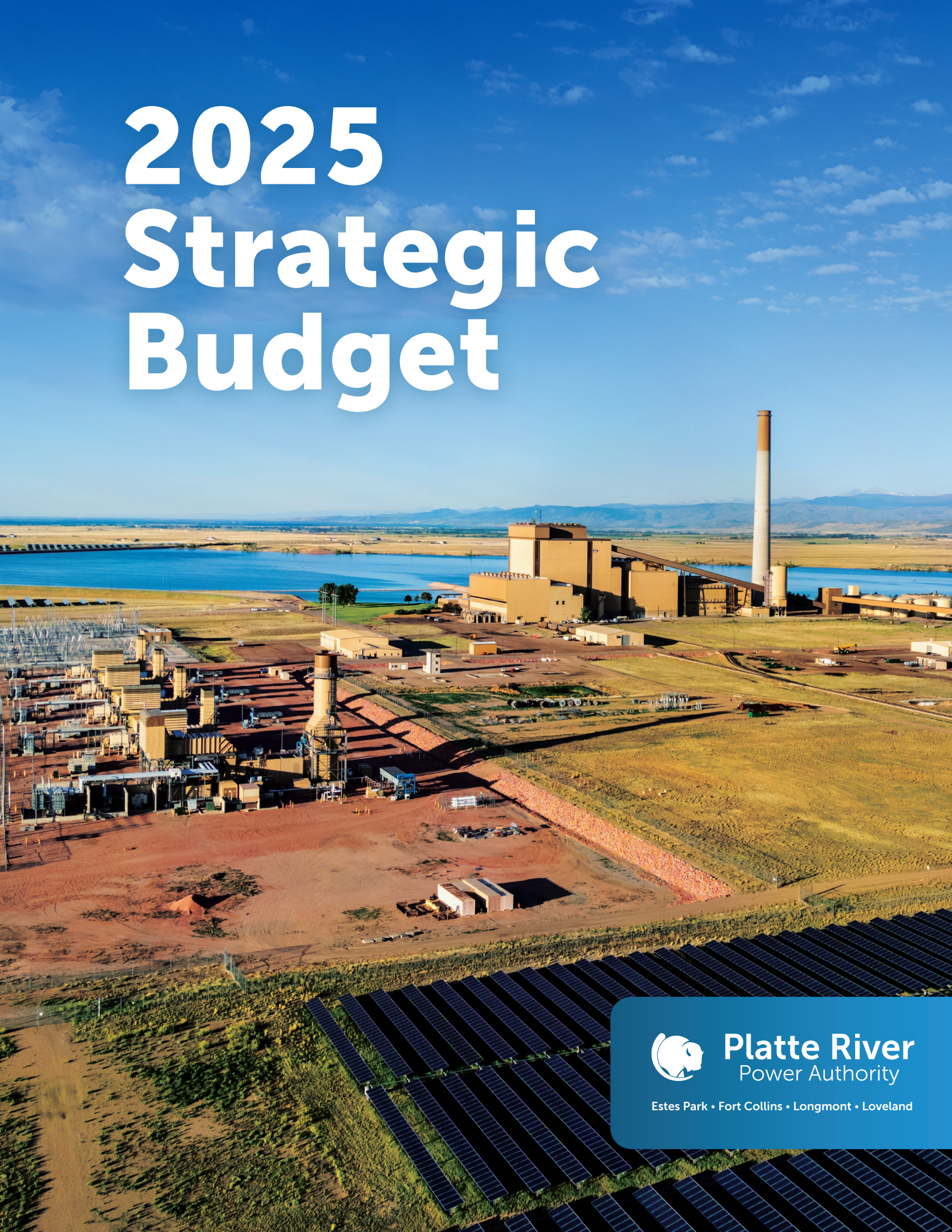
2025 Strategic Budget



Platte River Power Authority

Estes Park • Fort Collins • Longmont • Loveland

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Letter from the board chair and general manager/CEO

Platte River Power Authority (Platte River) and our owner communities of Estes Park, Fort Collins, Longmont and Loveland are committed to transitioning to a noncarbon energy portfolio as sustainably as possible. Since the Resource Diversification Policy passed in 2018, calling for leadership to work toward a 100% noncarbon energy future while maintaining our foundational pillars to provide reliable, environmentally responsible and financially sustainable energy and services, we have invested time and resources to achieve this goal equitably. We are committed to making renewable energy accessible to everyone while maintaining a competitive environment for business and industry.

The 2025 Strategic Budget reflects the current investments needed to proactively decarbonize our portfolio while maintaining our foundational pillars. It also aligns with the strategic initiatives established by Platte River's Board of Directors and senior leadership team in 2023, which guide our activities on resource diversification planning and implementation, community partner and engagement, workforce culture and process management and coordination.

We plan more than $392 million in expenditures, with approximately 64% of operating and capital budgets allocated to core operations and 36% contributing to strategic initiatives. These investments reflect the ongoing integration of noncarbon resources and projects associated with our dispatchable capacity solution to maintain the reliability of Platte River's system.

The 2025 Strategic Budget includes tariff charges reflecting a budgeted 6.3% average wholesale rate increase. Long-term rate projections were updated in 2024 to reflect reductions in expected owner community loads and surplus sales revenues, higher costs for wind and solar resources, and higher capital costs for dispatchable resources. As we move forward, we will continue to evaluate our rate strategy to maintain financial sustainability and work with Platte River's Board of Directors if adjustments are needed to fulfill the Resource Diversification Policy.

We look forward to bringing 150 megawatts (MW) of new solar capacity online in 2025 with the completion of the first phase of the long-awaited Black Hollow Solar project. We expect to bring online another 107 MW of solar capacity, the second phase of the project, in 2026 and will continue efforts to procure additional renewable generation. As we replace our coal-fired generation with renewable energy, we are moving forward with our three-pronged approach to dispatchable capacity. We are exploring energy storage technology with ongoing modeling and planning activities; we will manage the next steps of developing a virtual power plant (VPP), including four-hour battery storage in our owner communities and coordinating with the selected vendor for the distributed energy resources management system (DERMS); and we will prepare for construction of aeroderivative combustion turbine units (aeroderivative units) at the Rawhide Energy Station. These projects help maintain system reliability while enabling deeper decarbonization.

Developing and integrating distributed energy resources (DER) in our owner communities remains a priority, with emphasis in 2025 on integrating battery storage systems at the distribution level. This technology will help us improve energy and reliability services. Our Efficiency Works™ team will continue building on the relationships they have created over two decades of energy efficiency activities by helping customers take a more active role in our energy transition, providing education and services for building electrification, electric vehicle (EV) adoption and demand response participation.

Our participation in the Southwest Power Pool (SPP) Western Energy Imbalance Service (WEIS) market is providing valuable experience for us as we work toward joining the SPP Regional Transmission Organization West (SPP RTO West) market in April 2026. This budget reflects the ongoing investments required to prepare for market entry and enables us to achieve a key milestone outlined in the Resource Diversification Policy.

In 2025, we will conduct the final scheduled major maintenance outage for Rawhide Unit 1 before the unit retires by the end of 2029. Rawhide Unit 1 is a critical part of Platte River's resource portfolio, providing reliable, low-cost energy while supporting renewable energy integration. Though it is still a baseload resource, staff is using the unit more flexibly and will maintain it to support its operations. Our existing frame combustion turbine units (frame units) will continue receiving upgrades and maintenance to increase operational flexibility and reduce emissions.

With six years behind us on our journey to achieve the Resource Diversification Policy, Platte River and our owner communities are more committed than ever to continue the trajectory toward a noncarbon energy future. While this journey is full of challenges – from the pandemic to supply chain issues and cost increases – we recognize the importance of doing our part to decarbonize while keeping this vital public health and safety service reliable and accessible. It is imperative that we continue supporting the economic vibrancy of our region – and everyone in it – while working toward a cleaner energy future.

Kevin Gertig
Board chair

Jason Frisbie
General manager/CEO

Platte River at a glance

Platte River Power Authority 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 Estes Park, Fort Collins, Longmont and Loveland, Colorado, for delivery to their distribution utility customers.

Headquarters
Fort Collins, Colorado

General manager/CEO
Jason Frisbie

Began operations
1973

2025 budget positions
323

2025 peak demand of owner communities
701 MW

2025 deliveries of energy
4,390,027 megawatt-hours (MWh)

2025 deliveries of energy to owner communities
3,287,172 MWh

2025 revenues
$324.6 million

2025 operating expenses
$250 million

2025 capital additions
$122.9 million

2025 debt service expenditures
$19 million

Transmission system
Platte River has equipment in 27 substations and owns 806 miles of transmission lines.

2025 budget capacity and energy

Resource summer peaking capacity

	Nameplate (MW)	Effective load carrying capability (ELCC) %	ELCC (MW)
Coal	431	100%	431
Natural gas [1]	430	100%	430
Hydropower [2]	78	100%	78
Wind power [3]	297	17.3%	51
Solar [4]	202	29.7% [5]	60
Total	**1,438**		**1,050**

(1) Effective May 2025, summer peaking capacity of Rawhide Unit C is 77 MW and Rawhide Unit F is 158 MW. Rawhide units A, B and D are 65 MW each.

(2) Hydropower capacity varies with drought conditions.

(3) Includes 72 MW of wind currently sold to other entities, 60 MW of which will return to Platte River in 2030.

(4) Includes 150 MW of new nameplate capacity for the commercial operation of Black Hollow Solar in 2025. Platte River is also using a 2 MWh battery charged by Rawhide Prairie Solar.

(5) Weighted average of all solar resources. Rawhide Flats Solar and Rawhide Prairie Solar are assigned 56.7% and Black Hollow Solar is assigned 20.3%.

System total

- Coal **33.6%**
- Wind **25.5%**
- Other purchases **20.4%**
- Hydropower **9.3%**
- Solar **7.5%**
- Natural gas **3.7%**

Includes renewable energy certificate (REC) allocations to carbon resources.

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

Our philosophy

Platte River is guided by three pillars that drive our mission. Together with our vision and values, these pillars inform all Platte River activities and serve as the foundation for our decarbonization efforts.

Reliability

Environmental responsibility

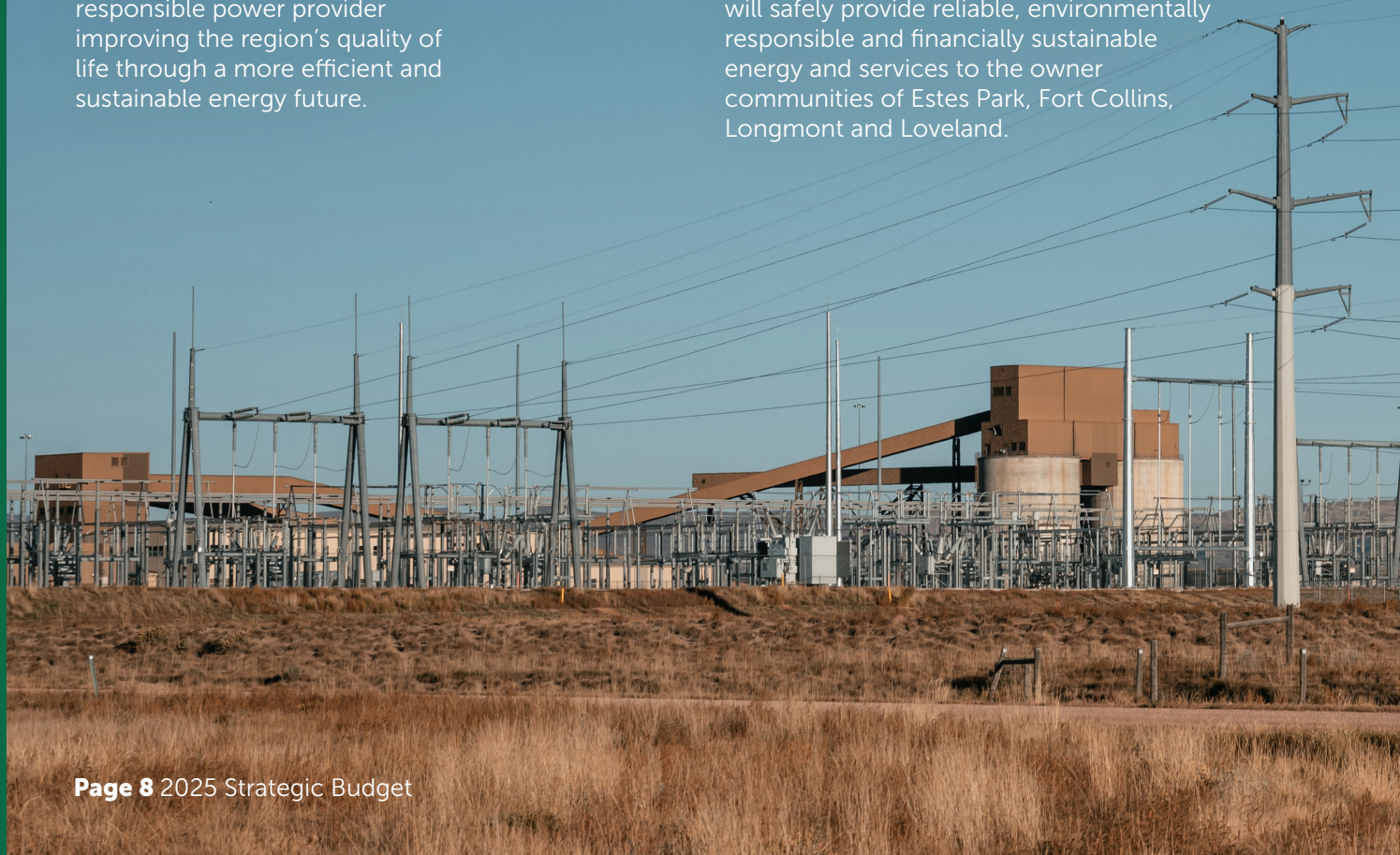
Financial sustainability

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.

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.



Values

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

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

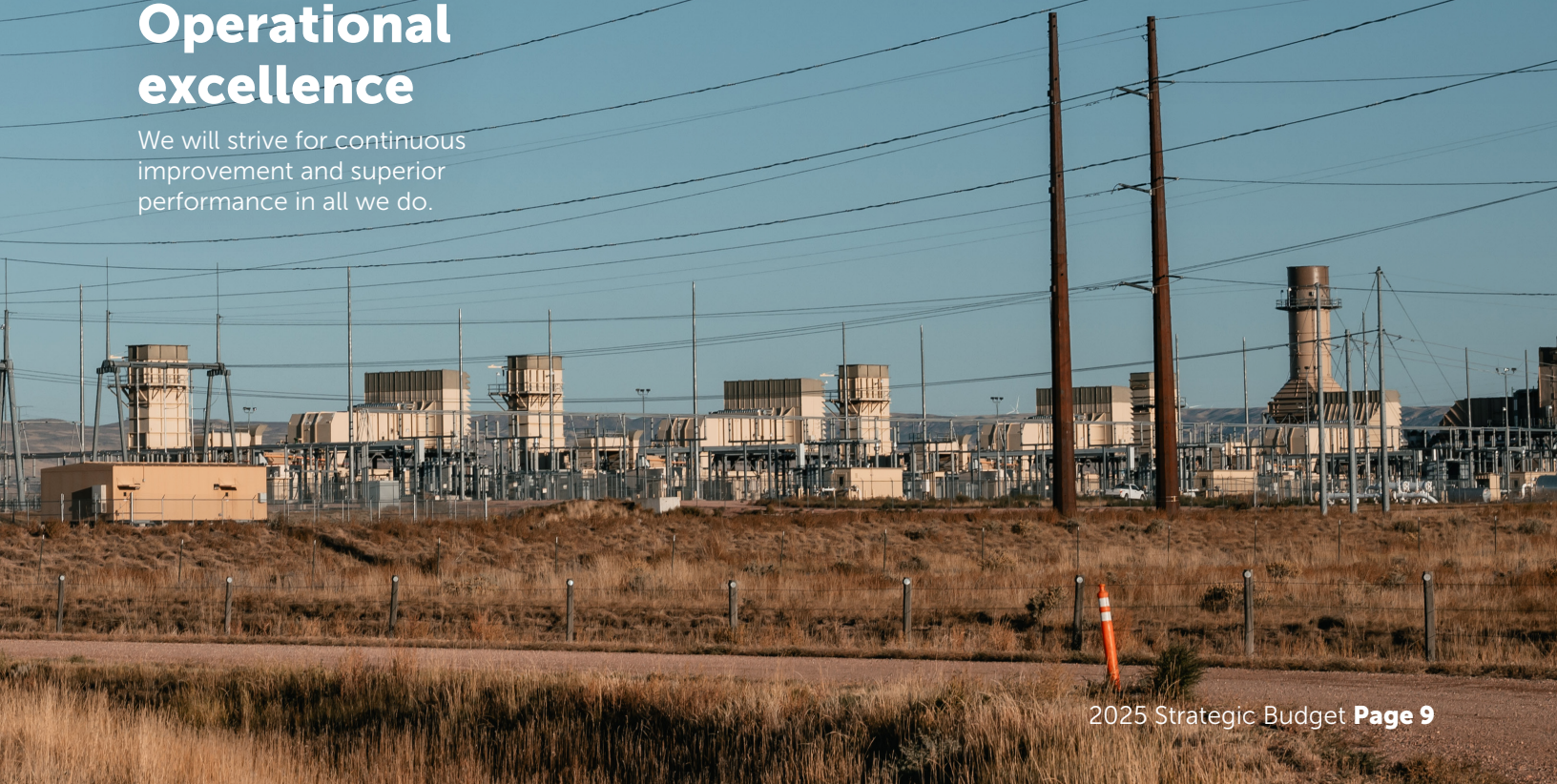
Innovation
We will proactively deliver creative solutions to generate best-in-class products, services and practices.

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

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

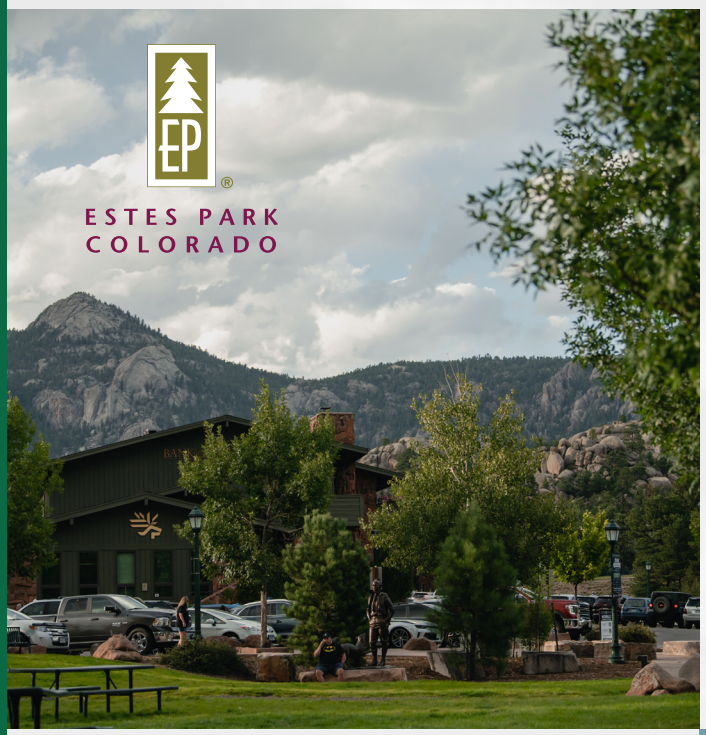
Service
As a respected leader and responsible energy partner, we will empower our employees to provide energy and superior services to our owner communities.

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



Our communities

Platte River Power Authority is a Colorado political subdivision established to provide wholesale electric generation and transmission to the communities of Estes Park, Fort Collins, Longmont and Loveland.

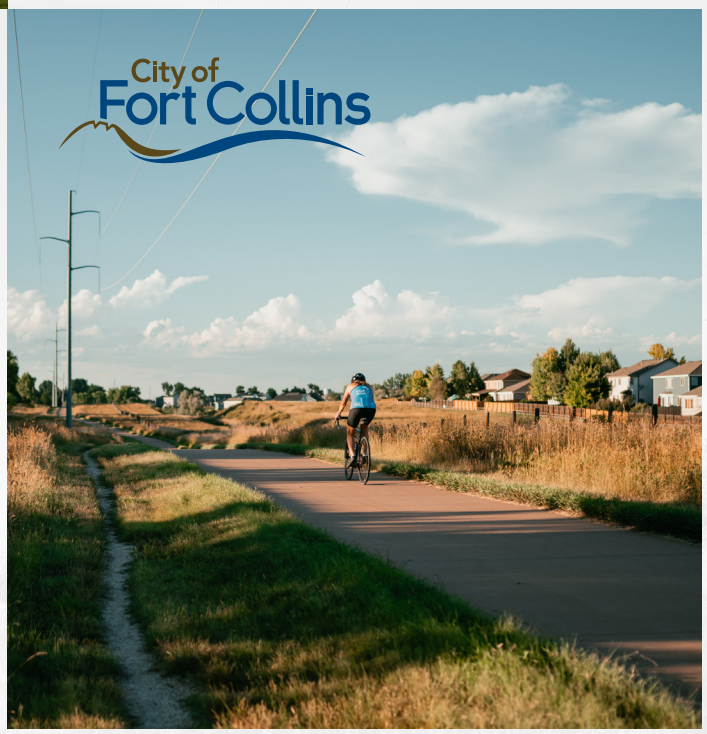


Town of Estes Park

Estimated population*: 5,862
Utility: Estes Park Power and Communications, established in 1945
Number of customers: 11,043
2023 retail energy sales: 135,237 MWh

City of Fort Collins

Estimated population*: 169,249
Utility: Fort Collins Utilities, established in 1938
Number of customers: 79,036
2023 retail energy sales: 1,453,367 MWh



*Based on data from the U.S. Census Bureau

City of Longmont

Estimated population*: 98,687
Utility: Longmont Power & Communications, established in 1912
Number of customers: 43,271
2023 retail energy sales: 816,009 MWh

City of Loveland

Estimated population*: 77,884
Utility: Loveland Water and Power, established in 1925
Number of customers: 40,863
2023 retail energy sales: 703,605 MWh

Board of directors

Platte River is governed by an eight-person board of directors designed to bring relevant expertise to the decision-making process. The board includes two members from each owner community.

The mayor may serve or designate some other member of the governing board of their owner community to serve in their place on Platte River's Board of Directors. Each of the other four directors is appointed to a four-year staggered term by the governing body of the owner community represented by that director.

Gary Hall
Mayor
Town of Estes Park

Reuben Bergsten
Director of utilities
Town of Estes Park

Jeni Arndt
Vice chair
Mayor
City of Fort Collins

Tyler Marr
Deputy city manager
City of Fort Collins

Joan Peck
Mayor
City of Longmont

Darrell Hahn
Electric utilities director for Longmont Power & Communication
City of Longmont

Jacki Marsh
Mayor
City of Loveland

Kevin Gertig
Board chair
Director of Loveland Water and Power
City of Loveland

Senior leadership team

Platte River operates under the direction of a general manager who serves at the pleasure of the board of directors. The general manager is the chief executive officer with full responsibility for planning, operations and the administrative affairs of Platte River. Platte River's senior leadership team has substantial experience in the utility industry.

Jason Frisbie
General manager/CEO

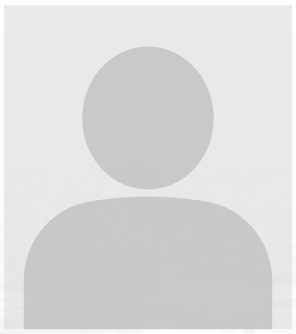
Eddie Gutiérrez
Chief strategy officer

Travis Hunter
Chief generation and transmission officer

Sarah Leonard
General counsel

Dave Smalley
Chief financial officer/ deputy general manager

Melie Vincent
Chief power supply officer



Open
Chief technology officer

Angela Walsh
Executive director of board and administration, board secretary

2025 goals

The 2025 Strategic Budget supports Platte River's ongoing efforts to carry out the Resource Diversification Policy while maintaining our foundational pillars to safely provide reliable, environmentally responsible and financially sustainable energy and services to the owner communities.

Reliability

100%

No loss of load to Platte River's owner communities

Transmission

≥ 97%

Adjusted equivalent availability factor

Rawhide Unit 1

0

No controllable outages

Rawhide Unit 1

≥ 97%

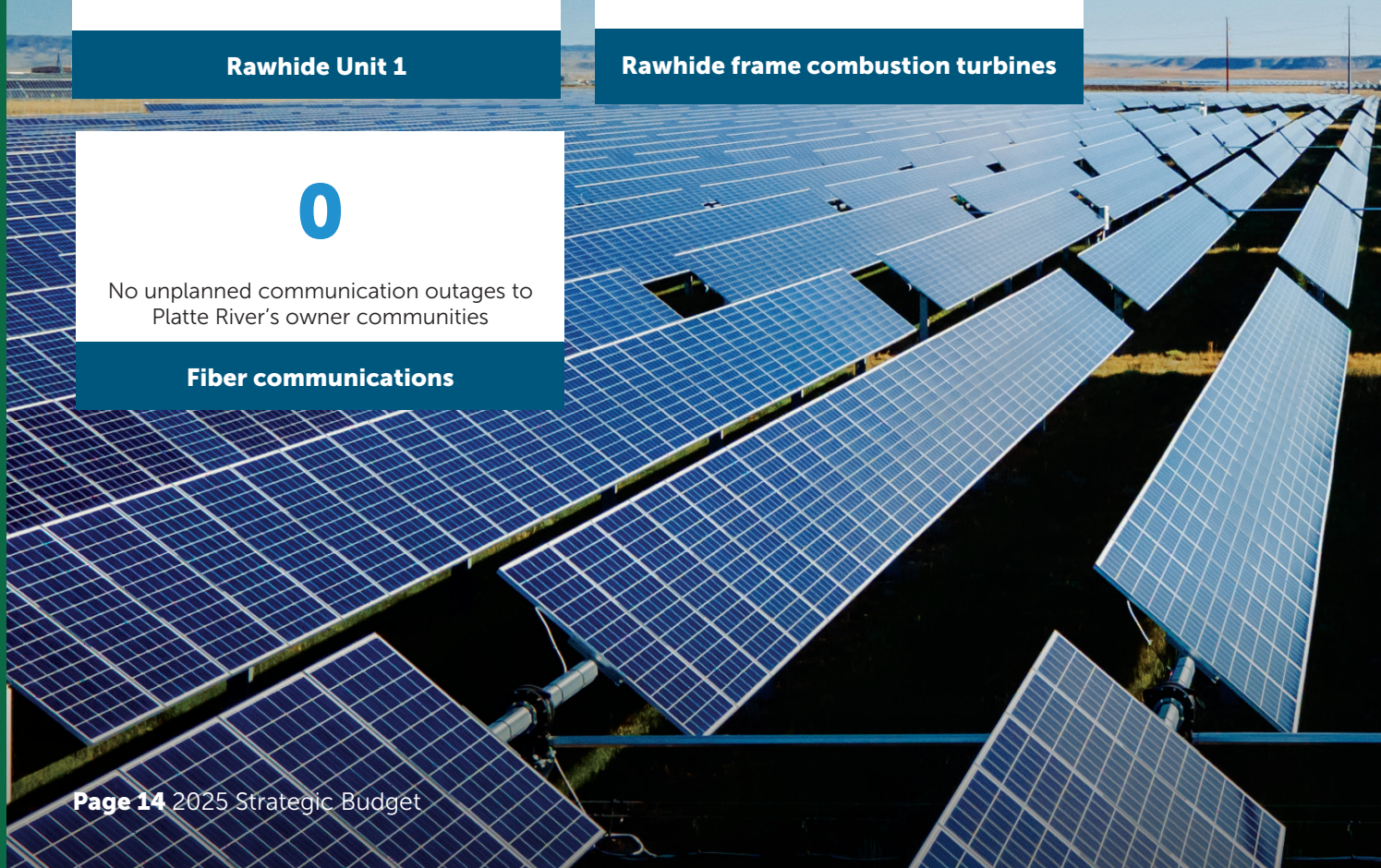
Adjusted equivalent availability factor

Rawhide frame combustion turbines

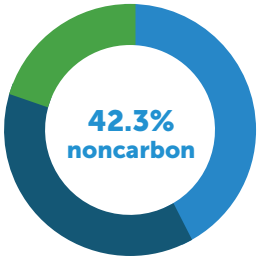
0

No unplanned communication outages to Platte River's owner communities

Fiber communications



Environmental responsibility



- Noncarbon **42.3%**
- Carbon **37.3%**
- Other purchases **20.4%**

Includes REC allocations to carbon resources.

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

System total

17,443 MWh

The Efficiency Works energy savings goal to **reduce Platte River's load**

Energy savings from completed projects

8,800

Metric tons of CO2 equivalent saved YTD

Based on regional electric generation emissions rates

Carbon reductions from customer upgrades

Financial sustainability

Credit rating

AA

2.00x

Fixed obligation charge coverage ratio

Target minimum
1.50x

3%

Change in net position as a percentage of annual operating expenses

Target minimum
3%

22%

Adjusted debt ratio

Target minimum
Less than 50%

252

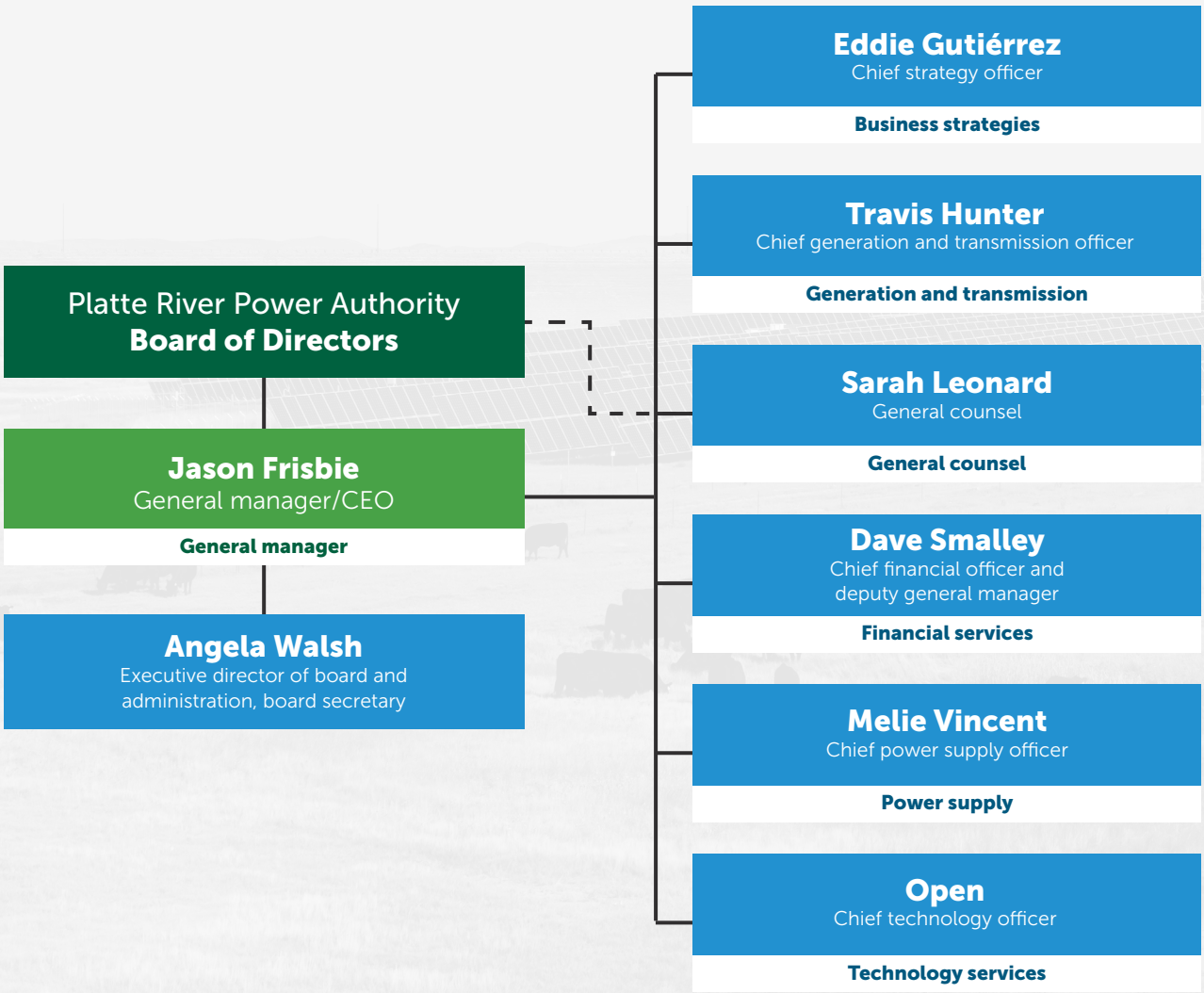
Days adjusted liquidity on hand

Target minimum
200

Strategic Financial Plan metrics

Organizational structure

Platte River's organizational structure consists of seven divisions, each containing the departments needed to safely deliver reliable, environmentally responsible and financially sustainable energy and services to the owner communities. A brief description follows of each division and its departments, including 2025 objectives.



General manager

The **general manager** provides strategic leadership and direction for the safe, ethical and effective operation of Platte River. The general manager consults with, advises and makes recommendations to the board of directors about Platte River's strategic direction and operations, based on Platte River's foundational pillars of system reliability, environmental responsibility and financial sustainability. The general manager also provides oversight and direction for the board secretary and all centralized business and office management functions.

In addition to ongoing operational oversight in 2025, the general manager will continue leading efforts to diversify Platte River's energy mix and achieve the board's and owner communities' carbon reduction goals. Platte River will work with utility leaders from the owner communities to welcome DER, facilitate a DERMS and further integrate the transmission and distribution systems. The general manager will lead essential collaborative efforts between Platte River and the owner communities.

Business strategies

In collaboration with the owner communities, the business strategies division manages relationships critical to Platte River's success, including those with staff, elected officials, owner communities, stakeholders and the public.

Communications, marketing and external affairs develops and executes tactical and strategic plans to support Platte River's mission and provide information about the utility to staff, board of directors, stakeholders and the public. The department specifically manages internal and external communications, public relations, marketing, public education and outreach, community engagement and support, state and federal legislation, and government affairs to support Platte River, Efficiency Works, and other specialized programs like DER. During 2025, the department will deploy significant communications and outreach programs to support Platte River's strategic initiatives. This will build on engagement and collaboration with the owner communities to pursue a noncarbon energy future. Other focus areas include ongoing public education efforts for the Resource Diversification Policy, continuing growth in community engagement and support efforts, navigating public policy proposals at the local, state, and federal levels, and supporting regulatory processes for key projects. External affairs also leads an internal grants working group that monitors government-funded grants to help fund clean energy projects. Lastly, the department will develop education and outreach strategies to support the growth of programs and initiatives for DER and distributed energy solutions.

Human resources proactively partners with internal operating departments to address strategic personnel opportunities that support Platte River's strategic initiatives. The department focuses on attracting, developing and retaining talent for the organization. Human resources manages and focuses on minimizing controllable healthcare costs and risks while maintaining attractive and competitive staff benefits. In 2025, the department will focus on continuous process improvement of the overall total rewards strategy and program, and support efforts toward the transition plan for Rawhide Energy Station staff. Human

resources will also refine and implement additional functionality within the human resources information system while documenting processes and identifying more efficient ways to support the organization as it seeks to achieve the Resource Diversification Policy.

Safety supports Platte River's core value of workforce, public and asset safety by administering and managing policies that leverage workforce training and education while developing and sustaining a safety culture. During 2025, the department will facilitate planned training for all employees and specialized groups while tracking safety certifications required for designated roles. The department will also conduct annual occupational health testing, evaluate and acquire personal protective equipment and systems, provide issue-specific safety training through traditional training methods, improve ongoing video training and engage with third-party subject-matter experts.

The **emergency response team** protects staff and infrastructure at the Rawhide Energy Station and provides mutual aid assistance to the owner communities, the Nunn Fire Protection District and the Wellington Fire Protection District. The team of firefighters is certified by the state of Colorado in structural firefighting, hazardous material operations, and medical response, and includes several licensed and certified emergency medical technicians. In 2025, the team will conduct 10 training events around Rawhide Unit 1's scheduled maintenance outage and perform the required annual system testing and inspection following National Fire Protection Association standards.

Generation and transmission

The generation and transmission division manages several of Platte River's core functions—power generation and the delivery of high-voltage electricity to substations in the owner communities. This division comprises several departments and teams collaborating to fulfill Platte River's core operations and strategic direction.

Power generation

The power generation departments perform every job associated with the generation of electricity at the Rawhide Energy Station. These departments manage plant operation and maintenance, fuel handling, control systems, design and engineering, and building and property maintenance.

