4,000 KW Minimum (E8S)	\$0.0495	
Industrial Service – Large Power and Light (ELG)	\$0.0483	
Industrial Service – Time-of-Day Transmission Voltage (ETX)	\$0.0603	
Contract Service – Military (ECD)	\$0.0556	
<b><del>Green Power Service</del></b>		<b><del>Sheet No. 24</del></b>
<del>The rate applicable to each kilowatt hour subscribed under this rate schedule</del>	<del>\$0.0307</del>	
<b><u>Electric Vehicle Public Charging Service – Time-of-Day</u></b>		<b><u>Sheet No. 25</u></b>
<b><u>Level 2</u></b>		
<u>On-Peak, per kWh</u>	<u>\$0.3100</u>	
<u>Off-Peak, per kWh</u>	<u>\$0.1200</u>	
<u>Idle Rate, per minute</u>	<u>\$0.1000</u>	
<u>Idle rate is applicable beginning 15 minutes after charge is complete.</u>		

Approval Date: ~~November 12, 2019~~November 8, 2022  
 Effective Date: ~~January 1, 2020~~January 1, 2023  
 Resolution No. ~~122-19~~

**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

<b><u>Description</u></b>	<b><u>Rates</u></b>	<b><u>Reference</u></b>
<b><u>Direct Current Fast Charger (DCFC)</u></b>		
<u>On-Peak, per kWh</u>	<u>\$0.5400</u>	
<u>Off-Peak, per kWh</u>	<u>\$0.2200</u>	
<u>Idle Rate, per minute</u>	<u>\$0.3000</u>	
<u>Idle rate is applicable beginning 15 minutes after charge is complete.</u>		

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No.



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

Description	Rates	Reference
<b>Direct Current Fast Charger (DCFC)</b>		
On-Peak, per kWh	\$0.5400	
Off-Peak, per kWh	\$0.2200	
Idle Rate, per minute	\$0.3000	
Idle rate is applicable beginning 15 minutes after charge is complete.		
<b><u>Interruptible Service</u></b>		<b><u>Sheet No. 26</u></b>
<u>Demand Credit, per kW, per day</u>	<u>\$0.1233</u>	
<u>Energy Credit, per kWh</u>	<u>\$0.4500</u>	

Approval Date: November 8, 2022  
 Effective Date: ~~January 1, 2023~~ October 1, 2023  
 Resolution No. \_\_\_\_\_



## ELECTRIC RATE SCHEDULES

### GENERAL

#### DEMAND DETERMINATIONS

##### **Maximum Demand**

Maximum Demand is the greatest 15-minute load during any time in the billing period adjusted upward by 1% for each 1% that the power factor of Customer is below 95% lagging or leading.

##### **Billing Demand**

###### **On-Peak:**

The greatest 15-minute load during On-Peak hours in the billing period adjusted upward by 1% for each 1% that the power factor of Customer is below 95% lagging or leading.

**Off-Peak:** either A or B, whichever is greater.

- A. The greatest 15-minute load during Off-Peak hours in the billing period adjusted upward by 1% for each 1% that the power factor of Customer is below 95% lagging or leading, minus the On-Peak Billing Demand. Such demand will not be less than zero.
- B. 68% of the Maximum Demand during the last 12 billing periods, minus the On-Peak Billing Demand. Such demand will not be less than zero.

#### RATE OPTIONS

Customers may elect a rate options as more fully set forth on subsequent Electric Rate Schedules ~~tariff sheets with~~ subject to any applicable separate eligibility and contract requirements as noted ~~below~~. ~~Rate options are offered for an~~ Unless otherwise noted, the initial contract period is from the rate option service start date to December 31<sup>st</sup> of 12 months. Unless otherwise stated and aAs long as the Customer continues to meet the eligibility requirements, the rate option service ~~service contract~~ shall be automatically renewed for an additional. ~~After the initial~~ 12-month contract period each January 1<sup>st</sup> unless; Customer ~~may~~ provides advance written notice to Utilities not less than 30 days prior to the beginning of the month for which Customer elects not to renew January 1<sup>st</sup> renewal date that Customer elects not to renew for the upcoming rate option contract year. Customers will be evaluated periodically to ensure they continue to meet the specified rate option eligibility requirements. In the event that a Customer is no longer eligible, the contract for rate option service shall not be renewed and shall automatically terminate at the ~~close end~~ of the 12-month contract period on December 31<sup>st</sup>. Upon termination, 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.

Approval Date: ~~November 10, 2020~~ November 8, 2022  
Effective Date: ~~January 1, 2021~~ January 1, 2023  
Resolution No. ~~102-20~~



**ELECTRIC RATE SCHEDULES**

---

**GENERAL**

**ON-PEAK AND OFF-PEAK PERIODS**

On-Peak periods are Monday through Friday excluding the holidays as defined below:

**Residential Time-of-Day Option (ETR) On-Peak Periods:**

**On-Peak Periods:**

Winter (October through March): 4:00 p.m. to 10:00 p.m.  
Summer (April through September): 3:00 p.m. to 7:00 p.m.

~~On-Peak periods are Monday through Friday excluding the holidays as defined below.~~

**Off-Peak Periods:**

~~All other hours plus the following legally observed holidays (the 24-hour calendar day period): 1) New Year's Day, 2) Memorial Day, 3) Independence Day, 4) Labor Day, 5) Thanksgiving Day, and 6) Christmas Day.~~

**Electric Vehicle Public Charging – Time-of-Day On-Peak Period:**

January through December: 4:00 p.m. to 8:00 p.m.

**All Other Time-of-Day Service On-Peak Periods:**

**On-Peak Periods:**

Winter (October through March): 4:00 p.m. to 10:00 p.m.  
Summer (April through September): 11:00 a.m. to 6:00 p.m.

~~On-Peak periods are Monday through Friday, excluding the holidays as defined below.~~

**Off-Peak Periods:**

All other hours plus the following legally observed holidays (the 24-hour calendar day period):  
New Year's Day, 2) Memorial Day, 3) Independence Day, 4) Labor Day, 5) Thanksgiving Day, and 6)  
Christmas Day. Observance of holidays is not applicable to Electric Vehicle Public Charging Service.

**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 Electric 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 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~



<b>ELECTRIC RATE SCHEDULES</b>
<b>GENERAL</b>

E. the conditions of any associated agreement with the Customer or with the Community Solar Garden Facility.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~



**ELECTRIC RATE SCHEDULES**

---

**GENERAL**

**ON-PEAK AND OFF-PEAK PERIODS**

On-Peak periods are Monday through Friday excluding the holidays as defined below:

**Residential Time-of-Day Option (ETR) On-Peak Periods:**

Winter (October through ~~March~~May): 4:00 p.m. to ~~10:00~~8:00 p.m.

Summer (~~April~~June through September): ~~3:00~~4:00 p.m. to ~~7:00~~8:00 p.m.

**Electric Vehicle Public Charging – Time-of-Day On-Peak Period:**

January through December: 4:00 p.m. to 8:00 p.m.

**All Other Time-of-Day Service On-Peak Periods:**

Winter (October through March): 4:00 p.m. to 10:00 p.m.

Summer (April through September): 11:00 a.m. to 6:00 p.m.

**Off-Peak Periods:**

All other hours plus the following legally observed holidays (the 24-hour calendar day period):

New Year's Day, 2) Memorial Day, 3) Independence Day, 4) Labor Day, 5) Thanksgiving Day, and 6) Christmas Day. Observance of holidays is not applicable to Electric Vehicle Public Charging Service.

**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 Electric 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
- E. the conditions of any associated agreement with the Customer or with the Community Solar Garden Facility.

Approval Date: November 8, 2022  
Effective Date: ~~January 1, 2023~~June 1, 2023  
Resolution No. \_\_\_\_\_



**ELECTRIC RATE SCHEDULES**

**INDUSTRIAL SERVICE – LARGE POWER AND LIGHT (ELG)**

**AVAILABILITY**

Available by contract in Utilities’ electric service territory for the Customers whose aggregated Maximum Demand equals or exceeds 4,000 kW in any of the last 12 billing periods. Demand aggregation may only be performed for contiguous service properties on a Customer campus setting. Customers must maintain an annual load factor of 75% or greater.

Annual load factor is derived by multiplying the annual kWh in the period by 100 and dividing by the product of the maximum real demand (prior to power factor correction) in kW and the number of hours in the period. Annual reviews will be conducted by Utilities at the end of the Customer’s annual contract period. Annual kWh will be adjusted for Customers receiving service under the Interruptible Service Rate Schedule.

Customers who select this service will be required to provide a suitable location for the aggregation equipment. Totalization charges do not apply to this offering.

**RATE**

See Rate Table for applicable charges.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ October 1, 2023  
Resolution No. ~~60-18~~



**ELECTRIC RATE SCHEDULES**

**COMMUNITY SOLAR GARDEN BILL CREDIT (PILOT PROGRAM)**

**AVAILABILITY**

Available under the terms and conditions of this rate schedule to any Customer that takes service under the Residential Service Rate Schedule and also available to any Customer that is an Educational Institution, as defined below, or other non-profit organization that takes service under any electric rate schedule, other than electric primary service. All Customers that participate under this rate schedule and in this Pilot Program must hold an indicia of ownership to, a subscription for an indicia of beneficial use of, or an entitlement to the electric generating capacity of a Community Solar Garden Facility (the Customer Solar Garden Interest). Customers may choose any Community Solar Garden Facility that conforms with this rate schedule. The choice of a Community Solar Garden Facility and the acquisition of a Community Solar Garden Interest is the responsibility of the Customer.

**COMMUNITY SOLAR GARDEN FACILITY**

A Community Solar Garden Facility for purposes of this rate schedule is a photovoltaic electric generating installation having a nameplate rating of not less than 100 kilowatts alternating current (AC) and not more than 500 kilowatts AC in electric generating capacity that has executed an interconnection agreement with Utilities. The physical location of any Community Solar Garden Facility under this rate schedule shall be within the electric service territory of Utilities and any electric power produced by the Community Solar Garden Facility shall be consumed within the electric service territory of Utilities. All costs of interconnection and of metering for the Community Solar Garden Facility shall be borne by and paid by the Community Solar Garden Facility. For this Pilot Program all of the following apply:

- A. Each Community Solar Garden Facility must be owned by a separate legal entity.
- B. A Community Solar Garden Facility cannot be controlled by, under common control with, or affiliated with other legal entities that, when all such legal entities ownership interests in Community Solar Garden Facilities are totaled together, own more than one and one-half megawatt AC of total installed Community Solar Garden Facility capacity at no more than three Community Solar Garden Facilities.
- C. No more than a total of two megawatts AC of Community Solar Garden Facilities may execute interconnection agreements with Utilities and have Utilities Customers that participate under this rate schedule.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~



**ELECTRIC RATE SCHEDULES**

**COMMUNITY SOLAR GARDEN BILL CREDIT (PILOT PROGRAM)**

If the Customer does neither of the above actions within three billing periods, then the Customer Solar Garden Interest shall cease to be applied to any Customer account and in consideration of Utilities accepting into Utilities’ Electric System the non-applied generation and adjusting Utilities’ Electric System operations to accept such non-compliant electric generating output of the Community Solar Garden Facility, Utilities shall be entitled to retain at no cost any electric generating output received into Utilities’ Electric System from:

- A. the date that the Customer ceased to be a Customer at the single Premises to which the Customer Solar Garden Interest applied, until
- B. the date that:
  - 1. the Customer Solar Garden Interest has been applied to a new Premises of the Customer and all provisions of this rate schedule have been complied with by the Customer, or
  - 2. the Customer Solar Garden Interest has been transferred to another Customer and all provisions of this rate schedule have been complied with by that Customer.

Unless transferred to Utilities by the Customer pursuant to agreements related to other incentive programs of Utilities that support solar energy generation, any Renewable Energy Credits generated by the Community Solar Garden Facility remain the property of the Customer or of the Community Solar Garden Facility.

**BILL CREDIT**

On or before the last day of each calendar month (or such other period as determined by Utilities) from the information supplied to Utilities by the Community Solar Garden Facility pursuant to the Community Solar Garden Facility section of this rate schedule, Utilities shall compute a bill credit as provided below. Such credit shall be applied as a line-item adjustment to the next bill for Utilities Electric Service provided to the Customer participating under this rate schedule. Electric power utilization as presented on each Customer’s bill shall not be revised to account for any bill credit, and any demand charge payable by an Educational Institution or other non-profit organization shall not be revised because of the bill credit or any electric power consumption offset by such bill credit.

The bill credit shall be computed by utilizing the billing period kilowatt hours attributed to each Customer Solar Garden Interest for the prior period reported to Utilities by the Community Solar Garden Facility, and then by multiplying such kilowatt hours by the rate listed in the Rate Table.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~



**ELECTRIC RATE SCHEDULES**

**GREEN POWER SERVICE**

**AVAILABILITY**

Available through enrollment or by contract, as noted below, in Utilities’ service territory to Customers on any electric rate schedule who want to receive a higher percentage of renewable energy than provided under standard service. Service under this rate schedule is subject to availability on a first come, first serve basis, and is limited to ~~7,000,000~~12,000,000 kWh monthly. Customers receiving service under this rate schedule will elect a percentage of their monthly energy to be subject to the Green Power Service rate. Customers may subscribe in 10% increments up to 100%. Minimum subscription for Residential Service is 30%.

**RATE**

~~See Rate Table for applicable charges.~~

**TERMS AND CONDITIONS**

Customer’s consumption measured in kWh and subject to the ECA, will be adjusted downward by the subscribed percentage of total Green Power Service usage. Customers on Time-of-Day Rate Schedules will have both their measured On-Peak and Off-Peak kWh consumptions subject to the ECA adjusted downward by the elected Green Power Service percentage.

Eligible Customers whose elected Green Power Service percentage is expected to be less than a monthly quantity of 15,000 kWh may enroll in Green Power Service and may terminate participation at any time. Eligible Customers whose elected Green Power Service percentage is expected to equal or exceed a monthly quantity of 15,000 kWh will enroll in Green Power Service through execution of a contract with Utilities. The initial contract period shall be 12 months. As long as the Customer continues to meet eligibility requirements, the contract shall be automatically renewed for additional 12-month terms. After the initial 12-month term, the Customer may terminate and disenroll from Green Power Service by providing Utilities with 30-day written notice.

Customers participating in this service shall receive the benefit of the Renewable Energy Credits (RECs). Participating contract customers may elect to have the RECs transferred to them. Utilities will retire applicable RECs for Customers whose elected participation is less than 15,000 kWh per month.

**RATE**

See Rate Table. These rates may change as often as monthly by Resolution after review by the Office of the City Auditor and approval by City Council.

Approval Date: ~~November 12, 2019~~November 8, 2022  
Effective Date: ~~January 1, 2020~~January 1, 2023  
Resolution No. ~~122-19~~



**ELECTRIC RATE SCHEDULES**

**ELECTRIC VEHICLE PUBLIC CHARGING SERVICE – TIME-OF-DAY**

**AVAILABILITY**

Available for electric vehicle charging at applicable Utilities' charging stations. Service under this rate schedule is not available at charging stations owned by any non-Utilities entity.

**RATE**

See Rate Table for applicable charges.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No.

**ELECTRIC RATE SCHEDULES**

**INTERRUPTIBLE SERVICE**

**AVAILABILITY**

Available by contract in Utilities' electric service territory for Customers whose Maximum Demand equals or exceeds 500 kW in any of the last 12 billing periods. Service under this rate schedule is subordinate to all other services and is conditioned upon availability of Utilities' capacity, resources, and assets without detriment or disadvantage to existing Customers.

**INTERRUPTION**

Customers receiving service under this rate schedule agree to allow Utilities to completely interrupt electric service at the Customer's facility. Utilities may completely interrupt electric service for any reason and without notice up to 100 hours per year. As specified by contract, Customers may agree to be subject to additional hours of interruption in excess of 100 hours per year.

Notwithstanding any provision to the contrary herein, Utilities may fully or partially reduce applicable service when, in the Utilities option, reduction or interruption is necessary to protect the delivery of applicable service to Customers with higher priority uses, or to protect the integrity of its system. Interruption of service related to the following noneconomic reasons will not count towards the total number of interruption hours including emergency repairs, incidents, occurrences, accidents, strikes, force majeure or other circumstances beyond Utilities' control.

Customers are required to provide 24 hours advance notice to Utilities when changes in load of 5 MW or greater are expected.

**CREDIT DETERMINATIONS**

For Customers receiving service under Industrial Service — Time-of-Day rate schedules, the Interruptible Service Demand Credit will be based on the On-Peak Billing Demand for the billing period. For Customers receiving service under the Industrial Service — Large Power and Light (ELG) Rate Schedule, the Interruptible Service Demand Credit will be based on the higher of the Maximum Demand of the billing period or 68% of the Maximum Demand during the last 12 billing periods.

Interruptible Service Energy Credits will be based on the Customers' 15-minute kW demand preceding the interruption event, minus the Customers' average of 5-minute kW demands recorded during the interruption, multiplied by the duration of the interruption event measured in hours.

Approval Date: November 8, 2022

Effective Date: October 1, 2023

Resolution No.

**ELECTRIC RATE SCHEDULES**

**INTERRUPTIBLE SERVICE**

**SERVICE CONSIDERATIONS**

Utilities, in its sole discretion, will determine if service can be interrupted using existing Utilities' switches or controls without impact to other Customers. Utilities may require remote control equipment to be installed on Utilities' system at the Customer's expense, to enable Utilities to directly interrupt the Customer's service.

Customers are responsible for all costs to upgrade the remote-control equipment required to enable Utilities to directly interrupt Customer load. Utilities will provide to customers requesting this service the estimated cost to install remote control equipment necessary to receive such service. The equipment cost estimate will be valid for 90 days from the date of issuance. Procurement of remote-control equipment will be initiated after Customers have paid all remote-control equipment cost. Utilities and Customer will work together to coordinate the installation of remote-control equipment. Customers must submit a completed signed Interruptible Service Agreement (ISA) prior to commencing service under this schedule.

**RATE**

See Rate Table for applicable credits. Customers selecting Interruptible Service will pay the rates applicable to the appropriate rate schedule. All other terms and conditions of the appropriate rate schedule will apply. Customers who select this service may be required to pay for any requested electric service upgrades by Utilities to be in compliance with Utilities' Electric Service Standards.

**INTERRUPTIBLE SERVICE AGREEMENT PERIOD**

Unless otherwise specified, the initial contract period is from the ISA Service Start Date to December 31st. Unless otherwise stated, the ISA shall automatically renew for an additional 12-month contract period each January 1st, unless Customer provides advance written notice to Utilities no later than 180 days prior to the January 1st renewal date that Customer elects not to renew for the upcoming ISA year. In the event a Customer terminates interruptible service, moving to firm service will be conditioned upon Utilities' availability of capacity to serve the Customer's requirement.

If a Customer is no longer eligible or fails to comply with the terms of Interruptible Service, the contract for Interruptible Service shall not renew at the close of the contract renewal date conditioned upon Utilities' availability of capacity to serve the Customer's requirement.

Approval Date: November 8, 2022  
Effective Date: October 1, 2023  
Resolution No.

**ELECTRIC RATE SCHEDULES**

**INTERRUPTIBLE SERVICE**

**LIMITATION OF LIABILITY**

In addition to limitation of liability contained elsewhere in Utilities Rules and Regulations, Customers taking service under this rate schedule shall agree to indemnify and save harmless Utilities from all claims or losses of any sort due to death or injury to person or property resulting from interruption of electric service under this rate schedule or from the operation of the interruption control and switching equipment.

Approval Date: November 8, 2022  
Effective Date: October 1, 2023  
Resolution No.

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



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

<u><b>DESCRIPTION</b></u>	<u><b>SHEET NO.</b></u>
Rate Table .....	2
General .....	3
Residential Service (E1R, ETR) .....	4
Commercial Service – Small (E1C).....	5
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
Electric Cost Adjustment (ECA).....	16
Electric Capacity Charge (ECC).....	17
Totalization Service .....	18
Enhanced Power Service.....	19
Renewable Energy Net Metering .....	20
Small Power Producers and Cogeneration Service.....	21
Community Solar Garden Bill Credit (Pilot Program) .....	22
Community Solar Garden Program .....	23
Green Power Service.....	24
Electric Vehicle Public Charging Service – Time-of-Day.....	25

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



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

<u><b>DESCRIPTION</b></u>	<u><b>SHEET NO.</b></u>
Rate Table .....	2
General .....	3
Residential Service (E1R, ETR) .....	4
Commercial Service – Small (E1C).....	5
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
Electric Cost Adjustment (ECA).....	16
Electric Capacity Charge (ECC).....	17
Totalization Service .....	18
Enhanced Power Service.....	19
Renewable Energy Net Metering .....	20
Small Power Producers and Cogeneration Service.....	21
Community Solar Garden Bill Credit (Pilot Program) .....	22
Community Solar Garden Program .....	23
Green Power Service.....	24
Electric Vehicle Public Charging Service – Time-of-Day.....	25
Interruptible Service.....	26

Approval Date: November 8, 2022  
 Effective Date: October 1, 2023  
 Resolution No. \_\_\_\_\_



<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	\$0.5641	
Access and Facilities Charge:		
Winter (October – May) On-Peak, per kWh	\$0.1207	
Winter (October – May) Off-Peak, per kWh	\$0.0604	
Summer (June – September) On-Peak, per kWh	\$0.2414	
Summer (June – September) Off-Peak, per kWh	\$0.0604	
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>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 8, 2022  
 Effective Date: June 1, 2023  
 Resolution No. \_\_\_\_\_





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

Description	Rates	Reference
<b>Commercial Service – General (E2C, ETC)</b>		<b>Sheet No. 6</b>
<b>Standard Option (E2C)</b>		
Access and Facilities Charge, per day	\$0.7943	
Access and Facilities Charge, per kWh	\$0.0662	
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 (ETC)</b>		
Access and Facilities Charge, per day	\$0.8453	
Access and Facilities Charge:		
On-Peak, per kWh	\$0.1210	
Off-Peak, per kWh	\$0.0484	
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	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



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

Description	Rates	Reference
<b>Industrial Service – Large Power and Light (ELG)</b>		<b>Sheet No. 10</b>
Access and Facilities Charge, per day	\$6.3800	
Demand Charge Primary, per kW, per day	\$0.6038	
Demand Charge Secondary, per kW, per day	\$0.6156	
Electric Cost Adjustment (ECA), per kWh	Sheet No. 2.9	
Electric Capacity Charge (ECC), per kWh	Sheet No. 2.9	
<b>Industrial Service – Time-of-Day Transmission Voltage (ETX)</b>		<b>Sheet No. 11</b>
Access and Facilities Charge, per day	\$42.7178	
Demand Charge:		
On-Peak, per kW, per day	\$0.7874	
Off-Peak, per kW, per day	\$0.4331	
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	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



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

Description	Rates	Reference
<b>Electric Cost Adjustment (ECA)</b>		<b>Sheet No. 16</b>
<b>Standard ECA, per kWh (E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)</b>	\$0.0523	
<b>Time-of-Day ECA (ETR)</b>		
On-Peak, per kWh	\$0.0932	
Off-Peak, per kWh	\$0.0462	
<b>Time-of-Day ECA (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)</b>		
On-Peak, per kWh	\$0.0720	
Off-Peak, per kWh	\$0.0468	
<b>Green Power Service</b>		<b>Sheet No. 24</b>
The rate applicable to each kilowatt hour subscribed under this rate schedule	\$0.0581	
<b>Electric Capacity Charge (ECC)</b>		<b>Sheet No. 17</b>
Residential Service (E1R), per kWh	\$0.0044	
Residential Time-of-Day Option (ETR), per kWh	\$0.0048	
Commercial Service – Small (E1C), per kWh	\$0.0044	
Commercial Service – Non-Metered (ENM), per kWh	\$0.0043	
Commercial Service – General (E2C), per kWh	\$0.0043	
Commercial Service – General Time-of-Day Option (ETC), per kWh	\$0.0024	
Industrial Service – Time-of-Day 1,000 kWh/Day Min (ETL), per kWh	\$0.0037	
Industrial Service – Time-of-Day 500 KW Minimum (E8T), per kWh	\$0.0042	
Industrial Service – Time-of-Day 4,000 KW Minimum (E8S), per kWh	\$0.0038	
Industrial Service – Large Power and Light (ELG), per kWh	\$0.0024	
Industrial Service – Time-of-Day Transmission Voltage (ETX), per kWh	\$0.0028	
Contract Service – Military (ECD), per kWh	\$0.0033	
Contract Service – Traffic Signals (E2T), per kWh	\$0.0024	
Contract Service – Street Lighting (E7SL), per kWh	\$0.0024	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



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

Description	Rates	Reference
<b>Community Solar Garden Bill Credit (Pilot Program)</b>		<b>Sheet No. 22</b>
The rate applicable to each kilowatt hour under the Bill Credit section of this rate schedule	\$0.0984	
<b>Community Solar Garden Program</b>		<b>Sheet No. 23</b>
<b>Customer Rate Class – Credit, per kWh</b>		
Residential Service (E1R)	\$0.0680	
Residential Time-of-Day Option (ETR)	\$0.0811	
Commercial Service – Small (E1C)	\$0.0680	
Commercial Service – General (E2C)	\$0.0648	
Commercial Service – General Time-of-Day Option (ETC)	\$0.0493	
Industrial Service – Time-of-Day 1,000 kWh/Day Minimum (ETL)	\$0.0622	
Industrial Service – Time-of-Day 500 KW Minimum (E8T)	\$0.0547	
Industrial Service – Time-of-Day 4,000 KW Minimum (E8S)	\$0.0495	
Industrial Service – Large Power and Light (ELG)	\$0.0483	
Industrial Service – Time-of-Day Transmission Voltage (ETX)	\$0.0603	
Contract Service – Military (ECD)	\$0.0556	
<b>Electric Vehicle Public Charging Service – Time-of-Day</b>		<b>Sheet No. 25</b>
<b>Level 2</b>		
On-Peak, per kWh	\$0.3100	
Off-Peak, per kWh	\$0.1200	
Idle Rate, per minute	\$0.1000	
Idle rate is applicable beginning 15 minutes after charge is complete.		

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_

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

Description	Rates	Reference
<b>Direct Current Fast Charger (DCFC)</b>		
On-Peak, per kWh	\$0.5400	
Off-Peak, per kWh	\$0.2200	
Idle Rate, per minute	\$0.3000	
Idle rate is applicable beginning 15 minutes after charge is complete.		

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



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

Description	Rates	Reference
<b>Direct Current Fast Charger (DCFC)</b>		
On-Peak, per kWh	\$0.5400	
Off-Peak, per kWh	\$0.2200	
Idle Rate, per minute	\$0.3000	
Idle rate is applicable beginning 15 minutes after charge is complete.		
<b>Interruptible Service</b>		<b>Sheet No. 26</b>
Demand Credit, per kW, per day	\$0.1233	
Energy Credit, per kWh	\$0.4500	

Approval Date: November 8, 2022  
 Effective Date: October 1, 2023  
 Resolution No. \_\_\_\_\_

<b>ELECTRIC RATE SCHEDULES</b>
--------------------------------

<b>GENERAL</b>
----------------

**DEMAND DETERMINATIONS**

**Maximum Demand**

Maximum Demand is the greatest 15-minute load during any time in the billing period adjusted upward by 1% for each 1% that the power factor of Customer is below 95% lagging or leading.

**Billing Demand**

**On-Peak:**

The greatest 15-minute load during On-Peak hours in the billing period adjusted upward by 1% for each 1% that the power factor of Customer is below 95% lagging or leading.

**Off-Peak:** either A or B, whichever is greater.

- A. The greatest 15-minute load during Off-Peak hours in the billing period adjusted upward by 1% for each 1% that the power factor of Customer is below 95% lagging or leading, minus the On-Peak Billing Demand. Such demand will not be less than zero.
- B. 68% of the Maximum Demand during the last 12 billing periods, minus the On-Peak Billing Demand. Such demand will not be less than zero.

**RATE OPTIONS**

Customers may elect a rate option as more fully set forth on subsequent Electric Rate Schedules subject to any applicable separate eligibility and contract requirements as noted. Unless otherwise noted, the initial contract period is from the rate option service start date to December 31<sup>st</sup>. Unless otherwise stated and as long as the Customer continues to meet the eligibility requirements, the rate option service contract shall be automatically renewed for an additional 12-month contract period each January 1<sup>st</sup> unless Customer provides advance written notice to Utilities not less than 30 days prior to the January 1<sup>st</sup> renewal date that Customer elects not to renew for the upcoming rate option contract year. Customers will be evaluated periodically to ensure they continue to meet the specified rate option eligibility requirements. In the event that a Customer is no longer eligible, the contract for rate option service shall not be renewed and shall automatically terminate at the end of the 12-month contract period on December 31<sup>st</sup>. Upon termination, Customer shall be required to move to the rate schedule to which they are eligible upon the end of the contract period.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



<b>ELECTRIC RATE SCHEDULES</b>
<b>GENERAL</b>

**ON-PEAK AND OFF-PEAK PERIODS**

On-Peak periods are Monday through Friday excluding the holidays as defined below:

**Residential Time-of-Day Option (ETR) On-Peak Periods:**

Winter (October through March): 4:00 p.m. to 10:00 p.m.

Summer (April through September): 3:00 p.m. to 7:00 p.m.

**Electric Vehicle Public Charging – Time-of-Day On-Peak Period:**

January through December: 4:00 p.m. to 8:00 p.m.

**All Other Time-of-Day Service On-Peak Periods:**

Winter (October through March): 4:00 p.m. to 10:00 p.m.

Summer (April through September): 11:00 a.m. to 6:00 p.m.

**Off-Peak Periods:**

All other hours plus the following legally observed holidays (the 24-hour calendar day period):

1) New Year's Day, 2) Memorial Day, 3) Independence Day, 4) Labor Day, 5) Thanksgiving Day, and 6) Christmas Day. Observance of holidays is not applicable to Electric Vehicle Public Charging Service.

**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 Electric 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
- E. the conditions of any associated agreement with the Customer or with the Community Solar Garden Facility.

