



# Informational Community Assistance Plan for the City of Craig and Moffat County, Colorado

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## About this Report

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### ABOUT THIS REPORT

This report summarizes the convening process and the community assistance opportunities that were explored by six collaborating parties through the course of extensive conversations. The collaborating parties agree that the opportunities presented in this report are worth considering but did not agree on any particular path forward. Additionally, the opportunities captured in this report, and any relevant regulations and legislation informing such opportunities, are representative of the time this report was drafted.

### ACKNOWLEDGEMENTS

The Great Plains Institute (GPI) would like to thank the six collaborating parties for the opportunity to serve as the facilitator for this process and for their significant time commitment and thoughtful engagement throughout this convening. GPI would also like to thank the Office of Just Transition for funding this project, Tri-State's willingness to provide additional funding support if needed, Moffat County for hosting all in-person meetings, and all the collaborating parties for hosting lunch at the in-person meetings.

### ABOUT THE CONVENOR

The Great Plains Institute is a nonpartisan, nonprofit organization, whose mission is to accelerate the transition to net-zero carbon emissions for the benefit of people, the economy, and the environment. Working across the US, GPI combines a unique consensus-building approach, expert knowledge, research and analysis, and local action to find and implement lasting solutions. Our work strengthens communities and provides greater economic opportunity through creation of higher paying jobs, expansion of the nation's industrial base, and greater domestic energy independence while eliminating carbon emissions. Learn more at [www.betterenergy.org](http://www.betterenergy.org).

### QUESTIONS ABOUT THIS REPORT

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## Executive Summary

This report documents the work of six collaborating parties to develop “community assistance opportunities” (CAOs) for the City of Craig and Moffat County in northwest Colorado. These community assistance opportunities are actions that can help the city, the county, and the local community to replace economic losses that will occur when Craig Station—a coal-fired power plant that currently provides significant tax revenue, jobs, and other benefits to the community—closes, which is expected to occur from 2025 through 2028.

The six collaborating parties are the City of Craig, Moffat County, Tri-State Generation and Transmission, Inc. (“Tri-State,” which co-owns and operates Craig Station), the Colorado Office of Just Transition, the Colorado Energy Office, and the Colorado Office of the Utility Consumer Advocate. These parties came together pursuant to a settlement that was unopposed by the intervening parties in Tri-State’s 2020 electric resource plan (ERP) proceeding before the Colorado Public Utilities Commission (PUC). The terms in that settlement included the following that are relevant to this report:

- Tri-State agrees to work with the other five collaborating parties to develop a scope of work and select a mutually agreed upon independent third-party facilitator to lead a process to discuss community assistance opportunities for the city and county, and to develop a report addressing those opportunities.
- The report is to be called the Informational Community Assistance Plan and may include recommendations for next steps.
- The process will take into consideration the unique aspects of the city and county and Tri-State’s not-for-profit business structure, along with associated impacts to Tri-State’s utility members.
- Within 60 days of the completion of the facilitated process, Tri-State will file the Informational Community Assistance Plan with the Colorado Public Utilities Commission on an informational basis in a miscellaneous proceeding.<sup>1</sup>

Importantly, the City of Craig and Moffat County were not intervenors in Tri-State’s 2020 electric resource plan and therefore were not signatories to the settlement. Nevertheless, both local government entities were listed in the settlement language as collaborating parties and have fully participated in the subsequent process to develop this report outlining community assistance opportunities.

In accordance with the settlement, the collaborating parties hired the Great Plains Institute to convene and facilitate eleven in-person meetings of the parties that occurred between July 2023 and April 2024 and to write this report.

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<sup>1</sup> Colorado Department of Regulatory Agencies, Public Utilities Commission, Decision (March 28, 2022), Proceeding No. 20A-0528E, “In the matter of the application of Tri-State Generation and Transmission Association, Inc. for approval of its 2020 electric resource plan.”

The “community assistance” component of the title refers to economic development assistance that utilities, the state, and others may provide to communities that are facing the economic losses that will result from the closure of power plants, coal mines, coal supply chain businesses, and other large infrastructure amidst the energy transition.

It is important to understand what this report is and what it is not. It is a list of nine community assistance opportunities that 1) have been collaboratively and thoughtfully developed by the six collaborating parties through the course of extensive conversations and 2) that all six parties agree are worth serious consideration. However, it is not a binding document. The use of the word “opportunity” to describe these actions is intentional. These are actions that the implicated parties may choose, or may not choose, to implement. Most of these actions will require ongoing collaboration between the parties involved. All of the community assistance opportunities require collaboration with the City of Craig and Moffat County to ensure that they are implemented in alignment with the community’s goals and priorities.

The following table includes a summarized list of the nine community assistance opportunities. Full descriptions of the opportunities, including a rationale and considerations for implementation, are included in the full body of this report. There are three key things that readers should know about the list of community assistance opportunities:

1. Community assistance opportunities #1 through #4 —a Tri-State level of effort commitment, a community economic development fund, maintaining water rights, and bid preference for siting infrastructure in the community in Tri-State’s 2023 electric resource plan—are priorities for the city and county.
2. Community assistance opportunity #1 should be thought of as an umbrella for opportunities #2 through #8, because those other opportunities detail mechanisms through which Tri-State could achieve a quantifiable level of effort commitment to replace the tax base and jobs that will be lost as a result of the closure of Craig Station.
3. Community assistance opportunity #2 can be thought of as a vehicle through which the community can collect and allocate resources that may be made available as a result of implementing the other assistance opportunities, and to do so thoughtfully and in alignment with community goals and priorities.

Whether any of these community assistance opportunities will be implemented will be determined after the completion of this report. What this group has accomplished is developing a clear set of opportunities, informed by the knowledge and perspectives of the collaborating parties, that can be considered for implementation by each of the parties.

Table A. List of Community Assistance Opportunities

Summary of Opportunity	
Short Title	<i>Priority CAOs for the city and county</i>
<b>1. Level of effort commitment to offset reductions in property tax revenues and jobs</b>	<p>Tri-State would commit to a level of effort (equal to a specified and quantifiable monetary sum total, to be achieved by a specified date) to offset reductions in property tax revenues and jobs. This would be implemented under a set of specific conditions that are explained in the full recommendation.</p> <p>This CAO would be an umbrella for CAO #'s 2-8, such that those additional CAOs spell out mechanisms through which Tri-State would achieve the level of effort commitment.</p>
<b>2. Economic development fund</b>	<p>The city and county would create an economic development fund or collection of funds that could be used to provide flexibility for the community to collect resources and support projects that are needed to replace economic losses projected as a result of plant retirement and bolster economic diversification. This would be implemented under a set of specific conditions that are explained in the full recommendation.</p>
<b>3. Water rights</b>	<p>Tri-State would endeavor to maintain water rights associated with Craig Station within Moffat County or the Lower Yampa basin through a variety of means that are explained in the full recommendation, subject to applicable laws, regulations, and governmental approvals.</p>
<b>4. Bid preference for Moffat County</b>	<p>Tri-State's preferred plan within Phase I of its 2023 ERP, filed with the Colorado PUC, indicates the need for a 290 MW combined-cycle natural gas unit in 2028, with carbon capture and sequestration added in 2031. Tri-State would indicate site preference for this natural gas unit within Moffat County in Phase II of its 2023 ERP.</p>
<i>Additional CAOs</i>	
<b>5. Asset repurposing or disposal</b>	<p>Tri-State would endeavor to collaborate with the city and county on asset repurposing or disposal in a number of ways that are further detailed in the full recommendation.</p>

