



Beyond the Wire

Central Valley Electric Cooperative, Inc.



Increased Fuel Cost Adjustment

On your August bill you will notice the Power Cost Adjustment (PCA) is higher than normal which could cause your bill to be higher. Here is a brief explanation for the increase.

In February, because of the extreme winter weather, Central Valley Electric Cooperative's wholesale power bill was roughly five times higher than normal. To pay the increased wholesale power bill, CVE used money from a line of credit obtained through CoBank. Then in March, the co-op filed an Emergency Request for a Variance to Implementation of our Fuel and Purchased Power Cost Adjustment with the New Mexico Public Regulation Commission (NMPRC). The Variance was approved by the NMPRC, and that allowed CVE to recover the principal and interest paid on the line of credit over a 24 month period, thereby softening the financial impact to members.

It was first reported in the June edition of CVE's newsletter *Beyond the Wire* that there could be resettlements and adjustments to the February wholesale power bill that could effect the estimated increase to members. On CVE's July wholesale power bill those resettlements

and adjustments were added, and totaled approximately \$530,000. In addition, CVE also received a \$756,000 surcharge for true-up of the 2020 wholesale power rate. This additional \$1.3 million of charges increased the PCA factor.

These increases are passed on to members through the PCA on your monthly bill. The PCA is the same for all members and changes monthly. The PCA is a straight pass through to members, and CVE does not make a profit from it. It is designed to ensure members pay what CVE paid for wholesale power.

Because of this, the August PCA is higher than normal at \$0.011749 per kilo-watt hour (kWh). So if you used 1,000 kWh in August, the PCA charge on your bill would be $(1,000 \times \$0.011749)$ \$11.75.

The CVE Board of Trustees and management have worked hard to keep this from causing too much of a hardship on members. If you have any questions or concerns please give us a call at 575-746-3571. To view past issues of *Beyond the Wire*, go to www.CVECOOP.org/newsletters.

Safety on the Farm

Safety is a priority at CVE, and we want farmers and ranchers to be safe around electricity. Every year, tractors and other farming equipment accidentally collide with utility poles and power lines, causing injuries and power outages. As you prepare for harvest season, please keep the following safety tips in mind.

- Maintain a 10-foot clearance around all utility equipment in all directions.
- Use a spotter and deploy flags to maintain safe distances from power lines and other electrical equipment when working in the field.
- If your equipment makes contact with an energized or downed power line, contact 9-1-1 immediately and remain inside the vehicle until the power line is de-energized. In case of smoke or fire, exit the cab by making a solid jump out of the cab (without touching it), and slowly shuffle your feet (never moving your feet more than heel to toe) about 50-100 feet to safety.
- Consider equipment and cargo extensions of your vehicle. Lumber,

hay, tree limbs, irrigation pipes and even bulk materials can conduct electricity, so keep them out of contact with electrical equipment.

September is National Farm Safety and Health Month, but practicing safety on the farm year-round yields positive results. We hope you never find yourself in a situation where farming equipment contacts power lines or poles, but if you do, we hope you'll remember these safety tips. Also, remember CVE offers free electrical safety demonstrations.



Renewable Energy and Your Cooperative in New Mexico

In the last couple of years, Central Valley Electric Cooperative has experienced an increase in inquiries about solar installation and additional members interconnecting with the cooperative. It is imperative that we share information with our members who are considering this process.

CVE follows The New Mexico Interconnection Manual in conjunction with the New Mexico Public Regulation Commission Rule 17.9.568 NMAC, Interconnection of Generating Facilities. In the manual, the process begins with a pre-application discussion with any member of the cooperative who is considering renewable energy. During the pre-application discussion representatives from CVE will inform members of the responsibilities of the cooperative and define the member's role. CVE will never share information with a solar company without first gaining the member's permission and verifying the request.

After the pre-application discussion, the appropriate application can be completed and authorized by the member. When CVE considers the approval of an Interconnection Application there are many factors to consider. We must make sure the application includes supporting documents for the construction, location, and size of the system. CVE will look at your past usage to make sure the system is not over or undersized. In the 2019 New Mexico Statutes, Chapter 62 - Electric, Gas and Water Utilities, Article 13 - Public Utility Act Miscellaneous Provisions Section 62-13-13.1 - Renewable energy distributed generation facilities; owners and operators not public utilities is referenced when determining approval of an Interconnection Application. We specifically look to see that any facility that produces



electric energy by the use of renewable energy is sized to supply no more than one hundred twenty (120) percent of the average annual consumption of electricity by the host at the site of the renewable energy distribution generation facility. The 'host' is the customer of the utility, and the 'site' is the property owned by the host.

When an application is approved this means the member would share a common point of connection with CVE. An agreement between the host and CVE is completed and filed to include safe operations, maintenance, access, and disconnection when necessary. Because of this it is more critical than ever that CVE be proactive in making sure the interconnection is constructed correctly. We find it important to be active in changes and advances in technology, therefore representatives from the cooperative are involved with the New Mexico Interconnection Working Group assigned to review the Interconnection Manual and process for the state. Revisions to this manual are upcoming and CVE will implement those changes accordingly.

If you are considering renewable energy options for your home or office, please make CVE your first point of contact in the process. Call us at 575-746-3571 or visit us at the headquarters in Artesia.

Welcome New Employees



Lorenzo Terrones
Apprentice Lineman



Cordell Davis
Serviceman



Levi Gomez
Apprentice Lineman

Labor Day Office Closure

Our office will be closed on
Monday, September 6.

*Happy
Labor Day*

Central Valley Electric Cooperative, Inc.

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