Overwhelming Support For Socorro Electric Cooperative, Inc. Against Socorro Mayor's City Electric Municipality Take-Over Initiative

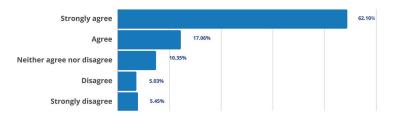
Mayor's City Electric Municipality Widely Unpopular Among Co-op Members

In a recent survey, Socorro Electric Cooperative Inc.'s (SEC) Members are overwhelmingly against the City of Socorro's plans to build a municipal electric company. These results were announced at SEC's 2024 annual meeting held on April 20, 2024 in the Macey Center on New Mexico Institute of Mining and Technology's campus.

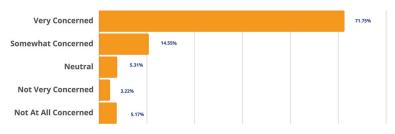
Following multiple failed attempts to move forward with a franchise agreement with the City, SEC recently wanted to get a better pulse on how the membership felt about the situation with the City of Socorro and Mayor Bhasker. On April 3, 2024, SEC sent out an email to 5,684 with a survey link asking three questions:

- 1. The Socorro Electric Cooperative, Inc. (SEC) aims to make electric energy available to its members at the lowest cost, consistent with sound economy and effective management. Does SEC accomplish its mission?
- 2. Given The Mayor's proposal to take over electric service to Socorro, do you feel this action would be unnecessary and could potentially harm member interests?
- 3. How concerned are you that unnecessary alterations to SEC's current operations might lead to increased costs and less reliable service for members?

Given the Mayor's proposal to take over electric service to Socorro, do you feel this action would be unnecessary and could potentially harm member interests?



How concerned are you that unnecessary alterations to Socorro Electric Cooperative's current operations might lead to increased costs and less reliable service for members?



The survey also allowed members to provide specific feedback on anything SEC could do to improve services or operations. The survey also allowed people to remain anonymous or provide their name, email, and SEC account number.

On the first day of the survey being released, SEC received 386 responses, with the majority of those responses in favor of the co-op. In fact, 79% of the 740 total responses, which was the final tally of responses, favored the cooperative. An overwhelming 85% of the 740 responses are concerned that the city's initiatives will lead to increased costs and less reliable service for current members.

Comments received from the survey were also overwhelmingly in SEC's favor. Some commentators wrote, "Leave the co-op just the way it is." There were a few bits of constructive criticism, such as members asking for better customer service when they call in.

"We are thankful for the feedback. Member concerns are being addressed, and we commit to improving customer service," said Joseph Herrera, CEO of SEC. "People in the SEC service territory are very concerned with the potential of a city electric municipality. Mayor Bhasker has stated that he is not concerned for the people outside of the city limits. He's only concerned about the City of Socorro and the businesses within the city limits."

In 2017, the City of Socorro's Mayor and City Council members passed a resolution to create an electric municipality, initiated by Mayor Bhasker. Mayor Bhasker referenced rate increases and SEC's relationship with its power provider, Tri-State Generation and Transmission Association, as being the reason for the resolution.

Currently, the SEC is trying to work with the City of Socorro to extend the SEC's franchise agreement for the short term to safeguard SEC's members. The Mayor refuses to discuss a franchise agreement until a list of questions he submitted to SEC are answered to his satisfaction. However, Mayor Bhasker agreed in the most recent city council meeting on Tuesday, April 16, 2024, that the answers were only acceptable contingent on "subjective interpretation." SEC is left wondering whose subjective interpretation will allow the City to move forward in considering a new franchise agreement? Does this mean that Mayor Bhasker will not accept the answers submitted by the cooperative unless they fit a certain interpretation?

During this struggle with the City of Socorro's City Council and Mayor Bhasker, SEC has tried to open a line of communication with the City Council and Mayor Bhasker. On July 5, 2023, SEC General Manager and CEO Joseph Herrera, President of SEC's Board Leroy Anaya, and Director of Communications Jerrid Williams attended the City Council meeting to discuss the possibility of a new franchise ordinance. At this meeting, the City Council and the Mayor were invited to sit down and talk with the cooperative about everything involved with the utility issues. None of the City Councilors nor the Mayor ever followed up with the Cooperative to set up any time to meet or discuss the franchise agreement.

Spotlight on TEAM SEC - Meet Your Neighbor

Maggie Vaughn joined the SEC team in May of 2023 as the Purchasing/Accounts Receivable Clerk. Maggie is originally from Cascade, Idaho. She moved to New Mexico to help with her family ranch in Polvadera.

Maggie handles all of SEC's purchasing of equipment, tools, materials for work orders, and all office supplies. You can catch Maggie running the forklift in our warehouse or helping to unload trucks in our pole yard. She is an extremely hard worker and is knowledgeable about everything she does at SEC. Maggie is always willing to help anyone.

Maggie enjoys spending time with her family, friends, and the animals on her family's ranch. She enjoys hiking, taking her dogs to the mountains, rock hounding, and being in nature. She is also a painter in her free time.

Maggie loves helping people and animals; she spends her weekends with her family on their ranch, working to ensure the animals are well attended to. She is not afraid to get her hands dirty. Everyone at SEC enjoys having her as a team member.



Maggie Vaughn Accounts Receivable/Purchasing Clerk

MEMORIAL DAY REMEMBER & HONOR

FOR MEMORIAL DAY
HONORING ALL WHO SERVED

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

Engineering, 575-835-0560, Ext 2501 or 2004

MARKETING & PUBLIC AFFAIRS

Jerrid Williams - Director of Communications & Public Affairs - 575-835-0560, Ext 2502 jwilliams@socorroelectric.com

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

· Mangas Mt.

• Omega and the surrounding areas

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.

Congratulations to the 2024 SEC Foundation Scholarship Winners!

Each Year SEC Foundation's Scholarship Program provides awards for \$1,000 per semester for up to 8 semesters, totaling \$8,000!

The scholarship funds are not an operating expense of Socorro Electric, as the funds come from unclaimed patronage capital refunds from prior years. Many times, our Members leave our service area before receiving these refunds and we are unable to locate them. We attempt to reach these members for 3 years, after which time any unclaimed funds are deposited into the SEC Foundation.

In order by school:

Matthew Schofield - Socorro High Serina Garcia - Socorro High Cole Johnston - Socorro High Elizabeth Moellenbrock - Socorro High Bradon Mounyo - Socorro High Aliza Apache - Magdalena High Lanbrent Ganadonegro - Magdalena High Katelyn Orthman - Quemado High Angel Garcia - Belen High Jamie Alvarado Jr. - Pecos Cyber Academy

April 2024 Board Report...

- Annual meeting was held on April 20, 2024
- Trustee Latasa was voted in as Secretary/Treasurer
- Business meeting was tabled until April 24, 2024
- Staff gave updates and reports from each department.
- SEC's accounting firm presented the 2023 Form 990 and the financial Audit.

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