Approval Date: November 8, 2022

Effective Date: January 1, 2023

Resolution No. \_\_\_\_\_





**ELECTRIC RATE SCHEDULES**

---

**GENERAL**

**ON-PEAK AND OFF-PEAK PERIODS**

On-Peak periods are Monday through Friday excluding the holidays as defined below:

**Residential Time-of-Day Option (ETR) On-Peak Periods:**

Winter (October through May): 4:00 p.m. to 8:00 p.m.

Summer (June through September): 4:00 p.m. to 8:00 p.m.

**Electric Vehicle Public Charging – Time-of-Day On-Peak Period:**

January through December: 4:00 p.m. to 8:00 p.m.

**All Other Time-of-Day Service On-Peak Periods:**

Winter (October through March): 4:00 p.m. to 10:00 p.m.

Summer (April through September): 11:00 a.m. to 6:00 p.m.

**Off-Peak Periods:**

All other hours plus the following legally observed holidays (the 24-hour calendar day period):

New Year's Day, 2) Memorial Day, 3) Independence Day, 4) Labor Day, 5) Thanksgiving Day, and 6) Christmas Day. Observance of holidays is not applicable to Electric Vehicle Public Charging Service.

**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 Electric 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
- E. the conditions of any associated agreement with the Customer or with the Community Solar Garden Facility.

Approval Date: November 8, 2022  
Effective Date: June 1, 2023  
Resolution No. \_\_\_\_\_

**ELECTRIC RATE SCHEDULES**

**INDUSTRIAL SERVICE – LARGE POWER AND LIGHT (ELG)**

**AVAILABILITY**

Available by contract in Utilities' electric service territory for the Customers whose aggregated Maximum Demand equals or exceeds 4,000 kW in any of the last 12 billing periods. Demand aggregation may only be performed for contiguous service properties on a Customer campus setting. Customers must maintain an annual load factor of 75% or greater.

Annual load factor is derived by multiplying the annual kWh in the period by 100 and dividing by the product of the maximum real demand (prior to power factor correction) in kW and the number of hours in the period. Annual reviews will be conducted by Utilities at the end of the Customer's annual contract period. Annual kWh will be adjusted for Customers receiving service under the Interruptible Service Rate Schedule.

Customers who select this service will be required to provide a suitable location for the aggregation equipment. Totalization charges do not apply to this offering.

**RATE**

See Rate Table for applicable charges.

Approval Date: November 8, 2022  
Effective Date: October 1, 2023  
Resolution No. \_\_\_\_\_

**ELECTRIC RATE SCHEDULES**

**COMMUNITY SOLAR GARDEN BILL CREDIT (PILOT PROGRAM)**

**AVAILABILITY**

Available under the terms and conditions of this rate schedule to any Customer that takes service under the Residential Service Rate Schedule and also available to any Customer that is an Educational Institution, as defined below, or other non-profit organization that takes service under any electric rate schedule, other than electric primary service. All Customers that participate under this rate schedule and in this Pilot Program must hold an indicia of ownership to, a subscription for an indicia of beneficial use of, or an entitlement to the electric generating capacity of a Community Solar Garden Facility (the Customer Solar Garden Interest). Customers may choose any Community Solar Garden Facility that conforms with this rate schedule. The choice of a Community Solar Garden Facility and the acquisition of a Community Solar Garden Interest is the responsibility of the Customer.

**COMMUNITY SOLAR GARDEN FACILITY**

A Community Solar Garden Facility for purposes of this rate schedule is a photovoltaic electric generating installation having a nameplate rating of not less than 100 kilowatts alternating current (AC) and not more than 500 kilowatts AC in electric generating capacity that has executed an interconnection agreement with Utilities. The physical location of any Community Solar Garden Facility under this rate schedule shall be within the electric service territory of Utilities and any electric power produced by the Community Solar Garden Facility shall be consumed within the electric service territory of Utilities. All costs of interconnection and of metering for the Community Solar Garden Facility shall be borne by and paid by the Community Solar Garden Facility. For this Pilot Program all of the following apply:

- A. Each Community Solar Garden Facility must be owned by a separate legal entity.
- B. A Community Solar Garden Facility cannot be controlled by, under common control with, or affiliated with other legal entities that, when all such legal entities ownership interests in Community Solar Garden Facilities are totaled together, own more than one and one-half megawatt AC of total installed Community Solar Garden Facility capacity at no more than three Community Solar Garden Facilities.
- C. No more than a total of two megawatts AC of Community Solar Garden Facilities may execute interconnection agreements with Utilities and have Utilities Customers that participate under this rate schedule.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



**ELECTRIC RATE SCHEDULES**

**COMMUNITY SOLAR GARDEN BILL CREDIT (PILOT PROGRAM)**

If the Customer does neither of the above actions within three billing periods, then the Customer Solar Garden Interest shall cease to be applied to any Customer account and in consideration of Utilities accepting into Utilities’ Electric System the non-applied generation and adjusting Utilities’ Electric System operations to accept such non-compliant electric generating output of the Community Solar Garden Facility, Utilities shall be entitled to retain at no cost any electric generating output received into Utilities’ Electric System from:

- A. the date that the Customer ceased to be a Customer at the single Premises to which the Customer Solar Garden Interest applied, until
  
- B. the date that:
  - 1. the Customer Solar Garden Interest has been applied to a new Premises of the Customer and all provisions of this rate schedule have been complied with by the Customer, or
  
  - 2. the Customer Solar Garden Interest has been transferred to another Customer and all provisions of this rate schedule have been complied with by that Customer.

Unless transferred to Utilities by the Customer pursuant to agreements related to other incentive programs of Utilities that support solar energy generation, any Renewable Energy Credits generated by the Community Solar Garden Facility remain the property of the Customer or of the Community Solar Garden Facility.

**BILL CREDIT**

On or before the last day of each calendar month (or such other period as determined by Utilities) from the information supplied to Utilities by the Community Solar Garden Facility pursuant to the Community Solar Garden Facility section of this rate schedule, Utilities shall compute a bill credit as provided below. Such credit shall be applied as a line-item adjustment to the next bill for Utilities Electric Service provided to the Customer participating under this rate schedule. Electric power utilization as presented on each Customer’s bill shall not be revised to account for any bill credit, and any demand charge payable by an Educational Institution or other non-profit organization shall not be revised because of the bill credit or any electric power consumption offset by such bill credit.

The bill credit shall be computed by utilizing the billing period kilowatt hours attributed to each Customer Solar Garden Interest for the prior period reported to Utilities by the Community Solar Garden Facility, and then by multiplying such kilowatt hours by the rate listed in the Rate Table.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



**ELECTRIC RATE SCHEDULES**

**GREEN POWER SERVICE**

**AVAILABILITY**

Available through enrollment or by contract, as noted below, in Utilities’ service territory to Customers on any electric rate schedule who want to receive a higher percentage of renewable energy than provided under standard service. Service under this rate schedule is subject to availability on a first come, first serve basis, and is limited to 12,000,000 kWh monthly. Customers receiving service under this rate schedule will elect a percentage of their monthly energy to be subject to the Green Power Service rate. Customers may subscribe in 10% increments up to 100%. Minimum subscription for Residential Service is 30%.

**TERMS AND CONDITIONS**

Customer’s consumption measured in kWh and subject to the ECA, will be adjusted downward by the subscribed percentage of total Green Power Service usage. Customers on Time-of-Day Rate Schedules will have both their measured On-Peak and Off-Peak kWh consumptions subject to the ECA adjusted downward by the elected Green Power Service percentage.

Eligible Customers whose elected Green Power Service percentage is expected to be less than a monthly quantity of 15,000 kWh may enroll in Green Power Service and may terminate participation at any time. Eligible Customers whose elected Green Power Service percentage is expected to equal or exceed a monthly quantity of 15,000 kWh will enroll in Green Power Service through execution of a contract with Utilities. The initial contract period shall be 12 months. As long as the Customer continues to meet eligibility requirements, the contract shall be automatically renewed for additional 12-month terms. After the initial 12-month term, the Customer may terminate and disenroll from Green Power Service by providing Utilities with 30-day written notice.

Customers participating in this service shall receive the benefit of the Renewable Energy Credits (RECs). Participating contract customers may elect to have the RECs transferred to them. Utilities will retire applicable RECs for Customers whose elected participation is less than 15,000 kWh per month.

**RATE**

See Rate Table. These rates may change as often as monthly by Resolution after review by the Office of the City Auditor and approval by City Council.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



**ELECTRIC RATE SCHEDULES**

**ELECTRIC VEHICLE PUBLIC CHARGING SERVICE – TIME-OF-DAY**

**AVAILABILITY**

Available for electric vehicle charging at applicable Utilities’ charging stations. Service under this rate schedule is not available at charging stations owned by any non-Utilities entity.

**RATE**

See Rate Table for applicable charges.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

**ELECTRIC RATE SCHEDULES**

**INTERRUPTIBLE SERVICE**

**AVAILABILITY**

Available by contract in Utilities' electric service territory for Customers whose Maximum Demand equals or exceeds 500 kW in any of the last 12 billing periods. Service under this rate schedule is subordinate to all other services and is conditioned upon availability of Utilities' capacity, resources, and assets without detriment or disadvantage to existing Customers.

**INTERRUPTION**

Customers receiving service under this rate schedule agree to allow Utilities to completely interrupt electric service at the Customer's facility. Utilities may completely interrupt electric service for any reason and without notice up to 100 hours per year. As specified by contract, Customers may agree to be subject to additional hours of interruption in excess of 100 hours per year.

Notwithstanding any provision to the contrary herein, Utilities may fully or partially reduce applicable service when, in the Utilities option, reduction or interruption is necessary to protect the delivery of applicable service to Customers with higher priority uses, or to protect the integrity of its system. Interruption of service related to the following noneconomic reasons will not count towards the total number of interruption hours including emergency repairs, incidents, occurrences, accidents, strikes, force majeure or other circumstances beyond Utilities' control.

Customers are required to provide 24 hours advance notice to Utilities when changes in load of 5 MW or greater are expected.

**CREDIT DETERMINATIONS**

For Customers receiving service under Industrial Service – Time-of-Day rate schedules, the Interruptible Service Demand Credit will be based on the On-Peak Billing Demand for the billing period. For Customers receiving service under the Industrial Service – Large Power and Light (ELG) Rate Schedule, the Interruptible Service Demand Credit will be based on the higher of the Maximum Demand of the billing period or 68% of the Maximum Demand during the last 12 billing periods.

Interruptible Service Energy Credits will be based on the Customers' 15-minute kW demand preceding the interruption event, minus the Customers' average of 5-minute kW demands recorded during the interruption, multiplied by the duration of the interruption event measured in hours.

Approval Date: November 8, 2022  
Effective Date: October 1, 2023  
Resolution No. \_\_\_\_\_

**ELECTRIC RATE SCHEDULES**

**INTERRUPTIBLE SERVICE**

**SERVICE CONSIDERATIONS**

Utilities, in its sole discretion, will determine if service can be interrupted using existing Utilities' switches or controls without impact to other Customers. Utilities may require remote control equipment to be installed on Utilities' system at the Customer's expense, to enable Utilities to directly interrupt the Customer's service.

Customers are responsible for all costs to upgrade the remote-control equipment required to enable Utilities to directly interrupt Customer load. Utilities will provide to customers requesting this service the estimated cost to install remote control equipment necessary to receive such service. The equipment cost estimate will be valid for 90 days from the date of issuance. Procurement of remote-control equipment will be initiated after Customers have paid all remote-control equipment cost. Utilities and Customer will work together to coordinate the installation of remote-control equipment. Customers must submit a completed signed Interruptible Service Agreement (ISA) prior to commencing service under this schedule.

**RATE**

See Rate Table for applicable credits. Customers selecting Interruptible Service will pay the rates applicable to the appropriate rate schedule. All other terms and conditions of the appropriate rate schedule will apply. Customers who select this service may be required to pay for any requested electric service upgrades by Utilities to be in compliance with Utilities' Electric Service Standards.

**INTERRUPTIBLE SERVICE AGREEMENT PERIOD**

Unless otherwise specified, the initial contract period is from the ISA Service Start Date to December 31st. Unless otherwise stated, the ISA shall automatically renew for an additional 12-month contract period each January 1st, unless Customer provides advance written notice to Utilities no later than 180 days prior to the January 1st renewal date that Customer elects not to renew for the upcoming ISA year. In the event a Customer terminates interruptible service, moving to firm service will be conditioned upon Utilities' availability of capacity to serve the Customer's requirement.

If a Customer is no longer eligible or fails to comply with the terms of Interruptible Service, the contract for Interruptible Service shall not renew at the close of the contract renewal date conditioned upon Utilities' availability of capacity to serve the Customer's requirement.

Approval Date: November 8, 2022  
Effective Date: October 1, 2023  
Resolution No. \_\_\_\_\_



<b>ELECTRIC RATE SCHEDULES</b>
--------------------------------

<b>INTERRUPTIBLE SERVICE</b>
------------------------------

**LIMITATION OF LIABILITY**

In addition to limitation of liability contained elsewhere in Utilities Rules and Regulations, Customers taking service under this rate schedule shall agree to indemnify and save harmless Utilities from all claims or losses of any sort due to death or injury to person or property resulting from interruption of electric service under this rate schedule or from the operation of the interruption control and switching equipment.

Approval Date: November 8, 2022  
Effective Date: October 1, 2023  
Resolution No. \_\_\_\_\_

**ELECTRIC**  
**SUPPORTING SCHEDULES**

**Electric Vehicle  
Public Charging Service**

**Colorado Springs Utilities**  
**Electric Vehicle Public Charging Service**

**SCHEDULE 1**  
**SUMMARY OF ELECTRIC VEHICLE PUBLIC CHARGING RATES**  
**PROPOSED JANUARY 1, 2023 <sup>(1)</sup>**

<b>Line No</b>	<b>Description</b>	<b>Level 2 Rates</b>	<b>DCFC<sup>(3)</sup> Rates</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	On-Peak Rate, per kWh	\$ 0.3100	\$ 0.5400
2	Off Peak Rate, per kWh	0.1200	0.2200
3	Idle Rate, per Minute <sup>(2)</sup>	0.1000	0.3000

Notes :

<sup>(1)</sup> Proposed rates are based on calculated cost from Schedule 2 and Schedule 3 rounded to the nearest 1 cent increment with the exception of the Idle Rates, which are rounded up to the nearest 10 cent increment.

<sup>(2)</sup> Idle rate is applicable beginning 15 minutes after charge is complete.

<sup>(3)</sup> Direct Current Fast Charger (DCFC).

**Colorado Springs Utilities**  
**Electric Vehicle Public Charging Service**

**SCHEDULE 2**  
**CALCULATED IDLE COST**

<b>Line No</b>	<b>Description</b>	<b>Level 2</b>	<b>DCFC</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	Total Component Cost, per kWh	\$ 0.1662	\$ 0.2939
2	Parking Charge Intervals, per hour	60	60
3	Total Component Cost, per kW, per minute <i>(Line 1 / Line 2)</i>	\$ 0.0028	\$ 0.0049
4	Typical Station (kW)	6.6	62
5	<b>Calculated Idle Cost per minute</b> <i>(Line 4 x Line 3)</i>	<b>\$ 0.0183</b>	<b>\$ 0.3037</b>

**Colorado Springs Utilities**  
**Electric Vehicle Public Charging Service**

**SCHEDULE 3**  
**RATE DESIGN**

<b>Line No</b>	<b>Description</b>	<b>Level 2 Amount</b>	<b>DCFC Amount</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	Total Component Cost per kWh	\$ 0.1662	\$ 0.2939
2	On-Peak Factor	1.8373	1.8373
3	<b>On-Peak Cost per kWh</b> <i>(Line 1 x Line 2)</i>	<b>\$ 0.3100</b>	<b>\$ 0.5400</b>
4	Off-Peak Factor	0.7411	0.7411
5	<b>Off-Peak Cost per kWh</b> <i>(Line 1 x Line 4)</i>	<b>\$ 0.1200</b>	<b>\$ 0.2200</b>

**Colorado Springs Utilities**  
**Electric Vehicle Public Charging Service**

**SCHEDULE 4**  
**COMPONENT COST**

<b>Line No</b>	<b>Description</b>	<b>Level 2 \$/kWh</b>	<b>DCFC \$/kWh</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
1	<b>Component Cost, per kWh</b>		
2	Direct Cost	\$ 0.0320	\$ 0.1597
3	Non-fuel Electric Service	0.0722	0.0722
4	Energy Cost	0.0581	0.0581
5	Electric Capacity Charge (ECC)	0.0039	0.0039
6	<b>Total Component Cost, per kWh</b>	<b>\$ 0.1662</b>	<b>\$ 0.2939</b>

*Note: Energy cost based on proposed Green Power rate.*

**Colorado Springs Utilities**  
**Electric Vehicle Public Charging Service**

**SCHEDULE 5**  
**ESTIMATED CHARGING STATION RELATED COST**

Line No	Description	Level 2	DCFC
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
1	<b>Direct Cost</b>		
2	Station Related Cost <sup>(1)</sup>	\$ 3,814	\$ 69,419
3	Useful Life (years)	10	10
4	Annualized Station Cost <sup>(2)</sup>	449	8,180
5	Estimated Annual Operations and Maintenance Expense <sup>(3)</sup>	271	1,460
6	Total Direct Cost (Line 4 + Line 5)	<u>\$ 720</u>	<u>\$ 9,640</u>
7	Estimated Annual Electric Vehicle Sales (kWh) <sup>(3)</sup>	22,497	60,356
8	<b>Direct Cost per kWh (Line 6 / Line 7)</b>	<u><b>\$ 0.0320</b></u>	<u><b>\$ 0.1597</b></u>

Notes:

<sup>(1)</sup> Station related cost based on actual cost data net of grant proceeds.

<sup>(2)</sup> Annualized Station Cost calculated based on Estimated Station Related Cost, 10 year useful life, and a rate of 3.1%.

<sup>(3)</sup> Operations and maintenance expense, and electric vehicle charge sales are based on engineering estimates.



**Colorado Springs Utilities**  
**Electric Vehicle Public Charging Service**

**SCHEDULE 6**  
**ON-PEAK AND OFF-PEAK RATE DESIGN FACTORS**

<b>Line No</b>	<b>Description</b>	<b>Amount</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	Non-Coincident Revenue Requirement <sup>(1)</sup>	\$ 35,776,200
2	Forecasted Sales (kWh) <sup>(2)</sup>	668,935,312
3	Base Cost per kWh (Line 1 / Line 2)	\$ 0.0535
4	Average Cost per kWh	\$ 0.0722
5	<b>Off-Peak Rate Design Factor</b> (Line 3 / Line 4)	<b>0.7411</b>
6	Incremental On-Peak Cost	
7	Coincident Peak Revenue Requirement <sup>(3)</sup>	\$ 12,496,285
8	Forecasted On-Peak Sales (kWh) <sup>(4)</sup>	157,969,444
9	Incremental On-peak Cost per kWh (Line 7 / Line 8)	\$ 0.0791
10	Total On-Peak Cost per kWh (Line 3 + Line 9)	\$ 0.1326
11	Average Cost per kWh	\$ 0.0722
12	<b>On-Peak Rate Design Factor</b> (Line 10 / Line 11)	<b>1.8373</b>

**Notes :**

<sup>(1)</sup> Non-coincident revenue requirement based on 2018 Electric Cost of Service Study allocated cost for Commercial Service - General (E2C), excluding demand related components of Generation and Transmission from Schedule 6.

<sup>(2)</sup> Forecasted sales based on 2018 Electric Cost of Service Study for Commercial Service - General (E2C) Schedule 6.4.

<sup>(3)</sup> Coincident revenue requirement based on 2018 Electric Cost of Service Study allocated demand related Generation and Transmission cost for Commercial Service - General (E2C) Schedule 6.

<sup>(4)</sup> Forecasted on-peak sales based on 2017 Load Study data and forecasted sales based on 2018 Electric Cost of Service Study for Commercial Service - General (E2C) Schedule 6.4.

**Colorado Springs Utilities**  
**Electric Vehicle Public Charging Service**

**SCHEDULE 7**  
**NON-FUEL ELECTRIC SERVICE AVERAGE COST PER KWH**

<b>Line No</b>	<b>Description</b>	<b>Amount</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	Revenue Requirement <sup>(1)</sup>	\$ 48,272,485
2	Forecasted Sales (kWh) <sup>(2)</sup>	668,935,312
3	<b>Average Cost per kWh</b> (Line 1 / Line 2)	<b>\$ 0.0722</b>

Notes :

<sup>(1)</sup> Revenue requirement based on 2018 Electric Cost of Service Study allocated cost for Commercial Service - General (E2C) Schedule 7.

<sup>(2)</sup> Forecasted sales based on 2018 Electric Cost of Service Study for Commercial Service - General (E2C) Schedule 6.4.

# **Green Power Service**

**Colorado Springs Utilities  
Green Power Service**

**SCHEDULE 1  
GREEN POWER RATE PROPOSED JANUARY 1, 2023**

<b>Line No.</b>	<b>Description</b>	<b>Amount</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	<b>Green Power Rate</b>	
2	Baseline Green Power	\$ 0.0326
3	Renewable Cost Adjustment	0.0255
4	<b>Green Power Rate, per kWh</b>	<b>\$ 0.0581</b>

Colorado Springs Utilities  
Green Power Service

SCHEDULE 1.1  
RENEWABLE COST ADJUSTMENT

<b>Line No.</b>	<b>Description</b>	<b>Amount</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	<b>Renewable Cost Adjustment</b>	
2	ECA, per kWh	\$ 0.0523
3	Forecasted Renewable Energy Credit Price	0.0058
4	Total Cost <i>(Line 2 + Line 3)</i>	<u>0.0581</u>
5	Baseline Green Power Rate	0.0326
6	<b>Renewable Cost Adjustment <i>(Line 4 - Line 5)</i></b>	<u><b>\$ 0.0255</b></u>

*Note: In the event the Baseline Green Power Rate is greater than Line 4, the Renewable Cost Adjustment will be set to zero.*

Colorado Springs Utilities  
Green Power Service

SCHEDULE 1.2  
BASELINE GREEN POWER RATE

Line No.	Description	Grazing Yak Amount	Palmer Amount	Total Amount
(a)	(b)	(c)	(d)	(e)
1	<b>Baseline Green Power Rate</b>			
2	Energy Cost, per kWh			
3	Energy Cost, per kWh	\$ 0.0335	\$ 0.0289	
4	Integration Cost, per kWh	0.0019	0.0019	
5	Total Energy Cost, per kWh	\$ 0.0354	\$ 0.0308	
6	Annual kWh	88,337,110	153,607,910	241,945,020
7	Annual Energy Expense	\$ 3,128,900	\$ 4,728,051	\$ 7,856,952
8	Green-e Expense			
9	Green-e Base Fee	5,730	4,610	10,340
10	Green-e Volumetric Fees	3,092	5,376	8,468
11	Total Green-e Expense	\$ 8,822	\$ 9,986	\$ 18,808
12	Total Energy and Green-e Expense <i>(Line 7 + Line 11)</i>	\$ 3,137,722	\$ 4,738,038	\$ 7,875,760
13	Estimated Annual kWh	88,337,110	153,607,910	241,945,020
14	<b>Total Baseline Green Power Rate <i>(Line 12 / Line 13)</i></b>	<b>\$ 0.0355</b>	<b>\$ 0.0308</b>	<b>\$ 0.0326</b>

# **Interruptible Service**

**Colorado Springs Utilities  
Interruptible Service**

**SCHEDULE 1  
INTERRUPTIBLE SERVICE CREDITS PROPOSED OCTOBER 1, 2023**

Line No.	Description	Demand Credit (per kW, per Day)	Energy Credit (per kWh)
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
1	<b>Interruptible Demand Credit</b>		
2	2020 Electric Integrated Resource Plan (EIRP) Cost of New Energy (CONE), per kW, per Year	\$ 90.0000	\$ 90.0000
3	Credit Portion	50.0%	50.0%
4	Credit Basis	\$ 45.0000	\$ 45.0000
5	Quantity	365	100
6	<b>Interruptible Credit Amount</b>	<b>\$ 0.1233</b>	<b>\$ 0.4500</b>

Note: Quantity (Line 5) represents days in the demand credit calculation (column c) and hours in the energy credit calculation (column d).



**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. This report summarizes proposed changes to Natural Gas Rate Schedules.

### 1. **Monthly Index** (*Natural Gas Rate Schedules Sheet No. 3.1*)

Administrative correction to Monthly Index definition to reflect the United States Air Force Academy pressure correction to 12.01 Pounds per Square Inch Absolute (PSIA) for billing purposes.

### 2. **Rate Option Contracts** (*Natural Gas Rate Schedules Sheet No. 3.2*)

Modification of General provisions for optional rate contracts to standardize expiration (October 31<sup>st</sup>) and renewal (November 1<sup>st</sup>) dates to improve contract administration efficiency.

### 3. **Industrial Service – Interruptible (G2I, G3M)** (*Natural Gas Rate Schedules Sheet Nos. 7, and 7.1*)

- a. Addition of provisions allowing waiver of overrun charges for an event up to four hours if customers experience equipment malfunction when transitioning to backup fuel supplies.
- b. Removal of exemption from backup fuel supply requirement for customers with warm weather process loads.
- c. Extension of customer contract termination notice, from 30 to 60 days prior to renewal, to facilitate firm gas supply planning.

### 4. **Contract Service – Military Interruptible (GCS-INTS, GCS-G7M)** (*Natural Gas Rate Schedules Sheet Nos. 10 and 10.1*)

Addition of provisions allowing waiver of overrun charges for an event up to four hours if customers experience equipment malfunction when transitioning to backup fuel supplies.

# **Natural Gas Resolution**

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

**A RESOLUTION REGARDING CERTAIN CHANGES  
TO THE NATURAL GAS RATE SCHEDULES OF  
COLORADO SPRINGS UTILITIES**

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed modifications to the natural gas rate schedules; and

**WHEREAS**, Utilities proposed an administrative correction of general provisions to the Monthly Index definition; and

**WHEREAS**, Utilities proposed to modify general provisions to standardize optional rate contract expiration and renewal dates; and

**WHEREAS**, Utilities proposed to modify the Industrial Service – Interruptible (G2I, G3M) to add a provision allowing waiver of overrun charges in certain instances, lengthen the customer contract termination notice timeframe, and remove exemptions from the backup fuel requirement; and

**WHEREAS**, Utilities proposed to modify the Contract Service – Military Interruptible (GCS-INTS, GCS-G7M) to add a provision allowing waiver of overrun charges in certain instances; and

**WHEREAS**, the City Council finds Utilities’ proposed modifications prudent; 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**, the details of the changes for each rate class 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’ 2023 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**, Utilities proposed to make the natural gas rate schedule tariff changes effective January 1, 2023, as noted in the table below; 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, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancel Sheet No.</b>
Third Revised Sheet No. 3.1	GENERAL	Second Revised Sheet No. 3.1
Second Revised Sheet No. 3.2	GENERAL	First Revised Sheet No. 3.2
Third Revised Sheet No. 7	INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)	Second Revised Sheet No. 7
First Revised Sheet No. 7.1	INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)	Original Sheet No. 7.1
Third Revised Sheet No. 10	CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)	Second Revised Sheet No. 10
First Revised Sheet No. 10.1	CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)	Original Sheet No. 10.1

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 8<sup>th</sup> day of November 2022.

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

ATTEST:

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

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



**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.

**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.

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~182-21~~



## 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 a enroll in the~~ rate option ~~s as more fully set forth~~ on ~~the~~ subsequent Natural Gas Rate Schedules ~~tariff sheets based on subject to any~~ applicable separate eligibility and ~~with any applicable~~ contract requirements, as noted. Unless otherwise noted, ~~in specific tariff sheets: (a) rate options are offered for an the~~ initial contract period is from the rate option service start date to October 31st. of 12 months; ~~(b) service contracts shall be automatically renewed for additional 12-month periods so long~~ Unless otherwise stated and as long as the Customer maintains compliance continues to meet the with eligibility requirements, the rate option service contract shall be automatically renewed for an additional and (c) following the initial 12-month contract period each November 1<sup>st</sup> unless; Customer ~~may terminate the contract and contract rate participation by provides advance written notice to Utilities not less than 30 days prior to the November 1<sup>st</sup> renewal date that Customer elects not to renew for the upcoming rate option contract year. providing 30 days written notice to Utilities.~~ Customers will be evaluated periodically to ensure they continue to meet the specified rate option eligibility requirements. In the event that a Customer is no longer eligible, the contract for rate option service shall not be renewed and shall automatically terminate at the ~~close end~~ of the 12-month contract period on October 31<sup>st</sup>. anniversary date and Upon termination, 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: ~~November 23, 2021~~November 8, 2022  
Effective Date: ~~January 1, 2022~~January 1, 2023  
Resolution No. ~~182-21~~



**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 is expected to perform reasonable maintenance and repairs of backup equipment. 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.

In the event of unforeseen backup equipment malfunction resulting in failure to curtail, the Customer may request waiver of the Unauthorized Overrun Charge for one curtailment event up to four hours per year. Submission of request for waiver must be made within two billing periods from the failure to curtail and shall include written affirmation of the malfunction and repair. Utilities shall have the right to deny a request for waiver or reduce the adjusted quantity if, in Utilities’ sole discretion, the malfunction or its magnitude is the result of negligence or malicious acts by the Customer.

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~182-21~~





**NATURAL GAS RATE SCHEDULES**

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

**INTERRUPTIBLE SERVICE AGREEMENT**

Unless otherwise specified, the initial contract period is from the Interruptible Service Agreement (ISA) Service Start Date to October 31st. Unless otherwise stated, the ISA shall automatically renew for an additional 12-month contract period each November 1st, unless Customer provides advance written notice to Utilities no later than 60 days prior to the November 1st renewal date that Customer elects not to renew for the upcoming ISA year.

**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)
  
- 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~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~182-21~~



**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 is expected to perform reasonable maintenance and repairs of backup equipment. 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.

In the event of unforeseen backup equipment malfunction resulting in failure to curtail, the Customer may request waiver of the Unauthorized Overrun Charge for one curtailment event up to four hours per year. Submission of request for waiver must be made within two billing periods from the failure to curtail and shall include written affirmation of the malfunction and repair. Utilities shall have the right to deny a request for waiver or reduce the adjusted quantity if, in Utilities’ sole discretion, the malfunction or its magnitude is the result of negligence or malicious acts by the Customer.

