

# NOTICE OF FILING

Mora-San Miguel Electric Cooperative, Inc. (MSMEC or the Cooperative) will file proposed rate schedules, under Advice Notice No. 69, on or around August 1, 2024, with the New Mexico Public Regulation Commission (NMPRC) which will result in a system-wide revenue increase of \$638,015 which will be generated by a 5% increase for the following classes of service:

- Rate No. 1 Residential
- Rate No. 2 Residential Seasonal
- Rate No. 14 Agricultural/Irrigation
- Rate No. 4 Commercial and Industrial 50 kVA or less
- Rate No. 5 Commercial and Industrial Over kVA
- Rate No. 6 Lighting Service (Schedule LS)

**1. Amount of Increase**

MSMEC is requesting an overall increase of \$638,015.

**2. Reason for Change**

The proposed rate revisions are based upon a detailed cost-of-service study conducted by a consultant to determine the continued financial viability of the Cooperative; to ensure that there will be positive net margins to return to members; and, to assure that the Cooperative can continue to satisfy the financial ratio requirements from its lenders. The rate revisions are necessary because the costs of providing electric service to MSMEC's members have increased significantly over the past several years. This is the result of a general nationwide increase in the cost of labor and equipment critical to maintaining a viable and efficient electric system. Additionally, MSMEC continues to suffer from a significant decrease in revenues as the result of the loss of hundreds of accounts resulting from the Calf Canyon/Hermits Peak fire in 2022.

The comprehensive cost-of-service study concluded that in the absence of the proposed rate increase, MSMEC would not meet the financial ratio requirements imposed by its lenders as a condition of making loans to MSMEC in any of the years 2024-2027. Because MSMEC is a not-for-profit utility, the proposed rate revisions are designed only to recover the increased operating costs of business since the last rate revisions. The new modern three-part rate structure puts members in position to manage their demand cost as well as minimizing any cross subsidization among members.

**3. Current and Proposed Rate Summary**

Rate Increase	Current Rate	Proposed Rate	Revenue Increase	Total %
<b>Rate 1</b>				
Residential Service	9,496 Customers		\$470,525.00	5%
Customer Charge	\$25.00	\$30.00		
Energy Charge	\$0.1165/kWh	\$0.1152/kWh		
<b>Rate 2</b>				
Residential Seasonal	1,492 Customers		\$51,070.00	5%
Customer Charge	\$30.00	\$33.00		
Energy Charge	\$0.1165/kWh	\$0.1152/kWh		
<b>Rate 4</b>				
Commercial and Industrial 50 kVA	210 Customers		\$45,725	5%
Customer Charge	\$45.00	\$50.00		
Energy Charge	\$0.0900/kWh	\$0.0900/kWh		
Demand Charge	\$16.00 (all kW)	\$17.75 (all kW)		

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Rate Increase	Current Rate	Proposed Rate	Revenue Increase	Total %
<b>Rate 5</b>				
Commercial and Industrial Over kVA	44 Customers		\$62,060	
5%				
Customer Charge	\$60.00	\$65.00		
Energy Charge	\$0.08500/kWh	\$0.08500/kWh		
Demand Charge	\$18.00 (all kW)	\$20.50 (all kW)		
<b>Rate 6</b>				
Lighting Service (Schedule LS)	721 Customers		\$395	
5%				
100-watt high pressure sodium				
@43 kWh/fixture	\$13.45	\$14.10		
175-watt mercury vapor				
@76kWh/fixture	\$13.45	\$14.10		
250-watt high pressure sodium				
@111kWh/fixture	\$18.40	\$19.30		
400-watt mercury vapor				
@166kWh/fixture	\$18.40	\$19.30		
<b>Rate 14</b>				
Agricultural/Irrigation	31 Customers		\$8,240	
5%				
Customer Charge	\$50.00	\$55.00		
Energy Charge	\$0.1300/kWh	\$0.13550/kWh		

