



**PLATTE RIVER  
POWER AUTHORITY**

Estes Park • Fort Collins • Longmont • Loveland

June 29, 2010

**MUNICIPAL SECONDARY MARKET DISCLOSURE INFORMATION**

*Annual Report in Compliance with Continuing Disclosure Certificate Relating to Power Revenue Bonds, Series EE, Series GG and Series HH*

**Issuer's Name:** Platte River Power Authority

**Issue's CUSIP Numbers:** Reference Schedule A

**Applicable Nine-Digit Numbers:** Reference Schedule A-CUSIP List

**Fiscal Year Covered:** Period Ending December 31, 2009

**Number of Pages of Attached Information:** **19**

In compliance with Platte River Power Authority's CONTINUING DISCLOSURE CERTIFICATE relating to Platte River Power Authority Power Revenue Bonds, Series EE dated March 6, 2002, Series GG dated January 31, 2007, and Series HH dated February 3, 2009, the attached documents comprise Platte River's 2009 *Annual Report* to the national repositories through Electronic Municipal Market Access (EMMA) which is approved by the Securities and Exchange Commission. The enclosed documents include the following:

- (a) In compliance with SECTION 4 Content of Annual Reports, subsection (1) *The Audited Financial Statements*, Platte River Power Authority's 2009 Annual Report containing Audited Financial Statements for the period ending December 31, 2009, as well as Audited Financial Statements for the City of Longmont, City of Fort Collins, City of Loveland and Town of Estes Park.
- (b) In compliance with SECTION 4 Content of Annual Reports, subsection (2) *Updated versions of the financial information and operating data contained under the indicated captions of the Final Official Statement* included in (a) through (p) of this section.

Submitted this 29<sup>th</sup> day of June 2010 by:  
*David Smalley, Chief Financial Officer*

**SCHEDULE A**

**PLATTE RIVER POWER AUTHORITY  
COLORADO  
Power Revenue Bonds, Series EE**

<b><u>Cusip</u></b>	<b><u>Principal Amount</u></b>	<b><u>Maturity Date</u></b>	<b><u>Interest Rate</u></b>	
727818DZ6	\$10,255,000	June 1, 2010	5.250%	
727818EL6	\$3,000,000	June 1, 2010	4.000%	*
727818EA0	\$9,205,000	June 1, 2011	5.250%	
727818EM4	\$1,500,000	June 1, 2011	4.125%	*
727818EB8	\$9,940,000	June 1, 2012	5.375%	
727818EN2	\$1,305,000	June 1, 2012	4.200%	*
727818EC6	\$11,840,000	June 1, 2013	5.375%	
727818ED4	\$11,460,000	June 1, 2014	5.375%	
727818FK7	\$5,855,000	June 1, 2015	5.375%	
727818FL5	\$6,170,000	June 1, 2016	5.375%	
727818FM3	\$6,500,000	June 1, 2017	5.375%	
727818FN1	\$305,000	June 1, 2018	5.375%	

\* Split Coupon

**SCHEDULE A CONTINUED**

**PLATTE RIVER POWER AUTHORITY  
COLORADO  
Power Revenue Bonds, Series GG**

<b><u>Cusip</u></b>	<b><u>Principal Amount</u></b>	<b><u>Maturity Date</u></b>	<b><u>Interest Rate</u></b>
727818EW2	\$8,150,000	June 1, 2010	5.000%
727818EX0	\$8,560,000	June 1, 2011	5.000%
727818EY8	\$8,985,000	June 1, 2012	5.000%
727818EZ5	\$9,435,000	June 1, 2013	5.000%
727818FA9	\$9,910,000	June 1, 2014	5.000%
727818FB7	\$16,615,000	June 1, 2015	5.000%
727818FC5	\$11,040,000	June 1, 2016	5.000%
727818FD3	\$17,765,000	June 1, 2017	4.500%
727818FE1	\$12,755,000	June 1, 2018	5.000%

