



Estes Park • Fort Collins • Longmont • Loveland

Board of directors regular meeting

2000 E. Horsetooth Road, Fort Collins, CO 80525
Thursday, Feb. 27, 2025, 9 a.m.

Call to order

1. Consent agenda *Motion to approve*
 - a. Minutes of the regular meeting of Dec. 12, 2024
 - b. Incorporation into record of resolution 13-24: 2025 board of directors regular meeting schedule
 - c. Transfer of 2024 capital budget carryover to 2025 Strategic Budget
 - d. Direct community support policy *Resolution 01-25*

Public comment

Annual meeting

2. Platte River Power Authority annual meeting
 - a. Annual election of officers *Resolution 02-25*
 - b. Annual Defined Benefit Plan committee appointments *Resolution 03-25*
 - c. 2024 Platte River year in review

Management presentations

3. Revisions to extend and update the Organic Contract and Power Supply Agreements
4. SPP implementation update

Management reports

5. General manager annual review process

Monthly informational reports – January

6. Q4 performance dashboard
7. Operational health report
8. Financial health report
9. Q4 organizational report

Strategic discussions

Adjournment



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2025 board meeting planning calendar

Updated Feb. 18, 2025

March 27, 2025

Board action items	Management presentations	Management reports	Monthly informational reports
General manager annual review	Resource adequacy annual report		Operational health report
	Long-term fuel supply project		Financial health report
Committee report			
Defined Benefit committee report			

April 24, 2025

Board action items	Management presentations	Management reports	Monthly informational reports
2024 FORVIS financial audit report	SPP RTO West transition update		Q1 performance dashboard
Acceptance of 2024 annual report			Operational health report
			Financial health report
			Q1 organizational report

May 29, 2025

Defined Benefit Plan committee meeting

Board action items	Management presentations	Management reports	Monthly informational reports
Revision to wholesale transmission service (Tariff WT-26)	Average wholesale rate projections and 2026 tariff schedule charges		Operational health report
	Legislative session update		Financial health report



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June 7-11, 2025

APPA National Conference (New Orleans, LA)

July 31, 2025

Board action items	Management presentations	Management reports	Monthly informational reports
	Average wholesale rate projections and 2026 tariff schedule charges	Legislative session recap	Q2 performance dashboard
			Operational health report
Committee report			Financial health report
Defined Benefit committee report			Q2 organizational report

Aug. 28, 2025

Defined Benefit Plan committee meeting

Board action items	Management presentations	Management reports	Monthly informational reports
	Rates 101		Operational health report
			Financial health report



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Sept. 25, 2025

Board action items	Management presentations	Management reports	Monthly informational reports
	2026 proposed strategic budget work session	Staffing update (memo only)	Operational health report
	2026 rate tariff schedules		Financial health report
Committee report	Rawhide Unit 1 major outage preview		
Defined Benefit committee report			

Oct. 30, 2025

Defined Benefit Plan committee meeting

Board action items	Management presentations	Management reports	Monthly informational reports
2025 FORVIS financial audit plan	2026 proposed strategic budget update – public hearing		Q3 performance dashboard
2026 rate tariff schedules			Operational health report
			Financial health report
			Q3 organizational report

November 2025

No board of directors meeting



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Dec. 11, 2025

Board action items	Management presentations	Management reports	Monthly informational reports
2026 Strategic Budget review and adoption	Rawhide Unit 1 major outage update	Benefits update (memo only)	Operational health report
2026 proposed board of directors regular meeting schedule			Financial health report
Committee report			
Defined Benefit committee report			

Topics to be scheduled:

- Enterprise risk management update
- Organic Contract extension and Power Supply Agreement revisions

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



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2025 board of directors

Owner communities

Term expiration

Town of Estes Park

P.O. Box 1200, Estes Park, Colorado 80517

Mayor Gary Hall

April 2028

Reuben Bergsten

December 2027

City of Fort Collins

P.O. Box 580, Fort Collins, Colorado 80522

Mayor Jeni Arndt—Vice Chair, Board of Directors

January 2026

Tyler Marr

December 2026

City of Longmont

350 Kimbark Street, Longmont, Colorado 80501

Mayor Joan Peck

November 2025

Darrell Hahn

December 2026

City of Loveland

500 East Third Street, Suite 330, Loveland, Colorado 80537

Mayor Jacki Marsh

November 2025

Sharon Israel

December 2029



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Our vision

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

Our mission

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

Our values

Safety

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

Integrity

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

Service

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

Respect

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

Operational excellence

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

Sustainability

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

Innovation

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



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Memorandum

Date: 2/19/2025

To: Board of directors

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

Subject: **Consent agenda – February**

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

Attachments

- Minutes of the regular meeting of Dec. 12, 2024
- Incorporation into record of resolution 13-24: 2025 board of directors regular meeting schedule
- Transfer of 2024 capital budget carryover to 2025 Strategic Budget
- Direct community support policy
 - Resolution 01-25: direct community support payment policy



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Regular meeting minutes of the board of directors

2000 E. Horsetooth Road, Fort Collins, CO
Thursday, Dec. 12, 2024

Attendance

Board members

Representing Estes Park: Mayor Gary Hall and Reuben Bergsten
Representing Fort Collins: Mayor Jeni Arndt and Tyler Marr
Representing Longmont: Mayor Joan Peck and Darrell Hahn
Representing Loveland: Mayor Jacki Marsh and Kevin Gertig

Platte River staff

Jason Frisbie (general manager/CEO)
Sarah Leonard (general counsel)
Dave Smalley (chief financial officer and deputy general manager)
Melie Vincent (chief power supply officer)
Eddie Gutiérrez (chief strategy officer)
Travis Hunter (chief generation and transmission officer)
Angela Walsh (executive director of board and administration, board secretary)
Esther Velasquez (senior executive assistant)
Josh Pinsky (IT service desk technician II)
Shelley Nywall (director, finance)
Jason Harris (senior manager, financial reporting and budget)
Libby Clark (director, human resources and safety)
Kendal Perez (manager, strategic communications and community relations)
Maia Jackson (senior communications and marketing specialist)
Darren Buck (director, power delivery)
Staci Sears (senior manager, human resources)
Leigh Gibson (senior external affairs specialist)

Guests

None

Call to order

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

Action items

1. Consent agenda

- a. Approval of the regular meeting minutes of Oct. 31, 2024
- b. Resolution 13-24: 2025 proposed board of directors regular meeting schedule

Director Hall moved to approve the consent agenda as presented. Director Marsh seconded. The motion carried 8-0.

Public comment

Chair Gertig opened the general public comment section by reading instructions, noting that time to accommodate each speaker would be divided equitably among in-person members of the public and callers wishing to speak at the start of public comment, but limited to a maximum of three minutes per speaker. Ten members of the public addressed the board.

Committee report

2. Defined Benefit Plan committee report (presenter: Dave Smalley)

Dave Smalley, chief financial officer and deputy general manager, provided a summary of the Defined Benefit Plan retirement committee report from the Oct. 31, 2024 meeting.

Mr. Smalley stated that the plan's investment consultant, Northern Trust, reported on the plan's performance for the quarter ending September 2024, highlighting that assets increased \$6.6 million, as positive market returns and contributions exceeded benefit payments. For the quarter, the portfolio returned 6.4%, while the plan's benchmark increased 6.9%. Year to date, the portfolio returned 12%; the plan's long-term return target is 7.5%.

Mr. Smalley also commented on staff working through a request for proposal process for selecting new investment consulting services based on direction from the retirement committee. After a thorough evaluation process, staff selected Russell Investments as the finalist for committee consideration. During the committee meeting, Russell staff provided an overview of their firm's qualifications and discussed their approach for managing the plan's investment portfolio. The committee approved Russell Investments as the new investment consultant and directed staff to move forward with contract negotiations.

The next committee meeting is scheduled for Feb. 27, 2025.

Mr. Smalley added that, with the departure of Dave Hornbacher from the board of directors, a vacancy on the committee needs to be filled and staff recommends the committee appoint Darrell Hahn.



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a. Defined Benefit Plan committee appointment

Director Peck moved to approve Resolution 14-24: Appointment of Darrell Hahn to the Defined Benefit Plan committee as presented. Director Bergsten seconded. The motion carried 8-0.

Board action items

3. 2025 Strategic Budget review and adoption (presenter: Shelley Nywall)

Shelley Nywall, director of finance, reviewed changes to the budget since the October public hearing, overall financial results and highlights for the proposed 2025 Strategic Budget.

Director Hall commented on generational decision making and will support the proposed 2025 Strategic Budget. Chair Gertig complimented staff for a well-documented process throughout the Integrated Resource Plan (IRP) that supports the proposed 2025 Strategic Budget.

Director Peck made a motion to direct staff to remove the dispatchable resource payments and have the National Renewable Energy Laboratory conduct an external review of the IRP. The motion did not receive a second.

Director Bergsten moved to approve Resolution 15-24: 2025 Strategic Budget as presented. Director Marr seconded. The motion carried 8-0.

Management presentations

4. Extending the Organic Contract and Power Supply Agreement revisions (presenters: Sarah Leonard and Dave Smalley)

Sarah Leonard, general counsel, provided an overview of the Organic Contract among the four owner communities. She mentioned that since the board approved the Resource Diversification Policy in 2018, and energy policy and technology continue to evolve rapidly, now is a good time for all signatories to explore how the Organic Contract for the owner communities and the Power Supply Agreements (PSAs) between Platte River and each owner community might better support changing needs and priorities.

Mr. Smalley provided an overview of the PSAs, which are the bilateral agreements between Platte River and each owner community, and how they relate to general power bond resolution requirements. He mentioned that the PSAs provide security for bondholders. He noted Platte River plans to issue new power revenue bonds, beginning in 2026, to fund necessary infrastructure investments. So, extending the terms of our core documents would be a positive signal to potential bondholders.

Mr. Smalley outlined the approach to extend terms and timing of approval from owner community councils. He recommended Platte River's board approve any changes by the September board meeting.

Director Marr asked how the 1% exception will evolve with resource diversification and integration. Mr. Smalley shared that expanding the 1% exception would create issues in planning and efficiency and can create cross-subsidies among the owner communities. Director Arndt asked to clarify how customer generation, as part of Distributed Energy Resource self-generation, will be included in the 1% exception. Mr. Smalley clarified that customer generation has never been precluded, but for a city to supply its own power is covered under the 1% exception rule. Jason Frisbie, general manager/CEO, added that Platte River is able to take advantage of economies of scale with utility-scale projects to keep costs lower than individual small-scale projects. Discussion ensued among directors and staff on working together as a whole to provide reliable energy while memorializing the board's direction through the energy transition and working toward shared goals.

Chair Gertig suggested a cross-functional, collaborative team approach to work on the project due to the aggressive approval schedule. Mr. Frisbie noted working with the city managers on this timeline also. Director Bergsten asked how long the extension should be. Mr. Frisbie responded that staff would like to extend the agreements by at least ten years.

Break (10:25 a.m. - 10:39 a.m.)

5. Transmission planning strategy in an RTO (presenter: Darren Buck)

Darren Buck, director of power supply, provided an overview of transmission planning, historic planning principles, congestion management and planning for entering the Southwest Power Pool (SPP) Regional Transmission Organization (RTO).

Director Bergsten asked if capacity rights come with maintenance obligations. Mr. Buck responded yes, depending on the different capacity rights on various lines, the percentage splits of ownership require the capacity owners to also budget for maintenance costs. Typically the owner that built the line coordinates the maintenance. Director Bergsten asked if the Western Area Power Administration (WAPA) will join the market. Mr. Buck responded only certain projects within WAPA will participate, like the Loveland Area Projects, but not WAPA as a whole.

Director Hahn asked if the costs associated with generation and transmission reflect actual renewable energy costs or are they manipulated to be dispatched first. Staff responded that because energy dispatch order is based on variable costs, not total resource costs, there is no manipulation in the dispatch priority of renewable resources.

Chair Gertig highlighted the complexities with the transmission system and how planning will impact placement of future generation throughout the region.

6. Transmission operations and costs in an RTO (presenter: Melie Vincent)

Melie Vincent, chief power supply officer, provided a comparison of how transmission management is handled today versus how an RTO manages transmission operations, along with explaining cost allocation practices, charge types, settlements and congestion rights.

Director Hall asked if new market participants will have to pay for current SPP participant infrastructure additions previously agreed upon before joining the market. Ms. Vincent responded the participants will pay only towards new infrastructure. Mr. Frisbie pointed out the interconnection line from the Roundhouse Wind project to the Rawhide Substation would be a good example of independent infrastructure additions that participants in SPP would not pay towards because only Platte River uses it.

Director Hall asked why there is no market in the southeast. Ms. Vincent responded there are few utilities in that region and they have large market power, so a formal market may make less sense. Mr. Frisbie discussed the markets in the west and building infrastructure to connect the markets. Discussion ensued among directors and staff regarding market constructs, costs related to transmission, market governance and the efforts to bring a market to Platte River's territory in the western region.

Management reports

7. Benefits update (presenter: Libby Clark)

Libby Clark, director of human resources and safety, summarized accomplishments completed in 2024 within the multi-year effort to modernize and enhance Platte River's total rewards program, including additional offerings to employees and families.

8. Economic development policy – direct community support (presenter: Angela Walsh)

Angela Walsh, executive director of board and administration, presented the board-requested changes to the economic development payment policy to offer more flexibility to fund direct community support.

Monthly informational reports for October

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

Ms. Leonard highlighted the progress on the SPP RTO West filings with Federal Energy Regulatory Commission, the Municipal Energy Agency of Nebraska complaint challenging Colorado's Power Pathway proceedings and SPP's petition for a declaratory order on tariff provisions for conflicts with state laws.

10. Resource diversification report

Skipped

11. Operating report (presenter: Melie Vincent)

Ms. Vincent highlighted operating results for October and year to date. Mild temperatures during



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October left owner community demand near budget, while owner community energy was below budget. Year to date, owner community demand and energy continue to be below budget. The overall net variable cost to serve owner community load in October was below budget due to higher bilateral sales volume and pricing, offset by higher coal generation volume and pricing on the Craig units. Year to date, the net variable cost to serve owner community load is also below budget.

12. Financial report (presenter: Dave Smalley)

Mr. Smalley highlighted financial results for October and year to date. Change in net position for October was favorable by \$2 million, reflecting above-budget revenues and at-budget operating expenses. He noted two items that were recognized in October: revenues from the previously separate long-haul fiber account and \$1.1 million in unrealized loss on investments. Year to date, change in net position of \$31.7 million was favorable by \$11.1 million compared to budget, primarily due to below-budget operating expenses and above-budget other income and unrealized gains on investments, partially offset by below-budget revenues.

Director Bergsten asked if 2024 was the last year to defer revenues. Mr. Smalley clarified that Platte River will be able to defer revenues in 2025 but not after.

13. General management report (presenter: Jason Frisbie)

Mr. Frisbie highlighted the communications, marketing and external affairs section of the report, as well as Chief Technology Officer interviews. He mentioned that staff will revamp monthly reports to reflect the current structure of the organization. He recognized and thanked Kevin Gertig for his time in public service and his dedication serving on the Platte River Board of Directors. Chair Gertig expressed parting wishes and gratitude to Platte River and the board.

Roundtable and strategic discussion topics

Directors provided updates from their individual communities.



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Adjournment

With no further business, the meeting adjourned at 12:14 p.m. The next regular board meeting is scheduled for Thursday, Feb. 27, 2025, at 9:00 a.m. either virtually or at Platte River Power Authority, 2000 E. Horsetooth Road, Fort Collins, Colorado.

AS WITNESS, I have executed my name as Secretary and have affixed the corporate seal of the Platte River Power Authority this _____ day of _____, 2025.

Secretary

Adopted:
Vote:

DRAFT



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Memorandum

Date: 2/19/2025

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Sarah Leonard, general counsel

Subject: **Incorporation into record of Resolution No. 13-24**

Under Colorado Revised Statutes (CRS) § 24-6-402(2)(c), a local public body must designate a place for posting its meeting notices at its first meeting each year. The Platte River Power Authority Board of Directors generally approves a regular meeting schedule for the upcoming year each December. As part of that resolution, the board also designates the place for posting notices and includes language to satisfy Colorado law. For example, attached Resolution No. 13-24, approved by the board on Dec. 12, 2024, includes the following text:

For purposes of CRS § 24-6-402(2)(c), this action is deemed to have occurred at the first regular meeting of the board of directors in calendar year 2025 and will be incorporated into the records of this meeting.

The purpose of this consent agenda item is to incorporate the board's regular meeting schedule for 2025 (along with the location for posting meeting notices) into the record of the first regular meeting of 2025.

Attachment

- Resolution 13-24: 2025 board of directors regular meeting schedule

RESOLUTION NO. 13-24

The board of directors (board) of Platte River Power Authority (Platte River) hereby resolves that:

- 1. Unless otherwise directed by the board, the board’s annual meeting and regular meetings during calendar year 2025 will be held at 9:00 a.m. local time in Platte River’s boardroom, 2000 East Horsetooth Road, Fort Collins, Colorado, or virtually, according to the following schedule:

February 27 – annual meeting	August 28
March 27	September 25
April 24	October 30
May 29	December 11
July 31	

- 2. Board meetings are open to the public. The secretary is authorized and directed to post at the place designated below and to publish in newspapers of general circulation in Estes Park, Fort Collins, Longmont and Loveland full and timely notice of this meeting schedule.
- 3. The designated place for posting notices of board meetings is Platte River’s public website, www.prpa.org, on the page specific to the board. For purposes of C.R.S. § 24-6-402(2)(c)(I), this action is deemed to have occurred at the board’s first regular meeting in calendar year 2025 and will be incorporated into the record of that meeting.

AS WITNESS, I have executed my name as secretary and have affixed the corporate seal of the Platte River Power Authority this 12th day of December, 2024.



 Secretary

Adopted: Dec. 12, 2024
Vote: 8-0





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Memorandum

Date: 2/19/2025

To: Board of directors

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

Subject: **Transfer of 2024 capital budget carryover to 2025 budget**

Throughout the year, staff regularly reports to the board on anticipated budget variances, potential contingency transfers and expected amounts to be carried over into the upcoming year. Capital expenditures at the end of 2024 were \$16.9 million below budget after the general manager approved transferring \$42.5 million of budgeted contingency funds to the capital additions budget.

State budget law provides for carryover of unspent budget funds. Resolution No. 15-24, adoption of the 2025 Strategic Budget, authorizes the unexpended balance of funds for 2024 capital additions to be carried over to the 2025 Strategic Budget. Staff requests a carryover amount of \$16,888,052.

Although changes in spending for some projects can be determined early enough in the year to allow for re-budgeting in the subsequent year, staff prefers the carryover process. The points below explain how the carryover process provides better project accountability and transparency and how it supports consistent budget reporting and processes.

- Funds have been appropriated for the project and will remain with the project until complete. This does not free up funds for over-budget or unplanned projects. Over-budget and unplanned projects go through a separate approval process and may require a transfer of contingency funds.
- When projects go through the carryover process, it provides greater transparency for project planning evaluation and requires project managers to provide justification and ensures accountability.
- In most cases, actual amounts that need to be carried over to start or complete a project are not known until late in the year. This does not leave enough time to capture the carryover amount in next year's budget.

- Projects often cannot be planned and executed in a single budget year and are planned far in advance due to the annual budget process. Further, large multi-year projects have variability from year to year so will often require carryover funds.
- The carryover process also makes a clear distinction between canceled projects versus projects that still require funds but are delayed, which is important for cash flow planning.

While project managers provide revisions throughout the year on projected carryovers, the year-end process includes the project manager providing justification for the carryover funds, approval by the senior leader, general manager, and final approval by the board. During this process, projects are evaluated in conjunction with the current year's budgeted projects to re-evaluate priorities and feasibility of all planned projects.

Platte River has consistently made progress in planning and executing projects. While we can still make more progress, we see project managers changing their mindsets toward project planning and using resource allocation tools to more accurately determine project requests.

Nine projects represent 79.2% of the carryover amount. Most project carryovers reflect multi-year projects with timing uncertainty. Another factor is vendor and third-party delay. There are also projects slated for carryover during the year due to staff and vendor resource availability, priority shifts and changes in overall project schedules for various reasons. A few of the projects requesting carryover were close to completion by year end and are now in final stages. The majority of the projects, along with brief descriptions of delays and carryover justifications, are detailed in the December financial report. A complete list of the projects and amounts requiring carryover to 2025 is attached and categorized by the general reason for carryover.

The final capital budget for 2025 is as follows.

\$ 122,933,183	Original 2025 capital budget
<u>16,888,052</u>	Capital carryover requests
\$ 139,821,235	Final 2025 capital budget

Staff will be available to answer questions at the February board meeting.

