



Platte River
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Board of directors' annual meeting

February 27, 2025



Platte River
Power Authority

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2024 year in review

Advancing the energy transition

Agenda

- Financial results
- Operating results
- Strategic Plan initiative accomplishments and highlights
 - Resource diversification planning and integration
 - Workforce culture
 - Process management and coordination
 - Community partnership and engagement
- Summary and looking forward

Dave Smalley

Chief financial officer and deputy general manager



2024 strong financial results

- Approx. \$5.5 million fuel savings from SPP Western Energy Imbalance Service (WEIS) market
- \$2.0 million of unrealized gains on fair value of investments
- \$2.1 million accumulated long-haul fiber account funds recorded as Platte River revenue
- \$0.3 million final settlement for closure of Medicine Bow Wind Energy site
- \$1.0 million final payout from Tri-State under the forced outage assistance agreement (“shaftshare”) that ended March 2024
- \$26.2 million of deferred revenue above required Strategic Financial Plan change in net position
 - \$12.2 million above budget
 - \$79.2 million cumulative balance
 - Under board-adopted accounting policy for deferred revenue and expense for rate increase relief

2024 strong financial results

Category – budget	Variance from budget (in millions)	Indicator
Revenues	(\$0.8)	◆
Operating expenses	\$11.3	●
Capital additions ⁽¹⁾	\$16.9	●
Debt service expenditures ⁽²⁾	\$0.0	◆

Category	Actual (in millions)
Change in net position earned	\$33.2
Less deferred revenue	\$26.2
Change in net position reported ⁽³⁾	\$7.0

Change in net position of \$33.2 million was favorable to budget by \$11.9 million, which was primarily driven by operating expenses.

⁽¹⁾ \$16.9 million of the below-budget capital variance will be carried over to the 2025 budget. \$42.5 million of the board contingency was required and transferred to capital additions.

⁽²⁾ \$0.5 million of the board contingency was required and transferred to debt service expenditures.

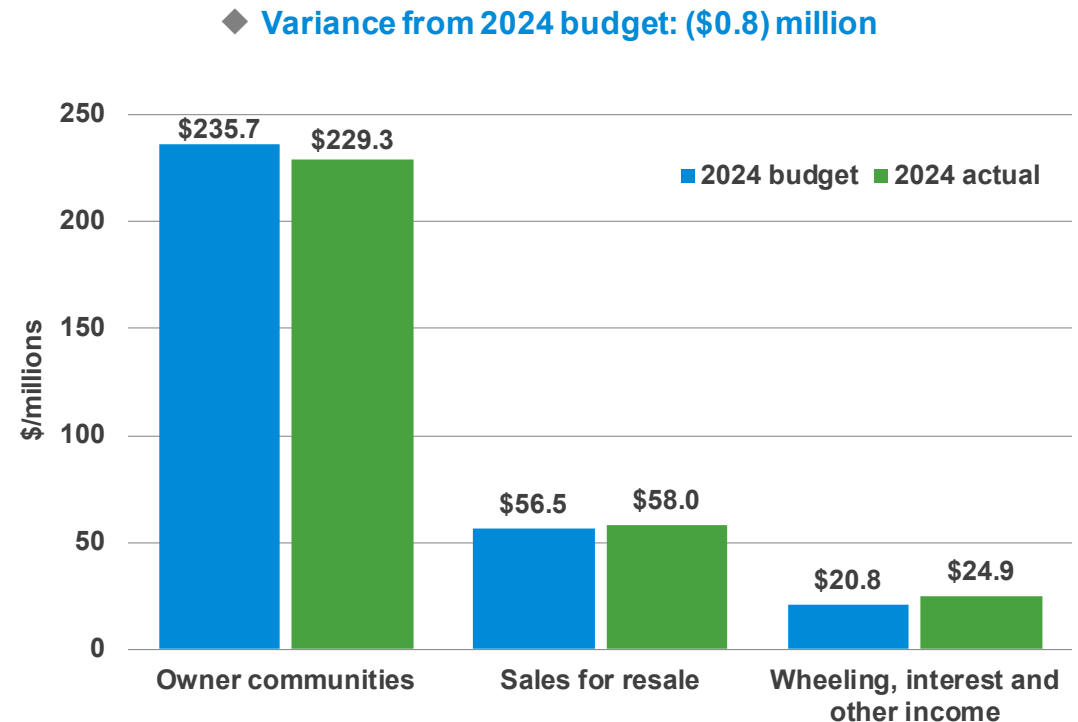
⁽³⁾ Subject to Strategic Financial Plan metrics of a minimum of 3% of annual operating expenses and 1.50 times fixed obligation charge coverage ratio.

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

Revenues

Budget variances in millions – above/(below)

- **(\$6.4) – Owner communities**
 - **(\$0.9) – Demand** (coincident billing demand and metered coincident demand 1.2% and 3.9% below budget, respectively)
 - **(\$5.5) – Energy** (revenue and volume, 4% below budget)
- **\$1.5 – Surplus sales**
 - **\$6.8 – Price** (13.9% above budget)
 - **(\$5.3) – Volume** (9.3% below budget)
- **\$4.1 – Wheeling, interest and other income**
 - **\$2.8 – Interest and other income** (fiber management income, liquidated damages and dividend from Trapper Mine)
 - **\$1.3 – Wheeling** (point-to-point sales and rate increase)



