Platte River Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Board of directors regular meeting

2000 E. Horsetooth Road, Fort Collins, CO 80525
Thursday, Oct. 31, 2024, 9 a.m.

Call to order

1. Consent agenda — *Motion to approve*
    a. Minutes of the regular meeting of Sept. 26, 2024
    b. 2025 Rate Tariff Schedules — *Resolution 11-24*
    c. Community support and involvement policy — *Resolution 12-24*

Public comment

Board action items

2. 2024 Forvis Mazars financial audit plan
    a. Audit engagement letter — *Motion to authorize*

Management presentations

3. Proposed 2025 Strategic Budget – public hearing
4. Utility scale storage request for proposals update
5. Rawhide Unit 1 minor outage recap
6. Resource commitment and dispatch in an RTO

Monthly informational reports – September

7. Q3 performance dashboard
8. Legal, environmental and compliance report
9. Resource diversification report
10. Operating report
11. Financial report
12. General management report
    a. Reorganization recap

Strategic discussions

Adjournment

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2024 board meeting planning calendar

Updated Oct. 15, 2024

November 2024

No board of directors meeting

Dec. 12, 2024

Board action items	Management presentations	Management reports	Monthly informational reports
2025 proposed board of directors regular meeting schedule	Transmission rate design changes	Benefits update (memo only)	Legal, environmental and compliance report
2025 Strategic Budget review and adoption			Resource diversification report
			Operating report
			Financial report
Committee report			General management report
Defined Benefit committee report			

Topics to be scheduled:

-

This calendar is for planning purposes only and may change at management's discretion.

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2024 board of directors

Owner communities	**Term expiration**
Town of Estes Park	
P.O. Box 1200, Estes Park, Colorado 80517	
Mayor Gary Hall	April 2028
Reuben Bergsten	December 2024
City of Fort Collins	
P.O. Box 580, Fort Collins, Colorado 80522	
Mayor Jeni Arndt—Vice Chair, Board of Directors	January 2026
Tyler Marr	December 2026
City of Longmont	
350 Kimbark Street, Longmont, Colorado 80501	
Mayor Joan Peck	November 2025
David Hornbacher	December 2026
City of Loveland	
500 East Third Street, Suite 330, Loveland, Colorado 80537	
Mayor Jacki Marsh	November 2025
Kevin Gertig—Chair, Board of Directors	December 2025

Platte River
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Our vision

To be a respected leader and responsible power provider improving the region's quality of life through a more efficient and sustainable energy future.

Our mission

While driving utility innovation, Platte River will safely provide reliable, environmentally responsible and financially sustainable energy and services to the owner communities of Estes Park, Fort Collins, Longmont and Loveland.

Our values

Safety
Without compromise, we will safeguard the public, our employees, contractors and assets we manage while fulfilling our mission.

Integrity
We will conduct business equitably, transparently and ethically while complying fully with all regulatory requirements.

Service
As a respected leader and responsible energy partner, we will empower our employees to provide energy and superior services to our owner communities.

Respect
We will embrace diversity and a culture of inclusion among employees, stakeholders and the public.

Operational excellence
We will strive for continuous improvement and superior performance in all we do.

Sustainability
We will help our owner communities thrive while working to protect the environment we all share.

Innovation
We will proactively deliver creative solutions to generate best-in-class products, services and practices.

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Memorandum

Date: 10/23/2024

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Angela Walsh, executive director of board and administration

Subject: Consent agenda – October

Staff requests approval of the following items on the consent agenda. The supporting documents are included for the items listed below. Approval of the consent agenda will approve all items unless a board member removes an item from consent for further discussion.

Attachments

- Minutes of the regular meeting of Sept. 26, 2024
- 2025 rate tariff schedules with Resolution 11-24
- Community support and involvement policy with Resolution 12-24

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Regular meeting minutes of the board of directors

2000 E. Horsetooth Road, Fort Collins, CO
Thursday, Sept. 26, 2024

Attendance

Board members
Representing Estes Park: Mayor Gary Hall and Reuben Bergsten
Representing Fort Collins: Mayor Jeni Arndt
Representing Longmont: Mayor Joan Peck and David Hornbacher
Representing Loveland: Mayor Jacki Marsh and Kevin Gertig

Absent
Tyler Marr

Platte River staff
Jason Frisbie (general manager/CEO)
Sarah Leonard (general counsel)
Dave Smalley (chief financial officer and deputy general manager)
Melie Vincent (chief operating officer, generation, transmission and markets)
Eddie Gutiérrez (chief strategy officer)
Angela Walsh (executive director of board and administration, board secretary)
Esther Velasquez (senior executive assistant)
Josh Pinsky (IT service desk technician II)
Shelley Nywall (director, finance)
Jason Harris (senior manager, financial reporting and budget)
Libby Clark (director, human resources and safety)
Paul Davis (manager, distributed energy resources)
Kendal Perez (manager, strategic communications and community relations)
Javier Camacho (director, public/external affairs, strategic communications/social marketing)
Maia Jackson (senior communications and marketing specialist)
Leigh Gibson (senior external affairs specialist)
Wade Hancock (senior manager, financial planning and rates)
Erik Martin (financial analyst III)
Palmer Giro (accounting analyst III)

Guests
None

Call to order

Chair Gertig called the meeting to order at 9:00 a.m. A quorum of board members was present via roll call. The meeting, having been duly convened, proceeded with the business on the

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agenda.

Action items

1. Consent agenda

a. Approval of the regular meeting minutes of Aug. 29, 2024

Director Marsh moved to approve the consent agenda as presented. Director Hornbacher seconded. The motion carried 7-0.

Public comment

Chair Gertig opened the public comment section by reading instructions, noting that time to accommodate each speaker would be divided equitably by the number of in-person members of the public and callers wishing to speak at the start of public comment. No members of the public addressed the board.

Committee report

2. Defined Benefit Plan retirement committee report
(presenter: Committee Chair Dave Hornbacher)

Committee chair Dave Hornbacher provided a summary of the Defined Benefit Plan retirement committee report from the Aug. 29, 2024, meeting.

The plan's investment consultant, Northern Trust, reported on the plan's performance for the June 2024 quarter, stating that the assets increased $900,000 as positive market returns and contributions exceeded benefit payments. For the quarter, the portfolio returned 1.4%, while the plan's benchmark increased 1.2%. Year to date, the portfolio returned 5.4%; the long-term return target is 7.5%. Committee Chair Hornbacher stated that Northern Trust provided an education session on equity markets concentration.

Committee Chair Hornbacher noted that based on the direction from the retirement committee, staff issued a request for proposals for investment consulting services. Staff is currently interviewing the top-rated firms. The finalist will present to the retirement committee during the October retirement committee meeting.

The next committee meeting is scheduled for October 31.

Committee Chair Hornbacher mentioned that the retirement committee report is for informational purposes only, and no board action was necessary at this time.

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Management presentations

3. 2025 proposed Strategic Budget work session
(presenters: Shelley Nywall and Jason Harris)

Shelley Nywall, director of finance, introduced the 2025 proposed Strategic Budget for the board work session, providing a high-level overview of how the energy transition affects the budget, with significant investments in noncarbon resources from the long-term perspective. She noted that there are slides at the end of the presentation that provide more details for reference that will not be presented during the meeting.

Jason Frisbie, general manager and chief executive officer, commented on coal unit retirements for Craig Unit 1 and 2 as well as Rawhide Unit 1. Director Bergsten highlighted the footnote on the system nameplate capacity slide that explains how 72 megawatts (MW) of wind was sold until 2030 when Platte River's system will be able to take the capacity. He complimented staff for thinking strategically with the purchase of additional wind capacity at a lower price. Mr. Frisbie added the wind sale allowed Platte River to increase the size of the Roundhouse Wind project from 150 to 225 MW of wind energy, currently the cheapest resource in the portfolio. Ms. Nywall reiterated the significant renewable generation increases to replace coal generation in the next five years through the energy transition.

Mr. Frisbie clarified comments made recently at a council meeting about significant rate increases. He noted the increases shown in resource portfolio costs does not directly translate into rate increase equivalence. Director Peck asked if the gas capacity is available only when Platte River needs it, or will it be sold into the market regardless of Platte River's load needs. Mr. Frisbie explained the amount of gas capacity is to cover the load during dark calms and other extreme weather events, and, to be in the market, Platte River must prove its ability to serve Platte River's load plus reserves to support the entire system. He continued to reiterate the need for gas is to maintain reliability after the current dispatchable capacity retires by 2030 and is replaced by intermittent renewable resources with lower capacity factors. Melie Vincent, chief operating officer, generation, transmission and markets, expanded on how the market uses resources offered at cost with three costs considered; how much it costs to start up the unit, how much it costs to run at minimum and how much it costs in the energy market curve from minimum to maximum operation (known as the integrated heat rate curve). She further explained that if Platte River lowers the costs in the market to sell more, it will sell at a loss, which would increase the cost of power to the owner communities. If Platte River increases the cost, the market will not dispatch the unit and Platte River will sell less power. This is referred to as the opportunity cost. Ms. Vincent stated that Platte River operates units when the market needs them, and the cost of the power is sufficient to justify bringing the units online. Unless the units are needed for reliability to support the system, the market will always dispatch the lowest-cost resources. Discussion continued among directors and staff regarding unit dispatch into the market to cover the system footprint, use of surplus sales and advancing technologies. Director Bergsten emphasized to board members the need to promote the virtual power plant and customer participation to those who want to support our energy transition and resources.

Ms. Nywall discussed the increases in budget expenditures for 2025. Chair Gertig asked about

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budgeting for capital expenditure projects that span multiple years before their operation dates. Ms. Nywall pointed out that capital expenditures reflect the downpayments made for securing the assets that can be paid for with cash reserves or debt financing. Staff plans to use debt financing in 2026 to cover the aeroderivative units.

Jason Harris, senior manager, financial reporting and budget, previewed the budget approval schedule, the internal budget process and the primary areas within the budget document. He thanked staff organization-wide for contributing to the budget document.

Mr. Harris summarized the budgeting trends in revenues and expenses, and gave an overview of the financial results. Director Bergsten asked why the deferred revenue is referred to as deferred regulatory revenue. Mr. Harris responded that it is related to the Governmental Accounting Standards Board 62 policy; it reflects that Platte River is a rate making entity. Sarah Leonard, general counsel pointed out the effective load carrying capability (ELCC) MW allocations to the wind and solar numbers as part of the 2025 system capacity. Mr. Harris explained the numbers associated with the wind and solar are the ELCC modeling output because these resources are less available at the time of greatest system need. Mr. Frisbie expanded on how the ELCC modeling results support the need for the aeroderivative units to meet peak load. Mr. Harris further explained that the ELCC of renewable generation resources declines as more are added to the system. Mr. Frisbie commented on the challenges staff faces to have enough capacity to maintain reliability on the system when dispatching into a market. Director Bergsten asked about the ELCC for storage once Platte River has storage on the system. Mr. Frisbie confirmed that storage will have an ELCC credit as well and will be different depending on the size of the storage. Chair Gertig asked staff to add footnotes to the slide explaining ELCC for future presentations.

Director Marsh asked how much Rawhide Unit 1 generation will be offset by wind and solar generation in 2025. Mr. Harris responded that it is a modeling question and market purchases also affect Rawhide Unit 1 generation. Ms. Vincent referred to the current energy production page on the Platte River website to get an idea of which resources are dispatched and when market purchases cover load. Mr. Frisbie discussed the importance of thermal generation during critical timeframes where renewables are not serving the load and the challenges that remain to maintain reliability during those critical times.

Director Marsh asked expected lifespan for the aeroderivative units and how it compares to the maintenance schedule for the coal units. Ms. Vincent responded that the units should last at least 30-50 years and are designed to frequently start up to help stabilize the system. Mr. Frisbie explained the complexity of a coal-fired generation unit compared to simpler gas unit. Discussion ensued among directors and staff regarding maintenance schedules for the aeroderivative units.

Director Bergsten asked if capital expenditures are recognized for storage in the five-year capital plan. Mr. Harris responded that if Platte River purchase storage is through a storage services agreement, which will not be a capital expense, but the infrastructure to connect the storage project to the system would be a capital expense.

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Director Bergsten complimented staff on tying the budgeted dollars to the actual projects. Chair Gertig congratulated staff on the budget document winning the award again for 2024 and the professional layout of the 2025 document.

Break (10:50 a.m. - 11:00 a.m.)

4. 2025 Rate tariff schedules (presenter: Wade Hancock)

Wade Hancock, senior manager, financial planning and rates, provided a recap of the 2025 rate tariff schedules, reflecting an average wholesale electric rate increase of 6.3%.

Director Bergsten asked if there are any interruptible large customers within the Large Customer Service Tariff (Tariff LC-25). Dave Smalley, chief financial officer and deputy general manager, responded that the one large customer under Tariff LC-25 is an interruptible customer.

5. Building the Efficiency Works virtual power plant (presenter: Paul Davis)

Paul Davis, manager, distributed energy resources, explained the process to build the virtual power plant (VPP) within the owner communities and how it will interact with customers in the owner communities and the energy market.

Director Marsh asked if staff has analyzed the best system for VPP and how it will interact with current rate structures. Mr. Frisbie responded that the rate structures will have to be evaluated to best integrate the VPP onto the system and how it will communicate with customers. Mr. Smalley added that structuring rates will be a challenge in the future. It may make sense to migrate toward real-time rate structures, but the risk will fluctuate with market prices. Discussion ensued among directors and staff regarding rate calculations, wholesale and owner community rate structures and future risks associated with current rate structures.

Chair Gertig asked if the four owner communities are on track for their parts of the VPP. Mr. Davis responded that the collaboration is currently on track; we look forward to working with vendors on realistic timeframes to build out the VPP systems and programs.

Director Bergsten asked for an update on the Department of Energy grant work to support the VPP. Mr. Davis responded that Platte River will hear in October and will update the board at a future meeting.

6. Community support policy updates (presenter: Kendal Perez)

Kendal Perez, manager, strategic communications and community relations, provided an overview of the community support policy and the updates staff recommends the board approve at the October board meeting.

Director Peck commented on the economic development payments and how it should be separated from the community partnerships. Mr. Frisbie suggested a language change to the economic development program and will work with staff on what changes to make.

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Management presentations

7. Staffing update (presenter: Libby Clark)

Libby Clark, director, human resources and safety, explained the memorandum provided on page 203 of the board packet.

Monthly informational reports for August

8. Legal, environmental and compliance report (presenter: Sarah Leonard)

Ms. Leonard highlighted the Southwest Power Pool's petition for a declaratory order on tariff provisions and conflict with state law.

9. Resource diversification report (presenter: Paul Davis)

Mr. Davis highlighted the 20 MW distributed storage project update, the 75-100 MW four-hour battery storage project and the 150-250 MW of additional nameplate wind capacity request for proposals update.

10. Operating report (presenter: Melie Vincent)

Ms. Vincent highlighted operating results for August, reflecting owner community demand above budget and energy below budget for the month. Year to date, both owner community demand and energy continue to be below budget. The overall net variable cost to serve owner community load was below budget for August, due to lower natural gas costs offset by lower market sales volume and pricing. Year to date, the net variable cost to serve owner community load is below budget.

11. Financial report (presenter: Dave Smalley)

Mr. Smalley summarized financial results for August and favorable results year to date. For August, the change in net position was favorable by $0.9 million. He highlighted the footnote at the bottom of the slide, noting that unrealized gains on investments accounted for most of the $0.8 million variance. Revenues and expenses were unfavorable for the month due to surplus sales below budget, partially offset by above-budget transmission revenues. Capital additions were over budget due to the downpayment for the aeroderivative units. Year to date, change in net position of $25.7 million was favorable by $8.3 million compared to budget, primarily due to below-budget operating expenses and above-budget unrealized gains on investments and interest income, partially offset by below-budget revenues.

Director Bergsten asked if the $8.3 million reflects the rate increase for 2024. Mr. Smalley stated the $8.3 million is above budget projections and helps the rate smoothing process.

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12. General management report (presenter: Jason Frisbie)

Mr. Frisbie highlighted the links provided in the communications, marketing and external affairs section, and provided an update on recruitment efforts to fill the vacancy on the senior leadership team. He said he would present the reorganization summary at the October board meeting.

Roundtable and strategic discussion topics

Directors provided updates from their individual communities.

Adjournment

With no further business, the meeting adjourned at 12:06 p.m. The next regular board meeting is scheduled for Thursday, Oct. 31, 2024, at 9:00 a.m. either virtually or at Platte River Power Authority, 2000 E. Horsetooth Road, Fort Collins, Colorado.

AS WITNESS, I have executed my name as Secretary and have affixed the corporate seal of the Platte River Power Authority this ______ day of__________________, 2024.

____
Secretary

Adopted:
Vote:

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Memorandum

Date: 10/23/2024

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Dave Smalley, chief financial officer and deputy general manager
Shelley Nywall, director of finance
Wade Hancock, senior manager, financial planning and rates

Subject: 2025 Rate Tariff Schedules

The Amended Contracts for the Supply of Electric Power and Energy between Platte River and each of the four owner communities require Platte River's Board of Directors to review the rate for electric power and energy furnished to the owner communities at least once each calendar year. The 2025 Rate Tariff Schedules were distributed and discussed at the September board meeting. Staff also presented details of the 2025 charges at the May board meeting

The tariffs below were updated for the 2025 rate changes. The May 2024 whitepaper (attached for ease of reference) provides more detailed explanations of the rate recommendations. The 2025 budgeted average wholesale rate increase is 6.3% from the 2024 budget.

- Firm Power Service Tariff (Tariff FP-25) individual charges
- Standard Offer Energy Purchase Tariff (Tariff SO-25) Avoided Energy Rate

Staff recommends the board adopt the updated rate tariff schedules as proposed. If adopted, the 2025 Rate Tariff Schedules will become effective Jan. 1, 2025. Platte River will give each owner community written notice of the revised rates for Firm Power Service not less than 30 days before the effective dates.

Attachments

Tariff schedules and resolution

- 2025 Rate Tariff Schedules
- Resolution 11-24

Background information

- Average wholesale rate projections and 2025 rate tariff schedule charges whitepaper – May 2024
- 2025 wholesale rates at a glance

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2025 Rate Tariff Schedules

Firm Power Service Tariff (Tariff FP-25)

Applicability:

The Firm Power Service Tariff (Tariff FP-25) will apply to all firm electric service furnished to an Owner Community for distribution and resale pursuant to its contract with Platte River Power Authority (Platte River), unless the Owner Community purchases a portion of its electricity requirements under another tariff schedule. For the purposes of this tariff the “Owner Communities” means the Town of Estes Park, the City of Fort Collins, the City of Longmont and the City of Loveland.

This tariff will not be available to an Owner Community for service to (a) any retail customer that requests new service entrance capacity of 10,000 kilowatts or greater or (b) any retail customer that has a new load of an unusual nature that cannot be readily served from the Owner Community’s distribution system. Electric power and energy services that are provided to an Owner Community for resale to customers that are excluded from service under this tariff will be provided under the terms and conditions of the Large Customer Service Tariff.

Character of Service:

Alternating current 60 hertz; three-phase; delivery at 115 kilovolt or at other voltages subject to conditions as agreed upon; metering at each delivery point.

Monthly Rate:

The Monthly Rate charged to Owner Communities, as approved by the Platte River board of directors, will be as follows:

Owner Community Charge:
Owner Community rate of $15,351 per month per Owner Community Allocation

Transmission Demand Charge
$6.70 per kilowatt of Noncoincident Billing Demand

Generation Demand Charge:

Summer Season	$7.42 per kilowatt of Coincident Billing Demand
Nonsummer Season	$5.94 per kilowatt of Coincident Billing Demand

Fixed Cost Energy Charge:
$0.01770 per kilowatt-hour for all energy supplied

Variable Cost Energy Charge:
$0.02458 per kilowatt-hour for all energy supplied

Summer / Nonsummer Season:

The Summer Season will be the period June 1 through September 30 of each year. The Nonsummer Season will be the period January 1 through May 31 and October 1 through December 31.

Owner Community Allocation:

The Owner Community Allocation represents each Owner Community’s share of Platte River’s total Owner Community energy sales over the previous six-year period as determined at the end of the year. The Owner Community Allocation is calculated as the sum of each Owner Community’s energy sales over the previous six-year period divided by the total Owner

Community energy sales during that time, using the year-end sales values as determined by Platte River. The resulting ratio is multiplied by 100 to create a value to be used as the Owner Community Allocation which is multiplied by the Owner Community Charge.

Billing Demand:

The Coincident Billing Demand will be the 60-minute average kilowatt demand of the electric system of the Owner Community, computed as the sum of 60-minute average kilowatt demands recorded simultaneously at all delivery points through which such Owner Community receives electric power and energy, measured coincident with the Monthly System Peak Demand for Platte River.

The Monthly System Peak Demand for Platte River will be the maximum coincident sum of the hourly demands for the Owner Communities recorded during the billing month subject to a minimum demand calculation. The minimum demand for the Coincident Billing Demand will be equal to 75% of the Owner Community’s average maximum Coincident Demand during the three preceding summer periods beginning with the most recent completed year. Each summer period will have one peak Coincident Demand value, which is the peak Coincident Demand value during the summer period. The average is the total of the peak Coincident Demand values for the three preceding summer periods divided by three.

The Noncoincident Billing Demand will be the maximum 60-minute average kilowatt demand of the electric system of the Owner Community, computed as the sum of 60-minute average kilowatt demands recorded simultaneously at all delivery points through which such Owner Community receives electric power and energy, without regard to the timing of the Monthly System Peak Demand subject to a minimum demand calculation. The minimum demand for the Noncoincident Billing Demand will be equal to 75% of the Owner Community’s average maximum Noncoincident Demand during the three preceding annual periods beginning with the most recent completed year. Similarly, each annual period will have one peak Noncoincident Demand value, which is the peak Noncoincident Demand value during that period. The average is the total of the Noncoincident Demand values for the three preceding annual periods divided by three.

Standard Offer Energy Purchase Tariff (Tariff SO-25)

Applicability:

The Standard Offer Energy Purchase Tariff (Tariff SO-25) applies to power production facilities that (1) have registered with the Federal Energy Regulatory Commission (FERC) as Qualifying Facilities (QFs) under the Public Utility Regulatory Policies Act of 1978, as amended, and its associated regulations (the PURPA Provisions) and (2) are electrically connected to Platte River's transmission system or the distribution system of one of Platte River's owner communities (the Town of Estes Park, the City of Fort Collins, the City of Longmont or the City of Loveland). Any Platte River purchase of output from a QF is subject to Platte River's policy governing purchase from QFs, as stated below.

Platte River's policy governing purchases from PURPA QFs

Capacity Forecast:

Platte River prepares an Integrated Resource Plan as required by 10 Code Federal Regulations (CFR) part 905. The Integrated Resource Plan forecasts Platte River's load, identifies and compares all practicable distributed energy resources and energy supply resource options to meet that load, and includes an action plan and timing to implement any additional capacity requirements. The Integrated Resource Plan is used to determine how much additional capacity Platte River will require and when. Platte River will maintain for public inspection its plans for capacity additions, by amount and type, for purchases of firm energy and capacity and for its capacity requirements.

Obligation to Purchase Energy:

Platte River will purchase, on a nondiscriminatory basis, the output from any QFs subject to the following limitations:

a) Firm energy. Platte River is under no obligation to purchase firm energy or capacity offered by a QF under a "legally enforceable obligation" for a period greater than five years.

b) Non-firm energy. Platte River is under no obligation to enter into a contract or "legally enforceable obligation" to purchase non-firm energy offered by a QF. For purposes of this policy, "non-firm" energy means power provided under an arrangement that does not guarantee scheduled availability for a specified term. At its discretion, Platte River may negotiate with a QF to develop mutually acceptable contract terms under which Platte River would purchase non-firm energy offered by the QF.

During a system emergency, Platte River may discontinue purchases of energy or capacity (or both) where necessary to protect the safety and reliability of the Platte River system. Platte River will have no obligation to purchase or accept delivery of energy or capacity for as long as an emergency condition exist.

Pricing:

Each QF has the option either:

a) To provide energy as the QF determines to be available for purchases, in which case the rates for the energy will be based on Platte River's avoided costs calculated at the time of delivery; or

b) To provide energy or capacity under a legally enforceable obligation for delivery of energy or capacity over a specified term, in which case the rates for the energy will be either of the following (at the QF's option, exercised before the specified term begins):

   i) Platte River's Avoided Energy Rate ($0.02328 per kilowatt-hour for electricity made available to Platte River); or

   ii) Platte River's avoided energy rate calculated at the time the obligation is incurred.

Platte River's Avoided Energy Rate is based on its current portfolio of generation resources and is subject to change on an annual basis. Platte River will separately calculate its avoided capacity costs.

Capacity Payments:

The capacity value of firm QF power offered for sale to Platte River during periods where Platte River has no projected needs for additional capacity will be zero dollars ($0.00). During these periods, QFs offering to sell firm capacity to Platte River will not be entitled to any capacity payments, and will be entitled only to avoided energy costs. Platte River will not enter into any new written contracts to make capacity payments to QFs in any year when Platte River has no projected resource deficit. In any year in which Platte River determines it needs to procure additional capacity, Platte River will calculate its avoided capacity costs using the information available to it and will publish the result of its studies. Platte River will not, in any event, be obligated to make capacity payments for any capacity greater than the resource deficit projected.

Interconnection:

A QF seeking to interconnect with Platte River's electric system for the delivery of energy and/or capacity to Platte River or a third party must sign an interconnection agreement with Platte River. The terms and conditions of such interconnection will be governed by Platte River's then-current interconnection policies and procedures applicable to third party providers. A QF must pay any interconnection costs Platte River assesses to customers with similar facility and operational characteristics.

Wholesale Transmission Service Tariff (Tariff WT-25)

Platte River Power Authority (Platte River) offers transmission service through this Wholesale Transmission Service Tariff (Tariff WT-25). Tariff WT-25 does not apply to any entity taking service under Platte River's Firm Power Service Tariff; Standard Offer Energy Purchase Tariff; or Large Customer Service Tariff. Tariff WT-25 may or may not be equivalent to Platte River's open access transmission service tariff (OATT), posted on Platte River's Open Access Same-Time Information System (OASIS) web site.

A summary of the charges follows.

(1) Scheduling, System Control, and Dispatch Service

Platte River is not a Balancing Authority Area and does not offer this service. To the extent a Balancing Authority performs this service for the Transmission Provider, charges to the Transmission Customer reflect only a pass-through of the costs charged to the Transmission Provider by that Balancing Authority.

(2) Reactive Supply and Voltage Control from Generation Sources Service

The charges equal the following:

Yearly	$1,352.06 per megawatt of Reserved Capacity per year
Monthly	$112.67 per megawatt of Reserved Capacity per month
Weekly	$26.00 per megawatt of Reserved Capacity per week
Daily	$5.20 per megawatt of Reserved Capacity per day
Hourly	$0.33 per megawatt of Reserved Capacity per hour

(3) Regulation and Frequency Response Service

Platte River is not a Balancing Authority Area and does not offer this service. To the extent a Balancing Authority performs this service for the Transmission Provider, charges to the Transmission Customer reflect only a pass-through of the costs charged to the Transmission Provider by that Balancing Authority.

(4) Energy Imbalance Service

Platte River is not a Balancing Authority or market operator and does not offer this service. To the extent the Balancing Authority or Western Energy Imbalance Service (WEIS) Market Operator performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass-through of the costs charged to the Transmission Provider by the Balancing Authority or WEIS Market Operator.

(5) Operating Reserve—Spinning Reserve Service

Platte River is not a Balancing Authority Area and does not offer this service. To the extent a Balancing Authority performs this service for the Transmission Provider, charges to the Transmission Customer reflect only a pass-through of the costs charged to the Transmission Provider by that Balancing Authority.

(6) Operating Reserve—Supplemental Reserve Service

Platte River is not a Balancing Authority Area and does not offer this service. To the extent a Balancing Authority performs this service for the Transmission Provider, charges to the Transmission Customer reflect only a pass-through of the costs charged to the Transmission Provider by that Balancing Authority.

(7) Long-Term and Short-Term Firm Point-to-Point Transmission Service

The charges can be up to the following limits:

Yearly delivery	$88,224.47 per megawatt of Reserved Capacity per year
Monthly delivery	$7,352.04 per megawatt of Reserved Capacity per month
Weekly delivery	$1,696.62 per megawatt of Reserved Capacity per week
Daily delivery	$339.32 per megawatt of Reserved Capacity per day
Hourly delivery	$21.21 per megawatt of Reserved Capacity per hour

Daily rate of $339.32 not to exceed the product of the number of megawatts reserved for the week times the maximum weekly demand charge of $1,696.62.

Hourly rate of $21.21 not to exceed the product of the number of megawatts reserved for the day times the maximum daily demand charge of $339.32 not to exceed the product of the number of megawatts reserved for the week times the maximum weekly demand charge of $1,696.62.

(8) Nonfirm Point-to-Point Transmission Service

The charges can be up to the following limits:

Monthly delivery	$7,352.04 per megawatt of Reserved Capacity per month
Weekly delivery	$1,696.62 per megawatt of Reserved Capacity per week
Daily delivery	$339.32 per megawatt of Reserved Capacity per day
Hourly delivery	$21.21 per megawatt of Reserved Capacity per hour

Daily rate of $339.32 not to exceed the product of the number of megawatts reserved for the week times the maximum weekly demand charge of $1,696.62.

Hourly rate of $21.21 not to exceed the product of the number of megawatts reserved for the day times the maximum daily demand charge of $339.32 not to exceed the product of the number of megawatts reserved for the week times the maximum weekly demand charge of $1,696.62.

Real power losses

Real Power Losses are associated with all Transmission Service and Network Integration Transmission Service. The Transmission Provider is not obligated to provide Real Power Losses. The Transmission Customer and Network Customer must replace losses associated with all Transmission Service and Network Integration Transmission Service as calculated by the Transmission Provider or the Balancing Authority. Transmission Customer and Network Customer will pay based on the Real Power Loss factor of 0.91% for Transmission Service and Network Integration Transmission Service on the Transmission Provider's transmission capacity in the Public Service Company of Colorado (PSCo) Balancing Authority. Transmission Customer and Network Customer will pay a pass-through charge of Western Area Power Administration (WAPA) assessed losses for Transmission Service and Network Integration Transmission Service on the Transmission Provider's transmission capacity in the WAPA Balancing Authority Area. Transmission Customer and Network Customer will pay both the Real Power Loss factor and the WAPA pass-through charges for Transmission Service and Network Integration Transmission Service using transmission capacity in both PSCo and WAPA Balancing Authority Areas.

Transmission Revenue Requirement

The charge for Network Integration Transmission Service is calculated pursuant to the Federal Energy Regulatory Commission (FERC) Pro Forma Open Access Transmission Tariff Attachment H based on Platte River's annual transmission revenue requirement of $49,391,902. This transmission revenue requirement is calculated in accordance with the FERC pro-forma Network Service Rate calculation requirement.