Attachment

- 2024 to 2025 capital carryover projects

Platte River Power Authority

	Carryover amount	% of total amount
2024 to 2025 capital carryover projects		
Multi-year projects with timing uncertainty	\$ 7,824,061	46.3%
10025 Aeroderivative combustion turbines Rawhide*	3,306,545	
10079 Distributed energy resources management system*	2,484,733	
10032 Solar substation 230 kV Severance Substation*	1,203,514	
10080 Regional transmission organization market software	263,608	
10051 Bay connection and transmission line to Severance Substation noncarbon resources	242,641	
10047 Substation and interconnections noncarbon resources	69,953	
10045 Transmission lines noncarbon resources	59,908	
10005 Dust collection system replacement crusher building	53,527	
10096 Mechanical pond pumps and control valves - headquarters	44,467	
10048 Substation expansion and reliability upgrade Rawhide Substation	28,697	
10006 Dust collection system replacement coal transfer building	22,147	
10053 Distribution battery storage interconnection City of Longmont	9,090	
10052 Distribution battery storage interconnection Town of Estes Park	9,090	
10054 Distribution battery storage interconnection City of Fort Collins	9,090	
10055 Distribution battery storage interconnection City of Loveland	9,090	
10022 Evergreen controls hardware upgrade Rawhide Unit 1	7,960	
Vendor/third party delay	\$ 6,468,323	38.3%
10033 Transformer T3 replacement Timberline Substation*	1,377,290	
10049 Circuit breaker replacement 592 596 Ault Substation WAPA*	878,000	
10076 Fiber optic OPGW installation Long Haul East Timberline to Harmony*	776,725	
10017 Evaporative cooling and wet compression combustion turbine Unit F*	771,167	
10050 Circuit breaker replacement 492 1092 3124 3224 Ault Substation WAPA*	751,800	
10038 Relay panel and breaker replacements Airport Substation	400,000	
10078 Compliance management software	348,467	
10010 Switchgear replacement Soldier Canyon Pump Station	262,547	
10074 Fiber optic expansion Highway 34 to Crossroads Substation	190,000	
10026 Gas control valve replacement combustion turbine Unit C	164,969	
10070 Wireless network replacement	162,187	
10068 SCADA and energy management system	150,833	
10043 Switch and CVT replacements Timberline Substation	98,820	
10085 Microwave network replacement headquarters to Estes Park	97,219	
10011 Control system network switch and firewall replacement Rawhide	26,474	
10056 SONET communications system replacement	6,757	
10106 HVAC replacements Ault Substation WAPA	5,068	
Resource availability/priority shifts**	\$ 2,540,029	15.1%
10086 Fiber optic cable replacement Long Haul East Loveland to Longmont*	1,825,557	
10039 Transformer T1 replacement Longs Peak Substation	161,604	
10059 Fiber optic cable replacement Fort Collins Riverside	152,667	
10071 Infrastructure automation	130,000	
10041 Switch 2089 replacement Boyd Substation	108,294	
10024 Bently system upgrade Rawhide	70,516	
10095 Vehicle fleet replacements	38,702	
10023 Uninterruptible power supply replacement gas yard	23,366	
10063 Fiber optic patch panel and lateral replacement Crossroads Substation	16,655	
10067 Fiber optic monitoring tool Boyd Substation	12,668	
Substantially complete - final costs	\$ 55,640	0.3%
10073 Fiber optic cable replacement Long Haul East Fort Collins to Loveland	16,604	
10099 Radio upgrades Rawhide	16,083	
10021 pH and conductivity analyzer replacements Rawhide Unit 1	10,000	
10066 Uninterruptible power supply system headquarters warehouse	6,466	
10102 Potable water system upgrade Rawhide	5,000	
10046 Transmission digital fault information network Portner Substation	1,486	
Total carryover	\$ 16,888,052	100.0%

*These projects comprise 79.2% of the total carryover amount.

**Relates to internal and external resources (labor and materials).



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Memorandum

Date: 2/19/2025

To: Board of directors

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

Subject: **Direct community support policy**

During the December board meeting, staff presented proposed changes to the economic development policy, now referred to as the direct community support policy, to clarify that the mayors of the owner communities have discretion to instruct Platte River's general manager to direct payments to whichever community support recipients the mayors designate in writing. As mentioned in December, the budgeting, designation and payment processes will remain unchanged.

No further changes were recommended after the December board meeting.

Attachments

- Clean – direct community support payment policy
- Resolution 01-25: direct community support payment policy

 Platte River Power Authority	<h1>Policy</h1>	Version #: 1.2 Original effective date: 12/13/2012 Next review date: 2/01/2028
	TITLE: Direct Community Support Policy	Page 1 of 2

<p>Purpose:</p> <p>Since 1982, Platte River included within its proposed budget an expense item to fund payments made to the owner communities for purposes of economic development or community support.</p> <p>This policy formalizes and documents the designation of recipients by requiring that a letter be sent from the mayor of each owner community to the General Manager identifying the recipient entity.</p>
<p>Policy:</p> <p>Platte River shall continue to include a budget expense item for direct community support payments for the benefit of the owner communities. The amount budgeted may be adjusted from year to year subject to approval by the Board of Directors through the budget approval and appropriations process.</p> <p>Future direct community support payments approved by the budget process will be payable by Platte River to the designated recipients based upon written instructions received from the mayor of each owner community.</p> <p>The budgeted expense amount will be distributed among the owner communities based upon a formula that divides one half of the amount appropriated equally among the owner communities with the remainder divided pro-rata among the owner communities based upon energy sales for the prior year.</p>
<p>Implementing Parties and Assigned Responsibilities:</p> <p>Mayors of the owner communities shall send the General Manager written instructions designating direct community support recipients. General Manager shall continue to budget for direct community support payments.</p>
<p>Associated Items (if applicable):</p>
<p>Definitions (if applicable):</p>

 Platte River Power Authority	Policy	Version #: 1.2 Original effective date: 12/13/2012 Next review date: 2/01/2028
	TITLE: Direct Community Support Policy	Page 2 of 2

Document owner: Board secretary	Original effective date: 12/13/2012
Authority: Board of directors	Review frequency: Every 3 years
Counsel review: General counsel	Current effective date: 2/27/2025

Version	Date	Action	Author	Change Tracking (new, review, revision)
1.0	01/01/2013	Original Policy by Board Resolution No. 32-12	General Counsel	New
1.1	05/10/2018	Reviewed, no changes	Angela Walsh	Reviewed
1.2	11/04/2021	Reviewed; minor editing	Angela Walsh	Reviewed
1.3	11/26/2024	Revision; changed from economic development to direct community support based on board direction	Angela Walsh	Revision

RESOLUTION NO. 01-25

Background

- A. Since 1982, Platte River Power Authority (Platte River) has budgeted and funded payments to its owner communities to support economic development.
- B. At the September 2024 board meeting, the board requested changes to the economic development payment policy to offer more flexibility to directly fund community support.
- C. At the December 2024 board meeting, staff presented proposed revisions to respond to the board’s request.
- D. The revisions change the name of the policy from “economic development payment policy” to “direct community support policy” and clarify that the mayors of the owner communities have discretion to instruct Platte River’s general manager to direct payments to whichever community support recipients the mayors designate in writing.

Resolution

The board of directors of Platte River Power Authority therefore resolves that the form of direct community support policy, as included with the materials for the February 2025 board meeting, is approved and supersedes the current form of the economic development payment policy.

AS WITNESS, I have signed my name as secretary and have affixed the corporate seal of the Platte River Power Authority this _____ day of _____, 2025.

Secretary

Adopted:
Vote:



Estes Park • Fort Collins • Longmont • Loveland

Memorandum

Date: 2/19/2025

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
 Dave Smalley, chief financial officer and deputy general manager
 Melie Vincent, chief power supply officer
 Sarah Leonard, general counsel
 Travis Hunter, chief generation and transmission officer
 Mark Weiss, chief technology officer
 Angela Walsh, executive director of board and administration, board secretary

Subject: **Platte River Power Authority annual meeting**

Item two on the agenda is the annual meeting of Platte River Power Authority. Sections 2.3.7 and 2.4.1 of the Organic Contract Establishing Platte River (organic contract) require the board of directors to hold an annual meeting within the first 120 days in each year to elect officers, pass on reports for the preceding fiscal year, and transact other business that may come before the meeting. The first order of business under agenda item two is the election of officers to serve until the end of the next annual meeting. For ease of reference, the current officers are listed:

2025 Platte River Officers

Elected Officers:

Kevin Gertig, Chair (retired)
 Jeni Arndt, Vice Chair
 Angela Walsh, Secretary
 Dave Smalley, Treasurer
 Jason Frisbie, General Manager/CEO

Authorized Assistant Officers:

Sarah Leonard, Assistant Secretary

The chair and vice chair are nominated to serve one-year terms as stipulated in the organic contract. The current board meeting governance document provides for a leadership team composed of the chair and vice-chair. In the discussion of the function of the leadership team the governance document states, “[h]istorically, the board has tried to rotate chair and vice chair responsibilities to provide opportunities for representatives from each of the owner communities to serve in leadership capacities.”

The officer positions that are filled by management staff are traditionally retained and reaffirmed solely for the purpose of meeting the requirements of the organic contract.

Officers are appointed through the attached resolution and the board chair will open the floor for nominations.

The second order of business is the appointment of directors and members of management to serve on Platte River's Defined Benefit Plan committee. For ease of reference, the current directors and management members are listed below.

2025 retirement committee members

Director Members:

Gary Hall
Jeni Arndt
Darrell Hahn
Jacki Marsh

Management Members:

Jason Frisbie
Dave Smalley

Again, the Defined Benefit Plan committee members are appointed by the attached resolution and the board chair will entertain nominations.

The last order of business under agenda item two is the "2024 Platte River year in review." The senior management team will present accomplishments for 2024. The 2024 year-end operating and financial reports are also attached.

Attachments

- Resolution 02-24: Annual election of officers
- Resolution 03-24: Annual Defined Benefit Plan committee appointments
- 2024 year-end operating report
- 2024 year-end financial report

RESOLUTION NO. 02-25

Background

Section 2.4.1 of the Organic Contract requires the board of directors of Platte River Power Authority to elect its officers at each annual meeting.

Resolution

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

1. _____ is elected chair of Platte River Power Authority;
2. _____ is elected vice chair of Platte River Power Authority;
3. David Smalley is elected treasurer of Platte River Power Authority;
4. Angela Walsh is elected secretary of Platte River Power Authority, with Sarah Leonard appointed as assistant secretary; and
5. Jason Frisbie is elected general manager and chief executive officer of Platte River Power Authority.

The terms of all officers elected and appointed above begin at the conclusion of this meeting and will continue until the conclusion of the next annual board meeting, unless earlier terminated by board action.

The secretary is delegated the authority to authenticate the documents of Platte River.

AS WITNESS, I have signed my name as secretary and have affixed the corporate seal of the Platte River Power Authority this _____ day of _____, 2025.

Secretary

Adopted:

Vote:

RESOLUTION NO. 03-25

Background

A. The board of directors of Platte River Power Authority has established a Defined Benefit Plan Committee under the Platte River Defined Benefit Plan consisting of four directors and two members of management to administer the Platte River Defined Benefit Plan.

B. The director members of the Defined Benefit Plan Committee are appointed each year at the annual meeting.

Resolution

The board of directors of Platte River Power Authority therefore resolves that the following directors are appointed to serve on the Defined Benefit Plan Committee until the end of the next annual meeting:

Darrell Hahn,
Jeni Arndt,
Gary Hall, and
Jacki Marsh

and the board of directors acknowledges that the following members of management have been selected to serve on the Defined Benefit Plan Committee until the end of the next annual meeting:

Jason Frisbie
David Smalley

AS WITNESS, I have signed my name as secretary and have affixed the corporate seal of the Platte River Power Authority this _____ day of _____, 2025.

Secretary

Adopted:
Vote:



Platte River
Power Authority

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2024 operational health report

Annual review



Executive summary

2024 energy marketing activity was marked by generally mild weather, consistent gas pricing, and economically dispatched units, as the power markets team continued working with the Southwest Power Pool's Western Energy Imbalance Service market (SPP WEIS). Platte River saved 5.5 million dollars in fuel costs, in 2024, as a member of SPP WEIS. Summer weather was hot throughout the region, with a heat wave in each of the summer months, which resulted in a strong market. Weather was mild throughout the remainder of the year, aside from one extreme weather event in January with cold temperatures, snow and icing. Natural gas pricing was below budget and below 2023 pricing. Rawhide Unit 1 was often economically dispatched to the minimum output of 80 megawatts. Overall purchased power volume was above budget, due to the considerable amount of energy purchased through SPP WEIS. SPP WEIS average purchased power pricing was above budget but below generation costs throughout the year. Craig coal costs were above budget due to higher coal pricing and increased heat rate costs. Generally mild weather throughout the year drove owner community demand and energy sales below budget. Above budget bilateral sales pricing and volume and below budget coal generation fuel savings on Rawhide Unit 1 contributed to a below budget net variable cost to serve owner community load.

Platte River resources performed well throughout the year. Wind and solar net capacity factors ended the year below budget, partly as a result of market curtailments. Net capacity factor for Rawhide Unit 1 was below budget due to lower dispatch in SPP WEIS. Net capacity factor for Craig units 1 and 2 was at budget. Craig units 1 and 2 performed more consistently in 2024 than in 2023, despite challenging operations in November. Craig units 1 and 2 experienced tube leak issues, resulting in forced outages for several days throughout the month. The net capacity factor for the combustion turbines was slightly below budget.

Platte River's 2024 transmission service availability factor was 99.99772%. In 2024, one system disturbance occurred resulting in a loss of load event for the Town of Estes Park when several lines tripped. However, Platte River power system operators, in conjunction with the Western Area Power Administration and Tri-State Generation & Transmission, implemented the coordinated operating plan which was developed in 2023 to quickly restore load to Estes Park. Within 15 minutes of the blackout, all high-voltage transmission services were restored.

Variations

December operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	503 MW	462 MW	(41 MW)	(8.1%)	■
Owner community energy	292 GWh	267 GWh	(25 GWh)	(8.4%)	■
Net variable cost* to serve owner community energy	\$5.1M	\$3.5M	(\$1.6M)	(24.4%)	●
	\$17.43/MWh	\$13.17/MWh	(\$4.26/MWh)		

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

Market impacts to net variable cost

Downward pressure	
Generation and market variances pushing costs lower	
Higher bilateral sales volume and pricing	\$2.54M
Coal generation fuel savings – Rawhide	\$0.53M
Lower wind generation pricing	\$0.33M

Upward pressure	
Generation and market variances pushing costs higher	
Lower market sales volume and pricing	\$1.01M
Higher market purchases volume and pricing	\$0.39M
Higher coal generation pricing	\$0.36M

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

YTD operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	6,391 MW	6,144 MW	(247 MW)	(3.9%)	■
Owner community energy	3,314 GWh	3,181 GWh	(108 GWh)	(4.0%)	■
Net variable cost* to serve owner community energy	\$58.0M	\$46.8M	(\$11.2M)	(15.8%)	●
	\$17.49/MWh	\$14.72/MWh	(\$2.77/MWh)		

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

Market impacts to net variable cost

Downward pressure	
Generation and market variances pushing costs lower	
Coal generation fuel savings - Rawhide	\$9.22M
Higher bilateral sales volume and pricing	\$6.27M
Lower wind generation volume and pricing	\$3.92M

Upward pressure	
Generation and market variances pushing costs higher	
Lower market sales volume and pricing	\$4.67M
Higher market purchase volume and pricing	\$3.30M
Higher coal generation fuel pricing	\$3.12M

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

Loss of load

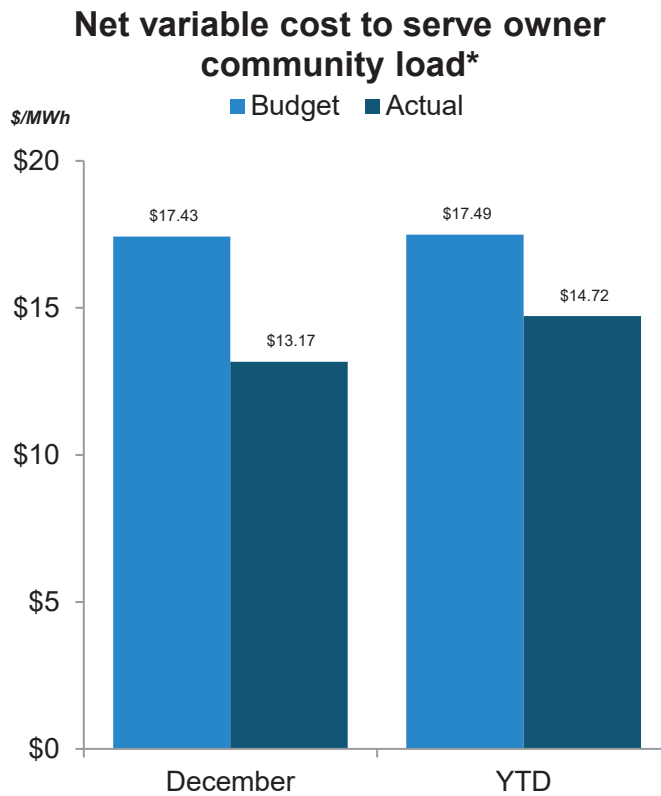
System disturbances

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

2024. There was one system disturbance resulting in loss of load in 2024.

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

Net variable cost to serve owner community load



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

Events of significance

Fuels and water

- Platte River locked in favorable pricing for all of Rawhide's 2026 coal requirements at the lowest rate since 2021, removing variable of coal commodity pricing risk for 2026.
- An effluent storage agreement extension was secured, by negotiating a five-year extension with North Poudre Irrigation Company to store effluent in Fossil Creek Reservoir, providing operational flexibility for cooling water through the life of Rawhide Unit 1.
- Staff enhanced inventory management through collaborative efforts between BNSF Railway and the Rawhide fuel handling team to develop new operating approaches, potentially reducing Rawhide coal transportation costs to accommodate SPP WEIS.
- A natural gas firming study was initiated in 2024. The scope was developed, and a consultant was selected for the study. Phase one, including a regional analysis of pipeline and supply options for Platte River, will be completed in early 2025.

Portfolio strategy and integration

- Staff supported the board's approval of the 2024 IRP which was filed with the Western Area Power Administration (WAPA) on July 25, 2024.
- An amendment to the Black Hollow Solar power purchase agreement was finalized to increase the nameplate purchase amount from 150 MW to 257 MW.
- A four-hour battery energy storage RFP was issued, the results were evaluated, and recommendations were made to pursue the Weld County project. Negotiations for an energy storage agreement for a 100 MW four-hour battery were nearly completed in 2024.

Power delivery

- The transmission service availability factor for 2024 was 99.99772%.
- An operating procedure was developed for Estes Park's load restoration which greatly reduced outage time to 12 minutes.
- Staff successfully supported the owner communities and Larimer County during the Alexander Mountain fire by representing Platte River at the county Emergency Operations Center (EOC). This allowed Platte River to facilitate solutions to various issues. Platte River staff received a Larimer EOC Collaboration Award from the Larimer County Office of Emergency Management for their efforts during the fire.
- In 2024 Platte River demonstrated its transmission system resiliency by participating in 185 switching operations that removed transmission equipment from service without impacting owner community's ability to serve load.

- At 08:14 a.m. on Dec. 6, Longmont's Fordham T2 transformer tripped, losing approximately 12 megawatts of load. The tie breakers did not auto-throw over which caused the loss of load. The tie breakers operated as they should to protect other equipment. Load was restored at 8:45 a.m. A squirrel was the suspected cause of the outage.
- On Dec. 19, a fire in a junction box on the rooftop solar of the headquarters warehouse building occurred. The fire department and police addressed the issue and employees in the warehouse were safely evacuated. The fire was safely extinguished allowing the warehouse to return to use.

Power markets

- Service agreements were successfully negotiated with Utilicast and PCI to ensure a smooth transition to SPP Regional Transmission Organization West on April 1, 2026. Utilicast is a consulting services firm specializing in the utilities industry. PCI is a software vendor for power market activity including trading, settlements, data management and deal capture.
- Extreme cold temperatures occurred Jan. 12 – Jan. 16, 2024, which resulted in gas being intermittently available with an operational flow order (OFO) on the natural gas transportation system and several natural gas interruptions during the extreme cold event. Rawhide Unit 1 ran at an elevated minimum of 140 MW for reliability, whereas the normal minimum for Unit 1 is 80 MW. The cold weather event was managed successfully with sufficient resources to meet owner community loads.
- The shaft share agreement between Tri-State and Platte River concluded on March 31, 2024.
- On Aug. 2, 2024, at hour ending 17:00, Platte River's 2024 peak was 691 megawatts, 22 MW above budget. Platte River's obligation at the time of the peak totaled 974 megawatts. Demand response was not called upon at the time of peak.
- In September, Skyline Energy initiated the termination of the 6 MW Medicine Bow Wind project power purchase agreement. Built in 1998, Medicine Bow was the first wind project in Colorado. The decommissioning of the project is an economic decision, driven by the expiration of production tax credits and increased maintenance costs. On Oct. 15, the Medicine Bow Wind project ceased energy production. The decommissioning was completed on Dec. 23, 2024.

