



**Platte River**  
Power Authority

Estes Park • Fort Collins • Longmont • Loveland

# Board of directors

May 28, 2026

# **Average wholesale rate 2027 rate increase and tariff schedule charges**

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**Shelley Nywall, director of finance**

**Wade Hancock, senior manager, financial planning and rates**



# Discussion

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- Platte River financial governance framework
- Historical average wholesale rates
- What is driving rate increases?
- What actions are being taken to stabilize rates?
- Why do rate projections change?
- What are the 2027 rate tariff schedules?
- What's next?

# Platte River financial governance framework

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- Strategic Financial Plan and rate setting framework are components of the governance framework that drive rate making actions
- Many factors influence rate actions including
  - Integrated Resource Plan
  - Strategic budget and forecasting
  - Colorado revised statutes
  - Power supply agreements
  - General Power Bond Resolution



# Financial sustainability: Rate setting

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## **Strategic Financial Plan**

(financial metrics and rate stability strategies)

### Rate requirements and practices

- Review rates annually (Power supply agreements and General Power Bond Resolution)
- Sufficient to cover all operating and maintenance expenses, purchased power costs, debt service expenses and provide reasonable reserves and adequate earnings margin to obtain favorable debt financing
- Rate stability strategies
  - Fiscal responsibility
    - Revenue generation
    - Expense management
  - Rate smoothing
    - Accounting policies to manage revenues and expenses for rate making purposes (GASB 62)
    - Multi-year rate smoothing strategies will also be used to avoid greater single year rate impacts or to accomplish specified financial objectives

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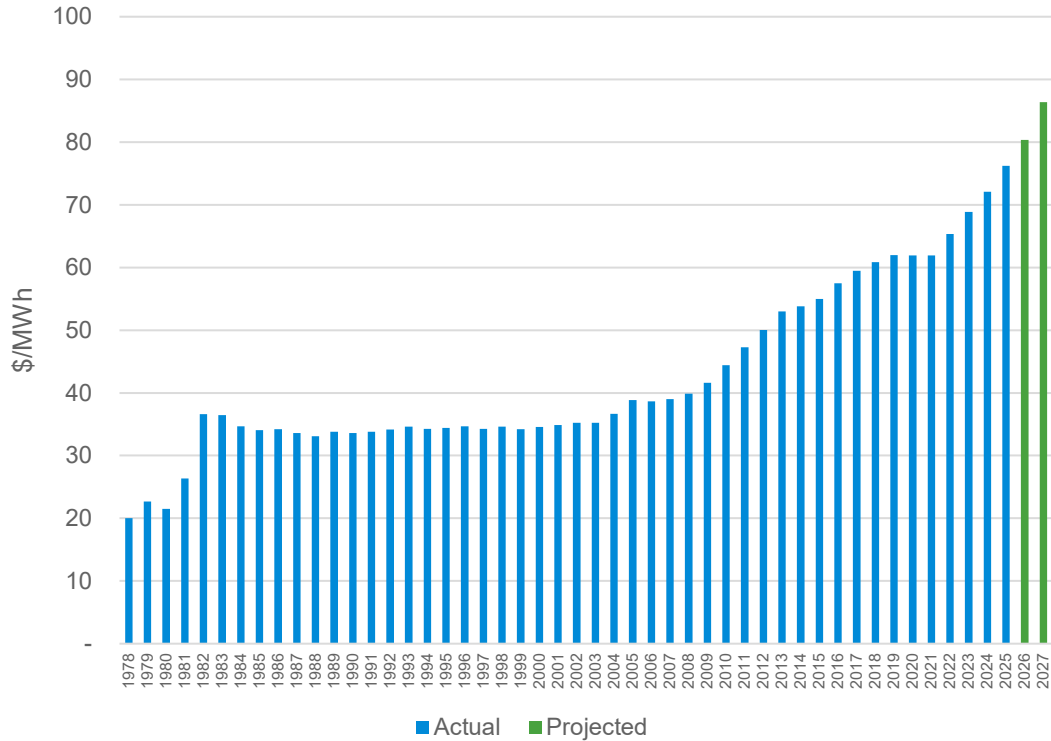
## **Rate setting policy and rate setting reference document**

- Improve value added of Platte River in support of owner communities
- Offer a desirable portfolio of services and rates that meet owner communities' needs
- Better align wholesale pricing signals with cost of service and owner community retail pricing signals
- Send pricing signals that result in system benefits

# Historical average wholesale rates

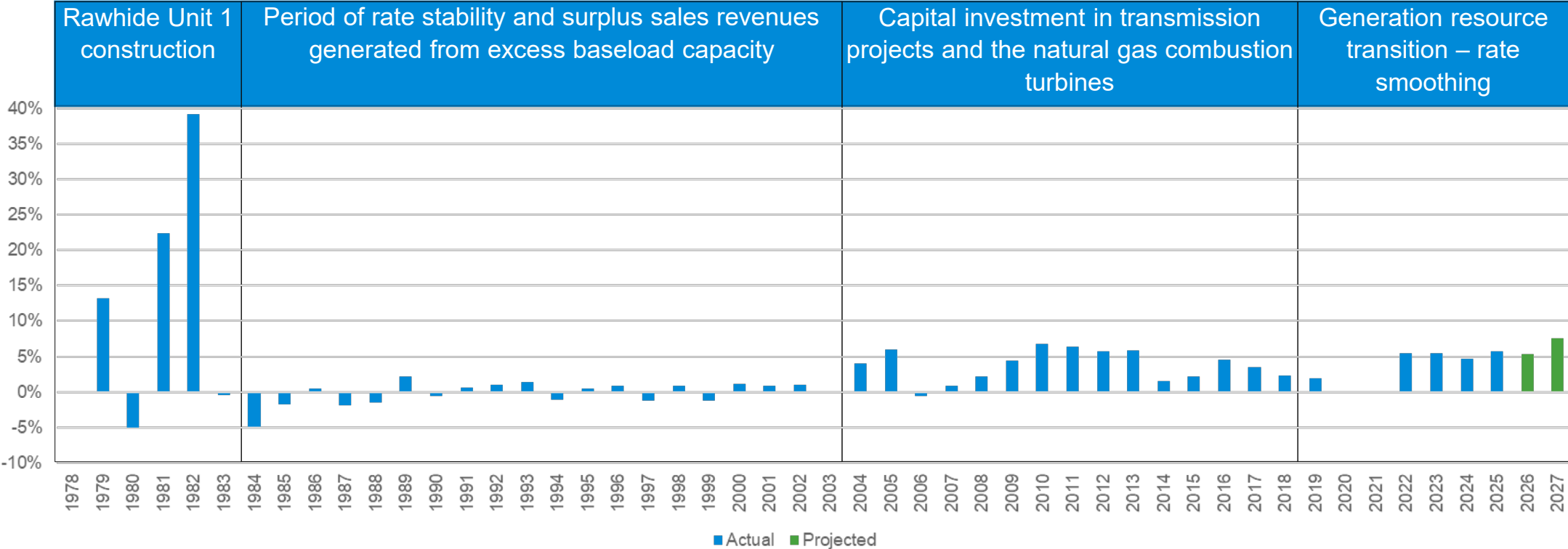


# Average wholesale \$/MWh



- 1978 – 1984
  - 9.6% average annual increase
  - Significant rate increases (73%) with Rawhide Unit 1 construction
- 1984 – 2003
  - 0.1% average annual increase
  - Period of rate stability and surplus sales revenues generated from excess capacity
- 2003 – 2021
  - 3.2% average annual increase
  - Natural gas capacity expansion
  - Transmission capital investment
- 2021 - 2027
  - 5.7% average annual increase
  - Generation resource transition

