



Regulation is a maze. We can show you the way!

Whitney E. Snyder
717.703.0807
wesnyder@hmslegal.com

Thomas J. Sniscak
717.703.0800
tjsniscak@hmslegal.com

501 Corporate Circle, Suite 302, Harrisburg, PA 17110 Phone: 717.236.1300 Fax: 717.236.4841 www.hmslegal.com

January 16, 2026

By Electronic Filing

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor (filing room)
Harrisburg, PA 17120

Re: Columbia Water Company DSIC Quarterly Update / Tariff Supplement No. 137
to Water Pa. P.U.C. No. 7

Dear Secretary Homsher:

Attached is the quarterly update to Columbia Water Company's DSIC surcharge in accordance with the Commission's Order of April 17, 2003, at Docket No. P-00021979, and the applicable provisions of the Company's tariff. This quarterly filing is also in compliance with the approved pro forma filing at Docket No. M-2022-3037031.

In conformance with this update, we also enclose Supplement No. 137 to Tariff – Water Pa. P.U.C. No. 7, which acts to increase the DSIC surcharge to 0.96%, effective February 1, 2026.

If you have any questions, please contact me.

Very truly yours,

/s/ Whitney E. Snyder

Whitney E. Snyder
Thomas J. Sniscak

Counsel for Columbia Water Company

WES/das
Enclosure

COLUMBIA WATER COMPANY

RATES, RULES, AND REGULATIONS GOVERNING
THE DISTRIBUTION OF WATER IN WEST HEMPFIELD, RAPHO,
EAST DONEGAL AND MANOR TOWNSHIPS AND
THE BOROUGHS OF COLUMBIA AND MOUNTVILLE, AND MARIETTA
LANCASTER COUNTY AND HELLAM TOWNSHIP, YORK COUNTY, PENNSYLVANIA

Issued: January 16, 2026

Effective: February 1, 2026

By: David T. Lewis, President
Columbia Water Company
220 Locust Street
Columbia, PA 17512

NOTICE

THIS TARIFF SUPPLEMENT INCREASES THE DISTRIBUTION SYSTEM
IMPROVEMENT CHARGE

See Page Two

List of Changes Made by this Supplement

Change:

Tariff Supplement No. 137 increases the Distribution System Improvement Charge to 0.96%. (C)

(C) Indicates Change (I) Indicates Increase

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(I) Indicates Increase (D) Indicates Decrease (C) Indicates Change

27. Distribution System Improvement Charge (DSIC)

Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

Residual E-Factor Recovery Upon Reset to Zero: The utility shall file with the Commission interim rate revisions to resolve the residual over/under collection or E-factor amount after the DSIC rate has been reset to zero. The utility can collect or credit the residual over/under collection balance when the DSIC rate is reset to zero. The utility shall refund any over-collection to customers and is entitled to recover any under-collections as set forth in the Audit/Reconciliation Section. Once the utility determines the specific amount of the residual over or under collection amount after the DSIC rate is reset to zero, the utility shall file a tariff supplement with supporting data to address that residual amount. The tariff supplement shall be served upon the Commission's Bureau of Investigation and Enforcement, the Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the supplement.

Public Fire Protection: The DSIC will not apply to public fire protection customers.

27.1 In addition to the charges provided in this tariff, a distribution system improvement charge of 0.96% will apply to all charges for service, except public fire protection on or after the effective date of this tariff shown below. (I)

**THE COLUMBIA WATER COMPANY
CALCULATION OF ORIGINAL COST, ANNUAL DEPRECIATION
AND ANNUAL DEPRECIATION EXPENSE FOR ASSETS TO BE INCLUDED
IN THE DSIC AT DECEMBER 31, 2025**

