



**Platte River**  
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

# Platte River orientation

February 6, 2025

# Agenda

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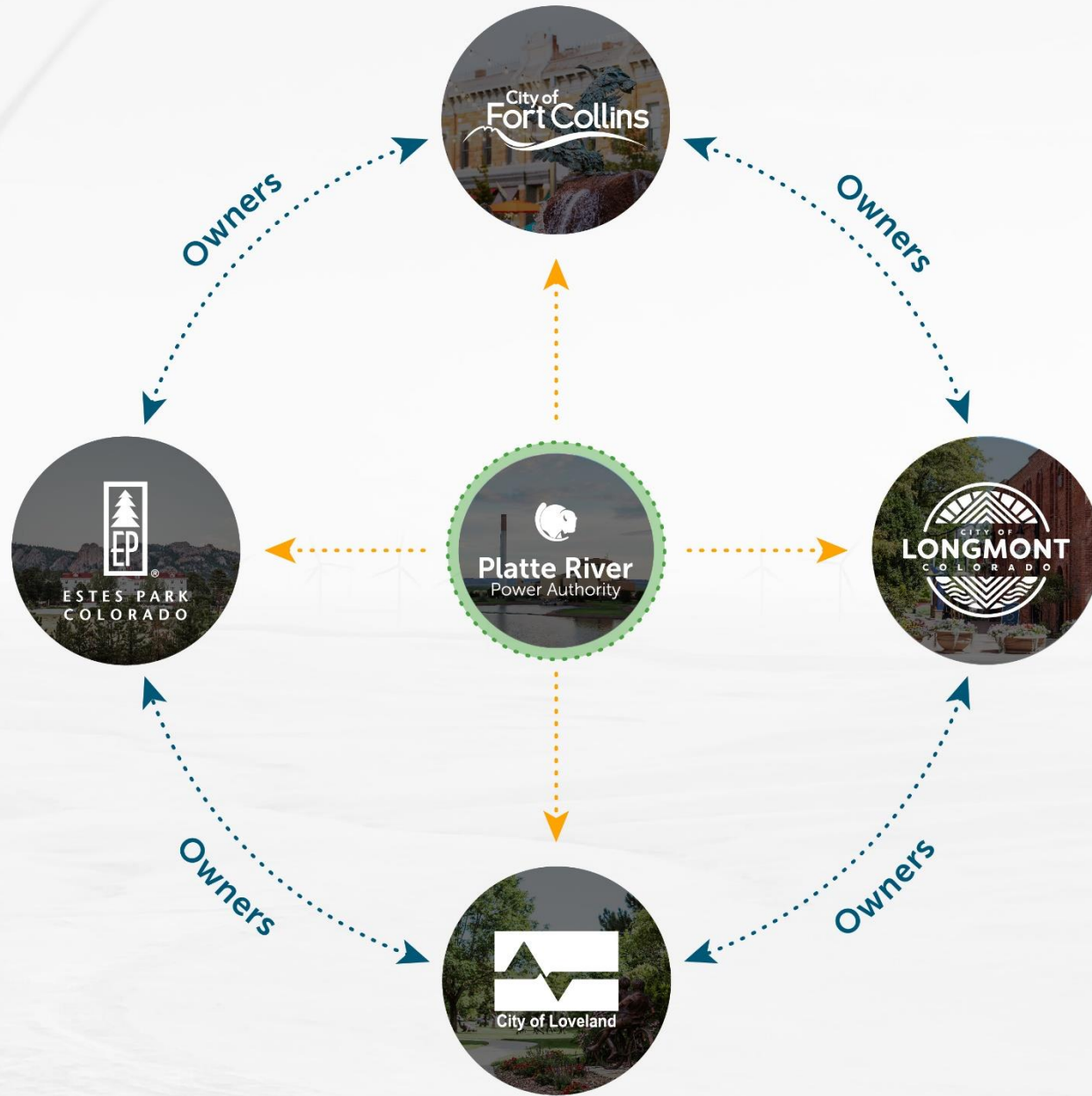
- Welcome and Platte River overview, **Jason Frisbie**
- Administrative information, **Angela Walsh**
- Legal, environmental, compliance, **Sarah Leonard**
- Power supply, **Melie Vincent**
- Generation and transmission, **Travis Hunter**
- Information and operational technology management, **Mark Weiss**
- Finance, **Dave Smalley**
- Business strategies, **Kendal Perez and Libby Clark**



# Welcome and overview

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**Jason Frisbie**





# About Platte River Power Authority

Platte River Power Authority is a not-for-profit, community-owned public power utility that generates and delivers safe, reliable, environmentally responsible and financially sustainable energy and services to Estes Park, Fort Collins, Longmont and Loveland, Colorado, for delivery to their utility customers.

## At a glance



**Headquarters**  
Fort Collins, Colorado



**Peak demand**  
707 MW on July 28, 2021



**General manager/CEO**  
Jason Frisbie



**2025 projected deliveries of energy**  
4,411,566 MWh



**Began operations**  
1973



**2025 projected deliveries of energy to owner communities**  
3,287,172 MWh (42.5% renewable)



**Employees**  
~300



**Transmission system**  
28 substations and 806 miles of transmission lines





# Resource Diversification Policy

**Passed by Platte River's Board of Directors in 2018**

## Purpose

To provide guidance for resource planning, portfolio diversification and carbon reduction.

## Goal

To support owner community clean energy goals, we will proactively work towards a 100% noncarbon resource mix by 2030 while maintaining our foundational pillars of providing reliable, environmentally responsible and financially sustainable energy and services.

## Accomplished

- An organized regional market must exist with Platte River as an active participant

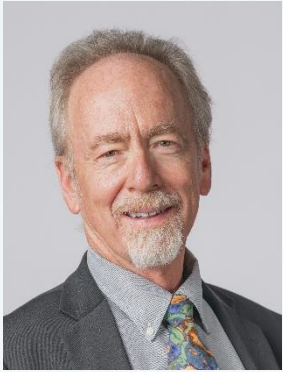
## In progress

- Transmission and distribution infrastructure investment must be increased
- Transmission and distribution delivery systems must be more fully integrated
- Improved distributed generation resource performance
- Technology and capabilities of grid management systems must advance and improve
- Advanced capabilities and use of active end user management systems
- Generation, transmission and distribution rate structures must facilitate systems integration

## Awaiting technology

- Battery storage performance must mature and the costs must decline
- Utilization of storage solutions to include thermal, heat, water and end user available storage

# Platte River's Board of Directors



**Gary Hall**

Mayor

Town of Estes Park

Board member since April 2024



**Reuben Bergsten**

Director of utilities

Town of Estes Park

Board member since Jan. 2012



**Jeni Arndt**

Vice chair

Mayor

City of Fort Collins

Board member since April 2021



**Tyler Marr**

Deputy city manager

City of Fort Collins

Board member since Jan. 2024



**Joan Peck**

Mayor

City of Longmont

Board member since Nov. 2021



**Darrel Hahn**

Electric utilities director

Longmont Power & Communications

Board member since Oct. 2024



**Jacki Marsh**

Mayor

City of Loveland

Board member since 2017



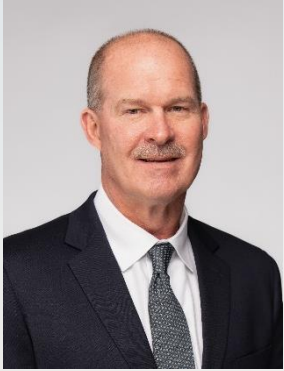
**Sharon Israel**

Director of Loveland

Water and Power

Board member since Jan. 2025

# Platte River's Senior Leadership Team



**Jason Frisbie**  
General  
manager/CEO



**Travis Hunter**  
Chief generation and  
transmission officer



**Sarah Leonard**  
General counsel



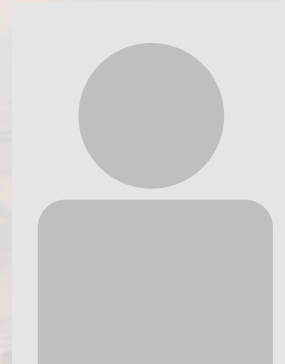
**Dave Smalley**  
Chief financial officer  
and deputy general  
manager



**Melie Vincent**  
Chief power  
supply officer



**Mark Weiss**  
Chief technology  
officer



**Vacant**  
Chief strategy  
officer



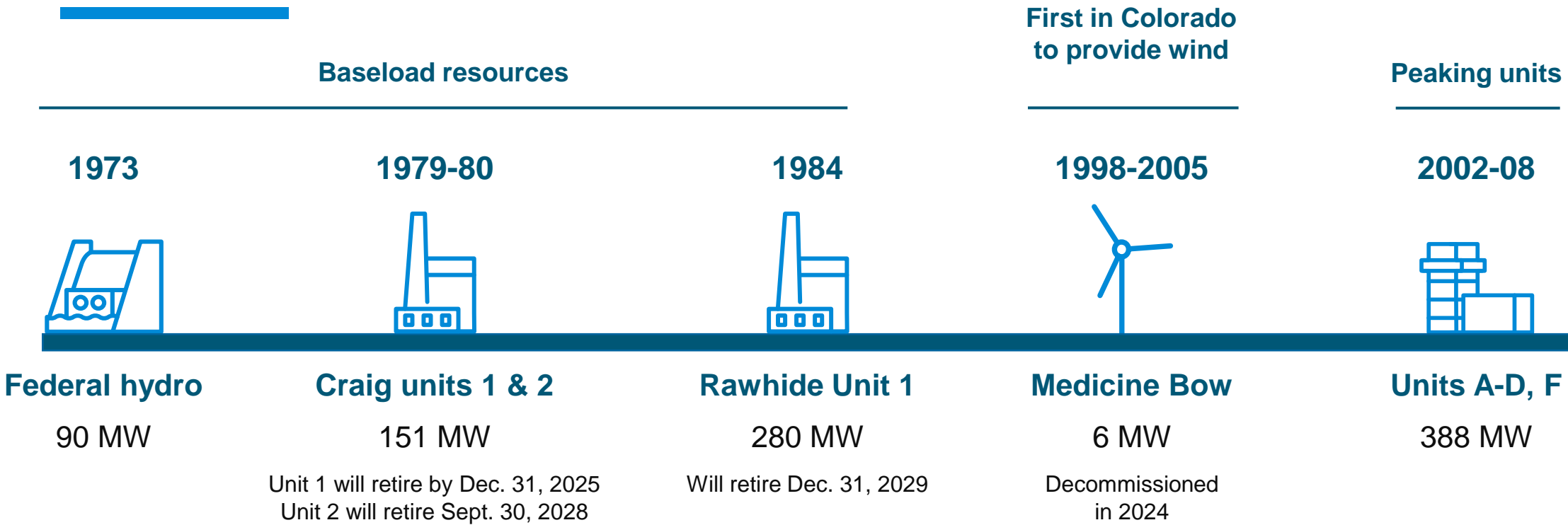
**Angela Walsh**  
Executive director of  
board and  
administration, board  
secretary



# Organizational structure



# Evolution of generation resources



# Evolution of generation resources



Noncarbon energy

2009



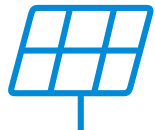
Silver Sage  
12 MW

2014



Spring Canyon  
60 MW

2016



Rawhide Flats Solar  
30 MW

2018



Resource  
Diversification  
Policy

2020



Roundhouse Wind  
225 MW

2020 Integrated  
Resource Plan  
(IRP) approval

# Evolution of generation resources

## Noncarbon energy

2021



**Rawhide Prairie Solar**

22 MW,  
2 MWh storage

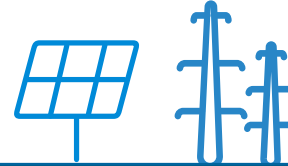
**Voluntary clean energy  
plan filed with the state**