**SCHEDULE A CONTINUED**

**PLATTE RIVER POWER AUTHORITY  
COLORADO  
Power Revenue Bonds, Series HH**

<b><u>Cusip</u></b>	<b><u>Principal Amount</u></b>	<b><u>Maturity Date</u></b>	<b><u>Interest Rate</u></b>
727818FP6	\$100,000	June 1, 2010	3.000%
727818FQ4	\$100,000	June 1, 2011	3.000%
727818FR2	\$100,000	June 1, 2012	3.000%
727818FS0	\$100,000	June 1, 2013	3.000%
727818FT8	\$100,000	June 1, 2014	3.000%
727818FU5	\$100,000	June 1, 2015	3.000%
727818FV3	\$100,000	June 1, 2016	3.000%
727818FW1	\$100,000	June 1, 2017	3.000%
727818FX9	\$100,000	June 1, 2018	3.000%
727818FY7	\$7,985,000	June 1, 2019	5.000%
727818FZ4	\$8,385,000	June 1, 2020	5.000%
727818GA8	\$8,800,000	June 1, 2021	5.000%
727818GB6	\$9,240,000	June 1, 2022	5.000%
727818GC4	\$9,705,000	June 1, 2023	5.000%
727818GD2	\$10,190,000	June 1, 2024	5.000%
727818GE0	\$10,700,000	June 1, 2025	5.000%
727818GF7	\$11,235,000	June 1, 2026	5.000%
727818GG5	\$11,795,000	June 1, 2027	5.000%
727818GH3	\$12,385,000	June 1, 2028	5.000%
727818GJ9	\$13,005,000	June 1, 2029	5.000%

**(a) Power Bond Service Requirements**

The following table shows the bond service requirements for the Power Revenue Bonds.

<u>Year</u> <u>Ended Dec. 31</u>	<u>Series EE</u> <u>Bond Service<sup>1</sup></u>	<u>Series GG</u> <u>Bond Service</u>	<u>Series HH</u> <u>Bond Service</u>	<u>Total Power</u> <u>Bond Service</u>
2010	\$ 15,440,538	\$ 13,223,383	\$ 5,796,500	\$ 34,460,421
2011	14,100,713	13,222,675	5,793,500	33,116,888
2012	14,102,023	13,221,863	5,790,500	33,114,386
2013	13,511,587	13,224,071	5,787,500	32,523,158
2014	9,459,186	16,847,633	5,784,500	32,091,319
2015	6,867,284	15,698,238	5,781,500	28,347,022
2016	6,866,451	16,630,092	5,778,500	29,275,043
2017	3,048,217	15,813,344	5,775,500	24,637,061
2018	133,914	5,580,312	10,372,083	16,086,309
2019	-	-	13,656,687	13,656,687
2020	-	-	13,654,521	13,654,521
2021	-	-	13,652,750	13,652,750
2022	-	-	13,654,500	13,654,500
2023	-	-	13,655,604	13,655,604
2024	-	-	13,655,792	13,655,792
2025	-	-	13,656,000	13,656,000
2026	-	-	13,654,979	13,654,979
2027	-	-	13,654,396	13,654,396
2028	-	-	13,654,938	13,654,938
2029	-	-	5,689,687	5,689,687
Total	<u>\$ 83,529,913</u>	<u>\$123,461,611</u>	<u>\$198,899,937</u>	<u>\$405,891,461</u>

<sup>1</sup>Includes sinking fund redemptions.

## **(b) Platte River Power Authority - Management's Discussion of Operating Results**

### **Rates**

Legally and contractually Platte River's Board of Directors has exclusive authority to establish the rates of electricity to the Municipalities. By contract, the rate must be sufficient to recover all operating costs and provide minimum debt service coverage of 1.10 times total debt service. The current average rate has been designed to meet additional financial policies and goals as set forth in Platte River's Strategic Financial Plan (SFP).

### **Operating Revenue Trends**

Operating Revenues in 2009 decreased \$1.5 million from 2008. This decrease is due to a \$2.8 million decrease in surplus sales partially offset by a \$1.3 million increase in municipal sales.

### **Operating Expense Trends**

In 2009, Operating Expenses, excluding depreciation and amortization, decreased \$8.7 million from 2008. This decrease was primarily due to decreases in fuel, purchased power and operations and maintenance costs as a result of a planned major maintenance outage completed at Rawhide Unit 1 in the fall of 2008.

### **Bond Service Coverage**

For the twelve months ended December 31, 2009, power revenue bond service coverage was 1.80 times, higher than the 1.72 times reported for the same period in 2008. The change in bond service coverage was due to lower Operating Expenses in 2009.

### **Financial Planning**

Long-term financial planning is accomplished through Platte River's SFP. The current SFP calls for Platte River to provide long term financial stability by maintaining debt service coverage of 1.5 times, achieving annual net income of at least \$6.0 million, targeting the debt to equity ratio to a minimum of 50/50, maintaining adequate operating, capital and debt reserves, offering the owner Municipalities stable and competitive wholesale rates, maintaining access to low cost capital and managing financial risks. The Board of Directors may amend the SFP at any time.

