



Feedwater heater at Rawhide Energy Station

## Year-to-Date September 2018 Highlights

(Comparison to same period prior year)

### Financial Summary

Platte River reported year-to-date operating income of \$31.2 million compared with \$18.2 million reported in 2017. Income before contributions was \$29.1 million, up from \$14.5 million reported in 2017, and fixed obligation charge coverage ratio was 3.21 times compared to 1.84 times in 2017.

Operating revenues increased \$10.4 million as a result of a \$6.3 million increase in sales to owner communities. In 2018, wholesale rates increased 2 percent, energy delivered and billing demand increased 1.5 percent and 3.3 percent, respectively. Sales for resale increased by \$3.7 million due to an increase in volume and price. The increase in revenues is mainly due to high temperatures over the 2018 summer season. Wheeling also increased by \$0.4 million as a result of a rate increase in the transmission tariff, higher-than-anticipated customer loads and point-to-point sales.

Operating expenses were lower by \$2.6 million. Depreciation and amortization expenses were \$3.2 million less than 2017 due to the original Rawhide Energy Station plant assets becoming fully depreciated and amortizing a portion of the gain on the sale of Windy Gap water units. Production and transmission expenses were also \$3.2 million less than 2017 as Craig Unit 2 had an 8-week scheduled maintenance outage in 2017. Purchased power was \$1.2 million higher than 2017 primarily due to joint dispatch agreement (JDA) purchases, which are made when it is more economical than generating Platte River's coal-fired or natural gas facility. As a result, coal expenses were less in 2018 but were partially offset by higher natural gas expenses from stronger surplus sales. Lastly, administrative and general expenses were higher than 2017 by \$2.9 million mainly due to personnel expenses, demand side management expenses, contracted services and information technology investments.

### Sales Statistics

	9 Months Ended September 30			12 Months Ended September 30		
	2018	2017	Change	2018	2017	Change
Owner Communities Peak Demand (kW)	<b>688,207</b>	661,409	<b>4.1%</b>	<b>688,207</b>	661,409	<b>4.1%</b>
Owner Communities Energy Sales (MWh)*	<b>2,448,658</b>	2,411,837	<b>1.5%</b>	<b>3,224,939</b>	3,196,125	<b>0.9%</b>
Other Energy Sales (MWh)	<b>647,932</b>	590,651	<b>9.7%</b>	<b>931,686</b>	846,461	<b>10.1%</b>

\*Energy provided under community solar agreements are lagged by one month.

### Resources

Rawhide Unit 1 reported a net plant capacity factor of 87.3 percent, down from 89.6 percent reported in 2017. Craig Units 1 and 2 reported a combined plant capacity factor of 55.5 percent, down from 59.2 percent reported in 2017. Generation for Rawhide Unit 1 and Craig Units 1 and 2 was primarily impacted by JDA purchases.

Platte River's combustion turbines were utilized to serve load, make surplus sales and complete unit testing. Wind generation increased as a result of higher wind conditions. Rawhide Flats Solar generation increased as a result of implementing control system improvements mid-year 2017. JDA purchases increased as a result of favorable pricing, offsetting the decrease in other purchases.

9 Months Ended September 30							
MWh	2018	2017	Change	MWh	2018	2017	Change
Rawhide Unit 1	<b>1,601,358</b>	1,643,356	<b>-2.6%</b>	Wind	<b>204,676</b>	200,703	<b>2.0%</b>
Craig Units 1 and 2	<b>559,490</b>	597,126	<b>-6.3%</b>	Rawhide Flats Solar	<b>54,058</b>	49,527	<b>9.1%</b>
Combustion	<b>65,130</b>	37,649	<b>73.0%</b>	JDA purchases	<b>172,389</b>	28,156	<b>512.3%</b>
Hydropower	<b>441,872</b>	455,784	<b>-3.1%</b>	Other purchases	<b>58,962</b>	63,055	<b>-6.5%</b>

**CONDENSED STATEMENTS OF NET POSITION***Unaudited*

	(In Thousands)	
	<b>September 30</b>	
	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
Electric utility plant, net	\$ 563,183	\$ 571,221
Special funds and investments	115,991	104,862
Current assets	121,181	103,562
Noncurrent assets	13,005	13,771
<b>Total assets</b>	<b>813,360</b>	793,416
Deferred Outflows of Resources	18,293	23,356
<b>Liabilities</b>		
Noncurrent liabilities	225,216	245,331
Current liabilities	29,435	30,155
<b>Total liabilities</b>	<b>254,651</b>	275,486
Deferred Inflows of Resources	17,575	10,508
<b>Net Position</b>	<b>\$ 559,427</b>	\$ 530,778

**CONDENSED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION***Unaudited*

	(In Thousands)			
	<b>9 Months Ended September 30</b>		<b>12 Months Ended September 30</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Operating revenues</b>				
Sales to owner communities	\$ 151,720	\$ 145,447	\$ 195,853	\$ 187,535
Sales for resale	16,829	13,145	22,656	18,880
Wheeling	3,961	3,526	5,180	4,641
<b>Total operating revenues</b>	<b>172,510</b>	162,118	<b>223,689</b>	211,056
<b>Operating expenses</b>				
Operations and maintenance	125,190	124,633	169,070	163,989
Depreciation	16,116	19,319	22,809	26,199
<b>Total operating expenses</b>	<b>141,306</b>	143,952	<b>191,879</b>	190,188
<b>Operating Income</b>	<b>31,204</b>	18,166	<b>31,810</b>	20,868
<b>Nonoperating revenues (expenses)</b>				
Interest and other income	2,592	1,622	3,343	2,108
Interest expense, net	(4,417)	(4,991)	(5,982)	(6,669)
Net decrease in fair value of investments	(244)	(318)	(385)	(652)
<b>Total nonoperating revenues (expenses)</b>	<b>(2,069)</b>	(3,687)	<b>(3,024)</b>	(5,213)
<b>Income before contributions</b>	<b>29,135</b>	14,479	<b>28,786</b>	15,655
<b>Contribution of assets to owner communities</b>	<b>(137)</b>	(173)	<b>(137)</b>	(173)
<b>Change in net position</b>	<b>\$ 28,998</b>	\$ 14,306	<b>\$ 28,649</b>	\$ 15,482