# Average wholesale \$/MWh percent changes



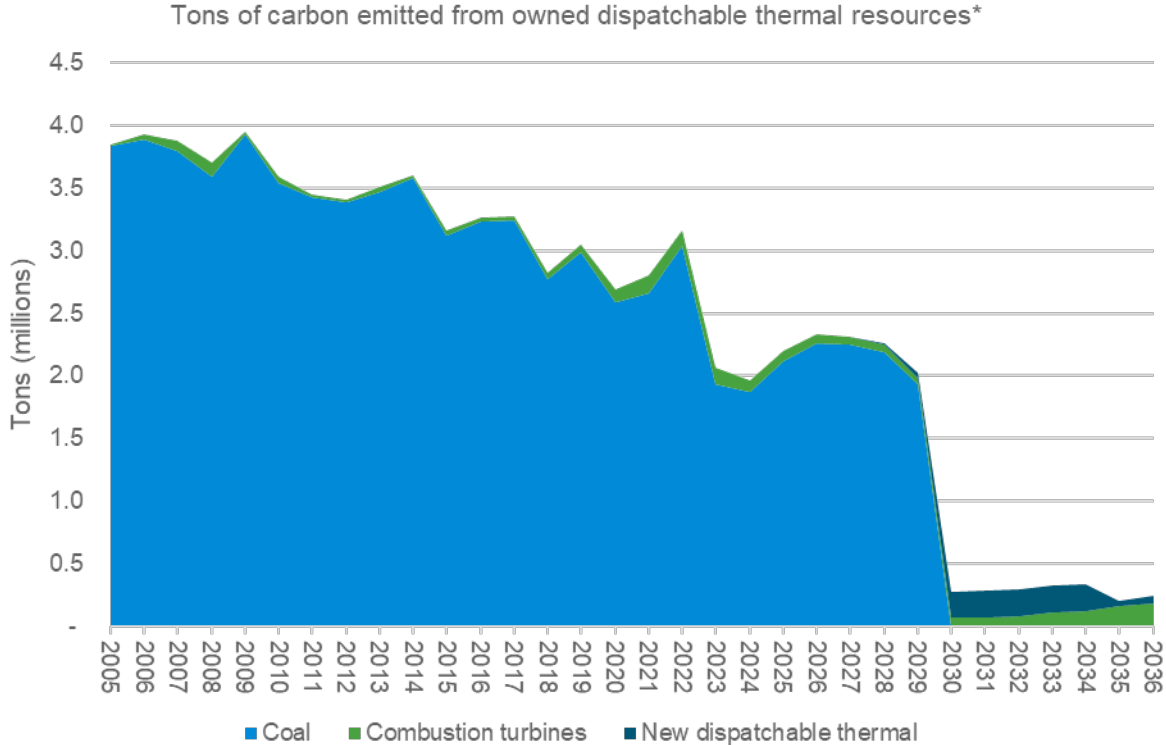
## **What is driving rate increases?**

**Primarily the expenses associated with the asset transition to advance the board-adopted RDP goal**



# Our energy future

- Commitment to providing reliable, environmentally responsible and financially sustainable energy and services to its owner communities
- Committed to helping its owner communities pursue carbon emissions reduction by integrating noncarbon and lower carbon emitting assets



Projections are subject to change

\*Excludes carbon emissions from market purchases

# The short story

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## Resource transition

- Resource Diversification Policy (RDP)
  - Board-adopted 2018
  - Important advancements must occur
  - Maintain 3 foundational pillars
- Replacing existing low-cost coal resources with
  - More expensive noncarbon energy
  - New dispatchable technologies to maintain reliability
- Complex transition

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## Expenses

- Costs increasing due to supply chain issues, economic externalities and labor
- Increase in costs = increase in wholesale rates
- Rate stability strategies implemented and maximized while meeting Strategic Financial Plan metrics
- Projected rate increases will fluctuate
  - Cost changes
  - Uncertainty always exists but substantial during the transition period

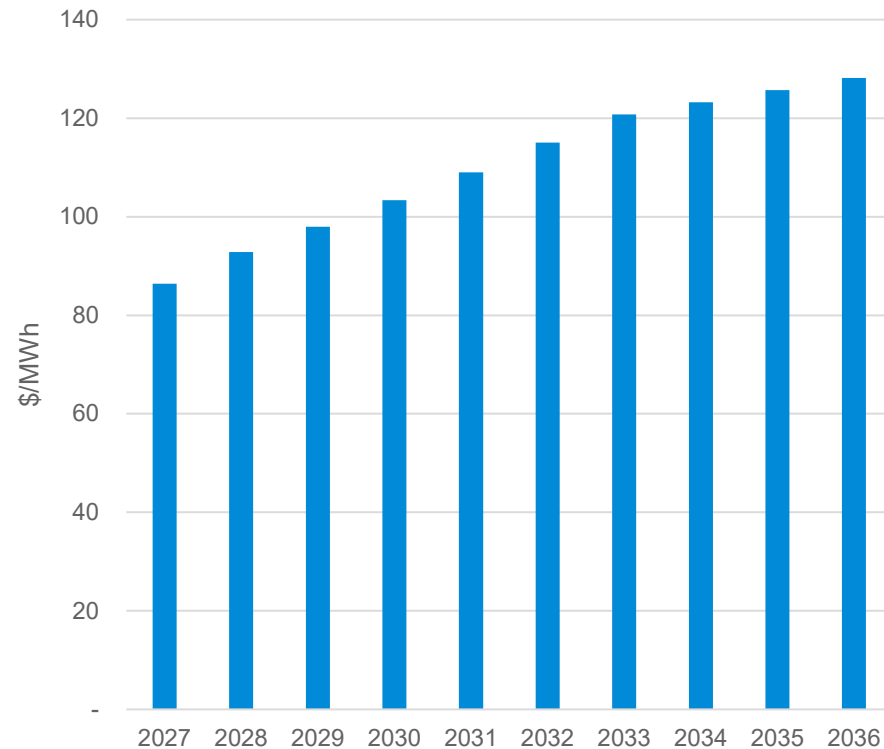
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## 2027 average wholesale rate recommendation

- 7.5% increase; consistent with the October 2025 board resolution affirming commitment to the RDP
- Will vary to each owner community based on energy usage and load profiles

# Long-term rate projections

- September 2025 board communication
  - 7.5% 2027 – 2028
  - 5.5% 2029 – 2032
  - 5.0% 2033
  - 2.0% 2034 – 2036
- 59.5% cumulative increase from 2026 to 2036



# Long-term rate projections

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**Continuing to refine assumptions across several critical factors to improve the accuracy of revenues and expenses; will update board if there are material changes to the projection**

- Revenue generation
- SPP RTO market
- Economic externalities
- Operations and maintenance expense forecast
- Capital investment forecast
- Load forecast



# What actions are being taken to stabilize rates?

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Applying Strategic Financial Plan rate stability strategies



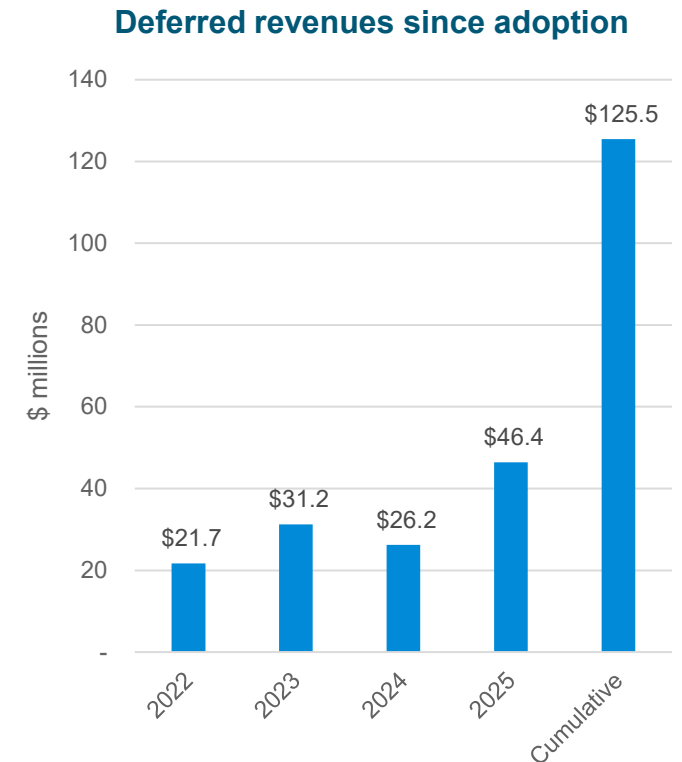
# Rate stability strategies

## Accomplish specified financial objectives and avoid rate spikes

- Fiscal responsibility
  - Revenue and expense management
- Rate smoothing
  - Multi-year rate analysis
  - Accounting policies under GASB 62

## Deferred revenue and expense accounting policy

- Board adopted in 2022
- Help stabilize rate pressure and achieve rate smoothing
  - Defer revenues earned and expenses incurred in one period
  - Recognize in one or more future periods



# Why do rate projections change?

**Changing assumptions due to uncertainty and the condensed time frame to advance the RDP goal**



# Modeling uncertainties

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Key assumptions are uncertain. Potential assumption changes include, but are not limited to, the items detailed below:

- Asset integration schedule
- Asset sales
- Capital investment forecast
- Commodity prices
- Debt issuance costs
- Decommissioning and plant closure
- Deferred revenues and expenses
- Distributed energy resources and strategy
- Economic externalities
- Federal hydropower allocations
- Integrated resource plan
- Load forecast
- Noncarbon energy curtailments
- Operations and maintenance forecasts
- Organized energy markets
- Regulations
- Resource Diversification Policy
- Staffing
- Surplus sales

# **What are the 2027 rate tariff schedules?**

**Firm Power Service Tariff (Tariff FP-27)**

**Standard Offer Energy Purchase Tariff (Tariff SO-27)**

**Large Customer Service Tariff (Tariff LC-27)**



# **Firm Power Service Tariff (Tariff FP-27)**



# Average wholesale rate recommendation

7.5% average wholesale rate increase (2026 Strategic Budget to 2027 estimate)

	2026 budget	2027 estimate	% change
Revenues (millions)	\$260.9	\$278.5	6.7%
Energy sales (GWh)	3,247.7	3,224.3	-0.7%
Average rate (\$/MWh) *	\$80.35	\$86.38	7.5%

