

BEFORE THE CITY COUNCIL OF
THE CITY OF COLORADO SPRINGS

IN THE MATTER OF THE REVISION)
OF THE OPEN ACCESS) DECISION & ORDER 25-01 (OATT)
TRANSMISSION TARIFF OF)
COLORADO SPRINGS UTILITIES)

1. Colorado Springs Utilities, an enterprise of the City of Colorado Springs (“City”), a Colorado home-rule city and municipal corporation (“Utilities”), conducted a review of its Open Access Transmission Tariff (“OATT”). During that review, Utilities identified needed changes. Utilities’ rate case filing contains all of these revisions and changes.
2. Utilities’ 2025 OATT filing does not include base rate changes. Rather, Utilities’ 2025 OATT filing proposes changes to the terms and conditions of OATT service.
3. Utilities is an electric transmission provider and provides non-discriminatory wholesale high voltage electric service to itself and to its customers through the terms and conditions set forth in the OATT. Utilities’ OATT is a part of the collective tariffs that govern Utilities in accordance with the Colorado Springs City Code.
4. Utilities periodically updates and revises its OATT. The OATT was initially adopted in 2000 and updated in 2005, 2009, 2018, 2019, 2022, and 2023. Utilities’ last major update occurred in 2018.
5. Utilities proposes to modify the Large Generator Interconnection Procedures (“LGIP”) and the Small Generator Interconnection Procedures (“SGIP”) portions of the OATT to incorporate updates to these procedures and their respective template agreements, the Large Generator Interconnection Agreement (“LGIA”) and the Small Generator Interconnection Agreement (“SGIA”). Enhancement of the implementation of Utilities’ Sustainable Energy Plan is a key driver for many of these updates.
6. An updated Utilities’ OATT aligns with the current national standards as authorized by the Federal Energy Regulatory Commission (“FERC”). The sources for these proposed updates originate in the following FERC orders:
 - The Evolving Bulk Power System (Order No. 842)
 - Reform of Generator Interconnection Procedures & Agreements (Order No. 845/845-A)
 - Improvements to Generator Interconnection Procedures & Agreements (Order Nos. 2023/2023-A)
 - Compensation for Reactive Power Within the Standard Power Factor Range (Order No. 904)

7. These proposed revisions (a) add robustness to the interconnection customer technical requirements and (b) modify and improve the procedures and their respective template agreements to clarify the cluster study process, to increase interconnection customer financial and readiness commitments, and to formalize the affected system protocols. Adopting these revisions will streamline the process for evaluating interconnection requests and negotiating interconnection agreements and will mandate that interconnecting generators meet additional technical requirements to better ensure system reliability. These proposed revisions account for Utilities' municipal status, are consistent with changes made by other public power utilities, and do not conflict with any federal or state regulatory obligations.
8. Due to the volume of requested revisions associated with the LGIP and LGIA, Utilities proposes to replace all sheets that comprise the LGIP and LGIA. On the other hand, Utilities proposes to replace only the affected SGIP and SGIA sheets.
9. The proposed effective date for Utilities' tariff changes is February 1, 2025.
10. Utilities filed its OATT changes with the City Auditor, Mrs. Jacqueline Rowland, and with the City Attorney on December 10, 2024. Utilities also filed the enterprise's formal proposals on December 10, 2024 with the City Clerk, Ms. Sarah Johnson, and a complete copy of the proposals was placed in the City Clerk's Office for public inspection. Notice of the filing was published on-line at www.csu.org on December 10, 2024, and in *The Gazette* on December 12, 2024. These various notices and filings comply with the requirements of §12.1.108 of the City Code and the applicable provision of the Colorado Revised Statutes. Copies of the published and mailed notices are contained within the record. Additional public notice was provided through Utilities' website, www.csu.org, and a complete copy of the proposals was placed on that website for public inspection.
11. The information provided to City Council and held open for public inspection at the City Clerk's Office was supplemented by Utilities on January 8, 2025. The supplemental materials contained the legal notice affidavit of publication.
12. On January 14, 2025, City Council held a public hearing concerning the proposed changes to the OATT. This hearing was conducted in accordance with §12.1.108 of the City Code, the procedural rules adopted by City Council, and the applicable provisions of state law.
13. City Council President Randy Helms commenced the rate hearing.
14. The presentations started with Mr. David Beckett, a Senior Attorney with the City Attorney's Office – Utilities Division. Mr. Beckett first presented the rate hearing agenda.
15. Mr. Beckett then briefed City Council on its power to establish rates, charges, and regulations for Utilities' services. In setting rates, charges, and regulations for Utilities' services, City Council is sitting as a legislative body because the setting of rates, charges, and regulations is necessary to carry out existing legislative policy of operating the various

utility systems. However, unlike other legislative processes, the establishment of rates, charges, and regulations is analogous to a quasi-judicial proceeding and requires a decision based upon evidence in the record and the process is not subject to referendum or initiative. Mr. Beckett provided information on the statutory and regulatory requirements on rate changes, which rates, terms and conditions must be just, reasonable, sufficient, and not unduly discriminatory, City Code §12.1.108(E).

