

NATURAL GAS

Natural Gas Resolution

RESOLUTION NO. _____

**A RESOLUTION SETTING NATURAL GAS RATES
WITHIN THE SERVICE AREAS OF COLORADO SPRINGS UTILITIES
AND CERTAIN OTHER CHANGES TO THE NATURAL GAS RATE SCHEDULES**

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

WHEREAS, natural gas service revenues will need to increase by approximately \$2.4 million for 2021; and

WHEREAS, Utilities conducted a cost of service study and proposed to modify the Residential Service – Firm (G1R), Commercial Service – Small Firm (G1CS), Commercial Service – Large Firm (G1CL, G8M, G1S), Industrial Service – Interruptible (G2I, G3M), Industrial Transportation Service – Firm (G4T), Contract Service – Military Firm (GCS-FIRM, GCS-G6M), and Contract Service – Military Interruptible (GCS-INTS, GCS-G7M) rates to reflect the appropriate cost for the service; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to increase the summer usage requirement for the Contract Service – Large Firm Seasonal Option (G1S) from 30% to 37%; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to remove an obsolete reference to capacity releases on the Colorado Interstate Gas Company system in the Contract Service – Military Firm (GCS-FIRM, GCS-G6M) tariff; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to modify the natural gas rate schedules to remove the term Sales from Interruptible Services; those modifications are administrative in nature and do not change existing rules, policies, or procedures; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to modify the General section to clarify when a separate contract is required to receive service under various Rate Options; and

WHEREAS, Utilities has proposed, and the City Council finds it prudent, to modify the Commercial Service – Large Firm tariff Monthly Index Option (G8M) and Seasonal Option (G1S), to clarify that a separate contract is required to receive service; 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' 2021 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, 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 of its Customers; and

WHEREAS, Utilities proposed to make the natural gas rate schedule tariff changes effective January 1, 2021; 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, 2021

City Council Vol. No. 6		
Sheet No.	Title	Cancels Sheet No.
First Revised Sheet No. 1	TABLE OF CONTENTS	Original Sheet No. 1
First Revised Sheet No. 2	RATE TABLE	Original Sheet No. 2
First Revised Sheet No. 2.1	RATE TABLE	Original Sheet No. 2.1
First Revised Sheet No. 2.2	RATE TABLE	Original Sheet No. 2.2
First Revised Sheet No. 2.3	RATE TABLE	Original Sheet No. 2.3
Eleventh Revised Sheet No. 2.4	RATE TABLE	Tenth Revised Sheet No. 2.4
First Revised Sheet No. 3	GENERAL	Original Sheet No. 3
First Revised Sheet No. 3.1	GENERAL	Original Sheet No. 3.1
First Revised Sheet No. 6	COMMERCIAL SERVICE – LARGE FIRM (G1CL, G8M, G1S)	Original Sheet No. 6
First Revised Sheet No. 7	INDUSTRIAL SERVICE – INTERRUPTIBLE (G2I, G3M)	Original Sheet No. 7
First Revised Sheet No. 9	CONTRACT SERVICE – MILITARY FIRM (GCS-FIRM, GCS-G6M)	Original Sheet No. 9
First Revised Sheet No. 10	CONTRACT SERVICE – MILITARY INTERRUPTIBLE (GCS-INTS, GCS-G7M)	Original Sheet No. 10

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 10th day of November 2020.

City Council President

ATTEST:

Sarah B. Johnson, City Clerk

Natural Gas
Final Tariff Sheets



NATURAL GAS RATE SCHEDULES

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NATURAL GAS RATE SCHEDULES
RATE TABLE

Billing statements are the sum of rate components listed below each available service.

Description	Rates	Reference
Residential Service – Firm (G1R)		Sheet No. 4
Access and Facilities Charge, per day	\$0.3930	
Access and Facilities Charge, per Ccf	\$0.1681	
Gas Cost Adjustment (GCA), per Ccf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Ccf	Sheet No. 2.4	
Commercial Service – Small Firm (G1CS)		Sheet No. 5
Small Commercial Service (G1CS)		
Access and Facilities Charge, per day	\$0.3930	
Access and Facilities Charge, per Ccf	\$0.1681	
Gas Cost Adjustment (GCA), per Ccf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Ccf	Sheet No. 2.4	
Commercial Service – Large Firm (G1CL, G8M, G1S)		Sheet No. 6
Large Commercial Service Standard Option (G1CL)		
Access and Facilities Charge, per day	\$0.7860	
Access and Facilities Charge, per Ccf	\$0.1650	
Gas Cost Adjustment (GCA), per Ccf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Ccf	Sheet No. 2.4	
Large Commercial Service Monthly Index Option (G8M)		
Gas Cost, per Ccf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$0.7860	
Access and Facilities Charge, per Ccf	\$0.1650	
Gas Capacity Charge (GCC), per Ccf	Sheet No. 2.4	