\*Based on Platte River's projections for owner community energy and demand

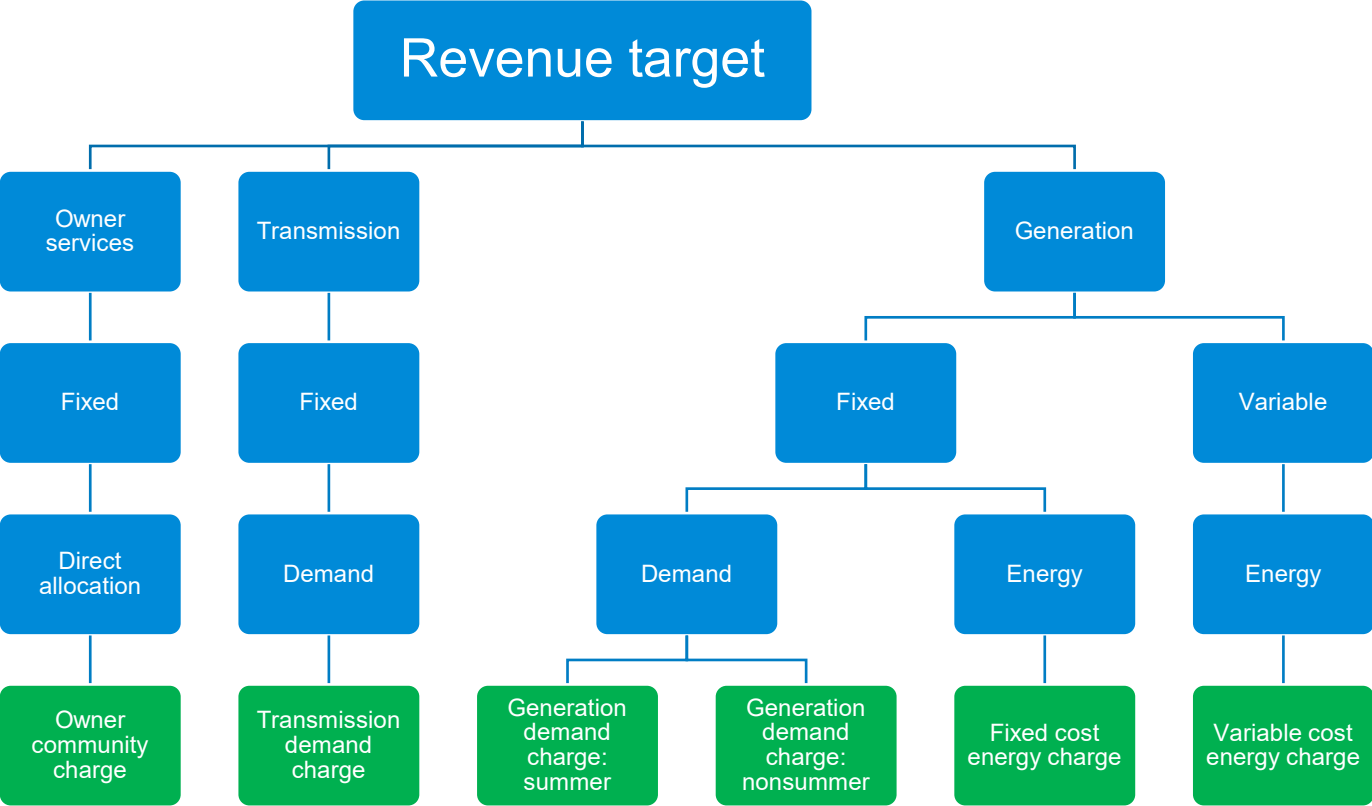
# Cost of service process

Revenue →

Functional unbundling →

Cost classification →

Firm Power Service tariff charges →



# Firm Power Service charges

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## Owner community charge

- Owner allocation based on each owner community's ratio of total energy for the six most recent year-end values
- Rationale for using six years
  - To provide rate stability in fixed cost recovery
  - Allows owner communities to see change over time, without dramatically impacting year-to-year changes
  - Allocated costs include distributed energy resource expenses, which are long-term behavioral shifting programs
    - A reasonable approach is to establish a time period twice the time period for the demand methodology

# Firm Power Service charges

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## Demand charges

- Unbundled generation and transmission
- Minimum billing demands
  - Designed to address fluctuations in demand by owners and result in more certainty in the monthly bill for each owner, as well as revenue for Platte River
  - Emphasizes the efficient use of infrastructure to maximize short-term and long-term marginal cost savings, providing a system benefit
  - Greater owner community financial incentive to lower peaks during months with high demands; less financial incentives to lower peaks during non-peak months

# Firm Power Service charges

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## Billing demand

- Monthly: Greater of metered demands and minimum billing demands
- Minimum: Concentrate the signal to reduce consumption at time of peak
- Minimum transmission billing demand
  - 75% of the owner community's average maximum **noncoincident** demand during the three preceding **annual** periods beginning with the most recent completed year.
  - Transmission additions to meet owner loads regardless of season
- Minimum generation billing demand
  - 75% of the owner community's average maximum **coincident** demand during the three preceding **summer** periods beginning with the most recent completed year
  - Generation additions are to meet summer peaks

# Firm Power Service charges

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## Energy charges

- Fixed energy charge
  - Reliability charge, or firming component, of energy rates
  - Applies to all kWh supplied
- Variable energy charge
  - Blended dispatchable and intermittent energy costs
  - Applies to all kWh supplied



# Owner community charges and revenue

		2026 budget		2027 estimate		Change	
		Charge	Revenue	Charge	Revenue	Charge	Revenue
<b>Owner community charge</b>	\$/month per owner community allocation	\$16,841	\$19.6	\$17,029	\$20.4	1.1%	4.1%
<b>Demand charges</b>							
Transmission	\$/kW-mo of noncoincident billing demand	\$7.04	\$47.3	\$6.70	\$45.4	-4.8%	-4.0%
Generation: summer	\$/kW-mo of coincident billing demand	\$8.12	\$20.5	\$9.46	\$24.0	16.5%	17.1%
Generation: nonsummer	\$/kW-mo of coincident billing demand	\$6.60	\$27.3	\$8.70	\$36.3	31.8%	33.0%
<b>Energy charges</b>							
Fixed	\$/kWh for all energy supplied	\$0.01871	\$59.1	\$0.01936	\$62.4	3.5%	5.6%
Variable <sup>1</sup>	\$/kWh for all energy supplied	\$0.02583	\$87.1	\$0.02791	\$90.0	8.1%	3.3%
<b>Revenues (millions)</b>			\$260.9	\$278.5	6.7%		
<b>Energy sales (GWh)</b>			3,247.7	3,224.3	-0.7%		
<b>Average rate (\$/MWh)</b>			\$80.35	\$86.38	7.5%		

<sup>1</sup> 2026 revenue includes large customer service tariff; No customers currently receive service under this tariff  
Pending board direction and barring any significant unanticipated events, these recommended charges will remain unchanged

# Firm Power Service change summary

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## Owner community charge

- Minimal change

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## Transmission demand charge

- Payoff of Series JJ debt, which funded transmission projects

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## Generation demand charges

- Financing for the new dispatchable thermal generation resource
- Addition of battery storage
- Summer and nonsummer generation demand charge
  - Seasonal demand charges are converging; combustion turbine expenses are the only seasonally allocated demand costs and are becoming a smaller proportion of the demand revenue requirement

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## Fixed energy charge

- Addition of battery storage

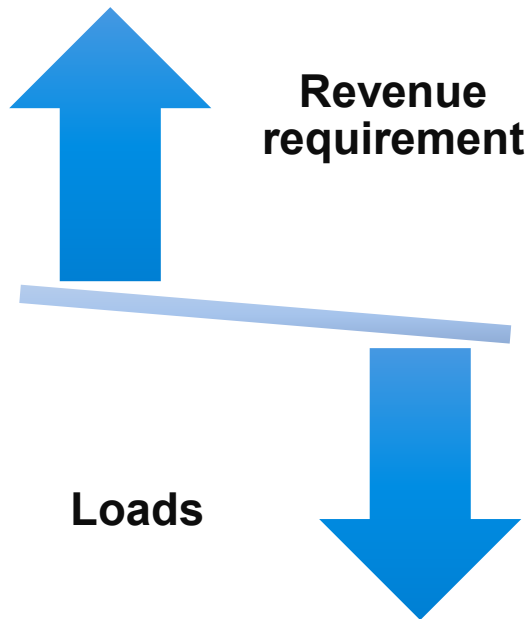
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## Variable energy charge

