

SEC needs to look into clean energy

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Letter to the Editor Oct 29, 2020

Editor: A couple of days ago, Tri-State generation and transmission, which supplies electrical power to our Socorro Co-op, announced that they would be reducing wholesale power cost by 8%. This reduction won't happen until 2023, as it takes time to replace expensive, dirty, coal power with clean renewable wind and solar. By the way, the Evergreen, Independent paper last week had an ad for workers to help construct the latest wind farm on the east side. So if you like heights, I.e. 200-foot turbine towers, or are a heavy machine operator or just general labor, there are job openings.

Getting back to the 8%. On a \$100 monthly Co-op bill, about \$60 goes to Tri-State for power cost. So an 8% reduction will save Co-op members about \$4.80 a month. Also Tri-State mentioned, that they haven't raised power rates to member co-ops in four years. But I'm not clear on where the \$37 million that Kit Carson Co-op paid to end its contract with Tri-State over three years ago, or where the \$128 million that Delta Montrose Co-op recently paid to end their TriState contract.

That's a total of \$165 million and since there are about 1 million Co-op members receiving power from Tri-State, I'm still waiting for my \$165 check in the mail. So, yes, indirectly, Tri-State has raise rates.

The other exciting part of TriState's announcement was that 300 megawatts of power would be available for member co-ops to use for self-generation by 2021, and up to 50% of each co-ops load, to self generate. Currently, Tri-State limits co-op members to 5% self-generation. Since Socorro Electric Co-op is a 19 mega power user, that 5%, limits SEC to being able to only self generate to a one-megawatt solar system. While your SEC board has looked into solar, a one-megawatt system is too small to get economies of scale, but still the bids came in at 5.6 cents a kilowatt-hour, which is two cents less than we currently pay Tri-State, which is 7.6 cents a kWh.

But this 50%, plus the current 5% proposal to self generate opens up a huge cost-saving potential. In talking with Bob Bresnahan, a Kit Carson Co-op board member, Kit Carson is signing up for a 21 MW purchase power agreement for Solar and battery back up, a 12-year contract at four cents a kilowatt-hour. After the 12 year contract, the Kit Carson Co-op would be able to purchase the solar array for a cost of approximately one, yes, one cent a kilowatt-hour. Granted the battery back up will likely need to be replaced, but solar panels are guaranteed for 30 years, and we really don't know their true life expectancy.

Your SEC co-op 10 megawatts of self-generating solar-battery power cost at four cents a kilowatt-hour would meet half the SEC power demand and will drop your current hundred dollar SEC bill by \$14.22 and after 12 years at one cent a kilowatt-hour, that hundred dollar bill would be \$74, or a \$26 a month savings. But of course, there's a catch. Tri-State is only parting with 300 megawatts for self generation and there are 41 co-ops. So contracting for a system of scale that gives us a great price on renewable energy is obviously a tossup. While PNM and Tri-State are locking in 100 Megawatts of solar and wind Generation projects at two cents a kilowatt-hour, there's the one and a half cents, to two cents, per kilowatt-hour transmission fee to ship the power to us. While the 4 cents per kilowatt-hour selfgeneration might cost slightly more for 12 years, we obtain instant savings, and the jobs and the taxes stay in our Co-op community.

Hopefully, our SEC board takes a serious look into self-generating clean, renewable energy. I'm frankly tired of the drought and smoke.

Ward McCartney Belen, NM