**(b) Platte River Power Authority - Operating Results**

**Table 1**  
**HISTORICAL OPERATING RESULTS 2005 - 2009 (\$000)**

Description	2005	2006	2007	2008	2009
Operating Revenues <sup>(a)</sup>					
Sales to Municipalities	\$116,072	\$117,960	\$122,692	\$125,817	\$127,142
Sales for Resale & Other	34,970	39,183	40,686	46,569	43,798
Total	151,042	157,143	163,378	172,386	170,940
Operating Expenses <sup>(b)</sup>					
Purchased Power <sup>(c)</sup>	31,053	24,219	21,010	25,883	21,850
Fuel <sup>(d)</sup>	32,640	37,192	39,564	48,672	46,342
Operations & Maintenance <sup>(e)</sup>	36,361	36,932	40,626	44,113	40,763
General & Administrative	8,821	9,271	10,253	10,347	11,363
Total	108,875	107,614	111,453	129,015	120,318
Net Operating Revenues	42,167	49,529	51,925	43,371	50,622
Interest and Other Income <sup>(f)</sup>	13,014	9,592	11,982	11,012	7,407
Rate Stabilization					
Deposits	1,527	1,660	1,393	-	-
Withdrawals	-	-	-	-	-
Net Revenues (after Rate Stabilization)	\$53,654	\$57,461	\$62,514	\$54,383	\$58,029

**Table 2**  
**DEBT SERVICE COVERAGE 2005 - 2009 (\$000)**

Bond Service					
Power Revenue Bonds	\$31,348	\$32,077	\$32,141	\$31,604	\$35,641
Allowance for Funds Used during Construction	-	-	-	-	(3,355)
Subordinate Lien Bonds	1,327	2,675	2,816	1,664	93
Net Revenue Bond Service	\$32,675	\$34,752	\$34,957	\$33,268	\$32,379
Power Bond Service Coverage <sup>(g)</sup>	1.71	1.79	1.94	1.72	1.80
Bond Service Coverage on all Debt <sup>(h)</sup>	1.64	1.65	1.79	1.63	1.79

**Table 3**  
**ENERGY DELIVERIES AND RATES 2005 - 2009 (\$000)**

Energy Deliveries (GWh)					
Municipalities	2,986	3,052	3,147	3,157	3,056
Other Utilities--Contract	220	242	254	107	8
Other Utilities--Short-term	756	777	799	889	1,142
Total	3,962	4,071	4,200	4,153	4,206
Rates (\$/MWh)					
Average Rate--Municipalities	38.87	38.65	38.99	39.86	41.61
Average Rate--Other Sales	35.83	38.45	38.62	46.76	38.10

**(b) Footnotes**

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- <sup>a</sup> Sales to the Municipalities for 2005, 2008 and 2009 include a 5.9%, 3.0% and 3.8% rate increase, respectively.
- <sup>b</sup> Does not include provision for depreciation and amortization.
- <sup>c</sup> WAPA allocation and other purchases for outage assistance.
- <sup>d</sup> Fuel costs include coal and transportation costs for Rawhide Unit 1, Craig Units 1 & 2, and Rawhide peaking units A, B, C, D and F.
- <sup>e</sup> Includes operations and maintenance expenses for Rawhide Unit 1, Craig Units 1 & 2, Rawhide peaking units A, B, C, D and F, wind generation, the transmission system, and Windy Gap Project costs (including related debt service).
- <sup>f</sup> Excludes unrealized gains and losses on investments.
- <sup>g</sup> Net Revenues divided by total Power Revenue Bond debt service.
- <sup>h</sup> Net Revenues divided by total bond service, including interest on Subordinate Lien Bonds.

**(c) Platte River Power Authority – Power Requirements**

Platte River furnishes virtually all of the power supply requirements of the Municipalities under long-term all-requirements contracts. Historical energy and demand requirements of the Municipalities for the last ten years, on a combined and individual basis, are set forth in the following tables:

**Municipal Energy Requirements (MWh)**

<u>Year</u>	<u>Estes Park</u>	<u>Fort Collins</u>	<u>Longmont</u>	<u>Loveland</u>	<u>Total</u>	<u>% Annual Increase</u>
2000	116,523	1,253,917	694,019	522,889	2,587,348	7.6
2001	116,948	1,293,531	723,708	535,537	2,669,724	3.2
2002	120,800	1,346,420	749,921	563,598	2,780,739	4.2
2003	122,614	1,374,007	763,266	585,991	2,845,878	2.3
2004	124,842	1,389,277	769,498	591,533	2,875,150	1.0
2005	126,208	1,432,566	792,503	634,684	2,985,961	3.9
2006	128,284	1,442,892	820,180	660,379	3,051,735	2.2
2007	130,067	1,484,987	840,144	691,795	3,146,993	3.1
2008	132,408	1,471,869	826,403	726,135	3,156,815	0.3
2009	130,587	1,451,559	796,805	676,931	3,055,882	-3.2

