Advancing the energy transition

2024 Annual Report

Platte River
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Platte River
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

Advancing the energy transition

Platte River embraces our responsibility to deliver a vital public health and safety service every day, and we strive to do so as reliably and affordably as possible. This is the essence of public power and why the communities of Estes Park, Fort Collins, Longmont and Loveland, Colorado formed Platte River over 50 years ago.

Since Platte River's Board passed the Resource Diversification Policy in 2018, our focus has been on building a noncarbon energy future and we are committed to the value this energy transition brings to our owner communities. We are adding over three million megawatt-hours (MWh) of new renewable energy onto our system, enough to provide most of the energy our four owner communities need. We are dedicated to making our energy transition as reliable as possible by investing in innovative technologies, building out a virtual power plant and continuing to invest in energy efficiency efforts. We will deliver reliable energy that is increasingly noncarbon while maintaining financial sustainability.

Platte River has contracted for 100 megawatts (MW) of new four-hour battery storage and, in collaboration with our owner communities, will soon install 5 MW of distributed battery storage in each community. We are negotiating for our next large wind project and working to permit state-of-the-art aeroderivative combustion turbines to support intermittent renewable resources as our coal facilities retire.

Platte River has always led with innovation and a deep commitment to reliability, environmental responsibility and financial sustainability. We are excited to be part of this transformative period in the utility industry. Our progress builds on the hard work and dedication of those who came before us. Looking ahead, we acknowledge the many questions yet to be answered. We have confidence in our organization, our employees and the citizens we serve. Together, we will create a resilient path forward, setting an example for other utilities to follow.

Estimated energy deliveries by resource in 2030

Table of contents

2024 overview

Advancing the energy transition

Financials

Letter from the board chair and general manager/CEO

When the Town of Estes Park and the cities of Fort Collins, Longmont and Loveland partnered to build a new energy future for their communities over 50 years ago, they faced numerous challenges. They created Platte River Power Authority to serve the energy needs of their citizens and overcame obstacles to permit and construct the coal-fired Rawhide Unit 1 over a short time. Today, the communities face similar challenges, directing Platte River to rapidly decarbonize its energy portfolio while maintaining our foundational pillars of reliability, environmental responsibility and financial sustainability.

Originally, Rawhide Energy Station was designed to house three coal units. As the region grew, Platte River's leaders opted not to proceed with their predecessors' plans. Instead, they adapted to the needs of their communities by embracing new technologies. Over time, Rawhide Energy Station became home to solar assets, natural gas resources and battery storage.

Platte River's journey to a more diverse energy mix builds on the foundation of carbon-based resources that have served us reliably and affordably for more than 50 years.

Just as our early leadership pursued the most innovative, commercially available technology at the time, this philosophy must guide our current mission. In 2018, our owner communities asked for a new direction through the Resource Diversification Policy, setting us on a path to a noncarbon energy future.

Since then, Platte River has made significant progress, including the following 2024 milestones:

- Receiving board approval for our integrated resource plan, which updates our path toward decarbonization
- Negotiating contracts for additional wind and solar projects
- Maintaining system reliability with progress on aeroderivative turbines, battery storage projects (wholesale and distribution) and working with the owner communities to build out a virtual power plant
- Continuing staff training, software implementation and coordination with the Southwest Power Pool (SPP) to enter the regional transmission organization

- Continuing to invest in transmission and substation infrastructure to connect additional renewable resources and energy storage projects to Platte River's system
- Maintaining financial sustainability through ongoing rate smoothing strategies and ensuring future liquidity to support additional capital expenditures and minimize borrowing costs

We also celebrated the 40th anniversary of the Rawhide Energy Station, which began commercial operation in 1984. Since then, Rawhide Unit 1 has been Platte River's most reliable and lowest-cost resource, receiving numerous upgrades over its operating life and generating over 80 million MWhs of electricity. Today, Platte River employees have successfully transformed this award-winning unit into a more flexible resource that can help balance the intermittency of renewables as new technologies come online to replace it.

This is a pivotal time for Platte River. We are challenged just as Platte River's first leaders were when they developed the first resources for our owner communities. As we prepare to retire Platte River's legacy coal-fired facilities, we reflect on how our first leaders navigated these challenges. They were driven to find and deploy the most innovative, reliable technology at the time, and we uphold this mindset. As we close the chapter on these resources and look to the future, our system must remain reliable, environmentally responsible and financially sustainable, reflecting what our communities asked us to do while creating a blueprint for other utilities to follow.

Kevin Gertig
Board chair

Jason Frisbie
General manager/CEO

Platte River at a glance

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

Headquarters
Fort Collins, Colorado

General manager/CEO
Jason Frisbie

Began operations
1973

Staff
296

2024 peak demand of owner communities
691 MW

2024 deliveries of energy
4,499,397 MWh

2024 deliveries of energy to owner communities
3,181,085 MWh

Transmission system
Platte River has equipment in 28 substations and owns 806 miles of transmission lines.

2024 revenues
$312.2 million

2024 operating expenses
$231.4 million

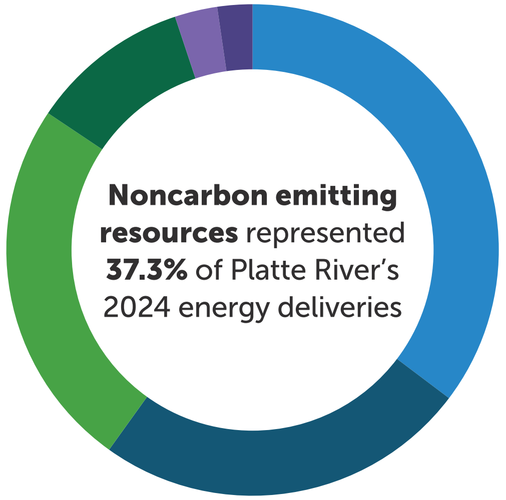
2024 capital additions
$78.9 million

2024 debt service expenditures
$19.2 million

Nameplate capacity and 2024 energy deliveries

	Nameplate (MW)	2024 energy (MWh)
Coal	431	1,628,882
Natural gas (1)	388	125,120
Hydropower (2)	84	470,844
Wind power 3)	303	1,054,205
Solar (4)	52	104,005
Total (5)	**1,258**	**3,383,056**

(1) Assumes 65 MW for each EA and 128 MW for Unit F.
(2) Represents capacity available at Platte River's system peak.
(3) Includes 62 MW of wind currently sold to other entities, 60 MW of which will return to Platte River in 2030. Includes 6 MW of wind which has since been decomissioned.
(4) Platte River also has a 1 MW/2 MWh battery charged by Rawhide Prairie Solar.
(5) Energy deliveries represent owned generation and purchase power agreements.



2024 system energy (percent)

- Coal **35.3%**
- Other purchases **24.6%**
- Wind **24.5%**
- Hydropower **10.5%**
- Natural gas **2.8%**
- Solar **2.3%**

Includes estimated renewable energy certificate allocations to carbon resources

Final noncarbon energy is pending receipt of all renewable energy certificates

Our philosophy

Platte River has long been guided by three foundational pillars that drive our mission and are among the requirements for achieving the Resource Diversification Policy. Together with our vision and values, these pillars inform all Platte River activities and serve as the foundation for our decarbonization efforts.

Reliability

Environmental responsibility

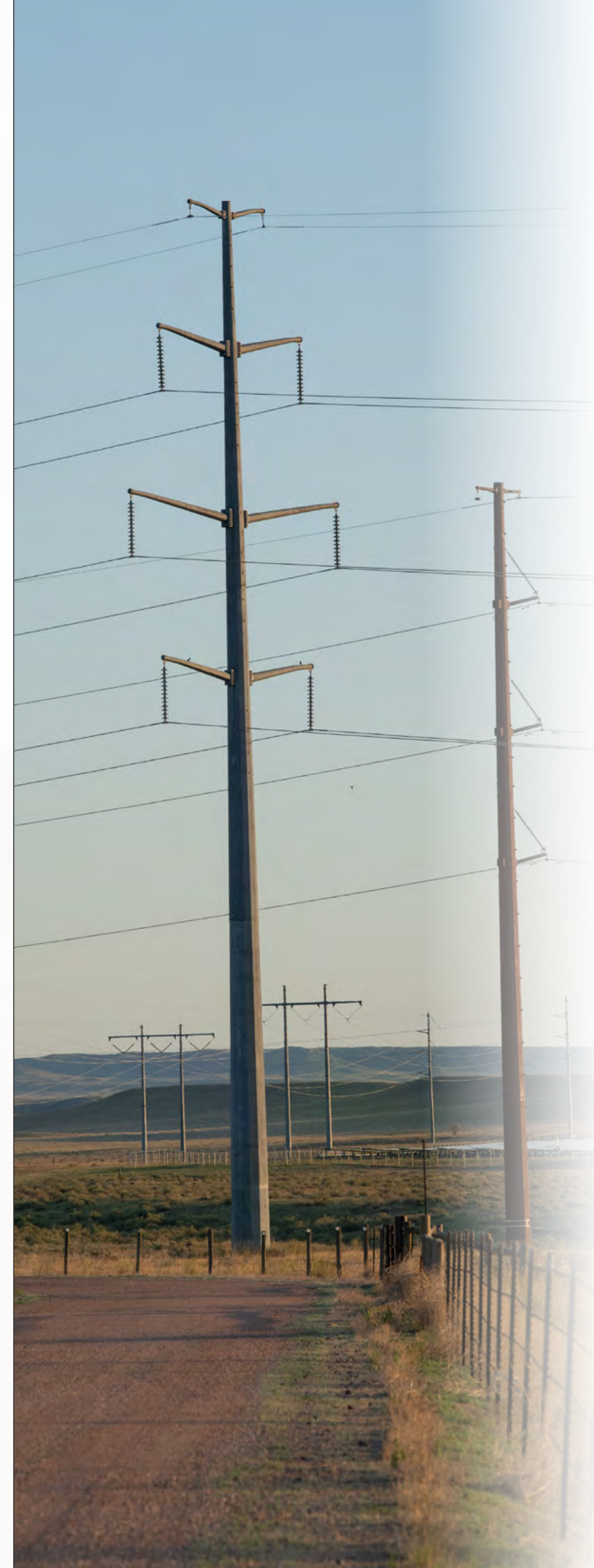
Financial sustainability

Vision

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

Mission

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



Values

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

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

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

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

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

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

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

Our communities

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

Town of Estes Park

Estimated population*: 5,904

Utility: Estes Park Power and Communications, established in 1945

Number of customers: 11,043

2024 retail energy sales: 135,237 MWh

City of Fort Collins

Estimated population*: 169,810

Utility: Fort Collins Utilities, established in 1938

Number of customers: 79,036

2024 retail energy sales: 1,453,367 MWh

City of Longmont

Estimated population*: 98,885

Utility: Longmont Power & Communications, established in 1912

Number of customers: 40,863

2024 retail energy sales: 703,605 MWh

City of Loveland

Estimated population*: 76,378

Utility: Loveland Water and Power, established in 1925

Number of customers: 43,271

2024 retail energy sales: 816,009 MWh

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

Board of directors

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

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

Gary Hall
Mayor
Town of Estes Park

Reuben Bergsten
Director of utilities
Town of Estes Park

Jeni Arndt
Vice chair
Mayor
City of Fort Collins

Tyler Marr
Deputy city manager
City of Fort Collins

Joan Peck
Mayor
City of Longmont

David Hornbacher
Assistant city manager
City of Longmont

Jacki Marsh
Mayor
City of Loveland

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

Senior leadership team

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

Jason Frisbie
General manager/ CEO

Eddie Gutiérrez
Chief strategy officer

Sarah Leonard
General counsel

Raj Singam Setti
Chief operating officer, innovation and resource strategy integration

Dave Smalley
Chief financial officer/ deputy general manager

Melie Vincent
Chief operating officer, generation, transmission and markets

Angela Walsh
Executive director of board and administration, board secretary

Refining our path to decarbonization

2024 IRP approval

Following nearly two years of preparations, outside consultant inputs, internal deliberations, extensive modeling and robust community outreach, Platte River's Board of Directors approved the utility's 2024 Integrated Resource Plan (IRP) in July. The IRP is part of an ongoing resource planning process that Platte River conducts to identify the energy resources needed to meet the electricity demand of Estes Park, Fort Collins, Longmont and Loveland over the next five to 20 years.

The 2024 IRP approval includes a recommended portfolio that adds:

- Over 700 MW of new renewable energy projects
- Energy storage (100 MW four-hour battery) between now and 2030
- A virtual power plant and state-of-the-art aeroderivative turbines to help maintain reliability while allowing for deeper decarbonization

The plan exceeds the state's goal to reduce 2030 carbon emissions by 80% from 2005 levels. Work on our next IRP will begin in 2026 and is expected to be completed in 2028.

Adding and connecting renewable energy

Black Hollow Solar

In July, Platte River's development partner, BHS Solar, LLC, broke ground on Black Hollow Solar, northern Colorado's largest solar generation project to date. The first 150 MW phase of the project is expected to be complete in May of 2025 and will deliver approximately 367,000 MWh of energy annually to Platte River's owner communities. Staff amended the power purchase agreement for an additional 107 MW of capacity in 2026, resulting in 257 MW of combined solar capacity that will deliver approximately 628,000 MWh of energy annually to Platte River's owner communities. This is enough to power over 63,000 homes and will increase Platte River's total solar capacity to 309 MW. The amount of energy produced by the Black Hollow project replaces over 50% of the current annual coal generation from Rawhide Unit 1.

Severance substation

Construction on the Severance Substation began in 2024 as part of Platte River's long-range transmission planning initiative. This new 230 kilovolt (kV) interconnection switching station will enhance grid reliability and support renewable energy integration, including power from the neighboring Black Hollow Solar site. Severance Substation serves as a key hub for future generation resources, connecting to the Ault-Timberline corridor.

Key substation features include eight double-circuit transmission structures ranging from 95 to 130 feet tall, adding over one mile of new transmission line. The site encompasses 25 acres of fenced area, reinforcing Platte River's commitment to system expansion and renewable energy integration.

Adding the largest wind project to date

In 2024, staff evaluated bids for new renewable wind facilities that could be delivered to Platte River's transmission system. A signed agreement with a preferred vendor is expected in 2025. The project is estimated to begin commercial operation by early 2028.

Decommissioning Medicine Bow: Platte River Power Authority's first wind project

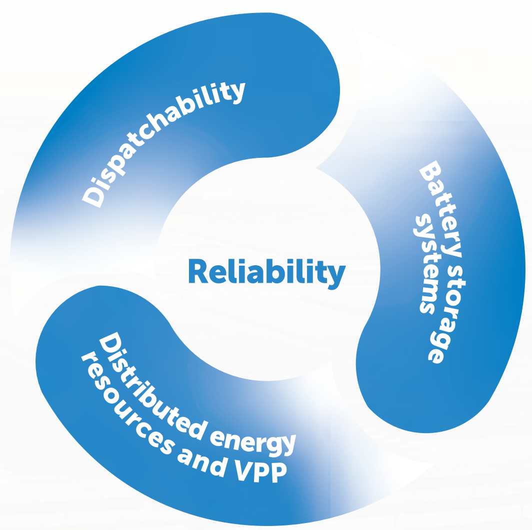
Platte River's first wind project, Medicine Bow, played a pioneering role in advancing renewable energy in northern Colorado. Launched in the 1990s, the project introduced wind energy to the Platte River system and helped shape future renewable initiatives. Over the years, the site underwent retrofits to extend its lifespan, providing valuable lessons in wind integration, technology and maintenance. In October 2024, Medicine Bow was decommissioned, marking the end of a trailblazing project that left a lasting impact on Platte River's renewable energy journey.

Supporting reliability with a three-pronged solution

Aeroderivative turbines

The optimal new carbon portfolio in the board-approved 2024 IRP includes aeroderivative turbines to cost-effectively support reliability and integrate renewable energy resources. Integral to Platte River's carbon reduction efforts, the turbines can adapt to changing output from variable renewable resources and sustain reliability when wind and solar resources are unavailable.

Staff entered contracts in 2024 to procure five 40 MW aeroderivative turbines and five 230 kV breakers and filed air quality and land use permit applications to build the new turbines at the Rawhide Energy Station. The project is expected to begin commercial operation in 2028.



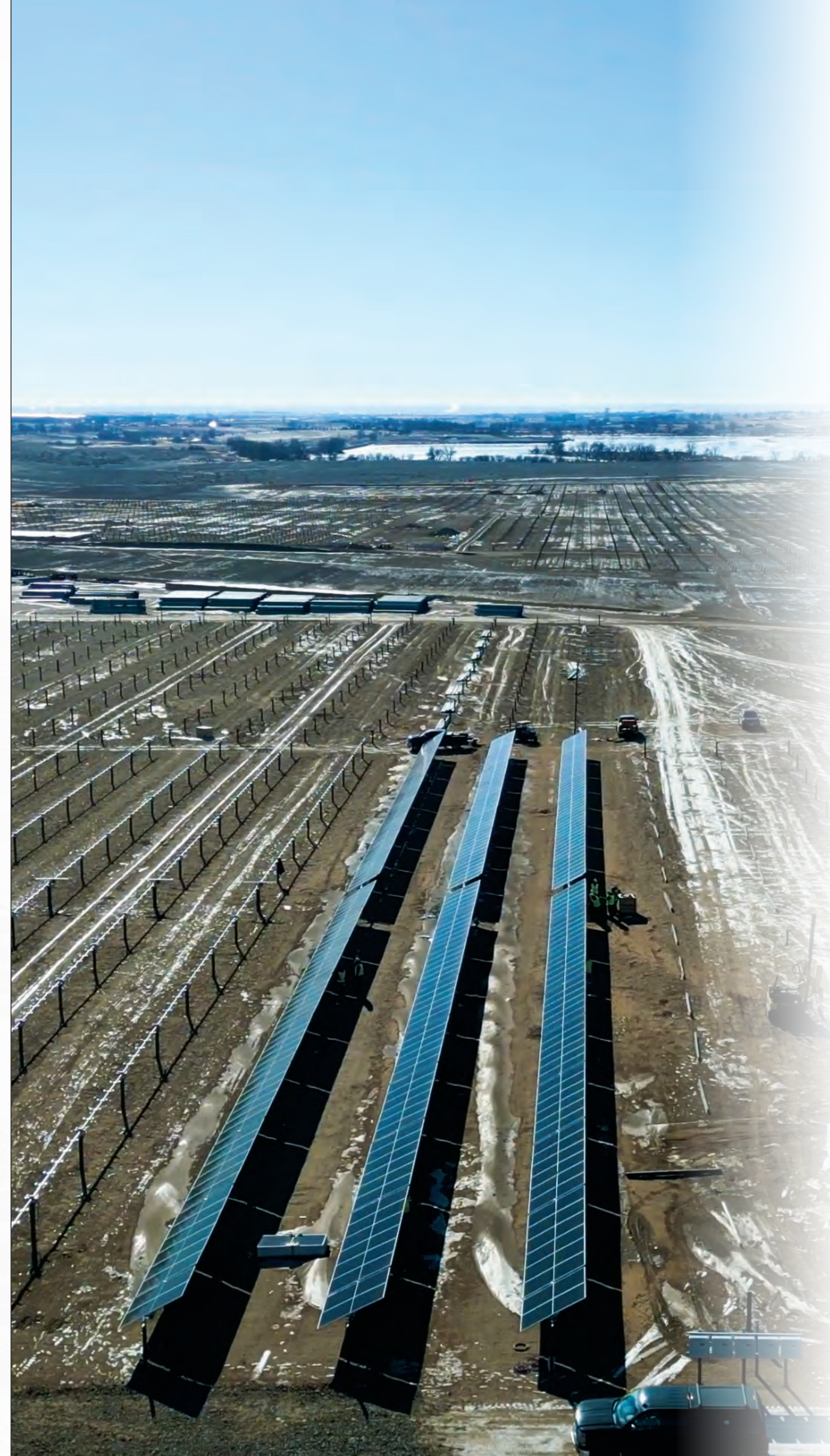
Battery energy storage

Platte River's energy storage strategy includes: four-hour battery storage on the transmission system to integrate renewables; and four-hour community battery storage on the distribution system to align energy use with renewable generation and opportunities to support the unique needs of the owner communities.

Platte River collaborated closely with the owner communities in 2024 to identify available land to site community battery storage projects, aiming to meet each community's energy needs while addressing larger system challenges. Plans call for one in each owner community, for total of four 5 MW battery storage projects. These projects serve as a catalyst for future collaboration between Platte River and the owner communities to manage and dispatch distributed energy resources (DERs) to develop a virtual power plant.

Virtual power plant

Platte River issued a request for proposals (RFP) in May for key elements of a virtual power plant, including a distributed energy resources management system and a flexible DER program implementor. This initiative will integrate customer-owned resources in the four owner communities, such as electric vehicles and smart appliances, with advanced software to enhance grid reliability and support Platte River's noncarbon energy goals. Platte River and owner community staff evaluated bids and selected a preferred vendor, with signed agreements expected in the spring of 2025.



Adding the largest battery storage project

Platte River issued an RFP in June for a 100 MW, four-hour battery energy storage system to interconnect at the transmission level or be co-located at an existing or future renewable resource project site. The battery energy storage system can be used to respond to unexpected changes in energy consumption, integrate renewable energy, and provide backup power and grid support services. Staff evaluated bids and selected a preferred developer to pursue a project in Weld County, with a signed agreement expected in early 2025. This project is expected to be commercially operational by early 2027.

Enhancing system resilience

Frame combustion turbine upgrades

Platte River's frame combustion turbine units are increasingly important to the integration of noncarbon resources, participating in the SPP Western Energy Imbalance Service (WEIS) market and meeting peak energy demand. We upgraded Unit F in 2024 to increase summer generating capacity, lower the heat rate, decrease fuel costs and increase ramp rate. The upgrade allows the unit to operate more flexibly.

To enhance reliability and reduce maintenance activities for Unit C, Platte River replaced all existing electro-hydraulic stop and speed ratio valves and gas control valves with electric actuated valves. These new valves give operators advanced diagnostic capabilities, improve cold weather reliability, lower operations and maintenance costs and reduce safety and environmental hazards.

Rawhide Unit 1 maintenance

Staff conducted a six-day maintenance outage for Rawhide Unit 1 in October. Staff and contractors repaired the uninterruptible power supply that provides backup power for the control system. Staff also replaced critical burner components, cleaned variable frequency drives and inspected the boiler, turbine and condenser to prepare for the unit's last major scheduled maintenance outage in 2025.

