

## RESOLUTION

WHEREAS, TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC. owns and operates generation and transmission facilities in the states of Colorado, Wyoming, Nebraska, Arizona, and New Mexico; and

WHEREAS, Tri-State operates within the cooperative business model to serve the needs of rural electricity consumers with the purpose of improving quality of life for Member Systems and in keeping with the Seven Cooperative Principles; and

WHEREAS, Tri-State intends to provide its Member Systems with reliable, affordable and responsible power while reducing rates to Member Systems; and

WHEREAS, Tri-State has added significant new renewable energy projects totaling almost 800MW over the last decade as technologies have improved and prices have lowered and will continue to evaluate new renewable energy projects; and

WHEREAS, the State of Colorado adopted a new law setting carbon reduction goals and the State of New Mexico has passed a new law regarding renewable energy standards; and

WHEREAS, Tri-State is developing plans to comply with the new state requirements and meet the expectations of Member Systems by pursuing an increasingly clean energy portfolio that reduces carbon emissions, increases renewable resources and provides greater flexibility for Member Systems, while reducing Member System rates and maintaining its financial strength; and

WHEREAS, the Board of Directors has reviewed the proposal from Guzman Energy, LLC that includes selling certain power plants to Guzman and replacing that output with alternative energy sources purchased from Guzman; and

WHEREAS, the Board of Directors believes that Tri-State can likely accomplish its goals at a lower cost to Member Systems and more flexibility than can be achieved with the Guzman proposal; and

WHEREAS, Tri-State has the opportunity to develop a strategic partnership with a solar and energy services provider to offer energy solutions to participating Member Systems; and

WHEREAS, the Board of Directors desires that the development and implementation of resource plans, the addition of new resources, and the retirement of facilities be accomplished through the development of a Cooperative Responsible Energy Plan to be developed and executed by Tri-State.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC., that the Chief Executive

Officer be authorized to advise Guzman Energy, LLC that Tri-State is not interested in its proposal at this time; and

BE IT FURTHER RESOLVED, that staff is directed to develop a Cooperative Responsible Energy Plan that will comply with all applicable environmental and renewable energy requirements while maintaining reliability and contains the goal of lowering rates to Member Systems and maintaining Tri-State's financial strength; and

BE IT FURTHER RESOLVED, that staff is directed to issue a request for proposals in the near term to add additional cost-effective renewable resources to Tri-State's portfolio; and

BE IT FURTHER RESOLVED, that staff is directed to investigate and pursue options to develop the ability to provide solar, storage, and other renewable opportunities and energy solutions to its Member Systems, through strategic partnerships or otherwise.

CERTIFICATE

I hereby certify that I am Secretary of TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC., and that the foregoing is a true and correct copy of a resolution adopted by the Board of Directors of TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC. at its regular meeting held June 5, 2019.



  
Secretary