



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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22-21 Colorado Springs Utilities Electric Cost Adjustment and Gas Cost Adjustment

September 2022

Purpose

The purpose of this audit was to evaluate whether Colorado Springs Utilities (Utilities) prepared the Electric Cost Adjustment (ECA) and Gas Cost Adjustment (GCA) 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 October 1, 2022 effective date, Utilities provided ECA and GCA adjustments for consideration by City Council.

	Current Rate	Proposed Rate	Over/(Under) Collection at August 31, 2022	Utility Board Guidance
(ECA)	\$.0523/ kWh	\$.0462/ kWh	(\$12,698,429)	+ or - \$5 million
(GCA)	\$.7117/ Ccf	\$.7775/ Ccf	(\$11,798,493)	+ or - \$5 million

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

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.