**Municipal Peak Demands (kW)**

<u>Year</u>	<u>Estes Park</u>	<u>Fort Collins</u>	<u>Longmont</u>	<u>Loveland</u>	<u>System Peak</u>	<u>% Change</u>
2000	21,465	224,771	131,860	97,432	465,717	8.1
2001	20,990	240,143	141,828	102,731	497,496	6.8
2002	22,038	251,761	151,193	114,324	532,556	7.0
2003	23,839	268,643	162,485	122,158	559,712	5.1
2004	24,588	271,762	165,631	125,425	576,208	2.9
2005	24,951	293,290	172,712	138,095	617,530	7.2
2006	23,895	279,229	171,191	136,891	602,993	-2.4
2007	26,178	295,785	178,191	146,367	634,671	5.3
2008	26,456	286,549	177,648	153,105	633,913	-0.1
2009	25,595	265,154	162,457	134,912	575,853	-9.2

**(d) Platte River Power Authority - Power Resources****Historical System Loads & Resources**

		Summer Capacity (MW) <sup>(a)</sup>		
Resources		2007	2008	2009
	Rawhide 1	274	274	280
	Craig 1 and 2 <sup>(b)</sup>	154	154	154
	WAPA CRSP <sup>(c)</sup>	61	62	62
	WAPA LAP <sup>(c)</sup>	30	26	26
	Rawhide Peaking Units	260	388	388
	Total <sup>(d)</sup>	779	904	910
Loads				
	Municipal Load <sup>(e)</sup>	635	634	576
	Firm Sales to Xcel	30	0	0
	Firm Sales to TriState	0	0	80
	Reserves <sup>(f)</sup>	27	21	29
	Losses <sup>(g)</sup>	12	11	10
	Total	704	666	695
		Winter Capacity (MW) <sup>(a)</sup>		
Resources		07-08	08-09	09-10
	Rawhide 1	274	280	280
	Craig 1 and 2 <sup>(b)</sup>	154	154	154
	WAPA CRSP <sup>(c)</sup>	85	85	85
	WAPA LAP <sup>(c)</sup>	32	32	32
	Rawhide Peaking Units	260	388	388
	Total <sup>(d)</sup>	805	939	939
Loads				
	Municipal Load <sup>(e)</sup>	487	518	512
	Firm Sales to Xcel	30	0	0
	Firm Sales to TriState	0	0	80
	Reserves <sup>(f)</sup>	27	29	29
	Losses <sup>(g)</sup>	9	9	9
	Total	553	556	630
		Annual Energy (GWh) <sup>(a)</sup>		
Resources		2007	2008	2009
	Rawhide 1	2,251	2,010	2,353
	Craig 1 and 2	1,229	1,269	1,233
	Rawhide Peaking Units	94	156	30
	WAPA CRSP	485	532	504
	WAPA LAP	110	110	110
	Wind	17	26	34
	Other Purchases and Misc. <sup>(h)</sup>	104	142	24
	Total	4,290	4,245	4,288
Loads				
	Municipal Load <sup>(i)</sup>	3,147	3,157	3,056
	Contract Sales to Xcel, TriState and Others	254	107	8
	Short-term Sales	798	889	1,141
	Losses, Station Service, and Misc. <sup>(j)</sup>	91	92	83
	Total	4,290	4,245	4,288

#### (d) Footnotes

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- <sup>a</sup> Summer Season = April through September; Winter Season = October through March of the following year; annual = calendar year.
- <sup>b</sup> Yampa Project entitlement is 18% of 856 MW in Craig Units 1 & 2 or 154 MW.
- <sup>c</sup> Based on monthly scheduled quantities contained in the WAPA contracts for CRSP and LAP power with maximum allocations available in July and December.
- <sup>d</sup> Platte River has 20 MW of wind resources not included in the table.
- <sup>e</sup> Includes interruptible demand, distribution losses and DSM savings. Values are the Platte River system coincident peak seasonal demand.
- <sup>f</sup> Reserve obligation according to Rocky Mountain Reserve Group agreement.
- <sup>g</sup> Losses shown are the scheduled repayment requirements to the control areas for transmission losses.
- <sup>h</sup> Purchases are made during unit outages, for resale, or to meet load and minimum reserve requirements.
- <sup>i</sup> Includes energy for interruptible loads and distribution losses.
- <sup>j</sup> Includes transmission losses and off-line station load at Craig and Rawhide during outages.

**(e) Platte River Power Authority – Power Sales Contracts – Electric Power Contracts with the Municipalities**

Platte River originally entered into Contracts for the Supply of Electric Power and Energy (Electric Power Contracts) with each of the four Municipalities on September 5, 1974. In December 1974, a Declaratory Judgment was entered by the Larimer County District Court that concluded that the Electric Power Contracts had been duly executed and delivered by each of the Municipalities and constituted valid and legally binding obligations of each of the Municipalities in accordance with their terms. These Electric Power Contracts were amended and restated in July of 1998 and now extend through December 2040 and thereafter until terminated by either party following not less than six (6) months' notice. Platte River did not consider it necessary to seek any declaratory judgment in respect of the contract extension.

