



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

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April 27, 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. 139
to Water Pa. P.U.C. No. 7

Dear Secretary Homsher:

Attached is the quarterly update for Columbia Water Company's DSIC surcharge.

In conformance with this update, we also enclose Supplement No. 139 to Tariff – Water Pa. P.U.C. No. 7, which acts to increase the DSIC surcharge to 1.00%, effective May 1, 2026.

If you have any questions regarding this filing, please contact me.

Very truly yours,

/s/ Whitney E. Snyder

Whitney E. Snyder (Attorney ID No. 316625)
Counsel for Columbia Water Company

WES/das
Enclosure

cc: Porus Irani (pirani@pa.gov)
Lori Burger (lburger@pa.gov)
Alex Eason (aleason@pa.gov)
Per Certificate of Service

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: April 27, 2026

Effective: May 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. 139 increases the Distribution System Improvement Charge to 1.0% (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 1.00% 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 MARCH 31, 2026**

	<u>Year Installed</u>	<u>Depreciation Method</u>	<u>Original Cost at 3/31/26</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	2.00	\$ 383	\$ 11,499.93
Services	2024	S.L.	1,197.36	60 yrs	1.75	35	1,197
Services	2024	S.L.	3,221.97	60 yrs	1.75	94	3,222
Services	2024	S.L.	26,074.50	60 yrs	1.50	652	26,075
Services	2024	S.L.	2,310.56	60 yrs	1.50	58	2,311
Services	2024	S.L.	11,022.80	60 yrs	1.50	276	11,023
Services	2025	S.L.	5,900.83	60 yrs	1.00	98	5,901
Services	2025	S.L.	12,540.03	60 yrs	1.00	209	12,540
Services	2025	S.L.	25,729.72	60 yrs	1.00	429	25,730
Services	2025	S.L.	3,448.54	60 yrs	0.75	43	3,449
Services	2025	S.L.	8,822.80	60 yrs	0.75	110	8,823
Services	2025	S.L.	3,842.54	60 yrs	0.50	32	3,843
Services	2025	S.L.	2,635.57	60 yrs	0.50	22	2,636
Services	2025	S.L.	9,743.43	60 yrs	0.50	81	9,743
Services	2025	S.L.	2,865.95	60 yrs	0.50	24	2,866
						2,546	130,856.53

Account 331-4 Transmission and Distribution Mains

Mains	2024	S.L.	42,954.29	90 yrs	2.00	955	42,954.29
Mains	2024	S.L.	13,991.62	90 yrs	2.00	311	13,991.62
Mains	2024	S.L.	17,983.58	90 yrs	1.75	350	17,983.58
Mains	2024	S.L.	29,268.15	90 yrs	1.75	569	29,268.15
Mains	2024	S.L.	64,753.34	90 yrs	1.50	1,079	64,753.34
Mains	2024	S.L.	12,706.06	90 yrs	1.50	212	12,706.06
Mains	2024	S.L.	3,717.00	90 yrs	1.50	62	3,717.00
Mains	2024	S.L.	1,928.55	90 yrs	1.50	32	1,928.55
Mains	2024	S.L.	4,277.48	90 yrs	1.50	71	4,277.48
Mains	2024	S.L.	35,672.79	90 yrs	1.50	595	35,672.79
Mains	2024	S.L.	14,567.63	90 yrs	1.50	243	14,567.63
Mains	2024	S.L.	29,554.26	90 yrs	1.50	493	29,554.26
Mains	2025	S.L.	7,394.24	90 yrs	1.00	82	7,394.24
Mains	2025	S.L.	33,431.17	90 yrs	1.00	371	33,431.17
Mains	2025	S.L.	25,856.66	90 yrs	0.75	215	25,856.66
Mains	2025	S.L.	33,393.63	90 yrs	0.75	278	33,393.63
Mains	2025	S.L.	12,899.37	90 yrs	0.50	72	12,899.37
Mains	2025	S.L.	61,424.69	90 yrs	0.50	341	61,424.69
Mains	2025	S.L.	79,356.31	90 yrs	0.50	441	79,356.31
Mains	2025	S.L.	6,312.47	90 yrs	0.50	35	6,312.47
						6,807	531,443.29

Account 335-4 Hydrants

Hydrants	2024	S.L.	5,462.91	70 yrs	2.00	156	5,462.91
Hydrants	2024	S.L.	4,190.03	70 yrs	1.75	105	4,190.03
Hydrants	2024	S.L.	11,556.33	70 yrs	1.50	248	11,556.33
Hydrants	2024	S.L.	5,955.03	70 yrs	1.50	128	5,955.03
Hydrants	2025	S.L.	15,218.05	70 yrs	1.25	272	15,218.05
Hydrants	2025	S.L.	2,016.73	70 yrs	1.00	29	2,016.73
Hydrants	2025	S.L.	5,612.41	70 yrs	0.50	40	5,612.41

<u>977</u>	<u>50,011.49</u>
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Account 334-4 Meters

Meters	2024	S.L.	12,410.00	10 yrs	2.25	2,792	12,410.00
Meters	2024	S.L.	11,780.00	10 yrs	2.00	2,356	11,780.00
Meters	2024	S.L.	9,170.00	10 yrs	1.75	1,605	9,170.00
Meters	2024	S.L.	19,741.30	10 yrs	1.50	2,961	19,741.30
Meters	2025	S.L.	13,545.00	10 yrs	1.25	1,693	13,545.00
Meters	2025	S.L.	8,565.00	10 yrs	1.00	857	8,565.00
Meters	2025	S.L.	10,455.00	10 yrs	0.75	784	10,455.00
Meters	2025	S.L.	12,313.00	10 yrs	0.50	616	12,313.00

