



Arkansas River Power Authority
2026 Proposed Budget
December 4, 2025

P O Box 70
3409 South Main
Lamar, CO 81052

The governing body of the Arkansas River Power Authority (ARPA) is a Board of Directors in which all legislative power of the Authority is vested. Each Municipality appoints 2 representatives to the ARPA Board of Directors.

The ARPA Board of Directors is as follows:

Holly:

Randy Holland

Blaine Ice

La Junta:

Gary Cranson

P. Lorenz Sutherland

Lamar:

Houssin Hourieh

Jay Brooke

Las Animas:

Ron Clodfelter

Rick Stwalley

Springfield:

Heath Piper

Jay Suhler

Trinidad:

Frank Shew

Linda Vigil

ARPA Staff:

Rick Rigel, General Manager

Arvenia Morris, Office Manager

Aarin Ritter, Manager of Finance and Accounting

Arkansas River Power Authority					
Condensed Operating Budget For 2026					
		2024	2025	2025	2026
		<u>Actual</u>	<u>Budget</u>	<u>Projected YE</u>	<u>Budget</u>
		(\$)	(\$)	(\$)	(\$)
	Total Revenues	31,575,686	28,464,813	29,169,357	28,554,462
	Operating Expenses				
	Power Supply	14,973,473	11,987,081	11,852,869	11,926,306
	Transmission	3,444,867	3,986,319	3,913,324	4,441,230
	Administrative & General	1,365,273	1,429,215	1,223,181	1,408,514
	Total Operating Expenses	19,783,612	17,402,616	16,989,374	17,776,049
	Net Operating Income	11,792,074	11,062,197	12,179,983	10,778,413
	Interest Expenses	5,159,631	5,022,756	5,022,756	4,877,529
	Depreciation/Amortization	320,984	272,592	272,591	272,592
	Total	5,480,615	5,295,348	5,295,347	5,150,121
	Net Income	6,311,459	5,766,849	6,884,635	5,628,292
	Non Operating Expenses				
	Return of Reserves	(2,059,178)	(2,063,501)	(2,063,753)	(2,063,756)
	Depreciation/Amortization	267,580	272,592	272,590	272,592
	Amortization Income	(428,976)	(428,976)	(428,976)	(428,976)
	City of Lamar Settlement	(147,466)	(160,525)	(160,525)	(167,482)
	Principal Payments	(2,940,000)	(3,231,249)	(3,231,249)	(3,377,496)
	Capital Purchases/ Contingency	(139,335)	(100,000)	-	(100,000)
	Total Non Operating Expenses	(5,447,375)	(5,711,659)	(5,611,913)	(5,865,118)
	Net Cash	864,084	55,190	1,272,723	(236,826)

Arkansas River Power Authority						
Expenses for 2026 Budget						
	2024	2025	2025	2026	Difference	% of
	Actual	Budget	Projected YE	Budget	From Projected	Difference
	(\$)	(\$)	(\$)	(\$)	(\$)	(%)
Power Supply Costs						
O & M Expenses	18,016	13,500	30,831	13,500	(17,331)	-56.2%
Fuel (Non-LRP)	1,724	14,400	3,145	14,400	11,255	357.9%
WAPA LAP	2,882,451	3,042,330	3,031,134	3,292,139	261,005	8.6%
WAPA CRSP	212,951	205,685	212,860	205,685	(7,176)	-3.4%
ARPA Wind	292,258	242,940	261,452	243,378	(18,074)	-6.9%
Lamar Wind	393,013	402,610	387,658	402,610	14,952	3.9%
Purchased Power	11,173,059	8,065,617	7,925,790	7,754,594	(171,196)	-2.2%
Total Power Supply Costs	14,973,473	11,987,081	11,852,869	11,926,306	73,436	0.6%
Transmission Costs						
Tri-State G & T	2,440,667	2,859,174	2,897,937	3,291,853	393,917	13.6%
SECPA	28,828	35,367	28,985	36,004	7,019	24.2%
San Isabel	194,967	218,342	200,158	211,248	11,089	5.5%
Lamar Light & Power	35,746	38,833	38,471	37,870	(601)	-1.6%
Black Hills	422,929	449,692	417,079	455,853	38,775	9.3%
OATT Transmission	63,946	82,650	18,745	82,650	63,906	340.9%
Ancillary Services- Xcel	257,784	302,261	311,950	325,752	13,802	4.4%
Total Transmission Costs	3,444,867	3,986,319	3,913,324	4,441,230	527,906	13.5%
Administrative & General Expenses						
Dues & Subscription	24,068	30,341	25,128	30,341	5,213	20.7%
Employee Expenses	441,338	463,231	467,576	449,246	(18,330)	-3.9%
Insurance Expenses	60,125	71,579	61,541	71,677	10,136	16.5%
City of Lamar Settlement	196,143	189,475	189,475	182,518	(6,957)	-3.7%
Lease Exp - LRP City Land	-	-	-	-	-	0.0%
Lease Exp - Willow Creek	4,635	4,774	4,774	4,917	143	3.0%
Members Services	40,063	48,488	29,429	48,488	19,059	64.8%
Office Expenses	37,056	28,287	27,857	28,287	430	1.5%
Professional & Outside Svcs	535,825	552,800	378,153	552,800	174,647	46.2%
Safety Program	10,896	15,240	15,240	15,240	(0)	0.0%
Travel, Meals & lodging	15,123	25,000	24,007	25,000	993	4.1%
Total A & G Expenses	1,365,273	1,429,215	1,223,181	1,408,514	185,333	15.2%
Total Operating Expenses	19,783,612	17,402,616	16,989,374	17,776,049	786,675	4.6%
Interest Expenses	5,159,631	5,022,756	5,022,756	4,877,529	(145,227)	-2.9%
Depreciation/Amortization	320,984	272,592	272,591	272,592	1	0.0%
Total Expenses	25,264,227	22,697,964	22,284,722	22,926,170	641,449	2.9%
Capital Outlays						
Wind Turbine Upgrades	-	-	-	-	-	0.0%
Wind Turbine T-4 Gearbox Replacement	134,037	-	-	-	-	-
Contingency	5,298	100,000	-	100,000	100,000	100.0%
Total Capital/ Contingency	139,335	100,000	-	100,000	100,000	#DIV/0!
Total Expenses (Incl. Capital)	25,403,562	22,797,964	22,284,722	23,026,170	741,449	3.3%