Short Title	Summary of Opportunity
<p><b>6. Planning and feasibility studies</b></p>	<p>In coordination and collaboration with existing efforts and other partners, Tri-State and the collaborating parties would assist the community with planning exercises and feasibility studies to support a successful community economic transition, including coordinating the various studies that are underway or expected to occur in the near future. These may include, but would not be limited to, planning exercises to explore beneficial future scenarios after Craig Station retirement, technology feasibility studies, and infrastructure repurposing/reuse studies. It is important to the city and county that studies are transparent and accessible.</p>
<p><b>7. Federal funding opportunities</b></p>	<p>All of the collaborating parties would work together to identify and pursue federal funding opportunities to support the community's economic transition, including, but not limited to those created by the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA). As noted in CAO #1, the tangible value derived from federal funding obtained to support the community's economic transition could count toward a property tax and/or jobs offset as part of Tri-State's level of effort commitment.</p>
<p><b>8. State funding opportunities</b></p>	<p>The collaborating parties would work together to identify and pursue additional state funding opportunities to augment the state's existing support for the community's economic transition. This would include, but not be limited to, increasing the funding the Colorado General Assembly appropriated to the Colorado Office of Just Transition and the Colorado Office of Economic Development &amp; International Trade for grants to be made available to Colorado's coal transition communities.</p>
<p><b>9. Proactive State competition for investment</b></p>	<p>The State of Colorado would put forth a proactive effort to identify and compete for investments in coal transition communities, including a focus on industries and development opportunities that are a fit for the City of Craig or Moffat County.</p>

## Introduction

Across the United States, many electric utilities are retiring or planning to retire the coal-fired power plants that were once the predominant electricity generation resources in many regions. This trend is due to a variety of factors, including, but not limited to economics and federal and state policies. The communities that host these coal plant facilities will incur significant losses due to these retirements. Those losses may include, but are not limited to the following:

1. Reduction in property tax and other tax revenue for local governments,
2. Loss of high-quality jobs and contracts for skilled workers,
3. Decrease in demand for products and services from local businesses to support those workers and their families, and
4. Decrease in participation of those workers and their families in community development functions such as governance and philanthropy.

In response, many local and state governments, the federal government, and others are seeking to ensure that those losses are thoughtfully managed to support thriving economies, communities, and workers. This report, and the process that it resulted from, is about addressing the losses that will result from the retirement of a specific coal-fired power plant—Craig Station, which is located in Moffat County in northwest Colorado—and which is expected to occur from 2025 through 2028.

The retirement of Craig Station (‘plant’) is occurring within the context of federal and state administrative, regulatory, and legislative actions. In addition, there are three pieces of state legislation that provide context for this process:

- First, the state has adopted a policy of decarbonization through House Bill 19-1261, which initiated the state’s first comprehensive Greenhouse Gas Pollution Reduction Roadmap and established a statewide goal to reduce greenhouse gas emissions 90 percent by 2050 compared to 2005 levels;<sup>2</sup>
- Second, it has put forth a committed effort to support coal transition communities through House Bill 19-1314, which established the Colorado Office of Just Transition;<sup>3</sup>
- Third, through Senate Bill 19-236, it has required Tri-State Generation and Transmission Association, Inc. (‘Tri-State’), which co-owns and operates Craig Station, to file an electric resource plan (ERP) with the Colorado Public Utilities Commission (PUC).<sup>4</sup>

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<sup>2</sup> Colorado General Assembly, House, Committee on Energy & Environment, Climate Action Plan to Reduce Pollution, Colorado H.B. 19-1261, 72nd General Assembly, 2019 sess., (May 30, 2019)

<sup>3</sup> Colorado General Assembly, House, Committee on Business Affairs & Labor, Just Transition From Coal-based Electrical Energy Economy, Colorado H.B. 19-1314, 72nd General Assembly, 2019 sess., (May 28, 2019)

<sup>4</sup> Colorado General Assembly, Senate, Committee on Transportation and Energy, Sunset Public Utilities Commission, Colorado S.B. 19-236, 72nd General Assembly, 2019 sess., (May 30, 2019)



## Background

Craig Station is a three-unit, 1,285-megawatt (MW) coal-fired power plant located in Moffat County in northwest Colorado.<sup>5</sup> The City of Craig, which is adjacent to the plant, has a population of roughly 9,000 individuals, accounting for nearly 70 percent of Moffat County's population.<sup>6</sup> In the twentieth century, Moffat County's economy was primarily driven by the ranching, agricultural, and mining industries. By the mid-to-late 20th Century, energy production joined the ranks as an increasingly important industry, given the city's proximity to coal resources. Craig Station first began operations in 1979 and has since established itself as a key element of the local economy, providing valuable jobs and property tax revenue.<sup>7</sup> Today, the City of Craig and Moffat County rely heavily on the energy industry. According to the Moffat County's Assessor Office, recent coal production and power plant property account for approximately 47% of Moffat County's property tax revenues.

Tri-State, which co-owns and operates Craig Station, is a wholesale electric generation and transmission association operating under a cooperative not-for-profit business model, in which it serves rural cooperative electric distribution utility members across four states.<sup>8</sup> The City of Craig and Moffat County are not located within the territory of, or served by, any Tri-State member distribution utility, but have hosted the Craig Station for over four decades. Many of Tri-State's employees at Craig Station are residents of the city and county. The closure of Craig Station will directly impact the local property tax revenue and workforce, which in turn may have a cascading harmful effect on local businesses, families, and public services.

Of Craig Station's three units, Tri-State owns a 24 percent interest in Units 1 and 2, which have a capacity of 427 MW and 410 MW respectively, and a 100 percent interest in Unit 3, which has a capacity of 448 MW.<sup>9</sup> Tri-State is the operating agent for all three units and is responsible for the daily management, administration, and maintenance of the plant. Craig Station Units 1 and 2, and related common facilities, are known as the Yampa Project and jointly owned as tenants in common by Tri-State and four other regional utilities pursuant to a participation agreement.<sup>10</sup> The costs associated with operating Units 1 and 2 are divided on a pro-rata basis among all the participants.

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<sup>5</sup> "Craig (Yampa) Power Plant Profile," *S&P Capital IQ*, <https://www.capitaliq.spglobal.com/web/client?auth=inherit#powerplant/powerplantprofile?ID=2560>.

<sup>6</sup> "Craig city, Colorado," *United States Census Bureau*, <https://www.census.gov/quickfacts/fact/table/craigcitycolorado/INC110222>; "Moffat County, Colorado," *United States Census Bureau*, <https://www.census.gov/quickfacts/fact/table/moffatcountycolorado/PST045223>.

<sup>7</sup> "About Moffat County," *Moffat County*, <https://moffatcounty.colorado.gov/about-moffat-county>.

<sup>8</sup> "About us," *Tri-State*, <https://tristate.coop/about-us>.

<sup>9</sup> "Craig Station Unit 2 owners announce retirement date of Sept. 30, 2028," *Tri-State*, July 8, 2020, [https://tristate.coop/craig-station-unit-2-owners-announce-retirement-date-sept-30-2028#:~:text=\(July%20%2C%202020%20%E2%80%93%20Craig.facility%20in%20Moffat%20County%2C%20Colo.](https://tristate.coop/craig-station-unit-2-owners-announce-retirement-date-sept-30-2028#:~:text=(July%20%2C%202020%20%E2%80%93%20Craig.facility%20in%20Moffat%20County%2C%20Colo.)

<sup>10</sup> "Craig units 1 & 2 (Yampa Project), *Platte River Power Authority*, <https://www.prpa.org/generation/yampa-project/>.

On December 1, 2020, Tri-State filed a Phase I ERP with the Colorado PUC in which it proposed to close Craig Station Unit 3 no later than 2030.<sup>11</sup> On May 10, 2023, the Colorado PUC ordered Tri-State to evaluate earlier retirement dates for Craig Station Unit 3 in its 2023 ERP. Consistent with this order, Tri-State conducted modeling of five scenarios; all five scenarios selected January 1, 2028, as the retirement date for Craig Station Unit 3. Tri-State subsequently proposed a January 1, 2028, retirement date for Craig Station Unit 3 in its 2023 ERP, filed with the Colorado PUC on December 1, 2023.<sup>12</sup> The scheduled closure dates for Unit 1 and Unit 2 were set through other processes. Unit 1 is scheduled to close by December 2025 and Unit 2 is scheduled to close by September 2028.