Power generation administration oversees power generation, plant operations, maintenance, engineering, fuel handling and facilities maintenance at the Rawhide Energy Station. The team also participates on the engineering and operations committee of the Craig Generating Station. Continued efforts in 2025 will include further adapting the Rawhide Energy Station to changing market conditions driven primarily by increased use of intermittent resources and participation in the SPP WEIS market. The team will continue to work on a transition plan for Rawhide staff and a decommissioning plan for Rawhide Unit 1. The department will also support Rawhide Unit 1's scheduled maintenance outage.

Plant engineering services supports operations and maintenance activities for all Rawhide Energy Station infrastructure related to power generation. Primary functions include troubleshooting process issues, inspecting and assessing major plant equipment during

outages, providing maintenance assistance, and identifying and implementing capital projects. During 2025, the department will continue to make reliability and availability improvements to the frame units and enhance the flexibility of Rawhide Unit 1 to meet evolving market demands and accommodate increased noncarbon resources more effectively. The team will conduct the scheduled maintenance outage inspections of Rawhide Unit 1 and help prepare Platte River to enter the SPP RTO West market.

Plant mechanical maintenance conducts safe and effective maintenance of all mechanical equipment and systems at the Rawhide Energy Station. The team plans and executes all outages and collaborates with engineering for the planning and execution of capital projects. Efforts in 2025 include a scheduled combustion inspection on combustion turbine Unit C and the scheduled maintenance outage on Rawhide Unit 1. The team will also conduct ongoing mechanical maintenance on all generating assets at the Rawhide Energy Station.

Plant instrumentation and electrical conducts safe and effective maintenance of all low- and medium-voltage electrical equipment, instrumentation and control systems at the Rawhide Energy Station. The team performs troubleshooting and repair services for Rawhide Unit 1 and the frame units. It is also responsible for NERC compliance activities for several reliability and critical infrastructure protection standards, state-required maintenance of the boiler instrumentation and controls and performing covered tasks supporting the Colorado Department of Transportation's regulation of the natural gas pipeline. During 2025, the team will perform preventive maintenance and prioritize corrective action to maintain generation reliability. The team will also support Rawhide Unit 1's scheduled maintenance outage, various capital improvement projects and preparation for the new aeroderivative units at the Rawhide Energy Station.

Plant fuel handling manages the coal supply to Rawhide Unit 1 and maintains all buildings and structures, roofing, roads, HVAC systems, lighting, plumbing, elevators, doors, windows and floors for all 48 buildings at the Rawhide Energy Station. The department is responsible for operating the rotary car dumping system, suppressing dust in all plant areas, maintaining the Rawhide short-line railroad system and managing fly and bottom ash from Rawhide Unit 1. The team also manages the bison herds and maintains the grounds including landscaping, rangeland management, weed and pest control, and fencing. Objectives for 2025 include maintaining an adequate coal supply, efficiently transferring ash from the plant to the monofill in compliance with regulatory requirements and sustaining effective dust suppression throughout the facility. The team will also support Rawhide Unit 1's scheduled maintenance outage and conduct general maintenance activities.

Plant operations manages and maintains all systems and components of Rawhide Unit 1 and the frame units to maintain reliable generation that meets load demand and other obligations. In addition, the department supports operations of the water pump stations that serve the Rawhide Energy Station. The team will work in 2025 to support high reliability and operational flexibility of all generating assets at the Rawhide Energy Station.

Power delivery

Power delivery manages the complex, long-term planning and real-time demands of Platte River's high-voltage transmission and fiber optic systems to deliver energy and services to the owner communities, as well as oversees facilities, physical security and fleet. Staff leverages various tools to continually monitor thousands of system components, yielding maximum performance and ensuring a high level of system reliability. This requires developing plans to upgrade existing transmission facilities and building new transmission facilities to meet future customer reliability requirements and optimize participation in the SPP WEIS and SPP RTO West markets. Power delivery is critical to the continued resilient operation of Platte River's transmission system that supports the distribution systems of the owner communities.

System engineering is responsible for transmission planning, transmission line design, substation design, substation relaying and many compliance-related activities. The department also provides engineering services under intergovernmental agreements with the owner communities when requested. In 2025, the team will provide engineering support and project management for replacement of an autotransformer at the Longs Peak Substation and engineering support on the distribution battery projects and new resource interconnection projects.

System operations safely and reliably operates Platte River's transmission system, delivers power to the owner communities, administers the transmission tariff and provides training to applicable Platte River personnel and selected employees of the owner communities. The department also conducts coordinated transmission operations with neighboring reliability operators while complying with all required NERC and WECC reliability standards and in accordance with Platte River's processes and procedures.

System maintenance is responsible for maintaining and supporting the building of electrical substation assets, including those wholly owned by Platte River and assets owned by the distribution utilities of the owner communities. The department also inspects and maintains Platte River's 230 kilovolt (kV) and 115 kV transmission lines. Collaborating with internal and external groups, the department manages equipment installations and inspections for capital projects, provides ongoing maintenance and conducts testing of substation equipment. During 2025, the team will perform transformer maintenance, battery maintenance and testing and substation breaker maintenance at Platte River substations. The team will perform ongoing systemwide vegetation management and oversee contracted maintenance on the transmission system. The department will also work with system engineering to complete upgrades and improvements to substations and transmission line configuration changes for highway construction.

Fiber optics manages the network that provides high-speed, digital connectivity between Platte River's generating assets, its transmission system and the owner communities' distribution systems. Primary activities include maintenance, management and documentation of the physical fiber optic infrastructure and installation of new and relocation of existing fiber optic cable.

Telecommunications maintains the safe, reliable and secure operations of Platte River's wide-area communications network, a critical component of the transmission system's operation and communication with interconnected utilities.

Headquarters facilities is responsible for all building and grounds maintenance and repairs at the headquarters campus and substations. The team oversees maintenance activities so that spaces, structures and infrastructure are in optimal operating condition. They manage and perform routine, scheduled and anticipated maintenance on building equipment and systems that support the bulk electric system. Facilities also oversees maintenance at 27 sites around the four owner communities. During 2025, the team will complete substation heating, ventilation and air conditioning (HVAC) unit replacements at the Fordham and Northwest substations. The team will also continue optimizing the headquarters facility's building automation system to maximize efficiency and energy savings.

Physical security designs, implements, and supports access control systems, administers intrusion detection systems at substations, manages video surveillance systems, oversees security guard services, reviews security policies and procedures for all Platte River locations, and oversees multiple critical infrastructure protection standards to support compliance. In addition to ongoing operations in 2025, the team will install gate access control systems at the Horseshoe and LaPorte substations.

Fleet is responsible for purchasing and maintaining Platte River's vehicles. The team also maintains records and performs inspections as required by the Colorado Department of Transportation. In 2025, fleet will purchase a new telehandler and four new fleet vehicles.

General counsel

The general counsel division oversees Platte River's legal, environmental compliance and reliability compliance functions.

Legal provides a broad range of services to support Platte River's operations and strategic initiatives. Services include managing complex transactions, legal and regulatory compliance, support and advice to senior leadership and the board of directors, risk management and dispute resolution, contract management and review, and support for human resources and real estate matters. The legal department also supervises relationships with retained counsel who assist in specialized areas such as water law, public finance, pension and Federal Energy Regulatory Commission (FERC) regulations. The legal department also works with outside counsel in legal proceedings to protect Platte River's interests, as appropriate. In 2025, the legal department will support Platte River's efforts to develop further renewable energy and storage projects, from requests for proposals through term sheet development and final contract negotiations; advise on the legal implications of legislative and regulatory changes; continue to modernize contracting processes and documents; support Platte River as a participant in the Chimney Hollow Reservoir construction project; continue to improve information governance and privacy practices; and help train staff on legal and compliance obligations. Legal will continue to develop the framework for future participation in the SPP RTO West market.

Environmental compliance oversees Platte River's adherence to federal, state, and local environmental regulatory requirements governing Platte River's operations. The department's primary activities include obtaining and managing compliance with various permits; reporting key operational data to local, state and federal regulatory agencies; monitoring emissions; managing environmental projects; assessing emerging regulatory changes; and collaborating with trade groups and other utilities on environmental topics. The department's focus in 2025 will support activities that advance the Resource Diversification Policy by finalizing permitting and site preparation for the new aeroderivative units. The department will also continue implementing programs to help Platte River comply with new and existing regulatory requirements related to air quality, water quality, waste management and radiation safety.

Reliability compliance provides oversight and guidance for all North American Electric Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC) reliability obligations enforceable under the Energy Policy Act of 2005. Department activities include compliance risk analysis, monitoring, compliance implementation guidance, and support. In addition to providing reasonable assurance to senior leadership that Platte River meets all NERC and WECC regulatory compliance obligations, the department will continue to develop and implement a risk assessment and internal controls framework in 2025. This framework helps Platte River demonstrate effective risk mitigation practices to WECC staff ahead of Platte River's next formal audit.

Financial services

The financial services division protects the short- and long-term financial sustainability of Platte River, manages the organization's financial risk, and supports organizational leadership through the following functions.

Accounting manages the transactional side of accounting, including capital, fuel and invoicing for the organization. This team also provides reporting to managers, directors and senior leaders to make informed decisions in these areas. Accounting also assists with coordinating the annual financial audit and budget preparation.

Treasury manages Platte River's cash, investments and debt to verify that the organization has sufficient financial resources to fund projects and initiatives while meeting the organization's financial targets. Treasury includes Platte River's accounts payable, purchasing, warehousing, inventory control and contract administration functions.

Financial reporting and budgeting monitors and reports on Platte River's financial status. Focuses include budget development and monthly and annual financial reporting, which provide managers, directors, senior leaders and the board of directors with the tools and information they need to make informed decisions. This team manages the financial system, including evaluating opportunities to leverage best practice and take advantage of additional functionality and updates to the system in close collaboration with other departments. This team also coordinates Platte River's annual financial audit and leads the budget process in compliance with Colorado local government budget law.

Financial planning and rates develops financial and rate models and establishes metrics for financial sustainability. This team is responsible for long-term financial planning using

established models and works closely with the resource planning department. In collaboration with senior leadership and the board of directors, this team establishes rate strategy and design, maintains the rate-setting policy and establishes rate tariffs. This team is also responsible for counterparty credit management within the energy trading and risk management system.

Enterprise risk management coordinates risk management activities at Platte River. These activities include overseeing the risk assessment and mitigation process, working with risk owners in the organization and reporting to Platte River's risk oversight committee. The enterprise risk management team works with internal audit and the risk oversight committee to proactively address, develop, support and maintain enterprise and energy risk management programs.

Internal audit provides independent, objective assurance and advisory services. These include evaluating the effectiveness of governance, risk management and control processes, identifying risks to organizational objectives, and evaluating processes for compliance with regulations, policies and procedures. Internal audit helps management understand risks and provides recommendations to improve the effectiveness of governance, risk management and internal control processes.

During 2025, the financial services departments will adapt to a new financial information system; continue supporting preparations for SPP RTO West market entry; support the 2025 scheduled maintenance outage of Rawhide Unit 1; and collaborate with the owner communities to determine potential changes to Platte River's rate structure during and following the energy transition. The financial planning and rates team will also analyze varying cost allocations, rate designs and strategies for DER initiatives. The risk team will provide training and educational risk sessions to the organization and continue to expand the enterprise risk management program and work through the results of the risk assessment performed in 2023.

Power supply

The power supply division oversees ongoing participation in power markets and generation dispatch to minimize the net variable cost to serve owner community load, while driving Platte River's evolution toward a noncarbon energy future and focus on energy transition leadership.

Power markets and generation dispatch plans and schedules generating resources to reliably meet energy requirements of the owner communities and other obligations. The department optimizes available resources using bilateral trading and organized energy markets to create the most cost-effective and reliable energy supply to meet customer demand. The department also manages metering and market settlements. In 2025, staff will continue preparing for SPP RTO West market entry and simultaneously participate in the SPP WEIS market to support Platte River's strategic initiatives and the Resource Diversification Policy. Preparations include integrating new market software and new market products and completing all data submissions and training requirements. The department will also optimize

available resources and monitor the development of noncarbon resources under power purchase agreements (PPAs).

Portfolio strategy and integration develops near- and long-term power supply plans that drive strategies to achieve the Resource Diversification Policy and reduce carbon emissions. These plans are designed with industry-standard evaluation tools and analytical methods for integrated resource planning and power supply planning for budgeting and wholesale rate projections. The department also provides analytical support for power transaction evaluations, competitive bid evaluations, DER economic evaluation, short-term operational optimization and SPP WEIS market assessment. During 2025, the department will continue its routine activities while focusing on resource adequacy requirements and conducting various studies to prepare for optimal forecasting of power prices in the SPP RTO West market.

The **DER** department leads the coordinated and collaborative effort between Platte River and the owner communities to integrate DER, making them part of a reliable, financially sustainable and increasingly noncarbon electric system. DER are technologies deployed on the electric distribution system or on customer premises that can provide benefits to all customers through electric system optimization. DER technologies include EVs, energy storage, beneficial electrification and rooftop solar.

The department's work includes planning, developing and operating technologies that provide DER flexibility. The department also helps develop and deploy DER devices on the distribution system and works with the distributed energy solutions department to support deployment and registration of customer DER in the VPP. In 2025, the DER department will focus on working with the DERMS vendor and the owner communities to develop a solution that can meet the respective entities' functional requirements. The department will also work with the VPP customer program vendor, distributed energy solutions department and owner community program staff to develop program designs. The DER department will also support planning, permitting and construction of four 5 MW, 20 MWh storage projects after Platte River signs land leases and license agreements with the owner communities or other project site owners, as well as agreements with the storage project developer. Staff anticipates commercial operation of these projects by late 2026.

The **distributed energy solutions** department leads the development and implementation of customer energy programs, providing technical and financial support to help customers use energy more effectively. The department collaborates with owner communities' staff to provide distributed energy solutions to their customers under the Efficiency Works brand and support the customer wind power purchase programs and associated REC tracking for the communities. In 2025, the department will continue to expand beyond energy efficiency program offerings to support additional DER technologies that advance the Resource Diversification Policy. The department will continue offering energy efficiency programs to residents and businesses and plans to impact annual energy consumption through growing program offerings focused on building electrification and non-controlled EV services. These growing DER offerings will provide the foundational elements of future customer programming focused on EV charging, demand flexibility and battery storage initiatives that will directly interact with the DERMS and support the VPP.

Fuels and water manages the availability and delivery of critical resources necessary to operate generation facilities reliably and efficiently. Primary activities include managing contracts, developing strategies to optimize coal and rail agreements, maintaining a reliable water supply, and accurately planning for future fuel and water needs. In 2025, water-focused activities will include continued support of the Chimney Hollow Reservoir construction project, regional water discussions, and exploring future water projects and partnerships to optimize Platte River's water resources portfolio. Fuels-focused activities will include strategic planning efforts at the Trapper Mine to optimize coal inventory levels at the Craig Generating Station, strategic management of coal deliveries for Rawhide Unit 1 to align with projected burn rates and adapt to market-related operational changes, and evaluating natural gas firming strategies to support current and future generation resources.

Technology services

The technology services division, composed of six functional teams, enables a secure and reliable technology ecosystem by leading Platte River's digital transformation with innovative strategies and solutions.

Information and cyber governance develops the cybersecurity strategy and manages the cyber risk remediation program. The department designs and implements the asset management program, providing information governance support to the organization and making data and information more available, reliable, secure and transparent. The department researches technical security controls, manages security systems, provides cybersecurity education for the organization, and oversees the vulnerability management program.

Client technology and endpoint security manages end-user computing devices and applications, including laptops and desktops, special-purpose computers, non-enterprise software, audio and video systems, building support systems, printers, mobile devices and more. The team handles client-facing system administration and mobile device management via on-premises and cloud tools. The department collaborates with others to supply project resources, provides access services for market resources (local security administration), coordinates digital communications and remediates security vulnerabilities on client devices.

Enterprise applications manages the lifecycle of all enterprise applications, including data center and cloud-based applications used across the enterprise or by a large part of Platte River's user community. Examples include the financial, maintenance management and human resources information systems. Activities include supporting other departments with applications-related business needs analysis, requirements gathering, product research, vendor evaluations, project planning, contractor management and ongoing maintenance.

Enterprise infrastructure manages other departments' backend systems to deliver services to end users. The team designs, implements and manages wired and wireless enterprise networks, firewalls, servers, virtualization systems, storage systems, and backup and recovery solutions.

Supervisory control and data acquisition (SCADA) services maintains the reliability, resilience, security and compliance of the central control systems that are used to operate Platte River's high-voltage transmission lines and electrical substations, and monitors the surrounding regional transmission systems that impact load. The team provides transmission system asset control, situational awareness, advanced applications and operations data exchange with critical partners while overseeing compliance with NERC regulations.

Digital project management maintains the digital project portfolio and works with digital leaders, staff, and other departments to perform project intake and assist in project document creation. This functional team represents an important step in the evolution of project portfolio management at Platte River as the organization works toward best practices in project planning, prioritization and execution.

During 2025, the digital department will initiate and manage multiple projects central to Platte River's operations and long-term objectives. A partial scope of projects includes:

- Deploying and migrating Platte River's SCADA system to the new energy management system and work to transition the current SCADA systems hosted and managed for the owner communities to the same energy management system platform
- Supporting the implementation of new software required for entrance into the SPP RTO West market as well as efforts in the areas of network connectivity, authentication and cyber security, data management and integrations for the DERMS
- Continuing to develop and beginning to implement a data strategy and governance program for the organization's various dispersed data sources
- Implementing a data management and analytics platform
- Completing various fiber optic system replacement and expansion projects

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SUMMARY

2025 Strategic Budget highlights

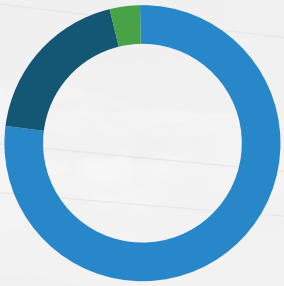
The Platte River Power Authority 2025 Strategic Budget, produced under the direction of the organization's leadership, aligns with the long-range strategic plan to give community leaders, stakeholders and the public a transparent roadmap of Platte River's tactical, operational and capital plans for the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

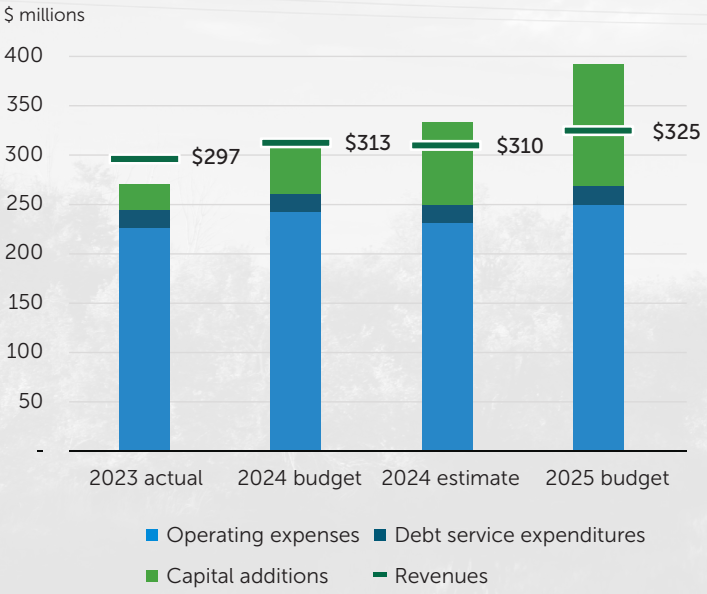
Platte River's budget includes $324.6 million in revenues and $392 million in expenditures, consisting of operating, capital and debt. After a contingency appropriation of $75 million, $142.4 million of funding is budgeted from prior reserves. Of the $373 million in operating expenses and capital additions, approximately 64% and 36% are allocated to activities supporting core operations and strategic initiatives, respectively.

Revenues

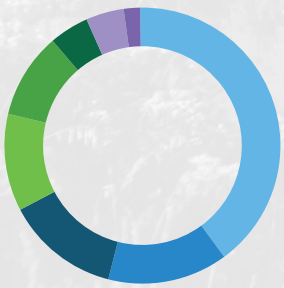


- Sales to owner communities **77%**
- Sales for resale and wheeling **20%**
- Interest and other income **3%**

Revenues and expenditures



Operating and capital additions



- Generation **40%**
- Contract renewables and hydro **14%**
- General business **13%**
- Fuel **11%**
- Transmission **10%**
- Other energy purchases **5%**
- Distributed energy resources **5%**
- Facilities **2%**

Strategic initiatives

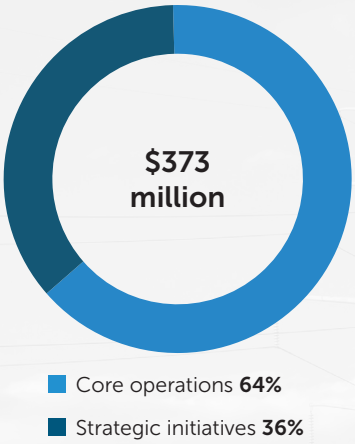
$134.2 million, 36% of operating and capital

- 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, VPP including DERMS and programs, and aeroderivative technology
- Operational flexibility and SPP RTO 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

Operating expenses and capital additions



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, 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


Westinghouse

Strategic initiatives

$134.2 million, 36% of operating and capital

Platte River is committed to pursuing the board-adopted Resource Diversification Policy that directs leadership to work toward a 100% noncarbon energy mix by 2030 while maintaining the organization's foundational pillars. According to the policy, achieving this goal requires key advancements in battery storage technology, transmission infrastructure, distributed generation resource performance and active participation in an organized energy market. Additional information about Platte River's progress toward the Resource Diversification Policy is available at prpa.org/future.

In 2025, staff will continue following the guidance of the 2023 Strategic Plan that provides high-level direction for implementing Platte River's vision and mission, anchored by the foundational pillars. The 2023 Strategic Plan is available at prpa.org/2023-strategic-plan. The current strategic initiatives are:

- Resource diversification planning and integration
- Community partner and engagement
- Workforce culture
- Process management and coordination

The following information highlights investments in 2025 that support each strategic initiative.

Resource diversification planning and integration

$125.2 million, 33%

Platte River's resource diversification planning and integration efforts focus on implementing a resource portfolio that reliably serves Platte River's owner communities ahead of the retirement of all coal-fired resources. This initiative includes identifying and implementing technological resources and data analytics to modernize the electric grid, optimizing assets for participation in an organized market and capturing opportunities as the industry continues to evolve. These efforts focus on new noncarbon resources, adding dispatchable capacity and emerging technologies, strategic transmission planning and expansion, participation in the SPP RTO West market, operational flexibility of existing resources and investments in water resources.

Noncarbon resources

Noncarbon resources are expected to represent 42.3% of Platte River's 2025 total energy production, which includes REC allocations to carbon resources. By securing additional solar, wind and storage resources before Rawhide Unit 1 retires, Platte River will spread out the necessary investments and resulting rate impact while gaining critical operational experience. This approach also helps the owner communities achieve interim carbon reduction goals.

Construction of the 150 MW Black Hollow Solar project (phase 1) began in 2024. The facility is slated to begin commercial operation in mid-2025, with 2025 total expected delivery of over 220,000 MWh of energy through a PPA at a cost of approximately $7 million. Energy from new noncarbon resources is considered strategic in the first year of commercial operation. An amended PPA for an additional 107 MW of solar adjacent to the Black Hollow Solar site (phase 2) was signed in 2024, with an expected commercial operation date in 2026. When complete, both phases of Black Hollow Solar will deliver over 630,000 MWh of energy annually, which is enough to power more than 63,000 homes and is the last new solar resource expected before all coal-fired units retire by the end of 2029.

Platte River will also invest an estimated $3 million to prepare an additional transmission bay at the Severance Substation to interconnect future solar or battery storage to the existing transmission network. This project is estimated to have a total multiyear project cost of $3.2 million, net of reimbursements from others.

In 2024, Platte River issued an RFP for up to 250 MW of new wind energy. Following bid evaluations, staff will select a vendor and begin contract negotiations. The new wind project is expected to come online in early 2027.

Additionally, staff will complete transmission system studies for new resource interconnection requests and provide engineering project support for new renewable resources and transmission interconnection projects, as needed.

Dispatchable capacity

In accordance with the Resource Diversification Policy, Platte River is working to replace traditional coal generation with renewable energy and investing in dispatchable technologies to maintain reliability. In 2023, Platte River's Board of Directors unanimously voted to approve a resolution of support for highly flexible, dispatchable capacity through a three-pronged approach: energy storage, a VPP and aeroderivative technology. This approach will help Platte River manage dark calms (extended periods of low or no renewable generation) while providing regional market balancing and transmission services to maintain reliable delivery of energy to the owner communities.

Energy storage

The size and functionality of utility-scale energy storage depends upon several factors, including the location of the project on the grid and the mechanism used to store energy. Currently, the most common utility-scale energy storage solution that maintains Platte River's three pillars is four-hour batteries. Long-duration energy storage, which is storage that can consistently discharge at a near-maximum discharge rate for 10 or more hours, is emerging technology that Platte River staff will continue to monitor, including progress of new studies and demonstration projects. Examples of technologies that may prove commercially viable as long-duration energy storage include pumped hydropower, compressed air, gravity-based systems, flow batteries and stored green hydrogen created through electrolysis of water.

While long-duration energy storage is not yet commercially viable, Platte River issued a request for proposals (RFP) for a utility-scale 75-100 MW four-hour lithium-ion battery

project in 2024 and is currently evaluating proposals and negotiating contract details. This utility-scale battery system is expected to be online by early 2027. Generally, utility-scale batteries are installed at a generating resource, such as a wind farm, or placed on the transmission system at substations to help balance electric supply and demand.

Platte River is also pursuing distribution-level storage projects in partnership with all four owner communities. In December 2021, Platte River issued an RFP for vendors to provide dispatchable capacity from battery storage systems connected to owner community distribution systems. The goal is to have at least one 5 MW, four-hour battery in each owner community operational by the end of 2026, enhancing flexibility within the distribution systems' load, offering potential market benefits and improved local distribution reliability.

Owner community-specific objectives:

- **Loveland, Longmont and Fort Collins**: These battery storage projects may help address future renewable generation and load mismatches and manage peak distribution equipment constraints.
- **Estes Park**: This battery will provide similar services as those within the other owner communities. It may also provide services to a future microgrid. In 2024, Platte River, in collaboration with Estes Park, received a contingent award of nearly $0.4 million from the Colorado Department of Local Affairs in Microgrids for Community Resilience Grant Program. These funds, if received, would be eligible to cover a portion of this project’s monthly capacity charge. In return, Platte River and Estes Park will investigate and plan for the battery's use in a future microgrid. The award is contingent on initial construction of required infrastructure by Dec. 31, 2026.

To prepare for these distribution-level storage projects, Platte River will oversee and construct the interconnections, investing approximately $3 million in 2025 as part of a total estimated $3.8 million multiyear project. This initial cost in 2025 covers procurement of equipment, including:

- Medium voltage cables, relaying, and interrupters
- Conduit systems
- Control, metering and communication equipment

A contractor will install the interconnection equipment needed by 2026 to support the third-party owned and maintained distribution-level battery storage projects coming online. Once these storage projects are fully interconnected and commercially operational, Platte River will operate them in collaboration with each owner community’s distribution operations through the VPP.

Virtual power plant

A VPP is a portfolio of aggregated flexible DER, such as EVs, battery storage and controllable equipment such as air conditioning, that utilities can leverage to provide capacity and energy services to the grid, much like a conventional power plant. The VPP is expected to grow over time to include thousands of flexible DER. While highly dependent on future adoption rates,

Platte River projects 32 MW of capacity by 2030 and 93 MW by 2040, not including the 20 MW of distribution-level storage discussed previously.

In May 2024, Platte River issued an RFP to obtain technology and services to support the development of the VPP. The RFP includes two scopes of work that one or more vendors (to be selected by the end of 2024) can fulfill. The first scope is to design and implement a DERMS, which is a system that supports the coordinated operation of DER by Platte River and the owner communities. The DERMS will enable Platte River to operate participating DER as a VPP to support integration of renewable energy and system reliability as the energy portfolio transition continues. The second scope is to support the design and implementation of programs that enable and incentivize customers to enroll their DER in the VPP.

In 2025, Platte River will invest approximately $1.4 million of an estimated $9.2 million multiyear project budget to procure a DERMS software from the selected vendor, customize the software to meet the needs of Platte River and the owner communities, and engage in project management activities including technical and integration advising and user and stakeholder participation. In addition, Platte River will invest approximately $1.2 million to initiate programs to directly support customers' enrollment in the VPP.

While the distributed energy solutions team will continue its efforts to help consumers use their energy more effectively as discussed in the core operations section, the team will increase focus on broader energy use services including energy education, building electrification, EVs and other DER. These immediate efforts support broader adoption of various DER in the owner communities to expand and encourage participation in the VPP.

The distributed energy solutions team will prioritize the following initiatives in 2025:

- Participate with the DER team to help identify and evaluate DER technologies and initiatives to implement as customer solutions that can provide long-term net benefits
- Lead the distributed energy solutions customer energy program efforts to develop and implement programs recommended by the DER team to support the VPP
- Continue engaging and collaborating with other utilities and organizations that demonstrate effective approaches to integrating DER into customer distributed energy solution program offerings at local, regional and national levels
- Provide customer programming support for anticipated EV adoption growth by offering EV education on commercial fleets and light-duty EVs
- Continue to provide contractor trainings through guest lectures at community college HVAC courses and by hosting technology-specific trainings at Platte River's Energy Engagement Center to support a growing network of local contractors

Aeroderivative technology

Platte River engaged an independent consultant to assess the landscape of low- and no-carbon fuels and dispatchable power generation technologies. Platte River's 2024 Integrated Resource Plan (IRP) explains the technology selection process. Both the IRP, and the results from the generation technology screening by the third-party consultant, are available at prpa.org/2024irp/. After assessing options, Platte River relied on the consultant's recommendation and decided the best option is to use highly flexible, state-of-the-art,

hydrogen-capable aeroderivative combustion turbine technology. These machines will initially use natural gas fuel, but by 2035 may start using 50% green hydrogen blend and by 2040 may use 100% green hydrogen, if the technology matures.

Aeroderivative units will maintain reliability and financial sustainability as Platte River increases investment in renewable resources to offset retirement of its coal-fired generation by the end of 2029. These units start and ramp quickly to respond to the changing output of wind and solar resources, allowing Platte River to reliably invest in more noncarbon generation. They have lower maintenance and fuel costs compared to Platte River's existing frame units. Additionally, aeroderivative units can provide ancillary services to support overall grid stability by operating in synchronous condenser mode (that is, synchronized to the grid but not consuming fuel or producing energy).

In 2024, Platte River completed preliminary engineering designs and submitted an air permit application to the Colorado Department of Public Health and Environment (CDPHE) for new aeroderivative units. If CDPHE accepts the air permit application by the end of 2025, Platte River should have a final construction permit in early 2026.

Activities to support the construction of the aeroderivative units must occur in parallel to the permitting process to support Platte River's decarbonization timeline. A primary focus is on procurement activities. In 2025, approximately $80.6 million of a total estimated multiyear $352.9 million investment through 2028 is needed, primarily for partial payments on the aeroderivative units and for engineering, procurement and construction services.

In 2025, Platte River will also invest in the following projects that support the aeroderivative units.

Site preparation and fire training facility retirement

In 2024, Platte River identified the existing fire training facility at the Rawhide Energy Station as the preferred location of the new aeroderivative units. To accommodate the units, staff will expedite decommissioning of the fire training facility, which is partially a component of the Rawhide Unit 1 impoundments asset retirement obligation, as discussed in the financial governance section.

The first phase of this project is expected to conclude by the end of 2024 and includes data gathering and permitting activities, followed by preparation of bid documents for decommissioning. Decommissioning should begin in 2025 and will include removing infrastructure and any contaminated sediment until the area meets criteria approved by CDPHE. The total estimated cost of the project is $7.3 million, which includes decommissioning and site preparation. Decommissioning of the fire training pond is a planned asset retirement obligation and is expected to be $3.5 million of the total cost.

12.47 kV switchgear replacement

The aeroderivative units will require a new configuration for the auxiliary power infrastructure at the Rawhide Energy Station to create redundant feeds and provide a backup auxiliary power source for the new resources. In 2026, staff will phase out the existing 12.47 kV switchgear, located in the Rawhide Substation control building, that feeds auxiliary boiler 101,

102, the construction management building, the substation control house and the frame unit backup auxiliary power. Initial activities in 2025 of approximately $0.7 million will include engineering design, contracting and procurement of the necessary equipment to support the new configuration, with a total multiyear project cost estimate of $4.4 million.

Rawhide Substation expansion

To support the aeroderivative combustion turbines and other possible future resources, Platte River will continue efforts toward expanding the existing Rawhide Substation by mid-2027 by investing approximately $0.4 million toward site development and procurement of long lead time equipment. With a total multiyear project cost of approximately $17.4 million, this project includes grading land at the site, foundations, modifications to existing structures, equipment installation and additional perimeter fencing.

Transmission and substations

Platte River needs additional transmission lines and substation facilities to maintain the reliable operation of the transmission system and relieve transmission congestion as Platte River brings additional noncarbon resources online in the coming years. Staff will determine specific needs as projects progress, with approximately $0.3 million allocated in 2025 to support these planning efforts. Including these planning costs, a multiyear total estimate of $66.4 million is expected on these projects through 2028. Additional transmission investments are expected as shown later in the capital five-year forecast.

Operational flexibility

Platte River's existing frame units are increasingly important to support noncarbon resource additions, participate in the SPP WEIS market and meet peak energy demand.

Combustion turbine Unit C will receive significant upgrades in 2025, including an estimated $4.5 million project to upgrade combustion components. This will reduce emissions, increase operational output range, double time between maintenance outages, improve reliability, and provide a spare set of hardware for use in other frame units. In addition, approximately $1.6 million will be invested to add wet compression to combustion turbine Unit C. This will increase summer generating capacity, lower the heat rate, decrease fuel costs and reduce nitrogen oxide emissions.

Additional valves will be installed on the gas supply, for approximately $0.4 million, to reduce the startup time required for combustion turbine Unit F. This will increase the operational flexibility of the unit and potentially enable Platte River to offer ancillary services to the SPP RTO West market in 2026, as the upgrades will allow the unit to qualify for zero purge credits, because it will no longer require a fresh-air purge of combustible fuels before each ignition. Avoiding a fresh air purge enables faster and more efficient unit starts while still meeting fire code and safety standards.

While actual capacity may vary after all equipment is fully installed and tested, proactive combined upgrades to the frame units are increasing summer peaking capacity. In time for the 2025 summer peaking season, capacity of combustion turbine Unit C is projected to increase from 65 MW to 77 MW and combustion turbine Unit F is projected to increase from

128 MW to 158 MW. Actual interval-by-interval capacity of all thermal generating resources varies based on ambient temperatures, humidity levels and various other factors.

The 2025 budget includes an estimated $0.1 million for consulting services to develop and implement natural gas firming strategies to supply fuel for the new aeroderivative units and existing frame units. This will help staff better understand details of the natural gas market and learn how to best operate within it. The 2025 budget also includes training on natural gas supplies and options for firming this fuel type.

SPP RTO West market

As the organization prepares to join the SPP RTO West market in April 2026, Platte River will invest approximately $1.7 million of a total estimated $2.9 million multiyear project cost to implement required software. Platte River must have a scheduling and settlements tool to participate in the SPP RTO West market. Staff will use it to develop bids for Platte River's load or offer generation on a day-ahead and real-time basis and manage market information efficiently and accurately. The software will also integrate market data for settlements, risk analytics, valuation and reporting purposes. Initial implementation must be ready in 2025 to prepare for market trials, and be fully implemented in 2026 to begin operations in the SPP RTO West market. In addition to software, approximately $0.9 million will be invested in project management, process development and other implementation services necessary to successfully enter the SPP RTO West market.

Resource planning staff will also evaluate the resource adequacy study for alignment with Platte River's interests and work with consultants to develop market energy price forecasts for the day-ahead market. Platte River also plans to enter a long-term contract to manage transmission congestion rights during its initial years in the SPP RTO West market. This is expected to be a three-year contract with annual expenses of approximately $0.1 million.

Chimney Hollow Reservoir

Platte River will continue to collaborate with its partners through the construction of Chimney Hollow Reservoir, the most significant component of the Windy Gap Firming Project. The project supports the long-term, dependable delivery of Platte River's Windy Gap water, which is essential for reliable operations, and will optimize Platte River's water resource portfolio.

The 2025 budget reflects the debt service payment for the firming project as described in the debt service expenditures and debt-like obligations section of this document, as well as initial start-up and operational costs. Construction of the reservoir is expected to be complete in 2025, at which time filling can begin. Completely filling the reservoir is expected to take several years and will depend on the available water supply.