**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)~~

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~182-21~~





**NATURAL GAS RATE SCHEDULES**

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

**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.

**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~~ November 8, 2022  
 Effective Date: ~~January 1, 2022~~ January 1, 2023  
 Resolution No. ~~182-21~~

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





**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.

**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.

**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.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



**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 a rate option as more fully set forth on subsequent Natural Gas Rate Schedules subject to any applicable separate eligibility and contract requirements as noted. Unless otherwise noted, the initial contract period is from the rate option service start date to October 31st. Unless otherwise stated and as long as the Customer continues to meet the eligibility requirements, the rate option service contract shall be automatically renewed for an additional 12-month contract period each November 1<sup>st</sup> unless Customer provides advance written notice to Utilities not less than 30 days prior to the November 1<sup>st</sup> renewal date that Customer elects not to renew for the upcoming rate option contract year. Customers will be evaluated periodically to ensure they continue to meet the specified rate option eligibility requirements. In the event that a Customer is no longer eligible, the contract for rate option service shall not be renewed and shall automatically terminate at the end of the 12-month contract period on October 31<sup>st</sup>. Upon termination, 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: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

**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.

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 is expected to perform reasonable maintenance and repairs of backup equipment. 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.

In the event of unforeseen backup equipment malfunction resulting in failure to curtail, the Customer may request waiver of the Unauthorized Overrun Charge for one curtailment event up to four hours per year. Submission of request for waiver must be made within two billing periods from the failure to curtail and shall include written affirmation of the malfunction and repair. Utilities shall have the right to deny a request for waiver or reduce the adjusted quantity if, in Utilities' sole discretion, the malfunction or its magnitude is the result of negligence or malicious acts by the Customer.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



**NATURAL GAS RATE SCHEDULES**

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

**INTERRUPTIBLE SERVICE AGREEMENT**

Unless otherwise specified, the initial contract period is from the Interruptible Service Agreement (ISA) Service Start Date to October 31st. Unless otherwise stated, the ISA shall automatically renew for an additional 12-month contract period each November 1st, unless Customer provides advance written notice to Utilities no later than 60 days prior to the November 1st renewal date that Customer elects not to renew for the upcoming ISA year.

**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)
  
- 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 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



**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 is expected to perform reasonable maintenance and repairs of backup equipment. 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.

In the event of unforeseen backup equipment malfunction resulting in failure to curtail, the Customer may request waiver of the Unauthorized Overrun Charge for one curtailment event up to four hours per year. Submission of request for waiver must be made within two billing periods from the failure to curtail and shall include written affirmation of the malfunction and repair. Utilities shall have the right to deny a request for waiver or reduce the adjusted quantity if, in Utilities’ sole discretion, the malfunction or its magnitude is the result of negligence or malicious acts by the Customer.

**CONVERSION TO FIRM SERVICE**

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

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



**NATURAL GAS RATE SCHEDULES**

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

**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.

**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 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_

**WATER**

# **Water Report**



## Water Service

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

### 1. Overview

Utilities has conducted a Cost of Service (COS) study based on a Revenue Requirement from the Proposed 2023 Budget. The COS analysis indicates for Utilities to recover the proposed Revenue Requirement it is necessary to increase rates. The primary rate drivers are as follows:

- a. Inflationary increases in labor, benefits, and system maintenance.
- b. Funding infrastructure investments.
  - Advanced Metering Infrastructure (AMI) and Airport Highline Project.
  - Water debt additions.

The proposed rate increase will result in total revenue of \$219.8 million, which is \$10.4 million or 5.0% higher than the projected revenues under current rates. The effect of this increase on the sample monthly Residential water bill is an additional \$5.21 or 7.0% higher. The following Schedule 1 from COS summarizes the Sample Monthly Water Bill Comparison:

Line No.	Rate Class	Current	Proposed	Proposed Increase / (Decrease)	% Change
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(d) - (c)</u>	<u>(f)</u> <u>(e) / (c)</u>
1	Residential Service - Inside City Limits	\$ 74.93	\$ 80.14	\$ 5.21	7.0%
2	Small Nonresidential Service - Inside City Limits	\$ 231.21	\$ 241.65	\$ 10.44	4.5%
3	Large Nonresidential Service - Inside City Limits	\$ 3,027.71	\$ 3,160.35	\$ 132.64	4.4%

*Note: The sample bill is calculated using existing rates and proposed rates assuming: 30 days per month; 1,100 cf for Residential; 3,000 cf for Small Nonresidential; 50,000 cf for Large Nonresidential.*

### 2. Cost of Service and Rate Design

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

additional information. The Nonpotable rate class has been removed as a separate rate class in the COS and the Residential class is finalizing a phased-in approach to flatten the prices of the block structure.

The following Schedule 2 from the COS summarizes the relationship of revenue as a percentage of COS applying the proposed rates:

Line No.	Rate Class	Net Revenue Requirement	Revenue Under Current Rates	Proposed Increase / (Decrease)	Percent Revenue Change	Proposed Revenue from Rates	Percent of Net Revenue Requirement
(a)	(b)	(c)	(d)	(e) (e) - (d)	(f) (e) / (d)	(g) (d) + (e)	(h) (g) / (c)
1	Residential Service	\$ 115,949,474	\$ 110,359,771	\$ 5,621,089	5.1%	\$ 115,980,861	100.0%
2	Nonresidential Service	87,180,703	84,596,208	3,725,476	4.4%	88,321,684	101.3%
3	Large Nonseasonal Service	4,018,507	3,795,345	223,162	5.9%	4,018,507	100.0%
4	Contract Service - Military	12,735,873	10,662,537	804,958	7.6%	11,467,496	90.0%
5	<b>Total</b>	<b>\$ 219,884,556</b>	<b>\$ 209,413,862</b>	<b>\$10,374,685</b>	<b>5.0%</b>	<b>\$ 219,788,547</b>	<b>100.0%</b>

*Note: Residential and Nonresidential values are inclusive of Inside and Outside City Limits service.*

**a. Residential (Water Rate Schedules Sheet No. 2)**

This service is available for general residential purposes. Proposed rates were designed balancing the objectives of water conservation, affordability, and revenue stability. Proposed changes include adjustments to the Service Charge and a final phase to flatten the price differentials between the inclining block Commodity Charge rates that began with the approved 2018 Rate Case. This rate design strategy is estimated to produce more stable revenue while maintaining the customer’s ability to influence their bill and encourage wise water use to support a healthy, living landscape.

The targeted rates to meet this goal include recovering approximately 36% of the cost to serve the residential class from the Service Charge and 64% of the cost from the three blocks of Commodity Charges. To keep block 1 affordably priced, the proposed Commodity Charge is set at approximately 90% of the average cost per cubic foot (cf). Encouraging water conservation, block 2 price increases 25% from the block 1 price and block 3 price increases 50% from the block 2 price.

**b. Nonresidential (Water Rate Schedules Sheet No. 2.1)**

This service is available for master meter and general nonresidential purposes. Proposed changes include adjustments to the Service Charge and both the Winter and Summer Commodity Charges. Proposed Commodity Charges maintain a 1.25 Summer to Winter differential.

**c. Large Nonseasonal Service** (*Water Rate Schedules Sheet No. 2.2*)

This service is available to nonresidential customers with annual consumption of at least four million cf and a maximum summer month (May – October) cf consumption of no greater than 1.3 times the monthly average use across the prior 12-month period. Proposed changes include adjustments to the Service Charge and Commodity Charge.

**d. Contract Service – Military** (*Water Rate Schedules Sheet No. 2.2*)

This service is available by contract in Utilities’ water service territory to the United States of America at the Fort Carson Military Installation, the Peterson Air Force Base, the United States Air Force Academy, and Cheyenne Mountain Air Force Station. Proposed changes include adjustments to the Summer and Winter Commodity Charges.

This filing continues a phased-in approach to bring the rate within an appropriate range of the COS study. With the proposed increase, this service is outside the plus or minus 5% of COS study requirement per Rate Design (G-5) Guideline, 2. A. defined in the Governance Policy Manual.

**3. Additional Tariff Changes**

**a. Contract Service – Regional** (*Water Rate Schedules Sheet Nos. 2.2 and 7.1*)

Contract Service – Regional is available to Regional Customers 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 City Council. This service has both the option of Full Service or Convey, Treat, and Deliver (CTD). Both options’ rates are based on average system costs - excluding certain costs where appropriate. The filing increases the Full Service and CTD Commodity Charges.

A new Standby (interruptible as needed) service is proposed for Regional Customers. This service will be available to help meet the needs of a Regional Customer, on a temporary basis, when the normal operations of the Regional Customer are disrupted. Regional Customers using this service will pay the Full Service Commodity Charge or the CTD Commodity Charge as appropriate. This service will only be available upon approval by the City Council.

**b. Nonpotable – Miscellaneous Service** (*Water Rate Schedules Sheet No. 2.2*)

A new pricing methodology is being proposed for the Nonpotable rate class.

The current methodology calculates the nonpotable rate based on direct costs of operating and maintaining the nonpotable system. Given the nonpotable system’s mostly fixed costs,

large price swings can occur when a large nonpotable customer(s) connects or leaves the system.

To avoid potential large nonpotable rate volatility, Utilities is proposing a different pricing methodology. Since the nonpotable system is primarily a distribution system, the new methodology would be based on the entire water system's distribution costs divided by the total system sales to arrive at the average system distribution cost per unit. This rate would be added to a portion of Surplus Payments to the City and the Augmentation rate, which is the replacement cost of water. This methodology is cost of service based and will produce a more stable rate over time.

The new methodology necessitates removing the Nonpotable Rate Class from the COS. All direct nonpotable costs and revenues will be shared among the other rate classes.

The new rate calculation results in a 27.8% rate increase to the Nonpotable rate. A multi-year phased-in approach would be employed to reach full cost of service. The proposed increase in this filing is 7.5%.

**c. Nonpotable – Contract Service** (*Water Rate Schedules Sheet No. 2.2*)

This filing proposes an increase to the Commodity Charge.

**d. Augmentation** (*Water Rate Schedules No. 2.3*)

Augmentation 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 multi-year phased-in approach to bring this rate to full cost. This filing increases the Augmentation Commodity Charge.

**e. Temporary Service – Hydrant Use** (*Water Rate Schedules Sheet No. 2.3*)

This filing increases the commodity charge.

**f. Large Nonseasonal Service** (*Water Rate Schedules Sheet No. 6*)

This filing proposes modifications to standardize the contract expiration (December 31st) and renewal (January 1st) dates to improve contract administration efficiency.

# **Water Resolution**

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

**A RESOLUTION SETTING WATER RATES WITHIN  
THE SERVICE AREA OF COLORADO SPRINGS UTILITIES AND  
REGARDING CERTAIN CHANGES TO WATER RATE SCHEDULES**

**WHEREAS**, Colorado Springs Utilities (Utilities) analyzed the cost of providing water utility service to its Customers and analyzed its current and expected revenue needs; and

**WHEREAS**, water service revenues will need to increase by approximately \$10.4 million for 2023; and

**WHEREAS**, Utilities conducted a cost of service study and proposed to modify the Residential, Nonresidential, Large Nonseasonal, Contract Service – Military, Contract Service – Regional, Nonpotable, Augmentation, and Temporary Service – Hydrant Use rates to reflect the appropriate cost for the service; and

**WHEREAS**, Utilities proposed to add a Standby Service Rate Option for Contract Service – Regional customers contracting for standby service to help meet their water needs, on a temporary basis when their normal operations are disrupted; and

**WHEREAS**, Utilities proposed to modify Large Nonseasonal Service to standardize optional rate contract expiration and renewal dates; 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’ 2023 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**, the City Council finds that the proposed modifications to the water rate schedules and tariffs 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**, Utilities proposed to make the water rate schedule changes effective January 1, 2023; 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, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Third Revised Sheet No. 2	RATE TABLE	Second Revised Sheet No. 2
Third Revised Sheet No. 2.1	RATE TABLE	Second Revised Sheet No. 2.1
Fifth Revised Sheet No. 2.2	RATE TABLE	Fourth Revised Sheet No. 2.2
Third Revised Sheet No. 2.3	RATE TABLE	Second Revised Sheet No. 2.3
First Revised Sheet No. 6	LARGE NONSEASONAL SERVICE (WLNS)	Original Sheet No. 6
First Revised Sheet No. 7.1	CONTRACT SERVICE - REGIONAL	Original Sheet No. 7.1

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 8<sup>th</sup> day of November 2022.

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

ATTEST:

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

**Water**

**Redline Tariff Sheets**





<b>WATER 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 (WR)</b>		<b>Sheet No. 4</b>
<b>Inside City Limits</b>		
Service Charge, per meter, per day, but not less than:		
5/8 to 1 inch	<del>\$0.7631</del> <u>\$0.8000</u>	
1 1/2 inch	<del>\$1.5262</del> <u>\$1.6000</u>	
2 inch	<del>\$2.4419</del> <u>\$2.5600</u>	
3 inch	<del>\$4.5786</del> <u>\$4.8000</u>	
Commodity Charge, per cf:		
First 999 cf	<del>\$0.0456</del> <u>\$0.0499</u>	
1,000 to 2,499 cf	<del>\$0.0643</del> <u>\$0.0623</u>	
2,500 cf or greater	<del>\$0.0965</del> <u>\$0.0935</u>	
<b>Outside City Limits</b>		
Service Charge, per meter, per day, but not less than:		
5/8 to 1 inch	<del>\$1.1447</del> <u>\$1.2000</u>	
1 1/2 inch	<del>\$2.2893</del> <u>\$2.4000</u>	
2 inch	<del>\$3.6629</del> <u>\$3.8400</u>	
3 inch	<del>\$6.8679</del> <u>\$7.2000</u>	
Commodity Charge, per cf:		
First 999 cf	<del>\$0.0684</del> <u>\$0.0749</u>	
1,000 to 2,499 cf	<del>\$0.0965</del> <u>\$0.0935</u>	
2,500 cf or greater	<del>\$0.1448</del> <u>\$0.1403</u>	

Approval Date: ~~November 12, 2019~~November 8, 2022  
 Effective Date: ~~January 1, 2020~~January 1, 2023  
 Resolution No. ~~120-19~~



**WATER RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference
<b>Nonresidential Service (WG, WM)</b>		<b>Sheet No. 5</b>
<b>Inside City Limits</b>		
Service Charge, per meter, per day:		
Less than 2 inch	<del>\$1.7570</del> <u>\$1.8449</u>	
2 inch	<del>\$2.8112</del> <u>\$2.9518</u>	
3 inch	<del>\$5.2710</del> <u>\$5.5346</u>	
4 inch	<del>\$8.7851</del> <u>\$9.2243</u>	
6 inch	<del>\$17.5702</del> <u>\$18.4485</u>	
8 inch	<del>\$28.1123</del> <u>\$29.5176</u>	
10 inch	<del>\$40.4114</del> <u>\$42.4316</u>	
Commodity Charge:		
November through April, per cf	<del>\$0.0528</del> <u>\$0.0552</u>	
May through October, per cf	<del>\$0.0662</del> <u>\$0.0690</u>	
<b>Outside City Limits</b>		
Service Charge, per meter, per day:		
Less than 2 inch	<del>\$2.6355</del> <u>\$2.7674</u>	
2 inch	<del>\$4.2168</del> <u>\$4.4277</u>	
3 inch	<del>\$7.9065</del> <u>\$8.3019</u>	
4 inch	<del>\$13.1777</del> <u>\$13.8365</u>	
6 inch	<del>\$26.3553</del> <u>\$27.6728</u>	
8 inch	<del>\$42.1685</del> <u>\$44.2764</u>	
10 inch	<del>\$60.6171</del> <u>\$63.6474</u>	
Commodity Charge:		
November through April, per cf	<del>\$0.0792</del> <u>\$0.0828</u>	
May through October, per cf	<del>\$0.0993</del> <u>\$0.1035</u>	

Approval Date: ~~November 12, 2019~~November 8, 2022  
 Effective Date: ~~January 1, 2020~~January 1, 2023  
 Resolution No. 120-19



**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	<del>\$1.7570</del> <u>\$1.8449</u>	
2 inch	<del>\$2.8112</del> <u>\$2.9518</u>	
3 inch	<del>\$5.2710</del> <u>\$5.5346</u>	
4 inch	<del>\$8.7851</del> <u>\$9.2243</u>	
6 inch	<del>\$17.5702</del> <u>\$18.4485</u>	
8 inch	<del>\$28.1123</del> <u>\$29.5176</u>	
10 inch	<del>\$40.4114</del> <u>\$42.4316</u>	
Commodity Charge, per cf	<del>\$0.0489</del> <u>\$0.0518</u>	
<b>Contract Service – Military (WSC-MIL)</b>		<b>Sheet No. 7</b>
Commodity Charge:		
November through April, per cf	<del>\$0.0477</del> <u>\$0.0513</u>	
May through October, per cf	<del>\$0.0596</del> <u>\$0.0641</u>	
<b>Contract Service – Regional (WCR)</b>		<b>Sheet No. 7.1</b>
<b>Full Service Option</b>		
Commodity Charge, per cf	<del>\$0.0898</del> <u>\$0.0983</u>	
<b>Convey, Treat, and Deliver Option</b>		
Commodity Charge, per cf	<del>\$0.0553</del> <u>\$0.0622</u>	
<b>Nonpotable (WN, WIP)</b>		<b>Sheet No. 8</b>
<b>Miscellaneous Service (WN)</b>		
Commodity Charge, per cf	<del>\$0.0266</del> <u>\$0.0286</u>	
<b>Contract Service (WIP)</b>		
Commodity Charge, per cf	<del>\$0.0153</del> <u>\$0.0164</u>	
<del><b>Augmentation (WIG)</b></del>		<del><b>Sheet No. 9</b></del>
<del>Commodity Charge, per cf</del>	<del>\$0.0084</del>	

Approval Date: ~~November 23, 2021~~November 8, 2022  
 Effective Date: ~~January 1, 2022~~January 1, 2023  
 Resolution No. ~~183-21~~



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

Description	Rates	Reference
<b><u>Augmentation (WIG)</u></b>		<b><u>Sheet No. 9</u></b>
<u>Commodity Charge, per cf</u>	<del>\$0.0084</del> <u>\$0.0088</u>	
<b>Temporary Service – Hydrant Use (WHYDM)</b>		<b>Sheet No. 10</b>
Permit Fee, per permit	\$100.0000	
Meter Charge (Utilities owned meter), per day	\$4.0000	
Equipment Charge (Utilities owned back flow preventer), per day	\$4.0000	
Commodity Charge, per 1,000 gallons	<del>\$10.2807</del> <u>\$10.7353</u>	
<b>Reserved for Future Filing</b>		<b>Sheet No. 11</b>

Approval Date: ~~November 12, 2019~~November 8, 2022  
 Effective Date: ~~January 1, 2020~~January 1, 2023  
 Resolution No. ~~120-19~~



**WATER RATE SCHEDULES**

**LARGE NONSEASONAL SERVICE (WLNS)**

**AVAILABILITY**

Available by contract in Utilities’ exclusive water service territory for nonresidential customers with annual consumption (based upon the most recent 12-month period) of at least four million cubic feet and a maximum summer month (based upon the most recent period of May – October) cubic feet consumption of no greater than 1.3 times the monthly average use across the prior 12-month period. Qualifying water consumption must occur through meters located on contiguous service properties on a Customer campus setting. Customers may apply for service under this tariff upon meeting the eligibility requirements.

Service is offered for a 12-month contract period, with the initial contract period beginning on the service start date to December 31st. As long as the Customer continues to meet the eligibility requirements, the service contract shall be automatically renewed for an additional 12-month contract period each January 1<sup>st</sup> unless Customer provides advance written notice to Utilities not less than 30 days prior to the January 1<sup>st</sup> renewal date that the Customer elects not to renew for the upcoming service contract year. 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 eligibility requirements. In the event that a Customer is no longer eligible, the contract for service shall not be renewed and shall automatically terminate at the end of the 12-month contract period on December 31<sup>st</sup>. ~~close of the contract anniversary date and~~ Upon termination, Customer shall be required to move to the rate schedule to which they are eligible upon the end of the contract period.

**RATE**

See Rate Table for applicable charges.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~



**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.

C. Standby Service

Water deliveries from Utilities to a Regional Customer to help meet their water needs, on a temporary basis, when their normal operations are disrupted. Standby Service may not be used as a primary means of meeting the Regional Customer’s water supply demand. Such service may be provided using Utilities’ owned water or Regional Customer’s owned or otherwise controlled alternative source of water supply. The water will be delivered to a single point of delivery with volumetric limitations as set forth in a regional service contract. Deliveries of water will be subject to the applicable Full Service or Convey, Treat, and Deliver Commodity Charge based on the source of the water supply as defined in Rate Options A. and B. above. Regional Customers maintain ownership and control over their water supply infrastructure.

**RATE**

See Rate Table for applicable charges.

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~183-21~~

**Water**

**Final Tariff Sheets**



<b>WATER 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 (WR)</b>		<b>Sheet No. 4</b>
<b>Inside City Limits</b>		
Service Charge, per meter, per day, but not less than:		
5/8 to 1 inch	\$0.8000	
1 1/2 inch	\$1.6000	
2 inch	\$2.5600	
3 inch	\$4.8000	
Commodity Charge, per cf:		
First 999 cf	\$0.0499	
1,000 to 2,499 cf	\$0.0623	
2,500 cf or greater	\$0.0935	
<b>Outside City Limits</b>		
Service Charge, per meter, per day, but not less than:		
5/8 to 1 inch	\$1.2000	
1 1/2 inch	\$2.4000	
2 inch	\$3.8400	
3 inch	\$7.2000	
Commodity Charge, per cf:		
First 999 cf	\$0.0749	
1,000 to 2,499 cf	\$0.0935	
2,500 cf or greater	\$0.1403	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_





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

Description	Rates	Reference
<b>Nonresidential Service (WG, WM)</b>		<b>Sheet No. 5</b>
<b>Inside City Limits</b>		
Service Charge, per meter, per day:		
Less than 2 inch	\$1.8449	
2 inch	\$2.9518	
3 inch	\$5.5346	
4 inch	\$9.2243	
6 inch	\$18.4485	
8 inch	\$29.5176	
10 inch	\$42.4316	
Commodity Charge:		
November through April, per cf	\$0.0552	
May through October, per cf	\$0.0690	
<b>Outside City Limits</b>		
Service Charge, per meter, per day:		
Less than 2 inch	\$2.7674	
2 inch	\$4.4277	
3 inch	\$8.3019	
4 inch	\$13.8365	
6 inch	\$27.6728	
8 inch	\$44.2764	
10 inch	\$63.6474	
Commodity Charge:		
November through April, per cf	\$0.0828	
May through October, per cf	\$0.1035	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



<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	\$1.8449	
2 inch	\$2.9518	
3 inch	\$5.5346	
4 inch	\$9.2243	
6 inch	\$18.4485	
8 inch	\$29.5176	
10 inch	\$42.4316	
Commodity Charge, per cf	\$0.0518	
<b>Contract Service – Military (WSC-MIL)</b>		<b>Sheet No. 7</b>
Commodity Charge:		
November through April, per cf	\$0.0513	
May through October, per cf	\$0.0641	
<b>Contract Service – Regional (WCR)</b>		<b>Sheet No. 7.1</b>
<b>Full Service Option</b>		
Commodity Charge, per cf	\$0.0983	
<b>Convey, Treat, and Deliver Option</b>		
Commodity Charge, per cf	\$0.0622	
<b>Nonpotable (WN, WIP)</b>		<b>Sheet No. 8</b>
<b>Miscellaneous Service (WN)</b>		
Commodity Charge, per cf	\$0.0286	
<b>Contract Service (WIP)</b>		
Commodity Charge, per cf	\$0.0164	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



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

Description	Rates	Reference
<b>Augmentation (WIG)</b>		<b>Sheet No. 9</b>
Commodity Charge, per cf	\$0.0088	
<b>Temporary Service – Hydrant Use (WHYDM)</b>		<b>Sheet No. 10</b>
Permit Fee, per permit	\$100.0000	
Meter Charge (Utilities owned meter), per day	\$4.0000	
Equipment Charge (Utilities owned back flow preventer), per day	\$4.0000	
Commodity Charge, per 1,000 gallons	\$10.7353	
<b>Reserved for Future Filing</b>		<b>Sheet No. 11</b>

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



**WATER RATE SCHEDULES**

**LARGE NONSEASONAL SERVICE (WLNS)**

**AVAILABILITY**

Available by contract in Utilities’ exclusive water service territory for nonresidential customers with annual consumption (based upon the most recent 12-month period) of at least four million cubic feet and a maximum summer month (based upon the most recent period of May – October) cubic feet consumption of no greater than 1.3 times the monthly average use across the prior 12-month period. Qualifying water consumption must occur through meters located on contiguous service properties on a Customer campus setting. Customers may apply for service under this tariff upon meeting the eligibility requirements.

Service is offered for a 12-month contract period, with the initial contract period beginning on the service start date to December 31st. As long as the Customer continues to meet the eligibility requirements, the service contract shall be automatically renewed for an additional 12-month contract period each January 1<sup>st</sup> unless Customer provides advance written notice to Utilities not less than 30 days prior to the January 1<sup>st</sup> renewal date that the Customer elects not to renew for the upcoming service contract year. Customers will be evaluated periodically to ensure they continue to meet eligibility requirements. In the event that a Customer is no longer eligible, the contract for service shall not be renewed and shall automatically terminate at the end of the 12-month contract period on December 31<sup>st</sup>. Upon termination, Customer shall be required to move to the rate schedule to which they are eligible upon the end of the contract period.

**RATE**

See Rate Table for applicable charges.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
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.

C. Standby Service

Water deliveries from Utilities to a Regional Customer to help meet their water needs, on a temporary basis, when their normal operations are disrupted. Standby Service may not be used as a primary means of meeting the Regional Customer’s water supply demand. Such service may be provided using Utilities’ owned water or Regional Customer’s owned or otherwise controlled alternative source of water supply. The water will be delivered to a single point of delivery with volumetric limitations as set forth in a regional service contract. Deliveries of water will be subject to the applicable Full Service or Convey, Treat, and Deliver Commodity Charge based on the source of the water supply as defined in Rate Options A. and B. above. Regional Customers maintain ownership and control over their water supply infrastructure.

**RATE**

See Rate Table for applicable charges.

