

Creative, flexible power supply partner welcomed

Guest Commentary by Luis Reyes Jr., Aug 1, 2019

http://www.dchieftain.com/opinion/creative-flexible-power-supply-partner-welcomed/article_e92614b6-b3d1-11e9-bd31-6f3e5cd290c5.html

On behalf of Kit Carson Electric Cooperative (KCEC), I would like to congratulate Delta Montrose Electric Association (DMEA) on its successful settlement agreement with Tri-State Generation and Transmission.

DMEA has just entered a world of exciting, affordable and transformative new power supply options.

This may not mean much to many people, but speaking from our positive experience, the results have the potential to have incredible benefits to the communities and citizens in DMEA's territory.

KCEC took this leap almost three years ago, separating from Tri-State through a similar settlement process. Our members were demanding cleaner, more affordable energy and some of our larger customers were even thinking about pursuing other power supply options or leaving our community altogether. Under our previous contract, KCEC did not have the ability or flexibility to develop our own renewable resources at a scale to meet our members' needs and we saw our rates continue to increase year after year. Our exit from Tri-State opened a world of opportunity and uncertainty, but we found a partner in Guzman Energy to help us successfully navigate the transition, set energy priorities and goals, and develop power supply solutions to meet our members' needs.

As is well-documented at this point, our agreement with Guzman Energy included a 6-year payback period of the exit charge we paid to Tri-State. We have faced a lot of criticism and skepticism but now, halfway through that payback, the reality is that we are and will continue to be a much better, stronger electric cooperative and the communities in our service territory are more economically competitive to attract and retain businesses as well. After the next three years, we are forecasting that our wholesale rates will decrease by as much as 40 percent.

One of the first actions we were able to take was to set a goal of powering our community with 100 percent solar energy in the daytime by 2022. To do this, we created an energy roadmap that included up to 35 megawatts (MW) of small solar arrays throughout our communities supported by several battery storage projects. Today, we have 10 MW on our system with an additional 6 MW at three sites in the works and scheduled to be complete by the end of the year. This puts us halfway to our goal, right on schedule.