16. At the conclusion of his presentation, Mr. Beckett polled the members of City Council concerning any *ex parte* communication that they may have had during the pendency of this proceeding. City Council indicated that no *ex parte* communications were received.
17. Mr. Tristan Gearhart, Utilities' Chief Planning and Finance Officer, provided the enterprise's proposals.
18. Mr. Gearhart started by providing a summary of Utilities' procedural compliance with rate case standards and then moved to the substance of the 2025 OATT filing.
19. After providing background, Mr. Gearhart explained that the OATT revisions are procedural or technical in nature and bring Utilities' OATT more in line with the currently approved FERC tariff. Mr. Gearhart stated that these OATT revisions would assist Utilities in protecting its electric transmission system as it seeks to interconnect its electric transmission system with additional renewable energy generators. The OATT revisions would establish more appropriate standards for studying requests to interconnect and clearer interconnection technical requirements. Mr. Gearhart recommended these revisions so that those generators interconnecting to Utilities' electric transmission system do so in a way that meets Utilities' standards and protects Utilities' infrastructure.
20. After Utilities' presentation, President Helms opened the floor for public comment and to questions from City Council. There were no comments or questions.
21. Based on the lack of questions or comments, President Helms determined that neither a break nor executive session were necessary.
22. Mr. Beckett provided clarity on the procedural process for the hearing and explained that no motion was needed at the hearing as formal action on the resolutions related to Utilities' proposed changes will be taken by City Council at the January 28, 2025 City Council meeting.
23. Mr. Beckett then polled City Council regarding the issues central to the 2025 OATT filing revisions. City Council indicated approval and did not note any exceptions.
24. Mr. Beckett then restated the future schedule for Utilities' rate filing, with the draft Decision and Order being presented to City Council for review on January 27, 2025 and for final approval on January 28, 2025.

25. The following are the proposed changes and the votes by City Council addressing the Open Access Transmission Tariff:

- a) Should Utilities modify the Open Access Transmission Tariff sections setting forth the Large Generator Interconnection Procedures and the (pro forma) Large Generator Interconnection Agreement in their entirety, as proposed, for the purposes of improving the processes and procedures for interconnection and of enhancing Utilities' ability to carry out its Sustainable Energy Plan?

The City Council held that Utilities shall modify the Open Access Transmission Tariff sections setting forth the Large Generator Interconnection Procedures and the (pro forma) Large Generator Interconnection Agreement in their entirety, as proposed, for the purposes of improving the processes and procedures for interconnection and of enhancing Utilities' ability to carry out its Sustainable Energy Plan.

- b) Should Utilities modify the Open Access Transmission Tariff sections setting forth the Small Generator Interconnection Procedures and the (pro forma) Small Generator Interconnection Agreement, as proposed, to add requirements related to dynamic and primary frequency response and to remove Utilities' reactive power compensation requirement?

The City Council held that Utilities shall modify the Open Access Transmission Tariff sections setting forth the Small Generator Interconnection Procedures and the (pro forma) Small Generator Interconnection Agreement, as proposed, to add requirements related to dynamic and primary frequency response and to remove Utilities' reactive power compensation requirement.

- c) Should Utilities make the proposed clerical corrections to these sections of the Open Access Transmission Tariff?

The City Council held that Utilities shall make the proposed clerical corrections to these sections of the Open Access Transmission Tariff.

26. President Helms then concluded the 2025 OATT hearing.

ORDER

THEREFORE, IT IS HEREBY ORDERED that:

The Open Access Transmission Tariff sheets as attached to the Resolution are adopted and will be effective on and after February 1, 2025. Such tariff sheets shall be published and held open for public review and shall remain effective until changed by subsequent Resolution duly adopted by the City Council.

Dated this 28th day of January, 2025.

CITY OF COLORADO SPRINGS

Council President

ATTEST:

City Clerk