Approval Date: November 8, 2022

Effective Date: January 1, 2023

Resolution No. \_\_\_\_\_

**Water**

**Cost of Service Study**

**Colorado Springs Utilities**  
**2023 Water Cost of Service Study**

**TABLE OF CONTENTS**

<b><u>SCHEDULES</u></b>	<b><u>SCHEDULE TITLE</u></b>
Schedule 1	Sample Monthly Bill Comparison
Schedule 2	Summary of Net Revenue Requirement and Proposed Revenue
Schedule 3	Summary of Current and Proposed Rates
Schedule 4	Functional Allocation of Revenue Requirement - Cash Basis
Schedule 4.1	Functional Allocation of Operation and Maintenance Expense
Schedule 4.2	Functionalization of Salaries and Wages
Schedule 4.3	Operation and Maintenance Expense
Schedule 4.4	Functional Allocation of Capital Investment
Schedule 5	Classification of Functional Expenditures
Schedule 5.1	Summary of Classification Percentages
Schedule 5.2	Classification Percentages - Treatment
Schedule 5.3	Classification Percentages - Transmission and Distribution: Mains, Reservoirs and Other
Schedule 6	Cost Allocation Detail
Schedule 6.1	Summary of Allocation Factor Percentages
Schedule 6.2	Allocation Factor Calculations
Schedule 6.3	Volume Allocation Factor Calculation Detail
Schedule 6.4	Forecasted Billing Units
Schedule 7	Net Revenue Requirement by Rate Class
Schedule 8	Rate Design
Schedule 9	Contract Service - Regional: Full Service Option
Schedule 9.1	Contract Service - Regional: Convey, Treat and Deliver Option

**Notes:**

*Immaterial differences may occur due to rounding.*

*Unless otherwise noted, volumes are in cubic feet (cf).*

**Colorado Springs Utilities  
2023 Water Cost of Service Study**

**SCHEDULE 1  
SAMPLE MONTHLY BILL COMPARISON**

<b>Line No.</b>	<b>Rate Class</b>	<b>Current</b>	<b>Proposed</b>	<b>Proposed Increase / (Decrease)</b>	<b>% Change</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(d) - (c)</u>	<u>(f)</u> <u>(e) / (c)</u>
1	Residential Service - Inside City Limits	\$ 74.93	\$ 80.14	\$ 5.21	7.0%
2	Small Nonresidential Service - Inside City Limits	\$ 231.21	\$ 241.65	\$ 10.44	4.5%
3	Large Nonresidential Service - Inside City Limits	\$ 3,027.71	\$ 3,160.35	\$ 132.64	4.4%

*Note: The sample bill is calculated using existing rates and proposed rates assuming: 30 days per month; 1,100 cf for Residential; 3,000 cf for Small Nonresidential; 50,000 cf for Large Nonresidential.*



Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 2  
SUMMARY OF NET REVENUE REQUIREMENT AND PROPOSED REVENUE

Line No.	Rate Class	Net Revenue Requirement	Revenue Under Current Rates	Proposed Increase / (Decrease)	Percent Revenue Change	Proposed Revenue from Rates	Percent of Net Revenue Requirement
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(g) - (d)</u>	<u>(f)</u> <u>(e) / (d)</u>	<u>(g)</u> <u>(d) + (e)</u>	<u>(h)</u> <u>(g) / (c)</u>
1	Residential Service	\$ 115,949,474	\$ 110,359,771	\$ 5,621,089	5.1%	\$ 115,980,861	100.0%
2	Nonresidential Service	87,180,703	84,596,208	3,725,476	4.4%	88,321,684	101.3%
3	Large Nonseasonal Service	4,018,507	3,795,345	223,162	5.9%	4,018,507	100.0%
4	Contract Service - Military	12,735,873	10,662,537	804,958	7.6%	11,467,496	90.0%
5	<b>Total</b>	<b>\$ 219,884,556</b>	<b>\$ 209,413,862</b>	<b>\$ 10,374,685</b>	<b>5.0%</b>	<b>\$ 219,788,547</b>	<b>100.0%</b>

*Note: Residential and Nonresidential values are inclusive of Inside and Outside City Limits service.*

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 3  
SUMMARY OF CURRENT AND PROPOSED RATES

Line No.	Rate Class	Current Rates	Proposed Rates	Proposed Increase / (Decrease)	Percent Rate Change
(a)	(b)	(c)	(d)	(e) (d) - (c)	(f) (e) / (c)
1	<b>Residential Service - Inside City Limits</b>				
2	Service Charge, per meter, per day	\$ 0.7631	\$ 0.8000	\$ 0.0369	4.8%
3	Commodity Charge, per cf:				
4	Block I: First 999 cf	\$ 0.0456	\$ 0.0499	\$ 0.0043	9.4%
5	Block II: Next 1,500 cf	\$ 0.0643	\$ 0.0623	\$ (0.0020)	-3.1%
6	Block III: All over 2,499 cf	\$ 0.0965	\$ 0.0935	\$ (0.0030)	-3.1%
7	<b>Residential Service - Outside City Limits</b>				
8	Service Charge, per meter, per day	\$ 1.1447	\$ 1.2000	\$ 0.0553	4.8%
9	Commodity Charge, per cf:				
10	Block I: First 999 cf	\$ 0.0684	\$ 0.0749	\$ 0.0065	9.5%
11	Block II: Next 1,500 cf	\$ 0.0965	\$ 0.0935	\$ (0.0030)	-3.1%
12	Block III: All over 2,499 cf	\$ 0.1448	\$ 0.1403	\$ (0.0045)	-3.1%
13	<b>Nonresidential Service - Inside City Limits</b>				
14	Service Charge, per meter, per day				
15	Less than 2 inch meter	\$ 1.7570	\$ 1.8449	\$ 0.0879	5.0%
16	2 inch meter	\$ 2.8112	\$ 2.9518	\$ 0.1406	5.0%
17	3 inch meter	\$ 5.2710	\$ 5.5346	\$ 0.2636	5.0%
18	4 inch meter	\$ 8.7851	\$ 9.2243	\$ 0.4392	5.0%
19	6 inch meter	\$ 17.5702	\$ 18.4485	\$ 0.8783	5.0%
20	8 inch meter	\$ 28.1123	\$ 29.5176	\$ 1.4053	5.0%
21	10 inch meter	\$ 40.4114	\$ 42.4316	\$ 2.0202	5.0%
22	Commodity Charge:				
23	November - April, per cf	\$ 0.0528	\$ 0.0552	\$ 0.0024	4.6%
24	May - October, per cf	\$ 0.0662	\$ 0.0690	\$ 0.0028	4.2%
25	<b>Nonresidential Service - Outside City Limits</b>				
26	Service Charge, per meter, per day				
27	Less than 2 inch meter	\$ 2.6355	\$ 2.7674	\$ 0.1319	5.0%
28	2 inch meter	\$ 4.2168	\$ 4.4277	\$ 0.2109	5.0%
29	3 inch meter	\$ 7.9065	\$ 8.3019	\$ 0.3954	5.0%
30	4 inch meter	\$ 13.1777	\$ 13.8365	\$ 0.6588	5.0%
31	6 inch meter	\$ 26.3553	\$ 27.6728	\$ 1.3175	5.0%
32	8 inch meter	\$ 42.1685	\$ 44.2764	\$ 2.1079	5.0%
33	10 inch meter	\$ 60.6171	\$ 63.6474	\$ 3.0303	5.0%
34	Commodity Charge:				
35	November - April, per cf	\$ 0.0792	\$ 0.0828	\$ 0.0036	4.6%
36	May - October, per cf	\$ 0.0993	\$ 0.1035	\$ 0.0042	4.2%

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 3  
SUMMARY OF CURRENT AND PROPOSED RATES

Line No.	Rate Class	Current Rates	Proposed Rates	Proposed Increase / (Decrease)	Percent Rate Change
(a)	(b)	(c)	(d)	(e) (d) - (c)	(f) (e) / (c)
37	<b>Large Nonseasonal Service</b>				
38	Service Charge, per meter, per day				
39	Less than 2 inch meter	\$ 1.7570	\$ 1.8449	\$ 0.0879	5.0%
40	2 inch meter	\$ 2.8112	\$ 2.9518	\$ 0.1406	5.0%
41	3 inch meter	\$ 5.2710	\$ 5.5346	\$ 0.2636	5.0%
42	4 inch meter	\$ 8.7851	\$ 9.2243	\$ 0.4392	5.0%
43	6 inch meter	\$ 17.5702	\$ 18.4485	\$ 0.8783	5.0%
44	8 inch meter	\$ 28.1123	\$ 29.5176	\$ 1.4053	5.0%
45	10 inch meter	\$ 40.4114	\$ 42.4316	\$ 2.0202	5.0%
46	Commodity Charge, per cf	\$ 0.0489	\$ 0.0518	\$ 0.0029	5.9%
47	<b>Contract Service - Military</b>				
48	Commodity Charge:				
49	November - April, per cf	\$ 0.0477	\$ 0.0513	\$ 0.0036	7.6%
50	May - October, per cf	\$ 0.0596	\$ 0.0641	\$ 0.0045	7.6%
51	<b>Contract Service - Regional</b>				
52	Full Service Option:				
53	Commodity Charge, per cf	\$ 0.0898	\$ 0.0983	\$ 0.0085	9.5%
54	Convey, Treat, and Deliver Option:				
55	Commodity Charge, per cf	\$ 0.0553	\$ 0.0622	\$ 0.0069	12.5%
56	<b>Nonpotable - Miscellaneous Service</b>				
57	Commodity Charge, per cf	\$ 0.0266	\$ 0.0286	\$ 0.0020	7.5%
58	<b>Nonpotable - Contract Service</b>				
59	Commodity Charge, per cf	\$ 0.0153	\$ 0.0164	\$ 0.0011	7.2%
60	<b>Augmentation</b>				
61	Commodity Charge, per cf	\$ 0.0084	\$ 0.0088	\$ 0.0004	4.8%
62	<b>Temporary Service - Hydrant Use</b>				
63	Permit Fee, per Permit	\$ 100.00	\$ 100.0000	\$ -	0.0%
64	Meter Charge, per day	\$ 4.00	\$ 4.0000	\$ -	0.0%
65	Equipment Charge, per day	\$ 4.00	\$ 4.0000	\$ -	0.0%
66	Commodity Charge, per 1,000 gallons	\$ 10.2807	\$ 10.7353	\$ 0.4546	4.4%

Colorado Springs Utilities  
2023 Water Cost of Service Study

**SCHEDULE 4**  
**FUNCTIONAL ALLOCATION OF REVENUE**  
**REQUIREMENT - CASH BASIS**

Line No.	Category	Total 2023	Source of Supply and Pumping	Treatment	Transmission and Distribution			Surplus Payments to the City
					Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants	Customer	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Total Operation and Maintenance Expense	\$ 132,070,730	\$ 58,077,062	\$ 19,226,444	\$ 39,009,859	\$ 6,689,258	\$ 9,068,107	\$ -
2	Surplus Payments to the City	2,573,997	-	-	-	-	-	2,573,997
3	Debt Service <sup>(1)</sup>	85,621,064	42,688,715	7,440,599	30,701,937	4,789,814	-	-
4	Cash Funded Capital <sup>(1)</sup>	53,169,510	26,509,108	4,620,510	19,065,483	2,974,409	-	-
5	Additions to Cash <sup>(2)</sup>	(14,190,784)	(6,240,285)	(2,065,850)	(4,191,546)	(718,750)	(974,353)	-
6	Total Revenue Requirement	\$ 259,244,517	\$ 121,034,599	\$ 29,221,703	\$ 84,585,734	\$ 13,734,731	\$ 8,093,754	\$ 2,573,997
7	Less Revenue Credits:							
8	Miscellaneous and Interest Revenues <sup>(1)</sup>	39,359,961	19,623,981	3,420,440	14,113,665	2,201,875	-	-
9	<b>Net Revenue Requirement</b>	<b>\$ 219,884,556</b>	<b>\$ 101,410,618</b>	<b>\$ 25,801,263</b>	<b>\$ 70,472,068</b>	<b>\$ 11,532,856</b>	<b>\$ 8,093,754</b>	<b>\$ 2,573,997</b>
10	<b>Operation and Maintenance Allocator<sup>(2)</sup></b>	<b>100.00%</b>	<b>43.97%</b>	<b>14.56%</b>	<b>29.54%</b>	<b>5.06%</b>	<b>6.87%</b>	<b>0.00%</b>

Notes:

<sup>(1)</sup> Allocated based on functional allocation of capital investment, Schedule 4.4.

<sup>(2)</sup> Operation and Maintenance Allocator derived from Line 1 used for allocating Additions to Cash.

Colorado Springs Utilities  
2023 Water Cost of Service Study

**SCHEDULE 4.1**  
**FUNCTIONAL ALLOCATION OF OPERATION**  
**AND MAINTENANCE EXPENSE**

Line No.	Account	Function	Total 2023	Source of Supply and Pumping	Treatment	Transmission and Distribution		
						Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants	Customer
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	600-633	Source of Supply and Pumping	\$ 44,666,649	\$ 44,666,649	\$ -	\$ -	\$ -	\$ -
2	640-652	Treatment	9,683,410	-	9,683,410	-	-	-
3	660-699	Transmission and Distribution:						
4		Mains, Reservoirs and Other	18,645,121	-	-	18,645,121	-	-
5		Services, Meters and Installs, and Hydrants	3,085,421	-	-	-	3,085,421	-
6		Customer Service:						
7	901-904	Customer Accounts	4,978,681	-	-	-	-	4,978,681
8	908-909	Customer Service and Information	2,379,375	-	-	-	-	2,379,375
9		Subtotal	\$ 83,438,657	\$ 44,666,649	\$ 9,683,410	\$ 18,645,121	\$ 3,085,421	\$ 7,358,056
10	920-932	Administrative and General	48,632,073	13,410,413	9,543,034	20,364,738	3,603,837	1,710,051
11		<b>Total Operation and Maintenance Expenses</b>	<b>\$ 132,070,730</b>	<b>\$ 58,077,062</b>	<b>\$ 19,226,444</b>	<b>\$ 39,009,859</b>	<b>\$ 6,689,258</b>	<b>\$ 9,068,107</b>
12		<b>Percent of Subtotal for Allocation</b>	<b>100.00%</b>	<b>27.58%</b>	<b>19.62%</b>	<b>41.88%</b>	<b>7.41%</b>	<b>3.52%</b>

*Note: Administrative and General functional allocation based on Salaries and Wages - Schedule 4.2.*

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES

Line No.	Account	Account Description	Total 2023	Source of Supply and Pumping	Treatment	Transmission and Distribution		
						Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants	Customer
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1		<b>Source of Supply</b>						
2		<b>Operation</b>						
3	600000	Supervision and Engineering	\$ 6,056,672	\$ 6,056,672	\$ -	\$ -	\$ -	\$ -
4	601000	Labor and Expenses	833,238	833,238	-	-	-	-
5	602000	Purchased Water	-	-	-	-	-	-
6	603000	Miscellaneous Expenses	220,066	220,066	-	-	-	-
7		<b>Maintenance</b>						
8	610000	Supervision and Engineering	377,437	377,437	-	-	-	-
9	611000	Structures	159,757	159,757	-	-	-	-
10	612000	Reservoirs	14,751	14,751	-	-	-	-
11	613000	Intakes, Ditches, Weirs	13,810	13,810	-	-	-	-
12	614000	Wells and Springs	-	-	-	-	-	-
13	615000	Tunnels	102	102	-	-	-	-
14	616000	Supply Mains	282,898	282,898	-	-	-	-
15	617000	Vehicles and Equipment	5,748	5,748	-	-	-	-
16		<b>Pumping</b>						
17		<b>Operation</b>						
18	620000	Supervision and Engineering	197,714	197,714	-	-	-	-
19	623000	Power for Pumping	-	-	-	-	-	-
20	624000	Pumping Labor	8,065	8,065	-	-	-	-
21	626000	Miscellaneous Pumping Expenses	1,704	1,704	-	-	-	-
22		<b>Maintenance</b>						
23	630000	Supervision and Engineering	-	-	-	-	-	-
24	631000	Structures	4,391	4,391	-	-	-	-
25	633000	Pumping Equipment	724,516	724,516	-	-	-	-
26		<b>Treatment</b>						
27		<b>Operation</b>						
28	640000	Supervision and Engineering	2,568,074	-	2,568,074	-	-	-
29	641000	Chemicals	-	-	-	-	-	-
30	642000	Labor and Expenses	2,294,970	-	2,294,970	-	-	-
31	643000	Miscellaneous Expenses	419,163	-	419,163	-	-	-

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES

Line No.	Account	Account Description	Total 2023	Source of Supply and Pumping	Treatment	Transmission and Distribution		
						Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants	Customer
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
32		<b>Maintenance</b>						
33	650000	Supervision and Maintenance	-	-	-	-	-	-
34	651000	Structures	8,594	-	8,594	-	-	-
35	652000	Equipment	1,043,180	-	1,043,180	-	-	-
36		<b>Transmission and Distribution</b>						
37		<b>Operation</b>						
38	660000	Supervision and Engineering	1,687,030	-	-	1,687,030	-	-
39	661000	Storage Facilities Expenses	-	-	-	-	-	-
40	662000	Transmission and Distribution Mains	1,885,136	-	-	1,885,136	-	-
41	663000	Meter Expenses	1,530,869	-	-	-	1,530,869	-
42	664000	Customer Installation Expenses	-	-	-	-	-	-
43	665000	Miscellaneous Expenses	4,020,350	-	-	4,020,350	-	-
44		<b>Maintenance</b>						
45	670000	Supervision and Engineering	1,595,245	-	-	1,595,245	-	-
46	671000	Structures	4,742	-	-	4,742	-	-
47	672000	Reservoirs	153,110	-	-	153,110	-	-
48	673000	Transmission and Distribution Mains	3,802,980	-	-	3,802,980	-	-
49	675000	Service	823,170	-	-	-	823,170	-
50	676000	Meters	6,805	-	-	-	6,805	-
51	677000	Hydrants	31,124	-	-	-	31,124	-
52		<b>Tertiary Treatment Plan</b>						
53		<b>Operation</b>						
54	680000	Supervision and Engineering	-	-	-	-	-	-
55	681000	Treatment Expenses	269,576	-	-	269,576	-	-
56	682000	General Plant Expenses	15	-	-	15	-	-
57	683000	Power for Treatment	-	-	-	-	-	-
58	684000	Chemicals	-	-	-	-	-	-
59		<b>Maintenance</b>						
60	687000	Irrigation Treatment Plant	-	-	-	-	-	-
61	688000	General Plant Expenses	13,402	-	-	13,402	-	-

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES

Line No.	Account	Account Description	Total 2023	Source of Supply and Pumping	Treatment	Transmission and Distribution		
						Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants	Customer
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
62		<b>Nonpotable System</b>						
63		<b>Operation</b>						
64	690000	Supervision and Engineering	74,548	-	-	74,548	-	-
65	692000	Operating Expenses	3,367	-	-	3,367	-	-
66	693000	Power for Pumping - Kissing Camels	-	-	-	-	-	-
67	694000	Utilities	-	-	-	-	-	-
68	695000	Chemicals	-	-	-	-	-	-
69		<b>Maintenance</b>						
70	697000	Structures	-	-	-	-	-	-
71	698000	Distribution System	7,150	-	-	7,150	-	-
72	699000	Equipment	-	-	-	-	-	-
73		<b>Customer Account Expenses</b>						
74		<b>Operation</b>						
75	901000	Supervision	-	-	-	-	-	-
76	902000	Meter Reading Expenses	-	-	-	-	-	-
77	903000	Customer Records and Collection Expenses	-	-	-	-	-	-
78	904000	Uncollectible Accounts	-	-	-	-	-	-
79		<b>Customer Service and Informational Expenses</b>						
80		<b>Operation</b>						
81	908000	Customer Assistance Expenses	1,135,009	-	-	-	-	1,135,009
82	909000	Info and Inst Advertising Expenses	-	-	-	-	-	-
83		<b>Total</b>	<b>\$ 32,278,478</b>	<b>\$ 8,900,869</b>	<b>\$ 6,333,981</b>	<b>\$ 13,516,651</b>	<b>\$ 2,391,968</b>	<b>\$ 1,135,009</b>
84		<b>Percent of Allocation for Administrative and General</b>	<b>100.00%</b>	<b>27.58%</b>	<b>19.62%</b>	<b>41.88%</b>	<b>7.41%</b>	<b>3.52%</b>



**Colorado Springs Utilities**  
**2023 Water Cost of Service Study**

**SCHEDULE 4.3**  
**OPERATION AND MAINTENANCE EXPENSE**

<b>Line</b>	<b>Account</b>	<b>Account Description</b>	<b>Total 2023</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
1		<b>Operation and Maintenance</b>	
2		<b>Source of Supply</b>	
3		<b>Operation</b>	
4	600000	Supervision and Engineering	\$ 7,226,520
5	601000	Labor and Expenses	833,401
6	602000	Purchased Water	9,865,990
7	603000	Miscellaneous Expenses	11,705,674
8	603020	Aurora-Colorado Springs Joint Water Authority	400,000
9	603030	Twin Lakes Assessment	367,336
10	603040	Lake Henry, Meredith Assessment	403,959
11	603050	Arkansas River Exchange	2,899,980
12	603060	FMIC, Chilcott Assessment	19,530
13	603070	LAWMA Asmnt	105,000
14		Total	<u>\$ 33,827,390</u>
15		<b>Maintenance</b>	
16	610000	Supervision and Engineering	\$ 377,437
17	611000	Structures	383,937
18	612000	Reservoirs	105,444
19	612030	Twin Lakes Assessment	486,934
20	612040	Lake Henry, Meredith Assessment	403,959
21	613000	Intakes, Ditch, Weirs	49,067
22	614000	Wells and Springs	3,000
23	615000	Tunnels	276,609
24	616000	Supply Mains	449,389
25	617000	Vehicles and Equipment	200,839
26		Total	<u>\$ 2,736,615</u>
27		<b>Pumping</b>	
28		<b>Operation</b>	
29	620000	Supervision and Engineering	\$ 197,714
30	623000	Power For Pumping	4,890,703
31	623010	Power For Pumping - FW	1,661,234
32	624000	Pumping Labor	8,065
33	626000	Miscellaneous Pumping Expenses	75,678
34		Total	<u>\$ 6,833,394</u>

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 4.3  
OPERATION AND MAINTENANCE EXPENSE

Line No.	Account	Account Description	Total 2023
(a)	(b)	(c)	(d)
35		<b>Maintenance</b>	
36	630000	Supervision and Engineering	\$ -
37	631000	Structures	151,566
38	633000	Pumping Equipment	1,117,684
39		Total	<u>\$ 1,269,250</u>
40		<b>Treatment</b>	
41		<b>Operation</b>	
42	640000	Supervision and Engineering	\$ 2,777,171
43	641000	Chemicals	1,533,720
44	642000	Labor and Expenses	2,411,647
45	643000	Miscellaneous Expenses	1,074,238
46		Total	<u>\$ 7,796,776</u>
47		<b>Maintenance</b>	
48	650000	Supervision and Engineering	\$ -
49	651000	Structures	437,505
50	652000	Equipment	1,449,129
51		Total	<u>\$ 1,886,634</u>
52		<b>Transmission and Distribution - Mains, Reservoirs, Other</b>	
53		<b>Operation</b>	
54	660000	Supervision and Engineering	\$ 2,251,196
55	661000	Storage Facilities Expenses	5,385
56	662000	Transmission and Distribution Mains	2,164,845
57	665000	Miscellaneous Expenses	4,840,300
58		Total	<u>\$ 9,261,726</u>
59		<b>Maintenance</b>	
60	670000	Supervision and Engineering	\$ 1,595,245
61	671000	Structures	15,136
62	672000	Reservoirs	455,253
63	673000	Transmission and Distribution Mains	6,355,301
64		Total	<u>\$ 8,420,935</u>
65		<b>Transmission and Distribution - Service, Meters, Installations, Hydrants</b>	
66		<b>Operation</b>	
67	663000	Meter Expenses	\$ 1,532,497
68	664000	Customer Installation Expenses	-
69	664010	Customer Installation Expenses and Taps	-
70		Total	<u>\$ 1,532,497</u>

**Colorado Springs Utilities**  
**2023 Water Cost of Service Study**

**SCHEDULE 4.3**  
**OPERATION AND MAINTENANCE EXPENSE**

<b>Line</b>	<b>Account</b>	<b>Account Description</b>	<b>Total 2023</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
71		<b>Maintenance</b>	
72	675000	Services	\$ 1,277,075
73	676000	Meters	107,005
74	677000	Hydrants	168,844
75		Total	<u>\$ 1,552,924</u>
76		<b>Tertiary Treatment</b>	
77		<b>Operation</b>	
78	680000	Supervision and Engineering	\$ -
79	681000	Treatment Expenses	283,076
80	682000	General Plant Expenses	60,925
81	683000	Power for Treatment	25,000
82	684000	Chemicals	74,548
83		Total	<u>\$ 443,549</u>
84		<b>Maintenance</b>	
85	687000	Irrigation Treatment Plant	\$ -
86	688000	General Plant Expenses	135,884
87		Total	<u>\$ 135,884</u>
88		<b>Nonpotable System</b>	
89		<b>Operation</b>	
90	690000	Supervision and Engineering	\$ -
91	692000	Operating Expenses	355,367
92	693000	Power for Pumping - Kissing Camels	2,010
93	694000	Utilities Expenses	-
94	695000	Chemicals	6,000
95		Total	<u>\$ 363,377</u>
96		<b>Maintenance</b>	
97	697000	Structures	\$ -
98	698000	Distribution System	19,650
99	699000	Equipment	-
100		Total	<u>\$ 19,650</u>
101		<b>Total Operation and Maintenance Expense</b>	<u><u>\$ 76,080,601</u></u>

Colorado Springs Utilities  
2023 Water Cost of Service Study

**SCHEDULE 4.3**  
**OPERATION AND MAINTENANCE EXPENSE**

<b>Line</b>	<b>Account</b>	<b>Account Description</b>	<b>Total 2023</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
102		<b>Allocated Customer and Administrative and General</b>	
103		<b>Customer Account Expenses</b>	
104		<b>Operation</b>	
105	901000	Supervision	\$ 149,860
106	902000	Meter Reading Expenses	961,542
107	903000	Customer Records and Collection Expenses	3,244,134
108	904000	Uncollectible Accounts	1,578
109	904003	Uncollectible Accounts	621,567
110	905000	Miscellaneous Customer Accounts	-
111		Total	<u>\$ 4,978,681</u>
112		<b>Customer Service and Information Expenses</b>	
113		<b>Operation</b>	
114	908000	Customer Assistance Expenses	\$ 724,154
115	908013	Customer Solutions - Water	1,055,557
116	908015	Customer Solutions - Common	155,654
117	909000	Info and Inst Advertising Expenses	-
118	909013	Info and Inst Advertising Expenses - Water	336,256
119	909015	Info and Inst Advertising Expenses - Common	107,754
120	909020	Info and Inst Advertising Expenses	-
121		Total	<u>\$ 2,379,375</u>
122		<b>Administrative and General Expenses</b>	
123		<b>Operation</b>	
124	163000	Stores Expense	\$ -
125	920000	Administrative and General Salaries	16,527,400
126	921000	Office Supplies and Expenses	9,940,422
127	921003	Office Supplies and Expenses	-
128	922000	Administrative Expenses Transferred - Credit	(1,708,484)
129	923000	Outside Services Employed	2,230,475
130	923003	Outside Services Employed	202,726
131	924000	Property Insurance	989,802
132	924003	Property Insurance	231,767
133	924013	SDS Water Treatment Plant Property Insurance	79,228
134	924023	SDS Pump Station Property Insurance	57,309
135	925000	Injuries and Damages	75
136	925003	Injuries and Damages	-
137	926000	Employee Pensions and Benefits	17,334,351
138	928000	Regulatory Commission Expenses	7,767
139	928003	Regulatory Commission Expenses - Water	-
140	930100	General Advertising Expenses	-

**Colorado Springs Utilities  
2023 Water Cost of Service Study**

**SCHEDULE 4.3  
OPERATION AND MAINTENANCE EXPENSE**

<b>Line</b>	<b>Account</b>	<b>Account Description</b>	<b>Total 2023</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
141	930200	Miscellaneous General Expenses	8,158
142	930203	Miscellaneous General Expenses	101,475
143		Total	<u>\$ 46,002,471</u>
144		<b>Maintenance</b>	
145	932000	Maintenance of General Plant	\$ 2,629,602
146		Total	<u>\$ 2,629,602</u>
147		<b>Total Allocated Customer and Administrative and General</b>	<u><u>\$ 55,990,129</u></u>
148		<b>Total</b>	<u><u>\$ 132,070,730</u></u>

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 4.4  
FUNCTIONAL ALLOCATION OF CAPITAL INVESTMENT

Line No.	Account	Function	Net Plant December 31, 2021	Source of Supply and Pumping	Treatment	Transmission and Distribution	
						Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	310-328	Source of Supply and Pumping	\$ 842,544,173	\$ 842,544,173	\$ -	\$ -	\$ -
2	330-332	Treatment	146,854,575	-	146,854,575	-	-
3		Transmission and Distribution:					
4	340-343, 349, 360-373	Mains, Reservoirs and Other	605,961,981	-	-	605,961,981	-
5	345-348	Services, Meters, Installations, and Hydrants	94,536,222	-	-	-	94,536,222
6		<b>Total</b>	<b>\$ 1,689,896,951</b>	<b>\$ 842,544,173</b>	<b>\$ 146,854,575</b>	<b>\$ 605,961,981</b>	<b>\$ 94,536,222</b>
7		<b>Percent of Total</b>	<b>100.00%</b>	<b>49.86%</b>	<b>8.69%</b>	<b>35.86%</b>	<b>5.59%</b>

**Colorado Springs Utilities  
2023 Water Cost of Service Study**

**SCHEDULE 5  
CLASSIFICATION OF FUNCTIONAL EXPENDITURES**

<b>Line No.</b>	<b>Function</b>	<b>Total 2023</b>	<b>Average Day</b>	<b>Maximum Day</b>	<b>Maximum Hour</b>	<b>Customer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>	<b>(g)</b>
1	Source of Supply and Pumping	\$ 101,410,618	\$ 101,410,618	\$ -	\$ -	\$ -
2	Treatment	25,801,263	13,754,654	12,046,610	-	-
3	Transmission and Distribution:					
4	Mains, Reservoirs and Other	70,472,068	22,466,495	19,682,849	28,322,724	-
5	Services, Meters, Installations, and Hydrants	11,532,856	-	-	-	11,532,856
6	Customer	8,093,754	-	-	-	8,093,754
7	Surplus Payments to the City	2,573,997	2,573,997	-	-	-
8	<b>Total</b>	<b>\$ 219,884,556</b>	<b>\$ 140,205,764</b>	<b>\$ 31,729,459</b>	<b>\$ 28,322,724</b>	<b>\$ 19,626,609</b>

**Colorado Springs Utilities  
2023 Water Cost of Service Study**

**SCHEDULE 5.1  
SUMMARY OF CLASSIFICATION PERCENTAGES**

<b>Line No.</b>	<b>Function</b>	<b>Average Day</b>	<b>Maximum Day</b>	<b>Maximum Hour</b>	<b>Customer</b>	<b>Direct</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>	<b>(g)</b>
1	Source of Supply and Pumping	100.00%	0.00%	0.00%	0.00%	0.00%
2	Treatment	53.31%	46.69%	0.00%	0.00%	0.00%
3	Transmission and Distribution:					
4	Mains, Reservoirs and Other	31.88%	27.93%	40.19%	0.00%	0.00%
5	Services, Meters, Installations, and Hydrants	0.00%	0.00%	0.00%	100.00%	0.00%
6	Customer	0.00%	0.00%	0.00%	100.00%	0.00%
7	Surplus Payments to the City	100.00%	0.00%	0.00%	0.00%	0.00%



Colorado Springs Utilities  
 2023 Water Cost of Service Study

SCHEDULE 5.2  
 CLASSIFICATION PERCENTAGES - TREATMENT

<b>Line No.</b>	<b>Function</b>	<b>Forecasted Average Day Treatment</b>	<b>Forecasted Max Day Treatment</b>	<b>Average Day Classification Factor</b>	<b>Max Day Classification Factor</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(c)/(d)</u>	<u>(f)</u> <u>[(d) - (c)] / (d)</u>
1	Treatment	8,609,626	16,151,070	53.31%	46.69%

Colorado Springs Utilities  
2023 Water Cost of Service Study

**SCHEDULE 5.3**  
**CLASSIFICATION PERCENTAGES - TRANSMISSION AND DISTRIBUTION: MAINS,**  
**RESERVOIRS AND OTHER**

<b>Line No.</b>	<b>Function</b>	<b>Forecasted Average Day Treatment</b>	<b>Forecasted Max Day Treatment</b>	<b>Forecasted Max Hour Treatment</b>	<b>Average Day Classification Factor</b>	<b>Max Day Classification Factor</b>	<b>Max Hour Classification Factor</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u> <u>(c)/(e)</u>	<u>(g)</u> <u>[(d) - (c)]/(e)</u>	<u>(h)</u> <u>[(e) - (d)]/(e)</u>
1	Mains, Reservoirs and Other	8,609,626	16,151,070	27,004,011	31.88%	27.93%	40.19%

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 6A  
COST ALLOCATION DETAIL - SOURCE OF SUPPLY AND PUMPING  
Total 2023

Line No.	Rate Class	AF01 Average Day	Commodity Cost			Total Allocated Cost
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u> <u>(d) + (f)</u>
1	Residential Service	48.42%	\$ 49,103,021		\$ -	\$ 49,103,021
2	Nonresidential Service	41.99%	42,582,318		-	42,582,318
3	Large Nonseasonal Service	2.73%	2,768,510		-	2,768,510
4	Contract Service - Military	6.86%	6,956,768		-	6,956,768
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 101,410,618</b>		<b>\$ -</b>	<b>\$ 101,410,618</b>

