



Minutes
Utilities Policy Advisory Committee (UPAC)
Wednesday, April 5, 2023
Blue River Boardroom, 5th floor, 121 S. Tejon St., Colorado Springs, CO
and Microsoft Teams Virtual Meeting

Committee members present in the boardroom or via Microsoft Teams: Chair Larry Barrett, Gary Burghart, Chris Francis, Michael Borden and Scott Smith

Committee members excused: Vice Chair Hilary Dussing, Ruth Ann Schonbachler and Scott Callihan

Staff members present in the Boardroom or via Microsoft Teams: Al Wells, Monica Indrebo, Justin Fecteau, Kyle Wilson, Kerry Baugh, Scott Shirola, Joe Marcotte, John Hunter, Natalie Watts, Tristan Gearhart, Abby Ortega, Tara McGowan, Christian Nelson, Todd Sturtevant, Thad Clardy, Bethany Schoemer, Juan Santos, David Reeve, Danielle Nieves, Pattie Bengner, Scott Winter, David Longrie, Jay Anderson, Joe Awad, Jennifer Franceschelli, Natalie Eckhart, Tyrone Johnson and Kate Singh

City of Colorado Springs staff present in the boardroom or via Microsoft Teams: David Beckett, Chris Bidlack and Renee Congdon

Citizens Present: Tad Foster, Greg Barbuto, Dave Donelson, Nancy Henjum and Marla Novak

1. Call to Order

Chair Larry Barrett called the meeting to order at 8:01 a.m.

2. Approval of March 1, 2023, UPAC Meeting Minutes

Committee Member Danner made a motion, and Committee Member Francis seconded the motion to approve the March 1, 2023 meeting minutes. The motion carried unanimously.

3. Cost Recovery Mechanisms Assignment: Financial Analysis of Alternatives and Benchmarking

Mr. Scott Shirola, Manager of Pricing and Rates, reviewed the cost recovery policy pillars and discussed the background of the cost recovery assignment.

Mr. Shirola reviewed the current policy of cost recovery mechanisms. He explained there are capacity fees collected in water and wastewater for existing systems. There are partial mechanisms for cost recovery with the electric and natural gas systems through extension fees.

Mr. Shirola presented alternative financial analysis scenarios. Committee members discussed the financial estimates for the current policy and each alternative analysis.

Mr. Shirola reviewed findings from peer utility research for cost recovery benchmarking. He shared that Colorado Springs Utilities aligned similarly to other water service utilities but cost recovery mechanisms for electric service varied among other utility companies.

The next steps will be for the committee to address review and design fees along with further policy discussion.

4. Citizen Comment

Utilities Board Member Nancy Henjum requested an addition to the language of the policy pillars. Ms. Henjum also suggested including regulatory requirements in the foundation of the cost recovery mechanisms assignment scope.

5. Committee Member General Discussion

None.

6. Adjournment

Chair Barrett adjourned the meeting at 9:56 a.m.

Next meeting: Wednesday, May 3, 2023, at 8:00 a.m.