



Estes Park • Fort Collins • Longmont • Loveland

Board of directors

September 25, 2025

Cost increases and long-term rate projections

**Dave Smalley, chief financial officer and deputy
general manager**



Agenda

- Strategic Financial Plan metrics
- Changes to financial projections
 - Cost increases
 - Alleviation
 - Uncertainties
- Average wholesale rate projections options and recommendation
- Next steps



Strategic Financial Plan metrics

Purpose	<ul style="list-style-type: none">• Provide direction to preserve long-term financial sustainability and manage financial risk
Financial metrics*	<ul style="list-style-type: none">• Cash flow metric: fixed obligation charge coverage ratio (1.5x)• Earnings metric: change in net position (3% of annual operating expenses)• Leverage metric: adjusted debt ratio (less than 50%)• Liquidity metric: adjusted liquidity on hand (200 days cash)

*Financial metrics based on rating agency criteria targeting a “AA” category credit rating

Long-term rate projections

- No change in 2026 average wholesale rate increase of 6.3%
- Long-term rate projections
 - Were not provided in May due to required financial projection refinements

Changes to financial projections

Cost increases

- Aeroderivative combustion turbines capital project
- Renewable projects not under contract
- Operations and maintenance expenses

Alleviation

- Revenue generation from capacity, energy and REC sales
- Southwest Power Pool (SPP) market revenue and expense refinements
- Operations and maintenance expense refinements
- Transmission capital project reductions

Uncertainties

- Revenue uncertainty until contracts in place
 - SPP market actual impacts
 - Renewable project cost increase and feasibility
 - Capital investment forecast
 - Debt issuance amount, rate and timing
-

Cost increases: Aeroderivative capital project

Gas turbine supply chain challenges

- Backlogs and delays in acquiring gas turbines and materials
- Global demand causing long wait times with U.S. competing globally for limited turbine manufacturing capacity
- Coal plant retirements
- NextEra Energy CEO: *“if you want to build a new gas-fired generation facility, we cannot get it online until 2032”*
 - Labor shortages
 - Manufacturing constraints

Financial impacts

- \$623 million Aeroderivative capital project
- \$270 million increase from 2025 budget



Cost increases: Renewable project

- Renewable energy costs have been increasing due to a combination of economic, policy and supply chain factors
- Next wind resource (2028) uncertain and costs increasing significantly
- Latest estimate is a 40% increase



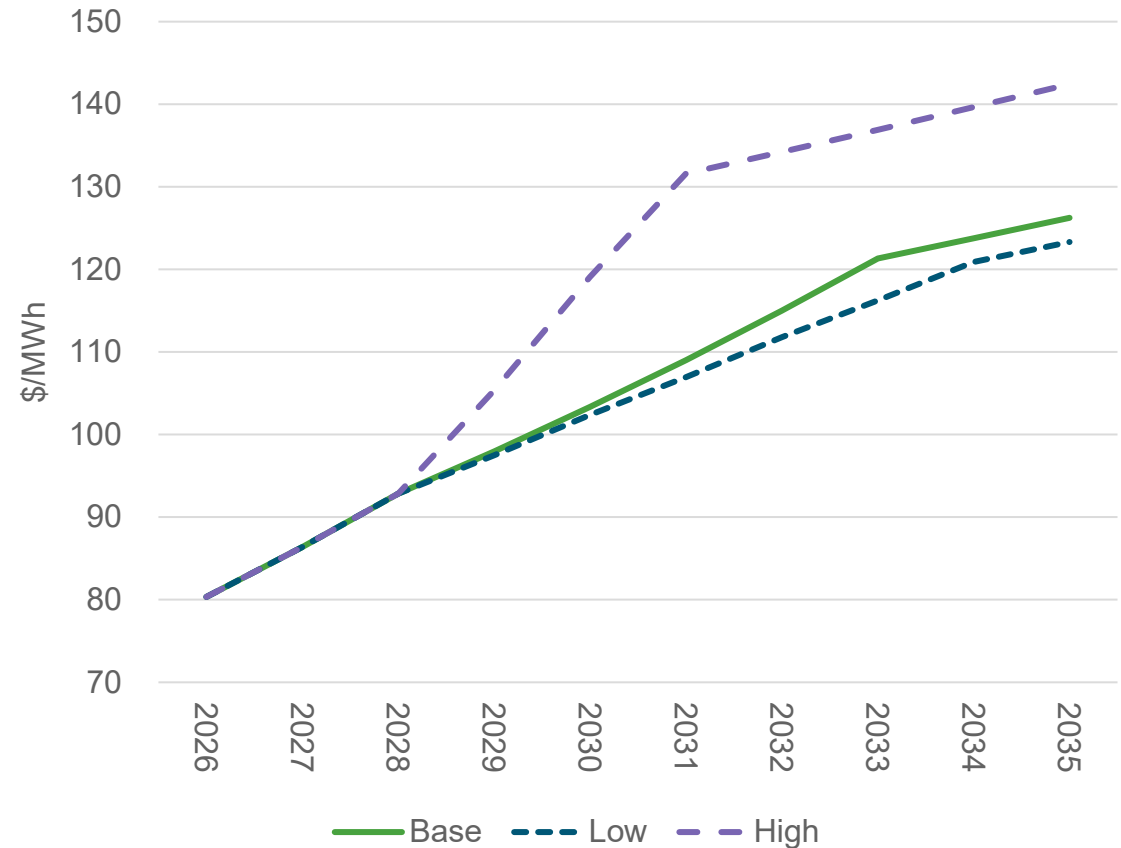
Average wholesale rate projections options and recommendation

Option	Description	2027	2028	2029	2030	2031	2032	2033	2034	2035
	2024 May Base case (presented to board)	6.3%	6.3%	6.3%	5.3%	5.3%	2.1%	2.1%	2.1%	2.0%
1	Current base case	6.6%	6.6%	6.6%	6.6%	6.5%	6.5%	3.5%	1.0%	1.0%
2	2027 higher increase	10.9%	6.3%	6.3%	5.3%	5.3%	2.1%	2.1%	2.1%	2.0%
3	2027/2028 higher fixed increase	7.5%	7.5%	5.5%	5.5%	5.5%	5.5%	5.0%	2.0%	2.0%

- Platte River staff recommends Option 3
 - 7.5% average wholesale rate increase for 2027 and 2028
 - More certainty beyond 2028
 - SPP RTO market participation experience
 - Aeroderivative project construction complete
 - Wind PPA price and contract
- Rate projections will change as assumptions are refined

Average wholesale rate range

- Uncertainties
 - Revenue uncertainty until contracts in place
 - SPP market actual impacts
 - Renewable project cost increase and feasibility
 - Capital investment forecast
 - Debt issuance amount, rate and timing
- Analyzed varying assumptions creating a range of outcomes
- In high case, could see annual rate increases as high as 13.5% if multiple unfavorable uncertainties are realized



Projections are subject to change

Next steps

- October 2025
 - Resolution to adopt 2026 Tariff Schedules, including a 6.3% average wholesale rate increase
 - Resolution to support 7.5% average wholesale rate increase for 2027 and 2028
- Spring 2026
 - 2027 individual charges presented and will vary based on cost of service but will average 7.5% to Platte River
 - Rate increase to each owner community will vary based on charges and load factors – may be more or less than the average wholesale rate increase



Questions



Platte River
Power Authority

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Board of directors

September 25, 2025

Proposed 2026 Strategic Budget work session

**Jason Harris, senior manager, financial reporting
and budget**



Agenda

- Budget
 - Schedule
 - Process
 - Budget document
 - Trends
 - 2026 overview
- Capital 5-year forecast
- Not presented – Budget details



Platte River financial governance framework



Budget schedule

September

Publish notice; circulate proposed budget to board

Budget work session at September board meeting

October

Public budget hearing

Updates and budget discussion, including:

- Model prices and resource updates
- Departmental O&M updates
- Capital project updates

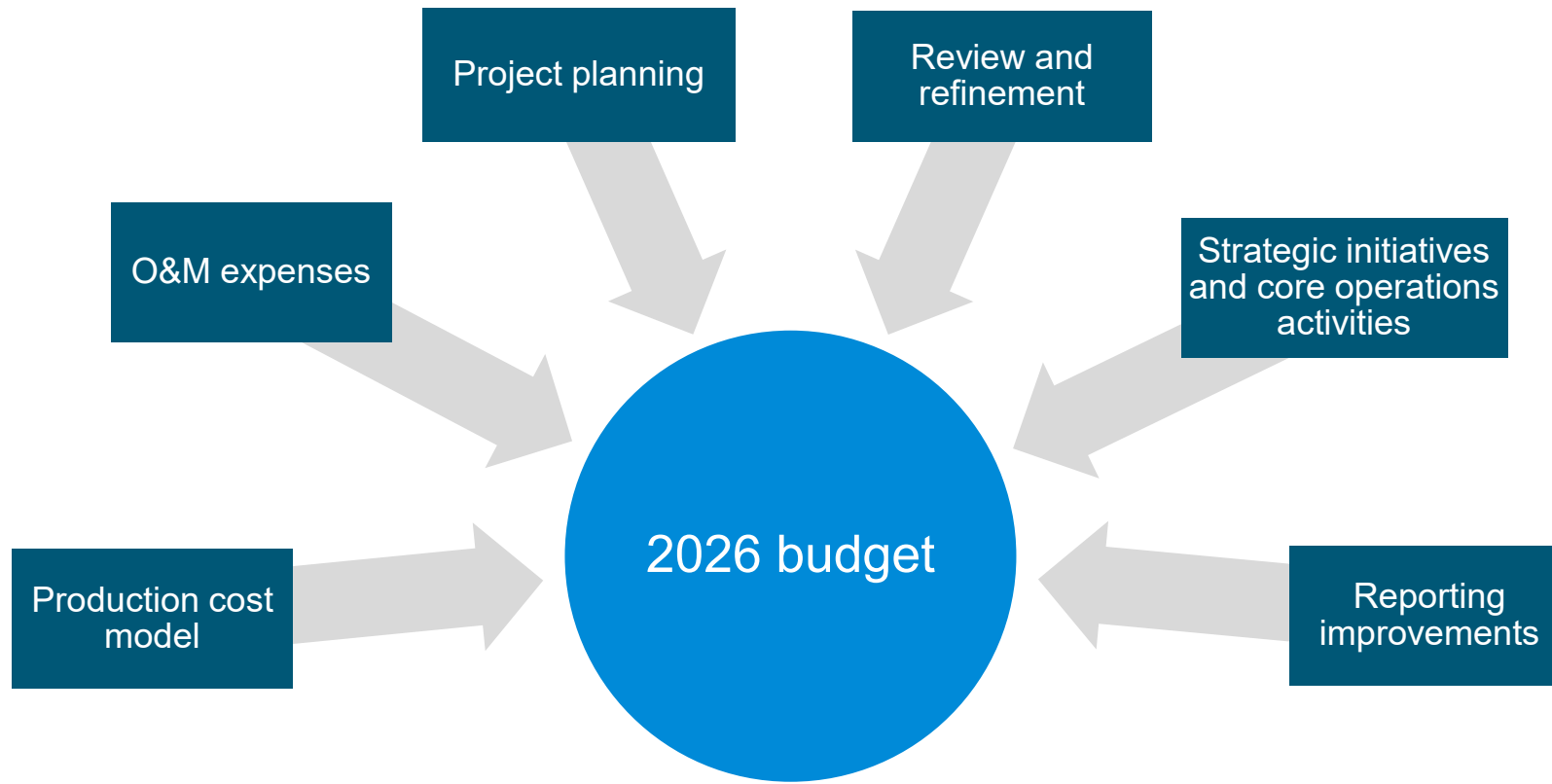
December

Board adopts final budget

File with State of Colorado



Budget process



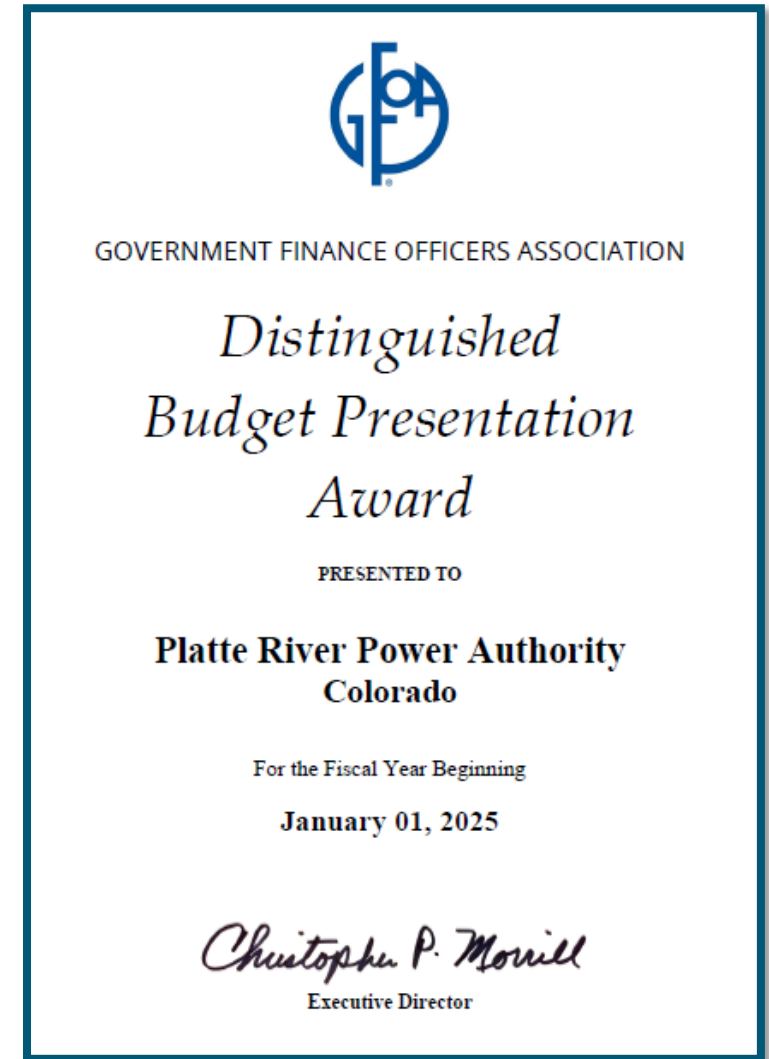
Budget document

- Overview
 - Background information about the organization, the owner communities, significant initiatives, a performance dashboard and departmental objectives
- Summary
 - Budget discussion and support for our foundational pillars, strategic initiatives and core operations
- Budget
 - Financial results, comparisons to the Strategic Financial Plan and budget schedules
- Additional information
 - Process for developing the budget and information on financial governance
 - Final document will have table showing changes from proposed

Budget document

GFOA Distinguished Budget Presentation Award received for the 2025 document

- Recognition that the budget document meets program criteria and excels as a policy document, financial plan and communications tool
- Sixth consecutive year receiving the award



Trends

Revenues

- Slight owner community load growth, stable system peak
- Stable surplus sales

Expenditures

- Resource transition, markets, DER
- Infrastructure advancements and investments
- Focus on managing controllable expenses while advancing strategic initiatives and the Resource Diversification Policy

- Volume and price volatility, participation in WEIS
- Higher contract sales including fixed capacity; lower spot volumes

- Black Hollow Sun (commercial operation phased)
- Higher purchase power volumes as market participation continues, at higher prices but still below incremental fuel costs
- Increasing dispatchable capacity and operational flexibility
- Continued exposure to price volatility including contract services and materials

Revenue trends

\$ millions

2026 budget
vs. trend*

Sales to owner communities



13.3%

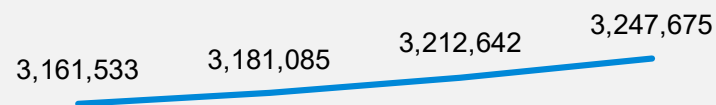
- Consistent average wholesale rate increases aligned with rate smoothing
- Stable coincident peak and load

Peak (MW)



-1.5%

Energy (MWh)



2.0%

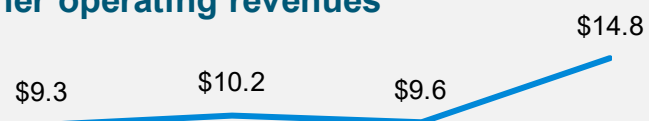
Sales for resale



-5.3%

- Consistent average revenue with annual volatility
- Older energy contracts replaced with capacity sales including short-term

Other operating revenues



52.4%

- Wheeling revenues only before 2026
- 2026 impacts of new revenue streams and Southwest Power Pool Regional Transmission Organization (SPP RTO) participation

2023 actual 2024 actual 2025 estimate 2026 budget

* Trend represents 3-year average of 2023 and 2024 actuals and 2025 estimate.