2024



**2024 IRP  
approval**

2025

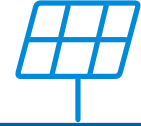


**Black Hollow Solar  
(phase 1)**

150 MW

**Entry into Southwest  
Power Pool's regional  
transmission organization**

2026



**Black Hollow Solar  
(phase 2)**

107 MW



**Platte River**  
Power Authority



# Evolution of generation resources

Noncarbon energy + dispatchable capacity

2027



**Wind + battery storage**

200 MW (wind)

20 MW (community storage, 5 MW  
in each community)

100 MW (4 hour utility-scale  
storage)

2028



**Aeroderivative turbines**

210 MW

**2028 IRP approval**

2029-2030



**Wind + dispatchable  
distributed resources**

100 MW (wind)  
30-100 MW (DER resources)



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# Foundational pillars

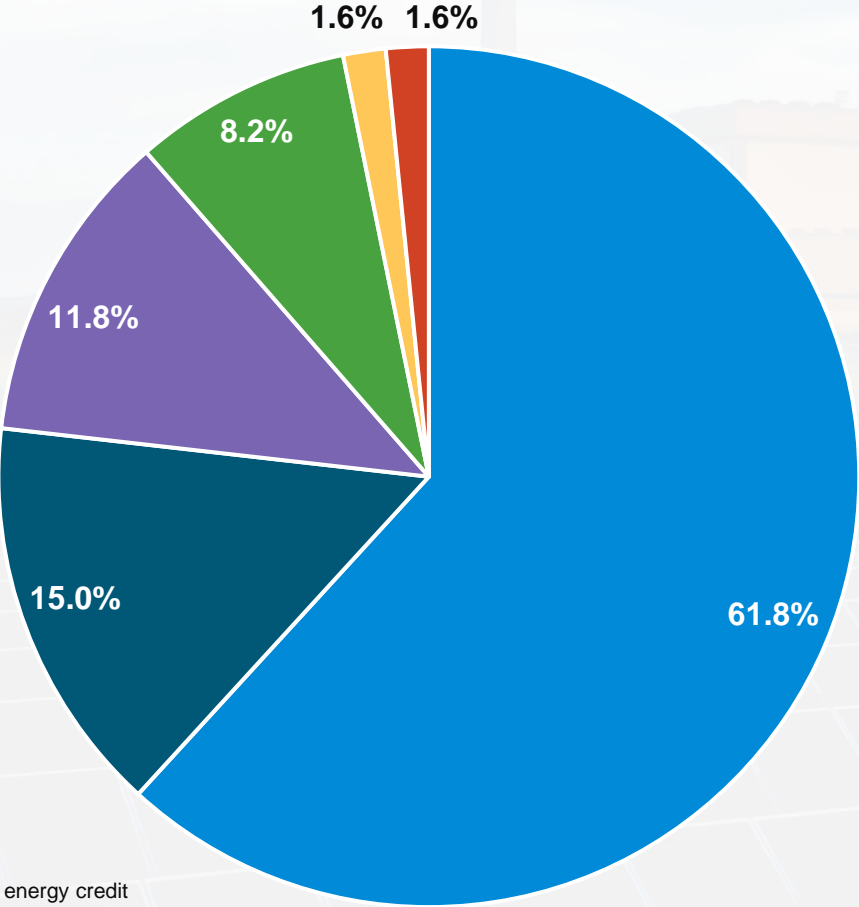
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**Platte River is committed to decarbonizing our resource portfolio without compromising our three pillars:**

- Reliability
- Environmental responsibility
- Financial sustainability

# 2018 system total

24.8% noncarbon resources



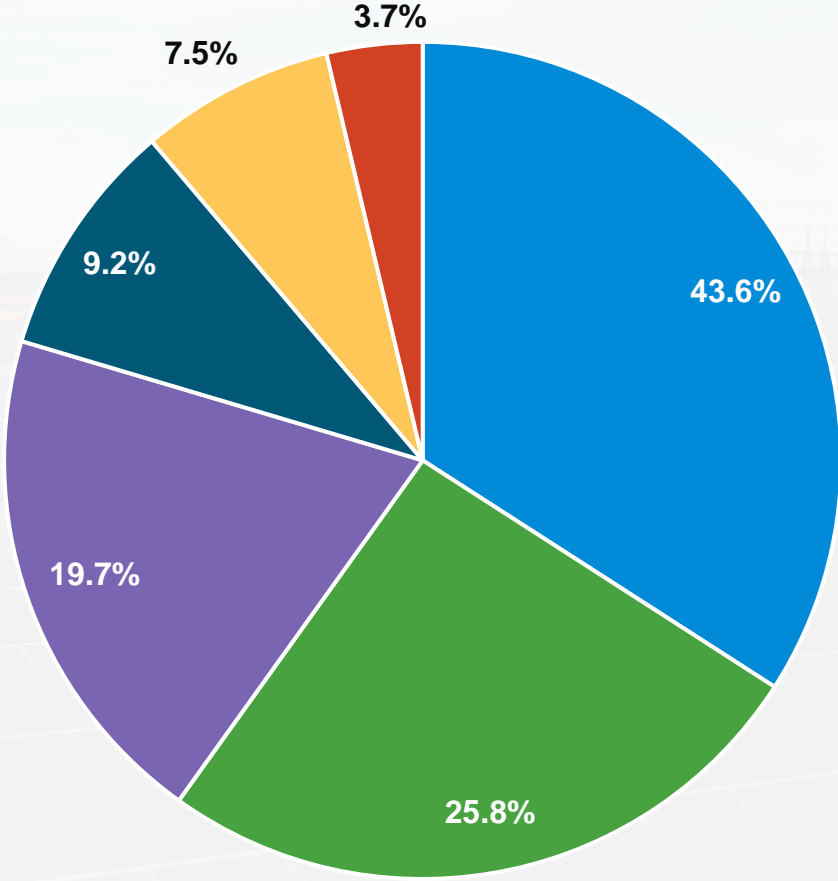
Includes renewable energy credit allocations to carbon resources

Due to drought conditions, not all hydropower may be considered noncarbon

Coal Wind Hydropower Solar Other purchases Natural gas

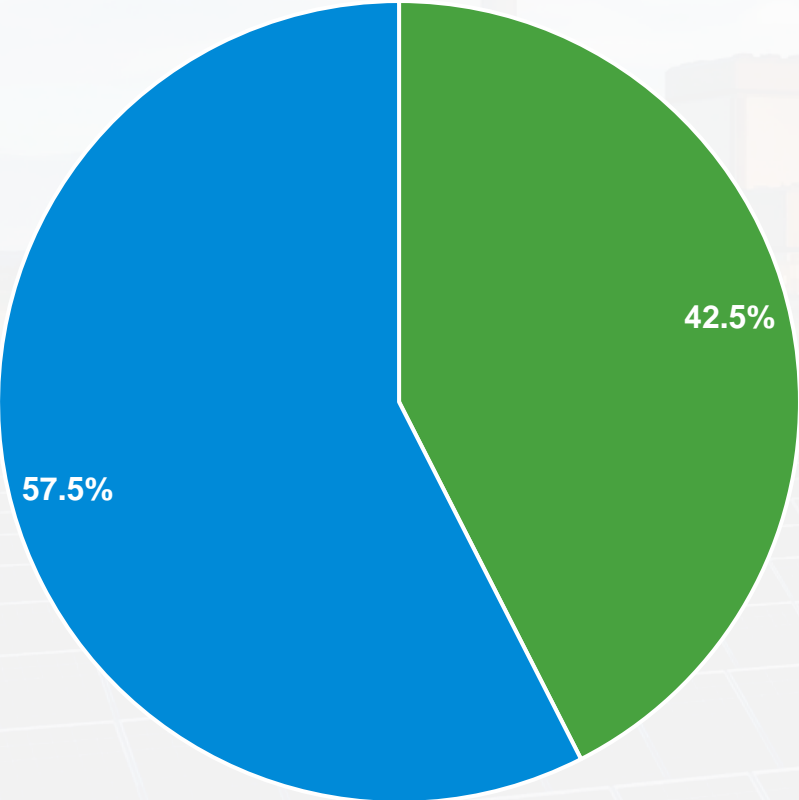
# 2025 budget system total

42.5% noncarbon resources



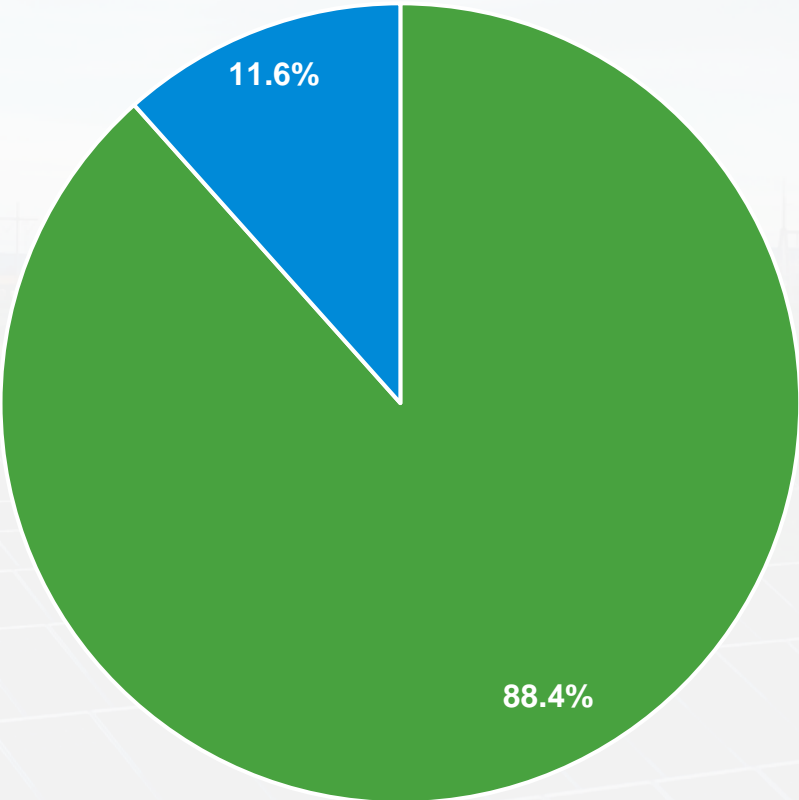
# 2025 budget system total

42.5% noncarbon resources



# 2030 projected system total

88.4% noncarbon resources



Includes renewable energy credit allocations to carbon resources

Due to drought conditions, not all hydropower may be considered noncarbon

■ Renewable resources    ■ Dispatchable resources (includes purchases)



# Collaboration

These initiatives represent the strategic investment of resources for the long-term benefit of Platte River and its owner communities and aligns with Platte River's vision, mission and values.



## Innovative energy solutions

- Demand response
- Distributed generation
- Distributed storage
- Efficiency Works
- Electric vehicles
- Integrated resource plan
- Renewable supply options



## Community responsiveness

- Community relations and communication
- Rates framework



## Regional services

- Customer information system
- Disaster recovery
- Distributed system maintenance
- Engineering services
- Environmental services
- Energy market
- NERC compliance
- SCADA services
- Substation security



## Joint infrastructure

- Fiber optics
- Joint Technical Advisory Committee
- Regional water exchange and storage



# Board decision making process

1. Whitepaper
2. Presentation
3. Board action



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## Board of directors regular meeting

2000 E. Horsetooth Road, Fort Collins, CO 80525  
Thursday, Dec. 12, 2024, 9 a.m.

### Call to order

1. Consent agenda
  - a. Minutes of the regular meeting of Oct. 31 2024 *Motion to approve*
  - b. 2025 proposed board of directors regular meeting schedule *Resolution 13-24*

### Public comment

### Committee report

2. Defined Benefit Plan committee report
  - a. Defined Benefit Plan committee appointment *Resolution 14-24*

### Board action items

3. 2025 Strategic Budget review and adoption *Resolution 15-24*

### Management presentations

4. Extending the Organic Contract and Power Supply Agreement revisions
5. Transmission planning strategy in an RTO
6. Transmission operations and costs in an RTO

### Management reports

7. Benefits update
8. Economic development policy – direct community support

### Monthly informational reports – October

9. Legal, environmental and compliance report
10. Resource diversification report
11. Operating report
12. Financial report
13. General management report

### Strategic discussions

### Adjournment

# Key organizational documents

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## Content origination, editing and production

- Annual report
- Integrated resource plan
- Strategic budget
- Strategic plan
  - Resource diversification planning and integration
  - Community partner and engagement
  - Workforce culture
  - Process management and coordination

# Questions



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# Administrative information

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Angela Walsh

# Administrative information

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**As a board member or utility director, you will receive correspondence for:**

- Board meetings and materials
- Utility director meeting materials and coordination
- Scheduling quarterly check-ins and one-on-one meetings
- Platte River-related travel and events per invitation

# Administrative information

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## Board information page on website

- Board meeting materials and legal notices
  - Utility directors' meeting materials and legal notices
  - Board secretary email link for public comment submissions
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- All board orientation materials and board approved policies are located on a separate link on our website

# Board member orientation

Platte River Power Authority is a not-for-profit, community-owned public power utility that generates and delivers safe, reliable, environmentally responsible and financially sustainable energy and services to Estes Park, Fort Collins, Longmont and Loveland, Colorado, for delivery to their utility customers. Platte River's generation portfolio includes coal, wind, hydro, solar and gas resources.

Platte River is governed by an eight-person board of directors designed to bring relevant expertise to the decision making process. The board includes two members from each owner community. The mayor may serve or designate some other member of the governing board of their owner community to serve in their place on Platte River's Board of Directors.

