



Legislation Text

File #: 17-839, **Version:** 2

A Resolution Setting the Electric Cost Adjustment Effective March 1, 2017

Presenter:

Sonya Thieme, Rates Manager
Jerry Forte, P.E., Chief Executive Officer, Colorado Springs Utilities

Summary:

Colorado Springs Utilities (Utilities) is requesting a change to the Electric Cost Adjustment (ECA) rate effective March 1, 2017. Consistent with Cost Adjustment Guidelines, the adjustment proposes an ECA rate of \$0.0222 per kWh which is \$0.0051 less per kWh than the current effective rate of \$0.0273 per kWh.

Previous Council Action:

On October 25, 2016, City Council approved the current ECA rate of \$0.0273 per kWh effective November 1, 2016 by Resolution 109-16.

Background:

Utilities sought approval for the current effective ECA rate of \$0.0273 per kWh at the October 25, 2016 City Council meeting. The ECA rate has remained at the approved level since November 1, 2016. Utilities' staff continues to provide regular updates to the Utilities Board and will recommend timely adjustments to the ECA rate per the Cost Adjustment Guidelines. ECA rate calculations are in conformance with the ECA tariff.

Financial Implications:

Implementing the proposed ECA rate will impact the respective customer's electric bill as follows:

Monthly electric bill:

Typical Residential electric bill decrease of \$3.06 or 3.9%

Typical Commercial electric bill decrease of \$30.60 or 5.4%

Typical Industrial electric bill decrease of \$2,040.00 or 6.0%

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

No adjustment to the current ECA rate and over collect electric fuel and purchased power costs.

Proposed Motion:

Move adoption of the proposed resolution.

N/A