

**Minutes**  
**April 20, 2026**

Rosemont Conference Room or Microsoft Teams

**Call to Order**

Pursuant to the Colorado Open Meetings Law and the City Charter, since three or more members of the Utilities Board may be attending this public meeting, it is noticed and open to the public. Pursuant to the Utilities Board Bylaws, this Committee of the Utilities Board will not accept public comments at this meeting.

Board Chair Dave Donelson called the meeting to order at 9:02 a.m.

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

**Acceptance of the March 16, 2026, Working Committee Minutes**

Board Member Nancy Henjum made a motion to approve the March meeting minutes, and Board Member Rainey seconded the motion. The motion passed unanimously, with Board Member Casey abstaining from the vote.

**Safety Moment: Dangers of Distracted Driving**

Ms. Renee Adams, Chief Human Resources Officer, presented the safety moment of the dangers of distracted driving and how to stay focused behind the wheel.

**Compliance Reports**

**Electric Cost Adjustment/Gas Cost Adjustment Update**

Mr. Scott Shirola, Pricing and Rates Manager, provided the Electric Cost Adjustment (ECA) and Gas Cost Adjustment (GCA) update. In this update, Mr. Shirola detailed the natural gas prices as of March 1, 2026, and the ECA and GCA predictions for April 2026.

Vice Chair Williams noted that the overcollection in the ECA remains steady until January of 2027 and asked what can be done to lower that overcollection considering the gas rate has been decreased. Mr. Shirola explained that the main driver in lowering the overcollection is the cost line. As this draws over the next 12 months, it will maintain as the cost of gas is lower currently and the decrease will begin to show closer to the end of the 12 months as the cost of gas normally spikes in the fall and winter months.

Board Member Rainey asked what the status of the Tallgrass site is. Mr. Travas Deal, Chief Executive Officer, responded that Tallgrass is on track to be online in 2028.

**Excellence in Governance Policy Manual Revisions: I-8 and I-13**

Mr. Tristan Gearhart, Chief Planning and Financial Officer, presented the Excellence in Governance Policy Manual revisions to the I-8 and I-13. The recommended revision for the I-8 is to change the

reporting cycle from bi-annual to annual, and the recommended revision for the I-13 is to remove section five of the current I-13 policy to ensure alignment and consistency with the updated internal policy.

Board Member Henjum asked why the I-8 was originally evaluated bi-annually. Mr. Gearhart said he believed it was due to the I-4 Risk Management Policy being evaluated bi-annually and the financial hedging that was done in the early 2000s. Now that the financial hedging program no longer exists, there is not a need for bi-annual evaluation.

### **Reimbursement Resolution for 2026**

Mr. Adam Hegstrom, Manager of Treasury and Finance, presented the Reimbursement Resolution for 2026, which will allow Colorado Springs Utilities to utilize the 2026 Bond proceeds to finance CapEx incurred up to 60 days prior to the resolution approval date through the bond issuance date. Mr. Hegstrom clarified that the timing of this resolution is to be more flexible to Colorado Springs Utilities' shifting project plans, and that the organization is not anticipating borrowing more, borrowing less, or changing the structure of debt issuance from base strategies.

Board Member Casey asked if this allows Utilities to obligate funds before we have them. Mr. Hegstrom explained that due to the IRS' strict rules about tax-exempt bonds, we have to keep track of what project each dollar went to, meaning the money has to be spent before you can reimburse yourself through bond funds. This resolution gives Springs Utilities the ability to use our unrestricted floating cash balances during the proposed time period. Once the time period is over, receipts are applied and we can reimburse ourselves through the bond funds.

Vice Chair Williams asked if we have used this type of resolution before. Mr. Hegstrom answered yes, during Winter Storm Uri, as there was a spike in costs, so capital spend was rearranged throughout the year and then reimbursed back. Vice Chair Williams asked if a resolution was used at that time, to which Mr. Hegstrom responded yes, a resolution very similar to this one that was made very quickly.

Board Member Casey asked if this resolution would only apply to this year, or if this type or resolution would be something needed every year. Mr. Hegstrom confirmed it would only be for this year, as the particular environment of our capital plan is somewhat uncertain so this will allow for flexibility.

Board Member Rainey asked about the timing of the resolution. Mr. Gearhart explained the policy of presenting to the Working Committee one month, then formally at the Utilities Board the following month before the item moves to City Council for final approval. Mr. Gearhart said the timing of this was planned for approval in June.

### **Report Out on Net Metering Focus Groups**

Ms. Leslie Smith, Supervisor of Customer Insights and Programs, presented information on the net metering focus groups. This presentation provided an overview of concepts covered, a summary of participants, solar group insights, non-solar group insights, key observations and insights, consistent themes, and next steps in the net metering process.

Board Member Henjum asked Ms. Smith what the desired outcome of the focus groups was. Ms. Smith responded that there was no one desired outcome, just that the information received during the focus groups could speak to the data points from previous surveys and add an additional layer of

feedback to the process. Ms. Smith added that it was made very clear to the volunteers in the focus groups that no decision on net metering had been made.

