

**SUPPLEMENTAL
INFORMATION**

Colorado Springs Utilities
SUMMARY OF BUSINESS SEGMENTS
Full-Year 2023

	Operating Revenues		Operating Expenses		Operating Income / (Loss)	Utilities Plant - Gross Book Value ^{1/}	
	\$ (000)	% of Total	\$ (000)	% of Total		\$ (000)	% of Total
Electric	\$ 515,472	50.4%	\$ 440,183	50.5%	\$ 75,289	\$ 2,979,751	38.8%
Gas ^{2/}	220,686	21.5%	184,122	21.2%	36,564	574,415	7.5%
Water ^{3/}	209,408	20.4%	179,857	20.6%	29,551	2,978,717	38.8%
Wastewater	74,763	7.3%	61,994	7.1%	12,769	1,081,871	14.1%
Streetlight	4,401	0.4%	5,606	0.6%	(1,205)	58,946	0.8%
Total	\$ 1,024,730	100.0%	\$ 871,762	100.0%	\$ 152,968	<u>\$ 7,673,700</u>	<u>100.0%</u>
Less: Interdepartmental Sales	<u>(19,022)</u>		<u>(19,022)</u>		<u>-</u>		
Net Total	<u>\$ 1,005,708</u>		<u>\$ 852,740</u>		<u>\$ 152,968</u>		

^{1/} Total Net Utilities Plant (excluding water component units) is \$4,553,545,581. This amount represents \$7,304,397,605 in Gross Utilities Plant plus \$369,301,885 in Construction Work in Progress shown above, less Accumulated Depreciation and Amortization of \$3,120,153,909. See Note 6 in the 2023 Audited Financial Statements attached hereto as Appendix A.

^{2/} The gas information excludes amounts attributable to the Public Authority for Colorado Energy (PACE) described in Note 19 in the 2023 Audited Financial Statements. For a description of PACE see page 58 in the 2023 Audited Financial Statements attached hereto as Appendix A.

^{3/} The water information excludes amounts attributable to the water component units described in Note 19 in the 2023 Audited Financial Statements. For descriptions of the component units see page 62 in the 2023 Audited Financial Statements attached hereto as Appendix A.

OUTSTANDING NOTES & LOANS PAYABLE AND BOND ISSUES

as of December 31, 2023

<u>Summary of Long-Term Debt ^{1/}</u>	<u>Outstanding Principal (000's)</u>
Variable Rate Demand Utilities System Subordinate Lien Improvement Revenue Bonds, Series 2005A	\$ 63,220
Variable Rate Demand Utilities System Subordinate Lien Improvement Revenue Bonds, Series 2006B	51,325
Variable Rate Demand Utilities System Improvement Revenue Bonds, Series 2007A	47,900
Variable Rate Demand Utilities System Improvement Revenue Bonds, Series 2008A	33,135
Taxable Utilities System Improvement Revenue Bonds, Series 2009B-2 (Direct Pay Build America Bonds)	54,810
Variable Rate Demand Utilities System Refunding Revenue Bonds, Series 2009C	54,025
Taxable Utilities System Improvement Revenue Bonds, Series 2009D	48,990
2009 Drinking Water Revolving Fund Loan, Colorado Water Resources & Power Development Authority Improvement Bonds, Series 2009E	3,506
Variable Rate Demand Utilities System Improvement Revenue Bonds, Series 2010C	35,265
Utilities System Revenue Bonds, Series 2010D-4 (Taxable Direct Pay Build America Bonds)	107,260
Variable Rate Demand Utilities System Improvement Revenue Bonds, Series 2012A	36,730
Utilities System Improvement Revenue Bonds, Series 2014A-1	53,060
Utilities System Improvement Revenue Bonds, Series 2014A-2	49,085
Utilities System Refunding Revenue Bonds, Series 2015A	60,340
Utilities System Refunding Revenue Bonds, Series 2017A-1	76,080
Utilities System Refunding Revenue Bonds, Series 2017A-2	75,440
Utilities System Refunding Revenue Bonds, Series 2018A-1	94,060
Utilities System Refunding Revenue Bonds, Series 2018A-2	35,785
Utilities System Refunding Revenue Bonds, Series 2018A-3	3,230
Utilities System Improvement Revenue Bonds, Series 2018A-4	51,680
Utilities System Refunding Revenue Bonds, Series 2019A	84,090
Utilities System Refunding Revenue Bonds, Series 2020A	171,765
Utilities System Refunding Revenue Bonds, Series 2020B	32,855
Utilities System Improvement Revenue Bonds, Series 2020C	69,790
Utilities System Refunding Revenue Bonds, Series 2021A	26,285
Utilities System Improvement Revenue Bonds, Series 2021B	179,145
Utilities System Refunding Revenue Bonds, Series 2022A	121,960
Utilities System Improvement Revenue Bonds, Series 2022B	160,325
Utilities System Improvement Revenue Bonds, Series 2023A	203,060
Utilities System Refunding Revenue Bonds, Series 2023B	160,720
	<u>\$ 2,244,921</u>

On September 9, 2022, Utilities signed a third amendment to the Revolving Loan Agreement ("Credit Line") with U.S. National Bank Association dated September 8, 2016. As of December 31, 2023, Utilities may receive advances up to \$75.0 million under the Credit Line to fund Utilities' operating needs and normal expenditures, including without limitation, regularly scheduled capital expenses. The Credit Line expires on September 8, 2025.

^{1/} Reference Note 8 "Summary of Total Long-Term Debt" in 2023 Audited Financial Statements for additional information.