Community partner and engagement

$1.9 million, 1%

The 2023 Strategic Plan initiatives emphasize greater engagement and collaboration with owner communities to collectively pursue a noncarbon energy future and build a regional

identity. Platte River will work to enhance the partnership with the owner communities and increase regional visibility through continued engagement efforts, accessible education and communication, and ongoing community support and involvement activities.

Communications, marketing and external affairs

In 2025, Platte River will invest approximately $0.1 million to redesign the organization's website to better inform and engage stakeholders about Platte River. The site will include enhanced end-user experiences for requesting facility tours, community presentations, career and education presentations, and opportunities to learn more about the energy transition. Additionally, the updated Platte River website will comply with new Americans with Disabilities Act requirements. The website launch will be coupled with a public education campaign that will underscore the collaborative efforts between Platte River and its owner communities in working toward the Resource Diversification Policy goal.

Platte River will continue expanding its stakeholder engagement with public policy, business, educational, environmental and nonprofit organizations during 2025. This will help grow and strengthen relationships in support of Platte River's objectives. Part of the focus in 2025 will be supporting the planning and permitting work for additional noncarbon and aeroderivative unit resources. Additionally, Platte River and Efficiency Works will continue the two-year sponsorship of the Colorado State University Energy Institute's mobile classroom. The classroom seeks to provide education on clean energy and emerging technologies to K-12 students throughout Northern Colorado, with added outreach to schools that may not have the resources to access the university's on-campus educational opportunities.

Another focus will be celebrating the commercial operation of the Black Hollow Solar project with a ribbon cutting ceremony. As additional noncarbon resources are announced, staff will collaborate with project developers to organize milestone events and public relations efforts. These opportunities allow Platte River and the owner communities to celebrate milestones of the Resource Diversification Policy with staff, board members, stakeholders, community partners and the public.

Workforce culture

$1.9 million, 1%

Platte River will build on its high-performing workforce through ongoing development opportunities, dynamic talent assessment, and job retention and succession planning for employees at the headquarters campus and the Rawhide Energy Station. As the organization continues to work on its energy transition, Platte River will maintain and enhance its strong workforce culture by recruiting the best available talent, fostering diversity and a culture of learning, personal growth and mutual respect.

Workforce evolution and development

Human resources will continue to evaluate Platte River's total rewards strategy in 2025 to ensure that it enhances employee retention and attraction while emphasizing work flexibility and wellness. Following the 2024 performance evaluation process update, work will continue

to link performance to compensation. Effective communication and change management will support successful rollout and sustainment.

Platte River will focus on the long-term transition at the Rawhide Energy Station as Rawhide Unit 1 retires by the end of 2029. In 2025, human resources and Platte River's leadership will expand on the transition plan and implement training opportunities for Rawhide staff to address future staffing needs and skills for managing a diverse energy mix. A skills assessment, led by human resources, will continue refining organizational roles. The assessment will provide data on employment trends and skill gaps to guide training and education for staff impacted by the retirement of Rawhide Unit 1. Platte River anticipates no involuntary workforce reductions and will continue to implement programs to re-skill or up-skill staff for new opportunities.

Process management and coordination

$5.2 million, 1%

The Resource Diversification Policy challenges Platte River to change how it generates and delivers electricity to its owner communities. To meet this challenge, staff must also change how processes and projects are organized and managed. This requires a new or refined approach to systems thinking and change management, project management, technology integration and long-term planning, and comprehensive risk management.

Data management and analytics platform

As part of a comprehensive data strategy, Platte River will establish foundational capabilities spanning data governance, data management, data integration and data science through a data management and analytics platform. The platform is a foundational investment to accelerate Platte River's digital and data transformation in response to the evolving energy landscape. It will help the organization load data from retiring legacy systems as part of the new enterprise resource planning system implemented in 2024, giving business units access to historical information while phasing out legacy systems. In 2025, Platte River will invest an estimated $0.8 million to implement the initial scope of the platform, provide training and facilitate the first data migration phase, with most custom interfaces between systems migrated by the end of 2025.

Establishing the data management and analytics platform allows the organization to govern, protect, organize, and operationalize its data assets. It will drive innovation by adopting cloud capabilities to support advanced analytics through artificial intelligence and machine learning. Key benefits include reduced duplicate data and assets, higher-quality and more timely insights for decision-makers, and increased agility and speed in developing future enterprise assets and data integrations under a consistent, managed data framework and process.

Information technology project management

The initial project management framework developed in 2024 captured over 70 projects in the project portfolio and will continue to evolve in 2025. It is difficult to align the correct

resources with the required skill sets unless staff improves management capabilities of resources required for specific projects and manages resource conflicts across the project portfolio. Focus areas for process improvement include better and more formal project prioritization decisions and related communications; implementing detailed project analysis and management at the resource level; and refining and standardizing project and portfolio dashboards used to communicate the status of projects across the organization.

Enterprise risk management

Platte River is committed to enterprise risk management, the process to identify potential events that may affect its ability to meet strategic objectives and manage identified risks appropriately. The enterprise risk management program is continually evolving to incorporate best industry practices.

In 2025, the risk team will implement further components of the enterprise risk management program and work through the results of the risk assessment performed in 2023. The team plans to provide training and educational risk sessions to the organization.

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Core operations

$238.8 million, 64% of operating and capital

Platte River must continue to invest in core operations to maintain the safe, reliable production and transmission of environmentally responsible and financially sustainable energy and services to the owner communities. To diversify its resource portfolio, Platte River has PPAs for wind, hydropower and solar. With a focus on preventive and predictive maintenance strategies, core operations and maintenance expenses are relatively consistent from year to year.

Generation

In 2025, approximately 37% of Platte River's energy will come from owned baseload coal-fired and peaking natural gas resources. Through SPP WEIS market participation, Platte River has more opportunities to purchase power if market prices are lower than the cost to generate, and to sell excess energy if production costs are below market prices. Purchasing power decreases fuel expense, which is partially offset by higher purchased power expense; selling power increases revenue, which is partially offset by higher fuel expense. Additional information about Platte River's generation and energy mix is available on Platte River's website at prpa.org/generation. Resource and load information, including the resource mix for the trailing 24-hour period, is available at prpa.org/energy-production.

Rawhide Energy Station

The Rawhide Energy Station began commercial operation in 1984 and celebrated 40 years of reliable service in 2024. Over the past two decades, it has evolved into a diverse site with multiple forms of energy resources and staff continue to actively pursue integration of new renewable resources and upgrades to existing equipment to improve efficiency and decrease emissions. The current energy resources onsite include coal, natural gas, solar and battery storage, with interconnections for wind.

While Platte River diversifies its energy portfolio in pursuit of the Resource Diversification Policy, Rawhide Unit 1 continues to be its largest energy source. As additional non-dispatchable resources (wind and solar) are added to the portfolio, optimal performance of Rawhide Unit 1 and the frame units is critical to system reliability and a key factor in facilitating deeper levels of decarbonization. Platte River will emphasize efforts to upgrade and maintain these units to become more flexible as the generation portfolio evolves. In 2025, Rawhide Unit 1 and the frame units will generate 24.4% and 3.7%, respectively, of Platte River's energy before REC allocations.

Rawhide Unit 1

Continued operation of Rawhide Unit 1 requires funding to maintain optimal performance and environmental compliance until the unit retires by Dec. 31, 2029. A five-week scheduled maintenance outage is planned for fall 2025 to perform extensive inspection of major equipment and important overhaul activities in the boiler, turbine and other supporting systems. Several capital projects, described below, will also conclude during the outage.

Maintenance expenses, including personnel costs, are estimated to be $13.3 million and total capital additions are estimated to be $3.9 million. Replacement power of approximately $1.5 million is also planned for energy requirements above Craig Energy Station and frame unit production while Rawhide Unit 1 is offline. Capital projects during the outage are outlined below.

- **Air heater fire protection upgrade:** Platte River will invest approximately $0.1 million to complete this $0.2 million multiyear fire detection system project that began in 2021 as a strategic project, best completed during an outage. Staff will install the thermocouple array and commission the system.
- **Boiler iron transport analyzer:** This system, with an investment of approximately $0.1 million, will provide insight into maintenance needs, potential chemistry program changes and determine if a boiler chemical clean is needed.
- **Dust collection system replacement – coal transfer and crusher buildings:** These projects involve investing an estimated $2.1 million in 2025, completing a total multiyear estimated investment of $2.5 million, to upgrade the coal transfer and crusher buildings' dust collector systems to improve safety and comply with current regulations and connect to the pneumatic dust collecting system. Upgrades include new deflagration relief panels that vent to the outside, a new exhaust fan, new filter housing, bags and cleaning blowers. If deemed necessary, staff will perform electrical work upgrades to the motor control center buckets and system controls will be incorporated into the Ovation distributed control system.
- **Evergreen controls hardware upgrade:** This approximately $1.1 million 2025 investment, concluding a total estimated $2.3 million multiyear project, will bring the Rawhide Unit 1 distributed control system to the currently supported software platform via a turnkey solution. Current hardware is original and will no longer be supported. Staff will replace this hardware and install new network switches with security enhancements. Additionally, staff will update the Ovation controls and replace controllers for the processors.
- **Generator step-up transformer fire protection:** Platte River will invest approximately $0.6 million to upgrade the transformer fire protection deluge systems to work together with the electrical relaying on Rawhide Unit 1, including installing linear fire protection and programming relays.

The board-approved outage accrual policy requires Platte River to accrue 100% of the estimated incremental costs ahead of a scheduled major maintenance outage and reverse those amounts in the year of the outage to alleviate a single-year significant increase in expenses, thus stabilizing how outages affect wholesale rates to the owner communities. A portion of the outage expenses will be accrued in 2025 up to the date of the outage. The cumulative amount accrued will be reversed in the months of the outage, resulting in a net reversal of approximately $11.7 million, $10.4 million of maintenance expenses and $1.3 million of replacement power. As 2025 is the last scheduled major maintenance outage before the unit retires by the end of 2029, the 2025 budget does not include any accrual for a future scheduled maintenance outage under this policy. However, planned minor

maintenance outages will continue to keep the plant reliably and efficiently operating through retirement.

Frame combustion turbine units

To further increase the reliability and reduce maintenance activities for combustion turbine Unit A, Platte River will invest an estimated $0.7 million to replace the electro-hydraulic stop/speed ratio valve and gas control valves with electric actuated valves.

Craig Generating Station

Continued operation of Craig Generating Station's units 1 and 2 requires funding to maintain optimal performance and environmental compliance until the units retire by Dec. 31, 2025 and Sept. 30, 2028, respectively. Platte River's share of planned production and transmission operating expenses, excluding fuel, is approximately $8.4 million. One capital project for the switchyard station is planned, with less than $0.1 million required for Platte River's share of the investment. There are planned outages during 2025. The Craig units will generate 9.3% of Platte River's energy.

As the retirement dates for the Craig units approach, Trapper Mine reclamation activities will intensify. Platte River annually appropriates capital funding for mine reclamation as an asset retirement obligation, as discussed in the financial governance section. The mine's post-closure care period is expected to run through 2041, with currently estimated total capital funding of $11.1 million, including $0.5 million expected in 2025 and amounts incurred in 2024. Actual funding need is uncertain. Platte River will evaluate these plans as additional information develops, including the impact to the mine's reclamation plan from highwall mining and recent decisions on final mining activity and scope through mine closure.

Purchased power

The remaining source of Platte River's energy, approximately 63%, is from wind, hydropower, solar (combined with battery storage) and other purchases. The operating expenses section has more information on each of these purchased power resources.

Due to ongoing drought conditions that have depleted water supplies in the Colorado River basin, the Western Area Power Administration (WAPA) increased rates and reduced deliveries of Colorado River Storage Project (CRSP) hydropower in late 2021. Stable CRSP rates with further delivery reductions are expected in 2025 but depend on water conditions. A small reduction in deliveries from the Loveland Area Projects (LAP) is expected, however an 8.8% rate increase is also planned for 2025, resulting in approximately $0.3 million of additional funds required for about the same LAP energy as previous years. WAPA projects an additional LAP rate increase of 8.2% in 2026.

During 2024, Platte River received notice of early termination for the Medicine Bow Wind Energy site, with planned decommissioning by the end of 2024. Platte River will no longer receive energy from or incur purchase power costs associated with this wind power resource.

Transmission, substations and fiber optics

Transmission and substation capital projects are determined through an annual 10-year load study that identifies areas Platte River must address to meet operational standards. Scheduling future delivery points and other system improvements requires collaboration and coordination with the owner communities.

Transmission

A multiyear project initiated in 2017 will continue in 2025 with the procurement of airflow spoilers for sections of the Rawhide to Laporte 230 kV and Del Camino Tap to Terry Tap 115 kV transmission lines. Airflow spoilers prevent galloping and enhance reliability. Budgeted at approximately $0.5 million in 2025, installation in 2026 will conclude this estimated $3.7 million multiyear project.

Following a rebuild project on WAPA's transmission system that serves Estes Park, isolated outages have revealed the need for further outage risk mitigation. In close collaboration with WAPA, Platte River staff will continue to evaluate system upgrades and procedural change opportunities to further reduce outage risk and increase overall transmission system reliability to Estes Park.

Substations

The City of Loveland has requested a new substation in its southeast service territory, accommodating two city transformers. This multiyear project has a projected total investment of $10.7 million through 2028, with approximately $0.1 million in 2025 to begin engineering and surveying activities.

Engineering and material procurement will begin in 2025 with a planned investment of $0.9 million to replace existing motor operating disconnects for transformers 1 and 2 at Rogers Road Substation in Longmont with circuit switchers, which provides compliance and maintenance benefits. This multiyear project, projected at $3.9 million with completion in 2027, also prepares the site for load growth and future transmission system expansion projects if required.

Aged, single-phase 230-115 kV transformers at Longs Peak Substation will be replaced with a single, three-phase autotransformer. In addition to other activities, crews will complete new foundations and a transformer oil containment system and also modify existing connections and monitoring systems to accommodate the new unit. With continued 2025 investment of $0.3 million, this multiyear project started in 2022 will have a total investment of $4.6 million by completion planned in 2026.

Fiber optics

Platte River's fiber optic system enables efficient data communications between generation and transmission assets and gives the owner communities robust communications service capabilities. About $1.9 million total is budgeted in 2025 to replace the section of Long-Haul

East overhead fiber cable from the Longs Peak Substation in Longmont to the Longmont Civic Center. The project will also increase fiber strand capacity and reduce outage risk.

Two expansion projects to the fiber optic system are planned. Expected to be completed in 2027 at a total multiyear project cost of $4.9 million, the 2025 budget includes $1.9 million to start procuring and installing a new 288-count Long-Haul West fiber cable from Horseshoe Substation to the Longmont Civic Center. Constructing and owning this cable alleviates capacity, performance, and future lease contract concerns, increasing redundancy and reliability of the network. An additional $1.1 million is budgeted to install fiber cable from Lyons to the Northwest Substation in Longmont, creating a potential redundant fiber path between Estes Park and Longmont, contingent on acquiring rights to use others' fiber along Highway 36 to complete the path into Estes Park. Creating this redundancy enhances reliability for Platte River, as well as for owner community and third-party services such as emergency networks and broadband.

Customer energy programs

The distributed energy solutions team works collaboratively with the owner communities to provide customer energy programs to their customers under the Efficiency Works brand. In 2025, Platte River will invest approximately $7.9 million by continuing to offer customer energy programs, including customer assessments, efficiency rebates and incentives and additional funding for income-qualified programs.

Customer energy programs target 17,443 MWh of energy savings (using Platte River funds). In addition to the energy savings, an additional 548 MWh will be impacted due to building and transportation electrification initiatives. The owner communities will provide an estimated additional $1.8 million, not included in Platte River's budget but facilitated by Platte River staff, in directive funding to support owner community-specific initiatives for customer energy and water improvements.

In addition to the focus areas outlined in the strategic initiatives section, the distributed energy solutions team will conduct the following activities in 2025:

- Provide excellent customer service and distributed energy solutions to the owner communities and their customers
- Lead overall customer outreach efforts and coordinate with the communications, marketing and external affairs department to support outreach efforts with marketing needs of the customer energy program offerings

Ongoing communications and community engagement

The communications, marketing and external affairs team will continue expanding the public education program initiated in 2022 to cultivate a regional identity and explain how Platte River and the owner communities are working together to achieve their shared goals. Part of the collaboration includes investing $0.8 million to manage the ongoing multimedia public education and outreach campaign efforts that highlight Platte River's progress on the Resource Diversification Policy. The team will also help manage communications and

marketing for all DER and distributed energy solutions programs, including ongoing awareness of the EV education website platforms.

This team will also continue to develop Platte River's community engagement strategy by diversifying opportunities to engage with the communities in the service region. This will include building community partnerships that aim to improve the quality of life for Northern Colorado residents, enhance the business climate and support economic development opportunities, support public health and safety, and increase access to science, technology, engineering and math-related education for students across all levels. An investment of over $0.4 million also represents Platte River's commitment to communications and community engagement that serve to enhance long-standing outreach and initiatives such as the NoCo Time Trials, scholarships and enhancing partnerships with nonprofit organizations, economic development initiatives, and chambers of commerce.

Facilities improvements

Since construction in 2021, Platte River has hosted public meetings, industry events and trainings, owner community-sponsored meetings and more at its Energy Engagement Center, bringing together stakeholders to engage in the region's energy future. The Energy Engagement Center is also a regular meeting space for Platte River's all-staff business and safety meetings. In 2024, Platte River converted a sizable portion of the existing storage space for the Energy Engagement Center into a mechanical room. A new space is needed to store furniture, catering, janitorial and maintenance supplies to continue supporting these events and meetings. In 2025, Platte River will invest $0.7 million for a 1,200-square-foot new storage space following the selection of an architect in late 2024.

Platte River will also begin a multiyear project in 2025 to begin replacing multiple end-of-life cameras and access control boards that support all locations for surveillance systems and security services. The replacements in 2025 require a $0.2 million investment, included in maintenance expenses.

Personnel

Approximately 29% of the operating expense budget relates to employee salaries and benefits, which include retirement, medical and dental. Combined, these expenses are expected to rise 13.9% from 2024. For 2025, Platte River will implement merit-based salary adjustments following the framework of the new compensation philosophy, established at the conclusion of the compensation study conducted in 2022. Benefits for employees are spread across all functional areas as a percentage of salaries.

As timelines advance on strategic initiatives, additional staffing is required. Platte River evaluates all vacancies to determine and align resources where they are needed most. During 2024, Platte River evaluated and repurposed one position to meet current and future needs and eliminated two positions no longer required. Platte River restructured, resulting in one new division. For 2025, Platte River will add 13 new positions, for a net year-over-year increase of 11 positions. Of these new positions, one serves in the general manager division, one in financial services, four in generation and transmission, four in power supply and three

in technology services. From time to time, Platte River reorganizes its reporting structures and repurposes positions to better align with its strategic initiatives. As discussed in the workforce culture strategic initiative section, emphasis in future alignments will be on the long-term transition at the Rawhide Energy Station. Below is a summary of full-time positions by division, based on organizational structure at the end of 2024.

Positions by division	2023 actual	2024 budget	2024 estimate	2025 budget
General manager	5	5	5	6
Business strategies	24	27	27	27
General counsel	12	14	14	14
Financial services	32	30	30	31
Generation and transmission	148	151	148	152
Power supply	38	42	43	47
Technology services	41	43	43	46
Total positions	300	312	310	323

Revenues

Platte River anticipates approximately $324.6 million in revenues during 2025. The majority of revenues, 77%, are derived from energy sales to the owner communities. The remainder are derived from sales for resale, wheeling, interest and other income. Owner community revenues include a 6.3% average wholesale rate increase and a reduction in loads of 0.8%. Revenues from sales for resale and wheeling are 20% of revenues and are expected to decrease by approximately $0.7 million, primarily due to less volume of energy sold, partially offset by increased resold capacity and a rate increase for use of Platte River's transmission system.

Wholesale rates

Platte River establishes service offerings and a supporting rate structure that complements its foundational pillars, vision, mission, values, strategic plan and underlying policies. Platte River provides stable and financially sustainable wholesale rates while advancing the Resource Diversification Policy. The tariffs and charges are established to achieve Strategic Financial Plan targeted financial metrics. The rate structure provides unbundled transmission and generation rates and transparent fixed and variable costs. It also adds value to the owner communities by offering a desirable portfolio of services that meet community needs, more accurately align wholesale time-of-use pricing signals with costs of service and send clear pricing signals that lead to system benefits.

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 and approves the rate tariff schedules for the next year. Staff prepares long-term average wholesale rates projections for a 10-year planning horizon using current assumptions. The long-term projections can change as assumptions are updated. Platte River's rate philosophy includes implementing incremental increases to provide a more predictable path of smaller, more consistent annual rate increases.

Long-term average wholesale rate projections based on assumptions reviewed with the board of directors in May 2024 are listed below. Staff will update the long-term rate projections in May 2025.

- 6.3% (2025 – 2029)
- 5.3% (2030 – 2031)
- 2.1% (2032 – 2034)

The 2025 budget includes the 6.3% average wholesale rate increase, which reflects application of the board-approved deferred revenue and expense accounting policy. This accounting policy helps reduce rate pressure during the resource transition and supports greater long-term rate stability. Platte River's website has additional information about rates at prpa.org/wholesale-rates.

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Friends of Coal

Financial review

In addition to the budget items discussed, the table below compares Platte River's financial results to Strategic Financial Plan metrics, with more information on those metrics included in the financial governance section. In the years represented, all financial metrics were or are expected to be met.

Depreciation, amortization and accretion expense is a non-budgeted expense and is expected to increase in 2025 by $6.5 million. Depreciation expense relates to capital assets in use and will increase as new capital improvements are placed into service and remaining estimated useful lives shorten with evaluation of future capital needs. Amortization expense relates to other assets due to board-approved accounting policies and Governmental Accounting Standards Board (GASB) pronouncements. Amortization expense will increase with a full year of the new enterprise resource planning software after its 2024 rollout, an increase for the Trapper Mine post-mining reclamation estimate and an acceleration of one Rawhide Energy Station impoundment, as discussed in the strategic initiatives section. Accretion expense will increase for inflation to reflect the accrual for the board-approved accounting policy for decommissioning costs at the Craig Generating Station. The financial governance section includes more information on board-approved accounting policies.

Strategic Financial Plan metrics	**Target minimums**	**2023 actual**	**2024 budget**	**2024 estimate** [1]	**2025 budget**
Fixed obligation charge coverage ratio	1.50 times	1.50x	1.93x[2]	1.90x	2.00x
Change in net position as a percentage of annual operating expenses	3%	4%	3%	3%	3%
Adjusted debt ratio	less than 50%	26%	23%	24%	22%
Days adjusted liquidity on hand	200	461	443	415	252
Other selected data ($000 except bond service coverage ratio)					
Change in net position		$ 9,262	$ 7,287	$ 6,984	$ 7,508
Accumulated deferred regulatory revenues		$ 53,236	$ 64,997	$ 77,761	$ 89,755
Accumulated net position		$ 667,185	$ 673,287	$ 674,169	$ 681,677
Dedicated reserves and available funds		$ 295,587	$ 302,372	$ 272,490	$ 181,773
Long-term debt and other long-term obligations		$ 230,655	$ 214,901	$ 226,572	$ 210,485
Capital additions		$ 25,944	$ 53,232	$ 82,491	$ 122,933
Bond service coverage ratio (minimum 1.1x)		2.11x	3.15x	3.02x	3.51x

(1) 2024 estimate represents ten months actual and two months budget adjusted for revised projections on all budget schedules.

(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.

Statements of revenues, expenses and changes in net position	2023 actual	2024 budget	2024 estimate	2025 budget
Operating revenues				
Sales to owner communities	$ 217,734,784	$ 235,736,438	$ 230,395,963	$ 248,437,053
Sales for resale	61,666,256	56,442,604	55,757,471	55,270,429
Wheeling	9,344,605	8,941,957	9,983,306	9,452,245
Deferred regulatory revenues	(31,496,874)	(14,032,800)	(24,524,200)	(11,994,613)
Total operating revenues	257,248,771	287,088,199	271,612,540	301,165,114
Operating expenses				
Purchased power	61,729,736	63,775,644	63,377,624	69,788,991
Fuel	45,142,321	51,118,728	41,702,723	42,435,488
Operations and maintenance [1]	78,336,976	77,492,800	77,619,983	79,651,606
Administrative and general [1]	32,347,249	36,863,271	37,667,373	43,185,930
Distributed energy resources [1]	10,214,299	13,664,632	12,418,053	15,199,969
Depreciation, amortization and accretion [1]	29,729,607	45,398,213	44,514,320	51,873,561
Total operating expenses	257,500,188	288,313,288	277,300,076	302,135,545
Operating income	(251,417)	(1,225,089)	(5,687,536)	(970,431)
Nonoperating revenues (expenses)				
Interest income	7,735,173	11,359,881	11,165,780	10,393,098
Other income	317,936	281,992	2,596,642	851,090
Interest expense	(5,239,293)	(4,667,494)	(4,681,817)	(4,092,429)
Amortization of bond financing costs [1]	1,476,520	1,328,895	1,328,895	1,173,834
Net increase in fair value of investments [1]	5,222,844	209,268	2,261,602	152,698
Total nonoperating revenues (expenses)	9,513,180	8,512,542	12,671,102	8,478,291
Change in net position	9,261,763	7,287,453	6,983,566	7,507,860
Net position at beginning of period	657,923,256	665,999,750	667,185,019	674,168,585
Net position at end of period	$ 667,185,019	$ 673,287,203	$ 674,168,585	$ 681,676,445

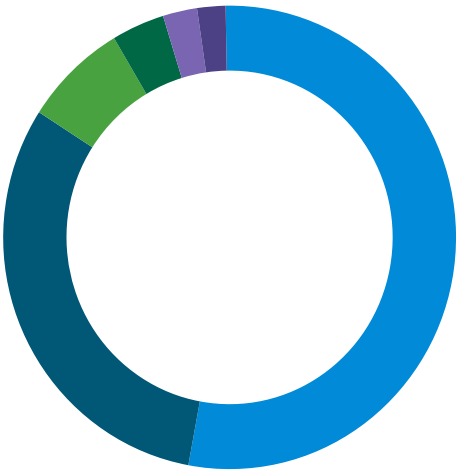
(1) Includes nonappropriated expenses when applicable due to basis of accounting differences discussed in the financial governance section.

Consolidated budget schedules

Source and use of funds	2023 actual	2024 budget	2024 estimate	2025 budget
Source of funds				
Operating revenues				
Sales to owner communities	$ 217,734,784	$ 235,736,438	$ 230,395,963	$ 248,437,053
Sales for resale - long-term	13,525,903	20,086,326	17,130,876	17,641,416
Sales for resale - short-term	48,140,353	36,356,278	38,626,595	37,629,013
Wheeling	9,344,605	8,941,957	9,983,306	9,452,245
Total operating revenues	288,745,645	301,120,999	296,136,740	313,159,727
Other revenues				
Interest income	7,789,484	11,569,149	11,375,048	10,545,796
Other income	317,936	281,992	2,596,642	851,090
Total other revenues	8,107,420	11,851,141	13,971,690	11,396,886
Total revenues	296,853,065	312,972,140	310,108,430	324,556,613
Funds from prior reserves	(26,409,646)	57,617,377	22,923,582	142,445,812
Total sources	$ 270,443,419	$ 370,589,517	$ 333,032,012	$ 467,002,425
Use of funds				
Operating expenses				
Purchased power	$ 61,729,736	$ 63,775,644	$ 63,377,624	$ 69,788,991
Fuel	45,142,321	51,118,728	41,702,723	42,435,488
Production	58,306,523	55,841,670	56,798,294	55,511,915
Transmission	19,348,242	21,412,126	20,363,295	23,900,687
Administrative and general	31,714,039	36,863,271	37,288,608	43,185,930
Distributed energy resources	10,130,875	13,664,632	12,381,293	15,199,969
Total operating expenses	226,371,736	242,676,071	231,911,837	250,022,980
Capital additions				
Production	11,758,192	12,362,483	42,394,826	96,422,778
Transmission	7,484,534	21,956,872	27,143,812	8,981,339
General	6,649,540	17,978,640	12,232,220	13,518,492
Asset retirement obligations	51,628	933,072	720,119	4,010,574
Total capital additions	25,943,894	53,231,067 [1]	82,490,977	122,933,183
Total operating expenses and capital additions	252,315,630	295,907,138	314,402,814	372,956,163
Debt service expenditures				
Principal	12,888,495	14,014,885	13,947,381	14,953,833
Interest expense	5,239,294	4,667,494	4,681,817	4,092,429
Total debt service expenditures	18,127,789	18,682,379	18,629,198	19,046,262
Total expenditures	270,443,419	314,589,517	333,032,012	392,002,425
Contingency appropriation	-	56,000,000 [1]	-	75,000,000
Total uses	$ 270,443,419	$ 370,589,517	$ 333,032,012	$ 467,002,425

(1) Excludes projections for contingency transfers.

2025 sources



■	53%	Sales to owner communities	$ 248,437,053
■	7%	Sales for resale - short-term	37,629,013
■	4%	Sales for resale - long-term	17,641,416
■	3%	Interest and other income	11,396,886
■	2%	Wheeling	9,452,245
		Total revenues	324,556,613
■	31%	Funds from prior reserves	142,445,812
		Total sources	$ 467,002,425

2025 uses

■	27%	Capital additions	$ 122,933,183
■	15%	Purchased power	69,788,991
■	12%	Production	55,511,915
■	9%	Administrative and general	43,185,930
■	9%	Fuel	42,435,488
■	5%	Transmission	23,900,687
■	4%	Debt service expenditures	19,046,262
■	3%	Distributed energy resources	15,199,969
		Total expenditures	392,002,425
■	16%	Board contingency	75,000,000
		Total uses	$ 467,002,425

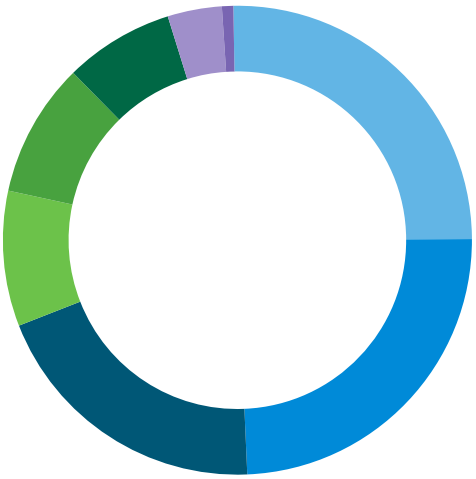
Revenue and expenditure detail	2023 actual	2024 budget	2024 estimate	2025 budget
Revenues				
Sales to owner communities	$ 217,734,784	$ 235,736,438	$ 230,395,963	$ 248,437,053
Sales for resale - long-term	13,525,903	20,086,326	17,130,876	17,641,416
Sales for resale - short-term	48,140,353	36,356,278	38,626,595	37,629,013
Wheeling	9,344,605	8,941,957	9,983,306	9,452,245
Interest income	7,789,484	11,569,149	11,375,048	10,545,796
Other income	317,936	281,992	2,596,642	851,090
Total revenues	296,853,065	312,972,140	310,108,430	324,556,613
Funds from prior reserves	(26,409,646)	57,617,377	22,923,582	142,445,812
Total revenues and prior funds	$ 270,443,419	$ 370,589,517	$ 333,032,012	$ 467,002,425
Expenditures				
Personnel expenses				
Salaries				
Regular wages	$ 37,070,360	$ 43,867,456	$ 43,332,891	$ 47,881,682
Overtime wages	2,631,033	1,911,615	2,424,934	3,418,999
Total salaries	39,701,393	45,779,071	45,757,825	51,300,681
Benefits				
Pension - defined contribution	2,167,721	2,352,055	2,633,100	3,259,370
Pension - defined benefit	4,515,409	6,571,899	6,571,902	7,258,782
Social security	2,779,894	3,279,920	3,211,162	3,619,988
Long-term disability	135,206	130,000	155,993	176,882
Medical and dental	6,284,773	6,868,792	6,398,030	7,948,793
Recruiting	197,346	207,000	261,767	339,000
Life insurance	139,407	143,000	160,647	157,300
Accidental death	31,058	33,000	34,891	36,300
Workers' compensation	90,291	140,000	134,662	140,000
Unemployment compensation	11,163	17,500	29,945	18,000
Salary and pension services	329,606	345,250	336,388	368,175
Total benefits	16,681,874	20,088,416	19,928,487	23,322,590
Total personnel expenses	56,383,267	65,867,487	65,686,312	74,623,271
Less charged to capital and other	1,948,459	2,737,929	2,755,585	2,693,485
Total operating personnel expenses	54,434,808	63,129,558	62,930,727	71,929,786
Materials and other expenses				
Office expenses	28,851	18,525	34,577	22,325
Safety expenses	143,394	224,465	215,797	253,415
Furniture and equipment	25,400	38,880	33,870	37,700
Local business expense	652,622	801,866	656,426	771,674
Postage and deliveries	18,138	36,850	21,657	46,850

Revenue and expenditure detail (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Materials and other expenses (continued)				
Rawhide O&M materials	$ 4,148,247	$ 3,548,778	$ 3,083,990	$ 7,085,022
Other O&M materials	1,228,709	2,038,710	907,892	805,963
Rawhide coal	23,514,013	30,569,730	21,263,428	19,984,720
Craig units 1 and 2 coal	10,861,431	11,724,307	14,434,144	12,959,330
Oil	472,723	45,000	154,501	220,000
Natural gas (Rawhide units A, B, C, D and F)	9,751,216	7,852,202	5,111,872	8,406,668
Natural gas (Craig units startup)	145,209	175,000	77,611	130,000
Gasoline and diesel	176,566	174,290	131,912	220,070
Tools, shop and garage equipment	95,775	130,754	90,317	123,668
Purchased power	61,008,257	63,458,454	63,060,434	71,061,272
Craig units 1 and 2 operating expenses	12,137,353	7,887,404	9,339,154	8,660,973
Computer equipment	715,546	655,100	499,830	548,542
Wheeling expense	3,671,960	4,225,440	3,606,660	4,167,053
Outage accrual	3,620,621	4,209,175	4,209,175	(11,669,807)
Total materials and other expenses	132,416,031	137,814,930	126,933,247	123,835,438
Contractual services				
Rawhide contracted services	8,299,357	6,543,589	6,526,454	13,442,229
Other contracted services	16,190,606	18,217,116	18,748,289	21,169,863
Insurance	3,019,414	3,020,340	3,171,548	3,441,221
Travel and training	1,075,902	1,481,024	1,236,647	1,632,572
Telephone services	139,281	223,347	169,345	165,635
Utilities	719,478	720,600	724,658	738,728
Dues, memberships and fees	992,457	1,109,322	1,095,221	1,409,621
Trustees fees	12,000	12,000	12,000	12,000
Pooled financing expenses	2,888,007	2,888,007	2,958,134	3,769,570
Leases and rents	558,522	514,462	520,225	915,047
Economic development	100,000	120,000	120,000	120,000
Fiscal impact payment	36,217	36,217	23,209	23,209
Rebates/incentives for retail customers: non-controlled	4,286,097	5,221,571	4,895,829	5,260,011
Rebates/incentives to owner communities: controlled	30,434	104,828	124,500	132,000
Audits/assessments for retail customers	1,138,747	1,462,260	1,684,021	1,754,150
Rebates/incentives for retail customers: controlled	-	-	-	223,000
Other financing expenses	34,378	56,900	37,783	48,900
Total contractual services	39,520,897	41,731,583	42,047,863	54,257,756

Revenue and expenditure detail (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Capital additions				
Personnel expenses				
Regular wages	$ 959,086	$ 1,609,980	$ 1,546,081	$ 1,495,078
Overtime wages	133,375	75,265	85,663	109,223
Benefits allocation	461,834	662,626	641,602	693,907
Total personnel expenses	1,554,295	2,347,871	2,273,346	2,298,208
Capital expenditures	24,452,344	50,022,794	79,693,513	116,624,401
Capital reimbursements and trade-in value	(114,373)	(72,670)	(196,001)	-
Asset retirement obligations	51,628	933,072	720,119	4,010,574
Total capital additions	25,943,894	53,231,067[1]	82,490,977	122,933,183
Debt service expenditures				
Principal	12,888,495	14,014,885	13,947,381	14,953,833
Interest expense	5,239,294	4,667,494	4,681,817	4,092,429
Total debt service expenditures	18,127,789	18,682,379	18,629,198	19,046,262
Total expenditures	270,443,419	314,589,517	333,032,012	392,002,425
Contingency appropriation	-	56,000,000[1]	-	75,000,000
Total expenditures and contingency appropriation	$ 270,443,419	$ 370,589,517	$ 333,032,012	$ 467,002,425

(1) Excludes projections for contingency transfers.

