

RESOLUTION NO. ____-25

A RESOLUTION ADOPTING TRANSMISSION FORMULA RATE
TEMPLATE AND THE IMPLEMENTATION PROTOCOLS FOR
ESTABLISHING AN ANNUAL TRANSMISSION REVENUE
REQUIREMENT FOR TRANSMISSION OWNER FILING
SUBMITTALS FOR THE SOUTHWEST POWER POOL
REGIONAL TRANSMISSION ORGANIZATION'S OPEN ACCESS
TRANSMISSION TARIFF

WHEREAS, Colorado Springs Utilities ("Utilities") proposed to pursue membership in the Southwest Power Pool ("SPP") Regional Transmission Organization ("RTO") effective in accordance with SPP's quarterly onboarding schedule of new RTO members in 2026; and

WHEREAS, Utilities proposed to transfer functional control of its transmission facilities to SPP while continuing to own and maintain said infrastructure of its transmission system; and

WHEREAS, Utilities proposed to implement a formula rate template ("Template") and implementation protocols ("Protocols") (together the "Formula Rate"), so long as approved by the Federal Energy Regulatory Commission ("FERC"), to establish the mechanism and process for annual calculation, to include any true-up and updates, of the Annual Transmission Revenue Requirement ("ATRR") and underlying calculated rates for Network Integration Transmission Service ("NITS") and Point-to-Point Transmission Service in the Colorado Springs Utilities zone of the SPP footprint; and

WHEREAS, Utilities' proposed Formula Rate will be subsequently filed with FERC; and

WHEREAS, Utilities stated it may need to modify the proposed Formula Rate to address potential notifications, questions, requests, or requirements to facilitate FERC approval of the Formula Rate; and

WHEREAS, Utilities proposed to establish the Formula Rate and the 2026 ATRR with its underlying calculated rates to be effective on the day on which Utilities transfers functional control of Utilities' transmission facilities to SPP (scheduled for April 1, 2026, as of the date of this Resolution); and

WHEREAS, Utilities proposed to follow the established Protocols to adjust the ATRR for the Colorado Springs Utilities zone of the SPP footprint and the underlying calculated rates on an annual basis based on Utilities' projected cost-of-service and load for the prospective rate year through the required true-up adjustment ("Annual Update"), to submit such Annual Update to the FERC as an informational filing, and to enable SPP to provide notice of Utilities' Annual Update to interested persons; and

WHEREAS, if Utilities does become a member of SPP, the Formula Rate and the 2026 ATRR with its underlying calculated rates will be set forth in SPP's tariff and will supersede the existing rates in the Utilities' Open Access Transmission Tariff.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. That effective on the day on which Utilities transfers functional control of Utilities' transmission facilities to SPP (scheduled for April 1, 2026, as of the date of this Resolution), Utilities' Formula Rate, so long as approved by the FERC, shall remain in effect unless changed by subsequent transmission owner filings.

Section 2. That effective on the day of on which Utilities transfers functional control of Utilities' transmission facilities to SPP (scheduled for April 1, 2026, as of the date of this Resolution), Utilities' 2026 ATRR and underlying calculated rates for NITS and Point-to-Point Transmission Service in the Colorado Springs Utilities zone of the SPP footprint are approved and adopted and shall remain in effect unless changed by a subsequent Utilities' Annual Update in conformance with the Protocols.

Section 3. The attached proposed Template and proposed Protocols (which may be further modified due to subsequent adjustments requested or required by SPP or the FERC), supporting documents, Council Decision and Order, and other related matters are hereby approved and adopted.

Dated at Colorado Springs, Colorado, this 28th day of October 2025.

Lynette Crow-Iverson, Council President

ATTEST:

Sarah B. Johnson, City Clerk