



COLORADO SPRINGS UTILITIES BOARD
MS Teams and Blue River Board Room
Plaza of the Rockies
121 S. Tejon Street
South Tower, 5th Floor

AGENDA

Wednesday, June 17, 2026

1:00 p.m. – 5:00 p.m.

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1:00 p.m.	1. Call to Order	Chair Donelson
1:05 p.m.	2. Invocation and Pledge of Allegiance	Chair Donelson
1:10 p.m.	3. Consent Agenda These items will be acted upon as a whole unless a specific item is called for discussion by a Board Member or a customer wishing to address the Utilities Board. (Any items called up for separate consideration shall be acted upon following Compliance Reports.) <ul style="list-style-type: none"> • Approval of May 20, 2026, Utilities Board meeting minutes 	Chair Donelson
1:15 p.m.	4. Customer Comments <ul style="list-style-type: none"> • During the customer comment period, comments are accepted for any topic not on the agenda. • Comments for specific agenda items will be taken following the presentation of the item and the Board’s discussion. • Comments will be limited to three minutes per speaker, per item. • Following the comments from customers who have signed up to speak, an announcement will be made seeking additional comments and the Board will accept all those wishing to comment. 	Chair Donelson
1:35 p.m.	5. Compliance Reports: <ul style="list-style-type: none"> • I-2 Financial Conditions and Activities (to include Contracts over \$500,000) G-7 (Quarterly January through March) • I-2 Financial Conditions and Activities – Annual City Auditors Report G-7 (Annual External) • CEO/Board Partnership Responsibilities – CEO Responsibilities <ol style="list-style-type: none"> 1. Electric Cost Adjustment/Gas Cost Adjustment 2. Water Outlook 	Travas Deal, Chief Executive Officer
1:50 p.m.	6. Items Called Off Consent Agenda	Chair Donelson

1:55 p.m.	<p>7. A Resolution for the Acquisition of Real Property at 845 West Moreno Avenue to be Used for the Rio Grande Pump Station Relocation Project <u>Vote</u> to recommend approval of a resolution authorizing the acquisition of certain real property with a total acquisition amount greater than \$100,000 for the Rio Grande Pump Station Relocation Project pursuant to Real Estate Manual Sections 4.1 and 9.6.</p>	Jessica Davis, Manager of Facility and Land Resource Services
2:05 p.m.	<p>8. Electric Integrated Resource Plan (EIRP) Update <u>Informational presentation</u> on the Electric Integrated Resource Plan.</p>	David Longrie, Manager of Energy Resource Planning and Innovation
2:50 p.m.	<p>9. Recognition</p> <ul style="list-style-type: none"> • Resolution of Appreciation for Andrew Colosimo 	Renee Adams, Chief Human Resources Officer
3:00 p.m.	<p>10. Net Metering Rate Case <u>Informational presentation</u> on a rate case regarding net metering for solar customers.</p>	Scott Shirola, Manager of Pricing and Rates
3:40 p.m.	<p>11. Board Member Updates</p>	Chair Donelson
3:45 p.m.	<p>12. Summary of Board Actions</p>	Anna Bingman, Utilities Board Administrator
3:50 p.m.	<p>13. Adjournment</p>	Chair Donelson



Minutes
Wednesday, May 20, 2026
1:00 p.m. – 5:00 p.m.
Blue River Board Room

1. Call to Order

Chair Dave Donelson called the meeting to order at 1:01 p.m.

Ms. Anna Bingman, Utilities Board Administrator, called roll.

Present – Chair Dave Donelson, Board Member Ken Casey, Board Member Lynette Crow-Iverson, Board Member Kimberly Gold, Board Member Nancy Henjum, Board Member David Leinweber, Board Member Brian Risley, Board Member Roland Rainey and Vice Chair Brandy Williams.

2. Invocation and Pledge of Allegiance

Mr. Tristan Gearhart, Chief Planning and Finance Officer, offered the invocation, and Chair Donelson led the Pledge of Allegiance.

3. Executive Session

Ms. Renee Congdon, Utilities Division Chief for the Office of the City Attorney, read the meeting into Closed Executive Session.

The Utilities Board unanimously approved the motion to go into Closed Executive Session.

The Utilities Board took a five-minute break at 1:07 p.m. to prepare the room.

The Regular Utilities Board Meeting came back into regular session at 2:18 p.m.

4. Consent Agenda

- **Approval of the April 22, 2026, Utilities Board Meeting Minutes**
- **Approval of the Excellence in Governance Policy Manual Revisions: I-8 and I-13**

Board Member Gold made a motion to approve the items on the Consent Agenda. Board Member Rainey seconded the motion. The motion to approve the Consent Agenda passed unanimously.

5. Recognition

- **2026 J.D. Power Water Utility Award - 1 in the West Mid-Sized Segment**

Ms. Leslie Smith, Supervisor of Customer Insights and Programs, informed the Board that Colorado Springs Utilities achieved the highest ranking in 2026 for the J.D. Power Water Utility Customer Satisfaction Survey for the West Mid-Sized Segment.

Ms. Smith was joined by Mr. Milo Twyford, the Customer Success Director for J.D. Power, who presented the award. Mr. Twyford explained the significance of the award, stating that Utilities is delivering reliability, communicating clearly, providing responsive service, and consistent operational excellence. The three pillars in which this award measures success are customer service, people, and ease of doing business.

Mr. Twyford stated that high trust, low customer effort and reliable service reflect strong leadership, dedicated employees, and a culture focused deeply on service to the community. Mr. Twyford congratulated staff present in the room and presented the award to Ms. Smith. Ms. Smith thanked her team for their efforts in customer engagement, as well as all other staff involved in the success of this award.

Vice Chair Williams commented that Colorado Springs Utilities has always been a supportive organization, but the staff truly help to create an environment that is enjoyable to work in and friendly to the customer.

- **Wildfire Awareness Month**

Ms. Some Mese, Chief Operations Officer, recognized May as Wildfire Awareness Month and extended her deep appreciation for the Catamount Wildland Fire Team. She noted that the Wildland Fire Team are unique and are responsible for protecting watersheds and electric infrastructure from fire.

Ms. Mese thanked the team for their leadership in ensuring the community is more prepared, resilient, and informed. Mr. Travas Deal, Chief Executive Officer, echoed Ms. Mese's comments and noted the partnership between this team and the Colorado Springs Fire Department, and how both organizations work hand in hand. Mr. Deal also informed the Board that this team is made up of individuals who work elsewhere in the organization but choose to take on this additional commitment, including maintaining certifications and training, on top of their day-to-day duties.

Vice Chair Williams reiterated the comments of Mr. Deal and Ms. Mese and thanked the team. She reflected on the Waldo Canyon Fire and how this team was one of the first responders on-site, protecting much of the Cedar Heights Subdivision.

Chair Donelson echoed the supportive comments, as well, and thanked the team.

6. **Customer Comments**

Ms. Beth Garner, a Colorado Springs Utilities Customer, has stayed engaged throughout the discussion about rooftop solar and net metering. She commented that though rooftop solar is not meant to be a major contributor to the grid, it still is one among many. She

commented that smaller systems still relieve pressure from Colorado Springs Utilities' grid and stated that rooftop solar users deserve a fair rate solution.

Mr. Rick Lynch, a Colorado Springs Utilities customer, informed the Board that the Pikes Peak Community Foundation recently conducted a survey with the community that placed the outdoor natural environment as a top priority. While he is not a solar user, Mr. Lynch said he understood the importance of environmental stewardship and urged Colorado Springs Utilities to look into ways to help solar customers finance batteries to have more efficient systems.

7. Compliance Reports:

- **I-2 Financial Conditions and Activities (to include Contracts over \$500,000) G-7 (Quarterly October through December)**
- **E-2 CEO/Board Partnership Responsibilities – Electric Cost Adjustment/Gas Cost Adjustment**

There were no presentations on these items.

- **E-2 CEO/Board Partnership Responsibilities – Water Outlook**

Mr. Justin Zeisler, Supervisor of Water Resource Planning, presented the Board with the Water Outlook for April 2026.

Board Member Leinweber asked what the status is of South Catamount Reservoir being filled, and asked Mr. Zeisler to explain why the Reservoir cannot be filled all at once. Mr. Zeisler responded that the State Dam Safety Requirements have organizations come up with a plan on how to refill and have to stop the refill at certain elevations to ensure that objectives are being met.

The challenge with this year, with lower yields from snowpack and runoff, is to hold certain levels within the required timeframe to meet safety records and standards. While there is water in storage to refill, Colorado Springs Utilities is holding back from using that due to the low inflows and Colorado River Rights being out of priority.

Next, Board Member Leinweber asked for the status of the maintenance on the dam at Mason Reservoir. Mr. Zeisler answered that Mason Reservoir is scheduled for activities this summer to repair the outlet pipe and achieve measures of dam safety. Once these repairs are complete, there is an amount that can be backfilled, however Mason Reservoir is challenging, as it is not as connected to other resources and relies on water flow coming off Pikes Peak.

Board Member Henjum commented that the presentation said there is three years of reliably met demand, but the projected storage at the end of the year drops. She asked Mr. Zeisler to explain this and elaborate on why we are not having further water restrictions. Mr.

Zeisler said this is due in part to our very robust water rights portfolio and reliable infrastructure, as well as the culture of conservation that Colorado Springs Utilities has instilled with customers.

8. Items Called Off Consent Agenda

No items were called off consent.

9. A Resolution for the Acquisition of Property from the heirs of Teresa Pallas and Eugene D. Oddone and Josephine Ida Brenners Necessary for the Kelker to South Plant Transmission Line

Ms. Jessica Davis, Manager of Facility and Land Resource Services, presented the Board with an acquisition of property related to the Kelker to South Plan Transmission Line project. This presentation included the vicinity map, property information, and background on the parcel.

Board Member Henjum asked if there is an agreement with the City on this parcel, as the Pikes Peak Greenway Trail runs through this property. Ms. Davis responded that there is currently an agreement in place with the City for the trail outside of the former Drake Power Plant property, and this trail would be added to that agreement.

Board Member Henjum made the motion to move to recommend approval of a resolution authorizing the acquisition of certain real property with a purchase price in excess of \$100,000, in accordance with the City Real Estate Manual sections 4.1 and 9.6 to the June 9, 2026, Regular City Council Meeting. Board Member Rainey seconded the motion. The motion carried unanimously. The Board agreed to put this item on the Consent Agenda.

10. Resolution Approving an Intergovernmental Agreement Regarding Twin Lakes and Turquoise Lake Aquatic Nuisance Species Mitigation

Ms. Lisa Walters, Water Resource Planner III, presented the Board with the Intergovernmental Agreement Regarding Twin Lakes and Turquoise Lakes Aquatic Nuisance Species (ANS) Mitigation. This presentation included the background, Intergovernmental Agreement Provisions, and next steps.

Board Member Gold made the motion to move to recommend approval of a resolution approving an intergovernmental agreement regarding the aquatic nuisance species mitigation in Twin Lakes and Turquoise Lake in accordance with C.R.S. section 29-1-103 to the May 26, 2026, Regular City Council Meeting. Board Member Leinweber seconded the motion. The motion carried unanimously. The Board agreed to put this item on the Consent Agenda.

11. Resolution Approving an Intergovernmental Agreement with the Southeastern Water Conservancy District (SECWCD)

Board Member Casey recused himself before this item was presented, as he is employed by the Department of the Interior, which is the parent agency of the Bureau of Reclamation,

and this item considers a contract with the Bureau of Reclamation. Board Member Casey stated that while he does not have a direct conflict with the matter at hand, he would like to recuse himself to avoid any appearance of impropriety. Board Member Casey then exited the room.

Ms. Jenny Bishop, Water Resource Planner IV, provided a presentation on an Intergovernmental Agreement with the Southeastern Colorado Water Conservancy District (SECWCD) for Regional Service Agreements. This presentation included a map of SECWCD, Reclamation Contract Number 11XX6C0005, Intergovernmental Agreements Provisions, and next steps.

Board Member Rainey made the motion to move to recommend a resolution approving an intergovernmental agreement regarding the applicability of certain provisions of a contract between Colorado Springs Utilities' and the United States Bureau of Reclamation to water service areas outside SECWCD's boundaries in accordance with C.R.S. section 29-1-203 to the May 26, 2026, Regular City Council Meeting. Board Member Crow-Iverson seconded the motion. The motion carried with a vote of 8 to 0. Due to Board Member Casey's recusal, this item could not go on the Consent Agenda and will be presented as Utilities Business.

Following the approval of the item, Board Member Casey rejoined the meeting.

12. Resolution Approving a Special Contract with Cheyenne Mountain Space Force Station for Water Augmentation Service

Ms. Bishop presented the next item, which was a special contract for water augmentation service with Cheyenne Mountain Space Force Station (CMSFS). This presentation included a map of Cheyenne Mountain Space Force Station, agreement terms and conditions, financials, and next steps.

Board Member Henjum asked how the water is delivered. Ms. Bishop answered that CMSFS accrues groundwater in their well from Fountain Creek, which includes fully consumptive water that Utilities has ownership of.

Board Member Henjum made the motion to move to recommend approval of a resolution approving a special contract for water augmentation service with Cheyenne Mountain Space Force Station in accordance with City Code sections 12.4.304 and the Excellence in Governance Policy Manual Policy I-7 to the May 26, 2026, Regular City Council Meeting. Board Member Gold seconded the motion. The motion carried unanimously. The Board agreed to put this item on the Consent Agenda.

13. Resolution Authorizing the Abandonment of the Sugarloaf Conditional Water Rights

Ms. Bishop, joined by Mr. Nathan Endersbee, Senior Attorney for the Utilities Division of the Office of the City Attorney, moved on to the next presentation, which was a resolution authorizing the abandonment of the Sugarloaf Conditional Water Rights. This presentation

included the history of the water rights, Sugarloaf Water Rights, physical and legal constraints, the conclusion, and next steps.

Board Member Henjum asked for an explanation of what “perfected” means in the context of water rights. Mr. Endersbee responded that it means the water from a conditional water right has been placed to beneficial use. It is interchangeable with the word “absolute” within the same context.

Board Member Rainey made the motion to move to recommend approval of a resolution authorizing the abandonment of certain water rights known as the Sugarloaf Conditional Water Rights to the May 26, 2026, Regular City Council Meeting. Board Member Gold seconded the motion. The motion carried unanimously. The Board agreed to put this item on the Consent Agenda.

14. CEO Employment Agreement Amendment Proposal

Ms. Renee Adams, Chief Human Resources Officer, and Ms. Tracy Lessig, Deputy City Attorney for the Office of the City Attorney, presented the Board with the employment contract amendment for the Chief Executive Officer. This presentation explained the amendments to the Employee Agreement relating to pay and benefits, legal terms, section 4.1 Non-competition, section 4.3 Confidential Information, and section 4.4 Non-disparagement.

Board Member Leinweber commented that the position of Utilities CEO is often lumped into other government positions, when the utility business is often non-government and instead corporate. He stated this is why it is important to remain competitive when it comes to hiring and retaining leadership and noted that the salary increase would be bringing this position to the median range in comparison to other utility companies that are public power and have fewer services. Board Member Leinweber stated that Colorado Springs Utilities is both unique in that it is a four-service utility and a municipal utility, with a very large budget to maintain. The changes to the contract will continue to keep Colorado Springs Utilities under steady leadership and give them the ability to attract strong leadership in coming years.

Board Member Henjum stated that she agreed with Board Member Leinweber’s statements and added that she understands the gravity of the changes to this contract, especially as most of the community is seeing rising costs. She acknowledged that this was not an easy vote to make but noted that the strong leadership at Colorado Springs Utilities is why awards like the J.D. Power award is one of Springs Utilities’ many accolades and strengths of the community. Board Member Henjum added that the previous CEO did not take a pay increase for a number of years, which created compression that put the organization at risk for future leadership.

Chair Donelson read a statement he wrote. He noted some of Mr. Deal’s accomplishments as CEO, including the effort to keep the Ray Nixon Power Plant in operation and the

recently-approved large load tariff for electric service which protects our customers from increased costs with high users of electricity. Chair Donelson commented that Mr. Deal is well-respected at the local, state, and federal levels, which benefits the community as different initiatives are introduced.

Chair Donelson made the motion to approve a contract amendment for the Chief Executive Officer, pursuant to City Code 12.1.104 and UBA-1 of the Excellence in Governance Policy Manual. Board Member Crow-Iverson seconded the motion. The motion carried unanimously.

15. Board Member Updates

Mr. Wayne Williams, Chief of Staff for the City of Colorado Springs, stated he was grateful for the partnership and collaboration with Colorado Springs Utilities under Mr. Deal's leadership.

Board Member Henjum informed the Board that Colorado Springs Utilities staff attended the most recent Fountain Creek Watershed District Board meeting to discuss recent activity and continue to build a relationship. Board Member Henjum stated that there was a great conversation following the presentation staff provided. Next, Board Member Henjum informed the Board that later that evening, there would be a Ride of Silence in honor of those who lost their lives while cycling. The ride will depart from the steps of City Hall at 7:00 p.m.

Vice Chair Williams reminded the Board that Territory Days in Old Colorado City is scheduled for Memorial Day weekend and encouraged those who were interested in attending.

16. Summary of Board Actions

Ms. Bingman provided a summary of Board Actions:

- Approved the April 22, 2026, Utilities Board meeting minutes.
- Approved the Excellence in Governance Policy Manual Revisions: I-8 and I-13.
- Recommended approval of a resolution authorizing the acquisition of certain real property with a purchase price in excess of \$100,000, in accordance with the City Real Estate Manual sections 4.1 and 9.6 to the June 9, 2026, Regular City Council Meeting on Consent.
- Recommended approval of a resolution approving an intergovernmental agreement regarding the aquatic nuisance species mitigation in Twin Lakes and Turquoise Lake in accordance with C.R.S. section 29-1-103 to the May 26, 2026, Regular City Council Meeting on Consent.
- Recommended a resolution approving an intergovernmental agreement regarding the applicability of certain provisions of a contract between Colorado Springs Utilities' and the United States Bureau of Reclamation to water service areas outside SECWCD's boundaries in accordance with C.R.S. section 29-1-203 to the May 26, 2026, Regular City Council Meeting as Utilities Business.

- Recommended approval of a resolution approving a special contract for water augmentation service with Cheyenne Mountain Space Force Station in accordance with City Code sections 12.4.304 and the Excellence in Governance Policy Manual Policy I-7 to the May 26, 2026, Regular City Council Meeting on Consent.
- Recommended approval of a resolution authorizing the abandonment of certain water rights known as the Sugarloaf Conditional Water Rights to the May 26, 2026, Regular City Council Meeting on Consent.
- Approved a contract amendment for the Chief Executive Officer, pursuant to City Code 12.1.104 and UBA-1 of the Excellence in Governance Policy Manual.