2025 resources

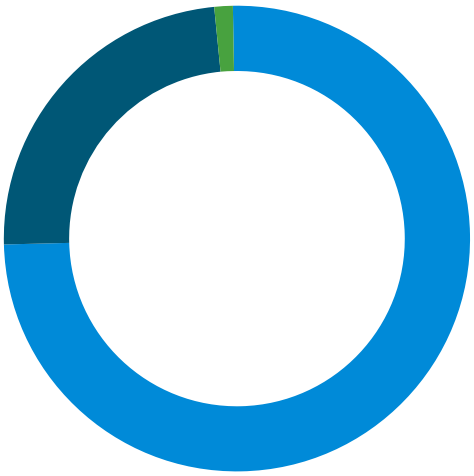


- Wind (1,106,471 MWh)
- Rawhide Unit 1 (1,071,523 MWh)
- Market purchases (866,367 MWh)
- Craig units 1 and 2 (409,553 MWh)
- Hydropower (406,406 MWh)
- Solar (330,903 MWh)
- Frame combustion turbines (164,346 MWh)
- Bilateral purchases and owner community solar (34,458 MWh)

Total resources* = 4,390,027 MWh

* Excludes REC allocations to carbon resources

2025 deliveries



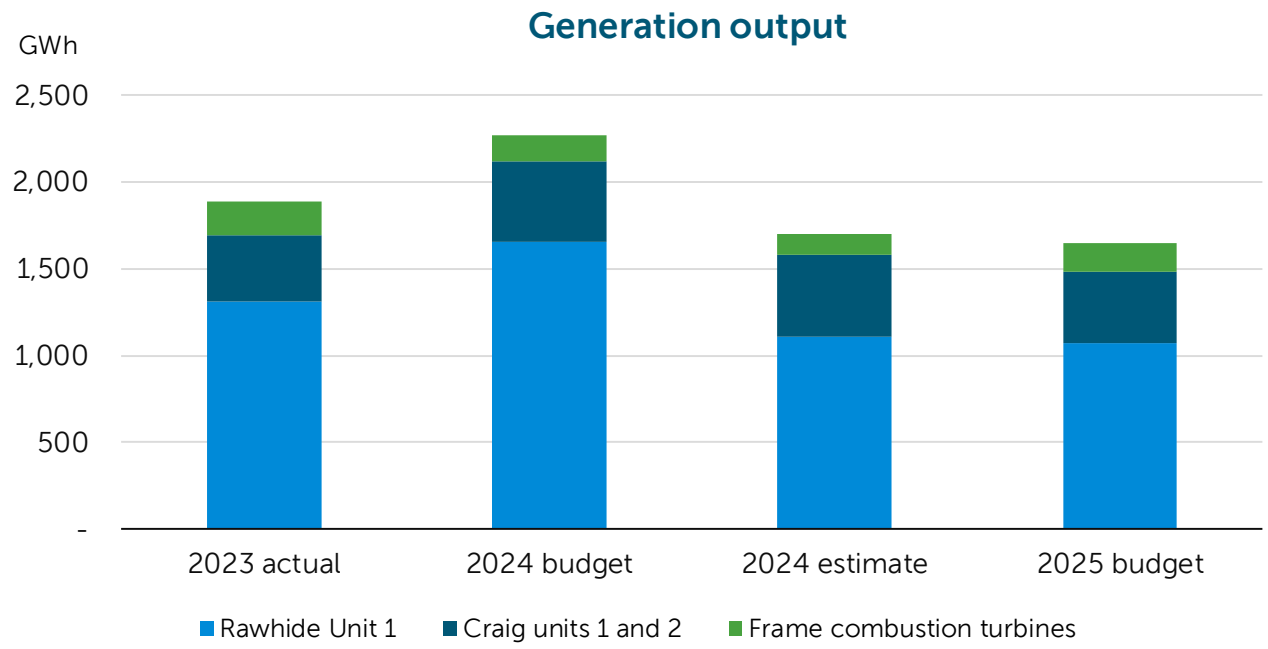
- Owner communities (3,287,172 MWh)
- Sales for resale (1,046,709 MWh)
- Losses and other (56,146 MWh)

Total deliveries = 4,390,027 MWh

Owned generation resources	2023 actual	2024 budget	2024 estimate	2025 budget
Rawhide Unit 1 (280 MW)				
Generation (MWh)	1,311,514	1,651,219	1,111,019	1,071,523
Capacity factor	53.5%	67.1%	45.2%	43.7%
Fuel cost ($/MWh)	$ 18.47	$ 18.87	$ 19.61	$ 19.33
O&M cost ($/MWh)	27.04	20.30	30.01	44.73
Total Rawhide ($/MWh)	$ 45.51	$ 39.17	$ 49.62	$ 64.06
Craig units 1 and 2 (151 MW) [1]				
Generation (MWh)	383,137	466,915	466,694	409,553
Capacity factor	29.0%	35.2%	35.2%	31.0%
Fuel cost ($/MWh)	$ 29.13	$ 25.94	$ 31.73	$ 32.53
O&M cost ($/MWh)	31.07	16.33	19.23	20.39
Total Craig ($/MWh)	$ 60.20	$ 42.27	$ 50.96	$ 52.92
Frame combustion turbines (430 MW) [2]				
Generation (MWh)	190,491	149,317	125,154	164,346
Capacity factor	5.6%	4.4%	3.7%	4.5%
Fuel cost ($/MWh)	$ 51.19	$ 52.59	$ 40.84	$ 51.15
O&M cost ($/MWh)	20.67	41.47	43.67	16.83
Total frame combustion turbines ($/MWh)	$ 71.86	$ 94.06	$ 84.51	$ 67.98

(1) Craig Unit 1 = 77 MW, Craig Unit 2 = 74 MW.

(2) Rawhide units A, B, D = 65 MW each, Rawhide Unit C = 77 MW, Rawhide Unit F = 158 MW. Prior to May 2025, Rawhide Unit C = 65 MW, Rawhide Unit F = 128 MW.



Purchased power resources	2023 actual	2024 budget	2024 estimate	2025 budget
Wind				
Roundhouse (225 MW)				
Generation (MWh)	847,015	839,693	811,219	837,468
Capacity factor	43.0%	42.5%	41.0%	42.5%
Total Roundhouse ($/MWh) - delivered	$ 21.18	$ 22.37	$ 21.47	$ 23.14
Spring Canyon II (32 MW) [1]				
Generation (MWh)	102,435	125,251	78,489	125,208
Capacity factor	36.5%	44.6%	27.9%	44.7%
Total Spring Canyon II ($/MWh) - delivered	$ 47.22	$ 45.66	$ 51.89	$ 46.41
Spring Canyon III (28 MW) [1]				
Generation (MWh)	86,527	105,982	97,564	105,945
Capacity factor	35.3%	43.1%	39.7%	43.2%
Total Spring Canyon III ($/MWh) - delivered	$ 47.61	$ 46.00	$ 46.48	$ 46.75
Silver Sage (12 MW) [2]				
Generation (MWh)	31,351	37,951	30,985	37,850
Capacity factor	29.8%	36.0%	29.4%	36.0%
Total Silver Sage ($/MWh) - delivered	$ 66.81	$ 68.44	$ 68.49	$ 70.15
Medicine Bow [3]				
Generation (MWh)	10,866	18,395	9,435	-
Capacity factor	20.7%	34.9%	17.9%	0.0%
Total Medicine Bow ($/MWh) - delivered	$ 52.26	$ 48.33	$ 53.04	$ -
Total wind (297 MW) [3]				
Generation (MWh)	1,078,194	1,127,272	1,027,692	1,106,471
Capacity factor	40.6%	42.4%	38.6%	42.5%
Total wind ($/MWh)	$ 27.41	$ 29.16	$ 27.87	$ 29.64
Hydropower				
WAPA-CRSP (106 MW-summer/ 136 MW-winter) [4]				
Generation (MWh)	386,449	315,314	360,526	297,904
Capacity factor	36.5%	29.7%	33.9%	28.1%
Total WAPA-CRSP ($/MWh)	$ 32.06	$ 36.50	$ 33.48	$ 37.91

Purchased power resources (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Hydropower (continued)				
WAPA-LAP (30 MW-summer/ 32 MW-winter) [5]				
Generation (MWh)	109,536	109,264	109,197	108,502
Capacity factor	40.3%	40.1%	40.1%	40.0%
Total WAPA-LAP ($/MWh)	$ 34.64	$ 34.64	$ 34.65	$ 37.67
Total hydropower (136 MW-summer/ 168 MW-winter)				
Generation (MWh)	495,985	424,578	469,723	406,406
Capacity factor	37.2%	31.8%	35.2%	30.5%
Total hydropower ($/MWh)	$ 32.63	$ 36.02	$ 33.75	$ 37.85
Solar				
Black Hollow Solar (150 MW)				
Generation (MWh)	-	-	-	220,160
Capacity factor	0.0%	0.0%	0.0%	28.6%
Total Black Hollow Solar ($/MWh) - including ancillary services	$ -	$ -	$ -	$ 32.46
Rawhide Flats Solar (30 MW)				
Generation (MWh)	62,356	60,801	62,317	59,226
Capacity factor	23.7%	23.1%	23.6%	22.5%
Total Rawhide Flats Solar ($/MWh) - including ancillary services and maintenance	$ 53.98	$ 54.25	$ 54.03	$ 54.30
Rawhide Prairie Solar (22 MW)				
Generation (MWh)	46,834	53,226	44,939	51,517
Capacity factor	24.3%	27.5%	23.3%	26.7%
Total Rawhide Prairie Solar ($/MWh) - including ancillary services, maintenance, interconnection and battery fee	$ 34.15	$ 33.31	$ 32.00	$ 33.38
Total solar (202 MW)				
Generation (MWh)	109,190	114,027	107,256	330,903
Capacity factor	24.0%	25.0%	23.5%	27.0%
Total solar ($/MWh)	$ 45.48	$ 44.48	$ 44.80	$ 36.51
Other purchases				
Market purchases				
Energy (MWh)	769,731	816,027	1,067,500	866,367
Total market purchases ($/MWh)	$ 14.44	$ 13.11	$ 13.41	$ 12.28

Purchased power resources (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Other purchases (continued)				
Bilateral purchases				
Energy (MWh)	86,177	10,393	14,021	26,819
Total bilateral purchases ($/MWh)	$ 35.09	$ 44.99	$ 32.86	$ 27.73
Owner community solar programs (4.355 MW) [6]				
Energy (MWh)	7,070	7,665	7,295	7,639
Total owner community solar programs ($/MWh)	$ 66.67	$ 21.89	$ 36.79	$ 23.41
Total other purchases				
Energy (MWh)	862,978	834,085	1,088,816	900,825
Total other purchases ($/MWh)	$ 16.93	$ 13.59	$ 13.82	$ 12.84

(1) Effective June 2020, Spring Canyon II and III energy and renewable attributes have been sold to a third party. At the end of the 10-year sales contract, the energy and renewable attributes will return to Platte River.

(2) Effective October 2018, Silver Sage energy and the renewable attribute have been sold to a third party.

(3) Medicine Bow will be decommissioned by December 2024. Prior to decommissioning, nameplate capacity was 6 MW and total wind was 303 MW.

(4) WAPA-CRSP capacity amounts shown represent the contract rate of delivery. Actual capacity available varies by month. During the summer season, estimated available capacity ranges from 32 MW to 48 MW. In the winter season, estimated available capacity ranges from 38 MW to 45 MW. Available capacity and energy may fluctuate with drought conditions.

(5) WAPA-LAP actual capacity available varies by month. During the summer season, available capacity ranges from 23 MW to 30 MW. In the winter season, available capacity ranges from 26 MW to 32 MW.

(6) Owner community solar programs: Fort Collins = 4.022 MW, Loveland = 0.333 MW. The owner communities retain the renewable attributes.

Revenues

Operating revenues

Platte River's operating revenues consist of sales to owner communities, sales for resale and wheeling revenues. The production cost model determines the forecast of revenues for the budget, but actual results are strongly influenced by weather and various market conditions and will vary from budget.

Sales to owner communities

Budgeted revenues from sales to owner communities are based on Platte River's load forecast and tariff charges. Average wholesale rate increases, when applicable, support Platte River's strategic initiatives and core operations. Sales to the owner communities represent the largest source of revenue.

Sales for resale

Sales for resale include long-term sales and short-term sales. Long-term sales are for a contracted term greater than one year. Short-term sales are for a term of one year or less and include seasonal, monthly, day-ahead and real-time bilateral and market sales. Platte River may also sell excess capacity. The production cost model determines the volume and price of sales for resale for the budget based on current market projections.

Typically, Platte River sells when energy available exceeds requirements of the owner communities and prices are higher than the marginal cost resource. Because of Platte River's must-take obligations under noncarbon PPAs, certain sales may reflect that it is more economical to sell energy at a low price than to curtail generation. These sales typically occur when the coal-fired facilities are at minimum output levels. Platte River's participation in the SPP WEIS market helps further manage and dispatch the must-take energy on the system and allows more economic dispatch of regional resources.

Sales for resale contribute to low rates for the owner communities, help manage variability and high noncarbon output during lower load conditions and benefit the regional grid by providing access to the reliable, economic and environmental performance of Platte River's baseload resources.

Wheeling

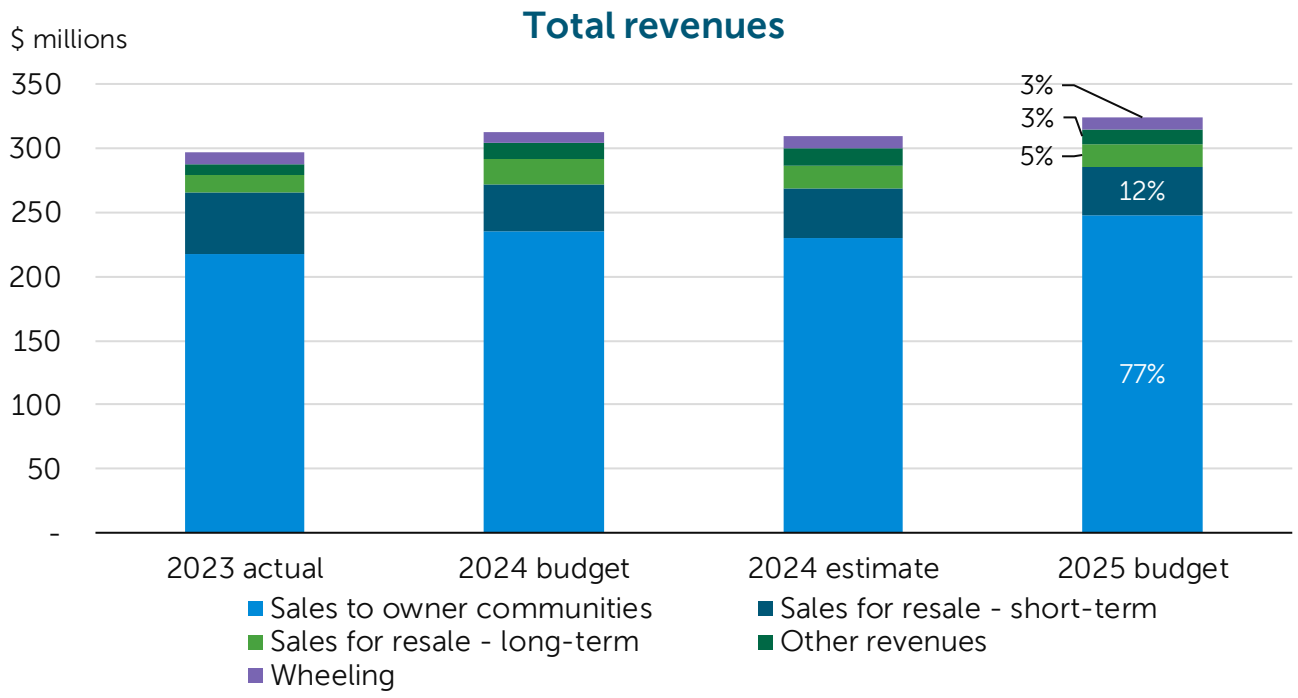
Wheeling revenues represent payments from other parties that use Platte River's transmission system. Platte River charges others for transmission service under its Wholesale Transmission Service tariff. The transmission system usage rates are adjusted annually based on the prior year's actual transmission system costs and loads.

Other revenues

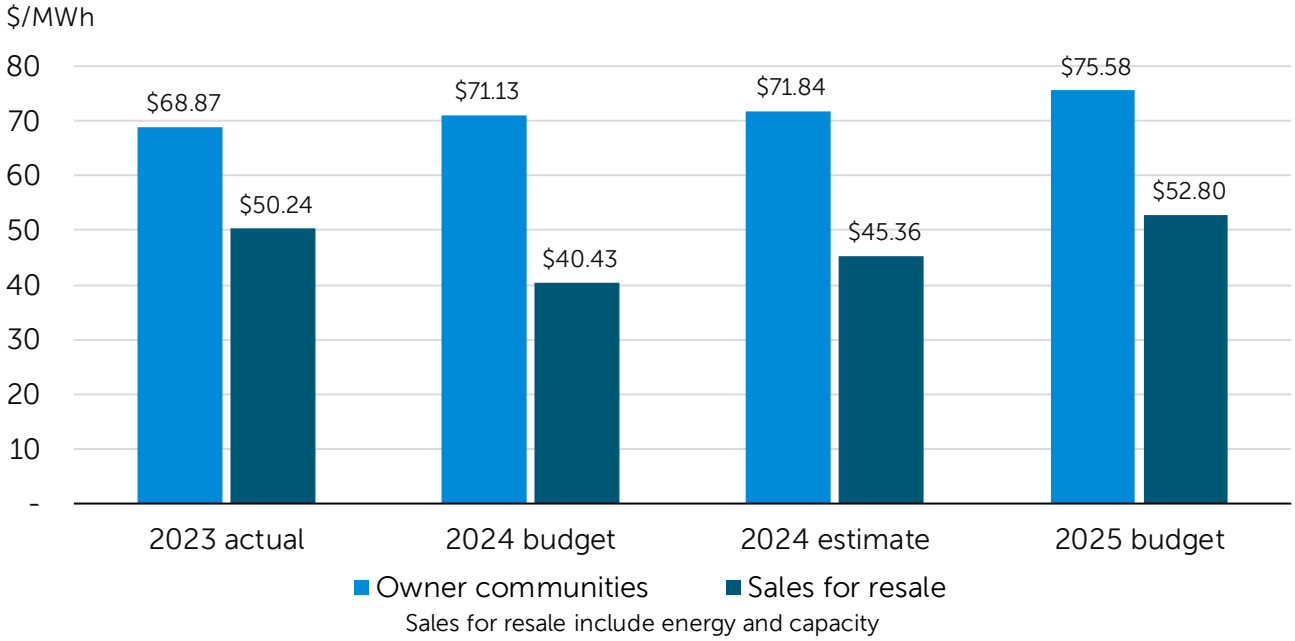
Interest and other income

Interest and other income represent a small portion of the revenue budget. Interest income fluctuates with investment balances and interest rates. The sale of Windy Gap water units, accumulated deferred regulatory revenues and above-budget overall financial results have improved investment balances over the past several years. Other income includes fiber and tower leases, fiber administration fees and other miscellaneous revenues.

Total revenues ($000)	2023 actual	2024 budget	2024 estimate	2025 budget
Operating revenues				
Sales to owner communities	$ 217,735	$ 235,737	$ 230,396	$ 248,437
Sales for resale - long-term	13,525	20,086	17,131	17,642
Sales for resale - short-term	48,141	36,356	38,627	37,629
Wheeling	9,345	8,942	9,983	9,452
Total operating revenues	288,746	301,121	296,137	313,160
Other revenues				
Interest income	7,789	11,569	11,375	10,546
Other income	318	282	2,596	851
Total other revenues	8,107	11,851	13,971	11,397
Total revenues	$ 296,853	$ 312,972	$ 310,108	$ 324,557

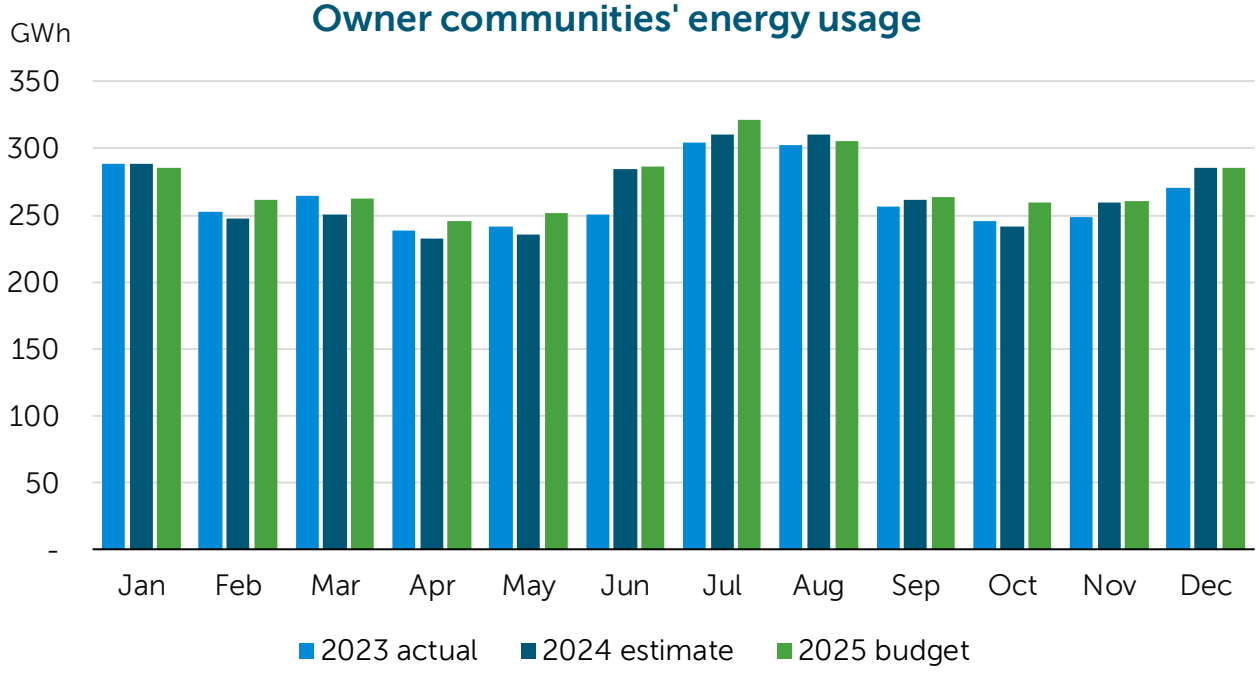


Average owner community rate and sales for resale price



Sales for resale include energy and capacity

Owner communities' energy usage



Owner communities' loads	2023 actual	2024 budget	2024 estimate	2025 budget
Summer peak demand (MW) [1]	680	713	691	701
Nonsummer peak demand (MW) [1]	508	503	529	502
Metered coincident demand (MW) [2]	6,192	6,391	6,184	6,302
Billing determinants [2] [3]				
Noncoincident billing demand (MW)	6,635	6,794	6,735	6,847
Coincident billing demand (MW)	6,578	6,734	6,657	6,786
Energy (MWh)	3,161,694	3,314,141	3,207,007	3,287,172
Sales for resale				
Energy (MWh) [4]	1,227,403	1,396,082	1,229,231	1,046,709
Capacity (MW-Mo) [2]	780	1,555	1,555	2,165

(1) Summer season is June through September. The nonsummer season is January through May and October through December.

(2) Accumulated monthly values.

(3) Billing demand is subject to a monthly minimum demand charge and excludes large customer service.

(4) Includes long-term and short-term sales.

Sales to owner communities	2023 actual	2024 budget	2024 estimate	2025 budget
Fort Collins				
Owner community allocation	47.5%	47.3%	47.3%	47.0%
Noncoincident billing demand (MW) [1]	2,986	3,047	3,010	3,075
Coincident billing demand (MW) [1]	2,982	3,039	3,007	3,070
Energy (MWh)				
Dispatchable	1,015,824	1,082,557	1,053,300	986,698
Intermittent [2]	444,197	448,694	431,897	541,202
Total energy supplied	1,460,021	1,531,251	1,485,197	1,527,900
Owner community charge	$ 7,542,117	$ 7,409,160	$ 7,409,160	$ 8,652,432
Demand charges				
Transmission demand	$ 20,065,644	$ 20,352,810	$ 20,109,927	$ 20,602,608
Generation demand	15,483,809	16,961,928	16,727,866	20,008,538
Total demand charges	$ 35,549,453	$ 37,314,738	$ 36,837,793	$ 40,611,146
Energy charges				
Fixed cost energy	$ 23,155,935	$ 25,740,321	$ 24,966,166	$ 27,043,822
Variable cost energy	33,186,280	37,163,450	36,045,738	37,555,772
Total energy charges	$ 56,342,215	$ 62,903,771	$ 61,011,904	$ 64,599,594
Total charges	$ 99,433,785	$ 107,627,669	$ 105,258,857	$ 113,863,172
Average blended rate ($/MWh)	$ 68.10	$ 70.29	$ 70.87	$ 74.52
Longmont				
Owner community allocation	25.6%	25.7%	25.7%	25.9%
Noncoincident billing demand (MW) [1]	1,856	1,898	1,887	1,908
Coincident billing demand (MW) [1]	1,851	1,890	1,865	1,901
Energy (MWh)				
Dispatchable	582,499	616,884	598,637	558,734
Intermittent [2]	253,617	254,165	245,466	306,287
Total energy supplied	836,116	871,049	844,103	865,021
Owner community charge	$ 4,059,187	$ 4,028,964	$ 4,028,964	$ 4,776,612
Demand charges				
Transmission demand	$ 12,474,343	$ 12,674,718	$ 12,604,931	$ 12,781,915
Generation demand	9,629,410	10,554,036	10,383,288	12,391,488
Total demand charges	$ 22,103,753	$ 23,228,754	$ 22,988,219	$ 25,173,403

Sales to owner communities (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Longmont (continued)				
Energy charges				
Fixed cost energy	$ 13,260,798	$ 14,642,336	$ 14,189,364	$ 15,310,876
Variable cost energy	19,004,913	21,140,360	20,486,370	21,262,220
Total energy charges	$ 32,265,711	$ 35,782,696	$ 34,675,734	$ 36,573,096
Total charges	$ 58,428,651	$ 63,040,414	$ 61,692,917	$ 66,523,111
Average blended rate ($/MWh)	$ 69.88	$ 72.37	$ 73.09	$ 76.90
Loveland				
Owner community allocation	22.7%	22.8%	22.8%	22.8%
Noncoincident billing demand (MW) [1]	1,519	1,571	1,562	1,587
Coincident billing demand (MW) [1]	1,516	1,569	1,556	1,582
Energy (MWh)				
Dispatchable and large customer service	510,211	552,081	529,544	492,670
Intermittent [2]	215,126	216,294	210,521	258,729
Total energy supplied	725,337	768,375	740,065	751,399
Owner community charge	$ 3,151,148	$ 3,115,356	$ 3,115,356	$ 3,675,024
Demand charges				
Transmission demand	$ 10,209,038	$ 10,497,502	$ 10,435,787	$ 10,630,677
Generation demand	7,884,275	8,757,901	8,670,172	10,310,229
Total demand charges	$ 18,093,313	$ 19,255,403	$ 19,105,959	$ 20,940,906
Energy charges				
Fixed cost energy	$ 10,047,733	$ 11,261,955	$ 10,947,490	$ 11,687,782
Variable cost energy and large customer service	19,566,693	21,752,270	20,891,761	21,579,890
Total energy charges	$ 29,614,426	$ 33,014,225	$ 31,839,251	$ 33,267,672
Total charges	$ 50,858,887	$ 55,384,984	$ 54,060,566	$ 57,883,602
Average blended rate ($/MWh)	$ 70.12	$ 72.08	$ 73.05	$ 77.03
Estes Park				
Owner community allocation	4.2%	4.2%	4.2%	4.3%
Noncoincident billing demand (MW) [1]	274	278	276	277
Coincident billing demand (MW) [1]	229	236	229	233

Sales to owner communities (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Estes Park (continued)				
Energy (MWh)				
Dispatchable	95,987	100,128	96,822	92,266
Intermittent [2]	44,233	43,338	40,820	50,586
Total energy supplied	140,220	143,466	137,642	142,852
Owner community charge	$ 661,979	$ 659,736	$ 659,736	$ 786,588
Demand charges				
Transmission demand	$ 1,831,617	$ 1,859,086	$ 1,842,424	$ 1,858,289
Generation demand	1,145,613	1,270,968	1,235,976	1,482,503
Total demand charges	$ 2,977,230	$ 3,130,054	$ 3,078,400	$ 3,340,792
Energy charges				
Fixed cost energy	$ 2,202,692	$ 2,411,662	$ 2,305,632	$ 2,528,482
Variable cost energy	3,171,560	3,481,919	3,339,855	3,511,306
Total energy charges	$ 5,374,252	$ 5,893,581	$ 5,645,487	$ 6,039,788
Total charges	$ 9,013,461	$ 9,683,371	$ 9,383,623	$ 10,167,168
Average blended rate ($/MWh)	$ 64.28	$ 67.50	$ 68.17	$ 71.17
Total owner communities				
Owner community allocation	100.0%	100.0%	100.0%	100.0%
Noncoincident billing demand (MW) [1]	6,635	6,794	6,735	6,847
Coincident billing demand (MW) [1]	6,578	6,734	6,657	6,786
Energy (MWh)				
Dispatchable and large customer service	2,204,521	2,351,650	2,278,303	2,130,368
Intermittent [2]	957,173	962,491	928,704	1,156,804
Total energy supplied	3,161,694	3,314,141	3,207,007	3,287,172
Owner community charge	$ 15,414,431	$ 15,213,216	$ 15,213,216	$ 17,890,656
Demand charges				
Transmission demand	$ 44,580,642	$ 45,384,116	$ 44,993,069	$ 45,873,489
Generation demand	34,143,107	37,544,833	37,017,302	44,192,758
Total demand charges	$ 78,723,749	$ 82,928,949	$ 82,010,371	$ 90,066,247
Energy charges				
Fixed cost energy	$ 48,667,158	$ 54,056,274	$ 52,408,652	$ 56,570,962
Variable cost energy and large customer service	74,929,446	83,537,999	80,763,724	83,909,188
Total energy charges	$ 123,596,604	$ 137,594,273	$ 133,172,376	$ 140,480,150
Total charges	$ 217,734,784	$ 235,736,438	$ 230,395,963	$ 248,437,053
Average blended rate ($/MWh)	$ 68.87	$ 71.13	$ 71.84	$ 75.58

(1) Accumulated monthly values.

(2) Intermittent is energy delivered from Roundhouse, all solar facilities and, prior to decommissioning by December 2024, Medicine Bow.

Operating expenses

Expenses incurred to generate and deliver electricity include purchased power, fuel, production, transmission and administrative and general. In addition, operating expenses include investments in DER. The production cost model determines the budgeted expense for purchased power and fuel, whereas expenses for production, transmission, administrative and general and DER are predominately determined by departmental budgets. Platte River emphasizes preventive and predictive maintenance to help control expenses while also investing in strategic initiatives and working toward the Resource Diversification Policy goal.

Purchased power

Purchased power is the largest classification of operating expenses. Purchased power includes purchases under long-term contracts for wind, hydropower and solar energy. Other purchases supplement additional energy requirements. Platte River historically included an accrual for estimated future replacement power costs during specified maintenance outages when applicable, with 2024 being the final year this accrual was used. Purchased power fluctuates with outages and market conditions. When SPP WEIS market prices are low, the market dispatches Platte River coal-fired and online natural gas resources down, allowing Platte River to instead purchase lower-cost market power. Purchases of low-cost market power enable Platte River to realize significant fuel savings.

Platte River continues to diversify its resource portfolio by adding more noncarbon resources and by relying less on coal-fired resources through the PPAs listed below.

Wind

Wind generation includes 297 MW of nameplate capacity (51 MW of ELCC) provided under long-term PPAs. The agreements are for deliveries from the following facilities.

- Roundhouse Wind Energy Center (225 MW) in Wyoming; contract ends May 31, 2042.
- Spring Canyon Wind Energy Center Phase II and III (60 MW combined) in Colorado; contracts end Oct. 31, 2039, and Dec. 10, 2039, respectively. To accommodate additional energy available from the Roundhouse Wind Energy Center and reduce ancillary services expense, Platte River sold the energy and renewable attribute from these sites under a 10-year contract that began in 2020. This energy is therefore not delivered to the owner communities for the term of the sales contract. At the end of the sales contract, the energy will return to Platte River.
- Silver Sage Windpower Project (12 MW) in Wyoming; contract ends Sept. 30, 2029. To accommodate additional wind available from the Roundhouse Wind Energy Center and to reduce transmission and ancillary services expenses, Platte River sold the energy and renewable attribute from this site under a long-term contract. This energy is therefore not delivered to the owner communities.

Hydropower

Platte River receives hydropower under two long-term contracts with WAPA. The hydropower contracts are subject to periodic price changes. The CRSP and LAP contracts end Sept. 30, 2057, and Sept. 30, 2054, respectively.

- CRSP contract rate of delivery amounts are 106 MW in the summer and 136 MW in the winter, which are not being met due to drought conditions. Actual capacity available varies by month. During the summer season, estimated available capacity ranges from 32 MW to 48 MW. In the winter season, estimated available capacity ranges from 38 MW to 45 MW. Available capacity and energy may further change with drought conditions, and if conditions worsen, there may be periods with no delivered energy.
- LAP capacity is 30 MW in the summer and 32 MW in the winter. The available capacity from LAP varies from 23 MW to 30 MW in the summer season and 26 MW to 32 MW in the winter season.

Solar and battery storage

Solar generation includes 202 MW of nameplate capacity (60 MW of ELCC) with 2 MWh of battery storage provided under long-term PPAs. The agreements are for deliveries from the following facilities.

- Black Hollow Solar project (150 MW-phase 1) in Weld County; contract ends 20 calendar years from the first Jan. 1 after phase 2 achieves commercial operation expected to occur during 2026.
- Rawhide Flats Solar facility (30 MW) located at the Rawhide Energy Station; contract ends Dec. 14, 2041.
- Rawhide Prairie Solar facility (22 MW) located at the Rawhide Energy Station; contract ends March 18, 2041. This project has an integrated battery storage system of 2 MWh, which can be discharged once daily at a rate up to 1 MW per hour.

Other purchases

Market purchases provide energy through participation in the SPP WEIS market, which provides access to lower-cost resources and increased operational efficiencies while enhancing reliability. The SPP WEIS market is a real-time organized energy market operated by SPP, in which generation and load are balanced regionally based on marginal cost and generation resource characteristics calculated for every five-minute interval. Platte River entered the SPP WEIS market in April 2023 and will participate until joining the SPP RTO West market (expected in 2026). Additional information about the SPP WEIS market is available on SPP's website at spp.org/weis.

Bilateral purchases involve a single counterparty and are specifically negotiated deals. These provide energy to satisfy loads, replace power during outages and meet reserve requirements.

Platte River purchases capacity of approximately 4.022 MW and 0.333 MW from Fort Collins and Loveland community solar facilities, respectively. For these two facilities, the owner

communities retain the renewable attributes and the facilities are not part of Platte River's noncarbon resource portfolio.

Maintenance outage accrual policy

This policy allows replacement power for Rawhide Unit 1 scheduled maintenance outage costs exceeding $5 million to be spread over the interim period between outages to smooth rate impacts to the owner communities. Rawhide Unit 1's scheduled maintenance outage in fall of 2025 is expected to be the final outage using this policy.

Fuel

Fuel expense is one of the largest classifications of operating expenses, although it has declined as a percentage of total operating expenses as fossil-fueled generation becomes a smaller component of Platte River's resource portfolio. Changes to market conditions, primarily in coal and natural gas pricing, have significant impact on fuel expense. Fuel expense includes coal purchased for Rawhide Unit 1, Craig units 1 and 2 and natural gas purchased for the frame units. The production cost model determines the majority of fuel expense for the budget year, which fluctuates as resource availability changes with outages and market conditions, including weather.

Rawhide Unit 1 (280 MW) is Platte River's largest baseload resource and has historically operated at a high capacity factor. As Platte River adds more noncarbon energy to its resource portfolio and participates in organized energy markets that help balance regional noncarbon generation, Rawhide Unit 1 now operates at lower average load levels, with greater variability, to accommodate higher intermittent renewable resource output.

Platte River purchases coal for Rawhide Unit 1 under a long-term contract that supplies all coal needed through the unit's useful life. The coal price defaults to a market index unless Platte River chooses to use price lock provisions outlined in the contract, which Platte River has exercised for all 2025 projected coal purchases. The current coal contract is for low-sulfur coal from Antelope Mine in the Powder River Basin in Wyoming. A long-term transportation contract through 2026 establishes a base rate per delivered ton, which is subject to an annual adjustment based on specified indices and a fuel adjustment charge.