#### 4. Impact on Residential Customers

##### Impact On Residential Members (Rate 1)

kWh	Current Customer Rate	Current Energy Rate	Proposed Customer Rate	Proposed Energy Rate	Current Rate Bill	Proposed Rate Bill	Percent Change
0	\$25.00	\$0.1165	\$30.00	\$0.1152	\$25.00	\$30.00	20.00%
50	\$25.00	\$0.1165	\$30.00	\$0.1152	\$30.83	\$35.76	16.01%
250	\$25.00	\$0.1165	\$30.00	\$0.1152	\$54.13	\$58.80	8.64%
500	\$25.00	\$0.1165	\$30.00	\$0.1152	\$83.25	\$87.60	5.23%
750	\$25.00	\$0.1165	\$30.00	\$0.1152	\$112.38	\$116.40	3.58%
1,000	\$25.00	\$0.1165	\$30.00	\$0.1152	\$141.50	\$145.20	2.61%
2,000	\$25.00	\$0.1165	\$30.00	\$0.1152	\$258.00	\$260.40	0.93%

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kWh	Current Customer Rate	Current Energy Rate	Proposed Customer Rate	Proposed Energy Rate	Current Rate Bill	Proposed Rate Bill	Percent Change
0	\$30.00	\$0.1165	\$33.00	\$0.1152	\$30.00	\$33.00	10.00%
50	\$30.00	\$0.1165	\$33.00	\$0.1152	\$35.83	\$38.76	8.19%
250	\$30.00	\$0.1165	\$33.00	\$0.1152	\$59.13	\$61.80	4.52%
500	\$30.00	\$0.1165	\$33.00	\$0.1152	\$88.25	\$90.60	2.66%
750	\$30.00	\$0.1165	\$33.00	\$0.1152	\$117.38	\$119.40	1.73%
1,000	\$30.00	\$0.1165	\$33.00	\$0.1152	\$146.50	\$148.20	1.16%
2,000	\$30.00	\$0.1165	\$33.00	\$0.1152	\$263.00	\$263.40	0.15%

Seasonal Residential Members (Rate 2)

5. **Date Of Filing:** MSMEC intends to file the proposed rates with the NMPRC on or around August 1, 2024.
6. **Member Notification:** Upon the request of a member, MSMEC will promptly notify said member of the actual filing date of the rate and rule schedules.
7. **Automatic Effect of Rates:** The Schedules will go into effect automatically and without hearing, unless one percent or twenty-five (25) members of any rate class, whichever is less, file a protest with the NMPRC showing just cause for a review of the schedule. The NMPRC will determine if the protest has given just cause for review of the schedule. Such protest must be filed within twenty (20) days of MSMEC filing of said schedules with the NMPRC. The NMPRC will determine if a hearing is to be set. IF A HEARING IS HELD BY THE PUBLIC REGULATION COMMISSION, ANY COSTS INCURRED BY THE UTILITY (MSMEC) MAY BE INCLUDED IN THE UTILITY'S FUTURE RATES, FOLLOWING THE UTILITY'S NEXT RATE CASE.
8. **Procedure for Filing a Protest: New Mexico:** The procedures for protesting a proposed rate are set forth in the NMPRC Rule 17.9.540 NMAC, a copy of which can be obtained upon request from or inspected at MSMEC's main office located at 501 State Highway 518, Mora, NM 87732; telephone number 575-383-4270 or 1-800-421-6773. A copy can also be obtained at the offices of the NMPRC located at 142 W Palace Ave #30, Santa Fe, NM 87501; telephone number toll-free at 1-888-427-5772.
9. **Resolution of Protest:** Before a member files a protest with the NMPRC, they should attempt to resolve any grievance with MSMEC by presenting the objections to MSMEC in writing and allowing MSMEC at least seven (7) days to attempt to resolve or otherwise respond.
10. **Examination of Filings:** Any interested party can examine the rate and rule filings together with any exhibits and related papers filed with the NMPRC at MSMEC's office located at 501 State Highway 518, Mora, NM 87732 or at NMPRC's office in Santa Fe located at 142 W Palace Ave #30, Santa Fe, NM 87501; telephone number toll-free at 1-888-427-5772.
11. **Further Information:** Further information about this filing can be obtained by contacting MSMEC at its main office in Mora, New Mexico or at the NMPRC office in Santa Fe located at 142 W Palace Ave #30, Santa Fe, NM 87501; telephone number toll-free at 1-888- 427-5772.