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NATURAL GAS RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Large Commercial Service Seasonal Option (G1S)		
Access and Facilities Charge, per day	\$0.7860	
Access and Facilities Charge:		
Winter (November - April), per Ccf	\$0.1391	
Summer (May - October), per Ccf	\$0.0461	
Gas Cost Adjustment (GCA), per Ccf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Ccf	Sheet No. 2.4	
Industrial Service – Interruptible (G2I, G3M)		Sheet No. 7
Standard Option (G2I)		
Access and Facilities Charge, per day	\$5.1472	
Access and Facilities Charge, per Mcf	\$0.7980	
Gas Cost Adjustment (GCA), per Mcf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	\$40.0000	
Monthly Index Option (G3M)		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$5.1472	
Access and Facilities Charge, per Mcf	\$0.7980	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	\$40.0000	

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NATURAL GAS RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Industrial Transportation Service – Firm (G4T)		Sheet No. 8
Initial Service Fee (one time)	\$25,000.00	
Transportation Charges:		
Customer Charge, per day	\$19.2212	
Meter Charge per meter, per day	\$0.3231	
Transportation Demand Charge, per MDQ Mcf, per day	\$0.2410	
Transportation Commodity Charge, per Mcf	\$0.7210	
MDQ Overrun Charge: see the Maximum Delivery Quantity Adjustment and Overrun Charges Section for details		
Daily Balancing Charges:		
Daily Balancing Demand Charge, per MDQ Mcf, per day	\$0.0137	
Daily Balancing Commodity Charge – In-Band, per Mcf	\$0.0239	
Daily Balancing Commodity Charge – Out-of-Band, per Mcf	\$2.5000	
Daily Balancing Commodity Charge – RDD Event, per Mcf	\$40.0000	
Monthly Balancing Charge – Cash-Out:		
Under-deliveries, per Mcf	\$0.7574 + 110% of Index 1	Sheet No. 3.1
Over-deliveries – Credit, per Mcf	90% of Index 2	Sheet No. 3.1

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NATURAL GAS RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Contract Service – Military Firm (GCS-FIRM, GCS-G6M)		Sheet No. 9
Standard Option (GCS-FIRM)		
Access and Facilities Charge, per day	\$14.5375	
Access and Facilities Charge, per meter, per day	\$0.3343	
Access and Facilities Charge, per Mcf	\$1.7700	
Gas Cost Adjustment (GCA), per Mcf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Monthly Index Option (GCS-G6M)		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$14.5375	
Access and Facilities Charge, per meter, per day	\$0.3343	
Access and Facilities Charge, per Mcf	\$1.7700	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Contract Service – Military Interruptible (GCS-INTS, GCS-G7M)		Sheet No. 10
Standard Option (GCS-INTS)		
Access and Facilities Charge, per day	\$15.1403	
Access and Facilities Charge, per Mcf	\$0.7870	
Gas Cost Adjustment (GCA), per Mcf	Sheet No. 2.4	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	\$40.0000	

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NATURAL GAS RATE SCHEDULES
RATE TABLE

Description	Rates	Reference
Monthly Index Option (GCS-G7M)		
Gas Cost, per Mcf	Index	Sheet No. 3.1
Access and Facilities Charge, per day	\$15.1403	
Access and Facilities Charge, per Mcf	\$0.7870	
Gas Capacity Charge (GCC), per Mcf	Sheet No. 2.4	
Unauthorized Overrun Charge, per Mcf	\$40.0000	
Gas Cost Adjustment (GCA)		Sheet No. 11
GCA, per Ccf (G1R), (G1CS), (G1CL), (G1S)	\$0.2426	
GCA, per Mcf (G2I), (GCS-FIRM), (GCS-INTS)	\$2.4260	
Gas Capacity Charge (GCC)		Sheet No. 12
Residential Service – Firm (G1R), per Ccf	\$0.0778	
Commercial Service – Small Firm (G1CS), per Ccf	\$0.0778	
Commercial Service – Large Firm (G1CL), per Ccf	\$0.0737	
Commercial Service – Large Firm (G8M), per Ccf	\$0.0737	
Commercial Service – Large Firm (G1S), per Ccf	\$0.0430	
Industrial Service – Interruptible (G2I), per Mcf	\$0.5570	
Industrial Service – Interruptible (G3M), per Mcf	\$0.5570	
Contract Service – Military Firm (GCS-FIRM), per Mcf	\$0.7370	
Contract Service – Military Firm (GCS-G6M), per Mcf	\$0.7370	
Contract Service – Military Interruptible (GCS-INTS), per Mcf	\$0.5570	
Contract Service – Military Interruptible (GCS-G7M), per Mcf	\$0.5570	

