

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25A-0266E

IN THE MATTER OF THE APPLICATION OF TRI-STATE GENERATION AND TRANSMISSION ASSOCIATION, INC. FOR PUBLIC INTEREST DETERMINATION FOR ENTRY INTO THE SOUTHWEST POWER POOL IN THE WESTERN INTERCONNECTION.

**COMMISSION DECISION
GRANTING APPLICATION**

Issued Date: December 16, 2025

Adopted Date: November 19, 2025

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I. BY THE COMMISSION

A. Statement

1. On June 16, 2025, Tri-State Generation and Transmission Association, Inc. (“Tri-State”) filed an application for a finding that the Southwest Power Pool (“SPP”) Regional Transmission Organization in the Western Interconnection (“SPP RTO West”) is a Statutory Organized Wholesale Market (“Statutory OWM”) in accordance with § 40-5-108(1), C.R.S., and Rule 3752(n) of the Commission’s Rules Regulating Electric Utilities, 4 *Code of Colorado Regulations* (“CCR”), 723-3. Tri-State also seeks a finding that its expanded participation in SPP RTO West is in the public interest pursuant to Rules 3754(d) and (f).

2. By this Decision the Commission grants the Application. As discussed below, we conclude that, with respect to Tri-State, the SPP RTO West is a Statutory OWM and that Tri-State's decision to expand its participation in SPP RTO West is in the public interest.

B. Procedural History

3. On June 16, 2025, Tri-State filed its Application. Tri-State's filing addresses the requirement in Senate Bill 21-072, codified as § 40-5-108, C.R.S., to join an RTO by January 1, 2030. Specifically, Tri-State seeks a Commission order finding that the SPP RTO West is a Statutory OWM and finding that its expanded participation in SPP RTO West is in the public interest. Tri-State filed its Application with Direct Testimony of three witnesses: Daniel T. Walter; Lisa K. Tiffen; and Ryan J. Hubbard.

4. Tri-State also filed with its Application a Motion to Approve a Proposed Procedural Schedule, Discovery Procedures, and Treatment of Confidential Information ("Procedural Motion"). Tri-State requested that the Commission approve a proposed procedural schedule based on the timeline in Rule 3754(f)(I) and the other unique procedural requirements identified in the rules as applicable to the Application. The proposed schedule would culminate in a public comment hearing on September 30, 2025, and a final Commission decision no later than November 13, 2025.

5. By Decision No. C25-0484-I, issued June 26, 2025, the Commission established a shortened notice and intervention period for the Application. The Commission also set July 15, 2025 as the response deadline for the Procedural Motion.

6. By Decision No. C25-0530-I, issued July 18, 2025, the Commission granted the timely requests for permissive intervention filed by Interwest Energy Alliance ("Interwest"), Black Hills Colorado Electric, LLC ("Black Hills"), Western Resource Advocates ("WRA"), and

Holy Cross Electric Association, Inc. (“Holy Cross”). The Commission also acknowledged the notices of intervention of right filed by Trial Staff of the Colorado Public Utilities Commission (“Trial Staff” or “Staff”), the Office of the Utility Consumer Advocate (“UCA”), and the Colorado Energy Office (“CEO”). Through that decision, the Commission also required Tri-State to confer with the intervening parties regarding a procedural schedule and to file a new proposed procedural schedule by July 25, 2025.

7. On July 24, 2025, the Application was deemed complete for purposes of § 40-6-109.5, C.R.S., by operation of Rule 1303(c)(IV) of the Commission’s Rules of Practice and Procedure, 4 CCR 723-1.

8. On July 25, 2025, Tri-State timely filed a notice of consensus procedural schedule. The notice requested the Commission approve the schedule which Tri-State asserts is aligned to the unique procedural requirements identified in the rules for the Application and agreed upon by the parties. Tri-State explained, for instance, the parties agreed on a public comment hearing format, rather than an evidentiary hearing, for this Proceeding. Specifically, Tri-State stated that the parties agreed that the required public comment hearing would be best structured similar to a rulemaking hearing before the Commission, where there is an opportunity for parties (and the public) to provide comments as well as an opportunity for the Commission to ask questions of Tri-State and the parties. Tri-State explained this format was meant to strike a balance and did not include cross-examination or other questioning between the parties. Instead, only the Commission would be empowered to ask questions of the parties.

9. The Commission, through Decision No.C25-0578-I, issued August 6, 2025, adopted the consensus procedural schedule proposed by the parties that, among other things,

included a remote public comment hearing scheduled for October 7, 2025. The decision further granted, in part, Tri-State's Procedural Motion.

10. Consistent with the established procedural schedule, WRA, Interwest, Black Hills, Trial Staff, and CEO filed comments addressing Tri-State's Application.

11. Tri-State timely filed a response to the intervening parties' comments on September 25, 2025.

12. The public comment hearing was held before the Commission *en banc* on October 7, 2025.

13. On October 13, 2025, Tri-State filed additional information to support the Commission's determination that Tri-State's participation in SPP RTO West meets the criteria of a Statutory OWM as defined in Rule 3752(n). Tri-State further maintains that, notwithstanding the additional information it filed after the October 7, 2025, public comment hearing, it had already complied with both the letter and spirit of the Commission's rules by responding to discovery questions properly within scope and provided sufficient information in its filing on June, 16, 2025, to enable the requested Commission determination on the Application.

14. CEO and Trial Staff filed final written comments on October 24, 2025.

15. The Commission deliberated at its November 19, 2025, Commissioners' Weekly Meetings, resulting in this Decision.

C. Tri-State's Application

16. In its Application, Tri-State explains that it has entered into a commitment agreement to transition its load, resources, and transmission assets in the Western Area Colorado-Missouri ("WACM") Balancing Authority ("BA") into SPP RTO West effective April 1, 2026. The loads and resources in the WACM BA area include a portion of Tri-State's

Colorado system. Tri-State explains that SPP RTO West provides all the services offered by full RTO, including transmission service, market operations service, planning coordinator service, reliability coordinator service, BA service, and interchange authority service.

17. Tri-State's Application filing addresses the information required by Rule 3755 that encompasses the ten characteristics of a Statutory OWM listed by SB 21-072. The required information is intended to enable the Commission to determine whether an RTO that a utility seeks to join is a Statutory OWM.

18. The Application filing further provides additional information related to three specific market characteristics listed in Rule 3754(d), specifically whether the RTO has: (1) a greenhouse gas ("GHG") tracking and accounting system to ensure compliance with Colorado emission reduction requirements; (2) a tariff addressing generator interconnections that enables timely implementation of Colorado electric resource plans and ensures resource adequacy through the end of 2030; and (3) a plan to put in place policies and operational practices addressing the situation where multiple wholesale markets may be operating within Colorado.

19. In Attachment C to the Application, Tri-State provides an index of the June 16, 2025 filing identifying the location of the presentations of the ten characteristics of a Statutory OWM listed by SB 21-072, the related requirements in Rule 3755, and the three characteristics in Rule 3754(d).

1. Statutory Organized Wholesale Market

a. RTO Approved by FERC

20. Section 40-5-108(1)(a)(I) requires a Statutory OWM to have been approved by the Federal Energy Regulatory Commission ("FERC.")

