

RESOLUTION NO. _____

**A RESOLUTION SETTING THE GAS COST ADJUSTMENT
EFFECTIVE AUGUST 1, 2019**

WHEREAS, the Colorado Springs Utilities' Natural Gas Rate Schedules allow the Gas Cost Adjustment rates 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 \$0.1746 per Ccf should be adjusted to \$0.1620 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, Utilities has proposed, and the City Council finds it prudent, to approve changes to the Gas Capacity Charge rates; and

WHEREAS, the proposed Gas Cost Adjustment and Gas Capacity Charge rates shall be effective August 1, 2019.

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 August 1, 2019

City Council Vol. No. 6 Sheet No.	Title	Cancels Sheet No.
Fifth Revised Sheet No. 2.4	Rate Table	Fourth Revised Sheet No. 2.4

Section 2. The Gas Cost Adjustment and Gas Capacity Charge rates with the effective date shall be posted on Colorado Springs Utilities' CSU.org website and 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 August 1, 2019 and shall remain in effect unless changed by subsequent Resolution of the City Council.

Dated at Colorado Springs, Colorado this 23rd day of July, 2019.

Council President

ATTEST:

Sarah Johnson, City Clerk



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	\$0.7290	
Gas Capacity Charge (GCC), per Mcf	\$0.2940	Sheet No. 11
Unauthorized Overrun Charge, per Mcf	\$40.0000	
Gas Cost Adjustment (GCA)		Sheet No. 11
GCA, per Ccf (G1R), (G1CS), (G1CL), (G1S)	\$0.1746 <u>\$0.1620</u>	
GCA, per Mcf (G2I), (GCS-FIRM), (GCS-INTS)	\$1.7460 <u>\$1.6200</u>	
Gas Capacity Charge (GCC)		Sheet No. 12
Residential Service – Firm (G1R), per Ccf	\$0.0974 <u>\$0.0530</u>	
Commercial Service – <u>Small</u> Firm (G1CS), per Ccf	\$0.0974 <u>\$0.0530</u>	
Commercial Service – <u>Large</u> Firm (G1CL), per Ccf	\$0.0832 <u>\$0.0498</u>	
Commercial Service – <u>Large</u> Firm (G8M), per Ccf	\$0.0832 <u>\$0.0498</u>	
Commercial Service – <u>Large</u> Firm (G1S), per Ccf	\$0.0597 <u>\$0.0375</u>	
Industrial Service – Interruptible Sales (G2I), per Mcf	\$0.2860 <u>\$0.3760</u>	
Industrial Service – Interruptible Sales (G3M), per Mcf	\$0.2860 <u>\$0.3760</u>	
Contract Service – Military Firm (GCS-FIRM), per Mcf	\$0.8320 <u>\$0.4980</u>	
Contract Service – Military Firm (GCS-G6M), per Mcf	\$0.8320 <u>\$0.4980</u>	
Contract Service – Military Interruptible Sales (GCS-INTS), per Mcf	\$0.2860 <u>\$0.3760</u>	
Contract Service – Military Interruptible Sales (GCS-G7M), per Mcf	\$0.2860 <u>\$0.3760</u>	

Approval Date: ~~April 23, 2019~~July 23, 2019
 Effective Date: ~~May 1, 2019~~August 1, 2019
 Resolution No. ~~46-19~~