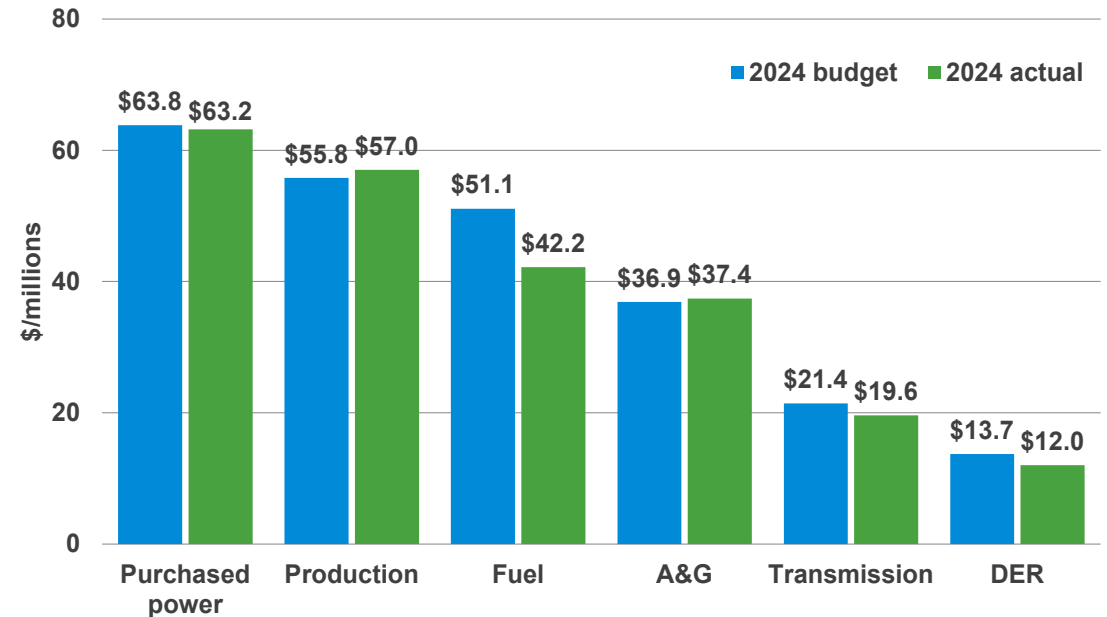
Unaudited financial results

Operating expenses

Budget variances in millions – (above)/below

- **\$8.9 – Fuel**
 - **\$8.8 – Rawhide** (lower cost energy available in SPP WEIS market and lower energy deliveries)
 - **\$2.8 – CTs** (below-budget capacity calls and lower cost energy available in SPP WEIS market)
 - **(\$2.7) – Craig** (less efficient heat rate)
- **\$1.8 – Transmission** (wheeling, personnel and contracted services)
- **\$1.7 – DER programs** (program consulting, personnel expenses and slower participation in the commercial and industrial segment)
- **\$0.6 – Purchased power**
 - **\$2.7 – Wind \$2.9, solar \$0.4 and hydropower (\$0.6)**
 - **\$1.0 – Purchased reserves**
 - **\$0.2 – Forced outage exchange** (net to Tri-State)
 - **(\$3.3) – SPP WEIS** (higher volumes and higher prices)
- **(\$0.5) – A&G** (computer maintenance and personnel, partially offset by resource planning initiatives)
- **(\$1.2) – Production** (Craig units 1 and 2 operating and maintenance expenses and personnel, partially offset by below-budget non-routine projects)

● Variance from 2024 budget: \$11.3 million

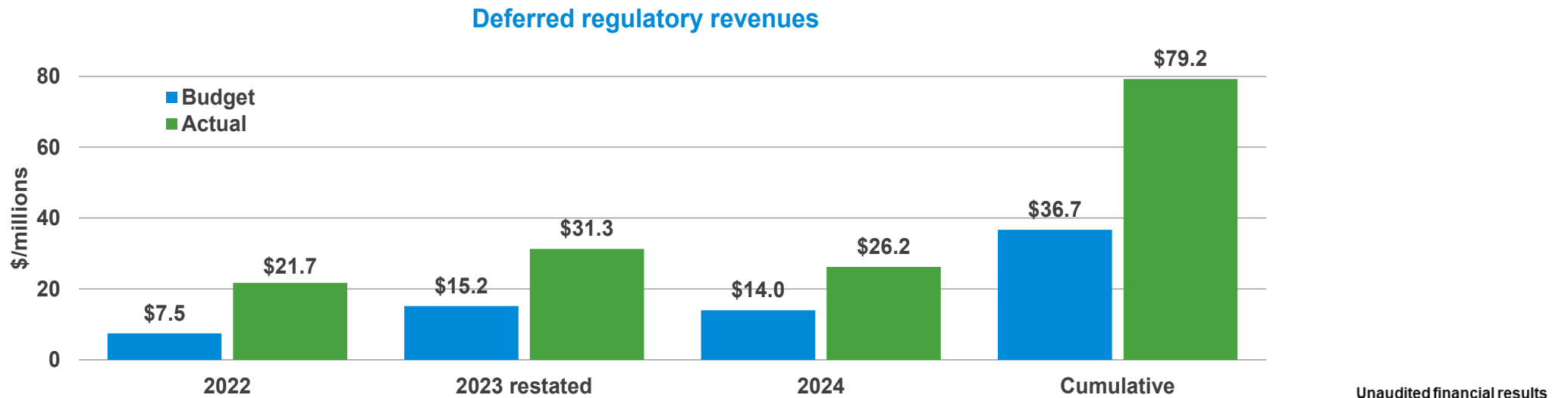


Unaudited financial results

Deferred revenue and expense accounting policy

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

Deferred revenues from 2022 – 2024 were **more than double compared to budget**, reducing future rate pressure by approximately 1% per year.



2024 financial summary

 All Strategic Financial Plan targets were exceeded

 AA credit rating

Strategic Financial Plan metric	Target	3-year average	2024	2023 restated	2022
Fixed obligation charge coverage ratio	> 1.50x	1.78x	1.85x	1.50x	2.00x
Change in net position as a percentage of annual operating expenses	3.0%	3.4%	3.0%	4.1%	3.0%
Adjusted debt ratio	< 50%	26%	24%	26%	28%
Days adjusted liquidity on hand	> 200 days	430	423	460	408

2024 pending final year end adjustments and audit
 2023 restated for implementation of accounting pronouncement

Unaudited financial results

Travis Hunter

Chief generation and transmission officer



2024 year-end 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: ■

Strategic plan





Resource diversification planning and integration

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



Community partner and engagement

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



Workforce culture

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



Process management and coordination

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





Resource diversification planning and integration

Enhanced system resilience

- Combustion turbine Unit F upgrades
 - Five-month outage to upgrade operational flexibility
 - Faster startup: From approx. 20 minutes to approx. 11 minutes
 - Improved ramp rate: From 12 MW/min to 15 MW/min ramp rate
- Unit C cold weather upgrade
 - Gas valve replacement



Resource diversification planning and integration



Supported reliability

- Aeroderivative combustion turbines
 - Signed contract with GE for five new aeroderivative turbines
 - Submitted land use permitting application to Larimer County
 - Issued request for proposals for an engineering, procurement, and construction contractor



RAWHIDE ENERGY STATION EST. 1984





Workforce culture

Empowering our people

- **Just Transition Plan**
 - Collaborative effort between power generation, human resources, legal and communications
 - A component of the 2024 Integrated Resource Plan and a standalone document to comply with state requirements
 - Submitted to the Colorado Just Transition Office on Aug. 1
 - Will be an on-going effort as we approach 2030