Colorado Springs Utilities
DEBT SERVICE COVERAGE

	Fiscal Year Ended December 31				
	2019	2020	2021	2022 (restated) ^{6/}	2023
Operating Revenue	\$ 893,025,647	\$ 884,352,022	\$ 1,065,753,637	\$ 1,234,497,176	\$ 1,005,708,024
Operating Expense	(630,436,554)	(648,835,571)	(925,538,263)	(872,239,459)	(852,740,383)
Noncash pension and OPEB expense ^{1/}	(59,289,853)	(18,260,776)	(21,371,550)	(78,835,764)	(15,872,926)
Depreciation and Amortization	<u>160,154,608</u>	<u>161,258,001</u>	<u>163,747,903</u>	<u>168,234,808</u>	<u>181,916,595</u>
Operating Revenue Available for Debt Service	\$ 363,453,848	\$ 378,513,676	\$ 282,591,727	\$ 451,656,761	\$ 319,011,310
Interest Earnings (excluding interest on bonds) ^{2/}	12,116,403	10,229,700	6,266,364	9,165,346	16,019,425
Development Fees ^{3/}	<u>41,765,416</u>	<u>52,988,002</u>	<u>47,174,065</u>	<u>36,456,201</u>	<u>32,609,140</u>
Net Pledged Revenues	<u>\$ 417,335,667</u>	<u>\$ 441,731,378</u>	<u>\$ 336,032,156</u>	<u>\$ 497,278,308</u>	<u>\$ 367,639,875</u>
Average Annual Principal and Interest Requirements	\$ 108,638,339	\$ 106,354,147	\$ 110,797,025	\$ 114,315,299	\$ 119,688,483
Additional Bonds Coverage Ratio	3.84	4.15	3.03	4.35	3.07
Fiscal Year Debt Service ^{4/}	\$ 185,983,370	\$ 187,700,199	\$ 188,728,984	\$ 205,751,921	\$ 214,473,488
Rate Coverage Ratio ^{4/}	2.24	2.35	1.78 ^{5/}	2.42 ^{5/}	1.71 ^{7/}

^{1/} Adjustment for noncash pension and other postemployment benefits:

GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other than Pensions) implemented in 2017.

^{2/} Interest earnings include Build America Bond cash payment subsidies received; 2019 - \$7,366,740; 2020 - \$6,983,335; 2021 - \$5,268,125; 2022 - \$4,451,306; 2023 - \$4,387,889

^{3/} Development Fees are cash contributions for general and specific utilities capital projects. These fees are utilized to compensate existing customers for the costs of developing the System and to help pay for the growth of the System caused by new customers.

^{4/} Fiscal Year Debt Service and Rate Coverage Ratio were adjusted in 2020 due to correction of the Fiscal Year Debt Service.

^{5/} Decrease in Debt Service Coverage is due primarily to an increase in operating expenses caused by a severe winter storm in February 2021. The recovery of these expenses through electric cost adjustment and gas cost adjustment rates caused an increase operating revenue and Debt Service Coverage in 2022.

^{6/} 2022 financial statements restated due to implementation of GASB Statement No. 96 (Subscription-Based Information Technology Arrangements). See note 21 of the 2023 Audited Financial Statements attached hereto as Appendix A.

^{7/} Decrease in Debt Service Coverage is due primarily to a decrease in operating revenue caused by routine changes to gas cost adjustment rates and weather-related decreases in water consumption.

Colorado Springs Utilities
BOOK COST OF ELECTRIC FACILITIES
2014 - 2023

The following table presents the gross book costs (including CWIP but excluding Common Allocation) of the Electric system facilities (at the end of the years indicated) and reflects expansion of the facilities:

2014	\$	2,115,984,001	2019	\$	2,503,374,663
2015		2,234,442,093	2020		2,284,318,833
2016		2,315,400,355	2021		2,476,292,486
2017		2,392,465,598	2022		2,683,142,685
2018		2,448,935,764	2023		2,773,408,826

By Function, the gross book costs of the Electric system facilities as of December 31, 2023 were as follows:

Production System	\$	925,125,496
Transmission System		193,622,468
Distribution System		1,230,765,529
Streetlighting		54,578,451
General Plant		161,227,902
Work in Progress		<u>208,088,980</u>
Total Plant	\$	<u><u>2,773,408,826</u></u>

Colorado Springs Utilities
SUMMARY OF OPERATIONS

	Fiscal Year Ended December 31				
	2019	2020	2021	2022 (restated) ^{7/}	2023
Operating Revenue ^{1/}	\$ 893,025,647	\$ 884,352,022	\$ 1,065,753,637	\$ 1,234,497,176	\$ 1,005,708,024
Operating and Other Expense:					
Operating Expense: ^{1/}					
Production and treatment	\$ 140,112,121	\$ 121,259,315	\$ 166,665,018	\$ 204,341,645 ^{2/}	\$ 155,618,836 ^{8/}
Purchased power, gas and water for resale	120,625,568	118,743,474	328,661,577 ^{3/}	286,021,186	217,770,473
Transmission and distribution	47,059,853	45,724,916	48,710,008	51,555,205	53,091,450
Maintenance	64,197,266	61,587,557	73,089,089	64,528,833	69,318,741
Administration and general	62,586,544 ^{4/}	104,466,289	108,244,282	56,591,058 ^{4/}	135,206,853
Customer service and information	15,214,168	12,861,042	11,870,698	12,605,167	8,785,834
Customer accounting and collection	20,154,925	22,625,033	24,203,249	27,970,913	30,675,095
Products and services	94	53	-	-	-
Franchise taxes	331,406	309,891	346,440	390,644	356,506
Depreciation and amortization	160,154,609	161,258,001	163,747,902	168,234,808	181,916,595
Total Operating Expense	\$ 630,436,554	\$ 648,835,571	\$ 925,538,263	\$ 872,239,459	\$ 852,740,383
Operating Income	\$ 262,589,093	\$ 235,516,451	\$ 140,215,374	\$ 362,257,717	\$ 152,967,641
Nonoperating Revenue (Expense)					
Derivative instruments gain/loss	\$ (11,364,782)	\$ (13,615,418)	\$ 18,733,978	\$ 38,779,384	\$ 2,009,341
Investment income	10,230,631	5,917,121	1,253,655	7,135,364	29,455,180
Other revenue ^{5/}	12,629,940	12,012,474	8,958,101	8,991,207	11,532,192
Other expense	(14,191,395)	(28,268,900)	(7,682,992)	(5,286,853)	(12,261,032)
Interest expense	(97,991,582)	(96,999,149)	(84,448,428)	(90,307,168)	(91,099,245)
Total Nonoperating Revenue (Expense)	\$ (100,687,188)	\$ (120,953,872)	\$ (63,185,686)	\$ (40,688,066)	\$ (60,363,564)
Income (loss) before Contributions, Transfers, & Extraordinary Items	\$ 161,901,905	\$ 114,562,579	\$ 77,029,688	\$ 321,569,651	\$ 92,604,077
Contributions in aid of construction	64,939,857	73,222,380	68,073,168	69,411,116	52,930,987
Transfers out - surplus payments to the City	(34,015,348)	(35,153,778)	(37,250,499)	(37,278,636)	(35,298,019)
Transfers - other	(2,334,072)	(330,769)	(170,896)	(112,048)	(613)
Special items ^{6/}	-	(228,095,915)	-	(3,750,180)	(1,330,497)
Change in Net Position	\$ 190,492,342	\$ (75,795,503)	\$ 107,681,461	\$ 349,839,903	\$ 108,905,935
Total Net Position, January 1	\$ 1,844,468,351	\$ 2,034,960,693	\$ 1,959,165,190	\$ 2,066,846,651	\$ 2,416,686,341
Total Net Position, December 31	\$ 2,034,960,693	\$ 1,959,165,190	\$ 2,066,846,651	\$ 2,416,686,554	\$ 2,525,592,276

