



Electric Cooperative, Inc.

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Your Touchstone Energy® Cooperative 
The power of human connections®

Rate Increase Notice (As published in the Rio Grand Sun July 1st, 2026)

Flipping the switch and having electricity in your home and business is something many of us take for granted. Yet our lives are dependent on it for light, heating and cooling, communications, refrigeration and more. Access to electricity also plays a critical role in increasing individual and community economic opportunities, improves health and productivity, and enhances our living standards.

Supplying reliable power to communities has, and always will be, the primary mission of rural electric cooperatives. Concurrently, electric utilities like rural cooperatives are undergoing dramatic changes. States are setting renewable energy goals, new technologies such as energy storage are becoming more commonplace, electricity usage is increasing due to weather events and increased use of electric appliances and transportation, and aging grid infrastructure needs significant replacement and repair.

Jemez Mountains Electric Cooperative (JMEC) needs to make significant investments in our aging infrastructure. As member owners of the cooperative, it is important that you are informed and involved in the co-op's business matters. On August 1, 2026, JMEC will be filing for a two-phase rate increase with the New Mexico Public Regulation Commission (NMPRC) and a small increase to the monthly service charge.

We know that managing costs is a priority for everyone right now, and we don't take this decision lightly. However, there are several strong factors contributing to the need for a rate increase -- the need for significant capital investment in our energy delivery system to ensure reliable electric service to members and the increased costs of equipment and supplies needed for safe and reliable delivery of electricity to our members.

Many components of the U.S. electric grid are 40 to 70 years old, well beyond their intended lifespan; our system is no exception. JMEC has developed a 4-year construction plan that shows \$55 million in capital investment is needed to upgrade the Cooperative's energy delivery system. JMEC electric reliability is not what it should be and needs significant improvement. Ten years ago, the average outage time on the Jemez system was 3.5 hours; that has now increased to 12 hours. Basic equipment costs for rural electric cooperatives have also dramatically increased, with core components like poles, transformers and service wire seeing price surges of over 300% since 2020, driven by supply chain disruptions, raw material costs, and increased demand from renewables.



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There are several important things to keep in mind. First, even with the proposed rate increases, JMEC residential and commercial electric rates will continue to be among the lowest in the state. The JMEC Board also recently voted to formally withdraw from membership in Tri-State Generation and Transmission Association to lower costs, increase resiliency, expand local generation and have more independent local control over resources and costs.

We are committed to continuing to carefully manage costs and keep spending manageable, but we must increase the electric reliability which requires new plant investment. Your cooperative borrows funds from the USDA at very low interest rates, receives some of its energy from low-cost hydropower plants operated by federal Western Area Power Administration, and participates in group purchasing initiatives, such as risk insurance pools, that help keep costs down. JMEC will also continue our strong support of members through community contributions and investments and helping members to manage their energy usage to help them reduce costs.

Democratic Member Control and Member Economic Participation are two fundamental principles of rural electric cooperatives. We are committed to open communication and transparency throughout this process. Please visit <https://www.jemezcoop.org/> or our Facebook page for final details of this meeting.