



May 31, 2023

Ms. Rebecca E. White, Director
Colorado Public Utilities Commission
1560 Broadway, 2nd Floor, Suite 250
Denver, CO 80202

RE: 2022 Renewable Energy Standard Annual Compliance Report, Qualifying
Wholesale Utility
Proceeding No. 23M-0014E

Dear Ms. White,

Pursuant to 4 CCR 723-3-3662(f), this letter serves as Tri-State Generation and Transmission Association, Inc.'s ("Tri-State"), a Qualifying Wholesale Utility, 2022 Renewable Energy Standard Annual Compliance Report ("2022 RES Report") to the Colorado Public Utilities Commission ("Commission").

A copy of 2022 RES Report can be found on the Tri-State corporate website at:
<https://tristate.coop/resource-planning>

Background

Senate Bill 13-252 ("SB-252") was signed into law on June 5, 2013 and codified at § 40-2-124, C.R.S.; among other modifications, SB-252 established a twenty percent Renewable Energy Standard ("RES") for Qualifying Wholesale Utilities beginning in the year 2020 and continuing thereafter. The Commission adopted new rules implementing SB13-252 in Proceeding No. 13R-0901E specific to Qualifying Wholesale Utilities to existing Rule 3662, which defines the requirements for Annual Compliance Reports.

In the years prior to 2020, the only applicable reporting requirement for Tri-State was to describe what steps it had taken in the previous year toward achieving compliance beginning in 2020 and whether such progress was sufficient toward meeting future compliance obligations. Since 2014, Tri-State has filed a report each year, detailing its efforts with the 2020 RES Report filed in 2021 being the first report to quantify Tri-State's compliance with the RES as a Qualifying Wholesale Utility. The requirements for Qualifying Wholesale Utilities under Rule 3662(f) are outlined below.

Annual Reporting Requirements for Qualifying Wholesale Utilities (Rule 3662(f)(I) through (III))

- (I) Describe the steps it took during the most recently completed compliance year to comply with the renewable energy standard of 20 percent of retail sales by 2020 as established in § 40-2-124(8), C.R.S.**

Tri-State's 2020 Electric Resource Plan ("ERP") in Proceeding No. 20A-0528E is anticipated to formally conclude with the Commission's written decision, which is expected to be filed within the next few weeks. At its weekly meeting held on May 10, 2023, the Commission deliberated its decision in support of Tri-State's Phase II preferred portfolio. Under the preferred portfolio, Tri-State plans to procure power from a 200 MW wind project that is expected to be completed in early 2026.

(II) For the compliance years before 2020, describe whether it is making sufficient progress toward meeting the standard in 2020 or is likely to meet the 2020 standard early.

Tri-State filed its first RES Report in May 2014, which described the activities taken during 2013 toward compliance with the RES. A similar annual report was filed in the subsequent years prior to 2020; each report affirming its progress toward meeting the RES in 2020.

(III) For the 2020 compliance year and each compliance year thereafter, describe whether it has achieved compliance with the RES and whether it anticipates continuing to do so.

Tri-State achieved RES compliance for 2020 and 2021 and, as described below, will be retiring sufficient Renewable Energy Credits ("RECs") to achieve compliance with the RES in 2022.

As mentioned above, Tri-State has been engaged in the ERP process since its 2020 ERP in Proceeding No. 20A-0528E. Tri-State issued a Request for Proposals ("RFP") on May 18, 2022 for additional capacity and energy supply resources to be online prior to 2027. Considering the additional renewable resource supported by the Commission in its Phase II preliminary deliberation and Tri-State's current ability to fulfill the RES, Tri-State fully anticipates being able to comply with the standard in the future. Tri-State is already preparing to file its 2023 ERP by December 1, 2023.

The RES established in §40-2-124(8)(b), C.R.S. states, "Notwithstanding any other provision of law, each qualifying wholesale utility shall generate, or cause to be generated, at least twenty percent of the energy it provides to its Colorado members at wholesale from eligible energy resources in the year 2020 and thereafter." In 2022, Tri-State provided 11,310,004 MWh¹ of wholesale energy to delivery points in Colorado for its

¹ Rule 3662(f)(I) mentions a RES of 20 percent of retail sales, however relying on the intent of the statute, Tri-State interprets the RES to apply to wholesale energy provided to its members at delivery points located in Colorado. This amount of energy is greater than the total Colorado member retail sales because it includes the member's own use and member resales and has not been reduced for member distribution losses. It is also uncertain as to what qualifies as a Colorado member under Rule 3662. The headquarters of High West Energy is located in Pine Bluffs, Wyoming, and Highline Electric Association is headquartered in Holyoke, Colorado. While headquartered in Wyoming, High West has retail customers in Colorado; Highline,



members. Twenty (20%) percent of this amount equates to 2,262,001 MWh or RECs from eligible energy resources required for compliance in the year 2022.

Section 40-2-124(8)(c) further states, “A qualifying wholesale utility may count the energy generated or caused to be generated from eligible energy resources by its Colorado members or by the qualifying wholesale utility on behalf of its Colorado members pursuant to subparagraph (V) of paragraph (c) of subsection (1) ((1)((c)(V)) of this section toward compliance with the energy resource standard established in this subsection (8).” For 2022, 1,372,949 RECs will be retired on behalf of Colorado members for compliance with the RES. Thus, 889,052 additional RECs will be retired to meet the RES for Tri-State as a Qualifying Wholesale Utility to achieve the 20 percent compliance level. The following table details the sources, vintages, multipliers, and quantities of RECs to be retired for Tri-State’s compliance obligation.

Tri-State Retirements	Renewable	Retirements (MWh)	Resource Multiplier	Retirements w/ Multiplier (RECs)	Resource Vintage
Boulder Canyon Hydro		10,563	1.25	13,204	2018
Vallecito Hydro Electric Project		10,455	1.25	13,069	2018
Williams Fork Hydro Plant		5,203	1.25	6,504	2018
Garland Canal Power Plant		9,434	1.25	11,793	2018
Basin Waste Heat Recovery		25,682	1.25	32,103	2018
Basin Solar		33	1.00	33	2018
Basin Wind		110,879	1.25	138,599	2018
Garland Canal Power Plant		9,148	1.00	9,148	2017
Basin Waste Heat Recovery		28,431	1.25	35,539	2017
Basin Solar		41	1.00	41	2017
Basin Wind		495,553	1.25	619,441	2017
Williams Fork Hydro Plant		7,665	1.25	9,581	2017
Total		713,087		889,055	

If you have any questions concerning Tri-State’s 2022 RES Report, please do not hesitate to contact us.

while headquartered in Colorado, has retail customers in Nebraska. The reported value includes all Colorado sales and excludes any sales outside Colorado.



Sincerely,

/s/Elizabeth C. Stevens

Elizabeth C. Stevens
Senior Regulatory Attorney