

Responsible Energy Plan 2022 Progress Highlights

When Tri-State Generation and Transmission Association announced our Responsible Energy Plan (REP) in January 2020, we identified ambitious but actionable commitments and challenging but attainable goals for our energy transition, and we have continued to refine our plan as our members' needs change and technologies and market conditions evolve. In 2022, we saw upheaval from inflation, solar panel tariff uncertainty and disruption of supply chains for critical infrastructure; but our members' core need from Tri-State—for reliable, affordable and responsible electricity—is unchanged, as is our commitment to that mission.

Despite the challenges, Tri-State has continued to make progress in our energy transition, through which we are reducing greenhouse gas emissions while expanding renewable generation and ensuring reliable and affordable electricity for our members. Here we outline the progress we have made in 2022 as we lead a clean energy transition that is responsible to our employees, members, communities, and environment.



INCREASING CLEAN ENERGY

By 2025, 50% of the electricity our members use will come from clean resources

By 2025, we will bring over 1,000 MW of utility-scale wind and solar projects online, doubling our system to over 2,000 MW of clean energy. By 2030, our goal is for 70% of the electricity our members use system-wide to come from clean sources.

PROGRESS IN 2022

- Over a third of the energy our members used came from clean sources, and we set a renewable penetration record of 66%.
- Anticipate under-contract solar resource PPAs to come online in 2024 despite delays and price uncertainty from supply chain disruption and the U.S. Department of Commerce solar industry investigation.
- Issued a request for proposals (RFP) for new renewable, storage and hybrid technology resources for 2025-2026

emissions-free generation, receiving over 270 individual eligible bids, as part of our Electric Resource Plan.*

- Gained approval from the Colorado Public Utilities Commission (PUC) to build new transmission lines and other transmission upgrades that will support connecting up to 700 MW of renewable capacity and improve system reliability.



REDUCING EMISSIONS

Eliminate emissions from our coal plants in CO and NM by 2030

We eliminated CO₂ emissions from Tri-State-owned coal generation in New Mexico in 2020. In Colorado, by 2030, we are targeting a 100% reduction in CO₂ emissions from Tri-State-owned coal generation, a 90% reduction in CO₂ emissions across generation we own or operate, and an 80% reduction in CO₂ emissions associated with wholesale electricity sales.

PROGRESS IN 2022

- Retired Rifle Generating Station in September 2022 following PUC approval of unanimous settlement to close the 85 MW combined-cycle natural gas power plant.
- Established our glidepath to reduce emissions associated with wholesale electricity sales in Colorado relative to a 2005 baseline by 26% in 2025, 36% in 2026, 46% in 2027, and 80% by 2030.*



COMMITTING TO COMMUNITY AND EMPLOYEES

Support community & employee transition

Our efforts include retraining and transition support for employees affected by facility retirements and working with impacted communities to find meaningful economic development opportunities. We also work with local, state and federal leaders to support a just transition from coal.

PROGRESS IN 2022

- In partnership with state and local leaders, Tri-State is in the process of hiring a facilitator to guide discussions to explore community assistance opportunities for the City of Craig and Moffatt County, in preparation for the retirement of Craig Station by 2030.*
- Donated \$50,000 for local economic development to the Rifle Regional Economic Development Corporation following the retirement of the Rifle Generating Station.



- Collaborated with partners to advance opportunities to retain employment and revenue in transitioning communities through co-location of clean energy projects at power plants, including by responding to federal requests for information.
- Continued working with Nucla, CO area officials to explore economic development opportunities.



INCREASING MEMBER FLEXIBILITY

More local renewables for members through contract flexibility

Our members worked together to develop a more flexible contract structure so they can self-supply more power than ever before, and we're working together to make it a reality.

PROGRESS IN 2022

- Allocated 97 MW of 'open season' self-supply capacity to three additional members interested in taking a more active role in providing power in their communities, with a total allocation of 300 MW to six members.
- Filed a settlement agreement with the Federal Energy Regulatory Commission (FERC) on partial requirements memberships to support the 'open season' self-supply option for interested members.**
- We continued to work with our members to advance options that create flexibility for members that desire it without raising costs for other members.



EXTENDING CLEAN GRID BENEFITS

Expanding beneficial electrification, including EV infrastructure and heat pumps

We committed nearly \$2 million to extend the public electric vehicle (EV) charging network across members' service areas and are promoting EVs and EV solutions in rural areas. We're expanding programs to help consumers save money and energy while cutting emissions through energy efficiency (EE), beneficial electrification (BE) and other initiatives.

PROGRESS IN 2022

- Launched an energy innovations team to develop pathways for consumers to reduce their energy burden and emissions, with a focus on efficient electrification that reduces barriers to energy transition participation.
- Worked with stakeholders to establish incremental annual energy efficiency savings targets for our Colorado member load of at least 0.35% in 2023, 0.5% by 2024, 0.75% by 2025, and 1% by 2030.*
- Initiated development of a Demand Response platform and programs designed to control at least 4% of Colorado member peak load by 2025.*
- Since 2020, our EV infrastructure program has supported member installations of nearly 1,000 EV chargers, including 33 DC fast chargers.

- With our heat pump Quality Install program and rebates, we saw more than 940 air source heat pumps installed in 2022, with over 72% of installs either replacing fossil fuel heat or in new construction.



LOOKING FORWARD TO A BRIGHTER FUTURE

Working together to accomplish more

As we implement the REP, our goal is to maintain affordable rates for members in all states. We are also promoting a western regional transmission organization (RTO) to reliably and cost-effectively integrate more renewables into the grid, and are striving for 100% clean energy in Colorado by 2040.

PROGRESS IN 2022

- Reduced wholesale rates to members by 2%—following a previous 2% wholesale rate reduction in 2021—as we strive to reduce association costs while we transition.
- Actively participating in multiple efforts to develop an organized market in the West as we continue to work toward the greater reliability and affordability available in an RTO.
- Collaborated with federal and state government, cooperative, eNGO and other stakeholders to develop cooperative clean energy provisions in the Inflation Reduction Act, resulting in over \$15B in funding options and direct pay tax credits.

**Tri-State filed a landmark, uncontested settlement with more than two dozen parties on Phase I of its Colorado Electric Resource Plan in January 2022. A Colorado Administrative Law Judge recommended approval of the settlement in March 2022, with the Colorado Public Utilities Commission (PUC) approving in April 2022.*

***The Federal Energy Regulatory Commission (FERC) provides a forum for all members, regardless of state or size, to have a voice and be considered by the regulator in rate matters. Tri-State became FERC jurisdiction in September 2019, FERC affirmed exclusive jurisdiction over rates and exit charges in August 2020, and the DC Circuit Court of Appeals reaffirmed that jurisdiction in September 2022.*



Whatever the future holds,
WE'LL POWER IT.