Vice Chair Williams noted that Ms. Smith stated that, when walked through the difference between the demand charge being a market-based rate or a net billing rate, the preferred choice by the focus groups was different than that from the survey. She asked if solar users could have a combination of both, to which Mr. Gearhart responded yes. Vice Chair Williams asked if this terminology was the same in both the focus groups and the survey, which Ms. Smith confirmed.

Mr. Gearhart added that this would be a monthly fee when a ratepayer's panels are not producing, so they still have access to power from the grid. While initial calculations have been run on this fee, there is not a final answer yet. However, this fee should look similar to net billing or energy rates, and Mr. Gearhart said initial calculations were around \$25 to \$28 per month as a flat fee. Vice Chair Williams asked how a solar customer would know about this fee if it essentially doesn't exist yet. Mr. Gearhart speculated that those customers pay an access and facility charge per day, which could be confused for a grid access fee. The fee currently recovers the cost of meters. Mr. Gearhart emphasized the importance of being clear about what is being paid for with the differing fees moving forward.

Board Member Henjum asked how Mr. Gearhart is processing the differences in responses between the survey and the focus groups. Mr. Gearhart stated that he has the Pricing and Rates team running different scenarios based on the survey and focus group results, looking at industry standards, and running calculations. As far as industry standards go, when there is a cost shift between customers, typically there is a demand charge or grid access fee to make up the difference.

Mr. Gearhart stated that he believed a flat fee is a better approach than looking at individual electric use over a monthly period. If a flat monthly fee was set, it would need to be changed through rate cases that would come before City Council for approval, like all other rate cases. Chair Donelson agreed that a flat rate is reliable, which people typically like.

Board Member Rainey asked if the solar focus group understood the difference of where the roles and responsibilities start and stop from a Colorado Springs Utilities perspective, and the third party who sold them the solar panels. Ms. Smith answered that this did come up during discussions with the focus group, where they ultimately requested that Springs Utilities vet solar companies and help guide customers on who they should buy from. While this is not something that Springs Utilities can do, Ms. Smith understood that the desire for this comes from confusion between the companies selling solar and how Springs Utilities manages solar. Board Member Henjum said this spoke to the trust in Springs Utilities.

Vice Chair Williams asked if the solar customers received the explanation that while making power, it is to their advantage to push energy back to the grid. Vice Chair Williams said she couldn't imagine that any solar user would want this to change for time-of-day rates and asked if these users understood this. Ms. Smith answered that this conversation was not had, but it was made clear that solar customers would still see their contribution. Vice Chair Williams suggested making that message clearer. Mr. Gearhart clarified that energy delivered during the time-of-day rates versus energy delivered during the middle of the day is what helps offset the peak demand from a cost standpoint.

Board Member Henjum stated that solar energy, however it is being generated, is contributing to grid

reliability. She stated that she understands the frustration of solar customers who may feel they are being told their rooftop solar is not as valuable to the grid as other solar. Mr. Gearhart agreed with Board Member Henjum and said the hope is to look at solar customers generally and where they generate the most power economically.

Board Member Rainey asked what the impact of this is from the perspective of joining the Southwest Power Pool (SPP). Mr. Gearhart said he believed this opened up more avenues for resources that will price out differently in the market.

Mr. Deal explained that the solar contracts within this are tied to purchase power agreements and are very firm, but rooftop solar is uncontrolled and not guaranteed, as it is based off weather patterns and the customer's behaviors. While rooftop solar does provide deferred usage, it does not help on the market side as it is unpredictable. Mr. Deal said he believed in the fundamentals of why customers may choose to have solar but said one of the complexities is when a customer tries to monetize it at a higher rate so they can pay the system off.

Vice Chair Williams asked why the solar customers want the companies who sell solar vetted. Mr. Deal answered that solar companies are promising something that Colorado Springs Utilities cannot deliver, such as the investment in batteries. Mr. Deal also noted that the degradation of solar panels is another issue. Vice Chair Williams asked if there is some way customers can be informed of the risks of taking on solar before they choose to invest, so Springs Utilities can make expectations clear for solar customers. Ms. Smith said more robust education and communication could likely help bridge the gap between what Springs Utilities can and cannot say.

Board Member Rainey asked if there is any case law on solar or solar companies that could be referred to. Renee Congdon, Utilities Division Chief for the City Attorney's Office, said she would look into this and provide an update offline.

Mr. Deal took a moment to differentiate reliability between different types of energy. He stated that reliability requires predictability, and without predictability, energy is not reliable. Rooftop solar helps to shave off peak demand, but it is not necessarily reliable like gas or coal. Mr. Deal said he encouraged solar users to purchase batteries if they are able to, so they can have a more personally reliable system.

Chair Donelson noted that Ms. Smith had said many Colorado Springs Utilities customers may be considering solar, which is why there is an emphasis on educating customers on the reality of solar, both positive and negative.