17. Adjournment

Chair Donelson adjourned the meeting at 3:50 p.m.



Date: June 17, 2026

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report
Financial Condition and Activities (I-2)**

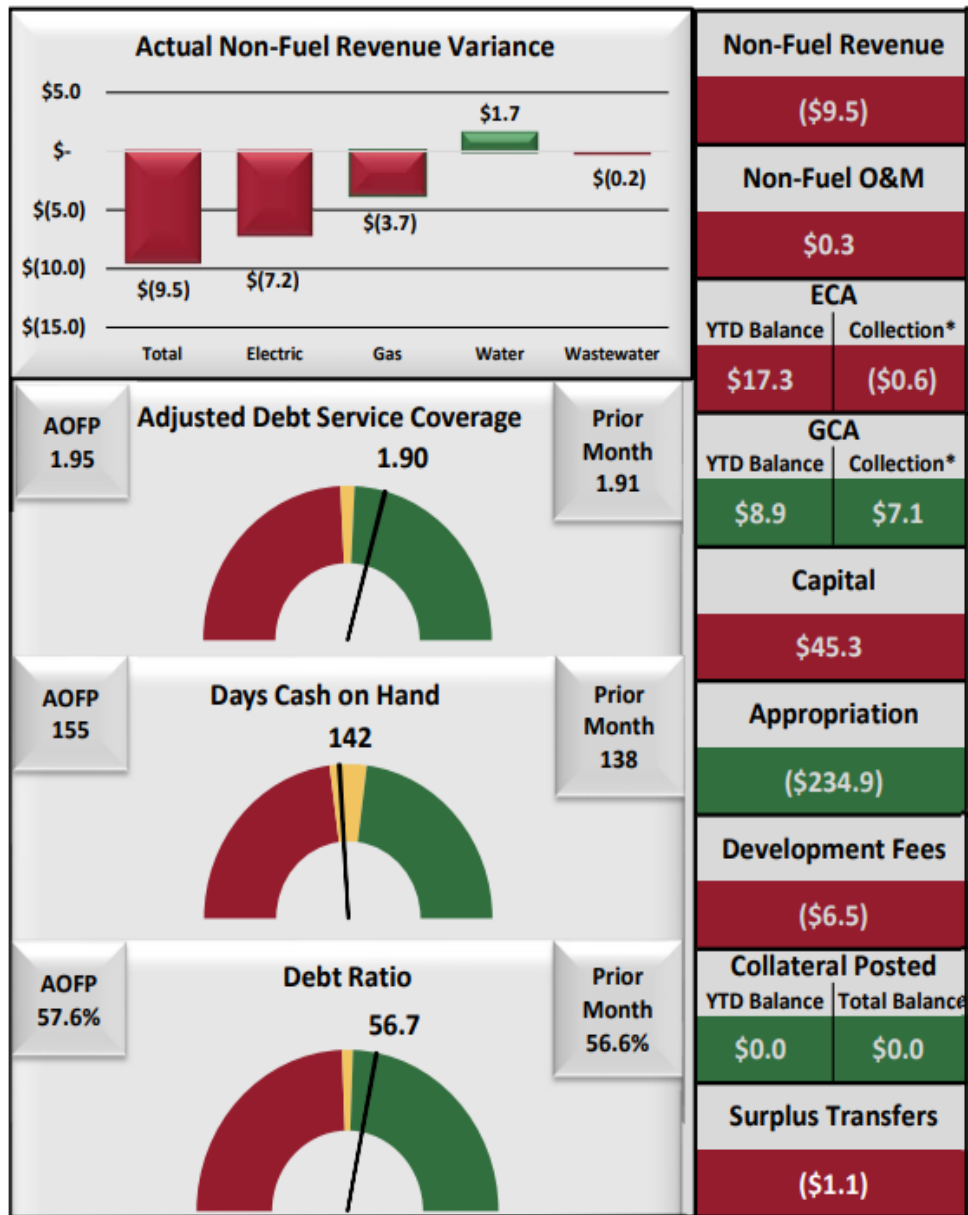
Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	January 1, 2026 – March 31, 2026
Policy Title (Number):	Financial Condition and Activities (I-2)	Reviewing Committees:	Finance; Program Management Review
Monitoring Type:	Internal; City Auditor	Monitoring Frequency:	Quarterly, Annually
Guidelines:	Local Vendor (G-7)		

The Chief Executive Officer shall direct that financial condition and activities, and actual expenditures are consistent with Board Expected Results. Accordingly, the CEO shall:

1. *Operate within total appropriations for the fiscal year and inform the Utilities Board of:*
 - a. *Significant financial variances*
 - 2026 Total Use of Funds \$2.00 billion a decrease of \$(234.9) million or (10.5)% from the 2026 Approved Budget of \$2.24 billion.
 - Fuel expenses are projected to be \$(271.4) million or (50.8)% under the approved budget primarily due to lower actual 2026 natural gas prices than those projected at the time of the 2026 budget appropriation.
 - Operating revenues are \$(34.2) million or (10.7)% under the approved budget due to a decrease in fuel costs that are being reflected in lower ECA / GCA revenue.
 - Capital expenses are projected to be \$45.3 million or 4.8% over the approved budget primarily related to Operational Fiber Network increase to make up for estimated 18-month delay caused by contractor delivery issues in 2022-2025.



b. Expenditures that exceed the Federal Energy Regulatory Commission capital and operating and maintenance budget classifications in electric, natural gas, water, wastewater, and common.

	O&M	Capital
Electric	\$ (122,113)	\$ 21,239
Gas	\$ (148,075)	\$ 4,604
Water	\$ 394	\$ (10,500)
Wastewater	\$ (243)	\$ 28,531
A&G and Common	\$ (942)	\$ 1,427
Utilities Total	\$ (270,979)	\$ 45,302

Note: O&M is both fuel and non-fuel, non-fuel is over by \$0.3 million

2. Budget transfers, canceled major capital projects, or new major capital projects not funded in the Approved Budget over \$1,000,000

Project Over/Under Runs						
Activity #	Project Name	Service Line	Investment Type	2026 AAFP	Change	New Budget
193952	Operational Fiber Network	Electric	Regulatory	\$52,445,000	\$50,874,740	\$103,319,740
194144	SEP - Horizon Power Plant	Electric	Reliability	\$385,937,759	(\$16,682,603)	\$369,255,156
495436	EWSE Phase 1 - New Lift Stations and Force Mains	Wastewater	Growth	\$9,449,038	\$11,044,409	\$20,493,447
394787	Penrose Water Supply	Water	Reliability	\$12,800,000	(\$10,200,000)	\$2,600,000
495435	EWSE Phase 1 - Upper and Lower Crosstown Interceptor	Wastewater	Growth	\$9,685,264	\$10,015,901	\$19,701,165
495356	Northern Monument Creek Interceptor	Wastewater	Growth	\$32,500,000	\$7,810,689	\$40,310,689
394652	WOLF and UBG Pressure Zone Interconnection - North Segment, Phase 1 of 2	Water	Regulatory	\$8,221,000	(\$6,711,639)	\$1,509,361
194029	Santa Fe Substation - Add New Transformer, Switchgear, and Feeders	Electric	Growth	\$8,860,000	(\$6,363,603)	\$2,496,397
193884	APIP - Claremont Substation - Add Transformer, Switchgear, and Feeders	Electric	Regulatory	\$7,440,829	\$5,386,371	\$12,827,200
293207	SEP - Downtown and Military Gas Supply Resiliency Project	Natural Gas	Regulatory	\$3,320,000	\$5,184,359	\$8,504,359
495437	EWSE Phase 1 - Milton Proby Interceptor	Wastewater	Growth	\$4,488,293	\$5,119,831	\$9,608,124
194107	Briargate Substation - Add New Transformer, Switchgear, and Feeders	Electric	Growth	\$11,166,679	(\$4,833,081)	\$6,333,598
394476	Rosemont Pipeline Replacement	Water	Reliability	\$4,505,647	(\$4,386,150)	\$119,497
194136	USAFA - 34kV OH to UG - Oak Valley Tap to Tesla	Electric	Reliability	\$683,682	\$3,307,768	\$3,991,450
194028	Fuller Substation - Add Two New Feeders	Electric	Growth	\$4,600,000	(\$3,000,000)	\$1,600,000
495401	WW Lift Station and Force Main NMCI Related Infrastructure Improvement Program	Wastewater	Growth	\$450,000	\$2,750,002	\$3,200,002
394832	Mason-McReynolds 20 inch Transfer Line	Water	Regulatory	\$1,700,000	\$2,600,000	\$4,300,000
394722	Pine Valley & McCullough DOVE Disinfection Improvements	Water	Reliability	\$500,000	\$2,294,530	\$2,794,530
194139	Airport Peak Innovation Park (APIP) Transmission & Substation Project	Electric	Reliability	\$6,000,000	(\$1,930,000)	\$4,070,000
193877	SEP Kelker-South Plant New 115kV Transmission Line	Electric	Regulatory	\$12,214,591	(\$1,915,244)	\$10,299,347
293179	DIMP - Gas High-Pressure Distribution System Renewals	Natural Gas	Regulatory	\$2,500,000	(\$1,725,000)	\$775,000
394575	Potable Water Tank Refurbishment/Replacement Program	Water	Reliability	\$12,059,819	(\$1,694,823)	\$10,364,996
293182	DIMP - Gas Projects	Natural Gas	Regulatory	\$230,000	\$1,645,000	\$1,875,000
180283	Public Improvements-Electric	Electric	Reliability	\$258,063	\$1,600,000	\$1,858,063
495371	LVSRRF I&C Improvements	Wastewater	Reliability	\$1,900,000	(\$1,550,000)	\$350,000
194026	Patty Jewett Substation - Add New Transformer, Switchgear, Feeders, and Retire Memorial Hospital Sub	Electric	Growth	\$5,937,561	(\$1,266,573)	\$4,670,988
293180	DIMP - Gas Coated Steel Renewals	Natural Gas	Regulatory	\$2,125,000	(\$1,250,000)	\$875,000
280024	Public Improvements-Gas	Natural Gas	Reliability	\$242,931	\$1,100,000	\$1,342,931
194154	Substations Power Transformer Purchases	Electric	Reliability	\$2,838,314	\$1,099,666	\$3,937,980
394691	Ute Pass WTP Improvements Program	Water	Reliability	\$500,000	\$1,065,000	\$1,565,000
495475	LVTPO6 Complete Interior Renovation Project	Wastewater	Growth	\$500,000	\$1,020,841	\$1,520,841
394846	Las Animas Consolidated Company Shares Acquisition	Water	Reliability	\$3,000,000	\$1,000,000	\$4,000,000
Total				\$609,059,470	\$51,410,391	\$660,469,861

Cancelled / Delayed Projects						
Activity #	Project Name	Service Line	Investment Type	2026 AAFP	Change	New Budget
495402	LVSRRF RAS Pump Replacement	Wastewater	Reliability	\$4,000,000	(\$4,000,000)	\$0
194105	Project Falcon - Enhanced feed from North Plant - T&M	Electric	Reliability	\$2,500,000	(\$2,500,000)	\$0
194104	Project Falcon - Express Feed from Rampart (main feed)	Electric	Growth	\$2,500,000	(\$2,500,000)	\$0
293209	GPAP XLE Compressor Replacement	Natural Gas	Reliability	\$2,000,000	(\$2,000,000)	\$0
193885	Kelker 12.5kV Feeder Addition	Electric	Reliability	\$1,500,000	(\$1,500,000)	\$0
495467	CSRRRF Gas and Steam System Improvements	Wastewater	Reliability	\$1,159,480	(\$1,159,480)	\$0
495410	LVSRRF UV Disinfection Electrical System Improvements	Wastewater	Reliability	\$1,000,000	(\$1,000,000)	\$0
Total				\$14,659,480	(\$14,659,480)	\$0

New or Advanced Projects						
Activity #	Project Name	Service Line	Investment Type	2026 AOFB	Change	New Budget
394677	Water Treatment Capital Improvements	Water	Regulatory	\$0	\$1,703,884	\$1,703,884
193978	SEP Horizon BESS	Electric	Reliability	\$0	\$1,479,206	\$1,479,206
596786	Dispatch radio console replacement	Common	Reliability	\$0	\$1,385,955	\$1,385,955
394857	MCTP01 Boiler 1 and 2 Complete Replacement	Water	Reliability	\$0	\$1,065,954	\$1,065,954
394749	Highline Pressure Zone Extension and Redundant Supply	Water	Growth	\$0	\$1,000,002	\$1,000,002
Total				\$0	\$6,635,001	\$6,635,001

Summary			
Category	2026 AOFB	Change	New Budget
Total I-2 Reportable Changes	\$623,718,950	\$43,385,912	\$667,104,862
Total Other Changes	\$324,482,287	\$1,916,512	\$326,398,799
Grand Total	\$948,201,237	\$45,302,424	\$993,503,661

5-year Capital Outlook (in thousands)					
Category	2025	2026	2027	2028	2029
AOFB Budget*	\$628,752	\$948,201	\$860,019	\$812,512	\$758,300
I-2 Forecast	\$653,592	\$993,504	\$778,215	\$774,769	\$852,329
Variance	\$24,839	\$45,302	(\$81,805)	(\$37,743)	\$94,029
5-year Total Variance					\$44,623

* Based on 2026 approval
Actuals in green

3. *Invest funds in accordance with Bond Ordinance requirements and Utilities Investment Plan.*

All cash and investments are in U.S. Treasury Notes, U.S. Agency securities, repurchase agreements, Local Government Investment Pools, and secured bank accounts that comply with Bond Ordinance investment requirements and the Colorado Springs Utilities Investment Plan.

4. *Ensure controls are in place for receiving, processing, or disbursing funds and allow only bonded personnel access to material amounts of funds.*

Colorado Springs Utilities maintains adequate controls that are reviewed annually by an external auditor. Appropriate personnel have access to material amounts of funds. In addition, the City of Colorado Springs' Risk Management team has expanded insurance coverage of high-risk employees through a shared Crime Insurance Policy, which affords a financial backstop for employee theft, forgery, money order tampering, counterfeit money, and other elements of potential fraud and misappropriation.

5. *Ensure receivables are resolved within a reasonable grace period.*

Days Sales Outstanding (DSO) is the average number of days receivables remain outstanding before being collected. At the end of the first quarter of 2026, there is 20.80 of DSO. This is an improvement from fourth quarter of 2025 which was 26.50.

6. *Settle payroll and debts in a timely manner.*

These conditions have been achieved as of this monitoring report.

7. *Ensure tax payments or other government ordered payments are timely and materially accurate.*

These conditions have been achieved as of this monitoring report.

8. *Operate within the applicable sections of the Colorado State Procurement Code and Springs Utilities procurement policies and procedures assuring legal and fiscal compliance with competitive acquisition practices, conflict of interest, favoritism and procurement from local vendors.*

Colorado Springs Utilities maintains written purchasing regulations that assure legal and fiscal compliance with competitive acquisition practices, avoid conflicts of interest, avoid favoritism, and promote procurement from local vendors. Total spending associated with purchase orders and contracts with local area addresses at 29.3% for the first quarter, with a target of 30%.

9. *Inform the Utilities Board of significant financial impacts on the Municipal Government.*

During the first quarter of 2026, there were no significant financial impacts on the Municipal Government.



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

Natalie Lovell
City Auditor, CIA, MBA, CCIFP, PMP

26-09 Colorado Springs Utilities Board Instruction I-2, Financial Conditions and Activities

June 2026

Purpose

The purpose of this high-level compliance review was to determine whether Colorado Springs Utilities (Utilities) complied with Utilities Board Instructions to the Chief Executive Officer, Policies I-2, Financial Condition and Activities. In addition to verifying management's 2025 quarterly and semi-annual monitoring reports, our objectives included assurance that any known violations were reported to the Utilities Board.

Highlights

Based on our review, we concluded that Colorado Springs Utilities and the Chief Executive Officer were in compliance with Utilities Board Instructions to the Chief Executive Officer, Policies I-2, Financial Condition and Activities.

The Office of the City Auditor (OCA) completed our review as directed by the Utilities Board. Under Policy Guidelines- G-3, Compliance Report Frequency and Method, the OCA was required to monitor compliance with Policy I-2, Financial Condition and Activities, annually.

Policy I-2 states, "The Chief Executive Officer shall direct that financial condition and activities, and actual expenditures are consistent with Board expected results". Our audit included verifying the accuracy and reliability of statements in the monitoring reports prepared by Colorado Springs Utilities for the Utilities Board. Procedures included obtaining supporting documents, policies, reports, and data recalculations.

We would like to thank Utilities staff for their supportive cooperation during this review.



Date: June 17, 2026

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report**
Utilities Board/Chief Executive Officer Partnership Expectations (E-2)

Desired Action: Monitoring

EXPECTATIONS	
Category:	Utilities Board/Chief Executive Officer Partnership Expectations
Policy Number:	E: 2 (Chief Executive Officer Responsibilities)

The Utilities Board and the Chief Executive Officer work in partnership to achieve excellence in governance and operations to attain long-term organizational success and sustainability.

Electric Cost Adjustment (ECA)

On March 24, 2026, City Council approved the ECA rate of \$0.0233 per kWh effective April 1, 2026. As of April 30, 2026, the ECA over collection balance was \$16.9 million. The over collection balance changed by \$0.4 million from the \$17.3 million over collection balance reported last month. Utilities will continue to provide regular updates to the Utilities Board as appropriate.

Gas Cost Adjustment (GCA)

On March 24, 2026, City Council approved the GCA rate of \$0.1994 per Ccf effective April 1, 2026. As of April 30, 2026, the GCA over collection balance was \$10.3 million. The over collection balance changed by \$1.4 million from the \$8.9 million over collection balance reported last month. Utilities will continue to provide regular updates to the Utilities Board as appropriate.

Water Outlook

May 2026 Water Outlook: Data as of May 31, 2026

Local Conditions: May brought below normal temperatures and below average precipitation to the region.

Water Demands: May water use averaged 67.3 million gallons per day (MGD), which was about 0.7% more than last April. Year-to-date water use averaged 7.7 billion gallons (BG), which was about 0.27 billion gallons more than 2025. Total system storage is currently at

75% of capacity, equating to approximately 2.9 years of demand in storage, based on the past 3 years of demand. Local storage currently holds enough water to meet approximately 225 days of demand, based on average usage.

Climate Summary: Temperatures in May were average at 56.2 degrees Fahrenheit. Total precipitation for May was 0.95 inches, which is below normal.