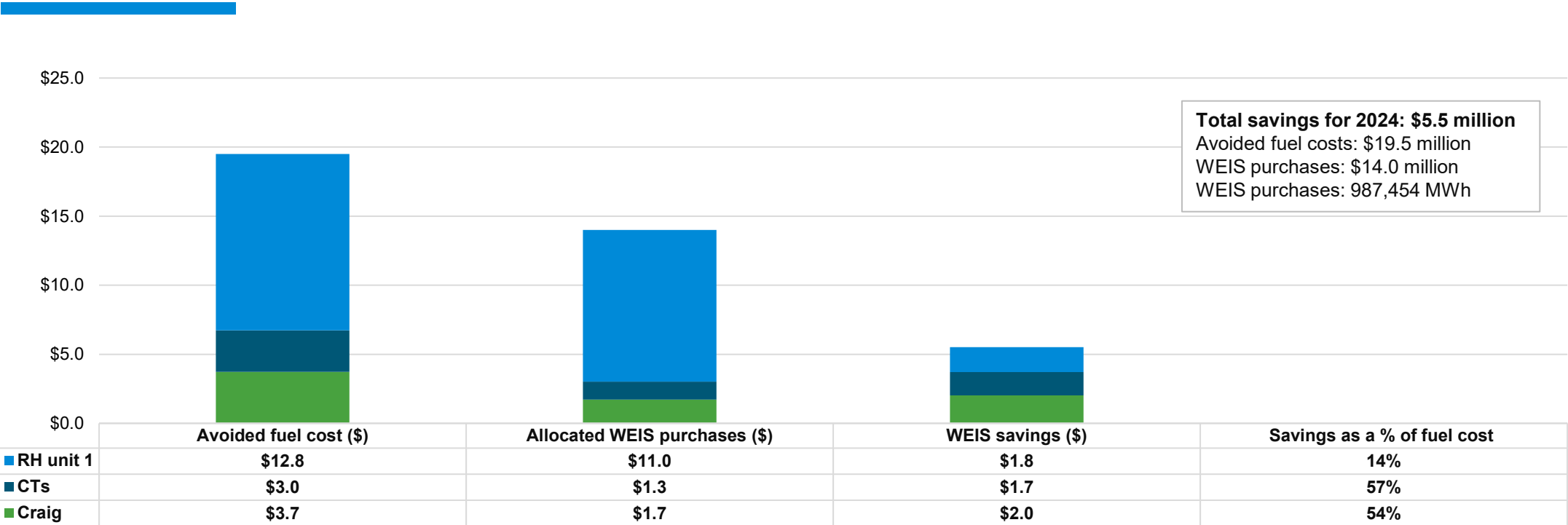


Melie Vincent

Chief power supply officer



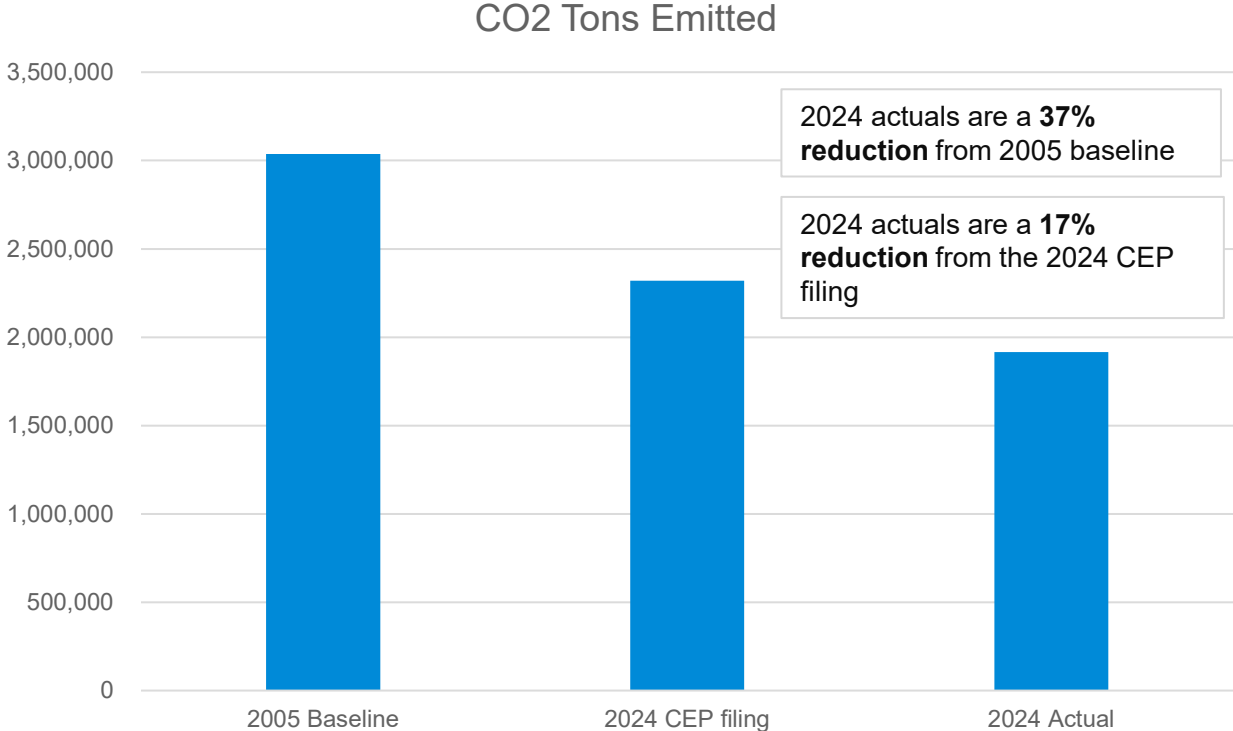
2024 WEIS savings



Total savings for 2024: \$5.5 million
 Avoided fuel costs: \$19.5 million
 WEIS purchases: \$14.0 million
 WEIS purchases: 987,454 MWh

- 2024 Rawhide capacity factor was 47.3%
- 2024 Craig capacity factor was 35.2%

2024 CO2 emissions, better than projected



- Thermal generation declined since WEIS entry
 - CT generation 34% lower than 2023
 - Rawhide generation 24% lower than 2023
 - Lowest Unit 1 annualized generation ever

Emissions calculated per Colorado Clean Energy Plan



Resource diversification planning and integration



SPP markets

- Reduced coal generation through market energy purchases
 - Lower carbon emissions
 - Lower fuel costs
- Provided training and education on SPP Regional Transmission Organization West (RTO West)
- Simplified process for managing settlement transactions
- Negotiated vendor service agreements for transition to RTO West



Resource diversification planning and integration



Advancing the energy transition

- **2024 Integrated Resource Plan**

- Two+ years of resource planning and testing
- Cross-departmental effort including resource planning, distributed energy resources and solutions, power generation, transmission, legal, communications, marketing and external affairs
- Completed six studies; presented five portfolios with staff recommendation for the 'optimal new carbon' portfolio
- Completed three community engagement sessions and 40 regional presentations to different stakeholder groups across each owner community
- Board approved 2024 Integrated Resource Plan with staff recommended portfolio on July 25
- Received formal approval from Western Area Power Administration