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	\$0.7290	
Gas Capacity Charge (GCC), per Mcf	\$0.2940	Sheet No. 11
Unauthorized Overrun Charge, per Mcf	\$40.0000	
Gas Cost Adjustment (GCA)		Sheet No. 11
GCA, per Ccf (G1R), (G1CS), (G1CL), (G1S)	\$0.1620	
GCA, per Mcf (G2I), (GCS-FIRM), (GCS-INTS)	\$1.6200	
Gas Capacity Charge (GCC)		Sheet No. 12
Residential Service – Firm (G1R), per Ccf	\$0.0530	
Commercial Service – Small Firm (G1CS), per Ccf	\$0.0530	
Commercial Service – Large Firm (G1CL), per Ccf	\$0.0498	
Commercial Service – Large Firm (G8M), per Ccf	\$0.0498	
Commercial Service – Large Firm (G1S), per Ccf	\$0.0375	
Industrial Service – Interruptible Sales (G2I), per Mcf	\$0.3760	
Industrial Service – Interruptible Sales (G3M), per Mcf	\$0.3760	
Contract Service – Military Firm (GCS-FIRM), per Mcf	\$0.4980	
Contract Service – Military Firm (GCS-G6M), per Mcf	\$0.4980	
Contract Service – Military Interruptible Sales (GCS-INTS), per Mcf	\$0.3760	
Contract Service – Military Interruptible Sales (GCS-G7M), per Mcf	\$0.3760	

Approval Date: July 23, 2019
 Effective Date: August 1, 2019
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**Colorado Springs Utilities
Gas Cost Adjustment (GCA)**

**SCHEDULE 1
GCA EFFECTIVE 08/01/2019**

Line No.	Description	Forecast Calculation Period Aug 19 - Oct 19
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>
1	Forecasted Cost of Natural Gas	\$ 4,426,334 ⁽¹⁾
2	<u>Plus:</u>	
3	Forecasted Over/(Under) Recovery as of 10/31/19	\$ (2,095,330)
4	Less Forecasted Over/(Under) Recovery as of 07/31/19	<u>(2,942,527)</u>
5	Cumulative Over/(Under) Recovery (Line 3 - Line 4)	<u>\$ 847,197</u> ⁽²⁾
6	Total Cost (Line 1+Line 5)	<u>\$ 5,273,531</u>
7	<u>Divided by:</u>	
8	Forecasted Sales Volume Subject to the GCA (Ccf at 12.01 PSIA)	<u>32,552,658</u> ⁽²⁾
9	<u>Equals:</u>	
10	GCA Rate per Ccf at 12.01 PSIA (Line 6 / Line 8)	<u>\$ 0.1620</u>

Notes :

⁽¹⁾ Includes credits for forecasted Off-System Sales

⁽²⁾ Tariff reference (Natural Gas Rate Schedules, City Council Volume No. 6, Fifth Revised Sheet No. 2.4)

^{a)} Forecasted cost of natural gas

^{b)} Forecasted collected balance at the end of recovery period less collected balance at beginning of recovery period

^{c)} Forecasted sales subject to the GCA

Colorado Springs Utilities
Schedule 2

GAS CAPACITY CHARGE RATES EFFECTIVE 8/1/2019

Line No.	Rate Class	AF01 % Sales	Commodity Related Expense	AF02 % Excess Demand	Demand Related Expense	Total Forecast Capacity Expense 8/19 - 7/20	Forecasted Sales 8/19 - 7/20	GCC Rate Per Ccf (12.01 PSIA)
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u> <u>[(d) + (f)]</u>	<u>(h)</u>	<u>(i)</u> <u>[(g) / (h)]</u>
1	Firm Service:							
2	Residential Service/Commercial Service Small (G1R/G1CS)	60.39%	\$ 2,949,683	64.12%	\$ 6,151,631	\$ 9,101,314	171,613,910	\$0.0530
3	Commercial Service Large / Contract Service - Military (G1CL/G8M/GCS-FIRM/GCS-G6M)	33.11%	1,617,221	31.96%	3,066,222	4,683,443	94,089,429	\$0.0498
4	Commercial Service Large - Seasonal (G1S)	0.74%	36,144	0.44%	42,213	78,358	2,090,825	\$0.0375
5	Interruptible Sales:							
6	Industrial Service / Contract Service - Military (G2I/G3M/GCS-INTS/G7M)	5.76%	281,341	3.48%	333,869	615,210	16,358,624	\$0.0376
7	Total	100.0%	\$ 4,884,390	100.0%	\$ 9,593,935	\$ 14,478,325	284,152,788	

Note: Immaterial differences may occur due to rounding on all GCC schedules.

