TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

2022 Investor Presentation



Forward-looking statements detail our plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs, or intentions relating to acquisitions, closure of facilities, business trends and other information that is not historical information.

When used in this presentation, the words "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes" and "forecasts" or future or conditional verbs, such as "will," "should," "could" or "may," and variations of such words or similar expressions, are intended to identify forward-looking statements.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described from time to time in our filings with the Securities and Exchange Commission. All forward-looking statements, including, without limitation, management's examination of historical operating trends and data, are based upon our current expectations and various assumptions.

Our expectations and beliefs are expressed in good faith, and we believe there is a reasonable basis for them. However, we cannot provide certainty that management's expectations and beliefs will be achieved. There are a number of risks, uncertainties and other important factors that could cause our actual results to differ materially from the forward-looking statements contained in this presentation.



Cooperative Power TRANSFORMED



Power today, potential tomorrow

We are Tri-State, a not-for-profit wholesale power supplier to 42 electric cooperatives and public power districts across the Western United States. Together, we provide power to more than one million energy consumers in Colorado, Nebraska, New Mexico and Wyoming.

We believe that reliable power is the lifeblood of the rural West and is critical to the future of our communities. That's why we've made it our mission to supply reliable, affordable, responsibly-generated power to the farms, ranches, resorts and small towns that our members serve.



42 Utility Members

Tri-State's member systems span areas in Colorado, Nebraska, New Mexico and Wyoming.

200,000 Square Miles

With our members, we serve over a million consumers across an area greater than California.

Our members are the sole state-certified providers of electric service to retail customers within their designated service territories.



Our Transition

Our transition to becoming a 21st century G&T.

2019	0)
Reliable> Reliable	Ĺ
Traditional G&T	1
Constrained transmission	
Limited bilateral market Full market	í.
High cost> Competitive	
One-size-fits-all Member flexibility	1
Limited renewables Majority renewables	



TRI-STATE INTEGRATED STRATEGY MAP: TO BE RECOGNIZED AS THE BEST AND MOST COMPETITIVE OPTION FOR OUR MEMBERS

Our mission: To provide our member systems a reliable, affordable and responsible supply of electricity in accordance with cooperative principles

MEMBER NEEDS	Reliable power	Affordable rates	Opportunities for flexibility	Cleaner energy
KEY GOALS	99.995% reliability rate	Wholesale rate <\$70/MWh by end of 2023	Self-generate >15% by 2030	70% clean energy by 2030
STRATEGIC PRIORITIES	RELIABILITY	AFFORDABILITY	FLEXIBILITY	RESPONSIBILITY
ASSOCIATION PRIORITIES			+ Maintain financial strength + Focus on members	
EMPLOYEE FOCUS			+ Embrace the cooperative culture + Build a culture where all employees are empowered	
OUR VALUES	+ Progress through action + Cooperative collaboration + Responsive engagement		+ Accountability through transparency + Prioritize safety	
OUR MISSION	To provide member systems	s a reliable, affordable and responsi	ble supply of electricity in accordance	e with cooperative principles





Responsible Energy Plan

In January 2020, we announced our Responsible Energy Plan to pursue a clean energy transition. The plan will help us expand renewable generation and reduce greenhouse gas emissions while ensuring reliable, affordable and responsibly-generated electricity for our member cooperatives and public power districts, and for the communities they serve.

Goals for our energy transition include:

- Meeting member clean energy goals and complying with environmental and renewable requirements
- Reducing member rates
- Preserving electric reliability/affordability
- Maintaining the association's financial strength





I-STATE

Responsible Energy Plan

We eliminated CO_2 emissions from Tri-State-owned coal generation in New Mexico in 2020. In Colorado, by 2030, we are targeting a 100% reduction in CO_2 emissions from Tri-State-owned coal generation, a 90% reduction in CO_2 emissions across generation we own or operate, and an 80% reduction in CO_2 emissions associated with state wholesale electricity sales. At the same time, we are bringing more than 1,000 MW of wind and solar resources online by the end of 2024, with a goal to supply our members with 70% clean energy system-wide by 2030.

Closures include:

Rifle Station in 2022* Craig Unit 1 in 2025 Craig Unit 2 in 2028 Craig Unit 3 before 2030

We're providing retraining and transition support for employees affected by these changes. We are also working with impacted communities, as well as state and federal government entities to find meaningful economic development opportunities to support a just transition.

The Colorado PUC approved Tri-State's phase I of the 2020 Electric Resource Plan. Tri-State has agreed to reduce greenhouse gas emissions related to its wholesale electricity sales in Colorado as follows: 26% in 2025, 36% in 2026, 46% in 2027, and 80% in 2030. With the settlement agreement approval, Tri-State began Phase II of its 2020 Electric Resource Plan, and solicited bids in May 2022, with a focus on projects that support emissions reductions. These resources would be scheduled to come online by 2025 and into 2026.

