



Rawhide Prairie Solar located at Rawhide Energy Station

## Year-to-date March 2021 highlights

(Comparison to same period prior year)

### Financial summary

Platte River reported year-to-date operating income of \$8.4 million compared with \$5.3 million reported in 2020. Change in net position was \$7.6 million, up from \$6.4 million reported in 2020. The bond service coverage ratio was 3.69 times compared to 2.67 times in 2020 and the fixed obligation charge coverage ratio was 2.52 times compared to 2.08 times in 2020.

Operating revenues increased \$6.4 million.

- Sales for resale increased \$5.6 million due to record cold weather that lead to high energy prices in February 2021 and due to new contract sales.
- Sales to owner communities increased \$0.7 million as a result of a 2021 rate increase and changes in load and demand profiles, \$0.9 million in higher demand charges and \$0.2 million in higher base owner community charges, partially offset by \$0.4 million less in energy
- Wheeling increased \$0.1 million as a result of a rate increase in the transmission tariff.

Operating expenses increased \$3.3 million.

- Purchased power expenses increased \$2.9 million compared to 2020, representing the largest variance. The increase was due to new wind and solar resources that came online within the last year, a rate increase for Schedule 16 flex reserves, and other supplemental purchases partially offset by energy provided to Tri-State under the forced outage assistance agreement and a decrease in joint dispatch agreement (JDA) purchases.
- Depreciation and amortization increased \$1.8 million due to accelerated depreciation on Craig units 1 and 2 for closure of the units by Dec. 31, 2025 and Sept. 30, 2028, respectively, accelerated depreciation on Rawhide Unit 1 for closure of the unit by Dec. 31, 2029, and a change in accounting policy for deferred gains and losses on capital retirements.
- Administrative and general expenses increased \$0.1 million due to an increase in information technology consulting and outsourcing, computer equipment and software maintenance partially offset by lower contracted services for security and resource planning.
- Distributed energy resources expenses decreased \$0.2 million primarily due to a decrease in energy efficiency program expenses.
- Fuel expenses decreased \$0.4 million as Rawhide Unit 1's generation was partially replaced by new wind and solar resources offset in part by an increase in generation from the Craig units due to the record cold temperatures in February 2021.
- Production and transmission expenses decreased \$0.9 million due to personnel expenses, non-routine projects, operating expenses for the Craig units, software maintenance and facility and plant maintenance partially offset by increases in expenses associated with entering an energy imbalance market and wheeling expenses.

## Sales statistics

	3 months ended March 31			12 months ended March 31		
	2021	2020	Change	2021	2020	Change
Owner community peak demand (kW)*	<b>501,279</b>	459,384	<b>9.1%</b>	<b>656,620</b>	663,959	<b>-1.1%</b>
Owner community energy sales (MWh)*	<b>792,825</b>	781,226	<b>1.5%</b>	<b>3,177,076</b>	3,189,971	<b>-0.4%</b>
Other energy sales (MWh)	<b>419,972</b>	289,558	<b>45.0%</b>	<b>1,537,569</b>	898,102	<b>71.2%</b>

\*Demand and energy provided under community solar agreements were lagged by one month through August 2020; therefore, totals for 2020 and 12 months ending 2021 will not represent actuals for the time period presented.

## Resources

Platte River's power resources include generation from coal and natural gas units, wind purchases, allocations of federal hydropower from WAPA, solar purchases, JDA purchases and other purchases.

- Rawhide Unit 1 reported a net capacity factor of 74.7%, down from 84.4% reported in 2020. The primary reason for the lower capacity factor was because generation was replaced by new wind and solar resources.
- Craig units 1 and 2 reported a combined plant capacity factor of 46.9%, up from 36% reported in 2020. The primary reason for the higher capacity factor was because of record cold temperatures and higher energy rates in February 2021.
- Platte River's combustion turbines were utilized more in 2020 to serve load, complete unit testing and make surplus sales.
- Wind generation increased primarily as a result of the 225 MW Roundhouse Wind Energy Center reaching commercial operation in June 2020.
- Solar generation was higher in 2021 due to Rawhide Prairie Solar project reaching commercial operation in March 2021.
- JDA purchases decreased due to a new JDA participant which shifts the purchases amongst all participants, the cost of the Craig units decreased and Roundhouse Wind Energy Center being online provides more generation creating less need to purchase.
- Other purchases were higher in 2021 due to the record cold temperatures and higher energy rates in February 2021.

MWh	3 months ended March 31			MWh	3 months ended March 31		
	2021	2020	Change		2021	2020	Change
Rawhide Unit 1	<b>451,861</b>	515,678	<b>-12.4%</b>	Hydropower	<b>174,310</b>	174,310	<b>0.0%</b>
Craig units 1 and 2	<b>153,061</b>	118,830	<b>28.8%</b>	Solar	<b>18,733</b>	12,059	<b>55.3%</b>
Combustion turbines	<b>1,340</b>	4,060	<b>-67.0%</b>	JDA purchases	<b>130,918</b>	177,692	<b>-26.3%</b>
Wind	<b>297,407</b>	84,566	<b>251.7%</b>	Other purchases	<b>6,977</b>	2,516	<b>177.3%</b>



## Condensed statements of net position

Unaudited

	(In thousands)	
	March 31	
	2021	2020
<b>Assets</b>		
Electric utility plant, net	\$ 596,342	\$ 585,944
Special funds and investments	130,996	115,497
Current assets	150,453	128,721
Noncurrent assets	36,366	14,390
Total assets	<u>914,157</u>	<u>844,552</u>
<b>Deferred outflows of resources</b>	27,509	31,820
<b>Liabilities</b>		
Noncurrent liabilities	215,138	234,857
Current liabilities	33,841	34,451
Total liabilities	<u>248,979</u>	<u>269,308</u>
<b>Deferred inflows of resources</b>	<u>69,524</u>	<u>7,105</u>
<b>Net position</b>	<u>\$ 623,163</u>	<u>\$ 599,959</u>

## Condensed statements of revenues, expenses and changes in net position

Unaudited

	(In thousands)			
	3 months ended		12 months ended	
	March 31		March 31	
	2021	2020	2021	2020
<b>Operating revenues</b>				
Sales to owner communities	\$ 47,148	\$ 46,471	\$ 196,678	\$ 198,279
Sales for resale and other	14,238	8,479	50,508	28,938
Total operating revenues	<u>61,386</u>	<u>54,950</u>	<u>247,186</u>	<u>227,217</u>
<b>Operating expenses</b>				
Operations and maintenance	45,177	43,745	184,543	173,496
Depreciation and amortization	7,759	5,939	34,863	22,758
Total operating expenses	<u>52,936</u>	<u>49,684</u>	<u>219,406</u>	<u>196,254</u>
Operating income	<u>8,450</u>	<u>5,266</u>	<u>27,780</u>	<u>30,963</u>
<b>Nonoperating revenues (expenses)</b>				
Interest and other income	671	945	3,025	3,928
Distribution to owner communities	-	-	(1,000)	-
Interest expense, net	(1,212)	(1,467)	(5,315)	(5,871)
Net (decrease)/increase in fair value of investments	(340)	1,613	(1,286)	2,400
Total nonoperating revenues and expenses	<u>(881)</u>	<u>1,091</u>	<u>(4,576)</u>	<u>457</u>
Change in net position	<u>\$ 7,569</u>	<u>\$ 6,357</u>	<u>\$ 23,204</u>	<u>\$ 31,420</u>