Power production

- The GE contract for five new aeroderivative turbines was executed in August. In addition, the project team developed the scope for the engineer, procure, and construct (EPC) contract. Staff issued the EPC request for proposal in December.
- On Aug. 1, staff completed and filed the Just Transition Plan with the state. This represents the first step toward developing a comprehensive workforce transformation program in support of staff in advance of the closure of Unit 1 at the end of 2029.
- Individuals from Maintenance, Engineering, and I&E supported the Oracle WACS maintenance management system implementation and transition from Avantis. The system went live in September.

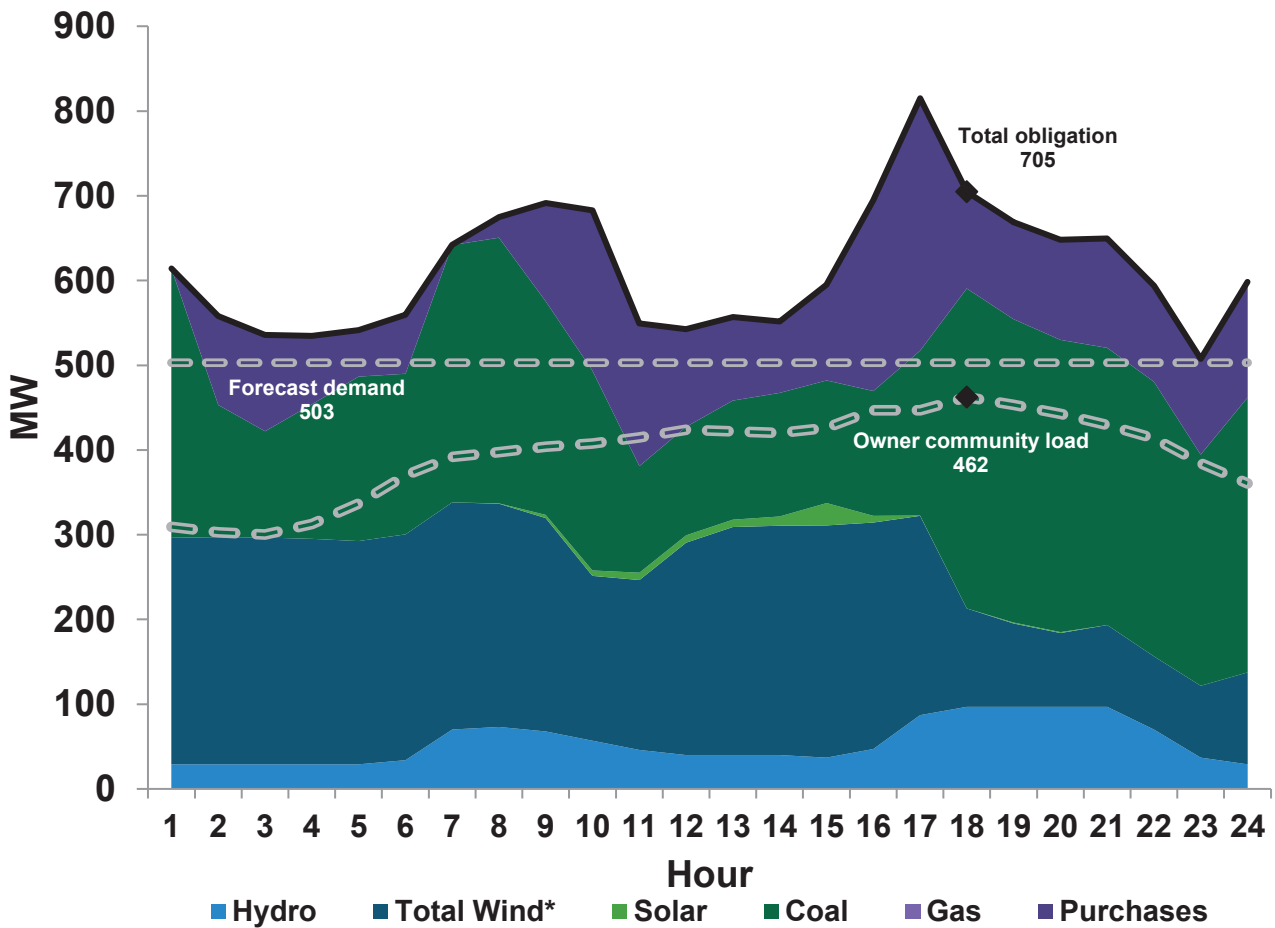
Peak day

Peak day obligation

December. Peak demand for the month was 462 megawatts which occurred on Dec. 9, 2024, at hour ending 18:00 and was 41 megawatts below budget. Platte River’s obligation at the time of the peak totaled 705 megawatts. Demand response was not called upon at the time of peak.

2024. Peak demand for the year was 691 megawatts on Aug. 2, 2024, at hour ending 17:00 and was 15 megawatts below Platte River’s all-time 2021 system peak. Platte River’s obligations at the time of the peak totaled 974 megawatts. Demand response was not called upon at the time of peak.

Peak day obligation: Dec. 9, 2024



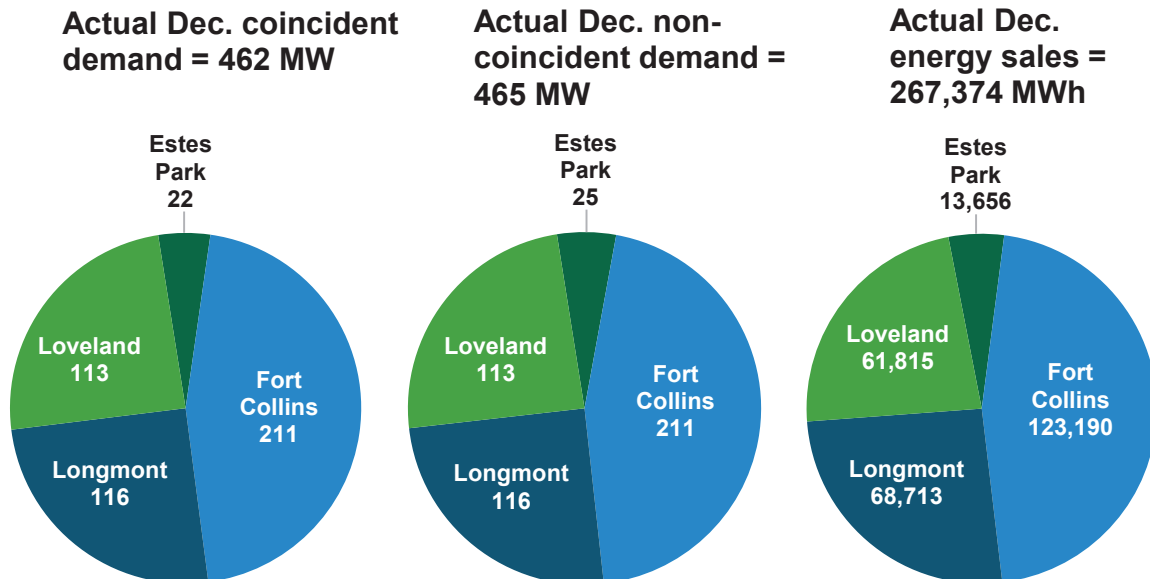
*Some off-system wind renewable energy credits and associated energy have been sold to another utility and, therefore, cannot be claimed as a renewable resource by Platte River or its owner communities.

Owner community loads

	Dec. budget	Dec. actual	Minimum	Actual variance	
Coincident demand (MW)	503	462	507	(8.1%)	■
Estes Park	25	22	13	(12.0%)	■
Fort Collins	232	211	231	(9.1%)	■
Longmont	131	116	144	(11.5%)	■
Loveland	115	113	119	(1.7%)	◆
Non-coincident demand (MW)	503	465	516	(7.6%)	■
Estes Park	28	25	21	(10.7%)	■
Fort Collins	232	211	231	(9.1%)	■
Longmont	131	116	144	(11.5%)	■
Loveland	112	113	120	0.9%	◆
Energy sales (MWh)	291,989	267,374		(8.4%)	■
Estes Park	15,734	13,656		(13.2%)	■
Fort Collins	131,500	123,190		(6.3%)	■
Longmont	77,656	68,713		(11.5%)	■
Loveland	67,099	61,815		(7.9%)	■

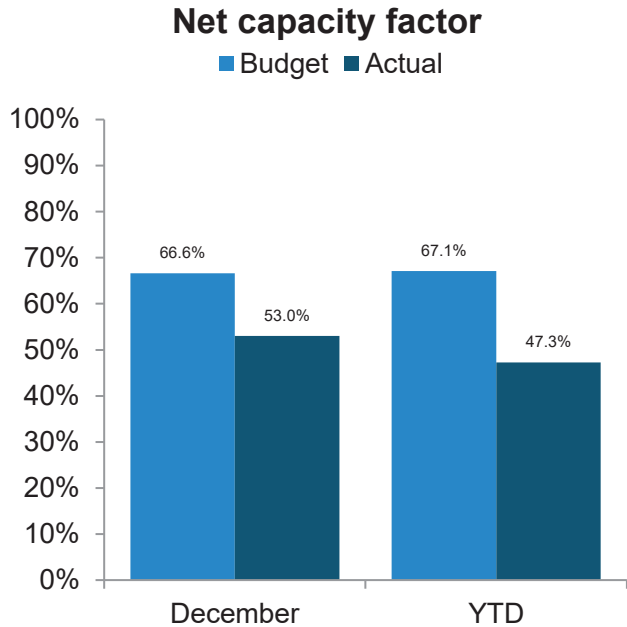
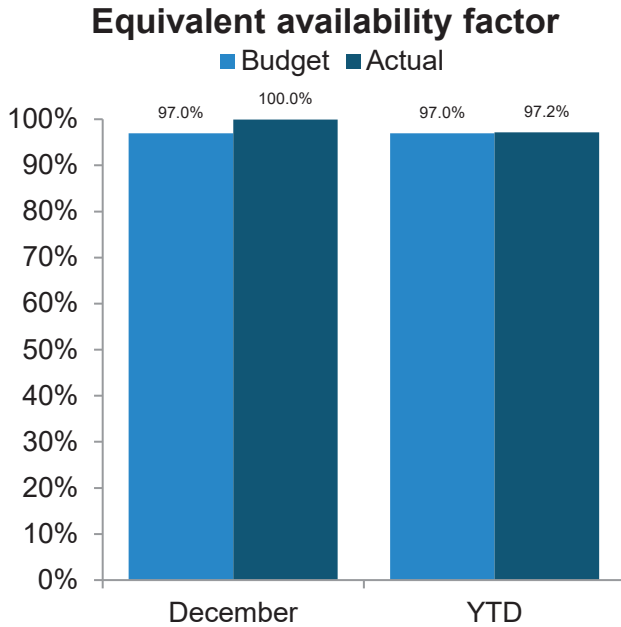
Variance key: Favorable: ● | Near budget: ◆ | Unfavorable: ■

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

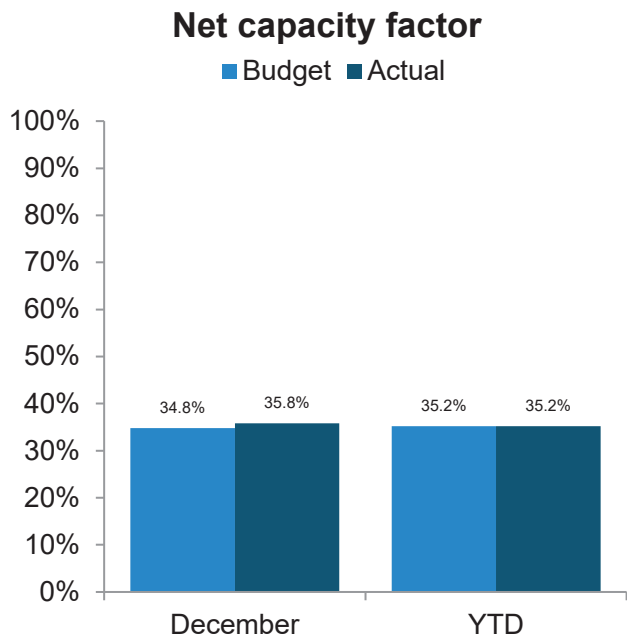
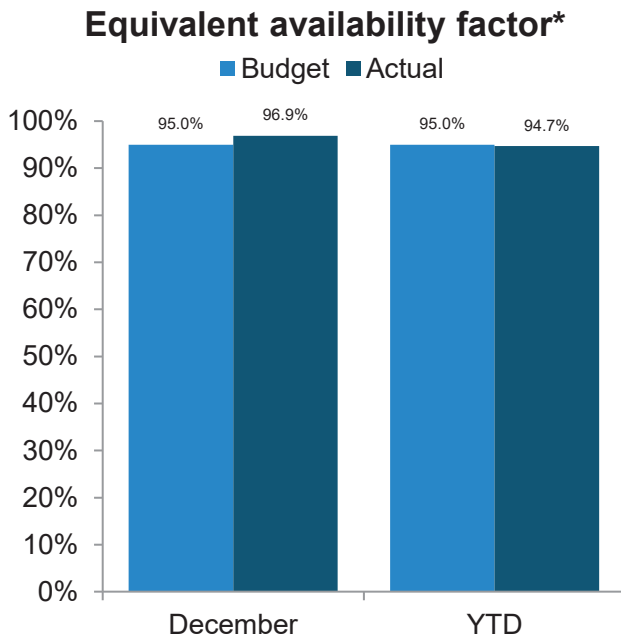


Thermal resources

Power generation - Rawhide

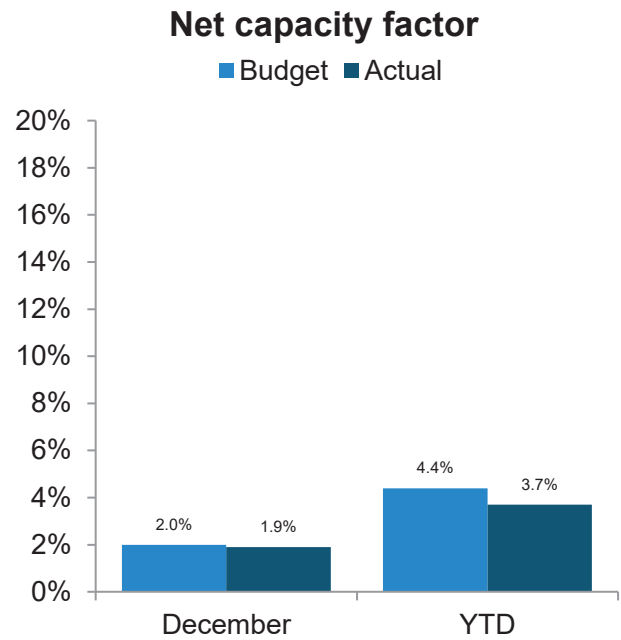
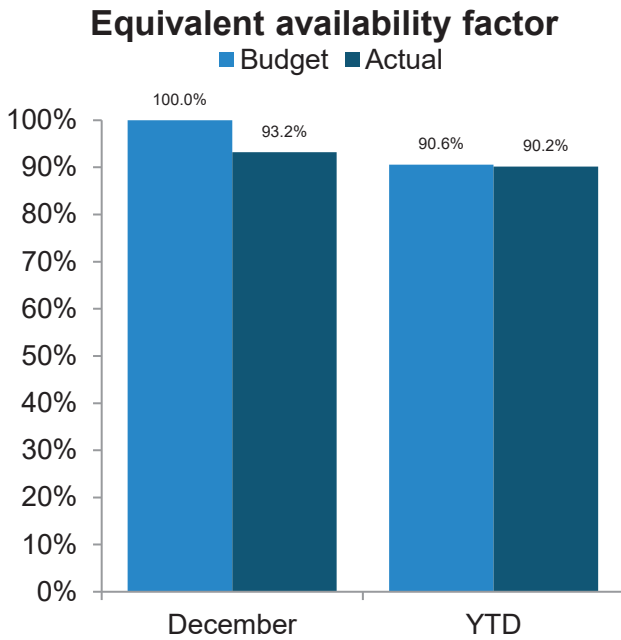


Power generation - Craig



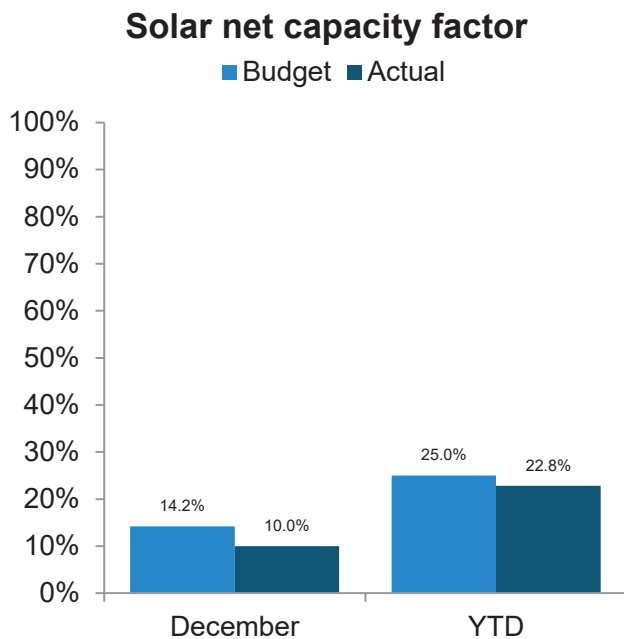
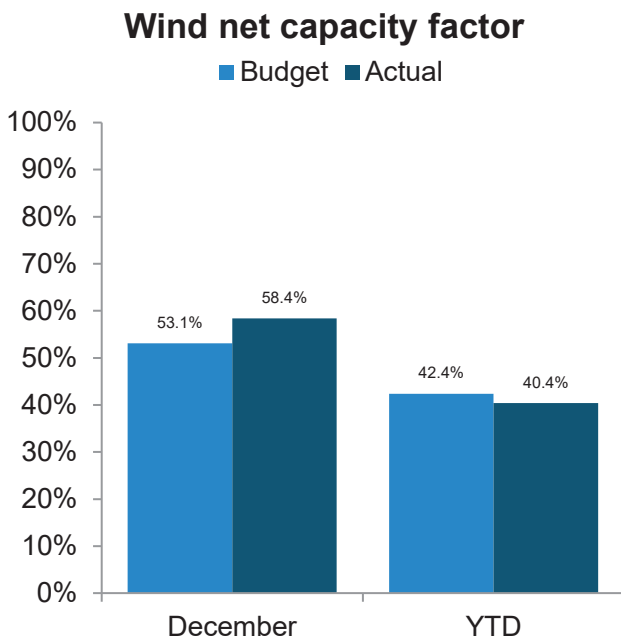
*Estimated due to a delay of the actual results

Power generation – combustion turbines

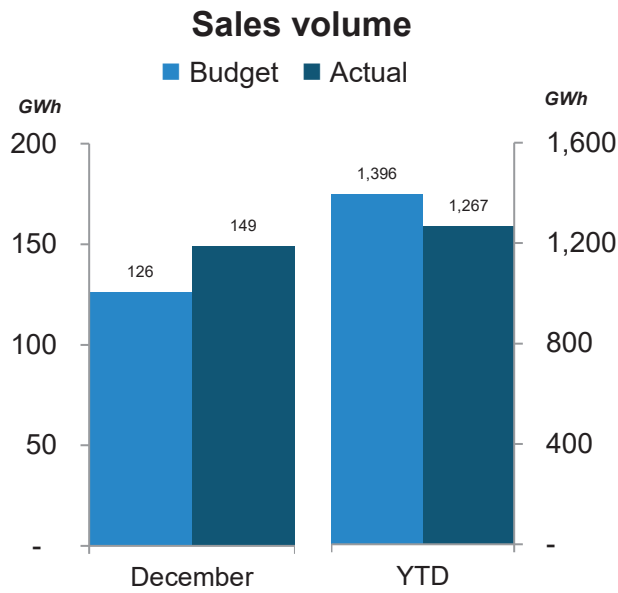


Renewable resources

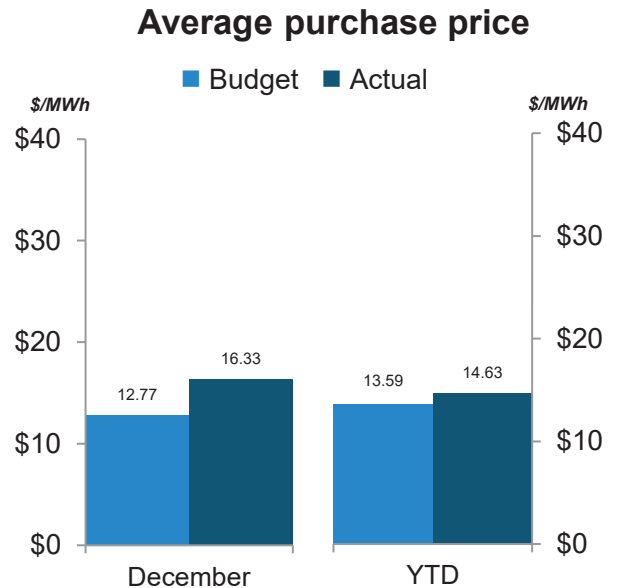
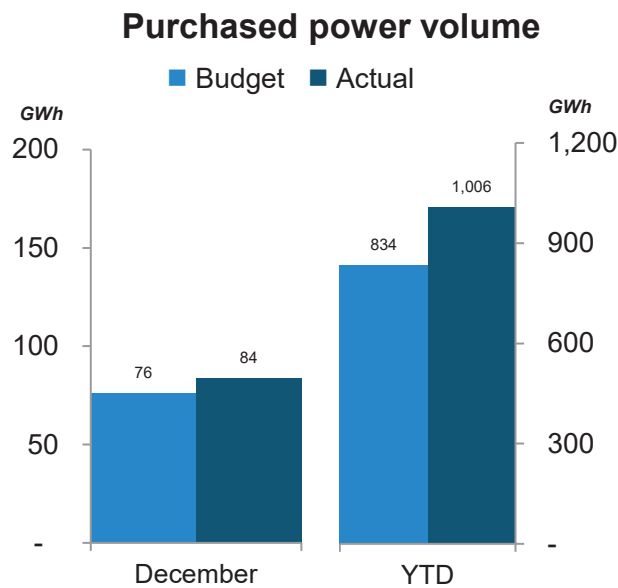
Power generation – wind and solar production