Operating expense trends

\$ millions

Purchased power

\$61.7 \$63.2 \$68.2 \$82.5

2026 budget
vs. trend*

28.1%

- Black Hollow Sun commercial operation - phase 1 2025, phase 2 late 2026
- Market participation - higher pricing although still economic, lower volumes

Fuel

\$45.2 \$42.2 \$46.2 \$41.1

-7.7%

- Higher Rawhide Unit 1 generation offset by lower coal price
- Craig Unit 1 retires by end of 2025
- Lower frame combustion turbine generation, offset by higher natural gas price

Production

\$58.3 \$57.0 \$56.5 \$57.1

-0.3%

- 2025 last Rawhide Unit 1 major outage
- 2023 Rawhide Unit 1 minor outage

Transmission

\$19.3 \$19.6 \$22.0 \$21.5

5.7%

- Staffing including benefits, partially offset by wheeling expense reduction from SPP RTO participation

Administrative and general

\$31.7 \$37.4 \$40.6 \$46.1

25.9%

- Staffing including benefits, information technology and resource planning

Distributed energy resources

\$10.2 \$12.0 \$12.3 \$15.8

37.4%

- Funding for VPP program development and incentives
- Staffing including benefits

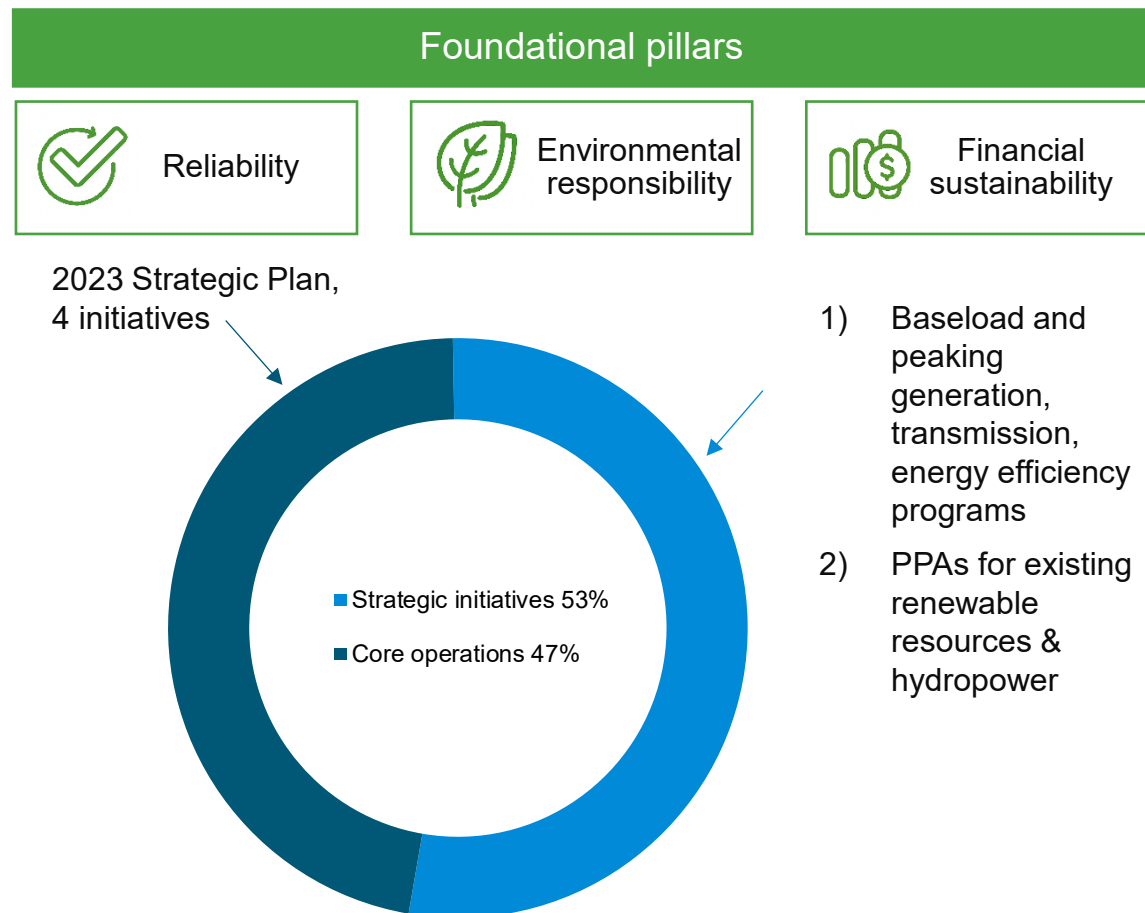
2023 actual 2024 actual 2025 estimate 2026 budget

* Trend represents 3-year average of 2023 and 2024 actuals and 2025 estimate.

2026 overview



2026 Strategic Budget focus



Operating expenses and capital additions: \$509.6 million

2026 Strategic Budget focus

Advancing the Resource Diversification Policy

- Reflects Craig Unit 1 retirement (retires by end of 2025)
- Joining the SPP RTO integrated marketplace
- Black Hollow Sun phase 2 (additional 107 MW; total 257 MW)
- Weld Energy Storage (100 MW, four-hour energy storage), including lease liability
- Continued investment in aeroderivative combustion turbine units, including debt financing

2026 Strategic Budget focus

Operating and capital: \$509.6 million Strategic initiatives, \$268.5 million, 53%

Resource diversification planning and integration, \$261.6 million, 51%

- Noncarbon resources infrastructure and planning, including commercial operation of Black Hollow Sun (phase 2) and continued efforts on additional renewable resources
- Dispatchable capacity through energy storage including Weld Energy Storage and distribution-level batteries, VPP including DERMS and programs, and aeroderivative technology
- Operational flexibility
- Joining the SPP RTO

Community partner and engagement, \$2.3 million, 1%

- Public engagement including strategy and surveys

Workforce culture, \$2.4 million, 1%

- Workforce transition and development

Process management and coordination, \$2.2 million, <1%

- Project management
- Enterprise risk management

Revenues \$346.2 million

- **Owner communities** – 6.3% average wholesale rate increase, 1.2% load decrease
- **Sales for resale and other operating revenues** – Increase in volume of energy sold and new revenue streams for renewable energy certificate sales, transmission congestion rights and operating reserves, decreased resold capacity and wheeling revenues

Core operations, \$241.1 million, 47%

Rawhide Energy Station and Craig Generating Station

- Preventive and proactive maintenance and capital improvements for reliability, safety, efficiency and environmental compliance

Purchased power

- Continued generation from wind and solar resources under PPAs

Transmission

- Ongoing O&M of the system
- Start of a new substation, transmission line upgrades and modifications, transformer replacement, fiber optic replacement and expansion

Customer energy programs

- Continued collaboration under the Efficiency Works™ brand

Other expenses

- Community initiatives and facilities projects
- Staffing plan to support Rawhide Energy Station transition planning, organization changes and strategic initiatives

Financial results

Strategic Financial Plan metrics	Target minimums	2025 budget	2026 budget	Increase (decrease)
Fixed obligation charge coverage ratio	1.50x	2.00x	1.55x	↓ (22.5%)
Change in net position as a percentage of annual operating expenses	3%	3%	3%	→ 0.0%
Adjusted debt ratio	< 50%	22%	38%	↑ 72.7%
Days adjusted liquidity on hand	200	252	205	↓ (18.7%)

Budget results (\$ millions)	2025 budget	2026 budget	Increase (decrease)
Total revenues	\$ 324.6	\$ 346.2	↑ 6.7%
Total expenditures	\$ 408.9	\$ 534.1	↑ 30.6%
Board contingency	\$ 75.0 ⁽¹⁾	\$ 102.0	↑ 36.0%

⁽¹⁾ Contingency transfer to be determined later in the year.

Strategic Financial Plan metric changes

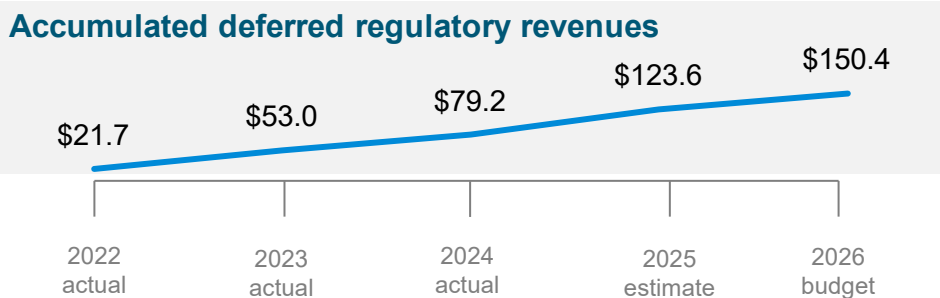
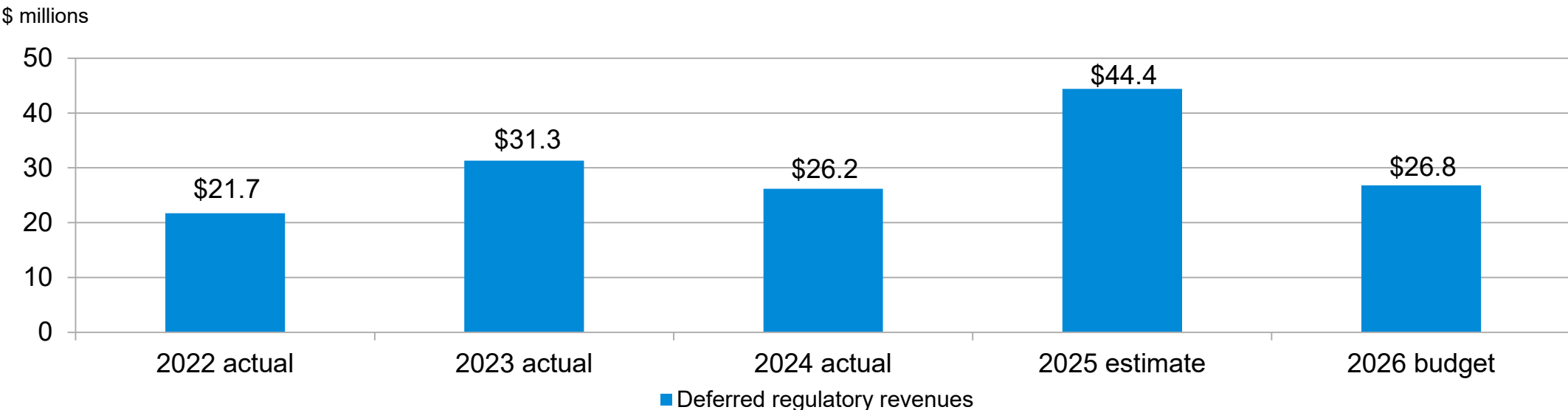
Adjusted debt ratio (target minimum less than 50%)

- Weld Energy Storage lease liability
 - Considered financing arrangement under GASB 87 Leases (not purchased power)
- Series LL power revenue bonds
- Capital additions
- Ratio expected to exceed minimum with future debt financings

Days adjusted liquidity on hand (target minimum 200)

- Capital additions – uses
- Series LL power revenue bonds proceeds – provides
- Future debt financings will replenish cash used for capital additions

Deferred regulatory revenues

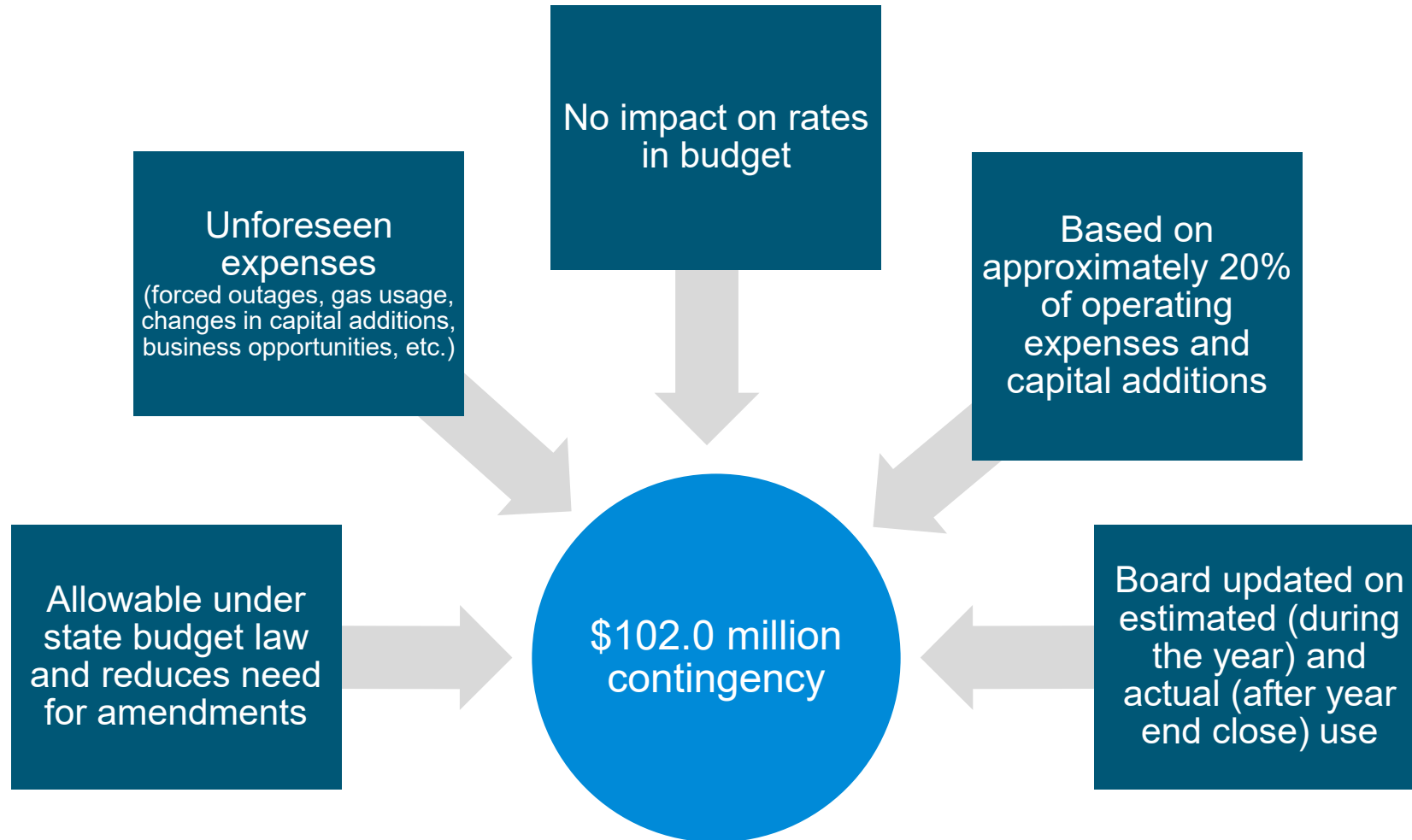


Accumulated deferred regulatory revenues are expected to be recognized beginning 2027



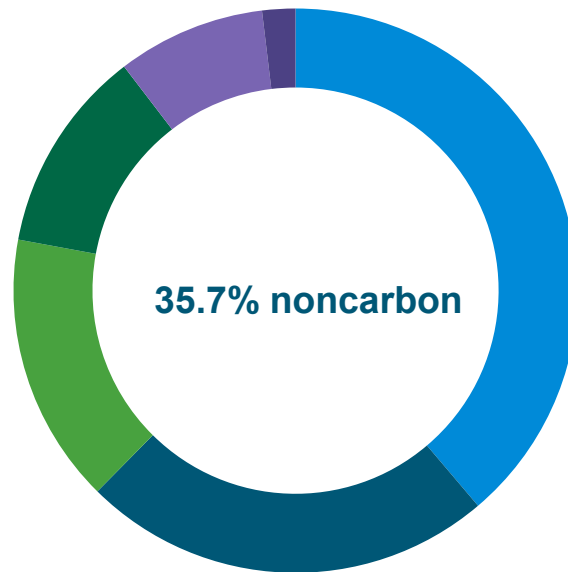
Budget contingency

Reserved to the board



2026 system total

Adjusted for renewable energy certificate sales



35.7% noncarbon

- Coal 38.8%
- Other purchases 23.6%
- Wind 15.5%
- Solar 11.7%
- Hydropower 8.5%
- Natural gas 1.9%

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

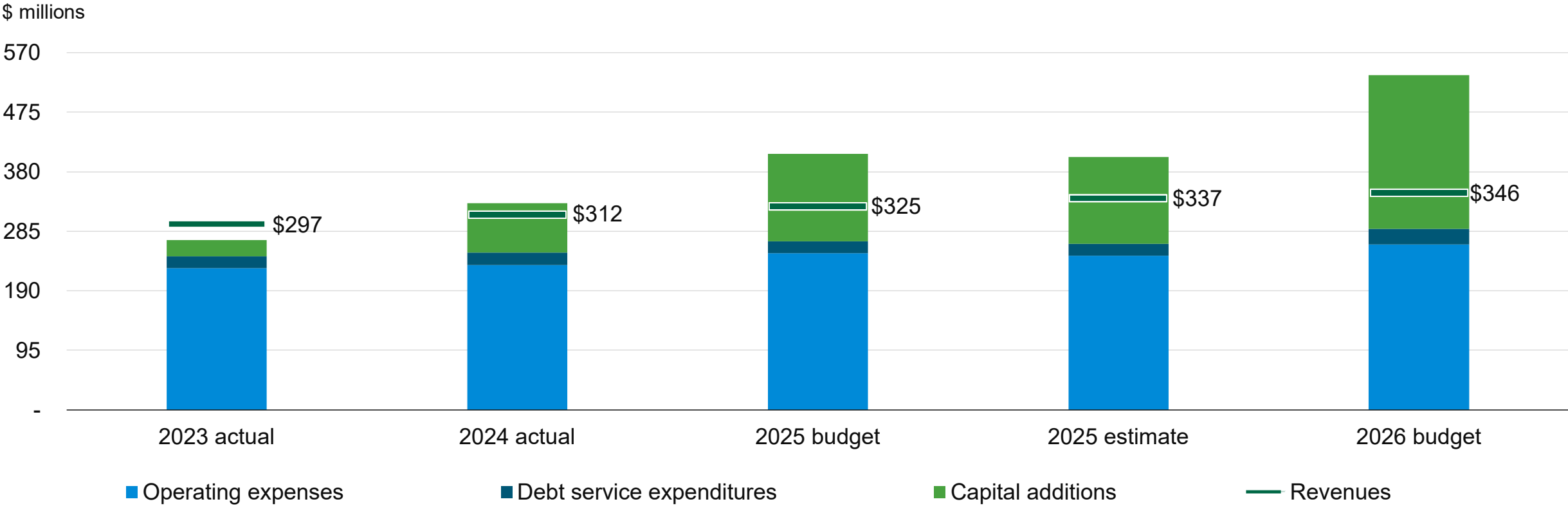
System total energy from 2025 budget: 4.1% increase

