

Responsible Energy Plan 2021 Progress Highlights

In January 2020, Tri-State released our association's energy transition plan: one that will expand renewable generation and reduce greenhouse gas emissions while ensuring reliable, affordable, responsible electricity for our members and their communities. With our Responsible Energy Plan (REP), Tri-State is implementing a clean energy transition while being responsible to our employees, members, communities, and environment.

The REP is dynamic and will adapt as members' needs change, new technologies become available and market conditions evolve. Here we outline the progress we have made over 2021 on our transition path.

» Whatever the future holds,
we'll power it.





Increasing clean energy

By 2024, 50% of the electricity our members use will come from clean energy sources

By 2024, we will bring over 1,000MW of utility-scale wind and solar projects online, doubling our system to over 2,000MW of clean energy capacity. By 2030, our goal is that 70% of the energy supplied to members system-wide will be from clean sources.

PROGRESS IN 2021

- We completed two new wind projects, totaling 304MW of the over 1,000MW of renewable projects scheduled for completion by 2024.
- Over a third of the energy our members used this year came from clean sources as we work toward our goal of 50% by 2024.
- We filed a Revised Preferred Plan to our Colorado ERP*, identifying a significant investment in over 2,000MW of renewables and battery storage to increase our clean energy to roughly 4,000MW by 2030.



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 state wholesale electricity sales.

PROGRESS IN 2021

- Since 2019, we have decreased our coal capacity by roughly 20% through the retirements of Nucla Station in Colorado and Escalante Station in New Mexico.
- We filed a Revised Preferred Plan to our Colorado ERP*, identifying an 80% reduction in CO2 emissions associated with wholesale electricity sales in Colorado by 2030, relative to a 2005 baseline.



Committing to community and employees

Support community and 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 2021

- We committed a donation of \$5 million to four local economic development organizations to support economic and community transition following the 2020 retirement of Escalante Station in New Mexico.
- We worked with local and state leaders and other supportive partners to begin exploring opportunities to retain local employment and revenue in transitioning Colorado and New Mexico communities by co-locating hydrogen and other clean energy projects at power plant sites, including by responding to federal requests for information and grant funding opportunities.
- With research and community partners, we installed a container farm at the New Mexico State University Grants campus to support study of the energy, water and sustainability impacts of indoor farming, as well as advance opportunities to foster workforce and economic development in the area.

**Tri-State filed a supplement to its Electric Resource Plan (ERP) with the Colorado Public Utilities Commission (PUC) in September 2021, which includes our Revised Preferred Plan and five stakeholder-requested scenarios. The plan is subject to review and approval by the PUC, and is subject to change as technology, markets and regulatory conditions change over the implementation period.*





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 2021

- We implemented new member-driven policies to allocate 203MW of self-supply capacity to three members interested in taking a more active role in providing power in their communities, and filed supportive policies with the Federal Energy Regulatory Commission (FERC).
- We partnered with a member to support development of a remote community's microgrid to promote resilience through local generation.
- 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

Expand electric vehicle (EV) infrastructure and beneficial electrification

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 2021

- Since its inception in 2020, our EV infrastructure program has supported member installation of 385 EV chargers, including four DC fast chargers and seven Level 2 public installations.
- Through our EV Experience Program, members logged almost 100,000 miles of EV ride-and-drives across their service areas.

- With our heat pump Quality Install program and rebates, we saw more than 576 air source heat pumps installed – a 30% increase throughout our service area.
- We continued our support for the Beneficial Electrification League as a Foundational Sponsor and Advisory Board member and engaged with the Colorado chapter to advance installation of air-source heat pumps while continuing to develop interest in chapters in Nebraska, New Mexico and Wyoming.



Looking forward to a brighter future

Working together to accomplish more

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

PROGRESS IN 2021

- We reached consensus at FERC to reduce wholesale rates by 2% in March 2021 with another 2% reduction coming in March 2022 as we strive to further lower association costs while we transition.
- We implemented new policies around Board Meetings to make it easier for members, their consumers and others to attend and stay up-to-date on governance decisions.
- We entered two energy imbalance markets and 80% of our load is now in an organized market as we work toward the greater reliability and affordability available in an RTO.
- Our rates for wholesale power, transmission service and various contract options have been accepted, subject to refund and settlement, by FERC.





CROSSING TRAILS WIND – KIT CARSON, CO



CIMARRON SOLAR – SPRINGER, NM



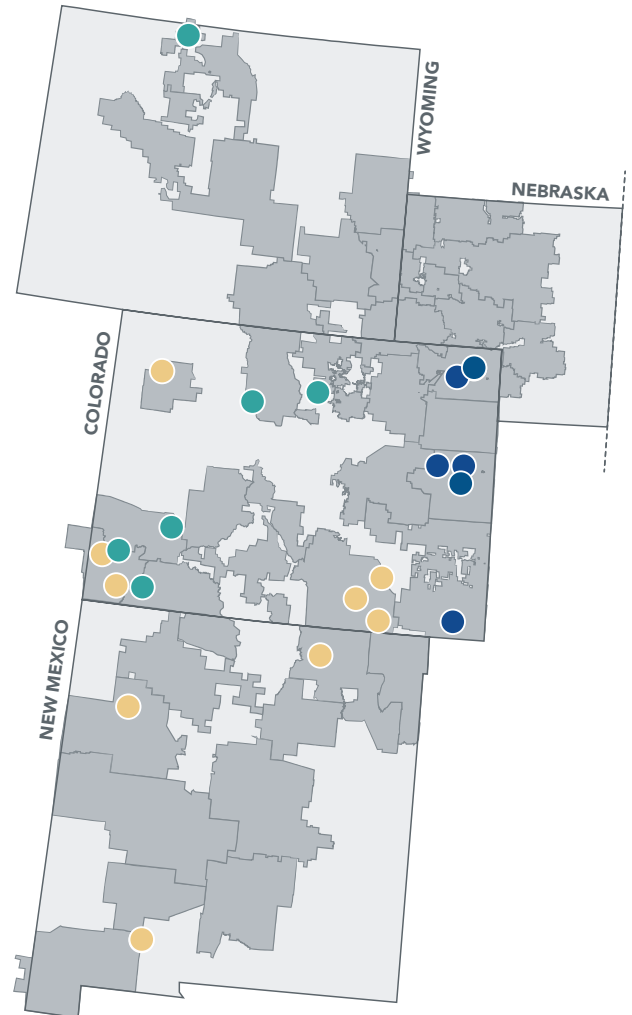
NIYOL WIND – FLEMING, CO

COOPERATIVE POWER. TRANSFORMED.

As a not-for-profit cooperative, we know that if we work together, a bright future and clean grid are in reach, and we're taking bold steps today to realize this vision.

We're bringing over 1,000MW of renewables online by 2024:

- 2021 (in service): Crossing Trails Wind (CO), 104MW
- 2021 (in service): Niyol Wind (CO), 200MW
- 2022: Spanish Peaks Solar (CO), 100MW
- 2023: Spanish Peaks II Solar (CO), 40MW
- 2023: Dolores Canyon Solar (CO), 110MW
- 2023: Coyote Gulch Solar (CO), 140MW
- 2023: Axial Basin Solar (CO), 145MW
- 2023: Escalante Solar (NM), 200MW



*Includes operating and planned projects