Resource diversification planning and integration



Integrated more renewable energy

- **Black Hollow Solar**
 - 257 MW solar array generation project in Severance
 - Originally 150 MW nameplate; amended agreement for additional 107 MW
 - Broke ground on July 10
- **Severance Substation**
 - An eight-bay substation adjacent to Black Hollow Solar
 - Will support interconnection of Black Hollow Solar and future battery storage systems





Resource diversification planning and integration



Supported reliability

- **Energy storage projects**

- Issued request for proposals for a four-hour battery energy storage system
- Began developing 5 MW, four-hour battery energy storage system within each owner community (20 MWs total)
- Completed bulk energy battery storage safety courses



Resource diversification planning and integration

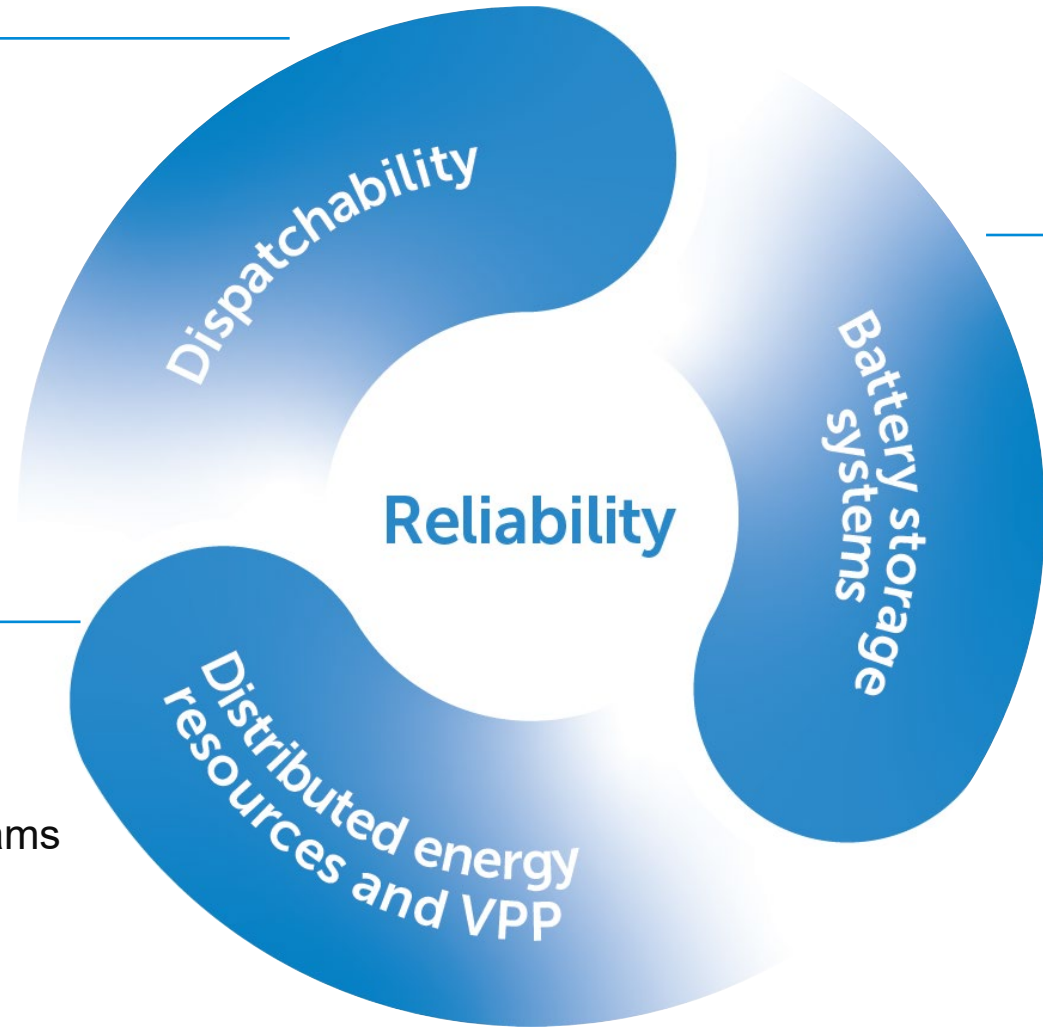


Virtual power plant

- Board approved resolution 05-24: supporting development of a virtual power plant
- Distributed energy resource technology gap assessment and roadmap with vendor and owner communities
- Issued request for proposals to develop a virtual power plant: end-user programs, ‘edge’ distributed energy resource management system (DERMS) and ‘grid’ DERMS
- Developed technical specifications for distributed energy resource database with Energy Policy Research Institute

- Upgrades to existing combustion turbines
- Permitting and construction of aeroderivative turbines

- Developing DERMS
- Creating new end-user programs
- Evolving Efficiency Works to support deployment and development of the virtual power plant



- Utility scale short-duration battery storage system at Black Hollow Solar
- Distributed battery storage systems with each owner community



Mark Weiss

Chief technology officer





Process management and coordination



Streamlining business processes and leveraging technology

- Oracle Cloud enterprise resource planning and work management implementation
 - Provides scalability, improved teamwork and integration, process enhancement, increased productivity, innovation and evolution
 - Completed \$1.4 million under budget; over 50 team members
 - Roles and privileges aligned to support "least privilege" access management
 - System go-live on Sept. 8
- Updated contract templates, including engineering, procurement, and construction contracts
- Efficiencies in hiring process: reduced time to fill vacancies to 46 days



Process management and coordination



A project management and moderately risk-averse culture

- **Project management**

- Introduced a resource management module, organizational change management, project templates and improved processes for large projects
- Energy Management System deployment
- Cybersecurity and risk mitigation plan update; CIS Critical Security Controls benchmark compliance reached 90%

- **Enterprise risk management**

- Increased risk awareness: 20 Risk Oversight Committee meetings
- Hosted a series of risk management workshops
- Organized a broker-led insurance educational session
- Improved vendor risk management and standardized insurance requirements

Jason Frisbie

General manager and CEO





Community partnership and engagement



Engaging communities in the energy transition

- **Public education**
 - Completed two brand awareness and public education campaigns for Platte River called *'Giving you the power'*
 - Completed seven program campaigns for Efficiency Works
 - Conducted 50 Rawhide tours, totaling 684 participants
- **Community partnerships**
 - Developed a community relations strategy
 - Expanded cornerstone partnerships with organizations that promote science, technology, engineering and math (STEM)
 - Supported 16 local nonprofits, sponsored three student STEM projects and granted three student scholarships