21. Tri-State explains in its Application that SPP submitted to FERC on June 4, 2024, proposed revisions to its Open Access Transmission Tariff (“OATT”), Bylaws, and Membership Agreement to facilitate the commitment of Tri-State and other nine entities in the Western Interconnection to launch SPP RTO West by April 1, 2026.¹ Tri-State further states that FERC approved, subject to condition, SPP’s proposed revisions on March 20, 2025, finding that they “are just and reasonable and not unduly discriminatory or preferential.” Tri-State further states that SPP submitted its compliance filing related to the launch of SPP RTO West on April 16, 2025.

b. Separate Control of Transmission and Generation

22. Section 40-5-108(1)(a)(II) requires a Statutory OWM to effect separate control of transmission facilities from control of generation facilities.

23. In its Application, Tri-State explains that unlike transmission facilities, generation facilities in SPP RTO West will remain under the operational and legal control of their respective owners. In other words, SPP will not own, control, or dispatch generation units but will instead coordinate generation operations as part of its reliability functions. In addition, participants in SPP RTO West will submit bids for the economic dispatch of generation to balance supply and demand.²

24. Tri-State witness Hubbard goes on to explain that Tri-State has executed a Membership Agreement with SPP as a transmission owner, transferring to SPP the functional control of certain of its transmission facilities, subject to the rates, terms, and conditions of the SPP’s OATT.³ He clarifies that Tri-State-owned generation within the SPP RTO West footprint

¹ Application, p. 8. Walter Direct Testimony, p. 21.

² *Id* at p. 24.

³ Hubbard Direct, p. 8.

which directly affect the capacity or reliability of the electric transmission system will be required to provide the ancillary services required under the SPP OATT at rates approved by FERC, to the extent such generators are able to provide such ancillary services.

c. Minimize Pancaked Transmission Rates

25. Section 40-5-108(1)(a)(III) requires a Statutory OWM to implement, to the extent reasonably possible, policies and procedures designed to minimize pancaked transmission rates within Colorado.

26. Tri-State explains in its Application that, under the SPP OATT as modified for SPP RTO West, transmission customers will pay only a single access charge within the SPP RTO West footprint, rather than the separate charges for each transmission provider when power moves across multiple service areas.⁴ Tri-State witness Hubbard specifies that when Tri-State becomes part of SPP RTO West, SPP's OATT will replace the individual transmission provider OATTs across the WACM and Upper Great Plains BA footprints, eliminating multiple transmission provider seams and associated pancaking of transmission rates that currently exist between Tri-State, Western Area Power Administration, Colorado Springs Utilities, Platte River Power Authority, and Deseret Power.

d. Service Reliability

27. Section 40-5-108(1)(a)(IV) requires a Statutory OWM to improve, to the extent reasonably possible, service reliability within Colorado.

28. In its Application, Tri-State notes that SPP requires market participants such as Tri-State to maintain sufficient capacity to meet forecasted demands plus a base planning reserve margin. Tri-State further highlights SPP's proposals (still pending at FERC) for accrediting

⁴ Application, pp. 24-25.

capacity for resource planning, where entities like Tri-State will each be required to provide accredited capacity to meet reserve margins based on its multiple performance measures.⁵ Tri-State further explains that SPP will function as the Planning Coordinator, the Reliability Coordinator, the BA, and the Interchange Authority all subject to North American Reliability Corporation Reliability Standards.⁶

29. Tri-State witness Tiffen further asserts that SPP ensures adequate resources to maintain reliability through resource adequacy requirements and resource accreditation.⁷ She specifically highlights how SPP has adjusted its resource adequacy requirements to account for changes in its generation resource mix, moving from an annual basis to a seasonal winter and summer basis and updated modeling for developing necessary planning reserve margins.⁸

30. Likewise, Tri-State witness Walter explains how SPP maintains real-time reliability by ensuring limits on transmission capabilities are not exceeded through redispatch of generation, system reconfiguration, and coordinated load shedding.⁹ He states that Tri-State's participation in SPP RTO West will allow Tri-State to take advantage of regional flow based transmission management and regional unit commitment and dispatch to increase reliability, with increased load and resource diversity in the footprint.¹⁰ For example, he points to the larger size of the BA as will be administered by SPP RTO West with access to a more diverse set of resources capable of providing reliability services such as contingency reserves and regulating

⁵ Application, p. 3.

⁶ *Id.* at p. 13.

⁷ Tiffen Direct, pp. 15-18.

⁸ *Id.* at p. 19.

⁹ Walter Direct, p. 17.

¹⁰ *Id.* at p. 27.

reserves.¹¹ He also posits that real-time imports to be secured by SPP RTO West may further improve reliability.¹²

e. Economical Supply Options

31. Section 40-5-108(1)(a)(V) requires a Statutory OWM to encompass sufficient scope or otherwise to operate in a manner to substantially increase economical supply options for customers.

32. In its Application, Tri-State highlights SPP's Integrated Marketplace, explaining how SPP RTO West will be subject to a security constrained economic dispatch supported by a real time balancing market.¹³ Tri-State witness Walter further features SPP's plans to expand its current Day-Ahead Market dispatchable transaction model into the real-time market, or the Real-Time Dispatchable Transactions ("RTDT") Initiative, that is expected to foster the economic optimization of energy transfers with neighboring entities and enhanced price convergence at interface locations.¹⁴

f. Independent Governance Structure

33. Section 40-5-108(1)(a)(VI) requires a Statutory OWM to have a structure of governance or control that is independent of the ownership and operation of the transmission facilities such that no member of its board of directors has an affiliation with a user or with an affiliate of a user during the member's tenure on the board so as to unduly affect the RTO's performance. (A "user" means a buyer or seller of electric energy in the RTO's region or neighboring region.)

¹¹ Walter Direct, p. 27.

¹² *Id* at p. 24.

¹³ Application, pp. 16 and 24.

¹⁴ Walter Direct, p. 24.

34. Tri-State explains in its Application that SPP is a nonprofit corporation regulated by FERC and governed by an independent Board of Director and that SPP RTO West members provide input on decision-making through participation in organizational groups, subject to bylaws addressing appointments, terms, attendance and proxies, quorum, voting, and other key aspects of the organizational groups.¹⁵ Tri-State further highlights a new role for the administration of SPP's independent stakeholder process

35. Tri-State witness Walter goes on to state that the governance structure for SPP RTO West is common among other RTOs.¹⁶ He explains, for instance, that SPP ensures independent governance of its operations by prohibiting its staff members from being affiliated with third parties or owning securities that are considered a conflict of interest as defined in the SPP Standards of Conduct, and by its use of transparent business practices.¹⁷ He further explains the role of the SPP's Regional State Committee ("RSC") comprised of one retail regulatory commissioner from each state in which SPP has market participants.¹⁸

g. Emission Reductions

36. Section 40-5-108(1)(a)(VII) requires a Statutory OWM to improve emission-reduction and customer-savings benefits to Colorado customers from operation within the western interconnection without significantly impairing actions taken by utilities to meet Colorado emission reduction goals. Section 40-5-108(1)(a)(IX) further requires a Statutory OWM to include all transmission and generation resources approved, acquired, or constructed and in service by 2030 to meet Colorado emission reduction requirements.

¹⁵ Application, p. 26.

¹⁶ Walter Direct, p. 30.

¹⁷ *Id* at p. 29.

¹⁸ *Id* at pp. 32-34.

