April 2021





# **Higher Fuel Prices Effect Wholesale Power Bill**

Central Valley Electric Cooperative recognizes the power supply shortages caused by extreme winter weather in February were challenging and you might have questions about what happened and what the long-term effects might be. This is part of our commitment to help keep you informed.

### Why did CVE initiate emergency-controlled outages?

In February, the extreme cold weather in our region caused an increase in electricity usage and put a strain on available power and fuel supplies. At the direction of the Southwest Power Pool (SPP), the regional transmission organization, CVE initiated a series of controlled outages to help prevent prolonged, widespread outages in the 14-state SPP region, which includes Southeastern New Mexico. SPP directed the co-op to curtail 6.5 mega-watts (MW) of firm load for approximately three hours. CVE was fortunate and the need for controlled outages didn't last long.

### Is my bill going to be higher?

Your bill may be higher based on the amount of electricity you used during the historic cold temperatures. Your electric rate has not changed. Eventually, the actual cost of fuel will be reflected in your bill, but this won't happen immediately. We understand these increased fuel costs may create hardships for members. Please know the CVE Board of Trustees and management are working hard, and their priority is to find the best way to minimize the increase in fuel costs.

### How are fuel costs passed through to members?

The price of fuel used to generate electricity changes frequently and did so during the extreme winter weather event. Your monthly bill reflects the actual price of power with the base price of power in your electric rate. The Power Cost Adjustment (PCA) calculated on your monthly bill reflunds or recovers any amount CVE paid under or over the wholesale cost of power. The PCA is the same for all members and changes monthly. CVE does not make a profit from this adjustment. It is a straight pass through to members and is designed to ensure members pay what CVE paid.

Because of higher than normal natural gas prices and generation prices in February, CVE's wholesale power bill was approximately five times higher than normal (totaling approximately \$14 million). To pay this increased wholesale power bill CVE plans to use money from our line of credit. We are working diligently to find a way to pass this additional cost through so that it's the most economical and least impactful to our members. We will keep you informed on this process. Thank you.

To our heroes in hard hats, thank you for keeping the lights on.

Lineworker Appreciation Day On April 12, remember to #ThankALineworker

### Commercial Lighting Rebates

Did you know Central Valley Electric Cooperative has a lighting rebate for commercial and industrial (C & I) members? C & I members who upgrade their existing lighting to more energy efficient lighting, or who are building new facilities, could be eligible for a rebate.

If you are interested in upgrading your lighting, we can come, to your facility and conduct a free lighting assessment. We then send the information, from the assessment, to a company that will provide a quote on proposed lighting equipment upgrades.

Please call Leah or Raelynn at 575-746-3571 if you have any questions and before you start your lighting project. For more information go to **www. CVECOOP.org/lighting-rebates**.





The Chapparral Skeet Club in Roswell upgraded their old inefficienct lights with energy efficient LEDs. The lights are brighter and more evenly distributed.

## **Renewable Energy**



Have you recently been contacted by a renewable energy salesperson promising that you will save money on your electric bill or even be able to get rid of your electric company altogether if you purchase and install solar or wind equipment?

If this is the case please beware, there is a lot you need to know before considering any installation at your home or business, and especially before you enter into any agreement. If you are truly interested in renewable energy, please call Central Valley Electric Cooperative before obligating yourself to thousands of dollars. We can help you understand the risks and we'll help you run the economics, so you know what to expect.

CVE has policies in place for Interconnection of Distributed Generation (renewable energy) that adhere to the New Mexico Public Regulation Commission rules. **That's why it's important for you to contact CVE first, if you are considering installing renewable energy.** 

## **Welcome New Employee**



Jonathan Darnell Human Resource Specialist

Jonathan Darnell, a recent graduate of Wayland Baptist University, began his career at CVE in March. Darnell is working in the Human Resources Department. Please help us welcome Jonathan to the CVE team.



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