Significant resource changes:





- Coal: 5.2% increase due to higher resale volumes, economic dispatch in market
- Solar: 4.2% increase due to full year of Black Hollow phase 1 and commercial operation of phase 2 (late 2026)
- Wind: 10.0% decrease due to adjustment for renewable energy certificate sales



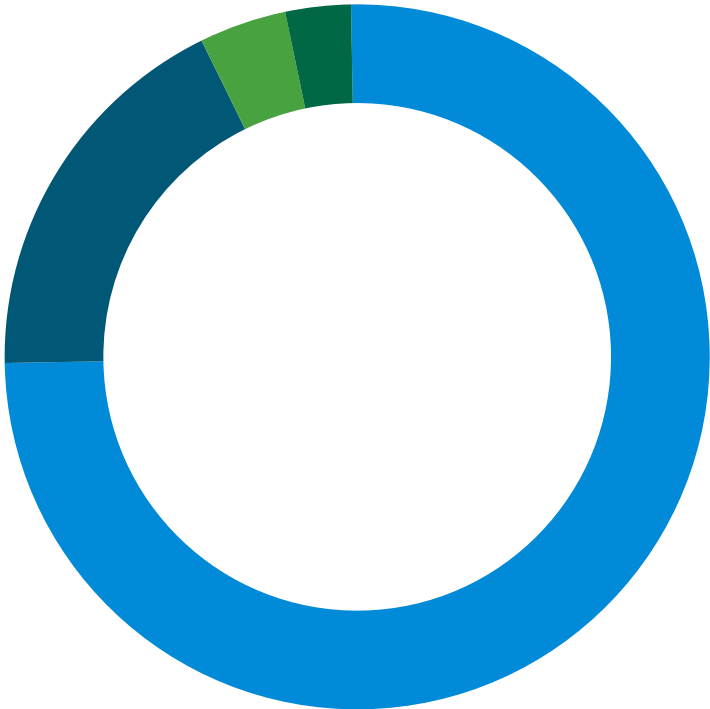
Revenues and expenditures



2026 revenues

Variance	
Sales to owner communities	\$12.5 M 
Sales for resale	\$4.8 M 
Other operating revenues	\$5.3 M 
Interest and other income	(\$1.0 M) 

Sales to owner communities	<ul style="list-style-type: none">• Loads developed on 10-year load forecast and energy changes from energy efficiency• Average wholesale rate increase 6.3%• Energy deliveries decrease 1.2%• Coincident billing demand decrease 1.8%
Sales for resale	<ul style="list-style-type: none">• Energy and market prices – hourly model• Long-term contracts – lower volume of energy sold, decreased resold capacity
Other operating revenues	<ul style="list-style-type: none">• Decrease in wheeling revenues due to lower point-to-point revenues expected in the SPP RTO market• New revenue streams for renewable energy certificate sales, transmission congestion rights and operating reserves
Interest and other income	<ul style="list-style-type: none">• Decrease in interest income due to lower average investment and operating fund balances.



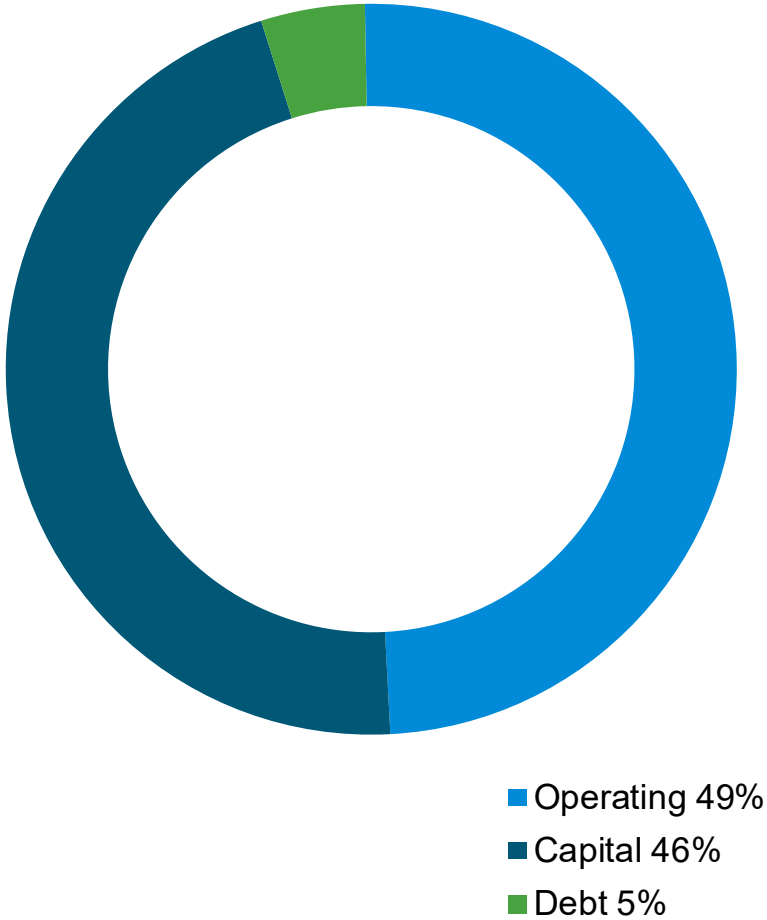
- Sales to owner communities 75%
- Sales for resale 18%
- Other operating revenues 4%
- Interest and other income 3%

\$346.2 million | variance from 2025 budget: \$21.6 M 

2026 expenditures

Variance	
Operating	\$14.1 M 
Capital	\$105.7 M 
Debt	\$5.4 M 

Purchased power	<ul style="list-style-type: none">Commercial operation of Black Hollow Sun (phase 2) fall 2026Other purchases (price/qty) – hourly modelReserves expected to decrease in the SPP RTO
Fuel	<ul style="list-style-type: none">Generation – hourly modelCoal prices based on long-term contracts - Craig increase, Rawhide decreaseNatural gas based on modeling, decrease
Production	<ul style="list-style-type: none">O&M – Rawhide, Craig, frame combustion turbines, power operations
Transmission	<ul style="list-style-type: none">O&M – lines, substations, SCADA, fiber, telecom
Administrative and general	<ul style="list-style-type: none">Supporting groupsO&M – HQ facilities
Distributed energy resources	<ul style="list-style-type: none">Customer energy programsDER including beneficial electrification and VPP programs and incentives



\$534.1 million | variance from 2025 budget: \$125.2 M 

Salaries and benefits

Salaries

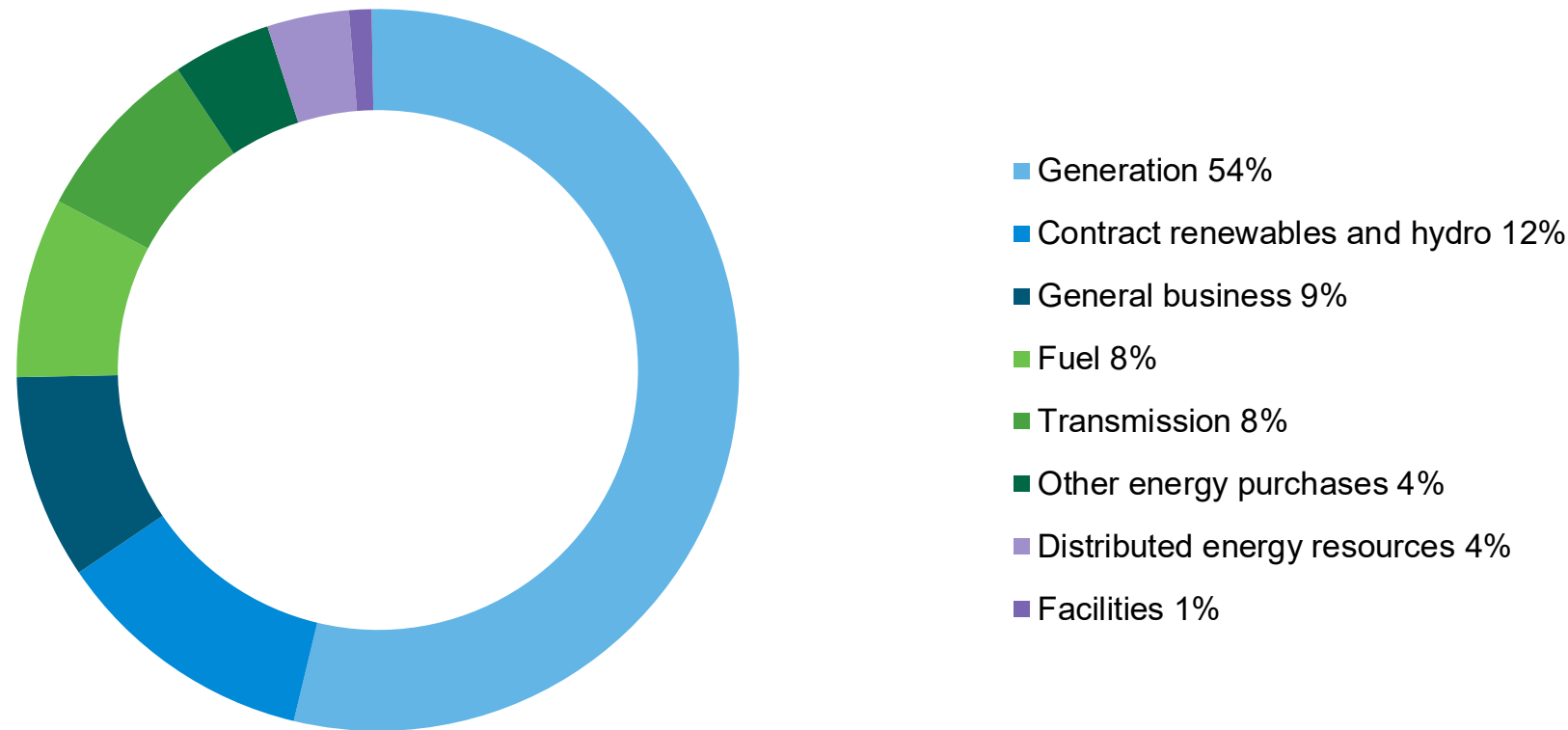
- Regular wages increase \$1.1 million
 - Merit adjustment pool and net four removed positions
- Overtime decrease \$0.7 million
 - Rawhide Unit 1 five-week scheduled maintenance outage in 2025

Benefits

- Increase of \$2.6 million
 - Medical and dental \$1.1 million
 - Defined benefit \$1.0 million
 - Defined contribution \$0.3 million
 - Social security \$0.2 million

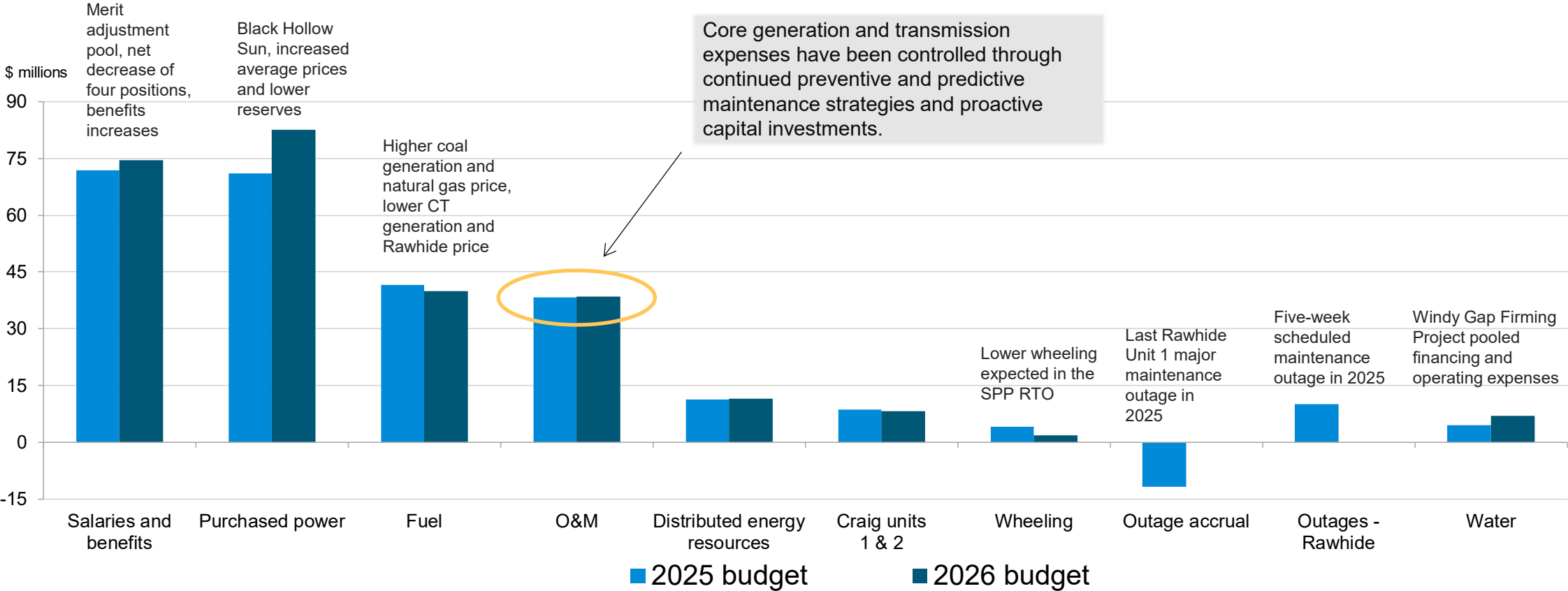


Operating expenses and capital additions



\$509.6 million | variance from 2025 budget: \$119.8 M 

Operating expenses



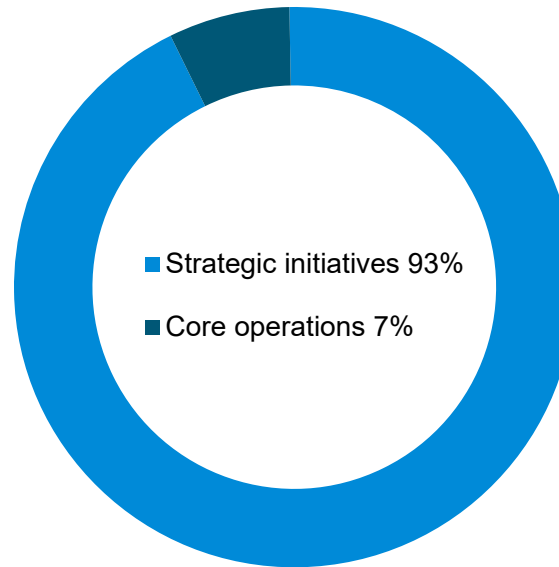
\$264.1 million | variance from 2025 budget: \$14.1 M ↑

2026 capital additions

\$245.5 million

Strategic projects

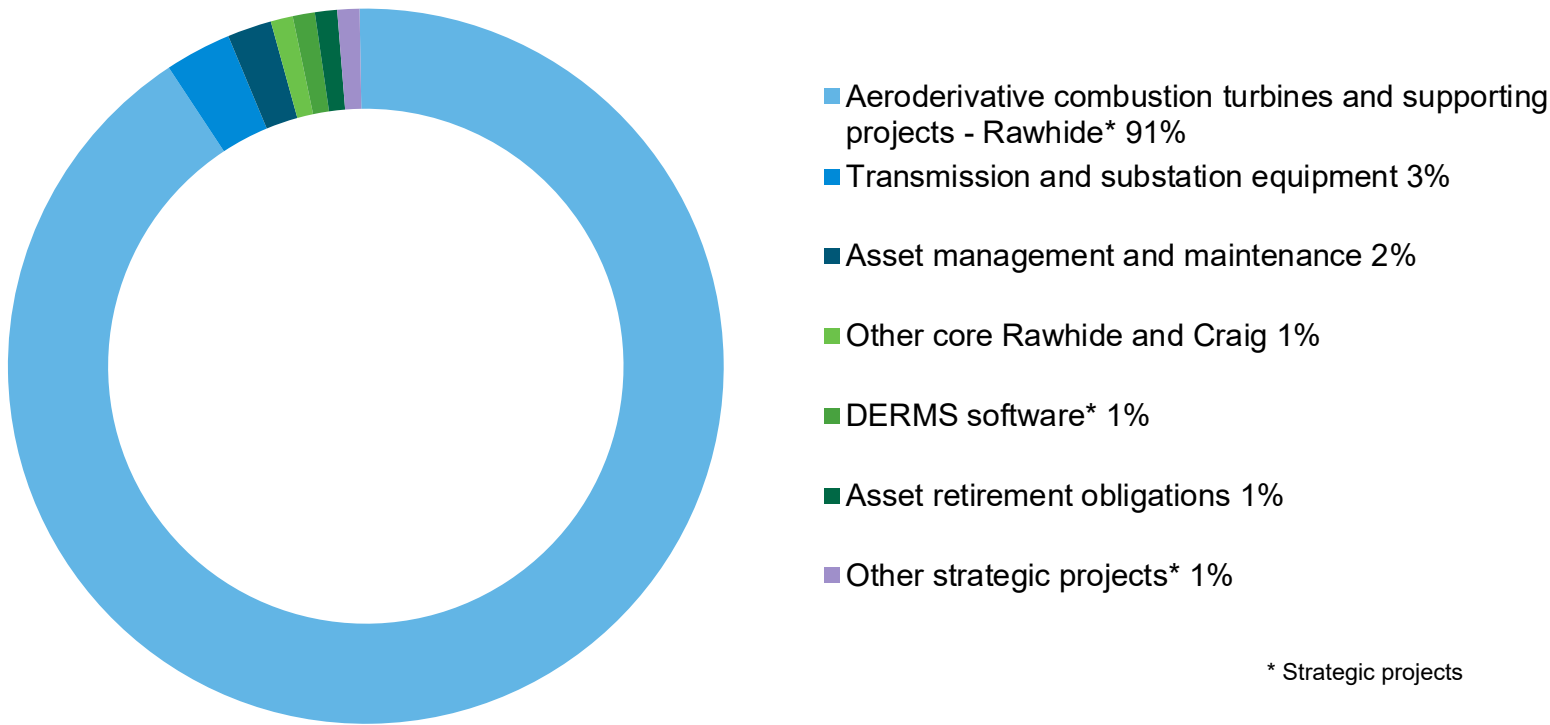
- Aeroderivative combustion turbines and supporting projects
 - Aeroderivative combustion turbines - Rawhide
 - Substation expansion and reliability upgrade - Rawhide Substation
 - 12.47 kV switchgear replacement – Rawhide
 - Control room upgrades - Rawhide
 - Water infrastructure - aeroderivative units
- Frame combustion turbines
 - Wet compression – frame combustion turbine
- Distributed energy resources
 - Distributed energy resources management system
 - Distribution battery storage interconnection - Town of Estes Park, City of Fort Collins, City of Longmont and City of Loveland



