



TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

HEADQUARTERS: P.O. BOX 33695 DENVER, COLORADO 80233-0695 303-452-6111

Sent Via Email

April 4, 2016

Ms. Lynn Jeka
CRSP Manager
Western Area Power Administration
150 East Social Hall Avenue, Suite 300
Salt Lake City, UT 84111-1580
Email: SLIPPost2024@wapa.gov

Re: Proposed 2025 Marketing Plan – Salt Lake City Area Integrated Projects

Dear Ms. Jeka:

Tri-State Generation and Transmission Association, Inc. appreciates the opportunity to comment on Western's Federal Register Notice on the Salt Lake City Area Integrated Projects 2025 General Power Marketing Criteria and provides the following comments for Western's review and consideration.

- Tri-State recommends the 2025 contract development schedule provided be compressed and contracts with existing Customers be completed and executed by October 2016. Western will then have the time to focus and negotiate with new Customers who are eligible to receive an allocation should there be a 2% resource pool that can be made available.
- Tri-State supports making as few changes as possible from the existing contract.
- Tri-State supports a 40 year contract term.
- Tri-State supports no changes being made to the Marketing Area, the Northern Division and the Southern Division.
- Tri-State supports the definition of Winter Season (October – March) and Summer Season (April – September).
- Tri-State does not support a new resource pool. As you are aware, due to various river flow constraints and environmental restrictions, substantial amounts of the CRSP resources have been lost to the existing CRSP Customers. Any new resource(s) should be made available for the existing Customers for any shortage which may occur as a result of drought or emergencies.
- Tri-State supports Western having the right to adjust the Contract Rate of Delivery (CROD) and associated energy on five (5) years written notice. We would highly encourage Western to collaborate with its preference Customers prior to giving notice to



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determine whether other avenues are available rather than just reducing the CROD. Should an increase in resources occur, we recommend that the increase be allocated pro-rata to existing Customers in the same manner as a decrease in CROD, should a decrease occur.

- Tri-State supports the extension of the existing Customers' CRODs for the contract term; with any necessary adjustments to CROD to be administered as described above.
- Tri-State supports the continuation of Customer Displacement Power and Western Replacement Power at the Customer's option.
- Tri-State supports Western's sale of unused firm transmission on a non-firm basis when that capacity is not used for the delivery of Customer allocations or Customer CDP/WRP use. Income from the non-firm transmission sales should reduce the composite rate collected from the CRSP Customers.
- Tri-State supports continuation of use of the current GPCP, September 1, 2007, with the contract.
- Tri-State suggests there is no need for existing CRSP Customers to re-submit their profile data. Customer profile data should be required only for new Customers should a new resource pool be created.
- Tri-State recommends CRSP include in its final FRN, information regarding its creditworthiness procedures. Tri-State also recommends such procedures be consistently applied to all Customers and are consistent procedures across all regions.
- Tri-State recommends CRSP provide CRSP Customers CRSP-generated hydropower Renewable Energy Credits (REC) in a manner consistent with that of Western's Loveland Area Projects REC program.
- Should there be a 2% new resource pool (which Tri-State does not support), we offer the following comments:
 - Eligibility: Tri-State supports the eligibility criteria noting that priority consideration for determining allocations should not separate municipalities and other governmental organizations from electric cooperatives and public utilities that are recognized as utilities by their applicable legal authorities that are non-profit in nature, have electrical facilities and are independently governed and financed.
 - Western should ensure through proper documentation that all Applicants for an allocation should be ready, willing and able to take delivery of the resource.





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- Western should not provide a new allocation should the Applicant already receive an allocation from another Western Region or CRSP federal generation resource.
- Western should explain how economic benefits will be calculated for Tribes who have obstacles in taking delivery of their CROD.
- Western should ensure no subsidies are created in providing the economic benefit of the resource to the Tribes.
- Western should state in the FRN that resale of the resource is not allowed but assignment to other preference customers in the same Division is allowable.

Thank you again for the opportunity for Tri-State to provide these written comments regarding the proposed 2025 General Power Marketing Criteria which were published in the Federal Register on December 16, 2015.

Tri-State understands Western has extended the comments period to May 31, 2016 to allow for the studies on a potential new resource pool to be conducted and completed prior to the end of the comment period. Tri-State will provide additional comments, should they be warranted, on the information published on Western's website relating to the outcome of the studies and Western's decision on whether a new resource pool is justified or not.

Should you have questions would like to discuss in more detail, please contact Duane Helderlein at 303-254-3501.

Sincerely,

Brad Nebergall
Senior Vice President, Energy Management

Cc: Thaine Michie
Rob Wolaver
Maude Grantham-Richards
Duane Helderlein



TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.