- Higher renewable generation including a full year of Black Hollow Sun

# Firm Power Service changes

Average rate ↑



Revenue requirement ↑

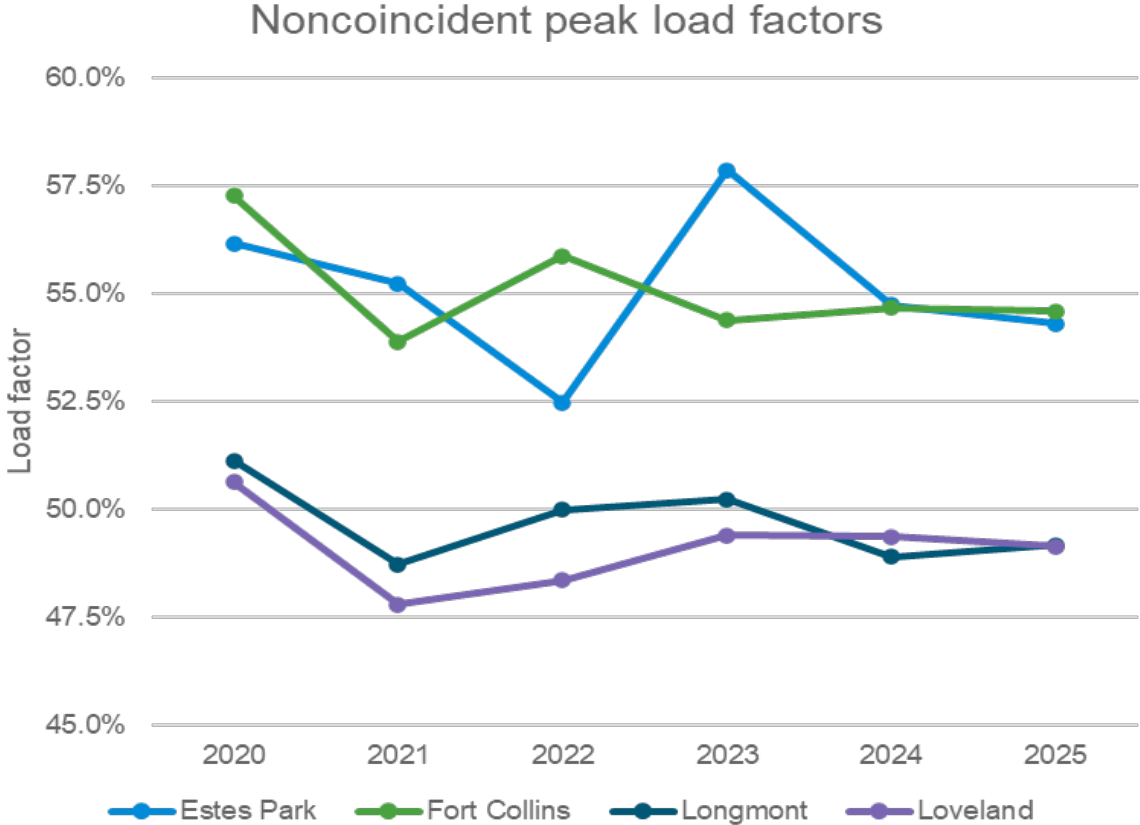
- Margin from rate smoothing
- Financing new dispatchable generation
- Addition of battery storage
- Fuel, purchased power, personnel and operations and maintenance expenses
- Credits due to higher surplus sales margin, partially offsetting the increases

Loads ↓

- Updated annually
- Lower total energy growth than previous forecasts
- Forecast projects growth attributed to projected building electrification, electric vehicles and distributed energy resources

# Owner community impacts

	Estes Park	Fort Collins	Longmont	Loveland	Platte River
<b>2026</b> Average rate (\$/MWh)	\$76.49	\$79.14	\$82.09	\$81.52	\$80.35
Energy sales (GWh)	140.1	1,507.7	852.7	747.2	3,247.7
Revenues (millions)	\$10.7	\$119.3	\$70.0	\$60.9	\$260.9
<b>2027</b> Average rate (\$/MWh)	\$80.45	\$84.92	\$88.20	\$88.36	\$86.38
Energy sales (GWh)	141.2	1,490.8	846.6	745.8	3,224.3
Revenues (millions)	\$11.4	\$126.6	\$74.7	\$65.9	\$278.5
Average \$/MWh change	5.2%	7.3%	7.4%	8.4%	7.5%



# Firm Power Service charge changes

## 2025 actual loads

Load year	2025 actual	2025 actual
Tariff charges	FP-26	FP-27
Revenues (millions)	\$257.90	\$276.80
GWh	3,174.5	3,174.5
\$/MWh	\$81.25	\$87.20
Change due to load		-
Change due to charges		7.3%
\$/MWh change		7.3%

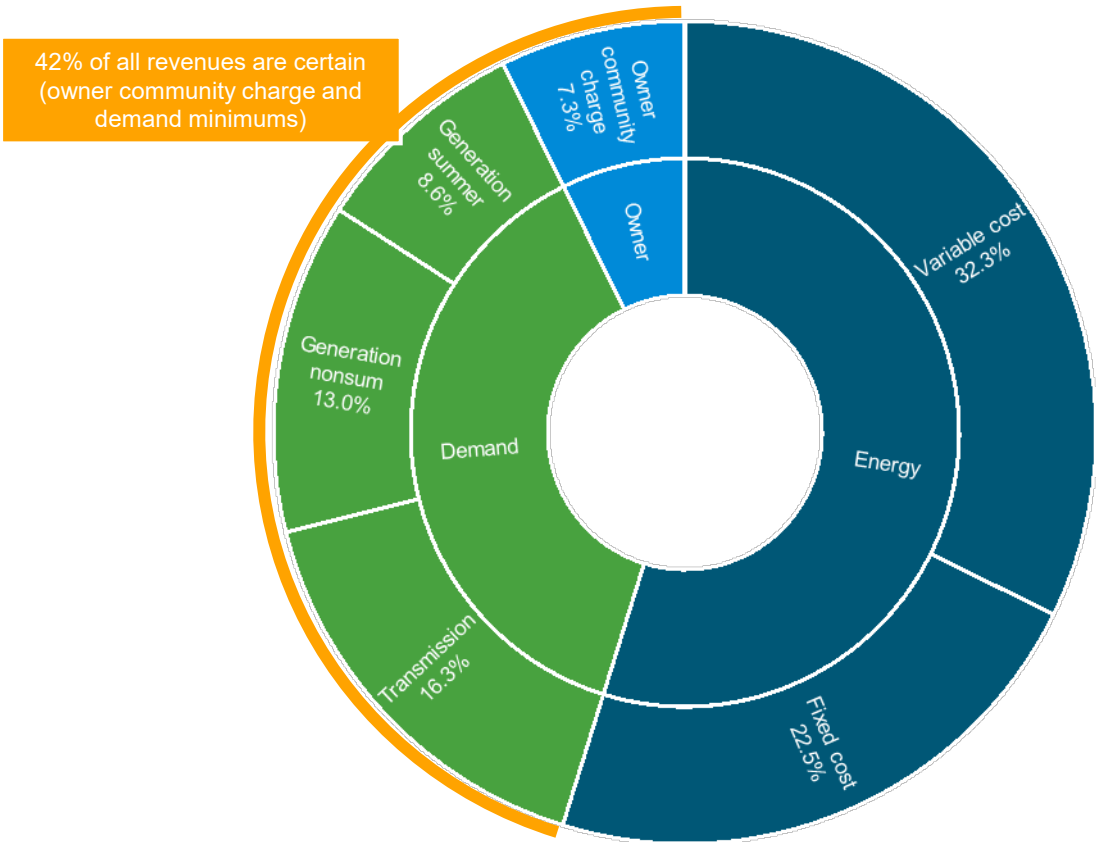
## Budgeted loads

Load year	2026 budget	2027 estimate	2027 estimate
Tariff charges	Tariff FP-26	Tariff FP-26	Tariff FP-27
Revenues (millions)	\$260.9	\$259.6	\$278.5
Energy sale (GWh)	3,247.7	3,224.3	3,224.3
Average rate (\$/MWh)	\$80.35	\$80.53	\$86.38
Change due to load		0.2%	
Change due to charges			7.3%
\$/MWh change			7.5%

Monthly 2026 budget estimate detail is provided to the owner community rate staff

# Owner community revenues

	2027 revenue \$ millions	% of revenues
<b>Charges</b>		
<b>Owner community charge</b>	\$20.4	7.3%
<b>Demand charges</b>		
Transmission	\$45.4	16.3%
Generation: summer	\$24.0	8.6%
Generation: nonsummer	\$36.3	13.0%
<b>Energy charges</b>		
Fixed	\$62.4	22.5%
Variable	\$90.0	32.3%
<b>Revenue allocation</b>	<b>\$278.5</b>	<b>100.0%</b>



# **2027 other rate tariff schedules**

**Standard Offer Energy Purchase Tariff (Tariff SO-27)**

**Large Customer Service Tariff (Tariff LC-27)**



# Standard Offer Energy Purchase Tariff (Tariff SO-27)

## Applicability

Power production facilities

- Have registered with the Federal Energy Regulatory Commission as Qualifying Facilities under the Public Utility Regulatory Policies Act
- Are electrically connected to Platte River's transmission system or the distribution system of one of Platte River's owner communities
- Have elected to sell output to Platte River, rather than selling directly to the Southwest Power Pool energy markets

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## Pricing

- Subject to Platte River's policy governing purchases from Qualified Facilities
- Platte River will compensate Qualifying Facilities for energy based on pricing calculated at the time of energy delivery

No customers currently receive service under this tariff

# Large Customer Service Tariff (LC-27)

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- Charges established through separate board approved contract
- Charges based on load characteristics, service requirements, and related costs to serve
- Provides ability to recover new infrastructure costs