37. Tri-State states in its Application that SPP has GHG tracking and reporting protocols in place, as developed by the Integrated Marketplace Greenhouse Gas Task Force (“IMGHGTf”), to enable Tri-State to track its emissions, thus supporting compliance with Colorado’s emission reduction programs.¹⁹ Tri-State witness Walter asserts that SPP RTO West will help it meet its emission reduction requirements more cost-effectively.²⁰

38. Tri-State witness Tiffen explains that Tri-State’s latest procurement of resources under its 2023 Electric Resource Plan includes a resource acquisition period for new resources through 2031 and that it prepared a GHG emissions reduction Verification Workbook for its preferred portfolio that forecasts achievement of Colorado’s statutory 2030 GHG emissions reduction requirement for 2030.²¹ She goes on to describe SPP’s GHG tracking and reporting protocols developed by its Integrated Marketplace GHG Task Force for SPP RTO West. She states that these protocols will enable Tri-State to secure a report containing GHG data and information specific to its resource portfolio for each hour.²² Ms. Tiffen further states that Tri-State anticipates a decreasing trend in SPP’s market emissions rate as market participants add more renewable resources to their generation fleets.²³

39. Tri-State witness Hubbard adds to this analysis by explaining that its 2025 clusters for resource interconnection will support the resources needed to meet Colorado’s 2030 GHG reduction requirements.²⁴ He further explains SPP’s procedures for SPP RTO West regarding generation interconnection queue entry and the agreements reached for project’s

¹⁹ Application, p. 14.

²⁰ Walter Direct, pp. 12-13.

²¹ Tiffen Direct, p. 7.

²² *Id* at p. 9.

²³ *Id* at p. 14.

²⁴ Hubbard Direct, p. 33.

current in Tri-State's generator interconnection queue prior to April 1, 2026. He concludes that these provisions will enable the timely implementation of Tri-State's resource portfolio required to meet its GHG reductions through 2030.²⁵

h. Stakeholder Process

40. Section 40-5-108(1)(a)(VIII) requires a Statutory OWM to have an inclusive and open stakeholder process that does not place unreasonable burdens on, or preclude meaningful participation, by any stakeholder group.

41. In its Application, Tri-State asserts that SPP's organizational meetings are open to the public and that SPP publishes quarterly reports summarizing its organizational group activities and modifications proposed to market protocols, operating or planning criteria, business practices, tariffs or other governing documents.²⁶ The Application also cites FERC's approval of SPP's stakeholder process pursuant to its Order No. 719.²⁷

42. Tri-State witness Walter further explains how public interest groups without load, resources, or transmission assets can join SPP as members and the process for SPP to waive membership fees for certain non-profit organizations. He further notes that Sierra Club and WRA are listed as SPP members.²⁸

i. Transmission Functions and Capabilities

43. Section 40-5-108(1)(a)(X) requires a Statutory OWM, consistent with and in support of FERC policies and orders and Colorado utility planning, to be capable of: (1) planning for improved efficiency, future expansion, all options for meeting transmission needs;

²⁵ Hubbard Direct, p. 24.

²⁶ Application, p. 27.

²⁷ *Id* at p. 28.

²⁸ Walter Direct, p. 37.

(2) providing effective cost allocations that reflect benefits of transmission investments; (3) maintaining retail-time reliability while promoting efficiency in Colorado and neighboring areas in the western interconnection; (4) ensuring comparable and nondiscriminatory access and services; (5) minimizing system congestion; and (6) addressing real or potential transmission constraints.

44. Tri-State witness Hubbard describes SPP's transmission planning through its Integrated Transmission Planning ("ITP") Assessment, an annual, approximately 24-month study. The ITP Assessment evaluates the transmission system from five perspectives: (1) reliability, (2) economic, (3) public policy, (4) persistent operational, and (5) resiliency.²⁹ He references the 2024 ITP Assessment, concluding that it is an improvement to the existing planning efforts within the WACM BA.³⁰ Tri-State witness Walter further asserts that SPP RTO West's regional transmission planning will help ensure that the transmission system is efficiently planned on a regional basis to accommodate new resources when they are needed, reducing costs by reducing congestion and providing optimal sites for new resources.³¹

45. Mr. Hubbard further provides details regarding SPP's methods for allocating transmission costs of facilities.³² He also details how SPP addresses real or potential transmission constraints through the ITP Assessment process, highlighting the 20-year assessments conducted every five years. These specific assessments are intended to foster a system capable of providing cost effective energy delivery for a broad range of possible generation resource futures.³³ Mr. Hubbard also states that SPP's OATT includes terms for transmission service, generator

²⁹ Hubbard Direct, pp. 11-12.

³⁰ *Id* at p. 14.

³¹ Walter Direct, p. 13

³² Hubbard Direct, pp. 17-21.

³³ *Id* p. 14.

interconnection, and transmission planning found by FERC to be not unduly discriminatory, preferential, nor unjust or unreasonable.³⁴

46. Finally, as summarized above, Tri-State witness Walter also explains how SPP maintains real-time reliability by ensuring limits on transmission capabilities are not exceeded through redispatch of generation, system reconfiguration, and coordinated load shedding.³⁵ He further states that SPP RTO West will employ several market mechanisms to minimize congestion on the system including Transmission Congestion Rights markets, Day-Ahead markets, and Real-Time markets.³⁶

2. Public Interest of Decision to Joint SPP RTO West

47. Rule 3754(d) focuses the Commission's determination on whether Tri-State's decision to join SPP RTO West is in the public interest specifically at whether SPP RTO West has: (1) a GHG tracking and accounting system to ensure compliance with Colorado emission reduction requirements; (2) a tariff addressing generator interconnections that enables timely implementation of Colorado electric resource plans and ensures resource adequacy through the end of 2030; and (3) a plan to put in place policies and operational practices addressing the situation where multiple wholesale markets may be operating within Colorado.

a. GHG Tracking

48. In its Application, Tri-State asserts that SPP has approved GHG tracking and reporting protocols in place, as developed by the IMGHGTF, to enable Tri-State to track its GHG emission, supporting compliance with Colorado's GHG programs.³⁷

³⁴ Hubbard Direct, p. 26.

³⁵ Walter Direct, p. 17.

³⁶ *Id* at p. 18.

³⁷ Application, p. 14.

49. More specifically, Tri-State witness Tiffen explains that on January 14, 2025, SPP adopted those GHG tracking and reporting protocols for application in SPP RTO West.³⁸ Citing Rule 3754(d), she argues that these protocols enable “... the fair and timely tracking, reporting, and accounting of GHG emissions sufficient to ensure compliance with the emission reduction requirements in §§ 25-7-102 and 40-2-125.5, C.R.S.”³⁹ She further notes that the protocols adopted for SPP Markets+ are nearly identical to those adopted for SPP RTO West.⁴⁰

b. Interconnection

50. Tri-State’s Application summarizes SPP’s generation interconnection queue process.⁴¹ The Application states that SPP’s interconnection queue backlog is currently on track to be cleared prior to April 1, 2026, as a result of reforms adopted by SPP to discourage speculative projects from proceeding in the queue. Tri-State adds that if SPP has not cleared its existing generator interconnection queue backlog as of April 1, 2026, it has committed to making a filing with FERC to establish a separate interconnection queue for requests seeking to interconnect to Tri-State’s transmission system.

51. Tri-State witness Hubbard further explains that, on March 20, 2025, FERC approved SPP’s tariff revisions to expand into SPP RTO West in Docket No. ER24-2184. Accordingly, SPP has a process for SPP RTO West participants to transfer interconnection requests to the interconnection study process. Projects in Tri-State’s queue with a study agreement in place prior to April 1, 2026, will have the option to remain under study through the existing study agreement with Tri-State. Tri-State explains that preferred portfolio projects in a

³⁸ Tiffen Direct, pp. 8-9.

³⁹ *Id* at p. 11.

⁴⁰ *Id* at p. 12.