[BOARD ORIENTATION PRESENTATION >](#)

## Platte River overview and general information

- [Board member administrative information](#)
- [Distributed energy resource strategy](#)
- [Fiber management](#)
- [Glossary of industry terms and acronyms](#)
- Generation resources
  - [Coal](#)
  - [Hydropower](#)
  - [Natural gas](#)

## Platte River's core operations documents

- [Annual report](#)
- [Board meeting governance document](#)
- [Fiscal resolution](#)
- [Organic contract](#)
- [Organization and governance of Platte River Power Authority](#)
- Power supply agreements
  - [Estes Park](#)
  - [Fort Collins](#)



# Questions



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# Legal, environmental and compliance

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Sarah Leonard



# Creation of Platte River Power Authority

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- Evolved from a nonprofit corporation to a joint action agency
- Platte River as a governmental body
  - Formed in 1975 when the four owner communities created and signed the organic contract
  - Functions as an independent, self-supporting enterprise
  - Is a political subdivision of the state (sections 29-1-203 and 29-1-204 of Colorado Revised Statutes)
- The organic contract continues through 2060

# Legal authority

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Anything the owner communities can do, Platte River can do for them, as long as:

- All eight Platte River board members approve it
- Each participating owner community's attorney determines that the function, service or facility is lawful for that community
- Platte River's bond counsel determines that the function, service or facility is an "enterprise"
- Platte River minds the terms of the bond covenants and other relevant legal obligations under contracts and decrees

# Governance characteristics

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- Governed by an eight-member board of directors
- Two directors from each owner community
  - Historically the mayor and the utilities director or a council member selected for judgment, experience and expertise
- Intended to bring both technical and policy perspectives to decision-making process
- Strategic management model of board governance
  - Board provides oversight and policy guidance
  - General manager is responsible for operational management

# Governance process document

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- Reflects informal processes followed by previous boards
- Creates parliamentary rules of order
- Addresses additional areas, such as
  - General manager succession
  - Authority to sign agreements
- “Cheat sheet” of organic contract provisions



# Regulatory and other characteristics

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- Not subject to general rate-setting jurisdiction of
  - the Federal Energy Regulatory Commission (FERC)
  - the Colorado Public Utilities Commission
- FERC rules for organized markets do apply to Platte River as a market participant
- Preference customer for federal hydropower from the Western Area Power Administration
- Tax exemptions
- Public financing
- Subject to a range of Colorado statutes
  - Open meetings and public records laws
  - Budget and audit laws
  - Government immunity

# Power supply agreements

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- Agreement with each owner community
- Power supply agreements are the security for revenue bonds issued by Platte River
- “All requirements”
  - Platte River supplies essentially all owner community electricity requirements
  - Owner communities must buy all needed electricity from Platte River
  - Limited exceptions
- Currently effective through 2060
- Board reviews power (and transmission) rates annually; revises as necessary
- Recovery of transmission costs will change when Platte River enters the Southwest Power Pool (SPP) regional transmission organization

# Questions



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# **Power supply**

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**Melie Vincent**



## Portfolio strategy and resource planning

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# Clean energy transition and integration

## Focus areas

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- Portfolio strategy and resource integration
- Distributed energy resources and solutions
  - Efficiency Works
- Digital and operational technologies

## Outcomes

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- Integrated resource plan (IRP)
- Distributed energy resources (DER) strategy
- Data and system integration



# Key areas of emphasis

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## Reliability and resource adequacy

- Climate change, more extreme weather and dark calms
- Reliability comes even more critical with electric vehicles and beneficial electrification
- Hedge against extreme prices and outage risk
- Portfolio diversity and fuel reliability
- Planning reserve margin requirements

## Distributed generation

- New DERs
- DER potential
- Distributed energy storage
- DER management system

## Emerging technologies

- Long-duration energy storage
- Hydrogen



# Key takeaways

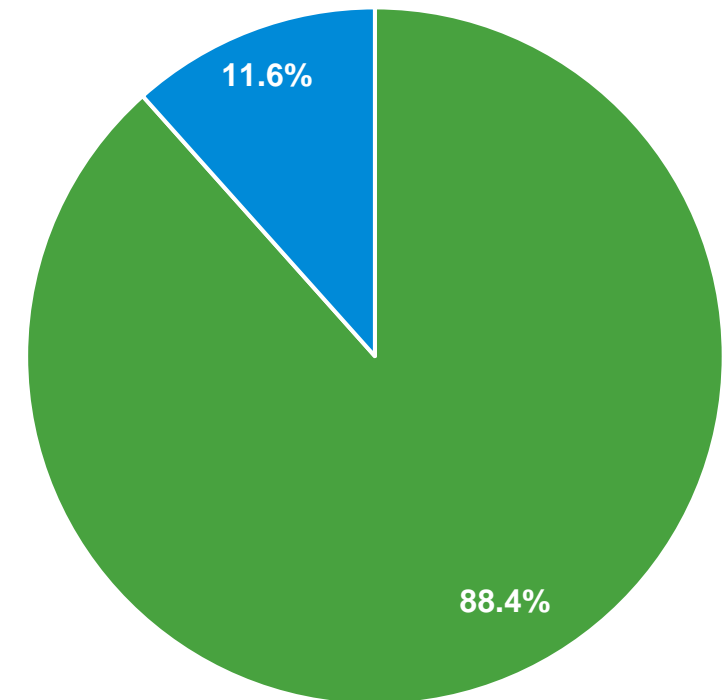
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## 2030 projected 11.6% dispatchable capacity

- **Long-duration storage**
  - Emerging technology of future interest
  - Current cost too high for limited benefit
- **Virtual power plant integration**
  - DER team established across owner communities working to accelerate the integration of DERs
- **Dispatchable thermal capacity**
  - Enables greater renewable output
  - Supports grid integrity
  - Reliability through dark calms
  - Hydrogen mix potential

## 2030 projected system total

88.4% noncarbon resources



- Renewable resources
- Dispatchable resources (includes purchases)

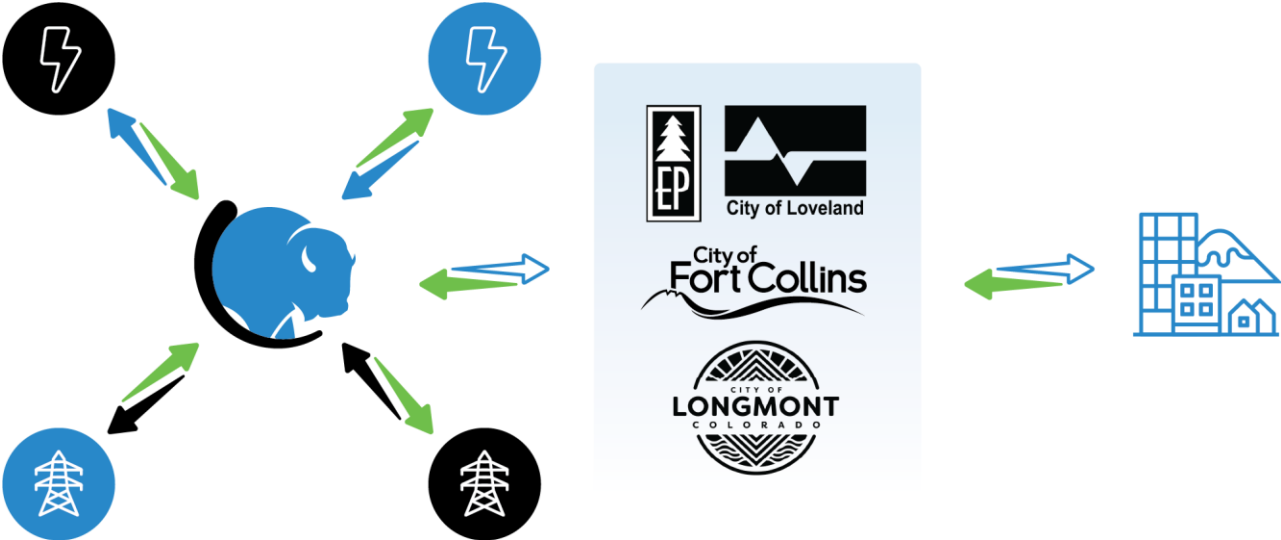




## Power markets

# Market structure history

## Bilateral market



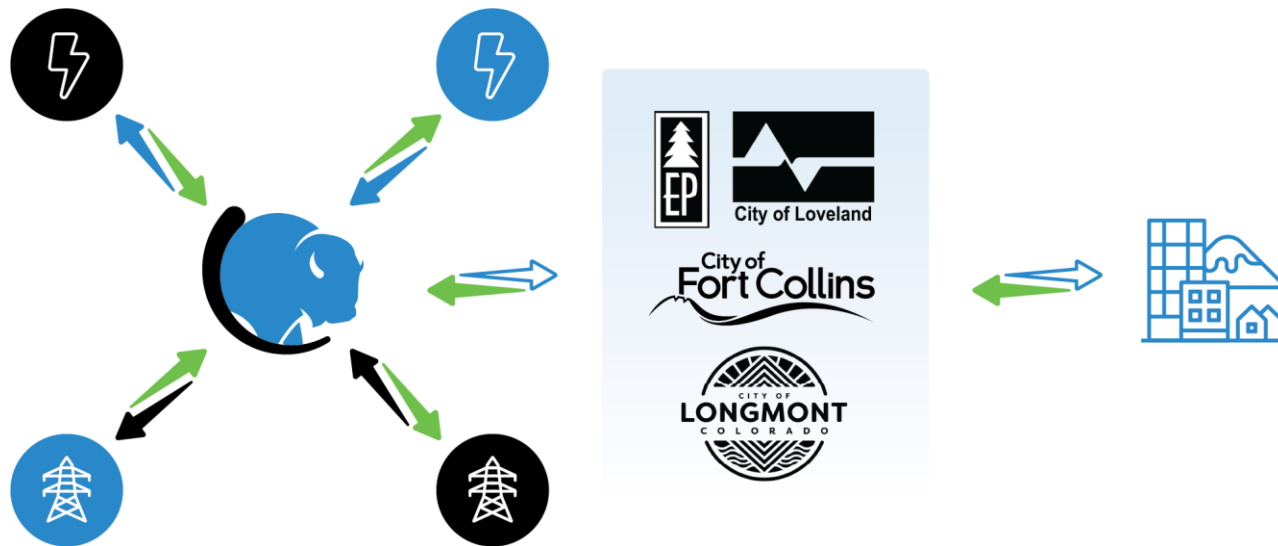
 Balancing Authority


### Legend

-  Generation (MWh) sales/purchases
-  Transmission service sales/purchases
-  Energy delivered (MWh)
-  Demand (kW) & Energy (kWh) delivered
-  Money flow (\$)

# Market structure history

## Joint Dispatch Agreement (JDA)

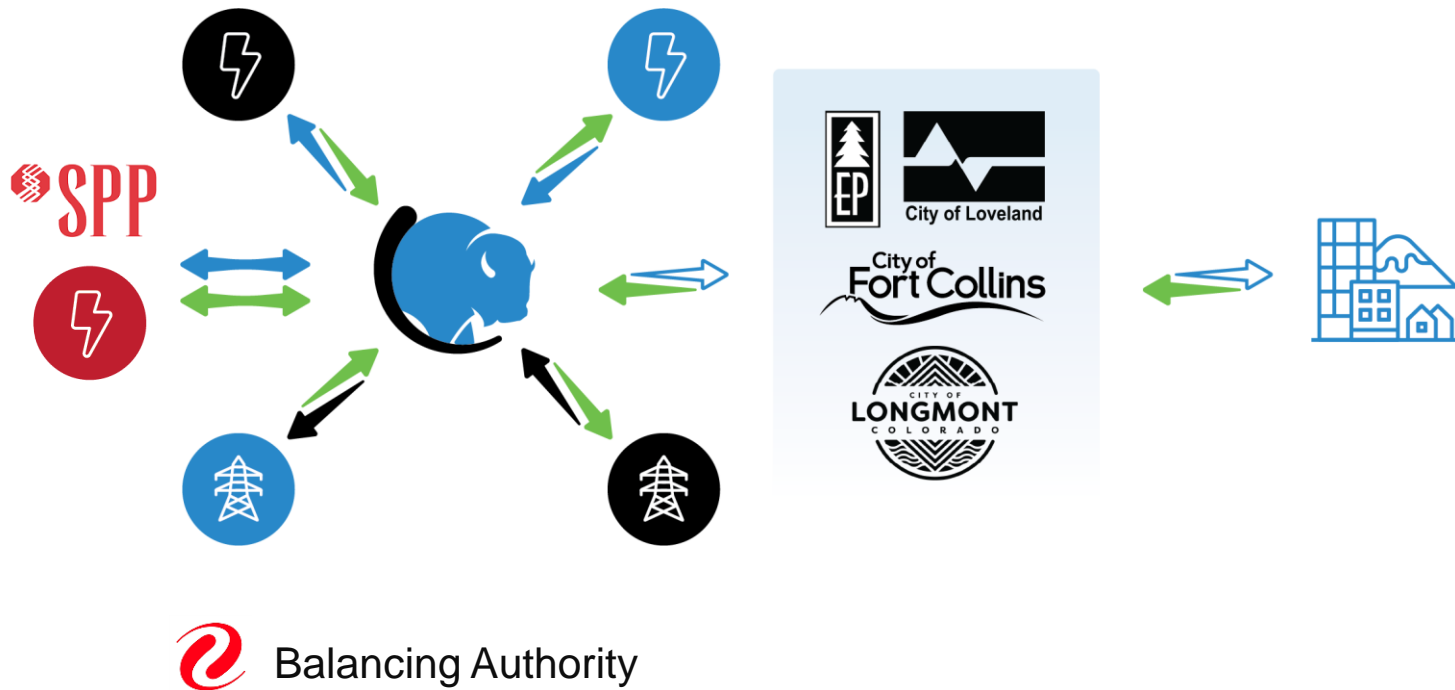


 Balancing Authority

- Maintains bilateral market ahead of real time
- Public Service Company of Colorado (PSCo), as the Balancing Authority, dispatches least-cost resources in real time
- Minimum JDA market price is \$0/MWh
- Originally three market participants
  - PSCo
  - Black Hills Energy
  - Platte River
- Colorado Springs Utilities joined later

