



Minutes

Utilities Policy Advisory Committee (UPAC)

Wednesday, July 2, 2025

**Blue River Boardroom, 5th floor, 121 S. Tejon St., Colorado Springs, CO
and Microsoft Teams Virtual Meeting**

Committee members present in the Boardroom or via Microsoft Teams:

Larry Barrett, Vice Chair Michael Borden, Gary Burghart, Chair Katherine Danner, Chris Meyer, Scott Smith and David Watson

Alternate members present in the Boardroom or via Microsoft Teams:

Albert Badeau and Tom Carter

Committee members excused: None

Staff members present in the Boardroom or via Microsoft Teams:

Travas Deal, Renee Adams, Somer Mese, Jay Anderson, Troy Bass, Kerry Baugh, Andrew Colosimo, JerrieAnn LaLond, Nicole Means, Danielle Nieves, Jacqueline Nunez, Gail Pecoraro, Bethany Schoemer, Scott Shirola, Matthew Thieme, Alex Trefry, Natalie Watts and Al Wells

Utilities Board members present in the Boardroom or via Microsoft Teams:

Dave Donelson

City of Colorado Springs staff present in the Boardroom or via Microsoft Teams:

David Beckett and Hannah Geardy

Residents present in the Boardroom or via Microsoft Teams: None

1. Call to Order

Chair Katherine Danner called the meeting to order at 8:01 a.m. and called the roll.

2. Approval of Feb. 5, 2025, UPAC Meeting Minutes

Member Larry Barrett made a motion to approve the Feb. 5, 2025, meeting minutes and Member Scott Smith seconded the motion. The motion passed unanimously.

3. Geothermal Assignment Scope Discussion

Chair Danner said the Utilities Board approved the UPAC topic of looking at geothermal to add to the energy portfolio. UPAC is being asked to answer the following questions:

- What are the environmental impacts of geothermal energy?

- Is geothermal energy feasible in Colorado?
- What is the current regulatory environment for geothermal energy?

Ms. Bethany Schoemer, Strategic Planning and Governance Specialist Senior, clarified that only the topic of Geothermal was approved at the June 18, 2025 Utilities Board Meeting. The scope of the assignment will be approved at the July Utilities Board Meeting.

UPAC Member Watson asked for a definition of energy. Utilities Board Chair Donelson said that the Springs Utilities Electric Integrated Resource Plan (EIRP) is currently being finalized. Because the UPAC nuclear assignment was so successful, the Utilities Board would like to have geothermal researched to see if it is a viable source to be added to the organization's energy portfolio.

1. *Is geothermal energy a feasible source of energy in Colorado? What should Springs Utilities be doing to prepare for geothermal generation in the future?*

UPAC Member Watson asked if this energy source would be brought into the community, or if this could be done by a purchase power agreement. He noted that Mt. Princeton is the first geothermal project in the state. A representative from the Mt. Princeton facility can be scheduled to attend a future UPAC Meeting.

Ms. Natalie Watts, Strategic Planning and Governance Manager, said she is unsure how much research has been done on geothermal.

Ms. Schoemer said that after the scope is approved, UPAC members will develop a timeline for the assignment. Ms. Watts said that the approximate timeline for assignment completion is mid-year 2026.

UPAC Member Larry Barrett asked if other committee members had any experience with geothermal. He stated that he was involved with looking at geothermal installation at a school and homes with geothermal heat pumps.

UPAC Member Gary Burghart asked how this assignment came about. Board Chair Donelson said that as the EIRP is being updated, it is important to look at another asset for the energy portfolio.

UPAC Alternate Member Tom Carter referenced two reports that have been published on Geothermal in Colorado. There are two types of generation – low power and high power. The low power option would need to be considered in Colorado. Ms. Schoemer will distribute these reports to all members.

UPAC Member Carter said that feasible in Colorado and feasible in Colorado Springs are two different things. The question will be reworded.

UPAC Member Smith suggested looking from a high level to determine its feasibility.

Mr. Travas Deal, Chief Executive Officer, said that the organization has committed to the State to look at all options to include in the energy portfolio. The work that UPAC does on this assignment will be a direct benefit to the organization. The aspect of this assignment is for energy generation.

UPAC Member Burghart asked if members of the staff have any experience. Mr. Deal said that no members of staff have knowledge of geothermal.

UPAC Chair Danner said that the following questions would only be necessary if the answer to the first question is “yes”. Several UPAC members said that the feasibility is dependent on other proposed questions.

UPAC Member Meyer said that answering the questions is just part of UPAC’s due diligence.

