



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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22-14 Colorado Springs Utilities Electric Cost Adjustment and Gas Cost Adjustment

June 2022

Purpose

The purpose of this audit was to evaluate whether Colorado Springs Utilities (Utilities) prepared the Electric Cost Adjustment (ECA), Gas Cost Adjustment (GCA), Electric Capacity Charge (ECC), and Gas Capacity Charge (GCC) in accordance with the approved tariffs. The methodology was compared to prior filings for consistency and calculations were tested for accuracy.

Summary

Based on our review of calculations and related support filed with our office, we conclude that the proposed adjustments submitted by Utilities complied with approved tariffs. The calculations were accurate and consistent with prior filings.

For the July 1, 2022 effective date, Utilities provided ECA, GCA, ECC, and GCC adjustments for consideration by City Council.

	Current Rate	Proposed Rate	Over/(Under) Collection at May 31, 2022	Utility Board Guidance
(ECA)	\$.0364/ kWh	\$.0523/ kWh	(\$17,959,822)	+ or - \$5 million
(GCA)	\$.4505/ Ccf	\$.7117/ Ccf	(\$11,826,486)	+ or - \$5 million
(ECC)	E1R Rate \$.0042	E1R Rates \$.0044	(\$1,425,041)	
(GCC)	G1R/G1CS Rate \$.0778	G1R/G1CS Rate \$.0841	\$2,376,070	

Under Utilities Board approved guidance, Utilities will submit ECA and GCA adjustments quarterly to manage balances within \$5 million over or under collected.

Utilities reviews ECC and GCC annually and adjusts, as necessary.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.

City Council's Office of the City Auditor

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