* With Colorado PUC approval.

REP Progress Highlights



Increase clean energy

 Brought 2 wind projects online about a third of the resources to reach our 50% clean energy by the end of 2024 goal



Reduce emissions

• CO PUC approved phase I of our ERP with a focus on emissions reduction. Allows Tri-State to start on Phase II, which opens the bidding process for renewable energy projects



Increase member flexibility

 Allocated 300 MW of memberrequested self-supply capacity to 6 participating members



Extend clean grid benefits

 Supported installation of 369 EV charging stations and counting in members' service areas



Support our communities

 Donated \$5 million to support community economic development near the retired Escalante Station in New Mexico



Create a brighter future

 Reduced wholesale rates to members by a total of 4% in 2021 and 2022



Our members

Colorado

EM Empire Electric Association, Inc., Cortez GC Gunnison County Electric Association, Inc., Gunnison HL Highline Electric Association, Holyoke KC K.C. Electric Association, Inc., Hugo LP La Plata Electric Association, Inc., Durango MC Morgan County Rural Electric Association, Fort Morgan MP Mountain Parks Electric, Inc., Granby MV Mountain View Electric Association, Inc., Limon PV Poudre Vallev Rural Electric Association. Inc., Fort Collins SI San Isabel Electric Association, Inc., Pueblo West SV San Luis Valley Rural Electric Cooperative, Inc., Monte Vista SM San Miguel Power Association, Inc., Nucla SC Sangre de Cristo Electric Association, Inc., Buena Vista SE Southeast Colorado Power Association, La Junta UN United Power, Inc., Brighton WR White River Electric Association, Inc., Meeker YW Y-W Electric Association, Inc., Akron

Nebraska

CR Chimney Rock Public Power District, Bayard MW Midwest Electric Cooperative Corporation, Grant NW Northwest Rural Public Power District, Hay Springs PH Panhandle Rural Electric Membership Association, Alliance RS Roosevelt Public Power District, Scottsbluff WB Wheat Belt Public Power District, Sidney

New Mexico

CN Central New Mexico Electric Cooperative, Inc., Mountainair CO Columbus Electric Cooperative, Inc., Deming CD Continental Divide Electric Cooperative, Inc., Grants JM Jemez Mountains Electric Cooperative, Inc., Española MO Mora-San Miguel Electric Cooperative, Inc., Mora NR Northern Rio Arriba Electric Cooperative, Inc., Chama OC Otero County Electric Cooperative, Inc., Cloudcroft SR Sierra Electric Cooperative, Inc., Elephant Butte SO Socorro Electric Cooperative, Inc., Socorro SW Southwestern Electric Cooperative, Inc., Clayton SP Springer Electric Cooperative, Inc., Springer

Wyoming

BH Big Horn Ruaral Electric Company, Basin CB Carbon Power & Light, Inc., Saratoga GL Garland Light & Power Company, Powell HP High Plains Power, Inc., Riverton HW High West Energy, Inc., Pine Bluffs NB Niobrara Electric Association, Inc., Lusk WL Wheatland Rural Electric Association, Wheatland WY Wyrulec Company, Torrington

Non-Utility Members Ellgen Ranch Company MIĔCO, Inc. Olson's Greenhouses of Colorado, LLC

Our resources

1. Headquarters and Operations Center Westminster, Colorado

Craig Station Craig, Colorado

2.

- 3. **Burlington Station** Burlington, Colorado
- 4. J.M. Shafer Generating Station Fort Lupton, Colorado
- Limon Generating Station 5. Limon, Colorado
- Frank R. Knutson Generating 6. Station

Brighton, Colorado

- 7. Rifle Generating Station Rifle, Colorado
- 8. Laramie River Station Wheatland, Wyoming
- 9. Pyramid Generating Station Lordsburg, New Mexico
- 10. David A. Hamil DC Tie Stegall, Nebraska
- 11. Springerville Generating Station Springerville, Arizona
- 12. Colowyo Mine Meeker, Colorado
- 13. New Horizon Mine (in full reclamation) Nucla, Colorado
- 14. Cimarron Solar
- Springer, New Mexico



- 16. Colorado Highlands Wind Fleming, Colorado
- 17. Carousel Wind Burlington, Colorado
- 18. San Isabel Solar Trinidad, Colorado
- 19. Alta Luna Solar Deming, New Mexico
- 20. Twin Buttes II Wind Lamar, Colorado
- 21. Crossing Trails Wind Seibert, Colorado
- 22. Spanish Peaks Solar* Trinidad, Colorado
- 23. Nivol Wind Logan County, Colorado
- 24. Spanish Peaks Solar II* Las Animas County, Colorado
- 25. Coyote Gulch Solar* La Plata County
- 26. Dolores Canyon Solar* Dolores County, Colorado
- 27. Axial Basin Solar* Moffat County, Colorado
- 28. Escalante Solar* McKinley County, New Mexico
- *Generation projects will be operational by the end of 2024

Tri-State also receives power from several small hydropower projects and under long-term contracts with the Western Area Power Administration and Basin Electric Power Cooperative.





