



Platte River
Power Authority

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Board of directors

March 30, 2023

Energy leaders since 1973

Preview of the 2023 Colorado legislative session

Javier C. Camacho, director of public and external affairs, strategic communications and social marketing



Legislative delegation

State Senators

- Joann Ginal (D – Larimer County, District 14)
- Janice Marchman (D – Boulder and Larimer Counties, District 15)
- Stephen Fenberg (D – Boulder County, District 18)

State Representatives

- Junie Joseph (D – Boulder County, District 10)
- Judy Amabile (D – Boulder and Larimer Counties, District 49)
- Ron Weinberg (R – Larimer County, District 51)
- Cathy Kipp (D – Larimer County, District 52)
- Andrew Boesenecker (D – Larimer County, District 53)
- Ryan Armagost (R – Larimer and Weld Counties, District 64)

74th Colorado General Assembly

As of March 23, 2023

- General Assembly convened on January 11
- Scheduled to adjourn on May 8
- 555 bills introduced so far

Guiding principles of legislative advocacy

Principles

- Maintain high ethical, transparency standards in alignment with Platte River's Board of Directors
- Support our three pillars of environmental responsibility, financial sustainability, and reliability
- Ensure stable regulatory environment for planning
- Work in partnership with coalitions and our owner communities

Support

- Husch Blackwell Strategies (Carrie and Micki Hackenberger)
- CAMU
 - Legislative Committee
- Colorado Chamber of Commerce
 - Energy and environment council
 - Government affairs council

HB23-1039

Electric Resource Adequacy Reporting - Summary

- Beginning 2024, utilities must file with the entity responsible for approving its resource plans and an annual report detailing the adequacy of its electric resources
- On or before April 30 each year, each regulatory oversight entity must submit any resource adequacy annual reports to the Colorado Energy Office

Actions - Monitor

- Platte River along with Municipal Energy Agency of Nebraska and Colorado Association of Municipal Utilities (CAMU) submitted amendments that recognize our current governance structure
- The amendment also clarifies that load-serving entities, including wholesale customers, once they join an organized market become exempt from this requirement

SB23-198

Clean Energy Plans (CEP) - Summary

- Makes significant changes to the Colorado CEP process including adding a new interim emissions reduction target
- Inserts the Air Pollution Control Division into municipal utility resource planning processes
- Introduced in the Senate on March 17; assigned to Transportation and Energy Committee
 - First committee hearing will be on Wednesday, April 5

Actions - Oppose

- Platte River coordinating with CAMU on amending to remove interim emission targets and obligations to provide detailed resource plan information, including contracts, to the state
- Received support from Colorado State Chamber of Commerce to amend

Other bills of interest

SB23-053: Restrict Governmental Nondisclosure Agreements

- Concerning restrictions on nondisclosure agreements that affect government employees

SB23-111: Public Employees' Workplace Protection

- Public employees' workplace protection regarding collective bargaining

SB23-016: Greenhouse Gas Emission Reduction Measures

- Updates the statewide GHG emission reduction goals to add a 65% reduction goal for 2035, 80% reduction goal of 2040, 90% reduction goal for 2045, and 100% by 2050

Other bills of interest, cont'd

HB23-1080: Reliable Alternative Energy Sources

- Requires the Colorado Energy Office to study the feasibility of using small modular nuclear reactors as a carbon-free energy source in the state

HB23-1123: Move Over or Slow Down Stationary Vehicle

- Requires a motor vehicle driver to move over or slow down for a stationary utility vehicle, including utility contractors

HB23-1233: Electric Vehicle Charging and Parking Requirements

- Requires the state to adopt rules that require multifamily buildings be EV capable and EV ready, and to have EV supply equipment installed

Next steps

Committee Monitoring

- Senate Transportation and Energy Committee
- House Energy & Environment Committee
- Joint select committee on rising utility rates

Legislative session adjourns May 8

- Synopsis of state legislation at May board meeting (May 25)

Resources

- 2023 Legislative Resource Book
- Other resources or information? i.e. factsheets, one-pager