Arkansas River Power Authority															
2026 Proposed Budget Recap															
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	2026 Budget	2025 Projected	2025 Budget
	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)	(S)
Power Supply Costs															
O & M Expenses	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	13,500	30,831	13,500
Fuel (Non-LRP)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400	3,145	14,400
WAPA LAP	245,587	220,080	228,806	293,068	299,498	320,626	361,043	320,626	277,453	238,204	238,204	248,944	3,292,139	3,031,134	3,042,330
WAPA CRSP	17,364	17,066	17,058	14,821	17,338	17,039	17,827	17,456	15,647	18,088	17,644	18,336	205,685	212,860	205,685
ARPA Wind	20,282	20,282	20,282	20,282	20,282	20,282	20,282	20,282	20,282	20,282	20,282	20,282	243,378	261,452	242,940
Lamar Wind	31,678	33,313	34,207	35,472	34,885	35,259	30,972	31,098	34,270	34,148	32,493	34,813	402,610	387,658	402,610
Purchased Power	689,475	632,698	611,070	479,961	535,845	683,337	801,014	875,860	704,542	549,690	571,793	619,309	7,754,594	7,925,790	8,065,617
Total Power Supply Costs	1,006,711	925,764	913,748	845,928	910,173	1,078,867	1,233,463	1,267,647	1,054,519	862,736	882,740	944,009	11,926,306	11,852,869	11,987,081
Transmission Costs															
Tri-State G & T	266,174	267,744	272,290	276,883	279,164	273,452	287,002	290,630	275,667	271,367	263,970	267,510	3,291,853	2,897,937	2,859,174
SECPA	3,065	2,620	2,592	2,304	2,535	3,346	4,254	4,191	3,171	2,427	2,582	2,917	36,004	28,985	35,367
San Isabel	19,514	17,327	17,461	15,129	14,935	16,760	20,037	19,840	17,016	16,153	17,653	19,422	211,248	200,158	218,342
Lamar Light & Power	2,466	2,392	2,540	2,565	3,034	4,320	4,666	4,839	3,999	2,640	2,071	2,338	37,870	38,471	38,833
Black Hills	32,871	30,770	27,885	28,505	38,060	50,396	54,174	53,667	46,927	33,184	28,600	30,815	455,853	417,079	449,692
OATT	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	6,888	82,650	18,745	82,650
Ancillary Services- Xcel	24,473	25,048	34,545	17,863	25,933	33,055	35,523	30,576	29,940	27,375	18,316	23,105	325,752	311,950	302,261
Total Transmission Costs	355,451	352,789	364,201	350,137	370,548	388,216	412,544	410,630	383,608	360,033	340,080	352,994	4,441,230	3,913,324	3,986,319
Administrative & General Expenses													2026	2025	2025
Dues & Subscription	9,394	2,364	307	2,979	1,749	458	3,652	288	288	8,186	288	388	30,341	25,128	30,341
Employee Expenses	37,437	37,437	37,437	37,437	37,437	37,437	37,437	37,437	37,437	37,437	37,437	37,437	449,246	467,576	463,231
Insurance Expenses	7,501	5,398	5,398	5,398	5,398	5,398	5,398	10,198	5,398	5,398	5,398	5,398	71,677	61,541	71,579
City of Lamar Settlement	15,480	15,431	15,383	15,334	15,285	15,236	15,186	15,137	15,087	15,037	14,987	14,937	182,518	189,475	189,475
Lease Exp - LRP City Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lease Exp - Willow Creek	4,917	-	-	-	-	-	-	-	-	-	-	-	4,917	4,774	4,774
Members Services	4,974	4,974	3,574	3,574	3,574	3,574	3,574	3,574	4,974	4,974	3,574	3,574	48,488	29,429	48,488
Office Expenses	3,457	1,807	1,807	3,458	1,807	1,807	3,457	1,808	1,807	3,457	1,807	1,808	28,287	27,857	28,287
Professional & Outside Svcs	25,500	60,000	35,500	35,500	47,300	53,000	43,000	35,500	41,000	55,500	70,000	51,000	552,800	378,153	552,800
Safety Program	-	-	-	-	-	-	-	-	-	15,240	-	-	15,240	15,240	15,240
Travel, Meals & lodging	2,083	2,083	2,084	2,083	2,083	2,084	2,083	2,083	2,084	2,083	2,083	2,084	25,000	24,007	25,000
Total A & G Expenses	110,742	129,494	101,490	105,763	114,633	118,994	113,787	106,025	108,075	147,312	135,574	116,626	63,728	44,669	63,728
													1,408,514	1,223,181	1,429,215
Total Operating Expenses	1,472,904	1,408,047	1,379,438	1,301,828	1,395,353	1,586,077	1,759,794	1,784,301	1,546,202	1,370,081	1,358,395	1,413,629	17,776,049	16,989,374	17,402,616
Interest Expenses	409,605	409,605	409,605	409,605	409,605	409,605	409,605	409,605	409,605	397,028	397,028	397,028	4,877,529	5,022,756	5,022,756
Depreciation/Amortization	22,716	22,716	22,716	22,716	22,716	22,716	22,716	22,716	22,716	22,716	22,716	22,716	272,592	272,591	272,592
Total Expenses	1,905,225	1,840,368	1,811,759	1,734,149	1,827,674	2,018,398	2,192,115	2,216,622	1,978,523	1,789,825	1,778,139	1,833,373	22,926,170	22,284,722	22,697,964