The Electric Power Contracts are identical in all significant respects. Under each Electric Power Contract, Platte River agrees to sell and deliver to the Municipality, and the Municipality agrees to take and pay for all electric power and energy that the Municipality requires for the operation of its municipal electric system to the extent that Platte River has such power and energy available; however, each Municipality retains the right to continue to generate power and energy to the extent of the capacity of its generating facilities in service on September 5, 1974. Longmont and Loveland each operate such a hydroelectric generating facility; the total combined capacity of these two units is 1.4 MW.

The wholesale rate for electric service provided under the Electric Power Contracts to the Municipalities is established by the Board of Directors of Platte River. The Electric Power Contracts provide that the Board shall review the rates, at intervals not less frequently than once each calendar year, and shall, if necessary, revise the rate such that they will produce revenues that shall be sufficient, but only sufficient, with the revenues of Platte River from all other sources:

- (1) to meet the cost of operation and maintenance (including, without limitation, replacements, insurance, taxes and administrative and general overhead expense) of the electric generating plants, transmission system and related facilities of Platte River;
- (2) to meet the cost of any power and energy purchased for resale under the Electric Power Contracts by Platte River and the cost of transmission service;
- (3) to make payments of principal and interest on all indebtedness and revenue bonds of Platte River and provide an earnings margin adequate to enable Platte River to obtain revenue bond financing on favorable terms; and
- (4) to provide for the establishment and maintenance of reasonable reserves.

Each Electric Power Contract provides that the obligation of the Municipality to pay Platte River for all electric power and energy furnished to the Municipality is a special obligation of the Municipality payable solely from revenues to be received from the sale of electric power and energy to electric utility customers during the term of such Electric Power Contract and is not a lien, charge, or liability against the Municipality or against its property or funds other than revenues to be received from the sale of electric power and energy to the Municipality's electric

utility customers during such term. Each Municipality agrees to maintain rates for electric power and energy furnished to its electric utility customers that will, after payment of all costs of operation and maintenance, return to such Municipality sufficient revenue to meet its obligations to Platte River under its Electric Power Contract.

Platte River bills each Municipality monthly, with payment due within 15 days after billing. Service may be discontinued for nonpayment beyond 30 days of billing. No party may be considered to be in default in respect of any of its obligations under the Electric Power Contracts if prevented from performing such obligations by uncontrollable forces.

Platte River and the Municipalities are discussing a further extension of the term of the Electric Power Contracts through 2050. As currently negotiated, the extended Electric Power Contracts would remain essentially as described herein, with one change to the all-requirements nature of these agreements. An exception to the all-requirements obligation would allow the Municipalities to own and operate distributed generation in an amount of one percent of Municipal peak load or one megawatt, whichever is greater.

**(f) Platte River Power Authority – Wholesale Rate History**

The Platte River Board of Directors may adjust its wholesale electric rates to the Municipalities at any time with a majority vote of the Board of Directors. The table below lists Platte River’s basic wholesale rates to the Municipalities since 1992.

<u>Effective Date</u>	<u>Demand Rate (\$/kW-mo)</u>	<u>Energy Rate (Mills/kWh)</u>
April 1992	11.01	14.00
April 1993	10.78	14.00
May 1996	10.64	15.00
January 2004	11.05	15.60
January 2005	11.71	16.50
January 2008	12.05	17.00
January 2009	12.48	17.70
January 2010	12.53	20.20

**(g) Rawhide Energy Station**

The Rawhide Energy Station consists of (i) Rawhide Unit 1, a 280 MW (net capability) coal-fired generating facility, cooling reservoir and coal-handling facilities (ii) Rawhide Units A, B, C, D and F, five natural gas combustion turbines and related natural gas transmission and processing facilities and (iii) related electric transmission facilities. The following table presents historical capacity factors and equivalent availability factors for Rawhide Unit 1 for the period 2005-2009:

<b>Rawhide Unit 1</b>		
<b>Year</b>	<b>Capacity factor</b>	<b>Equivalent Availability</b>
2005*	81.2	83.7
2006	90.1	93.0
2007	93.8	96.5
2008*	83.4	86.6
2009	95.9	99.3

*\*Capacity and availability factors were lower due to planned maintenance outages.*

**(h) Craig Units 1 and 2**

Craig Units 1 and 2 are each rated at 428 MW net capacity. Craig Units 1 and 2 are part of the Yampa Project, which also includes a water storage reservoir and related transmission facilities. Located on the Yampa River in northwestern Colorado, the Craig Units 1 and 2 are four miles southwest of the town of Craig, Colorado. The following table presents historical capacity factors and equivalent availability factors for Craig Units 1 and 2 for the period 2005-2009:

<b>Year</b>	<b>Capacity factor</b>		<b>Equivalent Availability</b>	
	<b>Unit 1</b>	<b>Unit 2</b>	<b>Unit 1</b>	<b>Unit 2</b>
2005	96.9	92.5	98.1	93.9
2006	82.3	94.8	84.4	96.8
2007	95.6	86.6	96.8	88.4
2008	92.4	95.2	93.0	96.6
2009	93.6	89.2	96.4	92.7

**(i) Supply Contracts with Western Area Power Administration – WAPA Supply Allocations**

Contract rates of delivery to Platte River from WAPA vary by project and by season. Each WAPA contract provides for different contract rates of delivery for the winter season (October through March) and the summer season (April through September). The table on the following page sets forth Platte River's 2009 seasonal contract rate of delivery for CRSP and LAP capacity and energy under the current contracts. The contract rates of delivery for CRSP are used for billing purposes. Schedulable CRSP capacity is about 60% of the amounts shown in the table.

	<u>CRSP</u>	<u>LAP</u>	<u>Total</u>
<b>Summer Season</b>			
Capacity (MW/mo.)	105.9	30.5	136.4
Energy (GWh)	212.2	53.4	265.6
<b>Winter Season</b>			
Capacity (MW/mo.)	135.7	32.0	167.7
Energy (GWh)	293.0	56.7	349.7

**(j) Supply Contracts with Western Area Power Administration - WAPA Rates**

The rates for power supplied by WAPA as of October 1, 2009 are:

CRSP:	
Monthly Capacity Charge	\$5.18/kW
Monthly Energy Charge	\$0.01219/kWh
LAP:	
Monthly Capacity Charge	\$4.88/kW
Monthly Energy Charge	\$0.01862/kWh

**(k) Municipal Electric Systems Supplied By Platte River – General**

During the twelve months ended December 31, 2009 and 2008 the four Municipalities sold electric energy at retail and received electric revenues as follows:

	Twelve Months Ended December 31, 2009(*)		
	Average Retail	Energy Sales	
	<u>Customers</u>	<u>MWh</u>	<u>Revenues</u>
Estes Park.....	10,215	126,229	\$ 11,277,515
Fort Collins.....	64,750	1,404,529	83,295,973
Longmont.....	37,872	768,123	44,785,266
Loveland.....	<u>32,399</u>	<u>642,783</u>	<u>39,120,979</u>
Total.....	<b>145,236</b>	<b>2,941,664</b>	<b>\$ 178,479,733</b>

	Twelve Months Ended December 31, 2008(*)		
	Average Retail	Energy Sales	
	<u>Customers</u>	<u>MWh</u>	<u>Revenues</u>
Estes Park.....	10,123	127,932	\$ 10,967,647
Fort Collins.....	63,913	1,429,798	82,448,756
Longmont.....	37,626	801,321	44,017,707
Loveland.....	<u>32,079</u>	<u>692,258</u>	<u>38,638,906</u>
Total.....	<b>143,741</b>	<b>3,051,309</b>	<b>\$ 176,073,016</b>

(\*) Compiled by Platte River based upon data obtained from the Municipalities.

**(l) Municipal Electric Systems Supplied By Platte River – Electric System Properties**

**Estes Park**

The Estes Park municipal electric system purchases all of its power requirements from Platte River. During the calendar year 2009, Estes Park purchased 130,586,603 kWh, a decrease of 1.4% from the same period in 2008. An annual peak demand of 25,595 kW occurred in December 2009.

**Fort Collins**

The Fort Collins municipal electric system purchases all of its energy requirements from Platte River and is its largest municipal customer. During calendar year 2009, Fort Collins purchased 1,451,559,133 kWh, a decrease of 1.4% from the same period in 2008. An annual peak demand of 265,154 kW occurred in July 2009.

**Longmont**

The Longmont municipal system purchases essentially all of its power requirements from Platte River. During calendar year 2009, Longmont purchased 796,805,561 kWh, a decrease of 3.6% from the same period in 2008. An annual peak demand of 162,457 kW occurred in July 2009. Longmont owns and operates a 500 kW hydroelectric plant that produces less than 1% of the city's energy requirements.

**Loveland**

The city of Loveland municipal electric system purchases nearly all of its electric power requirements from Platte River. In 2009, total purchases from Platte River were 676,930,811 kWh, a decrease of 6.8% compared to the same period in 2008. An annual peak demand of 134,912 kW occurred in July 2009. Loveland's electric utility owns and operates a 900 kW hydroelectric plant that produces less than 1% of the city's energy requirements.

**(m) Municipal Electric Systems Supplied by Platte River – Rates and Comparative Power Costs**

Rates charged by the Municipalities are generally lower than those of neighboring utilities. The table on the following page shows typical monthly power costs for an average customer based on current retail rates of the Municipalities and those of neighboring utilities, as compiled by Platte River.