Colorado Springs Utilities  
2023 Water Cost of Service Study

**SCHEDULE 6B**  
**COST ALLOCATION DETAIL - TREATMENT**  
Total 2023

Line No.	Rate Class	AF01 Average Day (c)	Commodity Cost (d)	AF02 Excess Maximum Day (e)	Demand Cost (f)	Total Allocated Cost (g) (d) + (f)
(a)	(b)	(c)	(d)	(e)	(f)	(g) (d) + (f)
1	Residential Service	48.42%	\$ 6,660,003	56.77%	\$ 6,838,445	\$ 13,498,448
2	Nonresidential Service	41.99%	5,775,579	37.74%	4,546,389	10,321,968
3	Large Nonseasonal Service	2.73%	375,502	0.31%	36,904	412,406
4	Contract Service - Military	6.86%	943,569	5.19%	624,872	1,568,441
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 13,754,654</b>	<b>100.00%</b>	<b>\$ 12,046,610</b>	<b>\$ 25,801,264</b>



Colorado Springs Utilities  
2023 Water Cost of Service Study

**SCHEDULE 6D**  
**COST ALLOCATION DETAIL - TRANSMISSION AND DISTRIBUTION:**  
**SERVICE, METERS, INSTALLATION, AND HYDRANTS**  
**Total 2023**

Line No.	Rate Class	AF04 Weighted Average Customers	Customer Cost	(e)	(f)	Total Allocated Cost
(a)	(b)	(c)	(d)	(e)	(f)	(g) (d) + (f)
1	Residential Service	71.20%	\$ 8,211,393		\$ -	\$ 8,211,393
2	Nonresidential Service	28.76%	3,316,849		-	3,316,849
3	Large Nonseasonal Service	0.03%	3,460		-	3,460
4	Contract Service - Military	0.01%	1,153		-	1,153
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 11,532,856</b>		<b>\$ -</b>	<b>\$ 11,532,856</b>

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 6E  
COST ALLOCATION DETAIL - CUSTOMER  
Total 2023

Line No.	Rate Class	AF04 Weighted Average Customers	Customer Cost			Total Allocated Cost
(a)	(b)	(c)	(d)	(e)	(f)	(g) (d) + (f)
1	Residential Service	71.20%	\$ 5,762,753		\$ -	\$ 5,762,753
2	Nonresidential Service	28.76%	2,327,764		-	2,327,764
3	Large Nonseasonal Service	0.03%	2,428		-	2,428
4	Contract Service - Military	0.01%	809		-	809
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 8,093,754</b>		<b>\$ -</b>	<b>\$ 8,093,754</b>

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 6F  
COST ALLOCATION DETAIL - SURPLUS PAYMENTS TO THE CITY  
Total 2023

Line No.	Rate Class	AF01 Average Day	Commodity Cost			Total Allocated Cost
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u> <u>(d) + (f)</u>
1	Residential Service	48.42%	\$ 1,246,329		\$ -	\$ 1,246,329
2	Nonresidential Service	41.99%	1,080,821		-	1,080,821
3	Large Nonseasonal Service	2.73%	70,270		-	70,270
4	Contract Service - Military	6.86%	176,576		-	176,576
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 2,573,997</b>		<b>\$ -</b>	<b>\$ 2,573,997</b>



Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 6.1  
SUMMARY OF ALLOCATION FACTOR PERCENTAGES

Line No.	Rate Class	Average Day AF01	Excess Maximum Day AF02	Excess Maximum Hour AF03	Weighted Average Customers AF04
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>
1	Residential Service	48.42%	56.77%	56.76%	71.20%
2	Nonresidential Service	41.99%	37.74%	37.74%	28.76%
3	Large Nonseasonal Service	2.73%	0.31%	0.31%	0.03%
4	Contract Service - Military	6.86%	5.19%	5.19%	0.01%
5	<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 6.2  
ALLOCATION FACTOR CALCULATIONS

Line No.	Rate Class	Average Day	AF01	Maximum Day	Excess Maximum Day	AF02	Excess Maximum Hour <sup>(1)</sup>	AF03	Weighted Average Customers	AF04
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u> <u>(e) - (c)</u>	<u>(g)</u>	<u>(h)</u> <u>(f) / 24</u>	<u>(i)</u>	<u>(j)</u>	<u>(k)</u>
1	Residential Service	3,714,227	48.42%	8,817,454	5,103,227	56.77%	212,634	56.76%	142,569	71.20%
2	Nonresidential Service	3,220,531	41.99%	6,613,299	3,392,768	37.74%	141,365	37.74%	57,580	28.76%
3	Large Nonseasonal Service	209,092	2.73%	236,632	27,540	0.31%	1,147	0.31%	64	0.03%
4	Contract Service - Military	526,056	6.86%	992,370	466,314	5.19%	19,430	5.19%	11	0.01%
5	<b>Total</b>	<b>7,669,906</b>	<b>100.00%</b>	<b>16,659,755</b>	<b>8,989,849</b>	<b>100.00%</b>	<b>374,577</b>	<b>100.00%</b>	<b>200,224</b>	<b>100.00%</b>

Note:

<sup>(1)</sup> Excess Maximum Hour assumed at 1/24 of Excess Maximum Day volumes.

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 6.3  
VOLUME ALLOCATION FACTOR CALCULATION DETAIL

Line No.	Rate Class	Cf Sales	Average Day	Maximum Day
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u> <u>(c) / 365</u>	<u>(e)</u>
1	Residential Service	1,355,692,747	3,714,227	8,817,454
2	Nonresidential Service	1,175,493,835	3,220,531	6,613,299
3	Large Nonseasonal Service	76,318,681	209,092	236,632
4	Contract Service - Military	192,010,328	526,056	992,370
5	<b>Total</b>	<b>2,799,515,591</b>	<b>7,669,906</b>	<b>16,659,755</b>

**Colorado Springs Utilities  
2023 Water Cost of Service Study**

**SCHEDULE 6.4  
FORECASTED BILLING UNITS**

<b>Line No.</b>	<b>Rate Class</b>	<b>Average Customers</b>	<b>Cf Sales</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>
1	Residential Service - Inside City Limits	140,802	1,346,403,089
2	Residential Service - Outside City Limits	1,767	9,289,658
3	Nonresidential Service - Inside City Limits	14,250	1,171,134,133
4	Nonresidential Service - Outside City Limits	145	4,359,702
5	Large Nonseasonal Service	16	76,318,681
6	Contract Service - Military	-	192,010,328
7	<b>Total</b>	<b>156,980</b>	<b>2,799,515,591</b>

*Note: Contract Service - Military does not have daily Service Charge, all costs are recovered through the Commodity Charge.*

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 7  
NET REVENUE REQUIREMENT BY RATE CLASS

Line No.	Rate Class	Source of Supply and Pumping	Treatment	Transmission and Distribution		Customer	Surplus Payments to the City	Net Revenue Requirement
				Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Residential Service	\$ 49,103,021	\$ 13,498,448	\$ 38,127,530	\$ 8,211,393	\$ 5,762,753	\$ 1,246,329	\$ 115,949,474
2	Nonresidential Service	42,582,318	10,321,968	27,550,982	3,316,849	2,327,764	1,080,821	87,180,703
3	Large Nonseasonal Service	2,768,510	412,406	761,433	3,460	2,428	70,270	4,018,507
4	Contract Service - Military	6,956,768	1,568,441	4,032,124	1,153	809	176,576	12,735,873
5	<b>Total</b>	<b>\$ 101,410,618</b>	<b>\$ 25,801,264</b>	<b>\$ 70,472,068</b>	<b>\$ 11,532,856</b>	<b>\$ 8,093,754</b>	<b>\$ 2,573,997</b>	<b>\$ 219,884,556</b>

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 8  
RATE DESIGN

Line No.	Rate Class	# Days	Forecasted 2023 Billing Units	Current Rates	Revenue Under Current Rates	Net Revenue Requirement	Proposed Rates	Proposed Revenue from Rates	Proposed Increase / (Decrease)	Percent Revenue Change
(a)	(b)	(c)	(d)	(e)	(f) (c) * (d) * (e)	(g)	(h)	(i) (c) * (d) * (h)	(j) (i) - (f)	(k) (j) / (f)
1	<b>Residential Service</b>									
2	<b>Residential Service - Inside City Limits</b>									
3	Service Charge, per meter, per day	365	140,802	\$ 0.7631	\$ 39,217,792		\$ 0.8000	\$ 41,114,184	\$ 1,896,392	4.8%
4	Commodity Charge, per cf:									
5	Block I: First 999 cf		1,016,247,554	\$ 0.0456	46,340,888		\$ 0.0499	50,710,753	4,369,864	9.4%
6	Block II: Next 1,500 cf		263,664,942	\$ 0.0643	16,953,656		\$ 0.0623	16,426,326	(527,330)	-3.1%
7	Block III: All over 2,499 cf		66,490,593	\$ 0.0965	6,416,342		\$ 0.0935	6,216,870	(199,472)	-3.1%
8	Total cf		1,346,403,089							
9	<b>Total Residential Service - Inside City Limits</b>					<b>\$ 108,928,679</b>		<b>\$ 114,468,133</b>	<b>\$ 5,539,455</b>	<b>5.1%</b>
10	<b>Residential Service - Outside City Limits</b>									
11	Service Charge, per meter, per day	365	1,767	\$ 1.1447	\$ 738,280		\$ 1.2000	\$ 773,946	\$ 35,666	4.8%
12	Commodity Charge, per cf:									
13	Block I: First 999 cf		7,825,554	\$ 0.0684	535,268		\$ 0.0749	586,134	50,866	9.5%
14	Block II: Next 1,500 cf		1,127,486	\$ 0.0965	108,802		\$ 0.0935	105,420	(3,382)	-3.1%
15	Block III: All over 2,499 cf		336,618	\$ 0.1448	48,742		\$ 0.1403	47,228	(1,515)	-3.1%
16	Total cf		9,289,658							
17	<b>Total Residential Service - Outside City Limits</b>					<b>\$ 1,431,093</b>		<b>\$ 1,512,727</b>	<b>\$ 81,635</b>	<b>5.7%</b>
18	<b>Total Residential Service</b>					<b>\$ 110,359,771</b>	<b>\$ 115,949,474</b>	<b>\$ 115,980,861</b>	<b>\$ 5,621,089</b>	<b>5.1%</b>
19	<b>Nonresidential Service</b>									
20	<b>Nonresidential Service - Inside City Limits</b>									
21	Service Charge, per meter, per day	365								
22	Less than 2 inch meter		11,396	\$ 1.7570	\$ 7,308,312		\$ 1.8449	\$ 7,673,935	\$ 365,624	5.0%
23	2 inch meter		2,228	\$ 2.8112	2,286,124		\$ 2.9518	2,400,463	114,339	5.0%
24	3 inch meter		421	\$ 5.2710	809,968		\$ 5.5346	850,474	40,506	5.0%
25	4 inch meter		153	\$ 8.7851	490,604		\$ 9.2243	515,131	24,527	5.0%
26	6 inch meter		48	\$ 17.5702	307,830		\$ 18.4485	323,218	15,388	5.0%
27	8 inch meter		2	\$ 28.1123	20,522		\$ 29.5176	21,548	1,026	5.0%
28	10 inch meter		2	\$ 40.4114	29,500		\$ 42.4316	30,975	1,475	5.0%
29	Commodity Charge:									
30	November - April, per cf		353,511,738	\$ 0.0528	18,665,420		\$ 0.0552	19,513,848	848,428	4.5%
31	May - October, per cf		817,622,395	\$ 0.0662	54,126,603		\$ 0.0690	56,415,945	2,289,343	4.2%
32	Total cf		1,171,134,133							
33	<b>Total Nonresidential Service - Inside City Limits</b>					<b>\$ 84,044,882</b>		<b>\$ 87,745,537</b>	<b>\$ 3,700,655</b>	<b>4.4%</b>

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 8  
RATE DESIGN

Line No.	Rate Class	# Days	Forecasted 2023 Billing Units	Current Rates	Revenue Under Current Rates	Net Revenue Requirement	Proposed Rates	Proposed Revenue from Rates	Proposed Increase / (Decrease)	Percent Revenue Change	
(a)	(b)	(c)	(d)	(e)	(f) (c) * (d) * (e)	(g)	(h)	(i) (c) * (d) * (h)	(j) (i) - (f)	(k) (j) / (f)	
34	<b>Nonresidential Service - Outside City Limits</b>										
35	Service Charge, per meter, per day	365									
36	Less than 2 inch meter		136	\$ 2.6355	\$ 130,826		\$ 2.7674	\$ 137,374	\$ 6,548	5.0%	
37	2 inch meter		7	\$ 4.2168	10,774		\$ 4.4277	11,313	539	5.0%	
38	3 inch meter		2	\$ 7.9065	5,772		\$ 8.3019	6,060	289	5.0%	
39	4 inch meter		-	\$ 13.1777	-		\$ 13.8365	-	-	0.0%	
40	6 inch meter		-	\$ 26.3553	-		\$ 27.6728	-	-	0.0%	
41	8 inch meter		-	\$ 42.1685	-		\$ 44.2764	-	-	0.0%	
42	10 inch meter		-	\$ 60.6171	-		\$ 63.6474	-	-	0.0%	
43	Commodity Charge:										
44	November - April, per cf		1,441,036	\$ 0.0792	114,130		\$ 0.0828	119,318	5,188	4.5%	
45	May - October, per cf		2,918,666	\$ 0.0993	289,824		\$ 0.1035	302,082	12,258	4.2%	
46	Total cf		4,359,702								
47	<b>Total Nonresidential Service - Outside City Limits</b>					<b>\$ 551,325</b>		<b>\$ 576,147</b>	<b>\$ 24,821</b>	<b>4.5%</b>	
48	<b>Total Nonresidential Service</b>					<b>\$ 84,596,208</b>	<b>\$ 87,180,703</b>	<b>\$ 88,321,684</b>	<b>\$ 3,725,476</b>	<b>4.4%</b>	
49	<b>Large Nonseasonal Service</b>										
50	Service Charge, per meter, per day	365									
51	Less than 2 inch meter		-	\$ 1.7570	\$ -		\$ 1.8449	\$ -	\$ -	0.0%	
52	2 inch meter		3	\$ 2.8112	3,078		\$ 2.9518	3,232	154	5.0%	
53	3 inch meter		3	\$ 5.2710	5,772		\$ 5.5346	6,060	289	5.0%	
54	4 inch meter		3	\$ 8.7851	9,620		\$ 9.2243	10,101	481	5.0%	
55	6 inch meter		7	\$ 17.5702	44,892		\$ 18.4485	47,136	2,244	5.0%	
56	8 inch meter		-	\$ 28.1123	-		\$ 29.5176	-	-	0.0%	
57	10 inch meter		-	\$ 40.4114	-		\$ 42.4316	-	-	0.0%	
58	Commodity Charge per cf										
59	Total cf		76,318,681	\$ 0.0489	3,731,983		\$ 0.0518	3,951,978	219,994	5.9%	
60	<b>Total Large Nonseasonal Service</b>					<b>\$ 3,795,345</b>	<b>\$ 4,018,507</b>	<b>\$ 4,018,507</b>	<b>\$ 223,162</b>	<b>5.9%</b>	
61	<b>Contract Service - Military</b>										
62	Commodity Charge:										
63	November - April, per cf		65,653,618	\$ 0.0477	\$ 3,131,678		\$ 0.0513	\$ 3,368,031	\$ 236,353	7.5%	
64	May - October, per cf		126,356,710	\$ 0.0596	7,530,860		\$ 0.0641	8,099,465	568,605	7.6%	
65	Total cf		192,010,328								
66	<b>Total Contract Service - Military</b>					<b>\$ 10,662,537</b>	<b>\$ 12,735,873</b>	<b>\$ 11,467,496</b>	<b>\$ 804,958</b>	<b>7.6%</b>	
67	<b>Total Revenue</b>					<b>\$ 209,413,862</b>	<b>\$ 219,884,556</b>	<b>\$ 219,788,547</b>	<b>\$ 10,374,685</b>	<b>5.0%</b>	

Colorado Springs Utilities  
2023 Water Cost of Service Study

SCHEDULE 9  
CONTRACT SERVICE - REGIONAL: FULL SERVICE OPTION

Line No.	Category	Rate Calculation	Functional Costs <sup>(1)</sup>					
			Source of Supply and Pumping	Treatment	Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants	Customer	Surplus Payments to the City
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Total Operation and Maintenance Expense	\$ 116,313,365	\$ 58,077,062	\$ 19,226,444	\$ 39,009,859	\$ -	\$ -	\$ -
2	Surplus Payments to City	2,355,092	-	-	-	-	-	2,355,092
3	Debt Service	80,831,250	42,688,715	7,440,599	30,701,937	-	-	-
4	Cash Funded Capital	50,195,101	26,509,108	4,620,510	19,065,483	-	-	-
5	Additions to Cash	(12,497,681)	(6,240,285)	(2,065,850)	(4,191,546)	-	-	-
6	Full Service Cost Basis	\$ 237,197,127	\$ 121,034,599	\$ 29,221,703	\$ 84,585,734	\$ -	\$ -	\$ 2,355,092
7	Colorado Springs Utilities' System Sales (cf)	2,799,515,591						
8	Nonpotable Sales (cf)	85,948,800						
9	Regional Sales (cf)	11,543,400						
10	Total System Sales (cf) (line 7 + line 8 + line 9)	2,897,007,791						
11	Full Service Average System Cost excluding certain costs, per cf (line 6 / line 10)	\$ 0.0819						
12	Multiplier	1.20						
13	<b>Total Commodity Charge, per cf (line 11 x line 12)</b>	<b>\$ 0.0983</b>						

Notes:

<sup>(1)</sup> Contract Service - Regional rates are based on average System Cost derived from Colorado Springs Utilities' functional revenue requirement per Schedule 4, excluding certain costs that are not applicable to the Outside City Limits 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  
2023 Water Cost of Service Study

SCHEDULE 9.1  
CONTRACT SERVICE - REGIONAL: CONVEY, TREAT AND DELIVER OPTION

Line No.	Category	Rate Calculation	Functional Costs <sup>(1)</sup>					
			Source of Supply and Pumping	Treatment	Mains, Reservoirs and Other	Services, Meters, Installations, and Hydrants	Customer	Surplus Payments to the City
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Total Operation and Maintenance Expense	\$ 51,199,159	\$ 13,151,191	\$ 19,226,444	\$ 18,821,523	\$ -	\$ -	\$ -
2	Surplus Payments to City	1,447,378	-	-	-	-	-	1,447,378
3	Debt Service	60,845,588	24,429,647	7,440,599	28,975,342	-	-	-
4	Cash Funded Capital	37,784,278	15,170,477	4,620,510	17,993,291	-	-	-
5	Additions to Cash	(5,501,266)	(1,413,074)	(2,065,850)	(2,022,342)	-	-	-
6	Convey, Treat, Deliver Cost Basis	\$ 145,775,136	\$ 51,338,240	\$ 29,221,703	\$ 63,767,815	\$ -	\$ -	\$ 1,447,378
7	Colorado Springs Utilities' System Sales (cf)	2,799,515,591						
8	Regional Sales (cf)	11,543,400						
9	Total System Sales (cf) (line 7 + line 8 + line 9)	2,811,058,991						
10	Convey, Treat, Deliver Charge excluding certain costs, per cf (line 6 / line 10)	\$ 0.0519						
11	Multiplier	1.20						
12	<b>Total Commodity Charge, per cf (line 11 x line 12)</b>	<b>\$ 0.0622</b>						

Notes:

<sup>(1)</sup> Contract Service - Regional rates are based on average system cost derived from Colorado Springs Utilities' functional revenue requirement per Schedule 4, excluding certain costs that are not applicable to the Outside City Limits 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. This report summarizes proposed changes to the Wastewater Rate Schedules.

**1. Overview**

Utilities has conducted a Cost of Service (COS) study based on a Revenue Requirement from the Proposed 2023 Budget. The COS analysis indicates for Utilities to recover the proposed Revenue Requirement, it is necessary to increase rates. The primary rate drivers are as follows:

- a. Inflationary increases in labor, benefits, and system maintenance.
- b. Funding infrastructure investments.
  - Clear Springs Ranch Biogas and North Monument Creek interceptor projects.

The proposed rate increase will result in total revenue of \$73.6 million, which is \$2.8 million or 4.0% higher than the projected revenues under current rates. The effect of this increase on the sample monthly Residential wastewater bill is an additional \$0.84 or 2.5% higher. The following Schedule 1 from COS summarizes the Sample Monthly Wastewater Bill Comparison:

<b>Line No.</b>	<b>Rate Class</b>	<b>Current</b>	<b>Proposed</b>	<b>Proposed Increase / (Decrease)</b>	<b>% Change</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(d) - (c)</u>	<u>(f)</u> <u>(e) / (c)</u>
1	Residential Service - Inside City Limits	\$ 33.38	\$ 34.22	\$ 0.84	2.5%
2	Small Nonresidential Service - Inside City Limits	\$ 116.26	\$ 126.76	\$ 10.50	9.0%
3	Large Nonresidential Service - Inside City Limits	\$ 1,455.76	\$ 1,630.76	\$ 175.00	12.0%

*Note: The sample bill is calculated using existing rates and proposed rates assuming: 30 days per month; 700 cf for Residential, 3,000 cf for Small Nonresidential, and 50,000 cf for Large Nonresidential.*

**2. Cost of Service and Rate Design**

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

The following Schedule 2 from COS summarizes the relationship of revenue as a percentage of COS applying the proposed rates:

Line No.	Rate Class	Net Revenue Requirement	Revenue Under Current Rates	Proposed Increase / (Decrease)	Percent Revenue Change	Proposed Revenue from Rates	Percent of Net Revenue Requirement
(a)	(b)	(c)	(d)	(e) (g) - (d)	(f) (e) / (d)	(g) (d) + (e)	(h) (g) / (c)
1	Residential Service	\$ 55,994,351	\$ 54,649,028	\$ 1,275,756	2.3%	\$ 55,924,784	99.9%
2	Nonresidential Service	16,934,026	15,391,826	1,529,899	9.9%	16,921,725	99.9%
3	Contract Service - Military	243,847	220,848	22,587	10.2%	243,435	99.8%
4	Liquid Waste Hauler	443,793	522,142	-	0.0%	522,142	117.7%
5	<b>Total</b>	<b>\$ 73,616,017</b>	<b>\$ 70,783,844</b>	<b>\$ 2,828,242</b>	<b>4.0%</b>	<b>\$ 73,612,086</b>	<b>100.0%</b>

*Note: Residential and Nonresidential values are inclusive of Inside and Outside City Limits service.*

**a. Residential (Wastewater Rate Schedules Sheet No. 2)**

This service is available for general residential purposes. The daily Customer Charge rate is proposed to remain flat with the additional revenue requirement recovered under the normal quantity charge, on a per cubic foot (cf) basis.

**b. Nonresidential (Wastewater Rate Schedules Sheet Nos. 2 and 2.1)**

This service is available for general nonresidential purposes. As with the proposed recovery approach in the Residential service, the daily Customer Charge rate for the Nonresidential service is proposed to remain flat with the additional revenue requirement recovered under the normal quantity charge, on a per cf basis.

Extra Strength Surcharges related to Biochemical Oxygen Demand (BOD) and/or Total Suspended Solids (TSS) are also charged to certain Nonresidential customers whose discharges exceed the normal domestic strength. These surcharges are assessed on a per excess billing unit specific to the discharge.

**c. Contract Service – Military** (*Wastewater Rate Schedules Sheet No. 2.1*)

This service is available by contract in Utilities’ wastewater service territory where Utilities’ treatment system is available for the military. As this rate class does not have a daily Service Charge, all cost is recovered under a charge for treatment, on a per cf basis.

**d. Contract Service – Regional** (*Wastewater Rate Schedules Sheet No. 2.1*)

Contract Service – Regional pricing methodology is Average System Cost (excluding certain costs) and is designed to isolate the cost of Utilities’ wastewater system utilized by this rate class plus the addition of a 10% multiplier for outside-of-City Customers. The pricing also excludes any benefit from Utilities’ Miscellaneous and Interest revenues from the rate class, keeping the benefit of such revenues to inside-of-City rate classes.

**e. Liquid Waste Hauler**

Utilities accepts hauled liquid waste along with other local, privately-owned businesses in the area. Due to the nature of Utilities’ operations, this service can generally be provided at a cost lower than market; however, this would place undue competitive pressure on local businesses. In this COS, the cost to serve Liquid Waste Haulers is lower than revenues generated from the current rates by approximately \$78,000. Utilities is proposing no change to the current rate in support of the competitive business environment. This service is outside the plus or minus 5% of COS study requirement per Rate Design (G-5) Guideline, 2. A. defined in the Governance Policy Manual.

**3. Other Tariff Changes** (*Wastewater Rate Schedules Sheet Nos. 4 and 5*)

Utilities proposes an administrative change to availability in the Residential Service and Nonresidential Service of the Wastewater Rate Schedules to align the terms, Inside City Limits, and Outside City Limits, with the Rate Table.

# **Wastewater Resolution**

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

**A RESOLUTION SETTING WASTEWATER RATES WITHIN  
THE SERVICE AREA OF COLORADO SPRINGS UTILITIES AND  
REGARDING CERTAIN CHANGES TO WASTEWATER RATE SCHEDULES**

**WHEREAS**, Colorado Springs Utilities (Utilities) analyzed the cost of providing wastewater utility service to its Customers and analyzed its current and expected revenue needs; and

**WHEREAS**, wastewater service revenues will need to increase by approximately \$2.8 million for 2023; and

**WHEREAS**, Utilities conducted a cost-of-service study and proposed to modify the Residential, Nonresidential, Contract Service – Military, and Contract Service – Regional rates to reflect the appropriate cost for the service; and

**WHEREAS**, Utilities proposed to make administrative changes to the Residential and Nonresidential Service 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' 2023 Rate Case Filing, 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 wastewater rate schedules; and

**WHEREAS**, the City Council finds that the proposed modifications to the wastewater rate schedules and tariffs are reasonable considering all circumstances 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 wastewater rate schedule changes effective January 1, 2023; 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, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Third Revised Sheet No. 2	RATE TABLE	Second Sheet No. 2
Fifth Revised Sheet No. 2.1	RATE TABLE	Fourth Sheet No. 2.1
First Revised Sheet No. 4	RESIDENTIAL SERVICE (SR)	Original Sheet No. 4
First Revised Sheet No. 5	NONRESIDENTIAL SERVICE (SC)	Original Sheet No. 5

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 8<sup>th</sup> day of November, 2022.

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

ATTEST:

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

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



<b>WASTEWATER 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 (SR)</b>		<b>Sheet No. 4</b>
<b>Inside City Limits</b>		
Service Charge, per day	\$0.5178	
Normal Quantity Charge, per cf	<del>\$0.0255</del> <u>\$0.0267</u>	
<b>Outside City Limits</b>		
Service Charge, per day	\$0.7767	
Normal Quantity Charge, per cf	<del>\$0.0383</del> <u>\$0.0401</u>	
<b>Nonresidential Service (SC)</b>		<b>Sheet No. 5</b>
<b>Inside City Limits</b>		
Service Charge, per day	\$1.0254	
Normal Quantity Charge, per cf	<del>\$0.0285</del> <u>\$0.0320</u>	
<b>Extra Strength Surcharges</b> 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	<del>\$0.0038</del> <u>\$0.0041</u>	
TSS, per excess TSS billing unit	<del>\$0.0020</del> <u>\$0.0021</u>	
Consumptive Use Adjustment (CUA) Charge, per day, per meter	\$0.0800	
Irrigation Adjustment (IA) Charge, per day, per meter	\$0.0800	

Approval Date: ~~November 12, 2019~~November 8, 2022  
 Effective Date: ~~January 1, 2020~~January 1, 2023  
 Resolution No. ~~121-19~~



<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	<del>\$0.0428</del> <u>\$0.0480</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	<del>\$0.0057</del> <u>\$0.0062</u>	
TSS, per excess TSS billing unit	<del>\$0.0030</del> <u>\$0.0032</u>	
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	<del>\$0.0264</del> <u>\$0.0291</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	<del>\$0.0038</del> <u>\$0.0041</u>	
TSS, per excess TSS billing unit	<del>\$0.0020</del> <u>\$0.0021</u>	
<b>Contract Service – Regional (S9C)</b>		<b>Sheet No. 7</b>
Treatment Charge, per cf	<del>\$0.0312</del> <u>\$0.0336</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	<del>\$0.0042</del> <u>\$0.0045</u>	
TSS, per excess TSS billing unit	<del>\$0.0022</del> <u>\$0.0023</u>	

Approval Date: ~~November 23, 2021~~November 8, 2022  
 Effective Date: ~~January 1, 2022~~January 1, 2023  
 Resolution No. ~~184-21~~



**WASTEWATER RATE SCHEDULES**

---

**RESIDENTIAL SERVICE (SR)**

**AVAILABILITY**

**Inside City Limits**

Available in the corporate limits of the City in Utilities’ wastewater service area for general residential purposes.

**Outside City Limits**

Available outside the corporate limits of the City in areas where wastewater service is available from Utilities for general residential purposes.

**RATE**

See Rate Table for applicable charges.

**DETERMINATION OF BILLING UNITS**

Wastewater billing units will be billed based on either actual metered water consumption or the previous year’s winter wastewater average daily usage (ADU), whichever is less. New winter wastewater ADU calculations will typically be used for billing periods that begin after March 1st of each year.

**DETERMINATION OF WINTER AVERAGE DAILY USAGE**

A winter wastewater average daily usage will be based on metered water consumption using reads closest to, but not before, December 1st and closest to, but not after, February 28/29th. The winter wastewater average daily usage will be calculated based on water consumption between these read dates and the corresponding number of days between these read dates. For customers with less than 30 days of water consumption history with Utilities or zero water usage between these read dates, 33 cubic feet per day per residential unit will be used as the winter wastewater average daily usage.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~



**WASTEWATER RATE SCHEDULES**

---

**NONRESIDENTIAL SERVICE (SC)**

**AVAILABILITY**

**Inside City Limits**

Available in the corporate limits of the City in Utilities’ wastewater service area for general nonresidential purposes.

**Outside City Limits**

Available outside the corporate limits of the City in areas where wastewater service is available from Utilities for general nonresidential purposes.