Under a 2022 Settlement Agreement (“settlement”) that resolved Phase I of its 2020 ERP proceeding, Tri-State agreed to work with six collaborating parties (“parties”) to develop a scope of work and select a third-party facilitator to lead a process for the parties to discuss and develop community assistance opportunities (CAOs) for the City of Craig and Moffat County and to develop a report, to be called the Information Community Assistance Plan (ICAP), addressing those opportunities. The parties agreed that Tri-State would file the ICAP in a miscellaneous proceeding, on an informational basis, with the Colorado PUC within sixty days of the completion of the facilitated process.<sup>13</sup> Importantly, the City of Craig and Moffat County were not intervenors in Tri-State’s 2020 ERP and were not parties to the settlement and the terms that require filing the ICAP in a miscellaneous proceeding. A full list of the terms from the settlement that are relevant to this process is included in Appendix A.

In June 2023, the parties mutually selected the Great Plains Institute (GPI) to lead the facilitation process and development of this ICAP. Under the settlement, the ICAP must take into consideration the unique aspects of the City of Craig and Moffat County and of Tri-State’s not-for-profit business structure, along with associated impacts to Tri-State’s utility members.<sup>14</sup>

## Process

GPI convened the collaborating parties for eleven in-person meetings in Craig, Colorado at the Moffat County courthouse between July 2023 and April 2024. A detailed list of the agenda items

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<sup>11</sup> Colorado Department of Regulatory Agencies, Public Utilities Commission, Decision (March 28, 2022), Proceeding No. 20A-0528E, “In the matter of the application of Tri-State Generation and Transmission Association, Inc. for approval of its 2020 electric resource plan,” [https://www.dora.state.co.us/pls/efi/EFI\\_Search\\_UI.Show\\_Decision?p\\_session\\_id=&p\\_dec=29029](https://www.dora.state.co.us/pls/efi/EFI_Search_UI.Show_Decision?p_session_id=&p_dec=29029).

<sup>12</sup> Colorado Department of Regulatory Agencies, Public Utilities Commission, Attachment to filing (December 1, 2023), Proceeding No. 23A-0585E, “In the matter of the application of Tri-State Generation and Transmission Association, Inc. for approval of its 2023 electric resource plan,” [https://www.dora.state.co.us/pls/efi/efi\\_p2\\_v2\\_demo.show\\_document?p\\_dms\\_document\\_id=1011533&p\\_session\\_id=3](https://www.dora.state.co.us/pls/efi/efi_p2_v2_demo.show_document?p_dms_document_id=1011533&p_session_id=3).

<sup>13</sup> Colorado Department of Regulatory Agencies, Public Utilities Commission, Decision (March 28, 2022), Proceeding No. 20A-0528E, “In the matter of the application of Tri-State Generation and Transmission Association, Inc. for approval of its 2020 electric resource plan.”

<sup>14</sup> Ibid.

covered at each meeting is included in Appendix B. The collaborating parties are listed in Table B.

**Table B. Collaborating Parties**

<b>Facilitator:</b>	<b>Collaborating Parties:</b>
Great Plains Institute	City of Craig
	Colorado Energy Office
	Colorado Office of Just Transition
	Colorado Office of the Utility Consumer Advocate
	Moffat County
	Tri-State Generation and Transmission Association, Inc.

To support a constructive meeting environment and facilitate meaningful discussion, GPI assisted the parties to develop ground rules and guiding principles to adhere to throughout the convening process. These are listed in Appendix C. GPI also assisted the parties to develop the following desired short- and long-term outcomes of this process as part of their discussions during the first two meetings:

### Short-Term Desired Outcomes

1. Foster understanding and trust among the group of collaborating parties.
2. Develop a list of community assistance opportunities that includes the following:
  - a. All viable community assistance opportunities discussed.<sup>15</sup>
  - b. Specific opportunities that have consensus among the collaborating parties.
  - c. A summary of the group's discussions about community assistance opportunities and perspectives on those opportunities.
  - d. Opportunities for assistance from Tri-State.
  - e. Opportunities for assistance from other parties (whether within or outside of this group).
  - f. What next steps and technical assistance and resources are needed to advance those opportunities.
3. Consistent with the terms of the settlement, bring thoughtful information to the Colorado PUC about what actions the communities would like to see with respect to potential energy infrastructure reinvestment into the community.

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<sup>15</sup> Use of the term "viable" remains unresolved. Disagreement around this word stemmed from opposing interpretations of its meaning. For some of the Collaborating Parties, viable was understood to represent any actionable CAO that the city and county supported, while other Collaborating Parties understood viable to refer only to CAOs that could be executed, given regulatory and legislative constraints. Despite this unresolved disagreement, the Collaborating Parties agreed that it would be important to maintain the original language developed and provide an explanation of disagreement.

## Long-Term Desired Outcomes

1. The community and its workers are able to thrive.
  - a. The community is able to replace losses and repurpose assets (e.g., tax base, workforce, resources).
  - b. The community is able to foster entrepreneurship and business development.
2. The City of Craig and Moffat County are seen as a national example of a successful economic transition.

## Community Assistance Opportunities

This section of the ICAP lists the community assistance opportunities (CAOs) that were explored by the parties through the course of extensive conversations. The parties agreed that these CAOs are worth considering but did not agree on any particular path forward. Additionally, these CAOs, and any relevant regulations and legislation informing such opportunities, are representative of the time this report was drafted.

Several of the CAOs that follow specifically include opportunities that Tri-State could provide, consistent with and in support of the unique aspects of the City of Craig and Moffat County and of Tri-State's not-for-profit business structure, in accordance with the settlement.

The CAOs are not mutually exclusive, nor would they necessarily need to be adopted as a package, however they do relate to one another. Importantly, CAO #1, which would define a Tri-State level of effort commitment to offset reductions in property tax revenues and jobs, is an umbrella for CAO #'s 2-8, such that those additional CAOs spell out mechanisms through which Tri-State may achieve the level of effort defined in CAO #1. In addition, CAO #'s 1-4 are priorities for the City of Craig and Moffat County.

To indicate specificity around the term community in the context of these CAOs, the parties agreed to use "the city and county" when referring to actions taken, or opinions expressed, exclusively by the City of Craig and Moffat County. Alternatively, "community" is used when discussing a broader scope of affected entities within the region.

Additionally, the parties recognize the city and county's overarching goal for their community is to replace all economic losses projected as a result of plant retirement. Therefore, the CAOs presented within this report capture a vital piece of the city and county's larger effort to achieve this goal, as they relate to the interests of the parties and the scope of this convening.

Each community assistance opportunity is structured as follows:

### **[CAO #]: Short title**

**Opportunity:** What would be implemented if this CAO is pursued?

**Rationale:** Rationale for why some of the collaborating parties suggested this as a community assistance opportunity.

**Considerations:** Implementation considerations that some of the collaborating parties raised while discussing this CAO.

***Priority CAOs for the city and county***

**CAO #1: Tri-State level of effort commitment to offset reductions in property tax revenues and jobs**

**Opportunity:** Tri-State would commit to a level of effort to offset reductions in property tax revenues and jobs. This would be implemented under the following conditions:

1. The level of effort is equal to a specified and quantifiable monetary sum total, to be achieved by a specified date.
2. Tri-State and the city and county must work together to determine which actions from Tri-State will count, and to what degree they will count, towards meeting Tri-State's level of effort commitment.
3. For example, the following mechanisms could count towards meeting the level of effort:
  - a. Property tax revenues from investments made by Tri-State, investments made by third parties as a result of Tri-State's ERP bidding process, and investments that would not have been made but for Tri-State's meaningful participation.
  - b. Transfer of land, water rights, or facilities as agreed to by the city and county; these are further described under CAO #'s 3 and 5.
  - c. Monetary payments from Tri-State to the City, County, and other affected taxing districts.
  - d. Services to the city and county paid for by Tri-State, including, but not limited to grant writing services.
  - e. New sources of funding brought into the city and county through collaborative efforts with Tri-State, that would not otherwise have been available or accessible to the city and county.
  - f. In-kind marketing services provided by Tri-State to support the community's economic development goals and priorities, in a similar vein to the collaborative efforts of the Trapper Industrial Park marketing campaign.
  - g. Planning exercises and/or feasibility studies, funded or completed by Tri-State in collaboration with existing efforts and partners, to support a successful community economic transition. These may include, but would not be limited to, planning exercises to explore beneficial future scenarios for Craig Station after retirement, technology feasibility studies, and infrastructure repurposing/reuse studies; these are further described under CAO #6.
  - h. Tri-State assistance, if appropriate and as able, to support the city and county by connecting with the other Yampa partners to discuss economic transition opportunities for the community.
  - i. Other mechanisms agreed to by the city and county.
4. The recipients of any monetary portion of this level of commitment would be the City of Craig and Moffat County, and other taxing entities that will incur losses due to plant

closure. If COA #2 is implemented, the recipient would be a community-directed economic development fund.