Questions



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Strategic plan update

Eddie Gutiérrez, chief strategy officer

Agenda

- Timeline
- Overview
- Key highlights
- Next steps

Strategic planning timeline

Q2 2022

Board working session and draft goal areas discussed

Q4 2022

Finalize goal areas and identify measurements and tactics

April 2023

Draft document submitted in the management report

July 2023

Final board approval of the strategic plan

Q1 2022

Board SWOT session, interviews and surveys

Q3 2022

Planning process evaluations and additional stakeholder outreach

March 2023

Align final objectives and approve the final strategic goals

May 2023

Board presentation on the updated strategic plan

Strategic planning overview

Current strategic initiatives

- Enhanced customer experience
- Collaborative communications and community outreach
- Resource diversification and alignment
- Infrastructure development and technology utilization

Updated strategic initiatives

- Resource diversification planning and integration
- Community partner and engagement
- Workforce culture
- Process management and coordination

Resource diversification planning and integration

Implementation areas

- Strategy and integration
- Reliability resource
 - Dispatchable capacity
 - Energy storage
 - Virtual power plant
- Market entry / organized power markets
- Rate alignment / new rate tariffs
- Transmission infrastructure

Performance drivers and metrics

- Integrated resource planning (IRP)
- Community engagement and outreach
- Additional indicators developed in the IRP process

Community partner and engagement

Implementation areas

- Support owner communities in regional message discipline and consistency
- Create engagement opportunities through more regional activations and outreach
- Develop regional educational collateral

Performance drivers and metrics

- Community sessions and meetings
- Regional community events
- Total impact reach and analysis

Workforce culture

Implementation areas

- Workforce planning
- Total benefits and rewards improvements, including market-based modeling
- Updated workplace benefits, including hybrid work flexibility
- Retention, recruitment and development

Performance drivers and metrics

- Employee engagement tools
- Education and career growth planning
- New merit and performance evaluations
- Succession planning and talent review

Process management and coordination

Implementation areas

- Project and process management
- Technology integration and long-term planning
- Comprehensive risk management

Performance drivers and metrics

- Engagement surveys
- Technology roadmap
- General task trackers

Next steps

- **April:** review draft document in board meeting packet
- **May:** present document for final feedback
- **July:** final document approval

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Organized market update

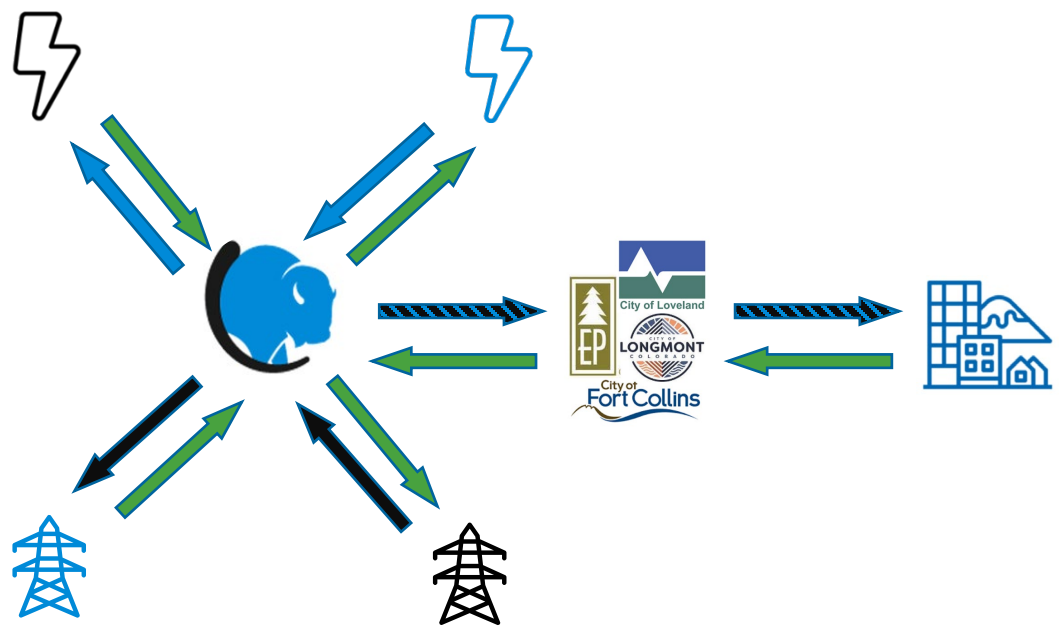
Melie Vincent, chief operating officer


Agenda

- Market structure history
- Readiness projects for market operations in Southwest Power Pool (SPP) Western Energy Imbalance Service (WEIS)
- Focus following WEIS go-live
- SPP Regional Transmission Organization West (RTOW)