# Market structure history

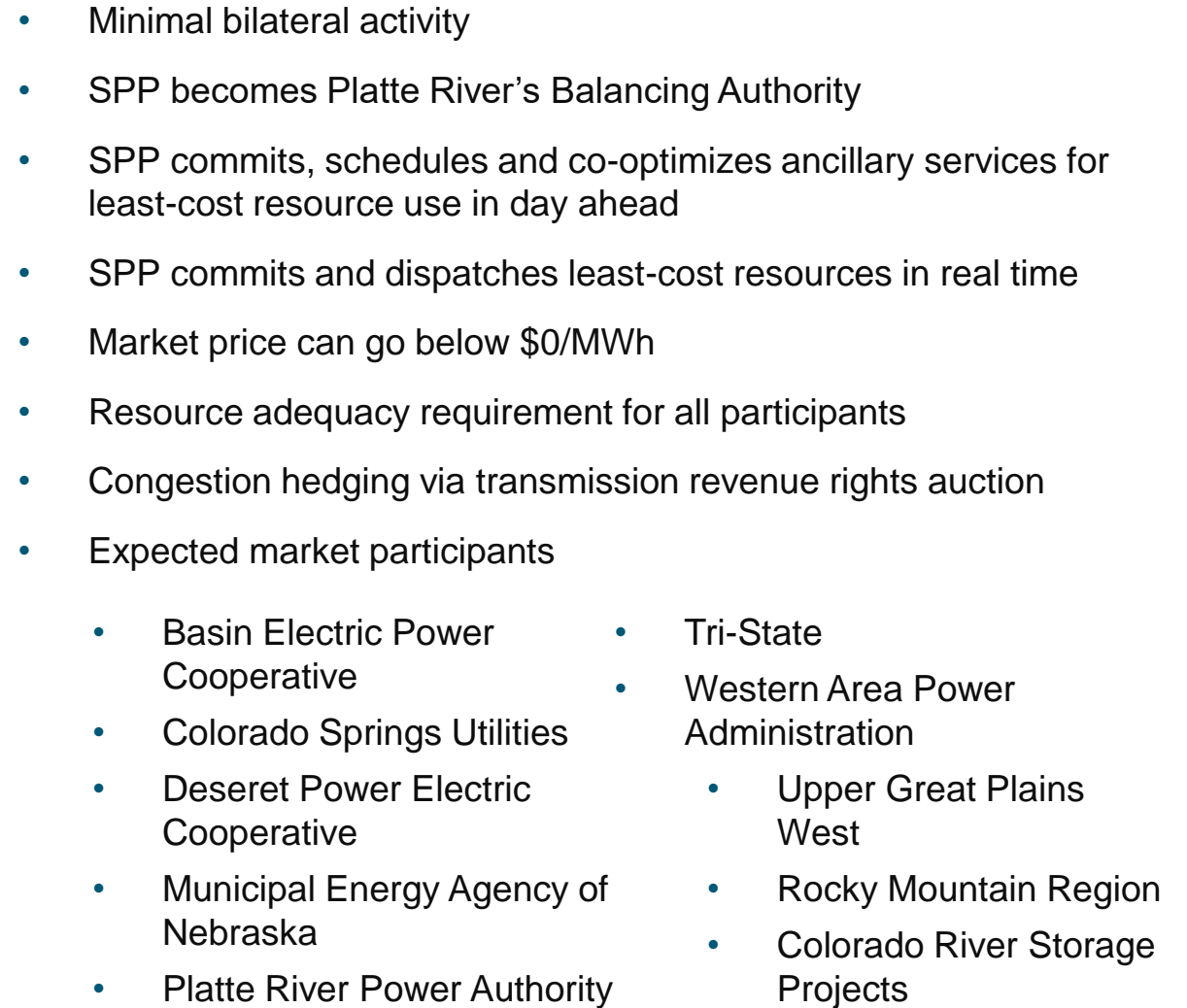
## SPP WEIS



- Maintains bilateral market ahead of real time
- PSCo remains Platte River's Balancing Authority
- SPP dispatches least-cost resources in real time
- Market price goes below \$0/MWh
- Market participants
  - Basin Electric Power Cooperative
  - Black Hills Energy
  - Colorado Springs Utilities
  - Deseret Power Electric Cooperative
  - Guzman Energy
  - Municipal Energy Agency of Nebraska
  - Platte River Power Authority
  - Tri-State Generation and Transmission Association (Tri-State)
  - Western Area Power Administration
    - Upper Great Plains West
    - Rocky Mountain Region
    - Colorado River Storage Projects



# RTO West starts April 1, 2026





## Distributed energy resources



**Efficiency Works** is a **regional utility collaboration** that provides guidance and resources to enable **customers to use energy effectively**

**Providing distributed energy solutions:**

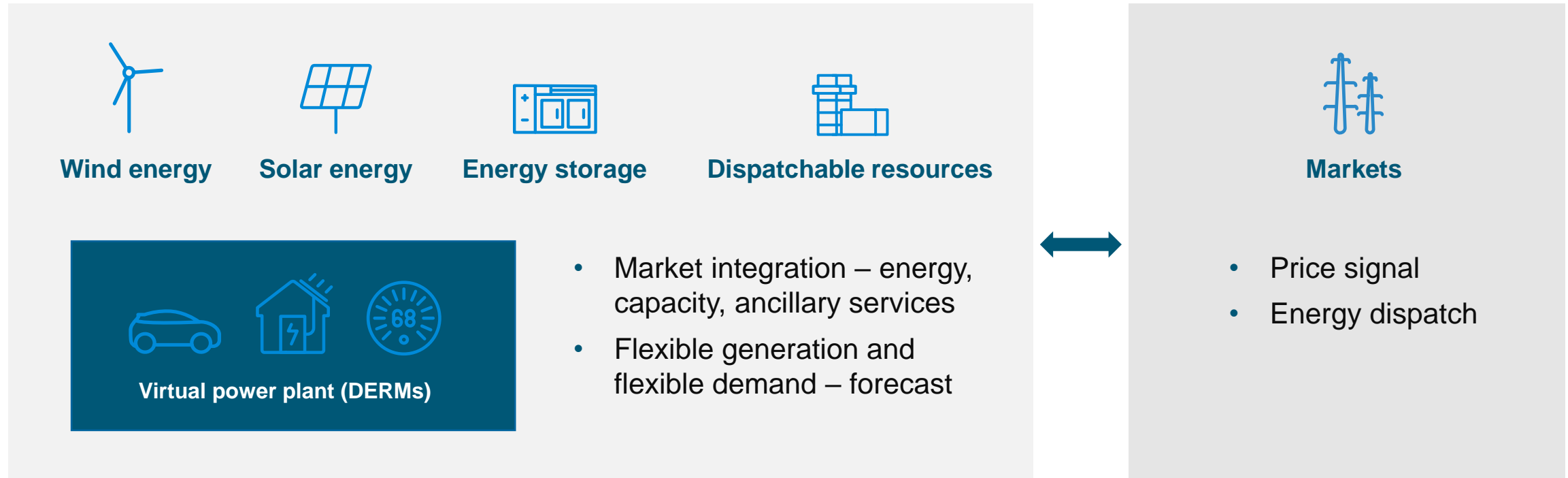
- ✓ Energy advising
- ✓ Product information and education
- ✓ Facility and home assessments
- ✓ Targeted incentives
- ✓ Income qualified programs
- ✓ Electrification and efficiency (electric vehicles and buildings)
- ✓ Enrollment in virtual power plant (VPP) programs



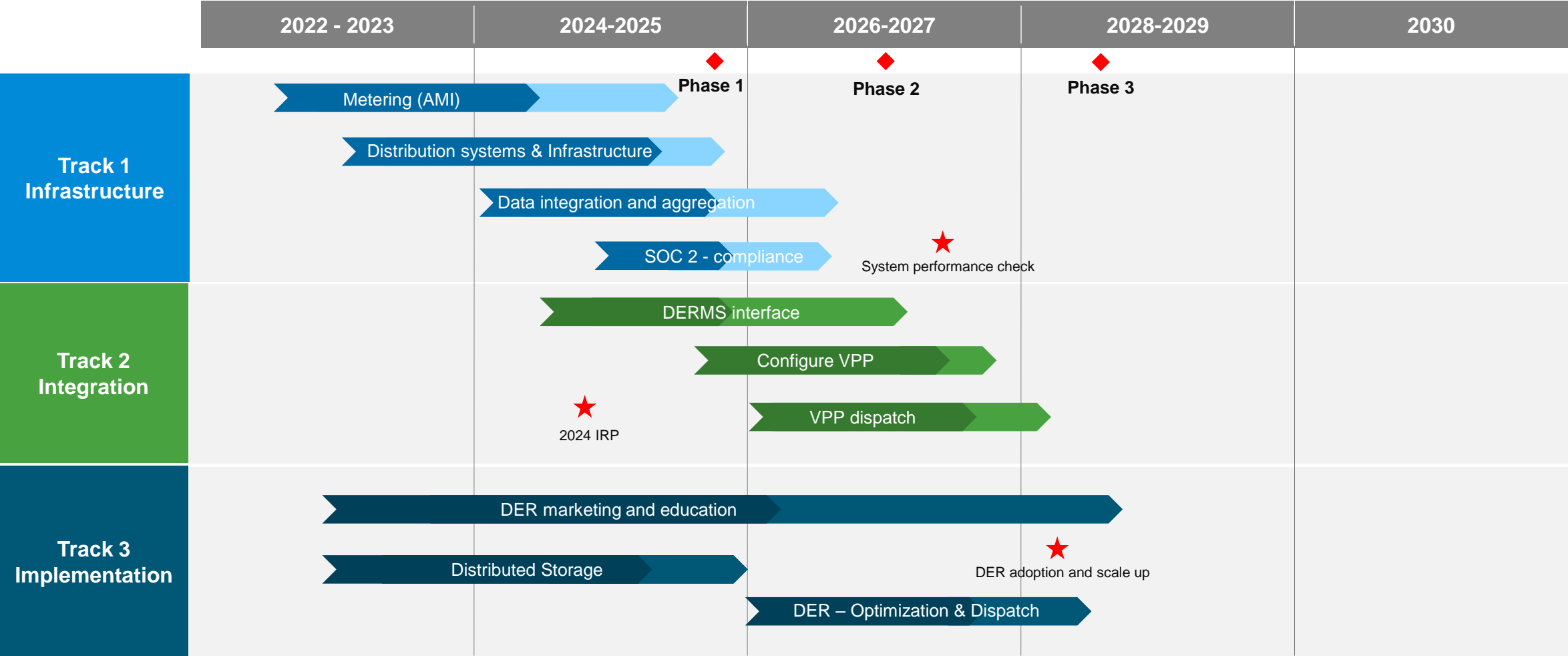
# System integration

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Platte River's resources will integrate VPP with the energy market



# System integration roadmap – owner communities





## Fuels and water

# Platte River fuel supply

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## Fuel supply for coal generation resources

### Rawhide Energy Station

- Historically 1.0 to 1.2 million tons of coal per year
  - Future demand anticipated to be 800-900 thousand tons per year
- Low-sulfur coal from Antelope Mine (Powder River Basin, Wyoming)
- Life-of-mine coal contract and long-term rail contract through December 2026
  - Fuel cost volatility mitigated through flexibility of existing contracts

### Craig Station

- Historically 400,000 tons of coal per year
  - Future demand anticipated to be 200-300 thousand tons per year through 2025
- Fuel supply is Trapper Mine, adjacent to Craig Station
  - Platte River – one of three joint owners of Trapper Mine
  - No transportation costs
  - Current coal supply agreement is through December 2025
- Fuel costs are based on production costs – no market price volatility