**Rationale:** A defined level of commitment would demonstrate Tri-State's vested interest in the overall wellbeing of the community and local economy following the plant closure. This act of commitment would allow for continued benefits to the city and county after the plant is no longer operating. The flexible structure of a Tri-State commitment would allow for innovative monetary and non-monetary assets to support the community's transition.

**Considerations:**

1. Moffat County noted that Tri-State pays roughly \$7 million/year in property taxes.
2. In addition to property taxes, the plant provides employment and ancillary business benefits.
3. There may need to be agreement between Tri-State, the City of Craig, and Moffat County about when to start accounting for Tri-State's established level of effort. Some parties noted that accounting could begin in advance of official plant retirement.
4. This CAO would have a financial impact on Tri-State's wholesale members, some of whom are located outside of Colorado. Some of the collaborating parties indicated a desire to better understand the impacts on all of Tri-State's members for purposes of recommending a certain level of effort.
5. Some of the collaborating parties suggested that an appropriate level of effort should balance the annual impact on Tri-State's rural cooperative members with the overall impact to the community.
6. The collaborating parties noted that property tax revenues can be easily quantified, while labor and ancillary support businesses are more difficult to quantify. Therefore, these impacts could be addressed under other community assistance opportunities.
7. Some of the collaborating parties noted that decarbonization and just transition are linked, and the costs related to just transition are part of state decarbonization goals.

## CAO #2: Economic Development Fund

**Opportunity:** The city and county would create an economic development fund or collection of funds that could be used to provide flexibility for the community to collect resources and support projects that are needed to replace economic losses projected as a result of plant retirement and bolster economic diversification. This would be implemented under the following conditions:

1. The city and county would need a significant amount of seed funding to cover the initial costs of establishing the fund. Seed funding could come from any or all of the following entities:
  - a. State of Colorado
  - b. Federal funding
  - c. Tri-State
  - d. Philanthropy
2. The city and county would create a separate entity to manage the fund programming and decision-making (e.g., a 501(c)(3)). The city and county could also select a separate entity to serve as the fiscal agent.

- a. The management entity would have its own staff, with adequate administrative capacity, and a board of directors with representatives from all impacted taxing districts.
- b. The board of directors would be charged with managing the fund and deciding how funds are spent.

**Rationale:** An economic development fund would allow dedicated dollars to support the development of existing and new businesses or industries to address the community's economic losses from the plant closure. Moreover, the fund would be managed by a board of local officials, staff, community members, etc., to represent and serve the interests of diverse community priorities. A community directed economic development fund would allow for flexibility in funding mechanisms and development priorities given the shifting economic landscape and needs of the community. One benefit of this fund is that interest earned by the city and county on the funds held could help to maintain and grow funding over time.

**Considerations:**

The collaborating parties discussed the following considerations that are pertinent to establishing the fund. These have been listed as considerations because the parties acknowledge that the fund's board would need to decide on the fund parameters when it is established.

1. The fund would be established and maintained with the intention of longevity and sustainability. Ideally, the fund would be designed in a way that it can replenish itself and increase its assets long-term (e.g., revolving loan fund).
2. The fund could include money, assets, and any other resources that can be aggregated and disbursed to support economic development in the community (e.g., monetary donations, natural resource assets, infrastructure, etc.)
3. The fund would be designed to accept and leverage funding and assets from different sources, including, but not limited to Tri-State, government, philanthropy, and the private sector.
4. The fund would be directed by the community and used in alignment with the community's goals and priorities.

The collaborating parties also discussed the following considerations pertinent to recipients (e.g., infrastructure projects or local businesses) of funding:

1. To the extent funds are used for infrastructure projects, those projects would be selected to support economic development through attraction or expansion.
2. Funding provided to local businesses should include stipulations to which recipients are bound. For example, to be considered for funding, projects must be projected to produce an expected return of property tax, sales tax, and/or jobs. Businesses receiving ongoing funding/benefits from the fund would need to stay in compliance with the funding stipulations.
3. Some businesses, such as supply chain businesses reliant on facilities that are closing, may deserve prioritization for economic development fund incentives because they will face greater burdens in response to facility closures and reduced demand.



4. Funding could prioritize support for displaced workers from facility closures who are seeking to start new businesses in the community to further incentivize local business development.
5. Funding could be used to support entities in meeting cost share requirements to bring in federal or state grants.

### CAO #3: Water Rights

**Opportunity:** Tri-State would endeavor to maintain water rights associated with Craig Station within Moffat County or the Lower Yampa basin<sup>16</sup> through the following means, subject to applicable laws, regulations, and governmental approvals:

1. A commitment from Tri-State to endeavor to keep water within the Lower Yampa basin.
2. Assist in providing permanent augmentation water for Moffat County's Augmentation Plan.

Moreover, if Tri-State decides to dispose of its water rights, the city and county has requested that its decision-making be transparent and seek to benefit the community or basin that the water rights originated from.

**Rationale:** Water rights are highly valued resources. The water rights at Craig Station could be leveraged as an incentive to attract new industry and/or leased out for monetary benefits, both of which could bolster the local tax base and workforce. The city and county would like to ensure that no harm is done to the community with respect to how water rights are handled.

**Considerations:**

1. The collaborating parties acknowledged that the transfer of water rights associated with Craig Station may be subject to governmental approval, including approval by the Colorado PUC.
2. Tri-State noted that it intends to retain its water rights, which are jointly owned with the co-owners of Craig Station.

### CAO #4: Bid Preference for Moffat County

**Opportunity:** Tri-State's preferred plan within Phase I of its 2023 ERP, filed with the Colorado PUC, indicates the need for a 290 MW combined-cycle natural gas unit in 2028, with carbon

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<sup>16</sup> As defined by the Yampa Integrated Water Management Plan: Final Report: A geographic sections of the Yampa River; Yampa White Green Basin Roundtable, "Yampa Integrated Water Management Plan: Final Report," September 2022, [https://drive.google.com/file/d/1aIB9LR77eapab6dUjnc6GFxozyJ3iR\\_V/view?usp=sharing](https://drive.google.com/file/d/1aIB9LR77eapab6dUjnc6GFxozyJ3iR_V/view?usp=sharing).



capture and sequestration added in 2031. Tri-State would indicate site preference for this natural gas unit within Moffat County in Phase II of its 2023 ERP.

**Rationale:** By identifying a site preference of Moffat County for the natural gas unit in Phase II, Tri-State could support the city and county in pursuing their economic development goal in response to plant closure by advocating for the local siting of a gas resource.

**Considerations:** Tri-State's 2020 and 2023 ERPs noted that bid project sites located in Moffat County or in the West End of Montrose County would be given consideration as one of the non-price factors included in bid evaluation.

### ***Additional CAOs***

## **CAO #5: Asset Repurposing or Disposal**

**Opportunity:** Tri-State would endeavor to collaborate with the city and county on asset repurposing or disposal in a number of ways spelled out below. For the purposes of this CAO, asset repurposing means reuse of an asset or selling an asset to another entity for reuse or development by that entity, which could include the city or county or a third-party developer. Asset disposal means the permanent closure and dismantling of an asset that will not be repurposed or reused. Assets could include but would not be limited to infrastructure, land, and water rights.