No customers currently receive service under this tariff

**What's next?**



# Summary and next steps

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- Financial sustainability: Rate setting
  - Strategic Financial Plan
  - Rate setting policy
- Rates
  - 7.5% in 2027
  - 2027 Firm Power Service charges provided
    - Pending board direction and barring any unanticipated significant events, the recommended charges will remain unchanged
- Next steps
  - June: Joint rates team meeting and information will be provided
  - September: Draft tariff schedules
  - October: Board adoption of the 2027 Rate Tariff Schedules

# Questions



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# Board of directors

May 28, 2026

# 2026 Colorado Legislative Session Recap

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**Javier C. Camacho, senior manager, external affairs**



# State delegation

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## State senators

- Cathy Kipp (District 14, Larimer County)
- Janice Marchman (District 15, Larimer and Boulder Counties)
- Katie Wallace (District 17, Boulder, Broomfield and Weld Counties)
- Barbara Kirkmeyer (District 23, Larimer and Weld Counties)

## State representatives

- Karen McCormick (House District 11, Boulder County)
- Dan Woog (House District 19, Boulder and Weld Counties)
- Lesley Smith (House District 49, Boulder and Larimer Counties)
- Ron Weinberg (House District 51, Larimer County)
- Yara Zokaie (House District 52, Larimer County)
- Andrew Boesenecker (House District 53, Larimer County)
- Lori Garcia Sander (House District 65, Larimer and Weld Counties)

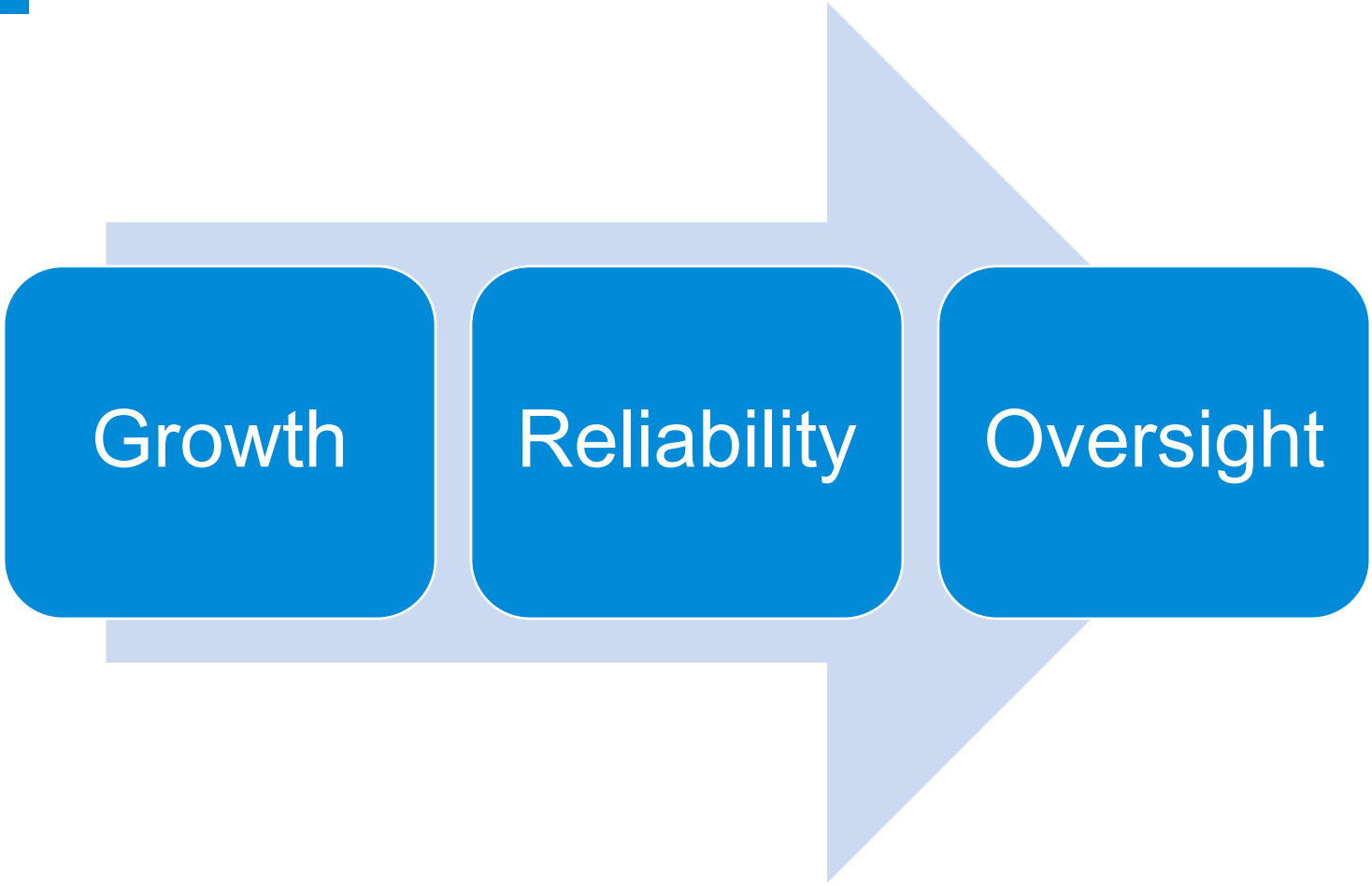
# Second 75<sup>th</sup> Colorado General Assembly

- Convened Jan. 14, 2026, adjourned May 13, 2026
- 70% passage rate
- Continued issues:
  - \$1.5 billion deficit in general funds
  - The “Blue Wall”
  - One in four vacancy-appointment
- State Democrats lost supermajority since last year but maintained majorities in both chambers
- Senate seen as more moderate than the House
- General legislative areas:
  - Long bill
  - Labor + workforce
  - Fair pricing + consumer protection
  - Housing + affordability
  - Energy + environment

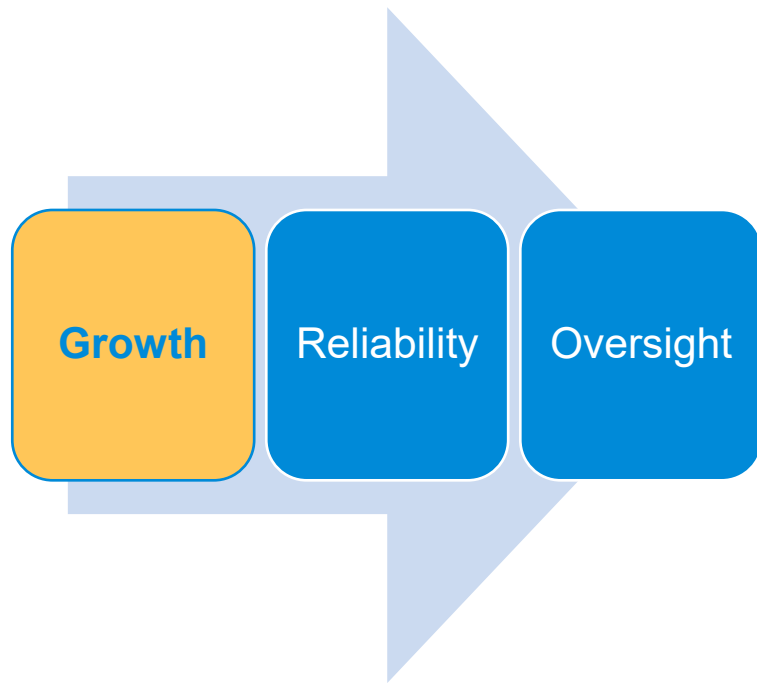


# Legislative themes for Platte River

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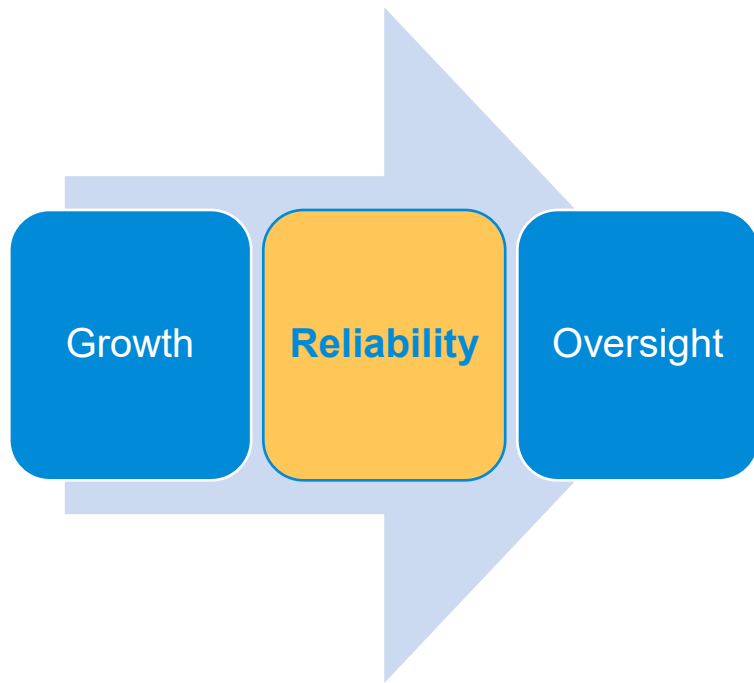