Board Member Henjum stated that she understood the next steps for a rate case but asked if there would be additional information beyond the presentation provided. Ms. Smith responded yes, much more information. There is a summary for each group that will go on CSU.org, updates to the net metering newsletter, and updated information on the website as well.

Board Member Rainey asked if this was solely used for research purposes, not to drive an outcome, and if a third-party group could use this information to drive outcomes with customers. Ms. Congdon said this information was not binding, and this should not be dissuading or persuading a customer's decision, it is simply a report from the focus groups.

Board Member Henjum said she felt it is important to acknowledge the difference between facts and opinion and speak kindly when it comes to the beliefs of customers based on the understanding they have on energy, reliability, concerns about the environment, and solar versus non-solar users. She said this is a complex consideration and it is imperative to consider opinions and help educate. Chair Donelson agreed with this statement and said the message from Colorado Springs Utilities needs to be clear that they are not pro-solar or anti-solar.

### **Electric Integrated Resource Plan (EIRP) Progress Update**

Mr. David Longrie, Manager of Energy Resource Planning and Innovation, and Mr. Troy Bass, Supervisor of Energy Resource Planning, provided the Electric Integrated Resource Plan (EIRP) progress update. In this update, they detailed electric planning strategic drivers, major projects, generation resource retirements, transmission capacity, the Integrated Resource Plan process, modeling and analysis, load forecast, and demand side management. Mr. Longrie and Mr. Bass also provided the next steps for the EIRP.

Vice Chair Williams asked if Colorado Springs Utilities provides the timeline of how fast a large load customer can be brought online to interested customers. Mr. Longrie answered yes, that is discussed with potential large-load customers.

Board Member Henjum asked where the Fuller Substation is. Mr. Longrie answered that it is east of Colorado Springs. Chair Donelson requested a tour of this substation. Mr. Deal answered that staff would coordinate this tour.

Board Member Leinweber asked if Springs Utilities is maxed out on how many megawatts can be transmitted, or if there is still capacity to transmit. Mr. Longrie answered that there is some capacity, as long as all generating units are working. Mr. Deal noted that to be a generating facility, you have to have two-way transmission.

Board Member Henjum asked if there is a limit on tech load. Mr. Longrie responded no, there is not a limit, but that the graph showed where Colorado Springs Utilities is today. Mr. Deal added that he had the team add a subsection to the load called "Economic Development Load" to help plan for and stay ahead of normal business development, essentially as a buffer. Board Member Henjum requested this information to be added as a footnote to the presentation. Mr. Deal noted that true-ups are done each year to adjust and change as needed.

Board Member Risley asked if it was possible to add the green footprint of renewables. While they generate cleaner energy, there is an environmental footprint in the manufacturing and transportation of these items. Board Member Risley suggested this might be an appropriate assignment for the Utilities Policy Action Committee (UPAC) to take on. Board Member Leinweber agreed with this assignment. Mr. Deal said that, while this assignment is possible, there is a lot more to the environmental and social cost along with state and federal guidelines, which presents a challenge. The data changes so rapidly, it could be difficult to truly capture. Mr. Deal reiterated how imperative it is to have reliable energy, and how that drives the decisions that he makes for the organization.

Board Member Leinweber asked if there is a true cost saving from the \$800,000 option to the \$600,000 option. Mr. Deal responded no, the difference is in the timeframe as the Nixon Powerplant would come offline and that capital would need to be reinvested into other resources to meet the

gap. Board Member Leinweber asked about the status of pump-hydro as an energy option. Mr. Longrie said it is something that continues to be discussed, however the goal is to use technology that has significantly less impact on water. This type of energy would be more of a storage technology than one that could support a base load.

Board Member Casey asked what creates the difference in cost between the different plans presented. Mr. Longrie responded that nuclear overall has a higher cost, both to build and to run. The bulk of this cost is to bring a site online. Once a site is constructed, then additional improvements will be cheaper.

Board Member Henjum noted the difference in emission reductions between the nuclear high cost and nuclear delayed cost. She asked if the difference in the two amounts was due to the battery. Mr. Bass answered that when the Nixon Power Plant is retired in 2038, renewables will need to be built to make up for the capacity lost.

Board Member Leinweber reiterated Board Member Risley's idea to give UPAC the assignment of calculating the social and environmental costs between nuclear and renewable energy. Chair Donelson said he understood where Board Member Leinweber was coming from, but this particular assignment could be somewhat contentious and political, which is not ideal. Chair Donelson did agree that UPAC is in need of a new assignment, however, the Board would not be voting on an assignment at the upcoming April Utilities Board meeting. Mr. Deal agreed that this would not be the best assignment due to its political nature.

#### **Kelker to South Plant Transmission Line Update**

This item was pulled from the agenda and not presented during the meeting.

#### **Adjournment**

Chair Donelson adjourned the meeting at 11:56 a.m.