### **1. Asset Repurposing:**

- a. Assets that Tri-State will be repurposing for its own use, and for which Tri-State is the 100% owner:
  - i. Tri-State would communicate with the city and county so that the city and county can be informed of and assist with asset repurposing efforts as applicable.
- b. Assets that Tri-State will be donating, transferring, or selling to another entity, and for which Tri-State is the 100% owner, Tri-State would:
  - i. Consult with the community and elected officials to ensure donations, transfers, or sales are completed in alignment with community goals and priorities.
  - ii. Provide information about those assets to allow the City, County, other government entities, and potential developers to enable them to assess investment opportunities.
  - iii. Consider donating, transferring, or selling those assets to the city and county or other local entities.
  - iv. Provide marketing assistance for available assets, in a similar vein to the collaborative efforts of the Trapper Industrial Park marketing campaign.
- c. Assets for which Tri-State is not the 100% owner:
  - i. Tri-State would, if appropriate and as able, support the city and county by connecting with the other Yampa Project partners to discuss available asset repurposing in alignment with the actions under #1 above.

### **2. Asset Disposal**

- a. Assets for which Tri-State is the 100% owner:

- i. Tri-State would communicate with the city and county so that the city and county can be informed of and assist with asset disposal efforts as applicable.
- b. Assets for which Tri-State is not the 100% owner:
  - i. Tri-State would, if appropriate and as able, support the city and county by connecting with the other Yampa Project partners to discuss asset disposal activities.

**Rationale:**

Community engagement and consultation around changes to Craig Station assets would help to ensure that the repurposing, donation, transfer, sale, or disposal of assets is done in a way that aligns to the community's goals and priorities, or at least keeps the community informed.

For assets that will be donated, transferred, or sold, data and information regarding assets and capabilities, directly from the asset owner, would likely increase an interested entity's confidence in pursuing a project. This could further enhance business attraction and incentives, which in turn would bring more jobs, workforce, and tax revenue into the community. Available asset and infrastructure information would also position the city and county as competitive within the region. This would help to address a community concern that neighboring states' business incentives have historically attracted investments away from the city and county.

**Considerations:**

1. Some Tri-State owned assets at Craig Station may hold value for the community and their economic development goal. For example, Tri-State could implement land donations for the purpose of development opportunities to support the local community.
2. Available assets would be considered broadly (e.g., land, salvage value, transmission, water, etc.).
3. Tri-State noted that it is currently conducting a study on its assets that could support new energy technologies.
4. Transfers of public utility assets, such as those associated with Craig Station, may be subject to regulatory approval, including approval by the Colorado PUC.
5. Tri-State has stated that it will make its own decisions as to what happens with the Craig Station assets, subject to any required regulatory approvals.
6. Tri-State operates the entire Craig Station but has co-owners at Units 1 & 2. Tri-State has a 100% interest in Unit 3. The ownership structure means that decisions around some assets may require agreement from other entities.
7. As a coal-fired power plant, Craig Station is required to comply with a variety of environmental and other requirements during operation and after plant decommissioning or closure, consistent with law. The opportunity to repurpose assets may be dependent on meeting these requirements.
8. Land donations could include, but would not be limited to, donations for the purposes of industry, other development, and outdoor recreation.

## CAO #6: Planning and Feasibility Studies

**Opportunity:** In coordination and collaboration with existing efforts and other partners, Tri-State and the collaborating parties would assist the community with planning exercises and feasibility studies to support a successful community economic transition, including coordinating the various studies that are underway or expected to occur in the near future. These may include, but would not be limited to, planning exercises to explore beneficial future scenarios after Craig Station retirement, technology feasibility studies, and infrastructure repurposing/reuse studies. It is important to the city and county that studies are transparent and accessible.

**Rationale:** Future planning and feasibility studies will help prepare the community in developing well-informed steps of action to take after plant closure, as well as support existing state and local initiatives related to resource replacement in the region. Moreover, these studies could contribute to the Company's efforts to reduce emissions and support reliability.

**Considerations:**

1. The city and county have expressed a concern that many related studies are already occurring independent of one another.
2. For studies that would consider reusing or repurposing assets: some Craig Station assets (land, water rights, and facilities) are co-owned.
3. While discussing this CAO, the collaborating parties suggested studies (or support for studies) that would be valuable to the city and county's economic transition efforts. In response to these requests, Tri-State shared with the collaborating parties studies that are currently being pursued, or that have been pursued, by the company. Furthermore, the collaborating parties noted additional related studies that would be complementary to the studies requested by the city and county. This information is displayed in Table D. Importantly, this is not an exhaustive list of studies that are needed, but rather a list of some studies that were noted in this process.

**Table D. Examples of Planning and Feasibility Studies**

Type	Desired studies	Studies pursued by Tri-State
Low-emission or carbon-free resource options	Study that evaluates a variety of potential low-emission or carbon-free dispatchable resource options located at or surrounding Craig Station that could contribute to the Tri-State's continued efforts to reduce emissions and support reliability within its portfolio. Alternatively, this study could broaden its scope by evaluating potential dispatchable resource options located within Moffat County.	Tri-State's 2023 ERP is currently modeling a variety of low-emission or carbon-free dispatchable resource options, with potential to be located within Moffat County.
Pumped storage	Study that evaluates the compatibility of pumped storage within Moffat County which would include power line capacity between project location and substation, and industrial water for fill and evaporation of storage ponds.	Pumped storage was modeled and was not selected as a resource in Phase I of Tri-State's 2023 ERP for the current resource acquisition period (2026-2031)
Advanced nuclear	Support for DOE's Gateway for Accelerated Innovation in Nuclear (GAIN) feasibility study, for which both the city and county have contributed letters of support.	
Other		Tri-State has received Congressional Directed Spending (CDS) to complete a feasibility study to determine the potential for Craig Station to be repurposed for use as an Energy Center.

**Complementary studies to note**

- PSCo and PacifiCorp have both conducted line extension studies. The state could support the community in exploring how a line extension would impact and potentially create opportunities for the community.
- The Colorado Energy Office (CEO) is conducting studies to assess advanced energy solutions in rural Colorado, as required under H.B. 23-1247.
- Some of the collaborating parties identified synergies between the CEO study and Tri-State's CDS study and suggested the two study processes should be in-conversation with each other to ensure the most comprehensive and robust analysis can be executed and to reduce duplicative work.

## CAO #7: Federal Funding Opportunities

**Opportunity:** All of the collaborating parties would work together to identify and pursue federal funding opportunities to support the community's economic transition, including, but not limited to those created by the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA). As noted in CAO #1, the tangible value derived from federal funding obtained to support the community's economic transition could count toward a property tax and/or jobs offset as part of Tri-State's level of effort commitment.

**Rationale:** The BIL and IRA make sweeping investments to address energy costs, climate change, and create a resilient and equitable clean energy economy. Opportunities under both may be vital in supporting communities as they transition away from the coal industry and presents an unprecedented opportunity for power plant host communities to receive assistance from the federal government with their economic transition efforts. The collaborating parties could coordinate and fund additional capacity, specific to Moffat County, to ensure the community can leverage these federal funding opportunities, including those described below.

**Considerations:** The following are a few examples of the many federal funding opportunities that may be of interest to the City of Craig and Moffat County:

1. Energy Infrastructure Reinvestment Financing (Section 50144): A \$5 billion credit subsidy offered under the Department of Energy's (DOE) Loan Program Office, with a loan guarantee authority of up to \$250 billion for projects that retool, repower, repurpose, or replace energy infrastructure that has ceased operations.<sup>17</sup>
2. Qualifying Advanced Energy Project Credit (Section 13501): \$10 billion in tax credits for investments in advanced energy projects which may include re-equipping an industrial or manufacturing facility with equipment designed to reduce greenhouse gas emissions or re-equipping, expanding, or establishing an industrial or manufacturing facility for the production or recycling of a range of renewable energy and energy efficiency equipment.<sup>18</sup>
3. Communities Sparking Investments in Transformative Energy (C-SITE): \$18 million for local governments and federally recognized Indian Tribes to implement municipally- or Tribal-led high-impact clean energy projects that address a wide variety of energy issue areas, including, but not limited to, building efficiency and/or electrification, electric transportation, energy infrastructure upgrades, microgrid development and deployment, renewable energy, resilience hubs, and workforce development.<sup>19</sup>

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<sup>17</sup> Text - H.R.5376 - 117th Congress (2021-2022): Inflation Reduction Act of 2022, H.R.5376, 117th Cong. (2022), <https://www.congress.gov/bills/117/congress/house-bill/5376/text>.