Transmission maintenance and upgrades

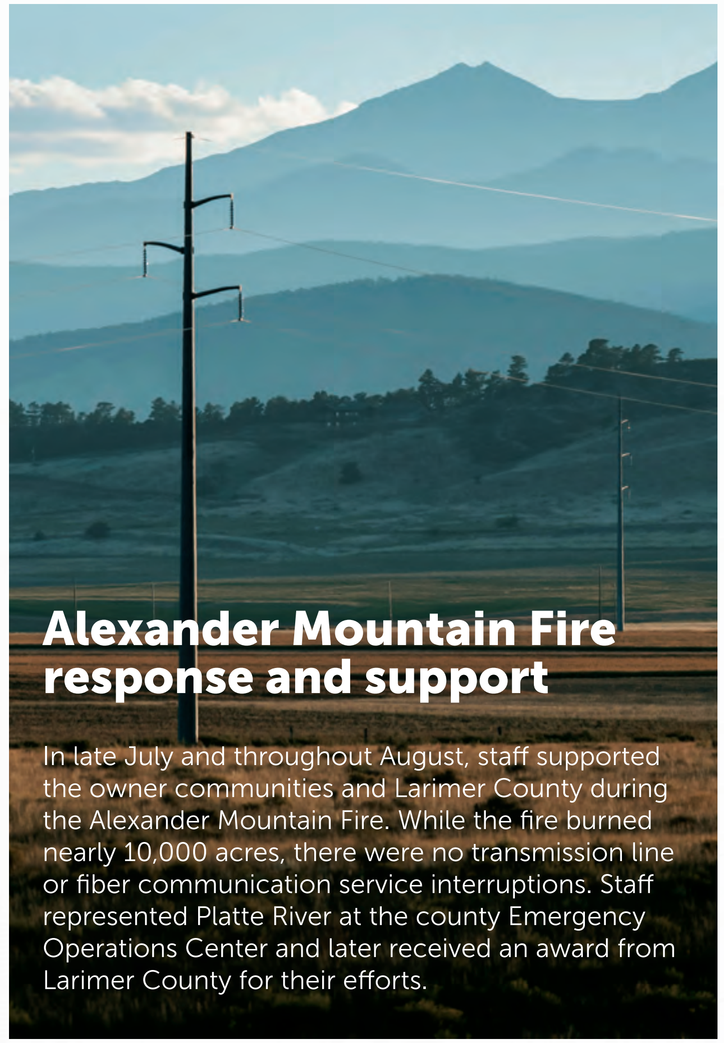
Regular maintenance and upgrade activities on Platte River's transmission lines and substations help maintain safety and reliability. Improvements in 2024 included:

- Engineering support and project management to replace an autotransformer located at the Timberline Substation.
- A breaker replacement and relay upgrade project at the Airport Substation.
- Increased fiber optic capacity between Fort Collins and Horseshoe Substation as part of a larger plan to increase capacity and reliability on the west long-haul route between Fort Collins and Loveland.
- Replacing out-of-support and end-of-life direct current power plant rectifier systems regionally at 29 sites and adding expanded monitoring capabilities to 33 sites. This project improves the reliability of and visibility into equipment to power Bulk Electric System network devices at substations and related owner community facilities throughout the region.

In April, the system lost power on several transmission lines and could not deliver electricity to the Town of Estes Park. Platte River power system operators, together with the Western Area Power Administration and Tri-State Generation & Transmission Association, implemented the coordinated operating plan developed in 2023 to quickly restore power to Estes Park. Within 15 minutes of the blackout, all high-voltage transmission services were restored.

99.99%

transmission service availability factor



Alexander Mountain Fire response and support

In late July and throughout August, staff supported the owner communities and Larimer County during the Alexander Mountain Fire. While the fire burned nearly 10,000 acres, there were no transmission line or fiber communication service interruptions. Staff represented Platte River at the county Emergency Operations Center and later received an award from Larimer County for their efforts.

Organized energy market progress

Active participation in an organized energy market is among the requirements in the Resource Diversification Policy to enable Platte River to achieve the noncarbon energy goal. Platte River's participation in the SPP WEIS market began in spring 2023. The next phase of the process is joining the SPP Regional Transmission Organization West (RTO West), expected on April 1, 2026.

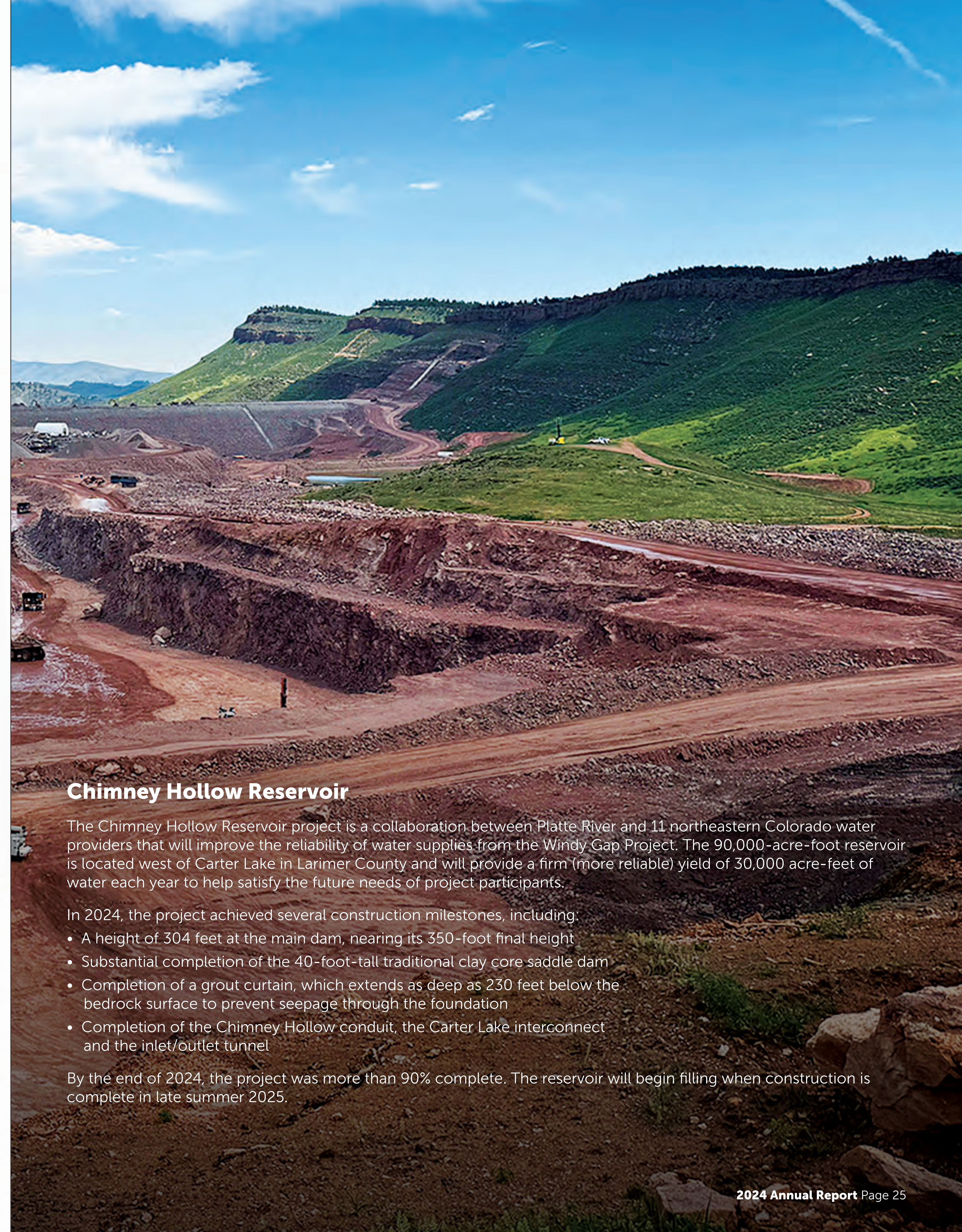
Joining the SPP RTO West market will help Platte River meet its current and future Resource Diversification Policy goals by:

- Participating in a wholesale, two-day market that hedges congestion risk in the day-ahead market, coordinates regional transmission planning, and economically commits and dispatches resources to meet customer demand
- Expanding and integrating existing and planned noncarbon energy resources to effectively serve load
- Efficiently sharing grid services and operations to maintain system reliability across the region

Becoming part of the SPP RTO West market also allows Platte River to shape regional market policies to better reflect the objectives of the owner communities.

In 2024, staff supported SPP RTO West tariff filing, subsequently approved by the Federal Energy Regulatory Commission (FERC) in March 2025:

- Coordinated comments and edits to SPP's tariff filing
- Provided training and education for staff on RTO West and market entry
- Actively engaged in working groups to inform and guide market design decisions
- Contracted with a software provider to enable accurate and efficient market interaction
- Completed an initial SPP user guide



Chimney Hollow Reservoir

The Chimney Hollow Reservoir project is a collaboration between Platte River and 11 northeastern Colorado water providers that will improve the reliability of water supplies from the Windy Gap Project. The 90,000-acre-foot reservoir is located west of Carter Lake in Larimer County and will provide a firm (more reliable) yield of 30,000 acre-feet of water each year to help satisfy the future needs of project participants.

In 2024, the project achieved several construction milestones, including:

- A height of 304 feet at the main dam, nearing its 350-foot final height
- Substantial completion of the 40-foot-tall traditional clay core saddle dam
- Completion of a grout curtain, which extends as deep as 230 feet below the bedrock surface to prevent seepage through the foundation
- Completion of the Chimney Hollow conduit, the Carter Lake interconnect and the inlet/outlet tunnel

By the end of 2024, the project was more than 90% complete. The reservoir will begin filling when construction is complete in late summer 2025.

Wholesale rate strategy

Platte River's budgeted average wholesale rate increase was 5% in 2024. This reflects multi-year rate smoothing strategies to avoid greater single-year rate impacts and meet specified financial objectives of Platte River's Strategic Financial Plan.

Long-term rate pressure continues because of projected increases in net system costs as Platte River pursues the Resource Diversification Policy goal. The financial and rate projections, presented to the board of directors in the spring of each year, are updated to reflect current assumptions and resource plans.

Engaging communities in the energy transition

Public education campaigns

Platte River conducted a public education campaign from late spring to late fall 2024 to inform citizens in the owner communities about Platte River's energy transition. The campaign focused on shifting electricity generation from coal to renewable energy and using dispatchable resources to maintain reliability and financial sustainability. We used multiple channels to reach community members, including radio, television, video streaming and YouTube, newspaper advertising and social media.

37 million
impressions

43,000+
clicks to Platte River's website

STEM education

Platte River sponsored and hosted the fifth annual NoCo Time Trials event, where over 90 teams of middle school students, representing 14 schools in northern Colorado, competed in a solar and battery-powered model car race. Two NoCo Time Trials participating students received scholarships to encourage their post-secondary studies in science, technology, engineering and math (STEM), while a Fort Collins student pursuing an electrical engineering degree from the University of California, Los Angeles, received Platte River's annual Roy J. Rohla Memorial Scholarship.

Efficiency Works and Platte River partnered with Colorado State University's Energy Institute to inspire and engage with K-12 students about clean energy technologies through a mobile classroom. While the classroom is open to all schools in the state, it focuses on Title 1 schools that might lack the funds for field trips to the Fort Collins-based Energy Institute.

Community partnership

Platte River's long-time partnership with the United Way of Larimer County supports nonprofits in the owner communities and helps community members with affordable childcare, early literacy, family financial stability and food security. For the third consecutive year, Platte River staff surpassed the employee fundraising goal and the prior year's donations.

Platte River contributed to 18 local nonprofits that offer a variety of services, including assistance for U.S. veterans, homelessness prevention and utility bill assistance. Many Platte River employees donated their time, funds and essentials to local nonprofit organizations throughout the year.

Customer energy programs

Platte River has long recognized the benefits of helping customers manage their energy use effectively. Customer programs have existed since 2002. In 2014, Platte River and the owner communities collaborated to create Efficiency Works. The Efficiency Works team has initiated and expanded energy programs and services for customers, investing over $87 million into homes and businesses throughout Platte River's service territory. This has helped advance Platte River and the owner communities' efforts to decarbonize their electricity supply.

In 2024, Efficiency Works celebrated 10 years of providing education, resources and services to help customers use energy effectively. In support of the energy transition, staff continued expanding programs that help residential and commercial customers electrify their homes and businesses, such as:

- Increased focus on serving income-qualified customers
- Created a commercial electric vehicle fleet study program
- Launched a new consumer product education platform

$9.9 million

invested in our communities through customer energy programs and services

8,238

annual metric tons of CO2 equivalent carbon reductions from customer upgrades (based on regional generation emission rates)

3,289

local students engaged with Think! Energy programming serving fourth-grade students in our communities

Energy efficiency solutions for all

According to Energy Outreach Colorado, the Efficiency Works' Income-qualified Program, a partnership between Platte River and Colorado's Affordable Residential Energy Program, has the most comprehensive upgrade opportunities in Colorado supporting residential energy efficiency and building electrification initiatives. After expanding the program in 2023, Platte River more than doubled its budget for 2024 to serve 250 income-qualified customers. Platte River's investments focus on more holistic retrofits for income-qualified customers to provide safe, energy-efficient solutions rather than strictly measuring MWh savings.

Streamlining business processes

Oracle Cloud implementation

After several years of organization-wide efforts, Platte River implemented the Oracle Fusion enterprise resource planning platform in 2024 to replace legacy accounting and maintenance management software. The platform helps staff transform business processes, gain efficiencies and increase reporting and analytic capabilities for strategic decision-making.

This software enhances finance and accounting processes, cash management, procurement, accounts payable, budgeting and forecasting, inventory management and asset and maintenance management. Despite a significant change in scope to the asset maintenance and management implementation, the system was successfully launched in September of 2024.

Empowering our people

Safety

Safety is a core value at Platte River. Significant safety enhancements in 2024 included a new quarterly employee engagement program, improved inspection software and an upgraded radio system at Rawhide Energy Station. The Emergency Response Team maintained strong readiness with over 1,300 training hours, and renewed certifications for 10 firefighters and two emergency medical technicians. The team also implemented a new reporting system and conducted joint training with regional emergency response partners. To support our diversifying energy portfolio, the safety team completed bulk energy battery storage safety training and maintained partnerships with local fire departments for 2025 mutual aid capabilities.

Total rewards strategy

Platte River fully implemented its new total rewards strategy in 2024. Total rewards is a combination of elements to support optimal work experiences and organizational performance. Platte River made several updates to its employee benefits, compensation structure and evaluation process to attract and retain top talent. These updates help us modernize and enhance employee benefits and compensation strategies as the organization works to transform how we generate and deliver electricity for our owner communities.

Just Transition Plan filing

As Platte River prepares to retire Rawhide Unit 1, we formalized a Just Transition Plan in 2024 to retain and empower employees who will be affected by this change. The plan carries out a workforce transition resolution the Platte River Board of Directors passed in July 2020. Platte River filed the Just Transition Plan with the state of Colorado in July.

Rawhide Energy Station anniversary

2024 marks the 40th anniversary of the Rawhide Energy Station, a site that was originally designed to operate three coal units but evolved into a unique facility with coal, natural gas, solar and battery storage, along with transmission facilities connecting our biggest wind project.

Platte River commemorated this milestone with a video recognizing the efforts and achievements of its employees, past and present, telling the story of Rawhide Energy Station's evolution. This video highlights Rawhide Unit 1, which has long been a model for efficiency, reliability and environmental performance. These same principles continue to guide Platte River's progress on the Resource Diversification Policy.

Watch the video commemorating this milestone by scanning this QR code.

Financials

Overall financial results

Platte River's financial position continues to strengthen. Platte River met or exceeded all Strategic Financial Plan metrics in 2024 and exceeded budget projections for the board-approved deferred revenue and expense accounting policy. Change in net position before deferring revenue was $33.2 million, and under the board-approved accounting policy, we deferred $26.2 million of revenues (which can be used in a future period). Change in net position after the revenue deferral was $7 million. The financial results, in conjunction with the accounting policies, support long-term financial sustainability, and help reduce the amount of future debt financings and help manage rate pressure. Our bond service coverage ratio of 2.98 times exceeded the 1.10 times required by bond covenants, providing confidence for Platte River bondholders. Platte River's strong financial position will benefit the owner communities well into the future.

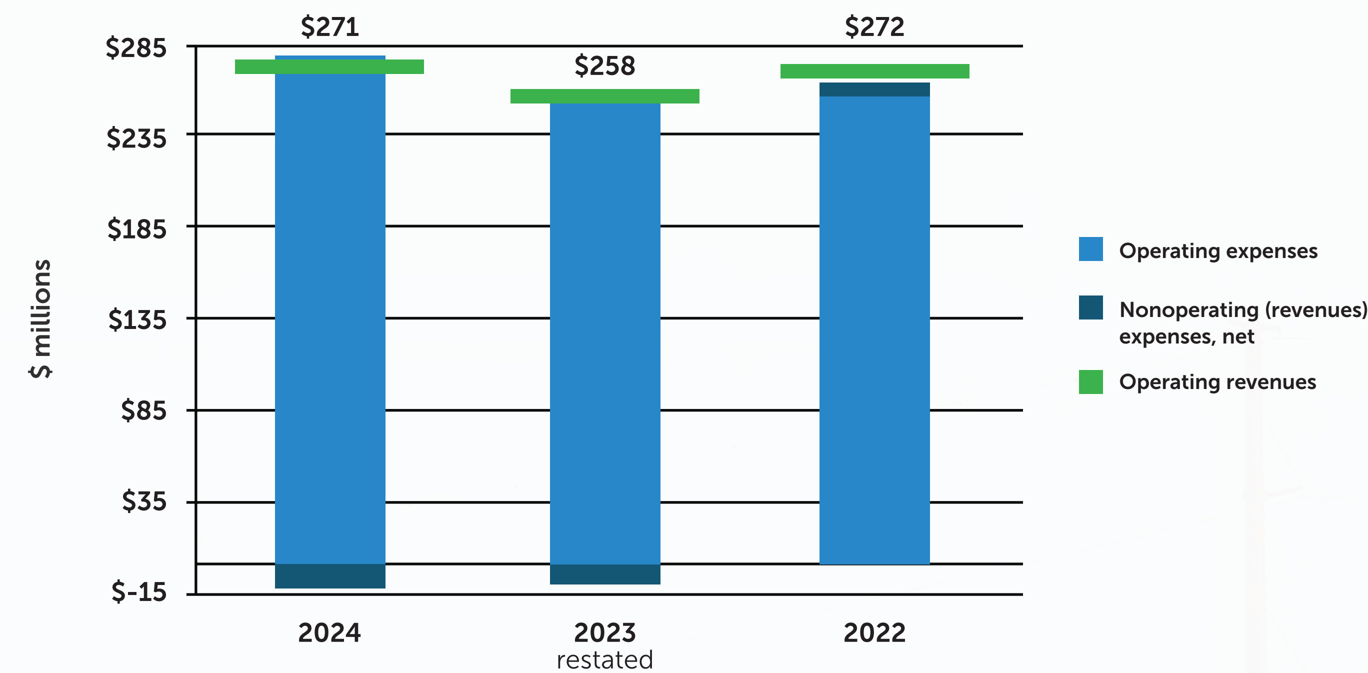
100%

of the Strategic Financial Plan metrics met

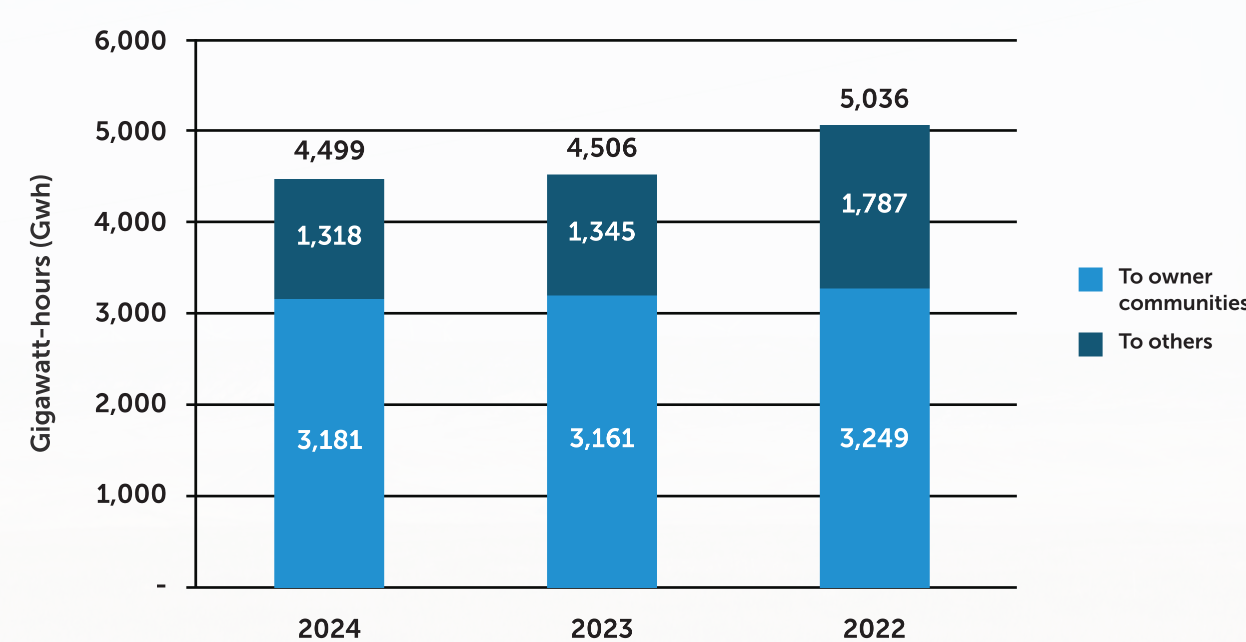
AA

credit rating

Revenues and expenses



Energy deliveries



Financial highlights

Year ended Dec. 31

		2024	2023 restated	2022
Financial results ($000)				
Operating revenues		$ 271,323	$ 257,511	$ 271,657
Operating expenses		(277,645)	(257,762)	(257,821)
Nonoperating revenues (expenses), net		13,314	9,513	(7,200)
Change in net position		$ 6,992	$ 9,262	$ 6,636
Strategic Financial Plan metrics [1]	**Target minimums**			
Fixed obligation charge coverage ratio	*1.50 times*	1.85x	1.50x	2.00x
Change in net position as a percentage of annual operating expenses	*3%*	3.0%	4.1%	3.0%
Adjusted debt ratio	*less than 50%*	24%	26%	28%
Days adjusted liquidity on hand	*200*	423	460	408
Other selected data ($000 except bond service coverage ratio)				
Gross utility plant		$ 1,608,734	$ 1,533,387	$ 1,511,251
Long-term debt and other long-term obligations		$ 214,902	$ 230,655	$ 245,207
Accumulated deferred revenues		$ 79,174	$ 52,974	$ 21,739
Accumulated net position		$ 673,405	$ 666,413	$ 657,923
Bond service coverage ratio		2.98x	2.11x	3.02x

(1) 2024 and 2023 restated metrics reported accord with the Strategic Financial Plan in effect for 2023. 2022 metrics reported accord with the Strategic Financial Plan in effect for 2022.

