

## Springs utility bills 5th-lowest

### Mild climate, city ownership reduce gas, electric costs

By PAM ZUBECK  
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Climate and customer ownership of Colorado Springs Utilities combine to rank the typical Springs residential energy bill as fifth-lowest in the nation, according to a recent study of 300 cities.

The typical residential monthly gas and electric bills total \$118.69 in Colorado Springs, compared with a national average of \$163.41, according to the Council for Community and Economic Research study, which has conducted polls on energy usage for years.

The survey compared cities based on a typical residential bill averaged over a year in each city.

Colorado Springs Utilities' ranking is helped by the fact that summers are mild — many homes aren't air-conditioned — and winters aren't often severe for weeks or months like they usually are in, say, Minneapolis.

"Having a relatively mild climate helps keep our usage down," said Utilities spokesman Dave Grossman. "But being able to generate most of our own power locally helps keep rates low, and our longterm proactive energy-buying practices helps keep natural gas rates down."

The city's long-term gas contracts minimize price fluctuations. The city also buys gas throughout the year and stores it in underground caverns for use when prices escalate.

In addition, because both electric and gas are owned by the city, Utilities doesn't have to show a profit to satisfy stockholders. It also enjoys lower borrowing rates than for-profit companies, further lowering costs. Lastly, Utilities pays a flat payment-in-lieu of taxes to the city of roughly \$26 million, while for-profit utility companies must pay property tax on assets and sales tax on purchases. Of the five cities that ranked lowest on rates, three run both electric and gas utilities.

#### The lowest four:

- Weatherford, Texas — \$112.02; owns electric; gas provided by Texas Gas Service.
- Loveland — \$112.76; owns electric; gas provided by XCEL.
- Albany, Ga. — \$113.53; owns both.
- Pryor Creek, Okla. — \$113.67; owns both.

#### Other Colorado cities included in the report:

- Denver — \$174.41
- Glenwood Springs — \$151.64
- Grand Junction — \$128.01
- Greeley — \$153.69
- Gunnison — \$135.29
- Pueblo — \$129.61

CONTACT THE WRITER: 636-0238 or [pam.zubeck@gazette.com](mailto:pam.zubeck@gazette.com)