Platte River owns 18% of Craig units 1 and 2 (151 MW combined). Platte River purchases coal for the Craig units under the long-term contract with Trapper Mining, Inc., that runs through 2025. Platte River has a minority ownership share of the mine. Platte River will work to structure future fuel supply contracts and fuel inventory levels to align with operations and the planned closure timelines of the Craig units. Recent changes in mining technique to lessen environmental impact and reduce future reclamation burden, as well as lower overall production as mine participants' demand for coal has decreased, have increased price and price volatility for coal delivered from Trapper Mine.

Natural gas-fired combustion turbines include five simple-cycle frame combustion turbines: four GE 7EAs (Rawhide units A, B and D, 65 MW each; Rawhide Unit C, 77 MW) and one GE 7FA (Rawhide Unit F, 158 MW). The combustion turbines meet peak load demand, provide reserves during outages of the coal-fired units and serve sales for resale. Platte River

purchases natural gas at market prices as needed. Natural gas needs fluctuate with load, market energy prices and the addition of noncarbon energy resources.

Production

Production expenses include operations and maintenance expenses (excluding fuel) incurred for the Rawhide Energy Station, the Craig Generating Station and power operations. The Rawhide expenses are predominately determined by departmental budgets. Craig expenses are determined by Tri-State Generation and Transmission Association, Inc. (Tri-State), the operating agent, and approved by the engineering and operations committee, of which Platte River is a member. An accrual for estimated future costs during specified Rawhide maintenance outages is also included.

Rawhide Energy Station

Rawhide Unit 1 is Platte River's largest resource and will retire by the end of 2029. Platte River plans continued investment in preventive and predictive maintenance so that the resource is reliable, safe and compliant through its remaining operating life. Through this proactive and planned approach, ongoing operations and maintenance expenses have been consistent from year to year. Regular outages are required to keep the unit operable and reliable. An accrual for estimated future costs during specified maintenance outages of Rawhide Unit 1 is also included and smooths out costs of outages over a longer period. Historically, Rawhide Unit 1 has had scheduled major maintenance outages about every three years, with a scheduled minor maintenance outage about halfway between scheduled major maintenance outages. Based on needs ahead of retirement, the final scheduled major maintenance outage is planned for the fall of 2025. After this outage, no accruals for estimated future costs are expected. Scheduled maintenance outages are also required for the frame units, based on the number of unit starts. Due to more frequent starts, outage needs have increased in recent years; however, capital investments have mitigated some of this increase. Personnel expenses that are charged to operations and maintenance can fluctuate with labor charged to capital projects and fluctuations in headcount in any given year.

Craig Generating Station

Routine operations and maintenance expenses for Craig units 1 and 2 are to maintain reliability until retirement. Scheduled maintenance outages typically cause a non-recurring increase in expenses. To limit reliance on coal-fired resources and avoid excessive capital costs to comply with changing environmental regulations, participants in Craig units 1 and 2 agreed to retire the facilities by the end of 2025 and September 2028, respectively.

Power operations

Power operations relates to managing resources, including purchases, to meet load and sales for resale obligations. The focus is to provide the owner communities with a reliable energy supply, cost-effectively optimize how that demand is served and create additional value through the sale of available energy and capacity to third parties.

Transmission

Transmission maintenance is important to support the safe and reliable delivery of power across Platte River's regional transmission system. Transmission expenses also include Platte River's share of operating and maintaining jointly owned transmission facilities, ancillary services for regulation of wind and solar resources, and transmission wheeling expenses paid to WAPA and others for wind and a portion of Platte River's load. Transmission expenses are primarily developed through departmental budgets. Personnel expenses that are charged to operations and maintenance can fluctuate with the amount of labor charged to capital projects and changes in headcount in any given year.

Administrative and general

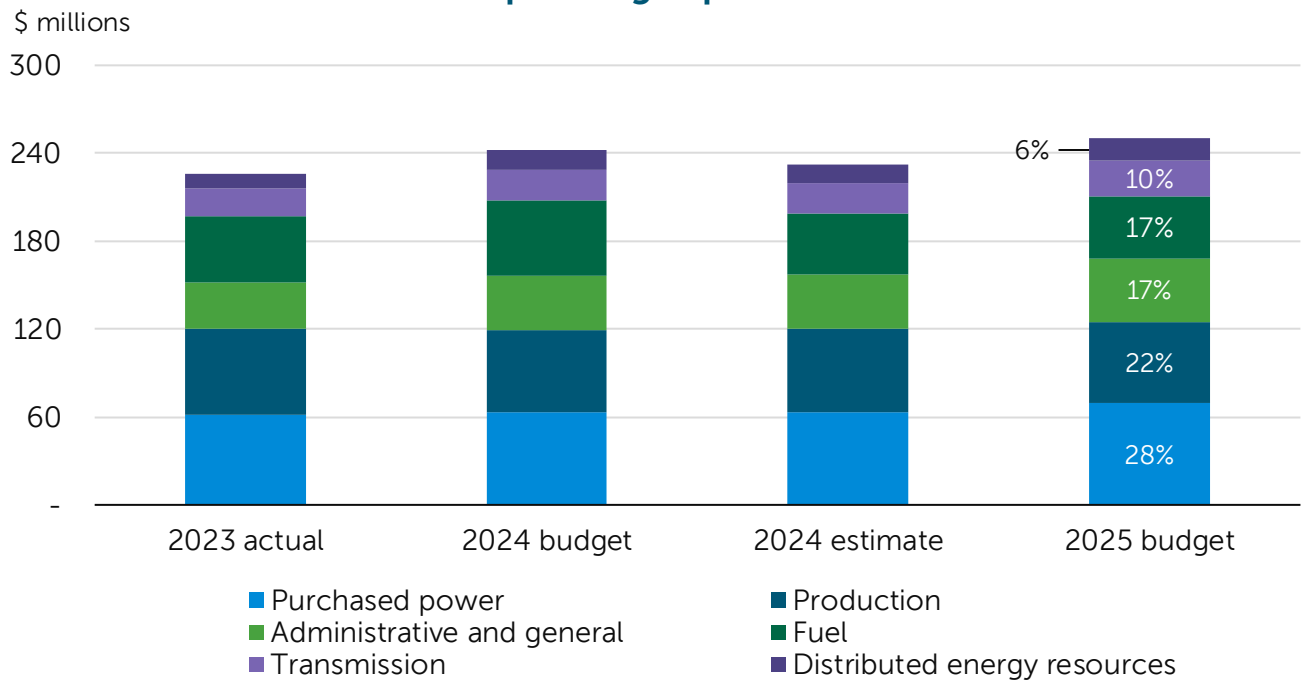
Administrative and general expenses include all expenses incurred that are not directly allocated to capital or assignable to fuel, production, transmission or DER. These expenses include those related to the general manager, communications, community and government affairs, human resources, safety, general counsel, digital, financial services, facilities and fleet. The largest expense is personnel, which includes salaries and benefits. With the changing environment and continued focus on operational excellence, Platte River has invested and will continue to invest in employees to achieve strategic initiatives and goals.

Distributed energy resources

DER expenses include all expenses to administer and implement Platte River's DER programs. Energy efficiency and demand response programs, early forms of DER, began in 2002 with a budget of $0.4 million. Distributed energy solutions investment continues due to its success and positive system and community benefits. Development and testing continue with other DER, DERMS and demand response programs as Platte River works to implement the long-range DER strategy to support the resource diversification planning and integration strategic initiative and the Resource Diversification Policy.

Operating expenses ($000)	2023 actual	2024 budget	2024 estimate	2025 budget
Purchased power	$ 61,730	$ 63,776	$ 63,378	$ 69,789
Fuel	45,142	51,119	41,703	42,435
Production	58,307	55,842	56,798	55,512
Transmission	19,348	21,412	20,363	23,901
Administrative and general	31,714	36,863	37,289	43,186
Distributed energy resources	10,131	13,664	12,381	15,200
Total operating expenses	$ 226,372	$ 242,676	$ 231,912	$ 250,023

Operating expenses



Purchased power	2023 actual	2024 budget	2024 estimate	2025 budget
Wind				
Roundhouse				
Energy (MWh)	847,015	839,693	811,219	837,468
Energy $	$ 14,679,369	$ 14,526,688	$ 14,034,036	$ 14,488,210
Spring Canyon II [1]				
Energy (MWh)	102,435	125,251	78,489	125,208
Energy $	$ 3,382,954	$ 4,235,815	$ 2,654,867	$ 4,339,994
Spring Canyon III [1]				
Energy (MWh)	86,527	105,982	97,564	105,945
Energy $	$ 2,847,720	$ 3,577,339	$ 3,293,982	$ 3,665,331
Silver Sage [2]				
Energy (MWh)	31,351	37,951	30,985	37,850
Energy $	$ 2,094,552	$ 2,597,349	$ 2,122,212	$ 2,655,268
Medicine Bow				
Energy (MWh)	10,866	18,395	9,435	-
Energy $	$ 434,663	$ 721,208	$ 370,008	$ -
Total wind				
Energy (MWh)	1,078,194	1,127,272	1,027,692	1,106,471
Energy $	$ 23,439,258	$ 25,658,399	$ 22,475,105	$ 25,148,803
Hydropower				
WAPA-CRSP				
Demand (MW-Mo)	1,450	1,450	1,450	1,450
Demand $	$ 7,612,511	$ 7,612,512	$ 7,612,512	$ 7,612,512
Energy (MWh)	386,449	315,314	360,526	297,904
Energy $	$ 4,776,504	$ 3,897,279	$ 4,456,102	$ 3,682,096
Total CRSP	$ 12,389,015	$ 11,509,791	$ 12,068,614	$ 11,294,608
WAPA-LAP				
Demand (MW-Mo)	373	372	372	369
Demand $	$ 1,788,509	$ 1,784,130	$ 1,784,130	$ 1,926,306
Energy (MWh)	109,536	109,264	109,197	108,502
Energy $	$ 2,005,612	$ 2,000,630	$ 1,999,388	$ 2,161,366
Total LAP	$ 3,794,121	$ 3,784,760	$ 3,783,518	$ 4,087,672
Total hydropower				
Demand (MW-Mo)	1,823	1,822	1,822	1,819
Demand $	$ 9,401,020	$ 9,396,642	$ 9,396,642	$ 9,538,818
Energy (MWh)	495,985	424,578	469,723	406,406
Energy $	$ 6,782,116	$ 5,897,909	$ 6,455,490	$ 5,843,462
Total $	$ 16,183,136	$ 15,294,551	$ 15,852,132	$ 15,382,280
Solar				
Black Hollow Solar				
Energy (MWh)	-	-	-	220,160
Energy $	$ -	$ -	$ -	$ 6,996,682

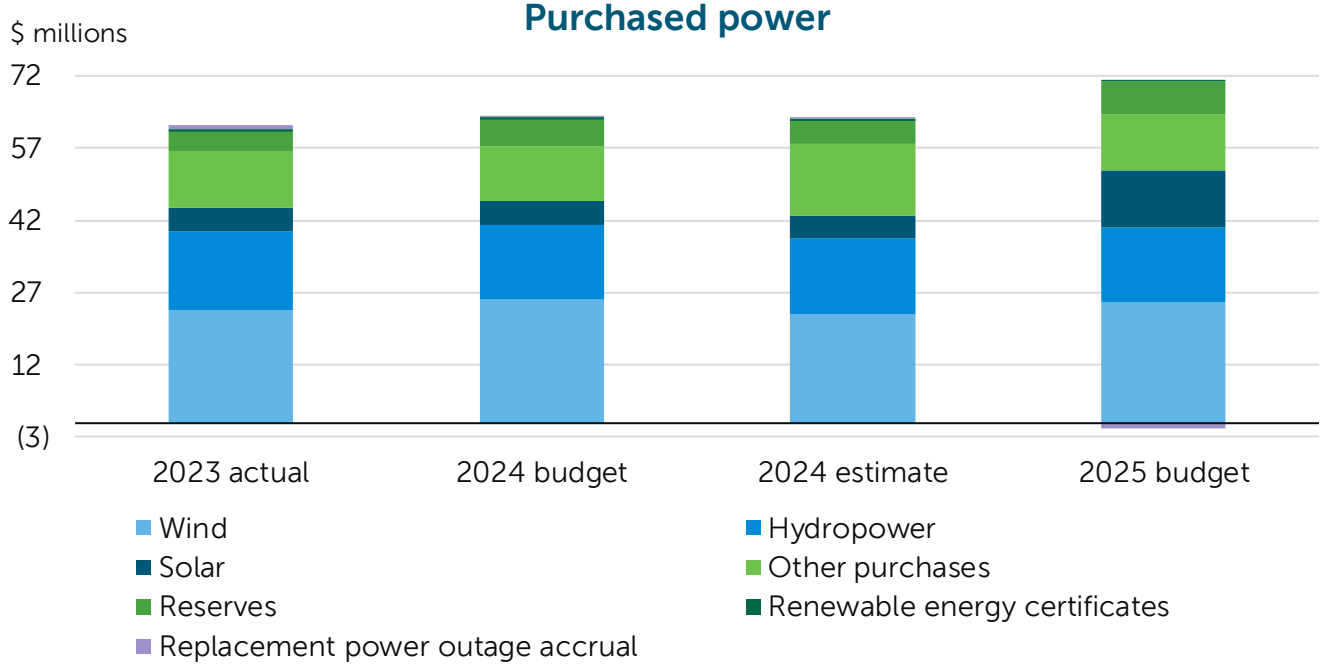
Purchased power (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Solar (continued)				
Rawhide Flats Solar				
Energy (MWh)	62,356	60,801	62,317	59,226
Energy $	$ 3,332,940	$ 3,249,843	$ 3,330,863	$ 3,165,645
Rawhide Prairie Solar				
Energy (MWh)	46,834	53,226	44,939	51,517
Energy $	$ 1,576,504	$ 1,749,121	$ 1,413,984	$ 1,693,583
Total solar				
Energy (MWh)	109,190	114,027	107,256	330,903
Energy $	$ 4,909,444	$ 4,998,964	$ 4,744,847	$ 11,855,910
Other purchases				
Market purchases				
Energy (MWh)	769,731	816,027	1,067,500	866,367
Energy $	$ 11,115,503	$ 10,697,149	$ 14,316,968	$ 10,641,291
Bilateral purchases				
Energy (MWh)	86,177	10,393	14,021	26,819
Energy $	$ 3,024,085	$ 467,530	$ 460,686	$ 743,703
Owner community solar programs [3]				
Energy (MWh)	7,070	7,665	7,295	7,639
Energy $	$ 471,386	$ 167,807	$ 268,416	$ 178,818
Forced outage exchange				
Energy (MWh)	(55,900)	-	(9,500)	-
Energy $	$ (2,942,610)	$ -	$ (217,621)	$ -
Total other purchases				
Energy (MWh)	807,078	834,085	1,079,316	900,825
Energy $	$ 11,668,364	$ 11,332,486	$ 14,828,449	$ 11,563,812
Reserves	$ 4,258,075	$ 5,623,834	$ 4,609,681	$ 6,976,092
Renewable energy certificates	$ 549,980	$ 550,220	$ 550,220	$ 134,375
Replacement power outage accrual	$ 721,479	$ 317,190	$ 317,190	$ (1,272,281)
Total purchased power	$ 61,729,736	$ 63,775,644	$ 63,377,624	$ 69,788,991

(1) Effective June 2020, Spring Canyon II and III energy and renewable attributes have been sold to a third party.

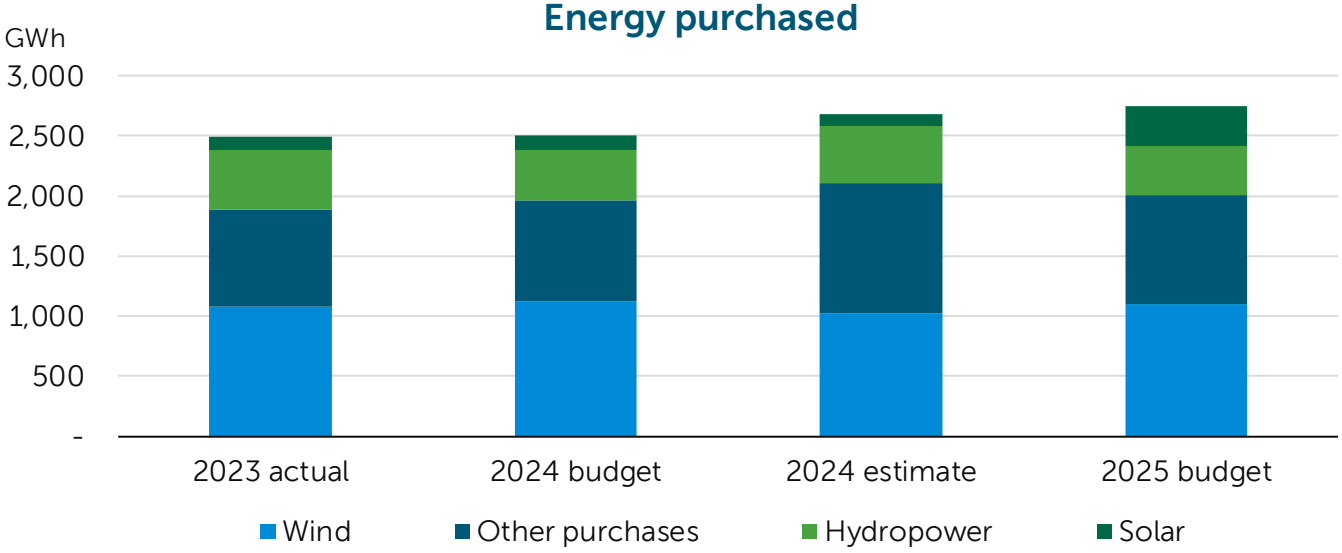
(2) Effective October 2018, Silver Sage energy and the renewable attribute have been sold to a third party.

(3) The owner communities retain the renewable attributes.

Purchased power

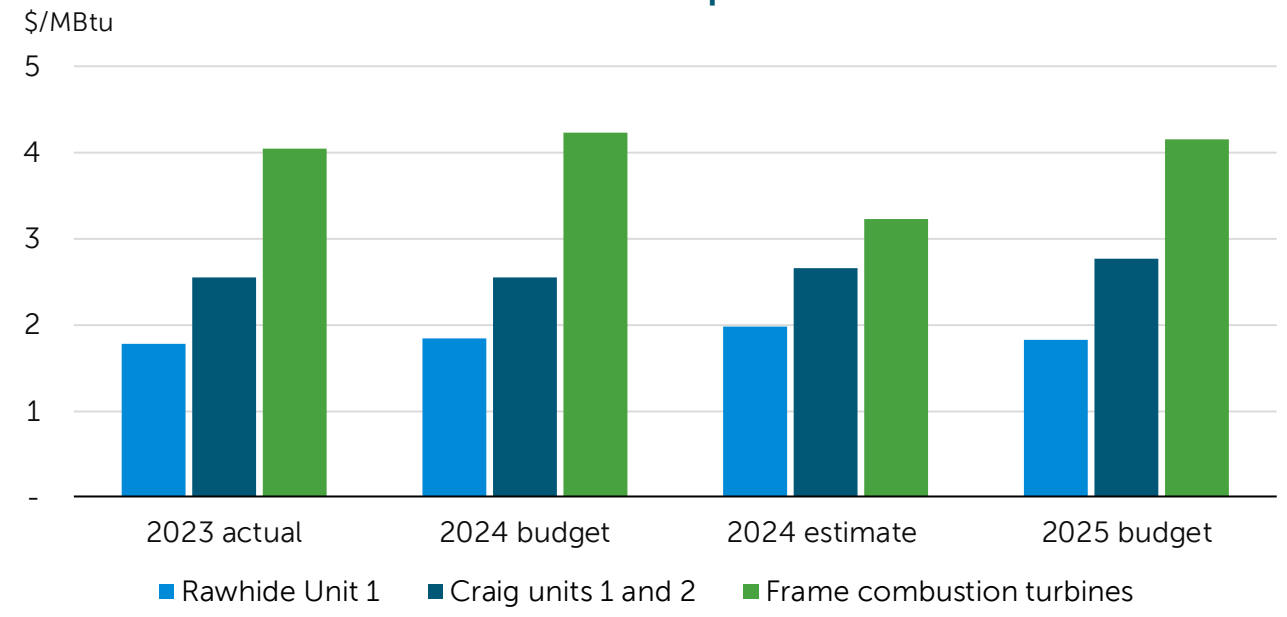


Energy purchased

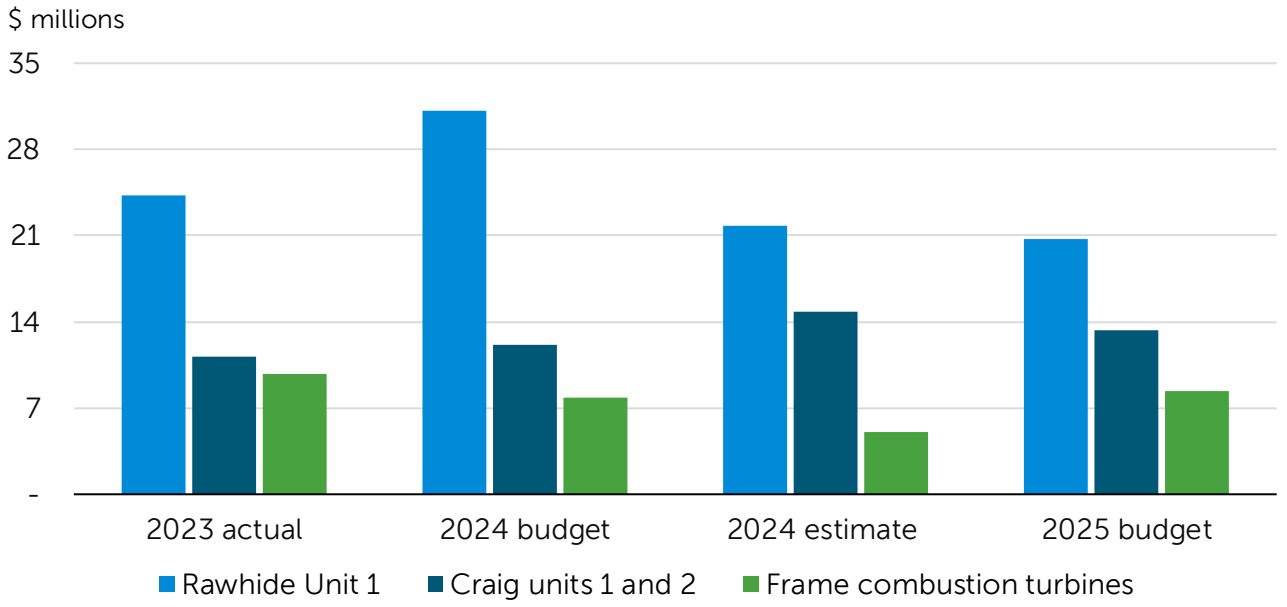


Fuel	2023 actual	2024 budget	2024 estimate	2025 budget
Rawhide Unit 1				
Coal burned (MBtu)	13,678,004	16,930,242	11,010,275	11,302,576
$/MBtu	$ 1.72	$ 1.80	$ 1.93	$ 1.77
Coal expense	$ 23,489,562	$ 30,552,730	$ 21,259,697	$ 19,962,720
Car lease and other	24,451	17,000	3,731	22,000
Oil	413,927	20,000	136,330	200,000
Fuel ash disposal	(130,765)	(90,000)	(140,829)	(100,000)
Fuel handling	386,330	608,801	474,156	572,466
Testing and analysis	45,576	47,000	49,490	49,000
Total Rawhide Unit 1	$ 24,229,081	$ 31,155,531	$ 21,782,575	$ 20,706,186
Craig units 1 and 2				
Coal burned (MBtu)	4,387,880	4,763,000	5,567,688	4,809,905
$/MBtu	$ 2.48	$ 2.46	$ 2.59	$ 2.69
Coal expense	$ 10,861,431	$ 11,724,307	$ 14,434,144	$ 12,959,330
Oil	58,796	25,000	18,171	20,000
Natural gas	145,209	175,000	77,611	130,000
Fuel handling	96,588	186,688	278,350	213,304
Total Craig units 1 and 2	$ 11,162,024	$ 12,110,995	$ 14,808,276	$ 13,322,634
Rawhide units A, B, C, D and F (frame combustion turbines)				
Natural gas burned (MBtu)	2,416,385	1,857,373	1,582,543	2,021,874
$/MBtu	$ 3.93	$ 4.17	$ 3.16	$ 4.11
Natural gas expense	$ 9,490,769	$ 7,752,202	$ 5,002,646	$ 8,306,668
Other gas expense	260,447	100,000	109,226	100,000
Total Rawhide units A, B, C, D and F (frame combustion turbines)	$ 9,751,216	$ 7,852,202	$ 5,111,872	$ 8,406,668
Total fuel	$ 45,142,321	$ 51,118,728	$ 41,702,723	$ 42,435,488

Fuel unit cost per MBtu

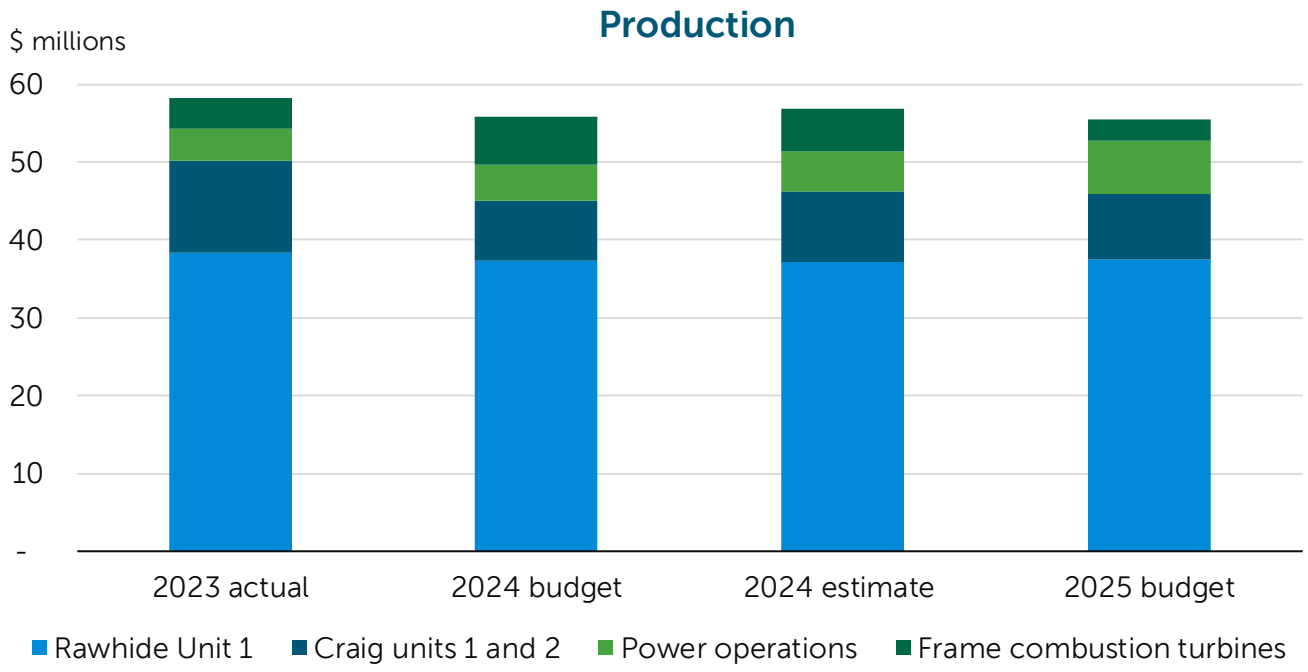


Fuel

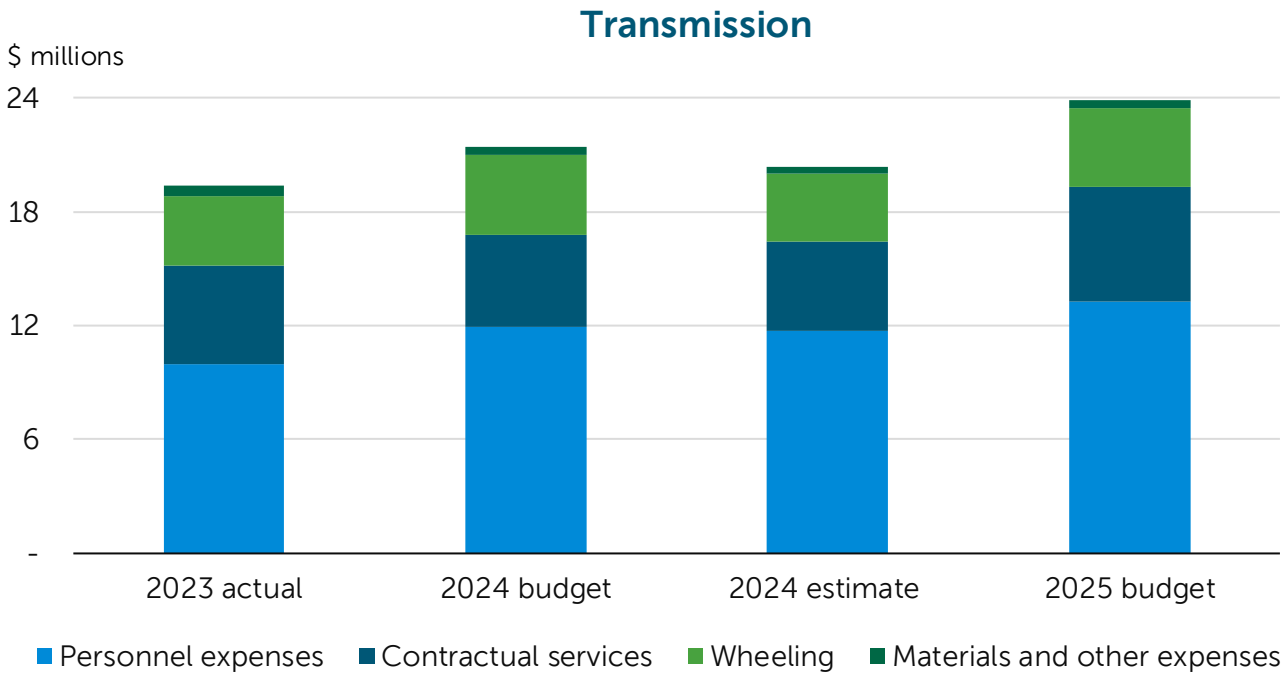


Production	2023 actual	2024 budget	2024 estimate	2025 budget
Rawhide Unit 1				
Personnel expenses				
Regular wages	$ 10,258,437	$ 10,771,560	$ 10,745,317	$ 11,016,215
Overtime wages	1,625,714	1,115,713	1,386,632	2,505,958
Benefits allocation	4,931,948	5,202,324	5,308,622	6,140,764
Total personnel expenses	16,816,099	17,089,597	17,440,571	19,662,937
Operations and maintenance				
Office expenses	17,414	15,900	9,007	19,200
Safety expenses	51,827	102,350	80,290	129,700
Furniture and equipment	6,893	20,200	13,179	20,200
Local business expense	54,485	28,800	27,371	54,650
Postage and deliveries	7,542	11,000	7,052	23,500
O&M materials and supplies	4,532,923	4,044,781	3,517,808	7,496,735
Gasoline and diesel	113,560	120,240	77,938	152,570
Tools and shop equipment	69,015	83,300	57,157	83,820
Total operations and maintenance	4,853,659	4,426,571	3,789,802	7,980,375
Contractual services				
Contracted services	8,255,257	6,512,845	6,526,451	13,408,458
Insurance	1,185,280	1,173,552	1,223,356	1,409,512
Travel and training expenses	327,873	326,754	298,187	301,825
Telephone services	29,173	71,650	46,790	35,013
Utilities	462,028	474,900	482,194	494,628
Dues, memberships and fees	63,604	59,375	64,658	30,120
Outage accrual	2,899,142	3,891,985	3,891,985	(10,397,526)
Total contractual services	13,222,357	12,511,061	12,533,621	5,282,030
Windy Gap				
Water O&M expenses	532,165	491,560	495,343	786,492
Pooled financing expenses	2,888,007	2,888,007	2,958,134	3,769,570
Total Windy Gap	3,420,172	3,379,567	3,453,477	4,556,062
Total Rawhide Unit 1 production	38,312,287	37,406,796	37,217,471	37,481,404
Craig units 1 and 2				
Operating expenses	11,863,608	7,590,738	8,941,810	8,328,662
Fiscal impact payment	36,217	36,217	23,209	23,209
Total Craig units 1 and 2 production	11,899,825	7,626,955	8,965,019	8,351,871
Total thermal production	50,212,112	45,033,751	46,182,490	45,833,275
Rawhide units A, B, C, D and F (frame combustion turbines)				
Regular wages	614,965	992,870	611,577	884,645
Overtime wages	170,412	105,389	182,650	122,621

Production (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Rawhide units A, B, C, D and F (frame combustion turbines) (continued)				
Benefits allocation	$ 317,743	$ 482,571	$ 363,693	$ 459,260
O&M materials and supplies	747,494	1,683,703	592,255	405,314
Contracted services	1,585,947	2,285,859	3,138,973	540,902
Insurance	481,939	587,028	552,793	262,988
Travel and training expenses	8,210	43,500	12,264	37,000
Telephone services	594	600	805	600
Utilities	2,077	2,400	1,176	3,000
Dues, memberships and fees	7,466	7,500	8,979	49,500
Total Rawhide units A, B, C, D and F (frame combustion turbines)	3,936,847	6,191,420	5,465,165	2,765,830
Power operations				
Regular wages	2,163,959	2,214,981	2,663,636	3,465,912
Overtime wages	65,131	73,296	79,112	90,843
Benefits allocation	916,602	992,479	1,146,427	1,586,663
Local business expense	4,347	3,200	1,845	3,200
Craig units 1 and 2 operating expenses	31,478	29,009	33,315	30,834
Contracted services	912,724	1,202,008	1,141,634	1,606,217
Travel and training expenses	28,271	69,500	49,691	77,100
Telephone expenses	13,532	14,226	12,956	20,566
Dues, memberships and fees	21,520	17,800	22,023	31,475
Total power operations	4,157,564	4,616,499	5,150,639	6,912,810
Total production	$ 58,306,523	$ 55,841,670	$ 56,798,294	$ 55,511,915


Production
$ millions
60
50
40
30
20
10
-
2023 actual
2024 budget
2024 estimate
2025 budget
Rawhide Unit 1
Craig units 1 and 2
Power operations
Frame combustion turbines

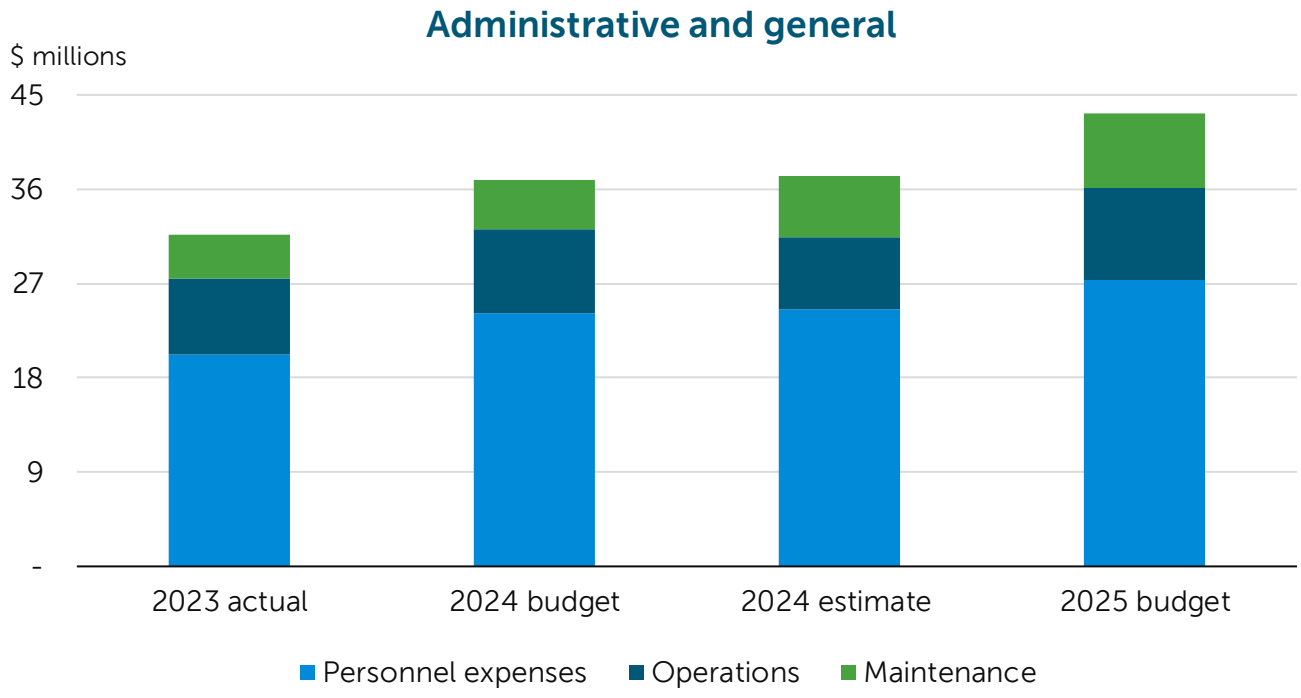
Transmission	2023 actual	2024 budget	2024 estimate	2025 budget
Personnel expenses				
Regular wages	$ 6,569,872	$ 7,862,639	$ 7,631,590	$ 8,623,757
Overtime wages	477,425	453,760	571,218	512,963
Benefits allocation	2,900,312	3,613,429	3,508,052	4,106,845
Total personnel expenses	9,947,609	11,929,828	11,710,860	13,243,565
Materials and other expenses				
Safety expenses	8,856	12,600	8,800	16,450
Local business expense	11,932	8,504	19,153	13,750
Postage and deliveries	-	3,000	1,058	500
O&M materials and supplies	396,416	323,275	258,394	336,691
Gasoline and diesel	32,418	36,950	33,056	35,100
Tools and shop equipment	12,735	22,004	9,229	19,008
Computer equipment	40,877	18,000	5,041	24,000
Total materials and other expenses	503,234	424,333	334,731	445,499
Contractual services				
Contracted services	4,451,581	3,950,150	3,953,430	4,929,171
Insurance	-	-	-	228,274
Travel and training expenses	92,932	178,954	107,196	171,000
Telephone services	44,463	58,325	37,527	27,252
Utilities	4,056	6,600	2,575	4,008
Dues, memberships and fees	366,253	439,062	405,157	456,700
Leases and rents	110,393	107,902	108,918	128,555
Craig units 1 and 2 transmission expenses	155,761	91,532	96,241	99,610
Total contractual services	5,225,439	4,832,525	4,711,044	6,044,570
Total operations and maintenance	15,676,282	17,186,686	16,756,635	19,733,634
Transmission by others				
Wheeling expense				
Load	913,436	1,405,925	922,116	1,409,054
Spring Canyon Wind Energy Center	2,726,154	2,782,059	2,658,465	2,757,999
Medicine Bow Wind Project	32,370	37,456	26,079	-
Total wheeling expense	3,671,960	4,225,440	3,606,660	4,167,053
Total transmission	$ 19,348,242	$ 21,412,126	$ 20,363,295	$ 23,900,687


