

March 31, 2026

To: Michael Ogletree, Division Director Air Pollution Control Division
Stephanie Shoup, Deputy Director of Regulatory Affairs
Joshua Korth, Lead Technical Analyst Colorado Department of Public Health and Environment

CC: Will Toor Executive Director Colorado Energy Office
Chris Piper, Director of Legislative Affairs Colorado Energy Office
Mark Silberg, Energy Policy Advisor to the Governor
Pam Feuerstein, CEO CORE Electric Cooperative

In accordance with the process outlined in CRS 25-7-105(1)(e)(VIII.5)(H), we are writing to notify the Air Pollution Control Division and the Colorado Department of Public Health and Environment of the challenges CORE Electric Cooperative (CORE) is encountering in achieving targeted 2030 greenhouse gas emissions reductions filed in our 2023 Clean Energy Plan (CEP). CORE is a member-owned cooperative utility providing electric service at retail to nearly 400,000 Coloradans across 185,000 meters in portions of eleven counties in and around Colorado's Front Range.

CORE owns and operates transmission and distribution facilities within its 5,000 square-mile service territory which are solely interconnected with Public Service Company of Colorado's (PSCo) transmission facilities. Historically CORE purchased much of its members' supply requirements from PSCo from the early 1990's until December 2025, with the balance supplied from solar facilities, federal hydroelectric purchases, and generation from CORE's minority ownership in the Comanche 3 coal plant. CORE's historical peak load is approximately 650 megawatts, and the cooperative provided 2,640,000 megawatt-hours to members in 2025.

In January 2026, CORE began to procure and supply all of its members' electrical needs using a directly sourced portfolio of resources while continuing to purchase transmission service from PSCo. CORE's resource portfolio includes solar generation, federal hydroelectric contracts, thermal generation, and purchases from regional utilities and market participants. Prior to the end of the PSCo wholesale contract in 2025, CORE entered into agreements with several generation projects owned by third parties, including three renewable projects in development that were reliant on PSCo transmission for interconnection and delivery to CORE's load. These projects were key to CORE's successful application for more than \$225 million in federal funding under the New ERA program.

CORE filed its CEP with the Colorado Department of Public Health and Environment in December 2023, showing a path to an 80% reduction in forecast GHG emissions for 2030 from its 2005 emissions baseline. This CEP was built around procuring energy and capacity from new renewable and storage assets beginning in 2026 to replace energy from Comanche 3 which would become less available due to commitments made by PSCo as the plant's

operator. CORE signed power purchase agreements supporting the development and construction of two wind farms, totaling 349 MW of nameplate capacity, and a hybrid solar-storage facility, consisting of 200 MW of solar generation, and 100 MW of 4-hour duration batteries.

Based on the timing of the interconnect requests, all these facilities entered PSCo's interconnection queue ahead of the generation projects PSCo selected in its 2021 resource plan.

At this time, however, CORE is uncertain whether it will be able to meet the targeted 2030 emissions due to lack of access to transmission and changes in market conditions. Each of these projects were not directly connected to CORE's system, instead relying on open access to PSCo transmission under FERC-regulated tariffs for delivery to CORE's loads. PSCo included later queued and placeholder projects in transmission studies for interconnection and delivery of the projects CORE submitted, resulting in identification of upgrades triggered by PSCo's conceptual projects which would have to be addressed before CORE's projects could be interconnected and become fully operational. This added years to the lead time before construction of these projects could begin. When combined with the abrupt change to federal support for renewable projects, the projects were no longer viable, despite significant concessions CORE made to developers while attempting to sustain them.

CORE has taken further steps, as initial delays became apparent, entering into contracts with additional solar and storage projects interconnected directly with CORE's distribution and transmission facilities, totaling 75 MW of new solar and 100 MW of new storage capacity which will begin operating in 2026 and 2027 respectively. CORE is pursuing additional renewable generation and storage facilities, but such near-term contracts will depend on delivery from outside of CORE's system, due to the concentration of existing on-system solar resources in CORE's transmission system and limited wind resource available in CORE's territory.

The Colorado Energy Office's report, *Pathways to Deep Decarbonization in Colorado's Electric Sector by 2040*, based on modeling by Ascend Analytics, identifies a pathway for significant reductions in power sector emissions, but assumes participation in a Regional Transmission Organization (RTO) as a foundational condition. While CORE believes certain technology and operational assumptions in the report are overly optimistic, the reliance on an RTO to achieve targeted emission reductions is consistent with findings in other decarbonization studies, including those informing Platte River Power Authority's resource diversification goals. This assumption has important implications for CORE's Clean Energy Plan compliance. Many modeled emission reductions and cost efficiencies depend on access to regional markets, independent transmission operation, and optimized dispatch across a broad footprint—benefits that are not available under CORE's current balancing authority structure. As a result, achieving comparable emission reductions may require higher-cost local resources or additional infrastructure investments.

CORE currently operates within the PSCo balancing authority and does not control decisions related to participation in the only RTO likely to be available in the near term. Accordingly, CORE's CEP reflects a prudent approach that prioritizes reliability and cost containment for its members, while remaining adaptable should regional transmission access expand in the future.

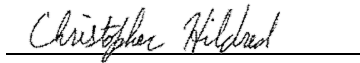
As a result of the factors outlined herein, CORE anticipates it will exceed the 2026 and 2027 interim year emissions targets filed in its CEP. CORE remains challenged in meeting emission reduction goals in subsequent years as described in the 2023 CEP due to the limited availability of existing renewable generators in the state

and PSCo's reservation of available transmission which result in no path to near-term large acquisitions of wind resources and the limited ability to purchase solar at scale.

Despite these challenges, CORE remains committed to reducing emissions but must balance that obligation with reliability and affordability of the vital service the cooperative provides to its members on a not-for-profit basis. Balancing these requirements means progress will be slower than previously planned as we adapt to changing constraints and market conditions and work to resolve these new challenges.

We welcome the support of CDPHE, the Office of the Governor, and industry stakeholders as we all seek to achieve the same goal of reducing greenhouse gas emissions in a manner that allows us to maintain our shared mission to provide safe, affordable, and reliable electricity to Colorado citizens.

Respectfully,

A handwritten signature in cursive script, reading "Christopher Hildred", is positioned above a horizontal line.

Chris Hildred
Chief Energy Supply Officer,
CORE Electric Cooperative