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NATURAL GAS RATE SCHEDULES

GENERAL

BILLING UNITS

The unit of volume for the purpose of measurement will be a cubic foot of gas at a temperature base of 60 degrees Fahrenheit, a pressure base of 12.01 pounds per square inch absolute (PSIA), and an average local atmospheric pressure of 11.76 PSIA, except for the United States Air Force Academy, which will reflect a pressure base of 11.71 PSIA and an average atmospheric pressure of 11.46 PSIA.

Commercial Service – Firm (G8M)

The estimated volume of gas that the Customer would reasonably expect to use each month under the Monthly Index Rate Option will be specified by contract. This estimated monthly volume will be the basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer’s concurrence.

Industrial Service – Interruptible (G2I, G3M)

Gas volumes will be corrected for pressure, temperature, the deviation from Boyle’s Law and other factors as necessary for accurate measurement. The following definitions will apply:

- Base Volume: Average Daily Volumes equal to the contract monthly volumes divided by the number of days in the month.
- Metered Volumes: Volumes at the Customer’s meter.
- Interruption: Days when Customer is notified that there is no or reduced system capacity or supply, whether on Colorado Interstate Gas Company or Utilities, to deliver gas to Customer.

The estimated volume of gas that the Customer would reasonably expect to use each month will be specified in the contract. This estimated monthly volume will be the basis for which monthly purchases for the Customer will be made. These monthly volumes will be set by Utilities with the Customer’s concurrence.

Contract Service – Military Firm (GCS-Firm, GCS-G6M)

The estimated volume of gas that the Customer would reasonably expect to use each month under the Monthly Index Rate Option will be specified by contract. This estimated monthly volume will be the 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.

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NATURAL GAS RATE SCHEDULES

GENERAL

INDICES

Index (G8M, G3M, G6M, G7M)

Index is the first of the month index gas price as published in “Inside FERC’s Gas Market Report” for the average of Colorado Interstate Gas Company (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.

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 Rockies CIG 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 Rockies CIG or Cheyenne Hub, whichever is lower. This published Index price will be converted to Mcf at 12.01 PSIA basis for billing purposes.

RATE OPTIONS

Customers may elect rate options on subsequent Natural Gas Rate Schedules tariff sheets with any applicable separate contract requirements as noted below. Rate options are offered for an initial contract period of 12-months. As long as the Customer continues to meet the eligibility requirements, service shall be automatically renewed. 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 the eligibility requirements. In the event that a Customer is no longer eligible, the contract for service shall not renew at the close of the contract 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.

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NATURAL GAS RATE SCHEDULES

COMMERCIAL SERVICE – LARGE FIRM (G1CL, G8M, G1S)

AVAILABILITY

Available in Utilities’ gas service territory for any establishment engaged in the operation of a business or an institution, whether or not for profit, whose average daily usage (billing period Ccf divided by the number of days in the billing period) is greater than 10 Ccf in any of the last 12 billing periods. Master meters will not be installed without Utilities’ approval.

RATE OPTIONS

Customers may choose between the following:

- A. Standard Option (G1CL)
- B. Monthly Index Option (G8M)
Available under separate contract.
- C. Seasonal Option (G1S)
Available under separate contract, Customers electing this option must consume 37% or more of their 12 billing periods Ccf during the Summer period (May through October).

RATE

See Rate Table for applicable charges.

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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.

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 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.

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.

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NATURAL GAS RATE SCHEDULES

CONTRACT SERVICE – MILITARY FIRM (GCS-FIRM, GCS-G6M)

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.

RATE OPTIONS

Customers may choose between the following:

- A. Standard Option (GCS-FIRM)

- B. Monthly Index Option (GCS-G6M)

RATE

See Rate Table for applicable charges.

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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.

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.

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