

RESOLUTION NO. _____

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

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

WHEREAS, Utilities has prepared a Cost-of-Service Study that shows that electric service is currently in an unacceptable net income situation on a *pro forma* basis; and

WHEREAS, to rectify the unacceptable cash net income position, electric service non-fuel revenues will need to increase by approximately \$15.7 million; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to modify the Residential, Commercial, Industrial, Contract Service, non-municipal street lighting, and traffic signals non-fuel rates to reflect the appropriate cost for the service; 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 red-line format within Utilities' 2016 Rate Case Filing, and are discussed further in the City Council Decision and Order for this case; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to remove the optional Kilowatcher program as of April 1, 2016 from the Industrial Service – Time-of-Day Service 1,000 kWh/Day Minimum, Industrial Service – Time-of-Day Service 500 kW Minimum, Industrial Service - Time-of-Day Service 4,000 kW Minimum, and Contract Service; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to modify the Residential the Time-of-Day tariff; and

WHEREAS, Utilities has proposed and the City Council finds it prudent to remove certain USAFA charges from the Contract Service – EINFPRS tariff since the construction projects to which those charges applied are now completed and no further billing is necessary; and

WHEREAS, Utilities has prepared projections of costs and revenues in conformance with the language in the Electric Cost Adjustment (ECA) tariff; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent to combine the fuel recovery rates of the Supply Charge and the ECA rate into one rate recovering fuel costs; and that the combined rate will be called the “Electric Cost Adjustment”; and

WHEREAS, the revised and recalculated Electric Cost Adjustment results in an overall fuel rate decrease from the currently in place rates and a combined rate of \$0.0249 per kWh; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent to approve the realignment of on and off peak fuel rates for those schedules that have time of day pricing; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to approve changes to the Electric Capacity Charges; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to remove the Woody Biomass option to the Contract Service tariff due to program completion as of June 30, 2016 and no current Customer participation; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to make changes to the Totalization Service tariff; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to approve fourth year changes to the Reserved Capacity Charge incurred by Enhanced Power Customers which will bring this rate to full cost through a five year phase in program; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to remove the Renewable Energy Certificates tariff due to its completion; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to revise contract termination rights of the Industrial Service – Large Power & Light and Industrial Service – Time-of-Day Service – Winter / Summer Non-Demand Option; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to update the USAFA charges on the Contract Service – EINFPRS tariff; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to approve changes to the Customer Bill Credit for the Community Solar Garden Bill Credit Program (Pilot Program); and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to approve changes to the Customer Bill Credit for the Community Solar Garden Program; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to approve clarifying terms and conditions changes to the Wind Power tariff; and

WHEREAS, Utilities has provided public notice of the proposed changes and has complied with the requirements of the City Code for changing its electric rates, charges and regulations; and

WHEREAS, the City Council finds that the proposed modifications to the electric rate schedules and tariffs 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 of its Customers; and

WHEREAS, Utilities has proposed to make the electric rate schedule and tariff changes effective January 1, 2016; 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. 5, Electric Rate Schedules shall be revised as follows:

City Council Vol. No. 5		
Sheet No.	Title	Cancels Sheet No.
Fifth Revised Sheet No. 1	Table of Contents	Fourth Revised Sheet No. 1
Eighth Revised Sheet No. 2	Residential Service	Seventh Revised Sheet No. 2
Fourth Revised Sheet No. 2.1	Residential Service	Third Revised Sheet No. 2.1
Third Revised Sheet No. 2.3	Residential Service	Second Revised Sheet No. 2.3
Seventh Revised Sheet No. 4	Commercial Service - Small	Sixth Revised Sheet No. 4
Seventh Revised Sheet No. 5	Commercial Service – General E2C	Sixth Revised Sheet No. 5
Seventh Revised Sheet No. 6	Commercial Service – General - ETC	Sixth Revised Sheet No. 6
Seventh Revised Sheet No. 7	Industrial Service – Time-of-Day Transmission Voltage	Sixth Revised Sheet No. 7
Seventh Revised Sheet No. 9	Industrial Service – Time-of-Day 1,000 KWh/Day Minimum	Sixth Revised Sheet No. 9
Sixth Revised Sheet No. 9.1	Industrial Service – Time-of-Day 1,000 KWh/Day Minimum	Fifth Revised Sheet No. 9.1
Sixth Revised Sheet No. 9.2	Industrial Service – Time-of-Day 1,000 KWh/Day Minimum	Fifth Revised Sheet No. 9.2
Second Revised Sheet No. 9.3	Industrial Service – Time-of-Day 1,000 KWh/Day Minimum	First Revised Sheet No. 9.3
Original Sheet No. 9.4	Industrial Service – Time-of-Day 1,000 KWh/Day Minimum	
Seventh Revised Sheet No. 11	Industrial Service – Time-of-Day 500 KW/Day Minimum	Sixth Revised Sheet No. 11
Fifth Revised Sheet No. 12	Industrial Service – Time-of-Day 500 KW/Day Minimum	Fourth Revised Sheet No. 12
Fifth Revised Sheet No. 12.1	Industrial Service – Time-of-Day 500 KW/Day Minimum	Fourth Revised Sheet No. 12.1
Second Revised Sheet No. 12.2	Industrial Service – Time-of-Day 500 KW/Day Minimum	First Revised Sheet No. 12.2
Seventh Revised Sheet No. 16	Industrial Service – Time-of-Day 4,000 KW/Day Minimum	Sixth Revised Sheet No. 16
Sixth Revised Sheet No. 17	Industrial Service – Time-of-Day 4,000 KW/Day Minimum	Fifth Revised Sheet No. 17
Sixth Revised Sheet No. 19	Industrial Service – Large Power and Light	Fifth Revised Sheet No. 19
Sixth Revised Sheet No. 20	Contract Service – Traffic Signals	Fifth Revised Sheet No. 20
Fifth Revised Sheet No. 21	Contract Service – Street Lighting	Fourth Revised Sheet No. 21
Fourth Revised Sheet No. 21.1	Contract Service – Street Lighting	Third Revised Sheet No. 21.1
First Revised Sheet No. 21.2	Contract Service – Street Lighting	Original Sheet No. 21.2
Second Revised Sheet No. 22	Contract Service – Street Lighting	First Revised Sheet No. 22
Seventh Revised Sheet No. 23	Contract Service - ECD	Sixth Revised Sheet No. 23
Seventh Revised Sheet No. 23.1	Contract Service - ECD	Sixth Revised Sheet No. 23.1
Third Revised Sheet No. 23.2	Contract Service - ECD	Second Revised Sheet No. 23.2
Second Revised Sheet No. 23.3	Contract Service - ECD	First Revised Sheet No. 23.3
First Revised Sheet No. 23.4	Contract Service - ECD	Original Sheet No. 23.4
Thirteenth Revised Sheet No. 24	Contract Service - EINFPRS	Twelfth Revised Sheet No. 24
Fourteenth Revised Sheet No. 31	Electric Cost Adjustment	Thirteenth Revised Sheet No. 31
Seventh Revised Sheet No. 31.1	Electric Capacity Charge	Sixth Revised Sheet No. 31.1

City Council Vol. No. 5		
Sheet No.	Title	Cancels Sheet No.
First Revised Sheet No. 33.1	Totalization Service	Original Sheet No. 33.1
Seventh Revised Sheet No. 37	Enhanced Power Service	Sixth Revised Sheet No. 37
Third Revised Sheet No. 38	Renewable Energy Certificates	Second Revised Sheet No. 38
Third Revised Sheet No. 40.5	Community Solar Garden Bill Credit (Pilot Program)	Second Revised Sheet No. 40.5
Third Revised Sheet No. 40.14	Community Solar Garden Program	Second Revised Sheet No. 40.14
Fourth Revised Sheet No. 41	Wind Power	Third Revised Sheet No. 41

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 8th day of December, 2015.

City Council President

ATTEST:

Sarah B. Johnson, City Clerk