Community partnership and engagement



Engaging communities in the energy transition

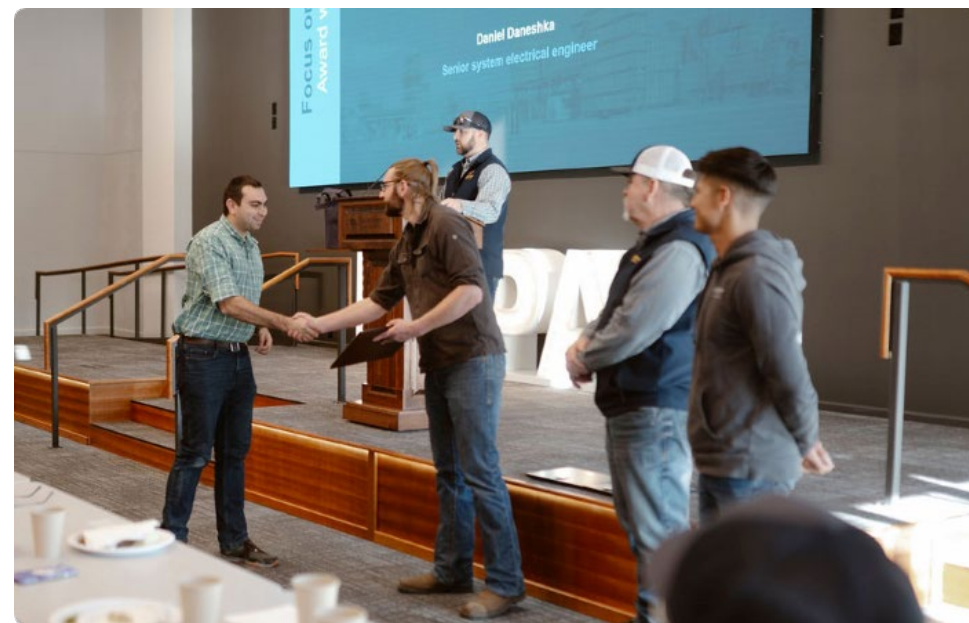
- **Think!Energy**
 - Served 3,289 students across our region, nearly 75% of local fourth graders
- **Consumer education**
 - Transformed online store platform to educate end users on thousands of energy efficient products including comparison tools
- **Efficiency Works business community efficiency grant**
 - Served nearly 300 end users with energy advising, home audits and home upgrades
 - Improved energy efficiency upgrades allow for organizations to reallocate funds to carry out their mission and serve the most vulnerable
 - Nearly \$2 million invested in services to benefit end users through programs



Workforce culture

Empowering our people

- Implemented quarterly safety engagement program
- Decreased total recordable injuries from previous year
- Launched new immersion process to improve new hire orientation
- Implemented compensation policy and merit process
- Created competency model and enhanced performance process
- Created online leadership focus program (LEAD365)
- Held quarterly compliance meetings: culture of compliance
- 2024 turnover rate lower than pre-COVID rate: 6.83%



Summary and looking forward





2024

- ✓ Finalized and filed the 2024 Integrated Resource Plan
- ✓ Broke ground on the long-awaited Black Hollow Solar project and finalized amendment to add 107 MW, bringing the total project to 257 MW
- ✓ Constructed and interconnected the Severance Substation
- ✓ Continued negotiations for our next 250 MW wind project
- ✓ Continued progress on distributed energy storage projects in owner communities
- ✓ Implemented the new compensation policy, including performance-based metrics for job roles
- ✓ Implemented the enterprise resource planning platform



2024

- ✓ Prepared and conducted trainings for SPP RTO West entry
- ✓ Completed the land use and air quality permit applications for aeroderivative turbines and began procurement process
- ✓ Completed two brand awareness and public education campaigns for Platte River to help expand awareness and engagement
- ✓ Developed a community relations strategy and an external affairs and advocacy strategy
- ✓ Completed an all-dispatchable resource request for proposal
- ✓ Evaluated long-duration battery storage pilot project, determined not cost effective yet

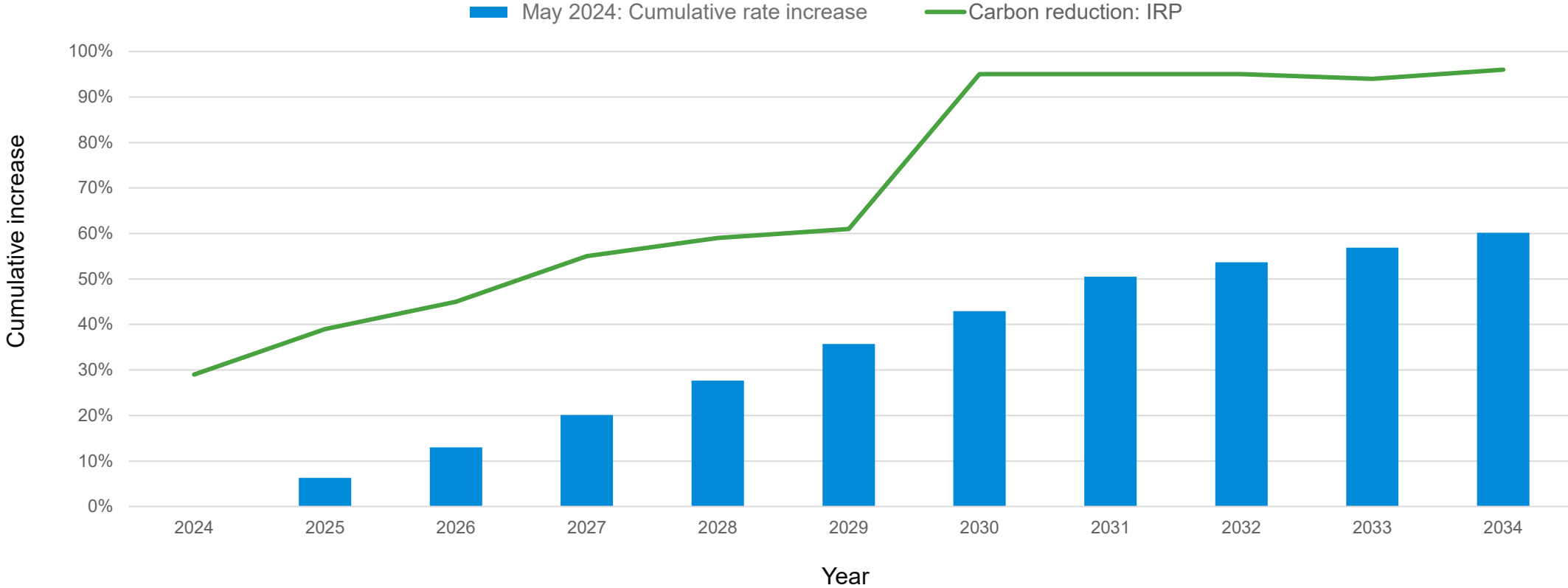
Looking ahead to 2025

- Onboard a chief technology officer and chief strategy officer
- Sign contract for virtual power plant/DERMS vendor in spring
- Sign contract for 250 MW wind project
- ✓ Sign contract for 100 MW, four-hour battery storage project operational in 2027
- Integrate distributed energy storage in owner communities
- Begin commercial operation of Black Hollow Solar (phase 1 in summer); begin construction of phase 2 for summer 2026 commercial operation date
- Fully energize the Severance Substation by the summer