Core projects

- Rawhide
 - Evergreen controls hardware upgrade - gas yard
 - 480 V switchgear replacement - combustion turbine Unit F
- Transmission
 - Relay panel and breaker replacements transformer T3 addition - Airport Substation
 - 115 kV transmission line upgrades - Drake transmission line
 - Transformer T1 replacement - Longs Peak Substation
- Fiber
 - Fiber optic expansion - Long-Haul West (Loveland to Longmont)
- Asset retirement obligations
 - Trapper Mine post-mining reclamation

2026 capital additions



\$245.5 million | variance from 2025 budget: \$105.7 M 

Excludes estimated 2025 capital carryovers of \$3.5 million

Debt

Debt financing

- Series LL approximately \$124.0 million planned in 2026
- Total of approximately \$463.0 million (including Series LL) planned through energy transition

Debt service

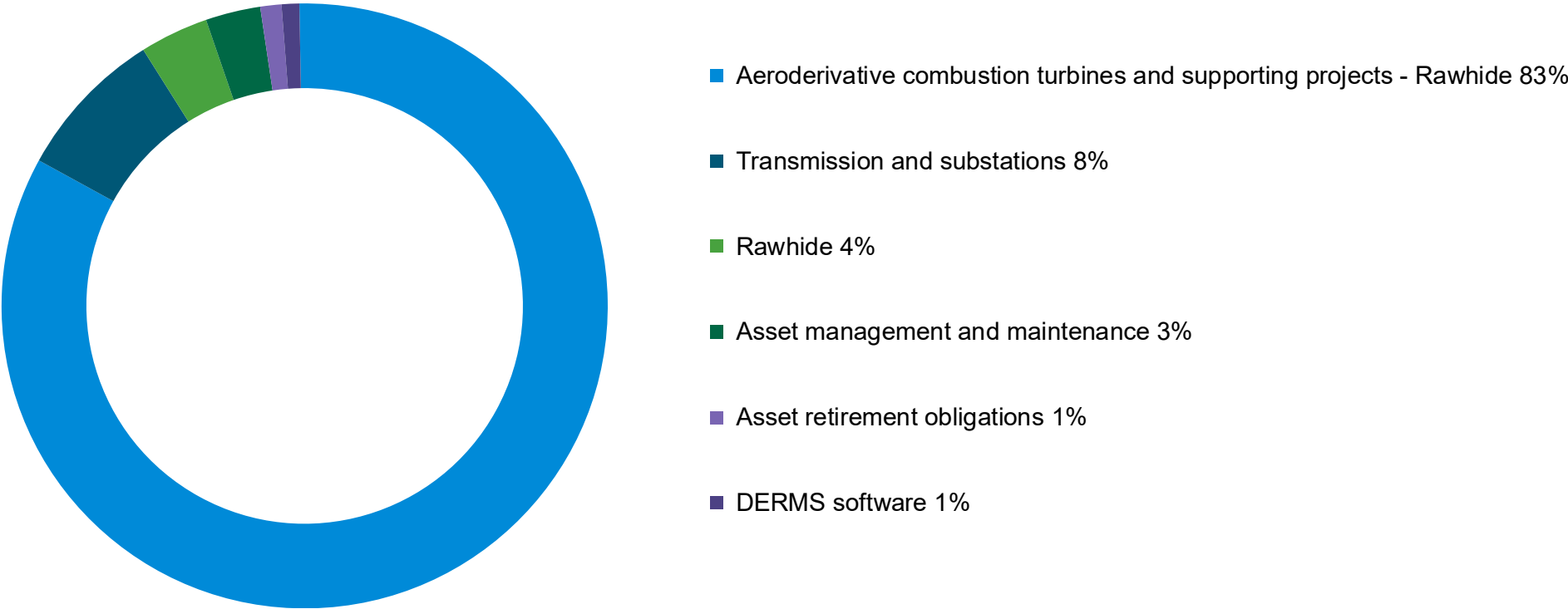
- Power revenue bonds
- Leases and subscription-based assets under GASB 87 and 96
- Expected to increase with debt financings and Weld Energy Storage project

Capital 5-year forecast



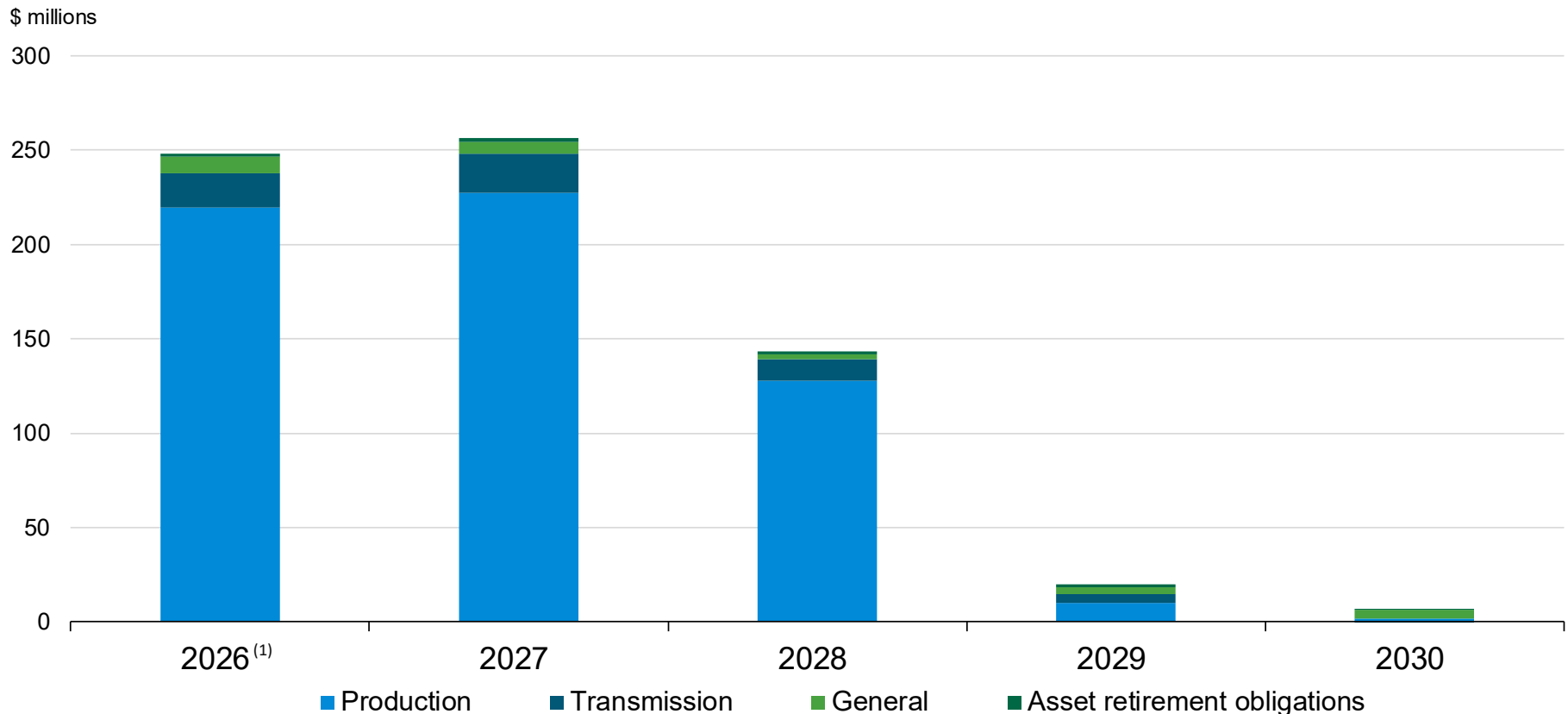
Capital 5-year forecast

Years 2026-2030 | \$675.2 million



Capital 5-year forecast

Years 2026-2030 | \$675.2 million

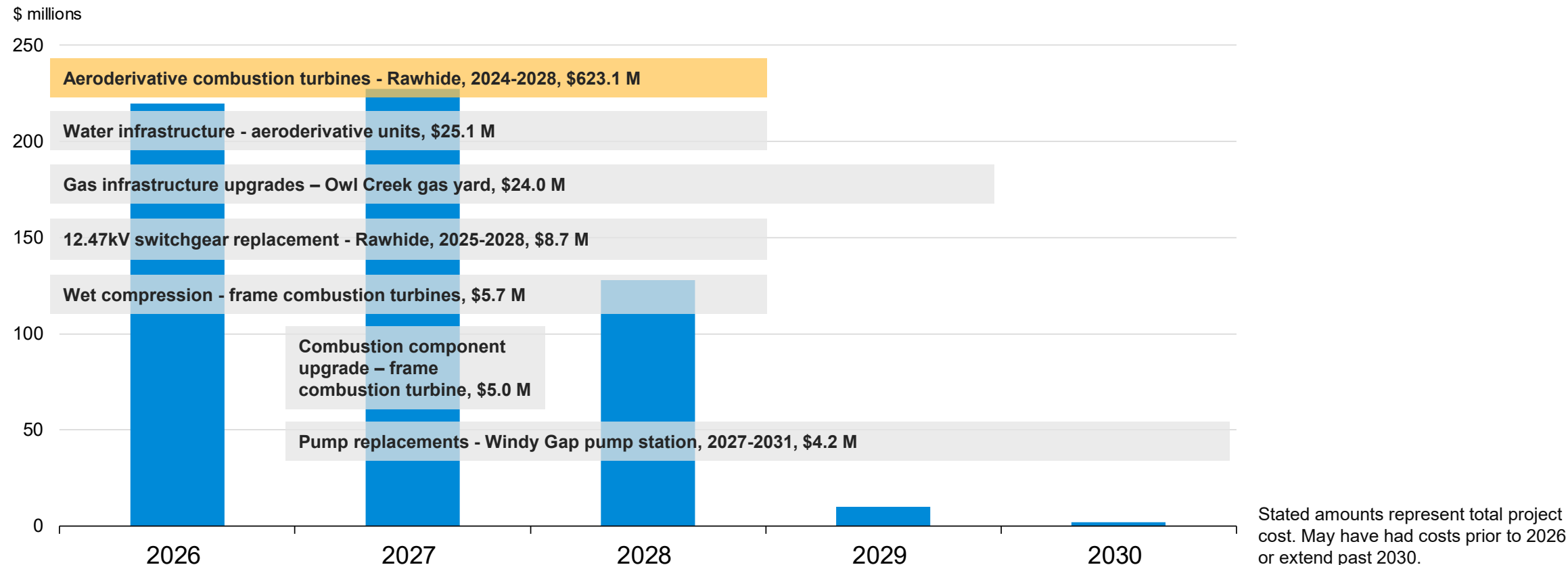


(1) Includes estimated 2025 capital carryovers of \$3.5 million and timing differences on funding of fully reimbursable projects

Capital 5-year forecast

Represents 86% of total

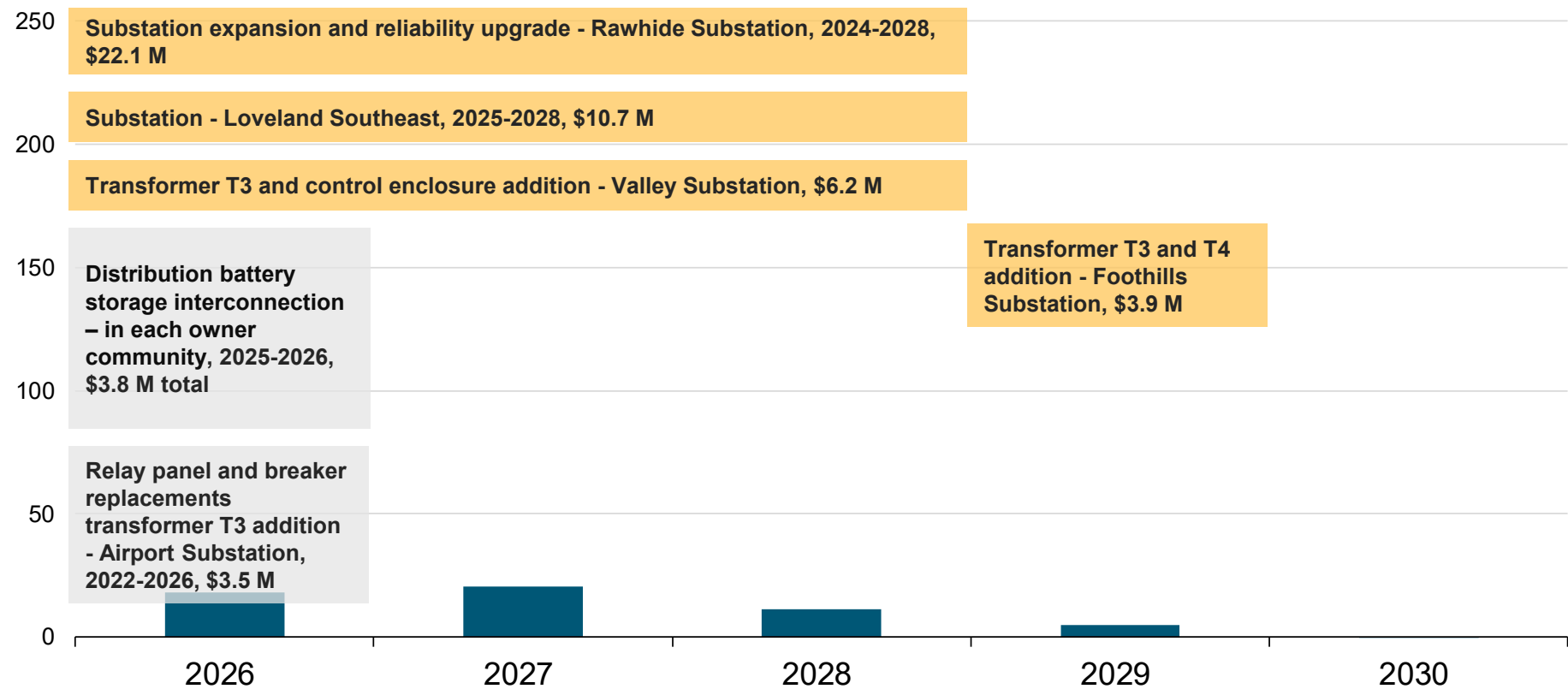
Production additions: \$586.9 million



Capital 5-year forecast

Transmission additions: \$54.6 million

\$ millions



Represents 76% of total

- 5 projects 100% reimbursable, \$8.1 M gross
- Substation perimeter walls - Crossroads Substation
 - Switchgear replacement and addition - Airport Substation (2 projects)
 - Transmission line modifications
 - Highway 287
 - Del Camino Tap to Slater