⁴¹ Application, pp. 29-30.

2025 cluster, which are projects with commercial operation dates through 2031, are studied by Tri- State and would not be entering SPP’s queue for interconnection or start over in a new cluster study process.⁴² In addition, SPP’s interconnection application window is expected to be open on April 1, 2026 through the end of 2026.

52. Mr. Hubbard adds that: (1) SPP’s queue backlog is on track to be cleared in July 2025; (2) all resources in Tri-State’s recently establish preferred portfolio from its Electric Resource Plan (“ERP”), which are projects through 2030, already hold, or are expected to secure, queue positions through Tri-State’s interconnection queue processes; (3) Tri-State system resources in other balancing areas will continue to interconnect through Tri-State’s generation interconnection queue; and (4) interconnection procedures continue to be enhanced through new mechanisms.⁴³

c. Seams and Market Operations

53. Tri-State’s Application states that SPP’s Seams Advisory Group (“SAG”) is responsible for providing direction, guidance, and advice to several stakeholder groups regarding issues impacting or being impacted by SPP’s seams agreements, joint operating agreements, or arrangements with neighboring transmission providers, transmission owners, or customers. The Application further summarizes the seams agreements into which SPP has entered with neighboring BAs.⁴⁴

54. Tri-State witness Walter states that SPP has seams agreements for data sharing, congestion management, coordinated emergency response, outage coordination, joint transmission planning, coordination of available transfer capability and transmission service

⁴² Hubbard Direct, pp. 24-25.

⁴³ *Id* at pp. 33-34.

⁴⁴ Application, p. 21.

administration, and allocation of cost responsibility for transmission expansion.⁴⁵ He goes on to explain that the transition of the WACM and Upper Great Plains balancing area utilities into SPP RTO West will reduce the number of transmission provider related seams in Colorado, Wyoming, Montana, and Nebraska through consolidation of transmission providers under a common tariff. In Colorado, four seams will exist upon Tri-State's entry into SPP RTO West: (1) between the SPP RTO West and Public Service; (2) between SPP RTO West and Black Hills; (3) between SPP RTO West and Basin; and (4) between SPP RTO West and Tri-State. Tri-State explains that SPP is currently working on a proposal to develop inter-market optimization.⁴⁶ As stated above, he then highlights the RTDT Initiative, which expands the current Day-Ahead Market dispatchable transaction model into the real-time market and will allow entities in external balancing authorities to transact in the SPP RTO West market "on a price-sensitive, five-minute basis."⁴⁷

3. Alternative Requests

55. Tri-State requests alternative relief by its Application if the Commission does not make the findings requested. The first alternative is for the Commission to find that the SPP RTO West satisfies the characteristics specified in Rules 3754(d)(I) through (III), and, therefore, pursuant to Rule 3754(e), Tri-State's decision to expand its participation in the SPP RTO is in the public interest. This alternative also entails the Commission granting, to the extent necessary and consistent with the Rule 3754 public interest determination, a waiver of the requirement to join a statutory OWM on or before January 1, 2030, in accordance with § 40-5-108(2), C.R.S. and Rule 3756.

⁴⁵ Walter Direct, p. 20.

⁴⁶ *Id* at p. 23.

⁴⁷ *Id* at p. 24.

56. In second alternative, if the Commission does not make the findings requested in the first alternate option for relief, is for the Commission instead to find that good cause exists for a waiver in accordance with § 40-5-108(2), C.R.S. and Rule 3756, and to grant such a waiver.

D. Intervening Party Positions

1. Trial Staff

57. Trial Staff initially suggested that the Commission decline to determine at this time whether Tri-State's decision to join SPP RTO West is in the public interest. Staff complained about the lack of information resulting from Tri-State's objections to providing information through discovery. Staff also suggested that the Commission defer its decision on whether SPP RTO West qualifies as a Statutory OWM and whether Tri-State's application to join is in the public interest due to "missing information."⁴⁸ However, in its post-hearing comments, Staff states that it: "supports the Commission making a thoughtful and well-reasoned statutory Organized Wholesale Market (OWM) determination that SPP RTO West satisfies Colorado's statutory requirements and Commission rules for Tri-State's participation. As discussed further below, Staff recommends this determination be utility-specific and not preclude the Commission from requiring additional statutory OWM demonstrations from other utilities' potential participation in SPP RTO West."⁴⁹

58. Despite its initial reservations, in its pre-hearing comments, Trial Staff stated that the Commission can largely conclude that SPP RTO West is approved by FERC. According to Staff, most aspects of the market design, tariff, and governing structure have been filed, litigated, and accepted by FERC in the above-referenced proceeding.⁵⁰ Staff further notes that SPP RTO

⁴⁸ Staff Initial Comments, p. 48.

⁴⁹ Staff Post-Hearing Comments, p. 2.

⁵⁰ Staff Initial Comments, p. 19.

West seems to provide separation of control of transmission from generation, with some exceptions. While those exceptions suggest that a full separation of control does not exist “as a literal reading of Colorado’s OWM statute may suggest,” Staff offers that this type of arrangement may be how RTOs and Reliability Coordinators generally share control over transmission and generation assets across the industry.⁵¹

59. Trial Staff goes on to explain that Tri-State sufficiently shows how SPP RTO West implements policies and procedures that will reduce the pancaked transmission rates that Tri-State is currently paying, and will eliminate pancaked rates within the SPP region.⁵²

60. Regarding resource adequacy and service reliability, Trial Staff states that Tri-State’s analysis shows near-term compliance with SPP’s proposed requirements but adds that uncertainties remain, including local impacts caused by the retirement of Craig Station. Staff further suggests that Tri-State and parties to further explore this issue in Tri-State’s next ERP.⁵³

61. According to Trial Staff, Tri-State sufficiently supports that SPP RTO West offers economical supply options and customer savings. Staff states its review of the supplemental information filed after the October 7, 2025 public comment hearing demonstrates a favorable near-term cost-benefit assessment for Tri-State joining SPP RTO West.⁵⁴

62. Trial Staff also explains that SPP is the transmission system operator and operates transmission facilities in its region on a day-to-day basis and that “the job of SPP staff is to operate the transmission facilities in its region.” Accordingly, Staff concludes that SPP cannot be governed or controlled in a way that is independent from the operation of the transmission

⁵¹ Staff Initial Comments, p. 22.

⁵² *Id* at p. 23.

⁵³ Staff Post-Hearing Comments, p. 3.

⁵⁴ *Id* at p 3.

facilities in its region. However, Staff suggests that “a more practical interpretation of the statutory requirement would acknowledge that SPP retains independence from transmission owning entities that operated their facilities prior to joining SPP, and that still retain physical control of their assets after joining SPP.”⁵⁵ Staff further explains that SPP’s Regional State Committee (“RSC”) does not currently have any members from states in the Western Interconnection. However, Colorado could assign a commissioner to join the RSC following Tri-State’s market entry.⁵⁶

63. Trial Staff further concludes that transmission planning and cost allocation with Tri-State in SPP RTO West presents both opportunities but also some risk. SPP has a well-established, relatively open, and analytically rigorous transmission assessment process for identified system needs that can support more regionally efficient, proactive, and broadly funded transmission development. But these benefits are potentially countered by the risk of diminished state control in planning and selecting transmission planning projects as well as uncertain future cost allocation impacts to Colorado relative to the rest of SPP. Staff concludes that SPP’s regional transmission planning process meets most of the relevant statutory requirements, but, notably, presents some uncertainty about whether its planning process is “consistent with and in support of . . . local planning by Colorado public utilities.”⁵⁷

64. Regarding emissions reductions and emissions tracking, Trial Staff raises concerns about how Tri-State joining SPP RTO West could make it easier for the federal government to frustrate the achievement of Colorado’s clean energy goals.⁵⁸ Staff further states

⁵⁵ Staff Initial Comments, p. 30.