Platte River operational data

Year ended Dec. 31

	2024	2023	2022
Peak demand (kW)			
Estes Park	28,474	27,656	30,578
Fort Collins	307,196	306,414	309,141
Longmont	195,189	189,999	193,501
Loveland	170,428	167,568	176,719
Total owner communities' peak demand	701,287	691,637	709,939
Platte River coincident demand	690,759	680,365	683,566
Energy (MWh)			
Estes Park	136,528	140,220	140,571
Fort Collins	1,471,417	1,460,021	1,513,093
Longmont	836,157	836,116	847,303
Loveland	736,983	725,176	748,434
Total owner communities' energy	3,181,085	3,161,533	3,249,401
Sales to others	1,318,312	1,344,675	1,787,361
Energy – total system	4,499,397	4,506,208	5,036,762

Energy market statistics

Year ended Dec. 31

Owner communities combined retail sales [1]	2024	2023	2022
Number of customers (monthly average)			
Residential	156,759	154,333	152,471
Commercial & industrial	19,938	19,593	19,335
Other	289	287	289
Total	176,986	174,213	172,095
Energy sales (MWh)			
Residential	1,202,507	1,171,689	1,213,607
Commercial & industrial	1,910,736	1,927,246	1,936,924
Other	3,833	3,829	3,884
Total	3,117,076	3,107,765	3,154,415
Revenue ($000)			
Residential	$ 161,531	$ 148,244	$ 145,894
Commercial & industrial	200,174	189,882	181,332
Other	590	605	584
Total	$ 362,294	$ 338,731	$ 327,810
Residential averages (annual)			
Energy per customer (kWh)	7,671	7,592	7,960
Revenue per kWh (cents)	13.43	12.65	12.02
Revenue per customer	$ 1,030	$ 961	$ 957

(1) Prior to May, data for the most recent year have been compiled from preliminary reports of the cities supplied with electric energy by Platte River.

Report of leadership

Platte River's leadership is responsible for the preparation, integrity and objectivity of the financial statements and related information included in this annual report. The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America and, where required, reflect amounts based on the best estimates and judgments of leadership.

Platte River maintains a strong internal control structure designed to provide reasonable assurance that transactions are executed in accordance with leadership's authorization, that financial statements are prepared in conformity with GAAP and that assets are safeguarded. Platte River's internal auditor evaluates internal controls for adherence to policies and procedures on an ongoing basis, and reports to leadership on findings and recommendations for possible improvements.

In addition, the independent auditors consider elements of the internal control system in determining the nature and scope of their audit procedures for the annual audit of Platte River's financial statements. The board of directors, whose members are not employees of Platte River, periodically meets with the independent auditors and leadership to discuss the audit scope, audit results and any recommendations to improve the internal control structure. The board of directors directly engages the independent auditors.

Dave Smalley
Chief financial officer/
deputy general manager

Jason Frisbie
General manager/CEO

Platte River Power Authority

Independent Auditor’s Report and Financial Statements

Dec. 31, 2024 and 2023

Platte River Power Authority

Financial statements

Years ended Dec. 31, 2024 and 2023

Contents

Financial statements

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

Independent Auditor's Report

Board of Directors
Platte River Power Authority
Fort Collins, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the fiduciary activities of Platte River Power Authority (Platte River) as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise Platte River's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the fiduciary activities of Platte River, as of December 31, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of Platte River and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 3 to the financial statements, in fiscal year 2024, Platte River adopted new accounting guidance related to compensated absences. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Platte River's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Platte River's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Platte River's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Platte River's basic financial statements. The budgetary comparison schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Report. The other information comprises the Annual Report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Forvis Mazars, LLP

Denver, Colorado
April 4, 2025

Page intentionally left blank.

This discussion and analysis provides an overview of the financial performance of Platte River Power Authority (Platte River) for the fiscal years ended Dec. 31, 2024, and Dec. 31, 2023. The information presented should be read in conjunction with the basic financial statements, accompanying notes to the financial statements and required supplementary information.

Platte River is a Colorado political subdivision and a wholesale electricity generation and transmission provider that delivers safe, reliable, environmentally responsible and financially sustainable energy and services to its four owner communities, Estes Park, Fort Collins, Longmont and Loveland, Colorado, for delivery to their utility customers.

Platte River is proactively working toward the goal of reaching a noncarbon energy future by 2030 through the Resource Diversification Policy, while maintaining Platte River's three pillars of providing reliable, environmentally responsible and financially sustainable electricity and services. Advancements in technology and joining an energy market, among other requirements, must occur to achieve the 2030 goal and to successfully maintain Platte River's three pillars. Platte River continuously evaluates resource planning and opportunities to add noncarbon resources.

Platte River's power resources include generation from coal and natural gas units, wind purchases, allocations of federal hydropower from Western Area Power Administration (WAPA), solar (including storage) purchases, market purchases, bilateral purchases, owner community solar programs and, prior to March 31, 2024, a forced outage exchange agreement.

- Coal-fired generation includes Rawhide Unit 1 (280 megawatts), located 25 miles north of Fort Collins, and 18% ownership in Craig units 1 and 2 (151 megawatts combined), located in northwest Colorado. Rawhide Unit 1 is scheduled to retire by Dec. 31, 2029. Craig units 1 and 2 are scheduled to retire by Dec. 31, 2025 and Sept. 30, 2028, respectively.

- Natural gas-fired combustion turbines located at Rawhide Energy Station include five simple cycle combustion turbines, composed of four GE 7EAs (65 megawatts each) and a GE 7FA (128 megawatts). The combustion turbines are used to meet peak load demand, provide reserves during outages of the coal-fired units and make sales for resale.

- Wind generation includes 297 megawatts of nameplate capacity provided under long-term power purchase agreements. The agreements are for deliveries from the following facilities.

    - Roundhouse Wind Energy Center (225 megawatts) in Wyoming; contract ends May 31, 2042.

    - Spring Canyon Wind Energy Center Phase II and III (60 megawatts combined) in Colorado; contracts end Oct. 31, 2039, and Dec. 10, 2039, respectively. To accommodate additional wind energy available from the Roundhouse Wind Energy Center and reduce ancillary services expense, Platte River sold the energy and renewable attribute from these sites under a 10-year contract that began in 2020. This energy is therefore not delivered to the owner communities for the term of the sales contract. At the end of the sales contract, the energy will return to Platte River.

- Silver Sage Windpower Project (12 megawatts) in Wyoming; contract ends Sept. 30, 2029. To accommodate additional wind energy available from the Roundhouse Wind Energy Center and to reduce transmission and ancillary services expenses, Platte River sold the energy and renewable attribute from this site under a long-term contract. This energy is therefore not delivered to the owner communities.
- Medicine Bow Wind Project (6 megawatts prior to decommissioning) in Wyoming; decommissioned during 2024.

- Hydropower is received under two long-term contracts with WAPA – one for the Colorado River Storage Project and one for the Loveland Area Projects. The hydropower contracts are subject to periodic price changes.
  - Colorado River Storage Project contract rate of delivery amounts are 106 megawatts in the summer and 136 megawatts in the winter, which are not being met due to drought conditions. Actual capacity available varies by month. During 2024, summer season available capacity ranged from 44 megawatts to 57 megawatts and winter season available capacity ranged from 51 megawatts to 77 megawatts. Available capacity and energy may further change with drought conditions, and as conditions worsen, there may be periods where no energy is delivered. The Colorado River Storage Project contract ends Sept. 30, 2057.
  - Loveland Area Projects' capacity varies from 23 megawatts to 30 megawatts in the summer season and 26 megawatts to 32 megawatts in the winter season. The Loveland Area Projects contract ends Sept. 30, 2054.
- Solar generation includes 52 megawatts of nameplate capacity with 2 megawatt-hours of battery energy storage provided under long-term power purchase agreements. The agreements are for deliveries from the following facilities.
  - Rawhide Flats Solar facility (30 megawatts) located at the Rawhide Energy Station; contract ends Dec. 14, 2041.
  - Rawhide Prairie Solar facility (22 megawatts) located at the Rawhide Energy Station; contract ends March 18, 2041. This project has an integrated battery energy storage system of 2 megawatt-hours, which can be discharged once daily at a rate up to 1 megawatt per hour.
- Market purchases provide energy through participation in the Western Energy Imbalance Service operated by the Southwest Power Pool which provides access to lower-cost

resources and sales for resale opportunities in real time, increasing operational efficiencies while enhancing reliability. Platte River will participate in the Western Energy Imbalance Service until joining the Southwest Power Pool Regional Transmission Organization West planned for 2026.

- Bilateral purchases involve a single counterparty and are specifically negotiated deals. These provide energy to satisfy loads, replace power during outages and meet reserve requirements.
- Platte River purchases capacity of 4.022 megawatts and 0.333 megawatts from Fort Collins and Loveland community solar facilities, respectively. For these two facilities, the owner communities retain the renewable attributes and the facilities are not part of Platte River's noncarbon resource portfolio.
- Platte River had a forced outage exchange agreement with Tri-State Generation and Transmission Association, Inc. (Tri-State). If either Rawhide Unit 1 or Tri-State's Craig Unit 3 was out of service, the other utility would provide up to 100 megawatts of generation on a short-term basis. The agreement was terminated on the expiration date of March 31, 2024.

Platte River operates as a utility enterprise and follows the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission (FERC). Platte River has implemented all applicable Governmental Accounting Standards Board (GASB) pronouncements. The accompanying financial statements for Platte River and the defined benefit pension plan are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. For the defined benefit pension plan, payments are recognized when due and payable in accordance with the terms of the defined benefit pension plan.

Request for information

This financial report is designed to provide a general overview of Platte River's finances, as well as the defined benefit pension plan's finances. Questions about any of the information provided in this report or requests for additional financial information should be addressed to David Smalley, chief financial officer and deputy general manager, Platte River Power Authority, 2000 East Horsetooth Road, Fort Collins, Colorado 80525.

Financial summary

Platte River reported change in net position of $7 million in 2024, approximately $2.3 million lower than 2023. The year ended with an increase in operating revenues of $13.8 million, an increase in operating expenses of $19.9 million and an increase in nonoperating revenues, net, of $3.8 million.

Under the GASB 62 board-approved accounting policy from 2022, the general manager/CEO approved deferring $26.2 million of current-year operating revenues as deferred regulatory revenues. The policy reduces rate pressure and achieves 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.

In 2024, 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 (notes 3, 10 and 19) resulting in a restatement of noncurrent and current liabilities, deferred inflows of resources, net position, including a cumulative effect adjustment to beginning net position at Jan. 1, 2023, and change in net position as of and for the year ended Dec. 31, 2023.

Condensed financial statements

The following condensed statements of net position and condensed statements of revenues, expenses and changes in net position summarize Platte River's financial position and changes in financial position for 2024, 2023 and 2022.

Condensed statements of net position

	2024	Dec. 31, 2023 restated	2022
		(in thousands)	
Assets			
Electric utility plant	**$ 593,484**	$ 557,394	$ 574,294
Special funds and investments	**181,138**	188,480	170,596
Current assets	**182,367**	185,828	155,125
Noncurrent assets	**143,019**	141,423	137,971
Total assets	**1,100,008**	1,073,125	1,037,986
Deferred outflows of resources	**42,518**	38,439	43,240
Liabilities			
Noncurrent liabilities	**290,399**	293,062	303,317
Current liabilities	**50,495**	46,591	42,774
Total liabilities	**340,894**	339,653	346,091
Deferred inflows of resources	**128,227**	105,498	77,212
Net position			
Net investment in capital assets	**463,248**	406,299	400,947
Restricted	**20,472**	19,561	18,873
Unrestricted	**189,685**	240,553	238,103
Total net position	**$ 673,405**	$ 666,413	$ 657,923

Net position

Total net position at Dec. 31, 2024, was $673.4 million, an increase of $7 million over 2023. Total net position at Dec. 31, 2023, was $666.4 million, an increase of $8.5 million over 2022, which includes a $0.8 million decrease resulting from the change in accounting principle (notes 3 and 19).

Electric utility plant increased $36.1 million during 2024 primarily due to a $51.2 million increase in construction work in progress and a $24.2 million increase in plant and equipment in service, partially offset by a $39.3 million increase in accumulated depreciation and amortization (note 4).

In 2023, electric utility plant decreased $16.9 million from 2022 primarily due to a $39 million increase in accumulated depreciation and amortization, partially offset by a $15.2 million increase in plant and equipment in service and a $6.9 million increase in construction work in progress (note 4).

Special funds and investments decreased $7.3 million during 2024 primarily due to funding capital expenditures from cash flow and cash reserves.

In 2023, special funds and investments increased $17.9 million over 2022 primarily due to strong financial results providing excess cash flow during the year.

Current assets decreased $3.5 million during 2024 primarily due to a decrease in cash and cash equivalents to fund capital expenditures. Partially offsetting the decrease were increases in other temporary investments and an increase in fuel inventory at the Craig Energy Station. Accounts receivable – other increased with higher sales for resale volumes and average prices during the month of December and accounts receivable – owner communities increased due to the 5% average wholesale rate increase in 2024. Prepayments and other assets also increased with the timing and nature of certain prepaid expenses.

In 2023, current assets increased $30.7 million over 2022 primarily due to increases in cash and cash equivalents and other temporary investments due to an increase in funds from additional sales of Windy Gap water units, as well as strong financial results providing excess cashflow during the year. Fuel inventory increased due to higher coal inventory at the Craig Energy Station following increased deliveries from Trapper Mine and lower generation. Materials and supplies inventory also increased as materials for future projects were procured to mitigate supply chain risk and new parts were required to support upgraded equipment maintenance. Partially offsetting the increases was a decrease in accounts receivable – other due to lower sales for resale average prices during the month of December and timing of payments.

Noncurrent assets increased $1.6 million during 2024 primarily due to an increase in regulatory assets caused by a difference between base contributions and pension expense calculated by the actuary and an additional funding requirement for the defined benefit pension plan. These differences are recorded in accordance with the GASB 62 board-approved pension related accounting policies (note 6). Other long-term assets also increased because of additional funding relating to the Windy Gap Firming Project (note 11) partially offset by more prepayments being included in current assets due to their timing and nature.

In 2023, noncurrent assets increased $3.4 million over 2022 primarily due to an increase in regulatory assets caused by a difference between base contributions and pension expense calculated by the actuary and an additional funding requirement for the defined benefit pension plan. These differences are recorded in accordance with the GASB 62 board-approved pension related accounting policies (note 6). Other long-term assets also increased because of additional funding relating to the Windy Gap Firming Project (note 11).

Deferred outflows of resources increased $4.1 million during 2024 primarily due to updated cost estimates for decommissioning and impoundment closure costs of the Rawhide Energy Station (note 9), partially offset by a decrease in defined benefit pension plan deferrals because of an increase in market returns.

In 2023, deferred outflows of resources decreased $4.8 million from 2022 primarily due to a decrease in defined benefit pension plan deferrals based on an increase in market returns and annual amortizations related to the defined benefit pension plan and deferred loss on debt refundings. These decreases were partially offset by changes in asset retirement obligations due to inflation adjustments and updated cost estimates (note 9).

Noncurrent liabilities decreased $2.6 million during 2024 primarily due to both principal retirements and amortization of premiums (note 7) and a decrease in net pension liability due to contributions and higher market returns (note 8). Partially offsetting the decreases were increases to asset retirement obligations as noted above in deferred outflows of resources (note 9), lease and subscription liabilities (note 12), liabilities for compensated absences and disposal facility closure costs (note 10).

In 2023, noncurrent liabilities decreased $10.3 million from 2022 primarily due to principal retirements, amortization of premiums (note 7) and net pension liability from increased contributions and market returns (note 8). Partially offsetting the decreases were increases due to asset retirement obligations as noted above in deferred outflows of resources (note 9), deposits from others on sales for resale contracts, disposal facility closure costs (note 10) and liabilities for compensated absences as the maximum hours accruable for personal leave increased. 2023 was restated to reflect the updated recognition and measurement guidance of GASB 101 (notes 3 and 19).

Current liabilities increased $3.9 million during 2024 primarily due to increases in the current portion of asset retirement obligations (note 9), prepayments from others on interconnection agreements, retainage held on contracts, current maturities of long-term debt (note 7) and the current portion of lease and subscription liabilities (note 12). Partially offsetting the increases was a decrease from recognizing fiber lease revenue collected in prior periods as other income.

In 2023, current liabilities increased $3.8 million over 2022 primarily due to increases in prepayments from others on sales for resale contracts and interconnection agreements, timing of settlement liability payments for the Windy Gap Firming Project (note 11) and, after restating 2023 to reflect the updated recognition and measurement guidance of GASB 101 (notes 3 and 19), additional and increased liabilities for compensated absences. Partially offsetting the increases was a decrease in the current portion of asset retirement obligations (note 9).

Deferred inflows of resources increased $22.7 million during 2024 primarily due to changes in regulatory credits as Platte River deferred $26.2 million of operating revenues (note 6). There were also increases in the regulatory credits for the accrual of the 2025 Rawhide Unit 1 scheduled maintenance outage (note 6) and the regulatory credit for Craig units 1 and 2 decommissioning accrual (note 6). Partially offsetting the increases were amortization of the regulatory credit for the change in depreciation method (note 6) and amortization of defined benefit pension plan regulatory credit (note 6).

In 2023, deferred inflows of resources increased $28.3 million over 2022 primarily due to changes in regulatory credits as Platte River deferred $31.5 million of operating revenues (note 6). There were also increases in the regulatory credits for the accrual of the 2025 Rawhide Unit 1 scheduled maintenance outage (note 6) and the regulatory credit for Craig units 1 and 2 decommissioning accrual (note 6). Partially offsetting the increases were amortization of the regulatory credit for the change in depreciation method (note 6) and amortization of defined benefit pension plan regulatory credit and deferrals (note 6).

Condensed statements of revenues, expenses and changes in net position

	Years ended Dec. 31,		
	2024	**2023 restated**	**2022**
	(in thousands)		
Operating revenues	**$ 271,323**	$ 257,511	$ 271,657
Operating expenses	**277,645**	257,762	257,821
Operating income	**(6,322)**	(251)	13,836
Nonoperating revenues (expenses), net	**13,314**	9,513	(7,200)
Change in net position	**6,992**	9,262	6,636
Beginning net position, as previously reported	**666,413**	657,923	651,287
Restatement for change in accounting principle	-	(772)	-
Net position at beginning of year, adjusted	**666,413**	657,151	651,287
Net position at end of year	**$ 673,405**	$ 666,413	$ 657,923

Changes in net position

Net position increased $7 million in 2024, $2.3 million lower than in 2023, after deferring $26.2 million of current-year revenues under the board-approved deferred revenue and expense accounting policy (note 6). Before this deferral, change in net position was $33.2 million. There were increases in operating revenues, operating expenses and nonoperating revenues, net. Net position increased $8.5 million in 2023, after deferring revenues of $31.2 million, $1.9 million higher than 2022. There were increases in operating revenues and nonoperating expenses, net. The $0.8 million restatement for change in accounting principle also impacted net position.

Operating revenues in 2024 increased $13.8 million from 2023.

- Sales to the owner communities increased $11.6 million over 2023 primarily due to a 5% average wholesale rate increase and increases in owner communities' energy deliveries of 0.6% and coincident and non-coincident billing demand of 1.2% and 1.5%, respectively.

- Sales for resale and other decreased $2.8 million from 2023 primarily due to lower energy served under long-term contracts and lower market sales volumes, partially offset by higher average market prices and additional point-to-point service reservations.

- Deferred regulatory revenues decreased $5 million from 2023, which reduces operating revenues, due to lower financial results.

Operating revenues in 2023 decreased $14.2 million from 2022.

- Sales to the owner communities increased $5.4 million over 2022 primarily due to a 5% average wholesale rate increase, partially offset by a decrease in owner communities' energy deliveries of 2.7% and billed demand of 1.5%.

- Sales for resale and other decreased $10.1 million from 2022 primarily due to lower energy served under long-term contracts and lower market sales volumes, partially offset by higher average market prices and additional point-to-point service reservations.

- Deferred regulatory revenues increased $9.5 million over 2022, which reduces operating revenues, due to overall stronger financial results relative to the Strategic Financial Plan metrics.

Operating expenses in 2024 increased $19.9 million from 2023.

- Purchased power increased $1.5 million over 2023 primarily due to less energy delivered under the forced outage exchange agreement because the agreement terminated during the year. Energy deliveries under this type of exchange agreement are credited to expense thus fewer deliveries increase expense. The increase was partially offset by overall lower purchased volumes of wind, hydropower and solar energy.

- Fuel decreased $2.9 million from 2023. Fuel for the frame combustion turbines units and Rawhide Unit 1 decreased $4.7 million and $1.9 million, respectively, primarily due to operating at lower capacity factors. Average natural gas price was also more favorable. Partially offsetting the decreases was an $3.7 million increase in fuel for the Craig units due primarily to operating at a higher capacity factor and with higher fuel prices.

- Production decreased $1 million from 2023 primarily due to decreased operating expenses at the Craig units as there was no scheduled maintenance outages, partially offset by increased personnel costs.

- Transmission increased $0.1 million from 2023 primarily due to increased personnel costs partially offset by an overall decrease in non-routine projects.

- Administrative and general increased $5.5 million over 2023 primarily due to increased personnel costs from new positions and increased costs toward technology initiatives, partially offset by lower planning expenses.

- Distributed energy resources increased $1.9 million over 2023 primarily due to increased program participation and increased personnel costs.

- Depreciation, amortization and accretion increased $14.8 million from 2023 primarily due to higher amortization expenses as there was not a comparable gain as in 2023 recognized from the change in depreciation method regulatory credit (note 6). Amortization of subscription assets and deferred outflows of resources for asset retirement obligations also increased.

Operating expenses in 2023 were comparable to 2022.

- Purchased power increased $8.3 million over 2022. The increase was primarily due to favorable market conditions after Platte River joined the Southwest Power Pool's Western Energy Imbalance Service in April of 2023, as baseload units were frequently economically dispatched at lower outputs and were replaced by lower-cost market purchases.

