

BEFORE THE CITY COUNCIL OF
THE CITY OF COLORADO SPRINGS

IN THE MATTER OF THE REVISION)	
OF THE UTILITIES RULES AND)	DECISION & ORDER 17-01 (URR)
REGULATIONS OF COLORADO)	
SPRINGS UTILITIES)	

1. Colorado Springs Utilities, an enterprise of the City of Colorado Springs (“City”), a Colorado home-rule city and municipal corporation, (“Utilities”), conducted an administrative review of its Utilities Rules and Regulations (“URR”). During that review, Utilities identified needed changes and prepared a revised URR document with significant administrative changes, but no substantive or pricing changes. Utilities’ rate case filing contains all of these revisions and changes.
2. Utilities proposes changes only to the URR in the 2017 Utilities Rules and Regulations Rate Case Filing.
3. The proposed effective date for the proposed changes to the URR is September 1, 2017.
4. Utilities’ URR is a part of the collective Tariffs that govern Utilities in accordance with the Colorado Springs City Code. The URR establishes terms and conditions for all Utilities Customers across all utility services and also provides service specific terms and conditions. It defines the legal relationship between Utilities and the customer, and is the document where the customer, as well as, Utilities find regulations and terms pertinent to the cycle of service. The URR is organized into a General section, affecting all services, followed by service-specific sections: Electric, Natural Gas, Water, and Wastewater Service.
5. The URR has been revised numerous times over the years and Utilities believes a comprehensive review is in order. The URR lacks consistency, continuity and clarity. There are also areas of overlap and redundancy with Utilities’ policies, City Code, and Line Extension Standards. Additionally, the flow of the document needs improvement, as specific terms and conditions are difficult to find. Under the current format the URR sections do not line up with the cycle of service.
6. In 2014, Utilities implemented a new Tariff Review Program to establish a change management process which resulted in the formation of the Tariff Review Core Team and a Tariff Oversight Committee. The Core Team is a cross functional team formed to improve the process for submitting and evaluating tariff changes, as well as, performing reviews of the URR and other tariffs to identify possible areas of improvements. The Tariff Oversight Committee, consisting of General Managers and Managers throughout Utilities, was tasked with the responsibilities of reviewing Tariff Review Core Team recommendations and providing organization wide perspective on proposed tariff changes. The Tariff Review Program is sponsored by two Utilities Officers who provide policy

leadership and direction, support proposed tariff changes, and ensure communication between the decision-making authority of the Utilities' Officer Team and the Tariff Review Core Team.

7. The Tariff Review Core Team sought feedback regarding potential improvements to facilitate ease of use of the URR. An organization wide survey identified issues, both internal and those presented by customers to Utilities staff. Utilities' filing addresses several of the concerns identified through the survey process.
8. With this filing, Utilities proposes changes to the URR. The vast majority of the changes occur in the "General" section of the URR and are designed to improve the flow and readability of the tariff. Changes to other sections of the URR are merely to reflect the removal of fees from these sections to the fee table addressed below. Text has been moved and regrouped in order to align the tariff with Utilities cycle of service. In order to accomplish this, the new General section of the tariff is laid out as follows: 1) Instructions and Definitions, 2) Starting Service, 3) Receiving Service, 4) Ending Service, and 5) Other. Definitions have been added where needed.
9. In order to facilitate tracking changes from the existing tariff to the new one, a change table was created and filed, which maps the proposed changes.
10. Examples of the proposed changes are:
 - a) A fee table has been created to move all fees contained in the URR to one place, which promotes ease of use for customers as well as Utilities staff.
 - b) Causes for Discontinuance of Service have been grouped together and more clearly defined.
 - c) A section on Rights of Landlord was created. Pre-existing sections dealing with landlords rights have been combined in to a single section. This will benefit property managers, tenants, and Utilities staff.
11. Utilities filed the enterprise's formal proposals on June 27, 2017, with the City Clerk, Ms. Sarah Johnson, and a complete copy of the proposals was placed in the City Clerk's Office for public inspection. Notice of the filing was published on-line at www.csu.org on June 27, 2017, in *The Gazette* on July 3, 2017, and mailed as required on July 6, 2017. These various notices and filings comply with the requirements of §12.1.107 of the City Code and the applicable provision of the Colorado Revised Statutes. Copies of the published and mailed notices are contained within the record. Additional public notice was provided through Utilities' website, www.csu.org and a complete copy of the proposals was placed on that website for public inspection.
12. The information provided to the City Council and held open for public inspection at the City Clerk's Office was supplemented by Utilities on August 3, 2017. The supplemental material contained a revised fee table and copies of the publications of required legal notice.

