



**TRI-STATE**

Generation and Transmission  
Association, Inc.



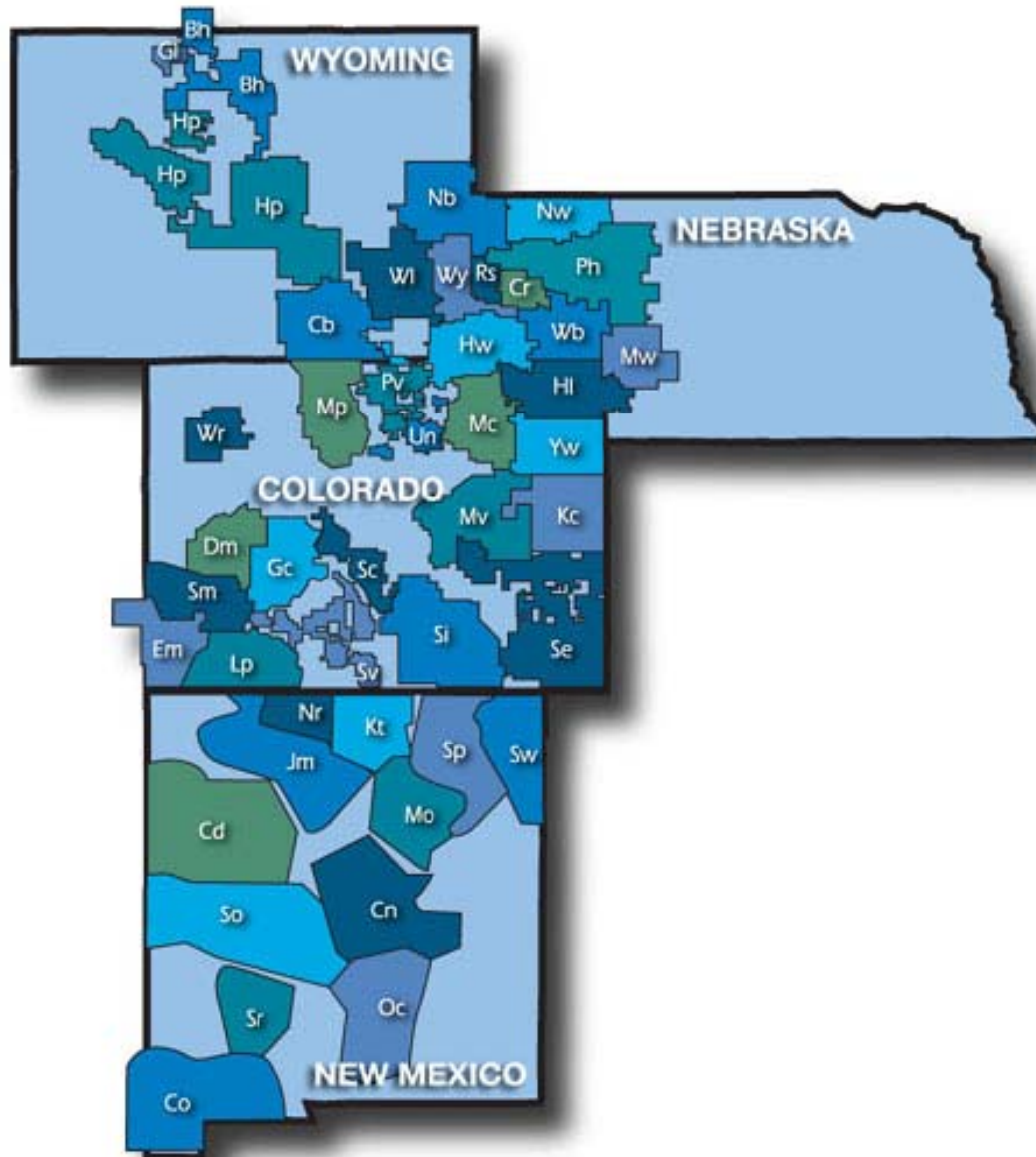
Western Business Roundtable  
Congressional Briefing  
Adding Renewables to the Grid and  
Keeping the Lights on: What's Needed  
March 27, 2009

**Transmission:**  
Performance ~ Partnerships ~ Payment

# Tri-State

- Tri-State is a member owned, **not-for-profit**, generation and transmission **cooperative**.
  - 44 member owners across Wyoming, Colorado, Nebraska and New Mexico
  - Our Members serve a population of **1.4 million**
- Tri-State has 5,300 miles of transmission
  - Another 1,300 miles planned over the next 10 years
- Tri-State is revamping its interconnection process to expedite the connection of new generation to its system.

# Tri-State Members



# Transmission Performance

- “Renewables only” transmission is not practical and is not cost effective.
  - Effective use will be only 30 to 40%
- New lines need to transmit base-load energy in addition to intermittent energy resources.
  - Ideal transmission usage for intermittent and base-load energy should be greater than 75%

# Renewable Energy Zones

- It is difficult for Transmission Providers to plan transmission for renewable energy exports.
- It is difficult for Developers to determine the optimum site to locate projects:
  - i.e.: Best resource or close to existing transmission.
- Need better definition of locations of renewables.
- One option: Formalize the results of the ongoing Western Governors' Association study:
  - Western Renewable Energy Zones

# Transmission Partnerships

- Shared transmission ownership has been the model in the west since the 1970s.
- Joint Transmission ownership should be the model for the future as well:
  - High Plains Express, SunZia
- Encourage Renewable Energy Companies to share ownership with transmission providers.
- If government, e.g. WAPA, builds transmission, others must be allowed to participate.

# Who Should Pay?

- Direct Beneficiaries should pay for transmission construction:
  - The cost of transmission built in Colorado and Wyoming to export wind to Arizona or California should be included in the delivered cost of the wind energy.
  - Allocation of costs to all customers across the interconnection is not appropriate, nor is it fair.
- Tri-State, a member-owned, not-for-profit, transmission provider can not build transmission without the assurance of no harm to its members:
  - We must not be in the mode of “build it and they will come”—we need to know that we can recover our cost.