

ORDINANCE NO. 007, 2026
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING SECTION 26-721 OF THE CODE OF THE CITY OF
FORT COLLINS TO ADJUST TIMELINES TO CORRECT BILLING
ERRORS

A. The City Council is empowered and directed by Article XII, Section 6, of the City Charter to fix, establish, maintain, and provide for the collection of such rates, fees, or charges for utility services furnished by the City to produce revenues sufficient to pay the costs, expenses, and other obligations of the electric utility.

B. The regulation and governance of the provision of municipal utilities, pursuant to City Charter, are codified in Chapter 26 of the City Code.

C. Chapter 26 of the City Code sets forth the procedures and conditions for billing and collection of fees and charges for utility services, including resolution of delinquent balances and service disconnection, and terms for assessing and collecting fees and charges due for delivery of specified utility services.

D. From time to time, City staff review these Code provisions and recommend amendments to update the Code's language to respond to issues identified by staff, customers, and public assistance agencies, and changes in technology for delivering utility services.

E. After review, staff has identified that provisions in Chapter 26 of the City Code, which establish that the City will refund or bill utilities customers for over or underbilled amounts for six years following the billed service, do not align with the current practices of other utilities.

F. Amending City Code Section 26-721 to adopt a two-year timeframe in which discovered overbilling errors may be addressed follows those implemented in rule by the Colorado Public Utilities Commission.

G. Adopting an updated utilities billing error timeframe will improve administrative efficiency and reduce customer impacts, including reducing the financial burden on utilities customers for underbilled amounts from a six-year to a six-month period.

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that Section 26-721 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-721. – Billing errors.

(a) When an error has been made in an account, the following shall apply:

(1) ~~Overpayment.~~ **Overbilling.** When the utility determines a customer has ~~overpaid~~ been overbilled for utility service and the ~~overpayment occurred~~ overbilling is discovered within two (2) years after the date of a bill issued on or after March 1, 2026 for the overbilled utility service charge ~~no more than six (6) years before the date the error is made known to the utility,~~ the utility will issue to the customer a credit or a refund **for that period**, without interest, as reimbursement for the ~~overpayment~~ **overbilling** if each of the following conditions is met:

- a. Documentation evidencing the ~~overpayment~~ **overbilling** is available in utility records or has been provided to the utility by the customer; and
- b. The utility confirms the accuracy and sufficiency of the documentation based on utility records.

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(3) ~~Undercharges.~~ **Underbilling.** When the utility determines a current customer has been ~~undercharged~~ underbilled ~~for any reason and has underpaid~~ for utility service, **and the underbilled total is more than the minimal amount per account or aggregate billing system threshold established by the administrative rules and regulations adopted by the Financial Officer pursuant to § 26-720,** the customer ~~shall~~ **will** be billed for the ~~undercharges~~ **underbilled amount** without interest, ~~except~~ **as follows:**

- a. When the ~~undercharges~~ **underbilling** occurred ~~is discovered within more than six (6) years~~ **six (6) months** after the date of the bill of the underbilled utility service charge, **the utility will bill the customer for that period.** ~~before the date the utility discovers the error; or~~
- b. ~~The undercharges total less than a minimal amount per account or aggregate billing system threshold established by the administrative rules and regulations adopted by the Financial Officer pursuant to § 26-720.~~
- b. When the utility determines that a utility customer has been underbilled for utility service and that customer took an action or permitted false information to mislead the utility, per Code § 26-721(b), with or without being charged under § 1-15 of the Code, the utility will bill the customer for the underbilled amount for the six (6) years after the date of the bill of the underbilled utility service charge.

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Introduced, considered favorably on first reading on January 20, 2026, and approved on second reading for final passage on February 3, 2026.

Mayor

ATTEST:

City Clerk

Effective Date: February 13, 2026
Approving Attorney: Dianne Criswell

Exhibit: None