



Legislation Details (With Text)

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Title: A Resolution Setting the Gas Cost Adjustment effective February 1, 2015

Sponsors:

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Attachments: 1. GCA Schedule 1 (1-27-2015), 2. Gas Tariff Sheet 10a effective 2-1-2015 Final, 3. Gas Tariff Sheet 10a effective 2-1-2015 Redline pdf, 4. 012715 15-02 February GCA Auditor's report, 5. GCA Resolution 1-27-2015, 6. Signed Resolution_7-15

Date	Ver.	Action By	Action	Result
1/27/2015	1	City Council	adopted	Pass

A Resolution Setting the Gas Cost Adjustment effective February 1, 2015

From:

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

Summary:

Colorado Springs Utilities is requesting a change to the Gas Cost Adjustment (GCA) rate. The current GCA credit of (\$0.1265) per Ccf was implemented November 1, 2014. Colorado Springs Utilities (Utilities) has continued to monitor GCA conditions through the heating season with natural gas prices continuing to soften in the forward gas market. To maintain financial stability and moderate price changes for customers, Colorado Springs Utilities recommends a GCA rate change from the current credit of (\$0.1265) per Ccf to a proposed credit of (\$0.2460) per Ccf effective February 1, 2015.

Previous Council Action:

On October 28, 2014, by Resolution No. 101-14, City Council resolved to set the GCA at the current rate of (\$0.1265) per Ccf effective November 1, 2014.

Background:

Colorado Springs Utilities sought approval for the current GCA rate at the October 28, 2014 City Council meeting. Colorado Springs Utilities staff continues to provide regular updates to the Utilities Board on the collected balance, and will recommend timely changes to the GCA rate as is deemed appropriate.

Colorado Springs Utilities has performed the GCA calculation in conformance with the language in the GCA tariff and a supporting schedule of the calculation is in attached.

Financial Implications:

Implementing the proposed GCA rate decrease will impact respective customer's bill as follows:

Monthly Gas bill:

Typical residential bill at 60 Ccf	=	\$(7.17) or (14.3%)
Typical commercial bill at 1,240 Ccf	=	\$(148.18) (18.6%)
Typical industrial bill at 12,400 Ccf	=	\$(1,481.80) or (19.1%)

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

Keep the current GCA and continue to incur the over-collection.

Proposed Motion:

Move adoption of the proposed Resolution.

N/A