<u>13,664</u>	<u>97,979.30</u>
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<u>\$ 23,993</u>	<u>\$ 810,290.61</u>
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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 =	<u>9,798</u>
Total Annual Depreciation Expense	<u>18,598</u>
Total Quarterly Depreciation Expense	<u>\$ 4,650</u>

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

Weighted Cost of Capital at 3/31/26

	Per Books	Capital Structure	Cost Rate	Weighted Average Cost Rates	Tax Multiplier	Rev Req
Debt	6,491,796	28.13%	5.04%	1.42%	-	1.42%
Equity	16,585,518	71.87%	9.75%	7.01%	1.0103	7.08%
	23,077,314	100.00%		8.43%		8.50%

**COLUMBIA WATER COMPANY
DISTRIBUTION SYSTEM IMPROVEMENT COST (DSIC)
3/31/2026**

	<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%	4,601.39 /	4,601.39 =	1.00 X	5.500%	5.50%
WF-TRAILER/VAN	5.260%	- /	4,601.39 =	0.00 X	5.260%	0.00%
F-150/CARGO VAN	5.540%	- /	4,601.39 =	0.00 X	5.540%	0.00%
EDTMA LOAN	3.000%	1,022,307.04 /	4,601.39 =	222.17 X	3.000%	666.52%
M&T LOAN #1	3.130%	2,086,458.04 /	4,601.39 =	453.44 X	3.130%	1419.27%
M&T LOAN #2	5.350%	232,852.68 /	4,601.39 =	50.60 X	5.350%	270.74%
M&T LOAN #3	7.875%	1,196,251.00 /	4,601.39 =	259.98 X	7.875%	2047.31%
M&T LOAN #4	6.250%	423,716.18 /	4,601.39 =	92.08 X	6.250%	575.53%
M&T LOAN #5	6.680%	632,222.53 /	4,601.39 =	137.40 X	6.680%	917.82%
M&T LOAN #6	6.247%	893,387.42 /	4,601.39 =	194.16 X	6.247%	1212.89%
		6,491,796.28		1410.83		7115.58%
				Cost Rate	5.0435%	
	<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	6,491,796	28.13%	5.04%	1.42%	0	1.42%
Equity	16,585,518	71.87%	9.75%	7.01%	1.0103	7.08%
	23,077,314	100.00%		8.43%		<u>8.50%</u>

**THE COLUMBIA WATER COMPANY
COLUMBIA, PENNSYLVANIA**

As of March 31, 2026

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	10,157,826
Net Income January 1, 2026 to March 31, 2026	1,446,411
Dividends Accrued from January 1, 2026 to March 31, 2026	<u>(90,720)</u>

STOCKHOLDERS' INVESTMENT

\$16,585,518

THE COLUMBIA WATER COMPANY
DSIC COMPUTATION
EFFECTIVE May 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>23,993</u>	
DSI	Net Distribution System Improvement Costs		<u>\$ 786,297</u>	
	Annual Pretax Rate of Return	8.50%		
PTRR (w/ STFT*)	Quarterly Pretax Rate of Return		2.12%	
DSI x PTRR	Quarterly Capital Cost Recovery		\$ 16,705	
	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>\$ 21,355</u>	<u>\$ 7,118</u>
	(Over)/Under Collection		\$ 1,270	\$ 423
	Audit Adjustment		-	-
	Interest Refundable		-	-
	Prior Period 'E' Factor Residual		-	-
	Misc. Adjustments (Refund)/Recoup		-	-
	Net 'E' Factor Amount		-	-
E	Quarterly 'E' Factor Amount		<u>\$ 1,270</u>	<u>\$ 423</u>
(DSI x PTRR) Dep + E	Total DSIC Revenue Requirement		<u>\$ 22,625</u>	<u>\$ 7,542</u>
PQR	Projected Quarterly Revenue		\$ 2,254,874	
DSIC	DSIC Surcharge Rate			1.00%
* STFT (included in PTRR component)				
	<u>\$ 2,254,874</u>	Does not include accretion of deferred credit & DSIC surcharge		

(Over)/Under Collection: Total under collection of \$5,079.00 from the 2025 1307(e) per instruction by PUC.
Prior Period 'E' Factor Residual: Overcollection of \$0.00 from the 2025 1307(e) per instruction by PUC.

Columbia Water Company			
PA Corporate Income Tax Rate			
Year Ended 12/31/25			
Per 2025 Corporate Returns			Amount
Federal gross income			\$ 9,229,767
Cost of Goods Sold			\$ (2,329,355)
Total Federal deductions			\$ (6,072,646)
<u>PA Adjustments</u>			
Additional PA depreciation	\$	(707,866)	
Current year Federal bonus depn	\$	1,042,464	
PA Income tax deducted on 1120	\$	102,860	
Net addition to PA taxable income			\$ 437,458
Pennsylvania taxable income			\$ 1,265,224
Pennsylvania Income Tax (@ rate of 7.49%)			\$ 94,765
PA Effective Income Tax Rate - for DSIC use			1.027%
Federal Effective Income Tax Rate is 21%			
NOTE: For 2026, the PA Income Tax rate is 7.49%. Figures above based on 2025 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 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%	5,426	4,087	(1,339)	7.00%	11	0	December	0.00000%	0	0	0
		<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
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Allison Kaster, Director
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NazAarah Sabree, Small Business Advocate
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Forum Place
Harrisburg, PA 17101
ra-sba@pa.gov

/s/ Whitney E. Snyder

Whitney E. Snyder

Dated: April 27, 2026