⁵⁶ *Id* at p. 31.

⁵⁷ *Id* at p. 36.

⁵⁸ *Id* at p. 33.

that it is possible that the federal government could potentially order SPP, as a federally-regulated RTO, to cease GHG tracking and reporting functions, and, if SPP ceased GHG tracking services at a future point in time, SPP RTO West would no longer satisfy Rule 3754(d)(I) and no longer be in the public interest according to the Commission's rules.⁵⁹

65. Regarding resource interconnection, Trial Staff does not dispute Tri-State's assertion that all resources it expects to need based on its most recent ERP and for ensuring resource adequacy through 2030 will enter Tri-State's queue prior to April 1, 2026 and avoid SPP's generation interconnection process. But Staff also states that it is prudent to consider whether SPP's queue process can ensure timeliness and effectiveness for Colorado resource adequacy and ERP implementation before 2030 if different resources are required to replace or to supplement the ERP resources before 2030 or are required beyond 2030.⁶⁰ Staff concludes that concerns remain regarding potential backlogs in the SPP generator interconnection queue and potential subsequent risk to Colorado's resource planning and adequacy.⁶¹

66. Furthermore, Trial Staff concludes that seams agreements and seams market enhancements with SPP RTO West are all currently under development; thus, SPP has a plan to develop policies and operational practices that will help dispatch, energy exchange, and unit commitment across transmission provider and balancing regions in Colorado. However, the final agreements and operational practices are not in place, and their actual effectiveness in helping manage coordination across market seams in Colorado remains to be seen.⁶²

⁵⁹ Staff Initial Comments, p. 38.

⁶⁰ *Id* at p. 39.

⁶¹ *Id* at p. 45.

⁶² *Id* at p. 47.

2. Colorado Energy Office

67. In its comments filed prior to the hearing, CEO raises concerns about SPP’s governance and hence whether SPP RTO West can present qualify as a Statutory OWM” mainly because SPP “give[s] transmission owners control.”⁶³ For instance, according to CEO, SPP’s bylaws and governing documents, along with FERC’s descriptions of its structure, show that SPP is dependent on, and ultimately controlled by, its transmission-owning stakeholder members. CEO specifically highlights SPP’s reliance on transmission owners within its primary stakeholder committee, the Markets and Operations Policy Committee (“MOPC”). CEO further faults SPP’s RSC because its “overall authority is limited and does not address the MOPC’s structural flaw, in part because the RSC’s role is primarily to ‘provide both direction and input’ to the SPP Board and other committees and because it does not have the authority to overrule a decision by the MOPC or to force the Board to adopt a policy that the Transmission-Owning sector has vetoed.”⁶⁴

68. Also in its comments filed prior to the hearing, CEO concludes that: “Until the Commission has more information on the coming federal actions that will attempt to restrict Colorado from meeting its GHG goals” an order finding that Tri-State’s decision to join SPP RTO West is in the public interest should be delayed.⁶⁵ CEO further raises concerns that the “federal government will take actions that will require SPP to eliminate or to change its GHG accounting protocols in such a way that Tri-State would no longer be able to track the GHG emissions associated with its electric generation, thus making it extremely difficult to meet its

⁶³ CEO Initial Comments, pp. 8-12.

⁶⁴ *Id* at pp. 12-13.

⁶⁵ *Id* at p. 22.

clean energy targets.”⁶⁶ CEO also raises the specific concern that, while the FERC is currently accommodating state policies, a future FERC, with a different composition and policy orientation, could easily find that SPP’s GHG protocols are not just and reasonable.⁶⁷

69. However, in its comments filed after the hearing, CEO states that it engaged in further discussion with staff of the Colorado Department of Public Health and Environment (“CDPHE”) and understands that, if the federal government takes further steps to restrict emissions tracking, Colorado still has options to continue estimating emissions from power plants. According to CEO, CDPHE has clarified that it is unlikely that requirements for continuous monitoring and reporting of carbon dioxide, nitrogen oxides, and sulfur dioxide emissions, will be impacted by federal actions. These emission estimates would likely remain available to CDPHE even if the federal EPA continues to attempt to restrict emissions reporting. CEO concludes that if CDPHE has access to this data, it would comprise the actual, continuously monitored emissions and allow the agency to accurately determine total GHG emissions.⁶⁸

3. Western Resource Advocates

70. WRA asks the Commission to deny Tri-State’s application without prejudice. According to WRA, SPP RTO West fails to qualify as a Statutory OWM and Tri-State fails to show that its decision to join SPP RTO West is in the public interest.⁶⁹ According to WRA, the Commission should instead direct Tri-State to refile its application to join SPP RTO West no later than June 1, 2029.

⁶⁶ CEO Initial Comments, p. 16.

⁶⁷ *Id* at p. 20.

⁶⁸ CEO Post-Hearing Comments, pp. 3-4.

⁶⁹ WRA Initial Comments, p. 23.

71. WRA argues, for instance, that SPP RTO West does not meet the three criteria in Rule 3754(d).⁷⁰ WRA states that protocols for GHG tracking and reporting in the SPP RTO West must be further evaluated, refined, and approved.⁷¹ WRA points to “ongoing uncertainties and fundamental problems” with SPP’s generation interconnection procedures.⁷² WRA further concludes that a specific operational roadmap is necessary to evaluate whether SPP policies and practices will mitigate the impact of seams in the Western Interconnection and Colorado.⁷³

72. Regarding whether SPP RTO West satisfies the statutory requirements for an RTO, WRA states there is insufficient evidence that SPP RTO West “improves, to the extent reasonably possible, service reliability within Colorado” due to issues with other OWM and public interest criteria.”⁷⁴ WRA likewise recommends further evaluation of how the SPP Market Monitoring Unit will analyze and report on the SPP RTO West to ensure oversight of economical supply options for Colorado.⁷⁵ WRA also alleges that SPP RTO applies an accreditation methodology that is biased in favor of thermal resources and yields a substantially higher winter planning reserve margin and warns that negative impacts to renewable resources impact the ability of the market to support emission reductions and cost savings.⁷⁶ WRA further criticizes SPP’s “pay-to-play” model for most entities representing the public interest. WRA states that “there are logistical barriers to stakeholder participation in SPP forums.”⁷⁷ Finally, WRA argues that further development of transmission mechanisms and evaluation of their

⁷⁰ WRA Initial Comments, p. 6.

⁷¹ *Id* at p. 8.

⁷² *Id* at p. 10.

⁷³ *Id* at p. 11.

⁷⁴ *Id* at p. 12.

⁷⁵ *Id* at p. 13.

⁷⁶ *Id* at pp 14-15.

⁷⁷ *Id* at pp. 18-19.

projected impacts on Colorado is necessary to establish that SPP RTO West meets the requirements regarding transmission planning.⁷⁸

4. Interwest Energy Alliance

73. Interwest recommends that the Commission dismiss Tri-States Application and asks the Commission to refrain from issuing a determination on whether SPP RTO West meets Colorado's statutory requirements.