^{1/} Operating Revenue and Operating Expense are shown net of interdepartmental sales.

^{2/} Increase in Production and Treatment Costs in 2021-2022 is primarily attributable to the increase in Electric Fuel Costs.

^{3/} Increase in Purchased Power, Gas and Water for Resale and resulting decrease in Operating Income due primarily to a weather event in February 2021. See "INVESTMENT CONSIDERATIONS - Risks Related to Spikes in System Expenses Caused by Extreme Weather and Other Events.

^{4/} Decrease in Administration and General expense from 2018-2019 and 2021-2022 is primarily attributable to decrease in employee Pension and Benefit expenses in 2018 and 2021, respectively. In accordance with GASB 68, credits of \$59,289,853 in 2019 and \$78,835,763 in 2022 were recognized.

^{5/} Includes interest/dividend income, Mark to Market on Derivatives, and Build America Bond ("BABs") subsidy accruals. Accounting accruals for BABs subsidies: 2018 - \$7,963,806; 2019 - \$7,944,439; 2020 - 6,720,778; 2021 - \$4,527,388; 2022 - 4,439,216.69.

^{6/} In 2016, Drake Unit 5 was decommissioned. In 2020 as a result of the Utilities Board's decision to decommission Drake, Nixon 1 and Birdsall, Utilities determined the assets related to the decommissioning power plants were impaired as of December 31, 2020 and recorded a loss as a Special item on the Statements of Revenues, Expenses and Changes in Net Position. In November 2020, Utilities took over Cascade Metropolitan District No. 1's water system. Utilities recorded the Cascade Water System assets at net book value as a Special item on the Statements of Revenues, Expenses and Changes in Net Position in accordance with GASB Statement No. 69, Government Combinations and Disposals of Government Operations. In 2022, Drake Units 6 and 7 were decommissioned and Utilities determined the assets were impaired and recorded the \$3.8 million loss as a Special item on the Statements of Revenue, Expenses and Changes in Net position. Drake was permanently shut down on September 1, 2022.

^{7/} 2022 financial statements restated due to implementation of GASB 96. See note 21 of the 2023 Audited Financial Statements attached hereto as Appendix A.

^{8/} Decrease in Production and Treatment Costs in 2023 is primarily due to decreases in fuel costs.

Colorado Springs Utilities
ELECTRIC RATES
Rates as of April 1, 2024

Residential Service (E1R)	Standard Option:	Effective Date:
Electric Cost Adjustment ^{1/}	Per kWh \$ 0.0255	April 1, 2024
Electricity Capacity Charge	Per kWh \$ 0.0050	April 1, 2024
Access and Facilities Charges	Per Day \$ 0.6007 Per kWh \$ 0.0823	January 1, 2024 January 1, 2024
Commercial Service-General (E2C)		
Electric Cost Adjustment ^{1/}	Per kWh \$ 0.0255	April 1, 2024
Electricity Capacity Charge	Per kWh \$ 0.0042	April 1, 2024
Access and Facilities Charges	Per Day \$ 0.9350 Per kWh \$ 0.0686	January 1, 2024 January 1, 2024
Industrial Service Time-of-Day 500 kW Minimum (E8T)		
Electric Cost Adjustment ^{1/}		
On Peak	Per kWh \$ 0.0452	April 1, 2024
Off Peak	Per kWh \$ 0.0200	April 1, 2024
Electricity Capacity Charge	Per kWh \$ 0.0032	April 1, 2024
Demand Charges (Primary)		
On Peak	Per kW, Per Day \$ 0.7720	January 1, 2024
Off Peak	Per kW, Per Day \$ 0.4585	January 1, 2024
Demand Charges (Secondary)		
On Peak	Per kW, Per Day \$ 0.7838	January 1, 2024
Off Peak	Per kW, Per Day \$ 0.4703	January 1, 2024
Access and Facilities Charges	Per Day \$ 22.7068	January 1, 2024
Industrial Service Time-of-Day 4,000 kW Minimum (E8S)		
Electric Cost Adjustment ^{1/}		
On Peak	Per kWh \$ 0.0452	April 1, 2024
Off Peak	Per kWh \$ 0.0200	April, 1 2024
Electricity Capacity Charge	Per kWh \$ 0.0030	April 1, 2024
Demand Charges (Primary)		
On Peak	Per kW, Per Day \$ 0.8286	January 1, 2024
Off Peak	Per kW, Per Day \$ 0.4924	January 1, 2024
Demand Charges (Secondary)		
On Peak	Per kW, Per Day \$ 0.8404	January 1, 2024
Off Peak	Per kW, Per Day \$ 0.5042	January 1, 2024
Access and Facilities Charges	Per Day \$ 48.1672	January 1, 2024

^{1/} The Utilities' electric rates include an electric cost adjustment, which reflects changes in the costs of fuel and purchased power. The current electric cost adjustment was effective April 1, 2024 and can change monthly.