HEADQUARTERS: P.O. BOX 33695 DENVER, COLORADO 80233-0695 303-452-6111

Sent Via Email

May 31, 2016

Ms. Lynn Jeka
CRSP Manager
Western Area Power Administration
150 East Social Hall Avenue, Suite 300
Salt Lake City, UT 84111-1580
Email: SLIPPost2024@wapa.gov

Re: SLCA/IP General Power Marketing Criteria (Proposed 2025 Marketing Plan); 2025 SLCA/IP Marketable Resource

Dear Ms. Jeka:

Tri-State Generation and Transmission Association, Inc. appreciates the opportunity to provide the following comments and questions regarding Western's Federal Register Notices dated December 16, 2015 (80 FR 78222) and March 28, 2016 (81 FR 17163), as well as the cover letter and linked materials dated and posted on Western's web site on May 10, 2016, which include the "Methodology for SLCA/IP Resource Analysis for Consideration in the Development of the 2025 Marketing Plan" and "Analysis of Potential Marketable Resource Post 2024 Marketing". Tri-State is a member of, and supports the comments provided by the Colorado River Energy Distributors Association (CREDA) related to the 2025 Marketing Plan and on the Marketable Resource and Methods Report. The following comments and questions are in addition to the comments provided to Western on April 4, 2016. Tri-State appreciates Western providing the Methods Report and the Potential Marketable Resource information which Tri-State considered in developing the comments below.

- Tri-State agrees with Western's conclusion that there is insufficient SLCA/IP hydropower resource to offer a New Customer Resource Pool.
- Tri-State supports a 40 year contract term by way of an extension of the existing Firm Electric Service Contracts with minimal changes to the existing Contract, with completion and execution of the contract extension by the end of this fiscal year.

- Since Western has the ability to change Firm Electric Service (FES) customers contractual commitments with a five (5) year notice, we disagree with a twentieth year contract re-opener or reallocation.
 - Tri-State has the following suggestions and questions regarding the “Methodology for SLCA/IP Resource Analysis for Consideration in the Development of the 2025 Marketing Plan”:
- Page 2 – LTEMP EIS should reference “draft” as the LTEMP DEIS is currently in a draft format.
 - Page 2 and Page 5 – Tri-State suggests Western provide additional information regarding why the CRSS modeling assumptions included the LTEMP DEIS Hybrid Alternative instead of current operating criteria and parameters.
 - Page 2 and Page 8 - Are the modeling assumptions consistent with current approved operations and operating criteria? Tri-State does not agree with the specific inputs/assumptions used in the model. Tri-State recommends the model reflect current Glen Canyon dam operating criteria as directed by the '96 Record of Decision.
 - Page 3 – Tri-State believes the reference to “Rio Grande” is in error and should instead be “Fontenelle”.
 - Page 3 – How does the quantity of project use energy subtracted from the average and median seasonal amounts compare to current project use? Tri-State would like to better understand the forecast quantities compared to present quantities of project use energy.
 - Page 5 – Please confirm FES customer transmission access will be maintained under the current Contract Rate of Delivery under the 2025 Marketing Plan.
 - Page 6, Appendix 1 – With respect to “SHP energy and capacity by month will be negotiated and may be modified”, Tri-State recommends Western work with CREDA and its What-If Committee in developing a process to accomplish this.
 - Page 8, Appendix 3, number 6 – Unit of measurement shown in General inputs/assumptions reflects demand (MW). This does not appear to be correct. Please review and modify noted unit of measure, as appropriate.
 - Page 8, Appendix 3 – Please explain the reasoning for establishing Saturday and Sunday as having “at least 85% of the volume released on a weekday”. Saturday is considered an on-peak day and Sunday and NERC recognized Holidays are considered off -peak days which most likely would result in different volume releases.

In conclusion, Tri-State is supportive in reaching a satisfactory conclusion on a long-term firm electric service contract with Western. We are very supportive of a forty (40) year contract with no re-opener in twenty (20) years; Western has other avenues open to it should a change in that firm electric service deliveries, either up or down, be required.

As it relates to “Monthly commitment levels are not included, but will be negotiated following the implementation of the 2025 Marketing Plan between Western and its FES customers.”, Tri-

State would encourage Western and CREDA's What If committee develop a process that would be equitable to all of Western's FES customers.

Thank you again for the opportunity for Tri-State to provide these written comments regarding the Methods Report and the Potential Marketable Resource information made available on May 10, 2016.

Should you have questions would like to discuss in more detail, please contact Duane Helderlein at 303-254-3501.

Sincerely,



Bradford Nebergall
Senior Vice President, Energy Management

cc: Thaine Michie
Rob Wolaver
Maude Grantham-Richards
Duane Helderlein
Leslie James – CREDA
Adam Arellano - WAPA