13. Prior to the public hearing, Utilities provided a copy of the complete rate filing to the City Auditor and to the City Attorney for review.
14. On August 8, 2017, the City Council held a public hearing concerning the proposed changes to the URR. This hearing was conducted in accordance with §12.1.107 of the City Code, the procedural rules adopted by City Council, and the applicable provisions of state law.
15. President of the Council Richard Skorman commenced the rate hearing.
16. The presentations started with Mr. Christopher Bidlack of the City Attorney's Office, briefing the City Council on its power to establish rates, charges, and regulations for Utilities' services. In setting rates, charges, and regulations for Utilities' services, the City Council is sitting as a legislative body because the setting of rates, charges, and regulations is necessary to carry out existing legislative policy of operating the various utility systems. However, unlike other legislative processes, the establishment of rates, charges, and regulations is quasi-judicial and requires a decision based upon evidence in the record and the process is not subject to referendum or initiative. Rules and regulations for utility service must be just, reasonable, sufficient, and not unduly discriminatory.
17. At the conclusion of his presentation, Mr. Bidlack polled the City Council Members concerning any *ex parte* communication that they may have had during the pendency of this proceeding. City Council indicated there were no *ex parte* communications.
18. Mr. Bidlack then began the presentation of the enterprise's proposals. He started by noting Utilities' procedural compliance and public education: (1) on June 27, 2017, Utilities requested a public hearing date, formally filed the URR rate case with the City Clerk, and posted the rate case documents to the www.csu.org website, (2) legal notice was published on July 3, 2017, and (3) legal notice was mailed on July 6, 2017.
19. Next, he explained that the URR set out the regulations, certain fees, and terms and conditions of Utilities' services. Additionally, the URR is organized into a General section, affecting all services, followed by service-specific sections: Electric, Natural Gas, Water, and Wastewater Service. The URR is important because it is the contract for service between Utilities and each customer, meaning the URR defines the legal relationships and is the place where customers and Utilities find regulations and terms pertinent to the cycle of service.
20. Mr. Bidlack then explained that the issue being addressed by the proposed filing is to provide a timely clean-up to the URR. The URR has been revised over a number of years with sections added at different time to address issues. As a result, the document lacks consistency, continuity, and clarity, and there is regular overlap and redundancy with CSU policies, City Code, and Utilities' Line Extension Standards. The proposed changes improve the flow of the URR.

21. Mr. Bidlack provided background on the Tariff Review Process, which was implemented in 2014. The process uses of a Core Team of cross functional members who work to improve and review tariff submissions and to review the URR and Tariffs. The process also includes a Tariff Oversight Committee composed of General Managers and Managers pulled from across Utilities who review Core Team recommendations and provide organization-wide perspectives.
22. He then explained that the URR revision process included (1) Core Team review and organizational proposals, (2) staff feedback regarding potential improvements to the URR, and (3) an organization wide internal control questionnaire (“ICQ”). The URR rate case filing proposes changes to the “General” section of the URR that are designed to enhance flow and readability of the document. The text of the “General” Section is moved to follow Utilities’ “cycle of service” with the following structure: (1) Instructions and Definitions, (2) Starting Service, (3) Receiving Service, (4) Ending Service, and (5) Other. Additionally, all fees were moved to a fee table. These changes made a red-line document impractical, so a change table was provided with the filing.
23. Mr. Bidlack then provided several examples of the proposed changes to the URR. The Discontinuance section was reorganized and confusing language was clarified. A Fee Table was created to allow customers to find all fees in a single place. No fee amounts were changed in that process. A Landlord Rights section was created to allow landlords to find relevant information.
24. Mr. Denny Nester, the Colorado Springs City Auditor, then addressed City Council, stating that his office reviewed the filing and has no concerns.
25. After Utilities’ presentation, President Skorman opened the floor for public comment.
26. One customer spoke and asked for a brief summary of Mr. Bidlack’s presentation. Mr. Bidlack explained that the proposed changes make no substantive changes and are designed to revise the URR based on years of piecemeal changes.
27. Following public comment, President Skorman opened the floor to questions from the City Council. No questions were asked and no discussion was deemed necessary. Consequently, neither a break nor an executive session were necessary.
28. At the conclusion of the question period, Mr. Bidlack, polled Council Members regarding the issues for decision applicable to the URR.
29. The following is the proposed change and the vote by City Council addressing the URR:
 - a) Should the URR be modified as proposed by Utilities in order to clarify and improve the structure of the URR without making substantive changes or changing any fees?

The City Council held that the URR shall be modified as proposed by Utilities in order to clarify and improve the structure of the URR without making substantive changes or changing any fees.

30. President Skorman then concluded the 2017 Utilities Rules and Regulations Rate Case Hearing.

ORDER

THEREFORE, IT IS HEREBY ORDERED that:

The URR sheets as attached to the Resolution are adopted and will be effective on and after September 1, 2017. Such tariff sheets shall be published and held open for public review and shall remain effective until changed by subsequent Resolution duly adopted by the City Council.

Dated this 22nd day of August, 2017.

CITY OF COLORADO SPRINGS

Council President

ATTEST:

City Clerk