	<u>Year Installed</u>	<u>Depreciation Method</u>	<u>Original Cost at 12/31/24</u>	<u>Service Life</u>	<u>Age Years</u>	<u>Accumulated Depreciation</u>	<u>Depreciation Original Cost</u>
<u>Account 333.4 Services</u>							
Services	2024	S.L.	\$ 11,499.93	60 yrs	1.75	\$ 335	\$ 11,499.93
Services	2024	S.L.	1,197.36	60 yrs	1.50	30	1,197.36
Services	2024	S.L.	3,221.97	60 yrs	1.50	81	3,221.97
Services	2024	S.L.	26,074.50	60 yrs	1.25	543	26,074.50
Services	2024	S.L.	2,310.56	60 yrs	1.25	48	2,310.56
Services	2024	S.L.	11,022.80	60 yrs	1.25	230	11,022.80
Services	2025	S.L.	5,900.83	60 yrs	0.75	74	5,900.83
Services	2025	S.L.	12,540.03	60 yrs	0.75	157	12,540.03
Services	2025	S.L.	25,729.72	60 yrs	0.75	322	25,729.72
Services	2025	S.L.	3,448.54	60 yrs	0.50	29	3,448.54
Services	2025	S.L.	8,822.80	60 yrs	0.50	74	8,822.80
Services	2025	S.L.	3,842.54	60 yrs	0.25	16	3,842.54
Services	2025	S.L.	2,635.57	60 yrs	0.25	11	2,635.57
Services	2025	S.L.	9,743.43	60 yrs	0.25	41	9,743.43
Services	2025	S.L.	2,865.95	60 yrs	0.25	12	2,865.95
						2,001	130,856.53

Account 331-4 Transmission and Distribution Mains

Mains	2024	S.L.	42,954.29	90 yrs	1.75	835	42,954.29
Mains	2024	S.L.	13,991.62	90 yrs	1.75	272	13,991.62
Mains	2024	S.L.	17,983.58	90 yrs	1.50	300	17,983.58
Mains	2024	S.L.	29,268.15	90 yrs	1.50	488	29,268.15
Mains	2024	S.L.	64,753.34	90 yrs	1.25	899	64,753.34
Mains	2024	S.L.	12,706.06	90 yrs	1.25	176	12,706.06
Mains	2024	S.L.	3,717.00	90 yrs	1.25	52	3,717.00
Mains	2024	S.L.	1,928.55	90 yrs	1.25	27	1,928.55
Mains	2024	S.L.	4,277.48	90 yrs	1.25	59	4,277.48
Mains	2024	S.L.	35,672.79	90 yrs	1.25	495	35,672.79
Mains	2024	S.L.	14,567.63	90 yrs	1.25	202	14,567.63
Mains	2024	S.L.	29,554.26	90 yrs	1.25	410	29,554.26
Mains	2025	S.L.	7,394.24	90 yrs	0.75	62	7,394.24
Mains	2025	S.L.	33,431.17	90 yrs	0.75	279	33,431.17
Mains	2025	S.L.	25,856.66	90 yrs	0.50	144	25,856.66
Mains	2025	S.L.	33,393.63	90 yrs	0.50	186	33,393.63
Mains	2025	S.L.	12,899.37	90 yrs	0.25	36	12,899.37
Mains	2025	S.L.	61,424.69	90 yrs	0.25	171	61,424.69
Mains	2025	S.L.	79,356.31	90 yrs	0.25	220	79,356.31
Mains	2025	S.L.	6,312.47	90 yrs	0.25	18	6,312.47
						5,331	531,443.29

Account 335-4 Hydrants

Hydrants	2024	S.L.	5,462.91	70 yrs	1.75	137	5,462.91
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Hydrants	2024	S.L.	4,190.03	70 yrs	1.50	90	4,190.03
Hydrants	2024	S.L.	11,556.33	70 yrs	1.25	206	11,556.33
Hydrants	2024	S.L.	5,955.03	70 yrs	1.25	106	5,955.03
Hydrants	2025	S.L.	15,218.05	70 yrs	1.00	217	15,218.05
Hydrants	2025	S.L.	2,016.73	70 yrs	0.75	22	2,016.73
Hydrants	2025	S.L.	5,612.41	70 yrs	0.25	20	5,612.41

798	50,011.49
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Account 334-4 Meters