A diverse + reliable generation portfolio

How we generate and purchase power is important to our members.

Tri-State is able to meet our members' needs by deploying, renewable energy resources via our long-term purchase power contracts, an efficient fleet of owned generation resources, and market purchases.

Our diverse generation portfolio leverages the West's plentiful natural resources to generate reliable and affordable electricity for our membership. We manage risks and costs of power generation by utilizing renewable energy resources, including hydropower, wind and solar. We back that up with our efficient base load-serving coal generating units, intermediate load-serving natural gas combined-cycle generating units, and peak load-serving natural gas and oil combustion turbines.

To manage the costs of fuel supply, we use coal from Tri-State-owned mines and contract for other coal supplies through our cooperative network.

2021 Generation Portfolio

(as of Dec. 31, 2021)



*2026 includes generic resources not yet acquired, but as forecasted by the Revised Preferred Plan





Our transmission lines span the West

Reliable electricity hinges on our multi-state transmission network. It carries electricity from our generation resources to our members' distribution systems or to energy markets for sale. Our transmission network includes lines, substations, telecommunications, maintenance centers and field offices.

Keeping the lights on for our members' consumers means our transmission system must be maintained and invested in regularly. Because we own most of our transmission network, we can more quickly add facilities and delivery points to serve our members' growing energy loads.

Tri-State joined SPP's Western Energy Imbalance Service (WEIS) Market on February 1, 2021. In addition, Tri-State also expanded its participation in the CAISO Western Energy Imbalance Market (WEIM) real-time energy market into New Mexico on April 1, 2021, as the Public Service Company of New Mexico (PNM) balancing authority joined the market. Tri-State will have 100% of its members' load in organized markets in 2023, following the announcement of Public Service Company of Colorado to join the SPP's WEIS.



419 BULK SUBSTATIONS





FERC

2019

Filed tariffs for our utility member rates, our transmission service rates, and our market-based rates which FERC accepted subject to refund

aug. 2021

Filed a proposed settlement agreement with FERC related to our transmission service rates which was approved in October of 2021

Filed a methodology and procedures for members to buy out of their all-requirements obligations; litigation before FERC ongoing

APR. -

SEPT.

2022

Our board took action to place Tri-State under wholesale rate regulation by the Federal Energy Regulatory Commission (FERC) by adding our first non-utility member. Under rate regulation at FERC, any member has the right to participate equally in the rate setting process, regardless of the member's size or which state it's from



FERC approved the settlement for our utility member rates that provided for the 2% reduction in March 2021 and the 2% reduction in March 2022
Agreed to file a new utility rate tariff between June and September of 2023
A rate committee of the membership has been formed

MAR. 2022 Filed a methodology and procedures for members to buy down limited portions of their all-requirements obligations; proposed settlement filed in April of 2022, currently pending FERC review

JULY -

NOV.

2022





Long-term wholesale power contracts create a stable and predictable revenue stream

Wholesale power contracts

• 42 member contracts extend to 2050

Contract obligations

• Contracts obligate Tri-State members to pay all of Tri-State's costs and expenses, including debt service associated with owning and operating its power supply business

Contract flexibility

- Tri-State completed two "open seasons" which allowed members to apply for a portion of 300 MW to self-supply up to 50% of their load, with the total 300 MW being allocated across six different members
- Each member system has the option to provide up to 5% of its energy requirements from generation it owns or controls, such as distributed or renewable energy, and above that level may add a certain amount of community solar projects.



2021 Tri-State numbers

Tri-State's strong financial position provides the association with the continued ability to meet the future needs of the member distribution systems and their member-owners.

Energy sales

17.6M MWh Total Energy Sold

15.7M MWh MEMBER ENERGY SALES





\$26M

\$4.9B TOTAL ASSETS

Net margin



Energy sold to members

2019	16.4 MWh
2020	15.9 MWh
2020	15.7 MWh
2021	13.7 1010011

Member coincident peak demand

2019	3,009 MW
2020	2,880 MW
	2,974 MW
2021	



Our master indenture

Tri-State's master indenture provides for a lien over nearly all of our assets.* Debt issued under the indenture is secured equally and ratably with all other secured obligations. Pursuant to the indenture, we are required to meet two main financial covenants: a Debt Service Ratio (DSR) and an Equity to Capitalization Ratio (ECR). The DSR requirement of at least 1.10 ensures that we have adequate cash flow to cover our debt payments, and the ECR requirement of at least 18% ensures that we maintain a sufficient balance between debt and equity.