<sup>18</sup> Text - H.R.5376 - 117th Congress (2021-2022): Inflation Reduction Act of 2022, H.R.5376, 117th Cong. (2022).

<sup>19</sup> "Local Government Energy Program: Communities Sparking Investment in Transformative Energy (C-SITE)," U.S. Department of Energy (DOE) Office of State and Community Energy Programs (SCEP), February 27, 2024, <https://infrastructure-exchange.energy.gov/FileContent.aspx?FileID=55a3c8c9-a59f-4542-afc9-ea76afa6fd61>.

## CAO #8: State Funding Opportunities

**Opportunity:** The collaborating parties would work together to identify and pursue additional state funding opportunities to augment the state’s existing support for the community’s economic transition. This would include, but not be limited to, increasing the funding that the Colorado General Assembly appropriated to the Colorado Office of Just Transition (OJT) and the Colorado Office of Economic Development & International Trade (OEDIT) for grants to be made available to Colorado’s coal transition communities.

**Rationale:** The State of Colorado’s greenhouse gas reduction and climate policy objectives will contribute to the acceleration of coal plant retirements in the state. § 8-83-501, C.R.S.— the legislative declaration in the statute creating the Office of Just Transition— recognizes that the State of Colorado has “a moral commitment to assist the workers and communities that have powered Colorado for generations.” To date Colorado has allocated over \$35 million in General Funds and millions more in coal severance tax dollars to fulfill this commitment.

**Considerations:** OJT’s goals are to (1) assist communities in retaining and developing family-sustaining jobs, broadening their property tax base, and increasing economic diversity, and (2) help coal industry workers transition to new family-sustaining jobs, relocate, or retire, and to do so while maintaining their economic security.

To meet these goals, roughly \$30 million (over 85 percent) of the \$35 million in State General Funds currently allocated for just transition purposes statewide will go directly to community-based grants and direct assistance to displaced workers. The remaining funds will support state-level programs and services that benefit all coal transition communities and workers. Specifically:

1. Over \$15.6 million is earmarked for community assistance grants, with just over half of that (\$8 million) earmarked for the three-county Yampa Valley (with special preference for projects in Moffat County).
  - a. Based on current data and trends, OJT estimates that at least \$5 million of this will go for projects serving Moffat County (including the City of Craig).
2. Over \$14 million is earmarked for direct support for coal transition workers and families, most of which will go to innovative “pre-closure” strategies to prepare for the transition while workers are still working in the coal industry.
  - a. Based on current data and trends, OJT estimates that roughly \$9.2 million of this will be spent for transition workers and families in the Yampa Valley, with roughly half of that (\$4.6 million) going to workers and families in Moffat County.

Additional funding from the state legislature or other sources will be needed if OJT is to be able to offer additional rounds of community assistance grants, additional technical support in the latter part of this decade, and additional supportive services for workers who lose jobs when the coal facilities reach their closure dates. OJT estimates that any such additional funding would likely be apportioned similarly to the existing funds, with roughly one-third utilized for economic and community assistance as well as workers and family transitions within Moffat County.

## CAO #9: Proactive State Competition for Investment

**Opportunity:** The State of Colorado would put forth a proactive effort to identify and compete for investments in coal transition communities, including a focus on industries and development opportunities that are a fit for the City of Craig or Moffat County.

State actions could include but would not be limited to the following:

1. Identifying regulatory and permitting processes that pose significant barriers to economic and business development in the city and county and attempting to streamline and accelerate those regulatory and permitting processes, where practicable and without negatively impacting state economic and policy goals, to accelerate economic and business development in the city and county.
2. Giving preference to Tier 1 coal transition communities for economic development incentives.
3. Providing each business expanding in the community, or considering locating in the community, a single point of contact at the state to help navigate the development process.
4. Providing state tax rebates for new investments that meet certain criteria.

Notably, the city and county have expressed a preference for local control or influence over how to deploy incentives or resources from the state that are intended to support economic development in the community.

**Rationale:** The city and county have seen neighboring states proactively recruit and incentivize economic development and would like the State of Colorado to do the same. The collaborating parties discussed a variety of options for how the state might do this, including identifying barriers hampering competition with other states, designing additional tools to improve the ability of Tier 1 coal transition communities to compete, and increasing utilization of existing tools to attract new or expand existing businesses.

### Considerations:

1. Individual agencies should examine and advocate for what they can do to assist economic competitiveness and economic development in coal transition communities. However, individual agencies often are bound by State statutes and by departmental and board governing policies.
2. The state agencies that are party to this ICAP have no authority to make commitments for the state in areas that fall outside of their clear statutory and regulatory authority. Therefore, they can only make a good faith effort on behalf of the goals of this CAO that are within that authority. Their general support for this CAO cannot and should not be interpreted as a binding commitment by the State of Colorado.

## Conclusion

This informational community assistance plan for the City of Craig and Moffat County summarizes the process that six collaborating parties (“parties”) followed and the resulting community assistance opportunities (CAOs) that were explored by the parties through the

course of extensive conversations, as directed by Section 3.12 of the Settlement Agreement in Colorado Public Utilities Commission (PUC) Proceeding No. 20A-0528E.<sup>20</sup> The parties agreed that these CAOs are worth considering but did not agree on any particular path forward

The key steps that will take place following completion of this report are for Tri-State to present this report and the CAOs described herein to its board, after which it will file this report in a miscellaneous proceeding with the Colorado PUC.

The work of the collaborating parties as captured in this report is one of many steps that will need to be taken to achieve the overarching goal of the City of Craig and Moffat County to replace all economic losses projected as a result of the retirement of Craig Station. This particular step has established a set of community assistance opportunities that the collaborating parties have mutually developed for consideration. This process has also allowed the parties to build a more nuanced understanding of each other's perspectives— an understanding that will be vital as the parties continue to support the community with navigating the coal transition.

GPI would like to thank the collaborating parties for the opportunity to serve as the independent third-party facilitator for this process and for the time, effort, and resources that the parties contributed throughout the process.

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<sup>20</sup> Colorado Department of Regulatory Agencies, Public Utilities Commission, Decision (March 28, 2022), Proceeding No. 20A-0528E, "In the matter of the application of Tri-State Generation and Transmission Association, Inc. for approval of its 2020 electric resource plan."



## Appendix A: Relevant Settlement Terms

The following excerpt from the Settlement Agreement in Colorado Public Utilities Commission (PUC) Proceeding No. 20A-0528E provides direction for this process.

**3.12. Workforce Transition and Community Assistance.** The Settling Parties agree to the following terms regarding workforce transition and community assistance. The terms in this section expressly survive the conclusion of Proceeding No. 20A-0528E as set forth below.

3.12.1. Tri-State agrees to submit to the Colorado Office of Just Tr

ansition a Workforce Transition Plan with respect to Craig Station (the “Workforce Transition Plan”) that meets the requirements of C.R.S. § 8-83-505 on or before December 31, 2022.

3.12.2. Tri-State agrees to work with the Office of Just Transition, the City of Craig, Moffat County, the Colorado Energy Office, and the Office of the Utility Consumer Advocate (the “Collaborating Parties”) to develop a scope of work and select a mutually agreed upon independent third-party facilitator to lead a process for the Collaborating Parties to discuss community assistance opportunities for the City of Craig and Moffat County and to develop a report addressing those opportunities (the “Informational Community Assistance Plan”).

3.12.3. As part of the process of facilitating the development of the Informational Community Assistance Plan, the third-party facilitator will consider information provided by the Collaborating Parties, including information regarding other utilities’ community assistance efforts.

3.12.4. This community assistance approach will take into consideration the unique aspects of Craig and Moffat County and Tri-State’s not-for-profit business structure, along with associated impacts to Tri-State’s Utility Members.