Transmission
$ millions
24
18
12
6
-
2023 actual
2024 budget
2024 estimate
2025 budget
Personnel expenses
Contractual services
Wheeling
Materials and other expenses

Administrative and general	2023 actual	2024 budget	2024 estimate	2025 budget
Operations				
Personnel expenses				
Regular wages	$ 14,171,042	$ 16,837,282	$ 17,121,932	$ 18,850,916
Overtime wages	122,014	52,300	79,594	47,380
Benefits allocation	5,917,244	7,270,647	7,321,076	8,423,373
Total personnel expenses	20,210,300	24,160,229	24,522,602	27,321,669
Office operations and other expenses				
Office expenses	11,437	2,625	25,570	3,125
Furniture and equipment	16,763	13,680	19,073	12,500
Local business expense	215,460	306,462	188,962	230,224
Postage and deliveries	10,461	19,550	11,472	19,550
Gasoline and diesel	30,588	17,100	20,918	32,400
Computer equipment	695,942	747,246	558,706	641,598
Total office operations and other expenses	980,651	1,106,663	824,701	939,397
Safety and training expenses				
Safety expenses	4,648	9,265	15,968	7,015
Local business expense	1,238	3,000	7,540	3,500
Contracted services	37,933	31,625	27,338	31,125
Travel and training expenses	476,988	638,396	573,886	740,734
Dues, memberships and fees	625	700	420	700
Wellness and incentive program	160,031	169,400	164,047	180,600
Total safety and training expenses	681,463	852,386	789,199	963,674
Contractual services				
Contracted services	557,818	808,012	609,482	709,552
Travel and training expenses	90,405	159,170	135,397	219,313
Telephone services	44,939	48,350	56,105	53,760
Utilities	251,317	236,700	238,713	237,092
Dues, memberships and fees	220,814	177,285	273,817	339,413
Other financing expenses	34,378	56,900	37,783	48,900
Total contractual services	1,199,671	1,486,417	1,351,297	1,608,030
Insurance	1,352,195	1,259,760	1,395,399	1,540,447
Board and enterprise expenses				
Local business expense	10,674	12,000	11,810	12,000
Contracted services	29,250	-	-	-
Travel and training expenses	30,915	28,500	25,931	32,500
Dues, memberships and fees	124,891	146,550	119,813	136,950

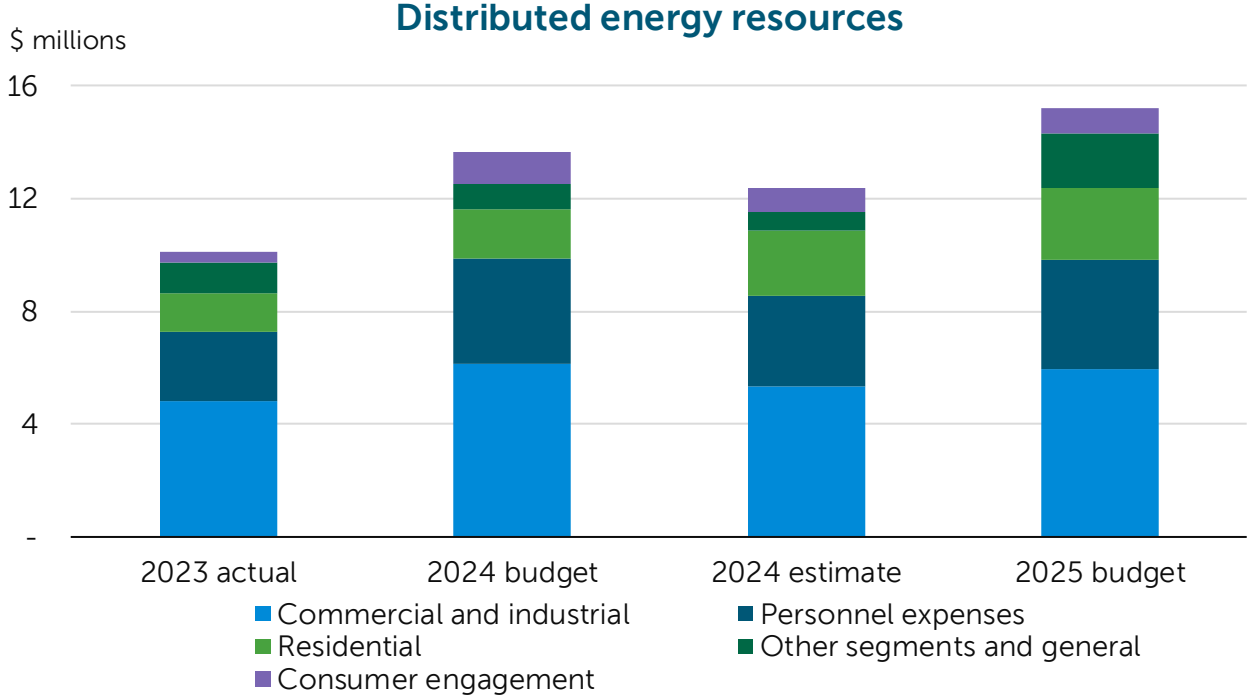
Administrative and general (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Operations (continued)				
Board and enterprise expenses (continued)				
Trustees fees	$ 12,000	$ 12,000	$ 12,000	$ 12,000
Owner community economic development	100,000	120,000	120,000	120,000
Total board and enterprise expenses	307,730	319,050	289,554	313,450
Reporting and promotional expenses				
Local business expenses	143,748	141,500	121,699	124,300
Contracted services	713,367	1,108,900	1,082,582	1,283,150
Total reporting and promotional expenses	857,115	1,250,400	1,204,281	1,407,450
Community engagement expenses				
Local business expenses	140,857	265,500	244,363	293,000
Dues, memberships and fees	18,957	20,300	38,937	40,855
Total community engagement expenses	159,814	285,800	283,300	333,855
Planning and customer service expenses				
Local business expenses	-	-	237	-
Contracted services	1,502,095	1,058,500	506,384	1,331,325
Dues, memberships and fees	123,836	197,000	120,822	195,000
Total planning and customer service expenses	1,625,931	1,255,500	627,443	1,526,325
Compliance expenses				
Local business expenses	8,447	1,250	2,406	5,000
Contracted services	9,245	154,900	28,950	47,000
Travel and training expenses	20,274	34,250	32,457	51,100
Total compliance expenses	37,966	190,400	63,813	103,100
Total administrative and general operations	27,412,836	32,166,605	31,351,589	36,057,397
Maintenance				
Building and grounds maintenance				
Materials and supplies	130,321	157,331	151,384	150,684
Tools and shop equipment	2,782	5,500	6,756	5,000
Contracted services	536,021	533,760	626,451	727,850
Total building and grounds maintenance	669,124	696,591	784,591	883,534
Computer maintenance				
Contracted services	3,109,216	3,369,147	4,590,774	5,581,774
Total computer maintenance	3,109,216	3,369,147	4,590,774	5,581,774

Administrative and general (continued)	2023 actual	2024 budget	2024 estimate	2025 budget
Maintenance (continued)				
Office equipment maintenance				
Postage and deliveries	$ 135	$ 3,300	$ 2,075	$ 3,300
Telephone services	4,864	26,764	13,421	14,572
Total office equipment maintenance	4,999	30,064	15,496	17,872
Vehicle maintenance				
Materials and supplies	37,164	34,615	34,902	33,673
Tools and shop equipment	7,235	16,150	12,732	12,000
Contracted services	18,661	42,000	3,080	44,000
Total vehicle maintenance	63,060	92,765	50,714	89,673
Security maintenance				
Materials and supplies	48,512	53,127	49,893	85,965
Tools and shop equipment	4,008	3,800	4,443	3,840
Contracted services	402,284	451,172	441,108	465,875
Total security maintenance	454,804	508,099	495,444	555,680
Total administrative and general maintenance	4,301,203	4,696,666	5,937,019	7,128,533
Total administrative and general	$ 31,714,039	$ 36,863,271	$ 37,288,608	$ 43,185,930



Distributed energy resources	2023 actual	2024 budget	2024 estimate	2025 budget
Personnel expenses				
Regular wages	$ 1,717,219	$ 2,611,120	$ 2,225,277	$ 2,675,347
Overtime wages	159	-	64	-
Benefits allocation	701,899	1,138,907	974,223	1,208,725
Total personnel expenses	2,419,277	3,750,027	3,199,564	3,884,072
Commercial and industrial				
Contracted services	803,628	1,125,000	869,479	1,122,000
Rebates/incentives for retail customers: non-controlled	2,939,651	3,892,000	3,035,525	3,462,008
Audits/assessments for retail customers	1,088,625	1,110,000	1,420,641	1,337,000
Rebates/incentives for retail customers: controlled	-	-	-	33,450
Total commercial and industrial	4,831,904	6,127,000	5,325,645	5,954,458
Residential				
Contracted services	216,762	435,864	460,992	487,260
Rebates/incentives for retail customers: non-controlled	1,144,968	977,101	1,621,671	1,438,000
Audits/assessments for retail customers	50,122	352,260	263,380	417,150
Rebates/incentives for retail customers: controlled	-	-	-	189,550
Total residential	1,411,852	1,765,225	2,346,043	2,531,960
Consumer engagement				
Contracted services	197,275	771,900	602,467	520,696
Rebates/incentives for retail customers: non-controlled	201,478	352,470	238,633	360,003
Total consumer engagement	398,753	1,124,370	841,100	880,699
Other segments and general				
Contracted services	992,414	744,000	500,467	1,672,000
Travel and training expenses	34	2,000	1,638	2,000
Telephone services	1,716	3,432	1,741	13,872
Dues, memberships and fees	44,491	43,750	40,595	128,908
Rebates/incentives to owner communities: controlled	30,434	104,828	124,500	132,000
Total other segments and general	1,069,089	898,010	668,941	1,948,780
Total distributed energy resources	$ 10,130,875	$ 13,664,632	$ 12,381,293	$ 15,199,969

Distributed energy resources



Capital additions

Capital projects are viewed strategically with a long-term outlook to support Platte River's strategic initiatives, core operations and foundational pillars to safely provide reliable, environmentally responsible and financially sustainable energy and services to the owner communities. Capital additions generally consist of projects to maintain and improve system reliability, replace or upgrade aging infrastructure, implement technology improvements, diversify and transition resources, maintain compliance and improve efficiency.

Production capital additions include new aeroderivative units, power plant upgrades and equipment replacements, as well as compliance-related projects at the Rawhide Energy Station. Transmission capital additions include transmission lines, distributed battery storage, substations and supporting equipment. Projects are based on transmission studies and consultation with the owner communities' staffs through the joint technical advisory committee. These projects will enhance system reliability and add capacity to serve new and existing loads, as well as allow future noncarbon projects. General plant capital additions include computer hardware and implementation costs for subscription-based information technology arrangements, communication equipment, fiber expansion, building modifications and other general plant equipment purchases. Asset retirement obligations include payments to satisfy legally enforceable liabilities when tangible capital assets such as impoundment or electric generation facilities retire.

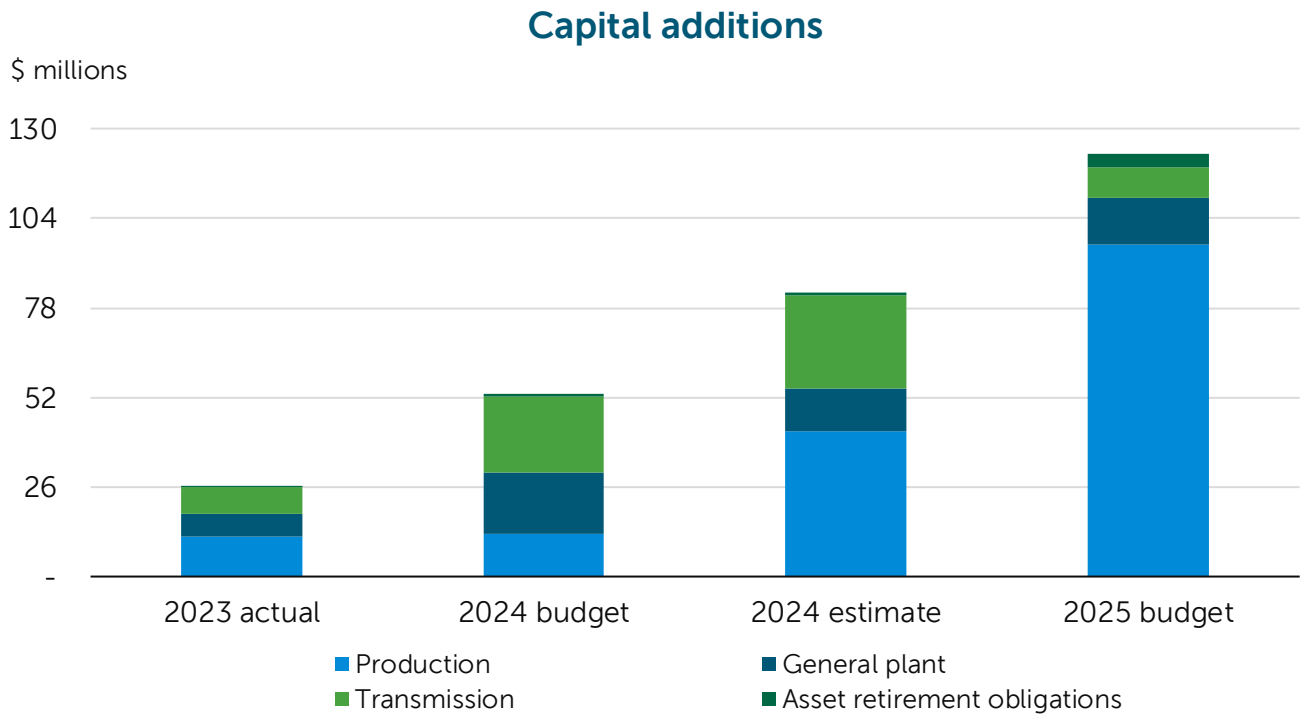
The five-year capital forecast is developed to outline future investment in capital projects. Capital planning is an ongoing effort as needs change, so Platte River reviews and updates the plan three times annually, along with financial projections. The plan is the basis for each budget year. Production projects focus on plant equipment improvements (including equipment replacements or enhancements during scheduled maintenance outages), dust collection system replacements, combustion component upgrades, wet compression upgrades, controls hardware upgrades, the new aeroderivative units and associated projects. Transmission projects focus on new substations for new noncarbon resources, substation expansion for the new aeroderivative units, a new transmission line and interconnection assets for noncarbon resources, transformer replacements, transmission line replacement, and include coordinating and planning owner community requests for substation additions. Future general plant projects focus on replacing information technology equipment (including fiber optic cable and equipment) and implementing strategic software solutions (including DER management systems and additional energy market software). Asset retirement obligations consist of reclamation activities at Trapper Mine and the fire training pond closure at the Rawhide Energy Station. Due to the large capital investment needed for the resource transition, Platte River plans debt financing to provide funding.

Project management continues to be a focus. In the past several years, Platte River has emphasized resource availability and improving project planning and execution. This process will continue to evolve, striving toward operational excellence. Projects typically experience schedule changes for various reasons. Staff will therefore request a portion of unspent 2024 budget capital additions be carried over into the 2025 budget. If overall capital additions are

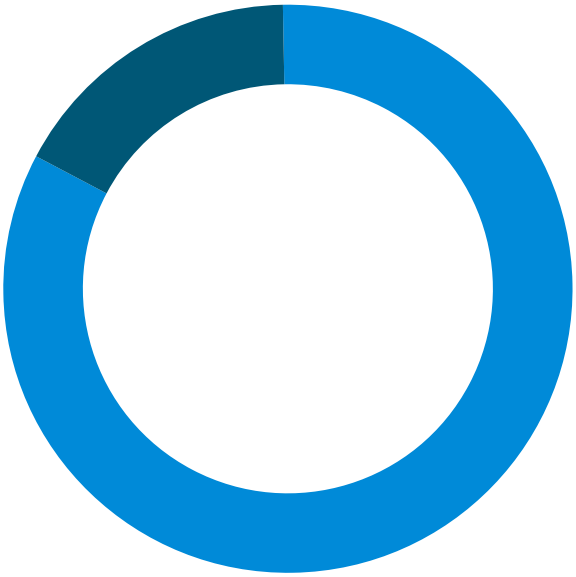
above budget at the end of the year, after considering the impact of carryovers, that above-budget amount will be funded through a contingency transfer. Current lead times and resource constraints have been considered in the 2025 budget, but evolving economic conditions create uncertainty.

The next pages include project descriptions, as well as estimated project cost and carryover amounts, noting which projects support strategic initiatives.

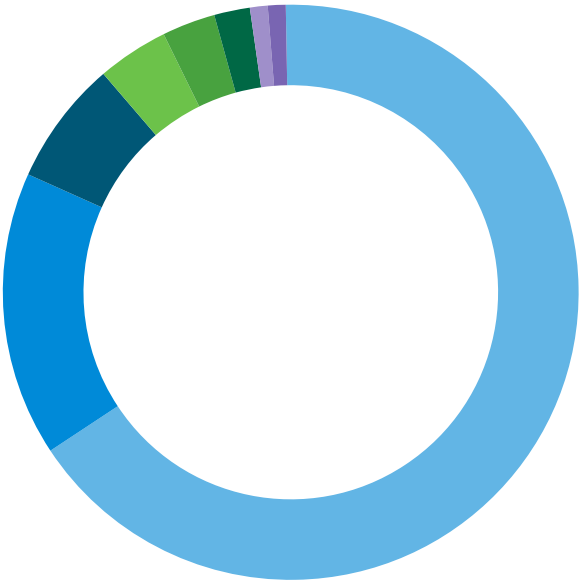
Capital additions ($000)	2023 actual	2024 budget	2024 estimate	2025 budget
Production	$ 11,758	$ 12,363	$ 42,395	$ 96,423
Transmission	7,484	21,957	27,144	8,981
General plant	6,650	17,979	12,232	13,518
Asset retirement obligations	52	933	720	4,011
Total capital additions	$ 25,944	$ 53,232	$ 82,491	$ 122,933



2025 capital additions: $122.9 million



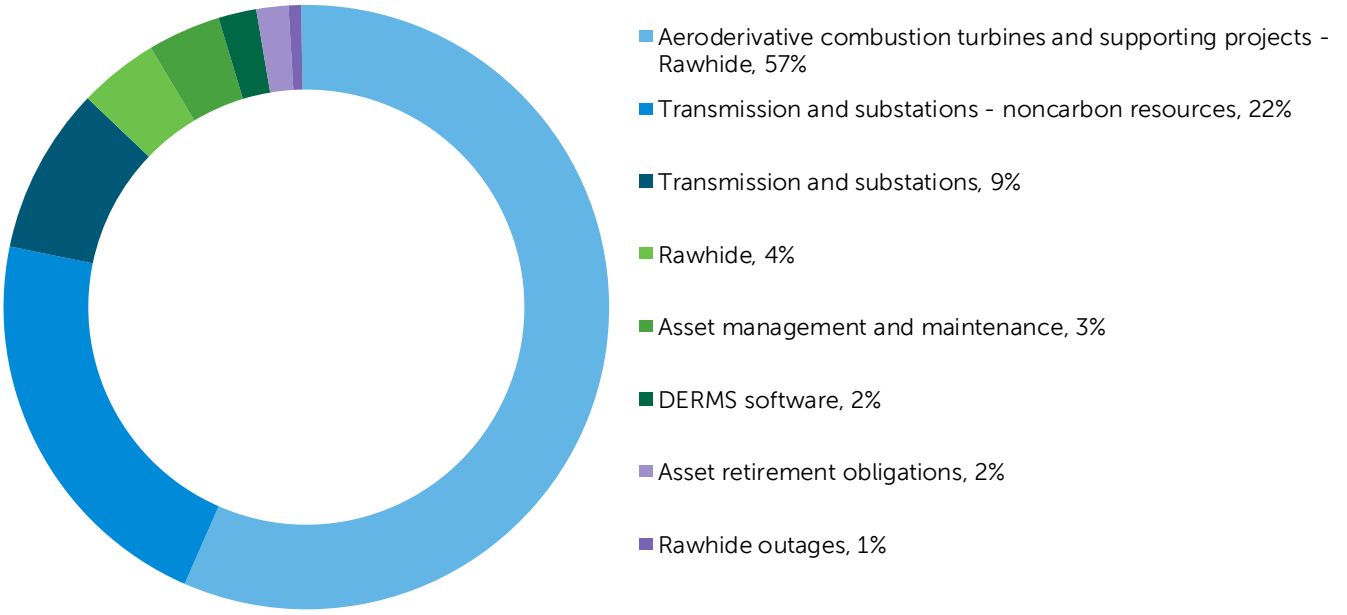
- Strategic initiatives, 83%
- Core operations, 17%

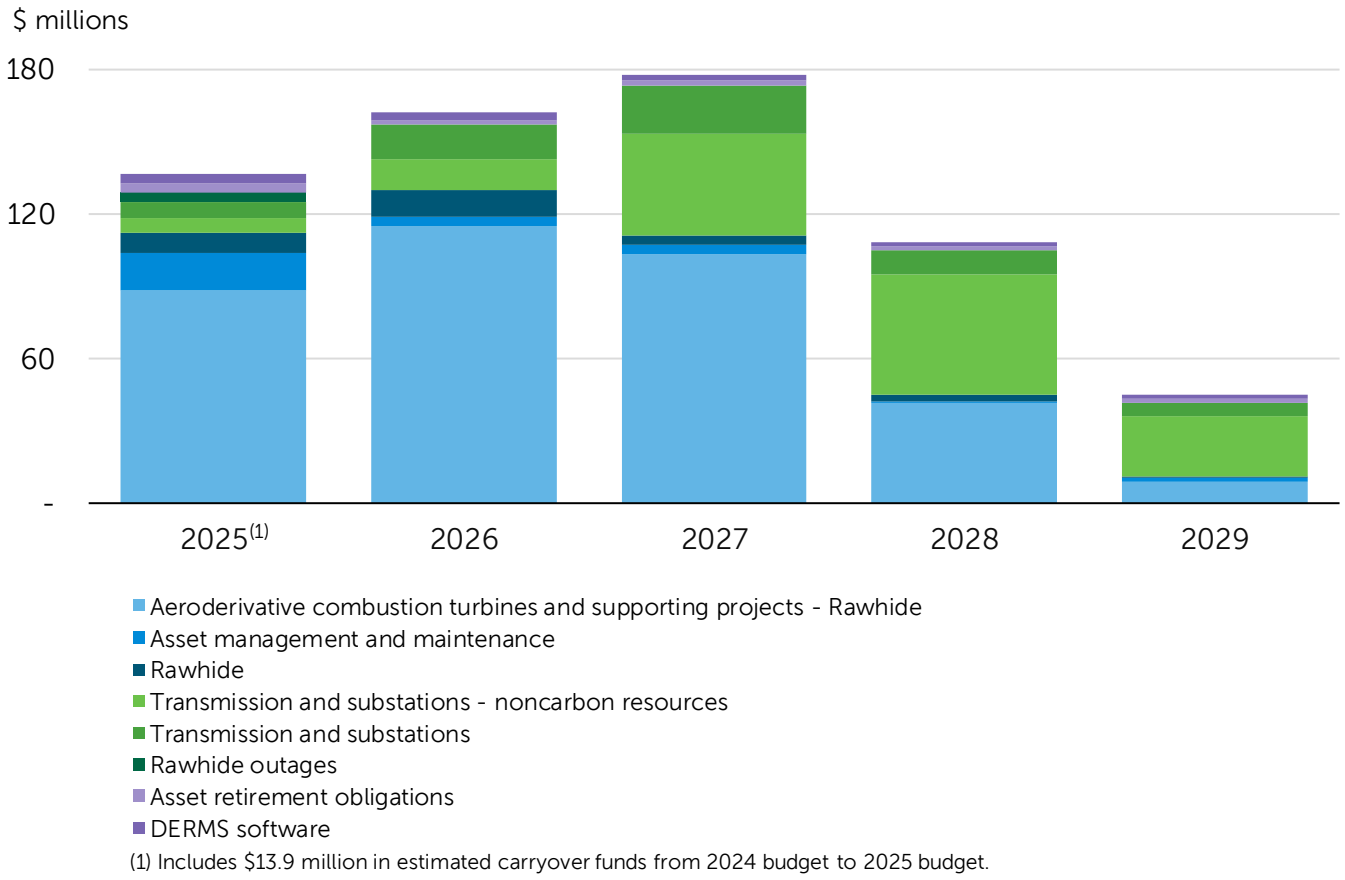


- Aeroderivative combustion turbines - Rawhide*, 66%
- Other strategic projects*, 16%
- Asset management and maintenance, 7%
- Rawhide, 4%
- Asset retirement obligations, 3%
- Transmission and substation equipment, 2%
- DERMS software*, 1%
- Craig units 1 and 2, 1%

* Strategic projects

Capital five-year forecast
2025-2029
$630 million





(1) Includes $13.9 million in estimated carryover funds from 2024 budget to 2025 budget.

Production capital additions	2025 budget	Total cost estimate[1]
Rawhide projects		
• Aeroderivative combustion turbines - Rawhide [2]	$ 80,645,077	$ 352,931,000
• Combustion component upgrade - combustion turbine Unit C	4,485,571	
• Site preparation (fire training facility) - aeroderivative combustion turbines	3,784,985	
• Wet compression - combustion turbine Unit C	1,633,699	
Gas control valve replacement - combustion turbine Unit A	667,021	
• 12.47 kV switchgear replacement - Rawhide	656,806	4,416,000
• Purge credit - combustion turbine Unit F	425,442	
Cathodic protection upgrade - Soldier Canyon pipeline	144,300	
Total Rawhide projects	92,442,901	
Rawhide outage projects		
Dust collection system replacement - crusher building [2]	1,162,754	1,385,000
Evergreen controls hardware upgrade - Rawhide Unit 1	1,141,685	2,253,000
Dust collection system replacement - coal transfer building [2]	961,436	1,152,000
Generator step up transformer fire protection deluge upgrade - Rawhide Unit 1	570,198	
Boiler iron transport analyzer - Rawhide Unit 1	50,044	
• Air heater fire protection upgrade - Rawhide Unit 1	46,843	151,000
Total Rawhide outage projects	3,932,960	
Rawhide purchases		
Portable motor analyzer - Rawhide	16,725	
Trex communicator - Rawhide	12,000	
Total Rawhide purchases	28,725	
Other production projects		
Craig units 1 and 2 projects	18,192	
Total production capital additions	$ 96,422,778	

Transmission capital additions	2025 budget	Total cost estimate[1]
Transmission projects		
• Bay connection and transmission line to Severance Substation - noncarbon resources	$ 3,044,304	$ 3,177,000
• Distribution battery storage interconnection - Town of Estes Park, City of Fort Collins, City of Longmont and City of Loveland [2]	2,964,504	3,801,000
Circuit switcher (T1, T2) addition - Rogers Road Substation	914,007	3,914,000
Airflow spoilers	450,000	3,744,000
• Substation expansion and reliability upgrade - Rawhide Substation	406,838	17,439,000
Switch and capacitor coupled voltage transformer replacements - Harmony Substation	271,278	
Transformer T1 replacement - Longs Peak Substation	253,418	4,598,000

Transmission capital additions (continued)	2025 budget	Total cost estimate[1]
• Transmission lines - noncarbon resources	$ 208,559	$ 50,268,000
Boundary metering replacements - substations	143,014	
Station service - Timberline Substation	102,928	
Substation - Loveland Southeast	100,604	10,701,000
HVAC unit replacements - substations	58,232	
• Substation and interconnections - noncarbon resources [2]	53,353	16,123,000
Circuit breakers replacement 492, 1092, 3124, 3224 - Ault Substation WAPA [2]	10,300	762,000
Total transmission capital additions	$ 8,981,339	

General plant capital additions	2025 budget	Total cost estimate[1]
General plant projects		
Fiber optic expansion - Long-Haul West (Loveland to Longmont)	$ 1,882,370	$ 4,882,000
Fiber optic cable replacement - Long-Haul East (Longs Peak Substation to Longmont Civic Center)	1,870,038	
• Regional transmission organization market software	1,697,865	2,948,000
Construction management building modifications - Rawhide	1,590,496	
• Distributed energy resources management system [2]	1,380,248	9,222,000
Fiber optic expansion - Lyons to Longmont	1,112,332	
• Data management and analytics platform	750,000	
Storage addition - Energy Engagement Center	700,068	
Server and storage replacement	700,000	
Network replacement - Rawhide	600,000	
Audio-video equipment replacement	474,000	824,000
Access control - Owl Creek gas yard	53,764	
Gate access control - Horseshoe Substation	47,416	
Gate access control - LaPorte Substation	43,916	
Remote terminal unit replacements - substations	37,800	
Transmission digital fault information network - substations	28,901	
Key management system - Rawhide	15,436	
Total general plant projects	12,984,650	
General plant purchases		
Telehandler forklift replacement	250,000	260,000
Vehicle fleet replacements	246,842	
Laser engraver replacement - headquarters	30,000	
Copier replacements	7,000	
Total general plant purchases	533,842	
Total general plant capital additions	$ 13,518,492	

Asset retirement obligations capital additions	2025 budget	Total cost estimate[1]
Asset retirement obligations projects		
Fire training pond closure	$ 3,510,574	
Trapper Mine post-mining reclamation	500,000	$ 11,149,000
Total asset retirement obligations capital additions	4,010,574	
Total capital additions	$ 122,933,183	

- Project supports strategic initiative.

(1) If no amount is shown, the 2025 budget amount represents the total project cost estimate.

(2) Projects with estimated unspent 2024 funds that will be requested to be carried over to the 2025 budget.

Production capital additions

Rawhide projects

- Aeroderivative combustion turbines - Rawhide $ 80,645,077

Project time frame: 2024-2028
Total cost estimate: $352,931,000
Carryover estimate: $3,500,000

Construct flexible, high-efficiency, low-carbon aeroderivative combustion turbines at the Rawhide Energy Station to support the reliable transition to a noncarbon energy portfolio supporting the Resource Diversification Policy. Aeroderivative units will maintain reliability and financial sustainability as Platte River increases investment in renewable resources to offset retirement of its coal-fired generation by the end of 2029. These units start and ramp quickly to respond to the changing output of wind and solar resources, allowing Platte River to reliably invest in more noncarbon generation. They have lower maintenance and fuel costs compared to Platte River's existing frame units. Additionally, aeroderivative units can provide ancillary services to support overall grid stability by operating in synchronous condenser mode (that is, synchronized to the grid but not consuming fuel or producing energy). This resource will support system reliability as other firm, noncarbon technologies such as long-duration storage and green hydrogen develop and reach maturity. These machines will initially use natural gas fuel, but by 2035 may start using 50% green hydrogen blend and by 2040 may use 100% green hydrogen, if the technology matures. Funds budgeted in 2025 will be used for milestone payments on long lead time equipment, procurement and site preparation earthwork.

- Combustion component upgrade - combustion turbine Unit C 4,485,571

Upgrade the combustion turbine Unit C combustion hardware comprised of, but not limited to, the combustion cans, transitions and fuel nozzles. The upgraded components will extend outage intervals from 600 starts to 1,300 starts, which will eliminate an entire series of inspections, reducing unit downtime and costs. The new combustion hardware reduces nitrogen oxide and carbon monoxide emissions when running at baseload. Combustion hardware will be modified to add sequential fuel injection that will allow the unit to operate at a lower load range while maintaining emissions. The autotune lite system will also be upgraded for continuous monitoring of combustion dynamics through the entire load range. In addition, the old combustion hardware will be used as a spare set on the non-upgraded 7EA units A-B which will reduce the combustion inspection timeline from four months to one week for those units.

- Site preparation (fire training facility) - aeroderivative combustion turbines 3,784,985

Decommission the existing fire training facility at Rawhide in preparation for the aeroderivative units. Decommissioning includes removal of existing buildings, infrastructure and contaminated sediment. The closure processes are performed in coordination with CDPHE. The fire training pond decommissioning is included in a separate capital project and will be accounted for as an asset retirement obligation.

Wet compression - combustion turbine Unit C $ 1,633,699

Add wet compression on combustion turbine Unit C to increase energy output during summer months and replace existing fogging infrastructure for power augmentation. The project includes a high pressure pump skid, stainless steel high pressure feed lines, fog nozzle arrays and associated electrical and control instrumentation. The new fogging infrastructure will address a design flaw on the existing fogging arrays which caused cracked nozzle adapters. Fogging and wet compression have the potential to reduce heat rate, fuel costs and nitrogen oxide emissions due to the increased water vapor content of inlet air.

Gas control valve replacement - combustion turbine Unit A 667,021

Replace all existing electro-hydraulic stop-speed ratio valves and gas control valves with electric-actuated valves on combustion turbine Unit A. The project includes installing new digital valve positioners for each component, new wiring and conduit and integration into the Ovation distributed control system. The current electro-hydraulic valves require disassembly, cleaning and rebuild every other year to prevent clogged servos and filters. The current valves have also been problematic during cold weather operation. Removal of the hydraulic oil system minimizes safety and environmental hazards. The new electric-actuated valves will increase reliability and provide advanced diagnostic capabilities.

12.47 kV switchgear replacement - Rawhide 656,806

Project time frame: 2025-2026

Total cost estimate: $4,416,000

Replace the existing 12.47 kV switchgear located in the substation control building to utilize power feeds from the station service transformer and the generation availability transformer as main power sources into the switchgear. A tie breaker will be used as an auto-transfer of power source to the construction management building, the substation control house, frame unit backup auxiliary power and auxiliary boiler 101 and 102 breakers. Currently, an outage is required on the 12.47 kV system to operate the existing switchgear, causing generating units to be unavailable. This replacement configuration will allow auto-transfer and manual switching to occur under load and increases unit availability. After retirement of Rawhide Unit 1, this switchgear will serve as the secondary auxiliary power source for the aeroderivative units and secondary auxiliary power for the frame units. Funds budgeted in 2025 will be used for engineering, design, contracts and initial procurement.

Purge credit - combustion turbine Unit F	$	425,442

Install new infrastructure to qualify for a zero purge credit on combustion turbine Unit F. Gas turbines are required by the National Fire Protection Association (NFPA) 85: Boiler and Combustion Systems Hazards Code to perform a fresh air purge upon startup of the unit, prior to ignition. The purge evacuates combustible fuels from the turbine to prevent fires or explosions during startup, but it also extends the time needed to synchronize to the grid. The zero purge credit package reduces the time to synchronize to the grid by eliminating the need to perform an air purge during turbine startup. The package installs a triple block and bleed system with one pressurized cavity in the gas fuel system. The system provides sufficient sealing capabilities of the gas fuel system and enables the operator to take credit for the air purge of the gas turbine during a prior unit shutdown. Maintaining this pressure differential from the previous shutdown will satisfy the fire code regulation. Additional benefits include an increase in system safety, reduced fatigue on gas path components and less electricity used during startup. Fast-start attributes have the potential to better serve load and energy markets due to the ability to come on line more quickly than units with longer start times.