Colorado Springs Utilities
ELECTRIC SALES AND REVENUE

<u>Customer Class</u>	Electric Sales (MWH) - Fiscal Year Ended December 31				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential	1,497,575	1,593,520	1,603,002	1,582,217	1,531,512
Commercial	751,202	719,930	758,810	751,633	735,971
Industrial	1,965,993	1,849,834	1,928,455	1,933,434	1,760,028
Contract Service- Military	342,597	334,247	339,912	336,019	342,018
Transmission (OATT)	7,390	9,684	10,248	7,683	517 ^{1/}
Interdepartmental	142,321	118,290	124,867	113,758	124,816
Subtotal	<u>4,707,078</u>	<u>4,625,505</u>	<u>4,765,294</u>	<u>4,724,744</u>	<u>4,494,862</u>
Miscellaneous Sales	<u>236,853</u>	<u>797,469</u>	<u>560,427</u>	<u>597,804</u>	<u>331,475</u>
Total Electric Sales	4,943,931	5,422,974	5,325,721	5,322,326	4,826,337
Less: Interdepartmental	<u>(142,321)</u>	<u>(118,290)</u>	<u>(124,867)</u>	<u>(113,758)</u>	<u>(124,816)</u>
Net Electric Sales	<u>4,801,610</u>	<u>5,304,684</u>	<u>5,200,854</u>	<u>5,208,568</u>	<u>4,701,521</u>
Transmission (Wheeled Power)	<u>32,821</u>	<u>32,706</u>	<u>32,800</u>	<u>32,779</u>	<u>32,802</u>
Net Peak Demand (MW)	<u>965</u>	<u>943</u>	<u>989</u>	<u>959</u>	<u>969</u>
Active Electric Meters	<u>236,519</u>	<u>241,133</u>	<u>245,642</u>	<u>249,466</u>	<u>253,193</u>

^{1/} On August 1, 2022, Utilities changed Balancing Authorities from Public Service Company of Colorado to Western Area Colorado Missouri and began participating in the Southwest Power Pool ("SPP") Western Energy Imbalance Service("WEIS") market. The decrease in Transmission (OATT) Electric Sales (MWH) from 2022 - 2023 is related to the classification of imbalance charges that are now processed in the WEIS market.

<u>Customer Class</u>	Electric Revenues - Fiscal Year Ended December 31				
	<u>2019</u>	<u>2020</u>	<u>2021^{1/}</u>	<u>2022^{2/}</u>	<u>2023</u>
Residential	\$ 191,855,361	\$ 197,141,530	\$ 217,020,062	\$ 237,852,696	\$ 211,329,463
Commercial	76,486,944	71,404,697	83,741,891	94,850,206	83,982,230
Industrial	144,910,744	131,841,197	159,725,879	188,625,656	155,103,926
Contract Service- Military	19,734,739	18,007,483	22,125,489	26,976,181	21,758,195
Streetlighting	4,075,000	4,075,000	4,075,000	4,075,000	4,401,000
Transmission (OATT)	4,443,283	7,496,491	7,309,575	6,134,324	3,673,021
Interdepartmental	10,455,374	9,093,121	9,718,262	11,052,440	10,692,027
Subtotal	<u>\$ 451,961,445</u>	<u>\$ 439,059,519</u>	<u>\$ 503,716,158</u>	<u>\$ 569,566,503</u>	<u>\$ 490,939,862</u>
Miscellaneous Revenue	<u>19,221,144</u>	<u>27,144,199</u>	<u>36,125,617</u>	<u>59,025,141</u>	<u>28,414,448</u>
Total Electric Revenue	\$ 471,182,589	\$ 466,203,718	\$ 539,841,775	\$ 628,591,644	\$ 519,354,310
Less: Interdepartmental	<u>(10,455,374)</u>	<u>(9,093,121)</u>	<u>(9,718,262)</u>	<u>(11,052,440)</u>	<u>(10,692,027)</u>
Net Electric Revenue	<u>\$ 460,727,215</u>	<u>\$ 457,110,597</u>	<u>\$ 530,123,513</u>	<u>\$ 617,539,204</u>	<u>\$ 508,662,283</u>
Wheeled Power	<u>\$ 496,987</u>	<u>\$ 536,274</u>	<u>\$ 515,838</u>	<u>\$ 507,111</u>	<u>\$ 519,052</u>

^{1/} Increase in Electric revenue from 2020-2021 due to an increase in the Utilities' Electric Cost Adjustment in April 2021 to recoup costs of February 2021 severe weather storm.

^{2/} Increase in Electric revenue from 2021-2022 due to an increase in fuel prices passed on to customers through the Utilities' Electric Cost Adjustments.