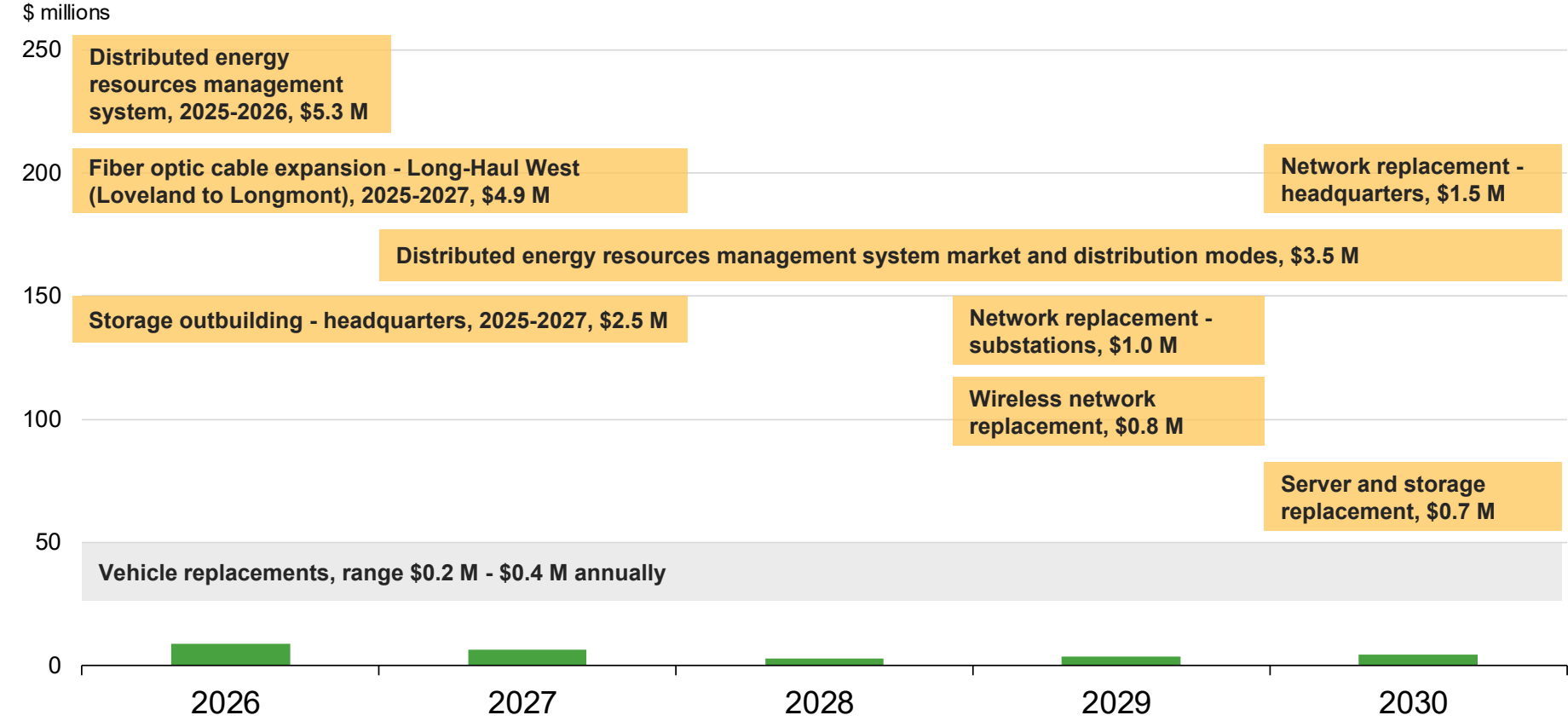
Stated amounts represent total project cost. May have had costs prior to 2026 or extend past 2030.

Capital 5-year forecast

General additions: \$26.1 million

Represents 64% of total

- General additions include:
- Facilities upgrades
 - Information technology equipment
 - Communication equipment
 - Vehicles



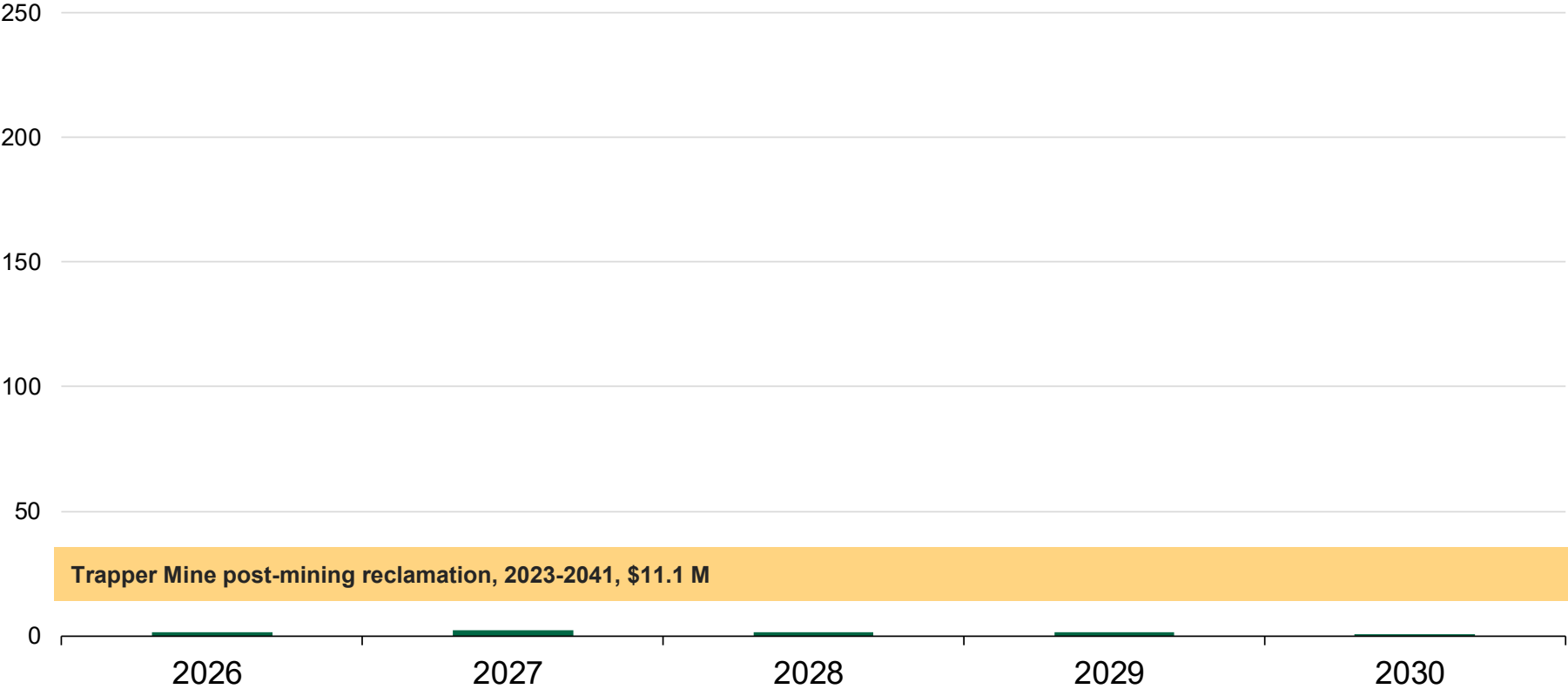
Stated amounts represent total project cost. May have had costs prior to 2026 or extend past 2030.

Capital 5-year forecast

Asset retirement obligation additions: \$7.6 million

Represents 100% of total

\$ millions



Stated amounts represent total project cost. May have had costs prior to 2026 or extend past 2030.

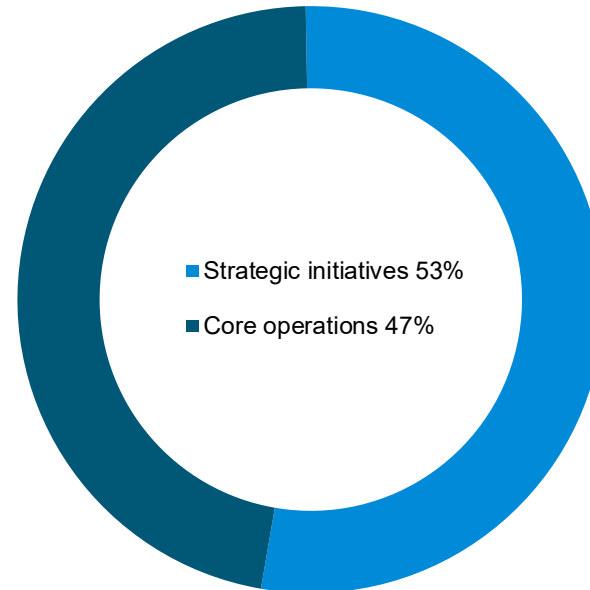
Highlights – 2026 Strategic Budget



Operating expenses and capital additions: \$509.6 million

Strategic initiatives

- Resource diversification planning and integration (noncarbon resources, dispatchable capacity, operational flexibility, SPP RTO)
- Community partner and engagement
- Workforce culture (transition and development)
- Process management and coordination (project management, enterprise risk management)



Core operations

- Baseload and peaking generation, transmission, customer energy programs
- PPAs for existing renewable resources and hydropower
- Predictive maintenance
- Proactive capital investments to maintain reliability, efficiency and environmental compliance

Revenues

- Stable owner community loads
- Increasing sales for resale
- New other operating revenues
- 6.3% average wholesale rate increase

2026 budget: \$636.1 million

Questions



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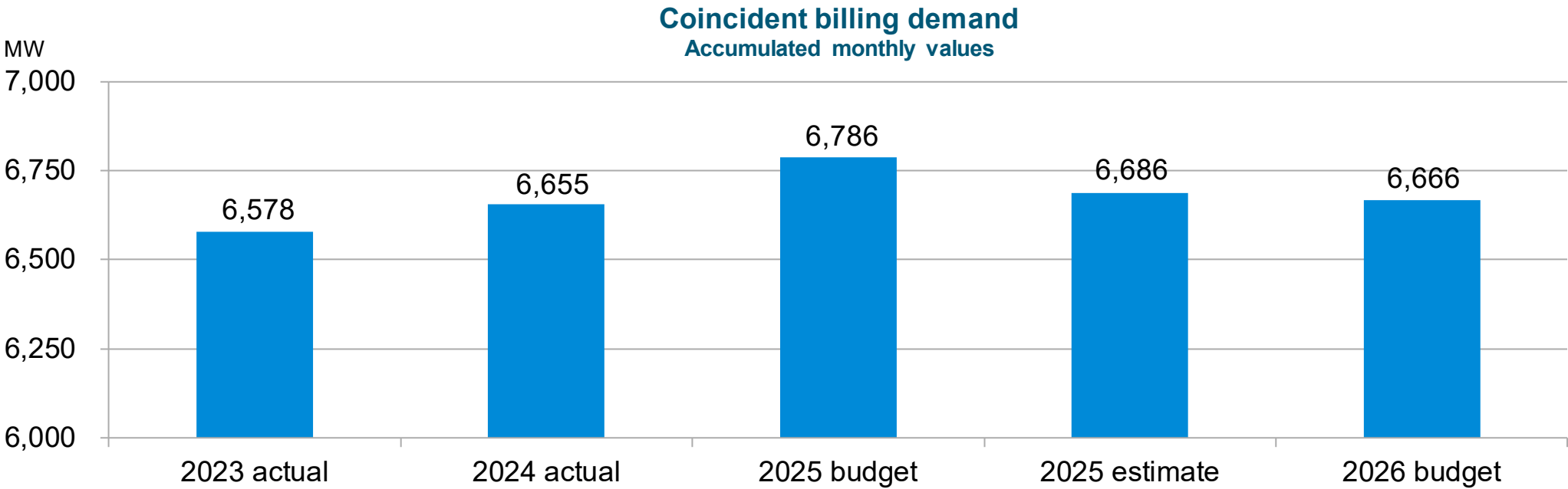
Reference: budget details

Not presented

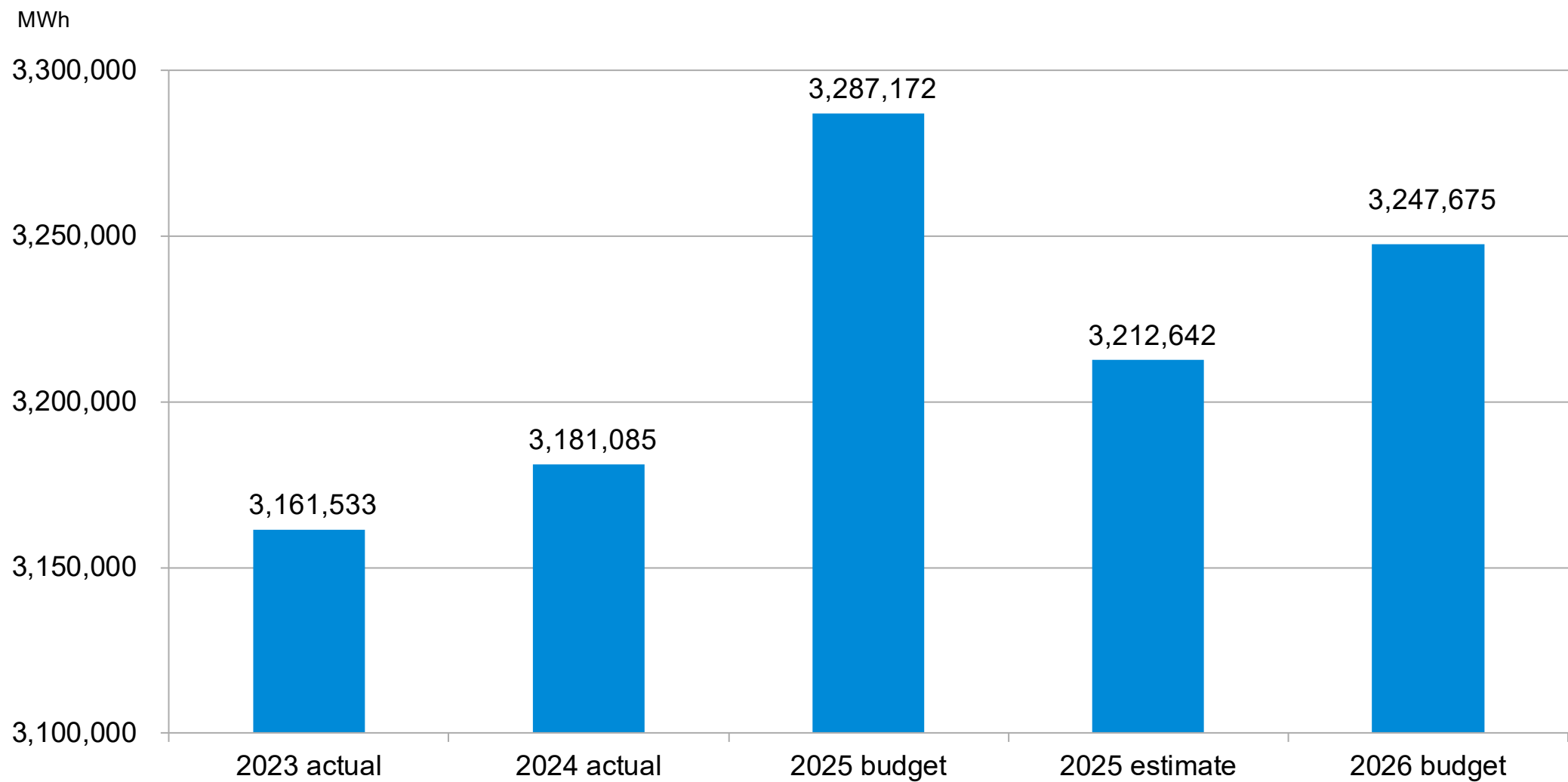
Small differences may exist in the following tables compared to the budget document due to rounding.

Sales to owner communities

(\$ millions)	2025 budget	2026 budget	Increase (decrease)		Explanation
Sales to owner communities					6.3% average wholesale rate increase, partially offset by 1.2% lower loads and 1.8% decrease in both non-coincident and coincident billing demand
Owner community charge	\$ 17.9	\$ 19.6	⬆️	\$ 1.7	
Demand	90.0	95.2	⬆️	5.2	
Energy	140.5	146.1	⬆️	5.6	
Total	\$ 248.4	\$ 260.9	⬆️	\$ 12.5	

