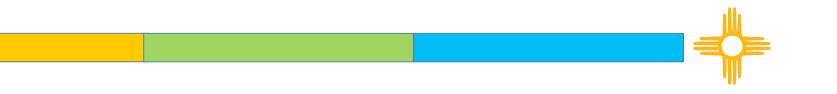


Solar Plus Storage Procurement for Cooperatives

April 15, 2020 National Renewable Energy Laboratory Solar Energy Innovation Network Round Two Luis A. Reyes, Jr., CEO, Kit Carson Electric Cooperative



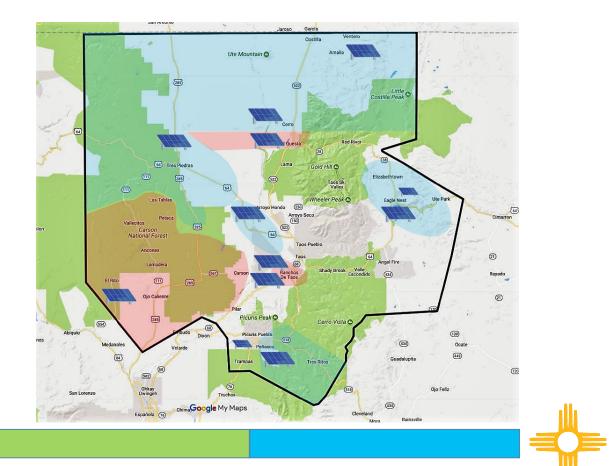


The map of KCEC's solar arrays and...

Going into 2020: 16 MW Solar plus 2.5MW BTM Solar

Two locations in 2020 for new battery energy storage systems (BESS)

- 1. Angel Fire; 24 MWh
- 2. Taos Mesa near the airport; 3 MWh





The Procurement Process



- Guzman Energy, KCEC's energy supplier, drafted and implemented the RFI & RFP
- Partnering with Torch Clean Energy and Kit Carson Propane (KCEI)
- PPA is between KCEC and Kit Carson Energy (Propane). Using our propane company with its tax status. Entered into a leasing deal. KCEI will utilize the ITC, then will sell the energy to KCEC for 9 to 12 years. KCEC will have the option to purchase at prenegotiated price. KCEC will not take on debt
- There are provisions in the contract to potentially purchase the assets after seven years
- Panels and equipment were ordered in a "safe harbor" to secure the lowest cost price and to qualify for ITC

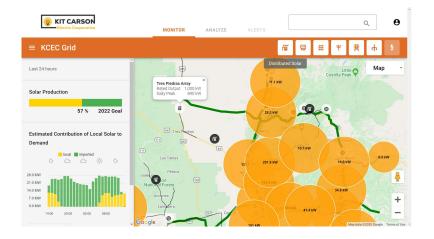




Expected Use Cases for Solar plus Battery Storage

- Reduce peak demand which will in turn reduce transmission costs
- System Reliability
- Exploring other use cases

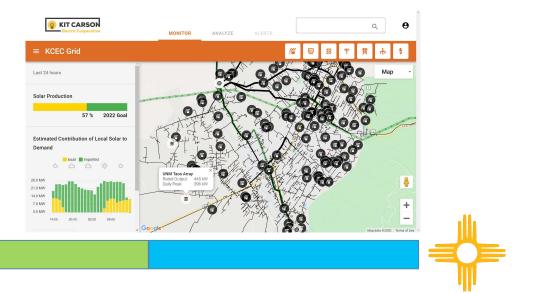


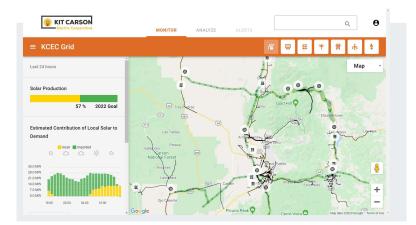




Camus Energy dashboard and how it will operationalize Kit Carson Electric Cooperative's smart grid future

- Integration of legacy systems and smart meters
- (DG)² was given to the community as opensourced. Camus Energy is looking into building the functionality from (DG)² in the future







KCEC's 100% Goal and Beyond!

By 2021, KCEC will:

- Reach the 100% daytime solar
- Have an increase in % of total renewables
- Evolve the 'new' business model with battery storage
- Researching BESS locational value and mobility
- Implementing EV charging stations
- Meet carbon-free goals by 2045