WEIS Joint Dispatch Transmission Service

Platte River, as a WEIS Joint Dispatch Transmission Service Provider, will provide WEIS Joint Dispatch Transmission Service on Platte River's transmission facilities to a WEIS Joint Dispatch Transmission Service Customer commensurate with, and to accommodate, the energy dispatched within the WEIS Market, as set forth in the WEIS Tariff. The rate Platte River for WEIS Joint Dispatch Transmission Service is set forth below:

Hourly delivery:
- On-Peak Hours: the on-peak rate $0.00/MWh
- Off-Peak Hours: the off-peak rate $0.00/MWh

Large Customer Service Tariff (Tariff LC-25)

Applicability:

The Large Customer Service Tariff (Tariff LC-25) is available and may be required for firm and interruptible energy furnished by Platte River Power Authority (Platte River) to Owner Communities for resale to Large Customers. For the purposes of this tariff the "Owner Communities" means the Town of Estes Park, the City of Fort Collins, the City of Longmont and the City of Loveland. Large Customers are end-use customers meeting any of the following criteria:

- Customer requests new service entrance capacity of 10,000 kilowatts or greater.
- Customer has a new load that cannot be readily served from the Owner Community's distribution system under the Firm Power Service Tariff or its successor due to the unusual nature of the load.
- Customer metered demand is anticipated to reach 1,000 kilowatts at a single site within 12 months of requesting such service as demonstrated to the Owner Community and Platte River's satisfaction; provided, however, that if the metered demand does not reach 1,000 kilowatts within a 12-month time frame, the customer must receive service under another tariff offered by the Owner Community until the metered demand reaches 1,000 kilowatts for a continuous 12-month period.
- Customer with load at a single site with a single meter measuring a minimum metered demand of 1,000 kilowatts or greater.
- Customer with load at a single site with multiple meters, where the sum of the coincident metered demand for such meters is 1,000 kilowatts or greater.
- Total load for a customer with multiple, non-contiguous sites aggregated under a single Service Agreement with the Owner Community provided that the customer has at least one site where the minimum metered demand is 1,000 kilowatts or greater and all loads are located within the Owner Community's service territory.

Prior to receiving service pursuant to this tariff, the Large Customer must enter into an agreement for electric service (Service Agreement) with the Owner Community in which their load is located. The Service Agreement will identify Platte River as a third-party beneficiary of the Service Agreement. The Service Agreement will address, at a minimum, the following material terms:

- Charges for service, including responsibility for infrastructure costs
- Term of Service Agreement
- Initial date of service under this tariff
- Rate adjustments
- Amount and timing of curtailments or interruptions (if any)
- Standby provisions

Each of these terms and conditions will be established in consultation with Platte River and will be confirmed in a letter from the Platte River General Manager/CEO to the Owner Community. The Owner Community will negotiate the specific form of the Service Agreement with the Large Customer.

Charges for Service:

The monthly charges to an Owner Community for service by Platte River under this tariff will be determined based on the unique load characteristics, service requirements, and related costs to serve the Large Customer and will be approved by the Platte River board of directors.

Adjustment of Charges:
Unless otherwise agreed, adjustments to the charges will be made on an annual basis at a minimum and will reflect actual changes in Platte River's cost of service including, but not limited to, financing costs, fuel (including delivery), operation and maintenance, environmental management, and purchased power.

Character of Service:
Alternating current at approximately 60 hertz; three-phase; delivery at 115 kilovolts or at other voltages subject to conditions as agreed upon; metering at each delivery point.

Metering, Invoicing and Losses:
The Owner Community will provide to Platte River the monthly demand, energy, power factor and other usage characteristics as may be required for billing the Owner Community on a calendar month basis, for the Large Customer usage. The Owner Community should provide this information to Platte River within five business days of obtaining such data. Following its receipt of the monthly billing data for the Large Customer, Platte River will prepare and send to the Owner Community an invoice for the electric power service provided to the Owner Community for the Large Customer, with the appropriate charges.

The Owner Community, at its discretion, may opt to include in the Large Customer's monthly energy usage the distribution losses that occur between the Platte River point of delivery to the Owner Community and the point of delivery to the Large Customer. In such case, the Owner Community will provide to Platte River the total energy usage including losses of the Large Customer and an appropriate charge will be invoiced.

RESOLUTION NO. 11-24

Background

A. Platte River Power Authority (Platte River) was formed to provide electric generation and transmission services to the municipalities of Estes Park, Fort Collins, Longmont and Loveland (collectively, the owner communities).

B. The Amended Contracts for the Supply of Electric Power and Energy (power supply agreements) dated May 30, 2019 between Platte River and each of the owner communities require Platte River's board of directors (board) to review Platte River's wholesale rates for electric power and energy supplied to the owner communities at least once each calendar year.

C. The power supply agreements require the board, if necessary, to revise rates to produce revenues sufficient (but only sufficient), together with the revenues from all other sources, to (1) meet the cost of operation and maintenance, (2) meet the cost of purchased power, (3) make payments on indebtedness and provide an earnings margin adequate to obtain revenue bond financing on favorable terms, and (4) provide for reasonable reserves.

D. Platte River's management has estimated electric energy sales and the costs of service for 2025 and has submitted to the board a proposed strategic budget for 2025.

E. Platte River's management has advised the board that the tariff schedules as attached, combined with prior period reserves, will provide sufficient revenues to comply with the power supply agreements and Section 6.12 of the General Power Bond Resolution (No. 5-87).

F. Staff recommends the following:

1. for calendar year 2025, the Firm Power Service Tariff (FP-25) replaces the Firm Power Service Tariff (FP-24),
2. for calendar year 2025, the Standard Offer Energy Purchase Tariff (SO-25) replaces the Standard Offer Energy Purchase Tariff (SO-24),
3. for calendar year 2025, the Wholesale Transmission Service Tariff (Tariff WT-25) be readopted with no changes, and
4. for calendar year 2025, the Large Customer Service Tariff (LC-25) replaces the Large Customer Service Tariff (LC-24).

Resolution

The board of directors of Platte River Power Authority therefore resolves that:

1. The 2025 Rate Tariff Schedules, as attached, are adopted with all changes effective Jan. 1, 2025, and
2. The general manager is authorized and directed, on behalf of Platte River, to give written notice to the owner communities of the Firm Power Service Tariff (FP-25) revised rates and terms applicable under the power supply agreements and to take any further actions, consistent with this resolution, he determines necessary.

AS WITNESS, I have executed my name as Secretary and have affixed the corporate seal of the Platte River Power Authority this 31st day of October, 2024.

____

Secretary

Adopted:
Vote:

Platte River
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Average wholesale rate projections and 2025 Rate Tariff Schedule charges

Platte River Power Authority white paper

May 2024

Overview

Platte River establishes service offerings and supporting rate structures that complement its foundational pillars, vision, mission and values, strategic plan, and underlying policies of the organization. Platte River establishes its tariffs and charges to achieve Strategic Financial Plan targeted financial metrics.

Platte River's Board of Directors is required to review the rates for electric power and energy furnished to the owner communities at least once each calendar year. This is required by the Amended Contracts for the Supply of Electric Power and Energy between Platte River and each of the owner communities, and by Platte River's General Power Bond Resolution.

This white paper discusses the 2025 average wholesale rate and long-term financial and rates projections over the ten-year planning horizon in the following sections:

- The short story
- What is driving rate increases?
- What actions are being taken to alleviate rate pressure?
- Why do rate projections change?
- What are the 2025 rate tariff schedules?
- What's next?
- Appendices
    - Appendix A: Rate tariff schedule charges
    - Appendix B: Owner community impacts
    - Appendix C: Rate competitiveness
    - Appendix D: Historical average wholesale rates
    - Appendix E: Modeling assumption uncertainties

The 2025 average wholesale rate increase and long-term projections:

- 6.3% average wholesale rate increase recommended for 2025
  - $75.60/MWh from the $71.13/MWh 2024 budget
  - 5.9% due to increases in tariff charges and 0.4% due to decreases in projected load
- Long-term average wholesale rate projections based on current assumptions
  - 6.3% (2025 – 2029)
  - 5.3% (2030 – 2031)
  - 2.1% (2032 – 2034)

While long-term indicative average wholesale rates are provided, the board will approve only the 2025 Rate Tariff Schedules in October 2024.

The short story

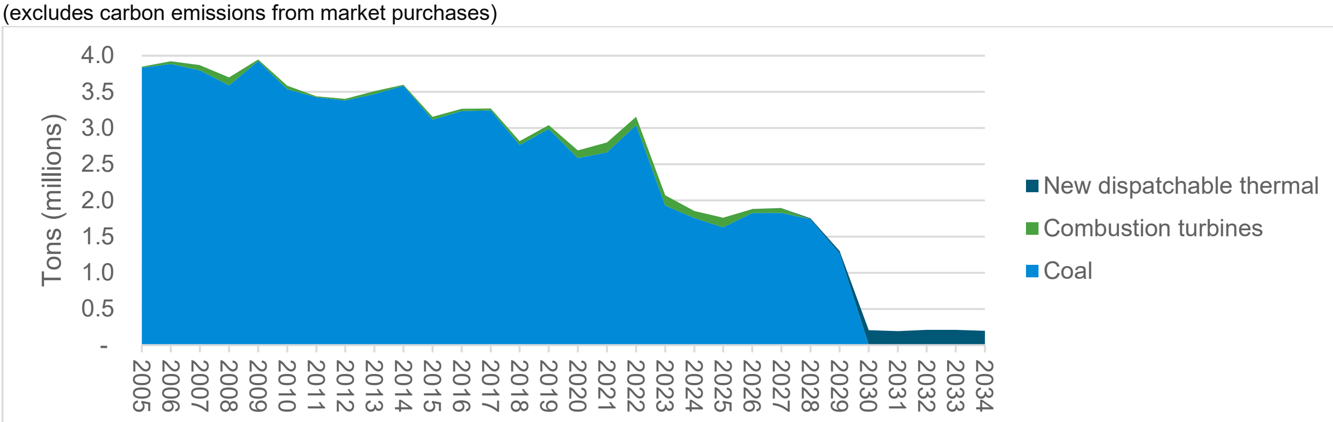
- Per the board-adopted Resource Diversification Policy (RDP) from 2018, Platte River and its owner communities of Estes Park, Longmont, Loveland and Fort Collins are pursuing a 100% noncarbon energy mix. Within that policy, there are important advancements that must occur in the near term to achieve 100% and successfully maintain Platte River's three foundational pillars: reliability, environmental responsibility and financial sustainability.
- Per the RDP, Platte River is working toward replacing its existing dispatchable resources that support the essential service of providing energy to its owner communities. Platte River's traditional low-cost coal generation will be replaced with what is currently more expensive noncarbon energy. New dispatchable technologies are also required to maintain reliability. Because electricity is a vital public health and safety service, it is imperative that no one should be without power.
- This resource transition is no small task and had to be planned and completed in less than 11 years to be successfully operational by 2030. Costs are increasing due to supply chain issues, labor, services and equipment.
- The increased costs of these new resources result in wholesale rate increases to the owner communities. Platte River uses rate strategies to lessen the impact and minimize significant rate increases in a single year or multiple years. The future projected rate increases will fluctuate based on changes in costs. Not until Platte River's new resources are secured with contracts and in service during this transition period will there be less uncertainty and fluctuations in the rates. Uncertainty in costs will always exists but it is more substantial during this period because Platte River is going through such a significant change.
- To support the resource transition, Platte River recommends a 6.3% increase in the 2025 average wholesale rate for the owner communities. The rate increase to each owner community varies based on energy usage and load profiles but combined achieve the average 6.3% (Appendix B).

What is driving rate increases?

Short answer: Primarily the expenses associated with the transition of assets to achieve the board-adopted RDP goal.

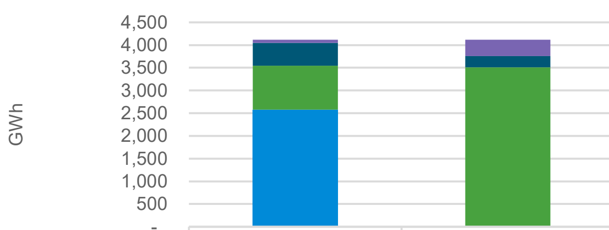
The RDP goal results in a reduction in carbon emissions. Since 2005, carbon emissions have trended downward due to generation portfolio changes. In 2034, carbon emissions from owned dispatchable thermal resources are projected to decrease approximately 3.6 million tons relative to 2005.

Figure 1: Tons of carbon emitted from owned dispatchable thermal resources
(excludes carbon emissions from market purchases)



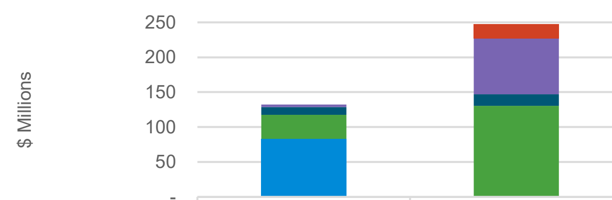
Highlighting this change, Figure 2 displays the power supply by resource in 2018, when the RDP was adopted, relative to 2030. Noncarbon and lower carbon emitting dispatchable thermal resources replace approximately the same quantity of energy. Figure 3 shows the changing resource expenses from 2018 to 2030, an approximate $115 million increase in 2030 based on uncertain future resource expense and inflation assumptions. This highlights the transition is replacing low-cost coal generation with higher cost noncarbon and dispatchable thermal resources.

Figure 2: Resource asset transition GWh



	2018	2030
Natural gas	67	362
Purchased power	502	249
Noncarbon	970	3,507
Coal	2,576	-
Total	4,115	4,118

Figure 3: Resource asset transition expense*

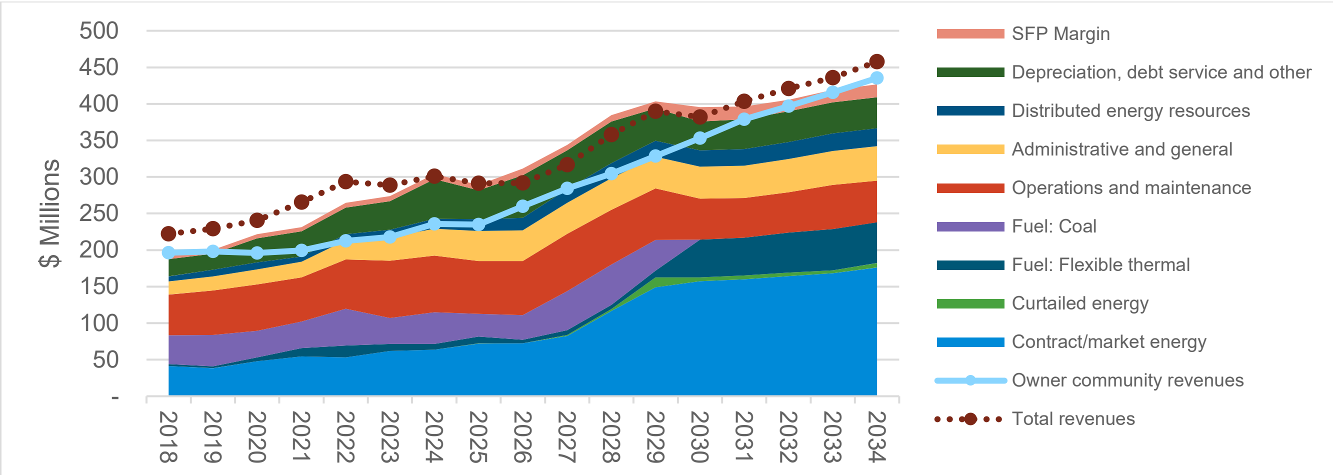


	2018	2030
Storage	$-	$20.4
Natural gas	$4.0	$79.8
Purchased power	$10.9	$16.4
Noncarbon	$34.5	$130.6
Coal	$83.0	$-
Total	$132.4	$247.2

**Exclusively purchased power, fuel, emissions, operations and maintenance and new resource debt service expenses*

As our resource portfolio transitions, total operating and nonoperating expenses, including similar expenses associated with Figure 3, continue to increase throughout the transition period (Figure 4). The owner community revenues are projected to increase $238 million, or 121% from 2018 to 2034.

Figure 4: Operating and nonoperating expenses and owner community revenues



The 2024 Integrated Resource Plan's recommended power supply portfolio is the foundation of current rate projections and serves as the planning basis for budgetary, financial planning and long-term ratemaking purposes, as Platte River pursues the goal outlined in the RDP. The recommended Integrated Resource Plan scenario was refined in the first quarter of 2024 to include changes in the projections for quantity, timing and prices of wind, solar and storage resources, load forecast, market, resource dispatch, capital investment and operations and maintenance expenses.

Based on the retirement of all coal-fired generation by the end of 2029, the current resource planning case assumes procurement of new noncarbon and dispatchable thermal resources with sufficient time to test operational reliability. These resources are expected to be online before the retirement of existing units.

Case comparison

Relative to projections shared with the board last year, over the planning horizon (2025 to 2034), owner community revenues collected directly from rate increases are an additional $213 million. This is required to fund the $223 million increase because of lower surplus sales revenues and owner community revenues due to lower loads, and increased capital investment. Offsetting the increases are lower operating expenses:

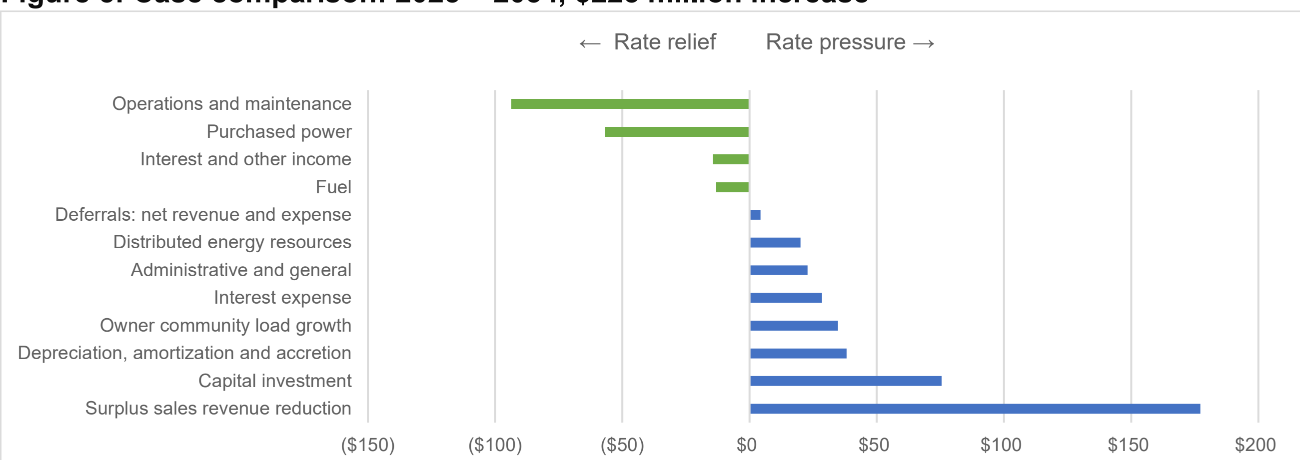
- Changes in projected revenues
    - *Lower surplus energy sales*. Margin from surplus energy sales reduces Platte River's owner community revenue requirement. Updated projections include lower market prices, which decrease surplus sales revenue and associated margin. Partially offsetting the lower sales are increased transmission revenue projections. Surplus sales market

prices are one of the more significant assumptions that fluctuates regularly causing volatility during the planning horizon.

- *Lower owner community loads*. While long-term load forecasts show expected future owner community load growth (reflecting the net impacts of building electrification, electric vehicle penetration and distributed energy resources), the projected loads are lower relative to the previous forecast, which increase the average wholesale rate.

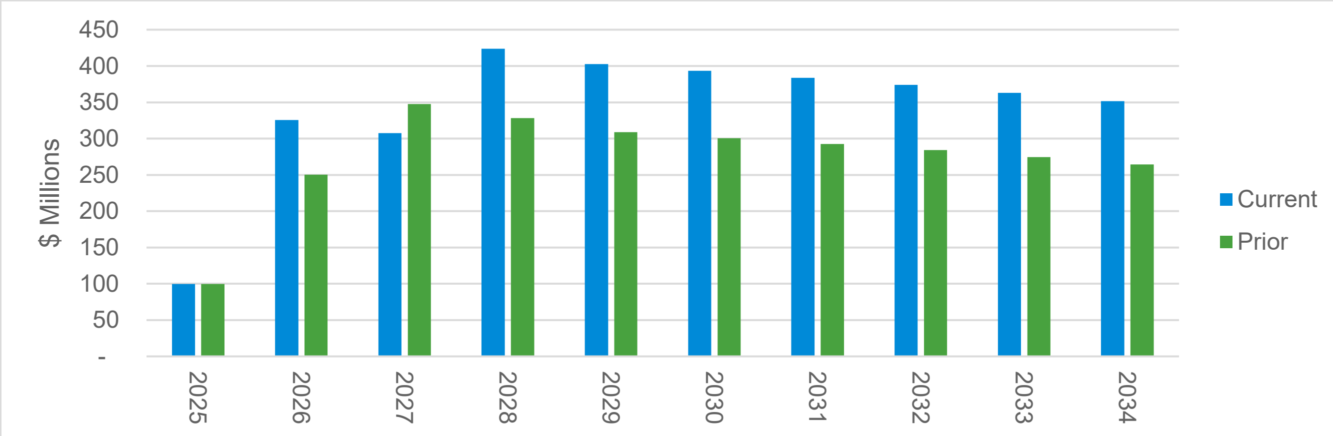
- Changes in projected expenses
  - *Increased capital investment*. Capital investment increases include assets to firm and deliver noncarbon generation resources and a distributed energy resources management system. Higher capital investments will require Platte River to issue more debt, with higher annual debt service and coverage requirements.
  - *Lower operating expenses*. Operating expenses are projected to be lower. Transmission operations and maintenance expense decreases because of Southwest Power Pool Regional Transmission Organization West (SPP RTO West) market participation. Projected prices under noncarbon purchase power agreements are higher than previous estimates offset by delayed in-service dates. Fuel expenses are lower due to less emissions expense and less generation from coal and existing natural gas resources. Platte River projects greater expense for administrative and general, distributed energy resources and depreciation, amortization and accretion.

Figure 5: Case comparison: 2025 – 2034, $223 million increase



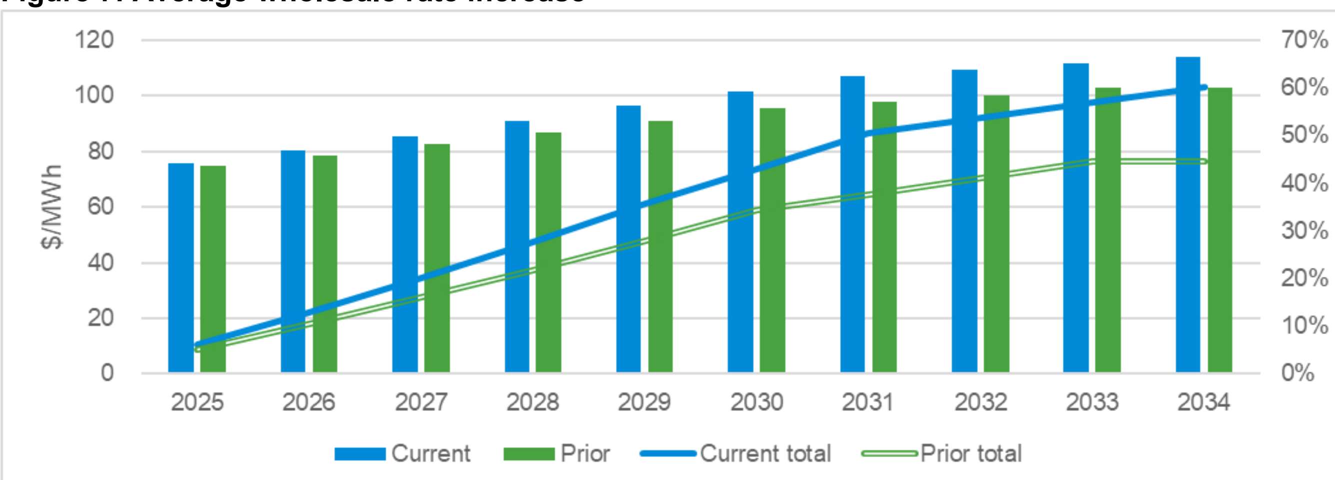
Lower revenue and increased expenses result in lower cash projections to fund capital investment. Because of higher capital investment, debt issuance projections (Figure 6) increased $96 million, adding rate pressure in the form of principal and interest repayments and debt service coverage.

Figure 6: Debt outstanding



Rate projections throughout the planning horizon are higher than prior communications as shown in Figure 7.

Figure 7: Average wholesale rate increase



What actions are being taken to alleviate rate pressure?

Short answer: Applying rate stability strategies set in the Strategic Financial Plan

Strategic Financial Plan

Platte River's Strategic Financial Plan is a foundational document to financial planning and rate setting. The Strategic Financial Plan provides direction to preserve long-term financial sustainability and manage financial risk by defining financial metrics and rate stability strategies. The objectives of the Strategic Financial Plan are to generate adequate cash flows, maintain sufficient liquidity for operational stability, maintain access to low-cost capital and provide wholesale rate stability.

Platte River strives to maintain services and rates offered at competitive prices compared to similar services and products provided by other wholesale electric utilities in the region. Platte River has implemented rate strategies to help reduce rate pressure and give the owner communities greater rate predictability. Every year staff reviews the financial projections for the latest resource portfolio to determine long-term rate projections. Staff has maximized the rate stability strategies to minimize the rate impact to the owner communities from supply chain constraints, fluctuating market prices and increasing inflation. The strategies help smooth rates and avoid single year or multi-year significant rate increases. Please refer to the Strategic Financial Plan, available on www.prpa.org, for financial metric and the rate stability strategy details.

Deferred revenue and expense accounting policy

In addition to attentive budgeting, managing revenues and expenses and general rate smoothing, staff uses board-approved accounting policies to smooth revenues and expenses to lessen rate pressure. Because Platte River is transitioning its resource portfolio by retiring coal-fired units and replacing those units with noncarbon and new dispatchable thermal resources, in 2022, the board adopted the deferred revenue and expense accounting policy. The policy's purpose is to 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.

Platte River anticipates deferring revenues of approximately $111.4 million from 2022 to 2025 to later recognize (between 2026 and 2030). Since policy adoption, Platte River has deferred $53.2 million in revenues to recognize during the transition. Recognizing deferred revenues through the transition period is sufficient and no deferred expenses are currently projected.

Actual deferred amounts are determined annually at year end. The long-term projections incorporate actual deferred revenue and expenses then future deferral and recognition estimates are updated.

Figure 8: Deferred revenues

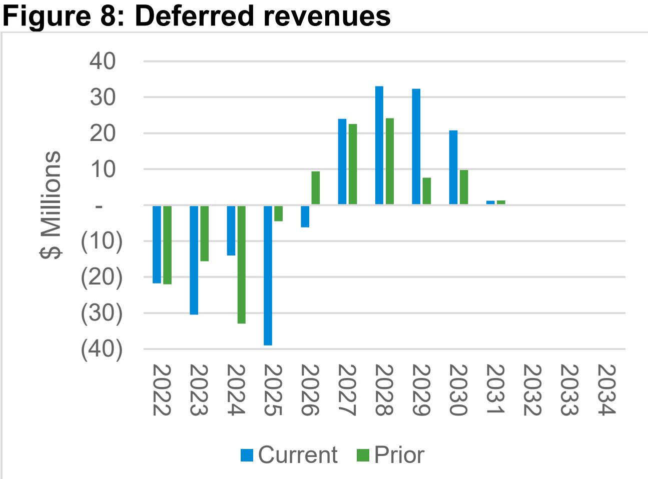
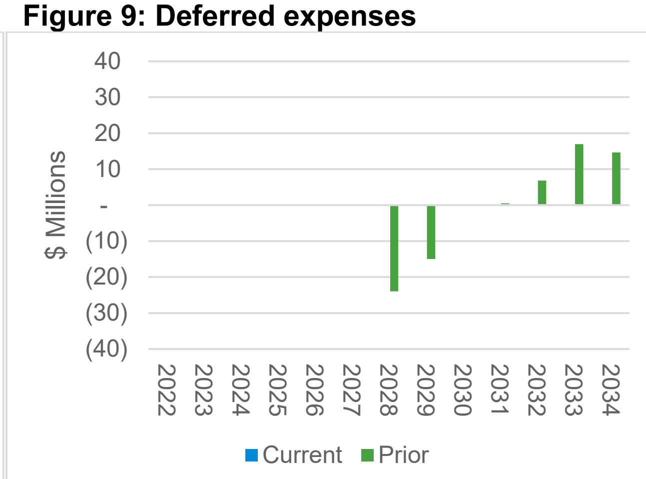


Figure 9: Deferred expenses



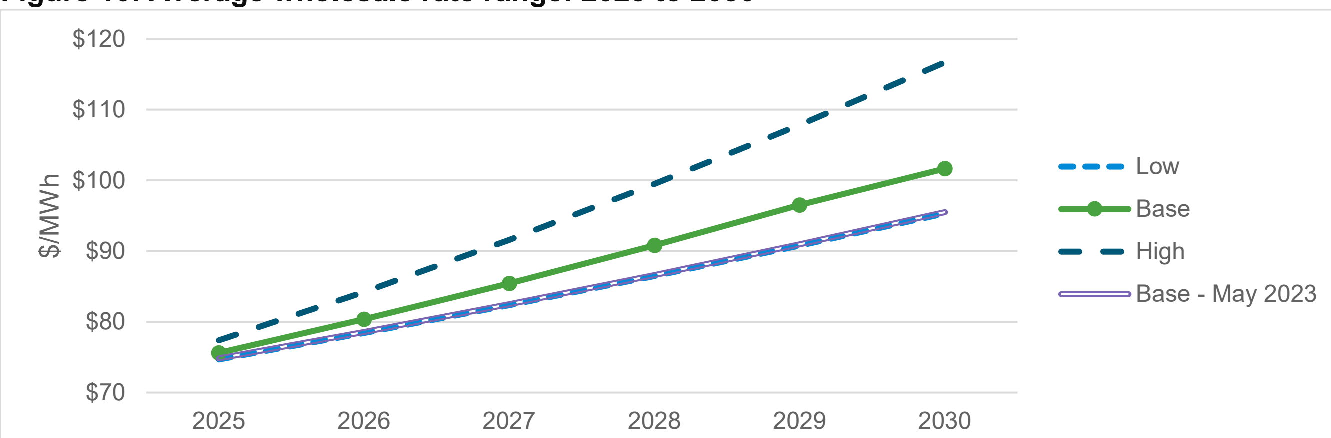
Why do rate projections change?

Short answer: Changing assumptions due to uncertainty and the shortening time frame to achieve the RDP goal.

Key assumptions are uncertain (Appendix E). To quantify uncertainties, staff assessed multiple rate cases and sensitivities to develop the recommended rate trajectory, based on the lowest base case projections. All sensitivities achieve Strategic Financial Plan metrics and apply rate smoothing strategies including the deferred revenue and expense accounting policy. Staff analyzed varying market prices, future emissions expenses, and other cost assumptions creating outcomes ranging from 5.0% to 9.0% annual increases through 2030, as shown in Figure 10 below. Key assumptions, including market prices, remain uncertain and can significantly alter projections. The proposed 6.3% rate path is based on current assumptions and subject to future changes as uncertain conditions evolve. If costs increase, there is a potential of larger rate increases as there is less time available to recover those costs to meet the 2030 RDP goal.

All ranges analyzed assumed identical load projections and generation resources. Load modifications can require changes to the generation asset integration quantities and timing.

Figure 10: Average wholesale rate range: 2025 to 2030



What are the 2025 rate tariff schedules?

Rate increases and associated revenues help Platte River maintain a strong financial position and a AA credit rating, which enable it to obtain favorable debt financing. Over the long term, rate increases fund continued infrastructure investment, the resource portfolio transition, general inflationary expenses and market-based expenses.

Platte River has four tariffs. A brief tariff description and the proposed 2025 charges are presented below.

- Firm Power Service Tariff
- Standard Offer Energy Purchase Tariff
- Wholesale Transmission Service Tariff
- Large Customer Service Tariff

Firm Power Service Tariff (Tariff FP-25)

The Firm Power Service tariff specifies charges to the owner communities. The charges reflect cost of service and incorporate Platte River's recommended 6.3% average wholesale rate increase. Staff provides the charges now to support owner community budget preparation and rate development even though the board will not adopt the tariff until fall.

