

# MEMORANDUM

**TO:** Water & Light Board  
**FROM:** Dawn Jennings, Assistant Director, Rates and Fiscal Planning, Columbia Utilities  
**DATE:** February 3, 2026  
**SUBJECT:** Power Cost Adjustment Report – December 2025

The following is a summary of the power cost adjustment (PCA) determination for December 2025 and is intended to serve as the required monthly update for the Water & Light board.

## Projected Expenses

Staff is forecasting a total increase of \$2.5 million over the forecasted FY25 level due to the timing of when the payments for Iatan and Prairie State were paid as well as increased purchased power costs due to increased energy prices.

|                                  | Forecasted FY 26<br>November 2025 | December 2025 | Difference  |
|----------------------------------|-----------------------------------|---------------|-------------|
| <b>Purchased Power</b>           | \$78,115,179                      | \$80,098,225  | \$1,983,046 |
| <b>Transmission Expenses</b>     | \$9,169,346                       | \$9,454,994   | \$285,648   |
| <b>Natural Gas</b>               | \$3,426,822                       | \$3,597,842   | \$171,020   |
| <b>Bal. &amp; Trans. Revenue</b> | \$(9,500,165)                     | \$(9,412,417) | \$87,748    |
| <b>Prior FY Final True-Up</b>    | \$10,871,288                      | \$10,871,288  | \$0         |
| <b>Total</b>                     | \$92,082,469                      | \$94,609,932  | \$2,527,462 |

## Projected Power Cost Recovery

Staff determined the FY 2026 forecasted energy sold (kWh) based on the MISO load forecast information that The Energy Authority (TEA) prepared. The energy sold forecast takes into account the base minus the energy efficiency programs, electric vehicles (EV's) and behind the meter (BTM) generation. Currently with the final true-up amount from FY 2025 it is anticipated that we will have to recover \$22,002,699 over the course of the fiscal year.

|  | Forecasted FY26<br>November 2025 | December 2025 | Difference  |
|--|----------------------------------|---------------|-------------|
| <b>Energy Sold (kWh)</b>               | 1,218,641,000                    | 1,235,171,657 | 16,530,657  |
| <b>Base Rate Power Cost Recovery</b>   | \$69,096,945                     | \$70,034,233  | \$937,288   |
| <b>YTD PCA Billings</b>                | -                                | \$2,573,000   | \$2,573,000 |
| <b>Annual Net Power Cost + True Up</b> | \$91,396,887                     | \$94,609,932  | \$3,213,045 |

|                                  |              |              |             |
|----------------------------------|--------------|--------------|-------------|
| <b>Total Power Cost Recovery</b> | \$69,096,945 | \$72,607,233 | \$3,510,288 |
| <b>Power Cost less Recovery</b>  | \$22,299,943 | \$22,002,699 | (\$297,244) |

## PCA Customer Impact

Below is a summary of the PCA's impact on each customer type through the current month. These impacts are based on class average monthly usage for the residential, small general service, large general service, and industrial customer classes.

| FY26             | PCA            | RES            | SM GEN         | LG GEN            | IND                |
|------------------|----------------|----------------|----------------|-------------------|--------------------|
|                  | <b>Avg kWh</b> | <b>800</b>     | <b>1,306</b>   | <b>28,278</b>     | <b>860,863</b>     |
| <b>October</b>   | \$0.013605     | \$10.88        | \$17.77        | \$384.72          | \$11,712.04        |
| <b>November</b>  | \$0.013605     | \$10.88        | \$17.77        | \$384.72          | \$11,712.04        |
| <b>December</b>  | \$0.013605     | \$10.88        | \$17.77        | \$384.72          | \$11,712.04        |
| <b>January</b>   |                |                |                |                   |                    |
| <b>February</b>  |                |                |                |                   |                    |
| <b>March</b>     |                |                |                |                   |                    |
| <b>April</b>     |                |                |                |                   |                    |
| <b>May</b>       |                |                |                |                   |                    |
| <b>June</b>      |                |                |                |                   |                    |
| <b>July</b>      |                |                |                |                   |                    |
| <b>August</b>    |                |                |                |                   |                    |
| <b>September</b> |                |                |                |                   |                    |
| <b>Total</b>     |                | <b>\$32.65</b> | <b>\$53.30</b> | <b>\$1,154.17</b> | <b>\$35,136.12</b> |

The calculated PCA for December 2025 is \$0.013605. This will result in a bill charge of \$10.88 for the average residential customer.