Colorado Springs Utilities
Schedule 2.1

GAS CAPACITY CHARGE ALLOCATION FACTORS (AF) ⁽¹⁾

Line No.	Rate Class	Forecasted Sales 8/19 - 7/20 ⁽²⁾	AF01		AF02		
			Average Day	% Sales	Peak Day ⁽³⁾	Excess Peak Day	% Excess Day
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u> [(c) / (365)]	<u>(e)</u>	<u>(f)</u>	<u>(g)</u> [(f) - (d)]	<u>(h)</u>
1	Firm Service:						
2	Residential Service/Commercial Service Small (G1R/G1CS)	171,613,910	470,175	60.39%	1,629,158	1,158,983	64.12%
3	Commercial Service Large / Contract Service - Military (G1CL/G8M/GCS-FIRM/GCS-G6M)	94,089,429	257,779	33.11%	835,647	577,868	31.96%
4	Commercial Service Large - Seasonal (G1S)	2,090,825	5,728	0.74%	13,744	8,016	0.44%
5	Interruptible Sales:						
6	Industrial Service / Contract Service - Military (G2I/G3M/GCS-INTS/G7M)	16,358,624	44,818	5.76%	107,773	62,955	3.48%
7	Total	284,152,788	778,501	100.00%	2,586,323	1,807,822	100.00%

Notes:

⁽¹⁾ Volumes in Ccf at 12.01 PSIA.

⁽²⁾ Forecasted sales based on long term forecast as of June 2019.

⁽³⁾ Forecasted Peak Day volumes based on 2019 Gas Peak Day forecast.

Colorado Springs Utilities
Schedule 2.2

GAS CAPACITY CHARGE FORECASTED EXPENSE ⁽¹⁾

Line No.	Description	Account	Total Forecast Capacity Expense 8/19 - 7/20	Commodity Related Expense	Demand Related Expense
(a)	(b)	(c)	(d)	(e)	(f)
1	Retail Gas Transportation - Demand	804020	\$ 17,191,046	\$ 5,226,078	\$ 11,964,968
2	Retail Gas Transportation - Commodity	804020	578,133	578,133	-
3	Gas No-Notice Storage - Commodity	804040	99,469	99,469	-
4	Gas No-Notice Storage - Demand	804040	4,630,136	1,407,561	3,222,575
5	Gas Young Storage - Commodity	804030	16,334	16,334	-
6	Gas Young Storage - Demand	804030	728,182	221,367	506,815
7	Gas Young Storage - Trans Demand	804030	-	-	-
8	Tallgrass - Trans Demand	804070	-	-	-
9	Total Forecasted Capacity Expense		<u>\$ 23,243,300</u>	<u>\$ 7,548,942</u>	<u>\$ 15,694,358</u>
10	Plus: Cumulative Over/(Under) Recovery ⁽²⁾		<u>(8,764,976)</u>	<u>(2,664,553)</u>	<u>(6,100,423)</u>
11	Total (Line 9 + Line 10)		<u>\$ 14,478,325</u>	<u>\$ 4,884,390</u>	<u>\$ 9,593,935</u>

Notes:

⁽¹⁾ Demand expense classified as commodity and demand related expense based on system load factor from 2014 Natural Gas rate filing: 30.4%.

⁽²⁾ Forecasted Over/(Under) recovery from S2.3 Line 3.

Colorado Springs Utilities
Schedule 2.3

GAS CAPACITY CHARGE FORECASTED COLLECTION BALANCE

Line No.	Description	Collection Balance
(a)	(b)	(c)
1	Forecasted Over/(Under) Recovery as of 7/31/2019	\$ 8,764,976
2	Less: Forecasted Over/(Under) Recovery as of 7/31/2020	-
3	Cumulative Over/(Under) Recovery (Line 1 - Line 2)	<u>\$ (8,764,976)</u>