Colorado Springs Utilities
BOOK COST OF GAS FACILITIES
2014 - 2023

The following table presents the gross book costs (including CWIP but excluding Common Allocation) of the Gas system facilities (at the end of the years indicated) and reflects expansion of the facilities:

2014	\$	324,388,412	2019	\$	405,661,956
2015		335,014,348	2020		431,130,180
2016		349,588,857	2021		459,818,637
2017		365,569,769	2022		487,914,550
2018		388,335,005	2023		531,029,773

By Function, the gross book costs of the Gas system facilities as of December 31, 2023 were as follows:

Production System	\$	13,951,568
Distribution System		472,903,865
General Plant		32,895,258
Work in Progress		<u>11,279,082</u>
Total Plant	\$	531,029,773

Colorado Springs Utilities

GAS RATES

Rates as of April 1, 2024

Residential Service (G1R)

Effective Date:

Gas Cost Adjustment ^{1/}	Per 100 cubic feet	\$	0.0810	April 1, 2024
Gas Capacity Charge	Per 100 cubic feet	\$	0.0964	April 1, 2024
Access and Facilities Charges	Per Day	\$	0.3930	January 1, 2014
	Per 100 cubic feet	\$	0.1906	January 1, 2024

Commercial Service (G1CL)

Gas Cost Adjustment ^{1/}	Per 100 cubic feet	\$	0.0810	April 1, 2024
Gas Capacity Charge	Per 100 cubic feet	\$	0.0840	July 1, 2022
Access and Facilities Charges	Per Day	\$	0.7860	January 1, 2024
	Per 100 cubic feet	\$	0.1752	January 1, 2024

^{1/} The Utilities' gas rates include a gas cost adjustment, which reflects changes in the costs of gas from its suppliers. The current gas cost adjustment was effective April 1, 2024 and can change monthly.

Colorado Springs Utilities
GAS SALES AND REVENUE

<u>Customer Class</u>	Gas Throughput (Mcf ^{1/} @ 14.65 p.s.i.a.) - Fiscal Year Ended December 31				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Firm Sales:					
Residential	13,308,773	12,953,785	12,761,809	13,589,017	13,064,150
Commercial	7,302,800	6,922,639	7,076,621	7,652,068	7,799,129
Contract Service- Military	1,643,438	1,666,175	1,702,712	1,692,675	1,665,888
Interruptible Sales:					
Industrial	767,800	824,827	835,748	835,258	591,745
Interdepartmental - Firm and Interruptible	<u>106,256</u>	<u>779,571</u>	<u>4,368,163</u> ^{2/}	<u>2,821,379</u>	<u>1,986,082</u>
Total Gas Sales Volume	<u>23,129,067</u>	<u>23,146,997</u>	<u>26,745,053</u>	<u>26,590,397</u>	<u>25,106,994</u>
Gas Transportation Volume	<u>1,344,142</u>	<u>1,235,428</u>	<u>1,241,986</u>	<u>1,247,556</u>	<u>1,245,187</u>
Total Throughput Volume	24,473,209	24,382,425	27,987,039	27,837,953	26,352,181
Less: Interdepartmental- Firm and Interruptible	<u>(106,256)</u>	<u>(779,571)</u>	<u>(4,368,163)</u>	<u>(2,821,379)</u>	<u>(1,986,082)</u>
Net Throughput Volume	<u>24,366,953</u>	<u>23,602,854</u>	<u>23,618,876</u>	<u>25,016,574</u>	<u>24,366,099</u>
Active Gas Meters	<u>210,804</u>	<u>214,849</u>	<u>218,766</u>	<u>222,226</u>	<u>224,832</u>

^{1/} "Mcf" =one-thousand cubic feet.

^{2/} Increase from 2020-2021 due to the switch in the use of coal to gas in the production of electricity at the Martin Drake Plant.

<u>Customer Class</u>	Gas Revenues - Fiscal Year Ended December 31				
	<u>2019</u>	<u>2020</u>	<u>2021^{1/}</u>	<u>2022^{3/}</u>	<u>2023^{4/}</u>
Firm Sales:					
Residential	\$ 103,173,485	\$ 88,752,107	\$ 139,950,932	\$ 184,660,733	\$ 125,262,405
Commercial	43,737,297	35,266,509	65,963,744	91,233,755	60,801,259
Contract Service- Military	8,483,122	7,094,962	11,977,307	15,441,653	11,691,854
Interruptible Sales:					
Industrial	3,050,459	2,999,955	4,476,692	6,497,212	3,173,451
Interdepartmental - Firm and Interruptible	<u>1,469,369</u>	<u>4,440,937</u>	<u>27,194,437</u> ^{2/}	<u>23,103,779</u>	<u>7,350,215</u>
Subtotal	<u>\$ 159,913,732</u>	<u>\$ 138,554,470</u>	<u>\$ 249,563,112</u>	<u>\$ 320,937,132</u>	<u>\$ 208,279,184</u>
Gas Transportation Revenue	2,652,481	2,582,427	4,844,180	2,634,270	2,689,052
Miscellaneous Revenue	<u>3,918,753</u>	<u>1,301,021</u>	<u>25,770,760</u>	<u>28,010,939</u>	<u>9,717,268</u>
Total Gas Revenue	\$ 166,484,966	\$ 142,437,918	\$ 280,178,052	\$ 351,582,341	\$ 220,685,504
Less: Interdepartmental Sales	<u>(1,469,369)</u>	<u>(4,440,937)</u>	<u>(27,194,437)</u>	<u>(23,103,779)</u>	<u>(7,350,215)</u>
Net Gas Revenue	<u>\$ 165,015,597</u>	<u>\$ 137,996,981</u>	<u>\$ 252,983,615</u>	<u>\$ 328,478,562</u>	<u>\$ 213,335,289</u>

^{1/} Increase in Gas revenue from 2020-2021 due to an increase in the Utilities' Gas Cost Adjustment in April 2021 to recoup costs of February 2021 severe weather storm.

^{2/} Increase from 2020-2021 due to the switch in the use of coal to gas in the production of electricity at the Martin Drake Plant.

^{3/} Increase in Gas revenue from 2021-2022 due to an increase in fuel prices passed on to customers through the Utilities' Gas Cost Adjustments.

^{4/} Decrease in Gas revenue from 2022-2023 due to decreased fuel prices passed on to customers through the Utilities' Gas Cost Adjustments.

