

RESOLUTION NO. 2020-15

RESOLUTION AMENDING THE POWER COST ADJUSTMENT FOR THE SALE OF ELECTRICITY BY THE BOARD OF TRUSTEES OF THE ALGONA MUNICIPAL UTILITIES AND REPEALING RESOLUTIONS IN CONFLICT.

Be it resolved by the Board of Trustees in the charge of management and control of the Municipal Electric Department of the City of Algona, Iowa to set the Power Cost Adjustment (PCA) as follows:

POWER COST ADJUSTMENT: Calculated as the difference in the actual power costs for the current month per kWh sold less the budgeted fixed base cost per kWh sold. The PCA will compensate for an increase or decrease in the cost of fuel and purchased power above or below the fixed base cost per kWh sold.

The following are the definitions of the terms used above:

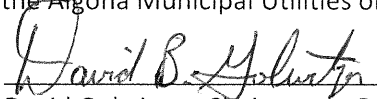
Fixed Base Cost per kWh Sold: the sum of the annual budgeted amounts for the following power supply costs: 1) costs associated with AMU's membership in the NIMECA group; 2) all non-capital costs associated with AMU's ownership in the Neal 4 generating station (operating and maintenance, fuel); 3) costs associated with AMU's receipt of energy from the Trinity Wind Generation Project; 4) transmission costs associated with delivery of all power and energy provided by all sources of supply to the AMU system; and 5) any other non-capital-related power supply costs; less budgeted Purchased Power Sales and Attachment H revenues associated with participation in the Southwest Power Pool; divided by the budgeted annual kWh sales for all customer classes. The fixed base cost is calculated by using the 2021 projected power supply costs of \$5,883,536 divided by 2021 projected sales of 113,650,000 kWh, which is the total of the energy sales expected for all rate classes, including the City of Algona, AMU, and streetlights, etc. This formula results in a fixed base cost of \$0.05177/kWh.

Actual Power Cost per kWh Sold: the sum of the current month's actual amounts for the following power supply costs: 1) monthly NIMECA bill; 2) all non-capital costs associated with AMU's ownership in the Neal 4 generating station (operating and maintenance, fuel); 3) costs associated with AMU's receipt of energy from the Trinity Wind Generation Project; 4) transmission costs associated with delivery of all power and energy provided by all sources of supply to the AMU system; and 5) any other non-capital-related power supply costs; less actual Purchased Power Sales and Attachment H revenues associated with participation in the Southwest Power Pool for the current month; divided by the sum of the current actual kWh sales for all customer classes.

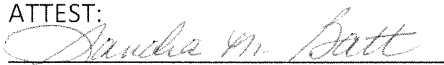
EFFECTIVE DATE: This resolution and the amended Power Cost Adjustment (PCA) established hereby shall become effective with electricity billed in January 2021 and upon publication of the approved Resolution as required by law.

All applicable Local, State and Federal Taxes shall be added to electric energy rates, fees and charges.

PASSED, APPROVED, AND ADOPTED by the Board of Trustees of the Algona Municipal Utilities on the 30th day of September 2020.


David Golwitzer, Chairperson Pro Tem

ATTEST:


Sandra M. Batt, Secretary