

CNMEC

Newsletter

February, 2020

A Touchstone Energy® Cooperative 
The power of human connections

Tri-State announces transformative Responsible Energy Plan actions to advance cooperative clean energy

- Increasing renewables to 50% of energy consumed by members by 2024, adding 1 gigawatt of renewables from eight new solar and wind projects.
- Reducing emissions with the closure of all coal plants operated by Tri-State, cancelling the Holcomb project in Kansas and committing not to develop additional coal facilities.
- Increasing member flexibility to develop more local, self-supplied renewable energy.
- Extending benefits of a clean grid across the economy through expanded electric vehicle infrastructure and beneficial electrification.

(January 15, 2020 – Westminster, Colo.) – In the most transformative change in its 67-year history, Tri-State Generation and Transmission Association today announced actions of its Responsible Energy Plan, which dramatically and rapidly advance the wholesale power supply cooperative’s clean energy portfolio and programs to serve its member electric cooperatives and public power districts.

“Our cooperative and its members are aligned in our transition to clean power,” said Rick Gordon, chairman of Tri-State and director at Mountain View Electric Association in eastern Colorado. “With this announcement, we’re poised to become a new Tri-State; a Tri-State that will provide reliable, affordable and responsible power to our members and communities for many years to come.”

Tri-State’s clean energy transition significantly expands renewable energy generation, meaningfully reduces greenhouse gas emissions, extends the benefits of a clean grid to cooperative members, and will share more flexibility for self-generation with members, all while ensuring reliable, affordable and responsible electricity.

“We’re not just changing direction, we’re emerging as the leader of the energy transition,” said Duane Highley, Tri-State’s chief executive officer. “Membership in Tri-State will provide the best option for cooperatives seeking a clean, flexible and competitively-priced power supply, while still receiving the benefits of being a part of a financially strong, not-for-profit, full-service cooperative.”

To view Tri-State’s Responsible Energy Plan in its entirety go to www.tristategt.org/responsible-energy-plan.



PROGRESS STARTS HERE

We’re building a brighter energy future together.

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What is a (PCA)

A (PCA) is a Pass-Through Cost Adjustment. Pass-through Cost Adjustment 1 (**shows on the bill as PCA 1**). This is our pass-through **power cost** above/below what is built into our standardized rate design charges. In our case it is **+ positive**.

What this simply means is that our current **power cost** is more than what was filed in our rate design years ago. It is very costly and time intensive to file for new rates so we (as do other cooperatives) utilize PCA's. The PCA is billed as an additional amount per kWh used. This factor is updated each **February billing** and usually remains fixed throughout the following months until the following February.

Pass-through Cost Adjustment factors 2, 3, 4 & 5 (**shows on the bill as PCA's 2-5 depending on the type of service billed**) are billed for **interest on long-term debt** that is above/below what is built into our rate base design as well. This is less than the original rate design, so it is **- negative**.

Over the last several years we have lowered our debt costs due in part to lower interest rates. We have also paid off some of our debt resulting in less interest expense than when our original rates were designed, so we pass the savings through to our membership. Each billed kWh is multiplied times the negative factor resulting in a credit. This factor is updated each **January billing** and should remain fixed until the following January.

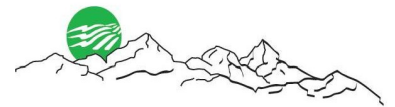
Every service is charged the same PCA 1 factor. Depending on the type of service, one of the below PCA's will be credited for 2,3,4 or 5. PCA 2-5 differ based on the amount of debt designated to the type of infrastructure.
PCA 2=Residential Meters
PCA 3=Irrigation Meters
PCA 4=Commercial Meters
PCA 5=Devices/Lights Meters

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Energy Efficiency Tip of the Month

Are you using your fireplace efficiently? Remember to turn down the thermostat when burning a fire, and close the damper when a fire is not burning.

Source: energy.gov



CENTRAL NEW MEXICO ELECTRIC COOPERATIVE, INC

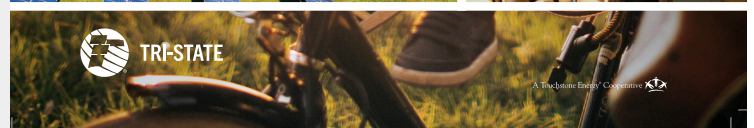
At Tri-State

A Touchstone Energy® Cooperative



Our cooperative approach to a clean grid starts now.

Learn how we're transforming with our Responsible Energy Plan.
www.tristate.coop/responsibleenergyplan



TRI-STATE

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