



Beyond the Wire

Central Valley Electric Cooperative, Inc.



Know the Signs of Utility Scams

Every day millions of Americans are targeted by scammers through phone calls, emails, text messages, online or in person. Scammers' tactics change daily and it is important to be aware of these scams.

Common Types of Scams

A scammer may claim you are overdue on your electric bill and threaten to disconnect your service if you don't pay immediately.

If this happens to you hang up and give us a call to check the status of your account. Keep in mind that Central Valley Electric Cooperative does NOT take any payments over the phone and will give you a 48 hour notice before disconnecting services.

Defend Yourself Against Scams

Take a moment to think about the situation before acting. Be wary of calls and texts from unknown numbers. Don't give unknown callers personal information or make a payment over the phone. Minimize risk by assessing the situation and hanging up if you are suspicious.

Be vigilant, and please report any utility scams to CVE so we can let others in our community know.



Labor Day Office Closure

Our office will be closed on
Monday, September 5.

*Happy
Labor Day!*



SUSPICIOUS ?

Give us a call

575-746-3571



Central Valley Electric Cooperative, Inc.

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Office Hours: 8:00 a.m. to 5:00 p.m. (Monday - Friday)

Grid Reliability Concerns

The New Mexico Rural Electric Cooperative Association, which Central Valley Electric Cooperative is part of, sent the letter below to Governor Michelle Lujan Grisham and other key officials addressing concerns about rising energy prices and grid reliability. To view the original letter go to www.cvcoop.org/grid-reliability-concerns



Dear Governor Lujan Grisham:

The reliability of the electric grid is a growing concern for the leaders of the rural electric cooperatives that serve the great state of New Mexico. With increasing demand for electricity, early retirements of baseload generation, growing reliance on non-dispatchable generation resources, expensive natural gas prices, and more extreme weather events, we feel obligated to notify governmental leaders and policymakers of our growing concerns over grid reliability and the increasing risk of power shortages that may lead to rolling blackouts, extreme pricing, and most importantly, potential endangerment to the health and lives of the people of New Mexico.

While the Energy Transition Act (ETA) was making its way through the New Mexico Legislature, our statewide organization, the New Mexico Rural Electric Cooperative Association, lobbied for inclusion of achievability offramps in the bill. Those efforts resulted in final legislation stating the renewable energy goals set forth by the ETA for rural cooperatives had to be 1) affordable; 2) reliable; and 3) technologically feasible.

This May, the North American Electric Reliability Corporation (NERC), which is the entity tasked by the Federal Energy Regulatory Commission (FERC) to oversee grid reliability, issued an assessment warning that several parts of North America, including New Mexico, "... are at elevated or high risk of energy shortfalls this summer." NERC's press release cited capacity shortfalls "due to generator retirements and increased demand", as well as "widespread drought and below-normal snowpack..." having "the potential to lead to lower than average output from hydro generators."

As you know, Public Service Company of New Mexico (PNM) requested and received permission to delay closure on one of the units at the San Juan Generating Station due to summer reliability concerns. Within the last two years, we have all seen examples from California, Texas, Oklahoma, other Midwestern states, and to a lesser extent regions of New Mexico, where utilities faced resource adequacy issues and periods when electricity was neither affordable nor reliable.

During Winter Storm Uri in February 2021, some New Mexicans within the Southwest Power Pool (SPP) footprint have already experienced the impacts that can result from lengthy periods of high demand due to extreme temperatures, limited wind resources, and limited natural gas supply, which resulted in record energy prices and load shedding events. Our two cooperative wholesale suppliers, Western Farmers Electric Cooperative (WFEC) and Tri-State Generation & Transmission Association (Tri-State), experienced increased power costs from this storm, of \$125.2M (spread over a 60-month period) and \$12M, respectively. Tri-State was able to minimize the impacts of the storm because of its diverse portfolio and the ability to switch natural gas units to on-site fuel oil, which minimized natural gas purchases during record peak pricing. Had the storm tracked further to the west, the impacts to a broader portion of New Mexico would likely have been similar to outcomes in Texas, Oklahoma, and other states in the Midwest.

These are all early indicators that at a national and regional level, our environmental/energy policies, and the pace we are pursuing them, are introducing risks to grid reliability at the most critical times and when people rely on electricity the most. Given today's technological inability to affordably store noncarbon-based energy on a large scale, wind and solar are simply not reliable replacements for traditional dispatchable generation. Although they are great additions to a diverse generation mix that reduces carbon emissions, we believe we should proceed in this energy transition cautiously.

While there are resource adequacy risks in the western region of the U.S., New Mexico cooperatives remain confident in our ability to meet short-term goals of the ETA. Tri-State remains committed to its Responsible Energy Plan and does not have near-term resource adequacy concerns for its generation fleet given its current capacity position and planning reserve margin. WFEC and the four East Side New Mexico distribution members are part of the FERC approved SPP Regional Transmission Organization and the SPP Integrated, 14 state power market. The WFEC portfolio of generation includes wind, solar, hydro, and fossil fuel, with renewable resources capable of meeting any New Mexico current and proposed requirements. WFEC, also, individually meets near term capacity and reserve requirements of the SPP. However, we all recognize that there are ongoing challenges facing the entire electric utility industry that pose both near and long-term risks - the primary of these being supply chain disruptions and resource adequacy concerns. These risks are occurring at a time when much of the industry is transitioning to greater reliance on intermittent renewable resources and will need to be solved at a regional or national level.

As member-owned, locally governed, non-profit utilities, rural cooperatives are uniquely positioned to raise this concern with a certain level of unbiased trust. We don't have investors' profit/returns to consider. For us, it is all about our cooperative members and safely delivering the reliable and affordable electric energy they depend on. It is on their behalf that we ask you to take a balanced, measured, methodical, and most importantly, a realistic approach to our energy transition, recognizing that our concerns for the climate must not come at the expense of grid reliability.

We hope this is just the beginning of many future, productive conversations. Please reach out to any or all of us with any questions you may have. Thank you for your time and attention in this important matter.