

Socorro County needs economic development, lower electric rates

Sept. 5, 2019 - Letter to the editor: http://www.dchieftain.com/opinion/socorro-county-needs-economic-development-lower-electric-rates/article_8e23a0ca-cf37-11e9-9455-db3e3028f1de.html

Editor: I was visiting my two daughters and their families in Montana for 10 days, but the 6 a.m. flight got me into Albuquerque's Sunport at 11:37 a.m. and I was able to attend the monthly Socorro Electric Co-op board meeting at 2 p.m.

Naturally the City of Socorro's proposal to form their own Muni with the help of Guzman was discussed. Guzman, three years ago, fronted the \$37 million to allow Kit Carson Electric Cooperative, serving the Taos area, to buy out the contract with Tri-State Generation and Transmission. Tri-State is a co-op of the co-ops in New Mexico, Colorado, western Nebraska, and southern Wyoming, that supplies the basically dirty expensive coal generated electricity to the co-ops. And despite the Tri-State feel good, 33 percent renewable ads, Tri-state is the third dirtiest producer of electricity in the US.

Delta-Montrose in western Colorado has just this month signed a buyout agreement with Tri-State also.

Environmental and cost concerns.

However in the board discussion of Guzman financing the City of Socorro's proposed Muni project, it was stated that Kit Carson Co-op was paying 8.5 cents a kilowatt hour to Guzman for electricity and Tri-State only charged 7.5 cents a kilowatt hour to Socorro Electric Co-op. This wasn't what I remembered, so I asked Jimmy Capps, the public relations director for Socorro Electric Co-op about the cost figures after the meeting. I also asked Mr. Capps to call Luis Reyes, Kit Carson Electric Co-op's manager, to verify, that indeed Kit Carson Co-op was paying Guzman 8.5 cents a kilowatt hour.

Mr. Capps basically said, that the rate was correct and that there was no reason for him to talk with Kit Carson's manager. In picking up the mail the following day, there was the Socorro Electric Co-op's monthly bill of \$14.32, (it's been under \$15 for the past four months as we have six solar panels on our roof). Along with the bill was the Co-op Corner newsletter. It claimed that Kit Carson Co-op was paying 9.5 cents a kilowatt hour for electrical power from Guzman while Socorro Electric Co-op paid 7.68 cents a kilowatt hour or 24 percent less to Tri-State. I photographed and texted the Co-op Corner newsletter onto Luis Reyes and asked, are the figures in the newsletter accurate?

Mr. Reyes texted back, I don't know where he got the numbers but they are wrong. Guzman power cost was 6.88 cents a kilowatt hour for 2018. Manager Reyes is reserved in discussing financial matters, as Kit Carson signed a non-disclosure agreement with Tri-State at the time of the buyout. That's a great example of the lack of Co-op transparency for you.

The following day, I talked with Bob Bresnahan who serves on Kit Carson's board and has been instrumental in moving Kit Carson Electric Co-op to 100 percent daytime solar production by 2022. This will save their co-op members in the future, as the latest solar array will be producing electrical power for around 2.5 cents kWh. Bob explained, that while Kit Carson Co-op is currently paying Guzman 6.88 cents per kilowatt hour, and has been for the past three years, in less than three years Kit Carson will have paid back the \$37 million loan borrowed from Guzman for the Tri-State buyout cost and after that, Kit Carson will be paying 4.5 cents a kilowatt hour.

To quote William Ellis in an August 29, 2019 unrelated article in the Espinola, Rio Grande Sun, "It comes to trust," he said. "if they can't be honest with us on this issue, how can I trust them on other issues?"

I think Mr. Ellis nicely sums up the management and five of the seven board members serving us on our Socorro Electric Co-op. We need a change. A change so that Socorro Electric Co-op members can also enjoy

4.5 cents a kilowatt hour or less for the cost for power. Power is 60 percent of our monthly electric bill. And that means approximately \$6 million a year would stay in our Socorro Electric Co-op service area and not flow out to Tri-State.

That in a nut shell is called, economic development.

Ward B. McCartney

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