Cathodic protection upgrade - Soldier Canyon pipeline	144,300

Upgrade the cathodic protection system on the Soldier Canyon 10-inch pipeline to an impressed current system. The current sacrificial anode bed is failing and without sufficient levels of corrosion protection, the pipe's integrity could be compromised and leak. The upgraded system requires a constant power source to provide continued cathodic protection to the pipeline.

Total Rawhide projects	$	92,442,901

Rawhide outage projects

Dust collection system replacement - crusher building	$	1,162,754

Project time frame: 2024-2025
Total cost estimate: $1,385,000
Carryover estimate: $137,000

Replace the crusher building dust collector to be compliant with current regulations set by the NFPA and Occupational Safety and Health Administration (OSHA). The upgrades include new deflagration relief panels that vent to the outside, a new exhaust fan, new filter housing and bags, and cleaning blowers. Electrical work for the project includes upgrades to wiring, the motor control center buckets and controls updates to the Ovation distributed control system.

Evergreen controls hardware upgrade - Rawhide Unit 1	1,141,685

Project time frame: 2024-2025
Total cost estimate: $2,253,000

Upgrade the hardware for the evergreen controls to the latest Ovation revision and replace hardware and network switches with security enhancements. The hardware is at the end of its useful life and part failures may cause downtime for the operator console which can diminish monitoring capabilities.

Dust collection system replacement - coal transfer building	$	961,436

Project time frame: 2024-2025
Total cost estimate: $1,152,000
Carryover estimate: $106,000

Replace the coal transfer building dust collector to be compliant with current regulations set by the NFPA and OSHA. The upgrades include new deflagration relief panels that vent to the outside, a new exhaust fan, new filter housing and bags, and cleaning blowers. Electrical work for the project includes upgrades to wiring, the motor control center buckets and controls updates to the Ovation distributed control system.

Generator step up transformer fire protection deluge upgrade - Rawhide Unit 1		570,198

Upgrade the generator step up transformer fire protection and deluge systems by adding a linear fire detection system and aligning electrical relaying on Rawhide Unit 1. The generator step up deluge system releases a large volume of water to suppress a fire. When the generator step up is energized, mist from the deluge system can track electricity to the ground causing damage to the generator step up and tripping Rawhide Unit 1. In order to protect the generator step up, two different fire detection systems are needed: linear heat detection and a loss of air sensor. This upgrade will allow the Ovation controls network and the electrical relays to trip the unit offline or perform a controlled shut down to protect the generator step up from damage in the event of a deluge.

Boiler iron transport analyzer - Rawhide Unit 1		50,044

Install a boiler sample conditioning and iron transport analyzer system to monitor corrosion products in the boiler. Due to fluctuations in load and operating at a lower capacity factor, the project will provide insight for maintenance needs, potential chemistry program changes and determine if a boiler chemical clean is needed.

Air heater fire protection upgrade - Rawhide Unit 1		46,843

Project time frame: 2021-2025
Total cost estimate: $151,000

Replace the problematic infrared air heater fire detection system with a thermocouple array needed due to potential increase in Rawhide Unit 1 startups and shutdowns.

Total Rawhide outage projects	$	3,932,960

Rawhide purchases

Portable motor analyzer - Rawhide	$	16,725

Purchase a portable motor analyzer for testing, troubleshooting and diagnosing performance issues on motors and electrical devices throughout the Rawhide Energy Station. This will provide redundancy when the existing tool is sent annually for testing and calibration to ensure accuracy and functionality.

Trex communicator - Rawhide	$	12,000

Purchase a device used to communicate with other devices throughout the Rawhide Energy Station for calibration and troubleshooting. This device will provide redundancy when the existing tool is sent annually for testing and calibration to ensure accuracy and functionality.

Total Rawhide purchases	$	28,725

Other production projects

Craig units 1 and 2 projects	$	18,192

The engineering and operating committee approved a capital project for plant improvements and additions at the Craig Generating Station. The budget includes expenses for a switchyard station service project. The amount shown represents Platte River's ownership share responsibility.

Total production capital additions	$	96,422,778

Transmission capital additions

Transmission projects

Bay connection and transmission line to Severance Substation - noncarbon resources	$	3,044,304

Project time frame: 2024-2026
Total cost estimate: $3,177,000

Install two 230 kV breakers, conduit systems, disconnection switches, substation support structures, foundations, grounding systems, high voltage bus jumpers, control wiring and alternating current and direct current power circuits. This project is required to prepare a bay at the substation and build a one-mile transmission line to interconnect a new 230 kV solar generation resource under a PPA or battery storage resource under an energy storage agreement to the existing transmission network. Total cost estimate provided represents Platte River's portion of the project cost as the project is partially reimbursable by the interconnecting customer.

Distribution battery storage interconnection		
Town of Estes Park	$	741,126
City of Fort Collins		741,126
City of Longmont		741,126
City of Loveland		741,126
	$	2,964,504

Project time frame: 2024-2026
Total cost estimate: $3,801,000
Carryover estimate: $36,000

Design, procure and construct the infrastructure to interconnect a distribution-level battery storage system in each of the owner communities. The goal is to have at least one 5 MW, four-hour battery in each owner community operational by the end of 2026, enhancing flexibility within the distribution systems' load and resulting in market benefits and improved local distribution reliability. The interconnection facilities include medium voltage cables, medium voltage relaying, medium voltage interrupters, conduit systems, control equipment, metering equipment and communication equipment.

Circuit switcher (T1, T2) addition - Rogers Road Substation	914,007

Project time frame: 2025-2027
Total cost estimate: $3,914,000

Replace the existing T1 and T2 motor operated disconnect switches with circuit switchers and modify the existing control building to accommodate the added protection equipment and allow for site expansion in the future at the Rogers Road Substation. Replacing the motor operated disconnect switches with circuit switchers will provide a separation point between the City of Longmont and Platte River while also addressing NERC compliance standards for the City of Longmont and providing equipment maintenance benefits for Platte River. The control panels and control building are at capacity and need expansion for additional equipment for load growth in the area. Funds budgeted for 2025 will be used for engineering and material procurement.

Airflow spoilers	$	450,000

Project time frame: 2017-2026
Total cost estimate: $3,744,000

Install new airflow spoilers on sections of the Rawhide to LaPorte double circuit 230 kV transmission line and Del Camino Tap to Terry Tap 115 kV transmission line. The new airflow spoilers will minimize conductor icing thus reducing galloping. Installation of the airflow spoilers will increase transmission system reliability by preventing system faults and will reduce maintenance costs.

Substation expansion and reliability upgrade - Rawhide Substation	406,838

Project time frame: 2024-2027
Total cost estimate: $17,439,000

Design and construct an expansion of the existing Rawhide Substation yard to provide additional interconnections for new generation resources. The scope of this project includes the redevelopment of an area of land on the Rawhide site to install new substation equipment; site grading to accommodate the new equipment and proper drainage; and installation of additional perimeter fencing, a ground grid, 230 kV bus, 230 kV breakers, 230 kV switches, capacitor coupled transformers, relaying and a control enclosure. Funds budgeted for 2025 will be used for site development and procurement of long lead time equipment.

Switch and capacitor coupled voltage transformer replacements - Harmony Substatior	271,278

Replace the existing transmission line switch on the Portner line terminal and replace the capacitor coupled voltage transformers on both the Portner and Timberline terminals at the Harmony Substation. The switch on the Portner transmission line terminal has been difficult to operate and requires additional maintenance to keep the switch operating reliably. The capacitor coupled voltage transformers are reaching the end of their useful lives.

Transformer T1 replacement - Longs Peak Substation	253,418

Project time frame: 2022-2026
Total cost estimate: $4,598,000

Replace the existing three single-phase 230-115 kV transformers with a single three-phase 230-115 kV autotransformer at Longs Peak Substation. The scope of the project includes completing a transformer specification and formal bid process; designing and installing a new foundation and oil containment system to accommodate new equipment; modifying the high voltage and low voltage connections; modifying the existing sensing and monitoring system; and modifying the ground grid system. The existing transformer is reaching the end of its design life and needs to be replaced in order to maintain reliable operation of the system.

Transmission lines - noncarbon resources $ 208,559

Project time frame: 2024-2028

Total cost estimate: $50,268,000

Design and construct new transmission line facilities to connect new noncarbon resource sites to the transmission system. The additional transmission lines are needed to maintain reliable operation of the transmission system and relieve projected transmission congestion. Funds budgeted for 2025 will be used for project evaluation and development processes.

Boundary metering replacements - substations 143,014

Replace 10 boundary meters which are at the end of their useful lives and are no longer supported by the manufacturer. Along with core metering functions, the modernized meters have the latest hardware, high processing power, large data storage, high speed communication and custom programming features.

Station service - Timberline Substation 102,928

Install equipment to provide a new source of station service power that originates from the Platte River owned auto transformer located inside the substation. The project will include conduits systems, 15 kV cabling, 600 V cabling and a distribution transformer. The new station service power will be more reliable as it contains fewer electrical components.

Substation - Loveland Southeast 100,604

Project time frame: 2025-2028

Total cost estimate: $10,701,000

Construct a new substation in the southeast area of the service territory to serve new development in the area. The site is located adjacent to the transmission line along South County Road 11 and is south of East County Road 16E. The substation will be designed as a ring bus configuration that will accommodate two City of Loveland transformers. Transmission line structures will be added to appropriately route the transmission line to the new substation. Funds budgeted for 2025 will be used for preliminary design work and project evaluation.

HVAC unit replacements - substations 58,232

Replace HVAC units at Fordham Substation and Northwest Substation. The units are at the end of their useful life, have been costly to maintain and are having difficulty keeping building temperature at required levels. These replacements are part of a multiyear initiative to replace all units at all substation and auxiliary buildings.

Substation and interconnections - noncarbon resources	$	53,353

Project time frame: 2024-2027
Total cost estimate: $16,123,000
Carryover estimate: $70,000

Design and construct new substation facilities and modify existing substations to connect new noncarbon resource sites to the transmission system. The additional substation facilities and modifications are required to maintain reliable operation of the transmission system. Funds budgeted for 2025 will be used for project management and site development.

Circuit breakers replacement 492, 1092, 3124, 3224 - Ault Substation WAPA	10,300

Project time frame: 2024-2025
Total cost estimate: $762,000
Carryover estimate: $752,000

Replace four 345 kV power circuit breakers at the Ault Substation. The existing breakers have experienced sulfur hexafluoride gas leaks in recent years and are approaching the end of their useful life. Platte River is a party to contract 87-LAO-285 which states Platte River's ownership and financial obligation to the Ault facilities. Platte River is responsible for 28% of the total project cost.

Total transmission capital additions	$	8,981,339

General plant capital additions

General plant projects

Fiber optic expansion - Long-Haul West (Loveland to Longmont)	$	1,882,370

Project time frame: 2025-2027
Total cost estimate: $4,882,000

Install a 288 fiber strand count cable from Horseshoe Substation to the Longmont Civic Center. The existing Long-Haul West fiber cable is at capacity which can impact performance such as high attenuation and delays when requesting access, splicing or testing. Building and owning this complete span will create redundancy and reliability of the bulk electric system (BES) network, access for some owner communities and third party leases.

Fiber optic cable replacement - Long-Haul East (Longs Peak Substation to Longmont Civic Center)	1,870,038

Replace the existing section of fiber cable from Longs Peak Substation to Longmont Civic Center with a 288 fiber strand count cable. The existing Long-Haul East fiber cable is over 20 years old and, during spot checking, shows signs of ultraviolet and wear damage. This project will proactively replace a portion of the aerial cable to avoid failure in addition to adding capacity between the Longmont and Longs Peak Substation.

Regional transmission organization market software	1,697,865

Project time frame: 2024-2026
Total cost estimate: $2,948,000

Implement additional software modules needed to operate and perform activities in SPP RTO West market. Modules included in this project enable developing and submitting bids, generation dispatching, receiving and shadowing settlements, performing analysis on SPP RTO West market results and integrating results with financial and other reporting tools.

Construction management building modifications - Rawhide	1,590,496

Design and construct modifications to the construction management building to be equipped with kitchens, restrooms, meeting rooms, offices and control rooms.

Distributed energy resources management system $ 1,380,248

Project time frame: 2025-2027
Total cost estimate: $9,222,000
Carryover estimate: $2,485,000

Develop a system to enable the management of flexible DER to provide customer and system benefits. The DERMS is being developed to enable DER visibility (through monitoring or modeling DER performance), predictability (through analytics, measurement and verification) and dispatchability (through direct control or price-responsive control by the customer) for DER brought into the system through programs or interconnection processes. The DERMS is intended to enable DER owners to enroll, interconnect and register their DER devices to provide services to the electric system in exchange for a share of system benefits they provide. The DERMS will provide Platte River the ability to operate DER to support integration of variable renewable energy by improving the accuracy of load forecasts and providing information on flexible DER performance. In addition, DERMS is expected to manage flexible DER as a hedge against cost risks of variable renewable energy oversupply or undersupply and will support system reliability.

Fiber optic expansion - Lyons to Longmont 1,112,332

Install fiber cable from Lyons to Northwest Substation in Longmont. This project would extend fiber into Longmont, providing a redundant fiber path between Estes Park and Longmont which would allow alternate routes to Estes Park for the BES network, telecom transport network, and owner community and third party services such as emergency networks and broadband.

Data management and analytics platform 750,000

Develop a data management and analytics platform to load and share data from retiring legacy systems as part of the new Oracle system deployment, allowing access to historical information and legacy systems. The platform will provide the capability to extract, transform and load current and legacy data from numerous, unconnected systems for data analysis. In addition, efficiencies will be gained by having a standard method for interface development which will reduce training and support costs.

Storage addition - Energy Engagement Center 700,068

Construct storage space on the northwest corner of the Energy Engagement Center to support events and meetings held in the space. The original storage area was converted to a mechanical room in 2024. This addition will provide storage for furnishings, catering and various materials.

Server and storage replacement 700,000

Replace server and storage infrastructures at headquarters and Rawhide that have reached the end of their useful life. Server and storage infrastructure is replaced approximately every five years for compatibility, security, reliability and supportability reasons. Beyond five years, reliability of equipment decreases, annual maintenance costs from the vendor increase and availability of security patches becomes uncertain.

Network replacement - Rawhide $ 600,000

Replace network equipment that has reached the end its useful life at Rawhide. Network equipment is replaced approximately every five years for compatibility, security, reliability and supportability reasons. Beyond five years, reliability of equipment decreases, annual maintenance costs from the vendor increase and availability of security patches becomes uncertain.

Audio-video equipment replacement 474,000

Project time frame: 2025-2026
Total cost estimate: $824,000

Replace audio-video equipment that has reached the end of its useful life at headquarters and Rawhide. The current equipment has intermittent technical issues and is difficult to troubleshoot and support. Install interactive digital displays in the strategy room at headquarters for increased collaboration during senior leadership team meetings. The displays will have upgraded touch and shared whiteboard capability to increase meeting productivity and feedback between users. The new equipment will increase reliability, have superior sound and video quality and improve functionality for end users.

Access control - Owl Creek gas yard 53,764

Install physical access control devices and cameras at all entrances of the Owl Creek control building enhancing and supporting Platte River's NERC and critical infrastructure protection compliance, physical security protections and personnel safety. The security devices will be integrated into the existing physical security monitoring systems.

Gate access control - Horseshoe Substation 47,416

Install physical access control devices on the north gate at Horseshoe Substation enhancing and supporting Platte River's NERC and critical infrastructure protection compliance, physical security protections and personnel safety. The project will also include installation of underground conduit, power, automatic controllers to the gate and integration into the existing physical security monitoring systems.

Gate access control - LaPorte Substation 43,916

Install physical access control devices on the southwest gate at LaPorte Substation enhancing and supporting Platte River's NERC and critical infrastructure protection compliance, physical security protections and personnel safety. The project will also include installation of underground conduit, power, automatic controllers to the gate and integration into the existing physical security monitoring systems.

Remote terminal unit replacements - substations 37,800

Replace the legacy remote terminal unit. The current unit is being phased out by the manufacturer and replacement parts will become difficult to find. In order to maintain reliable operation of the transmission system, this unit will be replaced with a modern unit. Replacement locations will be determined based on scheduled maintenance activities or outages and the units will be replaced over a multiyear period.

Transmission digital fault information network - substations	$	28,901

Create a secured network leveraging the Platte River fiber optic system to automatically collect, analyze, and report system fault event information that is recorded by substation relaying and meters. Faults occur on the system during inclement weather conditions and the new system will eliminate the need to dispatch a substation technician to manually retrieve the data. Immediate collection of data will shorten restoration times.

Key management system - Rawhide		15,436

Install a smart key cabinet system at Rawhide allowing the ability to control, track and log access of physical override keys to critical areas. The key cabinet will integrate into Platte River's current access control system, limiting access of keys to certain users and immediately deactivating users' access based on need. In addition, the project will enhance and support Platte River's NERC and critical infrastructure protection compliance, physical security protections and personnel safety.

Total general plant projects	$	12,984,650

General plant purchases

Telehandler forklift replacement	$	250,000

Project time frame: 2024-2025
Total cost estimate: $260,000

Replace the telehandler forklift that has reached the end of its useful life. The current forklift can no longer operate as expected and several parts are becoming obsolete, making the equipment difficult to repair. The new forklift will have updated technology and safety features.

Vehicle fleet replacements		246,842

Replace four vehicles which meet or exceed Platte River’s vehicle replacement criteria of 12 years or 90,000 miles. Platte River's fleet team regularly reviews fleet replacement processes and criteria. Platte River’s vehicles have been maintained through average to long replacement cycles compared to other utilities. Replacement of these vehicles will bring the fleet up to standards.

Laser engraver replacement - headquarters		30,000

Replace the laser engraver that has reached the end of its useful life. The engraver is primarily used to create durable nameplates that are installed on operating equipment inside the substations and at the Rawhide Energy Station. The nameplates identify equipment including the high voltage breakers, control switches, relaying, metering equipment, and security and safety equipment.

Copier replacements	$	7,000

Replace a copier that is nearing the end of its useful life. To keep the copiers running reliably, Platte River has all copiers on a five-year replacement cycle which ensures software is secure and updated, toner and parts are available and repairs are minimized.

Total general plant purchases	$	533,842
Total general plant capital additions	$	13,518,492

Asset retirement obligations capital additions

Fire training pond closure	$	3,510,574

Decommission the fire training pond, which is a waste impoundment that primarily holds liquid runoff from the fire training facility, in preparation for the aeroderivative units. The fire training pond will be decommissioned according to requirements of Section 9 of the Colorado Solid Waste Regulations and a Surface Impoundment Closure Plan, which was approved by CDPHE. The amount shown represents the total expected cash flow to implement the approved closure plan and is based on a detailed engineering calculation. The decommissioning will include clean closure, which involves removing the impoundment's liner, ancillary equipment and any contaminated earth.

Trapper Mine post-mining reclamation	500,000

Project time frame: 2023-2041

Total cost estimate: $11,149,000

Post-mining reclamation activity, which is an asset retirement obligation due to Platte River's membership in Trapper Mining, Inc. and the Final Reclamation Agreement with its members. The amounts shown represent Platte River's portion of the total expected cashflow for final reclamation and mine closure based on detailed engineering calculations for a third party to perform the required work. Reclamation and mine closure costs are reviewed annually, and the costs are allocated to the members of Trapper Mining, Inc. based on cumulative tons of coal delivered.

Total asset retirement obligations capital additions	$	4,010,574
Total 2025 capital additions	$	122,933,183

Debt service expenditures and debt-like obligations

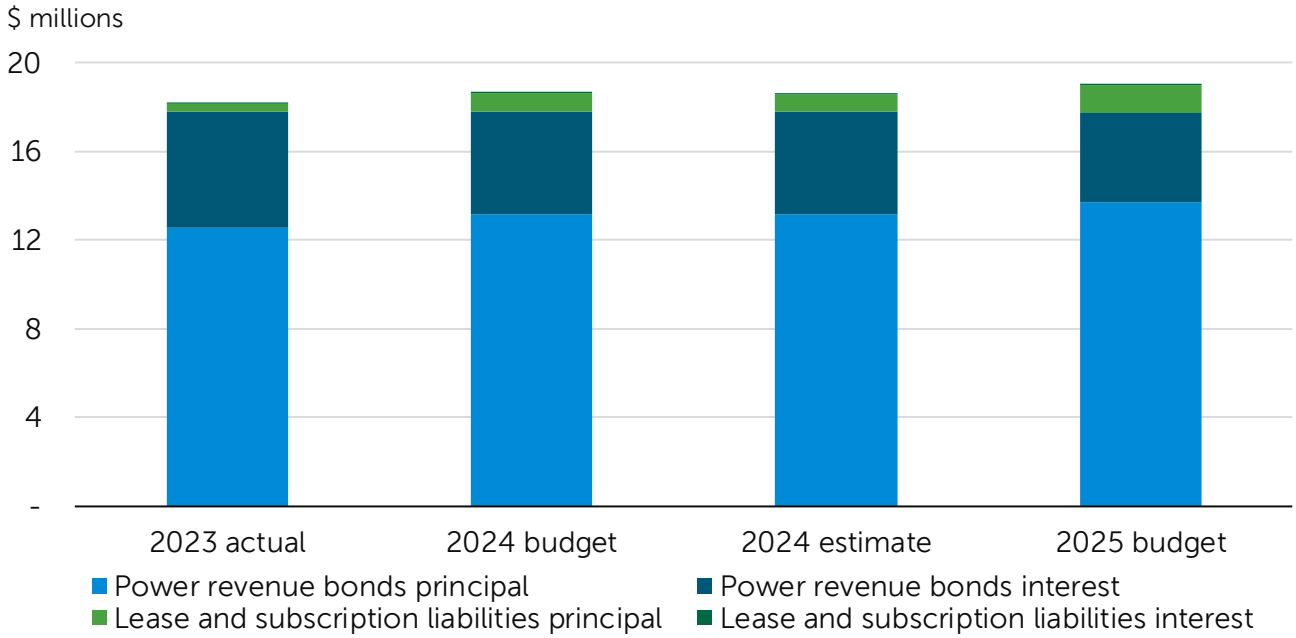
Long-term financial projections aligned with Strategic Financial Plan metrics determine the need for and timing of debt financings. Platte River's adjusted debt ratio in 2025 is expected to be 22%, meeting its Strategic Financial Plan adjusted debt ratio target of less than 50%. Debt proceeds historically have been used to finance production and transmission assets. The adjusted debt ratio includes debt and debt-like obligations from Platte River's statement of net position: outstanding long-term debt, net pension liability, other long-term obligations, and lease and subscription liabilities.

Outstanding long-term debt consists of fixed-rate debt issued under Platte River's General Power Bond Resolution. Net pension liability represents Platte River's net unfunded obligation towards its defined-benefit, single-employer pension plan. Other long-term obligations include amounts Platte River owes under a pooled financing arrangement. Lease and subscription liabilities result from accounting pronouncements requiring Platte River to treat certain contracts as financing arrangements. Debt service expenditures include principal repayments and interest expense for issued power revenue bonds and estimated principal payments and interest expense for lease and subscription liabilities. Payments for pension contributions and the pooled financing arrangement are appropriated as operating expenses.

Platte River's General Power Bond Resolution requires that rates be sufficient to maintain a power revenue bond service coverage ratio of 1.10 times. To support strong long-term financial sustainability, Platte River also maintains a 1.50 times fixed obligation charge coverage ratio as a Strategic Financial Plan metric and expects a 2025 fixed obligation charge coverage ratio of 2.00 times. This metric reclassifies debt-like obligations as fixed obligation charges. Debt-like obligations include demand or capacity payments on contracted assets and any debt service associated with off-balance sheet obligations. A minimum 1.50 times ratio provides sufficient annual cash flows to meet the minimum 1.10 times bond service coverage ratio and partially fund future capital additions. Platte River is not legally restricted on the amount of debt it can issue.

Debt service expenditures ($000)	2023 actual	2024 budget	2024 estimate	2025 budget
Principal				
Power revenue bonds	$ 12,550	$ 13,146	$ 13,146	$ 13,730
Lease and subscription liabilities	338	869	801	1,224
Total principal	12,888	14,015	13,947	14,954
Interest expense				
Power revenue bonds	5,233	4,642	4,642	4,022
Lease and subscription liabilities	6	25	40	70
Total interest expense	5,239	4,667	4,682	4,092
Total debt service expenditures	$ 18,127	$ 18,682	$ 18,629	$ 19,046

Debt service expenditures



Bond service coverage	2023 actual	2024 budget	2024 estimate	2025 budget
Net revenues				
Operating revenues	$ 257,248,771	$ 287,088,199	$ 272,587,726	$ 301,165,114
Operating expenses, excluding depreciation, amortization and accretion	(227,770,581)	(242,915,075)	(232,785,756)	(250,261,984)
Net operating revenues	29,478,190	44,173,124	39,801,970	50,903,130
Plus interest and other income	8,107,420	11,851,141	13,971,690	11,396,886
Net revenues before rate stabilization	37,585,610	56,024,265	53,773,660	62,300,016
Rate stabilization				
Deposits	-	-	-	-
Withdrawals	-	-	-	-
Total net revenues	$ 37,585,610	$ 56,024,265	$ 53,773,660	$ 62,300,016
Bond service				
Power revenue bonds	$ 17,783,354	$ 17,788,130	$ 17,788,130	$ 17,752,098
Coverage				
Power revenue bond coverage ratio	2.11x	3.15x	3.02x	3.51x
Fixed obligation charge coverage [1]				
Total net revenues, above	$ 37,585,610	$ 56,024,265	$ 53,773,660	$ 62,300,016
Fixed obligation charges included in operating expenses	20,787,851	21,476,073	20,514,977	24,404,017
Adjusted net revenues before fixed obligation charges	$ 58,373,461	$ 77,500,338	$ 74,288,637	$ 86,704,033
Fixed obligation charges				
Power revenue bonds, above	$ 17,783,354	$ 17,788,130	$ 17,788,130	$ 17,752,098
Fixed obligation charges [2]	21,132,286	22,370,322	21,356,045	25,698,181
Total fixed obligation charges	$ 38,915,640	$ 40,158,452	$ 39,144,175	$ 43,450,279
Coverage				
Fixed obligation charge coverage ratio	1.50x	1.93x	1.90x	2.00x

(1) Fixed obligation charges are debt-like obligation payments as defined in the Strategic Financial Plan. Certain items in the 2024 budget column reflect correction of an error in calculating this metric as defined in the Strategic Financial Plan approved by the board of directors in December 2023.

(2) This value includes lease and subscription debt service expenditures that are not included in operating expenses.

Power revenue bonds

Of the $99.7 million power revenue bonds outstanding at the end of 2025, approximately 81% and 19% relate to transmission assets and the Rawhide Energy Station, respectively. The weighted average cost of this debt during 2025 is forecast to be approximately 2.7%.

Long-term debt outstanding	2023 actual	2024 budget	2024 estimate	2025 budget
Power revenue bonds				
Series JJ	$ 102,320,000	$ 90,590,000	$ 90,590,000	$ 78,270,000[1]
Series KK - taxable	23,550,000	22,490,000	22,490,000	21,410,000[2]
Total power revenue bonds	125,870,000	113,080,000	113,080,000	99,680,000
Unamortized bond premium	9,600,959	7,526,504	7,526,504	5,728,173
Total long-term debt	$ 135,470,959	$ 120,606,504	$ 120,606,504	$ 105,408,173

(1) Series JJ remaining amount outstanding relates to transmission assets and Rawhide assets of $59.5 million (76%) and $18.8 million (24%), respectively, and matures each year through June 1, 2036.

(2) Series KK - taxable remaining amount outstanding relates to transmission assets and matures each year through June 1, 2037.

Bond service funding	Principal	Interest	Total
Deposits in 2024 for 2025 payment	$ 7,816,666	$ 365,940	$ 8,182,606
2025	13,729,581	4,022,517	17,752,098
2026	14,312,085	3,449,141	17,761,226
2027	14,898,334	2,825,745	17,724,079
2028	15,443,333	2,245,896	17,689,229
2029	8,858,334	1,690,455	10,548,789
2030-2034	25,970,417	5,003,129	30,973,546
2035-2037	12,051,250	565,441	12,616,691
Total bond service funding	$ 113,080,000	$ 20,168,264	$ 133,248,264

Platte River is committed to maintaining a strong credit rating, which is a significant factor in determining cost of debt. Platte River's senior lien debt credit is rated AA by all three credit rating agencies: Moody's Investor Service (Moody's), Fitch Ratings (Fitch) and S&P Global Ratings (S&P). The key factors in determining these ratings are the diversity and economic strengths of the owner communities, Platte River's financial position, the board's willingness to raise rates, management expertise and overall competitive position.

Bond issue	Moody's	Fitch	S&P
Series JJ	- [1]	AA	AA
Series KK - taxable	Aa2	AA	- [1]

(1) Credit rating not obtained.

Net pension liability

Platte River maintains a defined-benefit, single-employer plan covering all regular employees of Platte River hired before Sept. 1, 2010. The defined benefit pension plan is closed to employees hired on or after that date. The net pension liability is measured and determined annually by actuarial valuations as of each calendar year end. Additional information on the defined benefit pension plan, including actuarial assumptions and net pension lability, is available in the footnotes to Platte River's audited financials posted at prpa.org/financial-information. Future pension liability balances and contributions to the plan will vary based on changes to actuarial assumptions and investment returns.

Net pension liability	2023 actual	2024 budget	2024 estimate	2025 budget
Net pension liability	$ 28,273,732	$ 24,723,000	$ 25,182,000	$ 19,738,000

Other long-term obligations

Platte River is a participant in a pooled financing arrangement that closed in 2021 to fund the Windy Gap Firming Project, which includes construction of the Chimney Hollow Reservoir. Due to alternate accounting treatment, the debt service payments under the pooled financing will be included in operations and maintenance and not accounted for as debt service. Instead, the liabilities are considered other long-term obligations. Payments are considered fixed obligation charges and the related pooled financing liabilities are included in the adjusted debt ratio.

The original pooled financing arrangement is not sufficient to fully fund completion of the project after increases due to a federal permit delay, environmental mitigation and enhancement, construction cost increases and additional engineering and construction management. Platte River elected to increase the existing pooled financing by $11.7 million before the end of 2024. Consistent with the alternative accounting treatment of the original balances, this increase to payments for the additional pooled financing funding will be included in operating expense and not accounted for as debt service. Until all elements of the pooled financing arrangement are drawn such that final borrowings are known and closed to fixed 30-year payment schedules, the repayment schedule below is not final and is therefore subject to change.

Other long-term obligations	2023 actual	2024 budget	2024 estimate	2025 budget
Windy Gap Firming Project obligations				
Pooled financing senior debt	$ 61,046,133	$ 61,046,133	$ 61,046,133	$ 61,046,133
Pooled financing subordinate debt	32,359,551	32,359,551	44,030,662	44,030,662
Settlement liability	1,777,778	888,889	888,889	-
Total other long-term obligations	$ 95,183,462	$ 94,294,573	$ 105,965,684	$ 105,076,795

Other obligations relating to the project include Platte River's portion of a settlement liability, due in three equal installments. The first and second installments were paid in 2022 and 2024, respectively, with the final amount expected in 2025.

Pooled financing estimated funding	Estimated net principal [1]	Estimated interest	Total
2025	$ -	$ 2,888,007	$ 2,888,007
2026	2,147,773	4,428,992	6,576,765
2027	3,328,340	3,696,456	7,024,796
2028	3,461,648	3,561,336	7,022,984
2029	3,604,481	3,420,202	7,024,683
2030-2034	20,369,866	14,748,562	35,118,428
2035-2039	24,924,548	10,193,519	35,118,067
2040-2044	17,264,693	5,003,678	22,268,371
2045-2049	10,951,782	2,747,939	13,699,721
2050-2054	10,322,657	1,119,065	11,441,722
2055-2056	3,854,637	120,677	3,975,314
Total estimated funding	$ 100,230,425	$ 51,928,433	$ 152,158,858

(1) Applied estimated unused bond service reserve funds in 2041 and 2051.

Lease and subscription liabilities

Platte River adopted the principles of GASB Statement No. 87, Leases, in 2022 and the principles of GASB Statement No. 96, Subscription-Based Information Technology Arrangements, in 2023. These two accounting pronouncements require leases and subscription-based information technology arrangements to be recorded as financing arrangements and the expenditures, previously considered operating expenses, to be classified as capital additions or debt service, depending on the status of the underlying project at the time of the expenditure. Accordingly, following the pronouncements, Platte River budgets these types of payments as debt service, which are also considered fixed obligation charges, and the related liabilities are included in the adjusted debt ratio.

Lease and subscription liabilities outstanding	2023 actual	2024 budget	2024 estimate	2025 budget
Lease liabilities	$ 111,102	$ 101,684	$ 101,684	$ 91,925
Subscription liabilities	1,391,021	2,111,464	3,055,890	2,422,317
Total lease and subscription liabilities	$ 1,502,123	$ 2,213,148	$ 3,157,574	$ 2,514,242

Lease and subscription liabilities estimated funding	Estimated principal	Estimated interest	Total
2025	$ 1,224,252	$ 69,912	$ 1,294,164
2026	1,203,548	34,869	1,238,417
2027	960,227	13,259	973,486
2028	289,990	2,582	292,572
2029	11,251	2,189	13,440
2030-2033	49,226	4,534	53,760
Total lease and subscription liabilities estimated funding	$ 3,738,494	$ 127,345	$ 3,865,839

Lease and subscription liabilities estimated funding above represents those contracts for which 2025 budget appropriations or expected year-end liabilities exist. Additional or changes to lease and subscription contracts or assumptions relating to those contracts, such as planned exercise of renewal options or renegotiation of contracts, may significantly impact future funding requirements.

Budget process

Platte River is a political subdivision of the state of Colorado and is subject to the Local Government Budget Law, C.R.S § 29-1-101, *et seq*. Platte River is not subject to Colorado's Taxpayer's Bill of Rights because it operates as an enterprise. Colorado law and Platte River financial policy require a balanced annual budget, meaning that projected revenues and available resources must equal anticipated expenditures. Platte River monitors anticipated revenues and expenditures to produce a balanced budget.

The statutory deadline for Platte River to submit its annual budget to its board of directors is Oct. 15. By that date, Platte River publishes a notice in newspapers of general circulation stating that the annual budget is available for public inspection and providing the date and time for a public hearing. The public can find the budget on Platte River's website at prpa.org/financial-information and at Platte River's headquarters at 2000 East Horsetooth Road, Fort Collins, Colorado.

Platte River developed this budget to align with its strategic initiatives and comply with the financial framework described in the financial governance section. Platte River follows an adaptive strategy to effectively maintain system reliability, demonstrate environmental responsibility and regulatory compliance, as well as manage risk. The summary below explains how Platte River develops, reviews and approves the budget.

Owner communities load forecast

Platte River develops a long-range load forecast using an econometric model that incorporates many independent variables, including population, economic activity, home air conditioning penetration, historical weather and DER adoption. While all DER are important, energy efficiency, distributed solar, EVs and beneficial electrification are the primary contributors to the future load forecast. The load forecast model relies on regression analysis of historical data to develop future forecasts. As most DER are in early stages of development and there is little historical data available, the load forecast model also contains projections of DER adoption rates. The load forecast is updated annually with the latest historical data and DER projections.

Production cost model

Platte River uses an hourly production cost simulation model to show the major revenue and expense categories (sales for resale, purchased power and fuel). Production estimates for each generation resource reflect assumptions for resource availability and performance; fuel and transportation contract costs; PPA terms; and market prices for sales for resale, supplemental purchased power, and natural gas.

Personnel budget

The personnel budget follows the board policy on employee total compensation. To establish the personnel budget, Platte River staff:

- reviews the current salary budget and includes a market adjustment based on data from a variety of published sources, both regional and from other utilities,
- adds any new approved positions, and
- adds other known increases or decreases, where applicable.

Department managers submit position descriptions and justifications for new positions. Directors and senior leaders review the requests and approve positions for the upcoming year based on greatest need and value to Platte River. The board approves headcount changes through the budget process.

Individual departments budget overtime and capital labor as a component of total salaries. The remaining salaries are allocated to the functional areas based on estimates of expected responsibilities. These estimates are informed by recent historical data and anticipated impacts of new or changing roles.

Medical and dental expenses are based on a mid-year projection provided by third-party consultants using historical claims and industry cost projections.

