

RESOLUTION

WHEREAS, TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC. is subject to limited rate regulation in Colorado and New Mexico; and

WHEREAS, Tri-State is currently subject to no rate regulation in Wyoming or Nebraska; and

WHEREAS, both the Colorado Public Utilities Commission and the New Mexico Public Regulation Commission have asserted jurisdiction over Tri-State's wholesale electric service rates; and

WHEREAS, such rate jurisdiction has resulted in some Member Systems paying different rates than other Member Systems; and

WHEREAS, such rate jurisdiction has resulted in the loss of approximately \$50 million of revenue to Tri-State; and

WHEREAS, such rate jurisdiction may increase in both Colorado and New Mexico; and

WHEREAS, rate jurisdiction may also be asserted or exercised in Wyoming and Nebraska; and

WHEREAS, rate jurisdiction by one or more states could again result in inconsistent rates among Member Systems and cost shifts among Member Systems and costs could be distributed inequitably among Tri-State's Member Systems; and

WHEREAS, if Tri-State was subject to jurisdiction of the Federal Energy Regulatory Commission (FERC) such FERC jurisdiction would preempt state regulatory agency jurisdiction over Tri-State's wholesale power rates and transmission of electricity in interstate commerce; and

WHEREAS, Tri-State is currently exempt from FERC jurisdiction pursuant to Section 201(f) of the Federal Power Act (FPA); and

WHEREAS, if Tri-State admits certain types of non-exempt members Tri-State will no longer be subject to the FPA exemption; and

WHEREAS, pursuant to Tri-State's Bylaws, Article I, Section 2, the Tri-State Board of Directors may establish additional membership classes and associated terms, rights, preferences and limitations which are different from the all-requirements membership class; and

WHEREAS, Tri-State desires to create a new class of non-utility membership; and

WHEREAS, terms, rights, preferences and limitations of the new membership class shall be set forth in the membership agreements; and

WHEREAS, such rights, preferences and limitations included in the membership agreements shall be no seat on the Board of Directors, right to vote in an annual membership meeting, right to patronage capital, right to liquidation proceeds; and

WHEREAS, in order for Tri-State to comply with FERC regulations, certain filings must be made at FERC and accepted by FERC.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC., that pursuant to Tri-State Bylaws, Article I, Section 2, the Tri-State Board of Directors hereby establishes the non-utility membership class; and

BE IT FURTHER RESOLVED, that the Tri-State Board of Directors hereby authorizes the Chief Executive Officer be, and hereby is, authorized to execute, subject to legal review, membership agreements with one or two potential members as discussed by the Board; and

BE IT FURTHER RESOLVED, that the Initial Rate Filings of Tri-State Generation and Transmission Association, Inc. to be made with the Federal Energy Regulatory Commission (FERC), including but not limited to the Stated Rate Cost of Service filing, the Tri-State Member Wholesale Electric Service Contracts filing, the Tri-State Open Access Transmission Tariff (OATT) filing along with certain transmission service and related agreements, the Market-Based Rate Authorization filing for Tri-State, the Market-Based Rate Authorization filing for Thermo Cogeneration Partnership, LP, and the Interlocking Directorate filings are hereby approved, and that the Chief Executive Officer be, and hereby is, authorized to execute and deliver, subject to legal review, any and all documents necessary to further the Initial Rate Filings to be made with FERC; and

BE IT FURTHER RESOLVED, that the Chief Executive Officer be, and hereby is, authorized, empowered and directed to take all actions as in the judgment of such Chief Executive Officer shall be necessary, advisable, appropriate or desirable and in the best interests of Tri-State Generation and Transmission Association, Inc. to further the establishment of Tri-State Generation and Transmission Association, Inc. as a public utility subject to the jurisdiction of FERC in such manner as in the judgment of such Chief Executive Officer shall be necessary, advisable, appropriate, or desirable and in the best interests of Tri-State Generation and Transmission Association, Inc.; and

BE IT FURTHER RESOLVED, that the Chief Executive Officer is hereby authorized to perform all such acts and to enter into, execute, verify and deliver all certificates, instruments, agreements, notices and other documents, and to effect filings with any and all appropriate state and federal regulatory authorities, as may be required or as in the judgment of such Chief Executive Officer shall be necessary, advisable, appropriate or desirable and in the best

interests of Tri-State Generation and Transmission Association, Inc. to effectuate the purposes of the foregoing resolutions; and

BE IT FURTHER RESOLVED, that any and all actions previously taken by the Chief Executive Officer or otherwise duly authorized representatives of Tri-State Generation and Transmission Association, Inc. for and on behalf and in the name of Tri-State Generation and Transmission Association, Inc. on or prior to the date of these resolutions, in connection with any of the foregoing resolutions be, and the same hereby are, in all respects ratified, confirmed, approved and adopted as acts of Tri-State Generation and Transmission Association, Inc. for all purposes.

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 July 9-10, 2019.

Secretary

(CORPORATE SEAL)