



May 24, 2021

Mr. Doug Dean, Director
Colorado Public Utilities Commission
1560 Broadway
2nd Floor, Suite 250
Denver, CO 80202

RE: 2020 Renewable Energy Standard – Qualifying Wholesale Utility Compliance Report / Docket
No. 21M-0014E

Dear Mr. Dean,

Pursuant to Section § 40-2-124(8)(g), C.R.S., this letter serves as Tri-State Generation and Transmission Association, Inc.'s (Tri-State), a qualifying wholesale utility, 2020 compliance report to the Colorado Public Utilities Commission.

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

Background

SB13-252 was signed into law on June 5, 2013, and codified at § 40-2-124 C.R.S.; among other modifications, the bill established a twenty percent (20%) 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 Docket No. 13R-0901E, adding a new subsection (f), specific to Qualifying Wholesale Utilities, to the existing Commission Rule 3662, which defines the requirements for annual compliance reports. The new rule mirrored the language of § 40-2-124(8)(g)(I) through (III) C.R.S and serves as guidance for the information provided in this annual report.

In the years prior to 2020, the only applicable reporting requirement was for Tri-State 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 this year's report being the first report to quantify Tri-State's compliance with the RES as a Qualifying Wholesale Utility. Each subsection of the statute and corresponding Commission rules are addressed below.

Rule 3662(f)(I)-(III) / § 40-2-124(8)(g)(I)-(III) C.R.S. Annual Reporting Requirements for Qualifying Wholesale Utilities

(I) Describe the steps it took during the immediately preceding twelve months to comply with the electric resource standard.

The immediate twelve (12) months prior to filing this report were not marked with any significant events that would change Tri-State's ability to comply with the RES. Rather, the efforts involved during this period were focused on advancing the slate of projects constituting our Renewable Energy Plan, which, in addition to reducing carbon emissions, will serve to meet RES compliance requirements.

(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 annual report in May of 2014; it described the activities taken during 2013 toward compliance with the RES. A similar report has been filed each year for the last seven years.

(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 has achieved compliance with the RES for 2020 and, as described below, will be retiring sufficient Renewable Energy Credits (RECs) to satisfy compliance in accordance with the statute. In addition, on December 1, 2019, Tri-State filed its Electric Resource Plan (ERP), which included a preferred plan to address its forecasted resource need through 2030. This expansion plan anticipates the addition of 1,850 MW of new renewable energy resources to the current and already announced portfolio of Tri-State renewable projects. Given Tri-State's current ability to comply with the Colorado RES, the number of renewable projects described above that will be completed in the next few years, and the portfolio of projects to be approved through the ERP process, our ability to comply with the RES will be only further strengthened, and Tri-State fully anticipates being able to comply with the standard in the future.

The RES established in section § 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 2020, Tri-State provided 10,751,209 MWh¹ of wholesale energy to delivery points in Colorado for its members. Twenty (20%) percent of this amount equates to 2,150,242 MWh or RECs from eligible energy resources required for compliance in the year 2020.

C.R.S. § 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 2020, 1,044,415 RECs will be retired on behalf of Colorado members for compliance with the RES. Thus, 1,105,827 additional RECs will be retired to meet the RES for Tri-State as a Qualifying Wholesale Utility to achieve the 20% 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 Renewable Resource	Retirements (MWh)	Resource Multiplier	Retirements w/ Multiplier (RECs)	Resource Vintage
Carousel Wind	514,898	1.00	514,898	2015/2016
San Isabel Solar	4,287	1.25	5,359	2016
Colorado Highlands	211,040	1.25	263,800	2016
Colorado Highlands -Phase II	79,737	1.25	99,671	2016
Kit Carson Windpower, LLC	131,711	1.25	164,639	2016
WAPA Small Hydro, < 30MW - CRSP	34,971	1.00	34,971	2015/2016
WAPA Small Hydro, < 30MW - LAP, CO	22,489	1.00	22,489	2015/2016
Total	999,133		1,105,827	

If you have any questions concerning this report, please do not hesitate to contact us.

Sincerely,

Timothy Woolley
Assistant General Counsel, Regulatory Affairs

¹ Commission Rule 3662(f)(l) mentions a RES of 20 percent of retail sales, however relying on the statute, Tri-State interprets the standard to apply to wholesale energy provided to our 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. The headquarters of High West Energy are located in Pine Bluffs, Wyoming, and Highline Electric Association is headquartered in Holyoke, Colorado, but both have retail customers in Colorado and Wyoming. The reported value includes all Colorado sales and excludes any Wyoming sales. Further, the reported value also includes all energy provided by Tri-State to Delta Montrose Electric Association (DMEA) during 2020. DMEA is no longer a member of Tri-State effective 7/1/2020.