BOOK COST OF WATER AND WASTEWATER FACILITIES

2014 - 2023

The following table presents the gross book costs (including CWIP but excluding Common Allocation) of the Water and Wastewater system facilities (at the end of the years indicated) and reflects expansion of the facilities:

2014	\$	2,833,795,673	2019	\$	3,402,983,001
2015		2,997,563,333	2020		3,489,663,153
2016		3,093,054,012	2021		3,574,001,062
2017		3,193,131,823	2022		3,710,420,802
2018		3,306,506,404	2023		3,823,547,957

By Function, the gross book costs of the Water and Wastewater system facilities as of December 31, 2023 were as follows:

Source of Supply	\$	937,470,355
Pumping Plant		181,422,567
Water Treatment Plant		367,311,426
Wastewater Disposal Plant		274,832,884
Transmission & Distribution		1,080,646,287
Non-Potable Plant		44,519,867
Wastewater Collection System		677,508,161
General Plant		142,516,055
Work in Progress		117,320,355
		<hr/>
Total Plant	\$	3,823,547,957

Colorado Springs Utilities

WATER RATES

Rates as of April 1, 2024

Single Family Residential Service (W-R)		City	Suburban	Effective Date
Service Charge	Per Meter, Per Day	\$ 0.8000 ^{1/}	\$ 1.2000 ^{1/}	January 1, 2023
Commodity Charge	Per cubic foot			
1 through 999 cubic feet		\$ 0.0499	\$ 0.0749	January 1, 2023
1,000 through 2,499 cubic feet		\$ 0.0623	\$ 0.0935	January 1, 2023
2,500 cubic feet and greater		\$ 0.0935	\$ 0.1403	January 1, 2023
Non-Residential Service (W-G, W-M)				
Service Charge	Per Meter, Per Day	\$ 1.8449 ^{2/}	\$ 2.7674 ^{2/}	January 1, 2023
Commodity Charge (Nov-Apr)	Per cubic foot	\$ 0.0552	\$ 0.0828	January 1, 2023
Commodity Charge (May-Oct)	Per cubic foot	\$ 0.0690	\$ 0.1035	January 1, 2023

^{1/} For meters from 5/8 to 1 inch. Higher rates apply for larger meter sizes.

^{2/} For meters less than 2 inches. Higher rates apply for larger meter sizes.

Colorado Springs Utilities

WATER RATES

Minimum Daily Charge

Rates as of April 1, 2024

Minimum daily charges (against which the scheduled water rates are applied) for residential users are set forth in the following table:

<u>Meter Size</u>	<u>Inside City</u>		<u>Outside City</u>		<u>Effective Date</u>
5/8" - 1"	\$	0.8000	\$	1.2000	January 1, 2023
1 1/2"	\$	1.6000	\$	2.4000	January 1, 2023
2"	\$	2.5600	\$	3.8400	January 1, 2023
3"	\$	4.8000	\$	7.2000	January 1, 2023

WATER SALES AND REVENUE

<u>Customer Class</u>	Water Sales (CCF) ^{1/} - Fiscal Year Ended December 31,				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential (City)	12,417,232	14,001,156	12,963,892	12,985,597	11,626,344
Residential (Suburban)	81,939	91,832	99,928	100,411	90,612
Commercial (City)	11,828,381	11,871,923	11,855,128	12,305,879	11,160,894
Commercial (Suburban)	38,851	40,512	(21,454) ^{3/}	32,372	31,218
Contract Service- Military	1,878,360	2,009,062	2,293,500	2,328,134	2,170,360
Nonpotable ^{2/}	1,434,633	1,633,997	1,451,670	1,557,970	1,373,615
Interdepartmental	1,864,600	1,592,248	1,738,853	1,321,752	925,789
Subtotal	29,543,996	31,240,730	30,381,517	30,632,115	27,378,832
Miscellaneous Sales	3,666,306	7,227,509	1,134,625 ^{4/}	1,361,269	4,041,068
City Use and Loss (est.)	3,318,119	3,536,287	2,933,377	3,150,804	2,973,819
Total Water Delivered for Sale	36,528,421	42,004,526	34,449,519	35,144,188	34,393,719
Less: Interdepartmental	(1,864,600)	(1,592,248)	(1,738,853)	(1,321,752)	(925,789)
Net Water Delivered for Sale	34,663,821	40,412,278	32,710,666	33,822,436	33,467,930
Active Water Meters	148,844	151,804	154,529	157,069	158,270

^{1/} "CCF" is an abbreviation for 100 cubic feet, which represents approximately 748 gallons.

^{2/} Raw water spot sales volumes excluded.

^{3/} In 2021, incorrect zone billings in prior years were discovered which required cancellations and rebills resulting in the issuance of large customer credits.

^{4/} In 2021, there was a decrease in non-standard water sales to surrounding areas including: Donala Metro District, Security Water District, LAWMA, Cripple Creek & Victor Gold Mine.

<u>Customer Class</u>	Water Revenues - Fiscal Year Ended December 31,				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential (City)	\$ 95,569,087	\$ 111,337,519	\$ 105,122,403	\$ 106,136,752	\$ 103,591,882
Residential (Suburban)	1,146,068	1,296,501	1,491,582	1,485,430	1,485,555
Commercial (City)	82,591,358	84,001,603	83,702,621	86,798,074	83,115,467
Commercial (Suburban)	469,390	483,095	33,685 ^{1/}	446,155	451,726
Contract Service- Military	9,674,809	11,115,810	12,569,885	12,804,568	12,836,862
Nonpotable	2,576,796	3,483,809	2,916,765	3,297,671	2,846,718
Interdepartmental	4,155,059	2,463,760	3,566,344	1,904,303	878,720
Subtotal	\$ 196,182,567	\$ 214,182,097	\$ 209,403,285	\$ 212,872,953	\$ 205,206,931
Miscellaneous Revenue	5,865,391	7,201,391	4,739,863 ^{2/}	4,223,084	4,201,430
Total Water Revenue	\$ 202,047,958	\$ 221,383,488	\$ 214,143,148	\$ 217,096,037	\$ 209,408,361
Less: Interdepartmental	(4,155,059)	(2,463,760)	(3,566,344)	(1,904,303)	(878,720)
Net Water Revenue	\$ 197,892,898	\$ 218,919,728	\$ 210,576,804	\$ 215,191,734	\$ 208,529,641

^{1/} In 2021, incorrect zone billings in prior years were discovered which required cancellations and rebills resulting in the issuance of large customer credits.