Market structure history

Bilateral market



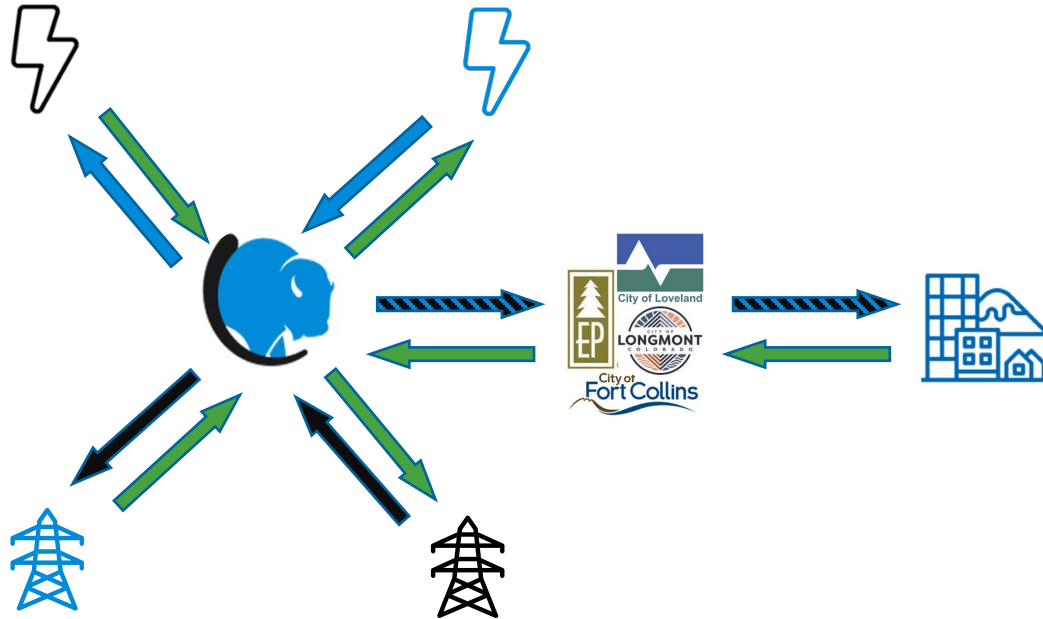
 Balancing Authority

Legend

-  Generation (MWh) sales/purchases
-  Transmission service sales/purchases
-  Energy delivered (MWh)
-  Demand (kW) & Energy (kWh) delivered
-  Money flow (\$)

Market structure history

Joint Dispatch Agreement (JDA)