74. Interwest states, for example, that Tri-State's request for a finding that its participation in the SPP RTO West is in the public interest is premature because the "protocols or processes" for the SPP RTO West "are not yet fully determined or...have important outstanding uncertainties."⁷⁹ According to Interwest: SPP's GHG tracking and accounting protocols suffer significant uncertainties; an optimized dispatch has not yet been established between markets in Colorado; and Tri-State itself has concerns about whether SPP will have in place interconnection procedures that ensure timely implementation of Colorado's resource planning processes and resource adequacy.

5. Black Hills

75. Black Hills takes no position regarding whether Tri-State's decision to join SPP RTO West is in the public interest. Instead, Black Hills seeks clarification that any determinations made in this proceeding are limited to Tri-State's specific circumstances, and do not have any legal effects on utilities other than Tri-State. Black Hills states: "Specifically, if the Commission finds that SPP RTO [West] meets the requirements of an OWM consistent with Tri-State's circumstances, such a finding should not be binding on Black Hills or any other utility."⁸⁰

⁷⁸ WRA Initial Comments, p. 21.

⁷⁹ Interwest Initial Comments, p. 1.

⁸⁰ Black Hills Initial Comments, p. 1.

E. Tri-State’s Response to Party Comments and Post Hearing Filing

76. Tri-State argues in its response to the parties’ comments that its Application is timely under Rule 3754(f) and is “a forthright request for regulatory certainty on a process that has already been under development for multiple years.”⁸¹ Tri-State further argues that suggestions to dismiss the filing as “unripe” because of alleged uncertainties misapprehends Rule 3754(f). The timing requirements of Rule 3754(f) cause applications filed on a timetable “subject to some evolution in market design and implementation.” In addition, the timetable further ensures that Tri-State’s application is “reviewed before operations commence, when Commission input is most timely, without the disruption of post-entry proceedings.”⁸²

77. Tri-State reiterates that SPP’s GHG tracking protocols for SPP RTO West “are designed to work seamlessly with [CDPHE’s] GHG reduction verification framework, including by making available, as needed, any market-driven emissions data needed by market participants for completing the Organized Market Activity section of the [CDPHE] Workbook.”⁸³ Tri-State emphasizes that “the GHG tracking and reporting protocols for both SPP RTO and Markets+ were specifically developed to enable Colorado utilities’ compliance with Colorado’s GHG and clean energy goals and reflect a methodology that meets the needed requirements to comply.”⁸⁴ Tri-State explains that the GHG Protocols are not currently subject to FERC approval as they do not require SPP OATT revisions and further disagrees with CEO’s assessment that GHG tracking is vulnerable to federal preemption.

⁸¹ Tri-State Response, p. 9.

⁸² *Id* at p. 11.

⁸³ *Id* at p. 15.

⁸⁴ *Id* at p. 13.

78. Tri-State further argues that it is unlikely that GHG-related data in SPP's possession could be prevented from being made available to market participants, hence CEO's concern is overstated and does not provide a basis for rejecting Tri-State's Application.⁸⁵ Moreover, if neither the federal EPA nor the federal Energy Information Administration have published an Emission Factor for a Resource, the GHG protocols provide for SPP to calculate an Emission Factor based on comparable resource(s) of that fuel type. Tri-State thus assures the Commission that: "The use of these additional emissions factors will enable emission calculations that account for resources supplied by entities that do not opt-in to GHG tracking and reporting in the RTO."⁸⁶ Finally, Tri-State notes that the GHG tracking and reporting protocols for SPP RTO West were designed to largely mirror those developed for SPP Markets+.⁸⁷

79. Tri-State goes on to argue in its response comments that: "It is prudent for both SPP and Western entities to continue designing both Markets+ and the SPP RTO [West] in a manner where market elements can optimize efficiencies across the seams. Once design elements are finalized and agreed upon through the respective markets' stakeholder processes, entities will further coordinate to create operational practices that reflect the agreed upon design."⁸⁸ Tri-State generally remarks that "until markets are established in Colorado, agreements and operational practices cannot be finalized and tested; a market needs to be in place."⁸⁹

80. Tri-State also restates in its response to party comments that its transition to SPP RTO West is not expected to impact interconnection processes for its planned Colorado ERP

⁸⁵ Tri-State Response, p. 15.

⁸⁶ *Id* at p. 15.

⁸⁷ *Id* at p. 11.

⁸⁸ *Id* at p. 20.

⁸⁹ *Id* at p. 19.

resources through the end of 2030. Tri-State also argues that the generation interconnection procedures for SPP RTO West are well positioned to support Tri-State in maintaining timely interconnection of resources into the future.⁹⁰ Tri-State argues that SPP's queue has historically operated more efficiently than both Tri-State's and Public Service's interconnection queues. Tri-State further notes that SPP's generation interconnection queue is a fully functioning, FERC-approved generator interconnection queue without a backlog. Nevertheless, Tri-State adds that SPP is actively reforming its interconnection procedures to clear backlogs and has expedited resources' interconnection where needed to ensure resource adequacy. And Tri-State stresses that SPP's interconnection procedures "offer a longer cluster application window than Tri-State's, ensuring projects selected through Tri-State's ERP can timely enter the [generation interconnection] queue and then are able to leverage the same options to accelerate interconnection."⁹¹

81. Finally, Tri-State notes that its planned participation in SPP RTO West is supported by its members, citing the comments many of the members filed into the Proceeding.⁹²

F. Findings and Conclusions

1. Relevant Law

82. Senate Bill 21-072, signed into law on June 24, 2021, and codified at § 40-5-108, C.R.S., mandates that Colorado Transmission Utilities⁹³ join an Organized Wholesale Market by January 1, 2030, unless the Commission grants a waiver or delay of the requirement. The statute

⁹⁰ Tri-State Response, p. 27.

⁹¹ *Id* at p. 28

⁹² *Id* at p. 7.

⁹³ A "Transmission Utility" is defined as a wholesale electricity supplier or transmitter that owns and operates transmission lines of 100 kV or greater and excludes municipal utilities. § 40-5-108(1)(b), C.R.S.

defines an OWM as an RTO or Independent System Operator (“ISO”) that “is established for the purpose of coordinating and efficiently managing the dispatch and transmission of electricity among public utilities on a multistate or regional basis,” and which satisfies ten characteristics listed in § 40-5-108(1)(a), C.R.S. Evidenced in these characteristics is the legislature’s concern for enhancing regional coordination through generation optimization, coordinated unit commitment, more effective utilization of the existing transmission system, transmission system enhancements through planning, and reserve sharing.

83. Prior to the passage of SB 21-072, the Commission conducted an investigation in Proceeding No. 19M-0495E into whether it is in the public interest for Colorado’s electric utilities to participate in regional wholesale markets. Through Decision No. C21-0755, the Commission discussed potential benefits and concerns with market participation and the results of the investigation, including its study *Colorado Transmission Coordination Act: Investigation of Wholesale Market Alternatives for the State of Colorado §§ 40-2.3-101 to 102, C.R.S.*, (“CTCA Report”). Decision No. C21-0755 directed a rulemaking proceeding to address regional market participation and the concerns identified by the Commission.

84. On June 28, 2022, in Proceeding No. 22R-0249E, the Commission issued a Notice of Proposed Rulemaking to implement sections of SB 21-072 and set forth provisions governing participation in wholesale electricity markets.