Current Reservoir Levels: Local storage is currently at about 41,686 acre-feet (72% of capacity). The 1991-2020 average is 81% of capacity. Rampart Reservoir is at 87% of capacity, and Pikes Peak storage is at 46% of capacity. System wide, total storage is about 196,700 acre-feet (75.1% of capacity). Last year at this time, total system wide storage was 79% of capacity. It was about 72% at this same time in 2023, about 73% of capacity in 2022, about 71% of capacity in 2021, and about 80% of capacity in 2020. The 1991-2020 normal system wide storage for the end of May is 7.3% of capacity.

Water Supply Outlook: The U.S. Drought Monitor indicates varying drought conditions across the country, with 23% of the U.S. experiencing no drought conditions. In Colorado, 0% of the state is currently free from drought conditions, a 34-percentage point decline since the beginning of 2025. There have been some notable increases in the drought conditions across the state over the 2025 calendar year.

Looking ahead, the Seasonal Drought Outlook predicts drought persistence is likely in Northwestern Colorado with drought development likely in Central and Southern Colorado between now and May 31, 2026. The three-month climate outlook predicts Central and Southern Colorado have a slightly higher chance of above normal temperatures. The three-month outlook is also forecasting near normal precipitation across most of the state, with a small portion of southeast Colorado showing a slightly reduced likelihood of precipitation.

Operational Notes: Mason Reservoir capacity remains restricted for maintenance.



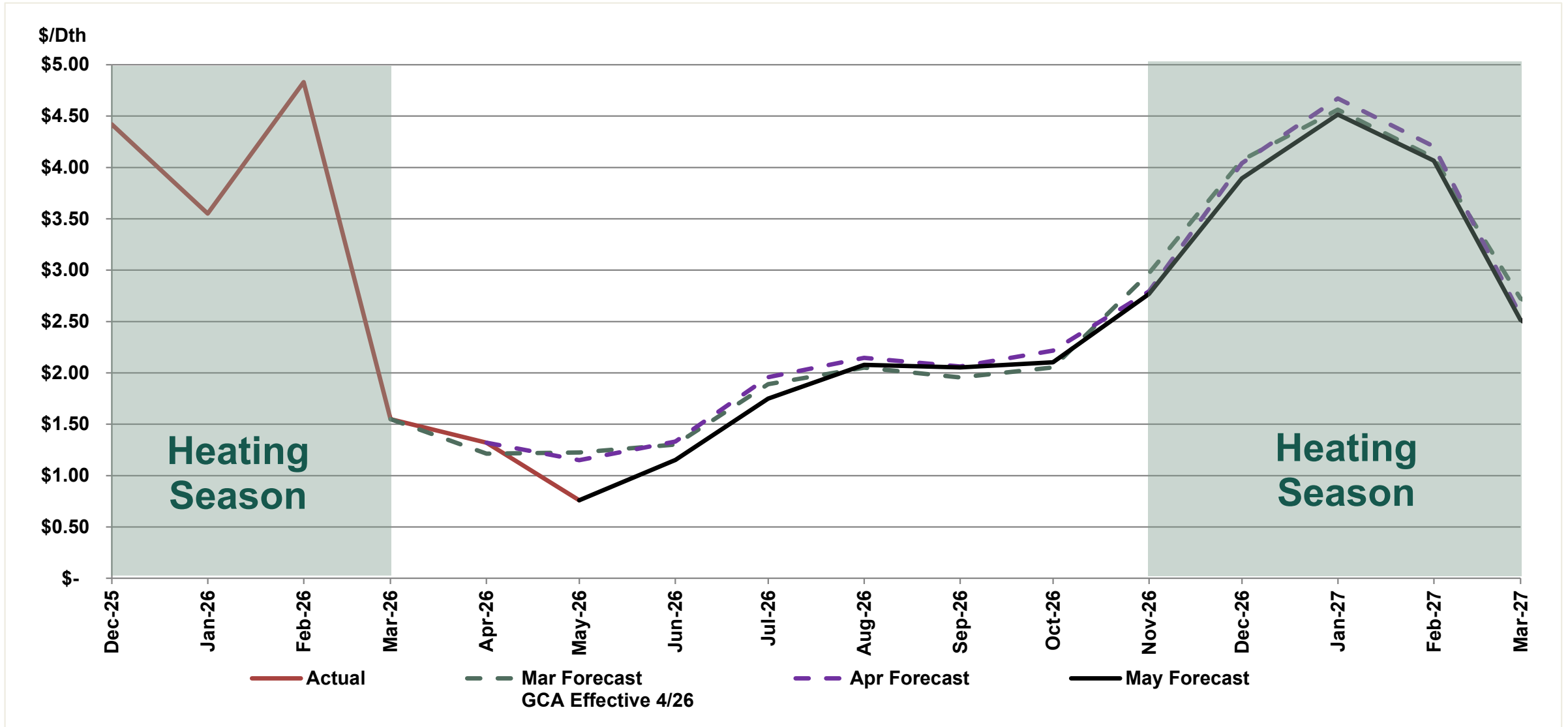
Colorado Springs Utilities
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Electric Cost Adjustment Gas Cost Adjustment

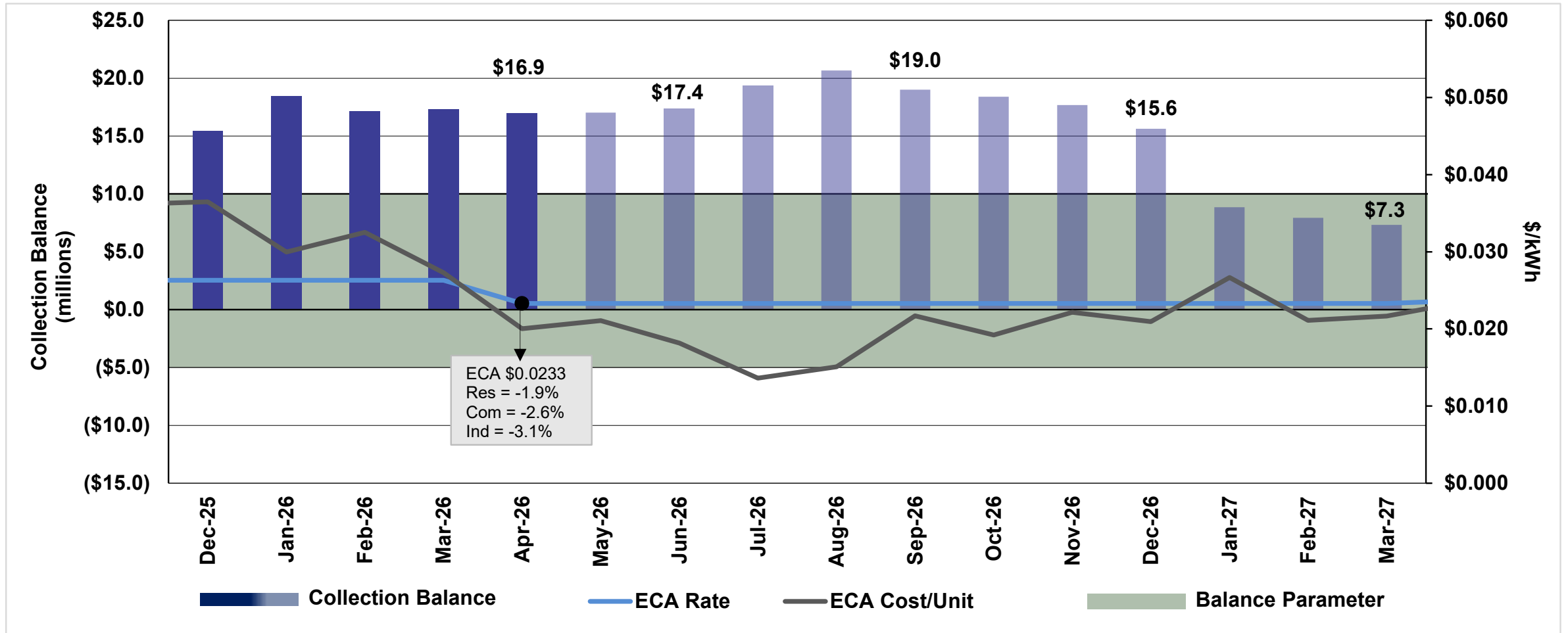
Scott Shirola, Pricing and Rates Manager

June 17, 2026

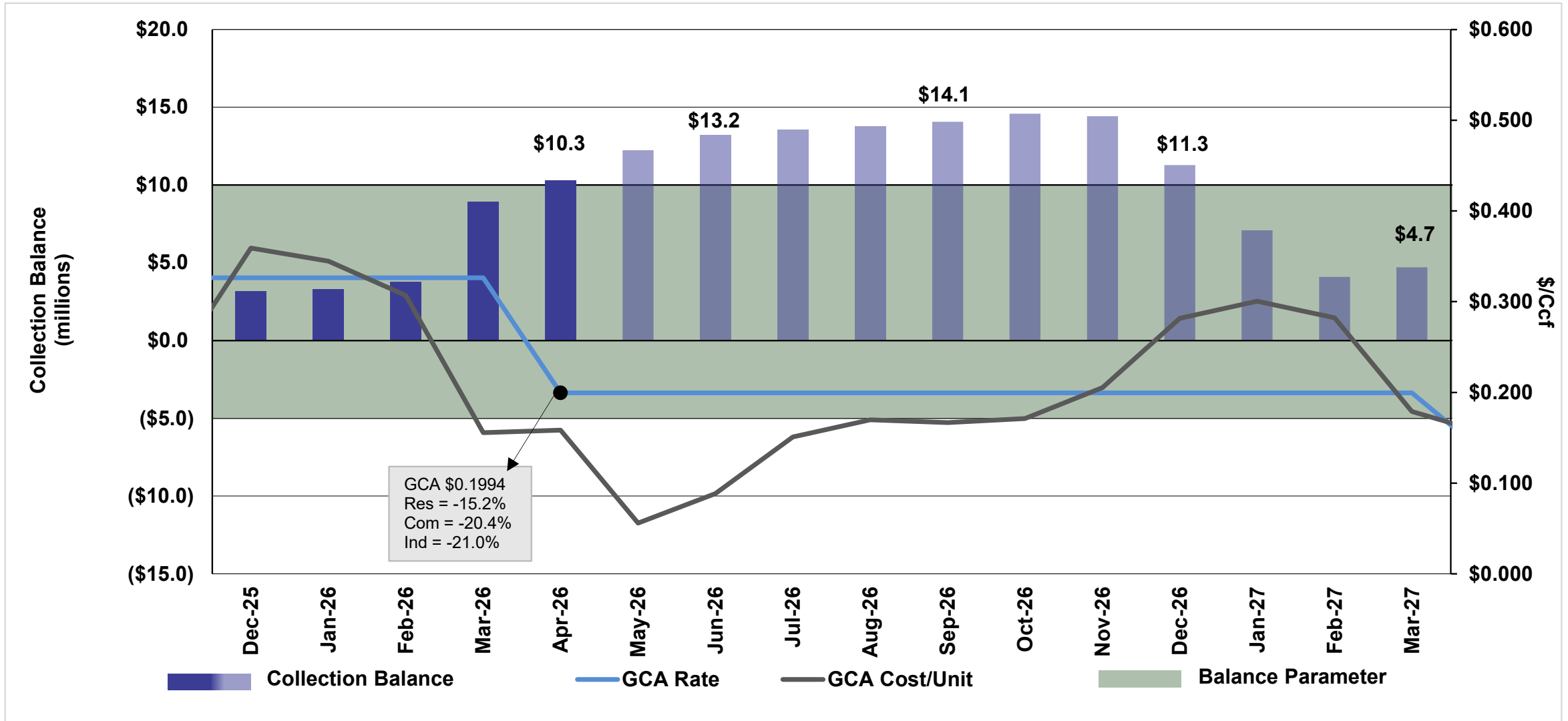
Natural Gas Prices as of May 1, 2026



ECA Projections May 2026



GCA Projections May 2026





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Water Outlook

Justin Zeisler, P.E.

Supervisor, Water Resource Planning

June 1, 2026

Local Weather Conditions as of May 31, 2026

Precipitation (Inches of Moisture)

- May 2026 – 0.95 in. (48% of normal)
- 2026 YTD Total – 3.98 in. (82% of normal)

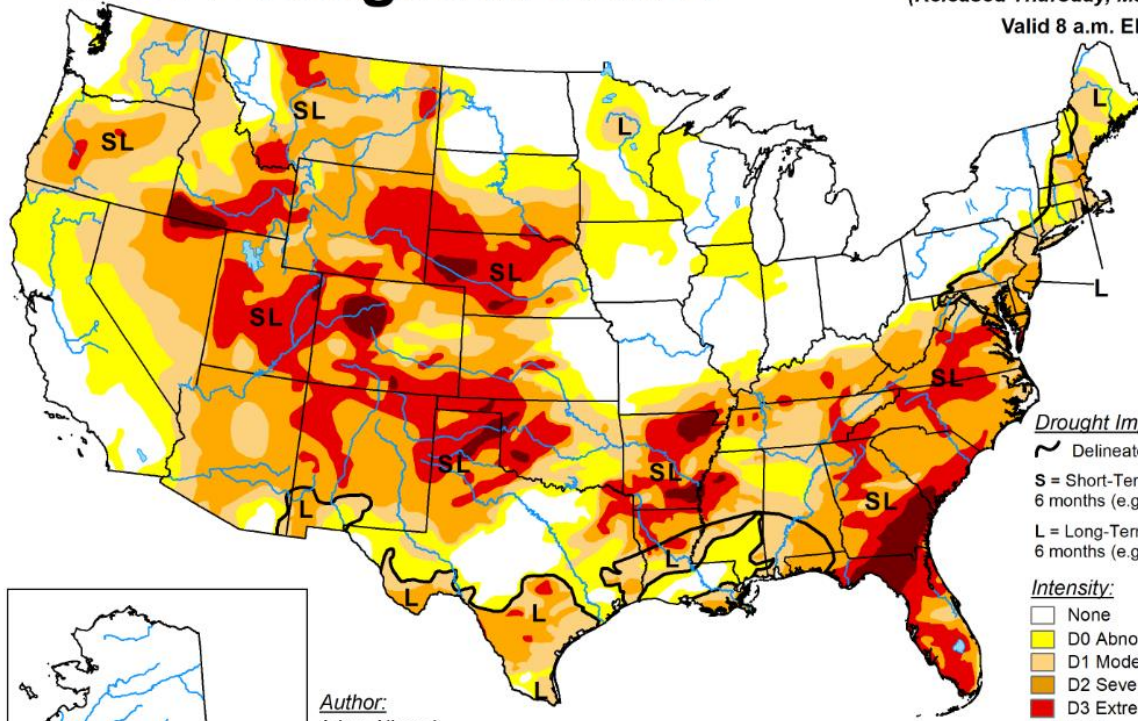
Average Temperature

- May 2026 – 56.2 °F (0.9 °F below normal)
- 2026 YTD Average – 46.2 °F (4.0 °F above normal)



U.S. Drought Monitor

May 26, 2026
 (Released Thursday, May. 28, 2026)
 Valid 8 a.m. EDT



Drought Impact Types:

- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

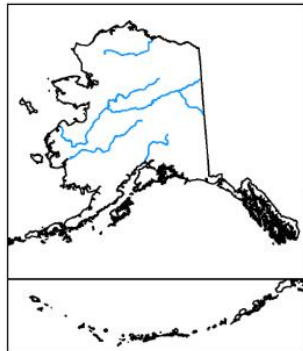
Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

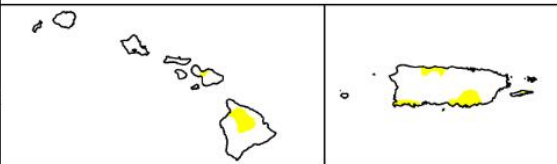
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



droughtmonitor.unl.edu

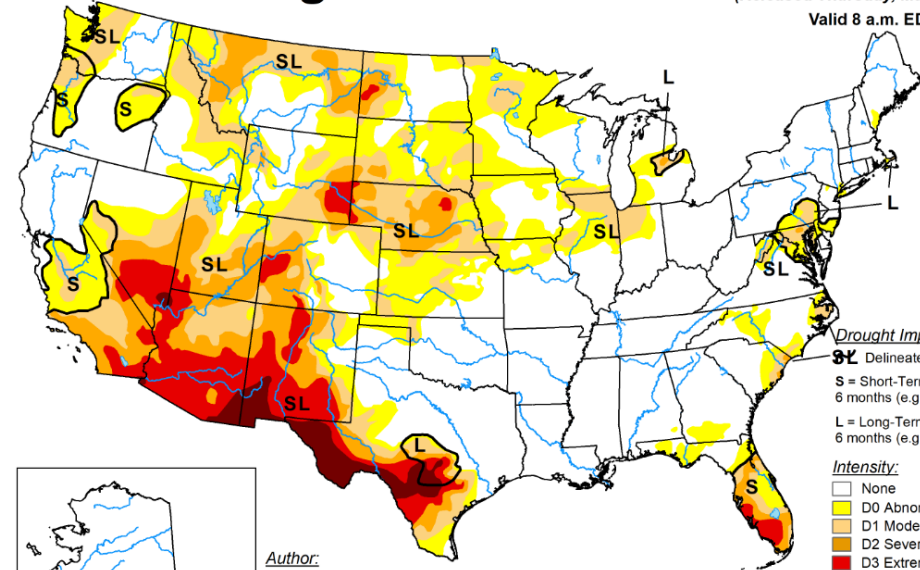


Author:
 Adam Allgood
 NOAA/NWS/NCEP/CPC



U.S. Drought Monitor

May 27, 2025
 (Released Thursday, May. 29, 2025)
 Valid 8 a.m. EDT



Drought Impact Types:

- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

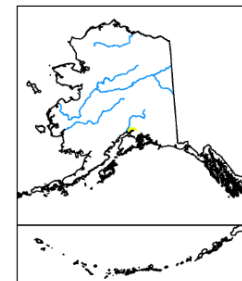
Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

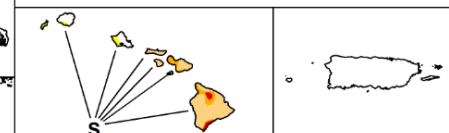
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



