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Kit Carson Electric Cooperative Awarded \$500,000 from the United States Department of Energy for Innovative Community-focused Green Hydrogen Energy Project

Award will advance project that repurposes wastewater to generate green hydrogen clean energy and positive economic impacts for the Village of Questa, NM

Taos, New Mexico – Kit Carson Electric Cooperative (KCEC) will receive a \$500,000 award from the United States Department of Energy through a <u>Congressionally Directed Spending request</u>. The Award was championed by NM U.S. Senators <u>Ben Ray Luján</u> and <u>Martin Heinrich</u> and is part of the approved Energy and Water Development Appropriations bill.

The Questa Green Hydrogen Project award will contribute to the development of an innovative clean energy project benefiting the entire KCEC service territory in northern New Mexico while repurposing reclaimed water from a closed mine.

"This is truly a big idea for a small community with big needs," said KCEC CEO Luis A. Reyes Jr. "KCEC is extremely grateful to New Mexico Senators Luján and Heinrich and the U.S. Department of Energy for supporting our pursuit of innovative solutions to better our communities."

The project is being noted for its innovative approach to leveraging remediated resources from a closed mine, stimulating jobs and new economic impact in a hard-hit community, and harnessing the benefits of green hydrogen for energy creation. The unique Questa, NM project will leverage the ample reclaimed water - not suitable for consumption - via water and soil remediation already a part of clean-up efforts at the closed-mine. Energy from new local KCEC solar arrays will power the electrolysis process used to separate the hydrogen in the water molecules, creating a clean power end-to-end process. Ultimately, fuel cells will use the stored hydrogen to generate electricity when solar and battery storage cannot meet local power demands. The Award follows the successful completion of a project feasibility study and preliminary engineering.

Hydrogen is a carbon-free energy carrier that can be stored at scale (days to months). This longer-term power storage is key for meeting electricity demand during periods of low sun or wind resources or adverse events like wildfires. It could also be beneficial for powering vehicles.

KCEC continues to contribute to the state of New Mexico's objective to achieve a statewide reduction in greenhouse gas emissions of 45% by the year 2030. The Questa Green Hydrogen Project along with other KCEC renewable energy sources will contribute to KCEC's goals to be over 70% renewable energy powered by 2028, and ultimately 100% renewable energy powered as one of the cleanest energy cooperatives in America.

The awarded project in Village of Questa, NM (population 1,770 @ 2010 census) could serve as a blueprint for other towns looking to combine clean energy transition projects with local economic development stimulus. The KCEC and partner team continue to look for funding under the IRA to complete the project.

KCEC is partnered with Guzman Energy as its wholesale power and energy management provider.

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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