85. On April 24, 2023, through Decision No. C23-0268, the Commission acknowledged that Tri-State intended to commit to its participation in SPP RTO West by July 1, 2023, and opened another proceeding, during the pendency of the rulemaking in Proceeding No. 22R-0249E, for the purpose of ensuring that the Commission was adequately informed of Tri-State’s plans for market participation and to highlight certain areas of concern. The Commission

requested that Tri-State file a report in Proceeding No. 23M-0195E that detailed its plans for its loads, resources, and transmission assets in the WACM BA to participate in SPP RTO West. The Commission listed the statutory requirements that SPP RTO West would be expected to satisfy under § 40-5-108(1)(a), C.R.S., and asked Tri-State to address whether and how SPP RTO West would satisfy the ten characteristics of the rulemaking would later define as a Statutory OWM. The Commission further asked Tri-State to address: (1) interconnection, or specifically how the transition from Tri-State’s current interconnection tariff and approach to a new one under tariff for SPP RTO West will allow it to continue to quickly and cost-effectively bring new resources online under Colorado’s resource planning and acquisition process. Regarding “seams issues,” Tri State was asked to explain its current approach to resolving issues with Public Service Company of Colorado that operates a BA adjacent to the WACM BA and the approach it expects would be used under the SPP RTO West tariff. Furthermore, Tri-State was asked to describe emissions tracking as it relates to Colorado’s statutory GHG reductions, and how it intends to address various concerns and scenarios set forth in the decision. Tri-State then filed its report on June 12, 2023.

86. Through Decision No. C23-0496-I, issued on August 1, 2023, in Proceeding No. 23M-0195E, the Commission clarified that it was premature to determine whether the ultimate market structure for the SPP RTO West will meet the criteria set forth in § 40-5-108(1)(a)(I)-(X), C.R.S., particularly given the uncertainty associated with the final details in the tariff to be filed with FERC as explained in Tri-State’s June 12, 2023 report. The Commission further asked Tri-State to file additional information regarding GHG emissions tracking and reporting being discussed through the stakeholder process for the development of the SPP RTO West. The Commission relatedly requested that Tri-State provide more information on the designation of

specified and unspecified source imports for generators that will serve load in Colorado. Tri-State filed a supplemental report on August 11, 2023.

87. After multiple rounds of stakeholder comments and public comment hearings on iterations of the proposed rules, Recommended Decision No. R24-0424 was issued on June 20, 2024, adopting the rules that would apply to Tri-State regarding its well-established plans to enter SPP RTO West. In its discussion of the specific requirements for Tri-State, the Commission explained that Rule 3754(d) requires Tri-State to join an RTO that satisfies the ten criteria for a Statutory OWM and that the appropriate procedures for a related public interest determination should be significantly abbreviated.⁹⁴ The Commission subsequently adopted the rules through Decision No. C24-0600, concluding that such rules identify certain required public interest findings that help interpret and give content to the ten Statutory OWM requirements “in a narrow and focused manner depending on the organizational structure of the transmission utility, the nature of the market, and the type of concern that the rules seek to address.”⁹⁵

88. On August 7, 2024, the Commission closed Proceeding No. 23M-0195E.

89. The rules promulgated in Proceeding No. 22R-0249E became effective on September 25, 2024. As pertinent to Tri-State’s Application in this Proceeding, Rule 3754(d) sets forth three specific characteristics for the Commission to evaluate when determining whether Tri-State’s *decision* to participate in a Statutory OWM is in the public interest. These characteristics are whether SPP RTO West has: (1) *a GHG tracking and accounting system* to ensure compliance with Colorado emission reduction requirements; (2) *a tariff* addressing generator interconnections that enables timely implementation of Colorado electric resource

⁹⁴ Decision No. R24-0424, issued June 20, 2025, p. 39.

⁹⁵ *Id* at p. 46.

plans and ensures resource adequacy through the end of 2030; and (3) *a plan* to put in place policies and operational practices addressing the situation where multiple wholesale markets may be operating within Colorado.

90. Rule 3754(d) ultimately provides a framework for the Commission to analyze and approve Tri-State's decision to join SPP RTO West as requested by Tri-State through its Application. The Commission first determines whether SPP RTO West qualifies as a "Statutory OWM," meeting the criteria in § 40-5-108(1)(a), C.R.S. The Commission further determines whether SPP RTO West meets the three characteristics outlined in Rules 3754(d)(i) through (iii). If SPP RTO West qualifies as a Statutory OWM and the three additional characteristics in Rule 3754 are met, then the rules provide that the Commission shall find that Tri-State's decision to join SPP RTO West is in the public interest.

2. Statutory OWM Criteria

91. We turn first to whether Tri-State has shown that SPP RTO West meets the ten characteristics set forth in § 40-5-108(1)(a), C.R.S.

92. Based on the evidence in this record, we find SPP RTO West meets the factors outlined in statute. There are some factors where, even after the hearing, post-hearing comments, and Tri-State's additional disclosures, some parties see uncertainty. That we do not know every detail of a market that has not yet launched and for which some elements are yet evolving is expected. Still, based on the testimony and evidence in this Proceeding we conclude that SPP RTO West is an Organized Wholesale Market as set forth in statute. Some parties have indicated that this record is too uncertain or premature to support our approval of Tri-State's entry into SPP RTO West. We disagree.

93. Tri-State’s evidence and testimony supports each of the ten statutory elements and is set forth in part, above. Although most of the factors are not seriously contested, we address several concerns raised by different parties. To begin, Trial Staff observes that where an RTO also serves as a reliability coordinator, control of transmission facilities cannot be hermetically sealed away from control of generation facilities which may be required to provide certain reliability services. We agree with Trial Staff that the legislature, after directing all transmission utilities to join organized wholesale markets, did not intend such a literal interpretation of § 40-5-108(1)(a)(II), C.R.S., one which would likely preclude any organized whole market from offering reliability coordination services. As Tri-State explains, while functional control of transmission is transferred to SPP,⁹⁶ when it comes to generation, owners retain operational and legal control.⁹⁷ In our view, this functional separation of control satisfies the legislature’s intent.

94. The legislature also requires an organized market to improve “to the extent reasonably possible, service reliability within Colorado.”⁹⁸ WRA points to others’ advocacy at FERC asserting that SPP’s accreditation methodology is flawed⁹⁹ and that some of its ERAS interconnection queue reforms may “introduce new reliability risks on the system.”¹⁰⁰ We are unpersuaded that the flaws WRA perceives with the accreditation methodology will have a material impact on service reliability in Colorado, nor do we believe that the ERAS reforms will, either. As we outline above, Tri-State describes at length the capacity planning, resource adequacy, and reliability requirements that come with SPP RTO West membership. Balanced

⁹⁶ Hubbard Direct, p. 8.

⁹⁷ Application, p. 24.

⁹⁸ § 40-5-108(1)(a)(IV), C.R.S.

⁹⁹ WRA Initial Comments, p. 14.

¹⁰⁰ *Id* at p. 10.

against the concerns WRA raises, this record demonstrates that SPP RTO West will improve to the extent reasonably possible, service reliability within Colorado.

95. To be an Organized Wholesale Market under § 40-5-108(1)(a), C.R.S., SPP RTO West must have “a structure of governance or control that is independent of the ownership and operation of the transmission facilities, and no member of its board of directors ha[ve] an affiliation with a user or with an affiliate of a user during the member's tenure on the board so as to unduly affect the OWM’s performance.”¹⁰¹ Trial Staff notes that by statute, “user” includes entities that buy or sell electricity in a region neighboring SPP,¹⁰² and that in its view, SPP’s independence and transparency standards, while robust within SPP, do not ensure independence from entities in neighboring regions. Tri-State points out that SPP’s standards of conduct do, however, meet the statutory requirement through broad restrictions on affiliations with third parties and on the involvement in the purchase or sale of electric energy at wholesale or retail. We agree that the standards of conduct Tri-State outlines¹⁰³ are sufficient to prevent affiliations with entities in neighboring regions from unduly affecting the OWM’s performance.