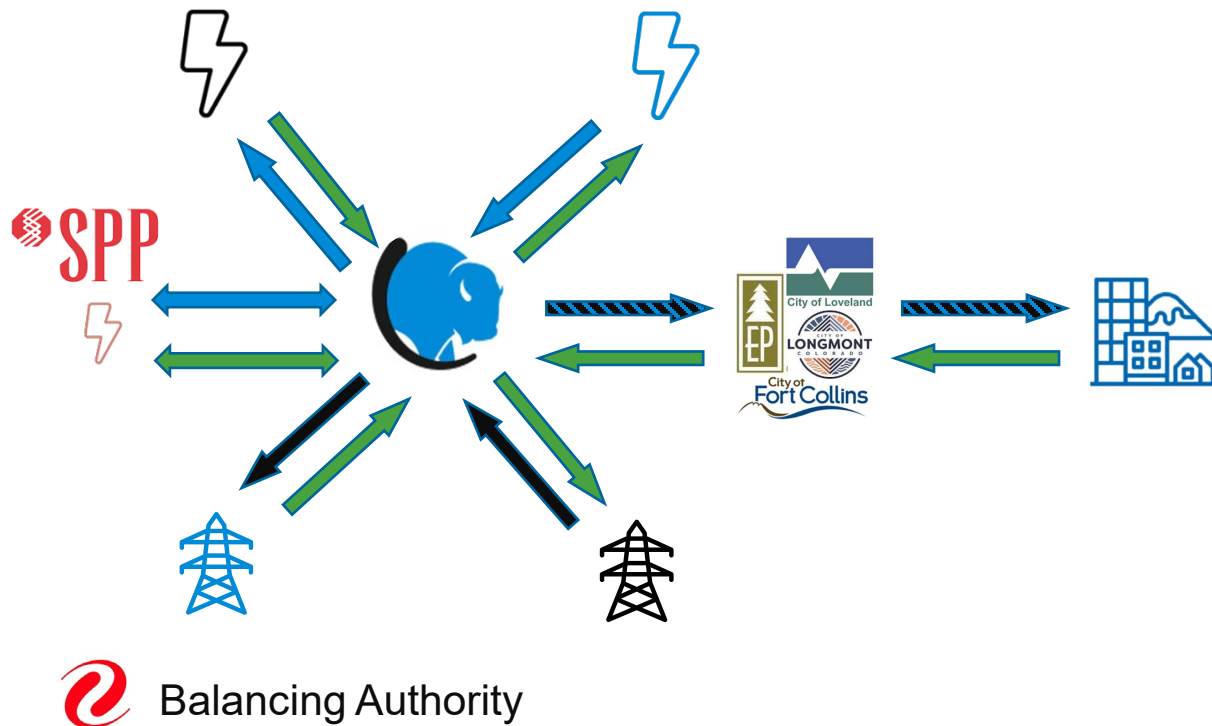


 Balancing Authority

- Maintains bilateral market prior to start of hour
- Balancing Authority (PSCo) dispatches least cost resources in real time
- Minimum JDA market price is \$0/MWh
- Currently, three market participants
 - Xcel Energy
 - Black Hills
 - Platte River

Market structure history

SPP WEIS



- Maintains bilateral market prior to start of hour
- Public Service Company of Colorado (PSCo) remains Platte River's Balancing Authority
- SPP dispatches least cost resources in real time
- Market price may and will go below \$0/MWh
- Market participants
 - Basin Electric Power Cooperative
 - Black Hills Energy (effective April 2023)
 - Colorado Springs Utilities (effective August 2022)
 - Deseret Power Electric Cooperative
 - Guzman Energy
 - Municipal Energy Agency of Nebraska
 - Platte River Power Authority (effective April 2023)
 - Tri-State Generation and Transmission Association
 - Western Area Power Administration
 - Upper Great Plains West
 - Rocky Mountain Region
 - Colorado River Storage Projects

Readiness projects for WEIS operations

Market interaction software

- Energy Trading Risk Management system
 - Energy scheduling and tagging
 - Trades audit and valuation
 - Bilateral settlements, invoicing and reporting
 - Contract and counterparty credit management
- Market operations system (GenManager)
 - Resource offer creation for submittal to market operator
 - Manage wholesale market operations and outage reporting
 - Market settlements
 - Meter data submission to market operator

Readiness projects for WEIS operations

Automatic Dispatch System (ADS)

- ADS project built the systems and logic necessary to allow Platte River units to translate dispatch signals from the market to resource control systems
- Enables resources to follow setpoints generated by SPP
- Required coordination between digital, power generation and power markets staff, multiple vendors and SPP
- Training for power system operators and control room operators

Readiness projects for WEIS operations

EMS and metering

- A new EMS allows for greater accuracy in capturing and communicating data between Platte River, Balancing Authority (PSCo), the market (SPP) and other transmission operators
- Project replaces previous Supervisory Control and Data Acquisition (SCADA) functionality
- System supports day ahead and real time network analysis studies
- Facilitates market resource dispatch
- Implements security controls per NERC Critical Infrastructure Protection standards
- New meters installed at each combustion turbine to enable independent resource dispatch