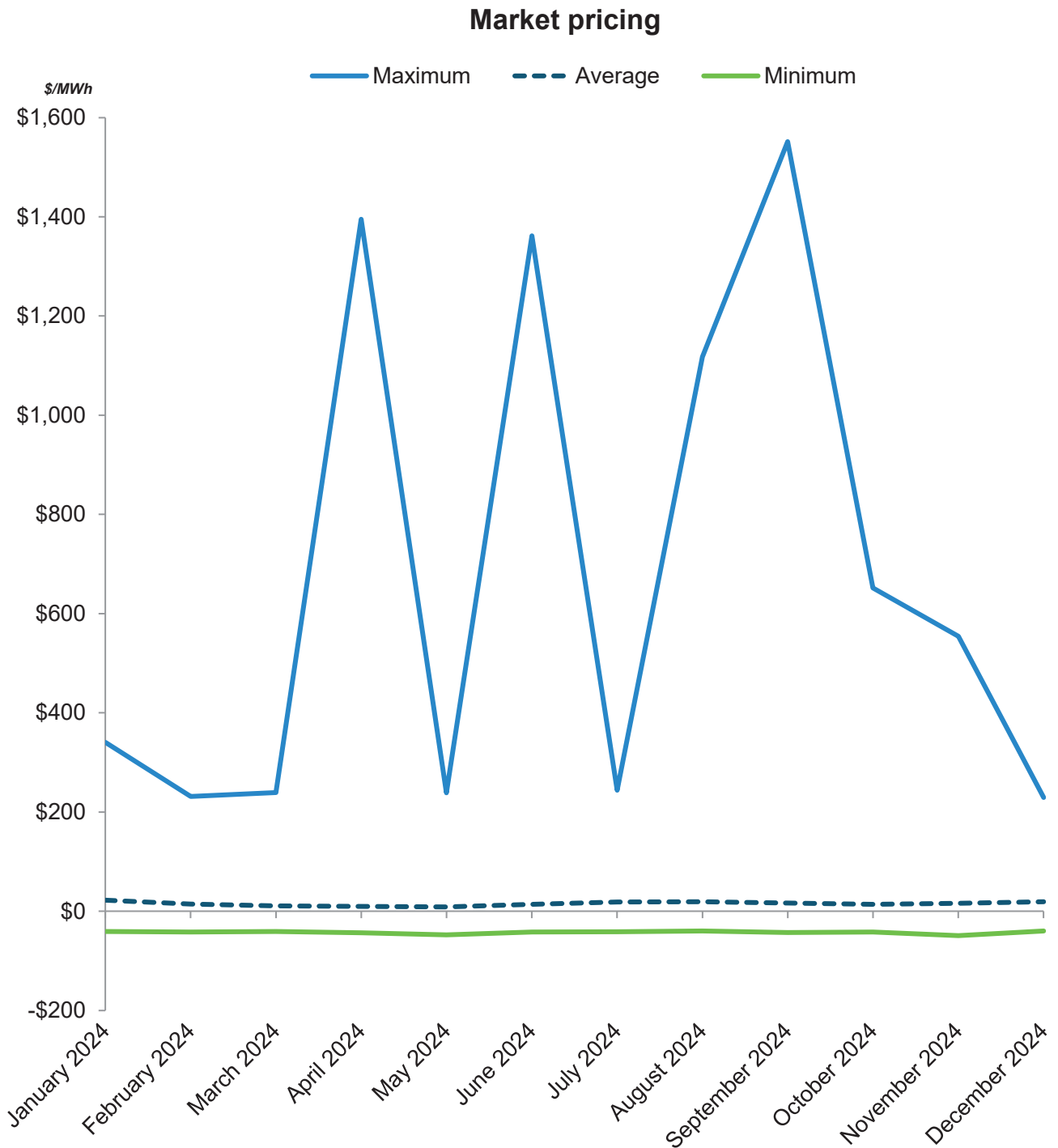
Surplus sales



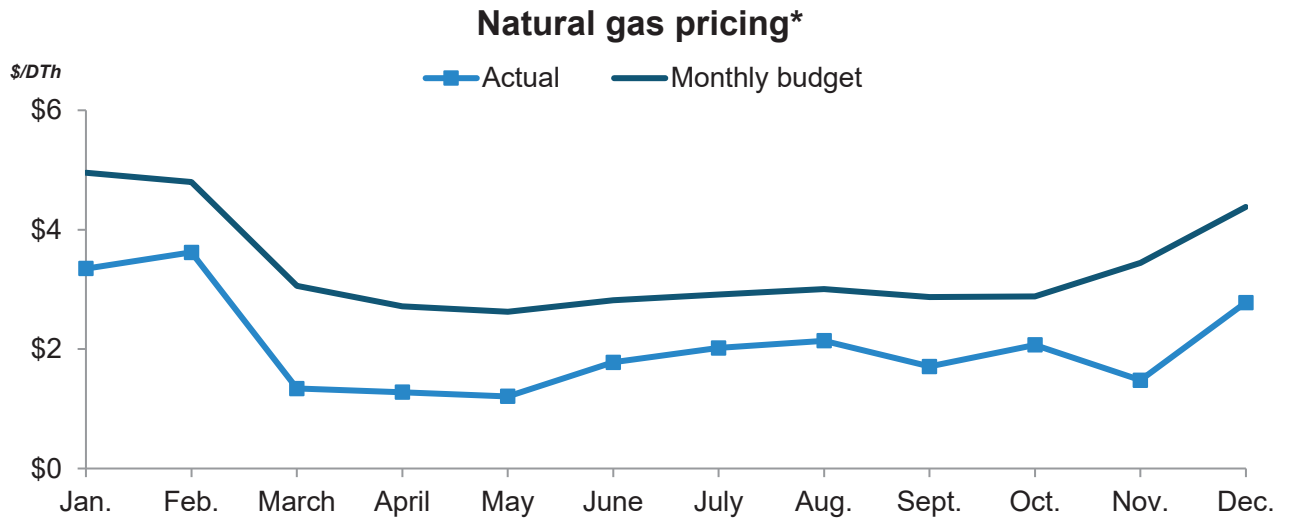
Purchased power



Market pricing



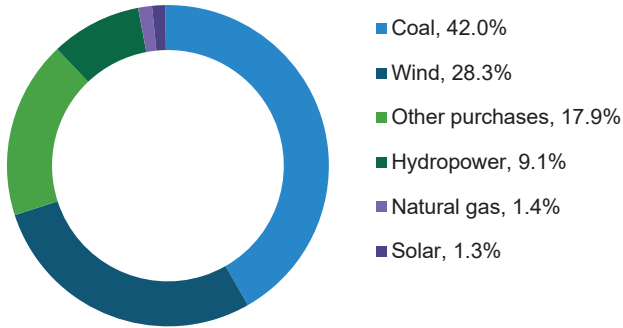
Natural gas pricing



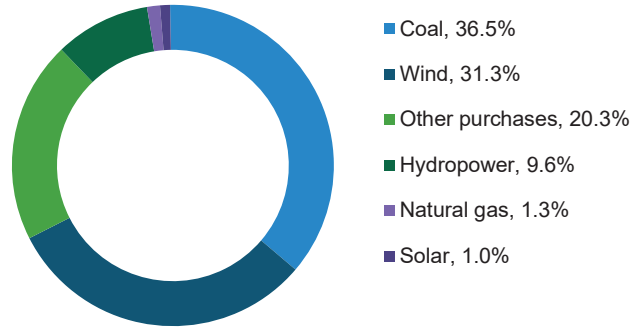
*Forecast based on Argus North American Natural Gas forward curves. Pricing does not include transport.

Total resources

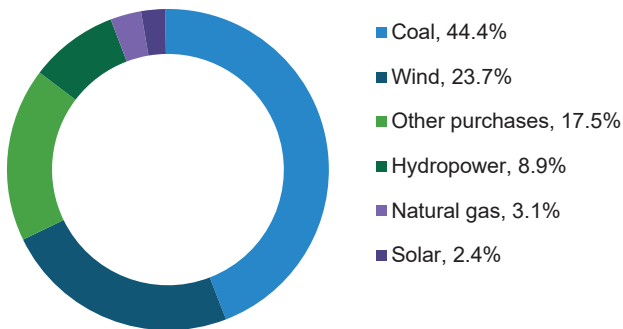
December generation budget



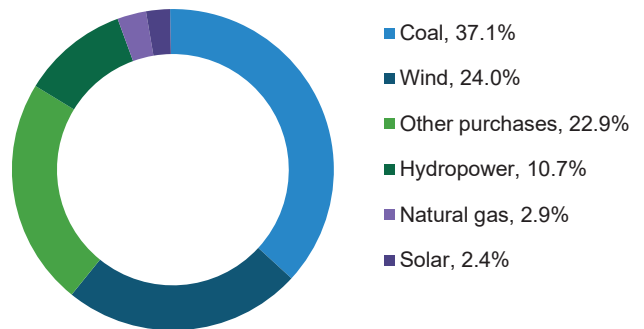
December generation actual

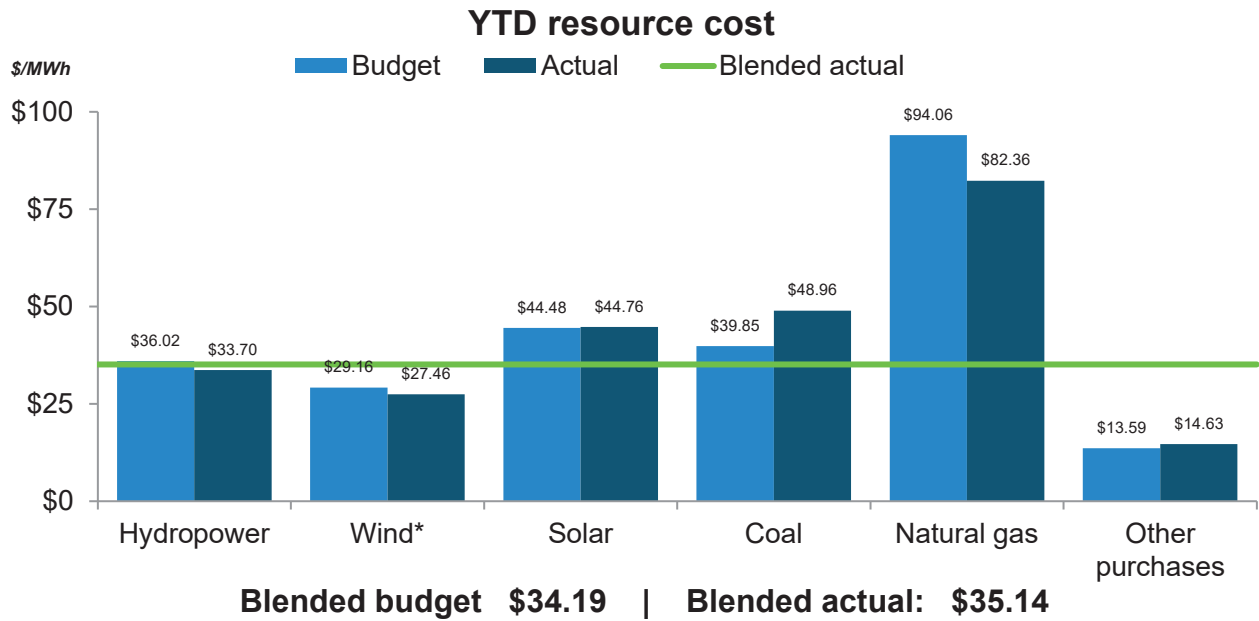
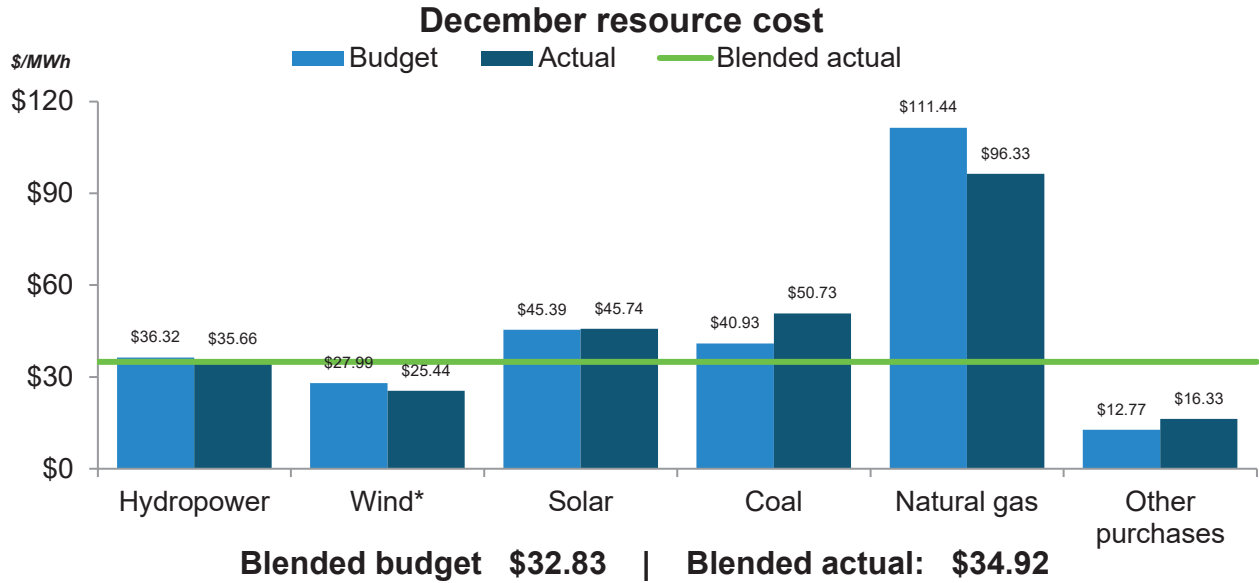


YTD budget



YTD actual





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



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Financial health report

December 2024



Financial highlights year to date

Platte River reported favorable results year to date with below-budget operating expenses and above-budget other income and unrealized gains on investments, partially offset by below-budget revenues.

Change in net position was \$33.2 million, favorable by \$11.9 million, prior to deferring revenues under the board-approved accounting policy as described in the other financial information section. The general manager/CEO approved deferring \$26.2 million of current-year revenues (approval attached). The revenue deferral is based on long-term financial and rate projections and ensures reported results meet or exceed Strategic Financial Plan metrics for 2024. Change in net position after the revenue deferral was \$7 million.

Key financial results (\$ millions)	December		Favorable (unfavorable)		Year to date		Favorable (unfavorable)		Annual budget		
	Budget	Actual			Budget	Actual					
Change in net position	\$ (13.2)	\$ (25.7)	■	\$ (12.5)	(94.7%)	\$ 7.3	\$ 7.0	■	\$ (0.3)	(4.1%)	\$ 7.3
Fixed obligation charge coverage	(1.93x)	(4.58x)	■	(2.65x)	(137.3%)	1.93x	1.85x	■	(0.08x)	(4.1%)	1.93x ⁽¹⁾

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

(1) 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.

At this time, the entries to update the pension liability are not complete because the actuary report is not received until mid to late February. The financial statements will be included in the final audit report and only budget schedules are included in this report. Results are preliminary until the financial audit is complete.

Budgetary highlights year to date

After closing 2024, \$43 million of board contingency was required. Capital additions required \$42.5 million and debt service expenditures required \$0.5 million. Operating expenses ended below budget. The \$16.9 million variance for capital additions will be requested to be carried over to the 2025 Strategic Budget to continue work on several projects.

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

Key budgetary results (\$ millions)	December		Favorable (unfavorable)		Year to date		Favorable (unfavorable)		Annual budget		
	Budget	Actual			Budget	Actual					
Total revenues	\$ 26.3	\$ 27.2	●	\$ 0.9	3.4%	\$ 313.0	\$ 312.2	◆	\$ (0.8)	(0.3%)	\$ 313.0
Sales to owner communities	19.4	18.4	■	(1.0)	(5.2%)	235.7	229.3	■	(6.4)	(2.7%)	235.7
Sales for resale - long-term	1.8	1.2	■	(0.6)	(33.3%)	20.1	16.6	■	(3.5)	(17.4%)	20.1
Sales for resale - short-term	3.2	5.3	●	2.1	65.6%	36.4	41.4	●	5.0	13.7%	36.4
Wheeling	0.8	0.8	◆	-	0.0%	8.9	10.2	●	1.3	14.6%	8.9
Interest and other income	1.1	1.5	●	0.4	36.4%	11.9	14.7	●	2.8	23.5%	11.9
Total operating expenses	\$ 21.1	\$ 21.3	◆	\$ (0.2)	(0.9%)	\$ 242.7	\$ 231.4	●	\$ 11.3	4.7%	\$ 242.7
Purchased power	5.9	6.1	■	(0.2)	(3.4%)	63.8	63.2	◆	0.6	0.9%	63.8
Fuel	4.2	3.9	●	0.3	7.1%	51.1	42.2	●	8.9	17.4%	51.1
Production	4.4	5.0	■	(0.6)	(13.6%)	55.8	57.0	■	(1.2)	(2.2%)	55.8
Transmission	1.7	1.4	●	0.3	17.6%	21.4	19.6	●	1.8	8.4%	21.4
Administrative and general	3.4	3.4	◆	-	0.0%	36.9	37.4	◆	(0.5)	(1.4%)	36.9
Distributed energy resources	1.5	1.5	◆	-	0.0%	13.7	12.0	●	1.7	12.4%	13.7
Capital additions	\$ 45.8	\$ 3.7	●	\$ 42.1	91.9%	\$ 95.8	\$ 78.9	●	\$ 16.9	17.6%	\$ 95.8
Debt service expenditures	\$ 2.0	\$ 2.1	■	\$ (0.1)	(5.0%)	\$ 19.2	\$ 19.2	◆	\$ -	0.0%	\$ 19.2

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

Total revenues, \$0.8 million below budget

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

- **Sales to owner communities** were below budget \$6.4 million. Energy revenues were \$5.5 million or 4% below budget. Demand revenues were \$0.9 million or 1.1% below budget as coincident and non-coincident billing demand were below budget 1.2% and 0.9%, respectively.
- **Sales for resale - long-term** were below budget \$3.5 million due to below-budget calls on capacity contracts and below-budget wind generation resold to third parties.
- **Sales for resale - short-term** were above budget \$5 million as average prices were 17% above budget, partially offset by 2.7% below-budget energy volume.
- **Wheeling** was above budget \$1.3 million primarily due to above-budget point-to-point transmission sales and a rate increase.
- **Interest and other income** was above budget \$2.8 million primarily due to reclassified fiber management income, liquidated damages for settlement from decommissioning the Medicine Bow wind site and a dividend from Trapper Mine.

Total operating expenses, \$11.3 million below budget

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

- **Fuel** was \$8.9 million below budget.
 - **Coal - Rawhide Unit 1** 99% of the overall variance, \$8.8 million below budget. Generation was below budget due to lower-cost energy available in the Southwest Power Pool (SPP) Western Energy Imbalance Service (WEIS) market, unplanned outages and curtailments resulting in a historically low capacity factor. Price was below budget due to a lower transportation base rate. Additional fuel was required due to a less efficient heat rate, partially offsetting the below-budget variance.
 - **Natural Gas** 31% of the overall variance, \$2.8 million below budget. Generation was below budget primarily due to below-budget calls on capacity contracts and lower-cost energy available in the SPP WEIS market. Price was below budget due to lower market prices.
 - **Coal - Craig units** (30%) of the overall variance, \$2.7 million above budget. Additional fuel was required due to a less efficient heat rate. Price was above budget due to an updated price from Trapper Mine and a net loss on the sales of coal to another utility. Total production from the mine decreased, increasing cost per ton delivered.
- **Distributed energy resources** were \$1.7 million below budget due to program consulting services, personnel expenses and slower participation in the commercial and industrial segment, partially offset by increased participation in the residential segment.