Meters	2024	S.L.	12,410.00	10 yrs	2.00	2,482	12,410.00
Meters	2024	S.L.	11,780.00	10 yrs	1.75	2,062	11,780.00
Meters	2024	S.L.	9,170.00	10 yrs	1.50	1,376	9,170.00
Meters	2024	S.L.	19,741.30	10 yrs	1.25	2,468	19,741.30
Meters	2025	S.L.	13,545.00	10 yrs	1.00	1,355	13,545.00
Meters	2025	S.L.	8,565.00	10 yrs	0.75	642	8,565.00
Meters	2025	S.L.	10,455.00	10 yrs	0.50	523	10,455.00
Meters	2025	S.L.	12,313.00	10 yrs	0.25	308	12,313.00

11,214	97,979.30
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\$ 19,344	\$ 810,290.61
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CALCULATION OF ANNUAL DEPRECIATION EXPENSE

<u>Total Annual Depreciation</u>	Total Annual Depreciation Expense
\$ 130,856.53 / 60 yrs	2,181
\$ 531,443.29 / 90 yrs =	5,905
\$ 50,011.49 / 70 yrs =	714
\$ 97,979.30 / 10 yrs =	9,798
Total Annual Depreciation Expense	18,598
Total Quarterly Depreciation Expense	\$ 4,650

**THE COLUMBIA WATER COMPANY
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE ("DSIC") CALCULATION
EFFECTIVE FEBRUARY 1, 2026**

Weighted Cost of Capital at 12/31/25

	Per Books	Capital Structure	Cost Rate	Weighted Average Cost Rates	Tax Multiplier	Rev Req
Debt	6,932,473	29.27%	4.98%	1.46%	-	1.46%
Equity	16,751,667	70.73%	9.75%	6.90%	1.0107	6.97%
	23,684,140	100.00%		8.35%		8.43%

**COLUMBIA WATER COMPANY
DISTRIBUTION SYSTEM IMPROVEMENT COST (DSIC)
12/31/2025**

	<u>INTEREST RATE CHARGED</u>	<u>LOAN BALANCE PER TB</u>	<u>LOWEST LOAN BALANCE</u>	<u>WEIGHTED AVERAGE</u>	<u>INTEREST RATE CHARGED</u>	<u>WEIGHTED INTEREST RATE</u>
BOBCAT LOAN	5.500%	11,425.04 /	11,425.04 =	1.00 X	5.500%	5.50%
WF-TRAILER/VAN	5.260%	- /	11,425.04 =	0.00 X	5.260%	0.00%
F-150/CARGO VAN	5.540%	- /	11,425.04 =	0.00 X	5.540%	0.00%
EDTMA LOAN	3.000%	1,103,423.58 /	11,425.04 =	96.58 X	3.000%	289.74%
M&T LOAN #1	3.130%	2,308,155.18 /	11,425.04 =	202.03 X	3.130%	632.34%
M&T LOAN #2	5.350%	272,182.52 /	11,425.04 =	23.82 X	5.350%	127.45%
M&T LOAN #3	7.875%	1,213,020.88 /	11,425.04 =	106.17 X	7.875%	836.11%
M&T LOAN #4	6.250%	465,374.67 /	11,425.04 =	40.73 X	6.250%	254.58%
M&T LOAN #5	6.680%	646,804.94 /	11,425.04 =	56.61 X	6.680%	378.17%
M&T LOAN #6	6.247%	912,086.19 /	11,425.04 =	79.83 X	6.247%	498.71%
		6,932,473.00		606.78		3022.61%
				Cost Rate	4.9814%	
	<u>PER BOOKS</u>	<u>CAPITAL STRUCTURE</u>	<u>COST RATE</u>	<u>WEIGHTED AVERAGE COST RATE</u>	<u>TAX MULTIPLIER</u>	<u>REVENUE REQUIRED</u>
Debt	6,932,473	29.27%	4.98%	1.46%	0	1.46%
Equity	16,751,667	70.73%	9.75%	6.90%	1.0107	6.97%
	23,684,140	100.00%		8.35%		8.43%