^{2/} In 2021, there was a decrease in non-standard water sales to surrounding areas including: Donala Metro District, Security Water District, LAWMA, Cripple Creek & Victor Gold Mine.

WASTEWATER TREATMENT SERVICE CHARGES

Rates as of April 1, 2024

		City	Suburban	Effective Date
Residential Service (S-R)				
Service Charge	Per Day	\$ 0.5178	\$ 0.7767	January 1, 2020
Quantity Charge	Per 100 cubic feet	\$ 0.0267	\$ 0.0401	January 1, 2023
Commercial Service (S-C)				
Service Charge	Per Day	\$ 1.0254	\$ 1.5381	January 1, 2020
Quantity Charge	Per 100 cubic feet	\$ 0.0320	\$ 0.0480	January 1, 2023

Colorado Springs Utilities
WASTEWATER REVENUE

Wastewater Revenues - Fiscal Year Ended December 31					
<u>Customer Class</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential (City)	\$ 51,346,880	\$ 53,157,436	\$ 53,979,186	\$ 54,190,445	\$ 54,626,096
Residential (Suburban)	119,239	111,575	105,991	106,941	107,789
Commercial (City)	15,291,231	13,843,559	14,834,548	15,695,334	16,911,859
Commercial (Suburban)	93,596	88,840	70,013	69,463	77,430
Contract Service- Military	154,028	132,606	145,906	225,790	230,093
Interdepartmental	419,340	429,308	507,064	225,284	101,066
Subtotal	<u>\$ 67,424,314</u>	<u>\$ 67,763,324</u>	<u>\$ 69,642,708</u>	<u>\$ 70,513,257</u>	<u>\$ 72,054,333</u>
Miscellaneous Revenue	<u>1,887,975</u>	<u>2,454,425</u>	<u>2,418,222</u>	<u>2,492,592</u>	<u>2,708,493</u>
Total Wastewater Revenue	\$ 69,312,289	\$ 70,217,749	\$ 72,060,930	\$ 73,005,849	\$ 74,762,826
Less: Interdepartmental	<u>(419,340)</u>	<u>(429,308)</u>	<u>(507,064)</u>	<u>(225,284)</u>	<u>(101,066)</u>
Net Wastewater Revenue	<u><u>\$ 68,892,949</u></u>	<u><u>\$ 69,788,441</u></u>	<u><u>\$ 71,553,866</u></u>	<u><u>\$ 72,780,565</u></u>	<u><u>\$ 74,661,760</u></u>
Active Wastewater Accounts	<u><u>145,284</u></u>	<u><u>147,767</u></u>	<u><u>150,388</u></u>	<u><u>152,695</u></u>	<u><u>152,888</u></u>

SUMMARY OF INTEREST RATE SWAP AGREEMENTS

December 31, 2023

<u>Name of Swap</u>	<u>Counterparty</u>	Counterparty Rating <u>12/31/2023</u>	Current Notional <u>Amount</u>	Fixed Rate Payable by the <u>City</u>	Variable Rate Payable to the <u>City</u>	Effective <u>Date</u>	Termination <u>Date</u>	Mark to Market Value as of <u>12/31/2023</u> ^{2/}
2005 SIFMA Swap	Bank of America, N.A.	Aa1/A+/AA	47,737,500	4.7099%	SIFMA	09/15/05	11/1/35	(5,651,698)
2005 SIFMA Swap	J. Aron & Co ^{1/}	A2/BBB+/A	15,912,500	4.7099%	SIFMA	09/15/05	11/1/35	(1,883,899)
2006 New Money SOFR Swap ^{3/}	Morgan Stanley Capital Group Inc. ^{1/}	Aa3/A+/A+	30,795,000	4.1185%	68% of SOFR	09/14/06	11/1/36	(3,340,952)
2006 New Money SOFR Swap ^{3/}	JP Morgan Chase Bank	Aa1/A+/AA	20,530,000	4.1185%	68% of SOFR	09/14/06	11/1/36	(2,227,301)
2007 New Money SOFR Swap ^{3/}	J. Aron & Co ^{1/}	A2/BBB+/A	28,740,000	3.1980%	68% of SOFR	09/13/07	11/1/37	(1,473,913)
2007 New Money SOFR Swap ^{3/}	Morgan Stanley Capital Group Inc. ^{1/}	Aa3/A+/A+	19,160,000	3.1980%	68% of SOFR	09/13/07	11/1/37	(982,609)
2008 SIFMA Swap	Bank of America, N.A.	Aa1/A+/AA	33,135,000	4.2686%	SIFMA	09/12/08	11/1/38	(3,592,325)
2009 SOFR Swap ^{3/}	Wells Fargo Bank, N.A.	Aa1/A+/AA-	54,025,000	5.4750%	68% of SOFR	10/01/09	11/1/28	(6,809,133)
2010 SOFR Swap ^{3/}	Morgan Stanley Capital Group Inc. ^{1/}	Aa3/A+/A+	35,265,000	3.8807%	68% of SOFR	10/26/10	11/1/40	(4,100,382)
2012 SOFR Swap ^{3/}	Morgan Stanley Capital Group Inc. ^{1/}	Aa3/A+/A+	36,730,000	4.0242%	68% of SOFR	03/15/12	11/1/41	(4,936,593)
Total Notional Amount of Interest Rate Swaps			<u><u>\$ 322,030,000</u></u>					

^{1/} Ratings at 12/31/2023 of the respective parent companies by Moody's, S&P and Fitch, respectively.^{2/}

Source: Stifel, a third party valuation service provider. The Mark to Market values shown on this table generally represent the difference between the present value of the fixed rate payments to be made by the City and the present value of the variable rate payments to be made by the applicable swap counterparty and a credit valuation adjustment reflecting non-performance risk by the current out-of-the-money party, as of the date noted. When the present value of the payments to be made by the City exceeds the present value of the payments to be made by the applicable counterparty, the applicable swap agreement has a negative Mark to Market value to the City. When the present value of the payments to be made by the applicable counterparty exceeds the present value of the payment to be made by the City, the applicable swap agreement has a positive Mark to Market value to the City. If at the time of termination the applicable swap agreement has a negative Mark to Market value to the City, the City would be liable to the counterparty for a payment equal to such value. None of the counterparties has the right to terminate the applicable swap agreement unless the City is in default in its obligations under the swap agreement. The Mark to Market values are shown for informational purposes only and, unless the applicable swap agreement is terminated, do not impact the financial condition of the Utilities.

