

December 3, 2020

Update No. 6

“Concern for Community” is a core value for which Kit Carson Electric Cooperative Inc. (KCEC) and its members live by and practice every day. KCEC has been assisting the communities it serves with the COVID-19 crisis. KCEC describes the following *in-kind* contributions and assigns the associated value over the past months of this pandemic.

**Estimated Contributed Value YTD - \$86,662 – Enchanted Circle of Community Organizations Active in Disasters (COAD) and COVID meetings, outreach, calls, telemedicine grant, schools task force.**

Kit Carson is the founding member of the Enchanted Circle Community Organizations Active in Disaster (EC-COAD), formed to meet unserved/unmet needs of the local population affected by COVID-19. KCEC staff has provided start-up support for the EC-COAD including employment and small business guidance, a communications infrastructure, coordination and administrative support, project management for the implementation of multiple volunteer coordination committees, public relations support and material development on safe practices and local COVID-19 updates.

**Subcommittees**

**Taos Connects** – This is the volunteer app to assist the community long term. Working with schools and students currently.

**Food and Agriculture** – This is the team building out the Regional Food System, increasing food production, getting gardens and meals to students and families, attempting to save TCEDC. Part of the EDA grant.

**Diversifying the Economy** – The focus is on ensuring long-term sustainability and collaboration across governments, anchor institutions, etc. Primary facilitator.

**Social Services** – Currently, this team is taking on ways to assist people to pay their utility bills.

**100% Community** – A county-wide initiative to ensure we lift people out of poverty and provide education and training for jobs

**Educational Learning Hubs** – These are the locations for students and families so they can keep learning and working at a safe distance during COVID. Part of the EDA funding to install high-speed fiber at each location.

**Communications** – The team that has been producing COVID Safe Practices, publicizing NM Safe Certified / NM Pledge, and communicating funding opportunities for businesses and organizations.

Since March, KCEC has followed protocols set forth by the New Mexico Department of Health to ensure employee and customer safety and to help reduce the spread of the virus. These protocols include physical distancing requirements, face masks, implementing staggered schedules, allowing for remote work for all non-essential personnel when possible, taking temperatures daily as employees enter the building and require additional safety protocols for employees who have traveled or attended large gatherings. In addition, common areas in the offices are either closed or sanitized regularly. KCEC completed the NM Safe Certification process on August 20, 2020. KCEC continues to distribute communications that educate employees about symptoms and risks and encourages employees to practice safety measures outside of the work environment.

**BOARD OF TRUSTEES**

Robert Bresnahan  
 Russ Coyle  
 Cristobal Duran  
 Bruce Jassmann

Manual Medina  
 Luisa Valerio-Mylet  
 Bobby R. Ortega  
 Arthur Rodarte

Michael H Romero  
 Bernie Torres  
 David Torres



Charles Garcia  
 Corporate Attorney

Luis A. Reyes, Jr  
 Chief Executive Officer



118 Cruz Alta Rd, Taos NM 87571  
(575) 758-2258 1(800) 688-6780  
Fax: (575) 758-4890 or (575) 758-4611  
[www.kitcarson.com](http://www.kitcarson.com)

**Education Task Force** – Planning how to meet the needs of school districts

**Business Support Group** – facilitating and supporting business needs as they pivot direction and core services in the midst of COVID

An additional EC-COAD related activity is our support of *Meals on Wheels* delivery to low-income senior citizens enabling an additional 40 elderly citizens to be served by the program.

KCEC is also assisting in researching and writing grants to support community distance learning, telehealth, economic diversification and mental health services during the pandemic and throughout the recovery period. See below:

EDA CARES for economic diversity and immediate COVID relief

UNM Taos Grant Writing Course funding

Research

PIVOT and federal grants

**Estimated Contributed Value YTD -13,398 – Taos Municipal Schools Food Distribution**

KCEC has provided trucks and manpower to provide prepared food distribution to low-income students throughout the school district. Our participation began on March 18 and continues to date. KCEC is also a public contact person for student's internet needs.

**Estimated Value YTD- \$25,089 - Shared Table and St. James Church food distribution**

Since January 2020, KCEC has assisted two local churches organization in preparing semi-monthly food deliveries to elderly home-bound county residents

**Estimated Value YTD- \$700 - Taos Land Trust**

Delivered food planters to expand food production throughout the community.

**Taos County Chamber of Commerce - \$5,183**

Working with Taos County Chamber in their business and economic recovery plans and services regarding COVID-19. Collectively reaching out to all businesses to offer tools and assistance with loan applications and business resources.

**Taos Milagro Rotary - \$1,803**

Supporting Taos Milagro Rotary's COVID response: Taos men's food shelter distribution, donating time and in-kind services for local non-profits and aiding and assisting students in the area with hot spots and internet connections.