- Fuel decreased $21.3 million from 2022. Fuel for Rawhide Unit 1 and the Craig units decreased $8.6 million and $6.5 million, respectively, primarily due to operating at lower capacity factors at both sites as discussed above, partially offset with higher fuel prices. Natural gas expense also decreased by $6.2 million primarily due to lower commodity prices, partially offset by higher generation.

- Production and transmission increased $11.1 million over 2022 primarily due to increased contracted services for the Rawhide Unit 1 minor outage and combustion turbine projects and operating expenses at the Craig units due to scheduled maintenance and forced outages. Other non-routine projects and personnel costs also increased.

- Administrative and general increased $6.9 million over 2022 primarily due to increased personnel costs from new positions and increased costs toward strategic initiatives.

- Distributed energy resources increased $1.9 million over 2022 primarily due to increased program participation and increased personnel costs from new positions.

- Depreciation, amortization and accretion decreased $6.9 million from 2022 primarily due to a reduction in amortization expenses due to recognition of a net additional gain from the change in depreciation method regulatory credit (note 6) created by sales of Windy Gap water units.

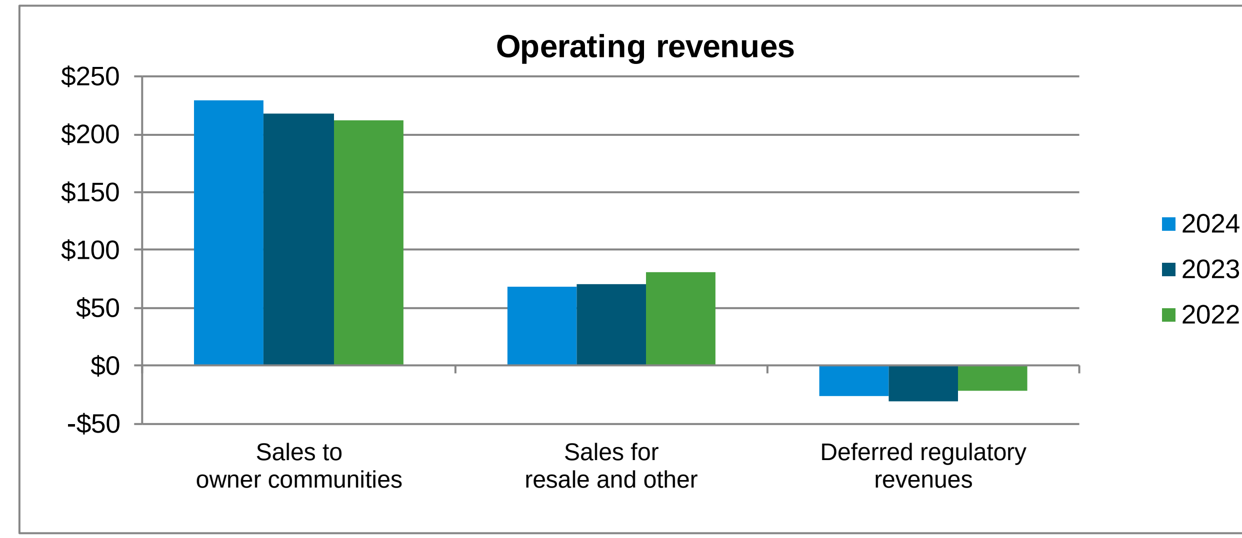
Nonoperating revenues (expenses), net, in 2024 increased $3.8 million over 2023. The increase was due to interest income earned from larger average fund balances and higher rates on portfolio investments and additional other income due to recognition of fiber lease revenue resulting from an amendment to the Intergovernmental Agreement for Fiber Management. Partially offsetting the increases was a lower increase in the fair value of investments due to higher interest rates.

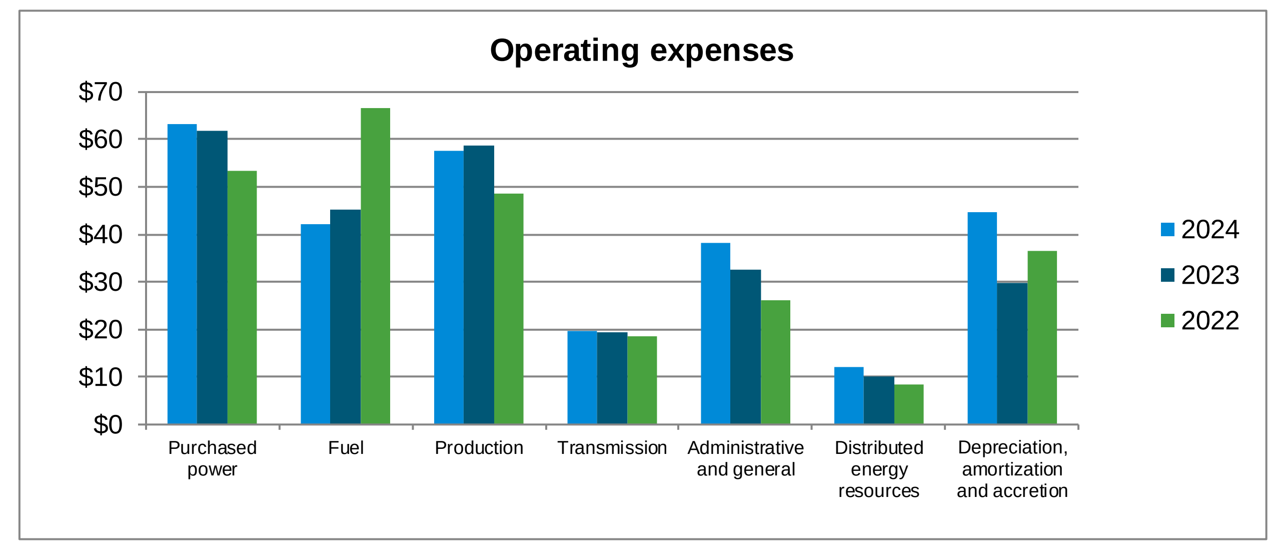
Platte River Power Authority
Management's discussion and analysis
Dec. 31, 2024 and 2023

Nonoperating revenues (expenses), net, in 2023 increased $16.7 million over 2022. The increase was primarily due to a net increase in the fair value of investments as interest rates declined and investment prices rose during the fourth quarter of 2023 and higher interest income primarily due to larger fund balances earning higher interest rates.

Operating revenues and expenses

(in millions)





Debt ratings

The ratings on Platte River's existing bonds remained unchanged.

Bond issue	Moody's	Fitch	S&P
Power revenue bonds			
Series JJ	- (1)	AA	AA
Taxable Series KK	Aa2	AA	- (1)

(1) Credit rating not obtained.

Budgetary highlights

Platte River's board approved the 2024 Strategic Budget with total revenues of $313 million, operating expenses of $242.7 million, capital additions of $95.8 million and debt service expenditures of $19.2 million. After closing 2024, $43 million of the total $56 million budget-appropriated board contingency was required. As discussed in the sections that follow, capital additions required $42.5 million and debt service expenditures required $0.5 million. The budget comparison amounts below reflect this transfer between appropriated categories. The following budgetary highlights are presented on a non-GAAP budgetary basis. The budgetary comparison schedule is presented as supplementary information at the end of the document.

Total revenues of $312.2 million ended the year $0.8 million below budget.

- Sales to owner communities of $229.3 million were $6.4 million below budget due to below-budget energy deliveries and billing demand.

- Sales for resale and other totaled $68.2 million and were above budget $2.8 million. Averages prices were above budget, partially offset by below-budget energy volume. Wheeling was above budget due to additional point-to-point transmission service reservations and above-budget network customer service charges primarily from a rate increase.

- Interest and other income of $14.7 million was above budget $2.8 million primarily due to fiber lease revenue, liquidated damages for settlement from decommissioning the Medicine Bow wind site and a dividend from Trapper Mine.

Operating expenses of $231.4 million ended the year $11.3 million below budget.

- Purchased power of $63.2 million was $0.6 million below budget primarily due to below-budget wind energy and purchased reserves due to lower rates, partially offset by above-budget market purchases as additional lower-cost energy was available in the Western Energy Imbalance Service market and above-budget hydropower purchases due to favorable water conditions.

- Fuel of $42.2 million was $8.9 million below budget primarily due to coal and natural gas expenses. Generation from Rawhide Unit 1 was below budget primarily due to running at historically low capacity factors due to lower-cost energy available in the Western Energy Imbalance Service market and due to unplanned outages and curtailments, partially offset by additional fuel required due to a less efficient heat rate. Generation from the frame combustion turbine units was below budget due to below-budget calls on capacity contracts and lower-cost energy available in the Western Energy Imbalance Service market and due to lower commodity prices. Partially offsetting these favorable variances was additional fuel required for Craig units 1 and 2 due to a less efficient heat rate.

Platte River Power Authority
Management's discussion and analysis
Dec. 31, 2024 and 2023

- Production, transmission, administrative and general of $114 million were $0.1 million below budget primarily due to below-budget expenses for Rawhide non-routine projects, wheeling and resource planning initiatives, partially offset by above-budget operating costs for the Craig units, consulting services, personnel expenses and various maintenance costs at the Rawhide Energy Station.

- Distributed energy resources of $12 million were $1.7 million below budget primarily 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.

Capital additions of $78.9 million ended the year $16.9 million below budget following a $42.5 million contingency transfer. The contingency transfer was to account for above-budget expenditures for projects and to allow carryover funds for uncompleted projects. Projects were not completed because of schedule changes, scope changes, contract or material delays, internal resource constraints and canceled projects and the total variance will be carried over to the 2025 Strategic Budget to complete these projects. Production additions, transmission additions and general additions were below budget $4.8 million, $5.4 million and $6.7 million, respectively.

Debt service expenditures of $19.2 million were at budget following a $0.5 million contingency transfer for principal and interest payments on lease and subscription liabilities.

Platte River Power Authority

Statements of net position

Dec. 31, 2024 and 2023

	Dec. 31, 2024	Dec. 31, 2023 restated
	(in thousands)	
Assets		
Electric utility plant, at original cost (notes 3 and 4)		
Land and land rights	**$ 19,446**	$ 19,446
Plant and equipment in service	**1,506,256**	1,482,084
Less: accumulated depreciation and amortization	**(1,015,250)**	(975,993)
Plant in service, net	**510,452**	525,537
Construction work in progress	**83,032**	31,857
Total electric utility plant	**593,484**	557,394
Special funds and investments (note 5)		
Restricted funds and investments	**20,838**	19,977
Dedicated funds and investments	**160,300**	168,503
Total special funds and investments	**181,138**	188,480
Current assets		
Cash and cash equivalents (notes 3 and 5)	**58,568**	70,720
Other temporary investments (note 5)	**52,709**	50,442
Accounts receivable—owner communities	**18,365**	17,306
Accounts receivable—other	**8,432**	7,082
Fuel inventory, at last-in, first-out cost	**21,498**	19,896
Materials and supplies inventory, at average cost	**18,614**	17,734
Prepayments and other assets	**4,181**	2,648
Total current assets	**182,367**	185,828
Noncurrent assets		
Regulatory assets (note 6)	**132,722**	131,578
Other long-term assets	**10,297**	9,845
Total noncurrent assets	**143,019**	141,423
Total assets	**1,100,008**	1,073,125
Deferred outflows of resources		
Deferred loss on debt refundings (note 7)	**1,596**	2,281
Pension deferrals (note 8)	**5,730**	9,787
Asset retirement obligations (note 9)	**35,192**	26,371
Total deferred outflows of resources	**42,518**	38,439

See notes to financial statements.

Platte River Power Authority

Statements of net position

Dec. 31, 2024 and 2023

	Dec. 31, 2024	Dec. 31, 2023 restated
	(in thousands)	
Liabilities		
Noncurrent liabilities (note 10)		
Long-term debt, net (note 7)	**$ 107,207**	$ 122,681
Net pension liability (note 8)	**27,285**	28,274
Other long-term obligations (note 11)	**93,406**	94,295
Lease and subscription liabilities (note 12)	**2,388**	861
Asset retirement obligations (note 9)	**46,041**	34,983
Other liabilities and credits	**14,072**	11,968
Total noncurrent liabilities	**290,399**	293,062
Current liabilities		
Current maturities of long-term debt (note 7)	**13,400**	12,790
Current portion of other long-term obligations (note 11)	**889**	889
Current portion of lease and subscription liabilities (note 12)	**1,042**	641
Current portion of asset retirement obligations (note 9)	**3,436**	933
Accounts payable	**21,547**	24,629
Accrued interest	**366**	416
Accrued liabilities and other	**9,815**	6,293
Total current liabilities	**50,495**	46,591
Total liabilities	**340,894**	339,653
Deferred inflows of resources		
Deferred gain on debt refundings (note 7)	**100**	112
Regulatory credits (note 6)	**127,543**	104,682
Lease deferrals (note 4)	**584**	704
Total deferred inflows of resources	**128,227**	105,498
Net position		
Net investment in capital assets (note 13)	**463,248**	406,299
Restricted	**20,472**	19,561
Unrestricted	**189,685**	240,553
Total net position	**$ 673,405**	$ 666,413

See notes to financial statements.

Platte River Power Authority

Statements of revenues, expenses and changes in net position

Dec. 31, 2024 and 2023

	Years ended Dec. 31, 2024	2023 restated
	(in thousands)	
Operating revenues		
Sales to owner communities	**$ 229,323**	$ 217,735
Sales for resale and other	**68,200**	71,011
Deferred regulatory revenues (note 6)	**(26,200)**	(31,235)
Total operating revenues	**271,323**	257,511
Operating expenses		
Purchased power	**63,230**	61,730
Fuel	**42,173**	45,142
Production	**57,629**	58,644
Transmission	**19,679**	19,548
Administrative and general	**38,260**	32,731
Distributed energy resources	**12,100**	10,237
Depreciation, amortization and accretion (notes 4, 6 and 9)	**44,574**	29,730
Total operating expenses	**277,645**	257,762
Operating income	**(6,322)**	(251)
Nonoperating revenues (expenses) (notes 5, 7 and 12)		
Interest income	**11,547**	7,735
Other income	**2,917**	318
Interest expense	**(3,380)**	(3,763)
Net increase in fair value of investments	**2,230**	5,223
Total nonoperating revenues (expenses)	**13,314**	9,513
Change in net position	**6,992**	9,262
Net position at beginning of year, as previously reported	**666,413**	657,923
Restatement for change in accounting principle (note 19)	**–**	(772)
Net position at beginning of year, adjusted	**666,413**	657,151
Net position at end of year	**$ 673,405**	$ 666,413

See notes to financial statements.

Platte River Power Authority

Statements of cash flows

Dec. 31, 2024 and 2023

	Years ended Dec. 31, 2024	2023
	(in thousands)	
Cash flows from operating activities		
Receipts from customers	**$ 294,319**	$ 293,109
Payments for operating goods and services	**(167,883)**	(171,782)
Payments for employee services	**(59,419)**	(54,476)
Net cash provided by operating activities	**67,017**	66,851
Cash flows from capital and related financing activities		
Additions to electric utility plant	**(74,821)**	(23,874)
Payments from accounts payable incurred for electric utility plant additions	**(2,136)**	(3,493)
Proceeds from disposal of electric utility plant	**104**	12,418
Principal payments on long-term debt	**(12,790)**	(12,215)
Interest payments on long-term debt	**(4,692)**	(5,282)
Payments related to other long-term obligations	**(5,390)**	(4,145)
Principal payments on lease and subscription liabilities	**(1,311)**	(338)
Interest payments on lease and subscription liabilities	**(66)**	(6)
Receipts from lease receivables	**120**	148
Net cash used in capital and related financing activities	**(100,982)**	(36,787)
Cash flows from investing activities		
Purchases and sales of temporary and restricted investments, net	**7,095**	(15,316)
Interest and other income, including realized gains and losses, net	**14,718**	7,955
Net cash provided by (used in) investing activities	**21,813**	(7,361)
(Decrease)/increase in cash and cash equivalents	**(12,152)**	22,703
Balance at beginning of year in cash and cash equivalents	**70,720**	48,017
Balance at end of year in cash and cash equivalents	**$ 58,568**	$ 70,720

See notes to financial statements.

Platte River Power Authority
Statements of cash flows
Dec. 31, 2024 and 2023

	Years ended Dec. 31, 2024	2023
	(in thousands)	
Reconciliation of operating income to net cash provided by operating activities		
Operating income	**$ (6,322)**	$ (251)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	**41,376**	40,719
Amortization	**(3,720)**	(15,835)
Operating expenses relating to other long-term obligations (note 11)	**2,964**	2,888
Changes in assets and liabilities that provided/(used) cash		
Accounts receivable	**(2,409)**	6,439
Fuel and materials and supplies inventories	**(2,482)**	(11,696)
Prepayments and other assets	**(493)**	139
Regulatory assets	**(1,911)**	(3,397)
Deferred outflows of resources	**(4,764)**	4,007
Accounts payable	**(4,355)**	1,585
Net pension liability	**(989)**	(2,246)
Asset retirement obligations	**13,561**	2,630
Other liabilities	**5,597**	6,272
Deferred inflows of resources	**30,964**	35,597
Net cash provided by operating activities	**$ 67,017**	$ 66,851
Noncash capital and related financing activities		
Additions of electric utility plant through incurrence of accounts payable	**$ 3,494**	$ 2,136
Additions of electric utility plant through leasing and subscription	**3,239**	586
Amortization of regulatory assets (debt issuance costs)	**74**	80
Amortization of bond premiums, deferred loss and deferred gain on refundings	**(1,402)**	(1,557)

See notes to financial statements.

Platte River Power Authority
Defined benefit pension plan
Statements of fiduciary net position
Dec. 31, 2024 and 2023

	Dec. 31, 2024	2023
	(in thousands)	
Assets		
Cash equivalents	**$ 1,721**	$ 1,734
Investment income receivable	**31**	7
Investments		
Fixed income securities	**27,622**	32,174
Domestic equity securities	**48,418**	39,885
International equity securities	**26,063**	22,716
Infrastructure	**3,936**	2,687
Natural resources	**1,727**	6,548
Real estate funds	**4,052**	2,782
Private credit	**3,951**	2,714
Private equity	**2,829**	1,672
Total investments	**118,598**	111,178
Total assets	**120,350**	112,919
Net position restricted for pension benefits	**$ 120,350**	$ 112,919

See notes to financial statements.

Statements of changes in fiduciary net position

Dec. 31, 2024 and 2023

	Years ended Dec. 31, 2024	Years ended Dec. 31, 2023
	(in thousands)	
Additions		
Employer contributions	**$ 6,073**	$ 6,041
Investment income		
Net increase in fair value of investments	**8,831**	6,509
Interest and dividends	**1,870**	3,653
Investment management fees	**(55)**	-
Net investment income	**10,646**	10,162
Total additions	**16,719**	16,203
Deductions		
Benefit payments	**9,288**	8,369
Change in plan net position	**7,431**	7,834
Net position restricted for pension benefits		
Beginning net position	**112,919**	105,085
Ending net position	**$ 120,350**	$ 112,919

See notes to financial statements.

1. Organization

Platte River was organized under Colorado law as a separate governmental entity by the four owner communities of Estes Park, Fort Collins, Longmont and Loveland. Platte River contracted to supply the wholesale electric power and energy requirements of each of these owners, with limited exceptions. An owner may self-supply power and energy equivalent to the capacity of its generating facilities in service on Sept. 5, 1974, and may add new resources up to a limit of 1,000 kW or 1% of the owner community's peak load, whichever is greater. An owner community may also purchase power from its net metered customers subject to net metering limitations. Platte River's power supply contracts currently extend through Dec. 31, 2060.

Each of the four owner communities has a residual interest in Platte River's assets and liabilities upon dissolution, which is proportional to the total revenue received from each owner community since Platte River was organized, less any contributions of assets previously distributed. Based upon electric revenues billed from inception through Dec. 31, 2024, these residual interests are approximately as follows.

	Residual interest
City of Fort Collins	48%
City of Longmont	26%
City of Loveland	22%
Town of Estes Park	4%
	100%

Under Colorado law, the Power Supply Agreements with the owner communities and the General Power Bond Resolution, the board has the exclusive authority to establish the electric rates to be charged to the owner communities. Platte River must follow specified statutory procedures, including public notice and holding a hearing to receive public comments, before adopting an annual budget.

The defined benefit pension plan is a single-employer defined benefit pension plan, which Platte River includes in the financial statements as a fiduciary component unit reported as a pension trust fund in the fiduciary funds statements. Platte River's board is the designated governing body over the defined benefit pension plan and has authority to amend the defined benefit pension plan. The retirement committee established under the defined benefit pension plan oversees the plan's investments. Platte River does not issue separate stand-alone financial statements of the defined benefit pension plan.

2. Operations

Rawhide Energy Station

The Rawhide Energy Station consists of Rawhide Unit 1, a 280 megawatt (net) coal-fired generating facility, a cooling pond, coal-handling facilities, related transmission facilities, five simple-cycle natural gas-fired combustion turbines and two solar facilities. Natural gas units A through D have nameplate capacity of 65 megawatts each and unit F has a nameplate capacity of 128 megawatts. Solar facilities include Rawhide Solar Flats (30 megawatts) and Rawhide Prairie Solar (22 megawatts). Rawhide Prairie Solar has an integrated battery energy storage system of two megawatt-hours, which can be discharged once daily at a rate up to one megawatt per hour. Platte River owns and operates all Rawhide Energy Station facilities except for the solar and battery energy storage facilities. Rawhide Unit 1 is scheduled to retire by Dec. 31, 2029.

Yampa project

Platte River owns 18%, or 151 megawatts, of Craig units 1 and 2 of the Yampa Project as a tenant-in-common with four other electric utilities. The current Yampa Project Participation Agreement took effect April 15, 1992. Craig units 1 and 2 are scheduled to retire by Dec. 31, 2025 and Sept. 30, 2028, respectively. The Yampa Project consists of 837 megawatts of coal-fired generation and associated transmission plant facilities located near the town of Craig in northwestern Colorado. Platte River's share of the plant investment is included in plant in service, net, in the accompanying statements of net position. Platte River's share of operating expenses of the Yampa Project is included in operating expenses in the accompanying statements of revenues, expenses and changes in net position. Separate financial statements for the Yampa Project are not available. In addition, Platte River and two of the other Yampa Project participants own Trapper Mining, Inc., which owns and operates the adjacent coal mine that supplies coal for Craig units 1 and 2.

Windy Gap water

Under an agreement with the Municipal Subdistrict of Northern Colorado Water Conservancy District, Platte River is entitled to an allocation of the available water from the Windy Gap Project, a water diversion facility completed May 1, 1985. The water is used in operations at the Rawhide Energy Station. Platte River's share of operating expenses of the Windy Gap Project is included in operating expenses in the accompanying statements of revenues, expenses and changes in net position. Additionally, Platte River is a participant in the Windy Gap Firming Project (Chimney Hollow Reservoir) following cash contributions from participants and the issuance of pooled financing for the project in 2021 (notes 6 and 11).