Readiness projects for WEIS operations

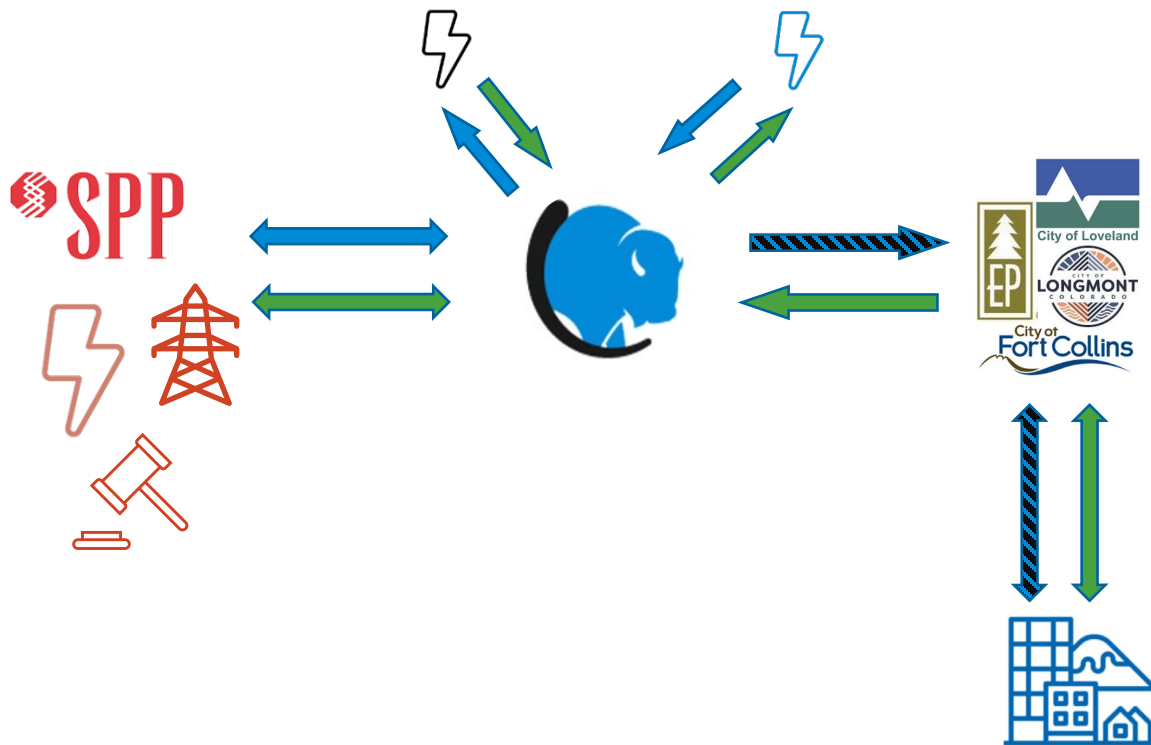
Prep for market participation and resource registration

- Market preparation
 - WEIS market training
 - Engage with The Energy Authority for real time activities
 - Connectivity testing
 - Market trials
 - Development of business processes and workflows
- Resource registration
 - Calculation of resource costs for development of market offers
 - Reporting of resource capabilities to ensure proper dispatch
 - Submittal of accurate Platte River system network mapping

Focus following WEIS go-live

- Dispatch of resources by SPP
 - Appropriate dispatch signals based on market prices and resource capabilities
 - Changes in capacity factor of resources
 - Accuracy of resource offers to recover costs
- Locational Marginal Prices
 - Identify trends in market prices based on wind, solar, weather and system reserve forecasts
 - Evaluate potential points of congestion
- Refine market settlements reporting
- Develop best practices for market performance analysis

SPP RTOW



- Minimal bilateral activity
- SPP becomes Platte River's Balancing Authority
- SPP commits, schedules and co-optimizes ancillary services for least cost resource utilization in day ahead
- SPP commits and dispatches least cost resources in real time
- Market price may and will go below \$0/MWh
- Resource Adequacy requirement for all participants
- Congestion hedging via transmission revenue rights auction
- Market Participants
 - Basin Electric Power Cooperative
 - Colorado Springs Utilities (CSU)
 - Deseret Power Electric Cooperative
 - Municipal Energy Agency of Nebraska (MEAN)
 - Platte River Power Authority (Platte River)
 - Tri-State Generation and Transmission Association
 - Western Area Power Administration
 - Upper Great Plains West
 - Rocky Mountain Region
 - Colorado River Storage Projects

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February financial summary

Category	February variance from budget (\$ in millions)		YTD variance	
Net income *	\$(2.9)	■	\$1.1	●
Fixed obligation charge coverage	(.74x)	■	.22x	●
Revenues	\$(3.8)	■	\$(2.7)	■
Operating expenses	\$2.3	●	\$4.3	●
Capital additions	\$4.3	●	\$5.6	●

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



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February operational results

Category	February variance		YTD variance	
Owner community demand	1.8%	◆	3.3%	●
Owner community energy	(2.1%)	■	(0.3%)	◆
Wind generation	25.9%	●	(2.2%)	■
Solar generation	30.5%	●	(4.9%)	■
Net variable cost to serve owner community load*	110.8%	■	22.5%	■

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

*Total resource variable costs plus purchased power costs less sales revenue



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Rawhide Energy Station

Rawhide Energy Station

Energy Station 2013



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