



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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20-24 Colorado Springs Utilities 2021 Gas Forecast Report

October 2020

Purpose

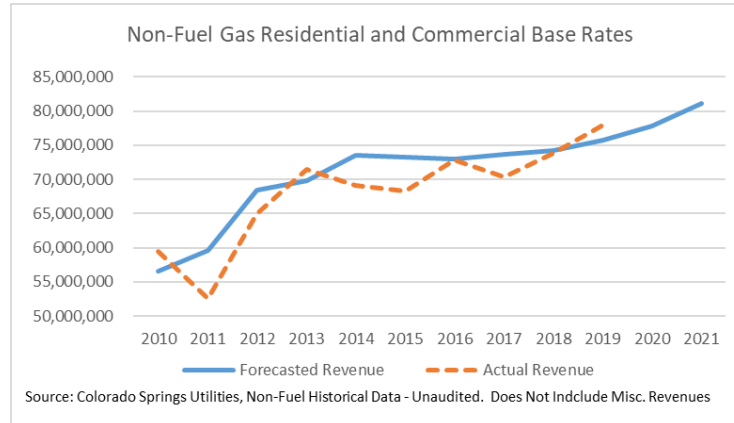
To review the 2021 Gas Sales and Revenue forecast for consistency and reasonableness as compared to historical data. This review was performed in support of our review of the 2021 Gas Cost of Service Study.

Highlights

We conclude the 2021 gas revenue forecast dated July 2020 prepared by Utilities was reasonable as compared to historical data. We performed analytical review to compare the forecast to historical trends for revenues and unit sales. The methodology to prepare the gas forecast appeared consistent with prior years forecasting.

Utilities gas non-fuel revenue forecast for 2021 was \$81.2M. We believe that the 2021 forecast was reasonable compared to the 2019 actual gas non-fuel revenue of \$78M and 2020 Annual Operating Plan forecast revenue of \$77.8M. At the time of our review, a rate increase of 3% had been included in the 2021 forecast.

See below for Gas forecast to actual non-fuel revenue trend data.



This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.