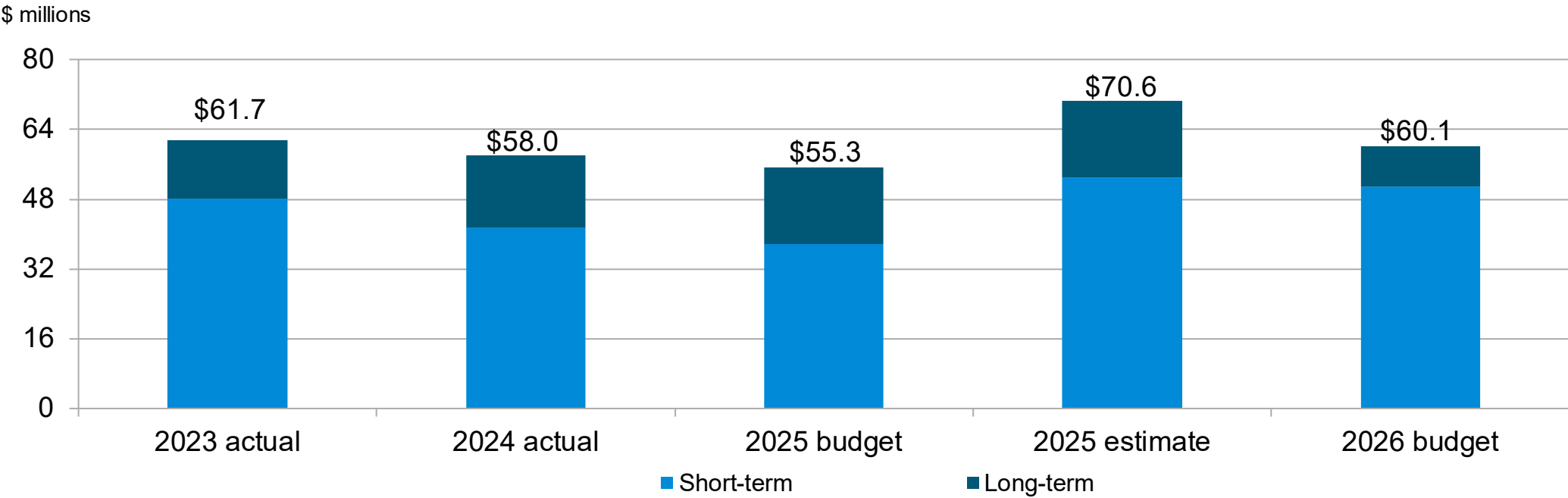


Sales to owner communities energy



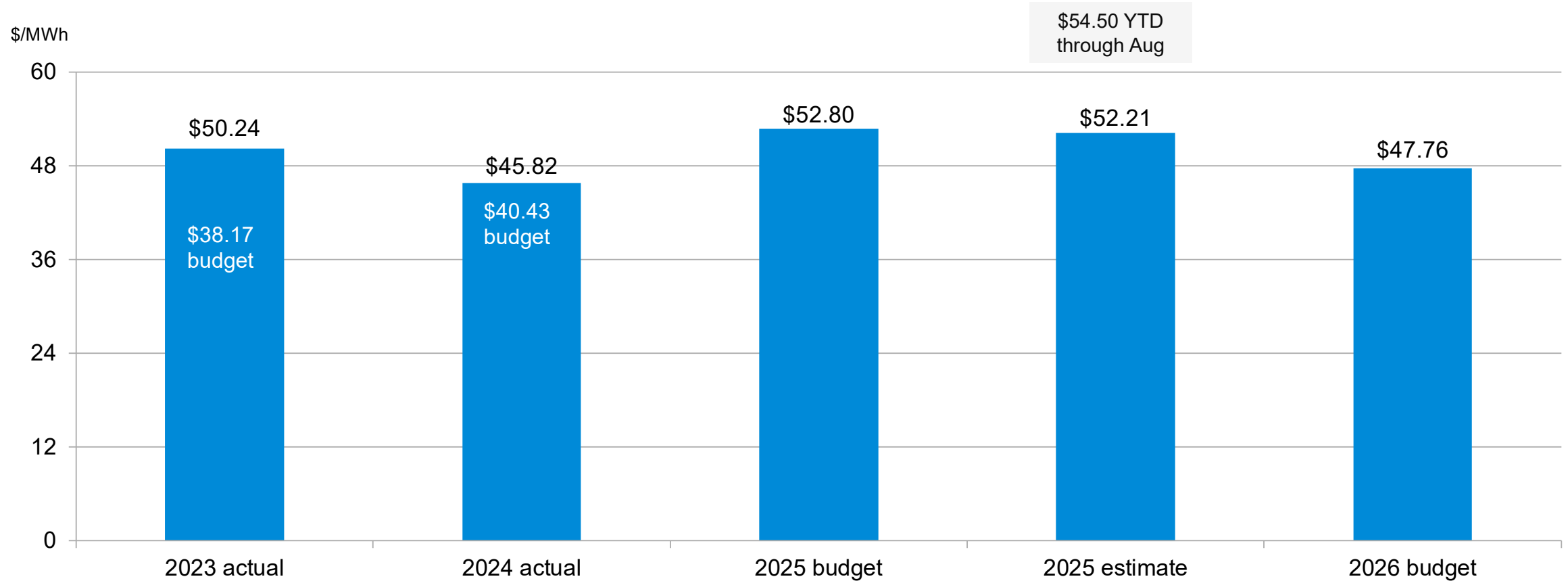
Sales for resale

(\$ millions)	2025 budget	2026 budget	Increase (decrease)	Explanation
Sales for resale				
Long-term	\$ 17.7	\$ 9.2	⬇️ \$ (8.5)	Decreased volume as two contracts expired in 2025 and one contract expiring in 2025
Short-term	37.6	50.9	⬆️ 13.3	Increased volume and one short-term capacity contract for all of 2026, partially offset by lower average prices
Total	\$ 55.3	\$ 60.1	⬆️ \$ 4.8	



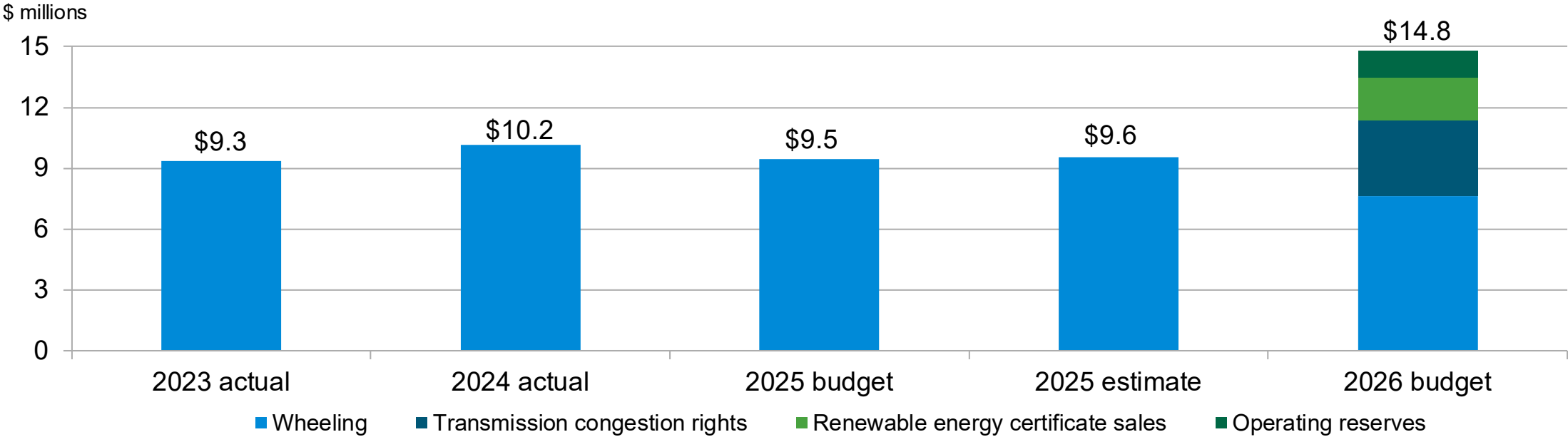
Sales for resale average price

Includes energy and capacity



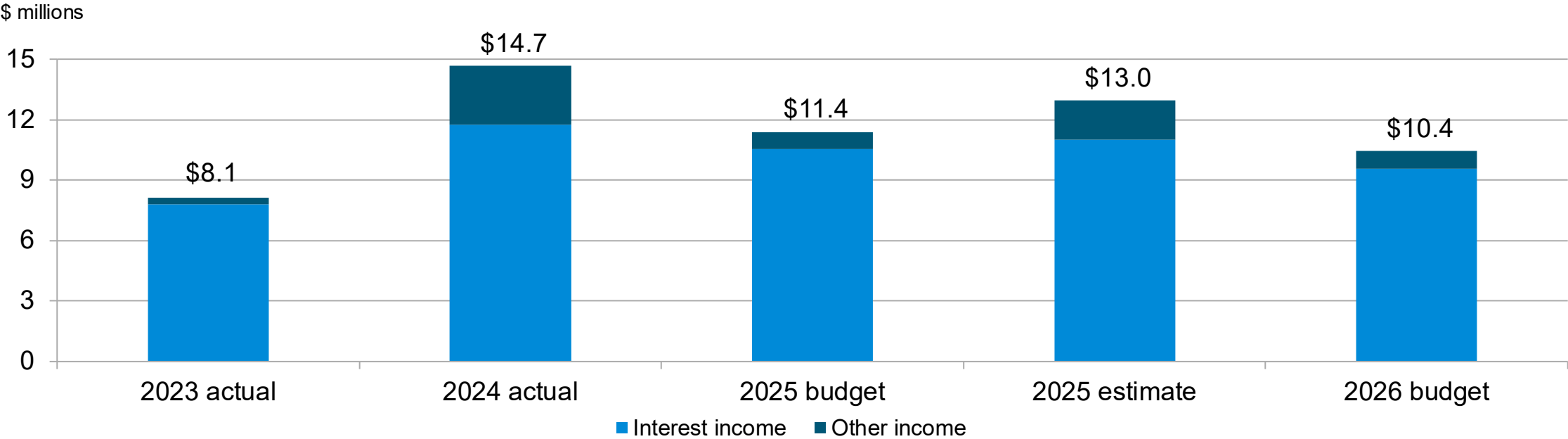
Other operating revenues

(\$ millions)	2025 budget	2026 budget	Increase (decrease)		Explanation
Other operating revenues					
Wheeling	\$ 9.5	\$ 7.6	↓	\$ (1.9)	Decreased due to lower point-to-point revenue expected in SPP RTO
Renewable energy certificate sales	-	2.1	↑	2.1	New revenue stream planned
Transmission congestion rights	-	3.8	↑	3.8	New revenue stream expected in SPP RTO
Operating reserves	-	1.3	↑	1.3	New revenue stream expected in SPP RTO
Total	\$ 9.5	\$ 14.8	↑	\$ 5.3	



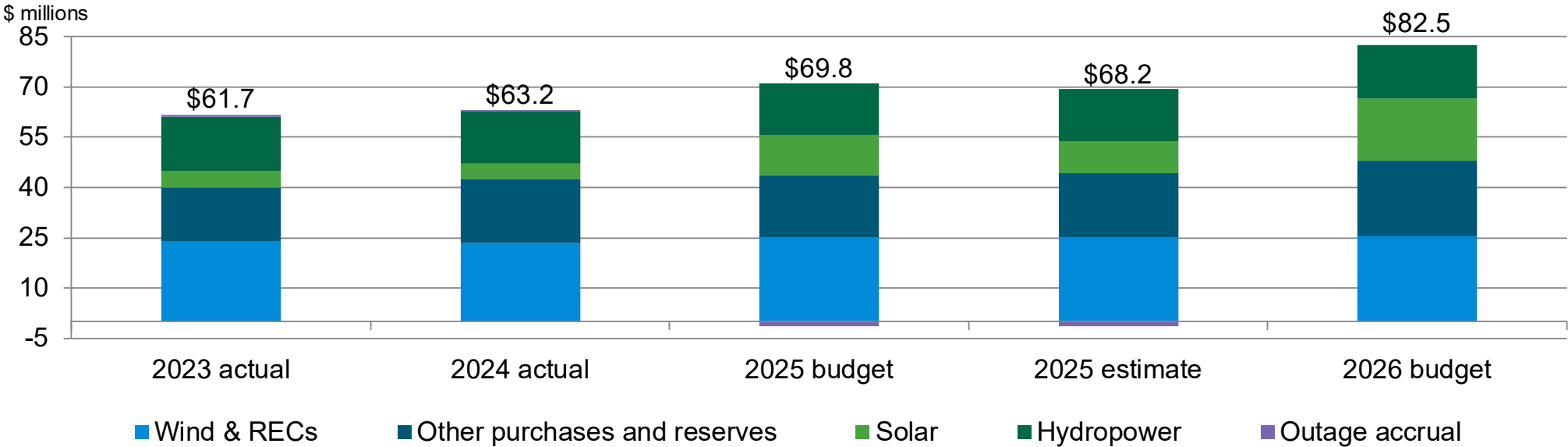
Interest and other income

(\$ millions)	2025 budget	2026 budget	Increase (decrease)		Explanation
Interest and other income					
Interest income	\$ 10.6	\$ 9.6	⬇️	\$ (1.0)	Lower average investment and operating fund balances partially offset by increase in interest rates
Other income	0.8	0.8	↔️	-	
Total	\$ 11.4	\$ 10.4	⬇️	\$ (1.0)	



Purchased power

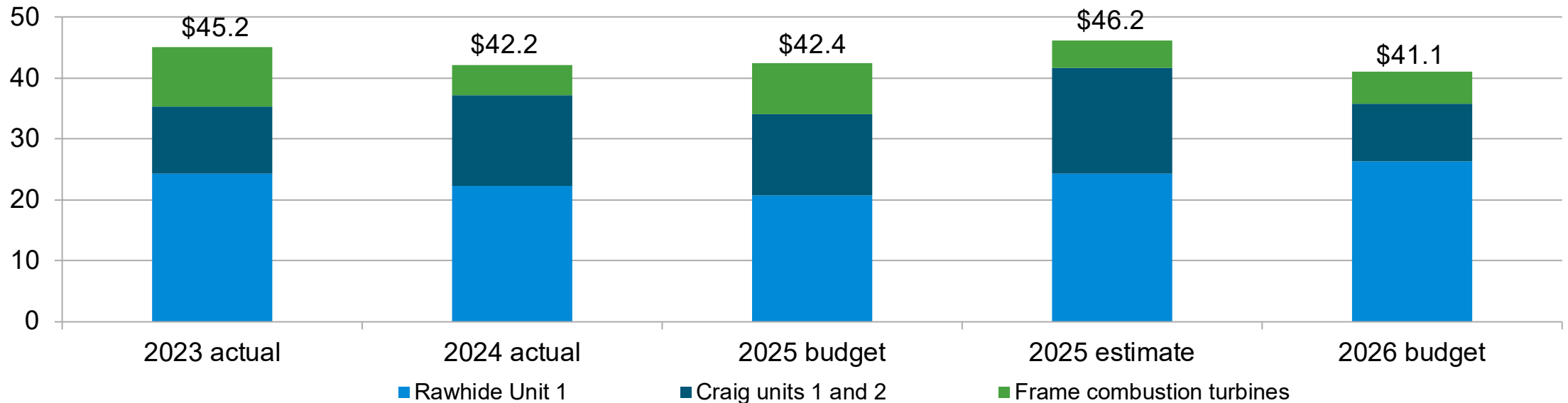
(\$ millions)	2025 budget	2026 budget	Increase (decrease)		Explanation
Purchased power					
Wind and RECs	\$ 25.3	\$ 25.4	⬆️	\$ 0.1	Increased wind contract rate escalations, partially offset by final REC purchases in 2025
Solar	11.9	18.6	⬆️	6.7	Commercial operation of Black Hollow Sun (phase 2) expected fall 2026 and full year of commercial operation of phase 1 in 2026
Hydropower	15.4	16.1	⬆️	0.7	Increase in LAP rates (8.2%) and CRSP rates (5.0%), partially offset by a decrease in CRSP energy (5.5%) and LAP energy (0.4%)
Other purchases and reserves	18.5	22.4	⬆️	3.9	Higher average prices, partially offset by lower volumes and decreased reserves expected in the SPP RTO market
Outage accrual	(1.3)	-	⬆️	1.3	2025 scheduled major outage accrual reversal, no future major outage accrual planned
Total	\$ 69.8	\$ 82.5	⬆️	\$ 12.7	



Fuel expense

(\$ millions)	2025 budget	2026 budget	Increase (decrease)	Explanation
Fuel expense				
Rawhide Unit 1	\$ 20.7	\$ 26.3	⬆️ \$ 5.6	Capacity factor of 61.6% due to generation increase of 40.9%, partially offset by a price decrease of 6.3% and a heat rate decrease of 2.2%
Craig units 1 and 2	13.3	9.4	⬇️ (3.9)	Capacity factor of 40.0% due to generation decrease of 36.6% as Craig Unit 1 retires by Dec. 31 2025, partially offset by a price increase of 4.7%
Frame combustion turbines	8.4	5.4	⬇️ (3.0)	Generation decrease of 46.4% and a heat rate decrease of 4.7%, partially offset by a price decrease of 23.7%
Total	\$ 42.4	\$ 41.1	⬇️ \$ (1.3)	

