



## OUR STORY



Throughout 2021, Tri-State continued the commitment to our clean energy transition – one that is reliable, affordable, responsible and flexible, and that supports our mission to serve our members in accordance with the seven cooperative principles. At the foundation of our transition is a dedication to strong environmental, social and governance (ESG) practices. That dedication has been part of our business model since the beginning, and we believe it's important to share how those principles guide our work as an electricity provider.

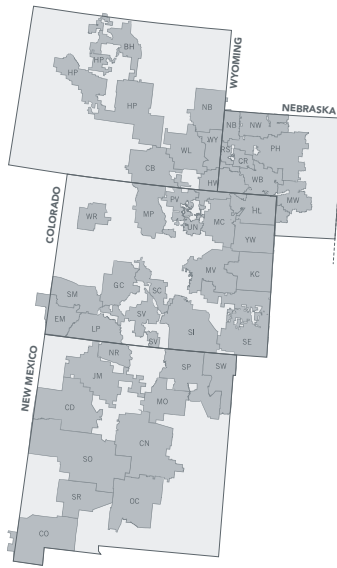
Our ESG Report outlines some of these fundamentals that have endured since our founding, like environmental stewardship, democratic member governance, and newer priorities that guide where we're going, such as reducing emissions and supporting our employees and communities affected by this transition.

## OUR COOPERATIVE STORY

Tri-State was formed to meet a basic need for our members: to electrify the rural West. Though some of our members serve as few as one connection per mile of distribution line, they all have the same need for reliable, affordable and responsible electric power.

## OUR DIVERSITY, EQUITY AND INCLUSION STATEMENT

As Tri-State moves toward a sustainable future, we are also working toward a diverse, equitable and inclusive culture for our current and future employees. We are committed to providing a respectful, safe and welcoming atmosphere where all employees can have their unique ideas and experiences recognized.



## OUR MISSION

To provide our member systems a reliable, affordable and responsible supply of electricity in accordance with the cooperative principles.

## THE SEVEN COOPERATIVE PRINCIPLES

Cooperatives around the world operate according to the same set of core principles and values. These seven principles are a key reason that America's electric cooperatives operate differently from other electric utilities, putting the needs of our members first.

1. OPEN AND VOLUNTARY MEMBERSHIP
2. DEMOCRATIC MEMBER CONTROL
3. MEMBERS' ECONOMIC PARTICIPATION
4. AUTONOMY AND INDEPENDENCE
5. EDUCATION, TRAINING AND INFORMATION
6. COOPERATION AMONG COOPERATIVES
7. CONCERN FOR COMMUNITY



We are a cooperative of 45 members, including 42 electric distribution cooperatives and public power districts.



We own 5,771 miles of high voltage transmission line, serving more than 1 million people.



Our members' service territories create the largest electric cooperative footprint in the U.S. Our geographic footprint is larger than the state of California.



**EMISSIONS REDUCTIONS**

- Targeting an 80% reduction in CO<sub>2</sub> emissions associated with wholesale electricity sales in CO by 2030, relative to a 2005 baseline
- Since 2010, we accomplished the following:
  - 49% decrease in annual NO<sub>x</sub> emissions
  - 32% decrease in annual SO<sub>2</sub> emissions
  - 17% decrease in annual CO<sub>2</sub> emissions

**INCREASING RENEWABLES**

- 304 MW of wind energy added in 2021
- Supplied 200,000+ MWh of solar power in 2021
- 40% clean energy used by members in Nov 2021
- By 2024, 50% of the electricity used by members will come from clean energy

**PROTECTING BIODIVERSITY**

- Jointly managing wildlife and habitat on 50,000 acres in Moffat County with Colorado Parks and Wildlife
- An active member of the Avian Power Line Interaction Committee
- Worked with Colorado State University to develop practices that benefit pollinators during transmission line reclamation.

**BENEFICIAL ELECTRIFICATION**

- Supported 400+ EV charger installations
- Initiated a heat pump training program for members and contractors
- Launched Tri-State's Electrify and Save marketing program for members

**WILDFIRE MITIGATION**

- Completed a multi-year vegetation management project with BLM and landowners to reduce wildfire ignition risk near Lake City, CO
- Implementing a drone program to decrease hazardous tasks for field employees, increase data, and aid wildfire mitigation efforts

**RESOURCE PLANNING**

- Entered two energy imbalance markets
- 80% of our load is in organized markets, which supports reliability and affordability
- Working toward timely, cost-effective market participation through entry into the Southwest Power Pool's RTO

## SOCIAL

**JUST TRANSITION**

- Working with the Center of the New Energy Economy to support energy transitions in northwest CO
- Partnered with the Electric Power Research Institute to install indoor ag facilities to support local schools and colleges in CO and NM

**CULTURE OF SAFETY**

- Donated critical PPE to Westminster, CO fire department, including N95 masks and sanitizer
- Tri-State's Rifle Station received the 2021 NSC's Superior Safety Performance Award, celebrating 10 consecutive years without workplace injuries
- Colowyo Mine recognized for 4 consecutive years of outstanding safety by CMA and CDRMS

**CONCERN FOR COMMUNITY**

- Employees volunteered for 50+ organizations and charities in 2021, and Tri-State offers paid volunteer days and matches employee contributions to local non-profits
- \$125k in community event sponsorships in 2021
- In 2021, we provided severe weather assistance to member cooperatives affected by storms

**MEMBER ENGAGEMENT**

- Provided \$26,000 in incentives for beneficial electrification and heat pumps in NM
- Provided 10,000+ energy efficiency rebates
- We host an annual Communications and Member Services Conference at no cost to our members



EV CHARGER INSTALL



VOLUNTEER WILDFIRE MITIGATION



INDOOR AG FACILITY

## GOVERNANCE

Tri-State's Board of Directors is appointed by our 42 distribution utility members. These diverse not-for-profit electric cooperatives and public power districts are also governed by democratically elected boards. Our board gathers monthly and make governing decisions for Tri-State based on the seven cooperative principles, sound financial principles, utility industry best practices and, most importantly, the needs of our members.

This is one of the fundamental ways Tri-State differs from other types of utilities: our members are our owners and are the driving force behind our association strategy, our business decisions and our ongoing energy transition. This is why our mission reflects our commitment to serve our members with a reliable, affordable, responsible and flexible supply of electricity in accordance with cooperative principles. At Tri-State, it's our job to engage our members, meet their wholesale power needs and goals, and provide the services they value.

**PATRONAGE CAPITAL**

Returned patronage capital for 39 consecutive years, an allocation of approximately \$1.5 billion.

**AFFORDABILITY**

Reduced wholesale rates by 2% in 2021, with another 2% reduction in 2022.

**MEMBER SELF-SUPPLY FLEXIBILITY**

Allocated 203MW to three members who requested the capacity to self-supply more of their power.

**BOARD OF DIRECTOR MEETINGS**

We support transparency around our governance structure, facilitating access to monthly Board Meetings as association governance is discussed to not only members but consumers and news media.