3. Summary of significant accounting policies

Reporting entity

For financial reporting purposes, Platte River meets the criteria of an "other stand-alone government." As a municipal utility and a separate governmental entity, Platte River is exempt from taxes on its income. Platte River is also exempt from taxes on its property located in Colorado.

The defined benefit pension plan is a single-employer defined benefit pension plan covering all employees of Platte River hired before Sept. 1, 2010 (note 8). Platte River contributes to the defined benefit pension plan based upon actuarial studies and has primary responsibility for managing the defined benefit pension plan. All retirement plan committee members are

appointed by the board. Platte River also provides all accounting, reporting and administrative services to the defined benefit pension plan. Platte River has fiduciary responsibility for the defined benefit pension plan. Platte River includes the defined benefit pension plan in the accompanying basic financial statements as a fiduciary component unit of Platte River reported as a pension trust fund in the fiduciary funds statements.

Basis of accounting

Platte River accounts for its financial operations as a "proprietary fund." The accompanying financial statements for Platte River and the defined benefit pension plan have been prepared using the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America. Platte River's accounts are maintained in accordance with the Uniform System of Accounts as prescribed by FERC.

As a board-regulated entity, Platte River is subject to the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, Regulated Operations, paragraphs 476–500, which requires the effects of the rate-making process to be recorded in the financial statements. Accordingly, certain expenses and revenues normally reflected in the statements of revenues, expenses and changes in net position as incurred are recognized when they are included in Platte River's wholesale rates. Platte River has recorded various regulatory assets and credits to reflect the rate-making process (note 6).

Budgetary process

The Colorado State Local Government Law requires a formal budgetary process, which Platte River uses as a management control tool. Staff must submit a proposed annual budget to the board by Oct. 15 of each year. Following a public hearing, the board considers the budget for adoption on or before Dec. 31. Because Platte River operates as an enterprise, it is not subject to the Colorado Taxpayers' Bill of Rights.

Use of estimates

Platte River prepares its financial statements for itself and the defined benefit pension plan in conformity with accounting principles generally accepted in the United States of America as prescribed by GASB. These require management to make estimates and assumptions that affect (a) the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, (b) disclosure of contingent assets and liabilities at the date of the financial statements and (c) the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Electric utility plant and depreciation

Electric utility plant is stated at the historical cost of construction and includes expenditures of $5,000 or more for property, equipment or construction projects with an estimated useful life greater than two years. Construction costs include labor, materials, contracted services, and the allocation of indirect charges for engineering, supervision, transportation and administrative expenses. The cost of additions to utility plant and replacement property units is capitalized. Repairs, maintenance and minor replacement costs are charged to expense when incurred.

Platte River engages in leasing activity, both as a lessee and a lessor. In accordance with GASB Statement No. 87, *Leases*, the lease term is the period where there is a noncancellable right to use the underlying asset. For lessor contracts, lease receivables and deferred inflows of resources are recognized at present value. Lease receivables are reported in prepayments and other assets for the current portion and other long-term assets for the long-term portion within the statements of net position. For lessee contracts, lease assets and related liabilities are recognized at present value using Platte River's estimated incremental borrowing rate unless otherwise contained in the contract terms. Lease assets are reported in electric utility plant and lease liabilities are reported in lease and subscription liabilities within the statements of net position. This recognition applies to leases with a present value of $50,000 or more at the beginning of the lease term and a term greater than one year.

Platte River also enters into subscription-based information technology arrangements. In accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, the subscription term is the period where there is a noncancellable right to use the underlying asset, including considerations for options within contracts to extend the terms based on management's best estimate of exercising those options at the time of commencement. Subscription assets and related liabilities are recognized at present value using Platte River's estimated incremental borrowing rate, unless otherwise contained in the contract terms, at the commencement of the subscription term. Subscription assets also include other costs incurred during the initial implementation stage. Subscription assets are reported in electric utility plant and subscription liabilities are reported in lease and subscription liabilities within the statements of net position. This recognition applies to subscriptions with a present value of $50,000 or more at the commencement of the subscription term and a term greater than one year.

Depreciation is recorded using the straight-line method over the estimated useful lives of the various classes of plant in service, which range from five to 50 years. Following asset closure announcements, assets are evaluated and estimated useful lives are accelerated, as applicable. For lease and subscription assets, amortization is recorded over the shorter of the lease or subscription term, or the estimated useful life of the underlying asset.

Cash and cash equivalents

For purposes of the statements of cash flows, Platte River considers all cash on deposit with financial institutions and highly liquid investments with an original maturity of less than three months, excluding special funds and investments, as cash and cash equivalents. At Dec. 31, 2024 and 2023, cash equivalents consisted of local government investment pools and money market funds.

Closure and postclosure care costs of disposal facility

Platte River accrues a liability of estimated future closure and postclosure care costs for its Rawhide Energy Station ash disposal facility. The liability is determined by multiplying the estimated closure and postclosure care costs in current dollars by the percentage of the disposal facility's total estimated capacity, by cell, used through the end of the year (note10). Platte River complies with financial assurance annual requirements of the Colorado Department of Public Health and Environment. No assets are restricted for payment of closure and postclosure care costs.

Asset retirement obligations

An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. Following GASB Statement No. 83, *Certain Asset Retirement Obligations*, Platte River records an asset retirement obligation liability when it has determined that a liability has been incurred based on (a) the occurrence of an external obligating event, such as laws, regulations, contracts or court judgments and (b) an internal obligating event that obligates it to perform asset retirement activities. Platte River updates the asset retirement obligations by inflation or deflation annually and when significant changes occur (note 9).

Long-term debt

Platte River defers the difference between the reacquisition price and the net carrying amount of refunded debt (deferred amount on refundings) in an advance refunding. Platte River then amortizes the difference as a component of interest expense using the bonds outstanding method over the shorter of the remaining life of the defeased debt or the life of the new debt. The deferred amounts are reported as deferred outflows or inflows of resources.

Operating revenues and expenses

Operating revenues and expenses consist of revenues and costs directly related to the generation, purchase, sale and transmission of electricity. Operating revenues are recorded at the end of each month for all electricity delivered. Operating revenues include the amount of deferred regulatory revenues recorded as a regulatory credit (note 6) to be recognized in one or more future periods. Revenues and expenses related to financing, investing and other activities are considered nonoperating.

Compensated absences

Platte River allows employees to accumulate unused compensated absences for personal, sick, compensatory time, floating holiday and recognition leave. Personal, compensatory time and floating holiday leave may be accumulated to a specified limit, whereas accumulated sick and recognition leave is unlimited. Employees are entitled to full payment for any unused personal and recognition leave upon retirement or termination of employment; they are paid at a reduced rate for any accumulated unused sick leave. Non-exempt employees are entitled to full payment for any unused compensatory time. Unused floating holiday and compensatory time for exempt employees are not paid upon termination of employment. In accordance with GASB Statement No. 101, *Compensated Absences*, accrued liabilities for these compensated absences are valued using an estimate of leave more likely than not to be used for time off or otherwise paid or settled. The leave is measured by the pay rate of each employee multiplied by their number of accumulated unused hours in each leave bank. For leave types that do not entitle the employee to full payment for any unused leave upon retirement or termination of employment, an estimate of probability each type of leave will be used for time off or otherwise paid or settled is also used in measuring the liability. This estimate includes evaluating historical use and settlement trends and management's determination of any facts or circumstances that indicate those historical trends may not be reflective of estimated future use, if relevant.

Platte River also provides leave benefits to employees that result in compensated absences following a qualified sporadic event affecting a small portion of employees. In accordance with GASB 101, accrued liabilities for these leave benefits are valued using an estimate of remaining leave more likely than not to be used for time off based on the occurrence of a qualified sporadic event and each eligible employee's pay rate.

In 2024, Platte River adopted the principles of GASB 101 and recognized the effect of a change in accounting principle for updating recognition and measurement guidance for compensated absences. Prior to adoption of this statement, Platte River's compensated absences liability was valued based on the vesting method. In implementing GASB 101, liabilities for exempt compensatory time, floating holiday and qualified sporadic events were established. The liability for sick was also expanded.

In the financial statements, Platte River estimates a portion of the total unused compensated absences as due within one year with the remainder of the liability recorded as a noncurrent liability (note 10).

Deferred outflows of resources

Deferred outflows consist of unamortized deferred losses on debt refunding, defined benefit pension plan-related deferrals (note 8) and unamortized asset retirement obligations (note 9).

Deferred inflows of resources

Deferred inflows consist of unamortized deferred gains on debt refunding, regulatory credits (note 6), defined benefit pension plan-related deferrals (note 8) and lease deferrals (note 4).

Use of restricted and unrestricted resources

Platte River's use of restricted and unrestricted resources is based on the intended purposes stated in the bond resolutions.

Adoption of recent accounting pronouncement

In 2024, Platte River implemented GASB Statement No. 101, *Compensated Absences*. The new accounting guidance updates the recognition and measurement guidance for compensated absences under a standardized model. Specifically, the new standard clarifies that a liability should be recorded for compensated absences that are more likely than not to be paid or otherwise settled. Additionally, it amends certain existing disclosure requirements. GASB Statement No. 101 applies to financial statements with reporting periods beginning after June

15, 2023, and affects the statements of net position, statements of revenues, expenses and changes in net position. The 2023 statement of net position and statement of revenues, expenses and changes in net position were restated for comparative purposes. Platte River applied the standard retrospectively to the earliest period presented, resulting in a cumulative effect adjustment to 2023 beginning net position. Note 19 outlines the impacts of the restatement to the financial statements.

4. Electric utility plant

Electric utility plant asset activity for the year ended Dec. 31, 2024, was as follows.

	Dec. 31, 2023	**Increases**	**Decreases**	**Dec. 31, 2024**
		(in thousands)		
Nondepreciable assets				
Land and land rights	$ 19,446	$ -	$ -	**$ 19,446**
Construction work in progress	31,857	78,284	(27,109)	**83,032**
	51,303	78,284	(27,109)	**102,478**
Depreciable assets				
Production plant	978,019	13,437	(4,921)	**986,535**
Transmission plant	401,085	2,014	(187)	**402,912**
General plant	98,278	2,303	(995)	**99,586**
	1,477,382	17,754	(6,103)	**1,489,033**
Less accumulated depreciation	(974,140)	(41,376)	4,593	**(1,010,923)**
	503,242	(23,622)	(1,510)	**478,110**
Amortizable lease assets				
General plant	134	-	-	**134**
Less accumulated amortization	(22)	(9)	-	**(31)**
	112	(9)	-	**103**
Amortizable subscription assets				
General plant	4,568	12,521	-	**17,089**
Less accumulated amortization	(1,831)	(2,465)	-	**(4,296)**
	2,737	10,056	-	**12,793**
Total electric utility plant	$ 557,394	$ 64,709	$ (28,619)	**$ 593,484**

Electric utility plant asset activity for the year ended Dec. 31, 2023, was as follows.

	Dec. 31, 2022	Increases	Decreases	Dec. 31, 2023
	(in thousands)			
Nondepreciable assets				
Land and land rights	$ 19,446	$ -	$ -	$ 19,446
Construction work in progress	24,873	25,893	(18,909)	31,857
	44,319	25,893	(18,909)	51,303
Depreciable assets				
Production plant	968,867	10,991	(1,839)	978,019
Transmission plant	398,183	4,307	(1,405)	401,085
General plant	96,325	2,633	(680)	98,278
	1,463,375	17,931	(3,924)	1,477,382
Less accumulated depreciation	(936,451)	(40,719)	3,030	(974,140)
	526,924	(22,788)	(894)	503,242
Amortizable lease assets				
General plant	134	-	-	134
Less accumulated amortization	(13)	(9)	-	(22)
	121	(9)	-	112
Amortizable subscription assets				
General plant	3,423	1,145	-	4,568
Less accumulated amortization	(493)	(1,338)	-	(1,831)
	2,930	(193)	-	2,737
Total electric utility plant	$ 574,294	$ 2,903	$ (19,803)	$ 557,394

Platte River uses the specific identification method. Under the specific identification method, gains and losses are recognized immediately on the retirement of capital assets. Alternative accounting treatment under a GASB 62 board-approved change in depreciation method accounting policy (note 6) recognizes the effects of the rate-making process allowing deferred gains and losses on retirements of capital assets to be recognized in a single year or deferred to future periods.

Leasing and subscription activity

Amortizable lease assets represent fiber optic strands from a third party; the contract terminates in 2033. Platte River made no variable payments, and there are no lease impairments as of Dec. 31, 2024 and 2023. In determining the value of the lease assets, there are no payments attributable to residual value guarantees or termination penalties. Liabilities relating to lease assets are discussed in note 12.

Amortizable subscription assets represent various software solutions from multiple third parties with contracts that terminate or are expected to terminate, or transition to ongoing cancellable short-term arrangements, between 2025 and 2028. There were no subscription impairments as of Dec. 31, 2024 and 2023. Platte River paid $544,000 and $420,000 during 2024 and 2023,

Platte River Power Authority
Notes to financial statements
Dec. 31, 2024 and 2023

respectively, to vendors before the commencement of subscription terms. Those payments were recorded as construction work in progress until the commencement of the subscription term, when they are then included in the valuation of the amortizable subscription asset. Liabilities relating to subscription assets are discussed in note 12.

Platte River also leases unused fiber optic strands and co-locate property, included in electric utility plant, to third parties. Lease terms range from 10 to 36 years. Lessor-related balances and activity as of and for the years ended Dec. 31, 2024, and 2023, are shown in the table below.

	2024	2023
	(in thousands)	
Current lease receivable	**$ 120**	$ 120
Noncurrent lease receivable	**464**	584
Total lease receivable	**$ 584**	$ 704
Lease deferrals	**$ 584**	$ 704
Recognized inflows of resources	**$ 120**	$ 106
Fiber lease pass-through receipts	**$ -**	$ 42

Lease receivables are reported in prepayments and other assets for the current portion and other long-term assets for the long-term portion within the statements of net position.

Recognized inflows of resources are reported as other income on the statements of revenues, expenses and changes in net position. Platte River received $16,000 and $11,000 of variable lease payments in 2024 and 2023, respectively.

5. Cash and investments

Platte River invests funds consistent with Colorado law and Platte River's General Power Bond Resolution, fiscal resolution and investment policy statement. Accordingly, Platte River may invest only in obligations of the United States government and its agencies and other investments permitted under Colorado law. Platte River records its investments at their estimated fair market values. The unrealized holding gains and losses on these investments are included in net increase (decrease) in fair value of investments in the statements of revenues, expenses and changes in net position.

The fair value of investments is presented on the statements of net position as special funds and investments, cash and cash equivalents and other temporary investments. Special funds and investments are either internally dedicated by board resolution (dedicated funds and investments) or restricted by Platte River's General Power Bond Resolution (restricted funds and investments). The fair value of investments, excluding accrued interest of $1,981,000 and $1,470,000 as of Dec. 31, 2024 and 2023, respectively, is shown in the following tables.

As of Dec. 31, 2024, Platte River had the following cash and investments and related maturities.

		Investment maturities (in years)		
Cash and investment type	**Fair value**	**Less than 1**	**1-2**	**2-3**
	(in thousands)			
U.S. Treasuries	$ 152,139	$ 64,479	$ 52,234	$ 35,426
U.S. agencies				
FFCB	18,682	-	16,710	1,972
FHLB	15,606	5,984	3,018	6,604
Total securities	186,427	70,463	71,962	44,002
Cash and money market funds	4,686	4,686	-	-
Local government investment pools	99,321	99,321	-	-
Total cash and investments	$ 290,434	$ 174,470	$ 71,962	$ 44,002

Statement of net position presentation of cash, cash equivalents and investments as of Dec. 31, 2024, is as follows.

	Fair value	**Accrued interest**	**Total**
	(in thousands)		
Restricted funds and investments	$ 20,672	$ 166	$ 20,838
Dedicated funds and investments	159,112	1,188	160,300
Cash and cash equivalents	58,566	2	58,568
Other temporary investments	52,084	625	52,709
Total cash and investments	$ 290,434	$ 1,981	$ 292,415

As of Dec. 31, 2023, Platte River had the following cash and investments and related maturities.

		Investment maturities (in years)		
Cash and investment type	**Fair value**	**Less than 1**	**1-2**	**2-3**
	(in thousands)			
U.S. Treasuries	$ 170,284	$ 72,353	$ 63,577	$ 34,354
U.S. agencies				
FFCB	23,737	6,953	-	16,784
FHLB	17,919	8,954	5,928	3,037
Total securities	211,940	88,260	69,505	54,175
Cash and money market funds	5,087	5,087	-	-
Local government investment pools	91,145	91,145	-	-
Total cash and investments	$ 308,172	$ 184,492	$ 69,505	$ 54,175

Statement of net position presentation of cash, cash equivalents and investments as of Dec. 31, 2023, is as follows.

	Fair value	**Accrued interest**	**Total**
	(in thousands)		
Restricted funds and investments	$ 19,824	$ 153	$ 19,977
Dedicated funds and investments	167,481	1,022	168,503
Cash and cash equivalents	70,717	3	70,720
Other temporary investments	50,150	292	50,442
Total cash and investments	$ 308,172	$ 1,470	$ 309,642

Fair value is the amount received if an asset is sold or paid to transfer a liability in a transaction between market participants at the measurement date. Fair value measurements maximize the use of observable inputs and minimize the use of unobservable inputs. Platte River and the defined benefit pension plan categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are prices determined using observable inputs other than Level 1 prices such as quoted prices for similar assets, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets; Level 3 inputs are significant unobservable inputs. Platte River, excluding the defined benefit pension plan, had the following recurring fair value measurements as of Dec. 31, 2024.

- U.S. Treasury securities of $152,139,000 are valued using quoted market prices (Level 1 inputs)
- U.S. agency securities of $34,288,000 are valued using Level 2 inputs

Platte River, excluding the defined benefit pension plan, had the following recurring fair value measurements as of Dec. 31, 2023.

- U.S. Treasury securities of $170,284,000 are valued using quoted market prices (Level 1 inputs)
- U.S. agency securities of $41,656,000 are valued using Level 2 inputs

Platte River, excluding the defined benefit pension plan, uses two local government investment pools for investment. The two pools are the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Statewide Investment Program (CSIP). COLOTRUST is a local government investment pool with a stable net asset value. CSIP is a local government investment pool in which the underlying investments are measured at the investments' net asset value. The State of Colorado Securities Commissioner administers and enforces all Colorado statutes governing these pools. They operate similarly to a money market fund and each share equals $1, although not guaranteed. Investment objectives and strategies focus on safety, liquidity, transparency and competitive yields through investment in a diversified portfolio of short-term marketable securities. They may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and highly rated commercial paper. A designated custodial bank serves as a custodian for the portfolios under a custodian agreement. The custodian acts as a safekeeping agent for the investment portfolios and provides services as the depository for direct investments and withdrawals. The custodian's internal records segregate investments owned by the investment pools. The investment pools do not have any limitations or restrictions on participant withdrawals.

As of Dec. 31, 2024, the defined benefit pension plan had the following investments and maturities.

		Investment maturities (in years)			
Cash and investment type	**Fair value**	**Less than 1 or undefined**	**1–5**	**6–10**	**More than 10**
		(in thousands)			
Cash equivalents	$ 1,721	$ 1,721	$ -	$ -	$ -
Fixed income	27,622	2,582	11,464	2,069	11,507
Domestic equity	48,418	48,418	-	-	-
International equity	26,063	26,063	-	-	-
Infrastructure equities	3,936	3,936	-	-	-
Natural resources equities	1,727	1,727	-	-	-
Real estate equities	4,052	4,052	-	-	-
Private credit	3,951	3,951	-	-	-
Private equity	2,829	2,829	-	-	-
Total cash and investments	$ 120,319	$ 95,279	$ 11,464	$ 2,069	$ 11,507

As of Dec. 31, 2023, all investments of the defined benefit pension plan had a maturity of less than one year or undefined.

Each year, Platte River measures fair value and determines the level within the fair value hierarchy in which the fair value measurements fall. The following table presents the fair value measurements of the defined benefit pension plan's assets recognized in the accompanying financial statements at Dec. 31, 2024 and 2023.

Dec. 31, 2024	Fair value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	(in thousands)			
Investments by fair value level				
Cash equivalents	$ 1,721	$ -	$ 1,721	$ -
Fixed income	27,622	16,415	11,207	-
Domestic equity	48,418	39,226	9,192	-
International equity	26,063	-	26,063	-
Infrastructure	1,727	1,727	-	-
Natural resources	3,936	3,936	-	-
Real estate funds	4,052	4,052	-	-
Private credit (1)	3,951	-	-	3,951
Private equity (1)	2,829	-	-	2,829
Total investments by fair value level	$ 120,319	$ 65,356	$ 48,183	$ 6,780

(1) Fair value as of Sept. 30, 2024.

Dec. 31, 2023	Fair value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	(in thousands)			
Investments by fair value level				
Cash equivalents	$ 1,734	$ -	$ 1,734	$ -
Fixed income	32,174	32,174	-	-
Domestic equity	39,885	39,885	-	-
International equity	22,716	22,716	-	-
Infrastructure	2,687	2,687	-	-
Natural resources	6,548	6,548	-	-
Real estate funds	2,782	2,782	-	-
Private credit (1)	2,714	-	-	2,714
Private equity (1)	1,672	-	-	1,672
Total investments by fair value level	$ 112,912	$ 106,792	$ 1,734	$ 4,386

(1) Fair value as of Sept. 30, 2023.

For the defined benefit pension plan, where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters. These include, but are not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections

and cash flows, all of which are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Asset allocation

All assets of the defined benefit pension plan are invested to comply with the defined benefit pension plan document (plan document), the defined benefit pension plan investment policy statement and any federal, state or Internal Revenue Service (IRS) laws or regulations. The defined benefit pension plan's investments are governed by the Colorado Uniform Prudent Investor Act. The investment policy statement provides an asset allocation strategy to create a broadly diversified portfolio. The strategy is designed to reflect and be consistent with the objectives expressed in the investment policy statement, subject to the risk tolerance of the retirement committee.

Defined benefit pension plan assets are held by Principal Trust Company under a trust agreement and invested in money market funds, bonds, stock portfolios, infrastructure, natural resources, private equity, private credit or real estate as directed by the retirement committee. Northern Trust Investments (Northern Trust), the retirement committee's investment manager, assists the retirement committee in overseeing the investment program. Investment management firms have full discretionary investment authority to invest in a specific asset class, subject to the policies and guidelines of the investment policy statement.

