

RESOLUTION NO. 76-16

A RESOLUTION SETTING THE ELECTRIC COST ADJUSTMENT EFFECTIVE AUGUST 1, 2016

WHEREAS, through Resolution No. 260-04, dated November 23, 2004, City Council directed that the Electric Cost Adjustment could be determined as frequently as monthly to levelize revenue recovery and minimize the fluctuations associated with less frequent adjustments during periods of price volatility; and

WHEREAS, through Resolution No. 10-16, City Council set the current Electric Cost Adjustment at \$0.0169/kWh effective February 1, 2016; and

WHEREAS, Current cost projections have increased forecasted fuel and purchased power expenses; and

WHEREAS, Colorado Springs Utilities has prepared projections of costs and revenues in conformance with the language in the ECA tariff; and

WHEREAS, Colorado Springs Utilities has shown that an Electric Cost Adjustment rate of \$0.0169 per kWh should be adjusted to \$0.0220 per kWh in order to represent the current state of electric system revenue needs and that the Electric Cost Adjustment shall be revised accordingly; and

WHEREAS, the proposed Electric Cost Adjustment rate shall be effective August 1, 2016.

**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. 5, Electric Rate Schedules shall be revised as follows:

Effective August 1, 2016

City Council Vol. No. 5 Sheet No.	Title	Cancels Sheet No.
Seventeenth Revised Sheet No. 31	Electric Cost Adjustment	Sixteenth Revised Sheet No. 31

Section 2. The Electric Cost Adjustment rate and the effective date shall be published in the legal section of a newspaper of general circulation in Colorado Springs Utilities' service area within ten (10) days following the date of the passage of this Resolution.

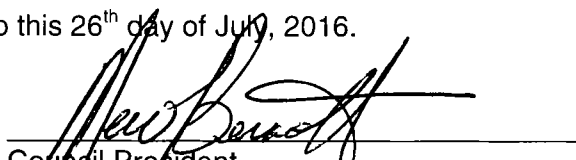
Section 3. The attached tariff sheet is hereby approved and adopted effective August 1, 2016 and shall remain in effect unless changed by subsequent Resolution of the City Council.

Dated at Colorado Springs, Colorado this 26<sup>th</sup> day of July, 2016.

ATTEST:

  
Sarah Johnson, City Clerk



  
Council President



<b>ELECTRIC RATE SCHEDULES</b>
<b>ELECTRIC COST ADJUSTMENT - ECA</b>

**APPLICABILITY**

Applicable to all rate schedules that are subject to an Electric Cost Adjustment (ECA).

**ELECTRIC COST ADJUSTMENT**

The ECA will be computed, as follows:

The sum of:

- a) the forecasted generation fuel, purchased power, and related costs for the future recovery period determined by Utilities plus
- b) an amount determined by Utilities as a projected over or under collected balance at the end of the recovery period used in a) above less the over or under collected balance of fuel and purchased power costs at the beginning of the recovery period.

Divided by:

- c) forecasted sales subject to the ECA for the same period used in a) above.

**Standard ECA**

Rate Schedule	Per kWh
E1R, E1C, E2C, ETLO, ETLW, ELG, E2T, E7S	\$0.0220

**Time-of Day (TOD) ECA**

Rate Schedule	Per On-Peak kWh	Per Off-Peak kWh
ETR	\$0.0629	\$0.0159
ETC, ETX, ETL, E8T, E8S, ECD	\$0.0417	\$0.0165

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: July 26, 2016  
 Effective Date: August 1, 2016  
 Resolution No. \_\_\_\_\_

**Colorado Springs Utilities  
Electric Cost Adjustment (ECA)**

**SCHEDULE 1  
ECA EFFECTIVE 8/1/2016**

<b>Line No.</b>	<b>Description</b>	<b>Forecast Calculation Period Aug-Oct 2016</b>
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>
1	Forecasted Generation Fuel and Purchased Power Cost	\$ 29,024,422 <sup>(1)(2a)</sup>
2	<u>Plus:</u>	
3	Forecasted Over/(Under) Recovery as of 10/31/2016	40,950
4	Less Forecasted Over/(Under) Recovery as of 7/31/2016	<u>4,096,433</u>
5	Cumulative Over/(Under) Recovery (Line 3 - Line 4)	<u>\$ (4,055,483) <sup>(2b)</sup></u>
6	<b>Total Cost</b> (Line 1+Line 5)	<b><u>\$ 24,968,939</u></b>
7	<u>Divided by:</u>	
8	Forecasted Sales Subject to the ECA (kWh)	1,134,951,766 <sup>(2c)</sup>
9	<u>Equals:</u>	
10	<b>ECA Rate per kWh</b> (Line 6 / Line 8)	<b><u>\$ 0.0220</u></b> <sup>(3)</sup>

Notes :

<sup>(1)</sup> Includes credits for forecasted Wind Power Charges and Industrial Service - Large Power and Light Supply Credits

<sup>(2)</sup> Tariff reference (Electric Rate Schedules, City Council Volume No. 5, Seventeenth Revised Sheet No. 31

<sup>a)</sup> Forecasted cost of generation fuel, purchased power, and related costs

<sup>b)</sup> Forecasted collected balance at the end of recovery period less collected balance at beginning of recovery period

<sup>c)</sup> Forecasted sales subject to the ECA

<sup>(3)</sup> Time-of-day (TOD) ECA rates established in conformance with TOD objectives and rate design guidelines