*The master indenture does not provide a lien on the assets of our subsidiaries, including the Springerville Generating Station and the Colowyo Coal Mine. The Springerville certificates are secured outside of the master indenture.

DSR & ECR

Tri-State has consistently maintained a debt service ratio well above the requirements of the master indenture. We have also steadily invested in assets while maintaining equity growth.

INDENTURE DSR FOR 2021 WAS

INDENTURE ECR FOR 2021 WAS







*5% decline in total debt from 2018 to 2021



Our financial goals

Our financial goals provide a cushion over our indenture requirements to collect margins, set rates and maintain a sound financial position. Our board of directors re-evaluates the policy periodically.

Debt service ratio

At least 1.19 in 2021 and increasing 0.005 each year until 1.20 is reached in 2023.

Equity as a % of total capitalization

At least 24.0% in 2021 and increasing 0.5% each year until 25.0% is achieved in 2024.

Liquidity

Maintain 30-60 days of cash on hand and 100-300 days of liquidity on hand.

Deferred revenue

Recognize deferred revenue or defer revenue to achieve DSR equal to DSR goal. For 2021, actual ECR was above our financial goal

* Current long-term senior secured debt ratings are "A3" by Moody's, "BBB+" by S&P and "A-" by Fitch. Current short-term ratings are "A-2" by S&P and "F-1" by Fitch.



Total capitalization

(as of 12/31/2021)

Tri-State obtains capital through a variety of sources, including both public and private debt markets and margins. Additionally, we maintain equity at a level that provides for a healthy overall capital mix. We also manage interest rate risk by maintaining an appropriate balance between fixed rate and variable rate debt.



Total debt





Our liquidity

Tri-State is well-positioned to fund its ongoing operations and capital requirements.





The road ahead

Tri-State anticipates financing through a variety of sources, giving us flexibility around how we structure our debt portfolio in relation to interest rate risk, maturity profile and amortization structure.

With our commitment to the cooperative business model and to serving our member systems, Tri-State stands apart from other utilities. Our liquidity, healthy sales growth and readiness to meet future obligations and challenges highlight our strong financial position.

Our major financing sources

- Private placement
- SEC registered bonds
- CoBank
- CFC
- Credit facility
- Commercial paper







We are among the largest generation and transmission cooperatives in the country in terms of total assets, annual operating revenue, miles of transmission line owned, energy generation and sales.

As a cooperative, everything we do is member-driven and member-focused. Our board of directors is made up of representatives from each of our 42 member systems, and with their guidance and governance, we continue to work with our member systems to serve the needs of communities and consumers across the West.

Our different is better

We are a member-owned cooperative

This means we are not driven by profits; we're driven by the communities we serve. Unlike investorowned utilities (IOUs), we have:

No EPS targets
 No high dividend payout ratios
 No EPS-driven M&A activity

Our equity levels

Our equity is comprised solely of patronage capital, similar to retained earnings of a for-profit company. We don't have paid-in capital on common stock.

A valuable service

Working with our member systems, we provide power to consumers in rural areas that IOUs and municipals have historically ignored. Cooperatives, on average, serve far fewer customers per mile. Cooperatives are not usually afforded the opportunity to serve highly populated areas and instead provide for those in more rural communities, where our services are absolutely vital.

Long-term wholesale power contracts

Contracts obligate our member systems to pay all of our costs and expenses, including debt service, associated with owning and operating our power supply business. Over the last few years, we have worked with our members to create more flexibility in our contracts to better serve the growing diversity of members.





Tri-State credit strengths

- A large and growing portfolio of renewable energy backed by a baseload, intermediate and peak load fleet that provides affordable, reliable and responsibly generated power
- Extensive transmission network, which enables Tri-State to improve reliability and add resources in the future
- Long-term wholesale power contracts for at least 95% of each member system's energy requirements to 2050 with 42 of our members
- Safety record remains better than the national average

- Tri-State is located in a diverse region with significant wind and solar resources available
- Operating expenses have remained flat over the past five years
- Cost cutting initiatives are being pursued to sustain rate reductions
- Rate reduction put into place with 2% in 2021 and an additional 2% in 2022, with a rate moratorium through May 2023, will be met ensuring a competitively priced power supply to our member systems

For investor inquiries, please contact us at investorrelations@tristategt.org



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