# Energy + Environment: Legislative examples



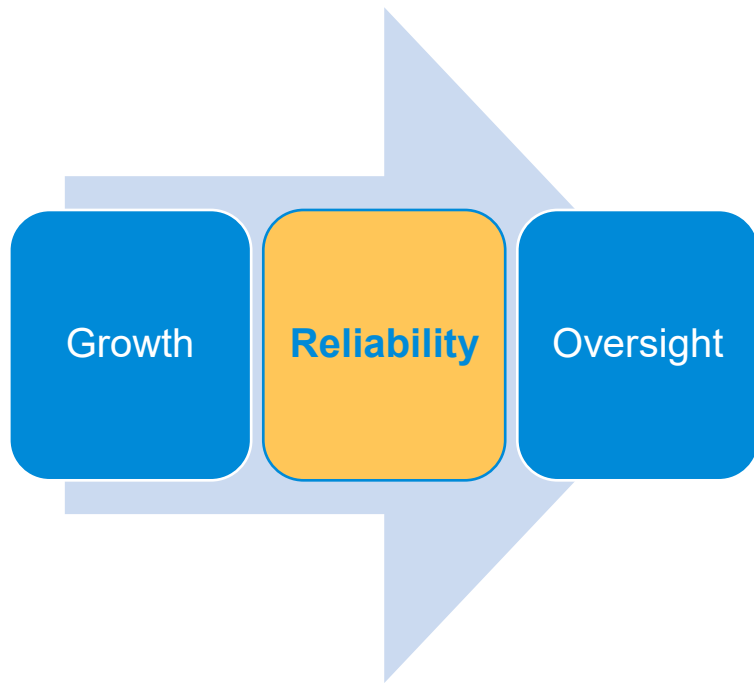
Growth	
<b>HB26-1030</b> <ul style="list-style-type: none"><li>• Would have created state tax incentives for qualified data centers over 100MW</li><li>• Reduced burden on municipal utilities</li><li>• Favorable amendments adopted</li></ul>	<b>SB26-102</b> <ul style="list-style-type: none"><li>• Would have interfered with local control and ability to connect data center 30MW+ through emissions, contract length, and rate requirements</li><li>• Worked to carve out municipal utilities</li><li>• Favorable amendments adopted</li></ul>
<b>Failed</b>	<b>Failed</b>

# Energy + Environment: Legislative examples



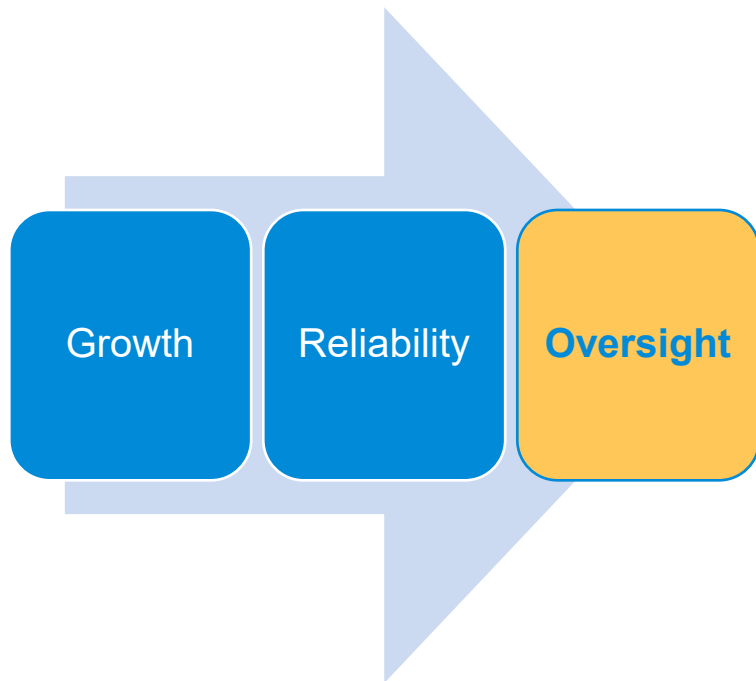
Reliability	
<b>SB26-182</b> <ul style="list-style-type: none"><li>• Path for municipally owned utility (MOU) to keep coal unit open until Dec. 31, 2032</li><li>• MOU must notify the State in 2026, file new Clean Energy Plan, and provide additional reporting + planning requirements</li></ul>	<b>HB26-1226</b> <ul style="list-style-type: none"><li>• Coal units open past Dec. 31, 2033 must adopt additional emissions reductions technologies</li><li>• Coal units operating under executive order must report certain information to the state</li></ul>
Passed	Passed

# Energy + Environment: Legislative examples



Reliability		
<b>HB26-1337</b> <ul style="list-style-type: none"><li>• “Facilitating nuclear energy development” was an effort to establish a regulatory and operational framework and make the State the central permitting coordinator</li><li>• Would still maintain the federal government as the approving authority</li></ul>	<b>SB26-142</b> <ul style="list-style-type: none"><li>• Directs the State and investor-owned utilities to advance geothermal in the state</li><li>• MOUs can apply geothermal toward clean heat plans</li></ul>	<b>HB26-1007</b> <ul style="list-style-type: none"><li>• Utilities must approve one meter collar adapter by Dec. 31, 2026 + update interconnection standards for distributed energy resources</li><li>• Customers to notify utility of plug-in solar if requested by utility</li></ul>
<b>Failed</b>	<b>Passed</b>	<b>Passed</b>

# Energy + Environment: Legislative examples



Oversight	
<b>HB26-1211</b> <ul style="list-style-type: none"><li>• Would have put municipal broadband under PUC jurisdiction</li></ul>	<b>HB26-1326</b> <ul style="list-style-type: none"><li>• Reauthorizes Colorado Public Utilities Commission through 2033</li><li>• PUC to conduct joint procurement study</li><li>• Modernizes Renewable Energy Standard reporting for MOUs</li></ul>
<b>Failed</b>	<b>Passed</b>

# Bills not introduced

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## Clean Energy Planning

- Initial draft proposed 90% emissions reductions by 2035 and 95% by 2040 for *all* utility types
- Second draft applied only to Xcel, Black Hills, and Tri-State and gave the PUC the authority to approve submitted plans

## ROBIN alerts

- Would have created burdensome outage communications requirements and given customers the ability to recoup losses and damages incurred during outages
- Never granted late bill status

## Constitutional ballot amendment

- Would have added language to this fall's ballot on the right to a healthy environment, including air
- Needed 2/3 support in both House and Senate

## Xcel RTO

- Would have given Xcel more time to join an RTO and broadened the definition of an RTO to include Markets+
- Draft shared in the first weeks of session

# Next steps

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- Elections
  - All major State offices up for election
  - New leadership for both chambers
- Budget challenges
- Continued interest in energy affordability, data centers, wildfire and clean energy
- Engagement with legislators and stakeholders
  - Educate about Platte River and value of public power
  - Learn about legislative priorities ahead of next session

# Colorado Lineworkers Appreciation Day

- Coordinated by Leigh Gibson
- Together with co-ops
- April 23 recognition on the House floor
- Included group photo, Capitol tour
- Sponsored by the Longmont state delegation
  - Senator Katie Wallace
  - Rep. Karen McCormick
  - Rep. Lesley Smith
  - Rep. Dan Woog



# Questions

**Javier C. Camacho, senior manager, external affairs**

**Leigh Gibson, senior external affairs specialist**



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# Board of directors

May 28, 2026

# **SPP RTO – power markets update**

**Jeremy Clark, director, power markets**



# Market entry update

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- Thermal generation commitment is decreasing in duration
  - Commitment of CTs is shifting to peak hours and less days
  - Platte River, with market monitor approval, is including opportunity cost in CT offer prices

## Craig Unit 1 commitment

- SPP committed for resource advisory – April 10 through April 25
- Continuing engagement with Craig Unit 1 co-owners
- SPP RTO leadership meeting weekly to discuss market operations
  - SPP pushed market participants to offer more ramp for better solutions
- Market prices are showing price convergence
- SPP continuing to study and make improvements to the market

# SPP RTO market performance – April 2026



<b>Best performing day</b>	April 2	Net revenue: \$553,000
<b>Lowest performing day</b>	April 1	Net expense: -\$46,000

# SPP RTO market performance – April 2026

<b>Total April net market settlement – charge/(payment)</b>	<b>(\$4,553,420)</b>
Net energy settlement	(\$2,558,157)
Ancillary services payment	(\$1,472,855)
Make whole payment	(\$846,795)
Transmission congestion rights settlement	(\$327,882)
Unobstructed resource deviation (URD) charge	\$29,554
Distribution charges	\$617,856
Miscellaneous settlement	\$4,859

- Rawhide Unit 1 was the best performing unit and received \$1.75M in revenue for the month
- Market observations
  - Day-ahead LMPs averaged \$21.68 MWh
  - Real-time LMPs \$20.07 MWh
  - Market is showing price convergence with minimal congestion

# SPP RTO market performance – May 2026



<b>Best performing day</b>	May 6	Net revenue: \$265,000
<b>Lowest performing day</b>	May 14	Net revenue: \$27,000