**Comparison of Estimated Monthly Electric Charges <sup>(a)</sup>**  
**May 7, 2010**

		Residential (682 kWh)	Small Commercial (1,897 kWh, 12kW)	Large Commercial (42,912 kWh, 130 kW)	Industrial <sup>(b)</sup> (1,971,257 kWh, 3,021 kW)
Municipalities:	Estes Park	\$68	\$184	\$3,105	N/A <sup>(c)</sup>
	Fort Collins	53	155	2,934	\$91,577
	Longmont	47	131	2,722	89,341
	Loveland	51	138	2,913	98,372
Neighboring Utilities:	Xcel Energy (Summer)	87	221	4,423	138,341
	Xcel Energy (Winter)	83	210	4,189	132,910
	Poudre Valley R.E.A.	78	195	4,877	152,604
	United Power	85	216	4,407	156,282

<sup>a</sup> Exclusive of state and local sales taxes. kWh amounts represent average usage per customer in service category.

<sup>b</sup> For purposes of this presentation, industrial service is defined as primary service for customer loads in excess of 750 kW.

<sup>c</sup> There are no customers classified as industrial in Estes Park.

**(n) Municipal Electric Systems Supplied by Platte River - Classification of Customers Supplied by the Municipalities**

The Municipalities serve residential and commercial, as well as several large industrial customers. The combined retail energy sales to the principal customer classes of the Municipalities for 2009 are shown in the following table:

Year ended December 31, 2009 <sup>(a)</sup>		
Customer Classification:	MWh	% of Energy Sold
Residential	1,052,671	35.8%
Small Commercial	367,886	12.5%
Large Commercial	760,116	25.9%
Industrial <sup>(b)</sup>	756,963	25.7%
Other	4,028	0.1%
<b>Total</b>	<b>2,941,664</b>	<b>100.0%</b>

<sup>a</sup> Unaudited data compiled from reports of the Municipalities.

<sup>b</sup> For purposes of this presentation, Industrial customers are defined as customer loads in excess of 750 kW.

**(o) Municipal Electric Systems Supplied by Platte River – Largest Customers Supplied by the Municipalities**

The following table sets forth by business category the largest customers served by the Municipalities during 2009:

<u>Location</u>	<u>Business</u>
Fort Collins	Higher Education
Fort Collins	Brewery (Industrial)
Loveland	Industrial Gases
Fort Collins	Computer Hardware
Fort Collins	Computer Hardware
Longmont	Biotech
Longmont	Computer Hardware
Fort Collins	City Administration
Fort Collins	Healthcare
Loveland	Healthcare

The largest customers set forth in this table represented approximately 20% of total aggregate annual energy sales of all Municipalities for the 12 calendar months of 2009. No single customer accounted for more than 4.4% of total aggregate annual energy sales of all Municipalities for the 12 calendar months of 2009.

**(p) Municipal Electric Systems Supplied by Platte River – Historical Operating Results of Electric Systems of the Municipalities**

The table on the following page shows historical operating results for the electric systems of the Municipalities, as compiled by Platte River.

