May 28, 2019

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


Dear Mr. Dean,

Pursuant to Section §40-2-124(8)(g)(II), C.R.S., this letter serves as Tri-State Generation and Transmission Association, Inc.’s ("Tri-State") 2018 compliance report, as a qualifying wholesale utility, to the Colorado Public Utilities Commission.

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

(I) Since the filing of our 2017 compliance report, Tri-State has continued to acquire eligible energy resources to fulfill its obligations under the renewable energy standard ("RES") imposed on qualifying wholesale utilities in Senate Bill 13-252, which was subsequently incorporated into the above-referenced C.R.S. and became effective on July 1, 2013.

Tri-State is a party to seven power purchase agreements for utility-scale renewable energy resources in Colorado and New Mexico that are currently in production – three (3) solar facilities totaling 85 MW and four (4) wind facilities totaling 367 MW. In early 2018, we announced the execution of long-term power purchase agreements for two new renewable energy projects that resulted from a Request for Proposals for renewable resources Tri-State issued in June 2018. The 104 MW Crossing Trails Wind Farm, located in Kit Carson and Cheyenne Counties in Colorado, is expected to achieve commercial operation in late 2020 and will produce over 430,000 megawatt-hours per year. The 100 MW Spanish Peaks Solar Project, located in Las Animas County, Colorado, is expected to be operational no later than the end of 2023, producing over 250,000 megawatt-hours per year. These two projects will increase Tri-State’s utility-scale wind and solar portfolio by over 45%.

In last year’s report, Tri-State noted its efforts to renew a contract for the 5 MW Boulder Canyon Hydroelectric Project for another 10 years and to expand it to include four additional generators totaling another 1.3 MW of small hydroelectric generation facilities. We are pleased to report that this contract has been finalized and contributing 6.3 MW of small hydroelectric capacity to our renewable energy portfolio.
In conjunction with these large-scale renewable energy projects, Tri-State’s members continue to be active in developing local renewable and distributed generation projects. The development of these projects is facilitated by Tri-State board policies for members wanting to serve a portion of their local loads through projects they own or whose output they purchase. As of the date written above, 113 MW of these local renewable energy projects were in operation, up from 105 MW last year, with over 20 MW expected to be completed in the coming months. Tri-State has provided generous subsidies for these projects since 2007 with payments to members totaling over $20 million through 2018.

Looking ahead, Tri-State is evaluating changes to state laws in Colorado and New Mexico related to carbon and renewable generation, and will continue to evaluate opportunities to expand its renewable resource portfolio based on economic conditions.

(II) Given the progress described in this report, Tri-State remains confident in its ability to achieve full compliance by the required date set forth in the RES.

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

Sincerely,

Timothy Woolley
Assistant General Counsel, Regulatory Affairs