**THE COLUMBIA WATER COMPANY
COLUMBIA, PENNSYLVANIA**

As of December 31, 2025

STOCKHOLDERS' INVESTMENT

Common Stock Issued	\$5,040,000
Premium on Capital Stock	20,000
Other Paid-In Capital	12,000
Retained Earnings, Beginning of Year	10,520,708
Net Income January 1, 2025 to December 31, 2025	1,521,841
Dividends Accrued from January 1, 2025 to December 31, 2025	<u>(362,882)</u>

STOCKHOLDERS' INVESTMENT

\$16,751,667

**THE COLUMBIA WATER COMPANY
DSIC COMPUTATION
EFFECTIVE FEBRUARY 1, 2026**

DSIC =	<u>(DSI x PTRR+Dep+E)</u> PQR			
		<u>Annual</u>	<u>Quarterly</u>	
	Distribution System Improvement Costs		\$ 810,291	
	Less Accumulated Depreciation		<u>19,344</u>	
DSI	Net Distribution System Improvement Costs		<u>\$ 790,947</u>	
	Annual Pretax Rate of Return	8.43%		
PTRR (w/ STFT*)	Quarterly Pretax Rate of Return		2.11%	
DSI x PTRR	Quarterly Capital Cost Recovery		\$ 16,665	
	Annual Depreciation Expense	\$ 18,598		Monthly Recoverable Amount
DEP	Quarterly Depreciation Expense		<u>\$ 4,650</u>	
(DSI x PTRR) + Dep	Current Period Recoverable Cost Amount		<u>\$ 21,315</u>	<u>\$ 7,105</u>
	(Over)/Under Collection		\$ -	-
	Audit Adjustment		-	-
	Interest Refundable		-	-
	Prior Period 'E' Factor Residual		-	-
	Misc. Adjustments (Refund)/Recoup		-	-
	Net 'E' Factor Amount		-	-
E	Quarterly 'E' Factor Amount		<u>\$ -</u>	<u>\$ -</u>
(DSI x PTRR) Dep + E	Total DSIC Revenue Requirement		<u>\$ 21,315</u>	<u>\$ 7,105</u>
PQR	Projected Quarterly Revenue		\$ 2,219,021	
DSIC	DSIC Surcharge Rate			0.96%
* STFT (included in PTRR component)				
	<u>\$ 2,219,021</u>	Does not include accretion of deferred credit & DSIC surcharge		

(Over)/Under Collection: Total over collection of \$0.00 from the 2024 1307(e) per instruction by PUC.
Prior Period 'E' Factor Residual: Overcollection of \$0.00 from the 2024 1307(e) per instruction by PUC.

Columbia Water Company			
PA Corporate Income Tax Rate			
Year Ended 12/31/24			
Per 2024 Corporate Returns			Amount
Federal gross income			\$ 8,983,756
Cost of Goods Sold			\$ (2,178,695)
Total Federal deductions			\$ (5,775,865)
<u>PA Adjustments</u>			
Additional PA depreciation	\$	(702,917)	
Current year Federal bonus depn	\$	845,301	
PA Income tax deducted on 1120	\$	110,080	
Net addition to PA taxable income			\$ 252,464
Pennsylvania taxable income			\$ 1,281,660
Pennsylvania Income Tax (@ rate of 7.49%)			\$ 95,996
PA Effective Income Tax Rate - for DSIC use			1.069%
Federal Effective Income Tax Rate is 21%			
NOTE: For 2026, the PA Income Tax rate is 7.49%. Figures above based on 2024 income are reflected at the adjusted rate for 2026.			