The investment mix and percentage allocations were as follows at Dec. 31.

Asset class	2024	2023
Domestic equities	**40%**	36%
International equities	**14%**	15%
Emerging market equities	**8%**	6%
Core fixed income	**6%**	14%
Inflation protection	**1%**	2%
Long duration fixed income	**7%**	0%
High yield	**9%**	12%
Infrastructure	**3%**	2%
Natural resources	**2%**	6%
Global real estate	**3%**	2%
Private credit	**3%**	2%
Private equity	**2%**	1%
Cash	**2%**	2%

Rate of return

For the years ended Dec. 31, 2024 and 2023, the money-weighted rate of return on defined benefit pension plan investments, net of investment expense, was 9.6% and 9.8%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

To limit exposure to fair value losses from rising interest rates, Platte River's investment policy and Colorado law limit the investment portfolio, excluding the defined benefit pension plan, to maturities of five years or less. Platte River uses a laddered approach to investing funds based on projected cash flows. The assumed maturity date for callable securities is based on market conditions as of Dec. 31, 2024. If the price of the security is at or above its call price, the security is assumed to be redeemed on its next call date.

The defined benefit pension plan's fixed income assets are invested in a core fixed-income exchange-traded fund (ETF), a high-yield fixed-income collective investment trust (CIT), an inflation-focused mutual fund and a long duration fixed income mutual fund. The funds are managed by Northern Trust and Vanguard. As interest rates decline, the value of a fixed-income bond fund is likely to increase. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Given the long-term nature of the defined benefit pension plan, the investment policy statement does not place maturity restrictions on its bond funds.

Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Platte River's investment policy allows investments in local government investment pools and money market funds. As of Dec. 31, 2024, Platte River, excluding the defined benefit pension plan, maintained investments in funds managed by the local government investment pools COLOTRUST and CSIP. COLOTRUST and CSIP Liquid Portfolios are both rated AAAm by S&P Global Ratings (S&P). CSIP Liquid Portfolio is also rated AAAf by Fitch Ratings. Platte River's investments in the Federal Farm Credit Bank (FFCB) and the Federal Home Loan Bank (FHLB) were rated Aaa by Moody's Investors Service and AA+ by S&P.

The defined benefit pension plan's core fixed income fund portfolio objective, under normal conditions, is to primarily invest up to 80% of its net assets in U.S. dollar-denominated investment-grade fixed-income securities either directly or indirectly through ETFs. The defined benefit pension plan's high yield allocation invests at least 80% of its assets in below investment-grade corporate bonds (not in default) as rated by at least one nationally recognized statistical rating organization. As of Dec. 31, 2024, the defined benefit pension plan's average credit quality for its core fixed-income and high-yield allocations were AA and B, respectively. The inflation-focused mutual fund and long-duration mutual fund are 100% comprised of securities backed by the U.S. Treasury.

Private credit and private equity risk

The private credit and private equity investments in the defined benefit pension plan are subject to various risk factors resulting from the investment activities of the fund managers and the

unique structures of the investments, including market, liquidity and capital risk. Private credit and private equity are diversified, multi-manager private lending investments and subject to market risk. Additionally, the funds report a market value on a quarterly basis – a less frequent measurement that can make using traditional methods to monitor and measure market risk more difficult. As a result of this reporting frequency, the fair value measurements reflected in the financial statements are as of Sept. 30, 2024 and 2023, respectively. The investments are subject to illiquidity risk. The funds' multi-manager structures are designed to help mitigate individual manager or company risk. Other risks include quality of the fund managers, interest rate risk and currency risk.

Investments in private credit and private equity as of Dec. 31, 2024 and 2023, consisted of the following.

	2024	2023
	(in thousands)	
50 SoCapital sponsor backed credit fund II (SBCFII)	**$ 3,951**	$ 2,714
50 SoCapital private equity core fund X	**2,829**	1,672

Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investments in a single issuer.

Platte River's investment policy, excluding the defined benefit pension plan, requires assets held in Platte River's funds be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. As of Dec. 31, 2024, more than 5% of Platte River's investments were concentrated in FFCB and FHLB. These investments were 6.4% and 5.4% of Platte River's total investments, respectively (including investments held in local government investment pools and certificates of deposit).

Custodial credit risk

Custodial credit risk is the risk that, if the counterparty fails, the defined benefit pension plan will not be able to recover the value of its investments or collateral securities held by that counterparty. The defined benefit pension plan's assets are held in trust and the custodial relationship is defined in the plan document. At Dec. 31, 2024 and 2023, the defined benefit pension plan did not identify any investments subject to custodial credit risk.

Foreign currency risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit.

The defined benefit pension plan has exposure to foreign currency risk through its international equity, emerging markets, global natural resources, global infrastructure, global real estate and high yield fixed income allocations. The international equity, emerging markets, and high yield fixed income strategies are CITs while the remaining are ETFs. For the defined benefit pension plan’s high-yield fixed income, international and emerging markets equity allocations, the portfolios invest primarily in foreign denominated securities and typically do not hedge currency risk. The remaining allocations invest primarily in domestic and foreign-denominated securities while also not typically hedging currency risk. As of Dec. 31, 2024, foreign non-dollar allocations for the global natural resources allocation were 65.3%, foreign non-dollar allocations for the global infrastructure allocation were 58.1% and foreign non-dollar allocations for the global real estate allocation were 33.0%. The defined benefit pension plan’s investments in international and emerging markets equity strategies, as of Dec. 31, 2024 and 2023, were $26 million and $22.7 million, respectively.

The defined benefit pension plan’s exposure to foreign currency risk in U.S. dollars as of Dec. 31, 2024, is shown in the following table.

Currency	Total	International stocks	Fixed income
		(in thousands)	
Argentine peso	$ 102	$ 102	$ -
Australian dollar	794	706	88
Brazilian real	713	713	-
Canadian dollar	1,970	1,452	518
Cayman Islands dollar	4	-	4
Chilean peso	47	17	30
Chinese yuan renminbi	2,277	2,277	-
Danish krone	323	323	-
European euro	7,784	7,512	272
Hong Kong dollar	541	532	9
Hungarian forint	97	97	-
Indian rupee	1,404	1,404	-
Indonesian rupiah	153	153	-
Israeli new shekel	246	218	28
Japanese yen	4,155	4,094	61
Kazakhstani tenge	36	36	-
Korean won	209	209	-
Macau pataca	38	-	38
Malaysian ringgit	88	88	-
Mexican peso	175	148	27
New Zealand dollar	96	96	-
Norwegian krone	82	82	-
Pakistani rupee	10	10	-
Panama balboa	5	-	5
Peruvian sol	103	103	-
Philippine peso	96	96	-
Polish zloty	13	13	-
Pound sterling	3,984	3,887	97
Qatari riyal	10	10	-
Romania new leu	11	11	-
Saudi riyal	199	199	-
Singapore dollar	516	516	-
South African rand	175	175	-
South Korean won	687	687	-
Swedish krona	228	228	-
Swiss franc	1,131	1,119	12
Taiwan dollar	1,557	1,557	-
Thai baht	257	257	-
Turkish new lira	72	47	25
UAE dirham	164	160	4
Vietnamese dong	60	60	-
Zambian kwacha	6	6	-
	$ 30,618	$ 29,400	$ 1,218

The defined benefit pension plan's exposure to foreign currency risk in U.S. dollars as of Dec. 31, 2023, is shown in the following table.

Currency	Total	International stocks	Fixed income
		(in thousands)	
Australian dollar	$ 1,418	$ 1,133	$ 285
Bermudian dollar	33	-	33
Brazilian real	444	444	-
Canadian dollar	3,955	3,055	900
Chilean peso	1	1	-
Chinese yuan renminbi	1,412	1,407	5
Colombian peso	25	-	25
Danish krone	214	213	1
European euro	5,759	4,816	943
Hong Kong dollar	1,006	1,006	-
Indian rupee	1,431	1,431	-
Indonesian rupiah	139	139	-
Israeli new shekel	613	613	-
Japanese yen	4,357	4,323	34
Korean won	557	556	1
Kuwaiti dinar	173	173	-
Malaysian ringgit	412	412	-
Mexican peso	87	77	10
Moroccan dirham	87	87	-
New Zealand dollar	56	51	5
Norwegian krone	288	288	-
Peruvian sol	1	1	-
Philippine peso	78	78	-
Pound sterling	2,928	2,617	311
Qatari riyal	253	253	-
Saudi riyal	687	687	-
Singapore dollar	940	940	-
South African rand	42	42	-
Swedish krona	113	100	13
Swiss franc	2,156	2,138	18
Taiwan dollar	1,048	1,048	-
Tanzanian shilling	7	-	7
Thai baht	235	235	-
Turkish new lira	27	27	-
Ukrainian hryvnia	11	-	11
UAE dirham	429	429	-
Vietnamese dong	1	1	-
	$ 31,423	$ 28,821	$ 2,602

Platte River Power Authority
Notes to financial statements
Dec. 31, 2024 and 2023

6. Regulatory assets and deferred inflows of resources related to regulatory credits

For rate-making purposes, Platte River's board has approved the following policies under GASB 62, paragraphs 476-500.

Additional pension funding expense recognition

Platte River funds its defined benefit pension plan (note 8) based on cost estimates developed on an actuarial basis. In addition to the base contribution, Platte River has an additional funding charge if the market value of the assets is less than 100% of the actuarial present value of accumulated plan benefits. A board-approved policy allows Platte River to record the additional pension funding charge as a regulatory asset and recognize the expense over a 10-year period.

Pension contribution expense recognition

This board-approved policy requires pension contributions for the defined benefit pension plan to be recorded as pension expense because the pension contribution amount is known at the time of budget preparation and rate setting. Any difference between pension contribution and pension expense, as calculated by the actuary under GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, is classified as either a regulatory asset or a deferred inflow of resources and amortized over a 10-year period beginning the following year. The amortization amount is included in pension expense along with the pension contribution for each year calculated.

Debt issuance expense recognition

Under GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, debt issuance costs must be expensed in the period incurred rather than amortized over the life of the related debt. To provide recovery for debt issuance costs through rates, this board-approved policy provides for the expense recognition of debt issuance costs to be amortized over the life of the associated debt and included in regulatory assets.

Windy Gap Firming Project

This board-approved policy allows Platte River's costs for the Windy Gap Firming Project (Chimney Hollow Reservoir) (note 11) to be recorded as a regulatory asset and other long-term obligations. These costs are recognized ratably over the term of the pooled financing, as further described in note 11, with the unamortized component included in regulatory assets and the outstanding balance of the pooled financing included in other long-term obligations. The value of the debt service payments under the pooled financing is expensed as an operations and maintenance expense and not accounted for as debt service.

Maintenance outage expense accrual

Under this board-approved policy, Platte River accrues estimated incremental expenses of future scheduled major maintenance outages each year. After a Rawhide Unit 1 maintenance outage is completed, the estimated maintenance and replacement power costs for the next major maintenance outage are accrued as a deferred inflow of resources. The final Rawhide Unit 1 scheduled major maintenance outage is expected to occur in 2025.

Change in depreciation method

Platte River changed depreciation method from the group method to the specific identification method during 2020. Under the specific identification method, gains and losses would be recognized immediately on the retirement of capital assets. Alternative accounting treatment under this board-approved policy recognizes the effects of the rate-making process whereby deferred gains and losses on retirements of capital assets may be recognized in a single year or deferred to future periods.

Craig units 1 and 2 decommissioning accrual

The owners of the Craig Generating Station, acting through Tri-State as operating agent, have announced that Craig Unit 1 is scheduled to retire by Dec. 31, 2025, and Craig Unit 2 is scheduled to retire by Sept. 30, 2028. Decommissioning and closure costs have not been fully determined and no binding obligation exists. Under general accounting rules, without a binding obligation the expense related to decommissioning and closure would not be recognized and therefore funds would not be recovered through rates. This board-approved accounting policy records accretion of estimated decommissioning costs for Craig units 1 and 2 using the budgetary estimate provided by Tri-State. Once a binding obligation exists, Platte River will account for decommissioning costs under GASB 83.

Deferred revenue and expense

This board-approved accounting policy authorizes the general manager/CEO to defer revenues or expenses to reduce rate pressure and achieve rate smoothing as Platte River transitions its portfolio to meet the Resource Diversification Policy goal. Any amount of change in net position above the minimum required to achieve the Strategic Financial Plan metrics can be deducted from operating revenues and held on the statement of net position as a regulatory credit, to be recorded as revenue in one or more future periods. Alternatively, any amount of change in net position below the minimum required to achieve the Strategic Financial Plan metrics can be deducted from operating expenses and held on the statement of net position as a regulatory asset, to be recorded as expense in one or more future periods. The regulatory credit for this policy was restated for 2023 with the implementation of a GASB 101 (notes 3 and 19).

Regulatory assets and deferred inflows of resources related to regulatory credits as of Dec. 31, 2024, are shown in the tables below.

	Dec. 31, 2023 restated	Additions	Reductions	Dec. 31, 2024
	(in thousands)			
Regulatory assets				
Additional pension funding expense recognition	$ 7,592	$ 1,892	$ (1,342)	**$ 8,142**
Pension contribution expense recognition	12,940	3,068	(1,707)	**14,301**
Debt issuance expense recognition	478	-	(74)	**404**
Windy Gap Firming Project	110,568	-	(693)	**109,875**
Total regulatory assets	$ 131,578	$ 4,960	$ (3,816)	**$ 132,722**
Deferred inflows of resources				
Regulatory credits				
Maintenance outage expense accrual	$ 7,461	$ 4,209	$ -	**$ 11,670**
Pension contribution expense recognition	5,067	-	(657)	**4,410**
Change in depreciation method	36,425	-	(8,399)	**28,026**
Craig units 1 and 2 decommissioning accrual	2,755	1,508	-	**4,263**
Deferred revenue and expense	52,974	26,200	-	**79,174**
Total regulatory credits	$ 104,682	$ 31,917	$ (9,056)	**$ 127,543**

Regulatory assets and deferred inflows of resources related to regulatory credits as of Dec. 31, 2023, are shown in the tables below.

	Dec. 31, 2022	Additions	Reductions	Dec. 31, 2023 restated
	(in thousands)			
Regulatory assets				
Additional pension funding expense recognition	$ 5,445	$ 3,000	$ (853)	$ 7,592
Pension contribution expense recognition	11,690	2,528	(1,278)	12,940
Debt issuance expense recognition	558	-	(80)	478
Windy Gap Firming Project	111,261	-	(693)	110,568
Total regulatory assets	$ 128,954	$ 5,528	$ (2,904)	$ 131,578
Deferred inflows of resources				
Regulatory credits				
Maintenance outage expense accrual	$ 3,840	$ 3,621	$ -	$ 7,461
Pension contribution expense recognition	5,724	-	(657)	5,067
Change in depreciation method	43,313	-	(6,888)	36,425
Craig units 1 and 2 decommissioning accrual	1,331	1,424	-	2,755
Deferred revenue and expense	21,739	31,235	-	52,974
Total regulatory credits	$ 75,947	$ 36,280	$ (7,545)	$ 104,682

7. Long-term debt

Long-term debt outstanding as of Dec. 31, 2024 and 2023, consisted of the following.

	Interest rate	Dec. 31 2024	Dec. 31 2023
		(in thousands)	
Power revenue bonds (all serial bonds)			
Series JJ maturing 6/1/2036	3.5%–5%	**$ 90,590**	$ 102,320
Taxable Series KK maturing 6/1/2037	1%-1.9%	**22,490**	23,550
		113,080	125,870
Unamortized bond premium [(1)]		**7,527**	9,601
Total revenue bonds outstanding		**120,607**	135,471
Less: due within one year		**(13,400)**	(12,790)
Total long-term debt, net		**$ 107,207**	$ 122,681

[(1)] Fixed rate bond premium costs are amortized over the terms of the related bond issues.

The outstanding balance of Series JJ is callable June 1, 2026. Taxable Series KK is subject to prior redemption, in whole or in part on any date, as selected by Platte River.

Interest expense for the years ended Dec. 31, 2024 and 2023, related to long-term debt outstanding is as follows. The remainder of interest expense, as shown on the statements of revenues, expenses and changes in net position, relates to lease and subscription liabilities as discussed in note 12.

	2024	2023
	(in thousands)	
Interest	**$ 4,642**	$ 5,233
Amortization of bond related costs	**(1,329)**	(1,477)
Total interest expense	**$ 3,313**	$ 3,756

Calendar year totals for monthly bond service funding requirements per bond resolution for all bonds outstanding are shown in the following table. These may differ from actual semi-annual debt service requirements.

Year ending Dec. 31	Principal	Interest	Total
		(in thousands)	
Deposits in 2024 for 2025 payment	$ 7,817	$ 366	$ 8,183
2025	13,730	4,023	17,753
2026	14,312	3,449	17,761
2027	14,898	2,826	17,724
2028	15,443	2,246	17,689
2029	8,858	1,690	10,548
2030-2034	25,971	5,003	30,974
2035-2037	12,051	565	12,616
	$ 113,080	$ 20,168	$ 133,248

Bond service coverage

Power revenue bonds are secured by a pledge of the revenues of Platte River after deducting operating expenses, as defined in the General Power Bond Resolution. The power revenue bonds issued by Platte River may be subject to early call provisions. Principal and interest payments are met from net revenues earned from wholesale electric rates charged to the owner communities and others, and from interest earnings.

Under the General Power Bond Resolution, Platte River is required to charge wholesale electric energy rates to the owner communities that are reasonably expected to yield net revenues for the forthcoming 12-month period that are equal to at least 1.10 times total power bond service requirements. Under the General Power Bond Resolution, Platte River has established a rate stabilization reserve account. Deposits to this account are a reduction to current net revenues for purposes of computing bond service coverage. Future withdrawals will increase net revenues for purposes of computing bond service coverage and could assist Platte River, at that time, in meeting its wholesale rate covenant. The balances in the rate stabilization reserve account at Dec. 31, 2024 and 2023, were $20,299,000 and $20,194,000, respectively, excluding accrued interest. The rate stabilization reserve account is included in dedicated funds and investments in the statements of net position.

Platte River Power Authority
Notes to financial statements
Dec. 31, 2024 and 2023

The following table is a calculation of the power revenue bond coverage ratio for the years ended Dec. 31, 2024 and 2023.

	2024	2023 restated
	(in thousands)	
Bond service coverage		
Net revenues		
Operating revenues	**$ 271,323**	$ 257,511
Operating expenses, excluding depreciation, amortization and accretion	**233,071**	228,032
Net operating revenues	**38,252**	29,479
Plus interest and other income [1]	**14,673**	8,107
Net revenues before rate stabilization	**52,925**	37,586
Rate stabilization		
Deposits	**-**	-
Withdrawals	**-**	-
Total net revenues	**$ 52,925**	$ 37,586
Bond service		
Power revenue bonds	**$ 17,788**	$ 17,783
Bond service coverage ratio	**2.98**	2.11

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

Arbitrage rebate

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after Aug. 31, 1986, is subject to arbitrage rebate requirements. Interest income on bond proceeds that exceeds the cost of borrowing is payable to the federal government on every fifth anniversary of each bond issue. Platte River had no arbitrage liability outstanding as of Dec. 31, 2024 and 2023.

Deferred outflows of resources related to debt

As of Dec. 31, 2024 and 2023, deferred outflows related to debt consisted of the unamortized deferred loss on debt refundings of $1,596,000 and $2,281,000, respectively.

Deferred inflows of resources related to debt

As of Dec. 31, 2024 and 2023, deferred inflows related to debt consisted of the unamortized deferred gain on debt refundings of $100,000 and $112,000, respectively.

8. Defined benefit pension plan

Description

The following brief description of the defined benefit pension plan is provided for general information purposes only. Participants and all others should refer to the plan document for more complete information. Platte River does not issue separate stand-alone financial statements for the defined benefit pension plan.

Effective June 1, 1973, Platte River adopted the defined benefit pension plan. Generally, the defined benefit pension plan is a defined-benefit, single-employer plan covering all regular employees of Platte River hired before Sept. 1, 2010. The defined benefit pension plan is closed to new employees hired on or after that date.

The general manager of Platte River is the defined benefit pension plan administrator. The retirement committee, composed of six members (two staff members and four members of the board), meets quarterly and oversees the defined benefit pension plan's investments. Platte River's board is the designated governing body over the defined benefit pension plan and has the authority to amend the defined benefit pension plan as necessary. In 2020, the board appointed a defined benefit plan subcommittee. The subcommittee has the power by unanimous resolution to amend the defined benefit pension plan. Platte River pays all administrative expenses of the defined benefit pension plan.

The defined benefit pension plan has received favorable determination letters from the IRS for the original defined benefit pension plan and subsequent amendments effective through Jan. 1, 2014. Thereafter, the IRS ended review of amendments and stopped providing determination letters.

Benefits provided

Retirement benefits are based on years of service rendered and the final average compensation earned by the participant as defined by the plan document. The defined benefit pension plan provides for 100% vesting after five years of service to all eligible employees.

The defined benefit pension plan provides for normal retirement at age 65. A participant may retire before age 65 after having completed 10 years of credited service and having attained at least age 55, with reduced benefits in accordance with the plan document. For a participant who began employment before Jan. 1, 2008, a special early retirement benefit is available if the participant has completed 13 years of credited service and has attained the ages of 55 through 58 or has completed 20 years of credited service and has attained the age of 55. A participant who began employment on or after Jan. 1, 2008, qualifies for special early retirement if the participant has completed 20 years of credited service and terminates employment after attaining age 55. Benefits will not be reduced if the participant elects to receive benefits on or after the seventh anniversary of the date the participant is first eligible for the special early retirement benefit. The defined benefit pension plan also provides for a deferred vested

retirement income starting at the normal retirement date to participants who choose to leave Platte River before normal retirement age.

Participants may elect to receive their benefits by selecting one of the six forms of payment: (1) the duration of the participant's life; (2) the duration of the participant's life with a minimum of 10 years certain and any remainder paid to a beneficiary; (3) 50% joint and survivor annuity option; (4) 66-2/3% joint and survivor option with a minimum of 10 years certain and any remainder paid to a beneficiary; (5) 66-2/3% joint and survivor option without 10 years certain; or (6) an actuarially equivalent lump sum payment, when this option is available. Active employees who become totally and permanently disabled may qualify for a vested retirement income at age 65 or an early retirement income at ages 55 through 64 if they have met the requirements for these benefits when they initially became disabled. Upon the death of an active or disabled retiree, a benefit in the form of a monthly income or lump sum payment is paid to the participant's beneficiary in accordance with the plan document.

