



Guzman Energy Secures 15-Year Contract Extension with Kit Carson Electric Cooperative

Guzman Energy will continue delivering wholesale power savings to KCEC; savings estimated between \$150-170 million

Denver, CO and Taos, NM- January 9, 2023 – Guzman Energy and Kit Carson Electric Cooperative (KCEC) today announced the extension of their wholesale power supply agreement to continue through June 30, 2041. Established in 2016, the Guzman Energy partnership with KCEC provides KCEC with fixed wholesale power rates delivering savings and member rate stability. The existing contract has also enabled local decision-making for KCEC to expand local solar power generation and storage operations as they reach their goal of generating 100% summer daytime solar energy.

Key aspects of the contract extension include:

- 15-year extension of exclusive wholesale power provider contract
- Increased wholesale power savings: including the projected savings of the contract extension, the Guzman Energy – KCEC wholesale power partnership is expected to save KCEC \$150 million to \$170 million over the total lifetime of the contract
- Fixed wholesale power rates delivering power cost stability for cooperative members
- Flexibility to add local, renewable power generation resources, including a commitment to the exploration of joint green hydrogen development in the KCEC service territory
- Continued goal to increase KCEC’s access to renewable energy; for the contract extension period, it is estimated that 60% of KCEC retail load will be served by renewable resources. As a result, it is expected that KCEC will exceed the Energy Transition Act (ETA) New Mexico statewide renewable energy standard of 50 percent by 2030 target.
- Guzman Energy continued investment in the KCEC Community Fund

“The value that Guzman Energy provides our membership goes beyond cost savings. They have been consistent supporters of our community and share the KCEC Board vision to develop modern, resilient and locally managed renewable energy assets,” said Luis A. Reyes, Jr., CEO of KCEC. “Guzman Energy is a true partner for energy

transition strategy and execution, helping KCEC become one of the cleanest, most cost-effective power distribution cooperatives in America.”

With the contract extension, the Guzman Energy – KCEC wholesale power partnership is anticipated to deliver increased savings reaching \$150 million to \$170 million over the total lifetime of the contract. Access to and ownership of transmission lines is an important variable in estimating cost savings. In addition to savings, the Guzman Energy – KCEC partnership has delivered KCEC with fixed wholesale power rate stability as well as a spate of local renewable power generation projects including development of 41 MW of distributed solar along with 15 MW of accompanying battery storage.

“The KCEC Board and leadership team are fully committed to delivering on the needs of their local member owners,” said Jeffrey M. Heit, Principal and Managing Director, Guzman Energy. “The Guzman Energy team looks forward to building on the success of the KCEC energy transition to-date. This is a partnership with big ideas and a track record of delivering.”

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About Guzman Energy

Guzman Energy is a wholesale power provider dedicated to communities in search of affordable and reliable energy. We partner with cooperatives, municipalities, companies and tribes across North America to customize energy portfolios that make economic and environmental sense for today and tomorrow. Together, we are lighting the way forward. To learn more, visit www.GuzmanEnergy.com.

About Kit Carson Electric Cooperative

Formed in 1944, Kit Carson is a member owned electric distribution cooperative in northern New Mexico and is the second largest cooperative in the state. Kit Carson is one of 16 electric cooperatives that serve rural New Mexico communities, serving nearly 30,000 members in Taos, Colfax and Rio Arriba counties. To learn more about Kit Carson, visit www.kitcarson.com.

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