



Legislation Text

File #: 19-349, **Version:** 1

A resolution setting the Gas Cost Adjustment and the Gas Capacity Charge effective August 1, 2019

Presenter:

Tamela Monroe, Chief Planning and Finance Officer
Aram Benyamin, 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, 2019. The proposed GCA rate adjustment changes the current effective rate of \$0.1746 per Ccf to a proposed rate of \$0.1620 per Ccf. The proposed GCC changes adjust the rates by Rate Class consistent with capacity allocations (per attached Schedule 2).

Previous Council Action:

On July 24, 2018 City Council approved the GCC rates effective August 1, 2018 per Resolution 82-18. On April 23, 2019 City Council approved the GCA rate of \$0.1746 per Ccf effective May 1, 2019 per Resolution 46-19.

Background:

Utilities sought approval for the current effective GCC rates at the July 24, 2018 City Council meeting and for the current effective GCA rate of \$0.1746 per Ccf at the April 23, 2019 City Council meeting. Utilities' staff provide regular updates to the Utilities Board and recommend 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:

Sample Total Monthly Natural Gas bill:

- Residential gas bill decrease of \$3.42 or 9.0%
- Commercial gas bill decrease of \$57.04 or 10.8%
- Industrial gas bill decrease of \$570.40 or 11.3%

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:
Move approval of the proposed resolution.

N/A