



Legislation Details (With Text)

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Title: Consideration of a Resolution Regarding Setting Electric Rates for a Wind Power Tariff within the Service Area of Colorado Springs Utilities

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Attachments: 1. Wind Power Resolution 1-13-2015, 2. Wind Power Tariff Sheet final, 3. Signed Resolution_2-15

Date	Ver.	Action By	Action	Result
1/13/2015	1	City Council	adopted	Pass

Consideration of a Resolution Regarding Setting Electric Rates for a Wind Power Tariff within the Service Area of Colorado Springs Utilities

From:

Jerry Forte, P.E., Chief Executive Officer, Colorado Springs Utilities

Summary:

At its December 9, 2014 formal City Council meeting, the City Council scheduled a public hearing for its regularly scheduled January 13, 2015 meeting to consider reinstating Colorado Springs Utilities' Wind Power - Electric Rate Schedule Tariff and to reflect in the rates the cost to sell 20,000 MWh of wind to customers. The rate is proposed to be effective January 14, 2015.

In accordance with the City Code of the City of Colorado Springs § 12.1.107, Colorado Springs Utilities made its rate filing on December 9, 2014, published notice of the hearing in the Gazette on December 11, 2014, and mailed notice to electric customers outside City limits on December 12, 2014.

To minimize the amount of time customers will be without a wind product, Colorado Springs Utilities will request that City Council vote to suspend Part 4 (1) (c) of the Rules and Procedures of City Council, Post-Hearing Procedures for this rate hearing, waiving the requirement of a decision and order for the requested changes, and allowing those changes to be approved by motion and adoption of a resolution immediately after the rate hearing. In that event, the rate would become effective on and after January 14, 2015.

If the City Council does not vote to suspend Part 4 (1) (c) of the Rules and Procedures of City Council, Post-Hearing Procedures for this rate hearing, then a decision and order will be prepared and presented to the City Council at its January 26, 2015 work session. The City Council will be

asked to vote on the resolution adopting the Wind Power tariff at its January 27, 2015 formal meeting. In that event, the rate would become effective on and after January 28, 2015.

Previous Council Action:

On December 9, 2014, Colorado Springs Utilities requested City Council to schedule a public hearing for January 13, 2015 at the City Council's regularly scheduled meeting to consider reinstating Colorado Springs Utilities' Wind Power - Electric Rate Schedule Tariff and to reflect in the rates the cost to sell 20,000 MWh of wind to customers. On November 19, 2014, the Utilities Board approved a two-year extension of Colorado Springs Utilities' existing wind contract for 20,000 MWh per year.

Background:

Colorado Springs Utilities currently meets the state of Colorado's 10% renewable energy mandate through the year 2021 and the 20% Colorado Springs Utilities Energy Vision (EV) through the year 2017. The two-year extension of the wind contract extends the 10% compliance date through 2023 and the 20% EV through 2018. The existing Wind Power tariff expired on December 31, 2014. Approval of the Wind Power tariff will permit Colorado Springs Utilities to reinstate service to existing Wind Power tariff customers. Additional customers may be added if capacity exists.

Financial Implications:

At the public hearing, Colorado Springs Utilities will propose reinstating the Wind Power Electric Rate Schedule with a rate for electric wind power service. Should there be any unrecovered wind contract costs through this Wind Power tariff, those costs will be recovered from all electric customers through the Electric Cost Adjustment rate schedule.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move adoption of the proposed Resolution regarding setting electric rates for a wind power tariff within the service area of Colorado Springs Utilities.

N/A