**BOARD OF TRUSTEES**

Robert Bresnahan  
Russ Coyle  
Cristobal Duran  
Bruce Jassmann

Manual Medina  
Luisa Valerio-Mylet  
Bobby R. Ortega  
Arthur Rodarte

Michael H Romero  
Bernie Torres  
David Torres



Charles Garcia  
Corporate Attorney

Luis A. Reyes, Jr  
Chief Executive Officer



**Educational and informational advertising for COVID -19 - \$31,370**

KCEC is using multiple media outlets to help reduce the spread of COVID-19.

**Estimated Value YTD - \$462,034– Telecommunications support to COVID-19 impacted schools and students**

KCEC is connecting low- and moderate-income students, teachers, and administrators who are required to work from home and need Kit Carson Internet's fiber-optic network. We have established 23 community hot spots and enabled 300 students with direct fiber connectivity to the home to complete their academic year. (Attached is a map and a list of hot spots). The value of this project is inclusive of installation, labor, materials and services at no cost to local students and their families.

Kit Carson Internet (KCI) has applied for an emergency grant in the amount of \$677,000 through New Mexico Public Regulation Commission to fund Fiber to the Home for the low to moderate income students and Tribal members from Taos and Picuris Pueblos. The 550 members that will receive the fiber optic drops will be low and moderate-income students, teachers, Volunteer fire fighters, and first responders. This includes students who are Taos and Picuris tribal members. This fiber drop connection will allow these members to have access to educational opportunities, telehealth, distance learning and work from home opportunities. We have received 829 applications for service since March 10, 2020 and continue to receive an average of 14 applications or more per day. A student survey where we received 751 responses, students indicated that they will need some sort of connection or access to technology and broadband. Kit Carson offers a 25/25Mbps at a discounted rate of \$29.95 to qualified low income members. KCI also offers a bundled service of VoIP for an additional \$25.00 a month. The VoIP service is unlimited telephone service to local and long-distance numbers in the lower 48 states. KCEC has applied for the Federal Lifeline Program for both tribal and non-tribal subsidies for low income members.

Given the coronavirus pandemic and its impact on American society KCI pledged to the Federal Communications Commission to Keep Americans Connected. KCI pledge is to:

1. Not terminate service to any residential or small business customers because of their inability to pay their bills due to the disruptions caused by the coronavirus pandemic;
2. Waive any late fees that any residential or small business customers incur because of their economic circumstances related to the coronavirus pandemic; and
3. Open its Wi-Fi hotspots to anyone who needs them

**BOARD OF TRUSTEES**

Robert Bresnahan  
 Russ Coyle  
 Cristobal Duran  
 Bruce Jassmann

Manual Medina  
 Luisa Valerio-Mylet  
 Bobby R. Ortega  
 Arthur Rodarte

Michael H Romero  
 Bernie Torres  
 David Torres



Charles Garcia  
 Corporate Attorney

Luis A. Reyes, Jr  
 Chief Executive Officer

### Estimated Value YTD – Kit Carson Propane support to COVID-19 – Valued at \$103,547

On March 20, 2020, KCP decreased the price of propane and announced it would not disconnect residential propane customers during the COVID-19 emergency.

On March 20, 2020, the price of propane decreased from \$2.05 per gallon to \$1.90 per gallon a savings of \$9,904 to KCP customers. From April 1, 2020 through April 30, 2020 the price of propane remained at \$1.90 per gallon. A savings of \$18,997. On May 1, 2020, the price of propane decreased from \$1.90 per gallon to \$1.80 per gallon a savings of \$14,255. Lowering the propane prices stabilized the prices in the region. For March, April and May 2020, KCP customers saved \$43,156.

June 1, 2020, the price of propane per gallon remained at \$1.80 per gallon. A savings of \$10,889. From March through June 2020, KCP customers saved a total of \$54,045.

July 1, 2020, the price of propane per gallon remained at \$1.80 per gallon. A savings of \$13,568. From March through July 2020, KCP customers saved a total of \$67,612.

August 1, 2020, the price of propane per gallon remained at \$1.80 per gallon. A savings of \$16,365.50. From March through August 2020, KCP customers saved a total of \$83,978.

September 1, 2020, the price of propane per gallon remained at \$1.90 per gallon. A savings of \$12,020.37. From March through September 2020, KCP customers saved a total of \$95,998.29.

October 1, 2020, the price of propane per gallon increased to \$2.00 per gallon. A savings of \$7,548.61 compared to same period last year. From March through September 2020, KCP customers have saved a total of \$103,546.90.

### SUMMARY

Our total estimated in-kind services to date are valued at **\$729,786**. We continue to participate, implement, and provide strategic leadership with ever-evolving solutions for community needs. On March 16, 2019 KCEC announced it would be placing a moratorium on service disconnections for residential customers, and that it would remain in effect until further notice during the coronavirus / COVID-19 emergency. Due to moratorium and customers being laid off or losing their jobs and businesses closing the arrears amount has increased as follows:

- February 2020 vs April 2020 arrears amount increased to \$328,746 and the number of accounts past due increased by 1,480.
- February 2020 vs May 2020 arrears amount increased to \$177,523 and the number of accounts past due increased by 1,193.