The changes to the individual tariff charges will have varying impacts to each owner community due to each owner community's unique load characteristics and energy consumption. Staff provided the owner community rates staffs the projected overall impacts of the forecasted average rate, load growth and total revenues collected based on Platte River's load estimates. Appendix B contains more detailed analysis of owner community impacts of the average wholesale rate change, as well as analysis of the change to the tariff charges. Impact projections will vary when applied to different load assumptions such as the owner communities' internal forecasts.

Platte River's revenue requirement and charges are unbundled into Platte River's business functions: owner community services, transmission and generation. Charges have been unbundled by fixed and variable costs, collected through either direct allocation or demand or energy charges. Appendix A includes an overview of the Firm Power Service charges.

The variable energy revenue requirement includes costs for intermittent and dispatchable resources collected through a single variable energy charge. However, the owner communities continue to receive their load ratio allocations of delivered hydropower, wind and solar energy. This information is provided to owner community staff.

The individual charges are changing due to the proposed average wholesale rate increase, updated cost of service estimates among the different charges and changes to projected energy and demand loads. Changes from 2024 to 2025 include estimates for general inflationary increases and known budget estimates, including the latest load and market price forecast. These assumptions may vary from the 2025 budget, which is currently under development.

Pending board direction and barring any significant unanticipated events, the recommended charges will remain unchanged and will be Platte River's recommendation for the October adoption of the tariff schedules, to be effective Jan. 1, 2025

Figure 11: Firm Power Service Tariff (Tariff FP-25) charges

	Tariff FP-24	Tariff FP-25 recommendation	$ change	% change
Owner community charge ($/month per allocation)	$13,059	$15,351	$2,292	17.6%
Demand charges ($/kW)				
Transmission	$6.68	$6.70	$0.02	0.3%
Generation: summer	$6.61	$7.42	$0.81	12.3%
Generation: nonsummer	$4.92	$5.94	$1.02	20.7%
Energy charges ($/kWh)				
Fixed cost	$0.01681	$0.01770	$0.00089	5.3%
Variable cost	$0.02427	$0.02458	$0.00031	1.3%

- *Owner community charge*: Increased primarily due to expanded distributed energy resource investments.
- *Transmission demand charge.* Relatively unchanged as the revenue requirement changes are mostly offset by increased demand projections.
- *Generation demand charges*. Increased primarily due to lower surplus sales revenues. Margin from these sales is credited against the fixed generation revenue requirement. Additionally, purchased power expense for hydropower demand charges and reserves increased.
    - *Summer and nonsummer generation demand charge.* Combustion turbine usage and expenses increased. The allocation between nonsummer and summer are based on historical usage and nonsummer generation has increased in recent years.
- *Fixed energy charge*. Increased primarily due to the net impact of lower surplus sales revenues. Margin from these sales is credited against the revenue requirement. Lower owner community load projections relative to last year's projection also created upward pressure.
- *Variable cost energy*. Increased primarily due to solar purchases (Black Hollow Solar project) and SPP Western Energy Imbalance Service market purchases. Partially offsetting the increase are lower coal generation estimates, resulting in lower fuel expenses. Like with the fixed energy charge, a decrease in owner community load projections create upward rate pressure.

Figure 12 shows the 2025 average wholesale rate increase and impacts of the change from changes in tariff charges and projected loads.

Figure 12: Impact of Firm Power Service Tariff (Tariff FP-25) charge changes

Load year: Tariff charges:	2024 budget Tariff FP-24	2025 estimate Tariff FP-24	2025 estimate Tariff FP-25
Revenues (millions)	$235.7	$234.8	$248.5
MWh	3,314,141	3,287,172	3,287,172
$/MWh	$71.13	$71.43	$75.60
Change due to load		0.4%	-
Change due to charges		-	5.9%
$/MWh change			6.3%

Standard Offer Energy Purchase Tariff (Tariff SO-25)

The Standard Offer Energy Purchase tariff rate applies to the purchase of available electricity from power production facilities that have registered with the Federal Energy Regulatory Commission as Qualifying Facilities under the Public Utility 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. No customers currently receive service under this tariff.

The avoided energy rate is based on an hourly resource model marginal cost analysis of coal-fired generation, natural gas-fired generation and market purchases to serve the balance of load after 'must-take' energy projections, including hydropower and renewables. The 2025 proposed avoided energy rate is in Figure 13. The rate increased primarily due to the increased frequency and higher associated cost of natural gas generation as the marginal resource, partially offset by lower SPP Western Energy Imbalance Service market price projections.

Figure 13: Standard Offer Energy Purchase Tariff (Tariff SO-25) avoided energy rate

	2024 actual	2025 proposed	$ change	% change
Avoided energy rate $/kWh	$0.02191	$0.02328	$0.00137	6.3%

Wholesale Transmission Service Tariff (Tariff WT-25)

The Wholesale Transmission Service tariff under which Platte River offers transmission service to third parties is reviewed and updated on an annual basis in the second quarter after the audited year-end financial results are available. This ensures the rate reflects the most recent costs of operation and maintenance and actual transmission usage. Staff has proposed revisions to the tariff rates for the board to adopt at the May 2024 board meeting. This tariff is effective June of each year.

Large Customer Service Tariff (Tariff LC-25)

Charges under this tariff are established through a separate contract.

What's next?

Staff will present the information detailed in this white paper at the May board meeting. Staff also requests board direction to implement a 6.3% average wholesale rate increase in 2025 to $75.60/MWh from $71.13/MWh in the 2024 budget and the individual charges as calculated in Appendix B.

In September, staff will provide the draft 2025 rate tariff schedules. In October, staff will ask the board to approve the 2025 rate tariff schedules with a Jan. 1, 2025, effective date.

Staff encourages and is available to support wholesale rate communications to stakeholders as requested by the owner communities.

Appendix A

Rate tariff schedule charges

Owner charge

The owner charge is a monthly flat rate multiplied by each owner's share of Platte River's owner community kilowatt hour sales based on the six most recent year-end values. The owner charge is intended to recover fixed costs for distributed energy resources, which are long-term behavioral shifting programs. The six-year period allows owner communities to see change over time, without dramatically impacting year-to-year changes. This is a fixed amount invoiced each month with no variability.

Demand charges

The demand charges are unbundled between transmission and generation and employ minimum billing demands designed to address owner community demand fluctuations to provide greater monthly invoice stability for each owner community as well as revenue certainty for Platte River. The minimum billing demands also emphasize the efficient use of infrastructure to maximize short-term marginal cost savings (avoiding expensive purchases or generation at time of peak) and long-term marginal cost savings (delaying or avoiding future capital investment, such as new generation or transmission resources). The minimum billing demands concentrate the signal to reduce consumption at time of peak, giving the owner communities a greater financial incentive to lower peaks during months with high demands, with less financial incentives to lower peaks during nonpeak months. Because of the minimum billing demand, approximately 90% of projected demand revenues are certain. Only the revenues based on loads above minimum billing demands vary by consumption.

Energy charges

The energy charges are unbundled into fixed and variable components. The fixed energy charge is a transparent mechanism to highlight the cost of firm-energy service. Variable costs, including wind and solar, are recovered through the variable cost energy charge. Platte River assumes the risk of intermittent generation variances and associated costs, not the owner communities. Monthly invoices display load share intermittent energy delivered for flexible service offerings to retail customers. The energy charges provide the least revenue certainty as the revenues vary based on consumption.

Figure 14 includes a high-level summary of the cost components and net revenue requirement of each charge.

Figure 14: Firm Power Service Tariff (Tariff FP-25) cost components

(in millions)	Owner community	Transmission demand	Generation demand	Fixed energy	Variable energy	Total
Costs						
Purchased power: Noncarbon and market					$53.4	$53.4
Purchased power: Hydro demand			$7.0	$3.4		$10.4
Purchased power: Hydro energy					$6.2	$6.2
Purchased reserves			$6.0			$6.0
Fuel: Coal and natural gas					$40.6	$40.6
Operations and maintenance: Fixed baseload			$12.1	$26.9		$39.0
Operations and maintenance: Fixed combustion turbines			$4.2			$4.2
Operations and maintenance: Fixed transmission		$18.6				$18.6
Operations and maintenance: Variable					$7.0	$7.0
Administrative and general	$2.9	$12.1	$9.5	$16.5		$41.0
Distributed energy resources	$16.2					$16.2
Debt service expense	$0.1	$14.8	$0.8	$2.0		$17.7
Margin: Deferred revenues	$0.2	$10.6	$10.6	$17.6		$39.0
Margin	$0.1	$5.7	$5.7	$9.4		$20.9
Credits						
Surplus sales: Margin			($5.9)	($11.1)		($17.0)
Surplus sales: Cost of generation					($26.4)	($26.4)
Transmission revenues		($13.1)				($13.1)
Interest income and other	($1.1)	($2.1)	($5.2)	($6.9)	($0.5)	($15.8)
Total	**$18.4**	**$46.6**	**$44.8**	**$57.8**	**$80.3**	**$247.9**

Appendix B

Owner community impacts

The impact of the recommended 6.3% average wholesale rate increase budget to budget and the recommended charges vary among the owner communities based on their unique load characteristics, including projected load growth among the owner communities. Platte River forecasts load at the system level and establishes the Firm Power Service tariff charges based on the system-level load forecast. Platte River derives owner community loads from the system-level forecasts for budget detail reporting. The projected impact of the Firm Power Service tariff charges will differ among varying forecasts that may be used by the owner communities.

Additionally, the change in the total amount billed to each owner community will not be the same as the average rate increase. Forecasted demand and energy growth will increase the projected invoice total more than the average rate increase. Conversely, projected load decreases, as projected from 2024 to 2025, will increase the total bill less than average rate increase. Figure 15 shows the estimated impact of the rate changes from 2024 to 2025.

Following are the significant drivers of the varying owner community rate impacts:

- Transmission and generation minimum billing demand
- Energy consumption
- Load factors

The minimum billing demands concentrate the signal to avoid consumption at time of peak, which is the summer season peak for generation, and the annual peak for transmission regardless of season. The lower annual coincident and noncoincident peak demand results in lower annual billing demands. Improvements in billing demand, relative to the other owner communities, can also lower an owner community's rate increase relative to the average. As individual owner communities lower billing demands, the associated cost recovery will shift proportionally.

Total energy consumption increases can create downward pressure on the average rate by spreading fixed costs over more energy. Inversely, energy consumption increases will increase the amount billed.

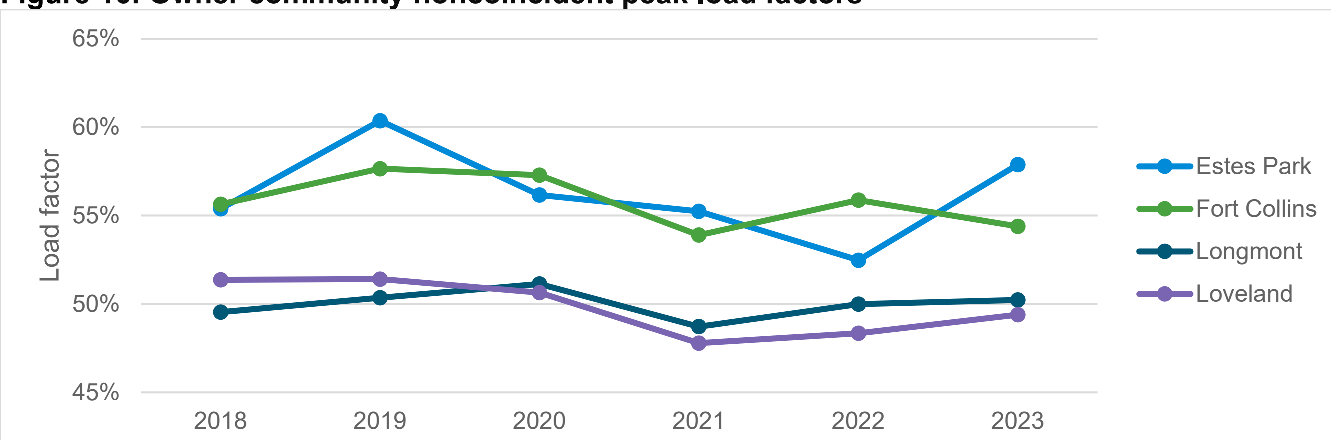
The owner communities with the lowest average rate (Figure 15) also have the highest load factors (Figure 16). Load factor is a measure of electric system efficiency.

Figure 15: Owner community impact

		Estes Park	Fort Collins	Longmont	Loveland*	Platte River
2024	Average rate ($/MWh)	$67.50	$70.29	$72.37	$72.08	$71.13
	Energy sales (GWh)	143.4	1,531.3	871.0	768.4	3,314.1
	Revenues (millions)	$9.7	$107.6	$63.0	$55.4	$235.7
2025	Average rate ($/MWh)	$71.17	$74.52	$76.90	$77.13	$75.60
	Energy sales (GWh)	142.9	1,527.9	865.0	751.4	3,287.2
	Revenues (millions)	$10.2	$113.9	$66.5	$58.0	$248.6
	Average $/MWh change	5.4%	6.0%	6.3%	7.0%	6.3%

**Loveland includes large customer.*

Figure 16: Owner community noncoincident peak load factors



It is also important to recognize the 6.3% average wholesale rate increase is the net impact of projected changing loads and changing charges. Figure 17 is an analysis of 2023 actual loads applied to the Firm Power Service tariff charges, owner allocations and demand minimums from FP-24 and FP-25. This analysis isolates the impact of charge changes.

Figure 17: Charge change impact: 2023 actual loads at Firm Power Service tariff charges

($/MWh)	Tariff FP-24	Tariff FP-25	% Change
Platte River	$72.19	$76.45	5.9%
Estes Park	$67.86	$71.61	5.5%
Fort Collins	$71.29	$75.46	5.8%
Longmont	$73.31	$77.66	5.9%
Loveland *	$73.56	$77.99	6.0%

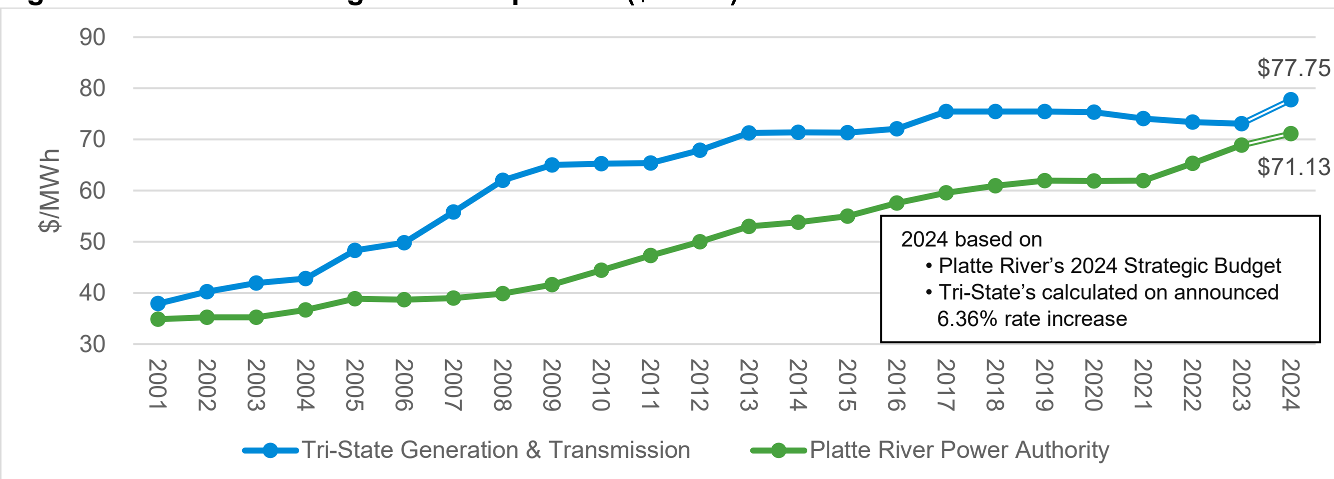
**Loveland includes large customer.*

Appendix C

Rate competitiveness

The direction provided by the board and the Strategic Financial Plan position Platte River to offer competitive rates. Wholesale rates for energy provided to Platte River's owner communities was approximately 6% lower than Tri-State Generation and Transmission Association (Tri-State) in 2023. Platte River and Tri-State organization goals will impact rate differentials. Platte River will continue to pursue to the RDP goals while prioritizing the foundational pillars, which is the primary driver of increasing rates.

Figure 18: Member average rate comparison ($/MWh)



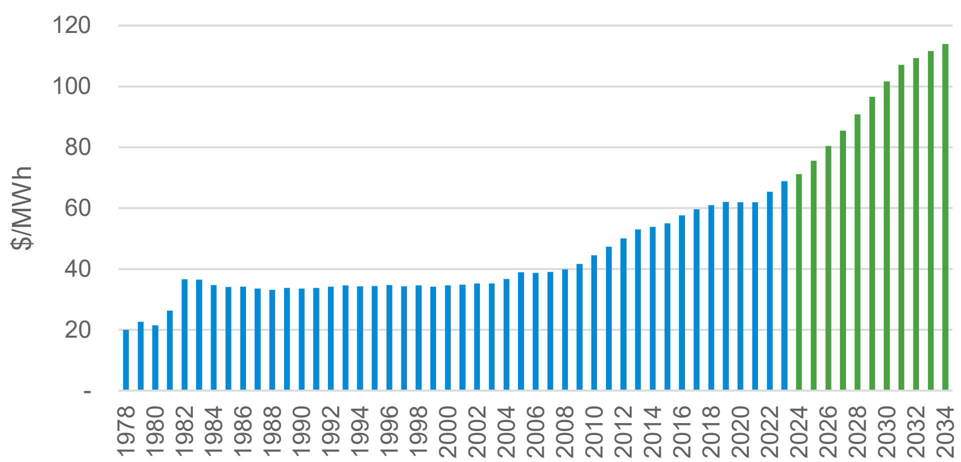
Appendix D

Historical average wholesale rates

From 1978 to 2023, Platte River's average wholesale rate increased an average 2.8% annually. However, there are several distinct periods when the average increase has not been representative of the rate pressure for a specific period. As show in in Figure 19, in the period before Rawhide Unit 1 became operational in 1984, rates increased significantly to fund its construction and initial operation. From the mid-1980s throughout the 1990s rates were stable as Platte River relied heavily on surplus sales revenues from excess baseload capacity. As Platte River's loads grew, and were projected to continue growing, the average wholesale rate began to rise in the early 2000s with increased capital investment in transmission projects and the natural gas combustion turbines. The current rate increase period is occurring as Platte River transitions to a noncarbon based generation resource portfolio, in addition to general inflationary pressures.

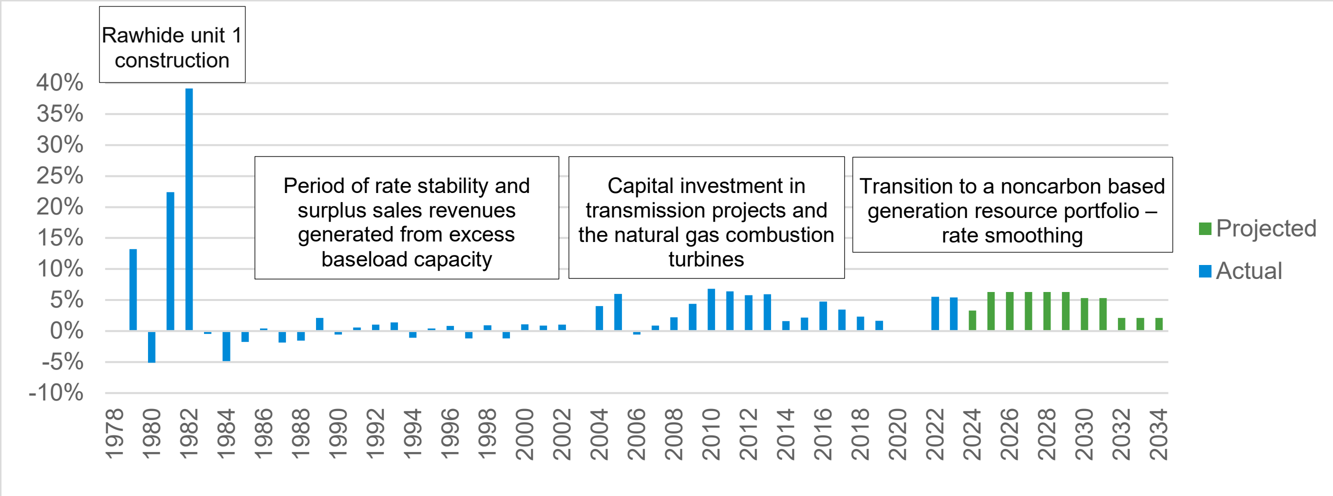
Figure 19: Average wholesale rate ($/MWh)

Period	Avg. annual
1978 - 1984	9.6%
1984 - 2003	0.1%
2003 - 2024	3.4%
2024 - 2034	4.8%



Not shown as clearly in Figure 19 are the significant annual changes in the average wholesale rate during the construction and early operation of Rawhide Unit 1. Figure 20 highlights this annual change. The rate increases associated with Rawhide Unit 1 were significant: 73% from 1978 to 1984. These substantial increases over such a short period contributed to the implementation of the Strategic Financial Plan strategy and the board's preference to smooth rates to avoid significant increases over shorter periods. The resource transition to support the RDP goal is Platte River's most significant generation resource transition since the addition of Rawhide Unit 1. Implementing rate smoothing strategies will avoid increases similar to those in the early 1980s and provide greater financial flexibility and sustainability.

Figure 20: Average wholesale rate change ($/MWh)



Appendix E

Modeling assumption uncertainties

Significant uncertainty exists with key assumptions. Potential assumption changes include, but are not limited to, the items detailed below.

Category	Explanation
Asset integration schedule	Modeling assumptions include the following capacity additions. Changes to the asset integration schedule will impact future results.
Asset sales	To maximize the value of assets, coal inventory sales opportunities and Windy Gap water units will be considered.
Capital investment forecast	The model incorporates the most recent long-term capital forecast including investment in a new dispatchable thermal resource and transmission and interconnection projects to integrate wind. Interconnection feasibility studies will be completed as part of the analysis to determine size and location of wind and solar resource additions. Technology costs for owner assets, including dispatchable thermal generating resources, is uncertain and subject to change. Cost estimate accuracy will become more certain as projects and locations are finalized. Revisions to the capital forecast are integrated as available.
Commodity prices	Platte River's Power Supply Plan, which includes the hourly dispatch modeling and associated costs, is updated throughout the year. Updates include Rawhide Unit 1 and the Craig units fuel assumptions, as well as market prices for electricity and natural gas. Updates change economic dispatch impacting fuel, variable operations and maintenance, purchased power and surplus sales.
Debt issuance costs	Debt structure, issuance costs and the cost of debt vary and are updated throughout the year.
Decommissioning	Craig decommissioning expenses are based on a budgetary estimate and will be refined as decisions are made by participants in the Craig Station. While Rawhide Unit 1 is projected to retire by 2030, assumptions include decommissioning the entire Rawhide Energy Station in 2055 and associated decommissioning expenses accrued through 2055. If the decommissioning date shifts, expenses will be revised accordingly.

Category	Explanation
Deferred revenue and expenses	The amount of deferred revenues and expenses depend on actual results and projections. Deferring expenses creates additional future rate pressure.
Distributed energy resources and strategy	The collaborative distributed energy resource (DER) process among the owner communities and Platte River is an important component to Platte River and its owner communities' ability to achieve noncarbon goals. Wide-spread adoption of DER is expected to provide benefits for the electric system and retail customers. As specific DER programs become established and evolve, rate strategies to incorporate DER will be analyzed.
Economic externalities	Inflation and interest rate volatility will continue to impact financial results. Supply chain constraints have increased capital and purchase power agreement cost projections. Modeling assumptions are revised accordingly, reflecting current conditions.
Emissions expense	Rate projections assume the implementation of the Clean Power Plan (or similar form of regulation) beginning in 2027. Emission regulations and associated future costs have significant uncertainty. Modeling assumptions include a tax applied to 100% of carbon emissions.
Federal hydropower allocations	Persistent drought conditions throughout the western United States have constrained hydropower resources, resulting in reduced energy allocations and increased prices. When there are high levels of snowpack, the spring runoff can produce excess hydropower for Platte River. Staff continues to monitor federal developments and adjust model assumptions accordingly.
Integrated resource plan	Integrated resource planning was mandated by the Energy Policy Act of 1992, requiring all Western Area Power Administration customers to submit every five years future electric needs trajectory and action plans to address that will ensure an adequate supply of reliable, financially sustainable and environmentally responsible electricity. The Integrated Resource Plan development is underway and planned for completion in 2024. Resource modeling assumption revisions will impact future rate projections.
Load forecast	The load forecast is updated at least annually. The latest forecast, completed by a third party, projects energy growth lower than previous

Category	Explanation
	forecasts. Growth attributed to projected building electrification, electric vehicles and distributed energy resources is reflected in the forecast.
Noncarbon energy curtailments	As Platte River transitions to a more noncarbon based resource portfolio, the ability to sell surplus energy significantly impacts wholesale rate projections. At times, noncarbon energy cannot be consumed or sold but there is an associated cost.
Organized energy markets	Platte River joined the SPP Western Energy Imbalance Service market in April 2023. As staff becomes more familiar with Energy Imbalance Service market and collects more data, modeling is refined. Platte River intends to enter the SPP RTO West in April 2026. However, projections require refinement due to the current lack of market data.
Regulations	Platte River faces rising compliance-related risks resulting from aggressive and changing regulatory requirements that are difficult to predict and scope.
Resource Diversification Policy	In December 2018, the board adopted a policy with a goal for Platte River to reach a 100% noncarbon resource mix by 2030. Within that policy, there are important advancements that must occur in the near term to achieve 100% and successfully maintain Platte River's three foundational pillars: reliability, environmental responsibility and financial sustainability, Future decisions to achieve this goal will impact results.
Staffing	Modeling contains estimates for future staffing additions, including salary and benefits expenses, through 2029. Staff is also working through the Rawhide Unit 1 closure transition plan. These assumptions will be further analyzed and revised accordingly.
Surplus sales prices and volumes	Margin from surplus sales reduce Platte River's revenue requirement and benefits the owner communities through lower rates. Significant market price volatility, as experienced in recent years, is one of the most significant drivers of rate uncertainty. In addition to electricity market commodity price risk, hourly dispatch modeling market depth assumptions (ability to sell excess, must-take generation) are reviewed and updated regularly throughout the year. Negative pricing has not been factored into model assumptions but there will be instances when energy supply exceeds demand based on renewable energy production resulting in negative energy prices.

Platte River Power Authority

Estes Park • Fort Collins • Longmont • Loveland

2025 wholesale rate at a glance

Platte River Power Authority (Platte River) is a not-for-profit, community-owned public power generation and transmission utility that provides safe, reliable, environmentally responsible, and financially sustainable energy and services to the Colorado communities of Estes Park, Fort Collins, Longmont, and Loveland for delivery to their distribution utility customers.

Reliability | **Environmental responsibility** | **Financial sustainability**

Platte River is committed to:

- Investing in electricity generation resources and transmission infrastructure and energy markets to maintain system reliability, improve efficiency and to meet regulatory requirements
- Prudently managing expenses for long-term financial sustainability
- Pursuing the Resource Diversification Policy goal with transparent financial and rates planning

The 2025 average wholesale rate for electric service sales to the owner communities is increasing 6.3% from the 2024 Strategic Budget.

The owner communities' distribution utilities integrate Platte River's wholesale rates into their retail electric rates.

As a not-for-profit utility, Platte River's revenues from its wholesale electric rates fund ongoing operations and are reinvested into the system for the benefit of the owner communities.

What is driving rate increases?

The board approves rates annually that fund ongoing general infrastructure investment, general inflationary expenses, market-based expenses and the resource portfolio transition.

Platte River is replacing long-term, low-cost assets before normal retirement with more expensive, renewable and low-carbon resources to achieve the Resource Diversification Policy goal. Wind, solar, labor, services and equipment costs have continued to increase.

Phasing out coal early

- Retiring Rawhide Unit 1 by the end of 2029
- Retiring Craig Units 1 and 2 in 2025 and 2028, respectively

Investing in renewables

- Adding solar and wind resources to replace coal-fired generation
- Participating in an energy market to maximize renewable energy integration

Long-term reliability

- Investing in state-of-the-art natural gas aeroderivative combustion turbines to maintain reliability and balance renewable energy
- Adding short and long-term battery storage
- Developing programs and systems with the owner communities to integrate distributed energy resources and create a virtual power plant

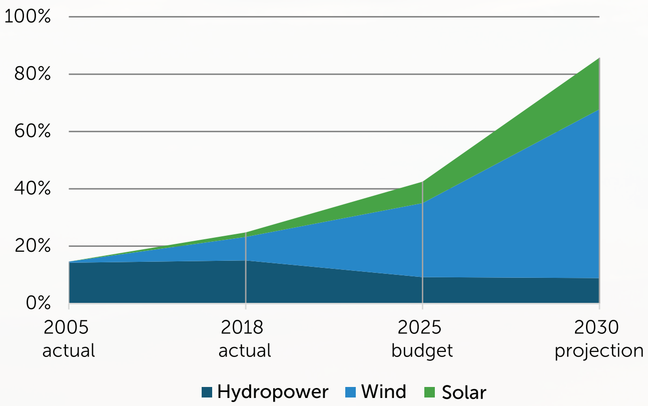
What actions are being taken to alleviate rate pressure?

- Platte River strives to maintain services and rates offered at competitive prices compared to similar services and products provided by other wholesale electric utilities in the region.
- Platte River's fiscal responsibility and rate stability strategies help reduce long-term rate pressure and give the owner communities greater rate predictability.
- Strategies include fiscally responsible revenue generation and expense management and multi-year rate smoothing to avoid greater single-year impacts.

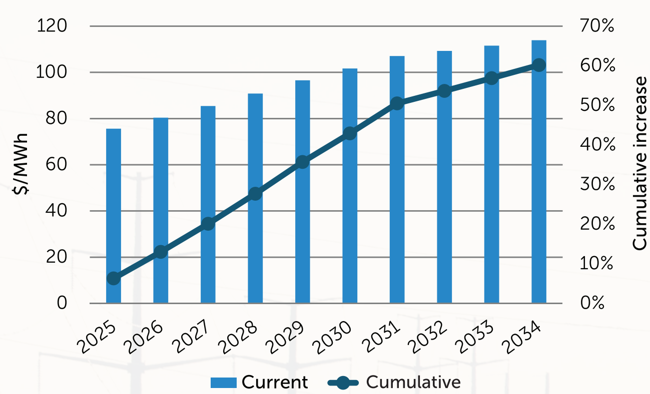
Why do rate projections change?

- Assumptions for key activities in the resource and financial plans change due to uncertainty.
- The time frame to achieve the Resource Diversification Policy goal is shortening and Platte River is making timely resource commitments to stay on track.
- Platte River prepares a 10-year financial and rate forecast and presents the results to the board of directors in May of each year. The next update is planned for 2025 and the wholesale rate projections are subject to change.

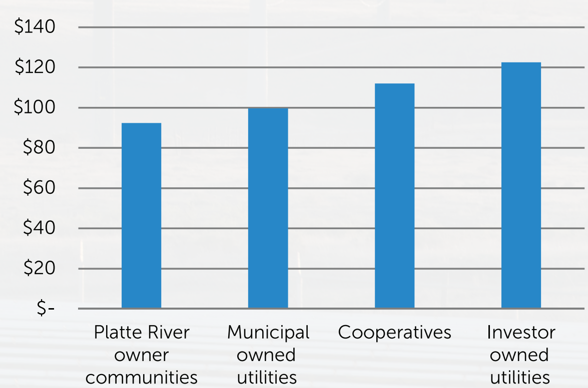
Noncarbon energy



Wholesale rate projections



Average residential customer of 700 kWh (January 2024 CAMU survey)



Platte River
Power Authority

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Memorandum

Date: 10/23/2024

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Eddie Gutiérrez, chief strategy officer
Sarah Leonard, general counsel
Kendal Perez, manager, strategic communications and community relations

Subject: Community support and involvement policy updates

Staff presented updates to the community support and involvement policy and recommended approval authority for future updates be delegated to the general manager/CEO. The board asked staff to update the economic development support category to better reflect the board's intended flexibility for those payments.