- **Production, transmission, and administrative and general** were \$0.1 million below budget. The below-budget expenses include: 1) Rawhide non-routine projects, 2) wheeling, 3) resource planning initiatives, 4) critical infrastructure protection compliance, 5) chemicals, 6) travel and training and 7) environmental services. The above-budget expenses include: 1) Craig operating expenses, 2) technology consulting services, 3) personnel expenses, 4) Rawhide Unit 1 unplanned outage maintenance, 5) general plant and frame combustion turbine maintenance, 6) software and hardware and 7) utilities.

Capital additions, \$16.9 million below budget after contingency transfer

Year-end results for 2024

Capital expenditures at the end of the year were \$25.6 million above budget before the contingency transfer. Several projects were not completed during 2024 and the remaining funds for those projects, approximately \$16.9 million, will need to be carried over into 2025 to continue work. The majority of these projects are summarized below.

Several additional requests for funds have occurred in 2024 due to out-of-budget projects, changes in the schedule and scope of projects. As a result, \$42.5 million of the board contingency in the 2024 budget was moved to capital additions to fund the above-budget amount and requested carryovers. Project managers are continuously improving planning and budgeting by better aligning scope, schedules and available resources.

The projects listed below ended the year with a budget variance of more than \$100,000 before the contingency transfer. In addition, the amounts below are costs for 2024 and may not represent the total cost of the project.

Project (\$ thousands)	2024 budget before contingency transfer	Actual	Favorable (unfavorable)	Carryover request
Below budget projects				
* Relay panel and breaker replacements - Airport Substation - This project was below budget due to a delay to align the construction schedule with an existing City of Loveland project occurring in 2025 and 2026. Also, procurement of materials did not occur in 2024 as originally anticipated. <i>A portion of the below-budget funds will be requested to be carried over into 2025.</i>	\$ 1,827	\$ 1	\$ 1,826	\$ 400
* Transformer T3 replacement - Timberline Substation - This project was below budget as construction was delayed until after the higher priority Solar substation 230 kV - Severance Substation project is completed in early 2025. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 3,521	\$ 2,144	\$ 1,377	\$ 1,377
Enterprise resource planning software - This project was below budget as all contingency funds were not needed.	\$ 6,719	\$ 5,381	\$ 1,338	\$ -
Fiber optic optical ground wire installation - Long Haul East (Timberline to Harmony) - This project was below budget due to a construction delay to evaluate a railroad crossing agreement and hardware issues with the contractor. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 786	\$ 9	\$ 777	\$ 777

Project (\$ thousands)	2024 budget before contingency transfer	Actual	Favorable (unfavorable)	Carryover request
* Evaporative cooling and wet compression - combustion turbine Unit F - This project was below budget due to a vendor delay with factory acceptance testing. Commissioning cannot be completed until warmer weather in spring 2025. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 1,547	\$ 776	\$ 771	\$ 771
Compressor blade upgrade - combustion turbine Unit F - This project was below budget as a different vendor was selected with favorable pricing.	\$ 1,861	\$ 1,356	\$ 505	\$ -
115 kV transmission line replacement - Drake transmission line - This multiyear project was below budget due to a scope reduction after testing revealed all structures will not need to be replaced. Additional assessments are needed and planned for 2026.	\$ 364	\$ 1	\$ 363	\$ -
* Trapper Mine post-mining reclamation - This asset retirement obligation was below budget due to a shift in timing of reclamation efforts.	\$ 933	\$ 670	\$ 263	\$ -
** Regional transmission organization market software - This project was below budget due to delays in contract negotiations with the vendor. Additional funds were requested due to revised contract estimates. <i>The below-budget funds and additional funds will be requested to be carried over into 2025.</i>	\$ 585	\$ 387	\$ 198	\$ 264
Operations analytics software - This project was below budget due to final contract costs being less than anticipated.	\$ 480	\$ 300	\$ 180	\$ -
** Wireless network replacement - This project was below budget due to vendor and equipment delivery delays. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 345	\$ 183	\$ 162	\$ 162
** Transformer T1 replacement - Longs Peak Substation - This project was below budget due to project design delays. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 1,699	\$ 1,537	\$ 162	\$ 162
* Supervisory control and data acquisition and energy management system - This project was below budget due to the vendor requiring additional time to remediate issues identified during factory acceptance testing. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 1,125	\$ 974	\$ 151	\$ 151
* Switchgear replacement - Soldier Canyon Pump Station - This project was below budget due to long lead times for equipment. Additional funds were requested in 2024 related to price escalations for labor and materials. The scope was also increased to include variable frequency drives for each pump. <i>The below-budget funds and additional funds will be requested to be carried over into 2025.</i>	\$ 209	\$ 76	\$ 133	\$ 263

Project (\$ thousands)	2024 budget before contingency transfer	Actual	Favorable (unfavorable)	Carryover request
* Gas control valve replacement - combustion turbine Unit C - This project was below budget due to long lead times for equipment. Additional funds were requested in 2024 for electrical components, third party electrical design and retuning of the combustion turbine. Procurement of electrical components and actuator did not occur in 2024 as planned. <i>The below-budget funds and additional funds will be requested to be carried over into 2025.</i>	\$ 452	\$ 427	\$ 25	\$ 165
Above budget projects				
* Solar substation 230 kV - Severance Substation - This project was above budget due to design and cost increases. Primary cost drivers included professional services, land rights and crossing agreements, grading materials, substation materials and substation construction services. <i>Additional funds were requested in 2024, of which a portion will be requested to be carried over into 2025.</i>	\$ 10,156	\$ 18,653	\$ (8,497)	\$ 1,204
* Fiber optic cable replacement - Long Haul East (Fort Collins to Loveland) - This project was above budget due to additional construction to utilize an existing ditch crossing, increased costs for subsurface engineering requirements, crossing fees and additional cable distance required. <i>Additional funds were requested in 2024, of which a portion will be requested to be carried over into 2025.</i>	\$ 404	\$ 1,072	\$ (668)	\$ 17
* Bay connection and transmission line to Severance Substation - noncarbon resources - This project was above budget due to procurement of materials occurring in 2024 rather than 2025. Alignment with the Solar substation 230 kV - Severance Substation project this year allowed efficiencies with project labor. Total multiyear project costs are expected to decrease slightly. However, the project construction schedule was delayed due to inclement weather conditions and timing of regional transmission outages required. <i>Additional funds were requested in 2024, of which a portion will be requested to be carried over into 2025.</i>	\$ 1,529	\$ 1,761	\$ (232)	\$ 243
Network replacement headquarters - This project was above budget due to increases in equipment costs.	\$ 345	\$ 453	\$ (108)	\$ -
Existing project with payment timing difference				
* Aeroderivative combustion turbines - Rawhide - This project required a 15% down payment which initiated the manufacturing process of the new combustion turbines due to long lead times. Timing of the generator step-up transformer down payment shifted to 2025. <i>Additional funds were requested in 2024, of which a portion will be requested to be carried over into 2025.</i>	\$ 4,606	\$ 36,073	\$ (31,467)	\$ 3,307
Out-of-budget projects				
FlexStart and FlexRamp upgrade - combustion turbine Unit F - This project installed upgrades to enable faster start times and greater ramp flexibility of combustion turbine Unit F.	\$ -	\$ 168	\$ (168)	\$ -

Project (\$ thousands)	2024 budget before contingency transfer	Actual	Favorable (unfavorable)	Carryover request
* Mechanical pond pumps and control valves - headquarters - This project will replace the mechanical system pond pumps and control valves to improve building heating and cooling during peak seasons. The project was delayed due to equipment arriving later than anticipated and testing during extreme temperatures will be completed in 2025. <i>Funds were requested in 2024, of which a portion will be requested to be carried over into 2025.</i>	\$ -	\$ 106	\$ (106)	\$ 44
Delayed projects				
Distributed energy resources management system - This project was delayed to allow additional time for scope development, the request for proposal process and vendor selection. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 2,485	\$ -	\$ 2,485	\$ 2,485
* Fiber optic cable replacement - Long-Haul East (Loveland to Longmont) - This project was delayed to evaluate final project scope and construction will not begin until 2025. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 1,826	\$ -	\$ 1,826	\$ 1,826
Circuit breakers replacement 592, 596 - Ault Substation WAPA - This project was delayed due to a change in WAPA's schedule. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 878	\$ -	\$ 878	\$ 878
Circuit breakers replacement 492, 1092, 3124, 3224 - Ault Substation WAPA - This project was delayed due to a change in WAPA's schedule. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 752	\$ -	\$ 752	\$ 752
Compliance management software - This project was delayed due to lack of vendor availability. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 348	\$ -	\$ 348	\$ 348
Fiber optic cable replacement Fort Collins Riverside - This project was delayed due to internal resources shifting to higher priority projects and further project evaluation needed from the City of Fort Collins. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 153	\$ -	\$ 153	\$ 153
Infrastructure automation - This project was delayed due to internal resources shifting to higher priority projects. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 130	\$ -	\$ 130	\$ 130
** Fiber optic expansion - Highway 34 to Crossroads Substation - This project was delayed due to unforeseen subsurface engineering requirements and delays from crossing agreements with the Colorado Department of Transportation. Additional funds were requested for an anticipated increase in third party contractor labor costs. <i>The below-budget funds and additional funds will be requested to be carried over into 2025.</i>	\$ 113	\$ -	\$ 113	\$ 190
Switch 2089 replacement - Boyd Substation - This project was delayed due to internal resources shifting to higher priority projects. <i>The below-budget funds will be requested to be carried over into 2025.</i>	\$ 108	\$ -	\$ 108	\$ 108

Project (\$ thousands)	2024 budget before contingency transfer	Actual	Favorable (unfavorable)	Carryover request
Canceled projects				
Transformer nitrogen generator - Rawhide Unit 1 - This project was canceled. The nitrogen bottles were replaced as an operating expense rather than installation of a nitrogen generator which was more economical with the remaining life of Rawhide Unit 1.	\$ 152	\$ -	\$ 152	\$ -

* Project details or amounts have changed since last report.

** Project is new to the report.

Debt service expenditures, at budget after contingency transfer

Year-end results for 2024

Debt service expenditures at the end of the year were \$0.5 million above budget before the contingency transfer primarily due to a renegotiated contract that changed timing of annual payments for subscription liabilities. As a result, \$0.5 million of the board contingency was transferred to debt service expenditures to fund the above-budget amount.

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

Debt service expenditures (\$ thousands)	December Budget	Actual	Favorable (unfavorable)	Year to date Budget	Actual	Favorable (unfavorable)	Annual budget
Total principal	\$ 1,641	\$ 1,752	■ \$ (111) (6.8%)	\$ 14,457	\$ 14,457	◆ \$ - 0.0%	\$ 14,457
Power revenue bonds	1,117	1,117	◆ - 0.0%	13,146	13,146	◆ - 0.0%	13,146
Lease and subscription liabilities	524	635	■ (111) (21.2%)	1,311	1,311	◆ - 0.0%	1,311
Total interest expense	\$ 408	\$ 392	● \$ 16 3.9%	\$ 4,708	\$ 4,708	◆ \$ - 0.0%	\$ 4,708
Power revenue bonds	366	366	◆ - 0.0%	4,642	4,642	◆ - 0.0%	4,642
Lease and subscription liabilities	42	26	● 16 38.1%	66	66	◆ - 0.0%	66
Total debt service expenditures	\$ 2,049	\$ 2,144	■ \$ (95) (4.6%)	\$ 19,165	\$ 19,165	◆ \$ - 0.0%	\$ 19,165

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

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

Series	Debt outstanding (\$ thousands)	Par issued (\$ thousands)	True interest cost	Maturity date	Callable date	Purpose
Series JJ - April 2016	\$ 90,590	\$ 147,230	2.2%	6/1/2036	6/1/2026	\$60M new money for Rawhide & transmission projects & refund portion of Series HH (\$13.7M NPV/12.9% savings)
Series KK - December 2020	22,490	\$ 25,230	1.6%	6/1/2037	N/A*	Refund a portion of Series II (\$6.5M NPV/27.6% savings)
Total par outstanding	113,080					
Unamortized bond premium	7,527					
Total revenue bonds outstanding	120,607					
Less: due within one year	(13,400)					
Total long-term debt, net	\$ 107,207					

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

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

Contingency appropriation

\$56 million reserved to board

As discussed previously, \$43 million of the total \$56 million board contingency was required and transferred to capital additions, \$42.5 million, and debt service expenditures, \$0.5 million, to account for above-budget expenses. Operating expenses did not exceed budget.

Other financial information

- **Forced outage assistance agreement** - This agreement, which involved Platte River's Rawhide Unit 1 and Tri-State's Craig Unit 3, provided that each party supply replacement energy to the other party during a forced outage of either unit. The agreement was terminated on the expiration date of March 31, 2024. Upon termination of the agreement, the Energy Account Balance was reduced to zero and Tri-State was invoiced \$1 million.
- **Excess coal sale** - Platte River sold \$2.4 million and \$2.6 million of excess coal from the stockpile at Craig Generating Station in April and October, respectively. The sales resulted in a net loss of \$0.2 million.
- **Fiber management** - Platte River and the owner communities are parties to the Fiber Management Intergovernmental Agreement (Fiber IGA). The Fiber IGA defines terms and conditions for Platte River to provide fiber optic network management and related services to the owner communities. The Fiber IGA was amended to remove all provisions concerning the Long-Haul Fiber Account, which accumulated lease revenues from the long-haul fiber assets over the past few years. Platte River retains ownership of the long-haul fiber assets and all associated fibers and therefore, should retain the lease revenues. The funds accumulated in the Long-Haul Fiber Account of \$2 million were recorded as Platte River revenue in October.
- **Change in depreciation method accounting policy** - This policy allows for recognition of gains and losses on retirement of capital assets under the specific identification method to achieve rate smoothing and recovery. Under this method, gains and losses on retirement of capital assets will accumulate for a year and the net gain or loss will either be recognized in a single year or amortized over a specified period not to exceed 10 years. During 2024, an accumulated net loss of \$1.5 million was recorded and will be amortized over a 10-year period beginning 2025 to reduce rate pressure.
- **Deferred revenue and expense accounting policy** - This policy allows deferring revenues and expenses to reduce rate pressure and achieve rate smoothing during the resource transition to meet the Resource Diversification Policy goal. As noted above and in the attached memo, the general manager/CEO approved deferring revenues in 2024.

- **Accounting standard and restatement of 2023 financial statements** - Platte River adopted the principles of GASB Statement No. 101, *Compensated Absences*, and recognized the effect of a change in accounting principle for updating recognition and measurement guidance for compensated absences under a standardized model. The 2023 statement of net position and statement of revenues, expenses and changes in net position will be restated for comparative purposes in the final audit report. Platte River applied the standard retrospectively to the earliest period presented in the audit report, resulting in a cumulative effect adjustment to 2023 beginning net position. Accumulated deferred revenues decreased by \$0.3 million for this restatement. The final audit report will contain further information and details of the impact.

Budget schedules

Schedule of revenues and expenditures, budget to actual

December 2024

Non-GAAP budgetary basis (in thousands)

	Month of December		Favorable (unfavorable)
	Budget	Actual	
Revenues			
<i>Operating revenues</i>			
Sales to owner communities	\$ 19,432	\$ 18,387	\$ (1,045)
Sales for resale - long-term	1,759	1,215	(544)
Sales for resale - short-term	3,191	5,269	2,078
Wheeling	795	795	-
Total operating revenues	25,177	25,666	489
<i>Other revenues</i>			
Interest income ⁽¹⁾	1,072	1,186	114
Other income/(loss)	11	316	305
Total other revenues	1,083	1,502	419
Total revenues	\$ 26,260	\$ 27,168	\$ 908
Expenditures			
<i>Operating expenses</i>			
Purchased power	\$ 5,845	\$ 6,104	\$ (259)
Fuel	4,180	3,875	305
Production	4,425	5,007	(582)
Transmission	1,690	1,351	339
Administrative and general	3,423	3,471	(48)
Distributed energy resources	1,544	1,536	8
Total operating expenses	21,107	21,344	(237)
<i>Capital additions</i>			
Production	36,318	1,663	34,655
Transmission	9,305	1,207	8,098
General	389	769	(380)
Asset retirement obligations	(185)	22	(207)
Total capital additions	45,827	3,661	42,166
<i>Debt service expenditures</i>			
Principal	1,641	1,752	(111)
Interest expense	408	392	16
Total debt service expenditures	2,049	2,144	(95)
Total expenditures	\$ 68,983	\$ 27,149	\$ 41,834
Revenues less expenditures	\$ (42,723)	\$ 19	\$ 42,742

⁽¹⁾ Excludes unrealized holding gains and losses on investments.

Schedule of revenues and expenditures, budget to actual

December 2024 year-to-date

Non-GAAP budgetary basis (in thousands)

	December year to date		Favorable	Annual
	Budget	Actual	(unfavorable)	budget
Revenues				
<i>Operating revenues</i>				
Sales to owner communities	\$ 235,737	\$ 229,323	\$ (6,414)	\$ 235,737
Sales for resale - long-term	20,086	16,634	(3,452)	20,086
Sales for resale - short-term	36,356	41,408	5,052	36,356
Wheeling	8,942	10,158	1,216	8,942
Total operating revenues	301,121	297,523	(3,598)	301,121
<i>Other revenues</i>				
Interest income ⁽¹⁾	11,569	11,756	187	11,569
Other income/(loss)	282	2,917	2,635	282
Total other revenues	11,851	14,673	2,822	11,851
Total revenues	\$ 312,972	\$ 312,196	\$ (776)	\$ 312,972
Expenditures				
<i>Operating expenses</i>				
Purchased power	\$ 63,776	\$ 63,230	\$ 546	\$ 63,776
Fuel	51,119	42,173	8,946	51,119
Production	55,842	56,950	(1,108)	55,842
Transmission	21,412	19,590	1,822	21,412
Administrative and general	36,863	37,448	(585)	36,863
Distributed energy resources	13,664	12,003	1,661	13,664
Total operating expenses	242,676	231,394	11,282	242,676
<i>Capital additions</i>				
Production	46,983	42,243	4,740	46,983
Transmission	30,435	25,011	5,424	30,435
General	17,682	10,958	6,724	17,682
Asset retirement obligations	670	670	-	670
Total capital additions	95,770	78,882	16,888	95,770
<i>Debt service expenditures</i>				
Principal	14,457	14,457	-	14,457
Interest expense	4,708	4,708	-	4,708
Total debt service expenditures	19,165	19,165	-	19,165
Total expenditures	\$ 357,611	\$ 329,441	\$ 28,170	\$ 357,611
Contingency reserved to board	12,979	-	12,979	12,979
Total expenditures and contingency	\$ 370,590	\$ 329,441	\$ 41,149	\$ 370,590
Revenues less expenditures and contingency	\$ (57,618)	\$ (17,245)	\$ 40,373	\$ (57,618)

⁽¹⁾ Excludes unrealized holding gains and losses on investments.



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Memorandum

Date: 2/13/2025

To: Jason Frisbie, general manager/CEO

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

Subject: 2024 year-end and 2023 year-end restatement deferred revenue recommendation

The board-approved deferred revenue and expense accounting policy (resolution 09-22), authorizes the general manager/CEO to defer revenues or expenses to reduce rate pressure and achieve rate smoothing during the portfolio transition to meet the Resource Diversification Policy goal.

After the financial statements are prepared at year end, any amount of change in net position above the minimum required to achieve the Strategic Financial Plan targets can be deducted from operating revenues (reducing reported change in net position) and held on the statement of net position to be recorded as revenue in one or more future periods.

The preliminary 2024 financial results reflect change in net position and fixed obligation charge coverage ratio above the strategic financial plan targets. Based on long-term financial and rate projections, the opportunity to defer current-year revenues exists and is desired. Below are the results and the recommended amount of revenue to be deferred. After the deferral of revenue, the fixed obligation charge coverage ratio changed from 2.51x to 1.85x.

2024 results	Amount
2024 change in net position (prior to deferral and audit)	\$ 33,192,021
Change in net position to meet Strategic Financial Plan metrics *	6,992,125
Recommended 2024 revenue deferral amount	\$ 26,199,896
* Driven by change in net position of 3% of annual operating expenses	
2024 budgeted revenue deferral	\$ 14,032,800
Recommended 2024 revenue deferral above budget	\$ 12,167,096

In addition, due to the implementation of GASB Statement No. 101, *Compensated Absences* (GASB 101), 2023 financial results are restated which changes the Strategic Financial Plan targets for that year. As a revenue deferral was recommended and approved based on the financial results before this restatement, an adjustment to the revenue deferral for the restatement is also recommended.

