

RESOLUTION

2013-02

WHEREAS, La Plata Electric Association, Inc. (“LPEA”) is an electric cooperative whose headquarters are located in Durango, Colorado;

WHEREAS, LPEA is a member of Tri-State Generation and Transmission Association, Inc. (“Tri-State”), and pursuant to its Wholesale Electric Service Contract, purchases between 95-100% of its generated electric resources from Tri-State;

WHEREAS, the Tri-State Board of Directors adopted and approved a new rate design known as the A-37 Rate, effective January 1, 2013, the components of which include a new rate design and an overall rate increase;

WHEREAS, LPEA opposed adoption of the A-37 Rate because it believes the new rate design to be unjust, unreasonable, and discriminatory;

WHEREAS, LPEA believes that the A-37 rate adversely impacts and is discriminatory towards certain rate classes of LPEA’s member-customers, including high-load factor customers and Time-Of-Use customers who have made personal investments to shift their demand from on-peak to off-peak periods;

WHEREAS, LPEA has submitted numerous comments, both formally and informally, to Tri-State expressing its concern that the A-37 Rate is unjust, unreasonable, and discriminatory;

WHEREAS, Tri-State has refused to take any action to reconsider, suspend implementation of the A-37 Rate or modify the Rate so that it is not unjust, unreasonable, and discriminatory;

WHEREAS, LPEA, in conjunction with Empire Electric Association, Inc., submitted a formal protest to the Rural Utilities Service (RUS) dated November 20, 2012 requesting a review of the A-37 Rate;

WHEREAS, RUS has informed LPEA through Tri-State that it only reviews revenue needs and not specific rate design as it lacks the expertise to fully review a rate design challenge and LPEA's protest to RUS has not achieved a meaningful review of the A-37 Rate;

WHEREAS, LPEA does not object to the overall rate increase component of the A-37 Rate, because such increase is necessary for Tri-State to meet its revenue requirements;

WHEREAS, LPEA does object to the component of the A-37 Rate that changes the rate design so that it is unjust, unreasonable, and discriminatory, and has been, to date, unable to obtain a meaningful review of the A-37 Rate, either through internal processes with Tri-State or through review by RUS;

WHEREAS, it does not appear that, without further action by LPEA, a meaningful review of the A-37 Rate will occur;

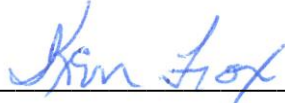
WHEREAS, although LPEA remains hopeful that Tri-State will reconsider its position and the implementation of the A-37 Rate, it believes that it must pursue an independent review of the A-37 Rate through the filing of a Formal Complaint with the Public Utilities Commission of the State of Colorado (PUC), in which LPEA, several of its member-consumers, and other member-cooperatives of Tri-State will challenge the unjust, unreasonable, discriminatory, and preferential nature of the A-37 Rate; and

WHEREAS, during the pendency of any PUC proceedings and thereafter, LPEA will continue to honor the requirements of the Wholesale Electric Service Contract with Tri-State and remains ready and willing to discuss with Tri-State meaningful resolution of its challenge to the design of the A-37 Rate.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of La Plata Electric Association, Inc. that LPEA hereby approves the filing of a Formal Complaint with the PUC to challenge the A-37 Rate.

BE IT FURTHER RESOLVED that the Chief Executive Officer and/or the General Counsel for La Plata Electric Association, Inc. be given authorization to execute and file said Complaint, upon final legal review, and prosecute the same in accordance with this Resolution.

I, Ken Fox, Secretary of La Plata Electric Association, Inc., do hereby certify that the above is true and correct copy of a resolution adopted by the Board of Directors of La Plata Electric Association, Inc., at a regular meeting held in Durango, Colorado, on February 13, 2013, at which meeting a quorum of directors was present and voting.



Ken Fox, Secretary

Dated at Durango, Colorado this 13th day of February 2013.