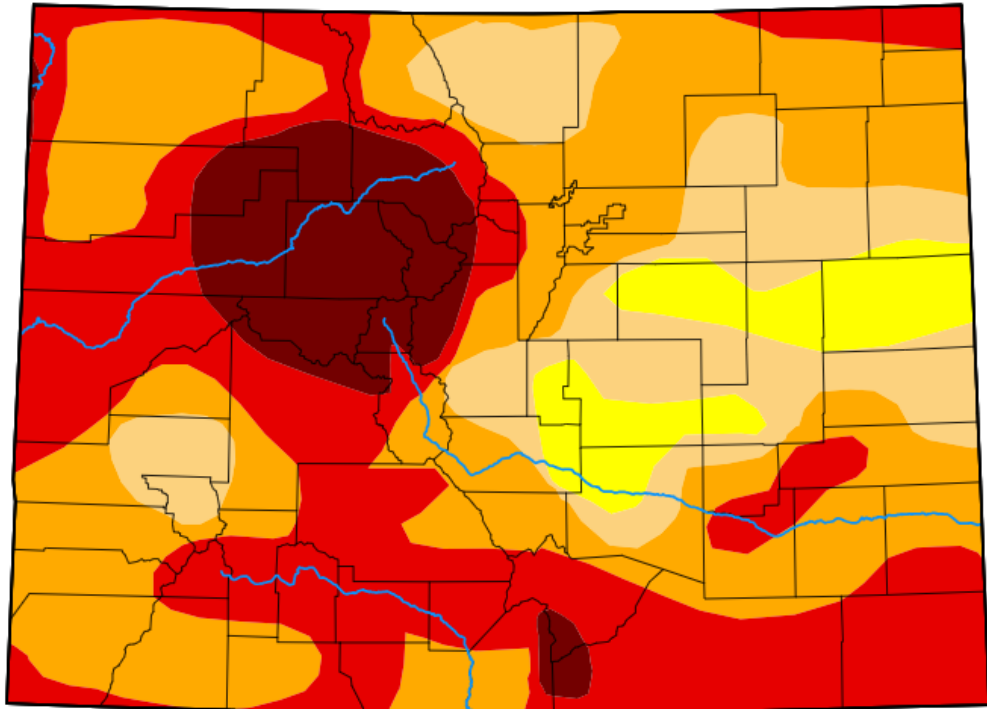
droughtmonitor.unl.edu



Author:
 Brad Pugh
 CPC/NOAA










Colorado



Map released: Thurs. May 28, 2026

Data valid: May 26, 2026 at 8 a.m. EDT

Intensity

-  None
-  D0 (Abnormally Dry)
-  D1 (Moderate Drought)
-  D2 (Severe Drought)
-  D3 (Extreme Drought)
-  D4 (Exceptional Drought)
-  No Data

Authors

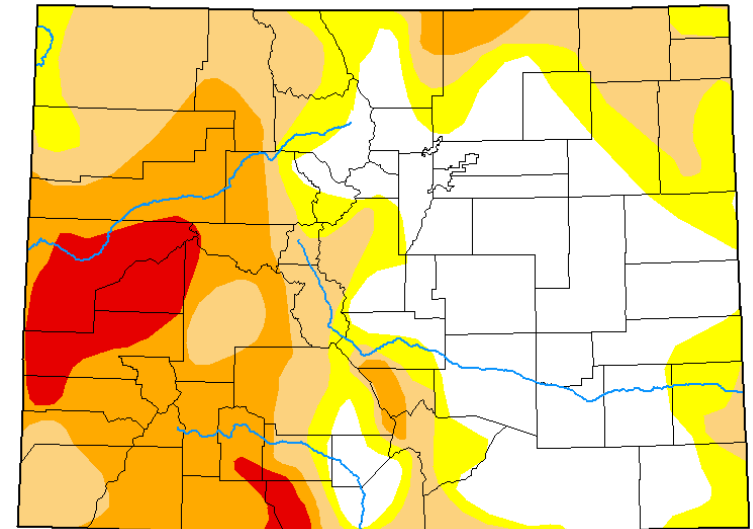
United States and Puerto Rico Author(s):

[Adam Allgood](#), NOAA/NWS/NCEP/CPC

Pacific Islands and Virgin Islands Author(s):

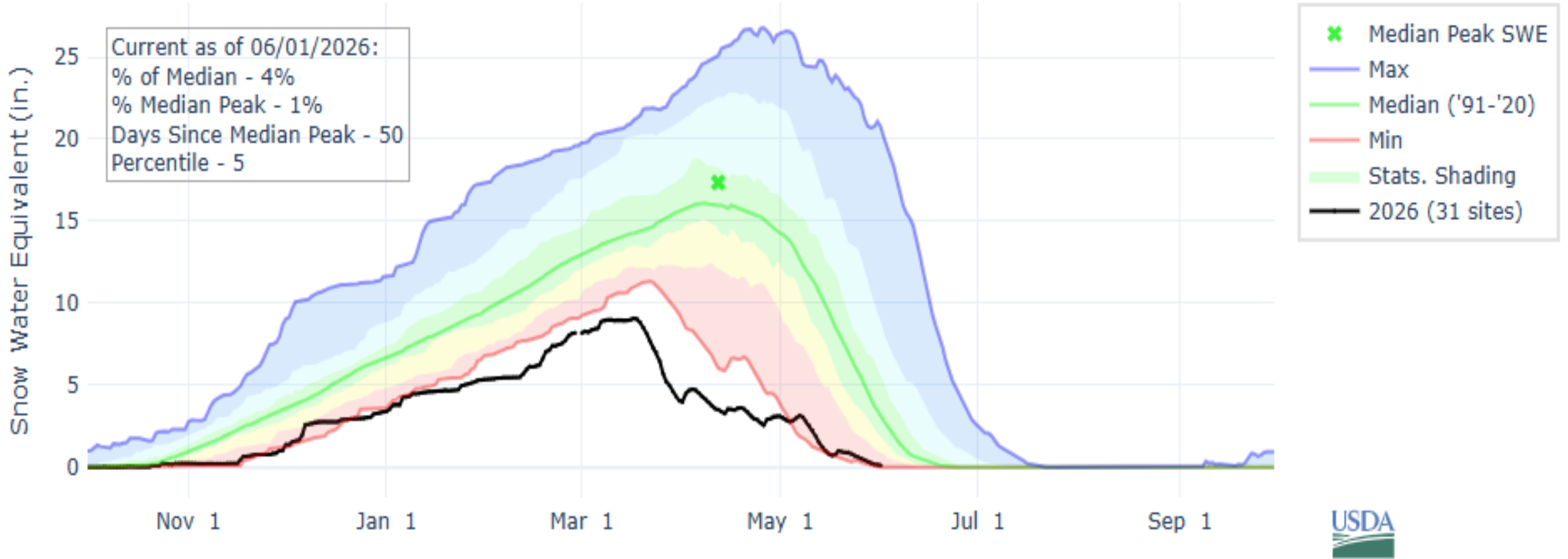
[Rocky Bilotta](#), NOAA/NCEI

May 2025



SNOW WATER EQUIVALENT IN COLORADO HEADWATERS

**Snowpack in the Colorado River
Headwaters Basin is 4% of normal
as of June 1, 2026**



Snowpack in the Arkansas River Basin is 18% of normal as of June 1, 2026

SNOW WATER EQUIVALENT IN ARKANSAS

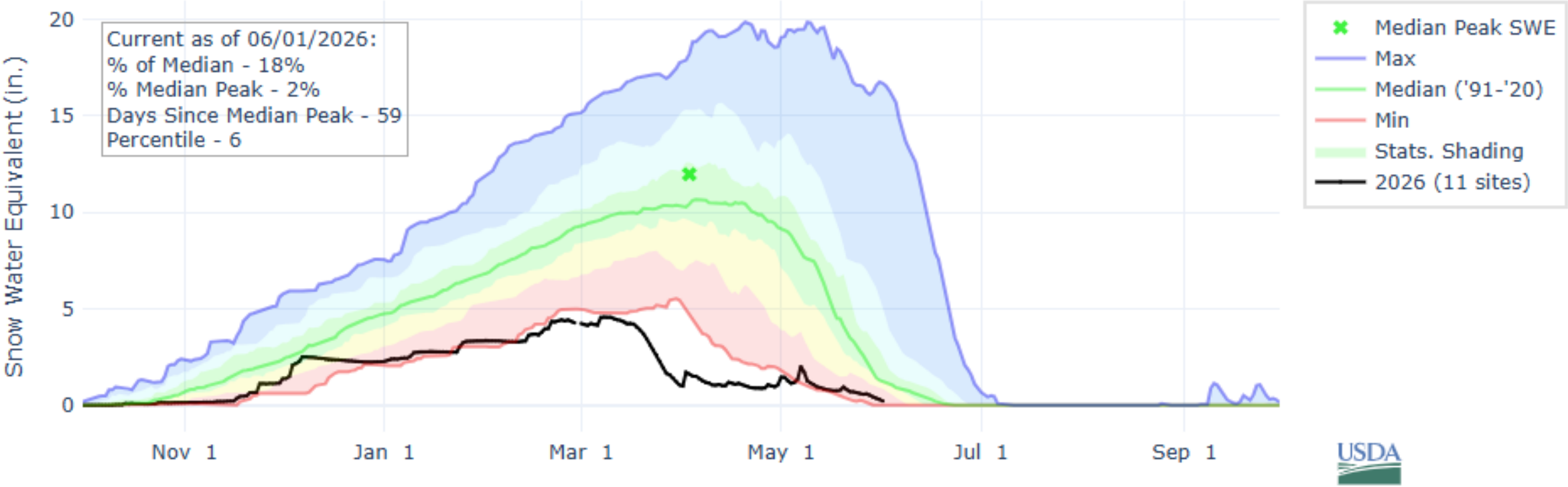
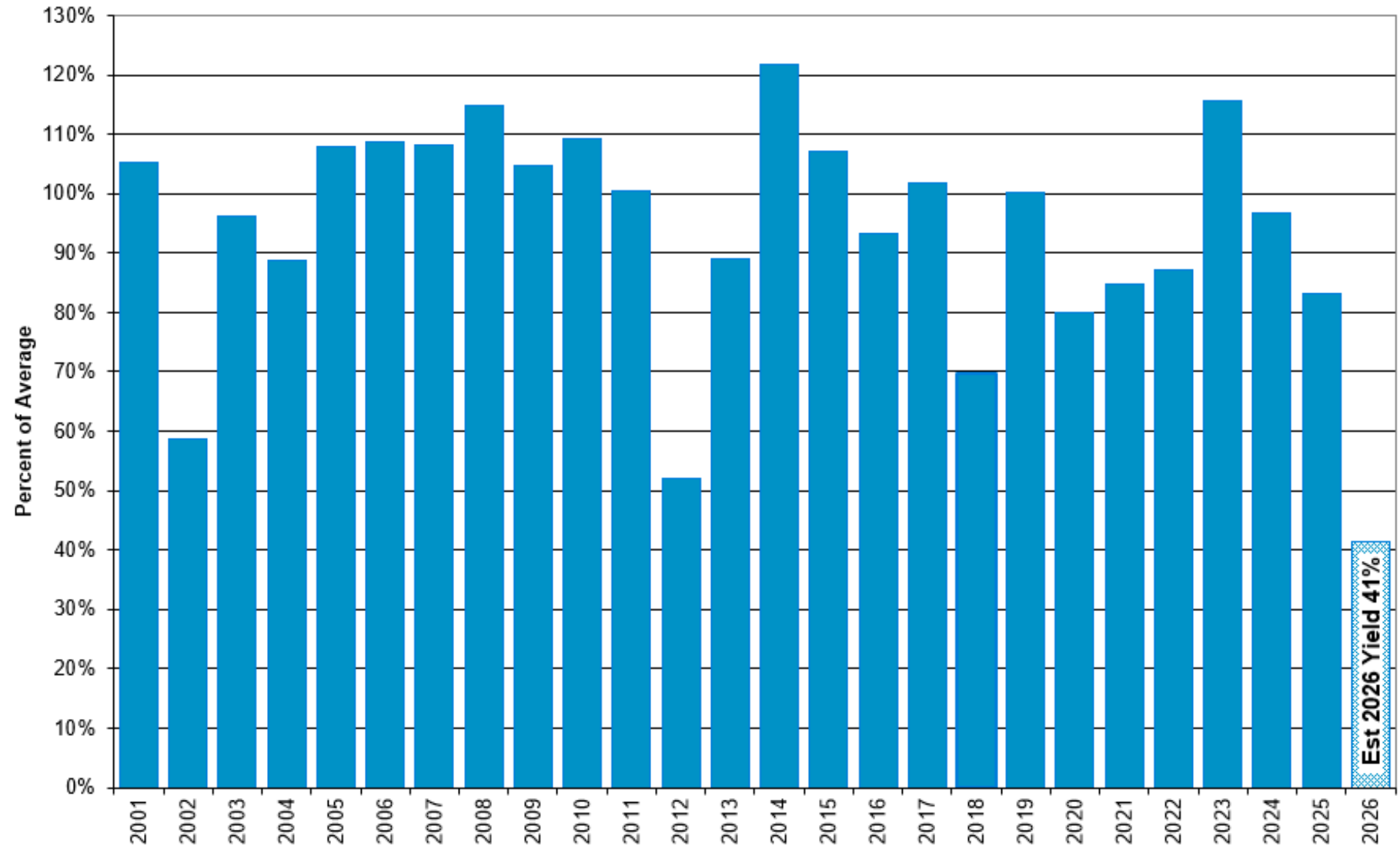


