



Legislation Text

File #: 18-0354, **Version:** 2

Request to Establish a Public Hearing Date for the Consideration of Resolutions Setting Water and Wastewater Rates within the Service Areas of Colorado Springs Utilities

Presenter:

Sonya Thieme, Rates Manager

Eric Tharp, Acting Chief Executive Officer, Colorado Springs Utilities

Summary:

Colorado Springs Utilities requests that City Council schedule a public hearing for October 23, 2018 at the regularly scheduled meeting of the City Council to consider changes to Colorado Springs Utilities' Water and Wastewater Rate Schedules, as reflected in the 2019 Rate Case Filing to be effective January 1, 2019.

Previous Council Action:

On June 12, 2018, City Council approved the most recent changes to Water and Wastewater Rate Schedules by Resolution No. 60-18.

Background:

Colorado Springs Utilities is submitting a 2019 Rate Case Filing that includes proposed changes to Water and Wastewater Rate Schedules to be effective January 1, 2019. 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 system.

In accordance with the City Code of the City of Colorado Springs § 12.1.108(C)(2), Colorado Springs Utilities is required to make a filing of this nature 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. Colorado Springs Utilities is complying with this City Code requirement by requesting that this action be placed on the September 11, 2018, City Council meeting agenda, at which time a hearing date of October 23, 2018, will be requested.

The rate case filing, including the resolutions and all supporting documentation, will be made on September 11, 2018. Both physical and electronic copies of the entire rate filing will be available for public inspection in the City Clerk office. Electronic copies will be provided to City Council members and a .pdf file version will also be placed on Colorado Springs Utilities website. Colorado Springs Utilities is submitting a 2019 Rate Case Filing that includes proposed changes to Water and Wastewater Rate Schedules to be effective January 1, 2019. Colorado Springs Utilities

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Financial Implications:

At the public hearing, Colorado Springs Utilities will propose increases in rates for Water and Wastewater service.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

Postpone or cancel hearing. Alternative may have negative financial implications.

Proposed Motion:

Move approval of the proposed hearing date of October 23, 2018.

N/A