Department budgets

Each department submits its budget on an account-by-account basis, along with supporting justifications, explanations and statistical information. Department managers develop internal goals and work plans and align their activities with Platte River's strategic initiatives. Directors and senior leaders review and approve department budgets.

Craig units 1 and 2 budget

Under the Yampa project participation agreement, Platte River owns 18% of the output from Craig units 1 and 2. Tri-State, as the operating agent for the Craig Generating Station, is responsible for the daily management, administration, operation and maintenance of Craig units 1 and 2 and related transmission facilities. The participants share all operations and maintenance costs, other than fuel, on a pro rata ownership basis. Participants must advance funds to the operating agent to pay operations and maintenance costs when due.

The Yampa project engineering and operating committee works closely with Tri-State staff to develop capital and operations and maintenance budgets to support plant reliability through the units' remaining operating life. Because the parties do not yet have an enforceable decommissioning agreement and cost estimate, Platte River independently develops an accretion expense estimate, following the Craig units 1 and 2 decommissioning accrual accounting policy discussed in the financial governance section. Platte River does not budget this expense but includes it in change in net position for rate recovery purposes. Platte River will appropriate costs for decommissioning in future budgets based on cashflows, like an asset retirement obligation.

Joint transmission

Platte River's share of jointly owned transmission projects includes costs for the Ault-Fort St. Vrain, Craig-Bonanza, Hayden-Blue River and Craig-Ault transmission lines, as well as Craig units 1 and 2 transmission costs. Operating agents develop the joint ownership project budgets, which the participants' engineering and operating committees approve.

Billable projects

Platte River performs services on behalf of the owner communities under intergovernmental agreements and directly bills each owner community for resulting costs. These services can include customer information systems, distribution, SCADA, substation security, engineering and other technical support services and fiber management.

Capital budget

Platte River's capital projects are based on a five- to 10-year planning horizon. With each budget cycle, staff:

- submits capital projects with a description and justification,
- plans projects based on resource availability,
- identifies, categorizes, ranks, and prioritizes strategic projects, and
- prepares a long-term capital forecast to review and update three times each year.

The long-term capital forecast is a significant input into long-range financial planning. It helps Platte River determine rates, projected cash flows and the timing of planned debt financings.

Budget contingency

Platte River may use its budget contingency to meet unforeseen expenditures, such as:

- unplanned generation or transmission outages,
- significant increases in power market or natural gas prices,
- unplanned expenses to maintain power supply to the owner communities, or
- a new accounting policy that alters expenditures.

Platte River may also use contingency for existing capital projects that require above-budget expenditures due to scheduling changes, payment timing differences, changes in work scope, price fluctuations or new projects best started before the next budget year. A contingency transfer is not unusual for capital projects.

Platte River's general manager/CEO or treasurer must approve use of contingency funds for any purpose. Staff updates the board on estimated and actual contingency fund transfers.

The contingency appropriation amount is approximately 20% of operating expenses and capital additions. This level of contingency helps Platte River manage increased uncertainty related to the resource transition plan and organized energy market activities.

Year	Contingency appropriation budget ($000) [1]	Appropriated amount ($000)	%	Purpose of transfer
2015	$20,000	$6,640	33%	Additional expenditures for several capital projects including the Craig Unit 2 nitrogen oxide removal, the fiber route to Estes Park and the control room for the digital control system, as well as ancillary services related to additional wind generation.
2016	$20,000	$1,200	6%	Additional expenditures for the initial progress payments for the generator rotor replacement project and the generator stator rewind project completed during the 2018 scheduled maintenance outage.
2017	$20,000	$1,100	6%	Additional expenditures for the initial progress payments for the bottom ash and reclaim pond project completed during the 2018 scheduled maintenance outage.
2018	$23,000	-	-	
2019	$23,000	$1,779	8%	Additional expenditures for several capital projects including the Energy Engagement Center, Rawhide variable frequency drive, circuit switcher addition and breaker replacements at Harmony Substation, air compliance database software and vehicle fleet replacements.
2020	$26,000	$1,282	5%	Additional expenditures for bottom ash transfer impoundments and reclaim pond closure project.
2021	$28,000	$1,566	6%	Additional natural gas expense for high natural gas prices and additional combustion turbine generation to make sales, serve load and replace generation during Rawhide Unit 1's scheduled maintenance outage.
2022	$24,000	$17,465 [2]	73%	Additional natural gas expense for high natural gas prices and additional combustion turbine generation to make sales, serve load and replace generation during Rawhide Unit 1's scheduled screen outage. Additional expenditures for several capital projects including the SCADA and energy management system, the Rawhide pipeline reroute, combustion component upgrade on CT Unit D and Transformer T1 replacement at Longs Peak Substation. Additional debt service expenditures due to presentation of certain payments impacted by the implementation of GASB Statement No. 96.
2023	$52,000	$344	1%	Additional debt service expenditures due to presentation of certain payments impacted by the implementation of GASB Statement No. 96
2024	$56,000 [3]	-	-	

(1) Before 2018, the budgeted contingency appropriation was a fixed amount. From 2019 to 2022, the amount was approximately 10% of the operating expenses and capital additions to align with fluctuations in the budget. Beginning in 2023, the contingency appropriation amount increased to approximately 20% of operating expenses and capital additions to help Platte River manage increased uncertainty in future budgets related to the resource transition plan and organized energy market activities.

(2) Restated in 2023 for the implementation of GASB Statement No. 96.

(3) A contingency transfer is projected, pending final 2024 results.

Management review

Staff prepares and analyzes financial statements, a budget summary, budget details, and division and department budget reports for management review. Finance staff meet with managers and the general manager/CEO to discuss the budget and confirm that expenditures for the budget year are consistent with goals, objectives, strategic initiatives, rate projections and Strategic Financial Plan metrics. After these meetings, staff may revise budget items and distribute revised reports to management for further review.

Budget document

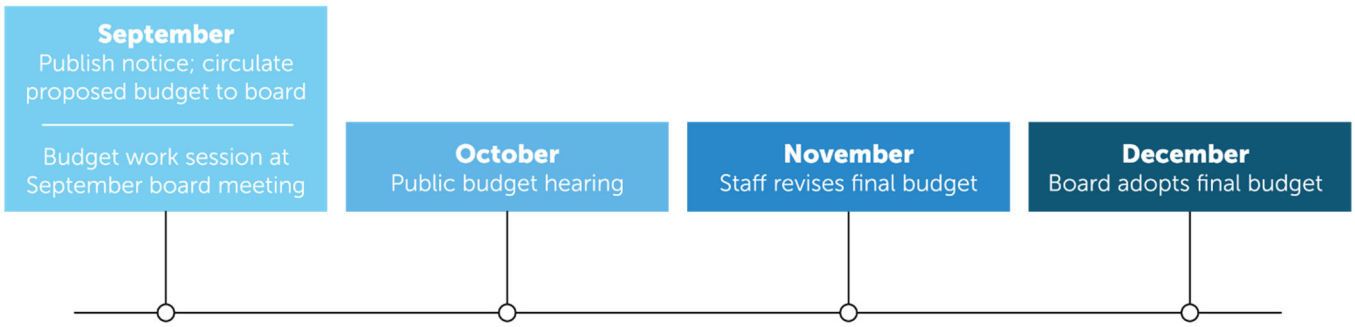
Platte River's management uses the strategic budget for planning and to communicate with the board of directors and the public. The budget document complies with the Local Government Budget Law of Colorado. Platte River submits its budget to the state no later than 30 days after the start of the budgeted fiscal year. The budget document must include:

- all proposed expenditures and all sources of anticipated income,
- estimated beginning and ending fund balances,
- corresponding actual figures for the prior fiscal year and estimated figures projected through the end of the current fiscal year,
- a written budget message, and
- explanatory schedules or statements.

Staff may reclassify some budget amounts to remain consistent with the upcoming budget year presentation. These reclassifications do not change budgeted amounts and results.

Board review and adoption

The diagram below depicts the process for Platte River's board to review and adopt the budget.



Revisions between the proposed and adopted budget typically include a revised production cost model run and refinements to operations and maintenance expenses and capital additions. Revisions can include changes to resale market assumptions, fuel costs, ancillary service and wheeling rates, personnel costs, other various departmental expenses, timing or scope of capital projects and any other change needed for the board to adopt a more

accurate and complete budget. The following table summarizes the changes between the proposed budget and the adopted budget.

Summary of changes	2025 proposed budget	2025 adopted budget	Change from proposed budget
Revenues			
Sales to owner communities	$ 248,446,056	$ 248,437,053	$ (9,003)
Sales for resale - long-term	17,755,191	17,641,416	(113,775)
Sales for resale - short-term	35,190,799	37,629,013	2,438,214
Wheeling	9,452,245	9,452,245	-
Interest income	11,023,712	10,545,796	(477,916)
Other income	850,689	851,090	401
Total revenues	$ 322,718,692	$ 324,556,613	$ 1,837,921
Operating expenses			
Purchased power	$ 67,235,295	$ 69,788,991	$ 2,553,696
Fuel	42,941,213	42,435,488	(505,725)
Production	53,919,404	55,511,915	1,592,511
Transmission	23,443,309	23,900,687	457,378
Administrative and general	41,819,165	43,185,930	1,366,765
Distributed energy resources	14,993,812	15,199,969	206,157
Total operating expenses	244,352,198	250,022,980	5,670,782
Capital additions			
Production	97,447,501	96,422,778	(1,024,723)
Transmission	10,196,894	8,981,339	(1,215,555)
General	13,284,136	13,518,492	234,356
Asset retirement obligations	4,380,294	4,010,574	(369,720)
Total capital additions	125,308,825	122,933,183	(2,375,642)
Total operating expenses and capital additions	369,661,023	372,956,163	3,295,140
Debt service expenditures			
Principal	14,802,167	14,953,833	151,666
Interest expense	4,080,913	4,092,429	11,516
Total debt service expenditures	18,883,080	19,046,262	163,182
Total expenditures	388,544,103	392,002,425	3,458,322
Contingency appropriation	74,000,000	75,000,000	1,000,000
Total expenditures and contingency	$ 462,544,103	$ 467,002,425	$ 4,458,322

Budget amendments

Platte River may need to amend the budget if total expenditures, including contingency, are expected to exceed the adopted budget. Under Colorado law, the process for budget amendments is the same as the annual budget process: a board meeting notice, a public hearing, and board adoption. A budget amendment would also be timely filed with the state.

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Platte River Power Authority for its 2024 Strategic Budget for the fiscal year beginning Jan. 1, 2024. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. This is the fifth consecutive year Platte River has earned this award.

The award is valid for one year only. We believe our current budget continues to conform to program requirements, and will submit it to GFOA to determine its eligibility for another award.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Platte River Power Authority
Colorado

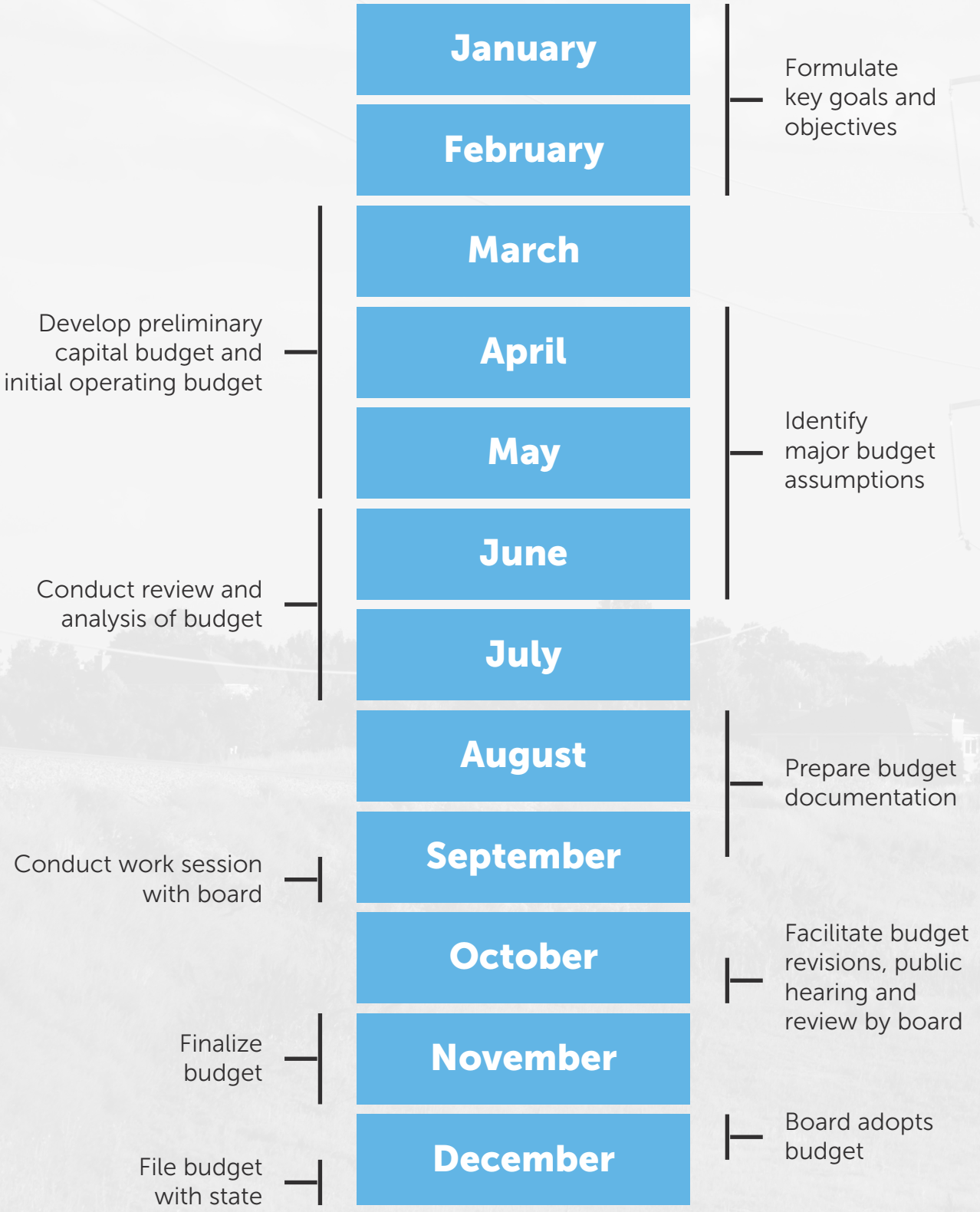
For the Fiscal Year Beginning

January 01, 2024

Christopher P. Morrill

Executive Director

Budget schedule



Financial governance

The Local Government Budget Law of Colorado, in addition to the policies listed below, provides the framework for Platte River's financial activities and budget development.

Fiscal resolution

As required by the Organic Contract, the board adopted a fiscal resolution that governs Platte River's financial transactions.

Strategic Financial Plan

In support of Platte River's foundational pillars of providing reliable, environmentally responsible and financially sustainable energy and services, and Platte River's mission, vision, values and strategic initiatives, the Strategic Financial Plan provides direction to preserve long-term financial sustainability and manage financial risk. The objectives of the Strategic Financial Plan are as follows:

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

Platte River is also subject to the following financial and rate requirements:

- General powers of Platte River, as stated by Colorado Revised Statute 29-1-204(3)(j), include the right to fix, maintain, and revise fees, rates, and charges for functions, services, or facilities provided. Platte River's Board of Directors have the exclusive authority to establish electric rates.
- Power supply agreements with the owner communities require the board to review rates at least once each calendar year. The power supply agreements also require also require rates to be sufficient to cover all operating and maintenance expenses, purchased power costs, bond service expenses, and to provide reasonable reserves and adequate earnings margins so Platte River may obtain favorable debt financing.
- The General Power Bond Resolution requires that rates be sufficient to generate net revenues that cover bond service expense at a minimum 1.10 times. Platte River must review rates and charges as necessary, no less than once each calendar year.

To meet these objectives and requirements, staff established financial metrics and rate stability strategies. The financial metrics take into consideration rating agency guidelines, targeting an "AA" category credit rating. The rate stability strategies include fiscal responsibility and rate smoothing.

Additionally, to manage financial assets and risk, staff will continue to implement and maintain prudent business practices in managing reserves and budgeting, complying with financial policies and procedures and maintaining the enterprise risk management program.

Staff analyzes financial results and projections relative to the financial metrics throughout the year. Staff must formally review the Strategic Financial Plan with the board at least every five years.

Financial metrics

The Strategic Financial Plan metrics support Platte River's financial obligations, including those established by the Colorado Revised Statutes, power supply agreements, and General Power Bond Resolution and preserve long-term financial sustainability (cash flow, earnings, leverage, liquidity). The financial metrics maintain adequate reserves and provide balance between financing capital investments with cash and debt.

Strong financial metrics gives Platte River flexibility to implement necessary rate changes and to smooth rates over longer periods of time to minimize short-term rate impacts. Multi-year performance is considered during the evaluation of rate action and decision making. Platte River may not achieve financial metric projections in all years if staff considers the deficiency temporary.

The financial metrics described below were established based on guidelines provided for an "AA" category credit rating by Moody's, Fitch and Platte River's financial objectives. Platte River's financial advisor, PFM Financial Advisors LLC, also reviewed the Strategic Financial Plan.

- **Cash flow metric:** Generate minimum 1.50 times fixed obligation charge coverage ratio
- **Earnings metric:** Generate minimum change in net position equal to 3% of annual operating expenses
- **Leverage metric:** Target adjusted debt ratio less than 50%
- **Liquidity metric:** Target minimum 200 days adjusted liquidity on hand

Included within the liquidity metric is the rate stabilization fund, established and maintained as allowed by the General Power Bond Resolution. The purpose of the rate stabilization fund is to reduce or eliminate the rate impact from an unforeseen event that affects Platte River's ability to meet the minimum legal bond service coverage ratio requirement, but not to smooth the rate impacts of continued typical business operations. Platte River has never withdrawn funds from the account to meet bond service coverage. The current rate stabilization account is a statement of net position item of $20 million. Staff uses risk analysis each year to determine the appropriate level to maintain in the account.

Rate stability strategies

Competitive wholesale rates give the owner communities an economic advantage for their residential, commercial and industrial customers. 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 the following rate strategies to help reduce long-term rate pressure and give the owner communities greater rate predictability.

Fiscal responsibility

Revenue generation

When financially advantageous, operationally feasible and reliable, Platte River sells generation surplus to owner community needs to other regional utilities on a short- or long-term basis. Margin from these sales reduce Platte River's revenue requirement and benefits the owner communities through lower rates. Staff proactively seeks sales opportunities.

Expense management

Platte River prioritizes preventive and predictive maintenance strategies and proactive capital investments to provide long-term system benefits and efficiencies. Platte River will continue to invest in its existing power generation and transmission assets to maintain operational efficiency and to proactively address federal and state regulatory requirements. Platte River plans to expand its investment in noncarbon resources, such as wind and solar, DER and other generating capacity as needed and retire coal-fired generation. Targeting an "AA" category credit rating through the financial metrics provides access to low-cost capital to support these investments. Platte River is committed to managing costs through its budget and long-term financial planning processes.

Rate smoothing

The board establishes tariffs and charges based on projected cost of service with adequate margin to achieve Strategic Financial Plan financial metrics. Rate smoothing is accomplished through accounting policies and multi-year analysis to develop a long-term rate path with greater predictability.

Accounting policies - revenue and expense smoothing

As a board-regulated entity, Platte River is subject to the provisions of *Governmental Accounting Standards Board 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, Regulated Operations, paragraphs 476–500*, which requires the effects of the rate making process to be recorded in the financial statements. Accordingly, certain revenues and expenses normally reflected in the statements of revenues, expenses and changes in net position as incurred are recognized when they are included in wholesale rates. Platte River adopts accounting policies that help stabilize rates.

Multi-year rate analysis

The board prefers to use a multi-year rate smoothing strategy, as deemed appropriate, to avoid greater single-year rate impacts or to accomplish specified objectives. Platte River will use this mechanism to stabilize rates and increase financial flexibility.

Integrated resource plan

Critical to the budgeting and rate projection process, an IRP establishes a short-term action plan and long-term resource acquisition trajectory for meeting forecasted electric load. Plans are modeled using a combination of supply-side generation resources and DER. Platte River's

IRP uses sophisticated modeling of Platte River's unique resources, available technologies and specific constraints, all studied by industry experts using best practices to develop supply portfolio options covering a 20-year planning period. The resource portfolio includes capital, operational, fuel and environmental costs. Community engagement is a significant part of the IRP development process, and Platte River engages with the owner communities on multiple levels to gain public input from as many retail customers as possible on the proposed long-term supply portfolios.

Decisions to invest in and maintain generating resources are significant and complex, with long-range financial and environmental implications that vary widely depending on the selected resource portfolio mix. The IRP results can significantly affect rate requirements as selected resources are factored into rate projections. Platte River updates the assumptions to achieve the selected path annually and incorporates them into financial and rate projections. Platte River must complete an IRP every five years, with the most recent being submitted in 2024, one year early, and covering the planning period from 2024 to 2043. Platte River plans to prepare its next IRP in 2028. Completing the 2024 and 2028 IRP ahead of the standard five-year schedule allows Platte River to reflect the most up-to-date assumptions and consider latest technologies, with three plans completed between the date the board adopted the Resource Diversification Policy and the date Rawhide Unit 1 retires. Additional information about the current IRP is available on Platte River's website at prpa.org/2024irp.

Financial projections and cost of service

Platte River's financial model is designed to coincide with resource planning models and the IRP. While the planning horizon typically extends 10 years, staff can evaluate scenarios out to 25 years. Key metrics typically identified and reported by the financial model include average wholesale rate projections (including annual rate increases) and the Strategic Financial Plan metrics. Platte River uses the financial model to obtain forward-looking insight into the impact of IRP portfolios and the possible need to adjust long-term financial plans, including debt financing and rate adjustments, to meet Strategic Financial Plan objectives.

The cost of service model determines specific charges outlined in the tariff schedules for the upcoming year's budget. It incorporates budgeted expenses using FERC functional areas and determines which specific charges should be used for cost recovery of each expense. The cost of service model supports system benefits by producing unbundled charges that are transparent and aligned with underlying cost structures.

Power supply agreements

The power supply agreements define the terms and conditions for Platte River's sale of wholesale electricity to the owner communities. Currently all four power supply agreements run through 2060.

General Power Bond Resolution

The General Power Bond Resolution allows Platte River to issue and sell bonds for a specific purpose and establishes the rights and responsibilities of each party (the issuer and the bondholder) in a bond contract. The bonds entitle the holder to interest payments and the return of principal.

Bond service coverage

Bond service coverage is a measure of Platte River's ability to generate cash to pay bondholders and is a key indicator of financial strength. Credit rating agencies review bond service coverage when assessing Platte River's credit quality. Under the General Power Bond Resolution, Platte River must charge wholesale electric energy rates to the owner communities that are reasonably expected to yield net revenues for the forthcoming 12-month period that are at least equal to 1.10 times total power bond service requirements.

Restricted, dedicated and unrestricted funds

Platte River has three categories of funds. Restricted funds are a requirement of the General Power Bond Resolution. Dedicated funds are Platte River defined obligations for a specific purpose. All remaining funds are unrestricted. Following governmental accounting pronouncements, net position is categorized for reporting purposes as net investment in capital assets, restricted and unrestricted.

Investments

Platte River's investment policy provides a framework for managing its investments. Platte River must invest and manage assets as a prudent investor would, by considering the purposes, cash requirements and terms of various funds. In satisfying this standard, the chief financial officer must exercise reasonable care, skill and caution. Investment and management decisions will be evaluated not in isolation but in the context of the portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to Platte River. The primary objectives of investment activities are safety, liquidity and yield. Platte River invests only in obligations of the United States government and its agencies and other investments permitted under Colorado law.

Enterprise risk management

Platte River is committed to enterprise risk management, the process to identify potential events that may affect its ability to meet strategic objectives and manage identified risks appropriately. The risk oversight committee, consisting of the general manager/CEO and the senior leadership team, monitors the risk environment and provides direction for the activities to eliminate, mitigate or transfer, to an acceptable level, the risks that may adversely affect Platte River's ability to achieve its goals. Additionally, the risk oversight committee supports organization-wide efforts to identify, monitor, evaluate and report risks and risk mitigation strategies. Platte River has also established an energy risk management framework, as a

subset of enterprise risk management, to identify, measure, monitor, report and mitigate energy-related risks. The enterprise risk management program is continually evolving to incorporate best industry practices.

Platte River maintains several different types of insurance, including auto liability, commercial crime, cyber liability, directors and officer's liability, fiduciary liability, excess liability, medical professional, property, employee health and workers' compensation. Insurance coverages and limits are commensurate with operating the electric system and Platte River's contractual requirements.

Basis of accounting

Platte River accounts for its financial operations as a proprietary fund and uses the modified accrual basis of accounting for budgetary reporting purposes. Under the modified accrual basis of accounting, certain non-cash items are excluded from budget appropriation, including but not limited to depreciation expense for fixed assets, amortization for asset retirement obligations and subscription assets, accretion expense for Craig units decommissioning costs, accrued compensated absences, amortization of bond financing costs and unrealized gains or losses. Debt principal is included in the budget under the modified accrual basis of accounting. For financial statement reporting purposes, Platte River uses the full accrual basis of accounting, conforming to accounting principles generally accepted in the United States of America. Platte River maintains its accounts according to FERC's Uniform System of Accounts.

As a board-regulated entity, Platte River is subject to GASB Statement No. 62, which requires the effects of the rate making process to be recorded in the financial statements. Accordingly, certain expenses and revenues normally reflected in the statements of revenues, expenses and changes in net position as incurred are recognized when they are included in Platte River's wholesale rates. These policies are used as rate-setting strategies. Below is a list of Platte River Board-approved accounting policies for specific activities following this standard:

- Additional pension funding expense recognition
- Pension contribution expense recognition
- Debt issuance expense recognition
- Maintenance outage expense accrual
- Change in depreciation method
- Windy Gap Firming Project
- Craig units 1 and 2 decommissioning accrual
- Deferred revenue and expense

Operating revenues and expenses

Operating revenues and expenses consist of those revenues and costs directly related to the generation, purchase and transmission of electricity. Operating revenues are billed and

recorded at the end of each month for all electricity delivered. Revenues and expenses related to financing, investing and other activities are considered to be nonoperating.

Capital

Capital additions include expenditures of $5,000 or more for property, equipment or construction projects with an estimated useful life greater than two years. Expenditures less than $5,000 are reflected in the operations and maintenance expense budget. Where applicable, expenditures also include payments to vendors made under GASB statements 87 and 96 before the underlying asset is placed in service. The Craig units 1 and 2 capital budget was prepared by the operating agent, Tri-State, and has been approved by the engineering and operating committee, of which Platte River is a member. Depreciation is recorded using the straight-line method over the estimated useful lives of the various assets of plant in service. For budgetary reporting, capital additions also include appropriations for asset retirement obligations, discussed further in this section.

Platte River management emphasizes project management, specifically reviewing resource availability, as well as improving project planning and execution. This process will continue to evolve, striving toward operational excellence.

Capital projects can be delayed for various reasons. Unexpended amounts may be due to construction delays, change in scope or payment timing differences and will be determined after the Dec. 31 year-end closing. Budget law allows Platte River to carry over into the next year any unexpended balance of funds appropriated for the previous year expenditures. The amounts required in the next year to complete the previous year's projects will then be transferred to the appropriate budget categories in the next year. This is termed the carryover process and is preferred versus re-budgeting the funds. The capital additions will be funded either from current operations or proceeds from debt financings.

As unplanned projects or additional fund requests for existing projects come up throughout the year, project managers follow the internal out-of-budget or over-budget request process to submit the request for consideration. Each request for a new project or additional funding for an existing project is described and justified and other impacts are evaluated. The general manager/CEO then reviews the requests on merit. If a request is approved, overall project schedules may change to accommodate the new or revised project. Given variability and uncertainty with projects, staff closely tracks funding and uses the carryover process if a project cannot be completed in the current year. If additional funds are required for all capital additions at the enterprise-wide level, staff will request a contingency transfer to move funds into the capital budget.

Asset retirement obligations

Asset retirement obligations originate when a legally enforceable liability associated with the retirement of a tangible capital asset exists and can be reasonably estimated. After Platte River adopted GASB Statement No. 83, Certain Asset Retirement Obligations, effective for the period ending Dec. 31, 2019, asset retirement obligations are appropriated for budgetary

purposes on a cash basis method aligned with when liabilities are anticipated to be settled as retirement activities occur. For financial reporting purposes, the expense of the liabilities is recognized in the period during which the underlying capital asset is used. This is achieved by recording a deferred outflow of resources equal to the liability, which is subsequently recognized as amortization expense during the pre-retirement period. The liability and associated deferred outflow of resources are evaluated annually for an inflationary adjustment and changes in estimated costs and adjusted when necessary. Before Platte River adopted this statement, identified asset retirement obligations were appropriated through operations and maintenance expense with no differences in budgetary and financial reporting.

The following table summarizes anticipated asset retirement obligations for financial reporting purposes at the end of 2024, including the periods in which amortization is expected to be recognized. Budget appropriation occurs as actual retirement activities begin and are reflected as capital additions.

Asset retirement obligations	Estimated liability as of Dec. 31, 2024	Estimated unamortized deferred outflow of resources as of Dec. 31, 2024	2025 budget amortization	Amortization period end date
Rawhide Unit 1 impoundment - phosphorous removal ponds	$ 5,870,966	$ 3,099,041	$ 619,812	2029
Rawhide Unit 1 impoundment - fire training pond	2,935,855	1,787,485	1,787,485	2025
Rawhide Energy Station decommissioning	18,182,407	15,286,569	493,116	2055
Craig Generating Station impoundments	4,125,912	2,363,613	630,300	2028
Trapper Mine post-mining reclamation	9,331,820	3,582,270	4,836,239	2025
Total asset retirement obligations	$ 40,446,960	$ 26,118,978	$ 8,366,952	

Acronyms and terms

2024 estimate	Current estimate of revenues and expenditures to reflect actual revenues and expenditures (January through October) and budget revenues and expenditures (November and December). Modifications were made to reflect more accurate projections.
Accretion	Gradual recognition of an expense related to a long-term liability.
Accrual	An expense is recognized when incurred, before cash is paid out.
Adjusted debt ratio	Adjusted debt ratio measures statement of net position leverage. An adjusted debt ratio less than 50% gives Platte River a strong statement of net position and reduces the risk of becoming over leveraged.
Aeroderivative units	A combustion turbine which was originally designed for aviation use to create thrust but has been adapted to generate electricity.
Amortization	Gradual reduction of book value for a non-depreciable asset.
Balanced budget	A budget that has sufficient projected revenues and available resources to equal anticipated expenditures.
Bond service	Power revenue bond interest and principal.
Bond service coverage	Net revenues divided by power revenue bond service.
Capacity factor	The ratio of the average load on a generator for a given period of time to the capacity rating of the generator.
Capital and debt management fund	A dedicated fund authorized by Platte River's Strategic Financial Plan to be used in managing debt and to provide reserves for future capital additions.
Capital expenditure	Expenditures of $5,000 or more for property, equipment or construction projects with an estimated useful life greater than two years.

CDPHE	Colorado Department of Public Health and Environment.
Change in net position	Revenues less operating costs, depreciation, amortization, accretion and interest expense.
Contingency	An appropriation of funds to cover unforeseen expenditures which may occur during the budget year.
CRSP	Colorado River Storage Project – division of WAPA.
Days adjusted liquidity on hand	Days adjusted liquidity on hand measures Platte River's ability to meet daily operating cash flow requirements. It also serves as a hedge against unforeseen financial obligations resulting from significant events and provides flexibility to take advantage of opportunities. Achieving this metric generates and maintains adequate cash. Cash that is liquid or unrestricted refers to total funds excluding legally required reserves under the General Power Bond Resolution.
Debt service	Interest and principal, including those for bonds and lease and subscription liabilities.
Depreciation	The portion of the cost of a fixed asset expensed to operations to allow for consumed usefulness.
DER	Distributed energy resource(s)
Distributed energy resources management system	Distributed energy resources management system (DERMS) is a platform that integrates DER into electric systems with a goal of making them more visible, manageable and responsive to electric system needs.
ELCC	Effective load carrying capability is an estimation of a resource's ability to produce energy at the time of peak demand. In general, ELCC of an intermittent resource is the equivalent MW contribution of a firm resource in meeting peak demand. As an additional intermittent resource is added to a resource portfolio, ELCC of that incremental resource is less than resources already available. The IRP contains additional information about Platte River's system ELCC.

Enterprise resource planning	Enterprise resource planning is the integrated management of main business processes, often in real time and mediated by software and technology. Many enterprise resource planning software applications exist to help organizations implement resource planning by integrating all of the processes needed to run an organization with a single system.
EV	Electric vehicle.
FERC	Federal Energy Regulatory Commission.
Fiscal resolution	A resolution that governs the financial transactions of Platte River.
Fixed asset	See capital expenditure.
Fixed obligation charge coverage ratio	The fixed obligation charge coverage ratio is a measurement of Platte River's annual cash flows and their ability to repay annual power revenue bond service expense and debt-like obligations. Debt-like obligations include demand or capacity payments on contracted assets and any debt service associated with off-balance sheet obligations. A minimum 1.50 times fixed obligation charge coverage ratio provides sufficient annual cash flows to meet the legal minimum 1.10 times bond service coverage ratio requirement and partially fund future capital additions.
Frame units	A combustion turbine which was designed originally and specifically to generate electricity.
GASB	Governmental Accounting Standards Board, the source of generally accepted accounting principles used by state and local governments in the United States.
General power bond resolution	A resolution for providing the issuance of power revenue bonds.
GFOA	Government Finance Officers Association of the United States and Canada.
GW	Gigawatt, one thousand megawatts; one million kilowatts.

GWh	One gigawatt of power delivered steadily for one hour.
HVAC	Heating, ventilation and air conditioning.
IRP	Integrated resource plan.
kW	Kilowatt; one thousand watts.
kW-Mo	The maximum kW reached or made available during a calendar month used for billing demand or capacity.
kWh	One kilowatt of power delivered steadily for one hour.
kV	Kilovolt; one thousand volts.
LAP	Loveland Area Projects – division of WAPA.
MBtu	One million Btu. A Btu is a British thermal unit and is the standard unit for measuring quantity of heat energy and represents the amount of heat energy necessary to raise the temperature of one pound of water one degree Fahrenheit.
MW	Megawatt; one thousand kilowatts.
MWh	One megawatt of power delivered steadily for one hour.
MW-Mo	The maximum MW reached or made available during a calendar month used for billing demand or capacity.
NERC	North American Electric Reliability Corporation.
Net position	Difference between total assets plus deferred outflows of resources and total liabilities plus deferred inflows of resources.
Net revenue	Total revenues less operation and maintenance expenses during a period.
O&M	Operations and maintenance.

Organized energy market	A system in which participants submit offers to buy or sell wholesale energy as a commodity. Utilizing pricing signals to leverage the lowest-cost resources to serve load, market operators efficiently dispatch resources across participating utilities, reducing fuel and maintenance costs while increasing reliability and integration of renewable resources.
OSHA	Occupational Safety and Health Administration.
Owner communities	Town of Estes Park, City of Fort Collins, City of Longmont and City of Loveland are the owner communities of Platte River.
pH	Potential hydrogen, a scale used to specify the acidity or basicity of a solution.
PPA	Power purchase agreement.
Projected	Estimate of revenues and expenditures based on past trends, current economic conditions and future financial forecasts.
PSCo	Public Service Company of Colorado.
Rate stabilization fund	An account established by Platte River's General Power Bond Resolution used to achieve net revenues to ensure the minimum bond service coverage ratio of 1.10x.
REC	Renewable energy certificate.
Restricted assets	Cash and investment accounts restricted to use by bond covenants or laws and regulations.
RFP	Request for proposals.
Sales for resale – long-term	Sales of energy set forth by a contract with duration greater than one year.
Sales for resale – short-term	Sales of electric energy for a period of one year or less.
SCADA	Supervisory control and data acquisition.

SPP	Southwest Power Pool.
SPP RTO West market	Regional Transmission Organization West, an expansion of SPP's existing RTO structure in the Western Interconnection. The SPP RTO West market is a centralized, financially binding day ahead market as well as regional transmission planning mechanism. Participation in the SPP RTO West market would yield additional benefits beyond those of the SPP WEIS market in that reliability is further improved and regional transmission planning reduces congestion which benefits the overall footprint.
SPP WEIS market	Western Energy Imbalance Service, which is a real-time, five-minute organized energy market operated by SPP.
Tri-State	Tri-State Generation and Transmission Association, Inc.
VPP	Virtual power plant, which is a portfolio of flexible DER capable of being operated, on a schedule basis or in near-real-time, to manage the electric supply-demand balance.
WAPA	Western Area Power Administration.
WECC	Western Electricity Coordinating Council.
Wheeling	Use of transmission facilities by other utilities.

Platte River Power Authority

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