Staff recommends the board approve the changes and adopt Resolution No. 12-24 to amend the community support policy at the October board meeting. The resolution also delegates authority to the general manager/CEO to approve future changes. Staff also recommends updating the economic development support category to "direct community support."

Background

Adopted in 2013, the community support and involvement policy directs Platte River to provide a process for nonprofit organizations to request and receive donations. As a public power provider, Platte River's senior leadership and board of directors recognize the value of supporting nonprofit organizations that provide services to the members of our owner communities.

Every three years, the leadership of the communications, marketing and external affairs department reviews the community support and involvement policy, with the last review occurring in 2021. Based on the evolution of Platte River's support for nonprofits since the policy was first adopted, staff made significant changes to the policy that require board review.

Notable changes include detailing the current approach to processing requests for donations and adding to the list of criteria for which Platte River will decline a donation request. Staff also recommends the general manager/CEO have authority to review and approve further changes to the policy.

Attachments

- Edited version of the community support and involvement policy
- Final proposed version of the community support and involvement policy
- Resolution No. 12-24

Platte River Power Authority	**Policy**	Version #: 2.2 Original effective date: 03/28/2013 Next review date: 09/01/2024
	TITLE: Community support and involvement policy	Page 1 of 3

Purpose:

Developing and maintaining relationships with its owner communities is a core value for Platte River Power Authority. Platte River has a responsibility to participate in efforts that enhance the well-being of citizens in our owner communities. Contributions of time, expertise and financial support are invaluable to our local communities.

Policy:

It is the policy of Platte River to encourage and facilitate community support and involvement including providing financial support for local groups. A coordinated community support and involvement program will strengthen the ties between Platte River and the local communities, increase awareness of Platte River as their wholesale electricity supplier and help ensure that customers value the partnership with Platte River.

~~The Platte River Board is informed of the many community support activities undertaken by Platte River and its staff, both formal and informal. Platte River has offered economic development support to local communities over the years, and this activity was formalized through adoption of Resolution No. 32-12.~~ Platte River ~~has also provided~~ provides limited financial support to local non-profit groups and events through ~~contributions~~ donations~~, an activity that the Platte River Board continues to encourage~~. A committee composed of team members from across the organization evaluates donation requests processed through a form on Platte River's website. Additionally, the communications, marketing and external affairs team ~~Of equal importance are the many~~ organizes volunteer activities and fundraising efforts ~~undertaken by~~ for Platte River staff, who have repeatedly demonstrated their generosity over the years.

~~Through the adoption of this policy, the board expresses its continued support for these activities and directs the general manager/CEO to develop a community relations support and engagement strategy that continues community support, including procedures to guide engagement within the communities.~~

Volunteer activities – Platte River is directed to encourage its staff to give their time and expertise to assist non-profit organizations in the owner communities.

Fundraising and giving activities – Management should encourage appropriate fundraising activities targeted toward staff willing to make voluntary donations. Management should continue to encourage participation in charitable giving activities, such as food banks and seasonal gift donations for ~~the underprivileged~~ those in need.

Financial contributions – Financial contributions for qualified 501(c)(3), (4), (6), or (19) of the Internal Revenue Code, non-profit corporations or agencies, recognized governmental entities: state, county or city, including law enforcement or fire departments, and associated events should continue, with appropriate levels of contribution determined through the annual budgeting process. Platte River will strive for maximum public visibility from community contributions. ~~A process should be developed through which non-profit organizations will be made aware of contribution opportunities and a selection process formalized.~~

Platte River Power Authority	Policy	Version #: 2.2 Original effective date: 03/28/2013 Next review date: 09/01/2024
	TITLE: Community support and involvement policy	Page 2 of 3

With a number of local causes competing for limited resources, the Platte River Board directs that Platte River should not provide financial contributions for the following:

- For-profit organizations
- Organizations whose services are not provided in Platte River's owner communities
- Organizations that do not align with Platte River's vision, mission and values
- Organizations that discriminate on the basis of race, color, religion, gender, sexual orientation, gender identity, national origin or any other classifications protected by applicable state or local law
- Religious activities with the purpose of furthering religious doctrine; however, faith-based organizations may be considered if they provide services to all clients regardless of religion or denomination
- Political candidates, committees, organizations or activities
- Sports teams
- Individuals
- Conferences or conventions

Implementing parties and assigned responsibilities:

The chief strategy officer will develop and document guidelines associated with this policy.

Associated Items (if applicable):

Board Resolution 06-13 ~~and 32-12~~
Community support and involvement guidelines

Definitions (if applicable):

N/A

Platte River Power Authority	Policy	Version #: 2.2 Original effective date: 03/28/2013 Next review date: 09/01/2024
	TITLE: Community support and involvement policy	

Document owner: sr. communications and marketing specialist	**Effective date:** 03/28/2013
Authority: Platte River Board of Directors	**Review frequency:** every 3 years
Counsel review: general counsel	**Current effective date:** 09/01/2021

Version	Date	Action	Author	Change Tracking (new, review, revision)
1.0	03/28/2013	Board resolution	Barb Ateshzar	New
2.0	08/01/2017	Reviewed and put on new form	John Bleem, Kari Lynch	Review
2.1	09/13/2018	Minor edit – procedures changed to guidelines	Steve Roalstad	Revision
2.2	08/30/2021	Reviewed	Steve Roalstad	Review
2.3		Removed reference to economic development policy, updated reference to strategy and added to list of what Platte River should not make financial contributions toward	Kendal Perez	Revision

Platte River Power Authority	Policy	Version #: 2.2 Original effective date: 03/28/2013 Next review date: 09/01/2024
	TITLE: Community support and involvement policy	Page 1 of 3

Purpose:

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Platte River provides limited financial support to local non-profit groups and events through donations. A committee composed of team members from across the organization evaluates donation requests processed through a form on Platte River's website. Additionally, the communications, marketing and external affairs team organizes volunteer activities and fundraising efforts for Platte River staff, who have repeatedly demonstrated their generosity over the years.

Volunteer activities – Platte River is directed to encourage its staff to give their time and expertise to assist non-profit organizations in the owner communities.

Fundraising and giving activities – Management should encourage appropriate fundraising activities targeted toward staff willing to make voluntary donations. Management should continue to encourage participation in charitable giving activities, such as food banks and seasonal gift donations for those in need.

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With a number of local causes competing for limited resources, the Platte River Board directs that Platte River should not provide financial contributions for the following:

- For-profit organizations
- Organizations whose services are not provided in Platte River's owner communities
- Organizations that do not align with Platte River's vision, mission and values
- Organizations that discriminate on the basis of race, color, religion, gender, sexual orientation, gender identity, national origin or any other classifications protected by applicable state or local law

Platte River Power Authority	Policy	Version #: 2.2 Original effective date: 03/28/2013 Next review date: 09/01/2024
	TITLE: Community support and involvement policy	Page 2 of 3

- Religious activities with the purpose of furthering religious doctrine; however, faith-based organizations may be considered if they provide services to all clients regardless of religion or denomination
- Political candidates, committees, organizations or activities
- Sports teams
- Individuals
- Conferences or conventions

Implementing parties and assigned responsibilities:

The chief strategy officer will develop and document guidelines associated with this policy.

Associated Items (if applicable):

Board Resolution 06-13
Community support and involvement guidelines

Definitions (if applicable):

N/A

	Policy	Version #: 2.2 Original effective date: 03/28/2013 Next review date: 09/01/2024
Platte River Power Authority	TITLE: Community support and involvement policy	Page 3 of 3

Document owner: sr. communications and marketing specialist	**Effective date:** 03/28/2013
Authority: Platte River Board of Directors	**Review frequency:** every 3 years
Counsel review: general counsel	**Current effective date:** 09/01/2021

Version	Date	Action	Author	Change Tracking (new, review, revision)
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2.2	08/30/2021	Reviewed	Steve Roalstad	Review
2.3	9/3/2024	Removed reference to economic development policy, updated reference to strategy and added to list of what Platte River should not make financial contributions toward	Kendal Perez	Revision

RESOLUTION NO. 12-24

Background

A. Platte River Power Authority (Platte River) has a long history of community support and involvement through the volunteer activities of employees, employee giving campaigns, and contribution programs supporting community activities.

B. In 2013, Platte River's Board of Directors adopted a community support and involvement policy (policy). The policy demonstrates Platte River's commitment to continued community support and involvement activities and encourages employee participation, facilitates community service, and provides guidance to support various local groups financially.

C. At the September 2024 board meeting, staff presented proposed revisions to update and clarify the policy.

D. In a memorandum dated Oct. 23, 2024, staff recommends that the board approve the proposed revisions to the policy and also delegate to Platte River's general manager/CEO the authority to approve future revisions to the policy.

Resolution

The Board of Directors of the Platte River Power Authority therefore:

1. approves staff's proposed revisions to Platte River's community support and involvement policy, and
2. delegates to the general manager/CEO the authority to approve future revisions to the policy.

AS WITNESS, I have executed my name as Secretary and have affixed the corporate seal of the Platte River Power Authority this _________ day of __________________, 2024.

____
Secretary

Platte River
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Memorandum

Date: 10/23/2024

To: Board of Directors

From: Jason Frisbie, general manager and chief executive officer
Dave Smalley, chief financial officer and deputy general manager
Shelley Nywall, director of finance
Jason Harris, senior manager, financial reporting and budget
Kristin Turner, senior manager, accounting

Subject: **2024 Forvis Mazars financial audit plan**

At the October board meeting, Chris Telli and Anna Thigpen from Forvis Mazars will discuss the planning and timing of the 2024 annual audit of Platte River's financial statements and defined benefit plan and will answer any questions the board may have. Included in the packet are copies of the pre-audit letter and engagement letter describing the scope of services and arrangements proposed for the audit.

Platte River will implement GASB Statement No. 101, Compensated Absences, which is effective for year-end 2024. Platte River does not plan early adoption of any future standard. Platte River implemented a new enterprise resource planning (ERP) system, Oracle Fusion Cloud, during 2024. The ERP changes our financial transaction and reporting systems, processes and controls. Forvis Mazars (Forvis) will test the conversion, gaining an understanding of the new system, including the transition and how it relates to the financial audit.

The board authorized Platte River to enter into a five-year agreement with BKD LLP, which is now operating as Forvis, to provide audit services for 2021-2025 year-end financial results for both the financial statements and defined benefit pension plan audits. The base fee, as stated in the attached engagement letter, is $101,200 for the combined audit, which represents a 2% increase from 2023 under the five-year agreement. There is an additional fee of $12,000 for ERP system implementation testing. Forvis will also bill for actual travel costs and an administrative fee of 4%. Implementing GASB Statement No. 101 may require additional fees based on actual time expended.

Staff recommends a motion authorizing the board chair to sign the engagement letter.

Attachments

- Audit engagement letter
- Pre-audit letter

Forvis Mazars Planning Communication to the Board of Directors

Platte River Power Authority

December 31, 2024

Thank You for Selecting Forvis Mazars

We are grateful for the opportunity to serve Platte River Power Authority (the Authority) and gain insight into your operations. This communication provides useful information relevant to your role as those charged with governance of the Authority, including summarized information required by professional standards, such as the planned scope and timing of the audit.

Our goal is to establish a foundation for effective two-way communication throughout the audit. We are available at your convenience to discuss this information and answer questions as we begin our audit.

Contacts During the Engagement

We understand the appropriate person in the governance structure with whom to communicate is:

- Kevin Gertig, Chairman of the Board of Directors

Your audit leader for any questions or communications is:

- Mr. Christopher Telli | chris.telli@us.forvismazars.com | 303.861.4545
- Ms. Anna Thigpen | anna.thigpen@us.forvismazars.com | 303.861.4545

Overview & Responsibilities

Matter	Description of Audit Area
Scope of Our Audit	We have been engaged to audit the financial statements of Platte River Power Authority for the year ended December 31, 2024. Please refer to our contract dated October 9, 2024 for additional information and the terms of our engagement.
Expected Opinion Modifications	Emphasis of matter related to the adoption of Governmental Accounting Standards Board Number 101, *Compensated Absences* (GASB Statement No. 101)

Matter	Description of Audit Area
Audit Standards & Materiality	We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. References to items that are material refer to misstatements, including omissions, that could, in our professional judgment, reasonably be expected to influence the economic decisions of users made on the basis of the financial statements.
Our Responsibilities	We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with the applicable financial reporting framework.
Your Responsibilities	Our audit of the financial statements does not relieve you or management of your responsibilities.
Distribution Restriction	This communication is intended solely for the information and use of the Board of Directors and, if appropriate, management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Other Information Accompanying the Audited Financial Statements

Management is responsible for the other information included in the annual report.

The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

We will not subject such information to the auditing procedures applied in the audit of the financial statements and, accordingly, we will not express an opinion or provide any assurance on it. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements or whether there is an indication that the other information appears to be materially misstated or misleading. We will respond appropriately when we identify material inconsistencies or when we otherwise become aware that information appears to be materially misstated.

In the event we issue a disclaimer of opinion on the financial statements, our auditor's report will not make any reference to the annual report or to any procedures that may have been performed.

Drafts of the annual report should be provided to us as soon as is practical, in order to provide us with adequate time to read the documents for the purposes described above.

Planned Timing of the Engagement

We succeed in our engagements by collaborating with management through frequent communication. We require the assistance of management and staff to prepare supporting documents, schedules and analysis and depend on those items to be ready no later than the dates that we mutually agree will meet your deadlines.

We expect to begin our audit on approximately November 18, 2024. Final fieldwork is scheduled for February 24 - March 11, 2025.

Drafts of the financial statements and management letter, together with our letter regarding auditor responsibilities, will by furnished by April 3, 2025.

The final report will be issued by April 10, 2025.

Audit presentation to the board is preliminarily scheduled for April 24, 2025.

Planned Audit Scope

We welcome any input you may have regarding the information discussed below. We also welcome any insight you have related to any other risk areas or other significant risk areas you believe warrant particular attention.

Extent of Testing

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Establishing Our Understanding

An audit also includes obtaining an understanding of the Authority and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we will express no such opinion.

Communicating Deficiencies or Significant Matters

An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate internal control related matters that are required to be communicated under professional standards.

We will also communicate significant matters arising during the audit of the financial statements that are relevant to you in overseeing the financial reporting process as required by professional standards.

Significant Risks of Material Misstatement

We have preliminarily identified the following areas of significant risks of material misstatement due to error or fraud and propose to address these areas as described:

Risk Area(s)	Audit Approach
Risk of management override of controls	Review accounting estimates for bias, electronic review of journal entries and evaluate business rationale for unusual transactions.
Revenue recognition	Test the cutoff of revenue to determine that the amounts tested are properly recognized.
GASB No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 1989 FASB and AICPA Pronouncements, Regulated Operations, Paragraphs 476-500*	Review accounting estimates for bias, review board approval of accounting treatment and test supporting documentation for reasonableness.
Implementation of new accounting standard; GASB Statement No. 101, *Compensated Absences*	Evaluate proper implementation and application of the standard including required disclosures. Evaluate compensated absences related estimates.

Other Procedures to Be Performed

We may also request written representations from the Authority's attorneys as part of the engagement, and they may bill the Authority for responding to this inquiry.

At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters.

We may identify additional significant risks as we complete our procedures.

Adoption of New Accounting Standards

The Authority must adopt GASB Statement No. 101, *Compensated Absences* as of January 1, 2024. Implementation of this standard includes certain estimates made by management, the potential recognition of additional liabilities and possible adoption of new policies. In addition, implementation of this standard may affect internal controls over financial reporting. We encourage you to communicate with management regularly regarding the policy elections made, recognition of new financial statement amounts, and disclosures upon transition.

Consideration of Error or Fraud

One of the most common questions we receive from governing bodies is, "How do you address fraud in a financial statement audit?" Our responsibility, as it relates to fraud, in an audit of financial statements is addressed in auditing standards generally accepted in the United States of America.

Our audit approach includes such procedures as:

- Engagement team brainstorming
- Inquiries of management and others
- Reviewing accounting estimates for bias
- Considering the risk that management may attempt to present disclosures to the financial statements in a manner that may obscure a proper understanding of the matters disclosed (for example, by using unclear or ambiguous language)
- Evaluating business rationale for significant unusual transactions
- Evaluating business rationale for significant transactions with related parties
- Incorporating an element of unpredictability into the audit each year

Forvis Mazars, LLP
1801 California Street, Suite 2900
Denver, CO 80202
P 303.861.4545 | F 303.832.5705
forvismazars.us

October 9, 2024

Mr. Kevin Gertig
Chairman of the Board of Directors
Platte River Power Authority
2000 East Horsetooth Road
Fort Collins, Colorado 80525-5721

We appreciate your selection of **Forvis Mazars, LLP** as your service provider and are pleased to confirm the arrangements of our engagement in this contract. Within the requirements of our professional standards and any duties owed to the public, regulatory, or other authorities, our goal is to provide you an **Unmatched Client Experience**.

In addition to the terms set forth in this contract, including the detailed **Scope of Services,** our engagement is governed by the following, incorporated fully by this reference:

- Terms and Conditions Addendum

Summary Scope of Services

As described in the attached **Scope of Services,** our services will include the following:

Platte River Power Authority
- Audit Services for the year ended December 31, 2024

You agree to be ultimately responsible for the business decisions you make following the contracted services or any other services we may provide. Forvis Mazars acknowledges its responsibility to act in a reasonably prudent manner with respect to its provision of services.

You also acknowledge these services are adequate for your purposes, and you will establish and monitor the performance of these services to ensure they meet management's objectives. All decisions involving management responsibilities related to these services will be made by you, and you accept full responsibility for such decisions.

We understand you have designated a management-level individual(s) to be responsible and accountable for overseeing the performance of nonattest services, and you have determined these individuals are qualified to conduct such oversight.

Engagement Fees

The fee for our services will be as follows:

Audit: $101,200
Enterprise Resource Management (ERP) system implementation testing: $12,000

Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, is effective for the year ended December 31, 2024. Additional fees may be required as a result of implementation of this standard.

In addition, you will be billed travel costs and fees for services from other professionals, if any, as well as an administrative fee of four (4) percent to cover certain technology and administrative costs associated with our services.

Our pricing for this engagement and our fee structure are based upon the expectation that our invoices will be paid promptly. Payment of our invoices is due upon receipt.

Our timely completion of services and the fees thereon depends on the assistance you provide us in accumulating information and responding to our inquiries. Inaccuracies or delays in providing this information or the responses may result in additional billings, untimely filings, or inability to meet other deadlines. Our fees do not contemplate the following transactions or activities during the period of this engagement:

- Change in accounting principles
- Substantial doubt about the entity's ability to continue as a going concern
- Violation of covenants in debt arrangements
- Indications of fraudulent financial reporting or misappropriation of assets

If there are changes in circumstances where these or other conditions become known and significant additional time is necessary or additional services are requested, we reserve the right to revise our fees.

Contract Agreement

Please sign and return this contract to indicate your acknowledgment of, and agreement with, the arrangements for our services including our respective responsibilities.

Forvis Mazars, LLP

Acknowledged and agreed to as it relates to the entire contract, including the **Scope of Services** and **Terms and Conditions Addendum**, on behalf of Platte River Power Authority.

BY ____
Kevin Gertig
Chairman of the Board of Directors

DATE ______________________________________

BY ____
David Smalley
Chief Financial Officer and Deputy General Manager

DATE ______________________________________

Scope of Services – Audit Services

We will audit the basic financial statements and related disclosures, which collectively comprise the basic financial statements for the following entity:

Platte River Power Authority as of and for the year ended December 31, 2024

The audit has the following broad objectives:

- Obtaining reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- Expressing an opinion on the financial statements

You have informed us that the audited financial statements are expected to be presented along with management's annual report. Management is responsible for the other information included in the annual report. The other information comprises the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements will not cover the other information, and we will not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Anna Thigpen, Director, will oversee and coordinate the engagement. Christopher Telli, Partner, is responsible for supervising the engagement team and authorizing the signing of reports.

We will issue a written report(s) upon completion of our audit(s), addressed to the following parties:

Entity Name	Party Name
Platte River Power Authority	Board of Directors of Platte River Power Authority

You are responsible to distribute our reports to other officials who have legal oversight authority or those responsible for acting on audit findings and recommendations, and to others authorized to receive such reports.

The following apply for the audit services described above:

Our Responsibilities

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit of the financial statements to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by fraud or error.

We will exercise professional judgment and maintain professional skepticism throughout the audit.

We will identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We will obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We will also conclude, based on audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that the auditor identified during the audit.

Limitations & Fraud

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit that is planned and conducted in accordance with GAAS will always detect a material misstatement or material noncompliance with federal award programs when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our understanding of internal control is not for the purpose of expressing an opinion on the effectiveness of your internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit.

We are available to perform additional procedures with regard to fraud detection and prevention at your request, subject to completion of our normal engagement acceptance procedures. The actual terms and fees of such an engagement would be documented in a separate contract to be signed by you and Forvis Mazars.

Opinion

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter paragraph or other-matter paragraph(s) to our auditor's report, or if necessary, decline to express an opinion or withdraw from the engagement.

If we discover conditions that may prohibit us from issuing a standard report, we will notify you. In such circumstances, further arrangements may be necessary to continue our engagement.

Your Responsibilities

Management and, if applicable, those charged with governance acknowledge and understand their responsibility for the accuracy and completeness of all information provided and for the following:

- **Audit Support** – to provide us with:
  - Unrestricted access to persons within the entity or within components of the entity (including management, those charged with governance, and component auditors) from whom we determine it necessary to obtain audit evidence
  - Information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including access to information relevant to disclosures
  - Information about events occurring or facts discovered subsequent to the date of the financial statements, of which management may become aware, that may affect the financial statements
  - Information about any known or suspected fraud affecting the entity involving management, employees with significant role in internal control, and others where fraud could have a material effect on the financials
  - Identification and provision of report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented
  - Additional information that we may request for the purpose of the audit

- **Internal Control and Compliance** – for the:
  - Design, implementation, and maintenance of internal control relevant to compliance with laws and regulations and the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
  - Alignment of internal control to ensure that appropriate goals and objectives are met; that management and financial information is reliable and properly reported; and that compliance with and identification of the laws, regulations, contracts, grants, or agreements (including any federal award programs) applicable to the entity's activities is achieved
  - Remedy, through timely and appropriate steps, of fraud and noncompliance with provisions of laws, regulations, contracts, or other agreements reported by the auditor
  - Establishment and maintenance of processes to track the status and address findings and recommendations of auditors

- **Accounting and Reporting** – for the:
  - Maintenance of adequate records, selection and application of accounting principles, and the safeguard of assets
  - Adjustment of the financial statements to correct material misstatements and confirmation to us in the representation letter that the effects of any uncorrected misstatements aggregated by us are immaterial, both individually and in the aggregate, to the financial statements taken as a whole
  - Preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (or other basis if indicated in the contract)
  - Inclusion of the auditors' report in any document containing financial statements that indicates that such financial statements have been audited by us
  - Distribution of audit reports to any necessary parties

The results of our tests of compliance and internal control over financial reporting performed in connection with our audit of the financial statements may not fully meet the reasonable needs of report users. Management is responsible for obtaining audits, examinations, agreed-upon procedures, or other engagements that satisfy relevant legal, regulatory, or contractual requirements or fully meet other reasonable user needs.

Required Supplementary Information

Accounting principles generally accepted in the United States of America provide for certain required supplementary information ("RSI") to accompany the basic financial statements. We understand the following RSI will accompany the basic financial statements:

1. Management's Discussion and Analysis ("MD&A")
2. Pension information

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Management is responsible for the fair presentation of the RSI. As part of our engagement, we will apply certain limited procedures to the RSI in GAAS. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Written Confirmations Required

As part of our audit process, we will request from management and, if applicable, those charged with governance written confirmation acknowledging certain responsibilities outlined in this contract and confirming:

- The availability of this information
- Certain representations made during the audit for all periods presented
- The effects of any uncorrected misstatements, if any, resulting from errors or fraud aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole

Forvis Mazars, LLP Terms and Conditions Addendum

GENERAL

1. **Overview.** This addendum describes **Forvis Mazars, LLP's** standard terms and conditions ("Terms and Conditions") applicable to Our provision of services to the Client ("You"). The Terms and Conditions are a part of the contract between You and Forvis Mazars, LLP. For the purposes of the Terms and Conditions, any reference to "Firm," "We," "Us," or "Our" is a reference to Forvis Mazars, LLP ("Forvis Mazars"), and any reference to "You" or "Your" is a reference to the party or parties that have engaged Us to provide services and the party or parties ultimately responsible for payment of Our fees and costs.

BILLING, PAYMENT, & TERMINATION

2. **Billing and Payment Terms.** We will bill You for Our professional fees and costs as outlined in Our contract. Unless otherwise provided in Our contract, payment is due upon receipt of Our billing statement. Interest will be charged on any unpaid balance after 30 days at the rate of 10 percent per annum, or as allowed by law at the earliest date thereafter, and highest applicable rate if less than 10 percent. All fees, charges, and other amounts payable to Forvis Mazars hereunder do not include any sales, use, excise, value-added, or other applicable taxes, tariffs, or duties, payment of which shall be Your sole responsibility, and do not include any applicable taxes based on Forvis Mazars' net income or taxes arising from the employment or independent contractor relationship between Forvis Mazars and Forvis Mazars' personnel.

   We reserve the right to suspend or terminate Our work for this engagement or any other engagement for nonpayment of fees. If Our work is suspended or terminated for nonpayment, You agree that We will not be responsible for Your failure to meet governmental and other deadlines, for any penalties or interest that may be assessed against You resulting from Your failure to meet such deadlines, and for any other damages (including but not limited to consequential, indirect, lost profits, or punitive damages) incurred as a result of the suspension or termination of Our services.

   Our fees may increase if Our duties or responsibilities are increased by rulemaking of any regulatory body or any additional new accounting or auditing standards. Our engagement fees do not include any time for post-engagement consultation with Your personnel or third parties, consent letters and related procedures for the use of Our reports in offering documents, inquiries from regulators, or testimony or deposition regarding any subpoena. Charges for such services will be billed separately.

3. **Billing Records.** If these services are determined to be within the scope and authority of Section 1861(v)(1)(I) of the Social Security Act, We agree to make available to the Secretary of Health and Human Services, or to the U.S. Comptroller General, or any of their duly authorized representatives, such of Our books, documents, and records that are necessary to certify the nature and extent of Our services, until the expiration of four (4) years after the furnishing of these services. This contract allows access to contracts of a similar nature between subcontractors and related organizations of the subcontractor, and to their books, documents, and records.

4. **Termination.** Either party may terminate these services in good faith at any time for any reason, including Your failure to comply with the terms of Our contract or as We determine professional standards require. Both parties must agree, in writing, to any future modifications or extensions. If services are terminated, You agree to pay Forvis Mazars for time expended to date. In addition, You will be billed costs and fees for services from other professionals, if any, as well as an administrative fee of four (4) percent to cover certain technology and administrative costs associated with Our services. Unless terminated sooner in accordance with its terms, this engagement shall terminate upon the completion of Forvis Mazars' services hereunder.

DISPUTES & DISCLAIMERS

5. **Mediation.** Any dispute arising out of or related to this engagement will, prior to resorting to litigation, be submitted for nonbinding mediation upon written request by either party. Both parties agree to try in good faith to settle the dispute in mediation. The mediator will be selected by agreement of the parties. The mediation proceeding shall be confidential. Each party will bear its own costs in the mediation, but the fees and expenses of the mediator will be shared equally.

6. **Indemnification.** Unless disallowed by law or applicable professional standards, You agree to hold Forvis Mazars harmless from any and all claims which arise from knowing misrepresentations to Forvis Mazars, or the intentional withholding or concealment of information from Forvis Mazars by Your management or any partner, principal, shareholder, officer, director, member, employee, agent, or assign of Yours. You also agree to indemnify Forvis Mazars for any claims made against Forvis Mazars by third parties, which arise from any wrongful actions of Your management or any partner, principal, shareholder, officer, director, member, employee, agent, or assign of Yours. The provisions of this paragraph shall apply regardless of the nature of the claim.

7. **Limitation of Liability.** You agree that Forvis Mazars' liability, if any, arising out of or related to this contract and the services provided hereunder, shall be limited to the amount of the fees paid by You for services rendered under this contract. This limitation shall not apply to the extent it is finally, judicially determined that the liability resulted from the intentional or willful misconduct of Forvis Mazars or if enforcement of this provision is disallowed by applicable law or professional standards.

8. **Waiver of Certain Damages.** In no event shall Forvis Mazars be liable to You or a third party for any indirect, special, consequential, punitive, or exemplary damages, including but not limited to lost profits, loss of revenue, interruption, loss of use, damage to goodwill or reputation, regardless of whether You were advised of the possibility of such damages, regardless of whether such damages were reasonably foreseeable, and regardless of whether such damages arise under a theory of contract, tort, strict liability, or otherwise. This

waiver shall not apply to any third-party claim against You resulting from Our action or inaction.

9. **WAIVER OF JURY TRIAL. THE PARTIES HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVE ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST WITH REGARD TO THIS AGREEMENT, OR ANY CLAIM, COUNTERCLAIM, OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY THE PARTIES, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE.**

10. **Severability.** In the event that any term or provision of this agreement shall be held to be invalid, void, or unenforceable, then the remainder of this agreement shall not be affected, and each such term and provision of this agreement shall be valid and enforceable to the fullest extent permitted by law.

11. **Assignment.** This agreement shall not be assignable by either party in whole or in part without the prior written consent of the other party; provided, however, that each party may assign, without the other party's consent, this agreement to (i) any person or entity into which a party has merged or which has otherwise succeeded to all or substantially all of its business and assets to which this agreement pertains, by merger, consolidation, reorganization or otherwise; or (ii) any affiliate of a party, which shall include any entity now or hereafter controlling, controlled by, or under common control with such party. This agreement will be binding on the parties' successors and permitted assigns.

12. **Disclaimer of Legal or Investment Advice.** Our services do not constitute legal or investment advice. You should seek the advice of legal counsel in such matters. Regulatory authorities may interpret circumstances differently than We do. In addition, the applicable laws, regulations, and regulators' enforcement activities may change over time.

RECORDS, WORKPAPERS, DELIVERABLES, & PROPRIETARY INFORMATION

13. **Maintenance of Records.** You agree to assume full responsibility for maintaining Your original data and records and that Forvis Mazars has no responsibility to maintain this information. You agree You will not rely on Forvis Mazars to provide hosting, electronic security, or backup services, *e.g.*, business continuity or disaster recovery services, to You unless separately engaged to do so. You understand that Your access to data, records, and information from Forvis Mazars' servers, *i.e.*, Forvis Mazars portals used to exchange information, can be terminated at any time and You will not rely on using this to host Your data and records.

14. **Forvis Mazars Workpapers.** Our workpapers and documentation retained in any form of media for this engagement are the property of Forvis Mazars. We can be compelled to provide information under legal process. In addition, We may be requested by regulatory or enforcement bodies (including any State Board) to make certain workpapers available to them pursuant to authority granted by law or regulation. Unless We are prohibited from doing so by law or regulation, Forvis Mazars will inform You of any such legal process or request. You agree We have no legal responsibility to You in the event We determine We are obligated to provide such documents or information.

15. **Subpoenas or Other Legal Process.** In the event Forvis Mazars is required to respond to any such subpoena, court order, or any government regulatory inquiry or other legal process relating to You or Your management for the production of documents and/or testimony relative to information We obtained or prepared incident to this or any other engagement with You in a matter in which Forvis Mazars is not a party, You shall compensate Forvis Mazars for all time We expend in connection with such response at normal and customary hourly rates and to reimburse Us for all out-of-pocket expenses incurred in regard to such response.