**RATE**

See Rate Table for applicable charges.

**DETERMINATION OF BILLING UNITS**

**Normal Quantity Charge (NQC)**

The amount of water billed by Utilities for each billing period, less any applicable Consumptive Use Adjustment (CUA) or Irrigation Adjustment (IA), will be the basis for determination of the billing units for the NQC. For billing purposes, the Customer’s cf of sewer flow is assumed to be the same as the incoming water flow, unless it is reduced by CUA or IA adjustments as described in the following paragraphs. Approved CUA quantities (in cubic feet) are subtracted from the sewer quantities, reducing the NQC and sewer bill amount. For those Customers without Utilities’ water service, an alternative basis will be established representative of the Customer’s wastewater volume.

**Consumptive Use Adjustment**

Any Customer that does not discharge all of its water into the sanitary wastewater system exclusive of any IA may be eligible for a CUA in accordance with this section. Granting of a CUA will be at the sole discretion of Colorado Springs Utilities and does not apply to non-sewered Customers.

The CUA will be based upon the Customer’s measured consumptive use of water. All new CUAs require submetering by Utilities, using meters provided by Utilities.

The CUA provisions apply equally to both potable and nonpotable water provided the submetered consumption represents a reduction in treated effluent into the sanitary wastewater system.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~

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



<b>WASTEWATER 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 (SR)</b>		<b>Sheet No. 4</b>
<b>Inside City Limits</b>		
Service Charge, per day	\$0.5178	
Normal Quantity Charge, per cf	\$0.0267	
<b>Outside City Limits</b>		
Service Charge, per day	\$0.7767	
Normal Quantity Charge, per cf	\$0.0401	
<b>Nonresidential Service (SC)</b>		<b>Sheet No. 5</b>
<b>Inside City Limits</b>		
Service Charge, per day	\$1.0254	
Normal Quantity Charge, per cf	\$0.0320	
<b>Extra Strength Surcharges</b> 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	\$0.0041	
TSS, per excess TSS billing unit	\$0.0021	
Consumptive Use Adjustment (CUA) Charge, per day, per meter	\$0.0800	
Irrigation Adjustment (IA) Charge, per day, per meter	\$0.0800	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 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	\$0.0480	
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	\$0.0062	
TSS, per excess TSS billing unit	\$0.0032	
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	\$0.0291	
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	\$0.0041	
TSS, per excess TSS billing unit	\$0.0021	
<b>Contract Service – Regional (S9C)</b>		<b>Sheet No. 7</b>
Treatment Charge, per cf	\$0.0336	
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	\$0.0045	
TSS, per excess TSS billing unit	\$0.0023	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_



**WASTEWATER RATE SCHEDULES**

---

**RESIDENTIAL SERVICE (SR)**

**AVAILABILITY**

**Inside City Limits**

Available in the corporate limits of the City in Utilities’ wastewater service area for general residential purposes.

**Outside City Limits**

Available outside the corporate limits of the City in areas where wastewater service is available from Utilities for general residential purposes.

**RATE**

See Rate Table for applicable charges.

**DETERMINATION OF BILLING UNITS**

Wastewater billing units will be billed based on either actual metered water consumption or the previous year’s winter wastewater average daily usage (ADU), whichever is less. New winter wastewater ADU calculations will typically be used for billing periods that begin after March 1st of each year.

**DETERMINATION OF WINTER AVERAGE DAILY USAGE**

A winter wastewater average daily usage will be based on metered water consumption using reads closest to, but not before, December 1st and closest to, but not after, February 28/29th. The winter wastewater average daily usage will be calculated based on water consumption between these read dates and the corresponding number of days between these read dates. For customers with less than 30 days of water consumption history with Utilities or zero water usage between these read dates, 33 cubic feet per day per residential unit will be used as the winter wastewater average daily usage.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



**WASTEWATER RATE SCHEDULES**

---

**NONRESIDENTIAL SERVICE (SC)**

**AVAILABILITY**

**Inside City Limits**

Available in the corporate limits of the City in Utilities’ wastewater service area for general nonresidential purposes.

**Outside City Limits**

Available outside the corporate limits of the City in areas where wastewater service is available from Utilities for general nonresidential purposes.

**RATE**

See Rate Table for applicable charges.

**DETERMINATION OF BILLING UNITS**

**Normal Quantity Charge (NQC)**

The amount of water billed by Utilities for each billing period, less any applicable Consumptive Use Adjustment (CUA) or Irrigation Adjustment (IA), will be the basis for determination of the billing units for the NQC. For billing purposes, the Customer’s cf of sewer flow is assumed to be the same as the incoming water flow, unless it is reduced by CUA or IA adjustments as described in the following paragraphs. Approved CUA quantities (in cubic feet) are subtracted from the sewer quantities, reducing the NQC and sewer bill amount. For those Customers without Utilities’ water service, an alternative basis will be established representative of the Customer’s wastewater volume.

**Consumptive Use Adjustment**

Any Customer that does not discharge all of its water into the sanitary wastewater system exclusive of any IA may be eligible for a CUA in accordance with this section. Granting of a CUA will be at the sole discretion of Colorado Springs Utilities and does not apply to non-sewered Customers.

The CUA will be based upon the Customer’s measured consumptive use of water. All new CUAs require submetering by Utilities, using meters provided by Utilities.

The CUA provisions apply equally to both potable and nonpotable water provided the submetered consumption represents a reduction in treated effluent into the sanitary wastewater system.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

**Wastewater**  
**Cost of Service Study**

**Colorado Springs Utilities**  
**2023 Wastewater Cost of Service Study**

**TABLE OF CONTENTS**

<b><u>SCHEDULES</u></b>	<b><u>SCHEDULE TITLE</u></b>
Schedule 1	Sample Monthly Bill Comparison
Schedule 2	Summary of Net Revenue Requirement and Proposed Revenue
Schedule 3	Summary of Current and Proposed Rates
Schedule 4	Functional Allocation of Revenue Requirement - Cash Basis
Schedule 4.1	Functional Allocation of Operation and Maintenance Expense
Schedule 4.2	Functionalization of Salaries and Wages
Schedule 4.3	Operation and Maintenance Expense
Schedule 4.4	Functional Allocation of Capital Investment
Schedule 5	Classification of Functional Expenditures
Schedule 5.1	Summary of Classification Percentages
Schedule 6	Cost Allocation Detail
Schedule 6.1	Summary of Allocation Factor Percentages
Schedule 6.2	Allocation Factor Calculations
Schedule 6.3	Forecasted Billing Units
Schedule 7	Net Revenue Requirement by Rate Class
Schedule 8	Rate Design
Schedule 9	Contract Service - Regional

**Notes:**

*Immaterial differences may occur due to rounding.*

*Unless otherwise noted, volumes are in cubic feet (cf).*

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 1  
SAMPLE MONTHLY BILL COMPARISON**

<b>Line No.</b>	<b>Rate Class</b>	<b>Current</b>	<b>Proposed</b>	<b>Proposed Increase / (Decrease)</b>	<b>% Change</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(d) - (c)</u>	<u>(f)</u> <u>(e) / (c)</u>
1	Residential Service - Inside City Limits	\$ 33.38	\$ 34.22	\$ 0.84	2.5%
2	Small Nonresidential Service - Inside City Limits	\$ 116.26	\$ 126.76	\$ 10.50	9.0%
3	Large Nonresidential Service - Inside City Limits	\$ 1,455.76	\$ 1,630.76	\$ 175.00	12.0%

*Note: The sample bill is calculated using existing rates and proposed rates assuming: 30 days per month; 700 cf for Residential, 3,000 cf for Small Nonresidential, and 50,000 cf for Large Nonresidential.*

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 2  
SUMMARY OF NET REVENUE REQUIREMENT AND PROPOSED REVENUE

Line No.	Rate Class	Net Revenue Requirement	Revenue Under Current Rates	Proposed Increase / (Decrease)	Percent Revenue Change	Proposed Revenue from Rates	Percent of Net Revenue Requirement
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u> <u>(g) - (d)</u>	<u>(f)</u> <u>(e) / (d)</u>	<u>(g)</u> <u>(d) + (e)</u>	<u>(h)</u> <u>(g) / (c)</u>
1	Residential Service	\$ 55,994,351	\$ 54,649,028	\$ 1,275,756	2.3%	\$ 55,924,784	99.9%
2	Nonresidential Service	16,934,026	15,391,826	1,529,899	9.9%	16,921,725	99.9%
3	Contract Service - Military	243,847	220,848	22,587	10.2%	243,435	99.8%
4	Liquid Waste Hauler	443,793	522,142	-	0.0%	522,142	117.7%
5	<b>Total</b>	<b>\$ 73,616,017</b>	<b>\$ 70,783,844</b>	<b>\$ 2,828,242</b>	<b>4.0%</b>	<b>\$ 73,612,086</b>	<b>100.0%</b>

*Note: Residential and Nonresidential values are inclusive of Inside and Outside City Limits service.*

**Colorado Springs Utilities**  
**2023 Wastewater Cost of Service Study**

**SCHEDULE 3**  
**SUMMARY OF CURRENT AND PROPOSED RATES**

<b>Line No.</b>	<b>Rate Class</b>	<b>Current Rates</b>	<b>Proposed Rates</b>	<b>Proposed Increase / (Decrease)</b>	<b>Percent Rate Change</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e) (d) - (c)</b>	<b>(f) (e) / (c)</b>
1	<b>Residential Service - Inside City Limits</b>				
2	Service Charge, per day	\$ 0.5178	\$ 0.5178	\$ -	0.0%
3	Normal Quantity Charge, per cf	\$ 0.0255	\$ 0.0267	\$ 0.0012	4.7%
4	<b>Residential Service - Outside City Limits</b>				
5	Service Charge, per day	\$ 0.7767	\$ 0.7767	\$ -	0.0%
6	Normal Quantity Charge, per cf	\$ 0.0383	\$ 0.0401	\$ 0.0018	4.7%
7	<b>Nonresidential Service - Inside City Limits</b>				
8	Service Charge, per day	\$ 1.0254	\$ 1.0254	\$ -	0.0%
9	Normal Quantity Charge, per cf	\$ 0.0285	\$ 0.0320	\$ 0.0035	12.3%
10	BOD, per excess BOD billing unit	\$ 0.0038	\$ 0.0041	\$ 0.0003	7.9%
11	TSS, per excess TSS billing unit	\$ 0.0020	\$ 0.0021	\$ 0.0001	5.0%
12	<b>Nonresidential Service - Outside City Limits</b>				
13	Service Charge, per day	\$ 1.5381	\$ 1.5381	\$ -	0.0%
14	Normal Quantity Charge, per cf	\$ 0.0428	\$ 0.0480	\$ 0.0052	12.2%
15	BOD, per excess BOD billing unit	\$ 0.0057	\$ 0.0062	\$ 0.0005	7.9%
16	TSS, per excess TSS billing unit	\$ 0.0030	\$ 0.0032	\$ 0.0002	5.0%
17	<b>Contract Service - Military</b>				
18	Treatment Charge, per cf	\$ 0.0264	\$ 0.0291	\$ 0.0027	10.2%
19	BOD, per excess BOD billing unit	\$ 0.0038	\$ 0.0041	\$ 0.0003	7.9%
20	TSS, per excess TSS billing unit	\$ 0.0020	\$ 0.0021	\$ 0.0001	5.0%
21	<b>Contract Service - Regional</b>				
22	Treatment Charge, per cf	\$ 0.0312	\$ 0.0336	\$ 0.0024	7.7%
23	BOD, per excess BOD billing unit	\$ 0.0042	\$ 0.0045	\$ 0.0003	7.4%
24	TSS, per excess TSS billing unit	\$ 0.0022	\$ 0.0023	\$ 0.0001	5.0%
25	<b>Liquid Waste Hauler</b>				
26	Quantity Charge, per 1,000 gallons	\$ 72.5245	\$ 72.5245	\$ -	0.0%

*Note: Biochemical Oxygen Demand (BOD); Total Suspended Solids (TSS)*



**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4  
FUNCTIONAL ALLOCATION OF REVENUE  
REQUIREMENT - CASH BASIS**

<b>Line No.</b>	<b>Category</b>	<b>Total 2023</b>	<b>Collection System</b>	<b>Preliminary Treatment Facility</b>	<b>Primary Clarifiers and Effluent Pumping</b>	<b>Trickling Filter Facility</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>	<b>(g)</b>
1	Total Operation and Maintenance Expense	\$ 45,799,594	\$ 18,432,573	\$ 820,821	\$ 1,266,412	\$ 58,236
2	Debt Service <sup>(1)</sup>	23,803,977	19,359,409	1,633,815	386,622	70,385
3	Cash Funded Capital <sup>(1)</sup>	16,086,458	13,082,870	1,104,113	261,274	47,566
4	Additions to Cash <sup>(2)</sup>	<u>(5,662,820)</u>	<u>(2,279,067)</u>	<u>(101,489)</u>	<u>(156,584)</u>	<u>(7,200)</u>
5	Total Revenue Requirement	\$ 80,027,209	\$ 48,595,785	\$ 3,457,260	\$ 1,757,724	\$ 168,987
6	Less Revenue Credits:					
7	Miscellaneous and Interest Revenues <sup>(1)</sup>	<u>6,411,197</u>	<u>5,214,128</u>	<u>440,040</u>	<u>104,130</u>	<u>18,957</u>
8	<b>Net Revenue Requirement</b>	<b><u>\$ 73,616,012</u></b>	<b><u>\$ 43,381,657</u></b>	<b><u>\$ 3,017,220</u></b>	<b><u>\$ 1,653,594</u></b>	<b><u>\$ 150,030</u></b>
9	<b>Operation and Maintenance Allocator<sup>(2)</sup></b>	<b>100.00%</b>	<b>40.25%</b>	<b>1.79%</b>	<b>2.77%</b>	<b>0.13%</b>

Notes:

<sup>(1)</sup> Allocated based on functional allocation of capital investment, Schedule 4.4.

<sup>(2)</sup> Operation and Maintenance Allocator derived from Line 1 used for allocating Additions to Cash.

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4  
FUNCTIONAL ALLOCATION OF REVENUE  
REQUIREMENT - CASH BASIS**

<b>Line No.</b>	<b>Category</b>	<b>Activated Sludge Facility</b>	<b>Solids Handling Facility</b>	<b>Laboratory</b>	<b>Industrial Pretreatment</b>	<b>Customer</b>
<b>(a)</b>	<b>(b)</b>	<b>(h)</b>	<b>(i)</b>	<b>(j)</b>	<b>(k)</b>	<b>(l)</b>
1	Total Operation and Maintenance Expense	\$ 8,029,763	\$ 3,781,233	\$ 3,346,323	\$ 1,496,444	\$ 8,567,790
2	Debt Service <sup>(1)</sup>	1,017,184	1,328,478	8,084	-	-
3	Cash Funded Capital <sup>(1)</sup>	687,402	897,771	5,463	-	-
4	Additions to Cash <sup>(2)</sup>	<u>(992,828)</u>	<u>(467,525)</u>	<u>(413,751)</u>	<u>(185,025)</u>	<u>(1,059,351)</u>
5	Total Revenue Requirement	\$ 8,741,521	\$ 5,539,957	\$ 2,946,119	\$ 1,311,419	\$ 7,508,439
6	Less Revenue Credits:					
7	Miscellaneous and Interest Revenues <sup>(1)</sup>	<u>273,961</u>	<u>357,803</u>	<u>2,177</u>	<u>-</u>	<u>-</u>
8	<b>Net Revenue Requirement</b>	<b><u>\$ 8,467,560</u></b>	<b><u>\$ 5,182,154</u></b>	<b><u>\$ 2,943,942</u></b>	<b><u>\$ 1,311,419</u></b>	<b><u>\$ 7,508,439</u></b>
9	<b>Operation and Maintenance Allocator<sup>(2)</sup></b>	<b>17.53%</b>	<b>8.26%</b>	<b>7.31%</b>	<b>3.27%</b>	<b>18.71%</b>

Notes:

<sup>(1)</sup> Allocated based on functional allocation of capital investment, Schedule 4.4.

<sup>(2)</sup> Operation and Maintenance Allocator derived from Line 1 used for allocating Additions to Cash.

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.1  
FUNCTIONAL ALLOCATION OF OPERATION AND  
MAINTENANCE EXPENSE**

<b>Line No.</b>	<b>Account</b>	<b>Function</b>	<b>Total 2023</b>	<b>Collection System</b>	<b>Preliminary Treatment Facility</b>	<b>Primary Clarifiers and Effluent Pumping</b>	<b>Trickling Filter Facility</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	700-713	Collection System <sup>(1)</sup>	\$ 10,254,996	\$ 9,829,182	\$ -	\$ -	\$ -
2	720-734	Treatment Facilities & Filter Plant	1,395,811	-	423,862	919,362	52,587
3	740-754	Activated Sludge Facility	5,734,642	-	-	-	-
4	755-757	Industrial Waste	753,275	-	-	-	-
5	760-798	Tertiary & Resource Recovery	2,247,198	-	-	-	-
6	714-718	Laboratory	1,740,981	-	-	-	-
7		Customer Service:					
8	901-904	Customer Accounts	3,518,665	-	-	-	-
9	908-909	Customer Service and Information	962,772	-	-	-	-
10		Subtotal	\$ 26,608,340	\$ 9,829,182	\$ 423,862	\$ 919,362	\$ 52,587
11	920-932	Administrative and General <sup>(2)</sup>	19,191,254	8,603,391	396,959	347,050	5,649
12		<b>Total Operation and Maintenance Expenses</b>	<b>\$ 45,799,594</b>	<b>\$ 18,432,573</b>	<b>\$ 820,821</b>	<b>\$ 1,266,412</b>	<b>\$ 58,236</b>
13		<b>Percent of Subtotal for Allocation</b>	<b>100.00%</b>	<b>44.83%</b>	<b>2.07%</b>	<b>1.81%</b>	<b>0.03%</b>

Notes :

<sup>(1)</sup> Accounts 704-705 assigned directly to Customer function.

<sup>(2)</sup> Administrative and General functional allocation based on Salaries and Wages - Schedule 4.2.

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.1  
FUNCTIONAL ALLOCATION OF OPERATION AND  
MAINTENANCE EXPENSE**

<b>Line No.</b>	<b>Account</b>	<b>Function</b>	<b>Activated Sludge Facility</b>	<b>Solids Handling Facility</b>	<b>Laboratory</b>	<b>Industrial Pretreatment</b>	<b>Customer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(i)</b>	<b>(j)</b>	<b>(k)</b>	<b>(l)</b>	<b>(m)</b>
1	700-713	Collection System <sup>(1)</sup>	\$ -	\$ -	\$ -	\$ -	\$ 425,814
2	720-734	Treatment Facilities & Filter Plant	-	-	-	-	-
3	740-754	Activated Sludge Facility	5,734,642	-	-	-	-
4	755-757	Industrial Waste	-	-	-	753,275	-
5	760-798	Tertiary & Resource Recovery	-	2,247,198	-	-	-
6	714-718	Laboratory	-	-	1,740,981	-	-
7		Customer Service:					
8	901-904	Customer Accounts	-	-	-	-	3,518,665
9	908-909	Customer Service and Information	-	-	-	-	962,772
10		Subtotal	\$ 5,734,642	\$ 2,247,198	\$ 1,740,981	\$ 753,275	\$ 4,907,251
11	920-932	Administrative and General <sup>(2)</sup>	2,295,121	1,534,035	1,605,342	743,169	3,660,539
12		<b>Total Operation and Maintenance Expenses</b>	<b>\$ 8,029,763</b>	<b>\$ 3,781,233</b>	<b>\$ 3,346,323</b>	<b>\$ 1,496,444</b>	<b>\$ 8,567,790</b>
13		<b>Percent of Subtotal for Allocation</b>	<b>11.96%</b>	<b>7.99%</b>	<b>8.36%</b>	<b>3.87%</b>	<b>19.07%</b>

Notes :

<sup>(1)</sup> Accounts 704-705 assigned directly to Customer function.

<sup>(2)</sup> Administrative and General functional allocation based on Salaries and Wages - Schedule 4.2.

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES**

<b>Line No.</b>	<b>Account</b>	<b>Account Description</b>	<b>Total 2023</b>	<b>Collection System</b>	<b>Preliminary Treatment Facility</b>	<b>Primary Clarifiers and Effluent Pumping</b>	<b>Trickling Filter Facility</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		<b>Collection System</b>					
2		<b>Operation</b>					
3	700000	Supervision and Engineering	\$ 2,574,734	\$ 2,574,734	\$ -	\$ -	\$ -
4	702000	Operations	2,236,223	2,236,223	-	-	-
5	703000	Mapping and Engineering	608,778	608,778	-	-	-
6	704000	Service Inspection	339,689	339,689	-	-	-
7	705000	Customer Service	-	-	-	-	-
8	706000	Pump Stations	1,255	1,255	-	-	-
9	707000	Power For Pumping	-	-	-	-	-
10	708000	Training	-	-	-	-	-
11		<b>Maintenance</b>					
12	709000	Mains	1,688,900	1,688,900	-	-	-
13	710000	Structures	407,399	407,399	-	-	-
14	711000	Pump Stations	29,093	29,093	-	-	-
15	713000	Emergency Expenses	-	-	-	-	-
16		<b>Treatment Facilities and Filter Plant</b>					
17		<b>Operation</b>					
18	722000	Primary Treatment	300,351	-	-	300,351	-
19	723000	Secondary Treatment	-	-	-	-	-
20	727000	General Plant Expenses	5,178	-	-	-	5,178
21	729000	Preliminary Treatment	278,415	-	278,415	-	-

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES**

<b>Line No.</b>	<b>Account</b>	<b>Account Description</b>	<b>Activated Sludge Facility</b>	<b>Solids Handling Facility</b>	<b>Laboratory</b>	<b>Industrial Pretreatment</b>	<b>Customer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(i)</b>	<b>(i)</b>	<b>(k)</b>	<b>(l)</b>	<b>(m)</b>
1		<b>Collection System</b>					
2		<b>Operation</b>					
3	700000	Supervision and Engineering	\$ -	\$ -	\$ -	\$ -	\$ -
4	702000	Operations	-	-	-	-	-
5	703000	Mapping and Engineering	-	-	-	-	-
6	704000	Service Inspection	-	-	-	-	-
7	705000	Customer Service	-	-	-	-	-
8	706000	Pump Stations	-	-	-	-	-
9	707000	Power For Pumping	-	-	-	-	-
10	708000	Training	-	-	-	-	-
11		<b>Maintenance</b>					
12	709000	Mains	-	-	-	-	-
13	710000	Structures	-	-	-	-	-
14	711000	Pump Stations	-	-	-	-	-
15	713000	Emergency Expenses	-	-	-	-	-
16		<b>Treatment Facilities and Filter Plant</b>					
17		<b>Operation</b>					
18	722000	Primary Treatment	-	-	-	-	-
19	723000	Secondary Treatment	-	-	-	-	-
20	727000	General Plant Expenses	-	-	-	-	-
21	729000	Preliminary Treatment	-	-	-	-	-

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES**

<b>Line No.</b>	<b>Account</b>	<b>Account Description</b>	<b>Total 2023</b>	<b>Collection System</b>	<b>Preliminary Treatment Facility</b>	<b>Primary Clarifiers and Effluent Pumping</b>	<b>Trickling Filter Facility</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>
22		<b>Maintenance</b>					
23	730000	Preliminary Treatment	85,447	-	85,447	-	-
24	731000	Primary Treatment	17,763	-	-	17,763	-
25	732000	Secondary Treatment	-	-	-	-	-
26	734000	General Plant Expenses	-	-	-	-	-
27		<b>Activated Sludge Plant</b>					
28		<b>Operation</b>					
29	740004	Supervision and Engineering	378,083	-	-	-	-
30	743000	Secondary Treatment	-	-	-	-	-
31	744000	Sludge Treatment	-	-	-	-	-
32	745000	Training	3,152	-	-	-	-
33	747000	General Plant Expenses	1,095,568	-	-	-	-
34		<b>Maintenance</b>					
35	752000	Secondary Treatment	6,500	-	-	-	-
36	753000	Sludge Treatment	4,880	-	-	-	-
37	754000	General Plant Expenses	615,579	-	-	-	-
38		<b>Industrial Waste</b>					
39		<b>Operation</b>					
40	755000	Supervision and Engineering	680,932	-	-	-	-
41	756000	Waste Permits and Enforcement	274	-	-	-	-
42	757000	Waste Compliance Monitoring	-	-	-	-	-

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES**

<b>Line No.</b>	<b>Account</b>	<b>Account Description</b>	<b>Activated Sludge Facility</b>	<b>Solids Handling Facility</b>	<b>Laboratory</b>	<b>Industrial Pretreatment</b>	<b>Customer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(i)</b>	<b>(i)</b>	<b>(k)</b>	<b>(l)</b>	<b>(m)</b>
22		<b>Maintenance</b>					
23	730000	Preliminary Treatment	-	-	-	-	-
24	731000	Primary Treatment	-	-	-	-	-
25	732000	Secondary Treatment	-	-	-	-	-
26	734000	General Plant Expenses	-	-	-	-	-
27		<b>Activated Sludge Plant</b>					
28		<b>Operation</b>					
29	740004	Supervision and Engineering	378,083	-	-	-	-
30	743000	Secondary Treatment	-	-	-	-	-
31	744000	Sludge Treatment	-	-	-	-	-
32	745000	Training	3,152	-	-	-	-
33	747000	General Plant Expenses	1,095,568	-	-	-	-
34		<b>Maintenance</b>					
35	752000	Secondary Treatment	6,500	-	-	-	-
36	753000	Sludge Treatment	4,880	-	-	-	-
37	754000	General Plant Expenses	615,579	-	-	-	-
38		<b>Industrial Waste</b>					
39		<b>Operation</b>					
40	755000	Supervision and Engineering	-	-	-	680,932	-
41	756000	Waste Permits and Enforcement	-	-	-	274	-
42	757000	Waste Compliance Monitoring	-	-	-	-	-



**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES**

<b>Line No.</b>	<b>Account</b>	<b>Account Description</b>	<b>Total 2023</b>	<b>Collection System</b>	<b>Preliminary Treatment Facility</b>	<b>Primary Clarifiers and Effluent Pumping</b>	<b>Trickling Filter Facility</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>
43		<b>Tertiary and Resource Recovery</b>					
44		<b>Operation</b>					
45	760000	Supervision and Engineering	-	-	-	-	-
46	762000	Treatment Expenses	-	-	-	-	-
47	765000	General Plant Expenses	-	-	-	-	-
48	767000	Power for Treatment	-	-	-	-	-
49	769000	Chemicals	-	-	-	-	-
50	782000	Reservoirs	-	-	-	-	-
51	783000	Labor	-	-	-	-	-
52	784000	Equipment	-	-	-	-	-
53	786000	Supervision and Engineering	-	-	-	-	-
54	788000	Labor	613,101	-	-	-	-
55	788100	Labor & Expenses -Field Ops	380,376	-	-	-	-
56	789000	Expenses	-	-	-	-	-
57	790000	Training	-	-	-	-	-
58	791000	Purchase of Power	-	-	-	-	-
59		<b>Maintenance</b>					
60	771000	Irrigation Treatment Plant	-	-	-	-	-
61	773000	General Plant Expenses	-	-	-	-	-
62	774000	Supervision and Engineering	2,619	-	-	-	-
63	797000	Labor	404,667	-	-	-	-
64	797100	Labor & Expenses -Field Ops	5,370	-	-	-	-
65	798000	Expenses	-	-	-	-	-

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES**

<b>Line No.</b>	<b>Account</b>	<b>Account Description</b>	<b>Activated Sludge Facility</b>	<b>Solids Handling Facility</b>	<b>Laboratory</b>	<b>Industrial Pretreatment</b>	<b>Customer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(i)</b>	<b>(j)</b>	<b>(k)</b>	<b>(l)</b>	<b>(m)</b>
43		<b>Tertiary and Resource Recovery</b>					
44		<b>Operation</b>					
45	760000	Supervision and Engineering	-	-	-	-	-
46	762000	Treatment Expenses	-	-	-	-	-
47	765000	General Plant Expenses	-	-	-	-	-
48	767000	Power for Treatment	-	-	-	-	-
49	769000	Chemicals	-	-	-	-	-
50	782000	Reservoirs	-	-	-	-	-
51	783000	Labor	-	-	-	-	-
52	784000	Equipment	-	-	-	-	-
53	786000	Supervision and Engineering	-	-	-	-	-
54	788000	Labor	-	613,101	-	-	-
55	788100	Labor & Expenses -Field Ops	-	380,376	-	-	-
56	789000	Expenses	-	-	-	-	-
57	790000	Training	-	-	-	-	-
58	791000	Purchase of Power	-	-	-	-	-
59		<b>Maintenance</b>					
60	771000	Irrigation Treatment Plant	-	-	-	-	-
61	773000	General Plant Expenses	-	-	-	-	-
62	774000	Supervision and Engineering	-	2,619	-	-	-
63	797000	Labor	-	404,667	-	-	-
64	797100	Labor & Expenses -Field Ops	-	5,370	-	-	-
65	798000	Expenses	-	-	-	-	-

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES**

<b>Line No.</b>	<b>Account</b>	<b>Account Description</b>	<b>Total 2023</b>	<b>Collection System</b>	<b>Preliminary Treatment Facility</b>	<b>Primary Clarifiers and Effluent Pumping</b>	<b>Trickling Filter Facility</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>
66		<b>Laboratory</b>					
67		<b>Operation</b>					
68	714000	Labor	1,471,494	-	-	-	-
69	716000	Operating Expenses	-	-	-	-	-
70		<b>Maintenance</b>					
71	717000	Labor	-	-	-	-	-
72	718000	Expenses and Material	-	-	-	-	-
73		<b>Customer Account Expenses</b>					
74		<b>Operation</b>					
75	901000	Supervision	124,949	-	-	-	-
76	902000	Meter Reading Expenses	-	-	-	-	-
77	903000	Customer Records and Collection Expense	2,574,660	-	-	-	-
78	904000	Uncollectible Accounts	-	-	-	-	-
79		<b>Customer Service and Informational Expenses</b>					
80		<b>Operation</b>					
81	908000	Customer Assistance Expenses	655,727	-	-	-	-
82	909000	Info and Inst Advertising Expenses	-	-	-	-	-
83		<b>Total</b>	<b>\$ 17,591,156</b>	<b>\$ 7,886,071</b>	<b>\$ 363,862</b>	<b>\$ 318,114</b>	<b>\$ 5,178</b>
84		<b>Percent of Allocation for Administrative and General</b>	<b>100.00%</b>	<b>44.83%</b>	<b>2.07%</b>	<b>1.81%</b>	<b>0.03%</b>