# Why Platte River needs water

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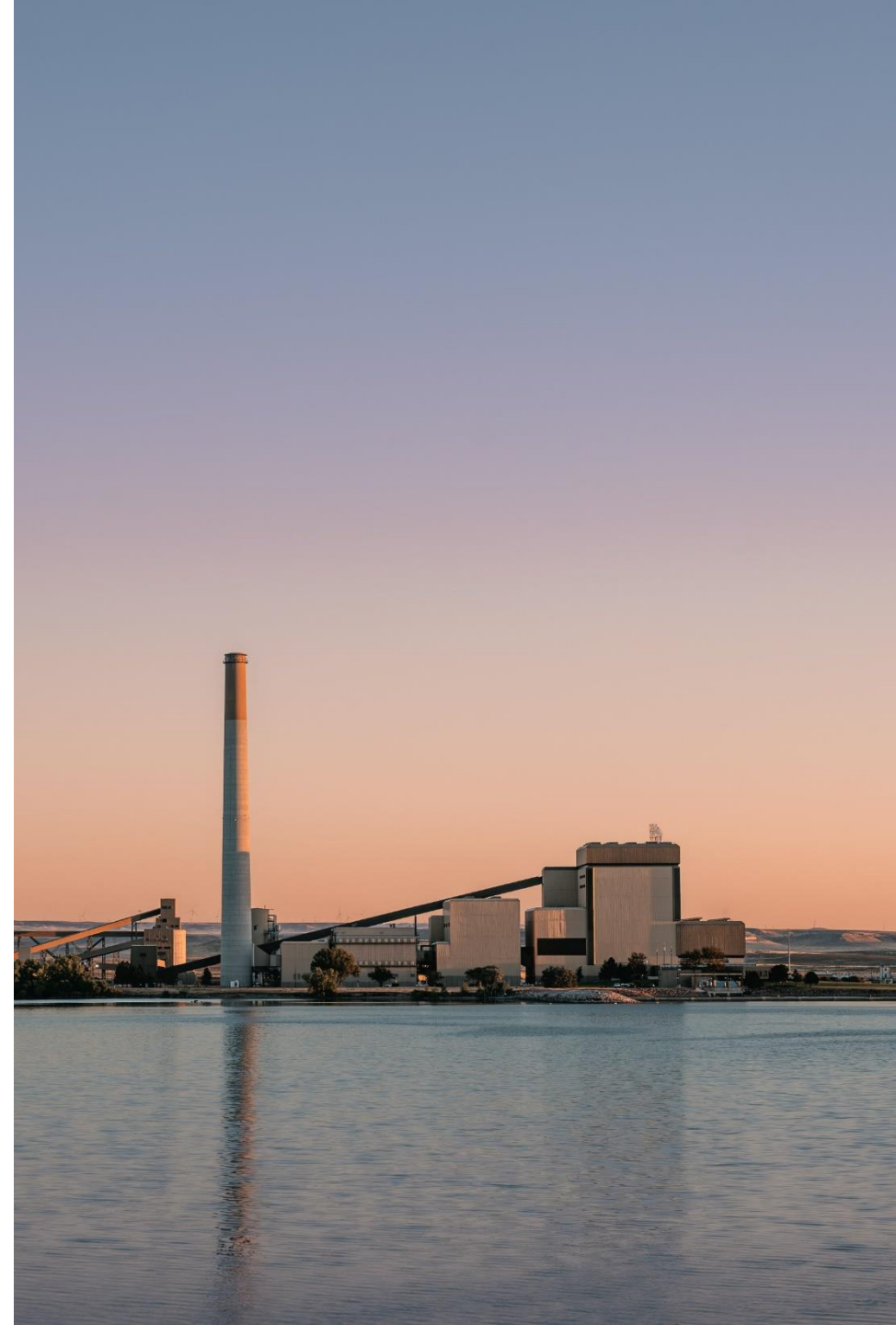
## Electric generation at Rawhide Energy Station

### Water needs

- Process water (400-500 acre-feet/year)
  - Sourced from Horsetooth Reservoir
- Cooling water (4,200 acre-feet/year)
  - Sourced from Drake water treatment facility
  - Reuse agreement with Fort Collins

### Water supply sources

- Windy Gap project (primary)
- Poudre River (secondary)



# Rawhide Energy Station water supply

## Horsetooth Reservoir



Windy Gap  
transfer to  
Fort Collins



Process water  
*10-inch pipeline*

Reusable  
effluent

*24-inch pipeline*

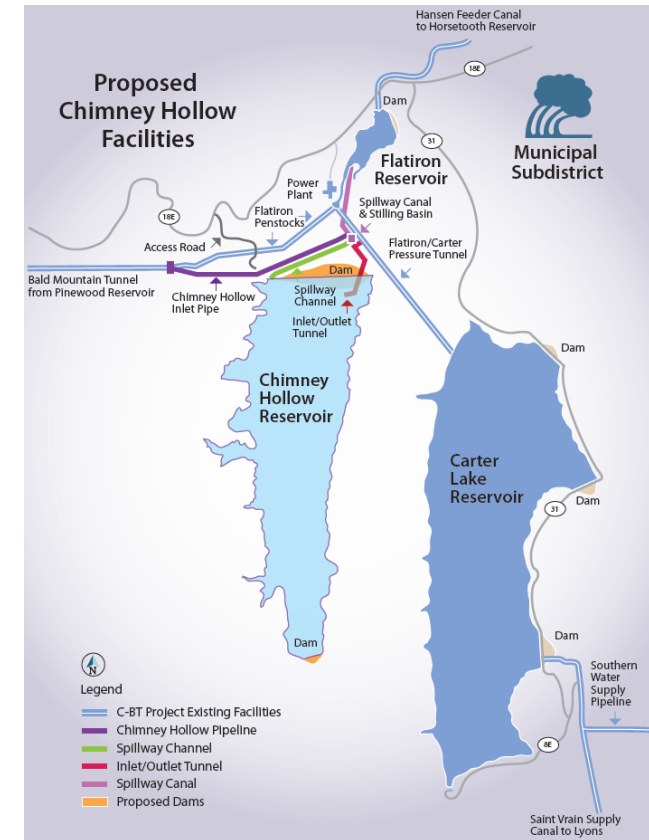
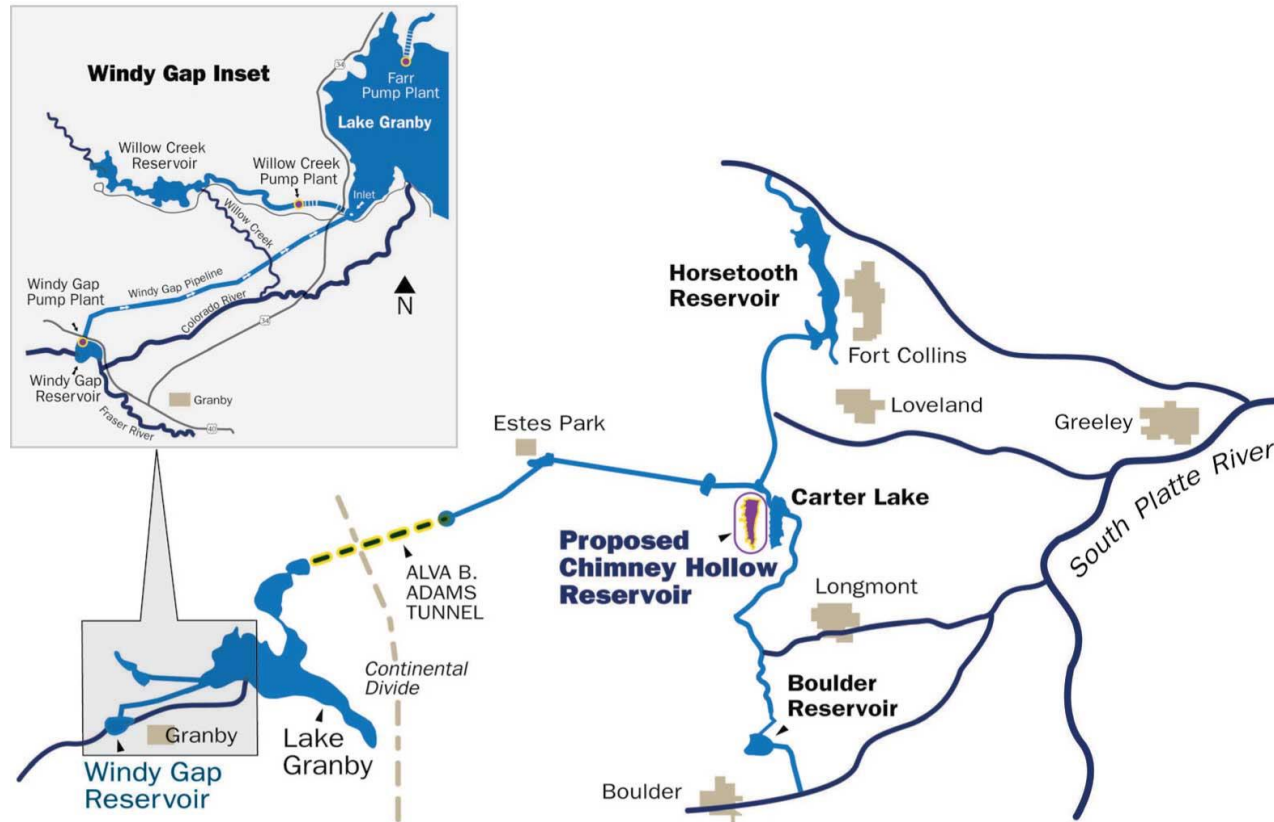
## Rawhide Energy Station



Zero-discharge facility

# Platte River water resources

## Windy Gap Project and Chimney Hollow Reservoir Project



# Platte River water resources

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## Windy Gap Project and Chimney Hollow Reservoir Project

### Windy Gap Project

- Platte River has 107 units out of 480 units (started with 160 units)
- Yields between zero and 11,000 acre-feet/year
- Board approved the sale of up to 60 Windy Gap units
  - Sold 53 units to regional entities over the past few years
  - Received Firming Project storage capacity, rental water rights and approximately \$115 million in proceeds

### Chimney Hollow Reservoir

- Platte River's share provides 16,000 acre-feet of storage
- Will firm Platte River's annual water supply (current and future needs), even with a two-to-three-year drought period
- Construction began in 2021; target completion in 2025

# Questions



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# Generation and transmission

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Travis Hunter



# Power generation

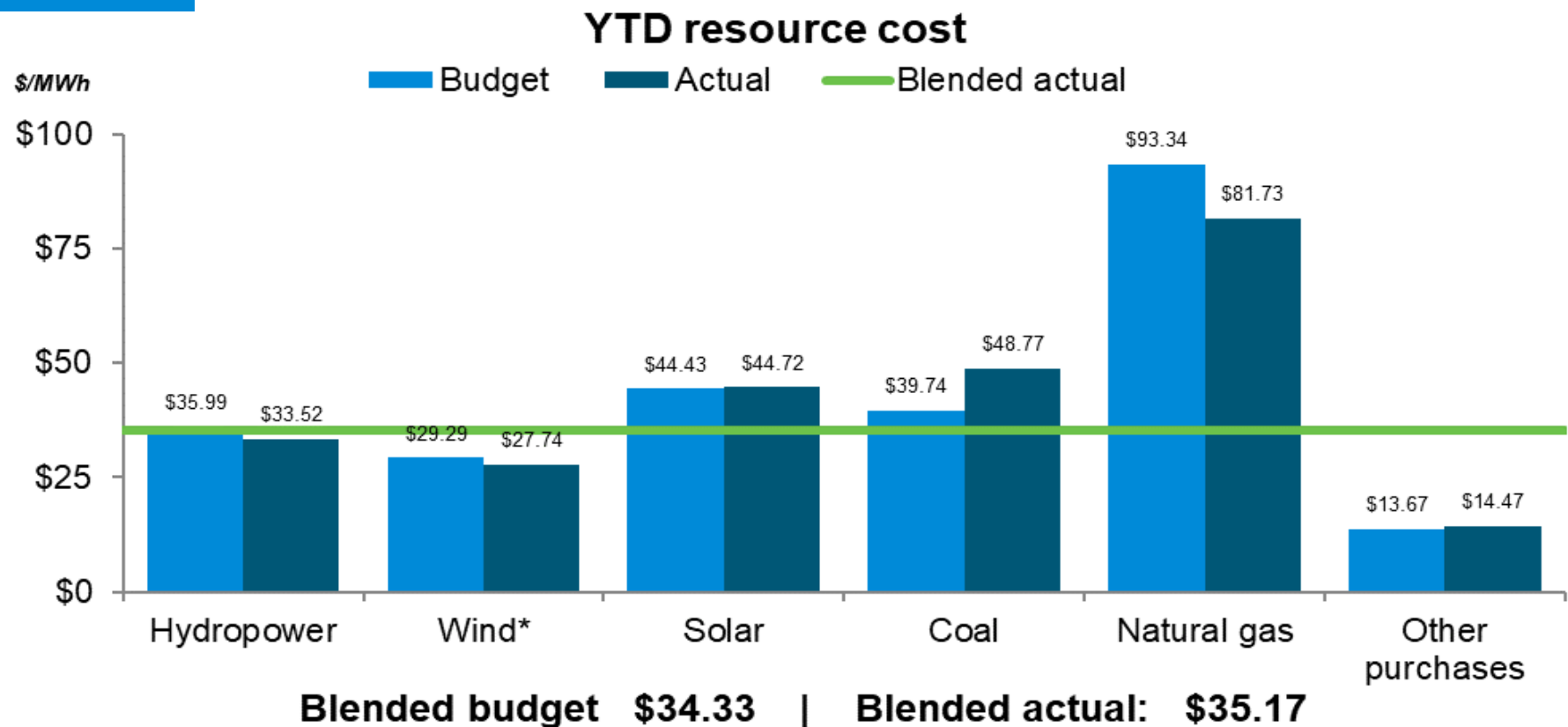
# Current generation resources

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Unit name	Fuel type	Net capacity (MW)	Commercial operation	Contract
Rawhide Unit 1	Coal	280	1984 (retiring 2029)	Original debt retired in 2018
Rawhide units A-D	Natural gas	260	Units A-C: 2002 Unit D: 2004	Debt retired in 2018
Rawhide Unit F	Natural gas	128	2008	No debt service
Loveland Area Project and Colorado River Storage Project	Hydropower	LAP summer: 30 CRSP summer: 50	1973	LAP contract: through 2054 CRSP contract: through 2057
Roundhouse Wind Energy Center	Wind	225	2020	Power purchase agreement through 2042
Medicine Bow Wind Project	Wind	6	1998	Decommissioned in 2024
Rawhide Flats Solar	Solar	30	2016	Power purchase agreement through 2036
Rawhide Prairie Solar and storage	Solar and storage	22, 2 MWh storage	2021	Power purchase agreement through 2041
Craig units 1 and 2	Coal	151	Unit 1: 1980 (r. 2025) Unit 2: 1979 (r. 2028)	Debt retired in 2009



# 2024 dispatch costs



\*Some off-system wind renewable energy credits and associated energy have been sold to another utility – cannot be claimed as a renewable resource by Platte River or its owner communities.