Ms. Schoemer asked UPAC members to get her questions, feedback, and suggestions for guest speakers from the Mount Princeton Program and Bryce Carter, the geothermal Program Manager in the Colorado Energy Office as possible speakers at the August UPAC meeting.

Ms. Schoemer will send links to the reports that UPAC Member Carter referenced to all UPAC members. UPAC Chair Danner will send the articles on Mt. Princeton Program.

2. What is the state of the technology?

Members asked if fracking fits in with geothermal, if so, fracking would be one of the risks of geothermal.

Question #2 will be changed to “What is the state of technology and what are the associated project risks?”

3. What is the cost range for different options? Should cost be seen as prohibitive?

Mr. Deal said the context for this assignment is for industrial energy generation. The scope of this assignment will not include the technical aspects of geothermal generation.

UPAC Member Burghart asked if geothermal is available for purchase on the market. Mr. Deal said it is not that he is aware.

UPAC Alternate Member Carter said that drilling should be considered. UPAC Chair Danner asked where this should fall. UPAC Member Carter said that this could fall under question #3.

- 4. What are the environmental pros and cons?**
- 5. Are the water constraints in Colorado a prohibitive factor?**
- 6. What is the regulatory/legal environment in Colorado and nationally?**
- 7. Are there federal grants, private investment opportunities or other funding that Springs Utilities should investigate?**
- 8. What is the permitting environment? Are there any that have been permitted in CO? Are there public land considerations? What is the build out time limit?**
- 9. What is being done domestically and internationally in areas with similar water limitations and climate and altitude are found?**
- 10. What are the opportunities for partnerships and collaboration?**
- 11. What is recommended for the frequency of UPAC re-examining this topic, including for the EIRP?**
- 12. Based on this assignments' findings, what, if any, are areas needing further evaluation by UPAC?**

UPAC Member Watson said he was disappointed in the amount of committee discussion on the nuclear assignment. He felt the presentation did not include items that he felt were necessary.

UPAC Chair Danner said that it is important to know the audience when preparing the presentation, and to remain out of the technical details. UPAC Meyer said that it is important to put forward a document that is easily understandable for the intended audience.

UPAC Alternate Member Badeau said there are benefits to having a free-flowing discussion. UPAC Chair Danner said that the committee can work through these concerns as they work through this assignment.

Board Chair Donelson suggested including an appendix to the report with the more technical data.

Board Chair Donelson said if the information that UPAC wants to discuss is more technical, they should discuss having a working session. UPAC Member Burghart asked how the board determines if there should be a Working Session. Board Chair Donelson said that recently the Utilities Board consolidated four separate monthly committee meetings into one Working Committee meeting.

4. Customer Comment

There were no customer comments.

5. Committee Member General Discussion

UPAC Member Burghart said that community members are concerned about the dynamic utility rates. Board Chair Donelson said that the time-of-day rate will be communicated to all ratepayers. The increase will be very small for the majority of Springs Utilities' customers. The reason the organization is going to this program is to efficiently handle the need of peak generation. Mr. Scott Shirola, Pricing and Rates Manager, said that the Energy Wise Time of Day rates were anticipated, researched, and benchmarked with others in the industry that have implemented time of day rates. The organization is following best practices and has intensive plans to roll this out – this includes communicating with customers. New customers and transferring customers will be put on this plan on Oct. 1, 2025 with remaining customers being added later in 2025 and into early 2026. There will be three different plan of day rates – the standard rate, the time-of-day rate, and a seasonal flat rate. Communication will begin soon with customers on impact to their bill.

UPAC Member Watson said that the legislature has been “let off the hook” by putting down mandates but not finding sources of funding for these new regulations with unknown costs.

UPAC Member Meyer said that three members participated in the June Energy Tour. This was an excellent tour and showed that employees really care about what they do. This is a great opportunity to educate the citizens in Colorado on what Springs Utilities is doing. He encouraged attendance at future tours. UPAC Alternate Member Carter said the tour was a wonderful opportunity.

UPAC Alternate Member Badeau asked when a customer would be able to see usage on an hourly basis. Mr. Shirola said that this should be visible now, but he will follow up with members of the technical team why this may not work.

UPAC Alternate Member Carter said that during the Energy Tour, he learned that slight behavior changes could result in cost savings for customers.

UPAC Alternate Member Carter will be attending the Advances in Nuclear Fuel Conference.

6. Adjournment

Chair Danner adjourned the meeting at 9:30 a.m.

Next meeting: August 6, 2025, at 8:00 a.m. in the Blue River Board Room