

MINUTES

CITY OF FORT COLLINS • BOARDS AND COMMISSIONS



ENERGY BOARD – DRAFT – ABRIDGED

October 9, 2025 – 5:30 pm

222 Laporte Ave – Colorado Room

ROLL CALL

Board Members Present: Marge Moore, Aleksander Thorstensen, Scott Canonico, Brian Smith, Jeremy Giovando, Jason Hevelone,

Board Members Absent: Wendell Stainsby, Frederick Wegert, Nataline Montecino

OTHERS PRESENT

Staff Members Present: Christie Fredrickson, Brian Tholl, Michael Authier, Yvette Lewis-Molok (remote), Katherine Bailey, Randy Reuscher, Joe Wimmer, Coy Althoff

Members of the Public:

2026 RATES & FEES

Randy Reuscher, Manager, Utility Rates

Joe Wimmer, Director, Utilities Finance

Staff will be bringing 2026 Utility Rates and Fees before City Council later this month, with formal adoption planned in November (effective as of January 2026).

A high-level overview of the Light & Power expense budget shows purchase power from Platte River is the highest expense, at 66% of the \$183.5 million budget in 2026. Other large influences on the budget include capital & asset management (10%), L&P operations (7%), PILOTs (Payments in Lieu of Taxes, 5%), and Customer Service & Admin and Energy Services (4% each). As Platte River moves forward toward their renewable energy goals (and the goals of their owner communities), we should continue to expect to see wholesale rate increases as they invest in new technology and renewable energy resources. Inflation has also impacted overall cost increases as it pertains to capital investments and infrastructure replacements. As budgeted, Electric rates will increase by 6% in 2026.

The Water Utility has several large capital investments coming up, including the Halligan Water Supply Project, Water Main Replacement Project Program, Drake Water Reclamation Facility Projects, and the OneWater Laboratory Design, all of which are having a direct influence on rate increases (9% for water, 8% for wastewater, and 6% for stormwater).

In November, staff will host an in-person commercial accounts meeting to review the rate increases for that rate class, but there has already been a lot of communication happening between our key accounts team and customers, as well as website publications.

Mr. Reuscher said Utilities staff expects the average residential monthly bill (with all four utilities services) to increase roughly 7%, or \$13.00, in 2026. Though Fort Collins Utilities may not have the least expensive individual services, Utilities has the least expensive combined utility rates on the front range and of the four partner communities (of Platte River). Small commercial customers can also expect roughly a 7% monthly increase if they have all four services, totaling about \$85.00 more per month, but this amount will vary greatly depending on consumption levels for each service.

Fort Collins Utilities offers several affordability programs, including a one-time payment assistance program, a retrofit program, IQAP (Income Qualified Assistance Program), and other outreach programs. These are designed to help customers with emergency assistance for past-due bills or equipment failures, long-term, seasonal and monthly bill payment assistance, and home efficiency upgrades with installation.

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ENERGY BOARD

REGULAR MEETING

Mr. Wimmer explained that Utilities is currently going through some significant capital planning and have many capital projects coming up. This creates several major decision points ahead of the next budget cycle (2027-2028), and he envisions coming back to the Energy Board with plans for how future rate increases will help inform those decisions and projects.

Board member Giovando asked how IQAP enrollment is performing and if there is any new enrollment data compared to eligibility. Mr. Tholl said having access to auto enrollment via LEAP has absolutely increased enrollment. Mr. Giovando said it will be especially important to continue to public outreach around affordability programs as rates continue to increase, as there may be customers who miss LEAP enrollment windows, or may not have heard about the program, or not understood that they were eligible to apply.

Board member Canonico asked how the Time-of-Day rate structure plays into the overall rates. Mr. Reuscher said Time of Day rates help a lot with load factor, and Fort Collins actually has lower rate increases than the other three cities (that are in partnership with Platte River). While it may not be the only driving factor, staff believes Time-of-Day rates to be a key component since it helps reduce the overall peak and saves demand costs. There have been discussions about eliminating the tier charge (additional fee above 700kWh of total usage in a month), since it competes with the City's goal to move toward electrification and could be viewed as a disincentive.

Board member Moore moved the Energy Board to support the proposed changes to the 2026 electric utility rates slated to go into effect January 1, 2026.

Board member Thorstensen seconded the motion.

Discussion:

Board members seemed to agree the rate increases felt reasonable, since neighboring municipalities are seeing similar increases, and especially in comparison to other municipalities nationwide which, in some cases, are experiencing double-digit rate increases.

Vote on the motion: It passed 6-0, with three absent.