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 4.2  
FUNCTIONALIZATION OF SALARIES AND WAGES**

<b>Line No.</b>	<b>Account</b>	<b>Account Description</b>	<b>Activated Sludge Facility</b>	<b>Solids Handling Facility</b>	<b>Laboratory</b>	<b>Industrial Pretreatment</b>	<b>Customer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(i)</b>	<b>(i)</b>	<b>(k)</b>	<b>(l)</b>	<b>(m)</b>
66		<b>Laboratory</b>					
67		<b>Operation</b>					
68	714000	Labor	-	-	1,471,494	-	-
69	716000	Operating Expenses	-	-	-	-	-
70		<b>Maintenance</b>					
71	717000	Labor	-	-	-	-	-
72	718000	Expenses and Material	-	-	-	-	-
73		<b>Customer Account Expenses</b>					
74		<b>Operation</b>					
75	901000	Supervision	-	-	-	-	124,949
76	902000	Meter Reading Expenses	-	-	-	-	-
77	903000	Customer Records and Collection Expense	-	-	-	-	2,574,660
78	904000	Uncollectible Accounts	-	-	-	-	-
79		<b>Customer Service and Informational Expenses</b>					
80		<b>Operation</b>					
81	908000	Customer Assistance Expenses	-	-	-	-	655,727
82	909000	Info and Inst Advertising Expenses	-	-	-	-	-
83		<b>Total</b>	<b>\$ 2,103,762</b>	<b>\$ 1,406,133</b>	<b>\$ 1,471,494</b>	<b>\$ 681,206</b>	<b>\$ 3,355,336</b>
84		<b>Percent of Allocation for Administrative and General</b>	<b>11.96%</b>	<b>7.99%</b>	<b>8.36%</b>	<b>3.87%</b>	<b>19.07%</b>

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 4.3  
OPERATION AND MAINTENANCE EXPENSE

Line No.	Account	Account Description	Total 2023
(a)	(b)	(c)	(d)
1		<b>Operation and Maintenance</b>	
2		<b>Collection System</b>	
3		<b>Operation</b>	
4	700000	Supervision and Engineering	\$ 3,069,668
5	702000	Operations	2,664,485
6	703000	Mapping and Engineering	608,778
7	704000	Service Inspection	425,814
8	705000	Customer Service	-
9	706000	Pump Stations	541,470
10	707000	Power For Pumping	-
11	708000	Training	-
12		Total	\$ 7,310,215
13		<b>Maintenance</b>	
14	709000	Mains	\$ 2,013,122
15	710000	Structures	708,175
16	711000	Pump Stations	223,484
17	713000	Emergency Expenses	-
18		Total	\$ 2,944,781
19		<b>Laboratory</b>	
20		<b>Operation</b>	
21	714000	Labor	\$ 1,471,494
22	716000	Operation Expenses	269,487
23		Total	\$ 1,740,981
24		<b>Maintenance</b>	
25	717000	Labor	\$ -
26	718000	Expenses and Material	-
27		Total	\$ -
28		<b>Treatment Facilities and Filter Plant</b>	
29		<b>Operation</b>	
30	722000	Primary Treatment	\$ 750,351
31	723000	Secondary Treatment	-
32	727000	General Plant Expenses	52,587
33	729000	Preliminary Treatment	278,415
34		Total	\$ 1,081,353

**Colorado Springs Utilities**  
**2023 Wastewater Cost of Service Study**

**SCHEDULE 4.3**  
**OPERATION AND MAINTENANCE EXPENSE**

Line No.	Account	Account Description	Total 2023
(a)	(b)	(c)	(d)
35		<b>Maintenance</b>	
36	730000	Preliminary Treatment	\$ 145,447
37	731000	Primary Treatment	169,011
38	732000	Secondary Treatment	-
39	734000	General Plant Expenses	-
40		Total	\$ 314,458
41		<b>Activated Sludge Plant</b>	
42		<b>Operation</b>	
43	740004	Supervision and Engineering	\$ 378,083
44	743000	Secondary Treatment	-
45	744000	Sludge Treatment	-
46	745000	Training	21,952
47	747000	General Plant Expenses	4,079,112
48		Total	\$ 4,479,147
49		<b>Maintenance</b>	
50	752000	Secondary Treatment	\$ 6,500
51	753000	Sludge Treatment	129,880
52	754000	General Plant Expenses	1,119,115
53		Total	\$ 1,255,495
54		<b>Industrial Waste</b>	
55		<b>Operation</b>	
56	755000	Supervision and Engineering	\$ 717,444
57	756000	Waste Permits and Enforcement	9,932
58	757000	Waste Compliance Monitoring	25,899
59		Total	\$ 753,275
60		<b>Tertiary and Resource Recovery</b>	
61		<b>Operation</b>	
62	760000	Supervision and Engineering	\$ -
63	762000	Treatment Expenses	-
64	765000	General Plant Expenses	-
65	767000	Power for Treatment	-
66	769000	Chemicals	-
67	782000	Reservoirs	-
68	783000	Labor	-
69	784000	Equipment	-
70	786000	Supervision and Engineering	-
71	788000	Labor	847,542

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 4.3  
OPERATION AND MAINTENANCE EXPENSE

Line No.	Account	Account Description	Total 2023
(a)	(b)	(c)	(d)
72	788100	Labor & Expenses -Field Ops	399,095
73	789000	Expenses	71,177
74	790000	Training	3,194
75	791000	Purchase of Power	150,702
76	791100	Purchase of Power - Field Ops	16,338
77		Total	\$ 1,488,048
78		<b>Maintenance</b>	
79	771000	Irrigation Treatment Plant	\$ -
80	773000	General Plant Expenses	-
81	774000	Supervision and Engineering	2,619
82	797000	Labor	697,839
83	797100	Labor & Expenses -Field Ops	15,098
84	798000	Expenses	43,594
85		Total	\$ 759,150
86		<b>Total Operation and Maintenance Expense</b>	<b>\$ 22,126,903</b>
87		<b>Allocated Customer and Administrative &amp; General</b>	
88		<b>Customer Accounts Expense</b>	
89		<b>Operation</b>	
90	901000	Supervision	\$ 146,016
91	902000	Meter Reading Expenses	-
92	903000	Customer Records and Collection Expenses	3,160,910
93	904000	Uncollectible Accounts	503
94	904004	Uncollectible Accts -W/W	211,236
95		Total	\$ 3,518,665
96		<b>Customer Service and Information Expense</b>	
97		<b>Operation</b>	
98	908000	Customer Assistance Expenses	\$ 705,577
99	908014	Customer Solutions - Wastewater	-
100	908015	Customer Solutions - Common	152,047
101	909000	Info and Inst Advertising Expenses	-
102	909014	Info and Inst Advertising Expenses - Wastewater	-
103	909015	Info and Inst Advertising Expenses - Common	105,148
104	909020	Info and Inst Advertising Expenses	-
105		Total	\$ 962,772

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 4.3  
OPERATION AND MAINTENANCE EXPENSE

Line No.	Account	Account Description	Total 2023
(a)	(b)	(c)	(d)
106		<b>Administrative and General</b>	
107		<b>Operation</b>	
108	163000	Stores Expense	\$ -
109	920000	Administrative and General Salaries	6,278,624
110	921000	Office Supplies and Expenses	3,776,285
111	921004	Office Supplies and Expenses	-
112	922000	Administrative Expenses Transferred-Credit	(649,039)
113	923000	Outside Services Employed	847,339
114	923004	Outside Services Employed	-
115	924000	Property Insurance	374,960
116	924004	Property Insurance	132,444
117	925000	Injuries and Damages	181
118	925004	Injuries and Damages	103,290
119	926000	Employee Pensions and Benefits	6,585,181
120	928000	Regulatory Commission Expenses	7,562
121	928004	Regulatory Commission Expenses - Wastewater	-
122	930100	General Advertising Expenses	-
123	930200	Miscellaneous General Expenses	7,942
124		Total	\$ 17,464,769
125		<b>Maintenance</b>	
126	932000	Maintenance of General Plant	\$ 1,726,485
127		Total	\$ 1,726,485
128		<b>Total Allocated Customer and Administrative and General</b>	\$ 23,672,691
129		<b>Total</b>	\$ 45,799,594



Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 4.4  
FUNCTIONAL ALLOCATION OF CAPITAL INVESTMENT

Line No.	Account	Function	Net Plant December 31, 2021	Collection System	Preliminary Treatment Facility	Primary Clarifiers and Effluent Pumping	Trickling Filter Facility	Activated Sludge Facility	Solids Handling Facility	Laboratory
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	305-309	Collection System	\$ 506,729,654	\$ 506,729,654	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	311-312	Preliminary Treatment Facility	42,764,857	-	42,764,857	-	-	-	-	-
3	318-319, 330-331	Primary Clarifiers and Effluent Pumping	10,119,761	-	-	10,119,761	-	-	-	-
4	320-329	Trickling Filter Facility	1,842,322	-	-	-	1,842,322	-	-	-
5	332-339	Activated Sludge Facility	26,624,650	-	-	-	-	26,624,650	-	-
6	346-353	Solids Handling Facility	34,772,727	-	-	-	-	-	34,772,727	-
7	375	Laboratory	211,592	-	-	-	-	-	-	211,592
8		<b>Total</b>	<b>\$ 623,065,562</b>	<b>\$ 506,729,654</b>	<b>\$ 42,764,857</b>	<b>\$ 10,119,761</b>	<b>\$ 1,842,322</b>	<b>\$ 26,624,650</b>	<b>\$ 34,772,727</b>	<b>\$ 211,592</b>
9		<b>Percent of Total</b>	<b>100.00%</b>	<b>81.33%</b>	<b>6.86%</b>	<b>1.62%</b>	<b>0.30%</b>	<b>4.27%</b>	<b>5.58%</b>	<b>0.03%</b>

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 5  
CLASSIFICATION OF FUNCTIONAL EXPENDITURES**

<b>Line No.</b>	<b>Function</b>	<b>Total 2023</b>	<b>Volume</b>	<b>Biochemical Oxygen Demand (BOD)</b>	<b>Total Suspended Solids (TSS)</b>	<b>Industrial Pretreatment</b>	<b>Customer</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	Collection System	\$ 43,381,657	\$ 21,690,829	\$ -	\$ -	\$ -	\$ 21,690,829
2	Treatment	4,820,844	4,820,844	-	-	-	-
3	Activated Sludge Facility	8,467,560	4,998,708	3,468,852	-	-	-
4	Solids Handling Facility	5,182,154	-	2,591,077	2,591,077	-	-
5	Laboratory	2,943,942	883,183	735,986	735,986	588,788	-
6	Industrial Pretreatment	1,311,419	-	-	-	1,311,419	-
7	Customer	7,508,439	-	-	-	-	7,508,439
8	<b>Total</b>	<b>\$ 73,616,015</b>	<b>\$ 32,393,564</b>	<b>\$ 6,795,915</b>	<b>\$ 3,327,063</b>	<b>\$ 1,900,207</b>	<b>\$ 29,199,268</b>

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 5.1  
SUMMARY OF CLASSIFICATION PERCENTAGES**

<b>Line No.</b>	<b>Function</b>	<b>Volume</b>	<b>Biochemical Oxygen Demand (BOD)</b>	<b>Total Suspended Solids (TSS)</b>	<b>Industrial Pretreatment</b>	<b>Customer</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>	<b>(g)</b>
1	Collection System	50.00%	0.00%	0.00%	0.00%	50.00%
2	Treatment	100.00%	0.00%	0.00%	0.00%	0.00%
3	Activated Sludge Facility	60.00%	40.00%	0.00%	0.00%	0.00%
4	Solids Handling Facility	0.00%	50.00%	50.00%	0.00%	0.00%
5	Laboratory	30.00%	25.00%	25.00%	20.00%	0.00%
6	Industrial Pretreatment	0.00%	0.00%	0.00%	100.00%	0.00%
7	Customer	0.00%	0.00%	0.00%	0.00%	100.00%

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 6A  
COST ALLOCATION DETAIL - COLLECTION SYSTEM  
Total 2023

Line No.	Rate Class	AF05 Volume Excluding Liquid Waste Hauler (cf)	Volume Cost	AF07 Weighted Average Customers Excluding Liquid Waste Hauler	Customer Cost	Total Allocated Cost
(a)	(b)	(c)	(d)	(e)	(f)	(g) (d) + (f)
1	Residential Service	70.87%	\$ 15,372,709	90.68%	\$ 19,669,610	\$ 35,042,318
2	Nonresidential Service	28.57%	6,197,076	9.28%	2,013,115	8,210,191
3	Contract Service - Military	0.56%	121,044	0.04%	8,104	129,149
4	Liquid Waste Hauler	0.00%	-	0.00%	-	-
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 21,690,829</b>	<b>100.00%</b>	<b>\$ 21,690,829</b>	<b>\$ 43,381,658</b>

Colorado Springs Utilities  
 2023 Wastewater Cost of Service Study

SCHEDULE 6B  
 COST ALLOCATION DETAIL - TREATMENT  
 Total 2023

Line No.	Rate Class	AF02 Volume (cf)	Volume Cost			Total Allocated Cost
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u> <u>(d) + (f)</u>
1	Residential Service	70.83%	\$ 3,414,433		\$ -	\$ 3,414,433
2	Nonresidential Service	28.55%	1,376,433		-	1,376,433
3	Contract Service - Military	0.56%	26,885		-	26,885
4	Liquid Waste Hauler	0.06%	3,093		-	3,093
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 4,820,844</b>		<b>\$ -</b>	<b>\$ 4,820,844</b>

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 6C  
COST ALLOCATION DETAIL - ACTIVATED SLUDGE FACILITY  
Total 2023

Line No.	Rate Class	AF02 Volume (cf)	Volume Cost			Total Allocated Cost
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u> <u>(d) + (f)</u>
1	Residential Service	70.83%	\$ 3,540,408		\$ -	\$ 3,540,408
2	Nonresidential Service	28.55%	1,427,216		-	1,427,216
3	Contract Service - Military	0.56%	27,877		-	27,877
4	Liquid Waste Hauler	0.06%	3,207		-	3,207
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 4,998,708</b>		<b>\$ -</b>	<b>\$ 4,998,708</b>

*Note: BOD and TSS costs related to this function are identified separately in Schedule 6D to develop extra strength charges.*

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 6D  
COST ALLOCATION DETAIL - BOD & TSS  
Total 2023

Line No.	Rate Class	AF03	BOD Cost	AF04	TSS Cost	Total Allocated Cost
		BOD Equivalentents (cf)		TSS Equivalentents (cf)		(d) + (f)
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Residential Service	64.46%	\$ 4,380,978	67.71%	\$ 2,252,816	\$ 6,633,794
2	Nonresidential Service	31.56%	2,144,614	28.06%	933,605	3,078,219
3	Contract Service - Military	0.51%	34,496	0.53%	17,739	52,234
4	Liquid Waste Hauler	3.47%	235,828	3.69%	122,903	358,731
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 6,795,915</b>	<b>100.00%</b>	<b>\$ 3,327,063</b>	<b>\$ 10,122,978</b>

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 6E  
COST ALLOCATION DETAIL - LABORATORY  
Total 2023

Line No.	Rate Class	AF02	Volume Cost			Total Allocated Cost
		Volume (cf)				(f)
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Residential Service	70.83%	\$ 625,527		\$ -	\$ 625,527
2	Nonresidential Service	28.55%	252,164		-	252,164
3	Contract Service - Military	0.56%	4,925		-	4,925
4	Liquid Waste Hauler	0.06%	567		-	567
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 883,183</b>		<b>\$ -</b>	<b>\$ 883,183</b>

*Note: BOD and TSS costs related to this function are identified separately in Schedule 6D to develop extra strength charges.*



Colorado Springs Utilities  
 2023 Wastewater Cost of Service Study

SCHEDULE 6F  
 COST ALLOCATION DETAIL - INDUSTRIAL PRETREATMENT  
 Total 2023

Line No.	Rate Class	AF01 Commercial Allocation Factor - Volume	Volume Cost			Total Allocated Cost
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u> <u>(d) + (f)</u>
1	Residential Service	0.00%	\$ -		\$ -	\$ -
2	Nonresidential Service	100.00%	1,900,207		-	1,900,207
3	Contract Service - Military	0.00%	-		-	-
4	Liquid Waste Hauler	0.00%	-		-	-
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 1,900,207</b>		<b>\$ -</b>	<b>\$ 1,900,207</b>

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 6G  
COST ALLOCATION DETAIL - CUSTOMER  
Total 2023

Line No.	Rate Class	AF06 Weighted Average Customers	Customer Cost			Total Allocated Cost
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u> <u>(d) + (f)</u>
1	Residential Service	89.74%	\$ 6,737,871		\$ -	\$ 6,737,871
2	Nonresidential Service	9.18%	689,597		-	689,597
3	Contract Service - Military	0.04%	2,776		-	2,776
4	Liquid Waste Hauler	1.04%	78,195		-	78,195
5	<b>Total</b>	<b>100.00%</b>	<b>\$ 7,508,439</b>		<b>\$ -</b>	<b>\$ 7,508,439</b>



Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 6.2  
ALLOCATION FACTOR  
CALCULATIONS

Line No.	Rate Class	Commercial Volume	AF01	Volume	AF02	BOD Equivalents	AF03
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Residential Service	-	0.00%	1,062,418,872	70.83%	1,062,418,872	64.46%
2	Nonresidential Service	428,284,326	100.00%	428,284,326	28.55%	520,084,326	31.56%
3	Contract Service - Military	-	0.00%	8,365,463	0.56%	8,365,463	0.51%
4	Liquid Waste Hauler	-	0.00%	962,503	0.06%	57,189,919	3.47%
5	<b>Total</b>	<b>428,284,326</b>	<b>100.00%</b>	<b>1,500,031,164</b>	<b>100.00%</b>	<b>1,648,058,580</b>	<b>100.00%</b>

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 6.2  
ALLOCATION FACTOR  
CALCULATIONS

Line No.	Rate Class	TSS		Volume Excluding Liquid Waste Hauler		Weighted Average Customers		Weighted Average Customers Excluding Liquid Waste Hauler	
		Equivalents	AF04		AF05	Customers	AF06		AF07
(a)	(b)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
1	Residential Service	1,062,418,872	67.71%	1,062,418,872	70.87%	145,623	89.74%	145,623	90.68%
2	Nonresidential Service	440,284,326	28.06%	428,284,326	28.57%	14,904	9.18%	14,904	9.28%
3	Contract Service - Military	8,365,463	0.53%	8,365,463	0.56%	60	0.04%	60	0.04%
4	Liquid Waste Hauler	57,960,499	3.69%	-	0.00%	1,690	1.04%	-	0.00%
5	<b>Total</b>	<b>1,569,029,160</b>	<b>100.00%</b>	<b>1,499,068,661</b>	<b>100.00%</b>	<b>162,277</b>	<b>100.00%</b>	<b>160,587</b>	<b>100.00%</b>

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 6.3  
FORECASTED BILLING UNITS**

<b>Line No.</b>	<b>Rate Class</b>	<b>Average Customers</b>	<b>Cf Sales</b>	<b>BOD Excess Billing Units</b>	<b>TSS Excess Billing Units</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	<b>(f)</b>
1	Residential Service - Inside City Limits	145,445	1,060,995,789	-	-
2	Residential Service - Outside City Limits	178	1,423,083	-	-
3	Nonresidential Service - Inside City Limits	7,422	427,011,508	91,800,000	12,000,000
4	Nonresidential Service - Outside City Limits	30	1,272,818	-	-
5	Contract Service - Military	-	8,365,463	-	-
6	Liquid Waste Hauler	-	962,503	-	-
7	<b>Total</b>	<b>153,075</b>	<b>1,500,031,164</b>	<b>91,800,000</b>	<b>12,000,000</b>

*Note: Contract Service - Military and Liquid Waste Hauler do not have daily service charges, all revenues recovered through commodity charges.*

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 7  
NET REVENUE REQUIREMENT BY RATE CLASS

Line No.	Rate Class	Collection System	Treatment	Activated Sludge Facility	BOD	TSS	Laboratory	Industrial Pretreatment	Customer	Net Revenue Requirement
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Residential Service	\$ 35,042,318	\$ 3,414,433	\$ 3,540,408	\$ 4,380,978	\$ 2,252,816	\$ 625,527	\$ -	\$ 6,737,871	\$ 55,994,351
2	Nonresidential Service	8,210,191	1,376,433	1,427,216	2,144,614	933,605	252,164	1,900,207	689,597	16,934,026
3	Contract Service - Military	129,149	26,885	27,877	34,496	17,739	4,925	-	2,776	243,847
4	Liquid Waste Hauler	-	3,093	3,207	235,828	122,903	567	-	78,195	443,793
5	<b>Total</b>	<b>\$ 43,381,658</b>	<b>\$ 4,820,844</b>	<b>\$ 4,998,708</b>	<b>\$ 6,795,915</b>	<b>\$ 3,327,063</b>	<b>\$ 883,183</b>	<b>\$ 1,900,207</b>	<b>\$ 7,508,439</b>	<b>\$ 73,616,017</b>

Colorado Springs Utilities  
2023 Wastewater Cost of Service Study

SCHEDULE 8  
RATE DESIGN

Line No.	Rate Class	# Days	Forecasted 2023 Billing Units	Current Rates	Revenue Under Current Rates	Net Revenue Requirement	Proposed Rates	Proposed Revenue from Rates	Proposed Increase / (Decrease)	Percent Revenue Change
(a)	(b)	(c)	(d)	(e)	(f) (c) * (d) * (e)	(g)	(h)	(i) (c) * (d) * (h)	(j) (i) - (f)	(k) (j) / (f)
1	<b>Residential Service</b>									
2	<b>Residential Service - Inside City Limits</b>									
3	Service Charge, per day	365	145,445	\$ 0.5178	\$ 27,488,669		\$ 0.5178	\$ 27,488,669	\$ -	0.0%
4	Normal Quantity Charge, per cf		1,060,995,789	\$ 0.0255	27,055,393		\$ 0.0267	28,328,588	1,273,195	4.7%
5	<b>Total Residential Service - Inside City Limits</b>				<b>\$ 54,544,061</b>			<b>\$ 55,817,256</b>	<b>\$ 1,273,195</b>	<b>2.3%</b>
6	<b>Residential Service - Outside City Limits</b>									
7	Service Charge, per day	365	178	\$ 0.7767	\$ 50,462		\$ 0.7767	\$ 50,462	\$ -	0.0%
8	Normal Quantity Charge, per cf		1,423,083	\$ 0.0383	54,504		\$ 0.0401	57,066	2,562	4.7%
9	<b>Total Residential Service - Outside City Limits</b>				<b>\$ 104,966</b>			<b>\$ 107,528</b>	<b>\$ 2,562</b>	<b>2.4%</b>
10	<b>Total Residential Service</b>				<b>\$ 54,649,028</b>	<b>\$ 55,994,351</b>		<b>\$ 55,924,784</b>	<b>\$ 1,275,756</b>	<b>2.3%</b>
11	<b>Nonresidential Service</b>									
12	<b>Nonresidential Service - Inside City Limits</b>									
13	Service Charge, per day	365	7,422	\$ 1.0254	\$ 2,777,839		\$ 1.0254	\$ 2,777,839	\$ -	0.0%
14	Normal Quantity Charge, per cf		427,011,508	\$ 0.0285	12,169,828		\$ 0.0320	13,664,368	1,494,540	12.3%
15	BOD, per excess BOD billing unit <sup>(Note)</sup>		91,800,000	\$ 0.0038	348,840		\$ 0.0041	376,380	27,540	7.9%
16	TSS, per excess TSS billing unit <sup>(Note)</sup>		12,000,000	\$ 0.0020	24,000		\$ 0.0021	25,200	1,200	5.0%
17	<b>Total Nonresidential Service - Inside City Limits</b>				<b>\$ 15,320,507</b>			<b>\$ 16,843,788</b>	<b>\$ 1,523,280</b>	<b>9.9%</b>
18	<b>Nonresidential Service - Outside City Limits</b>									
19	Service Charge, per day	365	30	\$ 1.5381	\$ 16,842		\$ 1.5381	\$ 16,842	\$ -	0.0%
20	Normal Quantity Charge, per cf		1,272,818	\$ 0.0428	54,477		\$ 0.0480	61,095	6,619	12.1%
21	<b>Total Nonresidential Service - Outside City Limits</b>				<b>\$ 71,319</b>			<b>\$ 77,937</b>	<b>\$ 6,619</b>	<b>9.3%</b>
22	<b>Total Nonresidential Service</b>				<b>\$ 15,391,826</b>	<b>\$ 16,934,026</b>		<b>\$ 16,921,725</b>	<b>\$ 1,529,899</b>	<b>9.9%</b>
23	<b>Contract Service - Military</b>									
24	Treatment Charge, per cf		8,365,463	\$ 0.0264	\$ 220,848		\$ 0.0291	\$ 243,435	\$ 22,587	10.2%
25	<b>Total Contract Service - Military</b>				<b>\$ 220,848</b>	<b>\$ 243,847</b>		<b>\$ 243,435</b>	<b>\$ 22,587</b>	<b>10.2%</b>
26	<b>Liquid Waste Hauler</b>									
27	Quantity Charge, per 1,000 gallons		7,200	\$ 72.5245	\$ 522,142		\$ 72.52	\$ 522,142	\$ -	0.0%
28	<b>Total Liquid Waste Hauler</b>				<b>\$ 522,142</b>	<b>\$ 443,793</b>		<b>\$ 522,142</b>	<b>\$ -</b>	<b>0.0%</b>
29	<b>Total Revenue</b>				<b>\$ 70,783,844</b>	<b>\$ 73,616,017</b>		<b>\$ 73,612,086</b>	<b>\$ 2,828,242</b>	<b>4.0%</b>

Note: Extra Strength Surcharges only assessed on certain extra strength Nonresidential Customers and included in Nonresidential Net Revenue Requirement and Proposed Revenue from Rates.



**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 9  
CONTRACT SERVICE - REGIONAL**

Line No.	Category	Rate Calculation	Functional Costs		
			Collection System <sup>(1)</sup>	Preliminary Treatment Facility	Primary Clarifiers and Effluent Pumping
(a)	(b)	(c)	(d)	(e)	(f)
1	Total Operation and Maintenance Expense	\$ 26,519,075	\$ 9,216,287	\$ 820,821	\$ 1,266,412
2	Debt Service	14,124,273	9,679,705	1,633,815	386,622
3	Cash Funded Capital	9,545,024	6,541,435	1,104,113	261,274
4	Additions to Cash	(3,278,910)	(1,139,533)	(101,489)	(156,584)
5	Cost Basis	\$ 46,909,461	\$ 24,297,893	\$ 3,457,260	\$ 1,757,724
6	Colorado Springs Utilities' System Treatment in cf [Schedule 6.3 line 7, column (d)]	1,500,031,164			
7	Contract Service - Regional Treatment in cf	34,966,232			
8	Total System Treatment (line 6 + line 7)	1,534,997,396			
9	Average System Cost excluding certain costs, per cf (line 5 / line 8)	\$ 0.0306			
10	10% Multiplier	1.10			
11	<b>Total Treatment Charge, per cf (line 9 x line 10)</b>	<b>\$ 0.0336</b>			
12	<b>Extra Strength Surcharges</b>	<b>Inside City Rate</b>	<b>Multiplier</b>	<b>Extra Strength Surcharge</b>	
13	BOD Rate (Inside City Rate x Multiplier)	\$ 0.0041	1.10	\$ 0.0045	
14	TSS Rate (Inside City Rate x Multiplier)	\$ 0.0021	1.10	\$ 0.0023	

Note:

<sup>(1)</sup> Contract Service - Regional rates are based on average system cost derived from Colorado Springs Utilities' functional revenue requirement per 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.

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 9  
CONTRACT SERVICE - REGIONAL**

Line No.	Category	Rate Calculation	Functional Costs		
			Trickling Filter Facility	Activated Sludge Facility	Solids Handling Facility
(a)	(b)	(c)	(g)	(h)	(i)
1	Total Operation and Maintenance Expense	\$ 26,519,075	\$ 58,236	\$ 8,029,763	\$ 3,781,233
2	Debt Service	14,124,273	70,385	1,017,184	1,328,478
3	Cash Funded Capital	9,545,024	47,566	687,402	897,771
4	Additions to Cash	(3,278,910)	(7,200)	(992,828)	(467,525)
5	Cost Basis	\$ 46,909,461	\$ 168,987	\$ 8,741,521	\$ 5,539,957
6	Colorado Springs Utilities' System Treatment in cf [Schedule 6.3 line 7, column (d)]	1,500,031,164			
7	Contract Service - Regional Treatment in cf	34,966,232			
8	Total System Treatment (line 6 + line 7)	1,534,997,396			
9	Average System Cost excluding certain costs, per cf (line 5 / line 8)	\$ 0.0306			
10	10% Multiplier	1.10			
11	<b>Total Treatment Charge, per cf (line 9 x line 10)</b>	<b>\$ 0.0336</b>			
12	<b>Extra Strength Surcharges</b>	<b>Inside City Rate</b>	<b>Multiplier</b>	<b>Extra Strength Surcharge</b>	
13	BOD Rate (Inside City Rate x Multiplier)	\$ 0.0041	1.10	\$ 0.0045	
14	TSS Rate (Inside City Rate x Multiplier)	\$ 0.0021	1.10	\$ 0.0023	

Note:

<sup>(1)</sup> Contract Service - Regional rates are based on average system cost derived from Colorado Springs Utilities' functional revenue requirement per 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.

