



Your monthly report from Your Socorro Electric Cooperative, Inc.

One Year, Nothing to Show

One year has gone by, and the city still has no concrete figures or costs to start an electric utility or final costs for the rates for the citizens of Socorro. At the May 28, 2024, city council meeting, consultant Mr. Ed Reyes explained all the scenarios that could allow the city to start its electric municipality. In all scenarios shown, all customers are kept paying the exact rates with SEC currently. Each scenario depicted how much the city would have to borrow to accomplish the municipality's goal. Mr. Reyes' scenarios showed that the city would have to borrow significant money with interest.

The scenarios put the taxpayers footing the bill for a brand-new electrical system when there is already one in place that the SEC member-owners, including the citizens, already own. The mayor also mentioned the disastrous idea of condemning SEC's plant in the city to force SEC to sell its plant to the City. This is preposterous and would be taking the SEC members' assets of Socorro and forcing the SEC members to pay for a plant they already own. After Mr. Reyes gave his presentation, a few city councilors asked for all the information he used to create his presentation. Again, the city councilors and the Socorro citizens must wait another three weeks to receive the information.

All the information Mr. Reyes and Mayor Bhasker provided leaves only questions to be answered. According to Mr. Reyes' presentation, all Socorro citizens will pay the same rate they currently pay SEC. Why put the citizens of Socorro into a possible \$40 million, or more, debt to build a new electric municipality that the membership/citizens of Socorro already own through SEC? Why pay twice for something you already own for the same rates you already pay?

Here's what happened this past year. On July 5, 2023, Socorro Electric Cooperative (SEC) was invited to the city

council meeting to discuss the termination of the Franchise Agreement between the city and the co-op, including a SEC proposed franchise agreement. At the meeting, Mayor Bhasker denied the SEC's request to support its efforts for a Community Solar Grant that was proposed to him. He also conditionally promised the City Councilors and the Co-op that he would consider a franchise agreement renewal with the Co-op if SEC decided to do one of his conditions to build a solar system, contradicting his actions earlier in the meeting.

Councilors Romero and Dean stated they wouldn't have any problem extending the franchise agreement if they could "stay the course" of creating the city's municipal electric utility. By the end of the July 5th meeting, Mayor Bhasker stated that he would have the total costs of a new substation and full build-out, along with the electric rates for industrial and residential, by the end of December. The information was never presented in December. Mayor Bhasker said it would be available in January.

At the January 16, 2024, city council meeting, SEC requested to be put on the agenda to follow up on the proposed franchise agreement or an extension of the current agreement. The Mayor brought up SEC's rates, so because the costs were promised but never presented, SEC wanted to discuss the city's residential rates and the plans that the city had. Again, Mayor Bhasker deflected and told everyone that he would have concrete numbers as to what the electric utility would cost "by the middle of February, but for sure by March 1," including the final electric rates for the citizens of the city. February came and went. During the January 16 meeting, he faced several people who lived outside the city limits but did business within Socorro. Each of them was concerned about how their electric rates would go up if he

continued to pursue and take the city electric load away from SEC. Mayor Bhasker blamed SEC for the people outside the city “possibly suffering” due to his actions of starting a city electric municipality. In subsequent meetings, Mayor Bhasker prolonged the promised information until March and then April. After the January 16th meeting, Mayor Bhasker submitted a demand letter to SEC demanding information on items that carried no weight in extending a franchise agreement.

In the April 16, 2024, city meeting, an SEC representative attended once again to ask about the possibility of the city council extending or accepting a new franchise agreement. At this meeting, Mayor Bhasker said that the responses to the letter sent to SEC were only agreeable to the mayor if they met his subjective interpretation. This means that no

matter what answers SEC sends in response to the mayor’s demand letter, they are only acceptable according to his subjective interpretation. In this meeting, Mayor Bhasker said he would have the city’s consultant, Mr. Ed Reyes, attend the second city council meeting in May to present the total costs of a new substation and full build-out, along with the electric rates for industrial and residential.

Finally, on May 14, 2024, three days before SEC’s franchise agreement with the city was to expire, the city council decided to pass a resolution to extend the current agreement on a month-to-month basis. In this meeting, Mayor Bhasker stated that he would have Mr. Ed Reyes at the next city council meeting to disclose all the scenarios that could happen with the new electric municipality.

SEC Enacts Forest Fire Mitigation Measures

Socorro Electric Cooperative (SEC) is now enacting our forest fire mitigation measures. These measures are in place to ensure minimal risk of forest fire caused by downed power lines, debris, or animal contact with lines. We have contracted with Windy Tree Trimming Services to conduct year-round tree trimming throughout our service territory. Tree trimming and the mitigation plans we have in place will help prevent SEC power lines from starting catastrophic fires.

SEC’s fire mitigation plan is a proactive plan to place specific lines and breakers on what we call a one-shot setting. If anything arcs or comes in contact with our lines, our system shuts down that line immediately without trying to reclose the breaker. If this happens, it will cause an extended outage because our crews must patrol the lines and find the issue before reclosing the breakers. Implementing this protocol for high-fire danger weather is the best way to prevent powerline-caused fires.

SEC will inform you about planned outages and information regarding extreme fire danger.

2023 Capital Credit Allocations

The allocations of the 2023 margins will be reflected on the June and July bills received by all active accounts. Patronage Capital, also known as Capital Credits, represents the pro-rata share of the margins for each member who had service with SEC during 2023.

Capital Credits are how SEC members share in the ownership, operations, and prosperity of the cooperative.



Vegetation Management Update

Crews working to trim trees and vegetation in rights-of-way are currently in the following areas and are expected to remain there for the next few weeks

- Fence Lake
- Highway 36

SEC reminds members that you may see vehicles and crew members from Windy Tree cutting trees near existing power lines. Vehicles will be marked with their company name and an SEC contractor placard.

May 2024 Board Report...

- Mr. David Lyn Wade was appointed District 4 Board Trustee.
- Bernardo to Burris Distribution rebuild construction bid awarded.
- Updates to board policy 110 was approved.

All board agendas, minutes, and videos can be found on our website at: www.socorroelectric.com/board/resources

CONTACT US

WEBSITE

www.socorroelectric.com

PHONE

800-351-7575 or 575-835-0560

PAYING YOUR BILL

Check out the SEC App!



Android

Apple

OFFICE HOURS

Monday through Friday
8 a.m. to 4:30 p.m.

REPORTING AN OUTAGE

Before reporting a power outage, please check the circuit breakers in your house first. If you still do not have power after checking your breakers, please call **575-835-0560, 800-351-7575 or 855-881-8159.**

If you get a busy signal, it is an indication that someone else is experiencing an outage as well; however please continue to call, this will help us pinpoint the problem.

MEMBER SERVICE/BILLING

Marilyn Madrid - Member Service Supervisor
575-835-0560, Ext 1504

ACCOUNTING

Jimmy Capps, Chief Financial Officer
575-835-0560, Ext 1503

LINE EXTENSIONS

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MARKETING & PUBLIC AFFAIRS

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