## Power delivery

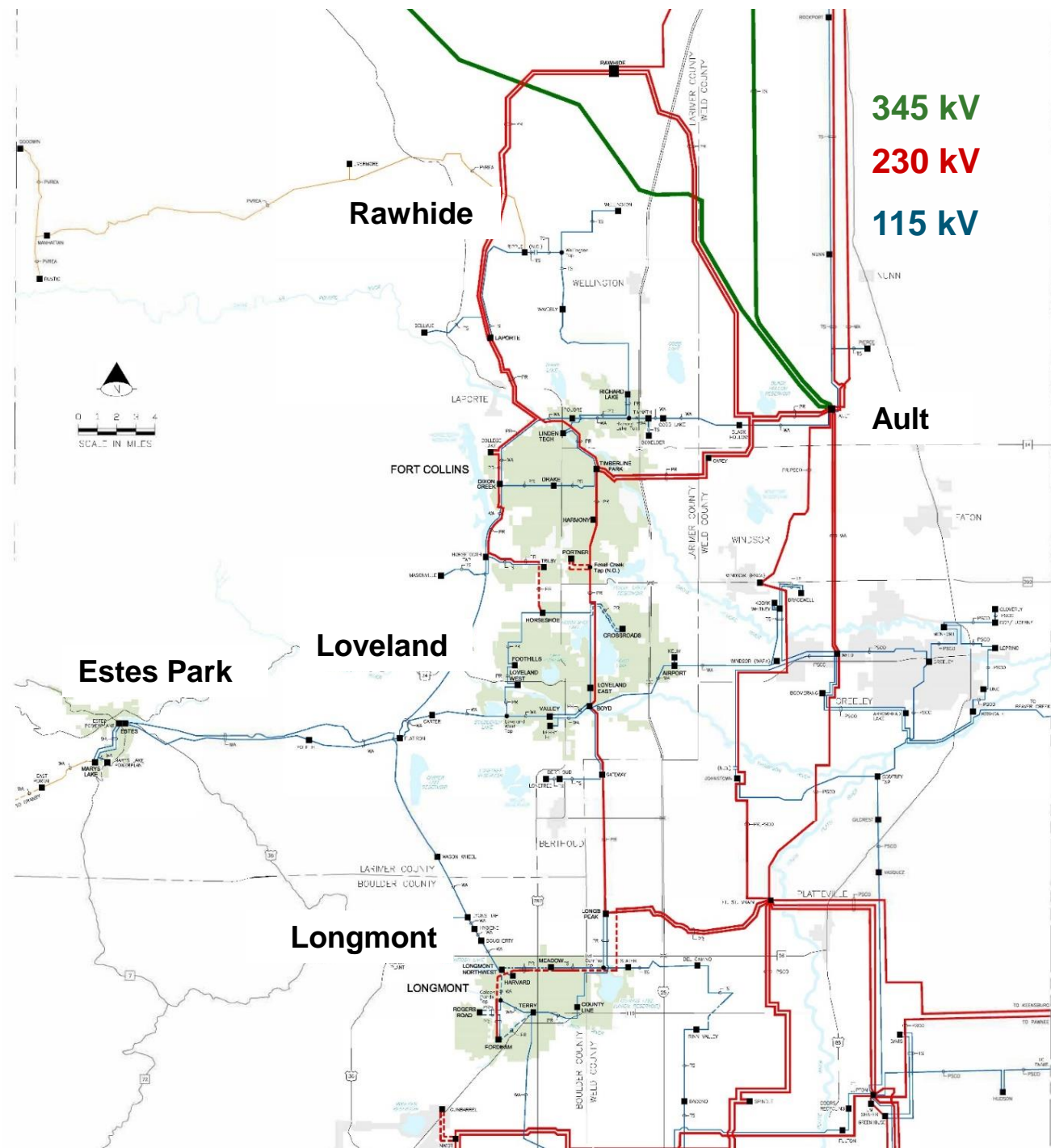
# Transmission system facts

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**Platte River's transmission system has high-voltage power lines and substations that deliver power to the electric utilities of Platte River's owner communities**

- 28 substations
  - Seven wholly owned substations
  - 21 city substations
  - 47 points of delivery at city transformers
- 806 miles of transmission lines
- 19-mile 230 kV generation tie-line to the Roundhouse wind project in Wyoming

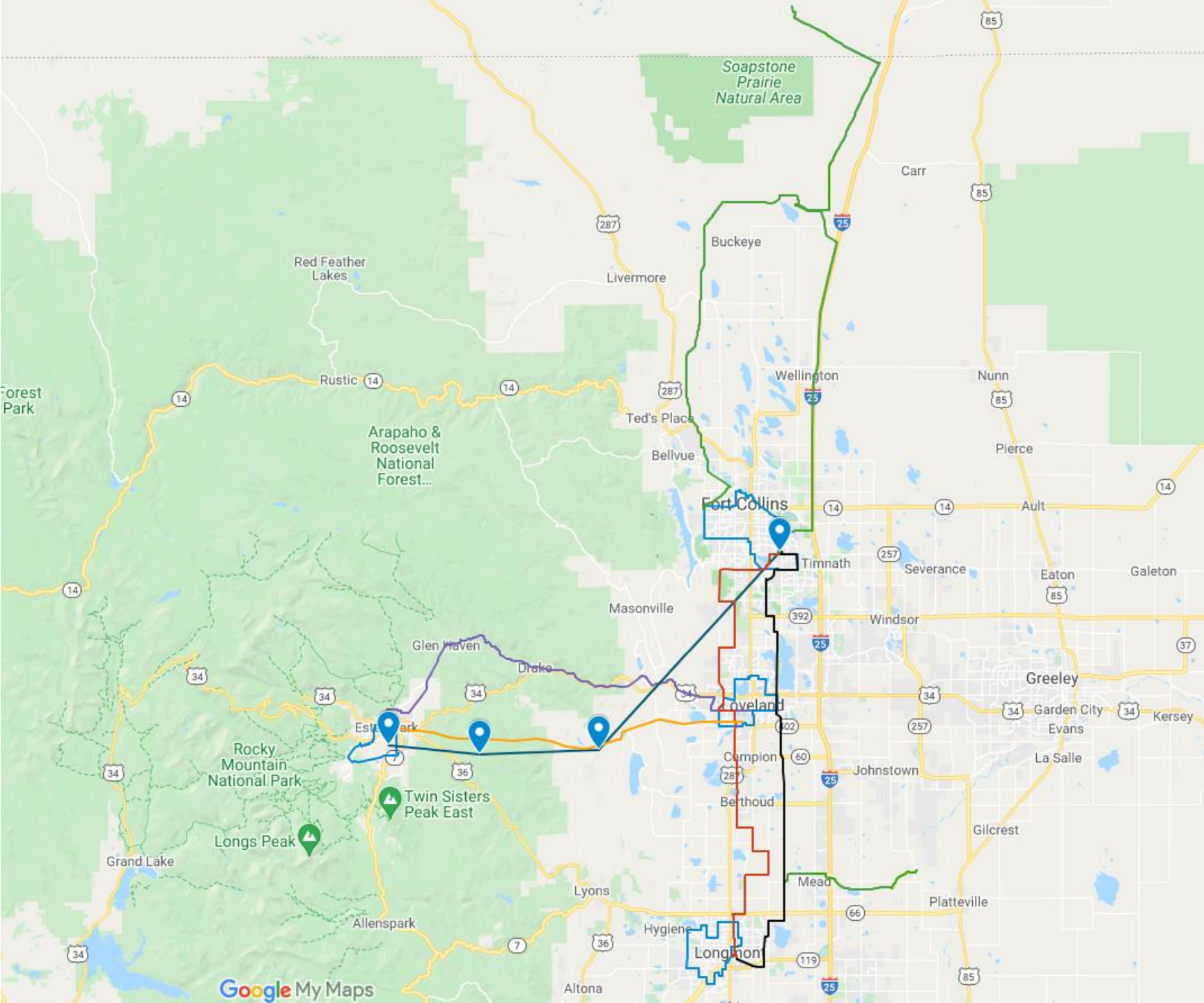






# Platte River's regional fiber network

- Long haul east
- Long haul west
- Long haul 34
- City rings
- WAPA OPGW
- Estes-HQ microwave
- Lateral fibers



# Questions



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# Information and technology

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Mark Weiss

# What we do

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The information and technology group is responsible for operational technology, enterprise applications, infrastructure, client technology, cybersecurity, and project/portfolio management—all in support of the safe and reliable delivery of power to our owner communities.



Enterprise applications



Enterprise infrastructure



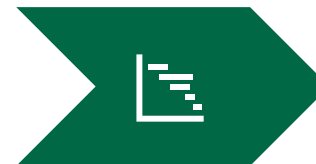
Operational technology



Client technology and endpoint security



Cybersecurity and information governance



Project/portfolio management





# Guiding Principles



## Execute effectively on projects

Collaborate and successfully execute projects to drive business outcomes.



## Enhance operational excellence

Design and deliver secure, compliant, reliable, and efficient solutions aligned with organizational objectives.



## Invest in technology staff

Enable high performing teams with the skills and capabilities required to deliver high quality results.



## Advance data and analytics

Establish foundational capabilities in data management, data quality, and business intelligence.

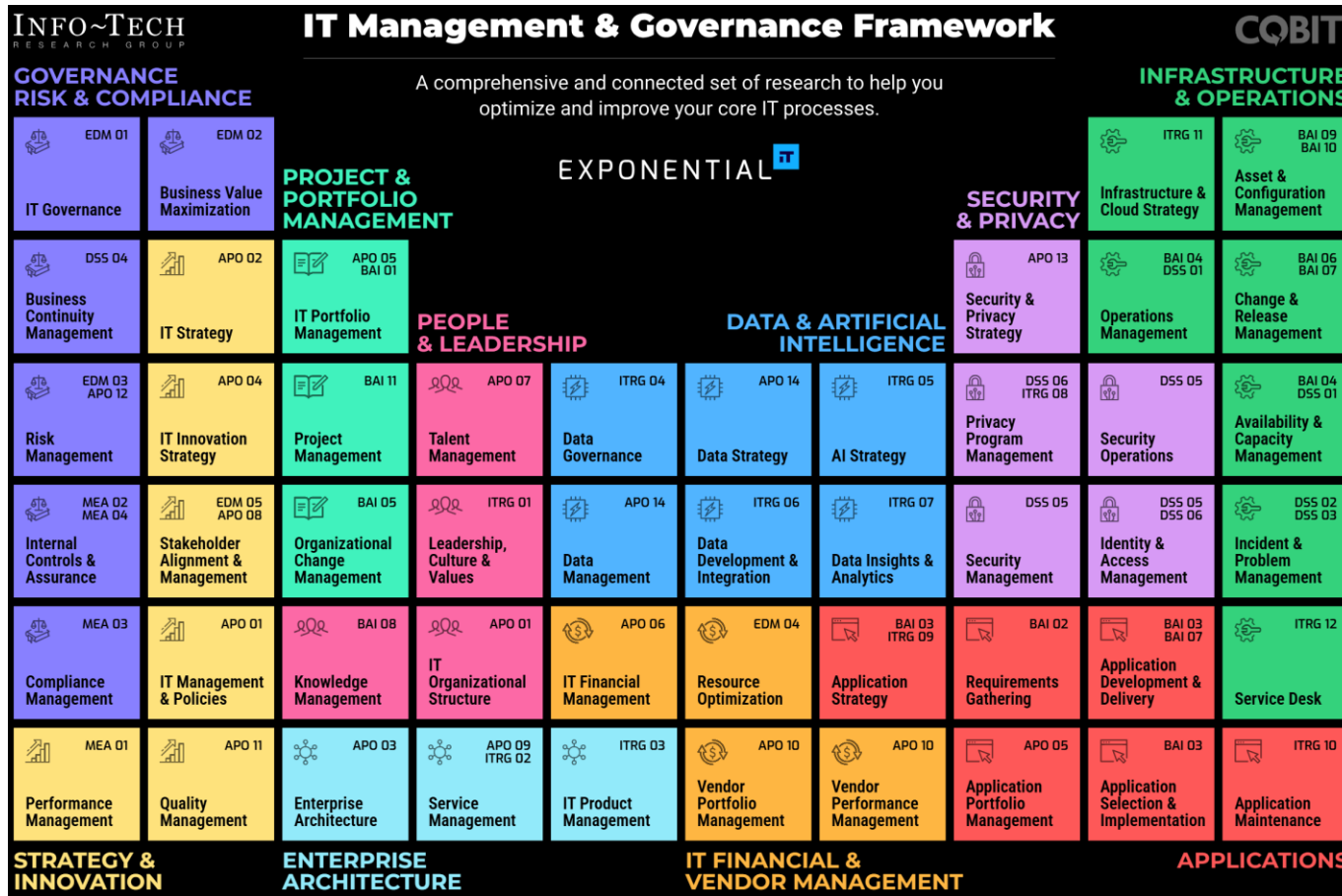


## Maintain and enhance the customer experience

Provide teammates with the tools, technologies, and support to enable their success.