Chart Area

Colorado Springs Water Yields 2001 - 2026 Percent of Average Yield



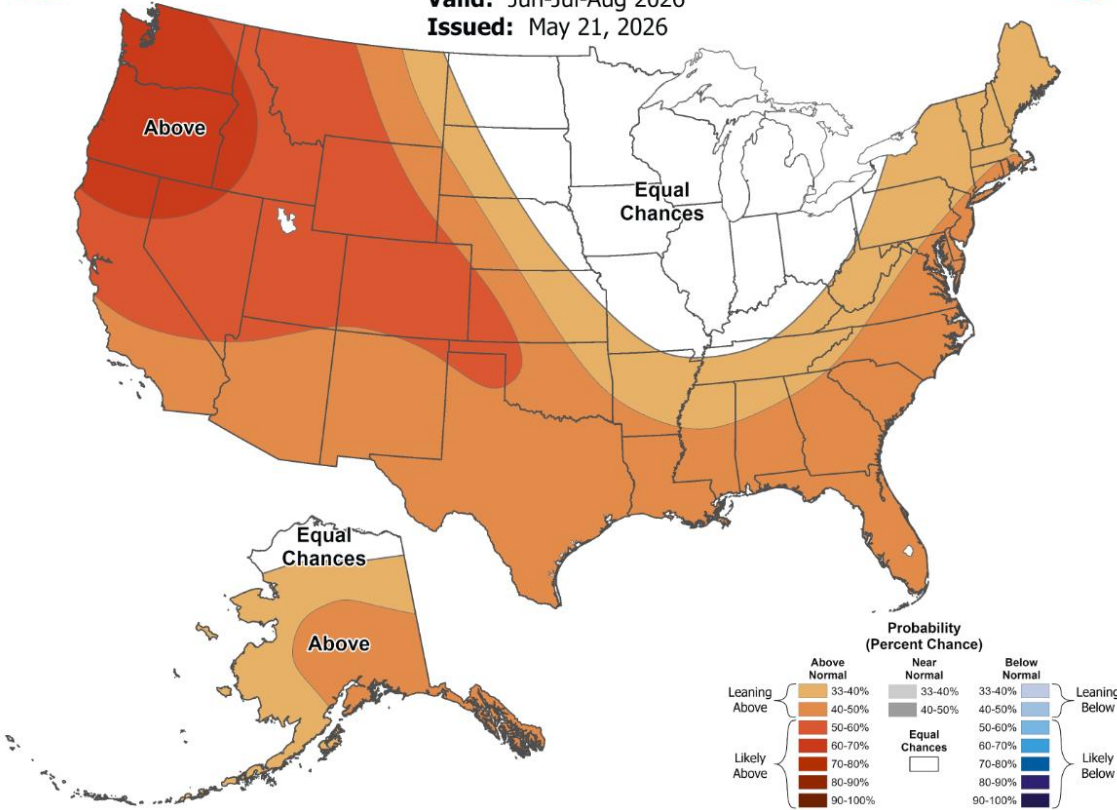
Seasonal Outlook

Climate Prediction Center



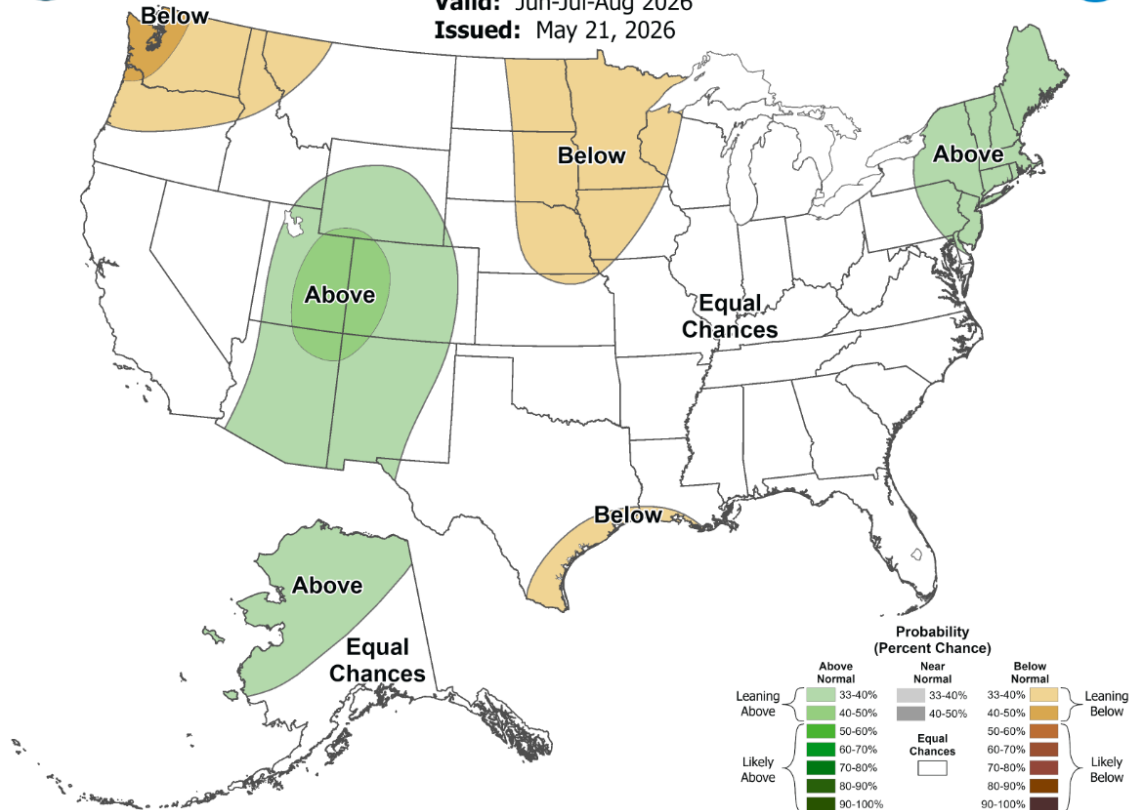
Seasonal Temperature Outlook

Valid: Jun-Jul-Aug 2026
Issued: May 21, 2026



Seasonal Precipitation Outlook

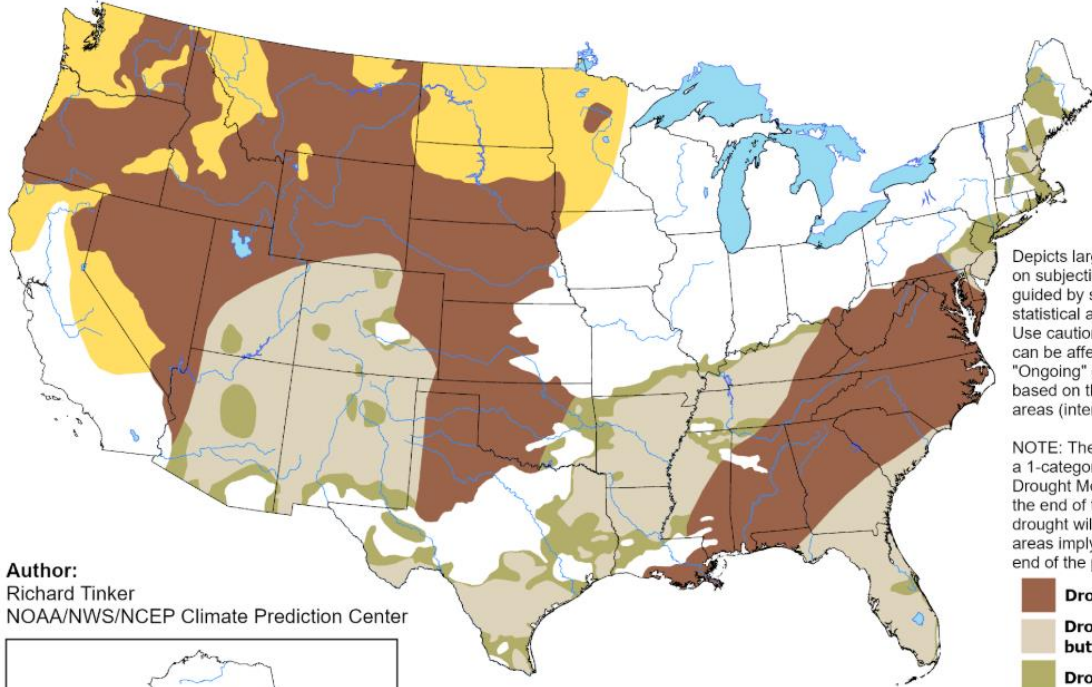
Valid: Jun-Jul-Aug 2026
Issued: May 21, 2026



U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for May 21 - August 31, 2026
Released May 21, 2026



Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

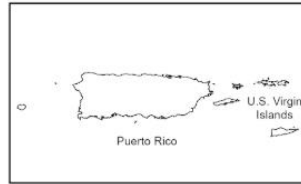
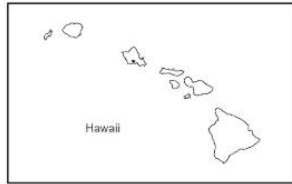
NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- Drought persists
- Drought remains, but improves
- Drought removal likely
- Drought development likely
- No drought



<https://go.usa.gov/3eZ73>

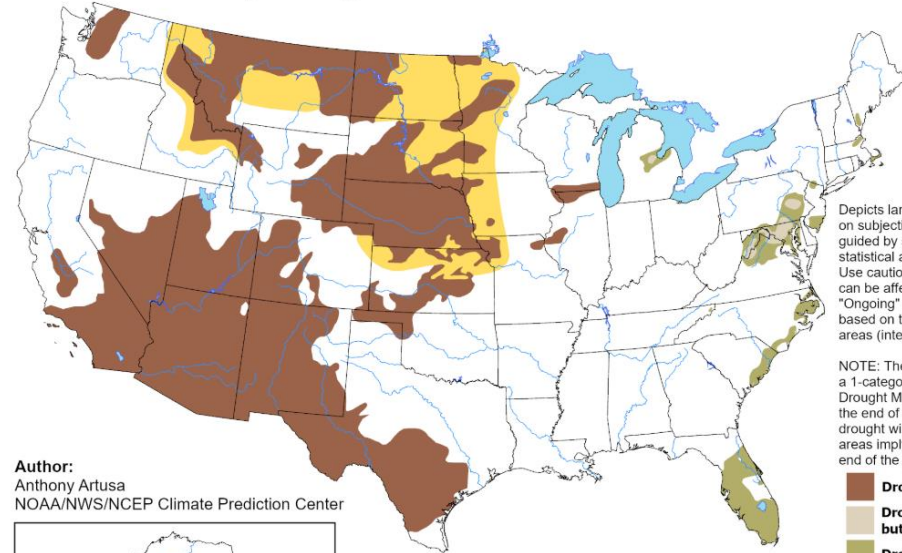
Author:
Richard Tinker
NOAA/NWS/NCEP Climate Prediction Center



U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for May 15 - August 31, 2025
Released May 15, 2025



Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

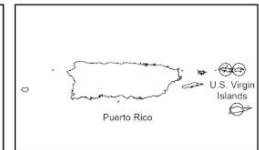
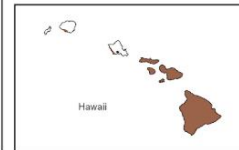
NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- Drought persists
- Drought remains, but improves
- Drought removal likely
- Drought development likely
- No drought



<https://go.usa.gov/3eZ73>

Author:
Anthony Artusa
NOAA/NWS/NCEP Climate Prediction Center



2026 Demands

May 2026

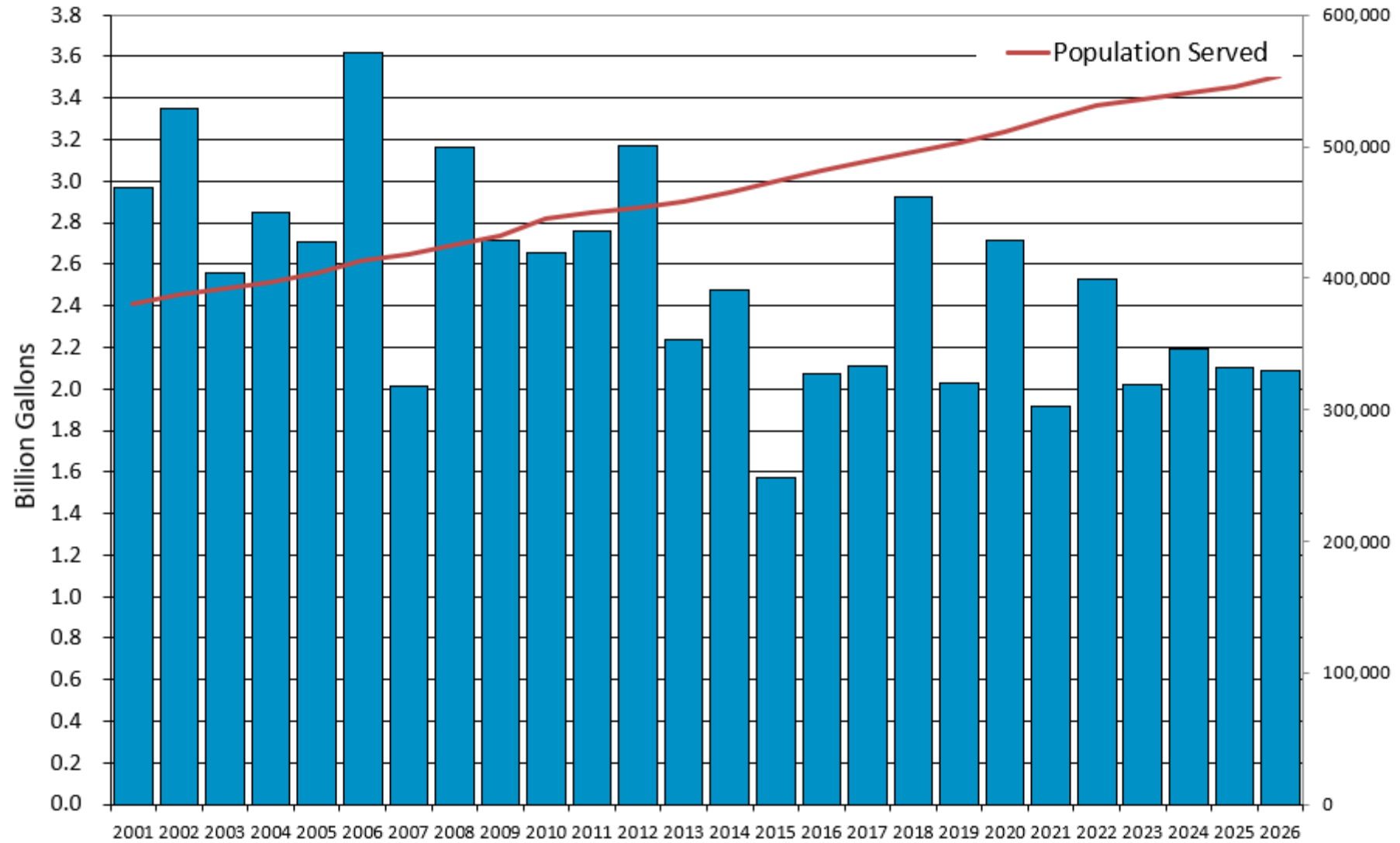
- Averaged 67.3 MGD
- 0.7% less than May 2025

2026 Year to Date through May 31

- Averaging 50.4 MGD, 7.7 BG total
 - 3.7% higher compared to the same time in 2025
 - 0.27 Billion Gallons more than 2025



Monthly Water Use for May



Reservoir Levels

May 31, 2026

- Pikes Peak 46 %
 - 91-20 Avg. 71 %
- Rampart 87 %
 - 91-20 Avg. 88 %
- Local Total 72 %
 - 91-20 Avg. 81 %
- System Total 75%
 - 91-20 Avg. 76 %

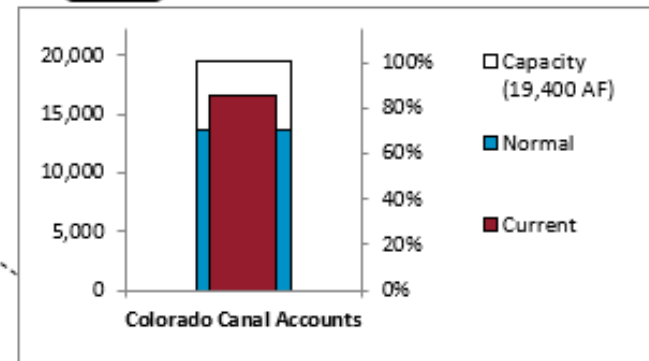
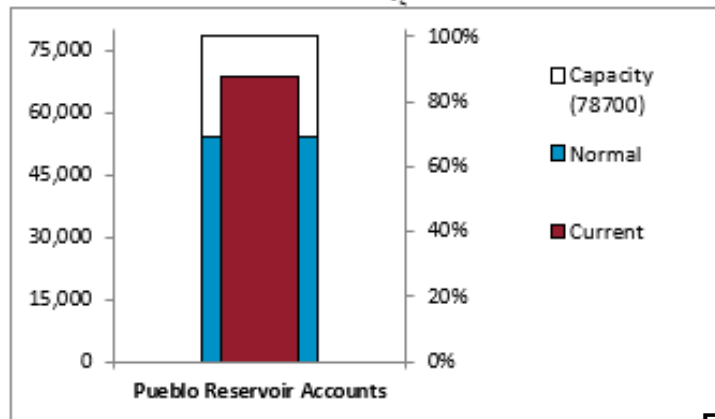
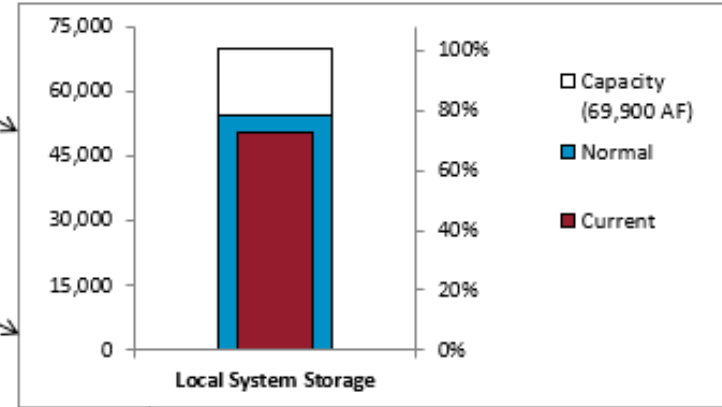
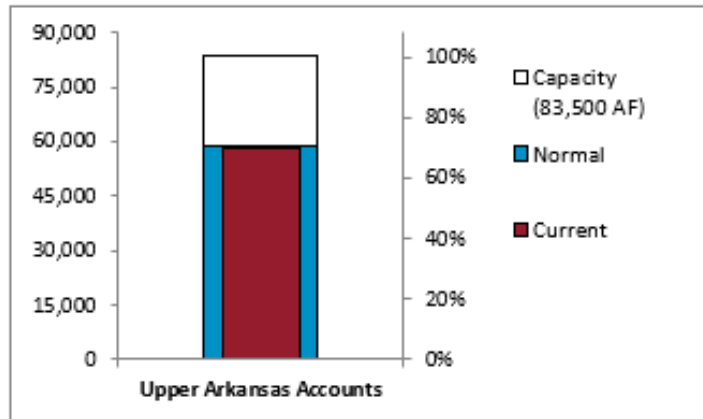
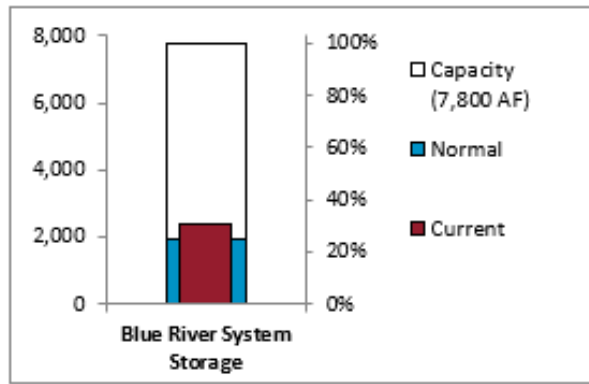


Colorado Springs' System Wide Storage:

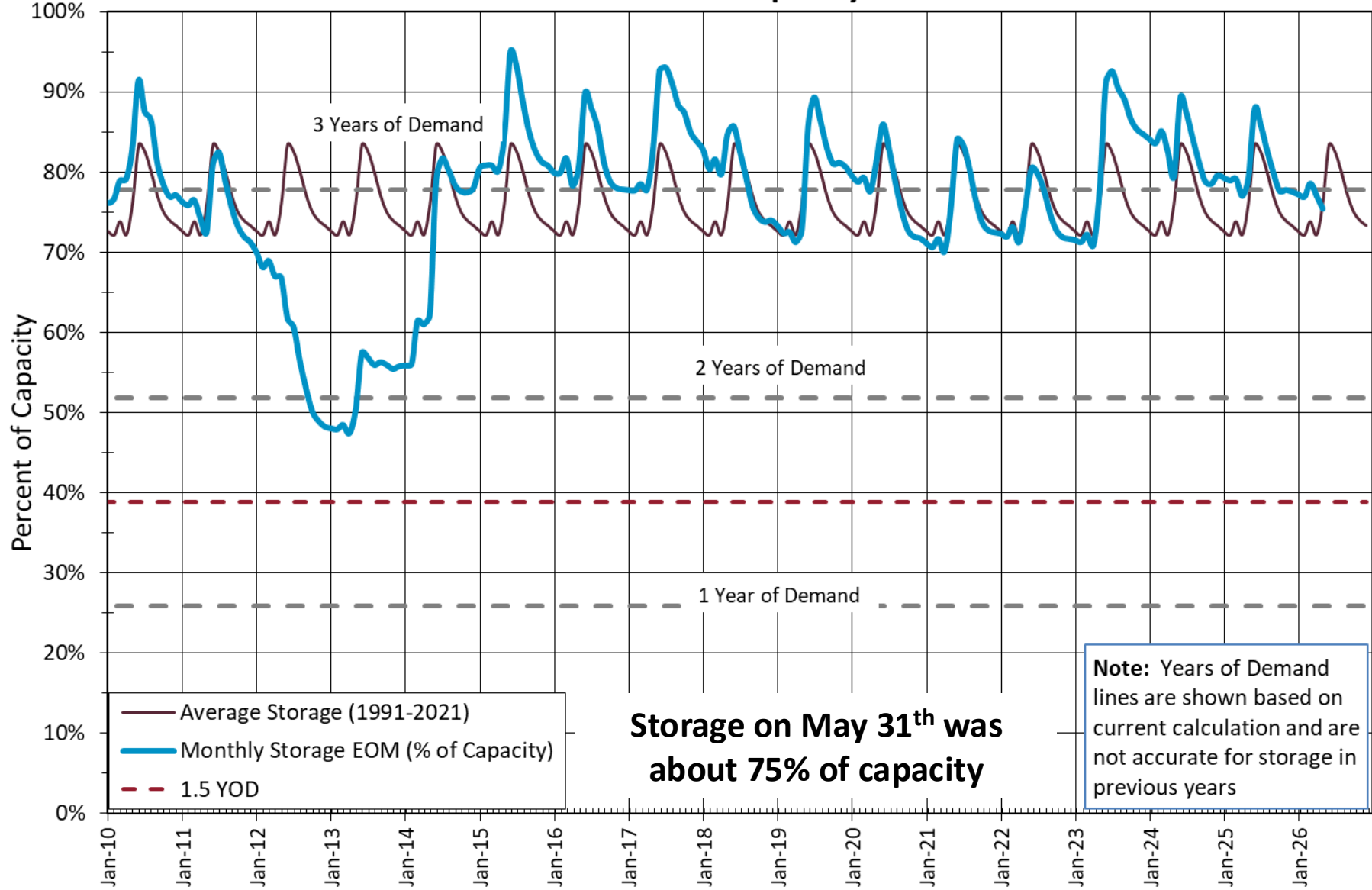
May 31, 2026 196,700 af
75.4 %

2001-2022 avg 183,300 af
70.3 %

Average YTD Demand 50.8 MGD



Monthly Storage Percent of Capacity



Water Outlook

Situation Outlook Summary

- System-wide storage is at 75.4% of capacity which equates to about 2.9 years of demand in storage
- Snowpack in our mountain watersheds is near record lows
- Soil moisture conditions remain below normal in the Colorado and Arkansas River basins
- We expect significantly below average runoff this season

Three-month outlook predictions

- Across the state of Colorado, there is an elevated likelihood of experiencing above normal temperatures and increased chances of above normal precipitation

We continue to monitor snowpack, demand, and storage to maximize available water supply

Operational Notes

Storage Conditions

- Mason Reservoir and South Suburban Reservoir remain restricted for maintenance.