16. **Use of Deliverables and Drafts.** You agree You will not modify any deliverables or drafts prepared by Us for internal use or for distribution to third parties. You also understand that We may on occasion send You documents marked as draft and understand that those are for Your review purpose only, should not be distributed in any way, and should be destroyed as soon as possible.

    Our report on any financial statements must be associated only with the financial statements that were the subject of Our engagement. You may make copies of Our report, but only if the entire financial statements (exactly as attached to Our report, including related footnotes) and any supplementary information, as appropriate, are reproduced and distributed with Our report. You agree not to reproduce or associate Our report with any other financial statements, or portions thereof, that are not the subject of Our engagement.

17. Proprietary Information. You acknowledge that proprietary information, documents, materials, management techniques, and other intellectual property are a material source of the services We perform and were developed prior to Our association with You. Any new forms, software, documents, or intellectual property We develop during this engagement for Your use shall belong to Us, and You shall have the limited right to use them solely within Your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, agreements, and other documents which We make available to You are confidential and proprietary to Us. Neither You, nor any of Your agents, will copy, electronically store, reproduce, or make any such documents available to anyone other than Your personnel. This provision will apply to all materials whether in digital, "hard copy" format, or other medium, provided, however, that We acknowledge that documents and other materials supplied to You may potentially become public records subject to inspection by outside parties under the Colorado Open Records Act, C.R.S. 24-72-200.1, et. Seq., as amended. Unless proper grounds exist to deny requests to inspect these materials, You may be unable to prevent inspection. We have familiarized Ourselves with the relevant law sufficiently to enable Us to take steps necessary to protect the confidential nature of Our submissions.

REGULATORY

18. **U.S. Securities and Exchange Commission ("SEC") and other Regulatory Bodies.** Where We are providing services either for (a) an entity that is registered with the SEC, (b) an affiliate of such registrant, or (c) an entity or affiliate that is subject to rules, regulations, or standards beyond those of the American Institute of Certified Public Accountants ("AICPA"), any term of this contract that would be prohibited by or impair Our independence under applicable law or regulation shall not apply to the extent necessary only to avoid such prohibition or impairment.

19. **Offering Document.** You may wish to include Our report(s) on financial statements in an exempt offering document. You agree that any report, including any auditor's report, or reference to Our firm, will not be included in any such offering document without notifying Us. Any agreement to perform work in connection with an exempt offering document, including providing agreement for the use of the auditor's report in the exempt offering document, will be a separate engagement.

    Any exempt offering document issued by You with which We are not involved will clearly indicate that We are not involved by including a disclosure such as, "Forvis Mazars, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Forvis Mazars, LLP also has not performed any procedures relating to this offering document."

20. **Forvis Mazars Not a Municipal Advisor.** Forvis Mazars is not acting as Your municipal advisor under Section 15B of the *Securities Exchange Act of 1934*, as amended. As such, Forvis Mazars is not recommending any action to You and does not owe You a fiduciary duty with respect to any information or communications regarding municipal financial products or the issuance of municipal securities. You should discuss such matters with internal or external advisors and experts You deem appropriate before acting on any such information or material provided by Forvis Mazars.

21. **Forvis Mazars Not a Fiduciary.** In providing Our attest services, We are required by law and our professional standards to maintain our independence from You. We take this mandate very seriously and thus guard against impermissible relationships which may impair the very independence which You and the users of Our report require. As such, You should not place upon Us special confidence that in the performance of Our attest services We will act solely in Your interest. Therefore, You acknowledge and agree We are not in a fiduciary relationship with You and We have no fiduciary responsibilities to You in the performance of Our services described herein.

TECHNOLOGY

22. **Electronic Sites.** You agree to notify Us if You desire to place Our report(s), including any reports on Your financial statements, along with other information, such as a report by management or those charged with governance on operations, financial summaries or highlights, financial ratios, etc., on an electronic site. You recognize that We have no responsibility to review information contained in electronic sites. We recognize that any materials We provide that You present to Your board of directors will be posted on the board materials section of Your public website.

23. **Electronic Signatures and Counterparts.** This contract and other documents to be delivered pursuant to this contract may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement or document, and will be effective when counterparts have been signed by each of the parties and delivered to the other parties. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this contract are intended to authenticate this writing and to have the same force and effect as manual signatures. Delivery of a copy of this contract or any other document contemplated hereby, bearing an original manual or electronic signature by facsimile transmission (including a facsimile delivered via the internet), by electronic mail in "portable document format" (".pdf") or similar format intended to preserve the original graphic and pictorial appearance of a document, or through the use of electronic signature software, will have the same effect as physical delivery of the paper document bearing an original signature.

24. **Electronic Data Communication and Storage.** In the interest of facilitating Our services to You, We may send data over the internet, temporarily store electronic data via computer software applications hosted remotely on the internet, or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, We employ measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with Our obligations under applicable laws, regulations, and professional standards.

    You recognize and accept that We have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by Us. You consent to Our use of these electronic devices and applications during this engagement.

OTHER MATTERS

25. **Cooperation.** You agree to cooperate with Forvis Mazars in the performance of Forvis Mazars' services to You, including the provision to Forvis Mazars of reasonable facilities and timely access to Your data, information, and personnel. You shall be responsible for the performance of Your employees and agents.

26. **Third-Party Service Providers.** Forvis Mazars may from time to time utilize third-party service providers, including but not limited to domestic software processors or legal counsel, or disclose confidential information about You to third-party service providers in serving Your account. Forvis Mazars maintains, however, internal policies, procedures, and safeguards to protect the confidentiality and security of Your information. In addition, Forvis Mazars will secure confidentiality agreements with all service providers to maintain the confidentiality of Your information. If We are unable to

secure an appropriate confidentiality agreement, You will be asked to consent prior to Forvis Mazars sharing Your confidential information with the third-party service provider.

27. **Independent Contractor.** When providing services to You, We will be functioning as an independent contractor; and in no event will We or any of Our employees be an officer of You, nor will Our relationship be that of joint venturers, partners, employer and employee, principal and agent, or any similar relationship giving rise to a fiduciary duty to You. Decisions regarding management of Your business remain the responsibility of Your personnel at all times. Neither You nor Forvis Mazars shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

28. **Hiring of Forvis Mazars Personnel.** We ask that You respect the employment relationship that Our personnel have with Our firm and to refrain from any employment offers to Forvis Mazars personnel. However, if You find it necessary to make an offer of employment and if it is accepted, during the term of this engagement and for a period of 18 months after Forvis Mazars stops providing services, You agree that We will be paid a one-time employment fee equal to 100 percent of the employee's highest annual salary. This fee will be payable prior to Our personnel commencing employment with You. Provided, however, You shall not be in violation of the nonsolicitation covenant set forth herein with respect to any position You advertise in the form of a general solicitation not delivered to or focused upon any single individual employed by Us.

29. **Use of Forvis Mazars Name.** Any time You intend to reference Forvis Mazars' firm name in any manner in any published materials, including on an electronic site, You agree to provide Us with draft materials for review and approval before publishing or posting such information.

30. **Network.** Forvis Mazars, LLP is a Delaware limited liability partnership and an independent member of Forvis Mazars Global Ltd., a leading global professional services network. Forvis Mazars Global Ltd. is a United Kingdom company limited by guarantee and does not provide any services to clients.

31. **Entire Agreement.** The contract, including this Terms and Conditions Addendum and any other attachments or addenda, encompasses the entire agreement between You and Forvis Mazars and supersedes all previous understandings and agreements between the parties, whether oral or written. Any modification to the terms of this contract must be made in writing and signed by both You and Forvis Mazars.

32. **Force Majeure.** Neither party (the excused party) shall be held responsible for any failure to fulfill its obligations under this contract if such failure was caused by circumstances beyond the excused party's control.

Platte River
Power Authority

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Memorandum

Date: 10/23/2024

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Dave Smalley, chief financial officer and deputy general manager
Shelley Nywall, director of finance
Jason Harris, senior manager, financial reporting and budget

Subject: **Proposed 2025 Strategic Budget – public hearing**

As previewed during the September budget work session, staff anticipated changes to the proposed 2025 Strategic Budget. The changes are based on updates and refinements to resources, production costs, departmental operations and maintenance expenses, capital projects and contingency appropriation. The updated budget includes total revenues of $321.5 million, total expenditures of $392 million and a board contingency appropriation of $75 million. Change in net position, after deferring $8.9 million of regulatory revenues under the board-approved deferred revenue and expense accounting policy, is projected to be $7.5 million, with fixed obligation charge coverage at 2.00 times.

The budget has been updated to reflect the most current information for revenues, operating expenses, capital additions and contingency appropriation, as listed below.

Amount favorable (unfavorable)	Revenues	Description
($0.7 M)	Sales for resale	Short-term and long-term sales decreased based on the updated production cost model.
($0.5 M)	Interest and other income	Interest income decreased because of lower projected interest rates.
($1.2 M)		Total decrease in revenues

Amount favorable (unfavorable)	Operating expenses	Description
($3.6 M)	Operating expenses	• ($1.7 M) – Personnel expenses increased for seven new positions due to the reorganization. • ($0.9 M) – Yampa operating expenses increased due to receiving the final approved budget. • ($0.9 M) – Oracle managed services and licenses increased due to continued consultant support of the system and additional user license subscription costs. • ($0.1 M) – Ancillary services expenses increased due to Public Service Company of Colorado (PSCo)'s estimated tariff. • ($0.1 M) – Various adjustments were made to department budgets based on more accurate information received. • $0.1 M – Wheeling expenses decreased because of an updated rate from the Western Area Power Administration for transmission service and decommissioning of the Medicine Bow Wind Project.
($2.6 M)	Purchased power	• ($2.3 M) – Purchased reserves increased due to an increase in PSCo's estimated tariff, including Schedule 16 for maintaining generation and load balance for wind generation and Schedules 5 and 6 for spinning and non-spinning reserves. • ($1.0 M) – Purchases in both the Southwest Power Pool Western Energy Imbalance Service and bilateral markets increased based on the updated production cost model. • $0.7 M – Wind decreased due to decommissioning of the Medicine Bow Wind Project.
$0.5 M	Fuel	Prices and generation volumes for coal and natural gas resources were updated with latest estimates from the production cost model.
($5.7 M)		Total increase in operating expenses

Amount favorable (unfavorable)	Capital additions	Description
$1.0 M	Transformer T1 replacement - Longs Peak Substation	Decreased due to construction shifting from 2025 to 2026 to be in succession with another substation project, which will optimize the use of contractors and maintenance staff.
$0.5 M	Relay panel and breaker replacements - Airport Substation	Canceled 2025 funds due to a schedule change to align with another Airport Substation project.
$0.4 M	Aeroderivative combustion turbines - Rawhide	Decreased 2025 funds due to updated cost estimates from vendor, however, there is no change in total multiyear project costs.
$0.4 M	Trapper Mine post-mining reclamation	Decreased due to updated cost estimates from Trapper Mine.
$0.3 M	Control room upgrades - Rawhide	Canceled as required upgrades will be incorporated into control modifications currently within the aeroderivative combustion turbines – Rawhide project's multiyear costs.
$0.3 M	Dust collection system replacement - crusher building	Decreased due to updated cost estimates from vendor and reduced contingency.
$0.2 M	Disaster recovery as a solution	Canceled the capital portion of the project as equipment is not required.
$0.1 M	Cathodic protection upgrade - Soldier Canyon pipeline	Decreased due to updated cost estimates from contractors.
($5 K)	Dust collection system replacement - coal transfer building	Increased due to updated cost estimates from vendor, offset by reduced contingency.
($18 K)	Craig units 1 and 2 projects	New project due to updated cost estimates from Tri-State Generation and Transmission Association, Inc. for a transmission project.
($19 K)	Regional transmission organization market software	Increased due to additional labor required.
($0.1 M)	Gas control valve replacement - combustion turbine Unit A	Increased due to addition of an inlet guide vane actuator and additional digital valve positioner.

($0.1 M)	Server and storage replacement	Increased due to updated cost estimates for equipment.
($0.1 M)	Network replacement - Rawhide	Increased due to updated cost estimates for hardware.
($0.2 M)	Data management and analytics platform	Increased due to additional labor required and an increase in scope to include various foundational capabilities which align with the long-term data strategy.
($0.3 M)	Bay connection and transmission line to Severance Substation - noncarbon resources	Increased due to funds required for breaker procurement.
$2.4 M		Total decrease in capital additions

Amount favorable (unfavorable)	Debt service expenditures	Description
($0.2 M)	Debt service expenditures	Subscription payments increased with refinements to GASB 96 assumptions.
($0.2 M)		Total increase in debt service expenditures

Amount favorable (unfavorable)	Contingency appropriation	Description
($1.0 M)	Contingency appropriation	Contingency appropriation is approximately 20% of operating expenditures and capital additions. Due to the increase in those categories, more contingency appropriation was added.
($1.0 M)		Total increase in contingency appropriation

The following table summarizes the proposed 2025 Strategic Budget and outlines impacts from the current changes made to the revenue and expenditure categories as well as the contingency appropriation.

$ in thousands	Proposed budget	Prices & model update impacts	Other O&M net increase and contingency increase	Capital impacts	Favorable (unfavorable) changes	Updated proposed budget
Revenues						
Sales to owner communities	$ 248,446	$ (9)			$ (9)	$ 248,437
Sales for resale - long-term	17,755	(113)			(113)	17,642
Sales for resale - short-term	35,191	(622)			(622)	34,569
Wheeling	9,452				-	9,452
Interest and other income	11,875	(478)			(478)	11,397
Total revenues	$ 322,719	$ (1,222)			$ (1,222)	$ 321,497
Operating expenses						
Purchased power	$ 67,235	$ (268)	$ (2,286)		$ (2,554)	$ 69,789
Fuel	42,941	506			506	42,435
Production	53,920		(1,592)		(1,592)	55,512
Transmission	23,443		(458)		(458)	23,901
Administrative and general	41,819		(1,367)		(1,367)	43,186
Distributed energy resources	14,994		(206)		(206)	15,200
Total operating expenses	$ 244,352	$ 238	$ (5,909)		$ (5,671)	$ 250,023
Capital additions						
Production	$ 97,448			$ 1,025	$ 1,025	$ 96,423
Transmission	10,197			1,216	1,216	8,981
General	13,284			(234)	(234)	13,518
Asset retirement obligations	4,380			369	369	4,011
Total capital additions	$ 125,309			$ 2,376	$ 2,376	$ 122,933
Total operating expenses and capital additions	$ 369,661	$ 238	$ (5,909)	$ 2,376	$ (3,295)	$ 372,956
Debt service expenditures						
Principal	$ 14,802		$ (152)		$ (152)	$ 14,954
Interest expense	4,081		(11)		(11)	4,092
Total debt service expenditures	$ 18,883		$ (163)		$ (163)	$ 19,046
Total expenditures	**$ 388,544**	$ 238	$ (6,072)	$ 2,376	$ (3,458)	$ 392,002
Contingency appropriation	**$ 74,000**		$ (1,000)		$ (1,000)	$ 75,000
Total expenditures and contingency appropriation	**$ 462,544**	$ 238	$ (7,072)	$ 2,376	$ (4,458)	$ 467,002

Attachment

- 2025 strategic budget at a glance

Platte River Power Authority

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2025 strategic budget at a glance

Public hearing

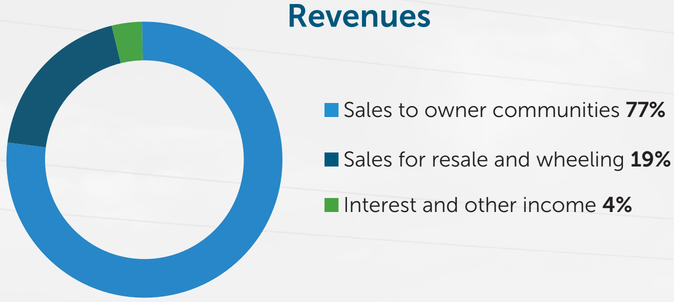
The Platte River Power Authority (Platte River) 2025 Strategic Budget, produced under the direction of the organization's leadership, aligns with the long-range strategic plan to give community leaders, stakeholders and the public a transparent roadmap of Platte River's tactical, operational and capital plans for the coming year.

Platte River's 2025 budget enables ongoing investments to transform the organization based on its strategic initiatives and core operations. These reflect Platte River's foundational pillars of system reliability, environmental responsibility and financial sustainability. These pillars guide the decision-making process for the resource allocations, revenues and expenses detailed in the budget.

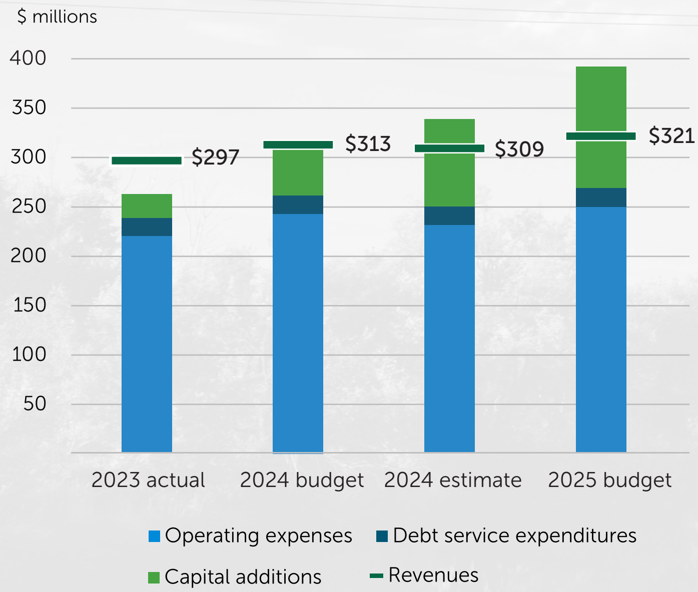
Platte River manages expenses from a broad perspective with the goal of operating the system in a safe, compliant and reliable manner while expanding environmental stewardship. Platte River communicates and collaborates with the owner communities to align processes and outcomes for the benefit of all customers.

Platte River's budget includes $321.5 million in revenues and $392 million in expenditures, consisting of operating, capital and debt. After a contingency appropriation of $75 million, $145.5 million of funding is budgeted from prior reserves. Of the $373 million in operating expenses and capital additions, approximately 64% and 36% are allocated to activities supporting core operations and strategic initiatives, respectively.

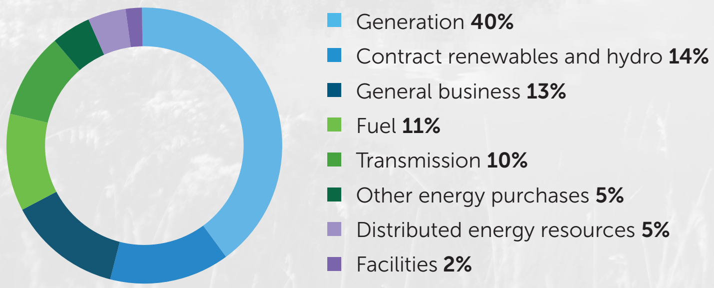
Revenues



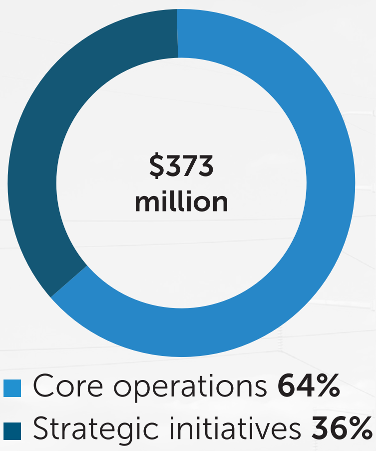
Revenues and expenditures



Operating and capital additions



Operating expenses and capital additions



Strategic initiatives

$134.2 million, 36% of operating and capital

- Resource diversification planning and integration, $125.2 million, 33%
- Community partner and engagement, $1.9 million, 1%
- Workforce culture, $1.9 million, 1%
- Process management and coordination, $5.2 million, 1%

Activities

- Noncarbon resources infrastructure and planning, including commercial operation of Black Hollow Solar and continued efforts on a potential new wind resource
- Dispatchable capacity through energy storage including utility-scale and distribution-scale batteries, virtual power plant including distributed energy resources management system and programs, and aeroderivative technology
- Operational flexibility and Southwest Power Pool Regional Transmission Organization West preparation and market software
- Completion of the Chimney Hollow Reservoir
- Public engagement including new website
- Workforce evolution and development
- Data management and analytics platform, project management and enterprise risk management

Core operations

$238.8 million, 64% of operating and capital

- Generation, including fuel, $126.1 million, 34%
- Energy purchases including wind, hydropower and solar energy in commercial operation, $62.8 million, 17%
- Transmission, $42 million, 11%
- Customer energy programs, $7.9 million, 2%

Activities

- Rawhide Energy Station and Craig Generating Station preventive, proactive maintenance and capital improvements for reliability, safety, efficiency and environmental compliance
- Rawhide Unit 1 five-week scheduled maintenance outage
- Ongoing operations and maintenance of the transmission system
- Proactive capital investments including frame combustion turbine projects, Trapper Mine reclamation, transmission line restoration, a new substation, transformer replacement, fiber optic replacement and expansion
- Continued generation from wind and solar resources under power purchase agreements
- Customer energy programs
- Community initiatives and facilities projects
- Staffing additions to support organization changes and strategic initiatives

Platte River Power Authority

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Memorandum

Date: 10/23/2024

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Melie Vincent, chief operating officer, generation, transmission and markets
Pat Connors, director, portfolio strategy and integration

Subject: Utility scale storage request for proposals update

In June 2024, Platte River issued a four-hour battery energy storage system (BESS) request for proposals (RFP) seeking bidders to procure 75-100 MW of nameplate four-hour BESS storage. Platte River received 20 proposals from six different entities. The proposals included stand-alone battery projects and battery projects co-located with existing or future Platte River wind or solar resources. The proposals also ranged from 15-year terms to 25-year terms, with various commercial operations dates between late 2026 and early 2028.

After reviewing the results of the BESS RFP with Platte River's risk oversight committee, the resource planning team selected two developers for further negotiations, with the goal to finalize an energy storage agreement with the preferred developer in late 2024. Platte River has had productive discussions and is currently on track to meet its objective. Staff will present additional information on the status of the project at the October board meeting.

This presentation is for informational purposes only and does not require board action.

Platte River
Power Authority

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Memorandum

Date: 10/23/2024

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Melie Vincent, chief operating officer, generation, transmission and markets
Travis Hunter, director of power generation

Subject: Rawhide Unit 1 minor outage recap

Platte River staff will present an update on the Rawhide Unit 1 outage. The presentation will include why the unit was brought offline, as well a description of the additional work performed and details on previously unknown issues discovered during the outage.

This presentation is for informational purposes only and does not require board action.

Platte River Power Authority

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Memorandum

Date: 10/23/2024

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Melie Vincent, chief operating officer, generation, transmission and markets

Subject: Resource commitment and dispatch in an RTO

Platte River staff will provide a high-level review of how generation resources are committed and dispatched in regional transmission organizations (RTOs). The objective is to educate the board on opportunities and limitations associated with resource participation in a two-day organized wholesale market.

This presentation is for informational purposes only and does not require board action.

Platte River Power Authority

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Performance dashboard

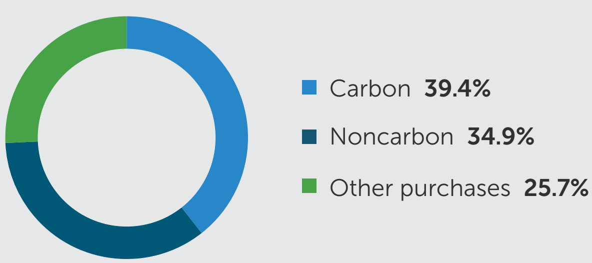
Sept. 30, 2024

Reliability

Transmission	Fiber communications	Rawhide Unit 1	Rawhide Unit 1	Rawhide frame combustion turbines
100%	0	98.8%	0	100%
Goal: no loss of load to the owner communities	Goal: no unplanned communication outages to the owner communities	Goal: adjusted equivalent availability factor ≥ 97%	Goal: no controllable outages	Goal: delivery reliability ≥ 90%

Environmental responsibility

System total

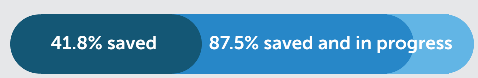


Noncarbon YTD budget 33.6%

Energy savings from completed projects

7,523 MWh saved

0.3% YTD actual load



Budgeted energy savings for Efficiency Works
18,016 MWh, 0.5% of Platte River's annual budgeted load

Financial sustainability

Credit rating: **AA**

Strategic Financial Plan indicators

Fixed obligation charge coverage ratio	Change in net position as a percentage of operating expenses	Adjusted debt ratio	Days adjusted liquidity on hand
2.69x	17.9%	24%	393
Target annual minimum 1.50x	**Target annual minimum** 3% of operating expenses	**Target minimum** Less than 50%	**Target minimum** 200 days

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Legal, environmental and compliance report

September 2024

Overview of recent developments

Legal matters

There are no new legal matters to report.

Environmental matters

There are no new environmental matters to report.

Compliance matters

There are no new compliance matters to report.

Monitoring—status unchanged

Page 3 of this document lists matters previously reported but unchanged since our last report.

Recently concluded matters

Page 5 of this document lists matters that have concluded within the last three months.

Platte River Power Authority

Active matters

Legal matters

There are no active legal matters to report.

Environmental matters

There are no active environmental-related matters to report.

Compliance matters

There are no active compliance-related matters to report.

Platte River
Power Authority

Monitoring—status unchanged

Legal matters

Progress on SPP's western regional transmission organization

On June 4, 2024, the Southwest Power Pool (SPP) filed proposed tariff revisions with the Federal Energy Regulatory Commission (FERC), reflecting revisions to expand the current regional transmission organization (RTO) into the western interconnection. Platte River, with its partners Colorado Springs Utilities and Municipal Energy of Nebraska (MEAN), filed supportive comments on July 3. The Colorado Utility Consumer Advocate, the Colorado Public Utilities Commission, Black Hills Energy, Public Service Company of Colorado (PSCo), the Western Area Power Administration (WAPA), and others also filed comments, with varying levels of support and concern, including concerns about market "seams" (where one market meets another) and greenhouse gas tracking. The only formal protest was from Electrical District No. 4, Pinal County, Arizona and other southwestern WAPA customers, seeking a formal and enforceable commitment from WAPA to implement a "pseudo-tie" arrangement to protect their hydropower allocation. On July 23 and July 24, SPP and WAPA (respectively) responded to the various comments and the protest. SPP requested action from FERC by Oct. 1, 2024. We will update the board as this tariff proceeding progresses.

Southwest Power Pool's petition for a declaratory order on tariff provisions and conflict with state law

On May 23, 2024, SPP filed a petition with FERC for a declaratory order on whether SPP's tariff requires SPP to file an unexecuted generator interconnection agreement with a generator (Eolian) that an SPP RTO member (Omaha Public Power District or OPPD) determined violated state law.

As of Aug. 27, 2024, it appears that OPPD and Eolian have settled their dispute. SPP filed executed generator interconnection agreements with FERC along with a motion to postpone resolution of the petition pending FERC's ruling on the interconnection agreements. We expect this filing to remove the need for FERC to weigh in on the broader question of which SPP tariff provision controls. If FERC for some reason does not accept the filed agreements, we and others in the public power community would need to keep a close eye on this proceeding and its potential effects on public power.

Municipal Energy Agency of Nebraska complaint challenging Colorado's Power Pathway

On Feb. 16, 2024, MEAN and several Colorado cities to which PSCo supplies power filed a complaint with FERC against PSCo, challenging PSCo's Colorado's Power Pathway transmission project. Comments on MEAN's complaint were due March 21, 2024. Various parties, including the Colorado Utility Consumer Advocate, commented in the docket or moved to intervene. PSCo filed a Motion to Dismiss the complaint, which MEAN answered on April 12, 2024. Platte River will closely follow this proceeding and update the board with any developments that may affect our transmission planning or rates.

Proposed revisions to Colorado Air Quality Control Commission Regulation No. 3 for sources in disproportionately impacted communities

On Aug. 21, 2023, a coalition of non-governmental organizations, including GreenLatinos, 350 Colorado, and Earthworks, sued the Air Quality Control Commission (Air Commission) in Denver County District Court. The lawsuit alleges that the Air Commission rules do not comply with Colorado's Environmental Justice Act and are otherwise arbitrary and capricious. The court granted the parties' request for oral argument on August 27. If the lawsuit succeeds, the likely outcome is a remand to the Air Commission for a new rulemaking. Platte River will monitor this lawsuit and update the board with any developments.

Environmental matters

There are no environmental matters in monitored status this month.

Compliance matters

There are no compliance-related matters in monitored status this month.

Platte River Power Authority

Recently concluded matters (last three months)

Legal matters

There are no recently concluded legal matters.

Environmental matters

There are no recently concluded environmental matters.

Compliance matters

There are no recently concluded compliance matters.

Platte River Power Authority

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Resource diversification report

September 2024

Distributed Energy Resource system integration

Negotiations continue between Platte River and the developer on terms for a master services agreement for four 5-MW distribution-scale storage projects. In addition, discussions are ongoing with the owner communities and the Northern Colorado Regional Airport legal staff on key terms for land leases that can support the project. With continued progress on these agreements, the projects could begin providing storage capacity by early 2027.

Platte River and owner community staff continued their due diligence on proposals received under the request for proposals for a distributed energy resource management system and virtual power plant (VPP) programs. Contract awards are anticipated by year-end.

Platte River sent department staff to attend GridForward's annual conference and participate as part of its planning team. The conference attracts utilities, system operators and service providers focused on exploring innovations in policies, practices and technologies to support a modern grid. Staff led the coordination of the annual Grid Innovation Pitch Competition, in which innovative early-stage companies pitch their technology and services to the audience, and industry leaders serve as judges. The winner of the competition receives $250,000 in equity funding and $50,000 in services provided by Accurant International.

Distributed Energy Resource (DER) planning forecast (MW)

	2023 actual	2030 forecast	2040 forecast
Customer DER adoption forecast [1]			
Distributed solar, rated output, MW	36.6	155	282
Distributed storage, rated output, MW	1.4	47	135
Electric vehicles, summer peak, MW	2.5	26	107
Utility DER forecast [2]			
Distributed solar, rated output, MW	6.3	6.3	6.3
Distributed storage, rated output, MW	0	20	20
VPP: DERs enrolled [3]			
Electric vehicles, enrolled MW	0	10	38
Distributed storage, enrolled MW	0	67	155
Demand response, enrolled MW	0	15	31
Total VPP, enrolled MW	0	92	224
Total VPP, achievable MW	0	52	113

1. Customer DER adoption forecast is the projected customer-driven uptake of solar, storage, and electric vehicles based on costs, incentives, and customer evaluations of technology and fuel expenses.
2. Utility DER forecast includes existing distributed solar owned by or procured by Loveland Water and Power and Fort Collins Utilities and distributed storage projects currently in development by Platte River and the owner communities.
3. VPP enrolled MW capacities represent the capacity of DERs projected to be enrolled in VPP management, including customer and utility DER. Achievable MW capacities are projected to be dispatchable after adjusting for customer and DER vendor usage limitations.

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Operating report

September 2024

Executive Summary

The region experienced above normal temperatures, for several days in September, which made for a strong market for a few days throughout the month. Despite the warmer temperatures, owner community demand was below budget, while owner community energy was slightly below budget. Owner community demand and energy are below budget, year to date. The overall net variable cost to serve owner community load was below budget for the month, due to coal generation fuel savings on Rawhide Unit 1, offset by higher market purchase volume and pricing. Year to date, the net variable cost to serve owner community load is below budget.