\$ millions

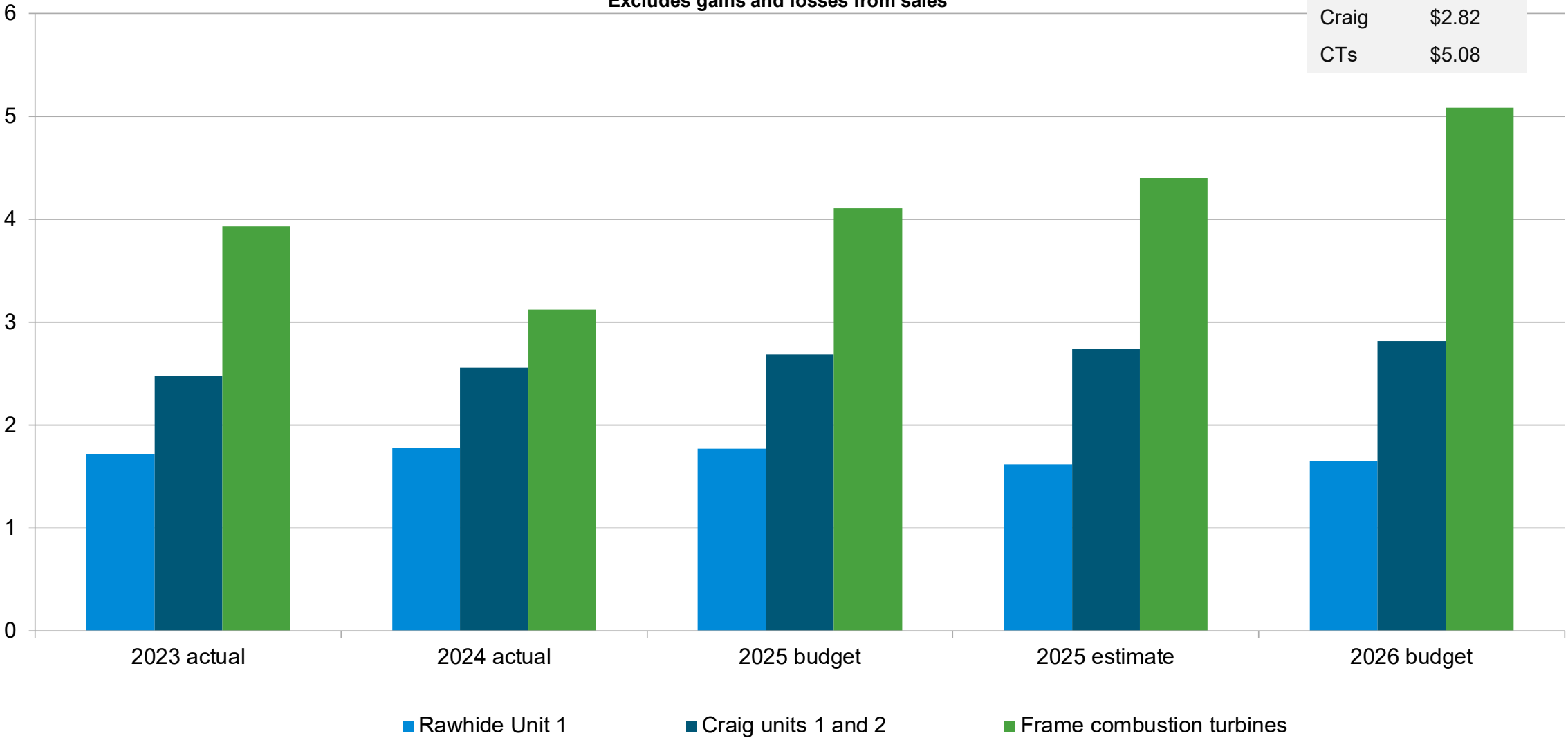


Fuel expense

\$ per MBtu

Fuel unit cost per million Btu
Excludes gains and losses from sales

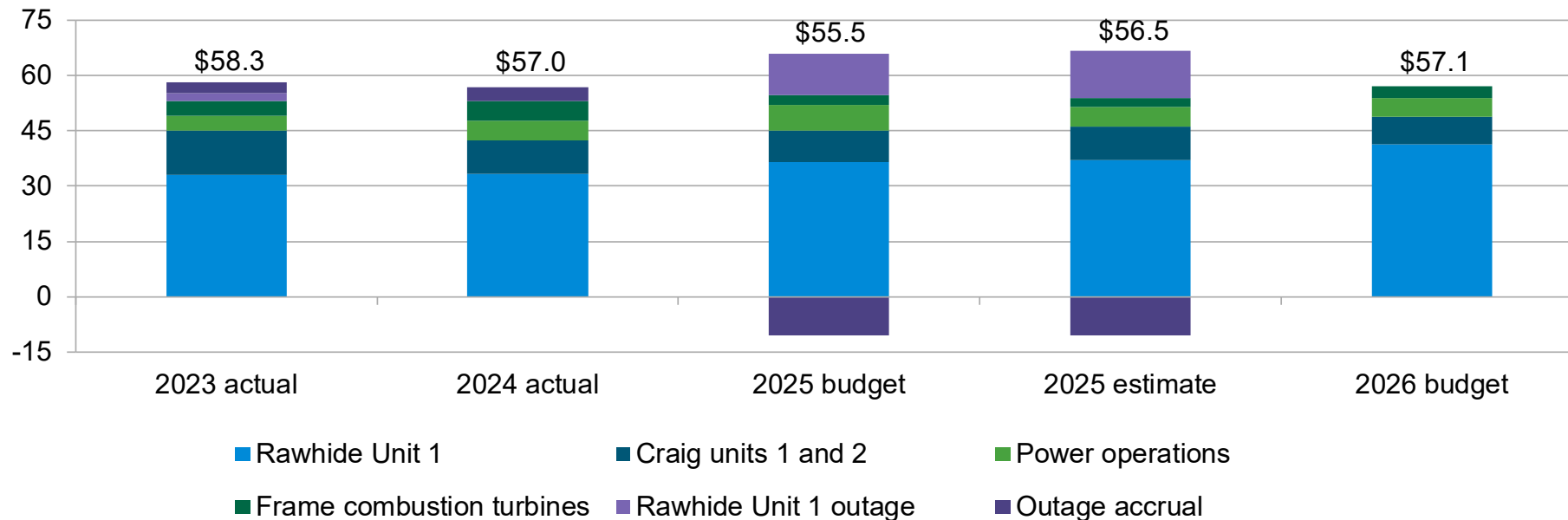
2026 \$/MBtu	
Rawhide	\$1.65
Craig	\$2.82
CTs	\$5.08



Production expenses

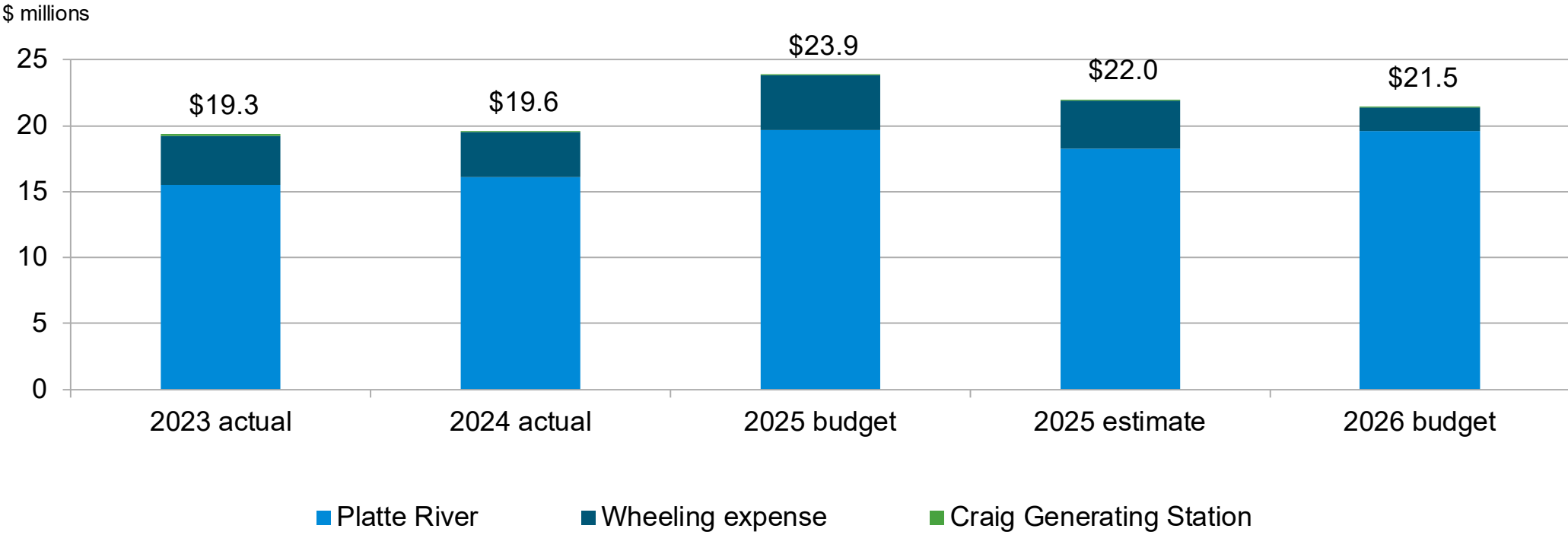
(\$ millions)	2025 budget	2026 budget	Increase (decrease)	Explanation
Production expenses				
Rawhide Unit 1	\$ 37.5	\$ 41.5	⬆️ \$ 4.0	Increased major outage accrual reversal, Windy Gap Firing Project debt service and anticipated forced outages, partially offset by decreased 2025 major outage expenses and personnel expenses
Craig units 1 and 2	8.3	7.4	⬇️ (0.9)	Reductions as Craig Unit 1 retires by Dec. 31 2025 and preparation for Unit 2 retirement
Frame combustion turbines	2.8	3.2	⬆️ 0.4	Increased inspections, non-routine projects and personnel expenses
Power operations	6.9	5.0	⬇️ (1.9)	Decreased personnel expenses and non-routine projects
Total	\$ 55.5	\$ 57.1	⬆️ \$ 1.6	

\$ millions



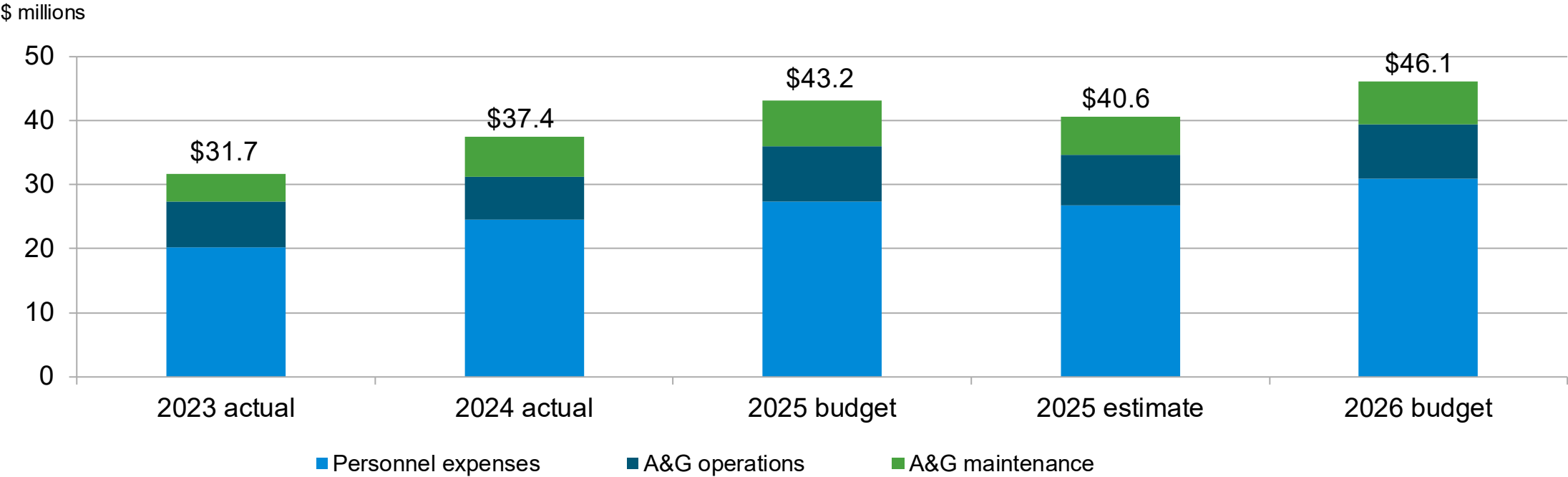
Transmission expenses

(\$ millions)	2025 budget	2026 budget	Increase (decrease)		Explanation
Transmission expenses					
Platte River	\$ 19.6	\$ 19.6	↔	\$ -	
Craig Generating Station	0.1	0.1	↔	-	
Wheeling	4.2	1.8	↓	(2.4)	Lower expenses expected in the SPP RTO market
Total	\$ 23.9	\$ 21.5	↓	\$ (2.4)	



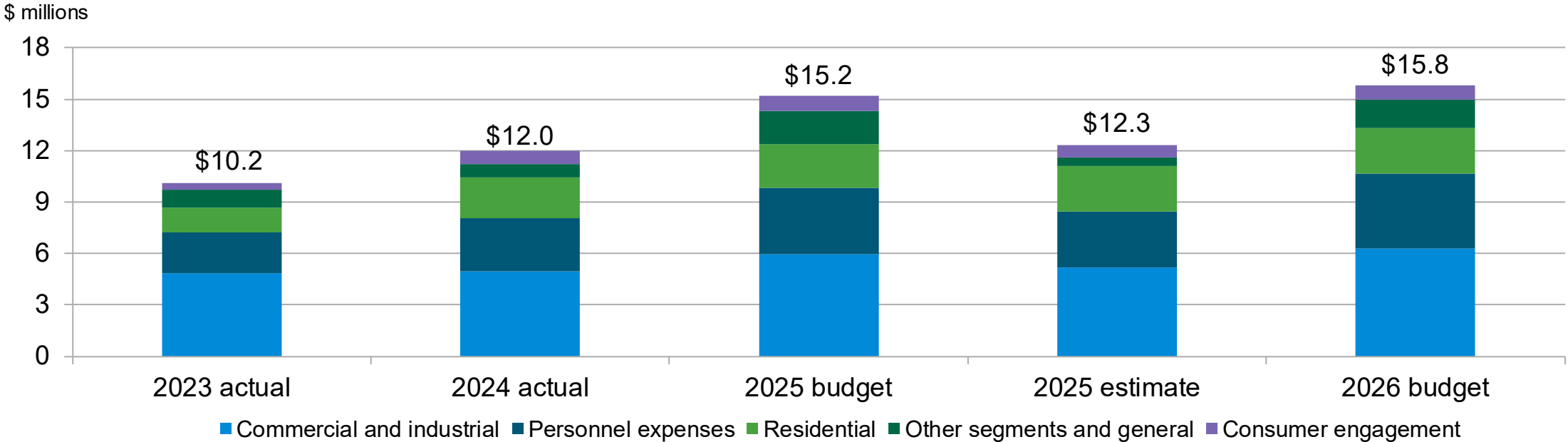
Administrative and general expenses

(\$ millions)	2025 budget	2026 budget	Increase (decrease)		Explanation
Administrative and general					
Operations	\$ 36.1	\$ 39.3	⬆	\$ 3.2	Increased personnel expenses, insurance premiums, travel and training, partially offset by decreased marketing and resource acquisition consulting
Maintenance	7.1	6.8	⬇	(0.3)	Decreased software and hardware maintenance
Total	\$ 43.2	\$ 46.1	⬆	\$ 2.9	



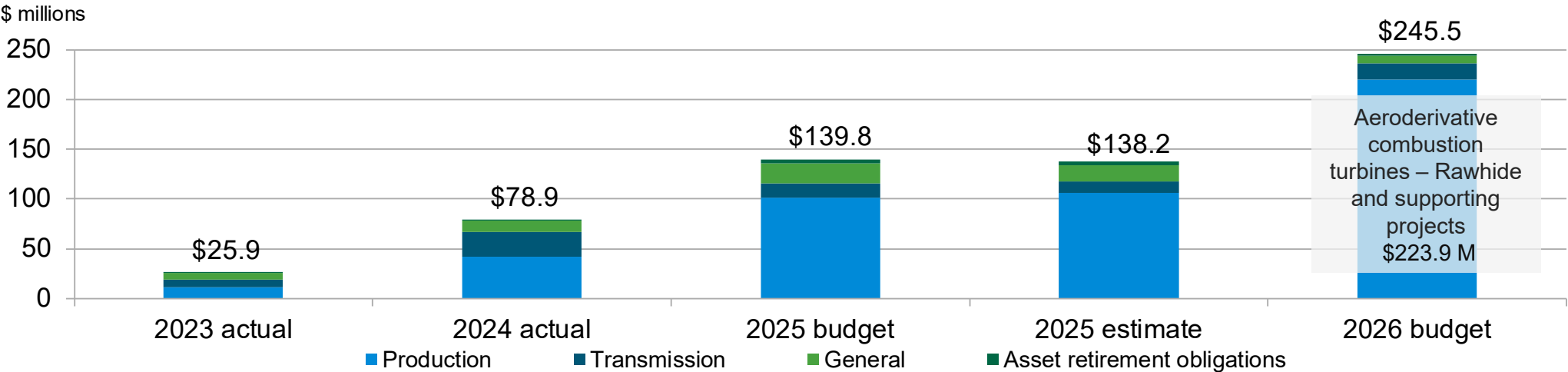
Distributed energy resources

(\$ millions)	2025 budget	2026 budget	Increase (decrease)	Explanation
Distributed energy resources				
Personnel expenses	\$ 3.9	\$ 4.4	⬆ \$ 0.5	
Commercial and industrial	6.0	6.3	⬆ 0.3	Addition of community efficiency grant
Residential	2.5	2.6	⬆ 0.1	Increased anticipated participation levels
Consumer engagement	0.9	0.8	⬇ (0.1)	Decreased due to historical actual spend
Other segments and general	1.9	1.7	⬇ (0.2)	DERMS and VPP software subject to GASB 96 accounting treatment
Total	\$ 15.2	\$ 15.8	⬆ \$ 0.6	



