



Legislation Text

File #: 18-0311, **Version:** 1

A resolution setting the Gas Cost Adjustment and Gas Capacity Charge effective August 1, 2018

Presenter:

Sonya Thieme, Rates Manager
Eric Tharp, Acting Chief Executive Officer

Summary:

Colorado Springs Utilities (Utilities) is proposing changes to the Gas Cost Adjustment (GCA) and Gas Capacity Charge (GCC) rates effective August 1, 2018. The proposed GCA rate changes the current effective rate of \$0.1776 per Ccf to a proposed rate of \$0.1820 per Ccf. The proposed GCC changes decrease the rates by Rate Class consistent with capacity allocations (per attached Schedule 2).

Previous Council Action:

On April 24, 2018, City Council approved the current GCA rate of \$0.1776 per Ccf effective May 1, 2018 by Resolution 34-18. On October 24, 2017, City Council approved the current GCC rates effective November 1, 2017 by Resolution 115-17.

Background:

Utilities sought approval for the current effective GCC rates at the October 24, 2017 City Council meeting and the current effective GCA rate of \$0.1776 per Ccf at the April 24, 2018 City Council meeting. Utilities' staff conducts an annual review of the GCC rates each July and continues to provide regular GCA updates to the Utilities Board. Utilities recommends timely adjustments to the GCA rate per the Cost Adjustment Guidelines and in conformance with the GCA tariff.

Financial Implications:

Implementing the proposed rates will impact the respective customer's gas bill as follows:

Monthly Gas bill:

- Typical Residential gas bill increase of \$0.05 or 0.1%
- Typical Commercial gas bill increase of \$3.11 or 0.6%
- Typical industrial gas bill increase of \$31.00 or 0.6%

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move approval of the proposed resolution.

N/A