2023 results - adjusted for GASB 101 implementation	Amount
2023 restated change in net position (prior to deferral and audit)	\$ 40,496,006
Change in net position to meet Strategic Financial Plan metrics *	9,261,763
Recommended 2023 revenue deferral amount, adjusted	31,234,243
Amount previously deferred in 2023, as originally stated	31,496,874
Recommended adjustment (decrease in deferral)	\$ (262,631)


* Driven by the 1.50 times fixed obligation charge coverage ratio

Cumulative deferred revenue	Amount
2022 deferred revenue	\$ 21,739,457
2023 deferred revenue	31,234,243
2024 deferred revenue	26,199,896
Total	\$ 79,173,596

From the May 2024 average wholesale rate projections presented to the board; Platte River anticipated deferring revenues of approximately \$111.4 million from 2022 to 2026 to later recognize (between 2027 and 2030). Recognizing deferred revenues through the transition period was sufficient in those projections and no deferred expenses were required. The financial and rates projection model is continually updated, and the total deferred revenue or expense amounts will vary from the May 2024 projection due to the uncertainty and volatility in modeling assumptions including items such as surplus sales and resource additions. Staff will present the next wholesale rate projections to the board in May 2025.

If any adjustments to change in net position are recorded as financial results are finalized, including the restatement of 2023 results, these amounts will be adjusted dollar for dollar without an additional approval. We will inform you of the revised deferred revenue amounts if any adjustments are made.

Please let us know if you would like to discuss the recommendation; otherwise, please provide your approval to defer 2024 revenue of \$26,199,896 and decrease 2023’s revenue deferral by \$262,631 to align with the restatement of the financial results (and any adjusted future amount, if required) by signing below. The recognition period of the deferred revenues will be determined later based on long-term financial and rate projections.

Signed by:

 A5162DD4BDB24E8...
 Jason Frisbie, general manager/CEO

Recommendation provided by:

Signed by:

Dave Smalley

D91610D466914BE...

Dave Smalley, chief financial officer

Signed by:

Shelley K. Nywall

FE54A5F4CD8C44B...

Shelley K. Nywall, director of finance

Signed by:

Jason Harris

25A2B1CEDAC3449...

Jason Harris, senior manager, financial reporting and budget



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Memorandum

Date: 2/19/2025

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Sarah Leonard, general counsel
Dave Smalley, chief financial officer and deputy general manager

Subject: **Revisions to extend and update Organic Contract and Power Supply Agreements**

One of our major initiatives for 2025 is to align with the owner communities on how to modernize (and extend the terms of) the Organic Contract and our Power Supply Agreements.

Staff will suggest broad areas for discussion and invite board feedback on whether we have identified the right groups of issues and how to build consensus among owner community stakeholders.

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



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Memorandum

Date: 2/19/2025

To: Board of directors

From: Jason Frisbie, general manager and chief executive officer
Melie Vincent, chief power supply officer
Jeremy Clark, director, power markets

Subject: **SPP implementation update**

At the February board meeting, Platte River staff will provide a high-level overview of Platte River's progress in preparing to join the Southwest Power Pool's (SPP) Regional Transmission Organization West (RTO West) market.

Platte River began to evaluate joining an organized market in 2017, as part of the Mountain West Transmission Group, and successfully joined the SPP Western Energy Imbalance Service market on April 1, 2023. The next phase of the process, integrating Platte River into SPP RTO West, began mid-2023 and is expected to be complete April 1, 2026.

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



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Memorandum

Date: 2/19/2025

To: Board of directors

From: Libby Clark, director of human resources and safety

Subject: **General manager annual review process**

At the March board meeting, the board will conduct the annual review for the general manager.

Survey questions and data collection process

In 2020, the appraisal questions were updated to align with Platte River's major strategic initiatives to better reflect the expected achievements of the general manager. The appraisal questions have been updated to reflect the current strategic plan, which was approved in 2023 and has four strategic plan initiatives: (1) resource diversification planning and integration, (2) community partner and engagement, (3) workforce culture and, (4) process management and coordination.

An online survey will be sent separately to each board member and designated Platte River staff. The survey will consist of four questions, one for each strategic initiative. For each initiative, there will be a short definition and description of expected accomplishments. The rater will provide a quantitative rating and then have an opportunity to provide comments on strengths and constructive suggestions for each initiative. Data will be consolidated and results of the appraisal will be sent to board members before the March board meeting.

Survey administration timeline

February 28: Evaluation process begins

- Receive email from Libby Clark with the following information:
 - Survey link to participate in the survey
 - CEO's self-appraisal memorandum
 - Board-approved policy on general manager annual performance review process
- Members of the Platte River senior leadership team will also be surveyed
- All responses will be anonymous and confidential

March 14: Survey closes**March 19: Assessment results are provided**

- Confidential packets are provided to board members prior to board meeting. Packets include:
 - Completed performance assessment results from board and senior leader team
 - Compensation overview and annual pay history review
 - Platte River's Employee Total Compensation Policy
 - Summary of Platte River's compensation philosophy
 - Salary survey information based on relevant benchmarks, including the American Public Power Association and the Large Public Power Council

March 27: Board meeting and annual review discussion

- Executive session to discuss performance with CEO
- Decisions to be made outside of executive session:
 - 2025 annual salary
 - Discretionary bonus
 - Effective date
- HR director will be available to answer any board questions throughout process

Attachment

- Policy on general manager annual performance review process

	<h1>Policy</h1>	Version #: 5.1 Original effective date: 03/27/2014 Next review date: 09/25/2025
	TITLE: General manager annual performance review process policy	Page 1 of 3

<p>Purpose:</p> <p>The purpose of this policy is to establish the process by which the board of directors provides performance feedback to the general manager based on Platte River’s Resource Diversification Policy and strategic plan. The feedback is to help ensure the general manager is aware of the board’s expectations and to provide the support needed to enable the general manager to succeed.</p>
<p>Policy:</p> <p>It is the board’s policy to provide regular feedback on performance to the general manager, and to do so in a way that incorporates input from a variety of sources while focusing on board expectation and strategies. An annual review with the general manager will be held in March of each year. The focus of the review should be two-fold. First, accomplishments for the previous year should be reviewed individually and feedback provided regarding the quality, timeliness and acceptability of their results. Second, a discussion should take place regarding the board’s expectations for the upcoming year.</p> <p>In preparation for that discussion, the board will use a performance feedback survey to solicit input from all board members and designated direct reports. The board may further consider input from selected internal Platte River staff. Such input will be solicited in early March of each year and reported to the board prior to the March meeting.</p> <p>The performance feedback survey will tie into the core elements of Platte River’s Resource Diversification Policy and the most recent board-approved strategic plan. Any policy or strategic plan changes will apply prospectively to future performance reviews and staff will update the performance feedback survey accordingly. Because the performance feedback survey reflects board expectations, as expressed in Platte River’s Resource Diversification Policy and strategic plan, changes should be made as early in the year as feasible to best provide guidance to the general manager.</p> <p>The board may provide performance feedback to the general manager using the feedback surveys, the appointee’s annual reports, direct board discussion or other means that appropriately reflect job performance. Copies of all written feedback will be provided to each direct report. The general manager shall prepare a written, memo-style annual report including a self-evaluation prior to any performance discussions with the board. The general manager will include his annual performance appraisal with general counsel as part of his report to the board. In all situations, the board is committed to following Platte River’s Equal Opportunity Policy [Handbook] and will not discuss, allude to or be influenced by non-job-related factors.</p> <p>As part of the annual performance review process, the board will review the salary of the general manager and shall determine any applicable adjustments. This review should be conducted in a manner consistent with the board’s employee total compensation policy regarding market-based compensation practices and methodology. The board may direct staff to either use the existing</p>

 Platte River Power Authority	<h1>Policy</h1>	Version #: 5.1 Original effective date: 03/27/2014 Next review date: 09/25/2025
	TITLE: General manager annual performance review process policy	Page 2 of 3

internal market survey process or may choose to use an external third-party vendor to evaluate the market practices and current pay levels for the position. In either case, the market survey should reflect a broad cross section of similarly situated generation and transmission utilities. Any changes in pay resulting from the survey should be communicated to the general manager during the March board meeting.

Implementing parties and assigned responsibilities:

The board of directors is responsible for carrying out this policy and may delegate actions under this policy through the general manager to internal Platte River staff.

The board chair and vice chair, in conjunction with the general manager, are responsible for identifying the appropriate internal support staff to assist with the process, for working with all board members to determine the content and audience for any performance feedback survey, and to direct staff regarding any desired market survey to help determine compensation.

Associated items (if applicable):

Employee total compensation policy originally adopted by the board on March 28, 2013.
Platte River's Employee Handbook

Definitions (if applicable):

 Platte River Power Authority	<h1>Policy</h1>	Version #: 5.1 Original effective date: 03/27/2014 Next review date: 09/25/2025
	TITLE: General manager annual performance review process policy	Page 3 of 3

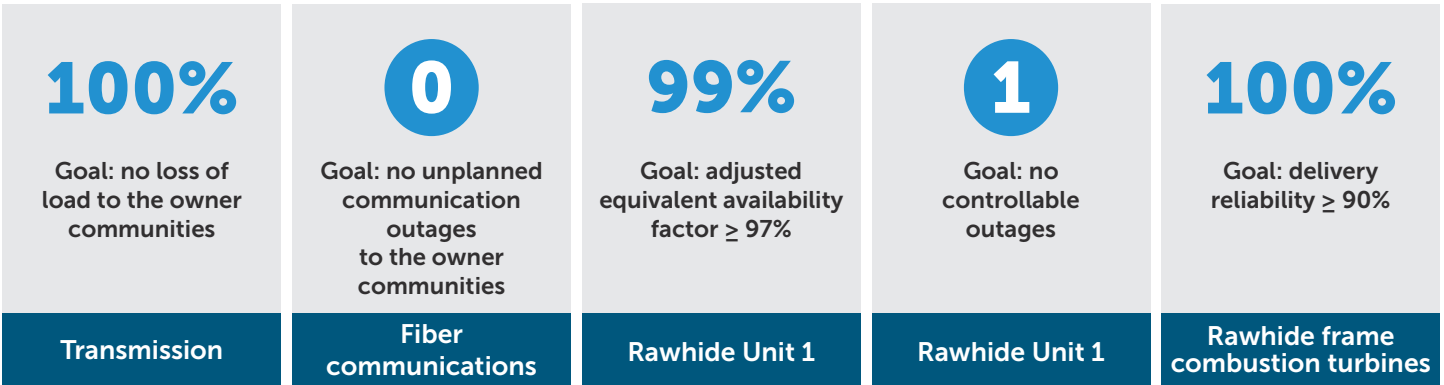
	Document owner: Director, human resources and safety Initial <u>UC</u>	Original effective date: 03/27/2014
Authority: Board of directors DS <u>DS</u>	Review frequency: Annually	
Counsel review: General counsel Initial <u>SDL</u>	Current effective date: 09/25/2024	

Version	Date	Action	Author	Change Tracking (new, review, revision)
1.0	03/27/2014	Original policy – board Resolution No. 06-14	Karin Hollohan	New
2.0	10/29/2015	Revised by board of directors – Resolution No. 12-15	Karin Hollohan	Revision
3.0	02/25/2016	Revised by board of directors – Resolution No. 01-16	Karin Hollohan	Revision
3.1	10/30/2020	Placed on new template and reviewed	Libby Clark	Revision
4.0	08/26/2021	Revised by board of directors – Resolution No. 08-21	Libby Clark	Revision
4.1	10/11/2022	Reviewed, no changes	Libby Clark	Review
5.0	04/27/2023	Revised by board of directors – Resolution No. 06-23 (revised to anchor the policy to Platte River’s Resource Diversification Policy and strategic plan)	Libby Clark	Revision
5.1	09/20/2024	Reviewed, no changes	Libby Clark	Review

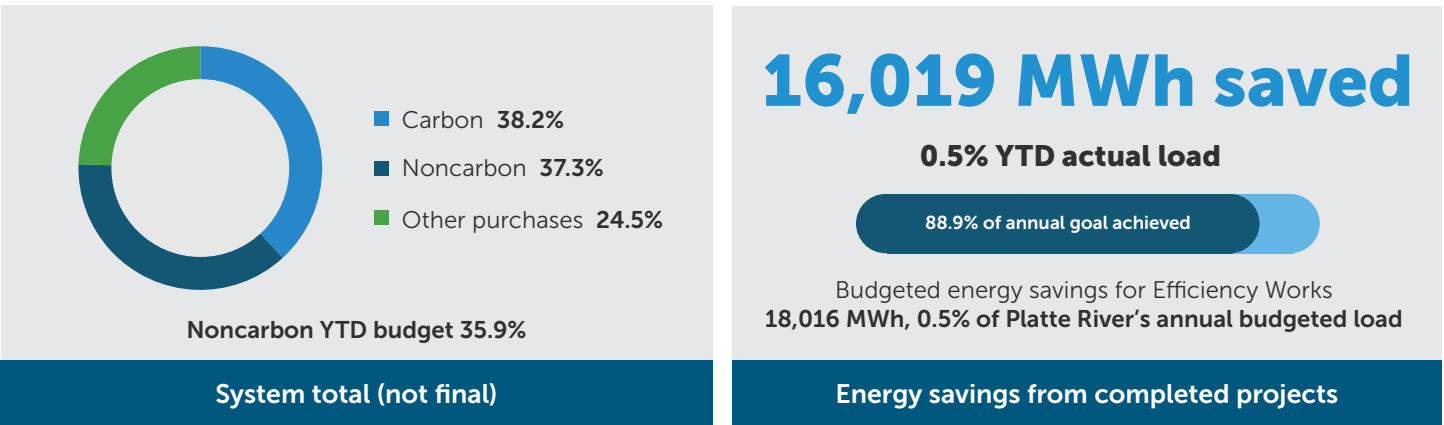
Performance dashboard

Dec. 31, 2024

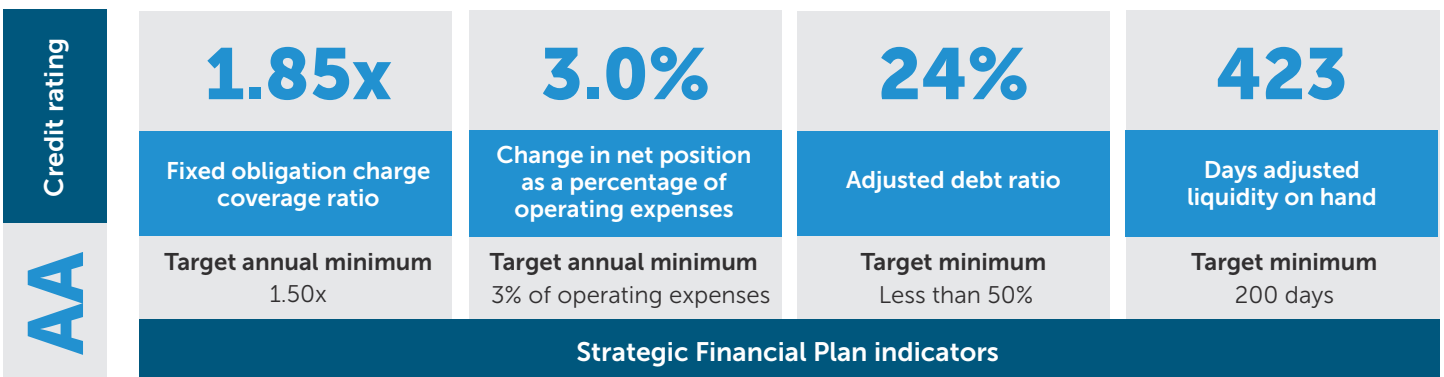
Reliability



Environmental responsibility



Financial sustainability*



*Pending final year end adjustments and audit



Platte River
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Operational health report

January 2025



Executive summary

The region experienced two extreme weather events with cold temperatures, snow and icing during the month of January, which resulted in owner community demand and energy being above budget. The overall net variable cost to serve owner community load was significantly below budget for the month, due to higher bilateral sales volume and pricing, offset by higher coal generation volume.

Thermal resources

Rawhide Unit 1 experienced minor curtailments and minimum economic adjustments. Rawhide equivalent availability factor was slightly above budget and net capacity factor was significantly above budget for the month.

Craig units 1 and 2 experienced minor generation limitations and minor curtailments. Craig equivalent availability factor was below budget and net capacity factor was significantly above budget for the month.

The combustion turbines (CTs) were committed to facilitate sales and to perform cold weather testing. CT equivalent availability factor and net capacity factor were slightly below budget for the month.

Renewable resources

Wind generation was below budget for the month due to underproduction at the Spring Canyon and Silver Sage wind farms. As mentioned on page 5, the output from these wind projects has been sold through long-term sales agreements. The Roundhouse Wind project produced above budget generation, despite having experienced curtailments in the Southwest Power Pool's Western Energy Imbalance Service (SPP WEIS) market. Solar generation was below budget and the Rawhide Prairie Solar project experienced SPP WEIS market curtailments. Net capacity factors for wind and solar were both below budget for the month. The battery associated with the Rawhide Prairie Solar project was charged and discharged 27 times throughout the month.

Surplus sales

Surplus sales volume was significantly above budget, primarily due to significantly above budget bilateral sales volume. Average surplus sales pricing was above budget for the month.

Purchased power

Overall purchased power volume was significantly below budget. The SPP WEIS average purchased power price was significantly above budget for the month, but below generation costs. Bilateral purchased power volume was significantly below budget, as no bilateral purchases were made during the month of January.

Total resources

Total blended resource costs were slightly below budget for the month, mainly due to below budget hydropower costs and coal costs per megawatt hour.

Variations

January operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	479 MW	517 MW	38 MW	7.9%	●
Owner community energy	285 GWh	296 GWh	11 GWh	4.0%	●
Net variable cost* to serve owner community energy	\$5.9M	\$4.2M	(\$1.7M)	(31.7%)	●
	\$20.63/MWh	\$14.08/MWh	(\$6.55/MWh)		

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

Market impacts to net variable cost

Downward pressure	
Generation and market variances pushing costs lower	
Higher bilateral sales volume and pricing	\$2.35M
Lower wind generation volume and pricing	\$0.35M
Lower gas generation volume	\$0.35M

Upward pressure	
Generation and market variances pushing costs higher	
Higher coal generation volume	\$1.27M
Lower market sales volume and pricing	\$0.32M
Higher market purchases pricing	\$0.30M