Colorado River Update

- Seven basin states did not reach agreement on new operating rules
- The Bureau of Reclamation is moving forward with a federal guideline proposal
- Springs Utilities continues submitting input through the Front Range Water Council
- We maintain that any solution must reflect hydrologic reality: less water in, means less water out



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Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	June 17, 2026
To:	Utilities Board
From:	Travas Deal, Chief Executive Officer
Subject:	The Acquisition of Real Property at 845 West Moreno Avenue to be used for the Rio Grande Pump Station Relocation Project

NARRATIVE:

Desired Action: Choose only one	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Discussion <input type="checkbox"/> Information
---	---

Executive Summary:	<p>Colorado Springs Utilities operates a finished water distribution system with 28 pump stations essential for moving water throughout the water system. As these pump stations age and approach or exceed their recommended service life, they become more prone to failure, which can lead to infrastructure damage, customer outages, and increased maintenance costs. To address this, the Potable Pump Station Replacement Program aims to maintain safe and reliable water service by replacing outdated pump stations. As part of this initiative, Springs Utilities has proposed acquiring a new site at 845 West Moreno Avenue for the Rio Grande pump station replacement.</p> <p>In selecting the new site, Springs Utilities prioritized constructability, hydraulic feasibility, operational accessibility, and long-term maintenance. The existing location at 915 W. Rio Grande Street was deemed unsuitable due to challenging terrain, utility conflicts, and limited space. In contrast, 845 West Moreno Avenue offers a more favorable alignment for efficient pump performance, minimizes energy losses, and reduces operational risks. The site also allows for easier access for inspections and maintenance, contributing to the long-term reliability and value of the water distribution system. This strategic choice supports the continued delivery of consistent and high-quality water service to the community.</p> <p>Pursuant to the provisions of the Colorado Springs City Charter, the City is empowered to acquire real property necessary for Utilities' projects. Sections 4.1 and 9.6 of <i>The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests, Revised 2021</i> (the "RES Manual") provides that if the total acquisition amount is greater than \$100,000, City Council must approve the acquisition amount and if the property is to be used for Utilities-purposes, Utilities Board must review and make a recommendation on the purchase.</p> <p>Springs Utilities is requesting authorization from Utilities Board and City Council to acquire the real property located at 845 West Moreno Avenue for a purchase price of \$1,375,000, which is supported by a real estate appraisal conducted by an independent real estate appraiser.</p>
---------------------------	---

Benefits:	Continue to ensure safe and reliable service to Utilities customers.
Board Policy: If this impacts one of the board policies, indicate that here.	N/A
Cost / Budget: Include the projected cost or budget here.	The total acquisition amount of \$1,375,000.

Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.		N/A	
Alternatives:		Staff has evaluated several different options including replacement in the same location and at other properties.	
Submitter:	Jessica Davis	Email Address:	jedavis@csu.org
Division:	Operations	Phone Number:	719-668-7581
Department:	Utility Construction and Maintenance	Date Submitted:	June 1, 2026
SPG Staff Use Only:	Consent Calendar <input type="checkbox"/> Yes <input type="checkbox"/> No		Item Number 07
ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.			



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A Resolution Authorizing the Acquisition of Real Property at 845 West Moreno Avenue for the Rio Grande Pump Station Relocation Project

Jessica Davis
Land Resource Manager
June 17, 2026

Potable Pump Station Replacement Program

- Utilities manages 28 finished water pump stations.
- A Pump Station Replacement program was created to replace aging infrastructure to avoid failure, unscheduled customer outages, and increased operating and maintenance costs.
- Rio Grande Pump Station and pipeline replacement project is the 5th pump station replacement in the last 5 years that promotes reliability and redundancy and increases fire flow for the system.



*Rendering of Future Star Ranch Pump Station (to be completed August 1, 2026)

Location Map

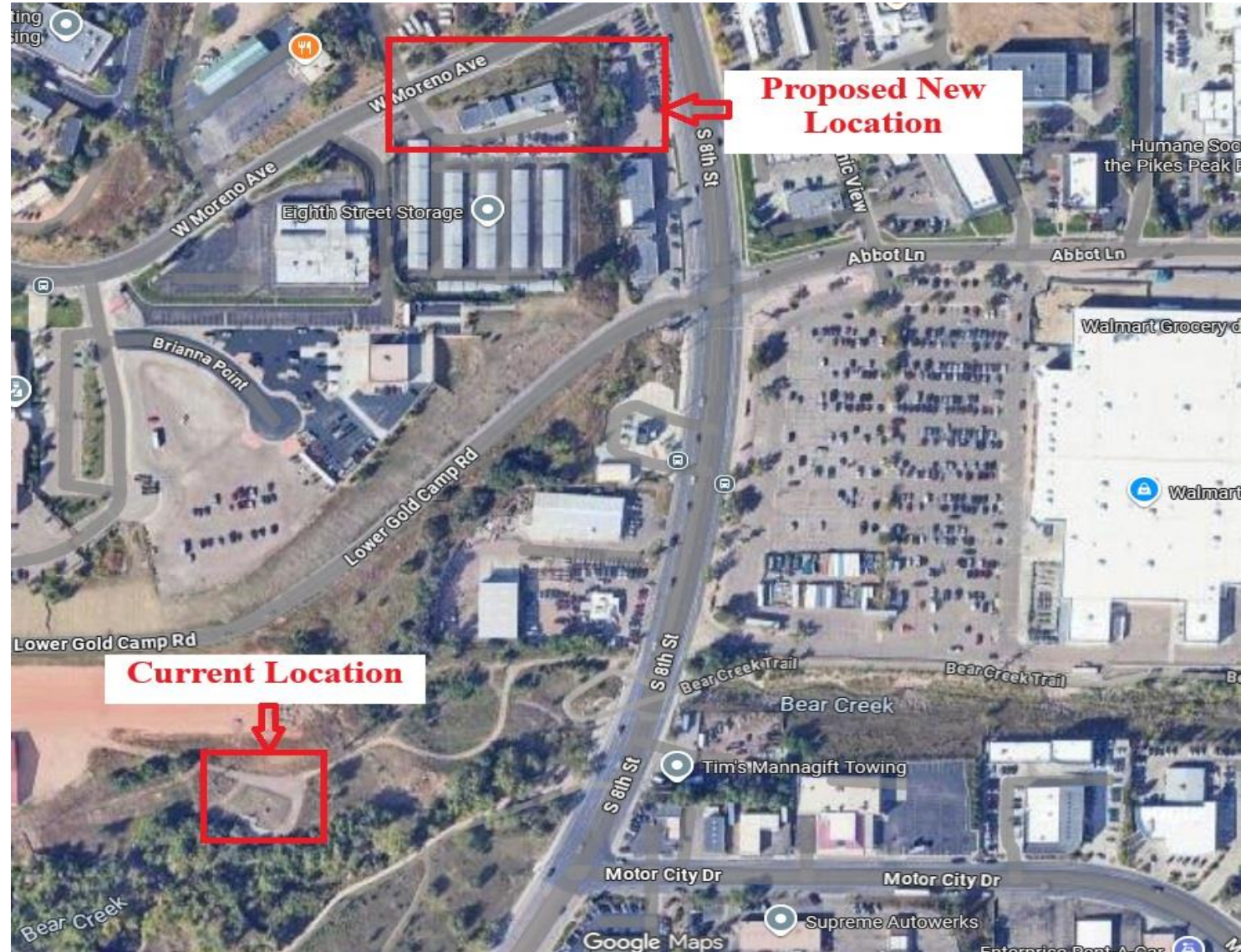
Current Location Challenges (915 West Rio Grande Street):

- Lack of space, vicinity to Norris Penrose Event Center (current easement is 10,000 square feet)
- Lack of easements for pipeline construction and staging
- Difficult and expensive construction methodology (need to drill under the creek, utility conflicts such as high voltage overhead powerlines)

New Location:

- Larger space for construction and staging, no additional easements are required
- Pipeline alignment in the right of way
- Near identical hydraulics
- Utilities will own the property in fee

****Note: This pump station will supply water to 5,500 homes.***



Property Information

- Owner: Dynasty Oaks Holding Company, LTD
- APN: 7413313141
- 0.87 acres
- Appraisal value: \$1,375,000
- Sale Price: \$1,375,000



Action Requested

- Request for item to be added to the July 14, 2026, Formal City Council agenda.
- Request for item to be added to the consent calendar for the formal meeting.



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Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	June 17, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	2026 Electric Integrated Resource Plan Update		
NARRATIVE:			
Desired Action: Choose only one	<input type="checkbox"/> Approval <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Information		
Executive Summary:	<p>Overview of the 2026 Electric Integrated Resource Plan (EIRP) and associated implementation strategy, which identifies a preferred resource portfolio to meet forecasted load growth, regulatory requirements, and reliability needs while balancing cost and risk. The EIRP will inform the Clean Energy Plan update that will need to be approved and submitted to the Colorado Air Pollution Control Division before December 31, 2026, as required under Senate Bill 26-182.</p>		
Benefits:	Allows Colorado Springs Utilities to maintain reliable service, meet projected load growth, and align with evolving environmental and regulatory expectations while managing long-term cost exposure.		
Board Policy: If this impacts one of the board policies, indicate that here.	I-6 & I-12		
Cost / Budget: Include the projected cost or budget here.	The Net Present Value of the recommended portfolio is discussed in the presentation.		
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	Customers, employees, and community groups		
Alternatives:	Staff evaluated multiple portfolios including high-renewable, high-thermal, and balanced resource strategies under varying load growth and market conditions. The recommended portfolio was selected based on cost, reliability, emissions performance, and resource diversity.		
Submitter:	David Longrie	Email Address:	dlongrie@csu.org
Division:	SPP	Phone Number:	719-668-8776
Department:	Resource Planning	Date Submitted:	June 1, 2026
SPG Staff Use Only:	Consent Calendar <input type="checkbox"/> Yes <input type="checkbox"/> No		Item Number 08

ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.



Colorado Springs Utilities
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Electric Integrated Resource Plan (EIRP)

June 17, 2026, Utilities Board Meeting

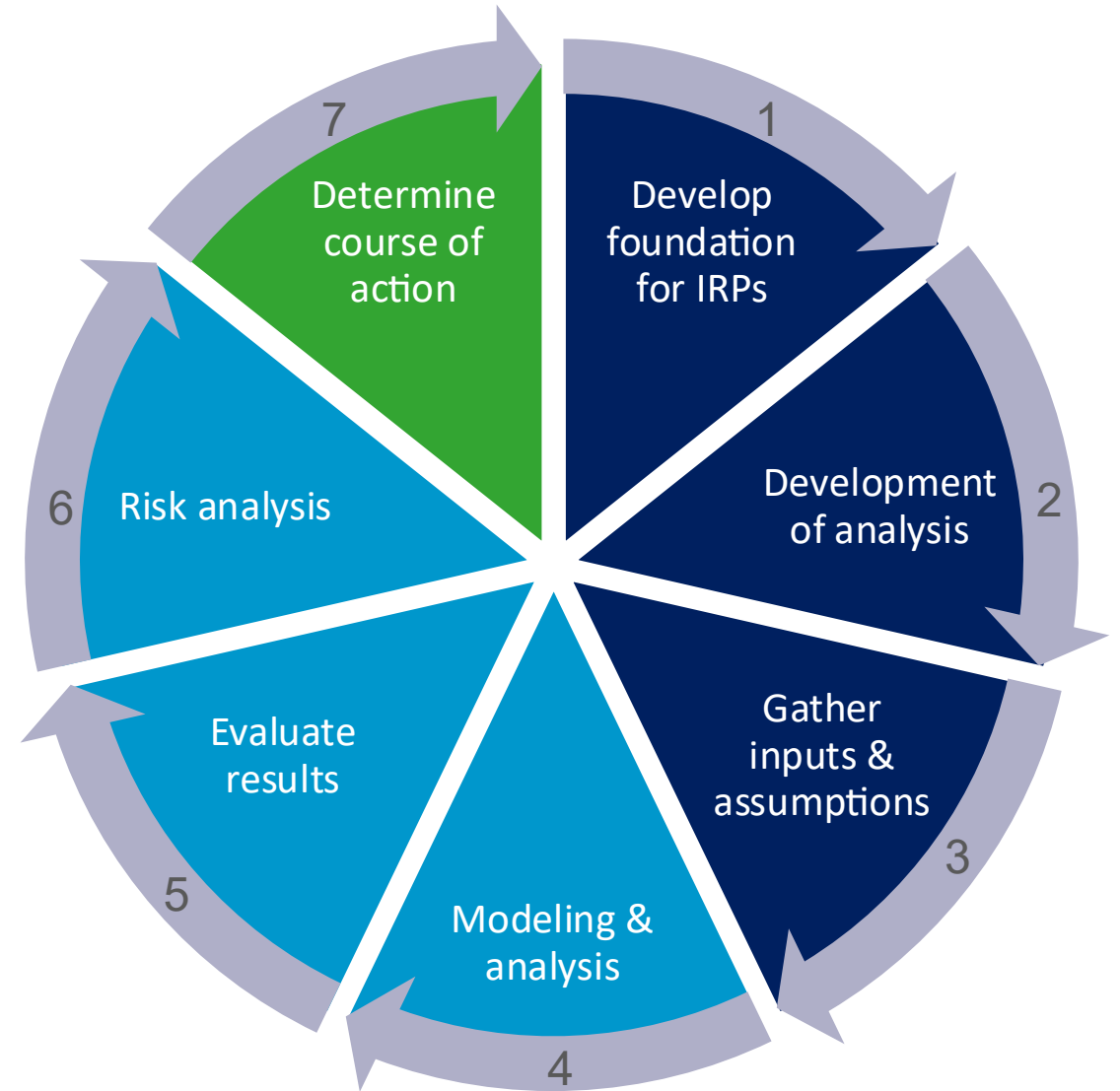
David Longrie – Manager Energy Resource Planning and Innovation

Troy Bass – Supervisor Energy Resource Planning

IRP Process

An electric integrated resource plan (“EIRP”, “IRP”) is a long-term strategic plan for providing cost effective and reliable energy resources to meet the energy needs of our customers

1. Develop Foundation
2. Analyze
3. Recommend



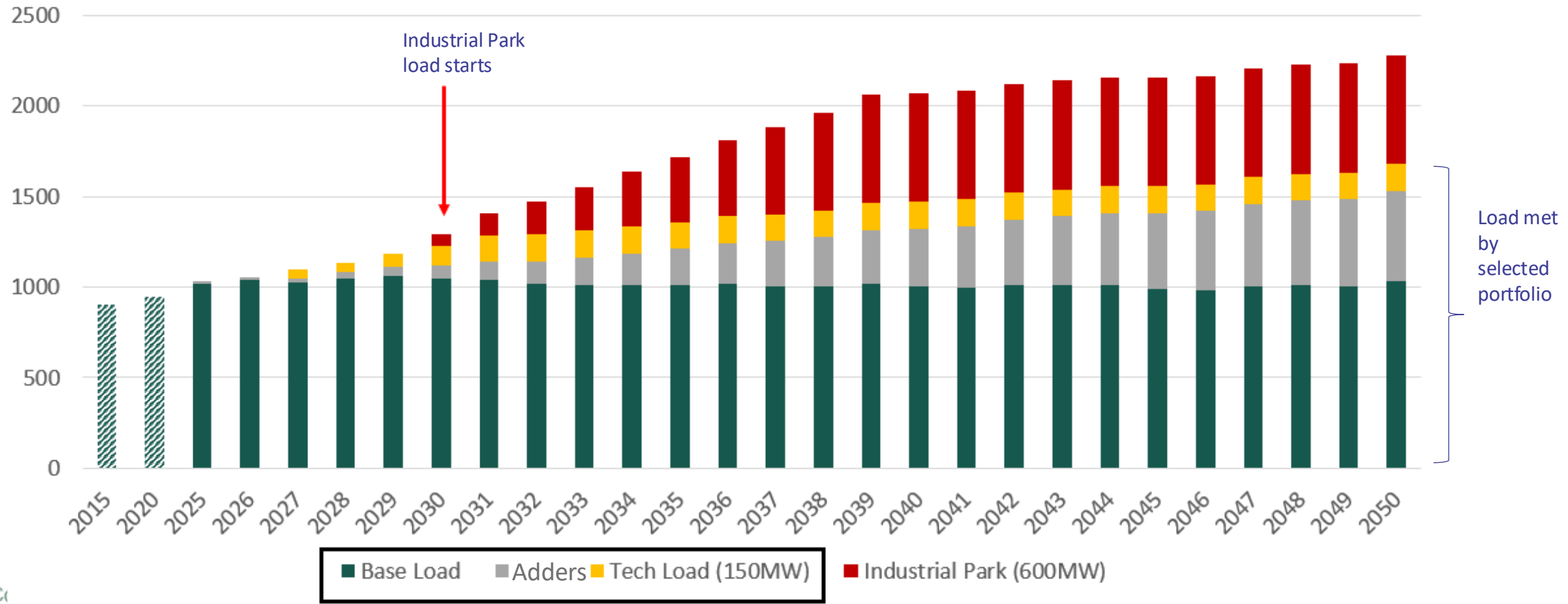
EIRP Goals

- Resilient and Reliable
 - Industry leading reliability and resiliency
 - Ability to react to variable or extreme daily operating conditions
- Cost-Effective Energy
 - Maintain competitive and affordable rates
 - Further advance energy efficiency and demand response
- Environmental Sustainability
 - Responsibly grow renewable portfolio
 - Meet environmental regulations including carbon reduction targets
- Resource Flexibility
 - Ability to adapt to regulatory and market disruptions
 - Reduce reliance on fossil fuels
- Innovation
 - Proactively and responsibly integrate new technologies

