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Title: Public Hearing for the Consideration of Resolutions Regarding Certain Changes to Colorado Springs Utilities' Open Access Transmission Tariff and Utilities Rules and Regulations, and Setting Electric, and Water Rates Within the Service Areas of Colorado Springs Utilities

Presenter:
Sonya Thieme, Rates Manager
Jerry A. Forte, P.E., CEO, Colorado Springs Utilities

Sponsors:

Indexes:

Code sections:

Attachments: 1. 11-14-2017-2018 Rate Case Hearing.docx.pdf, 2. 2 - 2018_CAO_Instructions.pdf, 3. 3 - 2018_Rate_Hearing_Agenda-11-27-17.pdf, 4. 4 - 2018_Issues For Decision-11-27-17.pdf, 5. 5 - 11-14-17 CC 2018 Rate Hearing Presentation.pdf, 6. 17-27 Electric and Water Rate Audit Report, 7. Supplemental Information for Distribution - 2018 Rate Case Filing.pdf, 8. 2018 Rate Case Filing - updated with Supplemental Information.pdf

Date	Ver.	Action By	Action	Result
11/14/2017	2	City Council	referred	
10/10/2017	1	City Council	referred	Pass

Public Hearing for the Consideration of Resolutions Regarding Certain Changes to Colorado Springs Utilities' Open Access Transmission Tariff and Utilities Rules and Regulations, and Setting Electric, and Water Rates Within the Service Areas of Colorado Springs Utilities

Presenter:

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Summary:

Colorado Springs Utilities will present the rate case on November 14, 2017 during the public hearing agenda item for the consideration of resolutions regarding certain changes to Colorado Springs Utilities' Open Access Transmission Tariff and Utilities Rules and Regulations, and setting Electric, and Water rates to be effective January 1, 2018.

Previous Council Action:

On October 10, 2017 City Council approved the proposed public hearing date of November 14, 2017 for the consideration of resolutions regarding certain changes to Colorado Springs Utilities' Open Access Transmission Tariff and Utilities Rules and Regulations, and setting Electric, and Water rates within the service areas of Colorado Springs Utilities.

Background:

In accordance with the City Code of the City of Colorado Springs § 12.1.107, Colorado Springs Utilities is required to make a filing when rate changes are expected to have an adverse financial impact on certain customers and request a hearing before City Council not less than thirty days from the date of filing. On October 10, 2017, Colorado Springs Utilities filed the 2018 Rate Case Filing that included proposed changes to the Open Access Transmission Tariff, Utilities Rules and Regulations, Electric, and Water Rate Schedules to be effective January 1, 2018. In addition, City Council established a hearing date of November 14, 2017.

Colorado Springs Utilities uses a Cash-Needs method to determine the total Revenue Requirement. This approach is based upon the fact that Colorado Springs Utilities must set rates to recover sufficient revenues to cover all of its cash needs, including debt service obligations and a portion of new capital projects. A major advantage of this technique, often used by government-owned enterprises, is the consistency with budgeting and accounting systems.

Both physical and electronic copies of the entire rate filing are available for public inspection in the City Clerk office. Electronic copies were provided to City Council members and a .pdf file version was also placed on Colorado Springs Utilities website at www.csu.org. Notice of the Public Hearing was made by publication in The Gazette on October 12, 2017 and sent by U.S. mail to those Electric service customers outside the city limits on October 13, 2017.

Financial Implications:

At the public hearing, Colorado Springs Utilities will propose increases and decreases to base (non-fuel) rates for Electric service and increases in rates for Water service. The Utilities Rules and Regulation changes will add a new water development charge for smaller square foot lots and propose an increase in fee amounts collected through Electric Line Extensions.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

N/A

N/A