Looking ahead to 2025

- Manage land and air permitting processes for aeroderivative turbines and select an EPC services vendor (commercial operation scheduled for 2028)
- Continue preparing and training for SPP RTO West entry in April 2026
- Conduct scheduled major maintenance outage for Rawhide Unit 1 in the fall
- Additional CT upgrades for cold weather operation
- Extend the organic contract and power supply agreements by fall

The value of the energy transition





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Board of directors

February 27, 2025

Power Supply Agreements and Organic Contract

Sarah Leonard, general council

Dave Smalley, chief financial officer and deputy general manager



Agenda

- Background
- Power Supply Agreements
- Organic Contract
- Feedback
- Updated next steps and timing

Background

- Kickoff conversation at Dec. 12, 2024 board meeting
 - Overview of terms and structure of Organic Contract and Power Supply Agreements
 - Authorizing statutes and governance of Platte River
 - Power Supply Agreements “all requirements” provisions
 - Reasons to consider extending terms now
 - Suggested approach
 - Proposed timeline
- Today – share themes for potential revisions and updates
- Early board member feedback
- Review timing and sequence

Power Supply Agreements

All requirements

- The “all-requirements” obligations protect the owner communities – maintain Platte River’s financial foundation and prevent cross subsidies among the owner communities
- The “all-requirements” obligations allow Platte River to plan for and meet owner community power needs and remain a strong and efficient enterprise
- Certainty is essential
- Energy resource development – time horizons of 30 years or more
- Platte River relies on owner community power purchases to fund operations, capital, and debt service
- Restrictions apply to owner communities separately developing their own energy supplies
- Residential rooftop solar, storage, and other customer-owned resources allowed

Power Supply Agreements

Carve-out expansion

- Carve-out expansion creates inequity among the owner communities; at odds with bond covenants
- It serves all owner communities' interests to build the most reliable, affordable, and rapidly decarbonized energy portfolio possible
- Platte River is the vehicle the owner communities created to do this
- Carve-outs conflict with this purpose
- The best way to advance the energy transition affordably and reliably is for Platte River to develop, own, and operate the pool of shared resources (including virtual power plant enabling platforms) on behalf of the owner communities

Power Supply Agreements

How should carve-out language change?

- Instead of detailed language about expanding carve-outs, substitute broad commitments to ongoing, shared efforts to work together toward the most reliable, affordable, and rapidly decarbonized energy portfolio possible
- Update recitals to reflect high-level goals and more collaborative approach
- Instead of prescriptive language about meetings to increase distributed generation, use more general and flexible language supporting distributed generation
- Where resources connect to the electric system (high voltage or distribution level) should not matter

Power Supply Agreements

Length of term and other issues

- Extend the term of each Power Supply Agreement
- Modernize language about net metered solar to reflect changes in law and provide greater flexibility
- Review rate-related language for compatibility with organized market participation (and transmission cost recovery through formula rates)
- Review language on market and surplus sales for compatibility with organized market participation

Power Supply Agreements

Housekeeping

- Update Article 14, “Notices,” to allow updating addresses and other basic contact information without amending
- Where possible, simplify language for readability (example, number “doublets”)

Organic Contract

Coordination on distributed resources

- Update recitals to reflect need for collaboration on decarbonization efforts, including virtual power plant and distributed energy resource activities
- Update language in “Purposes” to affirmatively permit coordination at the retail level to support virtual power plant and distributed energy resource development
- Consider broader “Functions” language to support virtual power plant and distributed energy resource development

Example: (current language) “developing electric energy resources (including renewable sources) and producing and transmitting electric energy in whole or in part for the benefit of the inhabitants of the Municipalities”

Consider: “coordinating with the Municipalities to implement board-approved resource development policies, consistent with reliability, financial sustainability, and environmental responsibility”

Organic Contract

Length of term and other issues

- Extend the term of the Organic Contract
- Consider adding language to “Other Powers” to allow for changing business models and technologies
- Reword municipal “representation” language to reflect that all board members must protect the interests of all owner communities, not just their own
- Review rate-related language for compatibility with organized market participation (and transmission cost recovery through formula rates)
- Consider whether “Bonds of Officers” requirement is necessary

Organic Contract

Housekeeping

- Simplify language for Appointed Directors' terms to account for early departure or removal
- Clarify language so officer terms run to the end of each Annual Meeting (avoid “gaps” between start of meeting and board action to appoint successors)
- Remove language stating Chair will “execute all legal instruments of the Authority”
- Narrow or update language requiring corporate seal on “all documents of the Authority”
- Consider whether Fiscal Year and Place of Business language should more flexible and durable (shift both to board discretion)

Organic Contract

Housekeeping

- Simplify language governing meeting notices and allow for notice by email with confirmation by reply
- Call out board action thresholds separately from quorum provisions
- Simplify language on weighted voting to break a deadlock
- Revise “Notices” language to allow address updates without amending