# SPP RTO market performance – May 2026

<b>Total May net market settlement – charge/(payment)</b>	<b>(\$2,077,022)</b>
Net energy settlement	(\$1,085,838)
Ancillary services payment	(\$566,856)
Make whole payment	(\$646,118)
Transmission congestion rights settlement	(\$19,980)
URD charge	(\$20,197)
Distribution charges	\$236,594
Miscellaneous settlement	\$25,374

- Rawhide Unit 1 was the best performing unit and received \$796,000 in revenue for the month, as of mid-May.
- Market observations
  - Day-ahead LMPs averaged \$24.70 MWh
  - Real-time LMPs \$22.78 MWh
  - Market is showing price convergence with minimal congestion

# Questions



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# Board of directors

May 28, 2026

# **Fuels and water update**

**Heather Banks, senior manager, fuels and water**



# Overview

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## Fuels

- Craig Station fuel management
- Rawhide rail contract

## Water

- Hydrology update and drought conditions
- Windy Gap unit sales
- Chimney Hollow Reservoir

# Fuels updates



# Craig Station fuel management

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## Trapper Mine production update

- Mine plan – most efficient and cost-effective approach
- Build inventory
- Mining will be complete this summer/fall

## Fuel needs for Unit 2 (planned)

- Scheduled closure: Sept. 30, 2028
- Platte River has sufficient coal for forecasted needs

## Fuel needs for Unit 1 (unplanned)

- Some fuel will be needed due to the executive orders
- Requires coordination with all Yampa participants

# Rawhide rail contract

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## Current contract with BNSF Railway ends Dec. 31, 2026

- Solely served by BNSF since 1983
- Well-aligned partnership

## Contract negotiations with BNSF are ongoing

- Term: Jan. 1, 2027, through Dec. 31, 2029
- Discussions are going well
- Structured to support a mix of deliveries and inventory burns – goal of zero inventory by the end of 2029

# Water updates



# Hydrology update and drought conditions

- Amid record-breaking warmth and a low snowpack, Colorado is facing a significantly dry year
- Colorado is experiencing its most severe drought in decades
  - Entire state now under drought status for the first time since 2021
- The 2026 drought is the driest and most widespread event in modern Colorado history, with severe impacts on water supply, agriculture, and communities
- State and local agencies are ramping up emergency measures, but recovery will require significant precipitation later in the year

**4.5 Million**

Colorado residents in areas of drought,  
according to the Drought Monitor

**6th**

driest January—April on record (since  
1895)

3.19 in. total precipitation

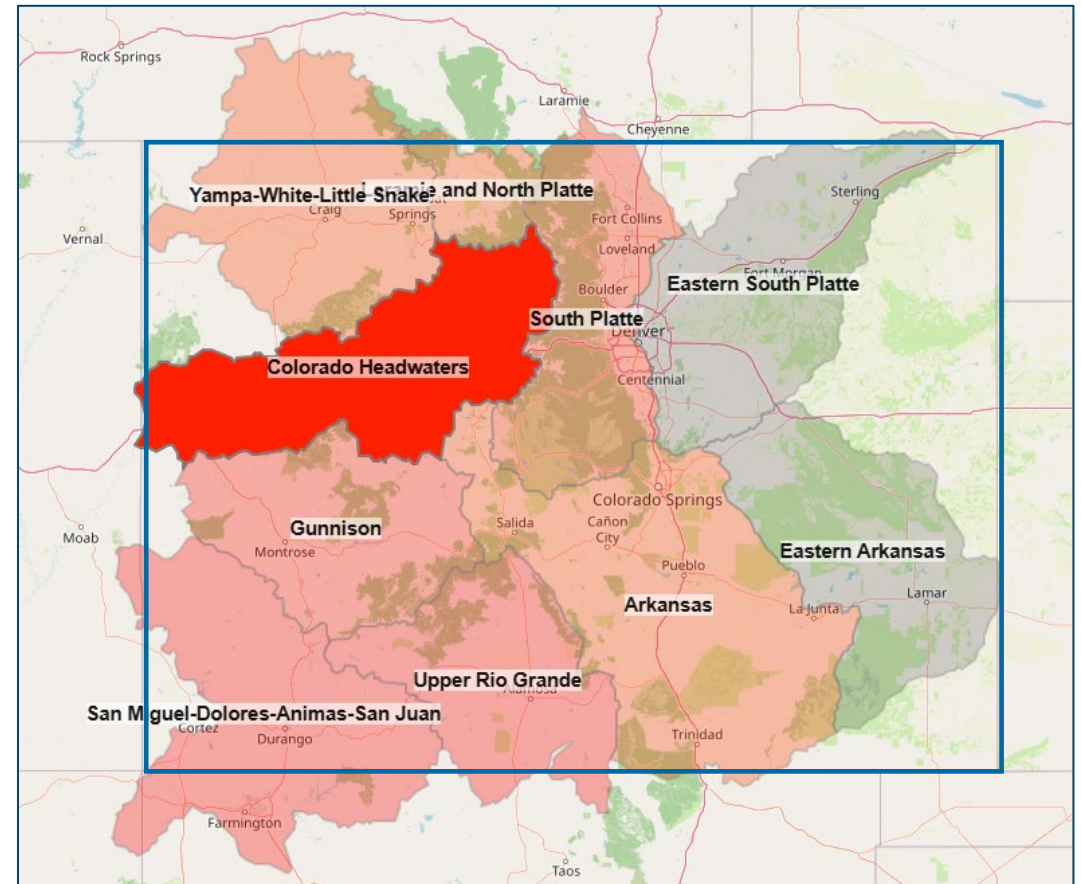
↓ 2.32 in. from normal

<https://www.drought.gov/states/colorado>



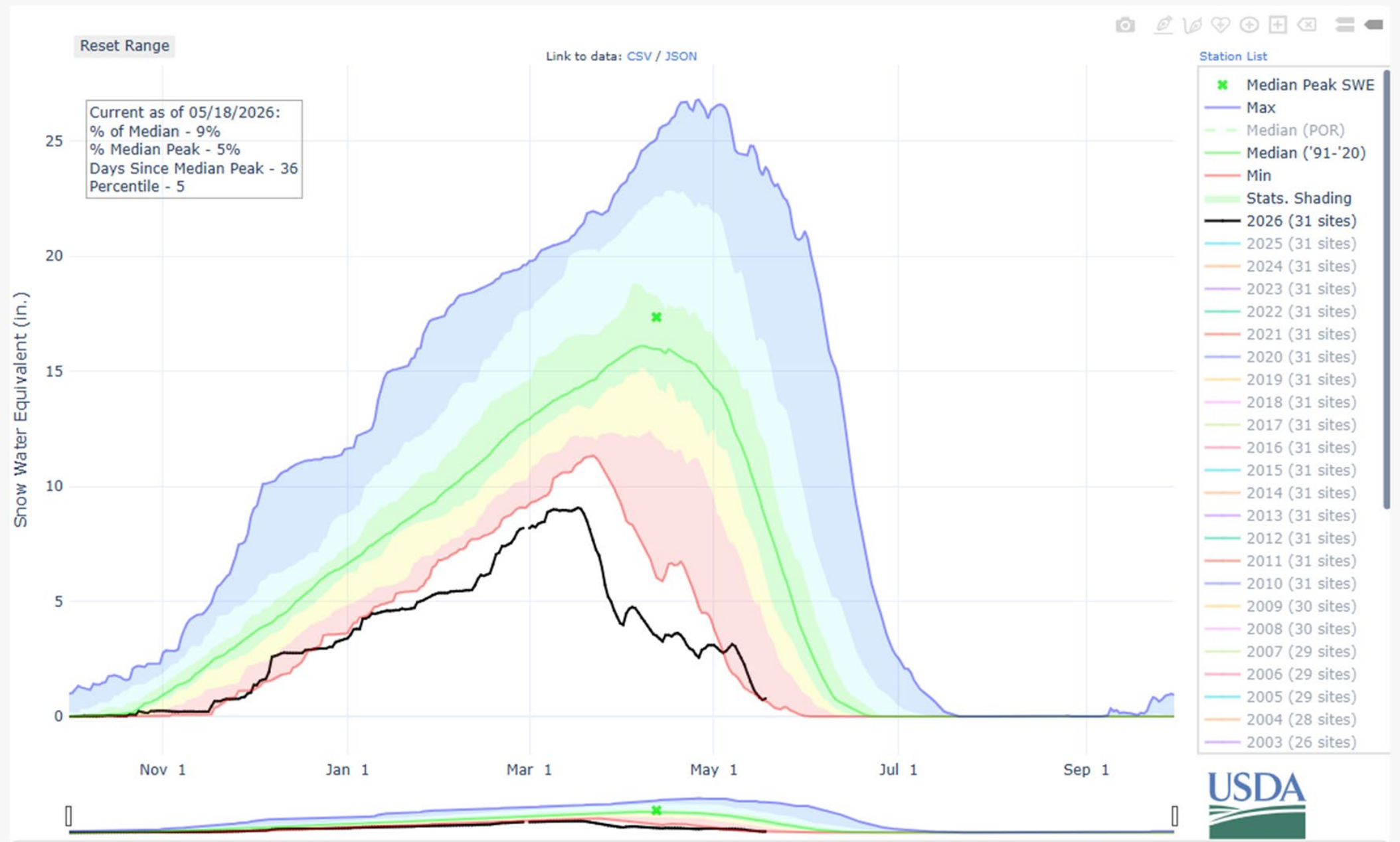
# Hydrology update and drought conditions