Thermal resources

Rawhide Unit 1 had a great operational month with no outages or curtailments. Rawhide equivalent availability factor was above budget and net capacity factor was significantly below budget for the month, due to lower dispatch in the Southwest Power Pool Western Energy Imbalance Service (SPP WEIS). Year to date, Rawhide equivalent availability factor is slightly above budget and net capacity factor is significantly below budget.

Craig units 1 and 2 experienced curtailments and an operating instruction with scheduling limitations, in September. Craig equivalent availability factor and net capacity factor were above budget for the month. Year to date, Craig equivalent availability factor and net capacity factor are slightly above budget.

The combustion turbines (CTs) were committed to serve contracts, facilitate sales and to serve owner community load, during the month. CT equivalent availability factor was slightly below budget. Net capacity factor was slightly below budget for the month, due to lower dispatch in SPP WEIS. Year to date, CT equivalent availability factor and net capacity factor are slightly below budget.

Renewable resources

Wind generation was below budget for the month. The Roundhouse Wind project produced below budget generation and experienced WEIS market curtailments. Solar generation was below budget and the Rawhide Prairie Solar project experienced WEIS market curtailments. Net capacity factor for wind was slightly below budget and solar was below budget for the month. The Rawhide Prairie Solar battery system was out of service during the entire month of September. As such, the battery was not charged or discharged. The equipment required to return the battery to service has been delayed. The expected delivery date is currently Oct. 14. An outage of the solar farm and support from Tesla will be required to start the battery. Year to date, net capacity factor for wind is below budget and solar is slightly below budget.

Surplus sales

Surplus sales volume was slightly below budget, despite above budget bilateral sales volume. Average surplus sales pricing was slightly below budget for the month. Year to date, surplus sales volume is below budget and average surplus sales pricing is above budget.

Purchased power

Overall purchased power volume was significantly above budget, as a result of a high volume of economic market purchases, and pricing was above budget for the month. The SPP WEIS average purchased power price was above budget for the month, but below generation costs. Bilateral purchased power volume was slightly below budget and pricing was significantly above budget. Year to date, purchased power volume and pricing are above budget.

Total resources

Total blended resource costs were slightly above budget for the month, mainly due to above budget coal costs per megawatt hour. Year to date, total blended resource costs are above budget.

Variances

September operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	618 MW	591 MW	(27 MW)	(4.3%)	■
Owner community energy	266 GWh	261 GWh	(5 GWh)	(1.9%)	◆
Net variable cost* to serve owner community energy	$3.2M	$2.8M	($0.4M)	(10.2%)	●
	$12.03/MWh	$10.80/MWh	($1.23/MWh)		

*Net variable cost = total resource variable costs + purchased power costs - sales revenue

Market impacts to net variable cost

Downward pressure Generation and market variances pushing costs lower	
Coal generation fuel savings – Rawhide	$0.99M
Higher bilateral sales volume	$0.63M
Lower gas generation volume and pricing	$0.39M

Upward pressure Generation and market variances pushing costs higher	
Higher market purchase volume and pricing	$0.73M
Higher coal generation volume and pricing - Craig	$0.31M
Lower bilateral sales pricing	$0.29M

Variance key: Favorable: ● | Near budget: ◆ | Unfavorable: ■

YTD operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	4,970 MW	4,783 MW	(187 MW)	(3.8%)	■
Owner community energy	2,507 GWh	2,421 GWh	(86 GWh)	(3.4%)	■
Net variable cost* to serve owner community energy	$41.8M	$34.5M	($7.3M)	(14.3%)	●
	$16.66/MWh	$14.27/MWh	($2.39/MWh)		

*Net variable cost = total resource variable costs + purchased power costs - sales revenue

Market impacts to net variable cost

Downward pressure Generation and market variances pushing costs lower	
Coal generation fuel savings - Rawhide	$7.13M
Lower wind generation and pricing	$3.31M
Lower gas generation volume and cost	$2.73M

Upward pressure Generation and market variances pushing costs higher	
Lower market sales volume and pricing	$3.52M
Higher market purchase volume and pricing	$2.26M
Higher coal generation fuel volume and pricing - Craig	$2.00M

Variance key: Favorable: ● | Near budget: ◆ | Unfavorable: ■

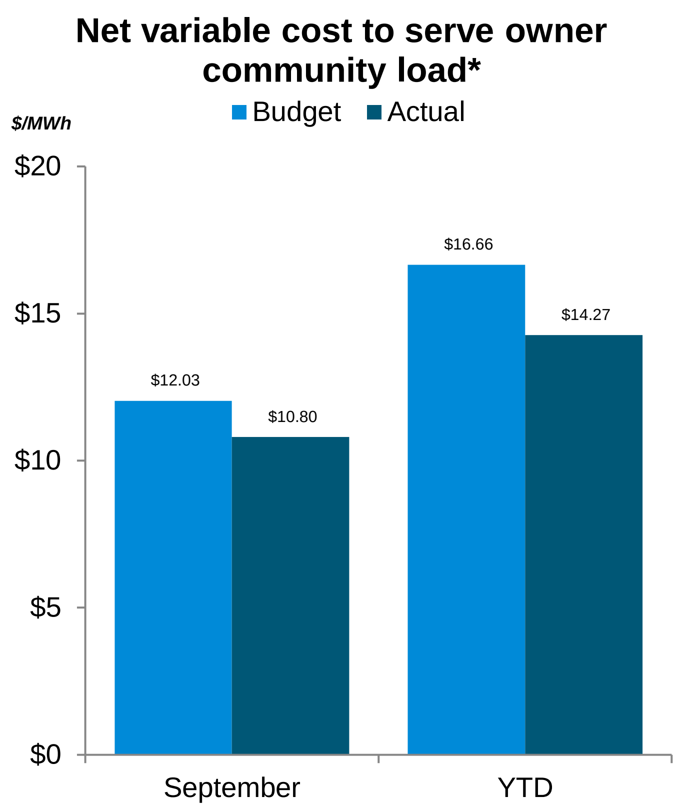
Loss of load

System disturbances

There were no system disturbances resulting in loss of load during the month of September.

September goal	September actual	YTD total
0 ●	0 ●	1 ■

Net variable cost to serve owner community load



*** The net variable operating cost to serve owner community load is equal to the sum of fuel, renewable purchases, energy purchases less surplus energy sales. The net variable cost is divided by total owner community load to determine average net variable cost to serve owner community load.**

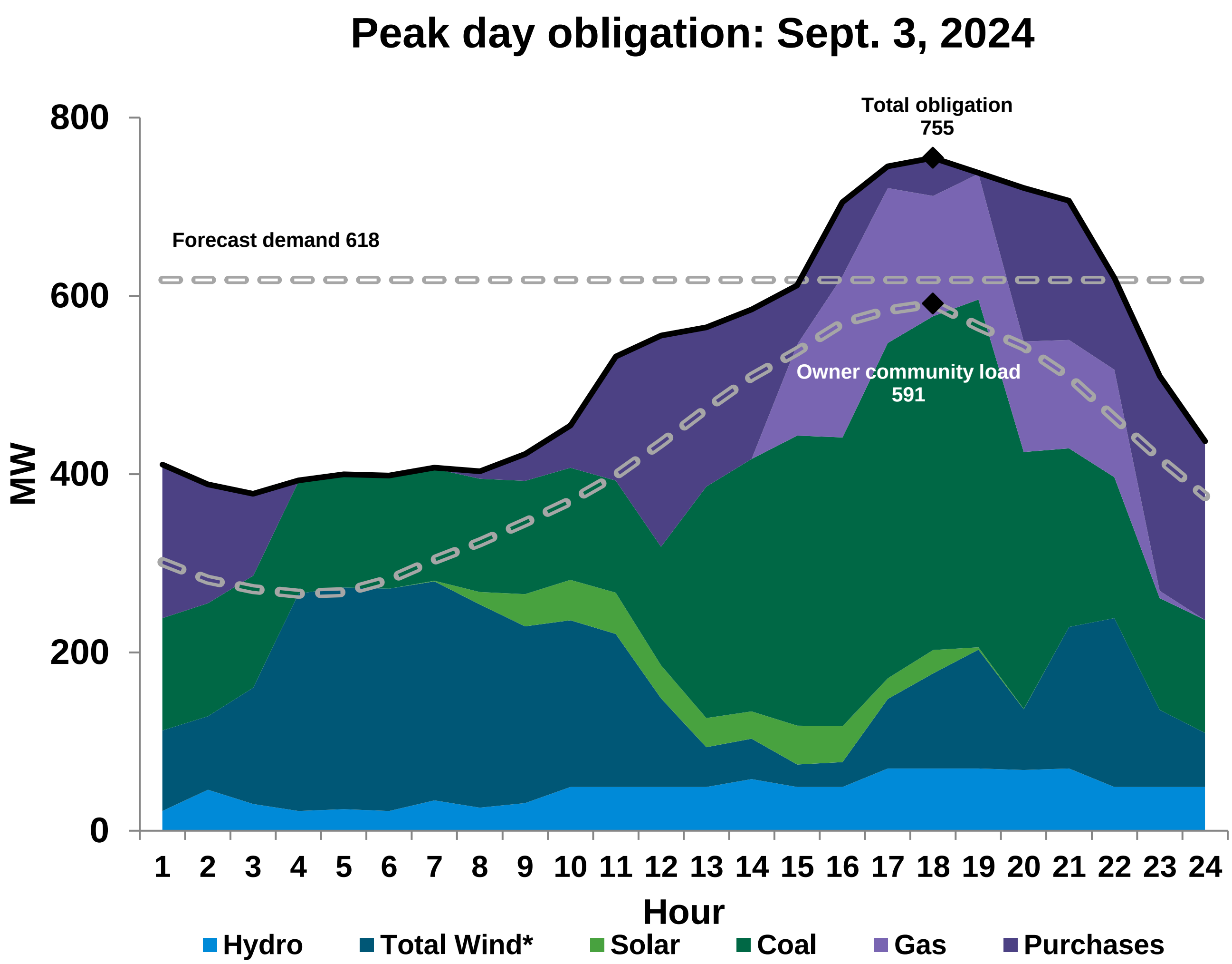
Events of significance

- Roundhouse had varying curtailments, for approximately three weeks during the month, due to turbine availability.
- Skyline Energy initiated the termination of the 6 MW Medicine Bow Wind project power purchase agreement. Built in 1998, Medicine Bow was the first wind project in Colorado. The decommissioning of the project is an economic decision, driven by the expiration of production tax credits and increased maintenance costs. The final day of operation is expected to be Oct. 15. Platte River has 180 days to calculate damages, due to early termination of the contract.
- Platte River demonstrated the resiliency of its transmission system by having no outages, though there were four planned Platte River outages and five outages on neighboring systems involving the removal of transmission equipment.
- Craig units 1 and 2 experienced an operating instruction and curtailments throughout the month of September:
    - On Sept. 16, Craig units 1 and 2 were issued an operating instruction with scheduling limitations for 10 days, due to Craig 345-kV line and Hayden - Artesia Tap - Vernal 138-kV line outages.
    - On Sept. 19, Craig Unit 2 had a curtailment for approximately eight hours, due to a hot well seal replacement.
    - On Sept. 25, Craig Unit 2 experienced a curtailment, for approximately 10 hours, due to scrubber module repair.
    - On Sept. 26, Craig Unit 1 was curtailed for one hour, due to issues getting a mill online.
    - On Sept. 27, Craig Unit 1 was curtailed for approximately seven hours, due to a lost mill.
- On Sept. 10, the Rawhide Prairie Solar project was out of service for 19 hours to perform scheduled testing and maintenance on inverter number three’s medium voltage transformer. Work was delayed, due to a lack of available personnel to place and remove grounds.
- On Sept. 21, WAPA completed their next round of airflow spoiler installation on the Estes – Wagon Wheel and Pole Hill – Flatiron 115-kV line sections for galloping mitigation.
- On Sept. 23, CT Unit D was unavailable due to an 11-hour forced outage, due to a water leak.
- On Sept. 25, CT Unit C had a 10-hour maintenance outage to troubleshoot cooling water pump high amps trip.

Peak day

Peak day obligation

Peak demand for the month was 591 megawatts which occurred on Sept. 3, 2024, at hour ending 18:00 and was 27 megawatts below budget. Platte River's obligation at the time of the peak totaled 755 megawatts. Demand response was not called upon at the time of peak.



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

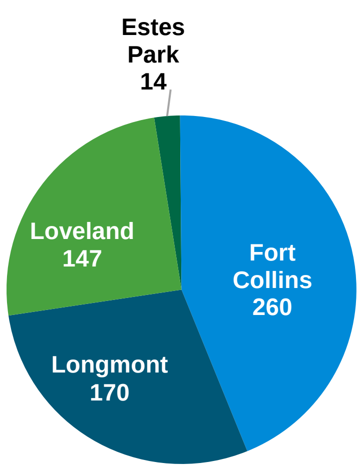
Owner community loads

	Sept. budget	Sept. actual	Minimum	Actual variance	
Coincident demand (MW)	618	591	507	(4.3%)	■
Estes Park	16	**14**	13	(12.5%)	■
Fort Collins	278	**260**	231	(6.5%)	■
Longmont	172	**170**	144	(1.2%)	◆
Loveland	152	**147**	119	(3.3%)	■
Non-coincident demand (MW)	621	596	516	(4.0%)	■
Estes Park	18	16	**21**	(11.1%)	■
Fort Collins	281	**260**	231	(7.5%)	■
Longmont	172	**170**	144	(1.2%)	◆
Loveland	150	**150**	120	0.0%	◆
Energy sales (MWh)	266,431	261,374		(1.9%)	◆
Estes Park	9,445	8,984		(4.9%)	■
Fort Collins	126,044	120,872		(4.1%)	■
Longmont	69,115	69,504		0.6%	◆
Loveland	61,827	62,014		0.3%	◆

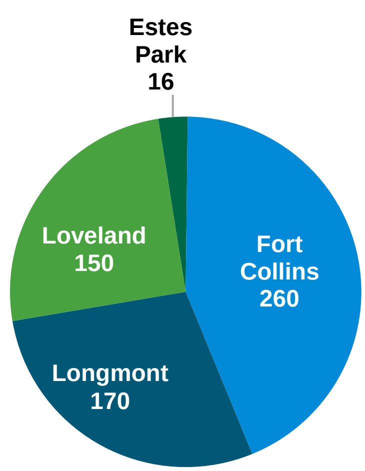
Variance key: Favorable: ● | Near budget: ◆ | Unfavorable: ■

Note: The bolded values above were those billed to the owner communities, based on the maximum of either the actual metered demand or the annual minimum ratchet.

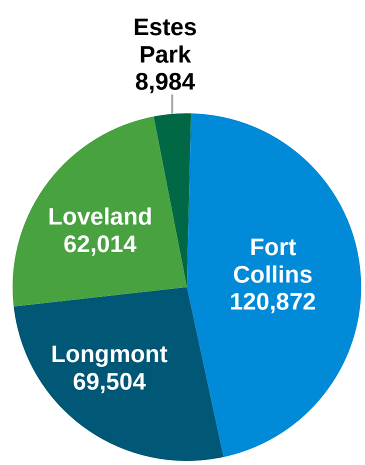
Actual Sept. coincident demand = 591 MW



Actual Sept. non-coincident demand = 596 MW

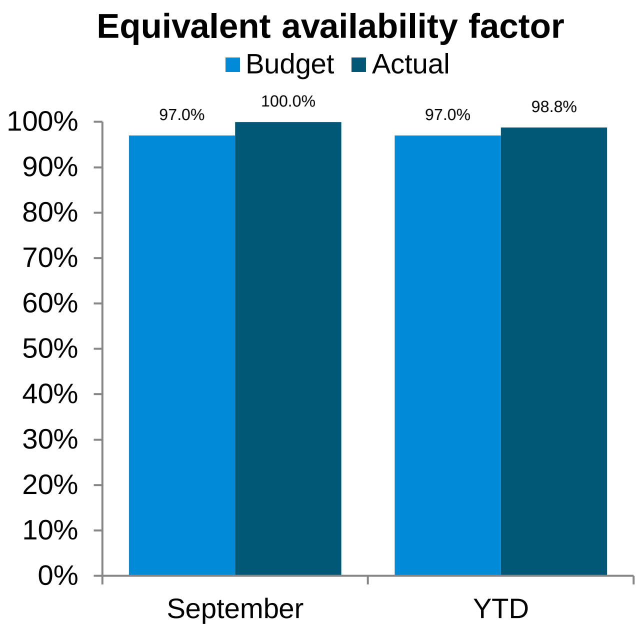


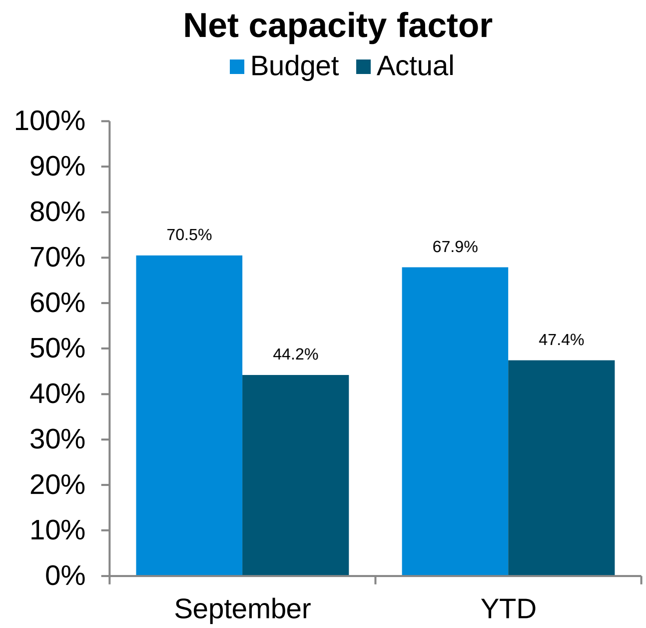
Actual Sept. energy sales = 261,374 MWh



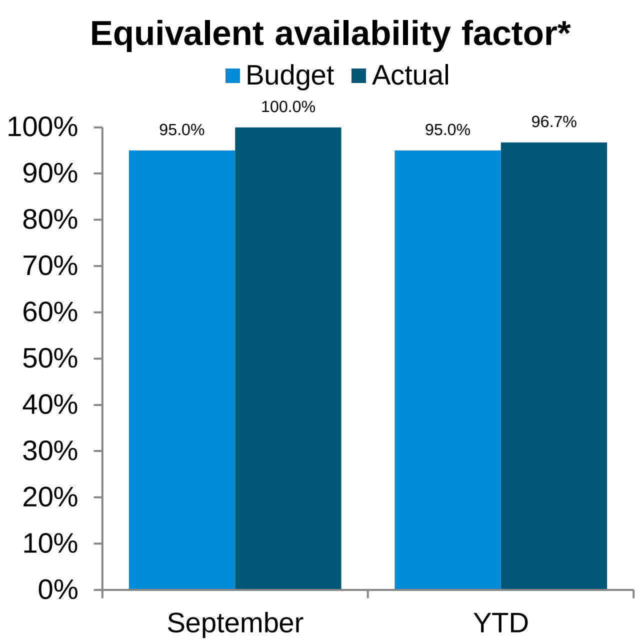
Thermal resources

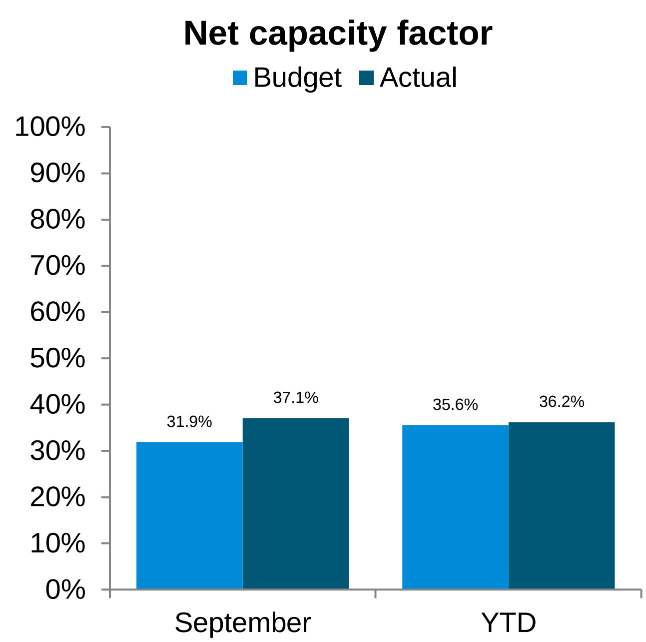
Power generation - Rawhide





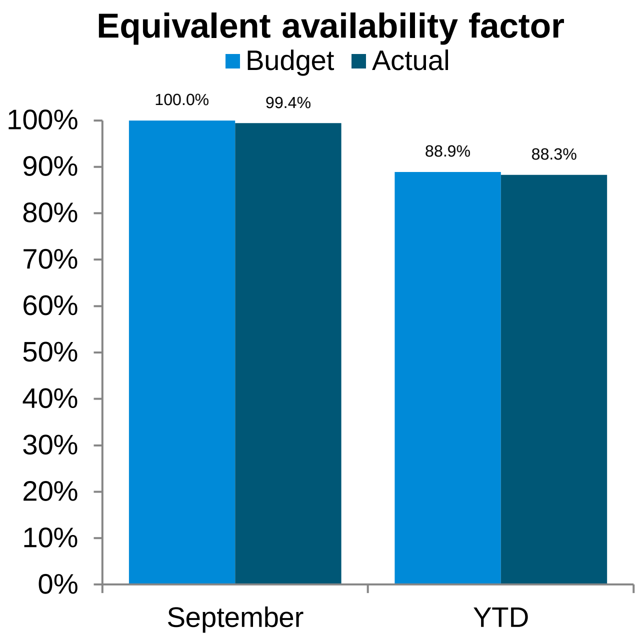
Power generation - Craig

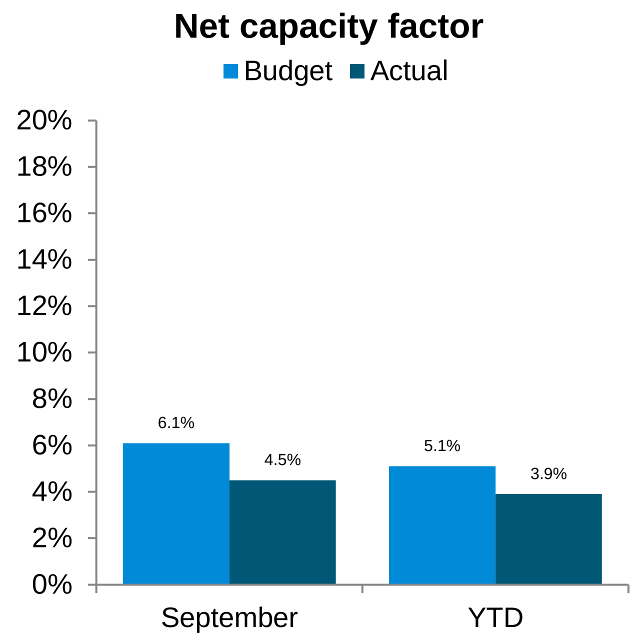




*** Estimated due to a delay of the actual results**

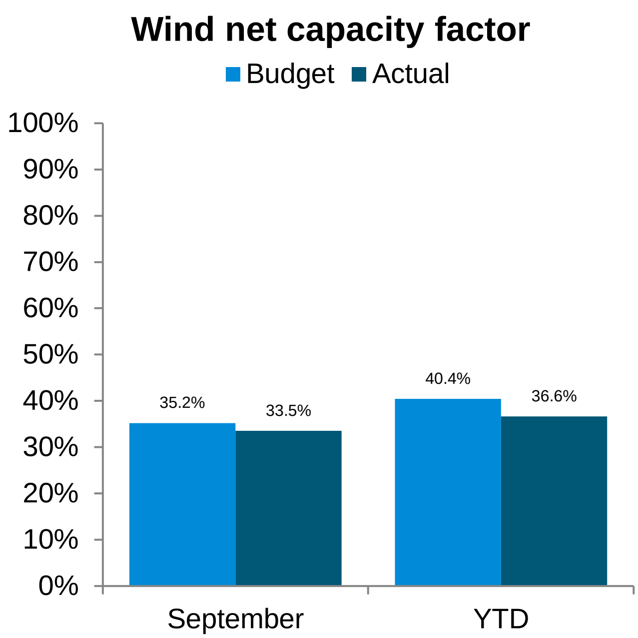
Power generation – combustion turbines

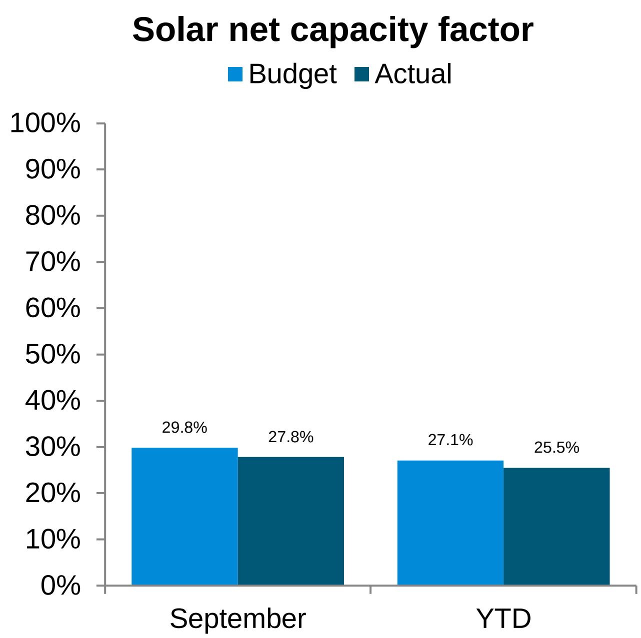




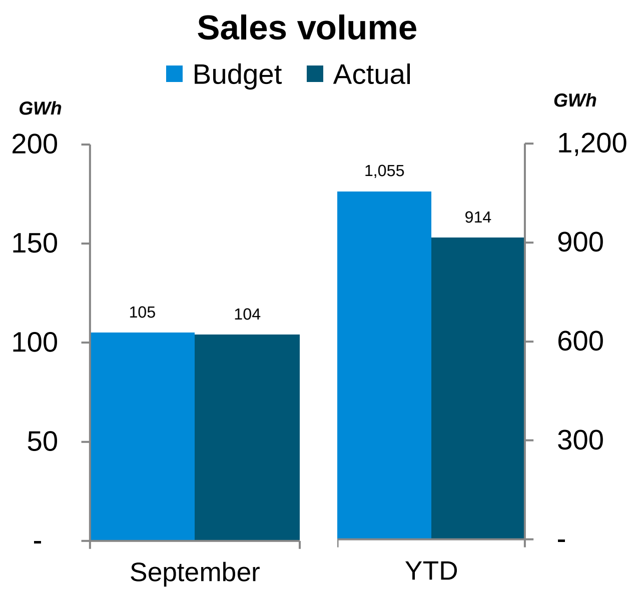
Renewable resources

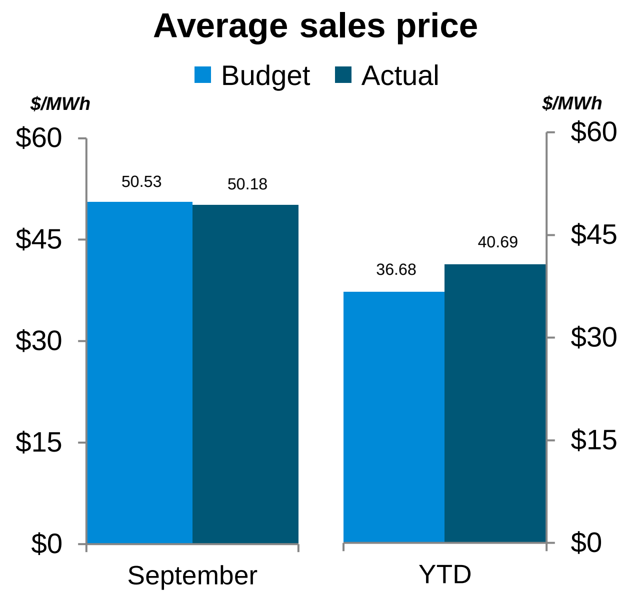
Power generation – wind and solar production