			kWh	Rate	Amount (\$)										
Avg Composite Rate	\$ 0.09366		269,028,444	0.0769	\$20,688,287	Energy Rate									
			582,023	7.13	\$4,149,824	Demand Rate									
			269,028,444	0.00000	\$0	DSC Adder									
			358,851	1	\$358,851	Reimb Transmission									
					\$25,196,962										
Arkansas River Power Authority															
Revenues for 2026 Proposed Budget															
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	2026 Total		2025 Budget
Members	22,462,066	20,024,366	20,443,910	18,971,351	20,663,003	24,752,167	29,073,559	29,064,341	23,224,104	19,356,667	19,628,693	21,364,219	269,028,444		268,810,008
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		(\$)
Sales to Members	2,103,797	1,875,482	1,914,777	1,776,857	1,935,297	2,318,288	2,723,029	2,722,166	2,175,170	1,812,945	1,838,423	2,000,973	25,197,204		25,128,360
Lamar CRSP	40,225	36,172	38,095	26,394	22,106	27,114	30,239	28,397	27,203	35,159	37,765	39,657	388,526		396,226
Debt Service Adder	171,985	171,985	171,985	171,985	171,985	171,985	171,985	171,985	171,985	171,965	171,965	171,965	2,063,756		2,063,501
Interest Income	40,000	60,000	30,000	36,000	25,000	25,000	25,000	36,000	36,000	91,000	36,000	36,000	476,000		432,000
Amortization	35,748	35,748	35,748	35,748	35,748	35,748	35,748	35,748	35,748	35,748	35,748	35,748	428,976		428,976
Capacity Sales	-	-	-	-	-	-	-	-	-	-	-	-	-		15,750
Total Revenues	2,391,754	2,179,386	2,190,604	2,046,983	2,190,135	2,578,135	2,986,001	2,994,296	2,446,105	2,146,818	2,119,902	2,284,343	28,554,462		28,464,813
	8.4%	7.6%	7.7%	7.2%	7.7%	9.0%	10.5%	10.5%	8.6%	7.5%	7.4%	8.0%	100.0%		100.0%
	75,748	95,748	65,748	71,748	60,748	60,748	60,748	71,748	71,748	126,748	71,748	71,748			

Debt Coverage Calculation		
For 2026 Budget Year		
Projected Revenues	\$ 28,554,462	
Less: Amortization of Premium	\$ (428,976)	
Projected Operating Expenses	\$ (17,776,049)	
Net Operating Margin	\$ 10,349,437	
Annual Debt Service	\$ 8,255,025	
Coverage Ratio	1.25	

