

June 13, 2024



GENERAL MANAGER'S BOARD MEETING BULLETIN



Virginia Harman

Board seeks to maximize carve-out under new PSA

Under Guzman Energy, MPE will have more flexibility for alternate energy resource options

Area community generation projects and those that support MPE's electric grid will be priorities for the future increased carve-out – or the portion of power that can be purchased outside the power supply agreement (PSA) – under Guzman Energy.

One of the driving factors behind the Board's decision to move toward a new power supplier was for greater flexibility in purchasing power from other sources, including local generation projects from members.

Under Tri-State Generation and Transmission, MPE's carve-out of 5% left no room for additional local generation projects that would be greater than 25 kW (generation projects that are 25 kW or less fall under MPE's Net Metering Policy). Under the new PSA with Guzman

Energy that begins Feb. 1, 2025, MPE will have an additional 2 MW carve-out for the first two years. Then, for the remaining 18 years of the contract, an additional 26 MW will complete the 65,000 MWh carve-out, which is equivalent to around 19.4% of MPE's total 2023 sales, or nearly four times the Tri-State carve-out.

The Board directed MPE staff to move forward with a plan to have three rounds of request for proposals (RFP's) over the first two years of the Guzman contract to fulfill the 2 MW initial carve-out. Details and scheduling of the RFP's are yet to be determined, but an early plan of the RFP roll-out is as follows:

- RFP Round 1
 - Priority: Leveraging member grant applications and community impact

- Size: Up to 1 MW (2,500 MWh) total; maximum single size of 500 kW
- RFP Round 2
 - Priority: Resiliency/reliability/system benefit; preference given to projects based on societal and/or distribution benefits
 - Size: Up to 1 MW
- RFP Round 3
 - Priority: Rate relief for low income: preference given to projects that directly benefit low-income-qualified or low-income communities
 - Size: Up to 2 MW total

For the remaining 60,000 MWh starting on year three of the Guzman contract (2028), priority will be given to projects that result in overall cost savings to members and those that develop future resiliency, reliability, and flexibility of system operations.

Other Board Meeting Items

- Information Technology shared with the Board that two advanced metering technology (AMI) collectors were recently installed on MPE's new middle-mile fiber network. These allow for faster and more accurate outage reporting. There are around 20 more set to be installed across MPE's network this year.

- In the Member Relations update to the Board, the MPE schedule of recent and upcoming events was shared:
 - June 8 – MPE in Hot Sulphur Days Parade
 - June 15 – MPE in Kremmling parade
 - June 23 – MPE in Walden parade
 - July 4 – MPE in Granby's 4th of July parade
 - August 8 – MPE Board Meeting to be held in Walden
 - September 4 – MPE Member Appreciation Event
 - October 10 – MPE Board Meeting to be held in Kremmling

Keep up to date with MPE events at www.mpei.com/events.

The Board Meeting Bulletin summarizes highlights from the recent MPE Board Meeting. MPE Board Meetings are open to the public, and agendas, minutes, and more information can be found at www.mpei.com/board-meetings or by contacting memberrelations@mpei.com.