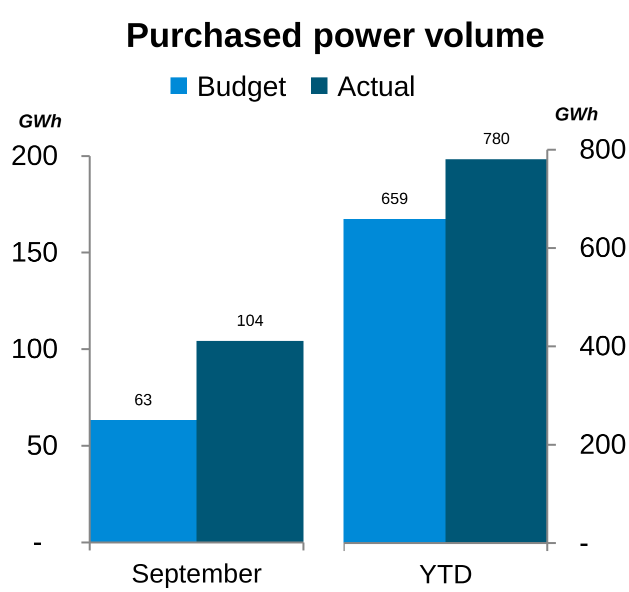


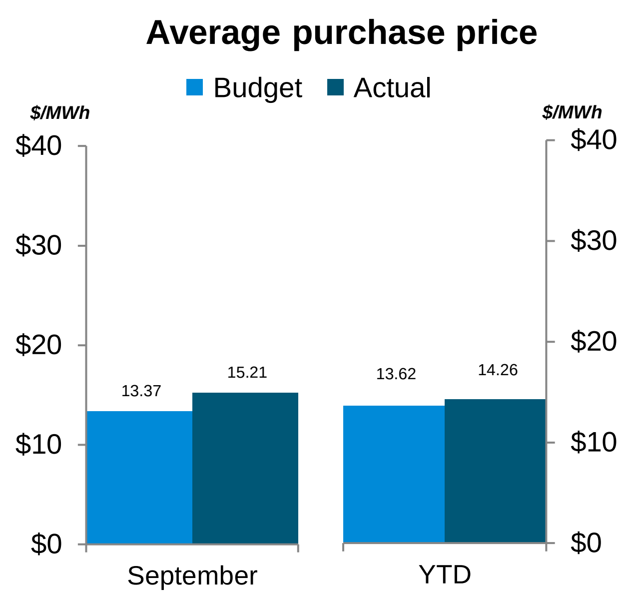
Surplus sales



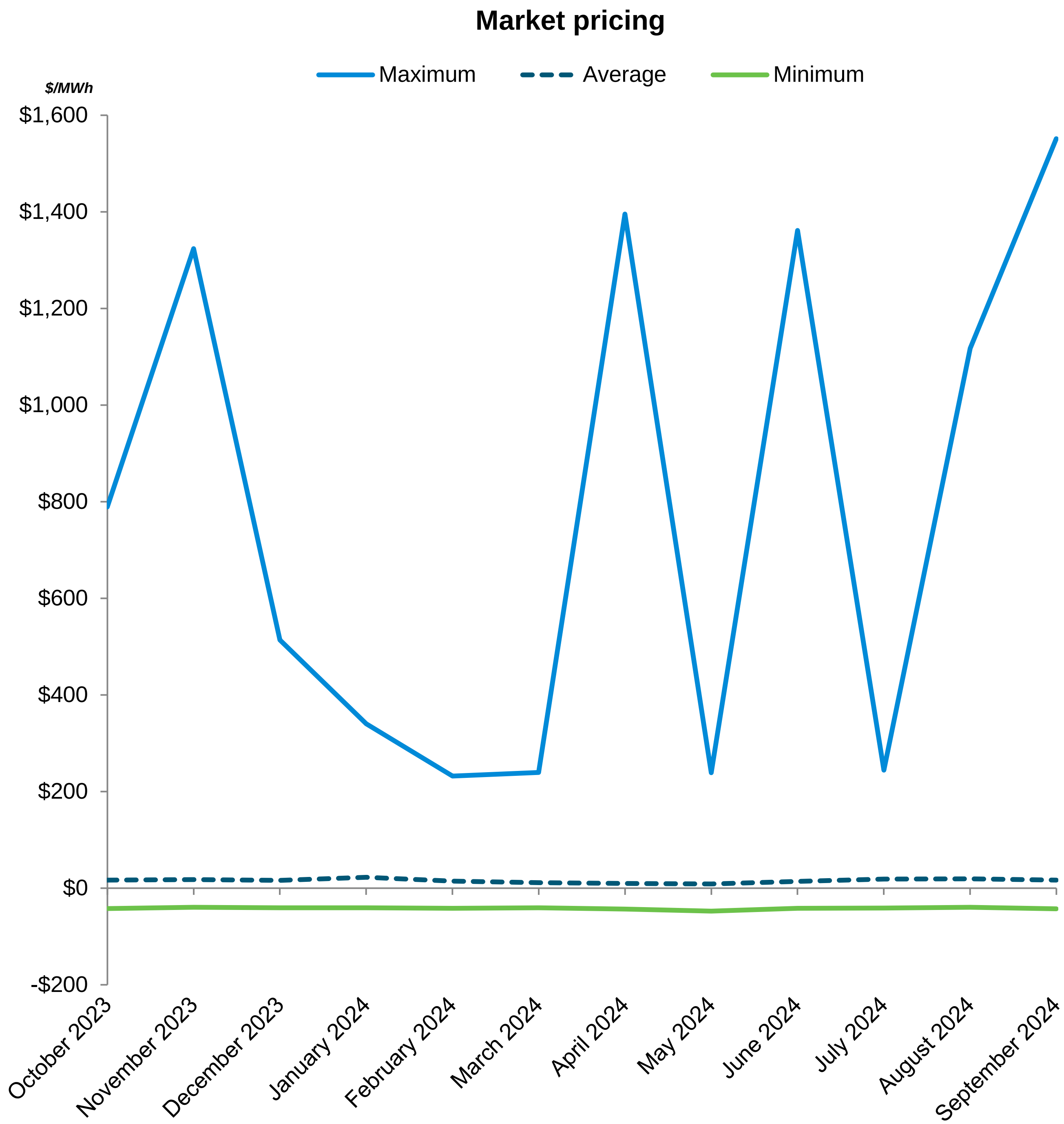


Purchased power

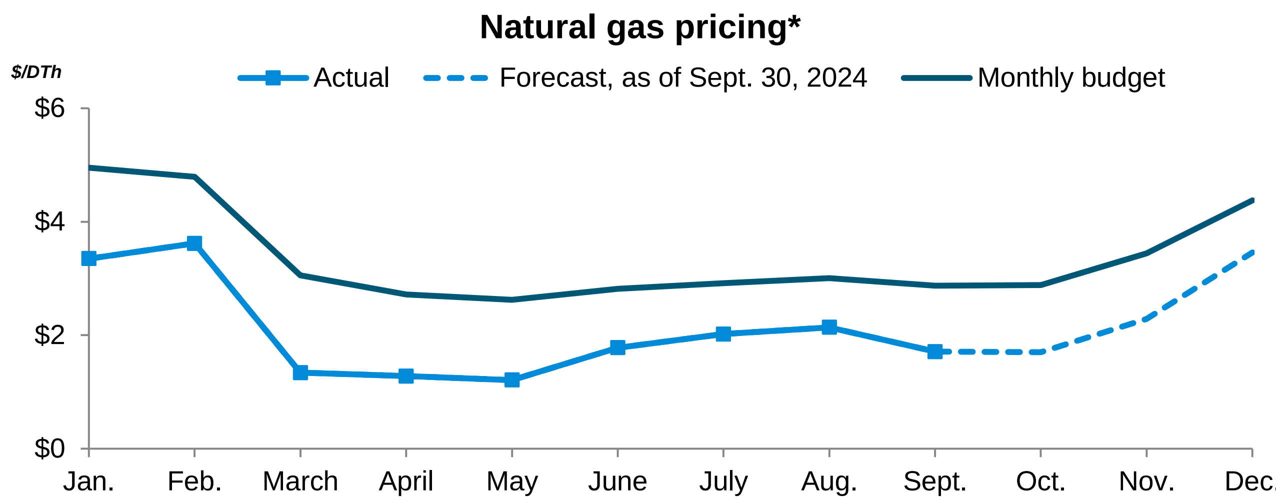




Market pricing



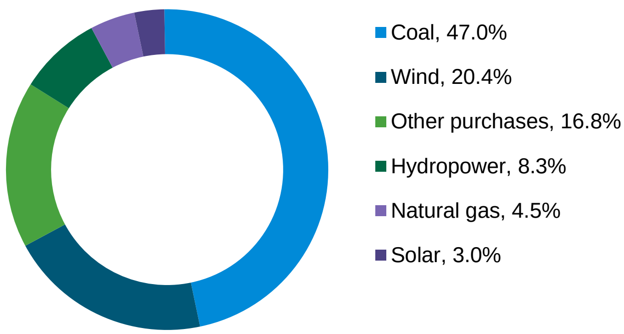
Natural gas pricing



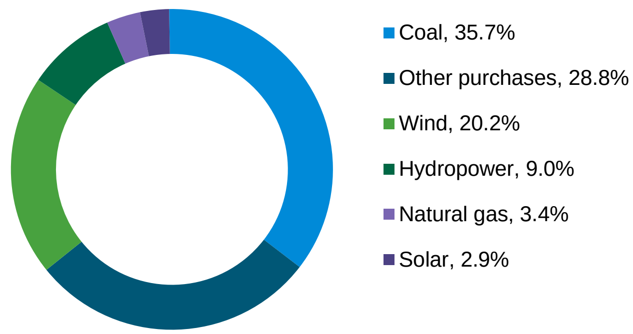
***Forecast based on Argus North American Natural Gas forward curves. Pricing does not include transport.**

Total resources

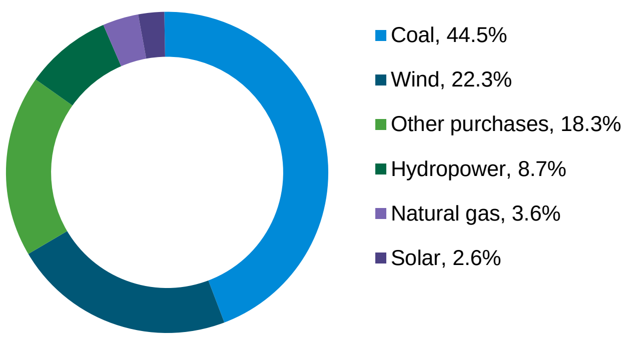
September generation budget



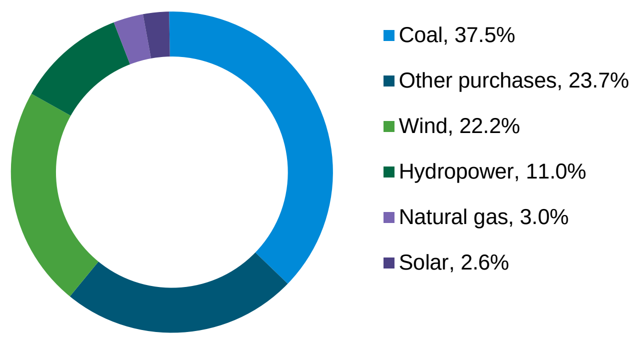
September generation actual

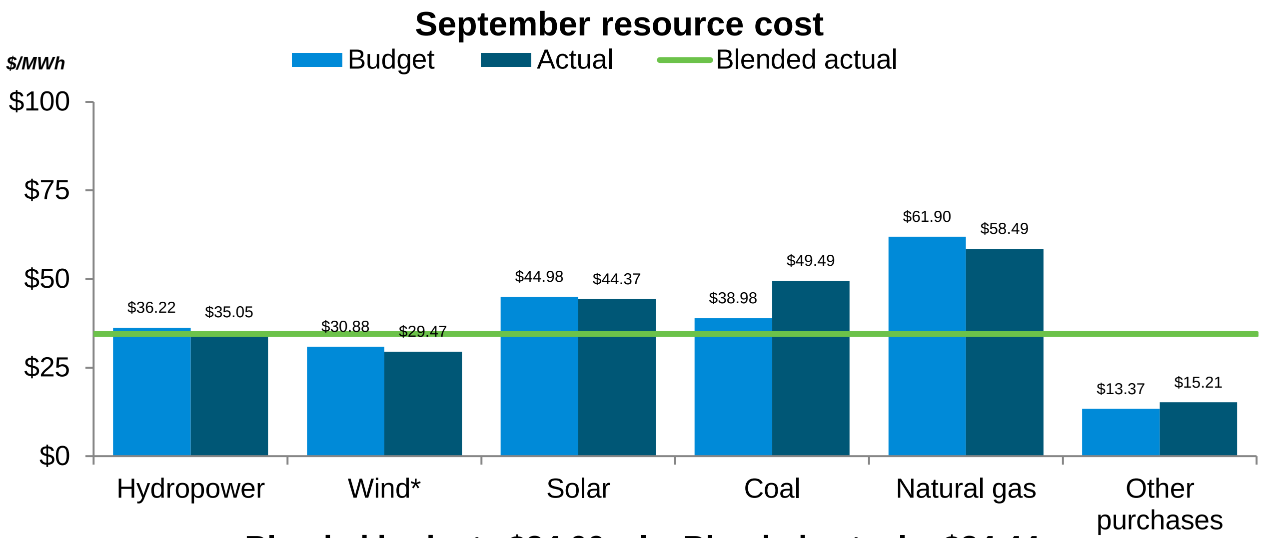


YTD budget

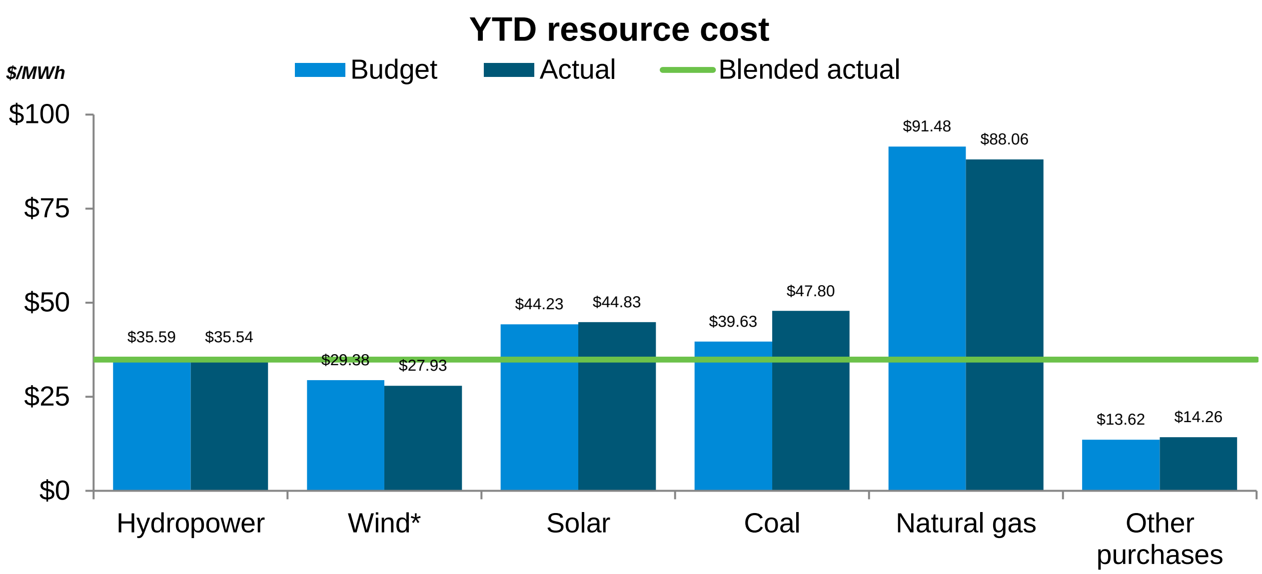


YTD actual





Blended budget $34.00 | Blended actual: $34.44



Blended budget $34.21 | Blended actual: $34.90

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

Platte River Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Financial report

September 2024

Financial highlights year to date

Platte River reported favorable results year to date. Change in net position of $31 million was favorable by $9.1 million compared to budget primarily due to below-budget operating expenses and above-budget unrealized gains on investments and other income, partially offset by below-budget revenues.

Key financial results (1) ($ millions)	September Budget	September Actual		Favorable (unfavorable)		Year to date Budget	Year to date Actual		Favorable (unfavorable)		Annual budget
Change in net position	$ 4.5	$ 5.3	●	$ 0.8	17.8%	$ 21.9	$ 31.0	●	$ 9.1	41.6%	$ 7.3
Fixed obligation charge coverage	3.25x	3.28x	◆	0.03x	0.9%	2.47x	2.69x	●	0.22x	8.9%	1.93x (2)

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

(1) The key financial results for the annual budget reflect projected deferred revenues of $14 million according to the deferred revenue and expense accounting policy discussed in the other financial information section. The actual deferral will be determined at the end of the year.

(2) 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.

Budgetary highlights year to date

The following budgetary highlights are presented on a budgetary basis not in conformity with generally accepted accounting principles (GAAP).

Key budgetary results ($ millions)	September Budget	September Actual		Favorable (unfavorable)		Year to date Budget	Year to date Actual		Favorable (unfavorable)		Annual budget
Total revenues	$ 28.3	$ 27.9	◆	$ (0.4)	(1.4%)	$ 240.5	$ 236.1	◆	$ (4.4)	(1.8%)	$ 313.0
Sales to owner communities	20.4	19.9	■	(0.5)	(2.5%)	180.5	176.0	■	(4.5)	(2.5%)	235.7
Sales for resale - long-term	1.6	1.3	■	(0.3)	(18.8%)	15.8	12.9	■	(2.9)	(18.4%)	20.1
Sales for resale - short-term	4.5	4.7	●	0.2	4.4%	28.8	30.2	●	1.4	4.9%	36.4
Wheeling	0.8	0.9	●	0.1	12.5%	6.8	8.0	●	1.2	17.6%	8.9
Interest and other income	1.0	1.1	●	0.1	10.0%	8.6	9.0	●	0.4	4.7%	11.9
Total operating expenses	$ 19.6	$ 19.3	◆	$ 0.3	1.5%	$ 182.4	$ 172.7	●	$ 9.7	5.3%	$ 242.7
Purchased power	4.8	5.3	■	(0.5)	(10.4%)	47.0	46.1	◆	0.9	1.9%	63.8
Fuel	4.4	3.4	●	1.0	22.7%	39.3	31.6	●	7.7	19.6%	51.1
Production	4.3	4.5	■	(0.2)	(4.7%)	42.6	42.9	◆	(0.3)	(0.7%)	55.8
Transmission	1.8	1.8	◆	-	0.0%	16.3	15.5	●	0.8	4.9%	21.4
Administrative and general	3.3	3.4	■	(0.1)	(3.0%)	27.7	28.3	■	(0.6)	(2.2%)	36.9
Distributed energy resources	1.0	0.9	●	0.1	10.0%	9.5	8.3	●	1.2	12.6%	13.7
Capital additions	$ 3.5	$ 3.5	◆	$ -	0.0%	$ 45.7	$ 69.1	■	$ (23.4)	(51.2%)	$ 53.2
Debt service expenditures	$ 1.6	$ 1.5	●	$ 0.1	6.3%	$ 14.1	$ 14.0	◆	$ 0.1	0.7%	$ 18.7

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

Total revenues, $4.4 million below budget

Key variances greater than 2% or less than (2%)

- **Sales to owner communities** were below budget $4.5 million. Energy revenues were $3.6 million or 3.5% below budget. Demand revenues were $0.9 million or 1.3% below budget as coincident and non-coincident billing demand were below budget 1.4% and 1%, respectively.

- **Sales for resale - long-term** were below budget $2.9 million due to below-budget calls on capacity contracts and below-budget wind generation resold to third parties.

- **Sales for resale - short-term** were above budget $1.4 million as average prices were 14.4% above budget, partially offset by 8.4% below-budget energy volume.

- **Wheeling** was above budget $1.2 million primarily due to above-budget point-to-point transmission sales and a rate increase.

- **Interest and other income** was above budget $0.4 million primarily due to higher interest income earned on investments and a dividend from Trapper Mine.

Total operating expenses, $9.7 million below budget

Key variances greater than 2% or less than (2%)

- **Fuel** was $7.7 million below budget.

  Coal - Rawhide Unit 1 91% of the overall variance, $7 million below budget. Generation was below budget due to lower-cost energy available in the Southwest Power Pool (SPP) Western Energy Imbalance Service (WEIS) market, an unplanned outage and curtailments. Price was below budget due to a lower transportation base rate. Additional fuel was required due to a less efficient heat rate, partially offsetting the below-budget variance.

  Natural Gas 35% of the overall variance, $2.7 million below budget. Generation was below budget primarily due to below-budget calls on capacity contracts and lower-cost energy available in the SPP WEIS market. Price was below budget due to lower market prices.

  Coal - Craig units (26%) of the overall variance, $2 million above budget. Additional fuel was required due to a less efficient heat rate. Price was above budget due to an updated price from Trapper Mine as total projected production from the mine decreased, increasing cost per ton delivered.

- **Distributed energy resources** were $1.2 million below budget due to program consulting services, personnel expenses and slower participation in the commercial and industrial segment, partially offset by increased participation in the residential segment.

- **Purchased power** was $0.9 million below budget. The below-budget expenses include: 1) wind and solar generation, 2) purchased reserves due to a lower rate than anticipated, 3) net energy delivered to Tri-State Generation and Transmission Association, Inc. (Tri-State) under the forced outage assistance agreement prior to the agreement termination in March and 4) bilateral purchases due to below-budget volume and favorable pricing. The above-budget expenses include: 1) market purchases to replace baseload generation during unplanned outages and curtailments, serve sales and to take advantage of lower-cost energy in the SPP WEIS market and 2) hydropower purchases due to favorable water conditions.

- **Production, transmission, and administrative and general** were $0.1 million above budget.

  Personnel was above budget $1.5 million due to payouts at termination, two quarters of full gainshare program payments, increased overtime as a result of additional shift coverage and maintenance, and overall benefits being over-allocated which is adjusted quarterly. Partially offsetting the above budget variance was below-budget regular wages primarily due to vacancies.

  Expenses were below budget $1.4 million. The below-budget expenses include: 1) Rawhide non-routine projects, 2) wheeling, 3) critical infrastructure protection compliance, 4) resource planning initiatives, 5) chemicals, 6) travel and training and 7) general plant and facilities maintenance. The above-budget expenses include: 1) Craig operating expenses, 2) digital consulting services, 3) software and hardware and 4) environmental services. The net below-budget variance is expected to be spent by the end of the year.

Capital additions, $23.4 million above budget

Year-end estimates as of September 2024

The projects listed below are projected to end the year with a budget variance of more than $100,000. In addition, the amounts below are costs for 2024 and may not represent the total cost of the project. Further changes to capital projections are anticipated and staff will continue to monitor spending estimates to ensure capital projects are appropriately funded.

Project ($ thousands)	2024 budget	Estimate	Favorable (unfavorable)	Carryover request
Below budget projects				
Relay panel and breaker replacements - Airport Substation - This project will be below budget due to a delay to align the construction schedule with an existing City of Loveland project occurring in 2025 and 2026. Also, procurement of materials will not occur in 2024 as originally anticipated. *A portion of the below-budget funds will be requested to be carried over into 2025.*	$ 1,827	$ -	$ 1,827	$ 400
Fiber optic cable replacement - Long-Haul East (Loveland to Longmont) - This project will be below budget due to a delay to evaluate final project scope and construction will not begin until 2025. *The below-budget funds will be requested to be carried over into 2025.*	$ 1,826	$ 326	$ 1,500	$ 1,500
* **Enterprise resource planning software** - This project will be below budget as all contingency funds are not needed.	$ 6,719	$ 5,385	$ 1,334	$ -
Transformer T3 replacement - Timberline Substation - This project will be below budget as construction will be delayed until after the higher priority Solar substation 230 kV - Severance Substation project is completed in late 2024. *The below-budget funds will be requested to be carried over into 2025.*	$ 3,521	$ 2,232	$ 1,289	$ 1,289
Compressor blade upgrade - combustion turbine Unit F - This project will be below budget as a different vendor was selected with favorable pricing.	$ 1,861	$ 1,356	$ 505	$ -

Project ($ thousands)	2024 budget	Estimate	Favorable (unfavorable)	Carryover request
Trapper Mine post-mining reclamation - This asset retirement obligation will be below budget due to a shift in timing of reclamation efforts.	$ 933	$ 467	$ 466	$ -
* **Supervisory control and data acquisition and energy management system** - This project will be below budget due to the vendor requiring additional time to remediate issues identified during factory acceptance testing. *The below-budget funds will be requested to be carried over into 2025.*	$ 1,125	$ 792	$ 333	$ 333
* **Evaporative cooling and wet compression - combustion turbine Unit F** - This project will be below budget due to a vendor delay with factory acceptance testing. Commissioning cannot be completed until warmer weather in spring 2025. *The below-budget funds will be requested to be carried over into 2025.*	$ 1,547	$ 1,297	$ 250	$ 250
115 kV transmission line replacement - Drake transmission line - This multiyear project will be below budget due to a scope reduction after testing revealed all structures will not need to be replaced. *The below-budget funds will be requested to be carried over into 2025.*	$ 364	$ 164	$ 200	$ 200
** **Operations analytics software** - This project will be below budget due to final contract costs being less than anticipated.	$ 480	$ 300	$ 180	$ -
* **Dust collection system replacement - crusher building** - This project will be below budget in 2024 due to the project schedule shifting to later in 2025 to align with the major outage timeline. *The below-budget funds will be requested to be carried over into 2025.*	$ 222	$ 85	$ 137	$ 137
Switchgear replacement - Soldier Canyon Pump Station - This project will be below budget due to long lead times for equipment. Additional funds were requested in 2024 related to price escalations for labor and materials. The scope was also increased to include variable frequency drives for each pump. *The below-budget funds and additional funds will be requested to be carried over into 2025.*	$ 209	$ 81	$ 128	$ 258
Switch and capacitor coupled voltage transformer replacements - Timberline Substation - This project will be below budget as it is delayed until after the transformer work at Timberline Substation, which is not expected until early 2025. The revised project schedule will gain efficiencies with contractor mobilization and outages. *The below-budget funds will be requested to be carried over into 2025.*	$ 211	$ 102	$ 109	$ 109
** **Dust collection system replacement - coal transfer building** - This project will be below budget in 2024 due to the project schedule shifting to later in 2025 to align with the major outage timeline. *The below-budget funds will be requested to be carried over into 2025.*	$ 191	$ 85	$ 106	$ 106
Above budget projects				
Aeroderivative combustion turbines - Rawhide - This project will be above budget due to a required 15% down payment to initiate the manufacturing process of the new combustion turbines due to long lead times.	$ 4,606	$ 39,380	$ (34,774)	$ -

Project ($ thousands)	2024 budget	Estimate	Favorable (unfavorable)	Carryover request
Solar substation 230 kV - Severance Substation - This project will be above budget due to design and cost increases. Primary cost drivers include professional services, land rights and crossing agreements, grading materials, substation materials and substation construction services.	$ 10,156	$ 19,857	$ (9,701)	$ -
* **Bay connection and transmission line to Severance Substation - noncarbon resources** - This project will be above budget due to procurement of materials occurring in 2024 rather than 2025. Alignment with the Solar substation 230 kV - Severance Substation project this year will allow efficiencies with project labor. Total multiyear project costs are expected to decrease slightly.	$ 1,529	$ 2,004	$ (475)	$ -
* **Fiber optic cable replacement** - **Long Haul East (Fort Collins to Loveland)** - This project will be above budget due to additional construction to utilize an existing ditch crossing and increased costs for subsurface engineering requirements.	$ 404	$ 704	$ (300)	$ -
Gas control valve replacement - **combustion turbine Unit C** - This project will be above budget due to increases for additional electrical components, third party electrical design and retuning of the combustion turbine.	$ 452	$ 592	$ (140)	$ -
** **Network replacement headquarters** - This project will be above budget due to increases in equipment costs.	$ 345	$ 449	$ (104)	$ -
Out-of-budget projects				
Mechanical pond pumps and control valves - headquarters - This project will replace the mechanical system pond pumps and control valves to improve building heating and cooling during peak seasons.	$ -	$ 253	$ (253)	$ -
FlexStart and FlexRamp upgrade - **combustion turbine Unit F** - This project will install upgrades to enable faster start times and greater ramp flexibility of combustion turbine Unit F.	$ -	$ 168	$ (168)	$ -
Radio upgrades - **Rawhide** - This project will upgrade the radio repeaters and include radio handsets in order to provide a priority interrupt feature and allow coverage in all areas of the plant in case of emergency situations.	$ -	$ 107	$ (107)	$ -
Delayed projects				
Distributed energy resources management system - This project will be delayed to allow additional time for scope development, the request for proposal process and vendor selection. *The below-budget funds will be requested to be carried over into 2025.*	$ 2,485	$ -	$ 2,485	$ 2,485
Circuit breakers replacement 592, 596 - Ault Substation WAPA - This project will be delayed due to a change in WAPA's schedule. *The below-budget funds will be requested to be carried over into 2025.*	$ 878	$ -	$ 878	$ 878
Circuit breakers replacement 492, 1092, 3124, 3224 - Ault Substation WAPA - This project will be delayed due to a change in WAPA's schedule. *The below-budget funds will be requested to be carried over into 2025.*	$ 752	$ -	$ 752	$ 752

Project ($ thousands)	2024 budget	Estimate	Favorable (unfavorable)	Carryover request
Infrastructure automation - This project will be delayed due to internal resources shifting to higher priority projects. *The below-budget funds will be requested to be carried over into 2025.*	$ 130	$ -	$ 130	$ 130
Switch 2089 replacement - **Boyd Substation** - This project will be delayed due to internal resources shifting to higher priority projects. *The below-budget funds will be requested to be carried over into 2025.*	$ 108	$ -	$ 108	$ 108
Canceled projects				
Transformer nitrogen generator - **Rawhide Unit 1** - This project was canceled. The nitrogen bottles will be replaced as an operating expense rather than installation of a nitrogen generator which is more economical with the remaining life of Rawhide Unit 1.	$ 152	$ -	$ 152	$ -

* Project details or amounts have changed since last report.

** Project is new to the report.

Debt service expenditures, $0.1 million below budget

Debt service expenditures include principal and interest expense for power revenue bonds and for lease and subscription liabilities.

Debt service expenditures ($ thousands)	September Budget	September Actual		Favorable (unfavorable)		Year to date Budget	Year to date Actual		Favorable (unfavorable)		Annual budget
Total principal	$ 1,200	$ 1,165	●	$ 35	2.9%	$10,487	$10,438	◆	$ 49	0.5%	$14,015
Power revenue bonds	1,117	1,117	◆	-	0.0%	9,796	9,796	◆	-	0.0%	13,146
Lease and subscription liabilities	83	48	●	35	42.2%	691	642	●	49	7.1%	869
Total interest expense	$ 366	$ 369	◆	$ (3)	(0.8%)	$ 3,565	$ 3,580	◆	$ (15)	(0.4%)	$ 4,667
Power revenue bonds	366	366	◆	-	0.0%	3,544	3,544	◆	-	0.0%	4,642
Lease and subscription liabilities	-	3	●	(3)	-	21	36	■	(15)	(71.4%)	25
Total debt service expenditures	$ 1,566	$ 1,534	◆	$ 32	2.0%	$14,052	$14,018	◆	$ 34	0.2%	$18,682

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

The outstanding principal for Series JJ and KK represents debt associated with transmission assets ($93 million) and the Rawhide Energy Station ($20.1 million). Principal and interest payments are made June 1 and interest only payments are made Dec. 1. The table below shows current debt outstanding.

Series	Debt outstanding ($ thousands)	Par issued ($ thousands)	True interest cost	Maturity date	Callable date	Purpose
Series JJ - April 2016	$ 90,590	$ 147,230	2.2%	6/1/2036	6/1/2026	$60M new money for Rawhide & transmission projects & refund portion of Series HH ($13.7M NPV/12.9% savings)
Series KK - December 2020	22,490	$ 25,230	1.6%	6/1/2037	N/A*	Refund a portion of Series II ($6.5M NPV/27.6% savings)
Total par outstanding	113,080					
Unamortized bond premium	8,045					
Total revenue bonds outstanding	121,125					
Less: due within one year	(13,400)					
Total long-term debt, net	$ 107,725					

Fixed rate bond premium costs are amortized over the terms of the related bond issues.

*Series KK is subject to prior redemption, in whole or in part as selected by Platte River, on any date.

Projected results

The current estimate for year-end change in net position prior to deferring revenues ranges from $23.5 million to $34.6 million. Based on current assumptions, the expected change in net position prior to deferring revenues is $29.7 million. The table below compares the expected scenario to the annual budget and calculates the amount of deferred revenues under this scenario. This amount will vary as actual outcomes will differ from assumptions.

Change in net position before deferral: annual budget	Change in net position before deferral: expected	Variance ($)	Variance (%)	Projected deferred revenue (1)	Change in net position after deferred revenues
$ 21.3	$ 29.7	$ 8.4	39%	$ 22.7	$ 7.0

Amounts above are in millions

(1) The projected deferred revenue is based on maintaining the Strategic Financial Plan metrics.

The expected projection includes overall lower operating expenses partially offset by lower operating revenues.

Operating revenues

- **Sales to the owner communities and sales for resale - long-term** are anticipated to end the year below budget. Owner community load and peak demand is expected to be below budget. Resource availability and market conditions and are also contributing to the lower anticipated calls on capacity contracts.
- **Sales for resale - short-term** are anticipated to end the year above budget due to stronger pricing expected in the bilateral market**.**
- **Deferred regulatory revenues** are anticipated to end the year above budget due to projected results being better than planned.

Operating expenses

- **Purchased power** is anticipated to be above budget at the end of the year as purchases replace baseload generation.
- **Fuel** is anticipated to be below budget at the end of the year as baseload generation is replaced with purchases.
- **Other operating expenses** are anticipated to end the year near budget.
- **Depreciation, amortization and accretion** are anticipated to end the year below budget primarily due to timing differences in budgeted and actual in service dates for new assets, partially offset by additional amortization for asset retirement obligations as cost estimates have increased and one Rawhide Energy Station impoundment is planned to be closed earlier than previously expected.

Nonoperating revenues (expenses)

- **Nonoperating revenues** are expected to end the year above budget due to an expected change in accounting for long-haul fiber and unrealized gains on the investment portfolio.

The results have uncertainty primarily because of the unpredictability of bilateral sales and the energy imbalance market. At this time, operating expenses and debt service expenditures are expected to end the year below budget. However, capital additions are above budget as discussed in the contingency appropriation section.

Contingency appropriation

$56 million reserved to board

Capital additions are above the annual budget. A budget contingency appropriation, currently estimated of $42.5 million as shown below, will be required to cover the additional expenditures in 2024. Staff will evaluate the budgetary results at the end of the year and apply the contingency appropriation accordingly.

Capital summary	$ millions	
2024 estimated capital expenses	$	86.7
2024 capital budget		53.2
Above budget variance	$	33.5
Estimated capital carryovers from 2024 to 2025		9.0
Estimated contingency transfer required	**$**	**42.5**

Other financial information

- **Deferred revenue and expense accounting policy** - This policy allows deferring revenues and expenses to reduce rate pressure and achieve rate smoothing during the resource transition to meet the Resource Diversification Policy goal. Staff will evaluate the financial statements at the end of the year and apply the policy accordingly, which would impact the change in net position.