Carbon Reduction Goals

- Clean Heat Plan
 - Target of reducing customer greenhouse gas emissions from 2015 levels
 - Spending cap of 2.5% of customer gas revenue
- Clean Energy Plan (SB-182)
 - Requires electric utilities to reduce greenhouse gas emissions from 2005 levels
 - Reduction of 80% by 2033 and retire Nixon Power Plant
 - Seek to meet a 95% reduction by 2040 while maintaining system reliability and affordability

Load Forecast

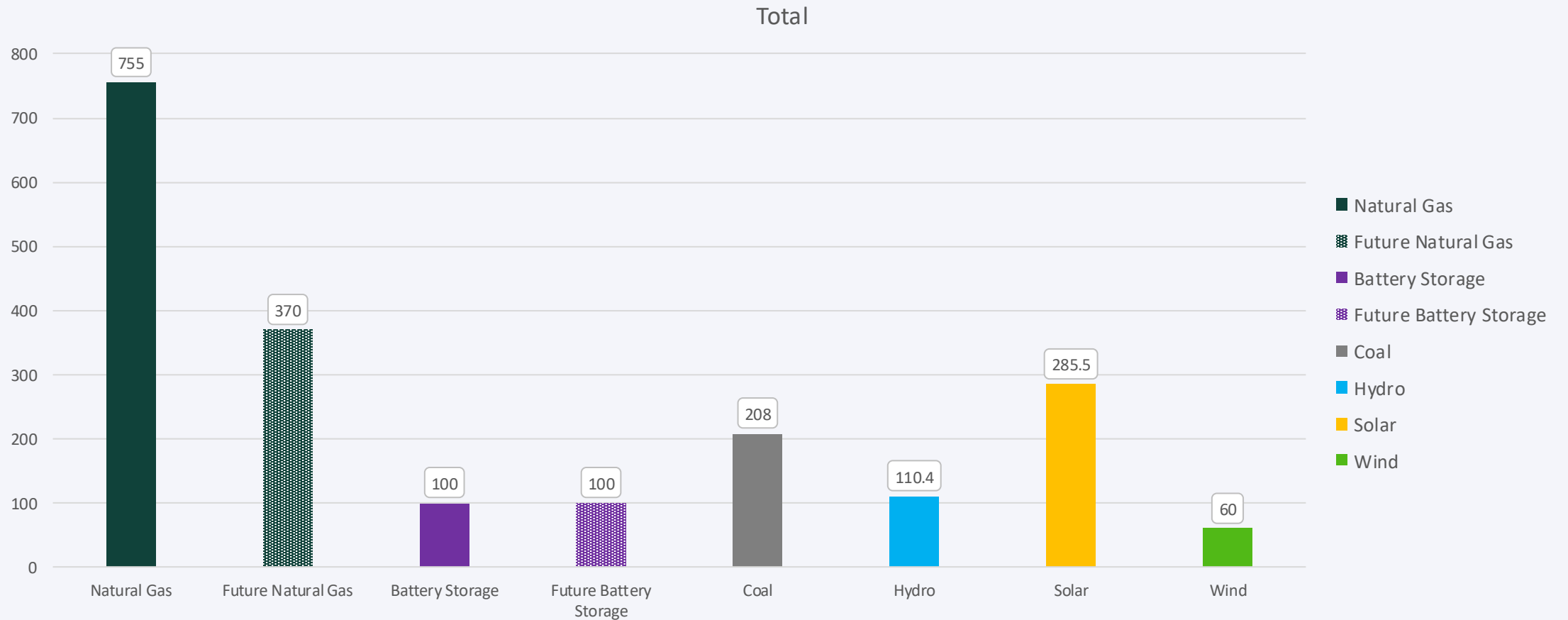


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Key Model Outcomes

- 300+ MW solar is consistently selected in early 2030's
 - Forecasted large loads require a lot of energy and solar is overall a low-cost energy resource
 - Existing gas and selected nuclear resources provide the required firming capacity
- 400+ MW nuclear is consistently selected
 - Supports moving forward with a more detailed nuclear evaluation
- Gas was not selected largely due to high pipeline capacity charges, long lead times, and amount of existing gas resources
- 50 MW geothermal built in all scenarios

Current Generation Resources



Balanced Portfolio



Demand Side
Management
and Customer
Programs



Renewable
Resources



Base Load
(Dispatchable)
Generation



Deliverability
Standards
(RTO)

Meets **Reliability**, Affordability, Environmental, Resource Flexibility and Innovation Goals

Generation Portfolios

- New gas generation built by 2030
- 80% emissions reduction achieved by 2033 in all but Reference Plan
- The build plans would leverage economies of scale and may not reflect resource mix shown

Portfolio	Nixon Retirement Date	Planned Resources	Total Planned Emission Reductions below 2005 Levels	2045 NPV Change from Reference Plan (\$1000)	2045 Year NPV Change from Reference Plan (%)
Reference Plan	2038	275 MW Solar 800 MW Nuclear 50 MW Geothermal	2030 - 29% 2033 - 23% 2040 - 80% 2045 - 91%	4,356,495	-
80x33, 90x40, 95x45	2032	750 MW Solar 400 MW Wind 477 MW Nuclear 50 MW Geothermal	2030 - 29% 2033 - 80% 2040 - 90% 2045 - 95%	198,467	4.6%
80x33, 95x40	2032	750 MW Solar 425 MW Wind 477 MW Nuclear 50 MW Geothermal	2030 - 29% 2033 - 80% 2040 - 95% 2045 - 95%	216,664	5.0%
80x33, 100x40	2032	625 MW Solar 300 MW Wind 677 MW Nuclear 50 MW Geothermal 75 MW Battery (4hr)	2030 - 29% 2033 - 80% 2040 - 100% 2045 - 100%	314,658	7.2%

Generation Portfolio Sensitivities

- Alternatives developed for timing of nuclear resource
- Front Range is assumed to be running until alternative generation is online (retirement between 2040 – 2050)

Portfolio	Nixon Retirement Date	Planned Resources	Total Planned Emission Reductions below 2005 Levels	2045 NPV Change from Reference Plan (\$1000)	2045 Year NPV Change from Reference Plan (%)
Nuclear High Cost	2032	800 MW Solar	2030 - 29%	319,629	7.3%
		350 MW Wind	2033 - 80%		
		477 MW Nuclear	2040 - 87%		
		50 MW Geothermal	2045 - 91%		
Nuclear Delayed 2042	2032	975 MW Solar	2030 - 29%	294,766	6.8%
		425 MW Wind	2033 - 80%		
		400 MW Nuclear	2040 - 80%		
		50 MW Geothermal	2045 - 91%		
		100 MW Battery (4hr)			
		75 MW Battery (10hr)			
No Nuclear	2032	1150 MW Solar	2030 - 29%	345,165	7.9%
		675 MW Wind	2033 - 80%		
		50 MW Geothermal	2040 - 80%		
		175 MW Battery (4hr)	2045 - 81%		
		100 MW Battery (10hr)			
80x33, 95x40, Front Range Retired in 2045	2032	700 MW Solar	2030 - 29%	222,362	5.1%
		275 MW Wind	2033 - 80%		
		800 MW Nuclear	2040 - 95%		
		50 MW Geothermal	2045 - 97%		
		25 MW Battery (4hr)			
		25 MW Battery (10hr)			

Implementation Strategies

- Nuclear project planning phase
 - Evaluate ownership models, site and technology screening, and preliminary cost/schedule development
 - Present a comprehensive development plan at future Working Committee meeting for further review and update
- Procure near-term renewable resources
 - Leverage lower cost renewables balanced with firming resources
 - Allow for generation to adjust based on actual project proposals, including battery
- Generation portfolio needs to be agile
 - Plan for changing timelines, costs, load profiles and market conditions
 - Plan for Front Range retirement
- Endorse long-term emissions reduction target
 - Support a 95% emissions reduction goal by 2040 as a guiding objective for future planning, investment decisions, and portfolio development

Recommendation



Advance nuclear generation planning



Advance renewable resource acquisitions



Endorse long-term emissions reduction target

Next Steps

July EIRP Submitted

Future Long-term resource acquisition
Clean Energy Plan submittal Q3/Q4



Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	June 17, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	A Resolution Recognizing Andy Colosimo for his Service to the Customers of Colorado Springs Utilities		
NARRATIVE:			
Desired Action: Choose only one	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Discussion <input type="checkbox"/> Information		
Executive Summary:	<p>After providing almost 25 years of dedicated service to Colorado Springs Utilities, Mr. Andrew Colosimo, General Manager of the Regulatory, Environmental and Public Affairs Department (REPD), announced his retirement from Colorado Springs Utilities.</p> <p>To recognize Mr. Colosimo's leadership service, a resolution of appreciation acknowledging his dedicated service is included in the Utilities Board materials for approval.</p>		
Benefits:	N/A		
Board Policy: If this impacts one of the board policies, indicate that here.	N/A		
Cost / Budget: Include the projected cost or budget here.	N/A		
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	N/A		
Alternatives:	N/A		
Submitter:	Renee Adams	Email Address:	radams@csu.org
Division:	Administration and Human Resources	Phone Number:	719-668-7325
Department:		Date Submitted:	May 21, 2026
SPG Staff Use Only:	Consent Calendar <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Item Number 09
ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.			

RESOLUTION 26-04

A RESOLUTION RECOGNIZING ANDY COLOSIMO FOR HIS SERVICE TO THE CUSTOMERS OF COLORADO SPRINGS UTILITIES

WHEREAS, Andy Colosimo has devoted 25 years of exceptional service to Colorado Springs Utilities, bringing invaluable expertise in government affairs, regulatory strategy, environmental compliance, public policy, and utility governance; and

WHEREAS, Mr. Colosimo served as Government Affairs Manager from January 2002 to October 2023, providing trusted counsel to senior leadership, guiding major business decisions, and ensuring Colorado Springs Utilities remained a respected and influential voice at every level of government; and

WHEREAS, Mr. Colosimo built strong and enduring relationships with the Colorado Congressional delegation, state legislators, federal agencies, and utility partners, championing policies that strengthened water reliability, environmental stewardship, hydropower operations, and the long-term resilience of the region's energy systems; and

WHEREAS, Mr. Colosimo played a pivotal role in advancing major Arkansas and Colorado River initiatives and provided essential guidance on greenhouse gas compliance, clean air permitting, and environmental agreements that protected the community's resources and future; and

WHEREAS, Mr. Colosimo spearheaded the successful effort to bring the Colorado Association of Municipal Utilities in-house to Colorado Springs, thereby broadening our advocacy reach by expanding our legislative constituency; and

WHEREAS, Mr. Colosimo played a pivotal role in navigating the federal permitting process that enabled the successful completion of the Southern Delivery System, one of the largest and most significant water delivery projects in our region's history; and

WHEREAS, Mr. Colosimo played a key role in the governance structure of Colorado Springs Utilities following the adoption of a strong mayor form of government shaping the model we have today; and

WHEREAS, since October 2023, Mr. Colosimo has served as General Manager of the Regulatory, Environmental and Public Affairs Department, offering steady leadership across regulatory, environmental, strategic planning, and communications functions, guiding a team of 90 employees, and elevating the organization's alignment with its mission and values; and

WHEREAS, Mr. Colosimo has represented Colorado Springs Utilities with distinction on numerous boards and committees, including the American Public Power Association, Large Public Power Council, Colorado Association of Municipal Utilities, Colorado River Energy Distributors Association, American Public Gas Association, Southeastern Colorado Water Conservancy District, Colorado Water Congress, and the National Water Resources Association; and

WHEREAS, throughout his 25 years of service, Mr. Colosimo has exemplified professionalism, integrity, passion, and an unwavering commitment to the customers and employees of Colorado Springs Utilities, earning the admiration of colleagues, partners, customers and community leaders; and

WHEREAS, Mr. Colosimo's leadership, vision, and dedication have left a lasting and positive legacy, strengthening Colorado Springs Utilities and contributing immeasurably to the well-being of the region.

NOW, THEREFORE, BE IT RESOLVED BY THE COLORADO SPRINGS UTILITIES BOARD: That the Utilities Board proudly and gratefully recognizes Andy Colosimo for 25 years of extraordinary service, leadership, and commitment to Colorado Springs Utilities and the community it serves.

DATED at Colorado Springs, Colorado, this 17th day of June 2026.

By: _____
Dave Donelson, Chair of the Utilities Board

Attest: _____
Travas Deal, Secretary

Board Memo Agenda Item Staff Report

Date: (Date of Utilities Board Meeting)	June 17, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	July 2026 Net Metering Rate Case		
NARRATIVE:			
Desired Action: Choose only one	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Information		
Executive Summary:	<p>On July 14, 2026, Springs Utilities anticipates filing the July 2026 Net Metering Rate Case and requesting a Public Rate Hearing date of August 25, 2026. The filing details and timeline will be discussed.</p>		
Benefits:	<p>Modernization and alignment of rate designs with electric system costs, while protecting existing customer investments, providing a predictable transition, and balancing fairness and sustainability for the entire community.</p>		
Board Policy: If this impacts one of the board policies, indicate that here.	Pricing of Services (I-1), Rate Design (G-5)		
Cost / Budget: Include the projected cost or budget here.	Overview of July 2026 Net Metering Rate Case.		
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	Electric Customers		
Alternatives:	Utilities Board to provide alternative direction		
Submitter:	Scott Shirola	Email Address:	sshirola@csu.org
Division:	Planning and Finance	Phone Number:	(719) 668-8661
Department:	Pricing and Rates	Date Submitted:	June 11, 2026
SPG Staff Use Only:	Consent Calendar <input type="checkbox"/> Yes <input type="checkbox"/> No		Item Number 10

ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.



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July 2026 Net Metering Rate Case

Scott Shirola

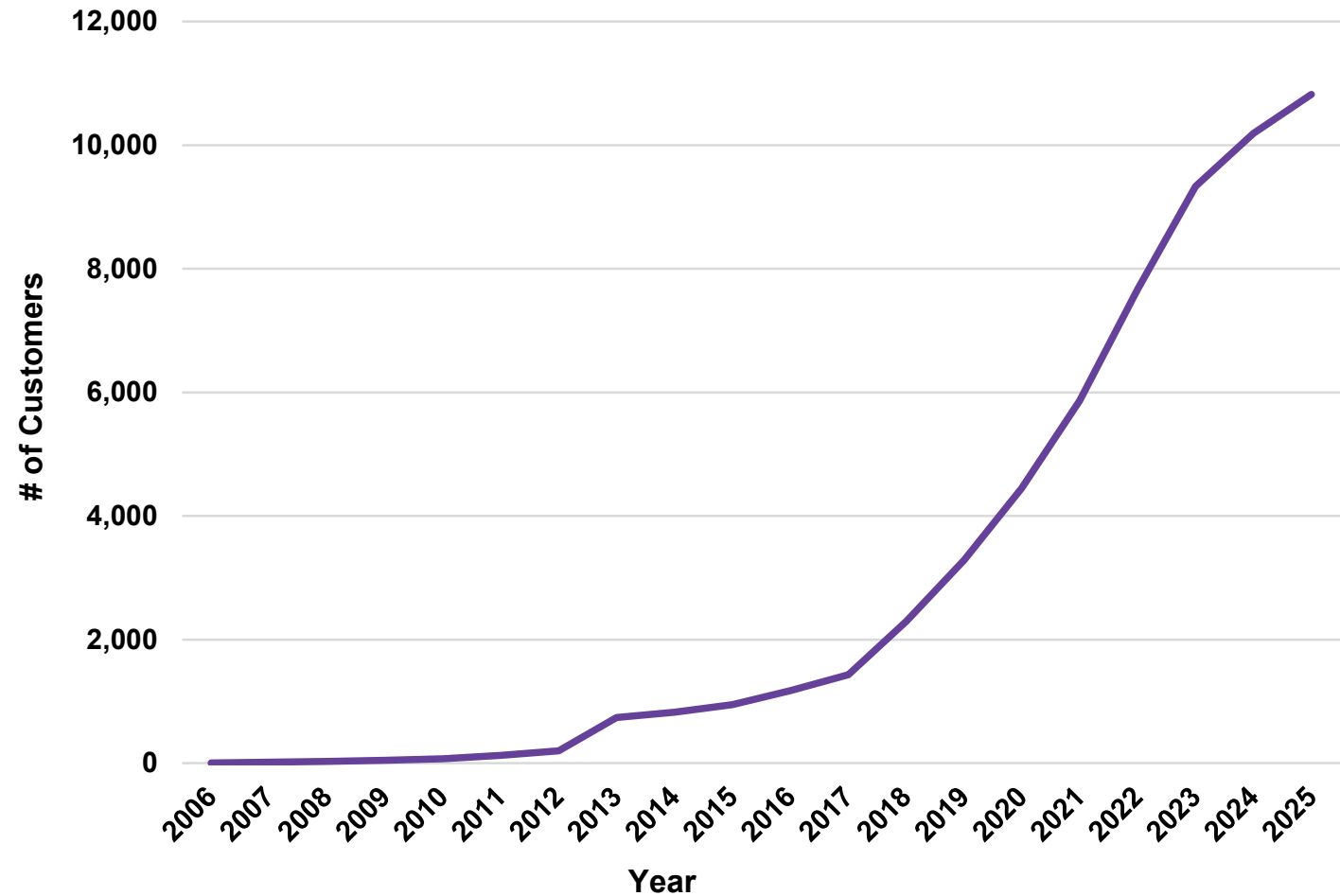
Pricing and Rates Manager

June 17, 2026

Net Metering Background

- Net metering governed under Colorado state law (CRS 40-2-124)
- Program launched in 2005
- ~11,000 participating net metering customers
- Monthly and annual excess generation provisions

Net Metering Customers by Year



Net Metering National Trends

Why Modernization is Occurring:

- Increasing solar adoption is driving cost-shift concerns
- Many utilities are updating net metering policies

