Landmark settlement reached on Tri-State’s 2020 Electric Resource Plan

- Settlement sets greenhouse gas emissions reduction targets for 2025-27 in Colorado for Tri-State, leading to an emission reduction target of at least 80% by 2030 from 2005 baseline.
- Other provisions of settlement address energy efficiency and demand response targets, a facilitated stakeholder engagement process to discuss assistance for communities affected by coal plant closures, and future resource plan modeling.
- Tri-State also notes significant progress two years after announcing its transformational Responsible Energy Plan.

(January 19, 2022 – Westminster, Colo.) A landmark settlement that sets near-term targets for greenhouse gas emission reductions prior to 2030 has been reached with more than two dozen parties on Phase I of Tri-State Generation and Transmission Association’s 2020 Electric Resource Plan (ERP), currently before the Colorado Public Utilities Commission (CPUC).

Tri-State has agreed to reduce the greenhouse gas emissions related to its wholesale electricity sales in Colorado as follows: 26% in 2025, 36% in 2026, 46% in 2027, and 80% in 2030. These amounts will be calculated based on Tri-State’s 2005 emissions baseline for wholesale sales in Colorado.

“Tri-State is grateful to our members, state officials, environmental advocates and labor representatives who worked with us to achieve this settlement, which is a meaningful advancement in our efforts to transform our cooperative as we responsibly serve reliable and affordable power to rural communities, for our members and Colorado,” said Duane Highley, CEO for Tri-State.

“In true cooperative spirit, this process ensured the members of Tri-State had the opportunity to participate and make their voices heard. We are encouraged by the plan’s environmental aspects as well as its recognition of the importance of reliability and affordability to our members,” said Jeff Wadsworth, president and CEO for Poudre Valley Rural Electric Association in Fort Collins, Colo., an intervenor in the case.

“Tri-State has come a long way. This important agreement marks the first time Tri-State is committing to near-term, enforceable reductions in climate-changing greenhouse gas pollution,” said Jon Goldin-Dubois, president of Western Resource Advocates. “While other utilities have commitments to reduce emissions in 2030, we know we don’t have a moment to spare in drastically reducing the fossil-fuel pollution that causes climate change. This agreement will make significant progress in accelerating emission reductions in the West, all while reducing costs for customers and supporting communities most impacted by the transition. We have much work to do, but Tri-State is to be commended for taking these steps to maximize near-term emission reductions, the most important action society can take to avoid the worst impacts of climate change.”

“We appreciate Tri-State’s willingness to work with us and the other groups in this case to come up with a constructive solution and their acknowledgment that a just transition for coal workers and communities is an important obligation,” said Keith Hay, Director of Policy at the Colorado Energy Office. “We believe that approach will provide significant progress towards Colorado’s climate goals.”

“The UCA supports this collaborative process, which puts Tri-State on the path that strikes a measured balance that meets the needs of co-op members and ratepayers, advances the state’s decarbonization goals, and includes a process for ensuring a strong commitment to communities transitioning from fossil fuels to clean energy resources,” said Cindy Schonhaut, director for the Colorado Office of Utility Consumer Advocate. “This effort well positions Tri-State and its members to continue to lead these efforts cooperatively into the future.”
Details of settlement agreement

Parties have agreed that Tri-State will issue an RFP later this year to solicit bids for highly competitive renewable and storage resources coming online through 2026.

Tri-State will have incremental annual energy efficiency savings targets for its Colorado member system load of at least 0.35% in 2023, 0.5% by 2024, 0.75% by 2025, and 1% by 2030.

A third-party facilitated stakeholder engagement process will take place this year to explore community assistance opportunities for the City of Craig and Moffat County, Colo., as the region prepares for the retirement of Craig Station by 2030.

Parties have agreed through this settlement to an extensive set of modeling assumptions and inputs for Phase II of the ERP, such as the update of certain technical assumptions related to the social cost of carbon and methane, updates to reflect new Tri-State member partial requirements contracts, and other information. The additional modeling will include continued analysis of the retirement date for Craig Station Unit 3, which previous modeling validated would retire by 2030, to ensure reliable power to Tri-State’s utility members.

The CPUC is expected to review and consider approval of the settlement during the first quarter of 2022.

Tri-State, members make significant progress to advance Responsible Energy Plan

In addition to the ERP settlement, Tri-State has advanced the goals announced under its Responsible Energy Plan in January 2020, to ensure reliable, affordable, flexible and responsible electricity for its members and the communities they serve, and support rural communities affected by the energy transition.

Notably, Tri-State added generation from two new wind projects in 2021, totaling 304 megawatts, and in November 2021, 40% of the electricity consumed by its members came from renewable resources. Tri-State will add six additional solar projects by 2024, when 50% of the energy consumed by its members will be renewable. With the resources identified in its ERP, Tri-State anticipates 70% of the energy its members consume will come from renewable resources by 2030.

Led by its members, in 2021 Tri-State increased flexibility for increased member renewable generation and self-supply by implementing policies for partial requirements.

In March 2022, Tri-State will complete a 4% wholesale rate reduction for its members. The first 2% of the wholesale rate reduction was implemented in 2021.

In February 2021, Tri-State entered into two energy imbalance markets, bringing 80% of its load into organized markets. Tri-State continues to work toward greater reliability and affordability through its continued support of a regional transmission organization and day-ahead market in the West.

Where Tri-State has retired coal power plants that it operates, it is working closely with community leaders to support their economic development goals, as well as support employees in transition.

Parties to the settlement


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About Tri-State

Tri-State is a power supply cooperative of 45 members, operating on a not-for-profit basis, including 42 utility electric distribution cooperative and public power district members in four states. Together with our member/owners, we deliver reliable, affordable and responsible power to more than a million electricity consumers across nearly 200,000 square miles of the West. For more information about Tri-State, visit www.tristate.coop.

Contact:
Lee Boughey, 303-254-3555, lboughey@tristategt.org
Mark Stutz, 303-254-3183, mstutz@tristategt.org

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