



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

Denny L. Nester, City Auditor
MBA CPA CIA CFE CGFM CGAP

20-12 Colorado Springs Utilities Gas Cost Adjustment

April 2020

Purpose

The purpose of this audit was to evaluate whether Colorado Springs Utilities (Utilities) prepared the 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 adjustment submitted by Utilities complied with approved tariffs. The calculations were accurate and consistent with prior filings.

For the May 1, 2020 effective date, Utilities provided GCA adjustments for consideration by City Council.

	Prior Rate	Proposed Rate	Over/(Under) Collection at March 31, 2020	Utilities Board Guidance
GCA	\$.1243/Ccf	\$.0738/Ccf	(\$556,696)	+ or - \$5 million

Under Utilities Board approved guidance, Utilities will submit 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.