# How we manage and measure results



We leverage InfoTech's Management and Governance framework as a basis for our strategy and governance model.

Using the framework, we measure our effectiveness across 10 strategic domains and 50 core processes.



# Finance

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Dave Smalley

# Platte River financial governance framework

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- List of items that govern or influence our financial decisions
- Focus
  - Strategic Financial Plan
  - Wholesale rates
  - 2025 Strategic Budget
  - 2024 financial results



# Strategic Financial Plan

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Provides direction to create long-term financial sustainability, manage financial risk and support Platte River's vision, mission and values

- Generate adequate cash flows
- Maintain access to low-cost capital
- Provide wholesale rate stability
- Maintain sufficient liquidity for operational stability

# Strategic Financial Plan

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To meet objectives and requirements, staff established financial metrics and rate stability strategies

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Financial metrics	<ul style="list-style-type: none"><li>• <b>Cash flow metric:</b> Generate minimum 1.50 times fixed obligation charge coverage ratio<ul style="list-style-type: none"><li>• Legal bond service coverage ratio requirement minimum 1.10 times</li></ul></li><li>• <b>Earnings metric:</b> Generate minimum change in net position equal to 3% of annual operating expenses</li><li>• <b>Leverage metric:</b> Target adjusted debt ratio less than 50%</li><li>• <b>Liquidity metric:</b> Target minimum 200 days adjusted liquidity on hand</li></ul>
Rate stability strategies	<ul style="list-style-type: none"><li>• Fiscal responsibility<ul style="list-style-type: none"><li>• Revenue generation</li><li>• Expense management</li></ul></li><li>• Rate smoothing<ul style="list-style-type: none"><li>• Accounting policies to manage revenues and expenses for rate making purposes (GASB 62)</li><li>• Multi-year rate smoothing strategies will also be used to avoid greater single year rate impacts or to accomplish specified financial objectives</li></ul></li></ul>

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# Maintain AA credit rating

- Financial metrics
  - Provide balance between cash and debt financing
  - May not be met in all years if staff considers the deficiency temporary
- Financial flexibility
  - Obtain access to capital markets at a lower cost of capital
  - Take advantage of opportunities for capital investments, lower expenses and provide benefits to the owner communities
  - Manage industry-related financial risks
  - Respond in a timely and value-maximizing manner to unexpected changes
- Stable more predictable rates
- Long-term financial sustainability

Credit rating factors	
Broad rating factors	Description
1. Participant credit quality and cost recovery framework (25%)	<ul style="list-style-type: none"> <li>• Unregulated rate-setting</li> <li>• Strong customer base and service area economy</li> <li>• Owner communities have very high credit quality</li> </ul>
2. Resource risk management and exposure to environmental regulation (10%)	<ul style="list-style-type: none"> <li>• Very strong energy resource risk management</li> <li>• Long-term competitive supply contracts</li> <li>• Somewhat diverse proven assets</li> <li>• Limited exposure to environmental regulation</li> </ul>
3. Competitiveness (15%)	<ul style="list-style-type: none"> <li>• Very competitive current and expected rates in the region or compared with neighboring utilities on a consistent basis</li> </ul>
4. Willingness to recover costs with sound financial metrics (25%)	<ul style="list-style-type: none"> <li>• Above-average rate setting record</li> <li>• Rates in alignment with financial metrics for AA category</li> </ul>
5. Financial strength and liquidity	
a) Liquidity (10%)	<ul style="list-style-type: none"> <li>• SFP metric: Adjusted minimum 200 days adjusted liquidity on hand</li> </ul>
b) Leverage and coverage:  Adjusted debt ratio 5% Fixed obligation charge coverage ratio 10%	<ul style="list-style-type: none"> <li>• SFP metric: Target adjusted debt ratio less than 50%</li> <li>• SFP metric: Generate minimum 1.50 times fixed obligation charge coverage and minimum 1.10 times bond service coverage margin</li> <li>• SFP metric: Generate minimum change in net position equal to 3% of annual operating expenses</li> </ul>



## **Wholesale rates**

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**Board wholesale rates projections presentation – May**

**Board tariff schedules presentation – September**

**Board tariff schedules approval – October**



# 2025 Rate Tariff Schedules

Tariff	Description
<b>Firm Power Service Tariff</b> (Tariff FP-25)	Charged to the owner communities
<b>Standard Offer Energy Purchase Tariff</b> (Tariff SO-25)	Power production facilities that have registered with the Federal Energy Regulatory Commission as Qualifying Facilities under the Public Utilities Regulatory Policies Act and are electrically connected to Platte River's transmission system or the distribution system of one of Platte River's owner communities
<b>Wholesale Transmission Service Tariff</b> (Tariff WT-25)	Charged to third parties
<b>Large Customer Service Tariff</b> (Tariff LC-25)	Charges established through separate contract

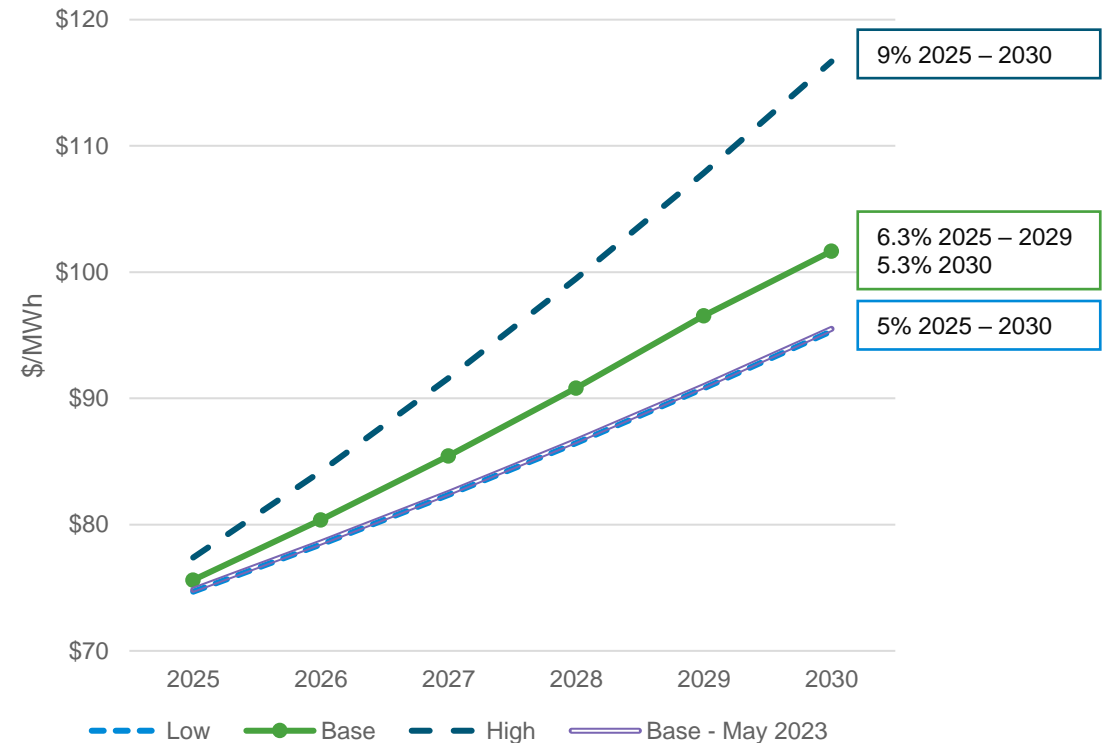
Tariff schedules available on [prpa.org](https://prpa.org)



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# Average wholesale rate ranges

- May 2025 projections
  - 6.3% (2025 – 2029)
  - 5.3% (2030 – 2031)
  - 2.1% (2032 – 2034)
- Range of 5.0% to 9.0% annual increases from 2025 to 2030
- Annual board update: May



Projections are subject to change – information from May 2025

# Modeling uncertainties

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Key assumptions are uncertain. Potential assumption changes include, but are not limited to, the items detailed below:

- Asset integration schedule
- Asset sales
- **Capital investment forecast**
- **Commodity prices**
- Debt issuance costs
- Decommissioning
- Deferred revenues and expenses
- Economic externalities
- **Emissions expense**
- Federal hydropower allocations
- Integrated Resource Plan
- Load forecast
  - Growth, electric vehicles, distributed energy resources, building electrification)
- Noncarbon energy curtailments
- Organized energy markets
- Regulations
- Resource diversification policy
- Staffing
- Supply chain
- **Surplus sales prices and volumes**

Bold items used in rate range development

# **2025 Strategic Budget**

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**Board work session – September**

**Public hearing – October**

**Board budget approval – December**



# Financial results – budget to budget

Strategic Financial Plan metrics	Target minimums	2024 budget	2025 budget	Increase (decrease)	
Fixed obligation charge coverage ratio	1.50x	1.93x <sup>(1)</sup>	2.00x	↑	3.6%
Change in net position as a percentage of annual operating expenses <sup>(2)</sup>	3%	3%	3%	↔	0.0%
Adjusted debt ratio	< 50%	23%	22%	↓	(4.3%)
Days adjusted liquidity on hand	200	443	252	↓	(43.1%)

<sup>(1)</sup> Reflects correction of an error in calculating this metric as defined in the Strategic Financial Plan approved by the board of directors in December 2023.

Budget results (\$ millions)	2024 budget	2025 budget	Increase (decrease)	
Total revenues	\$ 313.0	\$ 324.6	↑	3.7%
Total expenditures	\$ 314.6	\$ 392.0	↑	24.6%
Board contingency	\$ 56.0 <sup>(2)</sup>	\$ 75.0	↑	33.9%
Average wholesale rate increase	5.0%	6.3%	↑	26.0%

<sup>(2)</sup> Contingency transfer to be determined at the end of the year.



# Financial results

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YTD Nov. 30, 2024

# Strong financial results – YTD Nov. 30, 2024

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- \$26.4 million of estimated deferred revenue above required Strategic Financial Plan change in net position
  - \$79.6 million estimated cumulative balance
  - Under the board-adopted accounting policy for deferred revenue and expense for rate increase relief
- \$2.1 million of unrealized gains on fair value of investments
- \$2.0 million accumulated Long-Haul Fiber Account funds recorded as Platte River revenue
- \$1.1 million final payout from Tri-State to Platte River under the forced outage assistance agreement (shaftshare) that ended March 2024
- \$0.3 million final settlement for the closure of Medicine Bow Wind Energy site

# Strong financial results – YTD Nov. 30, 2024

Category – budget	Variance from budget (in millions)	Indicator
Revenues	(\$1.7)	◆
Operating expenses	\$11.5	●
Capital additions <sup>(1)</sup>	(\$25.3)	■
Debt service expenditures	\$0.1	◆

Category	Actual (in millions)
Change in net position	\$32.7
Less deferred revenue estimate	\$26.4
Change in net position estimate <sup>(2)</sup>	\$6.3

Change in net position of \$32.7 million was favorable to budget by \$12.2 million, which was primarily driven by operating expenditure activities, including fuel expenses replaced by lower-cost energy available in the SPP WEIS market.

<sup>(1)</sup> At year end, capital will be trued up for contingency transfer and carryovers.

<sup>(2)</sup> Subject to Strategic Financial Plan metrics of a minimum of 3% of annual operating expenses and 1.50 times fixed obligation charge coverage ratio.

> 2% ● Favorable      2% to -2% ◆ At or near budget      < -2% ■ Unfavorable

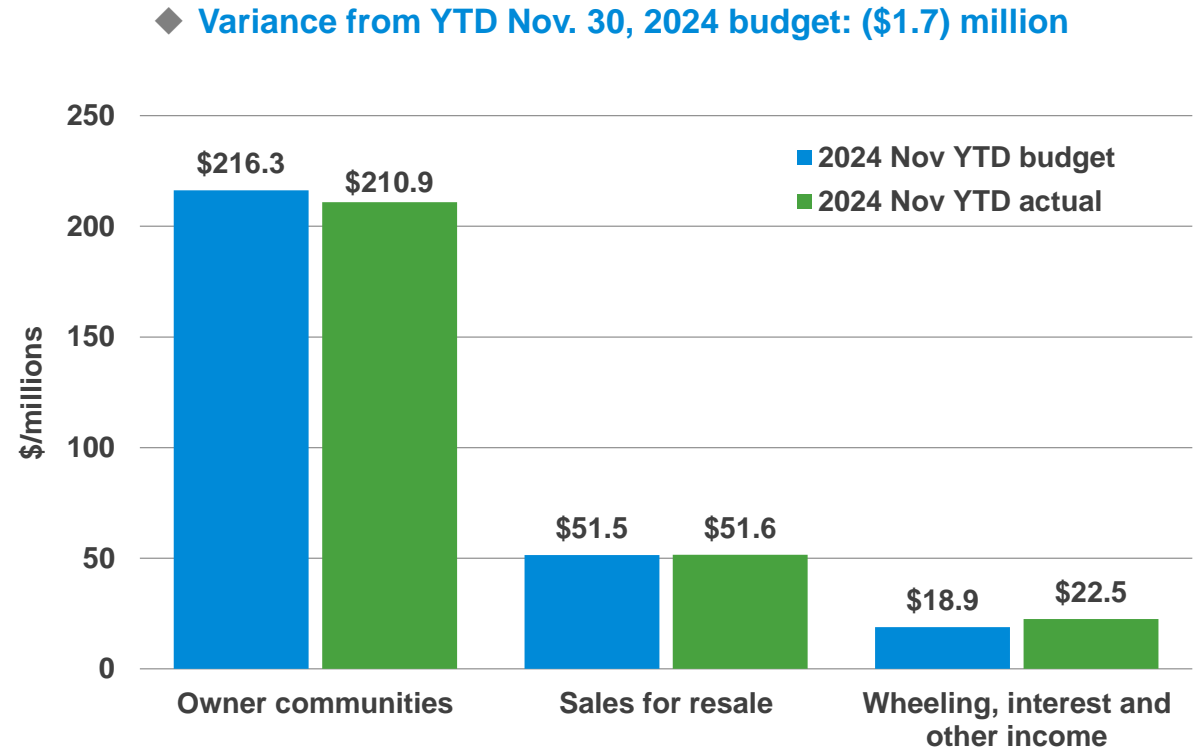
Unaudited financial results



# Revenues

## Budget variances in millions – above/(below)

- **(\$5.4) – Owner communities**
  - **(\$0.9) – Demand** (coincident billing demand and metered coincident demand 1.2% and 3.5% below budget, respectively)
  - **(\$4.5) – Energy** (revenue and volume, 3.6% below budget)
- **\$0.1 – Surplus sales**
  - **\$5.4 – Price** (13.8% above budget)
  - **(\$5.3) – Volume** (12% below budget)
- **\$3.6 – Wheeling, interest and other income**
  - **\$2.4 – Interest and other income** (fiber management income and dividend from Trapper Mine)
  - **\$1.2 – Wheeling** (point-to-point sales and rate increase)