^{3/} In December 2021, the Utilities adhered to the ISDA IBOR Fallback Protocol. Effective June 30, 2023, the variable rate payable to the City transitioned to 68% of Fallback SOFR provided in the ISDA IBOR Fallback Protocol.

Colorado Springs Utilities

SUMMARY OF FIXED PRICE FORWARD SWAP AGREEMENTS ^{1/}

December 31, 2023

<u>Counterparty</u>	<u>Credit Rating</u>	Notional Amount <u>MMBtu</u>	<u>Calendar Term</u>	Utilities Payment per <u>MMBtu</u>	Counterparty Payment per <u>MMBtu</u>	Market Value as of <u>12/31/2023</u>
Total Notional Amount for Commodity Swaps		<u>-</u>				

^{1/} The Utilities had no fixed price forward energy commodity swap agreements in place as of 12/31/2023.

SUMMARY OF GAS OPTION AGREEMENTS ^{1/}

<u>Counterparty</u>	<u>Credit Rating</u>	<u>Role of Counterparty</u>	<u>Option Type</u>	<u>Notional Amount MMBtu</u>	<u>Calendar Term</u>	<u>Strike Price per MMBtu</u>	<u>Underlying Price</u>	<u>Market Value as of 12/31/2023</u>
		Total Notional Amount for Commodity Swaps		-				

^{1/} The Utilities had no energy commodity option agreements in place as of 12/31/2023.

ELECTRIC SYSTEM - SYSTEM CAPABILITY

December 31, 2023

Net Capability of Electric System

<u>Unit</u>	<u>Fuel</u>	<u>Year Unit Completed</u>	<u>2023-2024 Net Winter Capability (MW)</u>	<u>2024 Net Summer Capability (MW)</u>
Birdsall #1 ^{1/}	Gas or Oil	1953	16	16
Birdsall #2 ^{1/}	Gas or Oil	1954	16	16
Birdsall #3 ^{1/}	Gas or Oil	1957	23	23
Nixon #1 ^{1/}	Coal	1980	208	208
Nixon #2 and #3 (Combustion Turbines)	Gas	1999	64	60
Front Range Power Plant	Gas	2003	480	460
South Plant Aeroderivative Generators ("SPAG") #1, #2, #3, #4, #5, #6 ^{2/}	Gas or Oil	2023	150	150
Cascade, Tesla, Manitou and Ruxton	Hydro		35	35
Total Resources			992	968
Purchases				
U.S. Department of Energy, Western Area Power Administrative Purchase:				
Salt Lake City Integrated Projects			60	15
Loveland Area Projects			57	61
United States Air Force Academy Solar			5	5
Solar Gardens			4	4
Clear Springs Ranch Solar Array			10	10
Grazing Yak Solar Array			35	35
Palmer Solar Array			60	60
Pike Solar ^{3/}			175	175
Spring Canyon II and III Wind Energy ^{4/}			60	60
Total Purchases			466	425
Grand Total			1,458	1,393

^{1/} See "—Coal and Gas-Fired Generation Retirement" below.^{2/} SPAG Units 1 through 6 declared commercially operational on June 5, 2023.^{3/} Pike Solar Array commercial operation date was December 18, 2023.^{4/} Commencing July 1, 2020 pursuant to an agreement with Black Hills Colorado Electric, LLC described under the caption "—Colorado Renewable Energy Standard" below.

The table below details the Utilities' potential summer resources classified by energy source. The Utilities' actual energy output from these resources can, and frequently does, significantly differ from the percentages shown.

Potential Summer 2024 Resources						
<u>Source of Power Supply</u>	<u>Owned Resources (MW)</u>	<u>Pct.</u>	<u>Purchases (MW)</u>	<u>Pct.</u>	<u>Total (MW)</u>	<u>Pct.</u>
Coal	208	21%	0	0%	208	15%
Natural Gas and Oil	725	75%	0	0%	725	52%
Hydro Generation	35	4%	76	18%	111	8%
Other Renewable Resources	0	0%	349	82%	349	25%
Total	968	100%	425	100%	1,393	100%

WATER SUPPLY AND RAW WATER DELIVERY

2024 Projection

Reliably Met Demand of the Water System ^{1/}

System Configuration

Reliably Met Demand

Existing System (2016)

95,000 acre-feet/yr (84.7 MGD)

Existing System plus Full IWRP Balanced Portfolio

136,000 acre-feet/year (121.3 MGD)

^{1/} This table shows the summarized estimates of Reliably Met Demand for current conditions and expected conditions at community buildout.

Colorado Springs Utilities
NON-REGULATED SERVICES

As the Utilities enhanced service to customers and leveraged existing utility assets it separately stated its financial results for a variety of services extending beyond the traditional core utility services. Prior to 2007, the non-regulated department was an accounting entity which included a variety of non-regulated services such as value-added products and services offered to existing customers, and non-tariff commodity sales and operational solutions offered to non-commodity customers. Commencing in 2007, the non-regulated department is no longer a separate accounting entity. Revenues and expenses previously reflected in this table are now included in the miscellaneous revenues and expenses of the appropriate service.