3.12.5. The Collaborating Parties will meet no later than March 1, 2022, to begin developing the scope of work for the facilitated process.

3.12.6. The Informational Community Assistance Plan developed through the facilitated process may include recommendations for next steps.

3.12.7. The Office of Just Transition will cover the cost of the facilitator up to a cap of \$100,000 and any remaining amount will be paid for by Tri-State. The total cost of the facilitator shall not exceed \$300,000.

3.12.8. Within 60 days of the completion of the facilitated process, Tri-State will file with the PUC in a miscellaneous proceeding, and on an informational basis, the Workforce Transition Plan described in section 3.12 above. Tri-State will include, as an attachment to the filing, the Informational Community Assistance Plan, also on an informational basis.<sup>21</sup>

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<sup>21</sup> Colorado Department of Regulatory Agencies, Public Utilities Commission, Decision (March 28, 2022), Proceeding No. 20A-0528E, “In the matter of the application of Tri-State Generation and Transmission Association, Inc. for approval of its 2020 electric resource plan.”

## Appendix B: Meeting Dates and Agenda Items

GPI convened and facilitated a total of eleven meetings over the course of nine months, from July 2023 to April 2024. The first eight convenings were in-person half-day meetings at the Moffat County courthouse in Craig, Colorado. The ninth and eleventh meetings were also held in-person but were full-day meetings; and the tenth meeting was a half-day, exclusively virtual meeting.<sup>22</sup>

Date	Meeting	Topics
July 31, 2023	Meeting 1: Welcome and Process	<ul style="list-style-type: none"> <li>• Process scoping discussion</li> <li>• Level-setting on current state, uncertainties, key questions</li> </ul>
August 29, 2023	Meeting 2: Process and Level-Setting	<ul style="list-style-type: none"> <li>• Review of process scoping document (ground rules, guiding principles, and desired outcomes)</li> <li>• Presentations and Q&amp;A               <ul style="list-style-type: none"> <li>• Tri-State's Next ERP</li> <li>• City of Craig Priorities</li> <li>• Moffat County Priorities</li> </ul> </li> <li>• Discussion               <ul style="list-style-type: none"> <li>• What are the opportunities and challenges around the timing of the community priorities and Tri-State's next ERP?</li> <li>• What opportunities do you see for the Collaborating Parties and partners to support the city and county priorities?</li> </ul> </li> </ul>
September 25, 2023	Meeting 3: Level Setting Continued	<ul style="list-style-type: none"> <li>• Cont. Presentations and Q&amp;A: City of Craig Priorities</li> <li>• Cont. Presentations and Q&amp;A: Moffat County Priorities</li> <li>• Discussion               <ul style="list-style-type: none"> <li>• What are the priorities and strategies for economic transition, and what are the desired benefits/outcomes, timelines for implementation, and funding or other needs?</li> <li>• What are the biggest barriers to achieving those priorities/strategies (for which assistance may be beneficial)?</li> <li>• What uncertainties might have the biggest impact (positive or negative)?</li> </ul> </li> </ul>

<sup>22</sup> The last three meetings did not follow the same meeting cadence as all previous meetings because at that point the Collaborating Parties identified a desire to expedite the convening process. In order to satisfy the terms of the settlement on a shorter timeline, the collaborating parties, along with GPI, agreed to meet more frequently and longer for the last three meetings.

November 2, 2023	Meeting 4: Transition Examples	<ul style="list-style-type: none"> <li>• Presentation and Q&amp;A: Stuart Clason, Utah Regional Growth Association</li> <li>• Presentation and Q&amp;A: Will Payne, Coalfield Strategies</li> <li>• Discussion: Defining viability for Tri-State specific assistance opportunities</li> </ul>
November 30, 2023	Meeting 5: CAO Development	<ul style="list-style-type: none"> <li>• Review initial list of CAOs to build understanding of the concept. <ul style="list-style-type: none"> <li>• Which opportunities are the highest priority to further explore?</li> </ul> </li> <li>• What key questions would need to be answered to further develop the priority opportunities?</li> </ul>
December 19, 2023	Meeting 6: CAO Development Continued	<ul style="list-style-type: none"> <li>• Review full draft list of potential CAOs, seeking to answer the following questions: <ul style="list-style-type: none"> <li>• What edits would you suggest making to the draft recommendation text, if any?</li> <li>• What additional considerations need to be taken into account?</li> <li>• What questions still need to be answered to understand the scope and feasibility of these recommendations?</li> </ul> </li> </ul>
January 29, 2024	Meeting 7: CAO Development Continued	<ul style="list-style-type: none"> <li>• Identify and discuss 2-4 very different possible scenarios for what the future of Craig Station could look like after closure.</li> <li>• Discuss what each scenario would mean for the community to be able to achieve its goals as a framework for thinking through CAOs.</li> </ul>
March 5, 2024	Meeting 8: CAO Development Continued	<ul style="list-style-type: none"> <li>• Final review of full draft list of potential CAOs to be included in ICAP</li> </ul>
March 27, 2024	Meeting 9: CAO Development Continued	<ul style="list-style-type: none"> <li>• Cont. final review of full draft list of potential CAOs to be included in ICAP</li> </ul>
April 15, 2024	Meeting 10: ICAP Development	<ul style="list-style-type: none"> <li>• First draft ICAP review</li> </ul>
April 30, 2024	Meeting 11: ICAP Development Continued	<ul style="list-style-type: none"> <li>• Final ICAP review</li> </ul>

## Appendix C: Ground Rules and Guiding Principles

### Ground Rules

1. **Respect each other.** Respect each other's experiences and opinions, even in difficult conversations.
2. **Seek to understand.** If something is unclear or frustrating, ask questions to better understand the situation or another party's perspective. Better understanding will help us develop more robust solutions.
3. **Enable honesty through non-attribution.** Outside of these meetings, you may say what was discussed, but you may not say who said what and you may not characterize the level of disagreement on issues (unless group members ask for greater confidentiality on specific topics).
4. **Uphold the settlement agreement.** Stay within the stated focus and boundaries of the settlement.

### Guiding Principles

- A. Ensure that supporting the community is maintained as the focus for this group's efforts, including community vitality, workforce, and tax base.
- B. Ensure this process is complementary to the efforts of other similar processes and projects.
- C. Consider state clean energy policy goals.
- D. Ensure that opportunities requiring assistance from Tri-State consider and incorporate the unique needs of Tri-State's cooperative business model and impacts to its members.

## Attestation of Completion


The signatures below indicate that the collaborating parties attest to the completion of this Informational Community Assistance Plan report and its facilitation process.



May 6, 2024

Wade Buchanan  
Director Colorado Office of Just Transition

Date

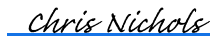


Keith Hay - CEO (May 6, 2024 14:07 MDT)

May 6, 2024

Keith Hay  
Senior Director, Colorado Energy Office

Date



Chris Nichols (May 6, 2024 15:30 MDT)

May 6, 2024

Chris Nichols  
Mayor, City of Craig

Date



Amy Robertson (May 6, 2024 15:33 MDT)

May 6, 2024

Amy Robertson  
Senior Manager State Government Relations and External Affairs,  
Tri-State Generation and Transmission Association Inc.