Capital additions

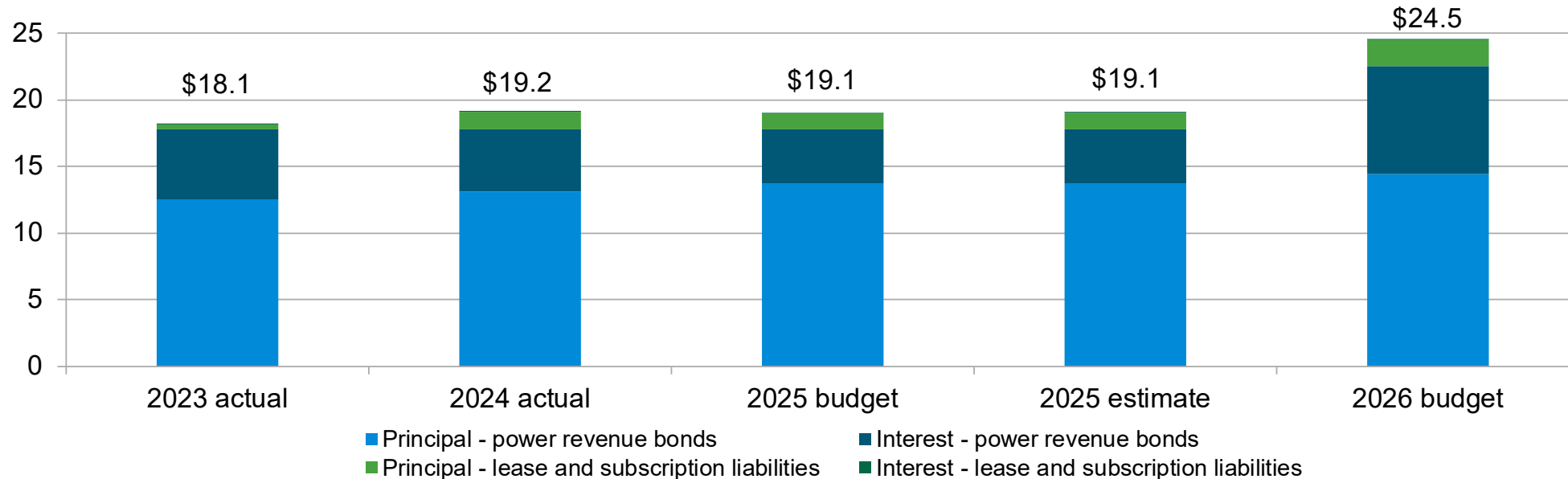
(\$ millions)	2025 budget	2026 budget	Increase (decrease)	Projects
Capital additions				
Production	\$ 101.2	\$ 219.9	↑	\$ 118.7 Aeroderivative combustion turbines Rawhide, 12.47 kV switchgear replacement - Rawhide, evergreen controls hardware upgrade - gas yard, control room upgrades - Rawhide and water infrastructure - aeroderivative units
Transmission	14.4	16.6	↑	2.2 Substation expansion and reliability upgrade - Rawhide Substation, relay panel and breaker replacements transformer T3 addition - Airport Substation and 115 kV transmission line upgrades - Drake transmission line
General	20.2	7.5	↓	(12.7) Distributed energy resources management system, fiber optic expansion - Long-Haul West (Loveland to Longmont), audio and video equipment replacement - transmission and generation and regional transmission organization market software
Asset retirement obligations	4.0	1.5	↓	(2.5) Trapper Mine post-mining reclamation
Total	\$ 139.8	\$ 245.5	↑	\$ 105.7



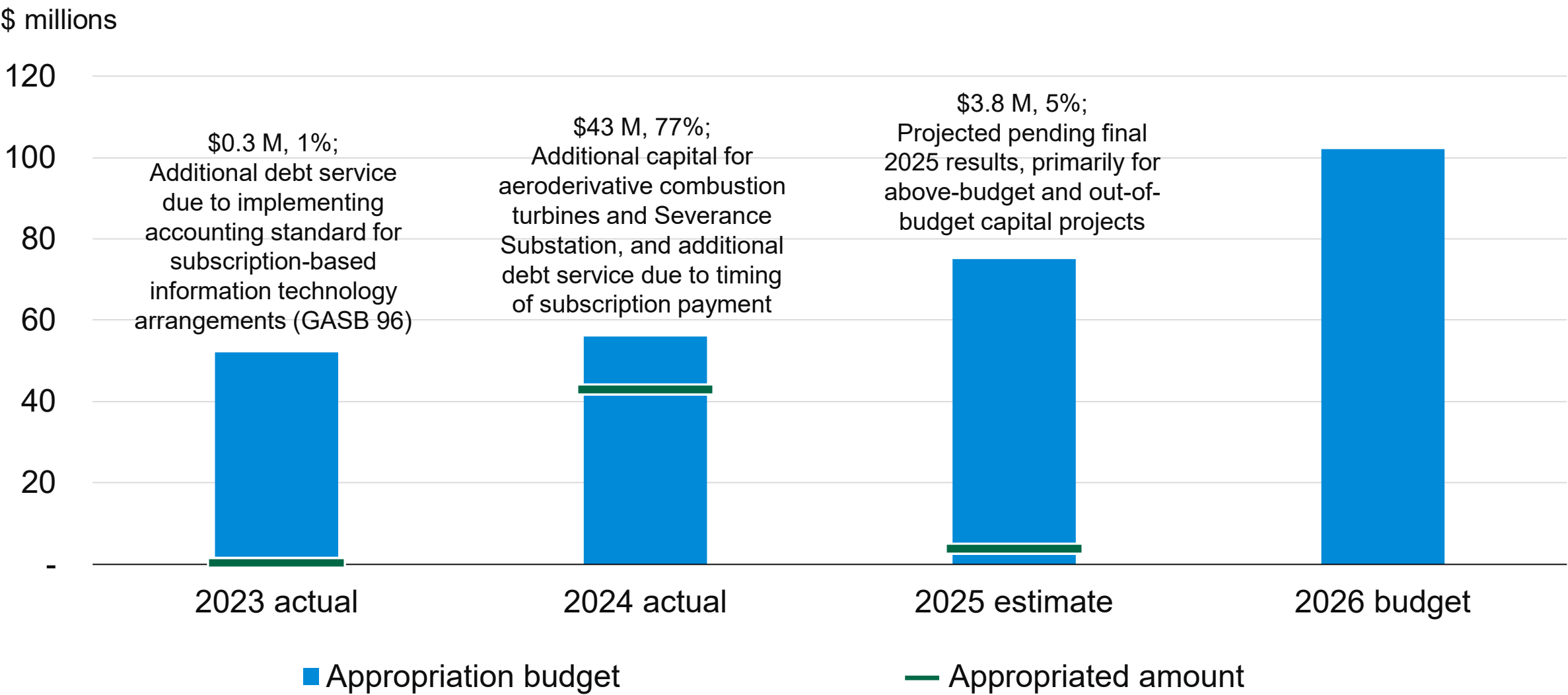
Debt service expenditures

(\$ millions)	2025 budget	2026 budget	Increase (decrease)	Explanation
Debt service expenditures				Series JJ, Series KK and new Series LL power revenue bonds, lease and subscription liabilities relating to accounting pronouncements
Principal - power revenue bonds	\$ 13.7	\$ 14.4	⬆ \$ 0.7	
Principal - lease and subscription liabilities	1.2	1.9	⬆ 0.7	
Interest - power revenue bonds	4.1	8.1	⬆ 4.0	
Interest - lease and subscription liabilities	0.1	0.1	↔ -	
Total	\$ 19.1	\$ 24.5	⬆ \$ 5.4	

\$ millions



Budget contingency





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Board of directors

September 25, 2025

2026 Rate Tariff Schedules review

Shelley Nywall, director of finance



Agenda

- Owner community sales
 - 6.3% average wholesale rate increase (budget to budget)
 - Average \$80.34/MWh (proposed budget)
- 2026 Rate Tariff Schedules
 - Firm Power Service Tariff
 - Standard Offer Energy Purchase Tariff
 - Wholesale Transmission Service Tariff
 - Large Customer Service Tariff
- Approval request in October (on consent agenda)

Firm Power Service Tariff (Tariff FP-26)

Charges as presented in May

Charges		2026
Owner community charge	\$/month per owner community allocation	\$16,841
Demand charges		
Transmission	\$/kW-mo of noncoincident billing demand	\$7.04
Generation: summer	\$/kW-mo of coincident billing demand	\$8.12
Generation: nonsummer	\$/kW-mo of coincident billing demand	\$6.60
Energy charges		
Fixed	\$/kWh for all energy supplied	\$0.01871
Variable	\$/kWh for all energy supplied	\$0.02583

Other tariff schedules

Standard Offer Energy Purchase Tariff (Tariff SO-26)

- Updated obligations for participation in the Southwest Power Pool energy markets
- Pricing to be calculated at the time of energy delivery

Wholesale Transmission Service Tariff (Tariff WT-26)

- Charges are as adopted in May; original effective date June 1, 2025
- Language was added to rescind this tariff upon entrance into the Southwest Power Pool Regional Transmission Organization

Large Customer Service Tariff (Tariff LC-26)

- Added language to comply with any Platte River board-established policies governing new large loads

Summary

- Owner community rates teams were given rates information in June to facilitate their budgeting process
- Next step: request board adoption in October of the 2026 Rate Tariff Schedules with a Jan. 1, 2026, effective date

Questions



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September 25, 2025

Rawhide Unit 1 major outage preview

Brodie Griffin, director, power generation



Overview

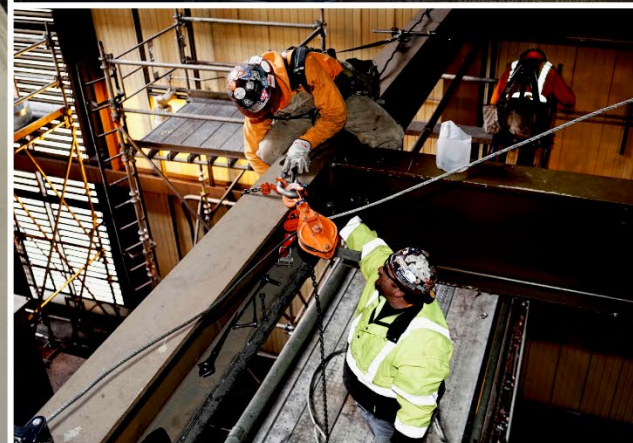
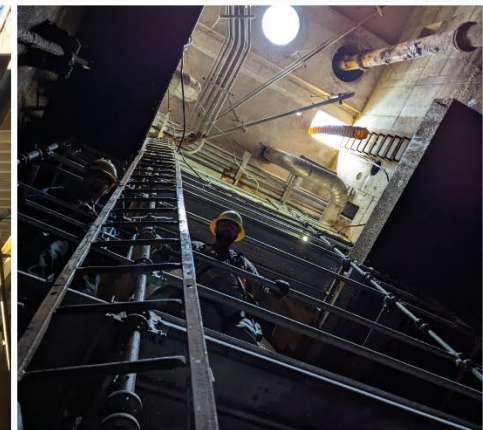
- Background
- Schedule
- Outage scope and budget
 - O&M
 - Capital
- Summary



Background

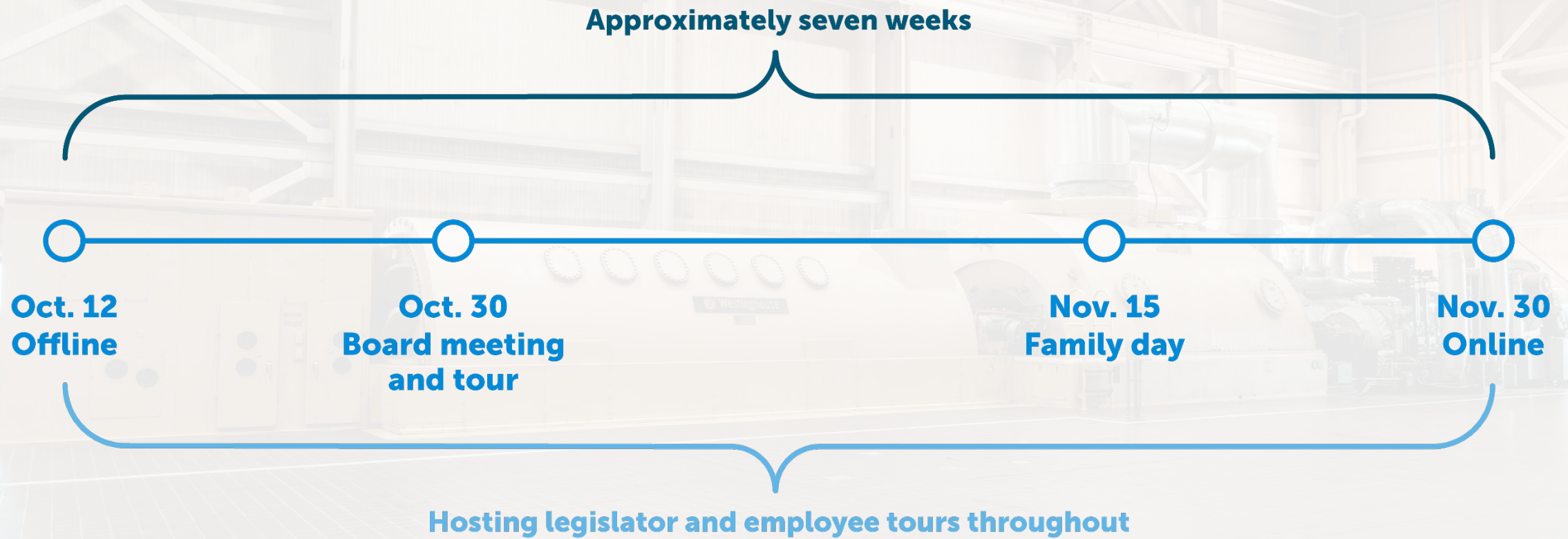
- An outage is a time where the unit is shut off completely to perform critical maintenance and improvements that cannot be done while the unit is running
- Major outages are typically scheduled every three years
- Minor outages are scheduled in between major outages
- Usually four to eight weeks, depending on the scope and scale
- 300-400 dedicated individuals working six 12-hour days per week safely throughout the duration





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Schedule



Key efforts

O&M - \$13.2M

- Comprehensive system inspections
- Boiler overhaul – blasting, water wash, full scaffold
- Turbine valve maintenance
- Major equipment (fan, pump, motor) overhauls
- Coal mill repairs
- Breaker cleaning and compliance testing
- Building washdown

Capital - \$9.2M

- Superheat tube replacement
- Control system hardware replacement
- Dust collection system upgrades
- Vibration monitoring improvements



Summary

- Performing outage work is critical to the safe, reliable operation of the facility
- Scheduled outages position Platte River for continued operational excellence and allow for implementation of the latest technologies
- Rawhide Unit 1's award-winning performance demonstrates that reinvesting in our assets sets Platte River apart
- The Rawhide team looks forward to sharing progress during the board tour next month
- An update will be provided during the December board meeting



Questions?



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September 25, 2025

General concepts for new large load policy

Sarah Leonard, general counsel



Overview:

- **CORE PRINCIPLE:** The addition of any new large load to an owner community's system should not impose operational or financial burdens on the system or the “captive” customers who pay for and depend on the system
- Use definition of “large load” from Platte River’s large customer service tariff
- Set a framework to address
 - Pre-interconnection
 - Interconnection process
 - Rate-setting principles
 - Risk of departure and stranded assets
 - Financial assurances

Broad areas

Pre-interconnection

- Need information directly from intended load customer, not a developer or promoter
- Upfront fees for studies
- Financial review; operating history
- Expected load characteristics (peak, shape, flexibility, load factor)



Broad areas

Interconnection process

- Site selection, zoning, permitting
- Transmission or distribution voltage
- Required studies
- Required infrastructure investment
- Deposits and other financial assurances
- Required “go/no-go” gateways and upfront facilities construction agreements

Broad areas

Rate-setting principles

- Structured so that
 - Rates to new large loads are consistent over time (even as system conditions and needs change)
 - New large loads (or their departure) cannot shift costs onto “captive” customers
- Potential tools:
 - Cost of new generation or pass-through of market-acquired supply (settle at Southwest Power Pool market prices)
 - Facilities charges, demand charges, capacity charges, minimum billing

Broad areas

Risk of departure and stranded investment

- Potential tools:
 - Deposits and other financial assurances
 - Minimum contract terms; automatic renewal
 - Prepayment obligations

Broad areas

Financial assurances

- Potential tools:
 - Security deposits
 - Letters of credit or surety bonds
 - Other forms of collateral
 - Prepayment for minimum monthly billings (for example, three months' service)

Questions?



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August operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	668MW	678 MW	10 MW	1.5%	◆
Owner community energy	305 GWh	304 GWh	(1 GWh)	(0.5%)	◆
Net variable cost* to serve owner community energy	\$4.4M	\$2.7M	(\$1.7M)	(37.3%)	●
	\$14.37/MWh	\$9.02/MWh	(\$5.35/MWh)		

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

Market impacts to net variable cost

Downward pressure	
Generation and market variances pushing costs lower	
Lower solar volume and pricing	\$1.0M
Lower RH unit 1 coal pricing	\$0.9M
Higher bilateral sales volume and pricing	\$0.8M

Upward pressure	
Generation and market variances pushing costs higher	
Higher coal generation volume	\$1.3M
Higher market purchases pricing	\$0.6M
Lower long-term contract sales volume and pricing	\$0.3M

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

YTD operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	4,330 MW	4,326 MW	(4 MW)	(0.1%)	◆
Owner community energy	2,219 GWh	2,169 GWh	(50 GWh)	(2.2%)	■
Net variable cost* to serve owner community energy	\$40.7M	\$32.1M	(\$8.6M)	(19.5%)	●
	\$18.36/MWh	\$14.78/MWh	(\$3.58/MWh)		

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

Market impacts to net variable cost

Downward pressure	
Generation and market variances pushing costs lower	
Higher bilateral sales volume and pricing	\$7.9M
Lower solar volume and pricing	\$3.6M
Lower market purchases volume	\$2.8M

Upward pressure	
Generation and market variances pushing costs higher	
Higher coal generation volume	\$7.2M
Higher market purchases pricing	\$2.8M

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



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September 25, 2025

Financial summary

Category	August variance from budget (\$ in millions)		YTD variance from budget (\$ in millions)	
Change in net position ⁽¹⁾	\$5.5	●	\$16.1	●
Fixed obligation charge coverage	1.97x	●	0.66x	●
Revenues	\$1.7	●	\$8.4	●
Operating expenses	\$3.2	●	\$6.4	●
Capital additions	\$2.3	●	\$34.1	●
Debt service expenditures	\$0.1	●	\$0.4	●

⁽¹⁾ Variance includes \$0.6 million and \$1.0 million net unrealized gain on investments for August and year to date, respectively

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



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September 25, 2025