Benefits paid by the defined benefit pension plan are adjusted annually by the change in the consumer price index, subject to a maximum increase of 6% for employees who retired before Dec. 6, 1991. Employees who retired on or after Dec. 6, 1991, receive two-thirds of the change in the consumer price index, up to a maximum of 4%.

Membership

At Dec. 31, participants in the defined benefit pension plan are as follows.

	2024	**2023**
Retirees and beneficiaries currently receiving benefits	**194**	185
Terminated vested employees not yet receiving benefits	**42**	46
Active plan participants	**65**	72
Total participants	**301**	303

Contributions

All contributions to the defined benefit pension plan are authorized by the board and made by Platte River. Employees cannot contribute to the defined benefit pension plan. The defined benefit pension plan's funding policy is intended to fund current service costs as they accrue, plus an additional funding charge if the market value of the assets is less than 100% of the actuarial present value of accumulated plan benefits.

Platte River's contributions to the defined benefit pension plan, equaling or exceeding the actuarially determined requirements for the years ended Dec. 31, 2024 and 2023, are as follows.

	2024	2023
	(in thousands)	
Base contribution	**$ 4,180**	$ 3,041
Additional funding	**1,893**	3,000
Total contributions	**$ 6,073**	$ 6,041

Expenses

Investment manager fees are deducted from investment earnings by the investment management firms.

Additionally, Platte River pays the administrative expenses of the defined benefit pension plan, including actuarial fees, investment consulting fees, trustee fees, auditing expenses and legal fees.

Net pension liability

The net pension liability was measured and determined by actuarial valuations as of Dec. 31, 2024 and 2023, respectively. The components of the net pension liability were as follows.

	2024	2023
	(in thousands)	
Total pension liability	**$ 147,635**	$ 141,193
Plan fiduciary net position	**120,350**	112,919
Platte River's net pension liability	**$ 27,285**	$ 28,274
Plan fiduciary net position as a percentage of the total pension liability	**81.52%**	79.98%

Actuarial assumptions

Total pension liability for the years ended Dec. 31, 2024 and 2023, was determined using the following actuarial assumptions, applied to all periods included in the measurement.

	2024	2023
Salary increases, next calendar period, all ages	**4%**	3%
Salary increases, all future periods, age <51	**4%**	4%
Salary increases, all future periods, age 51-65	**3%**	3%
Salary increases, all future periods, age 66+	**2%**	2%
Investment rate of return	**7.5%**	7.5%
Cost of living	**1.5%**	1.5%

Mortality rates for the years ended Dec. 31, 2024 and 2023, were based on the Pri-2012 employee, healthy retiree and contingent survivor mortality tables for males and females, projected generationally with the MP-2020 projection scales for males and females.

The actuarial assumption for the long-term expected rate of return on defined benefit pension plan investments is established in the investment policy statement approved by the retirement committee. Platte River establishes a rate using best-estimate ranges of expected future rates of return net of investment expense for each major asset class. The estimates for each major asset class that are included in the defined benefit pension plan's target asset allocation as of Dec. 31, 2024 and 2023, are summarized in the following table.

	Target allocation		Long-term expected rate of return	
Asset class	**Dec. 31, 2024**	**Dec. 31, 2023**	**2024**	**2023**
Domestic equities	**34%**	34%	**7.0%**	7.0%
International equities	**16%**	16%	**6.9%**	6.9%
Emerging market equities	**6%**	6%	**6.9%**	6.9%
Core fixed income	**10%**	14%	**4.3%**	4.3%
Inflation protection	**0%**	3%	**3.7%**	3.7%
Long duration fixed income	**7%**	n/a	**4.9%**	n/a
High yield	**7%**	7%	**6.0%**	6.0%
Infrastructure	**3%**	2%	**6.6%**	6.6%
Natural resources	**3%**	5%	**7.6%**	7.6%
Global real estate	**3%**	2%	**7.6%**	7.6%
Private credit	**4%**	4%	**6.2%**	6.2%
Private equity	**6%**	6%	**8.3%**	8.3%
Cash	**1%**	1%	**n/a**	n/a

Discount rate

The discount rate used to measure total pension liability was 7.5% for the years ended Dec. 31, 2024 and 2023. Projections of cash flows assumed: (a) employer contributions are made throughout the year and, on average, at midyear and (b) all decrement events are assumed to occur in the middle of the year. Based on these assumptions, the defined benefit pension plan's fiduciary net position was projected to meet all projected future benefit payments of current defined benefit pension plan participants. The long-term expected rate of return on defined benefit pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Changes in net pension liability

Changes in net pension liability for the year ended Dec. 31, 2024, were as follows.

	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
	(in thousands)		
Balances at Dec. 31, 2023	$ 141,193	$ 112,919	$ 28,274
Changes for the year			
Service cost	1,055	-	1,055
Interest	10,320	-	10,320
Changes of benefit terms	-	-	-
Differences between expected and actual experience	4,355	-	4,355
Employer contributions	-	6,073	(6,073)
Net investment income	-	10,646	(10,646)
Benefit payments	(9,288)	(9,288)	-
Changes of assumptions	-	-	-
Net changes	6,442	7,431	(989)
Balances at Dec. 31, 2024	**$ 147,635**	**$ 120,350**	**$ 27,285**

Changes in net pension liability for the year ended Dec. 31, 2023, were as follows.

	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (a) – (b)
	(in thousands)		
Balances at Dec. 31, 2022	$ 135,605	$ 105,085	$ 30,520
Changes for the year			
Service cost	1,100	-	1,100
Interest	9,939	-	9,939
Changes of benefit terms	-	-	-
Differences between expected and actual experience	2,918	-	2,918
Employer contributions	-	6,041	(6,041)
Net investment income	-	10,162	(10,162)
Benefit payments	(8,369)	(8,369)	-
Changes of assumptions	-	-	-
Net changes	5,588	7,834	(2,246)
Balances at Dec. 31, 2023	$ 141,193	$ 112,919	$ 28,274

Sensitivity of the net pension liability to changes in the discount rate

Net pension liability at Dec. 31, 2024, calculated using the current discount rate, as well as using a discount rate 1% lower or 1% higher than the current rate, is as follows.

	Discount rate	Net pension liability 2024
		(in thousands)
1% decrease	6.5%	**$ 41,790**
Current discount rate	7.5%	**27,285**
1% increase	8.5%	**14,851**

Termination

Platte River reserves the right to discontinue its contributions at any time and to terminate the defined benefit pension plan, although it has not expressed any intention to do so. Discontinuing contributions does not constitute a formal termination of the defined benefit pension plan. If Platte River formally terminates the defined benefit pension plan, the net position of the defined benefit pension plan will be distributed in the following order of priority.

a. The minimum required amount to retired or terminated participants whose retirement income payments began at least three years before the termination date.

b. Each other active, retired or terminated participant who, at least three years before the termination date, had become eligible for benefits.

Remaining assets are allocated between participants and beneficiaries using the excess above the amount required to provide the actuarial equivalent single sum value.

Platte River is not subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and is not subject to the pension benefit guaranty provisions of ERISA. Benefits under the defined benefit pension plan are not insured by the Pension Benefit Guaranty Corporation.

Pension expense

The board-approved policies under GASB 62, paragraphs 476–500, allow Platte River to recognize pension expense when recovered through rates rather than recording the amount calculated under GASB 68 (note 6).

For the years ended Dec. 31, 2024 and 2023, Platte River recognized pension expense as follows.

	2024	2023
	(in thousands)	
Base contribution	**$ 4,180**	$ 3,041
Additional pension funding expense amortization (note 6)	**1,342**	853
Pension contribution expense recognition amortization, net (note 6)	**1,050**	621
Total pension expense	**$ 6,572**	$ 4,515

Deferred outflows of resources and deferred inflows of resources related to the defined benefit pension plan

At Dec. 31, 2024 and 2023, Platte River reported deferred outflows of resources and deferred inflows of resources related to the defined benefit pension plan from the following sources.

Dec. 31, 2024	Deferred outflows of resources	Deferred inflows of resources
	(in thousands)	
Differences between expected and actual experience	$ 1,895	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on investments	3,835	-
Total	**$ 5,730**	**$ -**

Dec. 31, 2023	Deferred outflows of resources	Deferred inflows of resources
	(in thousands)	
Differences between expected and actual experience	$ 1,554	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on investments	8,233	-
Total	$ 9,787	$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the defined benefit pension plan as of Dec. 31, 2024, will be recognized as a component of pension expense as follows.

Year ending Dec. 31	
(in thousands)	
2025	$ 3,801
2026	3,322
2027	(933)
2028	(460)
2029	-
Total	$ 5,730

9. Asset retirement obligations

Platte River has evaluated its contracts and current regulations associated with tangible capital assets and identified those subject to asset retirement obligation recognition under GASB Statement No. 83, *Certain Asset Retirement Obligations* and for which costs can be estimated.

Asset retirement obligation activity for the year ended Dec. 31, 2024, was as follows.

	Dec. 31, 2023	Additions	Reductions	Dec. 31, 2024	Due within one year
			(in thousands)		
Deferred outflows of resources	$ 26,371	$ 14,231	$ (5,410)	**$ 35,192**	$ -
Liabilities	35,916	14,231	(670)	**49,477**	3,436

Asset retirement obligation activity for the year ended Dec. 31, 2023, was as follows.

	Dec. 31, 2022	Additions	Reductions	Dec. 31, 2023	Due within one year
			(in thousands)		
Deferred outflows of resources	$ 25,316	$ 4,476	$ (3,421)	$ 26,371	$ -
Liabilities	33,286	4,476	(1,846)	35,916	933

Rawhide Energy Station decommissioning

As part of the 1979 rezoning resolution and Rawhide Energy Station construction agreement with the Board of County Commissioners of Larimer County, the county government included reclamation or restoration requirements if Platte River abandons the Rawhide Energy Station as a location for the generation of electricity. Platte River agreed to remove all above-ground structures, excluding the cooling pond dam and power plant foundations, in accordance with reasonable specifications and procedures to be agreed upon by both parties at the time of abandonment.

In 2024, Platte River hired an independent engineering firm to estimate the asset retirement obligation under the agreement's reclamation or restoration clause. The firm's report estimates the cost to decommission and demolish all infrastructure to grade, except the substation and transmission line, with no concrete foundation removal. The estimate assumes a contractor will perform the necessary work. The cost estimate has not been reduced for the potential market value of reusable or scrap materials and does not consider associated recycling costs.

Platte River has recognized its asset retirement liability using the "probable cost" price estimates developed by the engineering firm. Cost estimates were provided with a +/- 30 percent high-low range from the probable cost estimate for decommissioning, demolition and environmental cost categories. The deferred outflows of resources and associated liability will be adjusted for inflation/deflation annually and reviewed for other significant changes.

The amortization period for recognition of the deferred outflow of resources is based on the estimated remaining useful life of the Rawhide Energy Station of Dec. 31, 2055.

The deferred outflows of resources and associated liability as of Dec. 31, 2024 and 2023, are shown in the table below.

	2024	2023
	(in thousands)	
Deferred outflows of resources	**$ 24,691**	$ 15,128
Noncurrent liability	**27,641**	17,551

Rawhide Energy Station impoundments

Platte River is obligated under state laws and regulations to remove wastes from impoundments at the Rawhide Energy Station and confirm that any environmental impact has been addressed before closure. The impoundments used for the generation of electric power and energy and associated purposes include nine phosphorous removal ponds, one retention pond and a fire training pond. Platte River hired an independent consultant to estimate the closure costs of the impoundments. Following state regulations, the estimate will be updated every five years. As a result, Platte River recognized an asset retirement obligation for the estimated clean closure costs of these impoundments and the amount is adjusted annually for inflation/deflation. These costs are amortized over the estimated remaining useful life of each impoundment or the estimated remaining useful life of the facility, whichever is shorter. During 2024, Platte River

determined that the fire training pond would be decommissioned ahead of schedule to facilitate construction of future generation resources and is amortized through Dec. 31, 2025. The remaining impoundments are amortized through Rawhide Unit 1's planned retirement date, which is Dec. 31, 2029. Platte River meets the financial assurances required by the state.

The deferred outflows of resources and associated liability as of Dec. 31, 2024 and 2023, are shown in the table below.

	2024	2023
	(in thousands)	
Deferred outflows of resources	**$ 4,781**	$ 4,397
Total liability	**$ 8,807**	$ 7,178
Less: current liability	**(2,936)**	-
Noncurrent liability	**$ 5,871**	$ 7,178

Craig Generating Station impoundments

As part of the Yampa Project Amended and Restated Participation Agreement among PacifiCorp, Public Service Company of Colorado, Platte River Power Authority, Salt River Project Agricultural Improvement and Power District and Tri-State Generation and Transmission Association, Inc. (Participation Agreement), the participants must operate, maintain, replace, remove and provide all Yampa Project capital improvements in compliance with laws, executive orders and regulations applicable to the participants. The Participation Agreement continues until the last of Craig Generating Station Unit 1 or 2 is retired from service, and all salvage and required site restoration is completed and the participants have paid their respective shares of those costs. The participants have undivided ownership interests in Craig units 1 and 2 and the common facilities.

Tri-State is the operating agent under the Participation Agreement. Tri-State has given Platte River its best estimate of the current asset retirement obligation liability based on Financial Accounting Standards Board guidance, which is being accreted to a future cashflow estimate and does not currently represent the full liability. The asset retirement obligation consists of restoration costs of five dewatering ponds, a high-quality water holding pond and an evaporation pond used for the generation of electric power and energy and associated uses. Beginning in 2022, the asset retirement obligation increased due to including an estimate for post closure monitoring of the ponds and cost estimate updates. Platte River's interest in Craig units 1 and 2 represents a minority of the asset retirement obligation. Under GASB 83 guidance, Platte River's reported liability depends on the measurement produced by Tri-State. Platte River receives an annual update for its share of the asset retirement obligation from Tri-State and adjusts the liability and future amortization schedule accordingly. Each pond, representing an associated tangible capital asset of the asset retirement obligation liability, is amortized through Craig Unit 2's planned retirement date of Sept. 30, 2028.

Platte River's share of the deferred outflows of resources and associated liability as of Dec. 31, 2024 and 2023, is shown in the table below.

	2024	2023
	(in thousands)	
Total member liability	**$ 32,506**	$ 31,117
Platte River's % share	**12%**	12%
Platte River's deferred outflows of resources	**$ 2,138**	$ 2,497
Platte River's noncurrent liability	**$ 3,901**	$ 3,734

Trapper Mining Inc. reclamation and mine closure

Trapper Mining Inc. is engaged in the business of mining, selling and delivering coal from the Trapper Mine located near Craig, Colorado, to its members under an agreement with the Craig Generating Station, located adjacent to the Trapper Mine. Trapper Mining Inc. follows Financial Accounting Standard Board guidance and has recorded an asset retirement obligation related to the final reclamation and mine closure based on detailed engineering calculations of the amount and timing of future cash spending for a third party to perform the required work. Under the Final Reclamation Agreement with its members, Trapper Mining Inc. (as contractor) and Salt River Project Agricultural Improvement and Power District, Tri-State, PacifiCorp, Platte River, and Public Service Company of Colorado (as payors) assume responsibility for the asset retirement obligation. The acres of mine to be reclaimed and associated costs are reviewed annually, and the costs are allocated to members based on cumulative tons of coal delivered. Tri-State and Public Service Company of Colorado are no longer members and have settled their asset retirement obligations. The coal contract expires Dec. 31, 2025, and the remaining amount of unamortized deferred outflows of resources is amortized over the remaining term of the contract. In 2021, Trapper Mining Inc. began invoicing for reclamation costs incurred, which Platte River pays and charges against the liability.

Platte River's share of the deferred outflows of resources and associated liability as of Dec. 31, 2024 and 2023, is shown in the table below.

	2024	2023
	(in thousands)	
Total member liability	**$ 36,726**	$ 34,498
Platte River's % share	**26.68%**	26.67%
Platte River's deferred outflows of resources	**$ 3,582**	$ 4,349
Platte River's gross liability	**$ 9,798**	$ 9,201
Less: reclamation costs incurred	**(670)**	(1,748)
Platte River's net liability	**$ 9,128**	$ 7,453
Less: current liability	**(500)**	(933)
Noncurrent liability	**$ 8,628**	$ 6,520

Easement agreements

Platte River is a party to numerous easement agreements related to transmission lines and pipelines. These assets are determined to complete a single system, have a perpetual life and are not expected to be retired. Platte River intends to replace sections of its transmission lines, if necessary, and not retire the entire system. Therefore, an asset retirement obligation related to these easements cannot be reasonably estimated.

10. Noncurrent liabilities

Noncurrent liability activity for the year ended Dec. 31, 2024, was as follows.

	Dec. 31, 2023 restated	Additions	Reductions	Dec. 31, 2024	Due within one year
			(in thousands)		
Long-term debt, net	$ 135,471	$ -	$ (14,864)	**$ 120,607**	$ 13,400
Other liabilities and credits					
Compensated absences	8,960	6,945	(5,508)	**10,397**	2,104
Fiber lease advances	347	-	(45)	**302**	46
Yampa employee obligation	288	-	(2)	**286**	-
Disposal facility closure costs	2,050	1,012	-	**3,062**	-
Deposits	2,175	-	-	**2,175**	-
Total other liabilities and credits	13,820	7,957	(5,555)	**16,222**	2,150
Total noncurrent liabilities	$ 149,291	$ 7,957	$ (20,419)	**$ 136,829**	$ 15,550

Noncurrent liability activity for the year ended Dec. 31, 2023, was as follows.

	Dec. 31, 2022	Additions	Reductions	Dec. 31, 2023 restated	Due within one year
			(in thousands)		
Long-term debt, net	$ 150,023	$ -	$ (14,552)	$ 135,471	$ 12,790
Other liabilities and credits					
Compensated absences	6,765	6,605	(4,410)	8,960	1,806
Fiber lease advances	394	-	(47)	347	46
Yampa employee obligation	291	-	(3)	288	-
Disposal facility closure costs	332	1,718	-	2,050	-
Deposits	-	2,175	-	2,175	-
Total other liabilities and credits	7,782	10,498	(4,460)	13,820	1,852
Total noncurrent liabilities	$ 157,805	$ 10,498	$ (19,012)	$ 149,291	$ 14,642

As discussed in note 3, Platte River has an ash disposal facility, comprising three cells (C1, 2A and 2B), at Rawhide Energy Station and accrues a liability to report a portion of state-regulated closure and postclosure costs, by cell, as an operatng expense in each period based on landfill capacity used as of each statement of net position date. For this purpose, Cells 1 and 2A are considered at capacity and is no longer accepting waste. They also have similar remaining closure and postclosure requirements. Cell 2B's potential capacity exceeds the projected capacity to be used before closure, therefore Platte River considers the greater of actual capacity used or a straight-line percentage through expected closure as the capacity used for determining the liability.

Current regulations require Platte River to place a final cover on Cell 2B as part of closure and postclosure monitoring for 30 years on all cells following the closure process. Closure and postclosure cost estimates are allocated to the cells as determined by management, based on the closure and postclosure activities required by each cell. These cost estimates are based on costs to perform all closure and postclosure compliance in each year presented. Platte River expects to begin closing the ash disposal facility no earlier than 2030. Actual costs will vary due to inflation, changes in technology or changes in regulations. Cost estimates are maintained according to financial assurance regulations which include periodic updates by an independent third party. In years where a new cost estimate is not obtained, the costs are updated using inflation rates promulgated by the Colorado Department of Public Health and Environment. Disposal facility closure costs are as follows for the years ended Dec. 31, 2024 and 2023.

	2024	2023
	(in thousands)	
Cells 1 and 2A closure and postclosure care cost estimate	**$ 1,186**	$ 1,144
Capacity used to date	**100%**	100%
Cells 1 and 2A disposal facility closure cost liability	**$ 1,186**	$ 1,144
Cell 2B closure and postclosure care cost estimate	**$ 6,561**	$ 6,333
Capacity used to date	**28.6%**	14.3%
Cell 2B disposal facility closure cost	**$ 1,876**	$ 906
Total disposal facility closure cost	**$ 3,062**	$ 2,050

11. Other long-term obligations

Under an agreement between the Windy Gap Firming Project Water Activity Enterprise, Municipal Subdistrict of Northern Colorado Water Conservancy District (Municipal Subdistrict) and Platte River, Platte River has contractual rights to 16,000 acre-feet of storage in the total

90,000 acre-feet storage system known as the Windy Gap Firming Project, of which the largest component is the Chimney Hollow Reservoir. Contractors expect construction to progress through 2025, at which point the new reservoir will be ready to fill. The time needed to fill the reservoir will depend on water supply conditions. Total project costs are not final until the construction period ends. Once the project is complete, Platte River will have a perpetual right for capacity in the project.

In 2021, the project was partially financed through a pooled financing with other participants. Due to alternate accounting treatment (note 6) and specifics of the agreement, Platte River recorded a regulatory asset and other long-term obligations. Platte River did not receive cash with the financing as the project is managed by the Municipal Subdistrict. Platte River also cash funded a portion of the project.

The regulatory asset is the value of the total costs of the project (cash funded including settlement liability payments and the pooled financing portion) whereas the other long-term obligations represent Platte River's portion of the pooled financing and settlement liability.

The total costs of the project are recognized ratably over the term of the pooled financing. The cash-funded and settlement liability components are recognized through amortization expense using the straight-line method over the estimated pooled financing term beginning in 2021. The pooled financing debt service payments are included in operations and maintenance expense and not accounted for as debt service. Principal recognized as operations and maintenance expense reduces the associated regulatory asset, which is not estimated to begin occurring until 2026. These payments are considered fixed obligation charges, reported as cash flows from capital and related financing activities and the outstanding principal balance of the pooled financing is considered other long-term obligations.

Other long-term obligations outstanding consist of the following.

	Interest rate	Dec. 31, 2024	Dec. 31, 2023
		(in thousands)	
Windy Gap Firming Project obligations			
Pooled financing senior debt maturing 7/15/2051	4%–5%	**$ 61,046**	$ 61,046
Pooled financing subordinate debt estimated to mature 5/1/2056	2.08%	**32,360**	32,360
Settlement liability	n/a	**889**	1,778
		94,295	95,184
Less: due within one year		**(889)**	(889)
Total long-term obligations, net		**$ 93,406**	$ 94,295

Operations and maintenance expenses relating to the pooled financing alternative accounting treatment are as follows.

	2024	2023
	(in thousands)	
Interest	**$ 2,964**	$ 2,888
Principal	**-**	-
Total operations and maintenance expenses relating to the pooled financing	**$ 2,964**	$ 2,888

Estimated calendar year totals for pooled financing payments under the agreement are as follows. These will differ from recognition as outflows of resources and payments will differ depending on final construction timing and costs, and the ability of the other participants to meet their funding obligations.