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

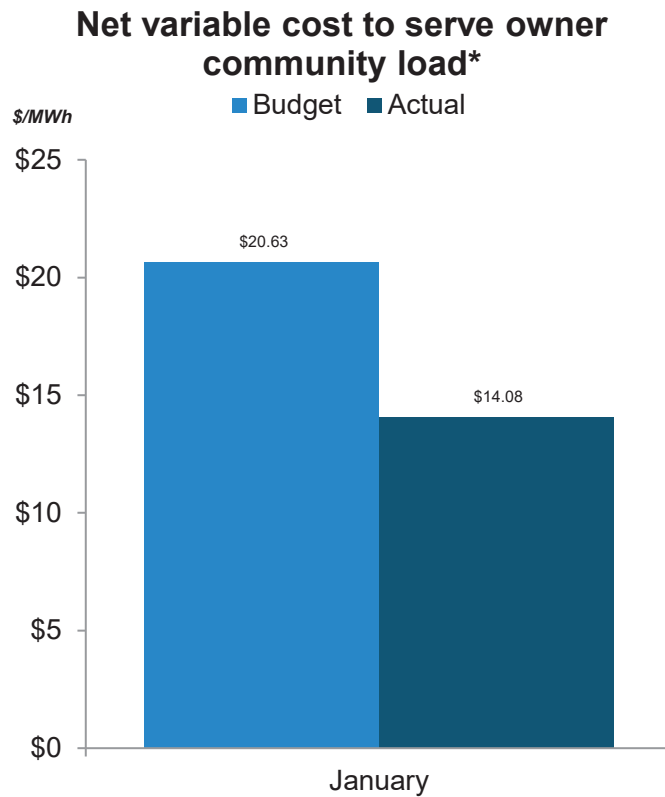
Loss of load

System disturbances

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

January goal	January actual	YTD total
0 ●	0 ●	0 ●

Net variable cost to serve owner community load



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

Events of significance

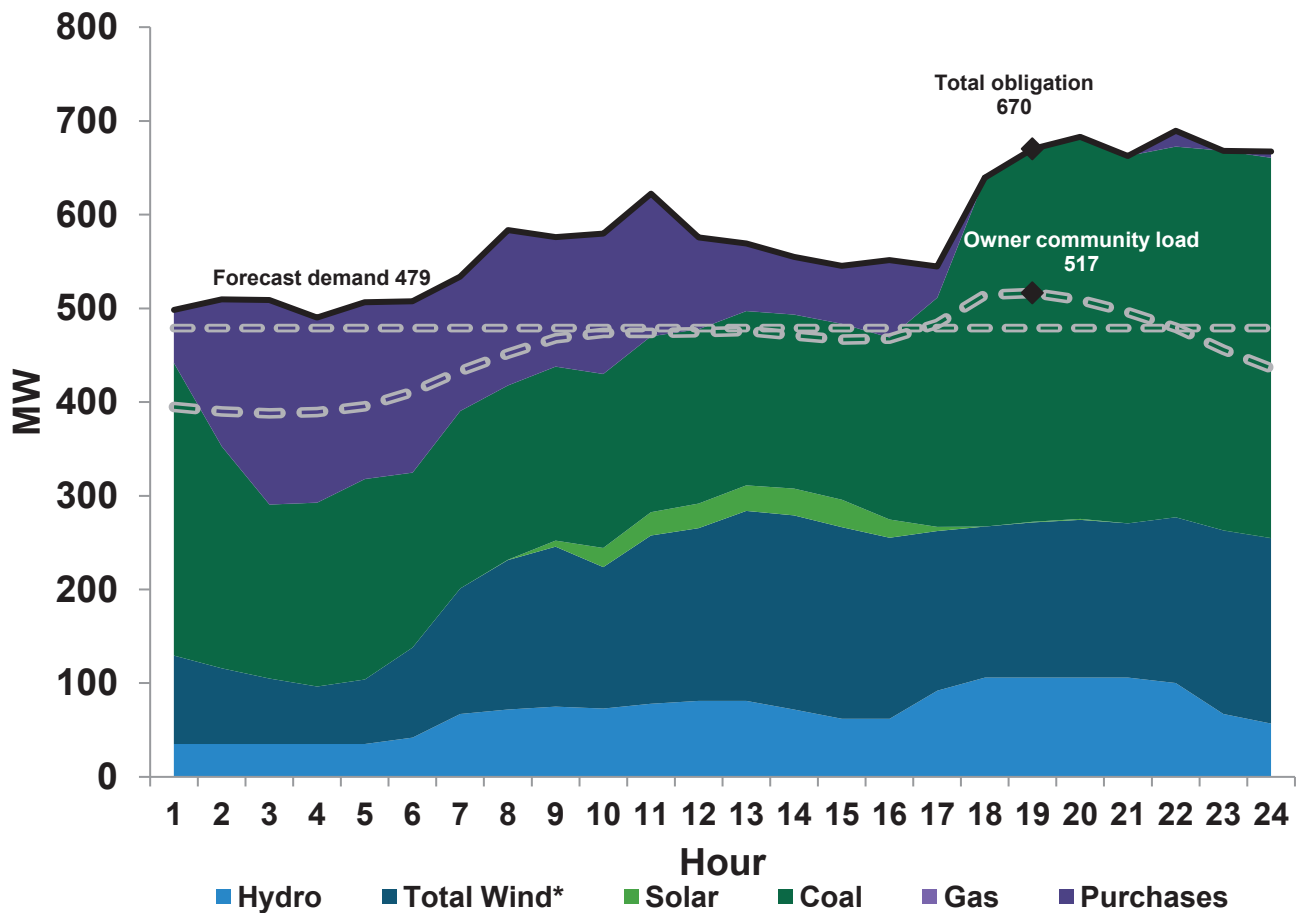
- Jan. 7-Jan. 8 and Jan. 17-27, operational flow orders for under-delivery on the natural gas transportation system were in effect, due to colder than normal temperatures and operational supply constraints. The operational flow orders were managed successfully, with sufficient resources to meet owner community loads.
- On Jan. 16, the Platte River Provisions for Cold Weather-Extreme Weather Operating Plan was implemented, due to the short-term weather forecast of very low temperatures. A brief meeting was held with members of the senior leadership, power markets, maintenance, transmission operations, Rawhide, and communications teams to discuss resources, concerns, and other issues. No issues were identified with equipment or ability to serve load.
- On Jan. 21, 2025, Platte River entered into an energy storage agreement with NextEra Energy for 100 MW of four-hour battery storage, to be located near Platte River's new Severance Substation in Weld County, Colorado. The Weld County Energy Storage project will help integrate and store renewable energy from Platte River's wind and solar projects to meet Platte River's Resource Diversification Policy goals. Construction is scheduled to begin by May 1, 2026, with an estimated completion date of Dec. 1, 2026

Peak day

Peak day obligation

Peak demand for the month was 517 megawatts which occurred on Jan. 20, 2025, at hour ending 19:00 and was 38 megawatts above budget. Platte River’s obligation at the time of the peak totaled 670 megawatts. Demand response was not called upon at the time of peak.

Peak day obligation: Jan. 20, 2025



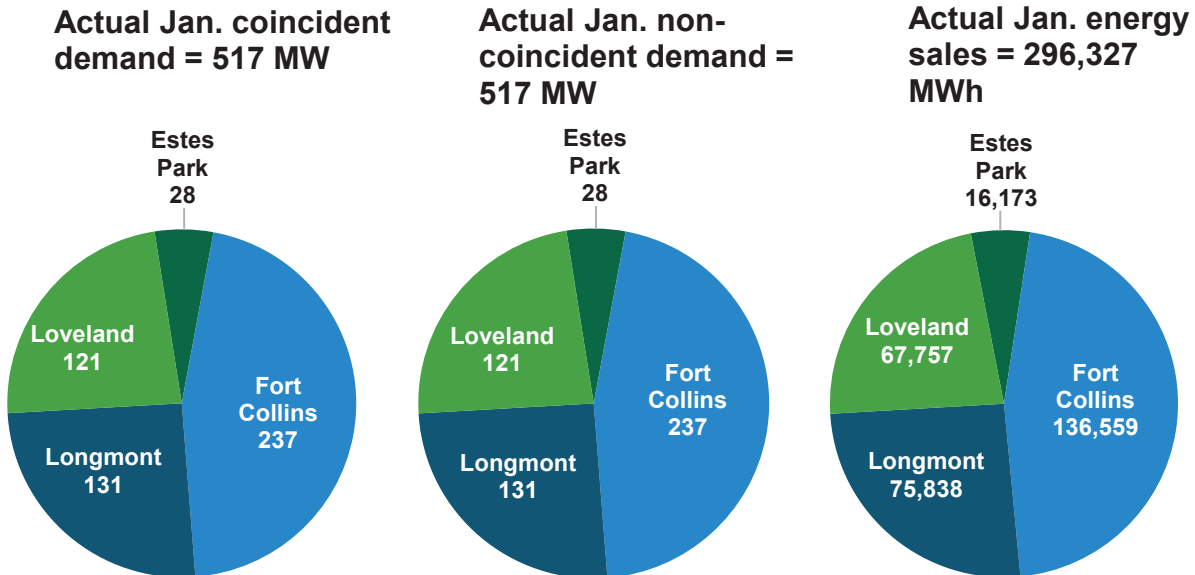
*Some off-system wind renewable energy credits and associated energy have been sold to another utility and, therefore, cannot be claimed as a renewable resource by Platte River or its owner communities.

Owner community loads

	Jan. budget	Jan. actual	Minimum	Actual variance	
Coincident demand (MW)	479	517	512	7.9%	●
Estes Park	24	28	13	16.7%	●
Fort Collins	223	237	233	6.3%	●
Longmont	124	131	145	5.6%	●
Loveland	108	121	121	12.0%	●
Non-coincident demand (MW)	481	517	521	7.5%	●
Estes Park	25	28	22	12.0%	●
Fort Collins	223	237	233	6.3%	●
Longmont	125	131	145	4.8%	●
Loveland	108	121	121	12.0%	●
Energy sales (MWh)	284,983	296,327		4.0%	●
Estes Park	15,075	16,173		7.3%	●
Fort Collins	133,155	136,559		2.6%	●
Longmont	73,761	75,838		2.8%	●
Loveland	62,992	67,757		7.6%	●

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

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

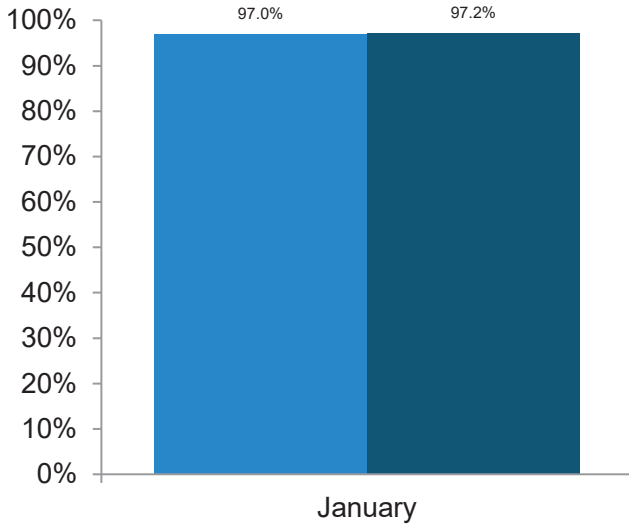


Thermal resources

Power generation - Rawhide

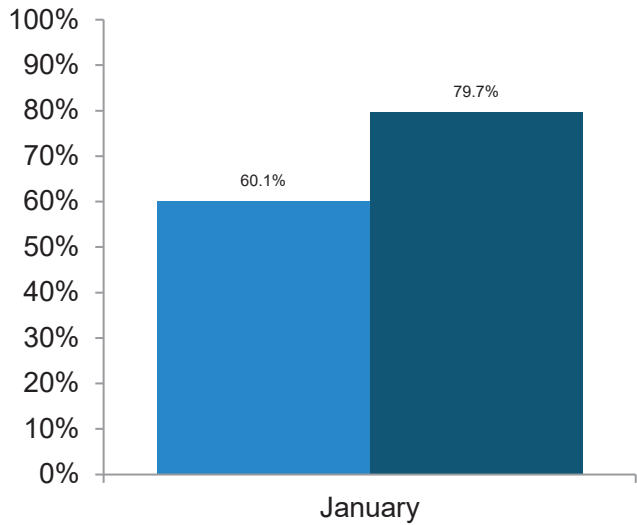
Equivalent availability factor

■ Budget ■ Actual



Net capacity factor

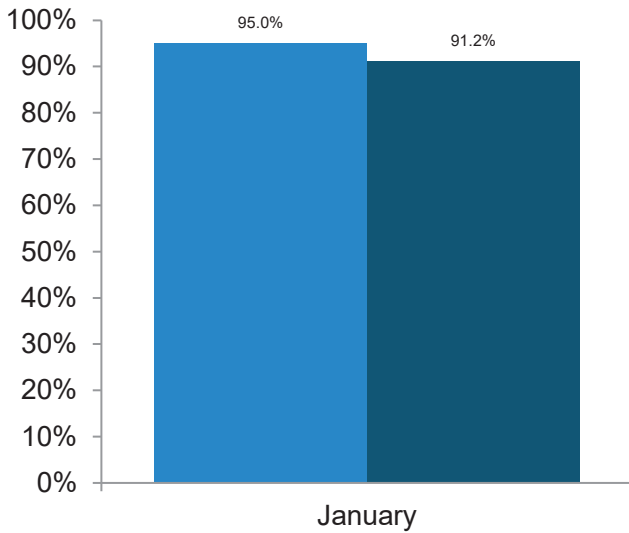
■ Budget ■ Actual



Power generation - Craig

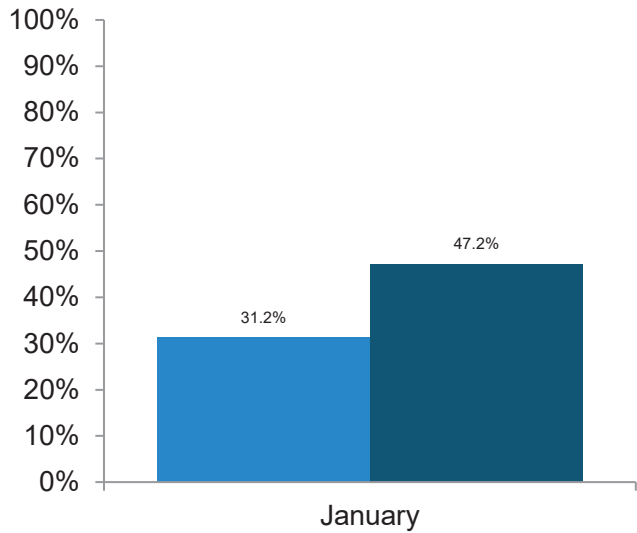
Equivalent availability factor*

■ Budget ■ Actual



Net capacity factor

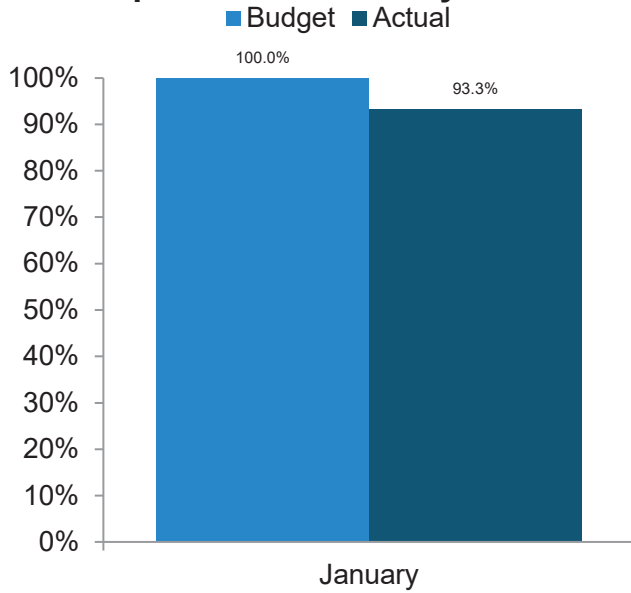
■ Budget ■ Actual



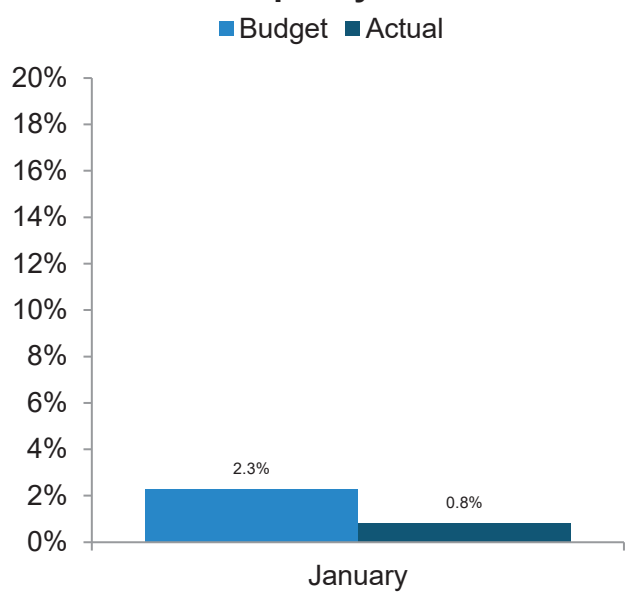
*Estimated due to a delay of the actual results

Power generation – combustion turbines

Equivalent availability factor



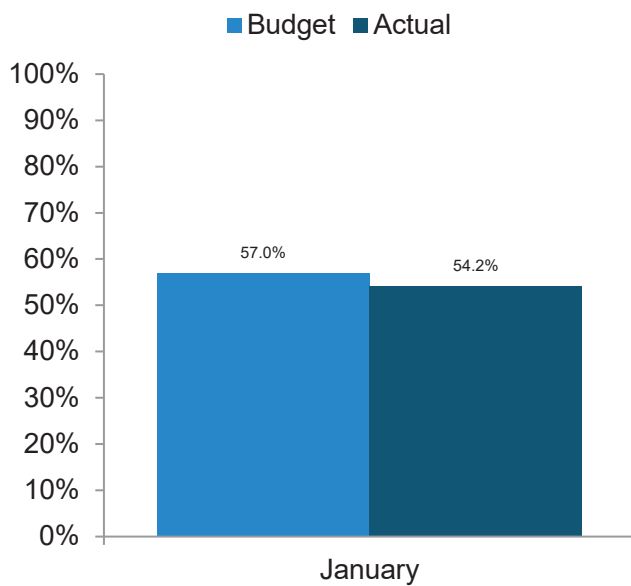
Net capacity factor



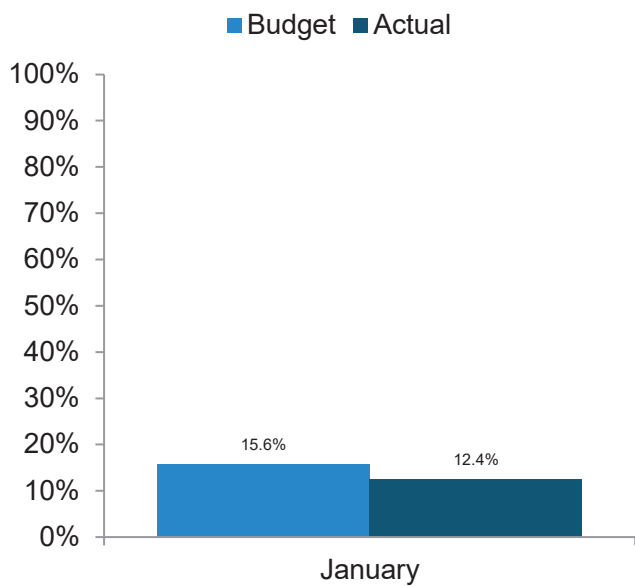
Renewable resources

Power generation – wind and solar production

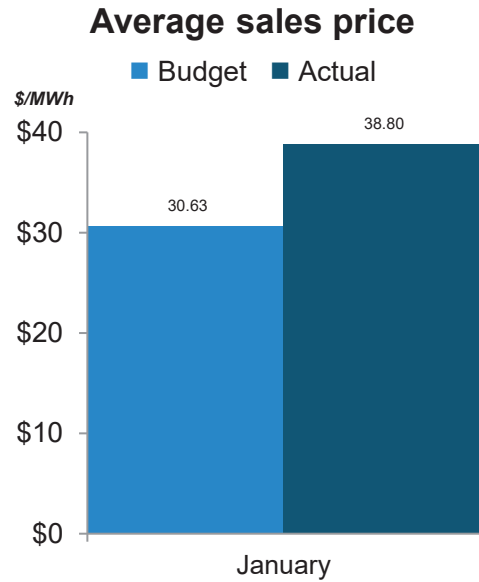
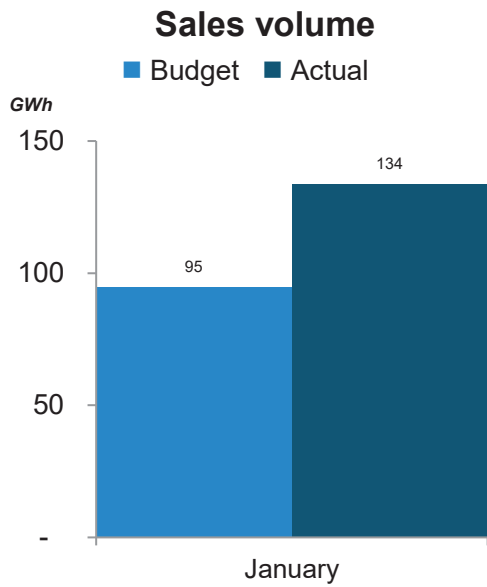
Wind net capacity factor



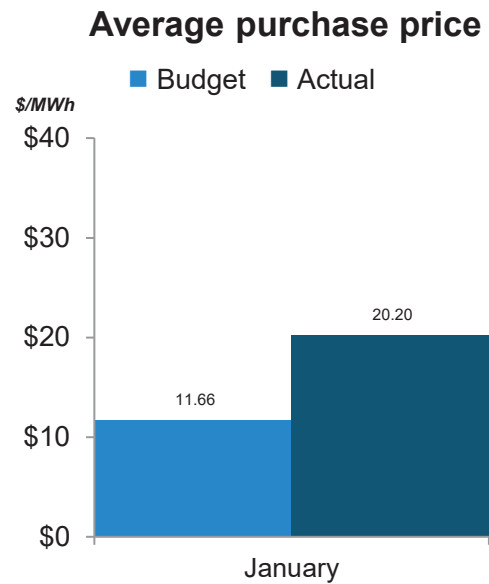
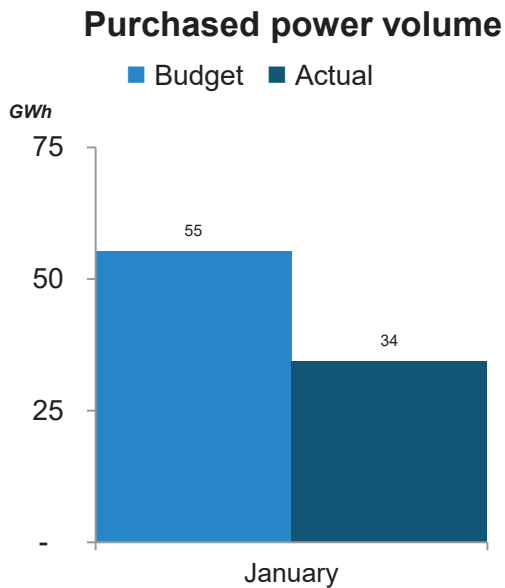
Solar net capacity factor