- The Colorado headwaters basin is experiencing record-low snowpack
- This is the primary basin that is important to Platte River, our owner communities, and the northern front range
  - Windy Gap water
  - C-BT water deliveries



<https://www.wcc.nrcs.usda.gov/>

# SNOW WATER EQUIVALENT IN COLORADO HEADWATERS



# Hydrology – impacts to Platte River's water supply

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## Headwinds

- Little or no Windy Gap water to pump this year
  - Platte River is in the rental market for cooling water and Reuse Plan
- Impacts felt by all regional communities
- Uncertainties ahead

## Tailwinds

- Platte River's process water supply is secure through 2030
  - Transaction with the City of Greeley
- C-BT quota set at 80%
  - Helps the rental water market somewhat
- Chimney Hollow Reservoir construction complete

# Windy Gap Unit sales



# Windy Gap units – background

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- Windy Gap water is needed for electric operations at Rawhide (current and future)
- Platte River originally had 160 Windy Gap units out of 480 units in the project
  - Acquired from Fort Collins, Loveland and Estes Park
  - Right of first refusal process
  - One unit can produce up to 100 acre-feet of water, not firm
- Chimney Hollow Reservoir will provide dedicated storage for Windy Gap water
  - With 16,000 acre-feet of storage capacity, 100 units will meet our needs
  - Filling the reservoir with the 100 Windy Gap units results in more water available to us than keeping 160 units with no storage
  - Convert 60 Windy Gap units for storage capacity in Chimney Hollow Reservoir

# Windy Gap units – background

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- Board resolution and water policy approved in December 2016; sell up to 60 units
- First request for proposal for unfirmed Windy Gap units was issued in 2017
- To date, we have sold 56 units and generated \$130M in revenue (plus additional offerings)
- We currently have 104 Windy Gap units

# Windy Gap unit sales – current

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- Request for proposal issued March 10, 2026
  - Two unfirmed units
  - Minimum reserve: \$4.9M/unit
  - Bids due: May 19, 2026
  - Expected to close by September 2026
  - Details to be provided once the transactions have closed
- The two remaining units are planned to be sold in the next one to two years

# Chimney Hollow Reservoir



# Chimney Hollow Reservoir

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- Project reached substantial completion in December 2025
- Filling has been delayed due to the discovery of mineralized uranium in the rock that was used to construct the main dam
- Uranium recap



# Chimney Hollow Reservoir – initial fill

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After 20 years of permitting, and four years of construction...we started filling!



# Chimney Hollow Reservoir – initial fill

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## Northern Water began moving water into Chimney Hollow Reservoir April 20

- 1,500 acre-feet of water (less than 2% of the total capacity of 90,000 acre-feet)
- This was Windy Gap water that was pumped in 2025 and stored in Granby Reservoir for this purpose
- Water quality data will be collected and used to evaluate the performance of model simulations used to predict uranium concentrations in the reservoir
- During this initial period, no water will be released from Chimney Hollow Reservoir for downstream use or delivered to project participants while evaluations continue
- This is an important step to help guide the uranium mitigation strategy
- This water will be included in the mitigation process and will not be wasted

# Chimney Hollow Reservoir – initial fill

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- Initial fill was complete on May 2
- The water level is now approximately 40' up the rock face of the dam and approximately 30' over the top of the inlet/outlet tower
- Initial fill video





# Chimney Hollow Reservoir – initial fill

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# Questions



**Platte River**  
Power Authority

Estes Park • Fort Collins • Longmont • Loveland



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# Board of directors

May 28, 2026

# **2026 Strategic Plan work session prep**

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**Tim Blodgett, chief strategy officer**



# 2026 Strategic Plan update

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- Updates since April meeting
- Deeper dive - SWOT
- Themes for work session

# Updates

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## Process

- Reviewed existing strategic plan and existing resource diversification policy
- Added SWOT analysis results
- Discussed goals and gaps

## Outcomes – reduced from four to three strategic initiatives

- Removed “process management and coordination” initiative
  - Consolidated implementation areas into other three
- Renamed remaining strategic initiatives
- Updated implementation areas

# SWOT strategic solution areas

(Staff's 2026 perspective)

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## Resource diversification planning and integration

- Analyze SPP RTO market needs and advocate for Platte River and owner community interests (Process Management and Coordination)
- Leverage financial position and assets in the RTO
- Revenue maximization
- Upgrade units for better market performance
- Pilot early adoption of emerging technologies
- Use tax credits to own/operate emerging technology pilots

## Community partner and engagement

- Build and maintain credibility and influence in the RTO (from Process Management and Coordination)
- Collaborate more with partners to educate
- Develop influencers to tell Platte River's story
- More public, owner community and legislature education
- Amplify the "silent majority" – work with owner communities to develop a method for capturing public opinion on energy matters
- Increase touch points to confirm owner community path/support
- Working groups with owner community staff to innovate
- Involve owner communities in Strategic Plan
- Proactively build relationships and rapport with owner community peers at all levels

## Workforce culture

- Educate the organization on Platte River history – what and why
- Strong workforce implements emerging technologies and complementary assets
- Expose future leaders to external forces
- Build a program for SMEs to bring knowledge forward
- Assign emerging leaders to focus on opportunities
- Implement leadership development program

# Board work session themes

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## Objectives

- Focus on policy and strategic direction
- Discuss internally developed SWOT, strategic initiatives, and prioritization
- Ensure alignment of board and staff

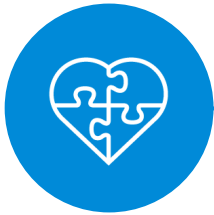
## Topics

- RDP modernized – through 2040
- DER/VPP integration – price to device (technology and human change)
- Vertical integration – additional opportunities
- Public engagement – utilize data analytics and targeted messaging
- Implementation of plan – owner community commitment



# Next steps

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**June 3**

Board work session



**June-July**

Develop draft strategic plan



**Aug. 27**

Present draft to board



**Sept. – Oct.**

Finalize plan



# Questions?



**Platte River**  
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# Board of directors

May 28, 2026

# April operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	399 MW	447 MW	48 MW	12.0%	●
Owner community energy	237 GWh	236 GWh	(1 GWh)	(0.2%)	◆
Net variable cost <sup>1</sup> to serve owner community energy	\$5.5M	\$2.0M	(\$3.5M)	(64.0%)	●
	\$23.38/MWh	\$8.43/MWh	(\$14.95/MWh)		

<sup>1</sup>The net variable operating cost to serve owner community load is equal to the sum of fuel and energy purchases less bilateral energy sales and total SPP settlement values, including day-ahead and real-time, transmission congestions rights (TCR) auction and transmission settlements.

## Market impacts to net variable cost

Downward pressure	
Generation and market variances pushing costs lower	
Higher market sales volume and pricing	\$3.9M
Lower gas generation pricing	\$1.4M
Lower market purchases volume and pricing	\$1.1M

Upward pressure	
Generation and market variances pushing costs higher	
Higher gas generation volume	\$3.7M
Higher RH Unit 1 generation volume	\$0.6M
Higher solar generation pricing	\$0.5M

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

# YTD operational results

Owner community load	Budget	Actual	Variance	% variance	
Owner community demand	1,847 MW	1,868 MW	21 MW	1.1%	◆
Owner community energy	1,038 GWh	1,000 GWh	(38 GWh)	(3.6%)	■
Net variable cost <sup>1</sup> to serve owner community energy	\$17.0M	\$13.9M	(\$3.1M)	(15.1%)	●
	\$16.39/MWh	\$13.91/MWh	(\$2.48/MWh)		

<sup>1</sup>The net variable operating cost to serve owner community load is equal to the sum of fuel and energy purchases less bilateral energy sales and total SPP settlement values, including day-ahead and real-time, TCR auction and transmission settlements.

## Market impacts to net variable cost

Downward pressure	
Generation and market variances pushing costs lower	
Higher market sales volume and pricing	\$4.4M
Lower market and bilateral purchases volume	\$4.2M
Lower gas generation pricing	\$2.8M

Upward pressure	
Generation and market variances pushing costs higher	
Higher gas generation volume	\$5.1M
Lower bilateral sales volume and pricing	\$2.8M
Higher wind generation volume	\$0.9M

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



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# Board of directors

May 28, 2026

# Financial summary

Category	April variance from budget (\$ in millions)		YTD variance from budget (\$ in millions)	
Change in net position <sup>(1)</sup>	\$4.7	●	\$8.6	●
Fixed obligation charge coverage	1.36x	●	0.62x	●
Revenues	\$5.8	●	\$2.6	●
Operating expenses	\$(1.8)	■	\$5.8	●
Capital additions	\$14.5	●	\$75.6	●
Debt service expenditures	\$0.6	●	\$0.8	●

<sup>(1)</sup> Variance includes net unrealized loss on investments \$0.1 million and \$0.8 million, April and year to date, respectively.

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



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# Board of directors

May 28, 2026