- **Change in depreciation method accounting policy** - This policy allows for recognition of gains and losses on retirement of capital assets under the specific identification method to achieve rate smoothing and recovery. Under this method, gains and losses on retirement of capital assets will accumulate for a year and the net gain or loss will either be recognized in a single year or amortized over a specified period not to exceed 10 years. Staff will evaluate the financial statements at the end of the year and apply the policy accordingly, which would impact the change in net position.

- **Forced outage assistance agreement** - This agreement, which involved Platte River's Rawhide Unit 1 and Tri-State's Craig Unit 3, provided that each party supply replacement energy to the other party during a forced outage of either unit. The agreement was terminated on the expiration date of March 31, 2024. Upon termination of the agreement, the Energy Account Balance was reduced to zero and Tri-State was invoiced $1 million.

- **Accounting standard** - Platte River is subject to the updated recognition and measurement guidance for compensated absences under GASB 101 *Compensated Absences*. Results presented in the financial statements may not represent full implementation of the standard as staff evaluates the impact. Implementation will occur during 2024.
- **Excess coal sale** - Platte River sold $2.4 million of excess coal from the stockpile at the Craig Station in April resulting in no gain or loss.

Budget schedules

Schedule of revenues and expenditures, budget to actual

September 2024

Non-GAAP budgetary basis (in thousands)

	Month of September		Favorable
	Budget	**Actual**	(unfavorable)
Revenues			
Operating revenues			
Sales to owner communities	$ 20,463	**$ 19,942**	$ (521)
Sales for resale - long-term	1,554	**1,307**	(247)
Sales for resale - short-term	4,505	**4,657**	152
Wheeling	762	**823**	61
Total operating revenues	27,284	**26,729**	(555)
Other revenues			
Interest income[1]	1,038	**917**	(121)
Other income	4	**259**	255
Total other revenues	1,042	**1,176**	134
Total revenues	$ 28,326	**$ 27,905**	$ (421)
Expenditures			
Operating expenses			
Purchased power	$ 4,773	**$ 5,282**	$ (509)
Fuel	4,368	**3,388**	980
Production	4,256	**4,458**	(202)
Transmission	1,804	**1,841**	(37)
Administrative and general	3,329	**3,394**	(65)
Distributed energy resources	1,041	**917**	124
Total operating expenses	19,571	**19,280**	291
Capital additions			
Production	1,577	**453**	1,124
Transmission	526	**1,609**	(1,083)
General	1,330	**1,350**	(20)
Asset retirement obligations	78	**49**	29
Total capital additions	3,511	**3,461**	50
Debt service expenditures			
Principal	1,200	**1,165**	35
Interest expense	366	**369**	(3)
Total debt service expenditures	1,566	**1,534**	32
Total expenditures	$ 24,648	**$ 24,275**	$ 373
Revenues less expenditures	$ 3,678	**$ 3,630**	$ (48)

[1] Excludes unrealized holding gains and losses on investments.

Schedule of revenues and expenditures, budget to actual

September 2024 year-to-date

Non-GAAP budgetary basis (in thousands)

	September year to date Budget	September year to date Actual	Favorable (unfavorable)	Annual budget
Revenues				
Operating revenues				
Sales to owner communities	$ 180,456	**$ 175,981**	$ (4,475)	$ 235,737
Sales for resale - long-term	15,816	**12,944**	(2,872)	20,086
Sales for resale - short-term	28,751	**30,122**	1,371	36,356
Wheeling	6,809	**8,050**	1,241	8,942
Total operating revenues	231,832	**227,097**	(4,735)	301,121
Other revenues				
Interest income[1]	8,375	**8,520**	145	11,569
Other income	278	**526**	248	282
Total other revenues	8,653	**9,046**	393	11,851
Total revenues	$ 240,485	**$ 236,143**	$ (4,342)	$ 312,972
Expenditures				
Operating expenses				
Purchased power	$ 47,005	**$ 46,037**	$ 968	$ 63,776
Fuel	39,338	**31,618**	7,720	51,119
Production	42,608	**42,900**	(292)	55,842
Transmission	16,266	**15,486**	780	21,412
Administrative and general	27,718	**28,347**	(629)	36,863
Distributed energy resources	9,492	**8,314**	1,178	13,664
Total operating expenses	182,427	**172,702**	9,725	242,676
Capital additions				
Production	10,044	**39,682**	(29,638)	12,363
Transmission	19,596	**20,386**	(790)	21,957
General	15,404	**8,700**	6,704	17,979
Asset retirement obligations	699	**363**	336	933
Total capital additions	45,743	**69,131**	(23,388)	53,232
Debt service expenditures				
Principal	10,487	**10,438**	49	14,015
Interest expense	3,565	**3,580**	(15)	4,667
Total debt service expenditures	14,052	**14,018**	34	18,682
Total expenditures	$ 242,222	**$ 255,851**	$ (13,629)	$ 314,590
Contingency reserved to board	-	**-**	-	56,000
Total expenditures and contingency	$ 242,222	**$ 255,851**	$ (13,629)	$ 370,590
Revenues less expenditures and contingency	$ (1,737)	**$ (19,708)**	$ (17,971)	$ (57,618)

[1] Excludes unrealized holding gains and losses on investments.

Financial statements

Statements of net position

Unaudited (in thousands)

	September 30 2024	September 30 2023
Assets		
Electric utility plant, at original cost		
Land and land rights	**$ 19,446**	$ 19,446
Plant and equipment in service	**1,489,315**	1,473,060
Less: accumulated depreciation and amortization	**(1,006,751)**	(965,636)
Plant in service, net	**502,010**	526,870
Construction work in progress	**91,804**	31,069
Total electric utility plant	**593,814**	557,939
Special funds and investments		
Restricted funds and investments	**18,422**	17,645
Dedicated funds and investments	**159,583**	165,309
Total special funds and investments	**178,005**	182,954
Current assets		
Cash and cash equivalents	**51,033**	61,499
Other temporary investments	**52,384**	45,248
Accounts receivable - owner communities	**19,902**	19,140
Accounts receivable - other	**7,169**	9,822
Fuel inventory, at last-in, first-out cost	**21,519**	15,126
Materials and supplies inventory, at average cost	**18,528**	17,054
Prepayments and other assets	**5,958**	7,665
Total current assets	**176,493**	175,554
Noncurrent assets		
Regulatory assets	**130,135**	128,776
Other long-term assets	**8,614**	7,122
Total noncurrent assets	**138,749**	135,898
Total assets	**1,087,061**	1,052,345
Deferred outflows of resources		
Deferred loss on debt refundings	**1,767**	2,479
Pension deferrals	**9,787**	14,849
Asset retirement obligations	**25,071**	25,534
Total deferred outflows of resources	**36,625**	42,862
Liabilities		
Noncurrent liabilities		
Long-term debt, net	**107,725**	123,265
Net pension liability	**28,274**	30,520
Other long-term obligations	**93,406**	94,295
Lease and subscription liabilities	**325**	916
Asset retirement obligations	**36,964**	33,040
Other liabilities and credits	**12,888**	7,958
Total noncurrent liabilities	**279,582**	289,994
Current liabilities		
Current maturities of long-term debt	**13,400**	12,790
Current portion of other long-term obligations	**889**	889
Current portion of lease and subscription liabilities	**668**	338
Current portion of asset retirement obligations	**933**	1,547
Accounts payable	**17,603**	16,615
Accrued interest	**1,464**	1,665
Accrued liabilities and other	**6,892**	5,429
Total current liabilities	**41,849**	39,273
Total liabilities	**321,431**	329,267
Deferred inflows of resources		
Deferred gain on debt refundings	**103**	116
Regulatory credits	**103,272**	72,810
Pension deferrals	**-**	287
Lease deferrals	**704**	852
Total deferred inflows of resources	**104,079**	74,065
Net position		
Net investment in capital assets	**465,199**	408,293
Restricted	**16,958**	15,980
Unrestricted	**216,019**	267,602
Total net position	**$ 698,176**	$ 691,875

Note: Certain previously stated line items have been updated or reclassified to conform with final audited financial statements including restatement of prior year where applicable.

Statements of revenues, expenses and changes in net position

Unaudited (in thousands)

	Month of September	September year to date 2024	September year to date 2023
Operating revenues			
Sales to owner communities	**$ 19,942**	**$ 175,981**	$ 166,737
Sales for resale	**5,964**	**43,066**	48,750
Wheeling	**823**	**8,050**	7,037
Total operating revenues	**26,729**	**227,097**	222,524
Operating expenses			
Purchased power	**5,282**	**46,037**	44,790
Fuel	**3,388**	**31,618**	33,980
Operations and maintenance	**6,278**	**58,700**	56,448
Administrative and general	**3,417**	**28,704**	22,998
Distributed energy resources	**920**	**8,358**	5,549
Depreciation, amortization and accretion	**3,894**	**32,279**	29,669
Total operating expenses	**23,179**	**205,696**	193,434
Operating income	**3,550**	**21,401**	29,090
Nonoperating revenues (expenses)			
Interest income	**883**	**8,345**	5,220
Other income	**259**	**526**	311
Interest expense	**(369)**	**(3,580)**	(3,984)
Amortization of bond financing costs	**111**	**997**	1,107
Net increase in fair value of investments	**819**	**3,302**	2,208
Total nonoperating revenues (expenses)	**1,703**	**9,590**	4,862
Change in net position	**5,253**	**30,991**	33,952
Net position at beginning of period, as previously reported	**692,923**	**667,185**	657,923
Net position at end of period	**$ 698,176**	**$ 698,176**	$ 691,875

Note: Certain previously stated line items have been updated or reclassified to conform with final audited financial statements including restatement of prior year where applicable.

Statements of cash flows

Unaudited (in thousands)

	Month of September	September year to date 2024	September year to date 2023
Cash flows from operating activities			
Receipts from customers	**$ 29,671**	**$ 223,620**	$ 222,429
Payments for operating goods and services	**(12,906)**	**(126,767)**	(128,098)
Payments for employee services	**(4,538)**	**(46,913)**	(40,758)
Net cash provided by operating activities	**12,227**	**49,940**	53,573
Cash flows from capital and related financing activities			
Additions to electric utility plant	**(1,665)**	**(67,066)**	(15,448)
Payments from accounts payable incurred for electric utility plant additions	**(447)**	**(2,136)**	(3,493)
Proceeds from disposal of electric utility plant	**-**	**46**	55
Principal payments on long-term debt	**-**	**(12,790)**	(12,215)
Interest payments on long-term debt	**-**	**(2,497)**	(2,784)
Payments related to other long-term obligations	**-**	**(5,390)**	(4,145)
Payments on lease and subscription liabilities	**(51)**	**(678)**	-
Net cash used in capital and related financing activities	**(2,163)**	**(90,511)**	(38,030)
Cash flows from investing activities			
Purchases and sales of temporary and restricted investments, net	**(2,054)**	**11,660**	(7,588)
Interest and other income, including realized gains and losses	**1,172**	**9,224**	5,527
Net cash (used in)/provided by investing activities	**(882)**	**20,884**	(2,061)
Increase/(decrease) in cash and cash equivalents	**9,182**	**(19,687)**	13,482
Balance at beginning of period in cash and cash equivalents	**41,851**	**70,720**	48,017
Balance at end of period in cash and cash equivalents	**$ 51,033**	**$ 51,033**	$ 61,499
Reconciliation of net operating income to net cash provided by operating activities			
Operating income	**$ 3,550**	**$ 21,401**	$ 29,090
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	**3,423**	**30,854**	30,350
Amortization	**(130)**	**(3,352)**	(4,231)
Operating expenses relating to other long-term obligations	**241**	**2,166**	2,166
Changes in assets and liabilities that provided/(used) cash			
Accounts receivable	**2,942**	**(2,682)**	1,865
Fuel and materials and supplies inventories	**(669)**	**(2,418)**	(6,247)
Prepayments and other assets	**215**	**256**	(1,285)
Regulatory assets	**96**	**867**	(401)
Deferred outflows of resources	**475**	**1,301**	(218)
Accounts payable	**610**	**(6,553)**	(4,503)
Asset retirement obligations	**(49)**	**1,982**	1,302
Other liabilities	**1,090**	**2,588**	2,421
Deferred inflows of resources	**433**	**3,530**	3,264
Net cash provided by operating activities	**$ 12,227**	**$ 49,940**	$ 53,573
Noncash capital and related financing activities			
Additions of electric utility plant through incurrence of accounts payable	**1,747**	**1,747**	253
Additions of electric utility plant through leasing and subscription	**-**	**132**	-
Amortization of regulatory asset (debt issuance costs)	**6**	**55**	60
Amortization of bond premiums, deferred loss and deferred gain on refundings	**(117)**	**(1,052)**	(1,167)

Note: Certain previously stated line items have been updated or reclassified to conform with final audited financial statements including restatement of prior year where applicable.

Schedule of net revenues for bond service and fixed obligations

Unaudited (in thousands)

Bond service coverage	Month of September	September year to date 2024	September year to date 2023
Net revenues			
Operating revenues	**$ 26,729**	**$ 227,097**	$ 222,524
Operations and maintenance expenses, excluding depreciation, amortization and accretion	**19,285**	**173,417**	163,765
Net operating revenues	**7,444**	**53,680**	58,759
Plus interest income on bond accounts and other income [1]	**1,176**	**9,046**	5,562
Net revenues before rate stabilization	**8,620**	**62,726**	64,321
Rate stabilization			
Deposits	-	-	-
Withdrawals	-	-	-
Total net revenues	**$ 8,620**	**$ 62,726**	$ 64,321
Bond service			
Power revenue bonds	**$ 1,483**	**$ 13,340**	$ 13,337
Coverage			
Bond service coverage ratio	**5.81**	**4.70**	4.82

Fixed obligation charge coverage	Month of September	September year to date 2024	September year to date 2023
Total net revenues, above	**$ 8,620**	**$ 62,726**	$ 64,321
Fixed obligation charges included in operating expenses [2]	**1,571**	**14,856**	15,109
Adjusted net revenues before fixed obligation charges	**$ 10,191**	**$ 77,582**	$ 79,430
Fixed obligation charges			
Power revenue bonds, above	**$ 1,483**	**$ 13,340**	$ 13,337
Fixed obligation charges [2][3]	**1,622**	**15,534**	15,109
Total fixed obligation charges	**$ 3,105**	**$ 28,874**	$ 28,446
Coverage			
Fixed obligation charge coverage ratio	**3.28**	**2.69**	2.79

[1] Excludes unrealized holding gains and losses on investments.

[2] Fixed obligation charges included in operating expenses are debt-like obligation payments including those for demand or capacity on contracted assets and any debt service associated with off-balance sheet obligations.

[3] This value also includes lease and subscription debt service expenditures which are not included in operating expenses.

Note: Certain previously stated line items have been updated to accord with the Strategic Financial Plan as adopted by the board in December 2023

Platte River
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

General management report

September 2024

Business Strategies

Communications, marketing and external affairs

For the September period, communications, marketing and external affairs staff:

Communications

- Social media highlights:
  - National Preparedness Month series (link: example)
  - Sept. 11 remembrance (link)
  - IT Professionals Day (link)
  - World Water Monitoring Day (link)
  - National Drive Electric Week series (link: example)
  - National Clean Energy Week (link)
  - Emergency response team feature (link)

Community relations

- Participated in City of Fort Collins' Open Streets with the Colorado State University Energy Institute.
- Hosted a fundraiser for the Food Bank for Larimer County in honor of Hunger Action Month. Employees donated 255 lbs. of food and raised $1,677. In addition, eight staff members donated their time and volunteered at the downtown Fort Collins Food Bank.
- The community support and involvement committee approved the following donations:
  - La Familia - $2,000
  - Crossroads Safehouse - $1,000
  - McKee Wellness Foundation - $3,500

Marketing

- Continued the *Giving You the Power* campaign to all four owner communities via digital and traditional tactics, including: broadcast radio and television, print ads in local newspapers, digital and vinyl billboards, digital advertising, YouTube videos, streaming video, Facebook, and Instagram.
- The *Giving You the Power* campaign recorded more than four million impressions during the month, and outperformed industry standards for display advertising, paid search, YouTube streaming and digital video streaming through 9News. This data is used to inform tactics for future campaigns to ensure maximum impact in Platte River's owner communities.

- Developed and launched four campaigns for Efficiency Works:
    - An overall brand awareness marketing campaign, encompassing radio and streaming ads, print media, digital platforms and social media. The campaign will run through the end of the year.
    - A marketing campaign for the Efficiency Works Business program, highlighting a limited-time 25% bonus on eligible rebates. The campaign targets commercial customers and spans radio and television ads, print media, digital platforms and social media.
    - A marketing campaign for the Efficiency Works Homes program, highlighting the $500 bundling bonus rebate. The campaign targets eligible residential customers and spans print media, digital platforms and social media.
    - A digital marketing campaign for National Drive Electric Week promoting the Efficiency Works electric vehicle (EV) Shopping tool and Fleet Planner tool.
- Refreshed the existing digital marketing campaign for the Efficiency Works appliance recycling program with new, creative content, targeting residential customers.
- Developed a student education video for the Think! Energy with Efficiency Works program, focused on energy efficiency and how Platte River provides electricity to its owner communities. It discusses the importance of using energy wisely, decarbonization, and the benefits of electrifying homes and businesses to reduce fossil fuel emissions. The video is posted on the Think! Energy website (link).

External affairs

- Conducted Integrated Resource Plan (IRP) presentations for:
    - Foothills Rotary
    - Regional Air Quality Council
    - Loveland City Council
- Continued legislative stakeholder meetings ahead of the 2025 legislative session with:
    - Senators Chris Hansen and Barbara Kirkmeyer
    - Representatives Cathy Kipp, Karen McCormick, and Judy Amabile
    - House candidates Yara Zokaie and Lori Garcia Sander
    - Government affairs staff from Black Hills, CORE Electric Cooperative and Colorado Municipal League
- Participated in a utilities’ wildfire legislative working group to discuss proactively proposing legislation next legislative session on utilities’ liability in wildfire events.
- Attended Southwest Power Pool’s government affairs conference in Washington, D.C.

Grants

- Completed a grants compliance readiness assessment.

Human resources

Human resources conducted interactive training sessions on our new performance evaluation process and its link to Platte River's new merit-based compensation philosophy. Training sessions were specifically designed to target people leaders, as well as sessions targeted for all employees, to provide an understanding of how the merit process impacts their individual evaluations.

The human resources team worked with the Platte River benefits broker on benefits renewals for 2025. This work included an evaluation of the renewal options, coupled with outcomes, that included recommendations for employee and employer benefits rates.

Safety

- Safety staff conducted interactive fire extinguisher trainings with the employees at Rawhide and headquarters to demonstrate the dangers of home fires and how to safely handle them.

- Safety staff participated in initial Emergency Management Response Plan meetings with relevant stakeholders.

- Annual fire extinguisher inspections and recharges were completed for headquarters.

- Safety manager and the headquarters safety specialist collaborated with communications, marketing, and external affairs to update and revise emergency evacuation training video and continue training video opportunities for public use areas of the headquarters campus.

Injury statistics	2022 year end	2023 year end	YTD through September 2023	YTD through September 2024
Recordable injury rate	1.25	1.98	2.62	1.97
DART	0.83	0.39	0.00	0.00
Lost time rate	0.00	0.39	0.00	0.00

Platte River had zero recordable or lost time injuries in September.

Emergency response team

- The entire emergency response team participated in training that covered the annual state job performance requirements and provided live demonstrations of the evolutions in emergency response training.

- Emergency services specialist attended progressive leadership training during the Colorado Fall Fire School and National Fire Academy.

- Presented Wellington Fire Protection District with annual payment in lieu of taxes grant check.

Financial

FINANCIAL SERVICES

Proposed 2025 Strategic Budget

The October board meeting will include a public hearing on the budget. Platte River published public notice of the meeting in each of the owner communities' newspapers in September. Staff will present changes to the proposed 2025 Strategic Budget in October and request board adoption in December.

Below is a condensed schedule of the overall budget process.

March to May	Kickoff presentations and preparation of budget details by departments
May-June	Data compilation, reporting and meetings with division managers
July	Senior leadership and general manager/CEO budget review
August	Refine budget and document preparation
September	Budget work session with board
October	Public hearing and board review of budget modifications
November	Prepare final budget document
December	Final budget review with board and request adoption

Economic development

Payments for community economic development have been made at the direction of each owner community. The payments total the budgeted amount of $120,000, one-half of which is divided equally between the owner communities and the other half of which is based on MWh sales made during 2023.

2024 year-end financial audit plan

Earlier this month, staff met with Forvis Mazars to discuss new accounting pronouncements, significant 2024 activities (including the new Oracle software implementation testing), and the audit schedule as we prepare for Forvis Mazars's 2024 financial audit.

IntegraReport compliance hotline

Internal audit is working with legal and contracts to renew Platte River's contract with Forvis Mazars for IntegraReport compliance hotline services. Forvis Mazars administers a hotline to provide a confidential, 24-7 resource for employees, contractors, and board members to report potential fraud or misconduct.

Enterprise resource planning software – Oracle Cloud Fusion

The Oracle Cloud Fusion (Oracle) project was successful and a significant undertaking by many Platte River employees (58 employees charged to the work order). The project began in 2019, before the COVID pandemic. Progress slowed through the pandemic, then implementation started in 2022. Platte River went live with Oracle Sept. 8, 2024.

The project replaced the financial information system and the asset maintenance management system, which consisted of disparate systems, and adds new modules for existing manual processes. The goals of the integrated system are efficiency and process enhancements, increased productivity and innovation. Oracle covered general ledger, accounts receivable (new), accounts payable, cash management (new), inventory, procurement, project costing (new), budgeting (new) and forecasting (new) and work and asset cloud service and Oracle field service cloud (new).

The Platte River project team worked closely with an implementation partner, Apps Associates. Following a detailed schedule, the team held weekly meetings with Apps Associates and participated in four major testing cycles, in addition to regular ongoing testing. To ensure successful implementation, the Platte River team held multiple training sessions with all employees and created a change management process that provided regular updates through a variety of media types.

The Platte River team worked hard at month-end close. Team members collaborated with Apps Associates to work through issues that arose. Because of that dedication, we were able to produce timely internal financial reports and generate Platte River's September financial statements from the new system. Platte River's goal is to use the system efficiently and further improve processes. Future implementation phases are required, but overall, phase one of the project was successful, thanks to Platte River project team members who worked extra hours and sacrificed for the project.

Clean energy transition and integration

Distributed energy solutions

In September and early October, the Distributed Energy Solutions team focused on regional partnerships and collaborated with other utilities across the country to share lessons learned and develop best practices for customer energy programs as utilities continue to transition their resource portfolios. Staff presented and led conversations at the Rocky Mountain Utility Exchange and the E Source Forum. While working toward future customer energy programs, staff continued to implement and administer our existing customer energy programs offered under the Efficiency Works™ brand, with the key program achievements year to date, including the following:

$6.1 M	3,832	219	3,554
Invested in our communities YTD	MTCO2e saved YTD	Income Qualifed (IQ) upgrades YTD	Customer participation YTD
$11.1M annual budget from Platte River and Owner Communities excluding staff	Carbon reductions from customer upgrades based on regional electric generation emission rates	Residential IQ customers served with upgrades, advising and assessments	Commerical and residential customers served with incentives, advising and assessments
Investment	Carbon	Equity	Customers

The table below lists additional customer energy programming impact year to date within our owner communities. Additional detailed department achievements from September include the following:

- The Think! Energy with Efficiency Works program started fall semester enrollments. Participation exceeded goals for the fall semester by over 100%. We currently have 617 enrollments in the fall.

  Staff also introduced a locally focused video as part of the program, detailing Platte River and the owner communities' roles in providing power, the types of power provided and how we are working toward a non-carbon energy future.

- Platte River staff members have built a strong reputation at these annual conferences with regional and national partners as innovative leaders in providing customer energy solutions.

Through September 2024, Efficiency Works programs have provided services for energy efficiency, building electrification, water savings and electric vehicles. They have also invested $6.1 million in providing these services to customers, excluding staff costs. Currently, Platte River has budgeted $9.5 million for these program offerings, with an additional $1.6 million available through directive funding provided by the owner communities. Owner communities may provide additional directive funding as the year progresses.

7,523	MWh saved 8,239 MWh savings in progress
843	KW peak demand reduced 424 KW peak reduction in progress
1,186	MWh electrified
119,446	natural gas therms saved
4,493,843	water gallons saved
56	events and trainings
2,721	local students engaged

Program metrics (YTD)

Digital departments

The digital department encompasses various domains, including enterprise infrastructure, enterprise applications, operational technology, telecommunications and fiber optics, client technology and security, and information and cyber governance.

The following are updates on key in-process and completed department initiatives and activities.

Development of generative artificial intelligence (AI) governance, training and support for the organization:

- Information technology and legal worked with risk management to define AI risks and compensating controls. The effort included developing a risk mitigation plan, including metrics and a mitigation schedule. Risk mitigations include training end users on responsible AI use.
  - The general manager approved a generative AI policy.
  - The Information technology - acceptable use standard was updated with expectations for end users.
  - A cross-functional team developed a communication plan. Communications include the weekly power minute, a knowledge base article, a business meeting presentation, and a presentation during our autumn cybersecurity "lunch and learns."

The senior manager of information governance, the senior manager of applications and the director of legal will continue to monitor this quickly evolving tool for new risks and track successes and challenges in the mitigation plan.

Operations

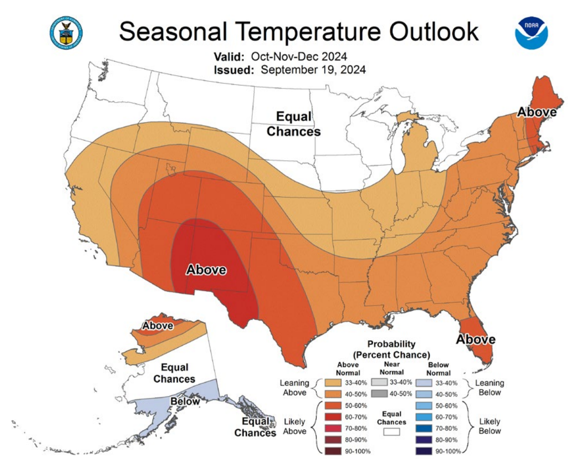
Fuels and water

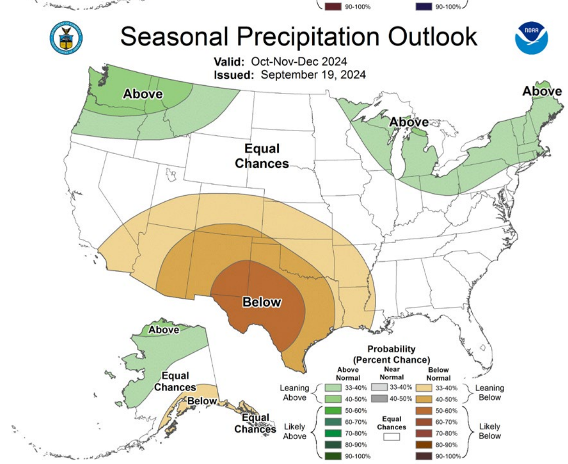
The 2024 Windy Gap water year ended on Sept. 30 and, in many ways, could be generally described as "typical".

For example –

- Colorado statewide precipitation totaled 101% of average
- Upper Colorado River basin snowpack peaked at approximately 107% of average
- For the second year in a row and for the seventh year in the past 11 years, the Windy Gap project was unable to pump due to a lack of available storage in Lake Granby
- Windy Gap deliveries (delivered as Windy Gap in-lieu water) were approximately 94% of average

Looking ahead to the 2025 water year, conditions in Colorado are expected to be warmer and drier than average, from October through December (see images). For Platte River, the lack of pumped Windy Gap water will require Reuse Plan operations to begin the year in "Windy Gap short" mode, which will limit the amount of effluent available for pumping to Rawhide for cooling





water. However, for process water, Platte River has access to sufficient Colorado-Big Thompson supplies to meet its needs.

Chimney Hollow Reservoir main dam (looking east)

At the Chimney Hollow reservoir, the contractor achieved a significant milestone in September, when the last portion of the subsurface grouting program was completed. Overall, the grouting quality exceeded the design standards and will improve dam performance. Above the grouted foundation, the main dam has grown to 268 feet tall, which is over 75% of the 350-foot final height (see image). Work also continues on the clay-core saddle dam, which is now at 14 feet tall, with 26 feet remaining. The contractor intends to complete the smaller dam before winter, when work conditions would prevent proper compaction of the clay material. Overall, the project is nearly 78% complete and is scheduled for completion in late summer next year.

Power delivery

In September, Platte River's transmission planning and transmission policy teams issued their first interconnection cluster system impact study report. FERC Order 2023 took effect for jurisdictional utilities near the end of 2023, intended to improve the interconnection queue process and reduce backlogs by studying interconnections in clusters instead of serially by queue position and request date. While Platte River is non-jurisdictional and is not required to follow the order, the team recognized the benefit of using this strategy to more quickly address the growing number of interconnection requests. The timing of the cluster approach also helps us efficiently address Platte River's queue before entering the Southwest Power Pool Regional Transmission Organization (SPP RTO) West in April 2026.

Platte River focused its first cluster study on the northern region of the system, with anticipated points of interconnection at Rawhide, Roundhouse, and Severance substations. Twenty of the 27 currently open interconnection requests, ranging in capacity from 15 megawatts (MW) to 350 MW, met the regional criteria for inclusion in this study. The cumulative capacity of the requests totaled over three gigawatts of new interconnections. The study determined that nearly 250 MW of new generation could be interconnected in the northern region before network upgrades would be required. The proposed network upgrades presented in the report would support an additional 140 MW, but further capacity would require additional analysis. At this point, the final draft of the study has been distributed to the six participating interconnection customers for their consideration. Based on the results, participants may either withdraw their requests or provide the required information and deposits to continue with the interconnection process.

The team will evaluate the remaining interconnection requests with other points of interconnection in a southern region cluster study or on a stand-alone basis. We expect to evaluate some interconnection requests serially if they are not geographically close enough to be evaluated with the cluster. As we prepare to enter SPP RTO West, where the interconnection study process will transition to the SPP team, Platte River anticipates closing the interconnection queue in mid-2025.

Resource integration

Platte River is currently estimating the amount of surplus capacity it has available for sale during calendar years 2025, 2026, and 2027. After an agreement is reached on the amount that Platte River will have for sale, staff will solicit bids from potential interested parties, this fall, to determine its market value and execute coordination sales agreements as appropriate.

Resource planning

The resource planning team continued communication and public engagement efforts to share the results of the 2024 IRP, completed the third update to the power supply plan (PSP), and completed a high-level re-assessment of the current resource plan. Key activities include:

- Finalized the third update of the PSP for use in the 2025 budget:
  - Incorporated blended market price projections from two different market price vendors.
  - Updated assumptions for near-term resource additions based on the feedback from the market.
  - Presented results to the internal stakeholders and the senior leadership team.
- Completed a high-level reassessment of the resource plan developed during the 2024 IRP. Tested the reliability of different resource options and concluded that there is no need to make any changes to the current resource plan at this time.
- Completed a summary of 10 independent studies and assessments confirming the need for dispatchable capacity in the future power supply portfolios with large amounts of renewable generation.
- Met with resource planning staff from all electric utilities in Colorado including Tristate Generation and Transmission Cooperative, Xcel Energy, Colorado Springs Utilities and Black Hills Energy. The purpose of the meeting was to share our respective resource plans and other items of interest. We learned that all other utilities in the state expect higher load growth, driven by new manufacturing facilities, data centers and heat electrification. All utilities were interested in how Platte River models dark calms during the resource plan development.
- Started developing a long-term load forecasting model.
- Continued the contracting process to procure future power, gas and coal forecasts from two additional vendors.
- Supported the dispatchable generation procurement group with some design optimization of the water requirements to support reliable plant operations during dark calms.