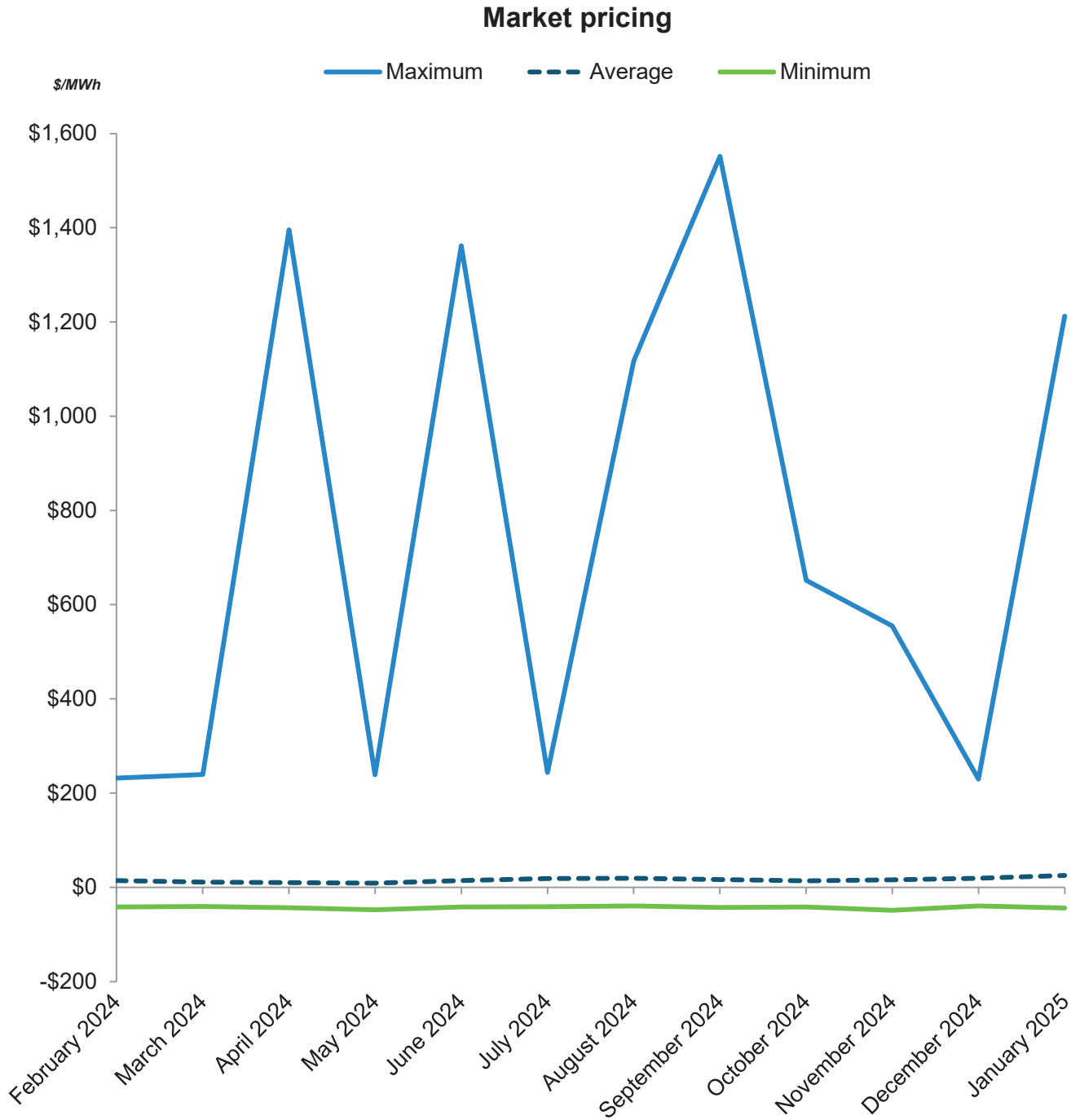
Surplus sales



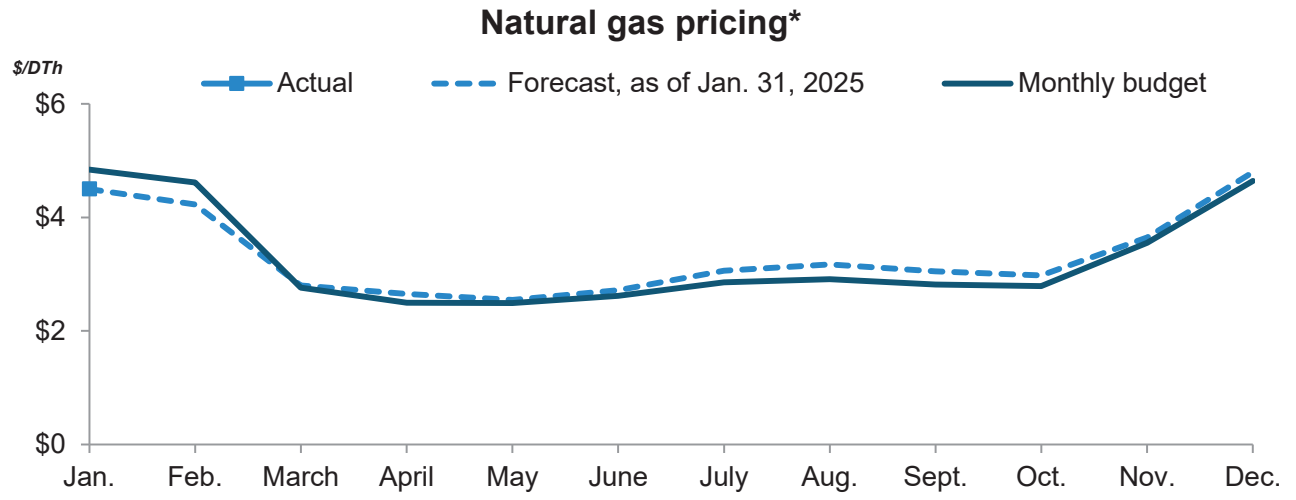
Purchased power



Market pricing



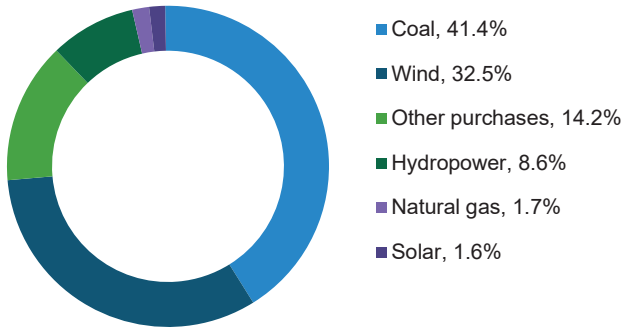
Natural gas pricing



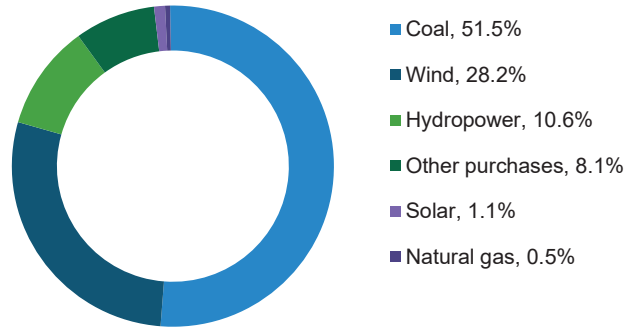
*Forecast based on Argus North American Natural Gas forward curves. Pricing does not include transport.

Total resources

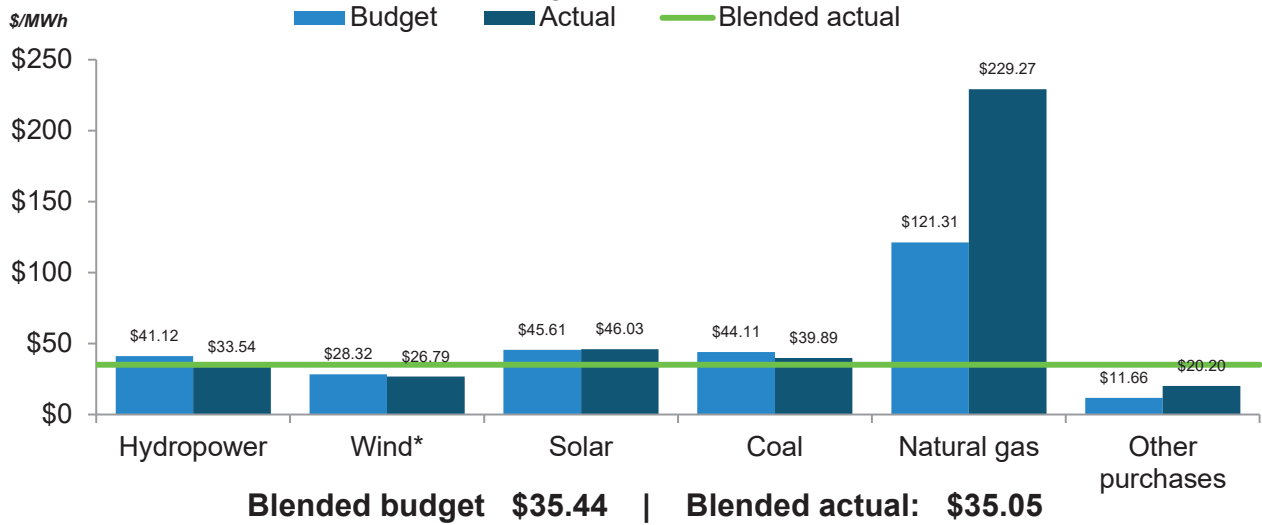
January generation budget



January generation actual



January resource cost



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



Platte River
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Financial health report

January 2025



Financial highlights year to date

Platte River reported favorable results year to date. Change in net position of \$2.2 million was favorable by \$1.5 million compared to budget primarily due to above-budget revenues, partially offset by above-budget operating expenses and below-budget other income.

Key financial results ⁽¹⁾ (\$ millions)	January			Favorable (unfavorable)		Annual budget
	Budget	Actual				
Change in net position	\$ 0.7	\$ 2.2	●	\$ 1.5	214.3%	\$ 7.5
Fixed obligation charge coverage	1.80x	2.29x	●	0.49x	27.2%	2.00x

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

(1) The key financial results for the annual budget reflect projected deferred revenues of \$12 million according to the deferred revenue and expense accounting policy discussed in the other financial information section. The actual deferral will be determined at the end of the year.

At this time, the entries to update the pension liability are not complete because the actuary report is not received until mid to late February. As a result, financial statements are not included in this report.

Budgetary highlights year to date

The following budgetary highlights are presented on a budgetary basis not in conformity with generally accepted accounting principles (GAAP). Full variance explanations and projections were not collected in January. More details will be provided in the February financial report.

Key budgetary results (\$ millions)	January			Favorable (unfavorable)		Annual budget
	Budget	Actual				
Total revenues	\$ 27.0	\$ 29.4	●	\$ 2.4	8.9%	\$ 324.6
Sales to owner communities	20.3	20.8	●	0.5	2.5%	248.4
Sales for resale - long-term	2.0	1.6	■	(0.4)	(20.0%)	17.7
Sales for resale - short-term	2.4	5.0	●	2.6	108.3%	37.6
Wheeling	0.8	0.7	■	(0.1)	(12.5%)	9.5
Interest and other income	1.5	1.3	■	(0.2)	(13.3%)	11.4
Total operating expenses	\$ 21.8	\$ 22.9	■	\$ (1.1)	(5.0%)	\$ 250.0
Purchased power	5.8	5.6	●	0.2	3.4%	69.8
Fuel	3.8	4.6	■	(0.8)	(21.1%)	42.4
Production	4.9	5.6	■	(0.7)	(14.3%)	55.5
Transmission	2.5	2.6	■	(0.1)	(4.0%)	23.9
Administrative and general	4.1	3.8	●	0.3	7.3%	43.2
Distributed energy resources	0.7	0.7	◆	-	0.0%	15.2
Capital additions	\$ 20.8	\$ 22.3	■	\$ (1.5)	(7.2%)	\$ 139.8
Debt service expenditures	\$ 1.9	\$ 1.7	●	\$ 0.2	10.5%	\$ 19.0

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

Total revenues, \$2.4 million above budget

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

- **Sales to owner communities** were above budget \$0.5 million. Energy revenues were \$0.4 million or 3.9% above budget. Demand revenues were \$0.1 million or 1.3% above budget as coincident and non-coincident billing demand were above budget 1.4% and 1.2%, respectively.
- **Sales for resale - long-term** were below budget \$0.4 million due to below-budget wind generation resold to third parties and no calls on a capacity contract.

- **Sales for resale - short-term** were above budget \$2.6 million as energy volume and average prices were above budget 89.8% and 18.2%, respectively.
- **Wheeling** was below budget \$0.1 million due to below-budget point-to-point transmission sales.
- **Interest and other income** was below budget \$0.2 million primarily due to timing of fiber lease revenues.

Total operating expenses, \$1.1 million above budget

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

- **Fuel** had a net variance of \$0.8 million above budget (\$1.2 million of above-budget expenses partially offset by \$0.4 million of below-budget expenses).
 - Coal - Rawhide Unit 1** 50% of the above-budget variance at \$0.6 million. Generation was above budget to serve higher-than-budgeted load, bilateral and market sales, partially offset by below-budget price.
 - Coal - Craig units** 50% of the above-budget variance at \$0.6 million. Generation was above budget to serve higher-than-budgeted load and bilateral and market sales.
 - Natural Gas** 100% of the below-budget variance at \$0.4 million. Generation was below budget primarily due to no calls on a capacity contract.
- **Production, transmission, and administrative and general** were \$0.5 million above budget.
- **Purchased power** was \$0.2 million below budget. Wind generation was below budget, partially offset by above-budget hydropower purchases due to favorable conditions.

Capital additions, \$1.5 million above budget

Project information will be provided in the February financial report.

Debt service expenditures, \$0.2 million below budget

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

Debt service expenditures (\$ thousands)	January		Favorable (unfavorable)		Annual budget
	Budget	Actual			
Total principal	\$ 1,508	\$ 1,282	●	\$ 226 15.0%	\$14,954
Power revenue bonds	1,117	1,117	◆	- 0.0%	13,730
Lease and subscription liabilities	391	165	●	226 57.8%	1,224
Total interest expense	\$ 379	\$ 376	◆	\$ 3 0.8%	\$ 4,092
Power revenue bonds	366	366	◆	- 0.0%	4,022
Lease and subscription liabilities	13	10	●	3 23.1%	70
Total debt service expenditures	\$ 1,887	\$ 1,658	●	\$ 229 12.1%	\$19,046

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

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

Series	Debt outstanding (\$ thousands)	Par issued (\$ thousands)	True interest cost	Maturity date	Callable date	Purpose
Series JJ - April 2016	\$ 90,590	\$ 147,230	2.2%	6/1/2036	6/1/2026	\$60M new money for Rawhide & transmission projects & refund portion of Series HH (\$13.7M NPV/12.9% savings)
Series KK - December 2020	22,490	\$ 25,230	1.6%	6/1/2037	N/A*	Refund a portion of Series II (\$6.5M NPV/27.6% savings)
Total par outstanding	113,080					
Unamortized bond premium	<u>7,377</u>					
Total revenue bonds outstanding	120,457					
Less: due within one year	<u>(13,400)</u>					
Total long-term debt, net	<u>\$ 107,057</u>					

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

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

Contingency appropriation

\$75 million reserved to board

Contingency estimates will be provided in the February financial report, if applicable.

Other financial information

- **Windy Gap Firing Project (Chimney Hollow Reservoir)** - 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 \$11.8 million through an amendment to the existing subordinate debt. This amendment was executed January 2025, increasing Platte River's other long-term obligations and regulatory assets.
- **Change in depreciation method accounting policy** - This policy allows for recognition of gains and losses on retirement of capital assets under the specific identification method to achieve rate smoothing and recovery. Under this method, gains and losses on retirement of capital assets will accumulate for a year and the net gain or loss will either be recognized in a single year or amortized over a specified period not to exceed 10 years. Staff will evaluate the financial statements at the end of the year and apply the policy accordingly, which would impact the change in net position.
- **Deferred revenue and expense accounting policy** - This policy allows deferring revenues and expenses to reduce rate pressure and achieve rate smoothing during the resource transition to meet the Resource Diversification Policy goal. Staff will evaluate the financial statements at the end of the year and apply the policy accordingly, which would impact the change in net position.

Budget schedules

Schedule of revenues and expenditures, budget to actual

January 2025 year-to-date

Non-GAAP budgetary basis (in thousands)

	January year to date		Favorable	Annual
	Budget	Actual	(unfavorable)	budget
Revenues				
<i>Operating revenues</i>				
Sales to owner communities	\$ 20,289	\$ 20,848	\$ 559	\$ 248,437
Sales for resale - long-term	1,958	1,634	(324)	17,642
Sales for resale - short-term	2,357	4,969	2,612	37,629
Wheeling	845	721	(124)	9,452
Total operating revenues	25,449	28,172	2,723	313,160
<i>Other revenues</i>				
Interest income ⁽¹⁾	955	1,008	53	10,546
Other income/(loss)	564	266	(298)	851
Total other revenues	1,519	1,274	(245)	11,397
Total revenues	\$ 26,968	\$ 29,446	\$ 2,478	\$ 324,557
Expenditures				
<i>Operating expenses</i>				
Purchased power	\$ 5,757	\$ 5,565	\$ 192	\$ 69,789
Fuel	3,807	4,599	(792)	42,435
Production	4,949	5,647	(698)	55,512
Transmission	2,494	2,573	(79)	23,901
Administrative and general	4,125	3,861	264	43,186
Distributed energy resources	715	676	39	15,200
Total operating expenses	21,847	22,921	(1,074)	250,023
<i>Capital additions</i>				
Production	17,833	20,097	(2,264)	101,163
Transmission	2,312	1,785	527	14,405
General	570	406	164	20,243
Asset retirement obligations	42	-	42	4,010
Total capital additions	20,757	22,288	(1,531)	139,821
<i>Debt service expenditures</i>				
Principal	1,508	1,282	226	14,954
Interest expense	379	376	3	4,092
Total debt service expenditures	1,887	1,658	229	19,046
Total expenditures	\$ 44,491	\$ 46,867	\$ (2,376)	\$ 408,890
Contingency reserved to board	-	-	-	75,000
Total expenditures and contingency	\$ 44,491	\$ 46,867	\$ (2,376)	\$ 483,890
Revenues less expenditures and contingency	\$ (17,523)	\$ (17,421)	\$ 102	\$ (159,333)

⁽¹⁾ Excludes unrealized holding gains and losses on investments.



Platte River
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Organizational report

Q4 2024



Business strategies

Communications, community relations, marketing and external affairs

- Opened applications for the annual \$6,000 Alltricity Foundation/Platte River Power Authority Roy J. Rohla Memorial Scholarship to eligible students in our owner communities.
- Finalized and expanded partnership with the Rocky Mountain Raptor Program to include Title I school grant sponsorships, and provided grants to Elderhaus Adult Day Program, Big Thompson Elementary School of Nature and STEM program.
- Conducted six focus groups of Platte River and owner community staff to help shape the primary public education messages for 2025.
- Held two separate introductory meetings with U.S. Senator Michael Bennet’s (CO - D) staff and the Xcel external affairs team to provide a “Platte River 101” and an update on the utility’s energy transition.

Human resources

- Successfully completed all components of the three-year compensation modernization project.

Safety

- Headquarters safety team responded to a fire on the warehouse roof. They determined the cause was a minor electrical fire that started when contractors were installing components for rooftop solar facilities. There was no fire-related damage or injuries.

Injury statistics	2023 year end	2024 year end	YTD through December 2023	YTD through December 2024
Recordable injury rate	1.98	1.50	2.15	1.50
DART	0.39	0.00	0.43	0.00
Lost time rate	0.39	0.00	0.00	0.00

- Platte River had zero recordable or lost time injuries in December.

Power supply

Distributed energy resources

- Platte River reached agreement with the selected developer on key terms for a master services agreement for the distribution scale storage project. This is the first agreement of four that, once

complete, will support the development of one 5 MW/20 MWh four-hour battery in each owner community.

- Preferred vendors were identified to support the development of a virtual power plant and a distributed energy resources management system through a request for proposals issued in collaboration with the owner communities.

Fuels and water

- Work at Chimney Hollow Reservoir continues to progress well. The main dam has now reached a height of 305 feet, which leaves less than 50 feet remaining until it reaches its final height. The project is over 90% complete and, as some of the components wrap up, efforts in the coming months will shift to the startup and commissioning phase. The project remains ahead of schedule and should be complete this summer. The reservoir will start filling after completion and is expected to take several years to fill, depending on hydrology.