Date



May 6, 2024

Cindy Schonhaut  
Director, Colorado Office of the Utility Consumer Advocate

Date



May 6, 2024

Melody Villard  
District 2 Commissioner, Moffat County

Date










# Informational Community Assistance Plan\_Final Report\_2024\_5\_6

Final Audit Report


2024-05-06

Created:	2024-05-06
By:	Klara Droessler (kdroessler@gpisd.net)
Status:	Signed
Transaction ID:	CBJCHBCAABAAM92afn-Ob7mgGQEy_eoVS2OjjiqDNuBaE

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-  Document created by Klara Droessler (kdroessler@gpisd.net)  
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## Attachment A

 Klara Droessler (kdroessler@gpisd.net) replaced signer arobertson@tristategt.org with Amy Robertson (amy.robertson@tristategt.org)


2024-05-06 - 9:05:35 PM GMT

 Signer cnichols@ci.craig.co.us entered name at signing as Chris Nichols

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 Document e-signed by Chris Nichols (cnichols@ci.craig.co.us)

Signature Date: 2024-05-06 - 9:30:48 PM GMT - Time Source: server

 Document emailed to Amy Robertson (amy.robertson@tristategt.org) for signature


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 Email viewed by Amy Robertson (amy.robertson@tristategt.org)

2024-05-06 - 9:31:15 PM GMT

 Document e-signed by Amy Robertson (amy.robertson@tristategt.org)

Signature Date: 2024-05-06 - 9:33:51 PM GMT - Time Source: server

 Document emailed to Cindy Schonhaut (cindy.schonhaut@state.co.us) for signature

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2024-05-06 - 9:35:37 PM GMT

 Document e-signed by Cindy Schonhaut (cindy.schonhaut@state.co.us)

Signature Date: 2024-05-06 - 9:35:55 PM GMT - Time Source: server

 Document emailed to mvillard@moffatcounty.net for signature

2024-05-06 - 9:35:57 PM GMT

 Email viewed by mvillard@moffatcounty.net

2024-05-06 - 9:43:33 PM GMT

 Signer mvillard@moffatcounty.net entered name at signing as Melody Villard

2024-05-06 - 9:46:12 PM GMT

 Document e-signed by Melody Villard (mvillard@moffatcounty.net)

Signature Date: 2024-05-06 - 9:46:14 PM GMT - Time Source: server

 Agreement completed.

2024-05-06 - 9:46:14 PM GMT

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO**

Proceeding No. 24M-\_\_\_\_E

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IN THE MATTER OF THE INFORMATIONAL COMMUNITY ASSISTANCE PLAN  
FOR THE CITY OF CRAIG AND MOFFAT COUNTY, COLORADO.

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**TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC.'S  
NOTICE OF INFORMATIONAL COMMUNITY ASSISTANCE PLAN**

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Tri-State Generation and Transmission Association, Inc. ("Tri-State") hereby submits this Notice of Filing an Informational Community Assistance Plan ("ICAP") pursuant to Decision No. R22-0191 issued on March 28, 2022. Tri-State submits this Notice on an informational basis and is not requesting any Commission action. In support of this Notice, Tri-State states the following:

1. On December 1, 2020, Tri-State filed its 2020 Electric Resource Plan ("2020 ERP") in Proceeding No. 20A-0528E.
2. On January 18, 2022, Tri-State submitted an Unopposed Comprehensive Settlement Agreement ("Settlement Agreement") that resolved Phase I of Tri-State's 2020 ERP.
3. On March 28, 2022, the Commission issued Decision No. R22-0191, approving the Settlement Agreement and granting Tri-State's 2020 ERP Application.
4. Under Section 3.12 of the Settlement Agreement, Tri-State and Settling Parties<sup>1</sup> agreed to the following terms:

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<sup>1</sup> Tri-State Generation and Transmission Association, Inc. ("Tri-State"), Poudre Valley Rural Electric Association, Inc., Empire Electric Association, Inc., Highline Electric Association, K.C. Electric Association, Morgan County Rural Electric Association, Mountain View Electric Association, Inc., Southeast Colorado Power Association, Y-W Electric Association, Inc. (together, the "Joint



3.12.1. Tri-State agrees to submit to the Colorado Office of Just Transition a Workforce Transition Plan with respect to Craig Station (the “Workforce Transition Plan”) that meets the requirements of C.R.S. § 8-83-505 on or before December 31, 2022.

3.12.2. Tri-State agrees to work with the Office of Just Transition, the City of Craig, Moffat County, the Colorado Energy Office, and the Office of the Utility Consumer Advocate (the “Collaborating Parties”) to develop a scope of work and select a mutually agreed upon independent third-party facilitator to lead a process for the Collaborating Parties to discuss community assistance opportunities for the City of Craig and Moffat County and to develop a report addressing those opportunities (the “Informational Community Assistance Plan”).

3.12.3. As part of the process of facilitating the development of the Informational Community Assistance Plan, the third-party facilitator will consider information provided by the Collaborating Parties, including information regarding other utilities’ community assistance efforts.

3.12.4. This community assistance approach will take into consideration the unique aspects of Craig and Moffat County and Tri-State’s not-for-profit business structure, along with associated impacts to Tri-State’s Utility Members.

3.12.5. The Collaborating Parties will meet no later than March 1, 2022, to begin developing the scope of work for the facilitated process.

3.12.6. The Informational Community Assistance Plan developed through the facilitated process may include recommendations for next steps.

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Cooperative Movants”), Big Horn Rural Electric Company, Carbon Power & Light, Inc., High West Energy Inc., Wheatland Rural Electric Association, Wyrulec Company, Inc., Niobrara Electric Association, High Plains Power, Inc., Garland Light & Power Co. (together, the “Wyoming Cooperatives”), Trial Staff (“Staff”) of the Colorado Public Utilities Commission (“Commission”), Western Resource Advocates (“WRA”), the Office of the Utility Consumer Advocate (“UCA”), the Colorado Energy Office (“CEO”), the Colorado Independent Energy Association (“CIEA”), the Colorado Solar and Storage Association and Solar Energy Industries Association (collectively, “COSSA/SEIA”), Natural Resource Defense Council (“NRDC”), Sierra Club, Western Colorado Alliance (“WCA”) (together, “Conservation Coalition”), International Brotherhood of Electrical Workers, Local #111 (“IBEW”), Interwest Energy Alliance (“Interwest”), and Southwest Energy Efficiency Project (“SWEEP”) (each a “Settling Party” and collectively the “Settling Parties”).

3.12.7. The Office of Just Transition will cover the cost of the facilitator up to a cap of \$100,000 and any remaining amount will be paid for by Tri-State. The total cost of the facilitator shall not exceed \$300,000.

3.12.8. Within 60 days of the completion of the facilitated process, Tri-State will file with the PUC in a miscellaneous proceeding, and on an informational basis, the Workforce Transition Plan described in section 3.12 above. Tri-State will include, as an attachment to the filing, the Informational Community Assistance Plan, also on an informational basis.

### Compliance

5. On June 29, 2022, the Scope of Work (“SoW”) for the ICAP facilitator was completed. The Request for Proposals (“RFP”) for an ICAP facilitator was issued in February 2023. The facilitator was selected, with the contract signed in June 2023.

6. The ICAP was recently completed on May 6, 2024, and is provided on an informational basis as **Attachment A** to this Notice.

7. The ICAP includes a summary of the facilitated process and outcomes. The ICAP identifies potential Craig community assistance opportunities.

8. Tri-State is reviewing the areas of assistance of greatest interest to the community identified in the ICAP and will determine a financially feasible approach to community assistance and anticipates making a recommendation for Tri-State Board approval by Q1 2025.

9. Tri-State is not a “qualifying retail utility” and therefore was not required to submit a Clean Energy Plan (“CEP”) as part of its 2020 ERP. As such, the requirements of § 40-2-125.5(4)(a)(VII), C.R.S, including those regarding community assistance plans, do not apply to Tri-State. Likewise, Tri-State is not subject to the

requirements set forth in § 40-2-133(1), C.R.S. regarding the filing of a workforce transition plan with the Commission.

10. Tri-State is subject to § 8-83-505, C.R.S. which requires Tri-State to submit a workforce transition plan for Craig Station directly to the Office of Just Transition (“OJT”). Tri-State fulfilled its obligation under § 8-83-505, C.R.S, in December 2022 by submitting a Workforce Transition Plan for Craig Station to OJT.

11. Pursuant to Section 3.12.1 of the Settlement Agreement, Tri-State agreed to submit this plan to OJT by the end of 2022, earlier than what may otherwise have been required by statute. The Workforce Transition Plan is also provided here, on an informational basis, as **Attachment B**, consistent with Section 3.12.8 of the Settlement Agreement.

12. Tri-State is submitting this Notice and the accompanying attachments on an informational basis only and is not requesting any Commission action on these filings.

Submitted this 10th day of May, 2024.

**LEWIS ROCA ROTHGERBER CHRISTIE  
LLP**

/s/ Dietrich C. Hoefner

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