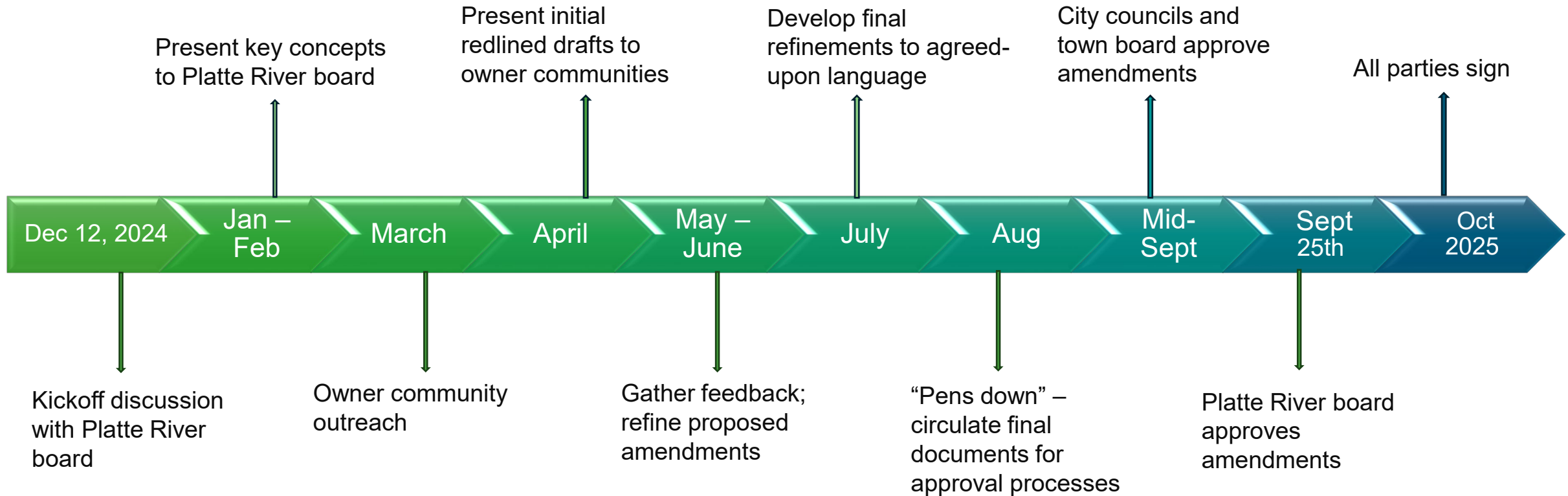
Questions, feedback, discussion



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Updated next steps and timing





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SPP implementation update

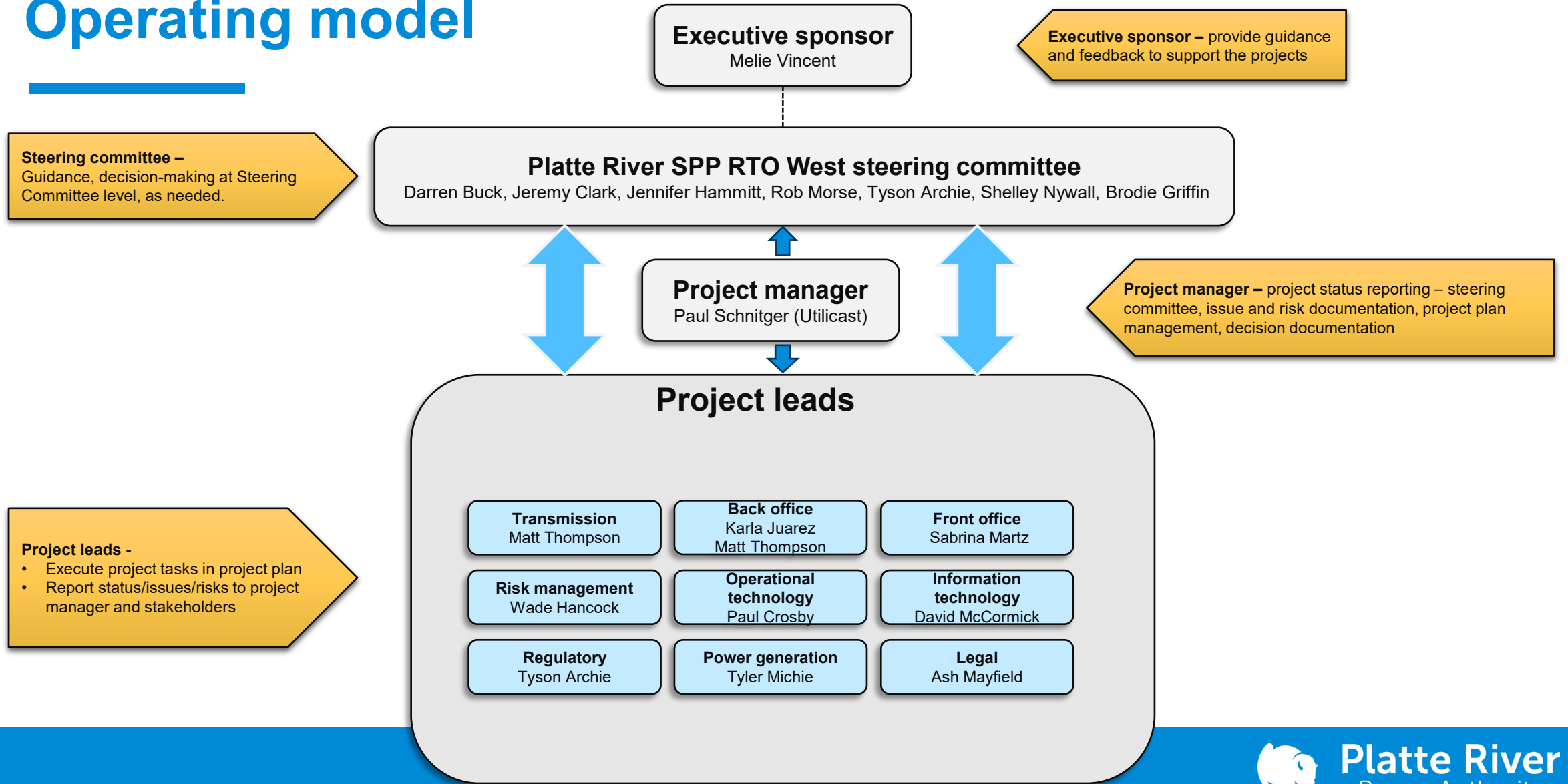
Jeremy Clark, director, power markets



Background

- Platte River began to evaluate joining an organized market in 2017 as part of the Mountain West Transmission Group and successfully joined the Southwest Power Pool (SPP) Western Energy Imbalance Service market on April 1, 2023. The next phase of the process, integrating Platte River into the SPP Regional Transmission Organization (RTO) West, began mid-2023 and is expected to be complete April 1, 2026.
- Joining SPP RTO West will help Platte River meet its current and future Resource Diversification Policy goals by:
 - Expanding and integrating existing and planned noncarbon energy resources to effectively serve Platte River's load;
 - Sharing business services and operations that are currently performed individually by each utility in the region; and
 - Participating in a wholesale forward market that hedges risk in the real-time market, reduces price volatility, and economically coordinates resource operations at a regional level to meet demand.
- Becoming part of SPP RTO West also provides Platte River with the opportunity to shape regional market policies to better reflect the objectives of the owner communities.