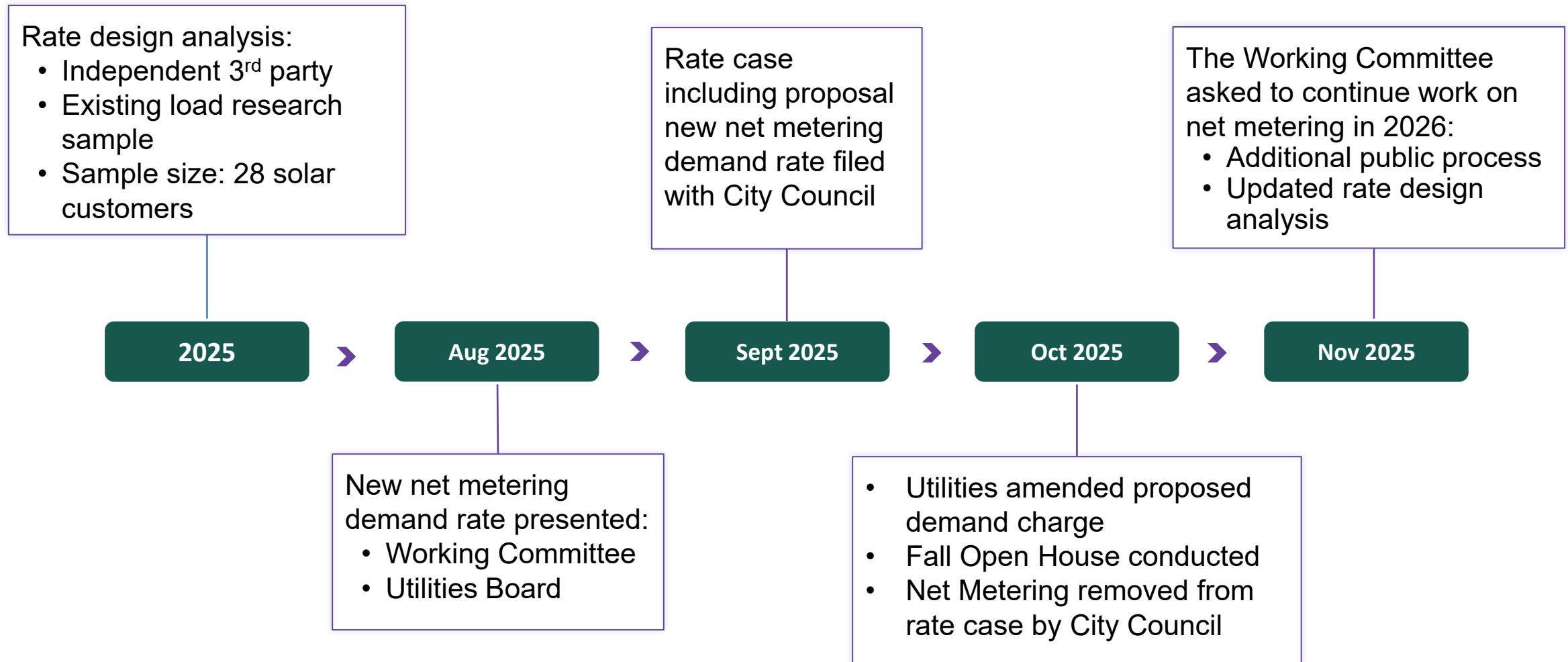
Common Approaches:

- Crediting changes: Move away from 1:1 net metering
- Rate design changes: Time-of-day (TOD) rates, demand charges, grid access fee
- Transition strategies: Grandfathering and phased implementation

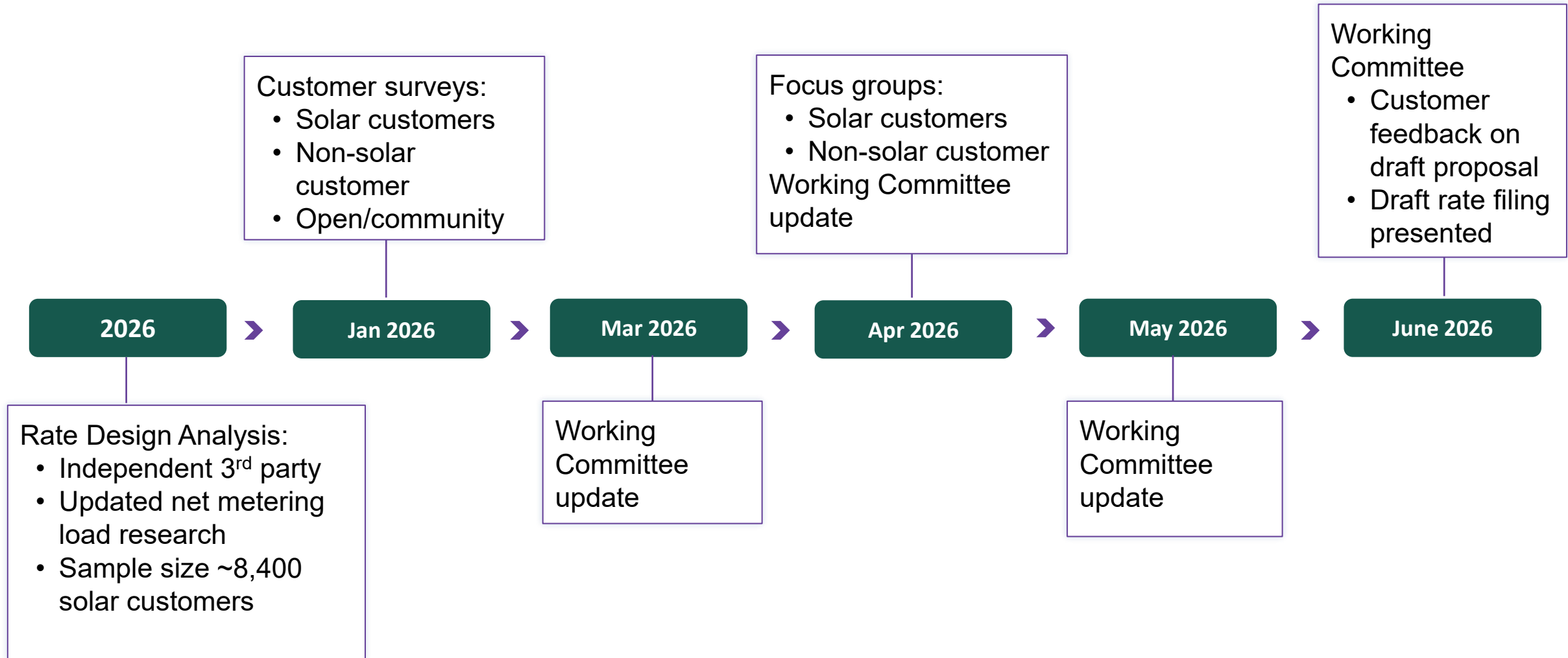
Key Constraint:

- All reforms must align with state law and regulatory framework

Net Metering Modernization Activity in 2025

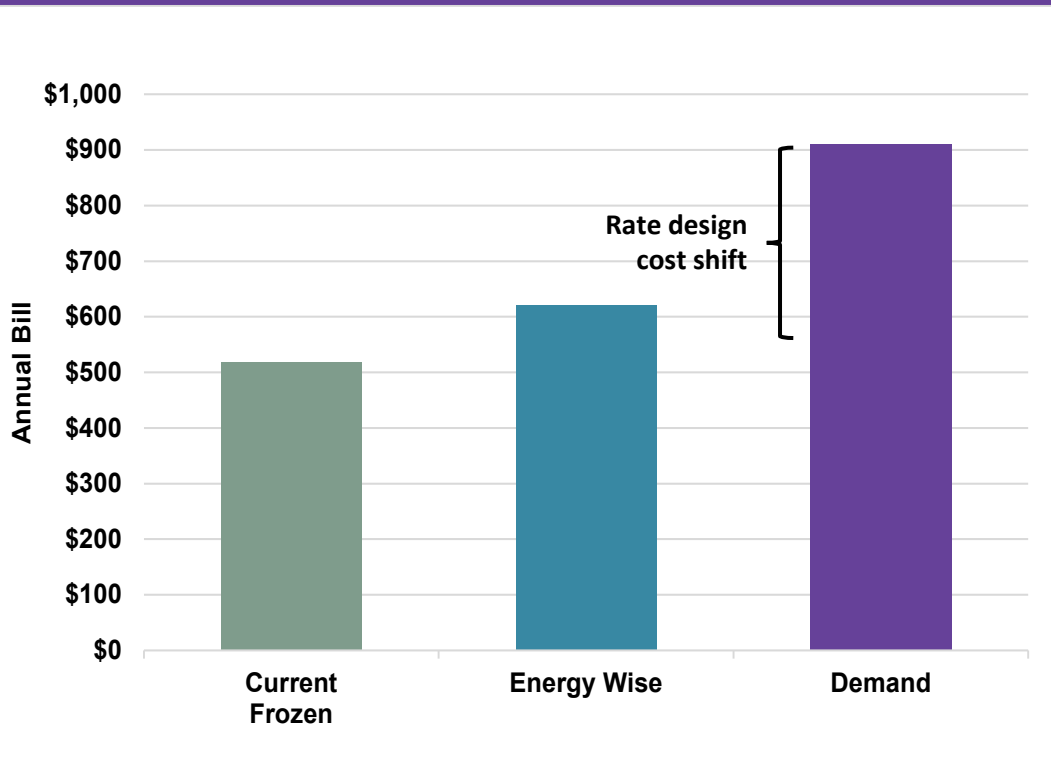


Net Metering Modernization Activity in 2026



2026 Rate Design Analysis - Results

Average Annual Bill*



*Average bill based on non-fuel rate components excluding Electric Cost Adjustment (ECA) and Electric Capacity Charges (ECC)

Study Overview

- Independent third-party
- ~8,400 customers analyzed
- 12 months of high-quality interval data (>98%)

Average Cost Shift:

- ~\$400/year (~\$33/month)

Total System Impact:

- \$4.4 million annually (11,000 customers at \$400 annually)

Impact of Proposed Changes:

- Transitioning net metering customers to Energy Wise rates reduces cost-shift by only ~25%

2026 Rate Proposal Summary

Option 1— Standard⁽¹⁾

- Energy Wise time-of-day rate
- Grid Access Charge

Option 2— Choice⁽¹⁾

- Demand Charge on-peak highest 15 min interval

Transition Timeline

- **New** customers
 - Start **04/01/2027**
- **Existing** customers⁽²⁾
 - 5-year period Grandfathering
 - Start **04/01/2032**

Notes:

(1) Option 1 is proposed as the standard option for residential and small commercial customers, who may choose to receive service under Option 2. Medium and large commercial customers are proposed to receive service under the applicable net metering demand rate options.

(2) Current frozen rate schedule includes annual rate increases for years 2025 through 2029 as previously approved by City Council.

Option 1: Energy Wise with Grid Access

Rate components

- Access and Facilities, per day
 - \$0.7269
- *New* Grid Access Charge, per day
 - \$1.0000
- On-peak and off-peak Access and Facilities, per kWh
 - Summer: on-peak \$0.3089, off-peak \$0.0772
 - Winter: on-peak \$0.1544, off-peak \$0.0772
- Electric Cost Adjustment, per kWh
 - On-peak \$0.0411, off-peak \$0.0206
- Electric Capacity Charge, per kWh
 - \$0.0066

Rate advantages

- ★ Energy Wise rates
- ★ Bill stability with Grid Access Charge
- Opportunity for bill reduction by shifting use to off-peak periods and/or battery installation
- Net Bill with separate on-peak and off-peak monthly bill credits

★ Identified as preferable from customer feedback

Rate components based on 2027 proposed residential (Grid Access) and approved Energy Wise Access and Facilities rates. ECA and ECC rates reflect current rates which are subject to change.

Option 2: Demand Charge

Rate components

- *New Access and Facilities*, per day
 - \$0.8265
- *New Demand Charge*, per kW, per day(highest net 15 min on-peak monthly demand)
 - Summer \$0.3608, Winter \$0.2462
- *New Access and Facilities*, per kWh
 - \$0.0294
- *Electric Cost Adjustment*, per kWh
 - \$0.0233
- *Electric Capacity Charge*, per kWh
 - \$0.0066

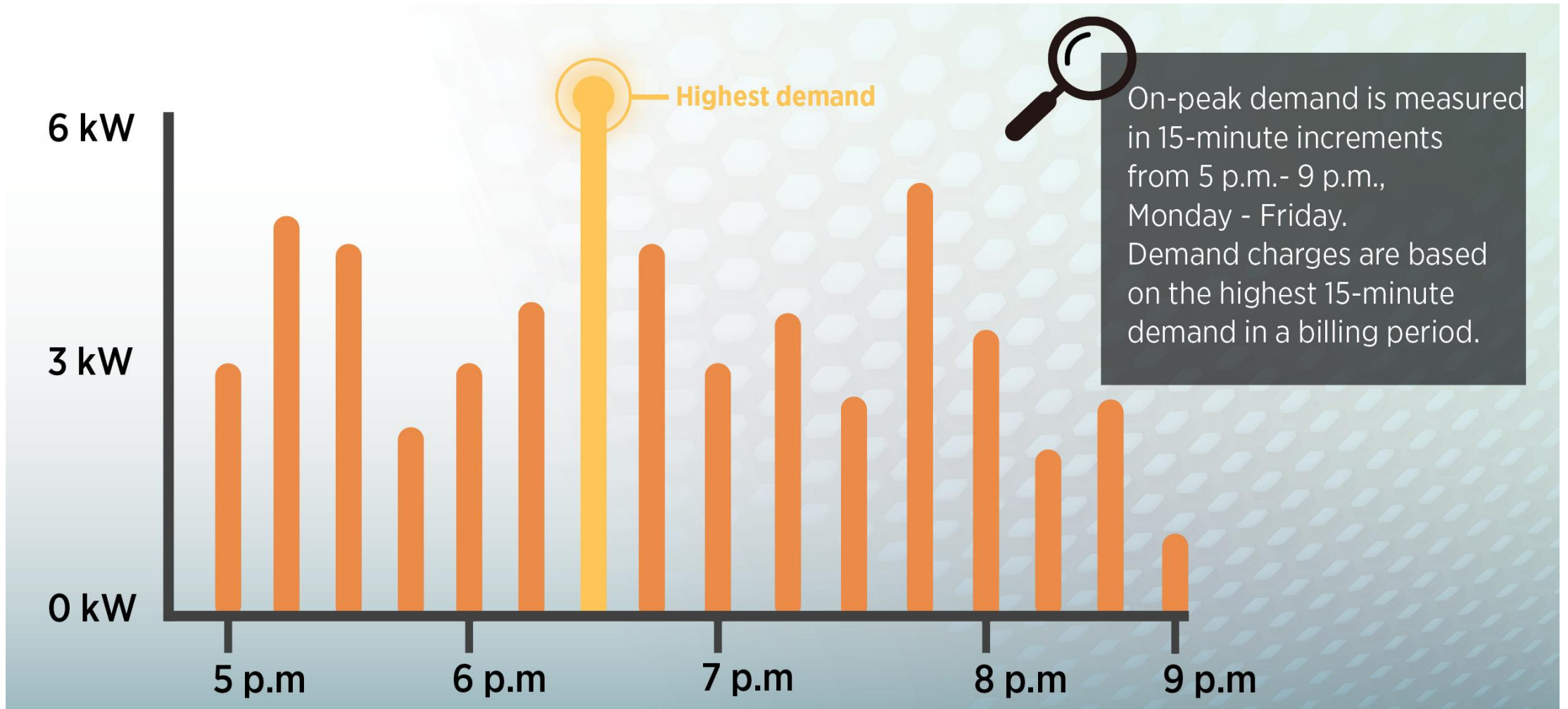
Rate advantages

- ★ Maintaining 1:1 energy exchange and monthly rollover
- Opportunity for bill savings by shifting use to off-peak periods and/or battery installation
- Additional opportunity for savings by staggering use during on-peak periods

★ Identified as preferable from customer feedback

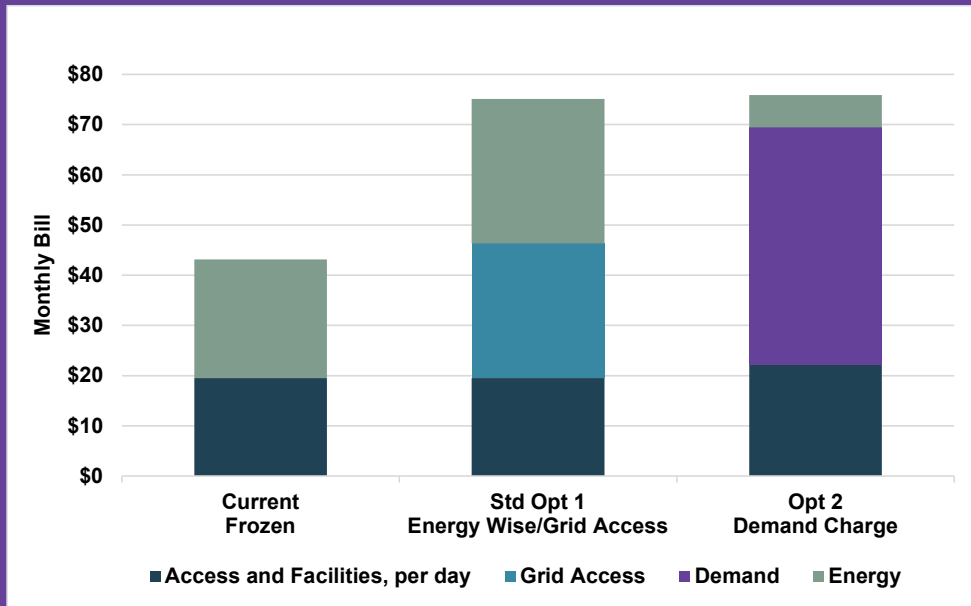
Rate components based on 2027 proposed residential (Demand and Access and Facilities) rates. ECA and ECC rates reflect current rates which are subject to change.

Sample daily demand



Customer Transition & Bill Impacts

Average Monthly Bill*



*Average bill based on non-fuel rate components excluding Electric Cost Adjustment (ECA) and Electric Capacity Charges (ECC). Average bill amounts are shown in 2025 cost-of-service basis. Proposed rates are escalated by 6.5% per year in alignment with five-year rate case.

New customers:

- Net metering agreements after April 1, 2027, receive service under new rate options
- *Increase in eligible system size from 120% to 200%*
- *Elimination of indefinite carry-forward election*

Existing customers:

- Net metering agreements before April 1, 2027, transition to new rate options beginning April 1, 2032
- *Indefinite carry-forward elections:*
 - No new elections on or after April 1, 2027
 - Elections prior to April 1, 2027:
 - *Option 1:* Carry-forward eliminated with balances credited at Option 1 on-peak and off-peak rates
 - *Option 2:* Carry-forward remains in effect so long as service is continued under Option 2

Residential bill impact after transition:

- Standard Option 1 and alternative Option 2 result in average bill impacts of ~\$33/month compared to the current frozen rate

Next Steps

- June 17** Utilities Board Regular Meeting - Draft Rate Case
- July 7** Rate Case Distribution
- July 14** Request for Public Hearing at City Council
- Aug. 25** Public Hearing at City Council
- Sept. 8** Decision and Order at City Council

Rate Case Overview

- Changes to Utilities' Tariffs:
 - Electric Rate Schedules
 - Utilities Rules and Regulations (URR)
- Effective date of proposed changes – April 1, 2027
- The rate case filing will contain the comprehensive proposed changes
 - Reports, Resolutions, Tariffs, and other supporting materials





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