**Table 2**  
**Operating Results of the Electric Systems of the Municipalities<sup>a</sup> (Calendar Year)**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b><u>Estes Park:</u></b>					
Annual Customers	9,655	9,883	10,023	10,123	10,215
Annual MWh	120,645	124,415	125,338	127,932	126,229
Operating Revenues	\$ 9,384,819	\$ 10,097,231	\$ 10,446,230	\$ 11,005,740	\$ 11,366,577
Other Income	<u>824,973</u>	<u>682,146</u>	<u>533,423</u>	<u>990,304</u>	<u>446,857</u>
Total Revenues	\$ <u>10,209,792</u>	\$ <u>10,779,377</u>	\$ <u>10,979,653</u>	\$ <u>11,996,044</u>	\$ <u>11,813,434</u>
Purchased Power Expense	4,590,883	4,619,186	4,657,040	4,863,285	4,960,316
Other Expense <sup>b</sup>	<u>4,240,988</u>	<u>4,223,039</u>	<u>4,523,586</u>	<u>4,955,171</u>	<u>5,120,130</u>
Total Expenses	\$ <u>8,831,871</u>	\$ <u>8,842,225</u>	\$ <u>9,180,626</u>	\$ <u>9,818,456</u>	\$ <u>10,080,446</u>
Revenues Available for Capital Additions and Other Lawful Purposes	\$ <u>1,377,921</u>	\$ <u>1,937,152</u>	\$ <u>1,799,027</u>	\$ <u>2,177,588</u>	\$ <u>1,732,988</u>
<b><u>Fort Collins:</u></b>					
Annual Customers	61,261	62,548	62,991	63,913	64,750
Annual MWh	1,392,935	1,404,784	1,442,309	1,429,798	1,404,529
Operating Revenues	\$ 78,875,097	\$ 81,492,800	\$ 81,912,180	\$ 82,448,756	\$ 83,295,973
Other Income	<u>2,450,135</u>	<u>1,970,506</u>	<u>4,483,992</u>	<u>6,268,235</u>	<u>3,498,549</u>
Total Revenues	\$ <u>81,325,232</u>	\$ <u>83,463,306</u>	\$ <u>86,396,172</u>	\$ <u>88,716,991</u>	\$ <u>86,794,522</u>
Purchased Power Expense	56,351,844	56,618,326	59,192,429	60,144,749	61,649,648
Other Expense <sup>b</sup>	<u>14,927,749</u>	<u>15,229,950</u>	<u>17,144,709</u>	<u>19,262,379</u>	<u>20,732,278</u>
Total Expenses	\$ <u>71,279,593</u>	\$ <u>71,848,276</u>	\$ <u>76,337,138</u>	\$ <u>79,407,128</u>	\$ <u>82,381,926</u>
Revenues Available for Capital Additions and other Lawful Purposes	\$ <u>10,045,639</u>	\$ <u>11,615,030</u>	\$ <u>10,059,034</u>	\$ <u>9,309,863</u>	\$ <u>4,412,596</u>
<b><u>Longmont:</u></b>					
Annual Customers	36,425	37,034	37,354	37,626	37,872
Annual MWh	760,811	793,352	813,584	801,321	768,123
Operating Revenues	\$ 41,453,331	\$ 43,843,190	\$ 44,829,165	\$ 44,020,481	\$ 44,507,482
Other Income <sup>c</sup>	<u>348,634</u>	<u>488,659</u>	<u>459,032</u>	<u>501,973</u>	<u>217,665</u>
Total Revenues <sup>c</sup>	\$ <u>41,801,965</u>	\$ <u>44,331,849</u>	\$ <u>45,288,197</u>	\$ <u>44,522,454</u>	\$ <u>44,725,147</u>
Purchased Power Expense	31,280,286	32,032,837	33,191,277	33,610,567	33,750,321
Other Expense <sup>b</sup>	<u>9,099,207</u>	<u>9,448,800</u>	<u>7,385,016</u>	<u>10,607,473</u>	<u>11,845,289</u>
Total Expense	\$ <u>40,379,493</u>	\$ <u>41,481,637</u>	\$ <u>40,576,293</u>	\$ <u>44,218,040</u>	\$ <u>45,595,610</u>
Revenues Available for Capital Additions and Other Lawful Purposes <sup>c</sup>	\$ <u>1,422,472</u>	\$ <u>2,850,212</u>	\$ <u>4,711,904</u>	\$ <u>304,414</u>	\$ <u>(870,463)</u>
<b><u>Loveland:</u></b>					
Annual Customers	30,076	31,038	31,727	32,079	32,399
Annual MWh	600,985	625,499	653,737	692,258	642,783
Operating Revenues	\$ 34,627,700	\$ 36,194,600	\$ 38,289,000	\$ 40,137,412	\$ 40,575,277
Other Income	<u>251,000</u>	<u>701,100</u>	<u>1,041,300</u>	<u>845,107</u>	<u>578,191</u>
Total Revenues	\$ <u>34,878,700</u>	\$ <u>36,895,700</u>	\$ <u>39,330,300</u>	\$ <u>40,982,519</u>	\$ <u>41,153,468</u>
Purchased Power Expense	24,266,100	25,208,700	26,381,100	27,989,077	27,862,994
Other Expense <sup>b</sup>	<u>7,256,100</u>	<u>7,439,400</u>	<u>7,663,900</u>	<u>7,864,625</u>	<u>8,143,061</u>
Total Expenses	\$ <u>31,522,200</u>	\$ <u>32,648,100</u>	\$ <u>34,045,000</u>	\$ <u>35,853,702</u>	\$ <u>36,006,055</u>
Revenue Available for Capital Additions and Other Lawful Purposes	\$ <u>3,356,500</u>	\$ <u>4,247,600</u>	\$ <u>5,285,300</u>	\$ <u>5,128,817</u>	\$ <u>5,147,413</u>

### Footnotes for Table 2

- <sup>a</sup> Compiled by Platte River based upon data obtained from the Municipalities' audit reports and operating statements. May reflect slight adjustments to previously reported results.
- <sup>b</sup> Excludes depreciation but includes provision for payments in lieu of taxes and contribution to general fund.
- <sup>c</sup> Excludes Longmont's pro-rata share of Platte River's net income, which was included in Longmont's audited financial statements.