Unaudited financial results



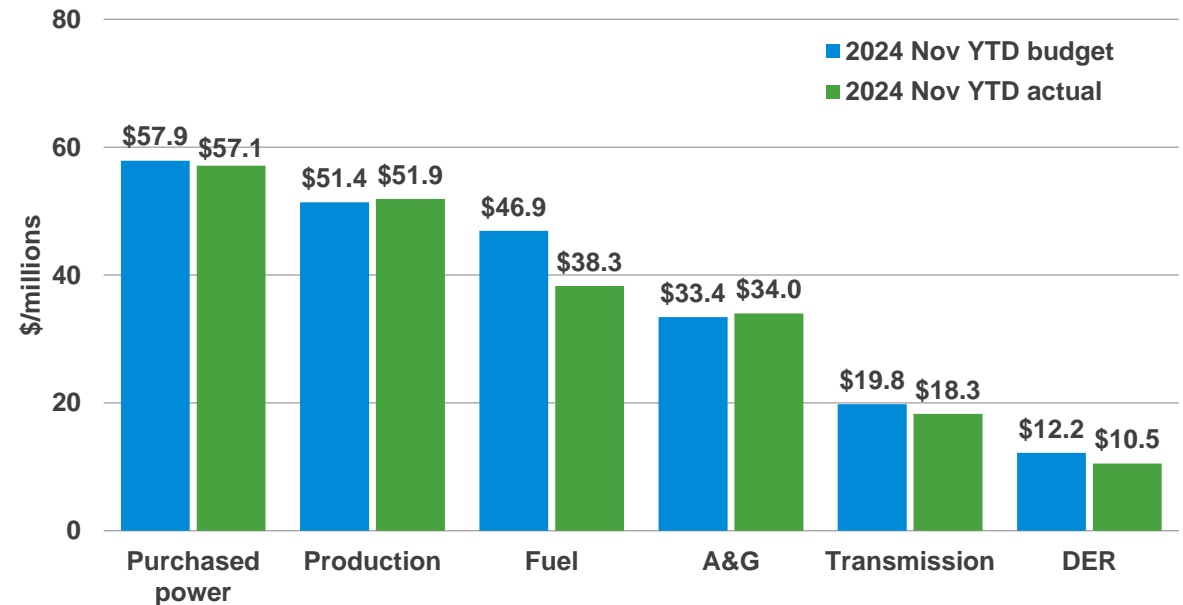
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# Operating expenses

## Budget variances in millions – (above)/below

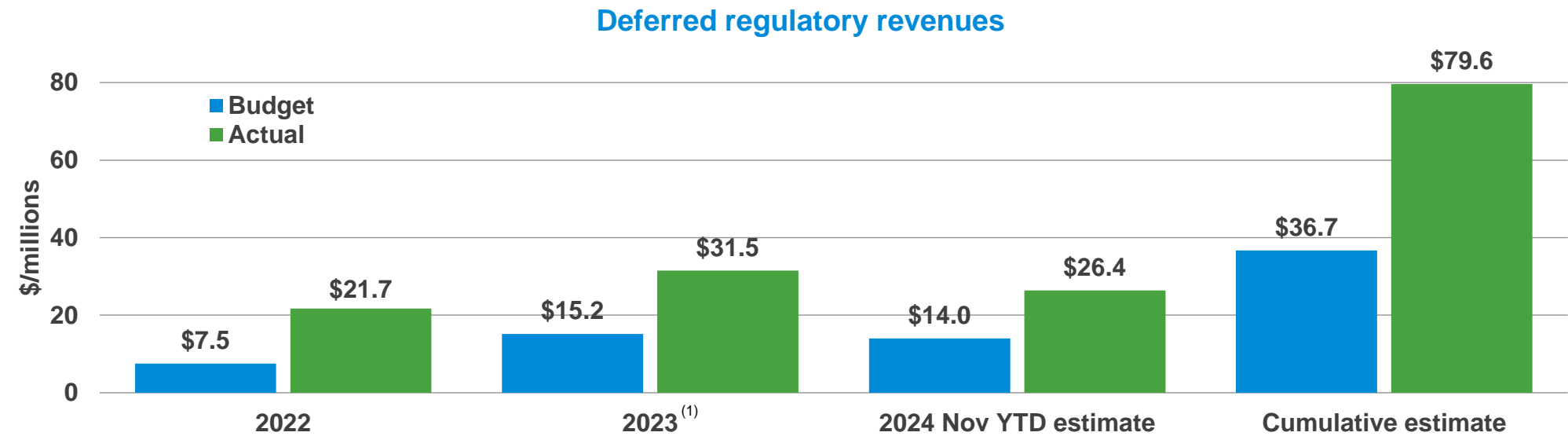
- **\$8.6 – Fuel**
  - **\$8.6 – Rawhide** (lower cost energy available in SPP WEIS market)
  - **\$2.6 – CTs** (below-budget capacity calls and lower cost energy available in SPP WEIS market)
  - **(\$2.6) – Craig** (less efficient heat rate)
- **\$1.7 – DER programs** (program consulting, personnel expenses and slower participation in the commercial and industrial segment)
- **\$1.5 – Transmission** (wheeling, personnel and contracted services)
- **\$0.8 – Purchased power**
  - **\$2.6 – Wind \$2.9, solar \$0.3 and hydropower (\$0.6)**
  - **\$0.9 – Purchased reserves**
  - **\$0.2 – Forced outage exchange** (net to Tri-State)
  - **(\$2.9) – SPP WEIS** (higher volumes and higher prices)
- **(\$0.5) – Production** (Craig units 1 and 2 operating and maintenance expenses and personnel, partially offset by below-budget non-routine projects)
- **(\$0.6) – A&G** (computer maintenance and personnel, partially offset by resource planning initiatives)

● Variance from YTD Nov. 30, 2024 budget: \$11.5 million



Unaudited financial results

# Deferred revenue and expense accounting policy



<sup>(1)</sup> 2023 pending financial restatement

**Purpose:** Help reduce rate pressure and achieve rate smoothing by establishing a mechanism to defer revenues earned and expenses incurred in one period to be recognized in one or more future periods. This policy will apply during the resource transition.

Unaudited financial results

# 2024 financial summary

 All strategic financial plan targets were exceeded

 AA credit rating

Strategic financial plan	Target	3-year average estimate	Nov 2024 YTD unaudited	2023	2022
Fixed obligation charge coverage ratio	> 1.50x	1.79x	1.86x	1.50x	2.00x
Change in net position as a percentage of annual operating expenses	3.0%	3.4%	3.0%	4.1%	3.0%
Adjusted debt ratio	< 50%	26%	24%	26%	28%
Days adjusted liquidity on hand	> 200 days	424	404	461	408

2024 pending final year end close and audit

2023 pending financial restatement

Unaudited financial results



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# Questions



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# **Business strategies**

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**Kendal Perez and Libby Clark**



## Communications, marketing and external affairs

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# Strategic communications and marketing

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- Platte River and its owner communities work together to create unified and aligned messaging for Platte River and Efficiency Works through:
  - Press releases
  - Marketing for Platte River and Efficiency Works
  - Community meetings
- A communicators task force made up of communications staff from Platte River and each of its owner communities collaborate on shared messaging and goals
- Leads strategic planning

# RESOURCE DIVERSIFICATION PLANNING AND INTEGRATION

## Implementation areas

- Incorporate reliability resources dispatchable capacity and emerging technologies such as long-duration storage and hydrogen
- Undertake strategic transmission planning and expansion
- Participate in a full regional transmission organization
- Design and align rates for the energy transition
- Leverage data science, artificial intelligence and machine learning





# COMMUNITY PARTNER AND ENGAGEMENT

## Implementation areas

- Organize working groups across the owner communities
- Identify regional engagement opportunities
- Create and implement regional educational assets and campaigns
- Engage proactively with national, regional and industry media partners
- Develop and deploy an effective, multi-media strategy





# WORKFORCE CULTURE

A photograph of two men, likely workers, standing in front of industrial equipment. The man on the left is wearing a white long-sleeved shirt, blue jeans, a yellow hard hat with a logo, and safety glasses. He is holding a white folder and looking upwards with a smile. The man on the right is wearing a blue and white plaid shirt, grey cargo pants, a yellow hard hat with a logo, safety glasses, and a headset. He is also smiling and looking towards the camera. They are standing in front of a large industrial structure with various pipes and electrical components.

## Implementation areas

- Build a workforce roadmap that focuses on employee development and planning
- Modernize the organization's total benefits and rewards program
- Use market-based modeling for a new, comprehensive compensation philosophy and approach
- Create more hybrid and work flexibility
- Create a talent review and succession planning process
- Create a matrix-driven, performance review process
- Identify more systemic ways to bridge a digital and physical workforce
- Create a baseline assessment for a larger diversity, equity and inclusion initiative
- Work alongside the strategic budgeting process



# PROCESS MANAGEMENT AND COORDINATION

## Implementation areas

- Create a project management culture guided by the design of project and process management strategies for internal and external initiatives
- Develop energy management tools and other integration capabilities
- Facilitate more regional transmission and distribution coordination and planning
- Clearly define roles and responsibilities to create more cross-functional teams across owner communities and within Platte River
- Develop a comprehensive risk management strategy for Platte River



# Community engagement

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- Supports science, technology, engineering, and math (STEM) education through:
  - Annual NoCo Time Trials middle school students solar and battery car race and scholarship
  - Colorado Science and Engineering Fair judging and stipends
  - Annual Roy J. Rohla Scholarship for high school seniors and college students
- Supports local nonprofits through donations, volunteer opportunities
- Sponsors community events, often in partnership with our owner communities, to share the Platte River story

# External affairs

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- Advocates strategy at the state and local levels, leveraging legal affairs and legislative consultant
- Engages elected officials and stakeholders about Platte River's strategic vision for its energy transition



# We are a resource for you

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## How Platte River can engage and aid board members

- Board meetings
- Presentations
- Educational materials
- Media relations
- Ongoing engagement
- Efficiency Works



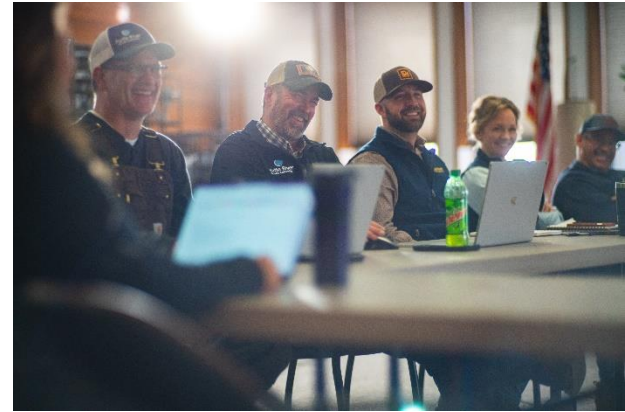


## Human resources and safety

# Human resources

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- Organizational partner to facilitate attraction, development and retention of our employees
  - Benefit offerings
  - Learning and development needs and initiatives
  - Proactive workforce planning
- Work with operating departments to facilitate positive change and support strategic initiatives



# A culture of safety

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Consistent with the organizational philosophy that no job is so important and no service so urgent that an employee must violate a safety rule or risk injury or illness rather than taking the time to perform their work safely.

## Proactive health and safety

- Soft tissue injury prevention through active release techniques
- Occupational health testing

## Hands-on safety training

- Bucket truck rescue
- Fire extinguisher
- Crane operator



# Safety statistics

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	2021	2022	2023	2024
Recordable incident rate	1.67	1.25	1.98	1.50
Lost time case rate	0.00	0.00	0.39	0
DART (days away restricted)	0.00	0.83	0.39	0



# Questions



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# Thank you



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