Period	Current Cost Rate	Fixed Costs of Eligible Plant Additions	DSIC Surcharge Collected	Over/Under Collections	Interest Rate	No. of Months Until Recovery	Interest Amount	Period	'E' Factor Rate	Amount to be Collected/ (Refunded)	Amount Actually Collected/ (Refunded)	Amount Due or (Owed)
January 2024	1.877706%	9,013	9,097	84	7.25%	22	11	January 2024	-0.07423%	(356)	(356)	0
February	0.000000%	-	0	0	6.75%	21	0	February	0.000000%	0	0	0
March	0.000000%	-	0	0	6.75%	20	0	March	0.000000%	0	0	0
April	0.000000%	-	0	0	6.75%	19	0	April	0.000000%	0	0	0
May	0.034121%	183	225	42	6.75%	18	4	May	0.42918%	2,298	2,298	0
June	0.034121%	183	273	90	7.25%	17	9	June	0.42918%	2,298	2,298	0
July	0.034121%	183	439	256	7.00%	16	24	July	0.42918%	2,298	2,298	0
August	0.171105%	916	967	51	7.00%	15	4	August	0.000000%	0	0	0
September	0.171105%	916	953	37	7.00%	14	3	September	0.000000%	0	0	0
October	0.171105%	916	1,107	191	6.50%	13	13	October	0.000000%	0	0	0
November	0.276871%	1,482	1,437	(45)	6.50%	12	(3)	November	0.000000%	0	0	0
December	0.276871%	1,482	1,411	(71)	6.75%	11	(4)	December	0.000000%	0	0	0
		<u>15,274</u>	<u>15,909</u>	<u>635</u>			<u>61</u>			<u>6,538</u>	<u>6,538</u>	<u>0</u>

Period	Current Cost Rate	Fixed Costs of Eligible Plant Additions	DSIC Surcharge Collected	Over/Under Collections	Interest Rate	No. of Months Until Recovery	Interest Amount	Period	'E' Factor Rate	Amount to be Collected/ (Refunded)	Amount Actually Collected/ (Refunded)	Amount Due or (Owed)
January 2025	0.276871%	1,482	1,591	109	7.00%	22	14	January 2025	0.00000%	0	0	0
February	0.658214%	3,524	3,778	254	7.00%	21	31	February	0.00000%	0	0	0
March	0.658214%	3,524	3,421	(103)	7.25%	20	0	March	0.00000%	0	0	0
April	0.658214%	3,524	3,711	187	7.00%	19	21	April	0.00000%	0	0	0
May	0.517160%	3,825	3,294	(532)	7.00%	18	0	May	-0.03137%	(232)	(200)	(32)
June	0.517160%	3,825	3,278	(547)	7.00%	17	0	June	-0.03137%	(232)	(199)	(33)
July	0.517160%	3,825	3,892	67	7.25%	16	6	July	-0.03137%	(232)	(236)	4
August	0.633359%	4,685	4,908	223	7.25%	15	20	August	0.00000%	0	0	0
September	0.633359%	4,685	3,756	(929)	7.25%	14	0	September	0.00000%	0	0	0
October	0.633359%	4,685	3,764	(921)	7.25%	13	0	October	0.00000%	0	0	0
November	0.733583%	5,426	3,786	(1,640)	7.00%	12	0	November	0.00000%	0	0	0
December	0.733583%	<u>5,426</u>	<u>4,087</u>	<u>(1,339)</u>	<u>7.00%</u>	<u>11</u>	<u>0</u>	December	0.00000%	<u>0</u>	<u>0</u>	<u>0</u>
		<u>48,436</u>	<u>43,265</u>	<u>(5,171)</u>			<u>92</u>			<u>(696)</u>	<u>(635)</u>	<u>(61)</u>

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

VIA EMAIL ONLY

Darryl Lawrence, Consumer Advocate
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
ra-oca@paoca.org

Allison Kaster, Director
Pennsylvania Public Utility Commission
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
akaster@pa.gov

NazAarah Sabree, Small Business Advocate
Pennsylvania Office of Small Business Advocate
555 Walnut Street, 1st Floor
Forum Place
Harrisburg, PA 17101
ra-sba@pa.gov

/s/ Whitney E. Snyder _____

Whitney E. Snyder
Thomas J. Sniscak

Dated: January 16, 2026