

MEMORANDUM

TO: Water & Light Board

FROM: Sarah Talbert, Assistant Director Columbia Utilities

DATE: October 20, 2023

SUBJECT: Power Cost Adjustment Report – October FY24

The following is a summary of the power cost adjustment (PCA) determination for October 2023 and is intended to serve as the required quarterly update for the Water & Light board.

Projected Expenses

Staff are forecasting an increase of \$2,556,003 in power cost over the currently projected FY23 level. This is mainly due transmission and natural gas expenses being lower in FY23 than is typical combined with higher than normal transmission revenue.

	Projected Final FY23	Forecasted FY24 October 2023	Difference
Purchased Power	\$69,098,969	\$69,265,689	\$166,720
Transmission Expenses	\$5,026,575	\$5,630,713	\$604,138
Natural Gas	\$2,011,604	\$2,436,216	\$424,612
Bal. & Trans. Revenue	\$(10,716,455)	\$(9,355,922)	\$1,360,533
Total	\$65,420,693	\$67,976,696	\$2,556,003

Projected Power Cost Recovery

Staff are forecasting an increase in energy sales in FY24 of 39,069,062 kWh. Mild monthly average temperatures in both the winter and summer seasons resulted in lower than typical energy usage in FY23. This corresponds to forecasted base rate power cost recovery of \$68,309,014 in FY24, which is \$332,318 less than current projected power cost expenses.

	Projected Final FY23	Forecasted October 2023	Difference
Energy Sold (kWh)	1,165,675,448	1,204,744,510	39,069,062
Base Rate Power Cost Recovery	\$66,093,798	\$68,309,014	\$2,215,216
YTD PCA Billings	-	-	-
Total Power Cost Recovery	\$66,093,798	\$68,309,014	\$2,302,000
Power Cost less Recovery	\$(673,105)	\$(332,318)	-

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.

FY24	PCA		RES	SM GEN	LG GEN	IND
	Avg kWh		756	1,353	28,245	822,043
October	\$(0.000276)		\$(0.21)	\$(0.37)	\$(7.80)	\$(226.88)
November						
December						
January						
February						
March						
April						
May						
June						
July						
August						
September						
Total			(\$0.21)	(\$0.37)	(\$7.80)	(\$226.88)

The calculated PCA for October 2023 is \$(0.000276). This will result in a bill credit of \$0.21 for the average residential customer.