**Colorado Springs Utilities  
2023 Wastewater Cost of Service Study**

**SCHEDULE 9  
CONTRACT SERVICE - REGIONAL**

Line No.	Category	Rate Calculation	Functional Costs		
			Laboratory	Industrial Pretreatment <sup>(1)</sup>	Customer <sup>(1)</sup>
(a)	(b)	(c)	(i)	(k)	(l)
1	Total Operation and Maintenance Expense	\$ 26,519,075	\$ 3,346,323	\$ -	\$ -
2	Debt Service	14,124,273	8,084	-	-
3	Cash Funded Capital	9,545,024	5,463	-	-
4	Additions to Cash	(3,278,910)	(413,751)	-	-
5	Cost Basis	\$ 46,909,461	\$ 2,946,119	\$ -	\$ -
6	Colorado Springs Utilities' System Treatment in cf [Schedule 6.3 line 7, column (d)]	1,500,031,164			
7	Contract Service - Regional Treatment in cf	34,966,232			
8	Total System Treatment (line 6 + line 7)	1,534,997,396			
9	Average System Cost excluding certain costs, per cf (line 5 / line 8)	\$ 0.0306			
10	10% Multiplier	1.10			
11	<b>Total Treatment Charge, per cf (line 9 x line 10)</b>	<b>\$ 0.0336</b>			
12	<b>Extra Strength Surcharges</b>				
		<b>Inside City Rate</b>	<b>Multiplier</b>	<b>Extra Strength Surcharge</b>	
13	BOD Rate (Inside City Rate x Multiplier)	\$ 0.0041	1.10	\$ 0.0045	
14	TSS Rate (Inside City Rate x Multiplier)	\$ 0.0021	1.10	\$ 0.0023	

Note:

<sup>(1)</sup> Contract Service - Regional rates are based on average system cost derived from Colorado Springs Utilities' functional revenue requirement per 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.

**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. This report summarizes proposed changes to URR sheets.

### 1. Account Access (*URR Sheet No. 49*)

Modifications to General provisions to allow Utilities to provide specific information to agencies previously authorized by the customer to enable funding assistance without requiring additional release authorization.

### 2. Water and Wastewater Extension Policy (*URR Sheet Nos. 91, 91.1, 91.2, 91.3, 91.4, 112, 112.1, and 113*)

- a. Modifications to Water and Wastewater capacity determinations to improve alignment of cost responsibility between owner or developers constructing facilities and future developments.
- b. Elimination of the property owner or developer 25% upfront requirement, and removal process payments provisions related to the Large Main Extension Fund.

### 3. Water Regional System Availability Fee (WRSF) for Standby service (*URR Sheet No. 102.2*)

Addition of WRSF Standby Service Option assessed for each new connection to Utilities' supply system. Customers contracting for Standby Service can elect to pay the WRSF fee in full at the time of inception or make an annual payment for a period 25 years or less, including interest. The Standby WRSF fees are based on the Acre Foot and Million Gallon per Day values from the 2022 WRSF Schedule 5.1 with a 20% regional service multiplier.

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

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

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

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

**WHEREAS**, Utilities proposed a change to the general provisions to allow Utilities to accept a customer executed release in a form provided by a state or federal assistance entity; and

**WHEREAS**, Utilities proposed changes to water and wastewater extension policies to modify the capacity determinations for oversizing requirements, and to incorporate other administrative changes; and

**WHEREAS**, Utilities proposed changes to large main extension fund to remove the property owner or developer twenty-five percent upfront requirement, eliminate progress payments, and incorporate other administrative changes; and

**WHEREAS**, Utilities proposed to add a Standby Service Option Water Regional System Availability Fee for regional customers contracting for standby service to help meet their water needs, on a temporary basis when their normal operations are disrupted; and

**WHEREAS**, City Council finds Utilities' proposed modifications prudent; 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' 2023 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 utilities rules and regulations; and

**WHEREAS**, Utilities proposed to make the tariff changes effective January 1, 2023, as noted in the table 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, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
First Revised Sheet No. 49	GENERAL	Original Sheet No. 49
Third Revised Sheet No. 91	WATER	Second Revised Sheet No. 91
Second Revised Sheet No. 91.1	WATER	First Revised Sheet No. 91.1
First Revised Sheet No. 91.2	WATER	Original Sheet No. 91.2
First Revised Sheet No. 91.3	WATER	Original Sheet No. 91.3
First Revised Sheet No. 91.4	WATER	Original Sheet No. 91.4
First Revised Sheet No. 102.2	WATER	Original Sheet No. 102.2
Fourth Revised Sheet No. 112	WASTEWATER	Third Revised Sheet No. 112
Second Revised Sheet No. 112.1	WASTEWATER	First Revised Sheet No. 112.1
First Revised Sheet No. 113	WASTEWATER	Original Sheet No. 113

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 8<sup>th</sup> day of November 2022.

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

ATTEST:

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

**Utilities Rules and Regulations  
(URR)**

**Redline Tariff Sheets**

## UTILITIES RULES AND REGULATIONS

### GENERAL

#### Other Rights, Limitations, and Obligations – cont'd

- b. The Release must contain the following information:
  - i. the Customer's name, address and telephone number;
  - ii. the Customer's account number;
  - iii. the name of the Person to whom the information may be released;
  - iv. the time frame covered by the Release;
  - v. the specific information to be released;
  - vi. the Customer's signature; and
  - vii. the signature and seal of a notary public.
- c. The burden is on the party requesting the information to obtain the Release from the Customer and to provide it to Utilities. The requirement of the signature and seal of a notary public may be waived by Utilities if authorization from the Customer is provided in person or telephonically to Utilities following appropriate Customer verification. Any such Release under this provision releases Utilities from any claim resulting from any use or misuse of the information provided.
- d. Notwithstanding above stated in part b, Utilities may accept at its discretion a customer executed release in a form provided by a state or federal assistance entity.

#### I. Dispute Resolution Procedure

##### 1. General

Any Customer's or user's dispute with Utilities concerning the Customer's or user's utility service or proposed utility service, except as otherwise provided herein, including, without limitation, billing errors and omissions, termination of service, line extensions or alleged violations of regulations or ordinances, shall be reviewed and determined by the following procedure, unless otherwise provided for in ordinances or resolutions. The process consists of a mandatory first step of an Informal Review and, if the Customer or user is dissatisfied with the Informal Review, a Formal Review. A Customer or user is required to complete the dispute resolution procedure, which results in a final decision, before seeking any judicial action.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~

## 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~~ such 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. In that circumstance, the property Owner or developer may recover the cost of capacity associated with the oversizing requirement.

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21-~~

## 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~~ Charges follow the process as provided within Section VIII.C., Water Recovery Agreement Charge, of these Rules and Regulations.

a. ~~Oversize-Large~~ Main Extension Fund

Subject to funding availability and program rules as developed by Utilities, Utilities’ ~~Oversize-Large~~ 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 qualified projects. Utilities may award partial funding based on funding availability and/or project ranking. Facilities eligible for consideration must meet the following qualifications, as well as those qualifications established by Utilities in the program rules.

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21~~

## UTILITIES RULES AND REGULATIONS

### WATER

- 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.

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21~~

## 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.~~

~~Premises or developments served by the facilities must be located inside the City limits; and~~

~~a. Pipelines must have a 24 inch minimum diameter; and~~

~~b. The estimated facility cost must exceed \$1,500,000; and~~

~~c. 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~~

~~d. 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 large~~ mains. All applicable rules and regulations and Water Line Extension and Service Standards apply.

b. As established by program rules, Utilities will review 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. after construction of the qualifying facility and upon determination of the costs of such construction or as~~

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21~~

## UTILITIES RULES AND REGULATIONS

### WATER

otherwise determined by Utilities. Payments from the fund reduce the fund balance.

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 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 exceed the funding limit, the property Owner or developer will be required to fund the balance of cost.

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21~~



## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

- ~~e. — 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.

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

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21~~



**UTILITIES RULES AND REGULATIONS**

**WATER**

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.

Approval Date: ~~November 23, 2021~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21~~



**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

3. Standby Service Option WRSAF

Regional Customers contracting for the Standby Service Option to help meet their water needs, on a temporary basis, when their normal operations are disrupted will pay the Standby Service Option WRSAF per contracted:

	<u>Total</u>	<u>Annual</u>
<u>Acre Foot .....</u>	<u>\$2,263.00.....</u>	<u>\$128.00</u>
<u>MGD .....</u>	<u>\$2,799,374.00.....</u>	<u>\$158,309.00</u>

3.4. 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.

4.5. Non-waiver of the WRSAF

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

Approval Date: ~~November 23, 2021~~ November 8, 2022  
 Effective Date: ~~January 1, 2022~~ January 1, 2023  
 Resolution No. ~~185-21~~

## 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~~ such 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~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21~~

## UTILITIES RULES AND REGULATIONS

### WASTEWATER

#### Wastewater – cont'd

Utilities may agree in a Recovery Agreement with such property Owner or developer to collect oversized 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~~ Charges follow the process as provided within Section IX.D., Wastewater Recovery Agreement Charge, of these Rules and Regulations.

a. ~~Oversize-Large~~ Main Extension Fund

Subject to funding availability and program rules as developed by Utilities, Utilities' ~~Oversize-Large~~ 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~~ 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~~ 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~~ November 8, 2022  
Effective Date: ~~January 1, 2022~~ January 1, 2023  
Resolution No. ~~185-21~~

## UTILITIES RULES AND REGULATIONS

### WASTEWATER

#### Wastewater – cont'd

All costs incidental to or resulting from the procurement by Utilities of any required easement or right-of-way, whether obtained by dedication, contract, condemnation or otherwise, is borne by the property Owner or developer and may be included in a Recovery Agreement.

When residents in designated enclave areas, which are platted and which contain occupied dwellings, request extension of the wastewater collection system, Utilities may participate in the cost of such extension to the extent Utilities determines, at its sole discretion, that installation of wastewater collection facilities will sufficiently reduce operational expenses to justify the extension and that the extension is required for efficient and safe operation of the system. At its sole discretion, Utilities may participate in the cost of extensions to serve designated enclave or unsewered areas. All costs advanced by Utilities for participation in such extensions will be recoverable as Recovery Agreement ~~charges~~ Charges for connection to the collection system extended by Utilities at the time such connections are made or as stipulated in the Recovery Agreement.

A property Owner or developer will be responsible for the cost of construction of relief systems and necessary appurtenances when proposed flow demand exceeds existing system capacity. These relief facilities may be constructed on the property of the property Owner or developer or off-site at other locations within the collection system. At the discretion of Utilities, Utilities may enter into a cost-sharing agreement with the property Owner or developer to pay a pro rata share of the construction cost of relief systems based on the determination of benefit to Utilities. Benefit to Utilities may be derived from, but not limited to, the following:

- a. relief of pipelines operating in excess of design capacity;
- b. replacement of structurally deficient pipelines;
- c. replacement of pipelines subject to flooding or other hazards;
- d. replacement of pipelines with inadequate operations and maintenance access;
- e. replacement of pipelines subject to excessive inflow/infiltration; and
- f. pipelines that provide for the elimination of pump stations and force mains.

The property Owner(s) or developers and Utilities will have the right to reimbursement under the provisions of the Recovery Agreement for construction of relief facilities, as determined by Utilities.

Approval Date: ~~June 12, 2018~~ November 8, 2022  
Effective Date: ~~July 1, 2018~~ January 1, 2023  
Resolution No. ~~60-18~~

**Utilities Rules and Regulations  
(URR)**

**Final Tariff Sheets**



## UTILITIES RULES AND REGULATIONS

### GENERAL

#### **Other Rights, Limitations, and Obligations – cont'd**

- b. The Release must contain the following information:
  - i. the Customer's name, address and telephone number;
  - ii. the Customer's account number;
  - iii. the name of the Person to whom the information may be released;
  - iv. the time frame covered by the Release;
  - v. the specific information to be released;
  - vi. the Customer's signature; and
  - vii. the signature and seal of a notary public.
- c. The burden is on the party requesting the information to obtain the Release from the Customer and to provide it to Utilities. The requirement of the signature and seal of a notary public may be waived by Utilities if authorization from the Customer is provided in person or telephonically to Utilities following appropriate Customer verification. Any such Release under this provision releases Utilities from any claim resulting from any use or misuse of the information provided.
- d. Notwithstanding above stated in part b, Utilities may accept at its discretion a customer executed release in a form provided by a state or federal assistance entity.

#### I. Dispute Resolution Procedure

##### 1. General

Any Customer's or user's dispute with Utilities concerning the Customer's or user's utility service or proposed utility service, except as otherwise provided herein, including, without limitation, billing errors and omissions, termination of service, line extensions or alleged violations of regulations or ordinances, shall be reviewed and determined by the following procedure, unless otherwise provided for in ordinances or resolutions. The process consists of a mandatory first step of an Informal Review and, if the Customer or user is dissatisfied with the Informal Review, a Formal Review. A Customer or user is required to complete the dispute resolution procedure, which results in a final decision, before seeking any judicial action.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

**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 such 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. In that circumstance, the property Owner or developer may recover the cost of capacity associated with the oversizing requirement.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. -

## UTILITIES RULES AND REGULATIONS

### WATER

#### Water – cont'd

Utilities may agree in a Recovery Agreement with such property Owner or developer to collect the oversize capacity cost allocation from benefiting future developments. Escalation of Oversize Recovery Charges follow the process as provided within Section VIII.C., Water Recovery Agreement Charge, of these Rules and Regulations.

a. Large Main Extension Fund

Subject to funding availability and program rules as developed by Utilities, Utilities' Large Main Extension Fund is available to assist in the financing of qualifying 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 qualified projects. Utilities may award partial funding based on funding availability and/or project ranking. Facilities eligible for 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.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

- ii. Administration
  - a. The property Owner or developer served by the qualifying facility is responsible for engineering, construction, materials, and installation of large mains. All applicable rules and regulations and Water Line Extension and Service Standards apply.
  - b. As established by program rules, Utilities will review cost documentation. 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 after construction of the qualifying facility and upon determination of the costs of such construction or as otherwise determined by Utilities. Payments from the fund reduce the fund balance.
  - 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 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 exceed the funding limit, the property Owner or developer will be required to fund the balance of cost.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont'd**

- 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. 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.

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.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_



<b>UTILITIES RULES AND REGULATIONS</b>

THIS PAGE INTENTIONALLY LEFT BLANK

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

**UTILITIES RULES AND REGULATIONS**

**WATER**

**Water – cont’d**

3. Standby Service Option WRSAF

Regional Customers contracting for the Standby Service Option to help meet their water needs, on a temporary basis, when their normal operations are disrupted will pay the Standby Service Option WRSAF per contracted:

	<u>Total</u>	<u>Annual</u>
Acre Foot .....	\$2,263.00.....	\$128.00
MGD .....	\$2,799,374.00.....	\$158,309.00

4. 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.

5. Non-waiver of the WRSAF

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

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 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 such 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

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
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 Escalation of Oversize Recovery Charges follow the process as provided within Section IX.D., Wastewater Recovery Agreement Charge, of these Rules and Regulations.

a. Large Main Extension Fund

Subject to funding availability and program rules as developed by Utilities, Utilities' Large Main Extension Fund is available to assist in the financing of qualifying 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 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

## UTILITIES RULES AND REGULATIONS

### WASTEWATER

#### Wastewater – cont'd

All costs incidental to or resulting from the procurement by Utilities of any required easement or right-of-way, whether obtained by dedication, contract, condemnation or otherwise, is borne by the property Owner or developer and may be included in a Recovery Agreement.

When residents in designated enclave areas, which are platted and which contain occupied dwellings, request extension of the wastewater collection system, Utilities may participate in the cost of such extension to the extent Utilities determines, at its sole discretion, that installation of wastewater collection facilities will sufficiently reduce operational expenses to justify the extension and that the extension is required for efficient and safe operation of the system. At its sole discretion, Utilities may participate in the cost of extensions to serve designated enclave or unsewered areas. All costs advanced by Utilities for participation in such extensions will be recoverable as Recovery Agreement Charges for connection to the collection system extended by Utilities at the time such connections are made or as stipulated in the Recovery Agreement.

A property Owner or developer will be responsible for the cost of construction of relief systems and necessary appurtenances when proposed flow demand exceeds existing system capacity. These relief facilities may be constructed on the property of the property Owner or developer or off-site at other locations within the collection system. At the discretion of Utilities, Utilities may enter into a cost-sharing agreement with the property Owner or developer to pay a pro rata share of the construction cost of relief systems based on the determination of benefit to Utilities. Benefit to Utilities may be derived from, but not limited to, the following:

- a. relief of pipelines operating in excess of design capacity;
- b. replacement of structurally deficient pipelines;
- c. replacement of pipelines subject to flooding or other hazards;
- d. replacement of pipelines with inadequate operations and maintenance access;
- e. replacement of pipelines subject to excessive inflow/infiltration; and
- f. pipelines that provide for the elimination of pump stations and force mains.

The property Owner(s) or developers and Utilities will have the right to reimbursement under the provisions of the Recovery Agreement for construction of relief facilities, as determined by Utilities.

Approval Date: November 8, 2022  
Effective Date: January 1, 2023  
Resolution No. \_\_\_\_\_

**OPEN ACCESS  
TRANSMISSION TARIFF**

**Open Access  
Transmission Tariff  
Report**

## **Open Access Transmission Tariff Service (OATT)**

Colorado Springs Utilities (Utilities) is a transmission provider and provides non-discriminatory wholesale high voltage electric service to itself and to its customers through the terms and conditions set forth in the OATT. This report summarizes proposed changes to OATT sheets.

### **1. Standard Large Generator Interconnection Procedures and Agreement** (*OATT Sheet Nos. 220, 257, 303, and 304*)

Revisions removing certain terms and conditions associated with the crediting-related provisions of the OATT's large generator interconnection documents. Removal of these provisions eliminates Utilities' current obligation to repay interconnection customers the amounts they advance for network upgrades to Utilities' transmission system. These proposed revisions are consistent with changes made by other public power utilities and do not conflict with any federal or state regulatory obligations.

**Open Access  
Transmission Tariff  
Resolution**

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

**A RESOLUTION REGARDING CERTAIN CHANGES TO COLORADO SPRINGS UTILITIES' OPEN ACCESS TRANSMISSION TARIFF**

**WHEREAS**, City Council approved the current effective interstate Open Access Transmission Tariff by Resolutions 133-17, 75-18, 43-19 and 93-22; and

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed to modify the Open Access Transmission Tariff sections in both the Standard Large Generator Interconnection Procedures (LGIP), and the Standard Large Generator Interconnection Agreement (LGIA), and

**WHEREAS**, Utilities proposed to revise certain LGIP and LGIA sections to remove the crediting-related terms and conditions; and

**WHEREAS**, the City Council finds that adoption of the proposed tariff sheets specifying the updated terms and conditions of the LGIP and LGIA, all as set forth in Utilities' Open Access Transmission Tariff, are just, reasonable, sufficient and not unduly discriminatory.

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

Section 1: That Colorado Springs Utilities' Open Access Transmission Tariff, City Council Volume No. 3, shall be revised as follows:

Effective January 1, 2023

<b>City Council Vol. No. 3</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancel Sheet No.</b>
First Revised Sheet No. 220	Large Generator Interconnection Procedures	Original Sheet No. 220
First Revised Sheet No. 257	Large Generator Interconnection Agreement	Original Sheet No. 257
First Revised Sheet No. 303	Large Generator Interconnection Agreement	Original Sheet No. 303
First Revised Sheet No. 304	Large Generator Interconnection Agreement	Original Sheet No. 304

Section 2: The attached sheets of Colorado Springs Utilities' Open Access Transmission Tariff are hereby approved and adopted effective January 1, 2023 and shall remain in effect unless changed by subsequent Resolution of the City Council.

Dated at Colorado Springs, Colorado, this 8<sup>th</sup> day of November, 2022.

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

ATTEST:

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

**Open Access  
Transmission Tariff  
Redline Tariff Sheets**



### **12.2.3 Advancing Construction of Network Upgrades that are Part of an Expansion Plan of the Transmission Provider**

An Interconnection Customer with an LGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance to the extent necessary the completion of Network Upgrades that: (i) are necessary to support such In-Service Date and (ii) would otherwise not be completed, pursuant to an expansion plan of Transmission Provider, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay Transmission Provider any associated expediting costs. ~~Interconnection Customer shall be entitled to transmission credits, if any, for any expediting costs paid.~~

### **12.2.4 Amended Interconnection System Impact Study.**

An Interconnection System Impact Study will be amended to determine the facilities necessary to support the requested In-Service Date. This amended study will include those transmission and Large Generating Facilities that are expected to be in service on or before the requested In-Service Date.

## **Section 13. Miscellaneous**

### **13.1 Confidentiality**

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of an LGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be

11.4	<del>Reserved Transmission Credits</del> .....	303
11.5	Provision of Security .....	304
11.6	Interconnection Customer Compensation .....	305
<b>Article 12.</b>	<b>Invoice</b> .....	<b>306</b>
12.1	General .....	306
12.2	Final Invoice .....	306
12.3	Payment.....	306
12.4	Disputes .....	306
<b>Article 13.</b>	<b>Emergencies</b> .....	<b>307</b>
13.1	Definition .....	307
13.2	Obligations .....	307
13.3	Notice .....	307
13.4	Immediate Action .....	308
13.5	Transmission Provider Authority.....	308
13.6	Interconnection Customer Authority .....	309
13.7	Limited Liability.....	310
<b>Article 14.</b>	<b>Regulatory Requirements and Governing Law</b> .....	<b>310</b>
14.1	Regulatory Requirements.....	310
14.2	Governing Law .....	310
<b>Article 15.</b>	<b>Notices</b> .....	<b>310</b>
15.1	General .....	310
15.2	Billings and Payments .....	311
15.3	Alternative Forms of Notice .....	311
15.4	Operations and Maintenance Notice .....	311
<b>Article 16.</b>	<b>Force Majeure</b> .....	<b>311</b>
16.1	Force Majeure .....	311
<b>Article 17.</b>	<b>Default</b> .....	<b>312</b>
17.1	Default.....	312
<b>Article 18.</b>	<b>Indemnity, Consequential Damages and Insurance</b> .....	<b>312</b>
18.1	Indemnity .....	312
18.2	Consequential Damages .....	314
18.3	Insurance .....	314
<b>Article 19.</b>	<b>Assignment</b> .....	<b>317</b>
19.1	Assignment .....	317
<b>Article 20.</b>	<b>Severability</b> .....	<b>317</b>

Upgrades. The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Unless Transmission Provider or Transmission Owner elects to fund the capital for the Network Upgrades, they shall be solely funded by Interconnection Customer.

#### 11.4 Reserved Transmission Credits

##### ~~11.4.1 Repayment of Amounts Advanced for Network Upgrades~~

~~Interconnection Customer shall be entitled to a cash repayment, equal to the total amount paid to Transmission Provider and Affected System Operator, if any, for the Network Upgrades, including any tax gross-up or other tax-related payments associated with Network Upgrades, and not refunded to Interconnection Customer pursuant to Article 5.17.8 or otherwise, to be paid to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, as payments are made under Transmission Provider's Tariff and Affected System's Tariff for transmission services with respect to the Large Generating Facility. Any repayment shall include interest calculated in accordance with the methodology set forth in FERC's regulations at 18 C.F.R. § 35.19a(a)(2)(iii) from the date of any payment for Network Upgrades through the date on which the Interconnection Customer receives a repayment of such payment pursuant to this subparagraph. Interconnection Customer may assign such repayment rights to any person.~~

~~Notwithstanding the foregoing, Interconnection Customer, Transmission Provider, and Affected System Operator may adopt any alternative payment schedule that is mutually agreeable so long as Transmission Provider and Affected System Operator take one of the following actions no later than five years from the Commercial Operation Date: (1) return to Interconnection Customer any amounts advanced for Network Upgrades not previously repaid, or (2) declare in writing that Transmission Provider or Affected System Operator will continue to provide payments to Interconnection Customer on a dollar-for-dollar basis for the non-usage sensitive portion of transmission charges, or develop an alternative schedule that is mutually agreeable and provides for the return of all amounts advanced for Network Upgrades not previously repaid; however, full reimbursement shall not extend beyond twenty (20) years from the Commercial Operation Date..~~

**[Remainder of Page Left Intentionally Blank]**

~~If the Large Generating Facility fails to achieve commercial operation, but it or another Generating Facility is later constructed and makes use of the Network Upgrades, Transmission Provider and Affected System Operator shall at that time reimburse Interconnection Customer for the amounts advanced for the Network Upgrades. Before any such reimbursement can occur, the Interconnection Customer, or the entity that ultimately constructs the Generating Facility, if different, is responsible for identifying the entity to which reimbursement must be made.~~

~~**11.4.2** — **Special Provisions for Affected Systems** Unless Transmission Provider provides, under the LGIA, for the repayment of amounts advanced to Affected System Operator for Network Upgrades, Interconnection Customer and Affected System Operator shall enter into an agreement that provides for such repayment. The agreement shall specify the terms governing payments to be made by Interconnection Customer to the Affected System Operator as well as the repayment by the Affected System Operator.~~

~~**11.4.3** — Notwithstanding any other provision of this LGIA, nothing herein shall be construed as relinquishing or foreclosing any rights, including but not limited to firm transmission rights, capacity rights, transmission congestion rights, or transmission credits, that Interconnection Customer, shall be entitled to, now or in the future under any other agreement or tariff as a result of, or otherwise associated with, the transmission capacity, if any, created by the Network Upgrades, including the right to obtain cash reimbursements or transmission credits for transmission service that is not associated with the Large Generating Facility.~~

## **11.5 Provision of Security**

At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of a Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1. Such security for payment shall be in an amount sufficient to cover the costs for constructing, procuring and installing the applicable portion of

**[Remainder of Page Left Intentionally Blank]**

**Open Access  
Transmission Tariff  
Final Tariff Sheets**

**12.2.3 Advancing Construction of Network Upgrades that are Part of an Expansion Plan of the Transmission Provider**

An Interconnection Customer with an LGIA, in order to maintain its In-Service Date, may request that Transmission Provider advance to the extent necessary the completion of Network Upgrades that: (i) are necessary to support such In-Service Date and (ii) would otherwise not be completed, pursuant to an expansion plan of Transmission Provider, in time to support such In-Service Date. Upon such request, Transmission Provider will use Reasonable Efforts to advance the construction of such Network Upgrades to accommodate such request; provided that Interconnection Customer commits to pay Transmission Provider any associated expediting costs.

**12.2.4 Amended Interconnection System Impact Study.**

An Interconnection System Impact Study will be amended to determine the facilities necessary to support the requested In-Service Date. This amended study will include those transmission and Large Generating Facilities that are expected to be in service on or before the requested In-Service Date.

**Section 13. Miscellaneous**

**13.1 Confidentiality**

Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of an LGIA.

Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

If requested by either Party, the other Party shall provide in writing, the basis for asserting that the information referred to in this Article warrants confidential treatment, and the requesting Party may disclose such writing to the appropriate Governmental Authority. Each Party shall be

11.4 Reserved..... 303  
11.5 Provision of Security ..... 304  
11.6 Interconnection Customer Compensation ..... 305

**Article 12. Invoice..... 306**  
12.1 General ..... 306  
12.2 Final Invoice ..... 306  
12.3 Payment..... 306  
12.4 Disputes ..... 306

**Article 13. Emergencies..... 307**  
13.1 Definition ..... 307  
13.2 Obligations ..... 307  
13.3 Notice ..... 307  
13.4 Immediate Action ..... 308  
13.5 Transmission Provider Authority..... 308  
13.6 Interconnection Customer Authority ..... 309  
13.7 Limited Liability..... 310

**Article 14. Regulatory Requirements and Governing Law..... 310**  
14.1 Regulatory Requirements..... 310  
14.2 Governing Law ..... 310

**Article 15. Notices ..... 310**  
15.1 General ..... 310  
15.2 Billings and Payments ..... 311  
15.3 Alternative Forms of Notice ..... 311  
15.4 Operations and Maintenance Notice ..... 311

**Article 16. Force Majeure..... 311**  
16.1 Force Majeure ..... 311

**Article 17. Default..... 312**  
17.1 Default..... 312

**Article 18. Indemnity, Consequential Damages and Insurance..... 312**  
18.1 Indemnity ..... 312  
18.2 Consequential Damages ..... 314  
18.3 Insurance ..... 314

**Article 19. Assignment..... 317**  
19.1 Assignment ..... 317

**Article 20. Severability..... 317**

Upgrades. The Interconnection Customer shall be responsible for all costs related to Distribution Upgrades. Unless Transmission Provider or Transmission Owner elects to fund the capital for the Network Upgrades, they shall be solely funded by Interconnection Customer.

**11.4 Reserved**

**[Remainder of Page Left Intentionally Blank]**



**11.5 Provision of Security**

At least thirty (30) Calendar Days prior to the commencement of the procurement, installation, or construction of a discrete portion of a Transmission Provider's Interconnection Facilities, Network Upgrades, or Distribution Upgrades, Interconnection Customer shall provide Transmission Provider, at Interconnection Customer's option, a guarantee, a surety bond, letter of credit or other form of security that is reasonably acceptable to Transmission Provider and is consistent with the Uniform Commercial Code of the jurisdiction identified in Article 14.2.1. Such security for payment shall be in an amount sufficient to cover the costs for constructing, procuring and installing the applicable portion of

**[Remainder of Page Left Intentionally Blank]**

# **APPENDICES**

# Rate Manual



Colorado Springs Utilities

*It's how we're all connected*

---

# Rate Manual

# TABLE OF CONTENTS

Introduction.....	3
Basic Sources of Data.....	5
Revenue Requirement.....	6
Cost of Service Study.....	8
Functionalization.....	8
Classification.....	11
Allocation.....	13
Other:	
Electric Cost Adjustment (ECA) and Gas Cost Adjustment (GCA).....	15
Electric Capacity Charge (ECC).....	16
Natural Gas Capacity Charge (GCC).....	16
Water and Wastewater Connection Charges and Fees.....	17
Appendix – Ratemaking Instructions and Guidelines from the Excellence in Governance Policy Manual.....	20
Pricing of Services (I-1) Instruction.....	21
Rate Design (G-5) Guideline.....	22
Electric and Gas Cost Adjustment Guideline.....	23

# 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

---

## 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.

---

## 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.

---

## **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.

---

# 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

Amended by Resolution No. 8-14, effective February 12, 2014

Amended by Resolution No. 83-16, effective August 23, 2016

---

<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)