Operating model

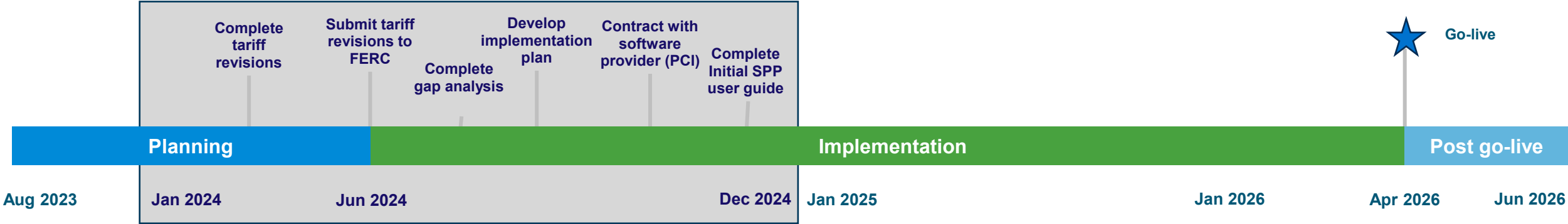


Timeline

Activity	2023		2024				2025				2026	
	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26	Q2 26
PLANNING												
Commitment Agreement	7/1, 10/10											
Tariff and member on-boarding	8/1 - 3/31											
Initial training (Utilicast)			1 - 3									
Gap analysis			2/7 - 6/18									
MOPC approval				4/17								
FERC filing				6/4								
IMPLEMENTATION												
SPP requirements and design		10/2 - 7/1										
SPP system development				4/1 - 12/31								
Develop operations strategies, workflows, and requirements				6/3 - 9/30								
Contracts, statutory reporting, and compliance changes				6/15 - 11/30								
SPP training				4/1 - 6/1								
PCI system* design					10 - 12							
SPP internal testing						10/1 - 7/1						
PCI system* installation						- 3						
Test plan development						2 - 6						
PCI system* testing						4/1 - 2/26						
Connectivity testing with SPP						6/1 - 9/1						
Market trials & BA certification testing with SPP								9/1 - 3/26				
Parallel operations with SPP								9/1 - 3/27				
Refine operations workflows								7/14 - 2/26				
Cut-over plan development								11/3 - 2/13				
Go-Live												4/1

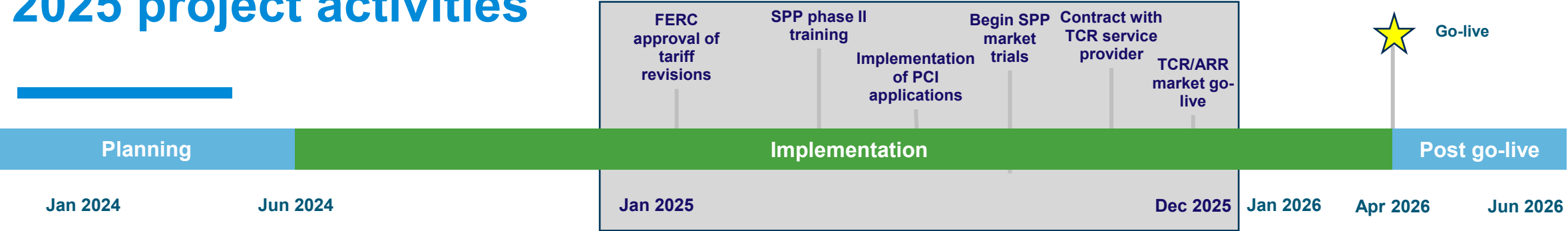
TODAY

2024 project year in review



Date	Item	Description
April 2024	Complete tariff revisions	<ul style="list-style-type: none"> Worked with other market participants and SPP to edit the existing SPP tariff to reflect the executed commitment agreement terms.
June 2024	Submit tariff revisions to FERC	<ul style="list-style-type: none"> After passing through the relevant SPP working groups, Market & Operations Policy Committee and Regional State Committee, the tariff revisions were submitted for approval by FERC.
June 2024	Complete gap analysis	<ul style="list-style-type: none"> Utilicast assessed existing operations and requirements for operating in the SPP Integrated Marketplace (IM) to produce a report detailing the changes to people, processes, and systems at Platte River to successfully join and operate in the IM.
August 2024	Develop implementation plan	<ul style="list-style-type: none"> Identified and instituted a plan to address the gaps identified in the gap assessment as well as the tasks provided by SPP for integration into the IM and new western balancing authority (BA) area.
November 2024	Contract with software provider (PCI)	<ul style="list-style-type: none"> Negotiated and executed a contract with PCI to purchase the software applications necessary for Platte River to collect and interface data with SPP.
December 2024	Complete initial SPP User Guide	<ul style="list-style-type: none"> Documented the attributes of Platte River’s load, generation, and transmission in a format suitable for SPP to use in building its commercial model.

2025 project activities



Date	Item	Description
March 2025	FERC approval of tariff revisions	<ul style="list-style-type: none"> FERC requested more information from SPP in response to its tariff revision filing. SPP provided the requested information in Q4 2024. Expectations are that FERC will provide its approval in March 2025
May 2025	Contract with TCR service provider	<ul style="list-style-type: none"> Platte River power markets staff will contract with a service provider to transact transmission congestion rights (TCRs) in the market based on terms that maximize value for Platte River
June 2025	SPP phase II training	<ul style="list-style-type: none"> SPP will complete phase II of its training program to prepare the personnel involved in the RTO West project and each market participant with the training needed to operate market trials
June 2025	Implementation of PCI applications	<ul style="list-style-type: none"> PCI will implement/configure the applications that Platte River will use to operate its regular market processes and interface data with SPP
September 2025	Begin SPP market trials	<ul style="list-style-type: none"> Following a test to ensure Platte River can connect with the SPP IM system, the organization will begin detailed stress testing that will mimic regular and irregular operations
December 2025	TCR/ARR market go-live	<ul style="list-style-type: none"> Due to the forward nature of the TCR market, Platte River and the other new market participants will begin taking part in the auction revenue rights (ARR)/TCR market by entering transmission service requests into the SPP production environment

Challenges

Challenge	Mitigation
<ul style="list-style-type: none">SPP’s system vendor is behind schedule in software development. This has caused a two-month delay to the start of connectivity testing and market trials.	<ul style="list-style-type: none">Rather than reduce the amount of testing for market participants, SPP has created a plan to execute parallel operations concurrent with market trials.
<ul style="list-style-type: none">SPP’s project management resources have been strained.	<ul style="list-style-type: none">SPP and market participants worked together to set up strike teams, to provide structure to the project and a forum for technical questions to be addressed between SPP and market participant subject matter experts.

Final takeaways

- Joining SPP RTO West will help Platte River meet the Resource Diversification Policy
- SPP expects to receive FERC Tariff approval in March 2025
- Platte River has vendor support for market software to participate in SPP RTO West
- Market trials are expected to begin in September 2025
- SPP RTO West is on schedule to go-live on April 1, 2026

Questions



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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: ■



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Financial summary

Category	January variance from budget (\$ in millions)	
Change in net position	\$1.5	●
Fixed obligation charge coverage	0.49x	●
Revenues	\$2.4	●
Operating expenses	\$(1.1)	■
Capital additions	\$(1.5)	■
Debt service expenditures	\$0.2	●

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



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