Year ending Dec. 31	Estimated net principal [1]	Estimated interest	Total
		(in thousands)	
2025	$ -	$ 2,888	$ 2,888
2026	2,148	3,781	5,929
2027	3,044	3,454	6,498
2028	3,172	3,325	6,497
2029	3,308	3,189	6,497
2030-2034	18,795	13,689	32,484
2035-2039	23,178	9,305	32,483
2040-2044	15,329	4,305	19,634
2045-2049	8,807	2,259	11,066
2050-2054	7,945	862	8,807
2055-2056	2,833	89	2,922
	$ 88,559	$ 47,146	$ 135,705

[1] Estimated unused senior bond service reserves applied in 2041 and 2051.

Other obligations relating to the project include Platte River's portion of a settlement liability payable in 2025.

At Dec. 31, 2024 and 2023, other long-term assets include senior bond service reserve funds of $4,883,000 and $4,847,000, respectively, which are expected to be applied to future principal payments as shown in estimated net principal above but are not included in total other long-term obligations.

At Dec. 31, 2024 and 2023, other long-term assets also include liquidity fund deposits of $2,824,000 and $1,562,000, respectively, which are held for use if another participant defaults. When the pooled financing is fully repaid, liquidity funds are expected to be returned to Platte River.

At Dec. 31, 2024, other long-term assets include operating reserve funds of $362,000, which are held for use if operating funds are insufficient to make payments of ongoing costs and expenses of the project. This fund provides the project working capital and is expected to be maintained throughout future operations at a level of approximately two years of expenses.

Platte River periodically receives investment returns for these funds held by the Municipal Subdistrict. At Dec. 31, 2024, prepayments and other assets include investments returns expected to reduce the following year's assessment for the pooled financing of $135,000. Cumulative investment returns for these funds not expected to reduce the following year's assessment are included in amounts disclosed above as components of other long-term assets.

12. Lease and subscription liabilities

Lease and subscription liabilities represent obligations associated with the recognition of amortizable lease and subscription assets (notes 3 and 4) based on the net present value of anticipated future cashflows at the commencement of each lease or subscription term. When necessary, these anticipated future cashflows consider management's best estimate of exercising optional terms within contracts, and actual terms may differ. No lease or subscription contract has a stated or implied interest rate, therefore, Platte River has used an estimated incremental borrowing rate which varies, based on interest rates at the time of each commencement, between 0.5% and 3.6%.

Lease and subscription liability activity for the year ended Dec. 31, 2024, was as follows.

	Dec. 31, 2023	Additions	Reductions	Dec. 31, 2024	Due within one year
			(in thousands)		
Lease liabilities	$ 111	$ -	$ (10)	**$ 101**	$ 10
Subscription liabilties	1,391	3,239	(1,301)	**3,329**	1,032
Total lease and subscription liabilities	$ 1,502	$ 3,239	$ (1,311)	**$ 3,430**	$ 1,042

Lease and subscription liability activity for the year ended Dec. 31, 2023, was as follows.

	Dec. 31, 2022	Additions	Reductions	Dec. 31, 2023	Due within one year
			(in thousands)		
Lease liabilities	$ 120	$ -	$ (9)	$ 111	$ 9
Subscription liabilties	1,134	586	(329)	1,391	632
Total lease and subscription liabilities	$ 1,254	$ 586	$ (338)	$ 1,502	$ 641

Interest expense for the years ended Dec. 31, 2023 and 2022, related to lease and subscription liabilities, was $67,000 and $7,000, respectively. In addition to principal and interest, Platte River recognized, as operating expenses, variable payments of $134,000 and $16,000 during the years ended Dec. 31, 2024 and 2023, respectively, which were not included in the initial measurement of the liabilities. No other non-support payments, such as termination penalties, were incurred.

Calendar year totals for expected lease liability principal and interest payments are shown in the following table.

Year ending Dec. 31	Principal	Interest	Total
		(in thousands)	
2025	$ 10	$ 4	$ 14
2026	10	2	12
2027	10	3	13
2028	11	3	14
2029	11	2	13
2030-2033	49	5	54
	$ 101	$ 19	$ 120

Calendar year totals for expected subscription liability principal and interest payments are shown in the following table.

Year ending Dec. 31	Principal	Interest	Total
	(in thousands)		
2025	$ 1,032	$ 87	$ 1,119
2026	1,163	54	1,217
2027	746	28	774
2028	388	11	399
	$ 3,329	$ 180	$ 3,509

13. Net investment in capital assets

Net investment in capital assets consisted of the following as of Dec. 31, 2024 and 2023.

	2024	2023
	(in thousands)	
Electric utility plant	**$ 593,484**	$ 557,394
Windy Gap Firming Project storage rights	**109,875**	110,568
Other long-term assets relating to capital assets	**7,841**	6,408
Deferred loss on debt refundings	**1,596**	2,281
Debt issuance expense recognition regulatory asset	**404**	478
Deferred gain on debt refundings	**(100)**	(112)
Accounts payable incurred for capital assets	**(3,494)**	(2,136)
Lease and subscription liabilities	**(3,430)**	(1,502)
Deferred gains and losses on capital retirements	**(28,026)**	(36,425)
Other long-term obligations relating to capital assets	**(94,295)**	(95,184)
Long-term debt, net	**(120,607)**	(135,471)
Net investment in capital assets	**$ 463,248**	$ 406,299

14. Defined contribution plan

Effective Sept. 1, 2010, the board established the Platte River Power Authority defined contribution plan (in accordance with Internal Revenue Code Section 401(a)) for all regular employees hired on or after that date. As of Dec. 31, 2024, there were 228 active plan

participants. The plan's assets are held in an external trust account and the investments are participant directed.

Based on years of service, Platte River contributed between 5% and 10% of earnings for plan participants. Platte River also contributed to the 401(a) an amount equal to 50% of the participant's contributions to a separate 457(b) plan, taking into account only participant contributions up to 6% of the participant's earnings. For the years ended Dec. 31, 2024 and 2023, Platte River contributions to the 401(a) plan, which were recognized as expenses, were $2,741,000 and $2,168,000, respectively. The employer contributions to the 401(a) plan vest 100% after three years. The plan's records are kept on the accrual basis.

15. Insurance programs

Platte River has purchased insurance policies to cover the risk of loss related to various general liability, property loss exposures and cyber events. Insurance settlements have not exceeded insurance coverage in the past three years. Platte River also provides a self-insured medical and dental plan to its employees. Platte River carries medical stop-loss insurance to cover losses above $175,000 per person per incident. A liability was recorded for estimated medical and dental claims that were incurred but not reported. Platte River uses a third-party administrator to account for health insurance claims and estimates medical claims liability based on prior claims payment experience. Medical claims liability is included as a component of accounts payable in the statements of net position.

Changes in the balance of the medical claims liability during 2024, 2023 and 2022 were as follows.

	2024	2023	2022
		(in thousands)	
Medical claims liability, beginning of year	**$ 938**	$ 1,000	$ 493
Current year claims and changes in estimates	**5,010**	5,747	5,058
Claim payments	**(5,202)**	(5,809)	(4,551)
Medical claims liability, end of year	**$ 746**	$ 938	$ 1,000

16. Related-party transactions

Platte River pays certain expenses of the defined benefit pension plan and performs certain administrative functions at no cost to the defined benefit pension plan.

17. Commitments

Platte River has two long-term purchase power contracts with WAPA. The contract with the Colorado River Storage Project continues through Sept. 30, 2057. The Loveland Area Projects contract continues through Sept. 30, 2054. The contract rates and the amount of energy available are subject to change. During 2024, Platte River paid $15,866,000 for power delivered under these contracts.

Platte River and two of the other four participants in the Yampa Project own Trapper Mine, the primary source of coal for the Yampa Project. The contract provides for delivery of specified amounts of coal to each Yampa owner through 2025. This contract is subject to price adjustments. During 2024, Platte River's coal purchases totaled $20,945,000 under this contract.

The Rawhide Energy Station's coal purchase and transportation agreements are under multiple-year contracts. Base prices for these contracts are subject to future price adjustments. During 2024, Platte River paid $21,758,000 for coal delivered under these agreements.

Platte River has committed to purchase Renewable Energy Certificates (RECs) annually through 2025, with future payment of $134,000. During 2024, Platte River paid $550,000 under these REC agreements.

Platte River has agreements to purchase renewable wind energy output of 12 megawatts from Silver Sage Windpower Project through 2029, 60 megawatts from Spring Canyon Wind Energy Center Phases II and III through 2039, approximately 6 megawatts from Medicine Bow Wind Project through decommissioning during 2024 and 225 megawatts from Roundhouse Wind Energy Center through 2042. During 2024, Platte River paid $22,807,000 under these renewable wind energy agreements. Platte River has a long-term agreement with a third party to sell all the output purchased from the Silver Sage Windpower Project through 2029. During 2024, Platte River received $621,000 under this agreement. In addition, to accommodate additional wind energy available from the Roundhouse Wind Energy Center power purchase agreement and reduce ancillary services expense, the energy and renewable attributes from the Spring Canyon Wind Energy Center Phases II and III sites were sold under a 10-year sales contract beginning in 2020. At the end of the sales contract, the energy will return to Platte River. During 2024, Platte River received $3,113,000 under this agreement.

Platte River has agreements to purchase renewable solar energy output of 30 megawatts through 2041 from the Rawhide Flats Solar photovoltaic power plant (located at the Rawhide Energy Station) and 22 megawatts through 2041 from the Rawhide Prairie Solar photovoltaic power plant (also located at the Rawhide Energy Station). A two megawatt-hour battery energy storage project is fully integrated with Rawhide Prairie Solar. Platte River also has an agreement to purchase future renewable solar energy output of 257 megawatts (after two phases). The two phases of the project of 150 megawatts and 107 megawatts are expected to reach commercial operation during 2025 and 2026, respectively. During 2024, Platte River paid $4,578,000 under these renewable solar energy agreements.

Platte River has an agreement to receive future battery energy storage services of 100 megawatts expected to reach commercial operation by the end of 2026.

Platte River has entered into a long-term purchase agreement with a third party to manufacture and deliver aeroderivative combustion turbines. The agreement calls for future progress

payments, based on contract timelines and project milestones, through 2028 with future payments of $196,769,000. During 2024, Platte River paid $34,724,000 under this agreement.

Platte River has entered into a long-term agreement with a third party to sell 25 megawatts of generation from Craig units 1 and 2 which terminated June 30, 2024. During 2024, Platte River received $2,598,000 under this agreement.

Platte River has entered into a long-term agreement with a third party to sell 65 megawatts of capacity from combustion turbine units A-D through Apr. 30, 2025. The agreement also provides for energy, maintenance and start charges when the capacity option is called. During 2024, Platte River received $3,705,000 under this agreement.

Platte River has entered into a long-term agreement with a third party to sell non-unit-specific capacity through May 31, 2026. The capacity sold was 50 megawatts through 2024, then increases to 100 megawatts through the duration of the agreement. The agreement also provides for terms and conditions of calls on the capacity, including minimum energy requirements and energy charges. During 2024, Platte River received $5,123,000 under this agreement.

Platte River has entered into a long-term agreement with a third party to sell 25 megawatts of non-unit-specific capacity through Sept. 30, 2025. The agreement also provides for terms and conditions of calls on the capacity, including minimum energy requirements and energy charges. During 2024, Platte River received $1,475,000 under this agreement.

18. Risks, uncertainties and contingencies

In the ordinary course of business, Platte River may be affected by various legal matters and is subject to legislative, administrative and regulatory requirements that govern operations and environmental compliance. Although Platte River cannot predict the outcomes of these matters, management is aware of no pending legal matters or environmental regulations for which the outcome is likely to have a material adverse effect upon Platte River's operations, financial position or changes in financial position in the near term.

Currently Platte River generates and delivers the majority of its energy from carbon resources. In December 2018, the board passed the Resource Diversification Policy. The policy includes the goal of reaching a 100% noncarbon energy mix by 2030 while maintaining Platte River's "three pillars" of providing reliable, environmentally responsible and financially sustainable electricity and services. The policy acknowledges that several conditions must be met to achieve this goal, including participation in a full energy market, more mature and lower-cost battery storage performance, transmission and distribution infrastructure investments, improved grid management systems and more. Platte River is proactively working to diversify its resource mix to achieve the policy's goal.

Additionally, potential changes in environmental regulations could affect the cost of generation for coal and gas facilities or could require significant capital expenditures and therefore materially affect the rates Platte River charges its customers. In 2019, the Colorado General Assembly adopted a "Climate Action Plan" (H.B. 19-1261) that established statewide goals for a 26% reduction in greenhouse gas emissions from 2005 levels by 2025, a 50% reduction by 2030 and a 90% reduction by 2050. In addition, S.B. 19-236 established even more stringent greenhouse gas emission reduction targets for electric utilities, including an 80% reduction from 2005 levels by 2030 and a 100% reduction by 2050. The state released its Greenhouse Gas Pollution Reduction Roadmap in 2021 and updated it in February 2024. The Greenhouse Gas Pollution Reduction Roadmap outlines potential policies Colorado may pursue through 2026 to meet its climate goals. In 2022, Platte River submitted a voluntary clean energy plan under H.B. 19-1261 and S.B. 19-236 showing Platte River's path to reduce its carbon emissions 80% by 2030 (compared to 2005 levels).

Investments of the defined benefit pension plan are subject to various risks, such as interest rate, credit, foreign currency, illiquidity, quality of fund managers and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of investments could occur in the near term and that these changes could materially affect the amounts reported in the statements of fiduciary net position.

Platte River makes defined benefit pension plan contributions and reports net pension liability based on assumptions about interest rates, inflation rates and employee demographics, all of which could change. Due to uncertainties inherent in the estimation and assumption process, it is reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

The defined benefit pension plan is exposed to potential losses from torts. Platte River carries fiduciary liability insurance coverage for these types of claims. There have been no significant decreases in insurance coverage.

Platte River's defined benefit pension plan portfolio includes allocations to various asset classes with volatile prices. Due to market conditions, the lump sum distribution option from the defined benefit pension plan was suspended in 2022.

Economic uncertainties continue to exist that may negatively affect Platte River's financial position, results of operations and cash flows. The duration and future financial impact of supply chain constraints, labor and materials shortages, price volatility in fuel and electric markets, inflation, national and international political tensions and other risks and uncertainties cannot be reasonably estimated.

19. Change in accounting principle

In 2024, Platte River recognized the effect of a change in accounting principle for implementation of GASB Statement No. 101, *Compensated Absences,* to reflect updating recognition and measurement guidance for compensated absences under a standardized model (note 3). This resulted in a restatement of the following Dec. 31, 2023, financial statement line items.

Year ended Dec. 31, 2023	Previously reported	Restated	Increase (decrease)
		(in thousands)	
Statement of net position			
Noncurrent liabilities			
Other liabilities and credits	$ 12,164	$ 11,968	$ (196)
Current liabilities			
Accrued liabilities and other	5,063	6,293	1,230
Deferred inflows of resources			
Regulatory credits	104,944	104,682	(262)
Net position			
Unrestricted	241,325	240,553	(772)
Statement of revenues, expenses and changes in net position			
Operating revenues			
Deferred regulatory revenues	$ (31,497)	$ (31,235)	$ 262
Operating expenses			
Production [(1)]	58,838	58,644	(194)
Transmission [(1)]	19,499	19,548	49
Administrative and general	32,347	32,731	384
Distributed energy resources	10,214	10,237	23
Restatement for change in accounting principle	-	(772)	(772)
Net position at beginning of year, adjusted	657,923	657,151	(772)
Net position at end of year	667,185	666,413	(772)

[(1)] Previously reported combined as operations and maintenance but has been disaggregated to conform with current year presentation.

20. Subsequent event

As discussed in note 11, Platte River is a participant in a pooled financing with other participants for the Windy Gap Firming Project. The original pooled financing arrangement was 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 pooled financing by $11,789,000 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.

Platte River Power Authority
Defined benefit pension plan
Required supplementary information
Schedule of changes in net pension liability and related ratios

(in thousands)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	**$ 1,055**	$ 1,100	$ 1,055	$ 1,216	$ 1,364	$ 1,575	$ 1,535	$ 1,616	$ 1,728	$ 1,839
Interest	**10,320**	9,939	9,459	9,306	9,179	9,022	8,740	8,421	8,176	7,665
Changes of benefit terms	**-**	-	-	(160)	-	-	-	-	-	2,397
Differences between expected and actual experience	**4,355**	2,918	4,254	3,017	970	704	2,088	1,175	(620)	931
Changes of assumptions	**-**	-	-	(1,353)	-	-	-	-	-	3,661
Benefit payments	**(9,288)**	(8,369)	(8,450)	(11,199)	(8,144)	(9,859)	(7,416)	(6,361)	(5,418)	(4,632)
Net change in total pension liability	**6,442**	5,588	6,318	827	3,369	1,442	4,947	4,851	3,866	11,861
Total pension liability–beginning	**141,193**	135,605	129,287	128,460	125,091	123,649	118,702	113,851	109,985	98,124
Total pension liability–ending (a)	**$ 147,635**	$ 141,193	$ 135,605	$ 129,287	$ 128,460	$ 125,091	$ 123,649	$ 118,702	$ 113,851	$ 109,985
Plan fiduciary net position										
Contributions – employer	**$ 6,073**	$ 6,041	$ 4,333	$ 4,569	$ 7,593	$ 3,649	$ 4,578	$ 6,220	$ 2,912	$ 3,302
Net investment income	**10,646**	10,162	(12,315)	15,291	6,995	13,044	(3,179)	11,289	7,476	(624)
Benefit payments	**(9,288)**	(8,369)	(8,450)	(11,199)	(8,144)	(9,859)	(7,416)	(6,361)	(5,418)	(4,632)
Net change in Plan fiduciary net position	**7,431**	7,834	(16,432)	8,661	6,444	6,834	(6,017)	11,148	4,970	(1,954)
Plan fiduciary net position–beginning	**112,919**	105,085	121,517	112,856	106,412	99,578	105,595	94,447	89,477	91,431
Plan fiduciary net position–ending (b)	**$ 120,350**	$ 112,919	$ 105,085	$ 121,517	$ 112,856	$ 106,412	$ 99,578	$ 105,595	$ 94,447	$ 89,477
Net pension liability–ending (a) – (b)	**$ 27,285**	$ 28,274	$ 30,520	$ 7,770	$ 15,604	$ 18,679	$ 24,071	$ 13,107	$ 19,404	$ 20,508
Plan fiduciary net position as a percentage of the total pension liability	**81.52%**	79.98%	77.49%	93.99%	87.85%	85.07%	80.53%	88.96%	82.96%	81.35%
Estimated covered payroll	**$ 12,183**	$ 12,664	$ 12,154	$ 12,502	$ 13,490	$ 14,909	$ 15,290	$ 16,215	$ 16,874	$ 17,305
Net pension liability as a percentage of estimated covered payroll	**223.97%**	223.25%	251.10%	62.15%	115.67%	125.29%	157.43%	80.83%	114.99%	118.51%

Platte River Power Authority
Defined benefit pension plan
Required supplementary information
Schedule of employer contributions

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
					(in thousands)					
Actuarially determined contribution	**$ 6,073**	$ 6,041	$ 4,333	$ 4,569	$ 7,593	$ 3,649	$ 4,578	$ 6,220	$ 2,912	$ 3,302
Contribution in relation to the actuarially determined contribution	**6,073**	6,041	4,333	4,569	7,593	3,649	4,578	6,220	2,912	3,302
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Estimated covered payroll	**$12,183**	$12,664	$12,154	$12,502	$13,490	$14,909	$15,290	$16,215	$16,874	$17,305
Contributions as a percentage of covered payroll	**49.85%**	47.70%	35.65%	36.55%	56.29%	24.48%	29.94%	38.36%	17.26%	19.08%

Notes to schedule

Valuation Date:

Actuarially determined contribution rates are calculated as of January 1, two years prior to the end of the calendar year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Frozen initial liability, entry age normal
Amortization method	5-year, level dollar, open period
Asset valuation method	4-year smoothed market
Salary increases	3.2%, 10 year average
Increases in retiree benefits – in payment pensioners	If benefits commenced prior to 1/1/92, 2.25%. If benefits commenced after 12/31/1991, 1.5%.
Investment rate of return	7.5% for 2016 - 2024; 8% for 2015.

Platte River Power Authority
Defined benefit pension plan
Required supplementary information
Schedule of investment returns

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	**9.6%**	9.8%	(10.3%)	14.0%	6.6%	13.5%	(3.1%)	12.0%	8.5%	(0.7%)

Platte River Power Authority
Supplementary information
Budgetary comparison schedule

	Year ended Dec. 31, 2024		
	Budget (1)	Actual	Variance
	(in thousands)		
Revenues			
Operating revenues			
Sales to owner communities	$ 235,737	**$ 229,323**	$ (6,414)
Sales for resale and other	65,384	**68,200**	2,816
Total operating revenues	301,121	**297,523**	(3,598)
Other revenues			
Interest income(2)	11,569	**11,756**	187
Other income	282	**2,917**	2,635
Total other revenues	11,851	**14,673**	2,822
Total revenues	$ 312,972	**$ 312,196**	$ (776)
Expenditures			
Operating expenses(3)			
Purchased power	$ 63,776	**$ 63,230**	$ 546
Fuel	51,119	**42,173**	8,946
Production	55,842	**56,950**	(1,108)
Transmission	21,412	**19,590**	1,822
Administrative and general	36,863	**37,448**	(585)
Distributed energy resources	13,664	**12,003**	1,661
Total operating expenses	242,676	**231,394**	11,282
Capital additions			
Production	46,983	**42,243**	4,740
Transmission	30,435	**25,011**	5,424
General	17,682	**10,958**	6,724
Asset retirement obligations	670	**670**	-
Total capital additions	95,770	**78,882**	16,888
Debt service expenditures(4)			
Principal	14,457	**14,457**	-
Interest expense	4,708	**4,708**	-
Total debt service expenditures	19,165	**19,165**	-
Total expenditures	$ 357,611	**$ 329,441**	$ 28,170
Contingency appropriation	12,979	**-**	12,979
Total expenditures and contingency	$ 370,590	**$ 329,441**	$ 41,149
Revenues less expenditures and contingency	$ (57,618)	**$ (17,245)**	$ 40,373

(1) Reflects transfer of budget-appropriated funds from contingency appropriation to capital additions and debt service expenditures, $42,538,000 for capital additions and $483,000 for debt service expenditures.

(2) Interest income excludes unrealized investment holding gains and losses.

(3) Operating expenses do not include depreciation and other nonappropriated expenses.

(4) Debt service expenditures include monthly principal and interest funding for power revenue bonds and lease and subscription liabilities.

www.prpa.org