RESOLUTION NUMBER 2026-25

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:

Section 1. Rates Established.

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 increases or decreases 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 (including costs associated with AMU's local generating assets and any behind-the-meter generation purchased by AMU); less 1) budgeted Purchased Power Sales and Attachment H revenues associated with participation in the Southwest Power Pool; and 2) costs associated with serving interruptible customers; all divided by the budgeted annual kWh sales for all customer classes except interruptible customers. The fixed base cost is calculated by dividing the 2027 projected power supply costs of $6,342,109 by the 2027 projected non-interruptible sales of 115,593,600 kWh, which is the total energy sales expected for all rate classes, including the City of Algona, AMU, and streetlights. This formula results in a fixed base cost of $0.05486/kWh.

Actual Power Cost per kWh Sold: the sum of the current month's actual 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 (including costs associated with

AMU's local generating assets and any behind-the-meter generation purchased by AMU); less 1) budgeted Purchased Power Sales and Attachment H revenues associated with participation in the Southwest Power Pool; and 2) costs associated with serving interruptible customers; all divided by the budgeted annual kWh sales for all customer classes except interruptible customers.

Section 2. Repealer Clause. All resolutions, parts of resolutions, or service rules in conflict with the provisions of this resolution are hereby repealed insofar as the conflicting portions thereof are concerned.

Section 3. Severability Clause. If any section, provision, or part of this resolution shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the resolution as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

Section 4. Effective Date. The rates provided herein apply to electricity billed on or about November 30, 2026. This resolution shall be in full force and effect upon its passage and publication as provided by law.

Section 5. Publication. This resolution shall be published in full.

PASSED, APPROVED, AND ADOPTED by the Board of Trustees of the Algona Municipal Utilities on the 2nd day of September 2026.

/s/ Julie Murphy
Julie Murphy, Chairperson

ATTEST:

/s/ Robert Harrington
Robert Harrington, Secretary