

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

**A RESOLUTION SETTING THE GAS COST ADJUSTMENT  
EFFECTIVE FEBRUARY 1, 2018**

WHEREAS, the Colorado Springs Utilities' Natural Gas Rate Schedules allow the Gas Cost Adjustment rate to be changed as often as monthly; and

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

WHEREAS, Colorado Springs Utilities has shown that a Gas Cost Adjustment rate of \$0.2090 per kWh should be adjusted to \$0.1283 per Ccf in order to represent the current state of natural gas system revenue needs and that the Gas Cost Adjustment shall be revised accordingly; and

WHEREAS, the proposed Gas Cost Adjustment rate shall be effective February 1, 2018.

**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, Natural Gas Rate Schedules shall be revised as follows:

Effective February 1, 2018

City Council Vol. No. 5 Sheet No.	Title	Cancel Sheet No.
Seventeenth Revised Sheet No. 10a	Gas Cost Adjustment	Sixteenth Revised Sheet No. 10a

Section 2. The Gas 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 sheets are hereby approved and adopted effective February 1, 2018 and shall remain in effect unless changed by subsequent Resolution of the City Council.

Dated at Colorado Springs, Colorado this 23<sup>rd</sup> day of January, 2018.

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

ATTEST:

\_\_\_\_\_  
Sarah Johnson, City Clerk



<b>NATURAL GAS RATE SCHEDULES</b>
<b>GAS COST ADJUSTMENT (GCA)</b>

**APPLICABILITY**

Applicable to all rate schedules that are subject to a Gas Cost Adjustment (GCA).

**GAS COST ADJUSTMENT**

The GCA will be computed as follows:

The sum of:

- a) the forecasted cost of purchasing natural gas for the future recovery period to be 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 natural gas costs at the beginning of the recovery period.

Divided by:

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

**GCA Rate**

<b>Rate Schedule</b>	<b>Per Ccf</b>	<b>Per Mcf</b>
G1R, G1CS, G1CL, G1S	\$0.1283	
G2I, GCS-FIRM, GCS-INTS		\$1.2830

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: January 23, 2018  
Effective Date: February 1, 2018  
Resolution No. \_\_\_\_\_



**NATURAL GAS RATE SCHEDULES**

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**GAS COST ADJUSTMENT (GCA)**

**APPLICABILITY**

Applicable to all rate schedules that are subject to a Gas Cost Adjustment (GCA).

**GAS COST ADJUSTMENT**

The GCA will be computed as follows:

The sum of:

- a) the forecasted cost of purchasing natural gas for the future recovery period to be 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 natural gas costs at the beginning of the recovery period.

Divided by:

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

**GCA Rate**

Rate Schedule	Per Ccf	Per Mcf
G1R, G1CS, G1CL, G1S	\$0.2090 <u>1.283</u>	
G2I, GCS-FIRM, GCS-INTS		\$2.0900 <u>1.2830</u>

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: ~~October 24, 2017~~ January 23, 2018  
 Effective Date: ~~November 1, 2017~~ February 1, 2018  
 Resolution No. ~~115-17~~ \_\_\_\_\_

**Colorado Springs Utilities  
Gas Cost Adjustment (GCA)**

**SCHEDULE 1  
GCA EFFECTIVE 2/1/2018**

Line No.	Description	Forecast Calculation Period Feb 18-Apr 18
(a)	(b)	(c)
1	Forecasted Cost of Natural Gas	\$ 15,129,898 <sup>(1)(2a)</sup>
2	<u>Plus:</u>	
3	Forecasted Over/(Under) Recovery as of 4/30/2018	662
4	Less Forecasted Over/(Under) Recovery as of 1/31/2018	4,058,733
5	Cumulative Over/(Under) Recovery (Line 3 - Line 4)	<u>\$ (4,058,071) <sup>(2b)</sup></u>
6	<b>Total Cost</b> (Line 1+Line 5)	<u><u>\$ 11,071,827</u></u>
7	<u>Divided by:</u>	
8	Forecasted Sales Volume Subject to the GCA (Ccf at 12.01 PSIA)	86,296,391 <sup>(2c)</sup>
9	<u>Equals:</u>	
10	<b>GCA Rate per Ccf at 12.01 PSIA</b> (Line 6 / Line 8)	<u><u>\$ 0.1283</u></u>

Notes:

<sup>(1)</sup> Includes credits for forecasted Off-System Sales

<sup>(2)</sup> Tariff reference (Natural Gas Rate Schedules, City Council Volume No. 5, Seventeenth Revised Sheet No. 10a)

<sup>a)</sup> Forecasted cost of natural gas

<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 GCA