96. Sections 40-5-108(1)(a)(VII) and (IX) respectively require SPP RTO West to improve emission-reduction and customer-savings benefits without impairing the emission-reduction goals of §§25-7-102 and 40-2-125.5, C.R.S., and to include all transmission and generation resources approved, acquired, or constructed and in service by 2030 to meet the goals of those statutes. WRA argues there is insufficient evidence that the market satisfies (VII)¹⁰⁴ and argues the market does not include all of the required transmission and generation resources

¹⁰¹ § 40-5-108(1)(a)(II), C.R.S.

¹⁰² Trial Staff Initial Comments, p. 29.

¹⁰³ Tri-State Response Comments, pp. 52-53.

¹⁰⁴ WRA Initial Comments, p. 14-15.

because parts of Tri-State's system are not transitioning to the market.¹⁰⁵ We are unpersuaded by these arguments. As both Staff and Tri-State highlight, the state's emission reductions requirements are met through a carbon cap which is effectuated through Tri-State's ERPs,¹⁰⁶ which according to Tri-State, include a resource acquisition period for new resources through 2031 and for which Tri-State prepared a GHG emissions reduction Verification Workbook using the Colorado Air Pollution Control Division's updated Verification Workbook reflecting its December 2024 guidance for GHG emissions reporting for market transactions.¹⁰⁷ We are satisfied that the market will not impede the state's emissions reductions goals and, by the same rationale, we are similarly satisfied that although not all of Tri-State's approved resources will be included in the SPP RTO the state's emissions reductions requirements will not be impeded.¹⁰⁸

97. While we find SPP RTO West satisfies the criteria set forth in § 40-5-108(1)(a), C.R.S., we agree with Trial Staff and Black Hills, that under the statutory framework and the Commission's rules, our findings here are necessarily specific and limited only to Tri-State.

3. Rule 3754(d) Criteria

98. Having determined that SPP RTO West meets the statutory factors, we turn now to the additional characteristics set forth in Commission rule. Rule 3754(d) properly limits the Commission's evaluation of Tri-State's decision to enter SPP RTO West to three core statutory and regulatory goals involving emissions reductions, the interconnection of resources acquired

¹⁰⁵ *Id* at p. 20.

¹⁰⁶ Staff Supplemental Comments, p. 6.

¹⁰⁷ Tiffin Direct, p. 7.

¹⁰⁸ Tri-State witness Hubbard explains that Tri-State owns and/or operates transmission facilities within six Balancing Areas in the Western Interconnection that that only Tri-State's transmission facilities within the WACM BA and select transmission facilities within the Public Service Company of Colorado BA have been committed to transitioning to the SPP RTO.

through Colorado’s resource planning process, and seams management. Our review of Tri-State’s decision to enter SPP RTO West is inherently and appropriately limited.

99. Rule 3754(d)(I) requires the Commission to consider whether SPP RTO West has in place protocols that will implement a fair and timely “GHG Tracking and Accounting System” to ensure compliance with Colorado’s emission reduction requirements in §§ 25-7-102 and 40-2-125.5, C.R.S. A GHG Tracking and Accounting System is defined in Rule 3752(f) as “a set of market and other protocols included in an RTO... tariff or other related materials that enables the tracking, accounting, and reporting of GHGs.”

100. We find that SPP has adopted GHG protocols to use in SPP RTO West through a GHG Task Force process where Chairman Eric Blank was one of six regulators that were voting members. These protocols create a reasonable high-level structure for the tracking, reporting, and accounting of GHGs emissions. However, the SPP protocols currently fail: (1) to specify GHG reporting regions; (2) to identify a common method for mapping emissions to individual generating resources; (3) to implement an energy allocation methodology that can be used by all Colorado market participants; and (4) to provide this Commission, CDPHE, and other key stakeholders with the data needed to ensure compliance. Nevertheless, to address these concerns, Tri-State and Public Service have worked with CDPHE and the Research and Emerging Issues Section of the Commission to execute a Joint GHG Tracking Letter that was sent to the Director White on September 25, 2024 (Attachment A to this Decision)¹⁰⁹. Tri-State’s agreement to, and continued compliance with, the terms of the Joint GHG Tracking Letter are essential factors supporting a finding that Tri-State has satisfied the requirement of Rule 3754(d)(I). Because the

¹⁰⁹ A copy of the letter was submitted into the Commission’s administrative files as Hearing Exhibit 101, Attachment JCT-4 to the Direct Testimony of Joseph C. Taylor in Proceeding No. 25A-0075E.

letter enables the CDPHE and the Commission to access hourly generation data by unit, it will ensure that Colorado has the GHG emissions data to evaluate compliance with reductions obligations no matter the actions of the federal government.

101. We also generally agree with Tri-State that its planned generation projects through 2030 are likely to obtain priority transmission rights even upon the integration of Tri-State into SPP RTO West. Nevertheless, we continue to have substantial concerns with SPP's "first-in-time, first-in-right" transmission queue process as has been outlined in multiple comments submitted by the Commission in various FERC processes related to SPP. Although FERC-regulated transmission interconnection processes, including those of SPP RTO West, require reform, FERC and SPP have made sufficient progress to satisfy the requirement in Rule 3754(d)(II).

102. We further agree with Tri-State that the transition of the WACM BA and other regional BAs to SPP RTO West will reduce the number of seams throughout the region. Tri-State further sufficiently demonstrates that SPP currently has a plan to develop inter-market optimization through a RTDT Initiative which would allow for transactions and interchange on a sub-hourly basis between Colorado's two BAs. While there remains a significant amount of work to put in place policies and operational practices to address the seams, we find that the Tri-State has satisfied Rule 3754(d)(III).

103. In sum, and pursuant to Rule 3754(d), we find that Tri-State's decision to enter SPP RTO West is in the public interest, provided that Tri-State and SPP comply with the commitments made in the Joint GHG Tracking and Accounting Letter.

4. Reporting

104. We direct Tri-State to submit annual updates in this Proceeding for compliance purposes to demonstrate that it is implementing the terms of the GHG Tracking Letter. We further request that Tri-State include updates on the development of SPP RTO West, the status of its interconnection queue reform, and its ongoing efforts to manage seams issues.

5. Conclusion

105. Consistent with the discussion above, we find that the SPP RTO West is a Statutory OWM and that its decision to expand its participation in SPP RTO West is in the public interest.

II. ORDER

A. The Commission Orders That:

1. The Application requesting a Commission order finding that the Southwest Power Pool Regional Transmission Organization in the Western Interconnection (“SPP RTO West”) is a Statutory Organized Wholesale Market in accordance with § 40-5-108(1), C.R.S., and Rule 3752(n) of the Commission’s Rules Regulating Electric Utilities, 4 *Code of Colorado Regulations* (“CCR”), 723-3, and that expanded participation in SPP RTO West is in the public interest pursuant to Rules 3754(d) and (f), filed by Tri-State Generation and Transmission Association, Inc. on June 16, 2025, is granted, consistent with the discussion above.

2. The 20-day time period provided by § 40-6-14, C.R.S., to file an Application for Rehearing, Reargument, or Reconsideration shall begin on the first after the effective date of this Decision.

3. This Decision is effective upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
November 19, 2025.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White,
Director

THE PUBLIC UTILITIES
COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

MEGAN M. GILMAN

TOM PLANT

Commissioners