### BOARD OF TRUSTEES

Robert Bresnahan  
 Russ Coyle  
 Cristobal Duran  
 Bruce Jassmann

Manual Medina  
 Luisa Valerio-Mylet  
 Bobby R. Ortega  
 Arthur Rodarte

Michael H Romero  
 Bernie Torres  
 David Torres



Charles Garcia  
 Corporate Attorney

Luis A. Reyes, Jr  
 Chief Executive Officer



- February 2020 vs June 2020 arrears amount increased by \$118,168 and the number of accounts past due increased by 852.
- February 2020 vs July 2020 arrears amount increased by \$105,847 and the number of accounts past due increased by 971.
- February 2020 vs August 2020 arrears amount increased by \$102,887 and the number of accounts past due increased by 1,086.
- February 2020 vs September 2020 arrears amount increased by \$85,902 and the number of accounts past due increased by 1,254.
- February 2020 vs October 2020 arrears amount increased by \$255,730 and the number of accounts past due increased by 1,532.

Outages during the months of March, April and May have been minimal and mostly affecting single consumers due to KCEC's focus on maintenance and tree trimming throughout the service area. The larger outage that KCEC experienced was on March 29, 2020 due to someone releasing metallic balloons that came into contact with the overhead electric line.

Outages in the month of May which were underground faults that have affected up to 100 consumers. These are due to aging infrastructure of our underground facilities. KCEC is continuing to perform system maintenance especially in areas where overhead electric line runs through forest areas to mitigate any potential fire danger due to drought conditions.

Outages in the months of June and July which were underground faults affecting up to 400 consumers. These are due to aging infrastructure of our underground facilities. KCEC is continuing to perform system maintenance especially in areas where overhead electric line runs through forest areas to mitigate any potential fire danger due to drought conditions. Also, we have experienced other outages that have been minimal and mostly affecting up to 20-30 consumers.

Outages in August 2020 were underground faults that affected up to 400 consumers. These were due to aging infrastructure of our underground facilities. KCEC also experienced other smaller overhead outages for the month. KCEC is continuing to perform system maintenance especially in areas where overhead electric line runs through forest areas to mitigate any potential fire danger due to drought conditions.

Outages in September 2020 were broken poles (3) due to high winds that knocked down trees that were outside of the Right-of-Way. KCEC also experienced other smaller overhead outages for the month as well as underground faults due to aging infrastructure. KCEC is continuing to perform system maintenance throughout the service area especially in areas where overhead electric line runs through forest areas to mitigate any potential fire danger due to drought conditions.

## BOARD OF TRUSTEES

Robert Bresnahan  
 Russ Coyle  
 Cristobal Duran  
 Bruce Jassmann

Manual Medina  
 Luisa Valerio-Mylet  
 Bobby R. Ortega  
 Arthur Rodarte

Michael H Romero  
 Bernie Torres  
 David Torres



Charles Garcia  
 Corporate Attorney

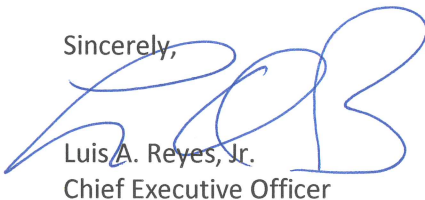
Luis A. Reyes, Jr  
 Chief Executive Officer

Outages in October 2020 were due to high winds that knocked down trees that were outside of the Right-of-Way. KCEC also experienced other smaller overhead outages for the month as well as underground faults due to aging infrastructure. KCEC is continuing to perform system maintenance throughout the service area.

KCEC submitted a Sharing Success Application to CoBank, one of KCEC's lenders. CoBank approved a \$10,000 donation to Taos Health System, Inc. (Holy Cross Hospital) and considered in-kind as part of KCEC's match. KCEC also obtained a donation in the amount of \$1,000 from Guzman Energy to Taos Health System, Inc. We are grateful to be able to support local needs.

KCEC continues to lead our community in these times, as well as, maintaining jobs for 135 employees and their families. The employees of all three companies are working above and beyond the call of duty to keep the power on, internet up and homes warm. KCEC will remain an active member of the Enchanted Circle Community Organizations Active in Disaster (EC-COAD) and meet many unmet needs as the local population is affected by COVID-19.

Sincerely,



Luis A. Reyes, Jr.  
 Chief Executive Officer

LAR/cs

## BOARD OF TRUSTEES

Robert Bresnahan  
 Russ Coyle  
 Cristobal Duran  
 Bruce Jassmann

Manual Medina  
 Luisa Valerio-Mylet  
 Bobby R. Ortega  
 Arthur Rodarte

Michael H Romero  
 Bernie Torres  
 David Torres



Charles Garcia  
 Corporate Attorney

Luis A. Reyes, Jr  
 Chief Executive Officer