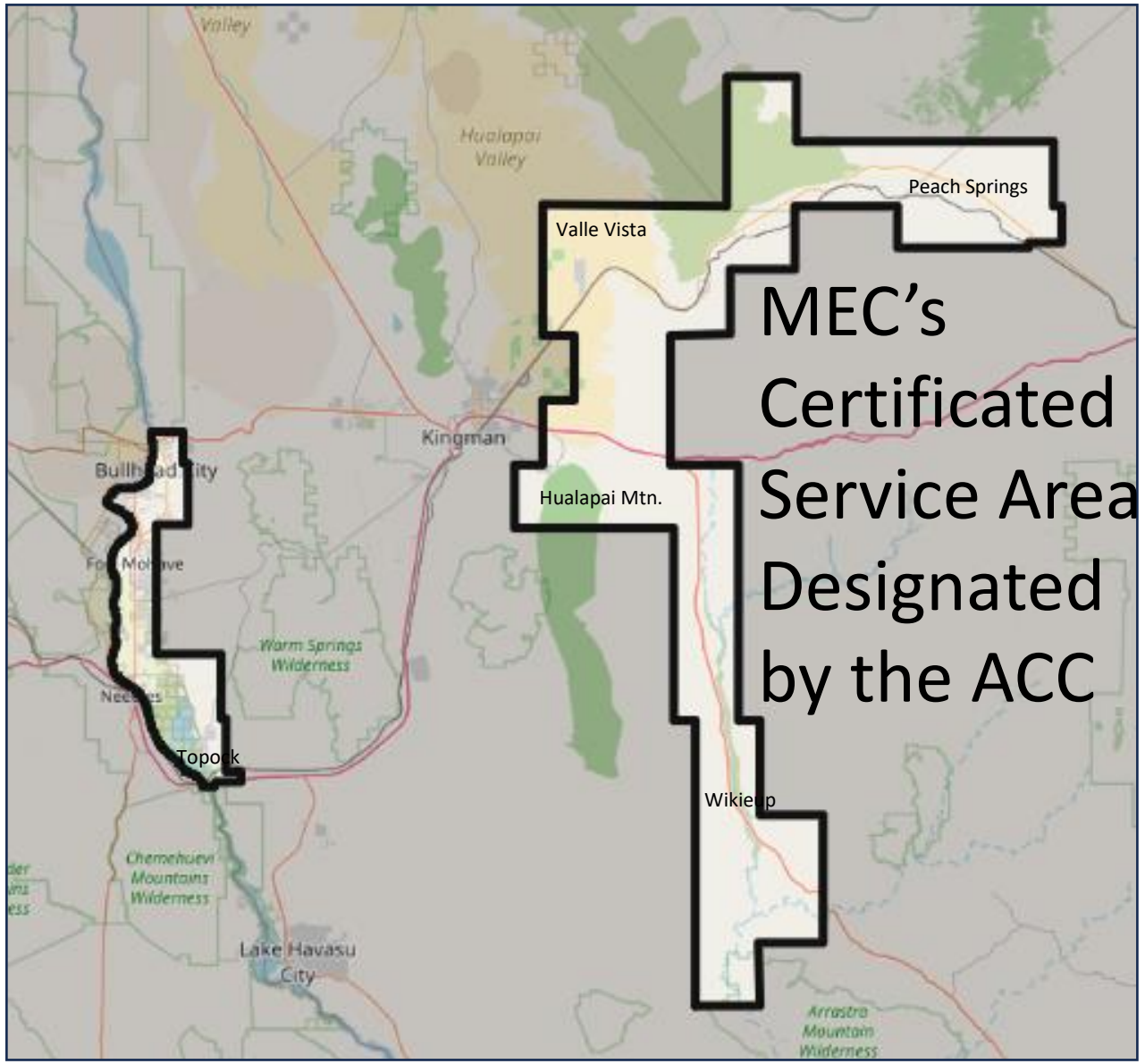
Large Loads
Bullhead City Council

November 3, 2026



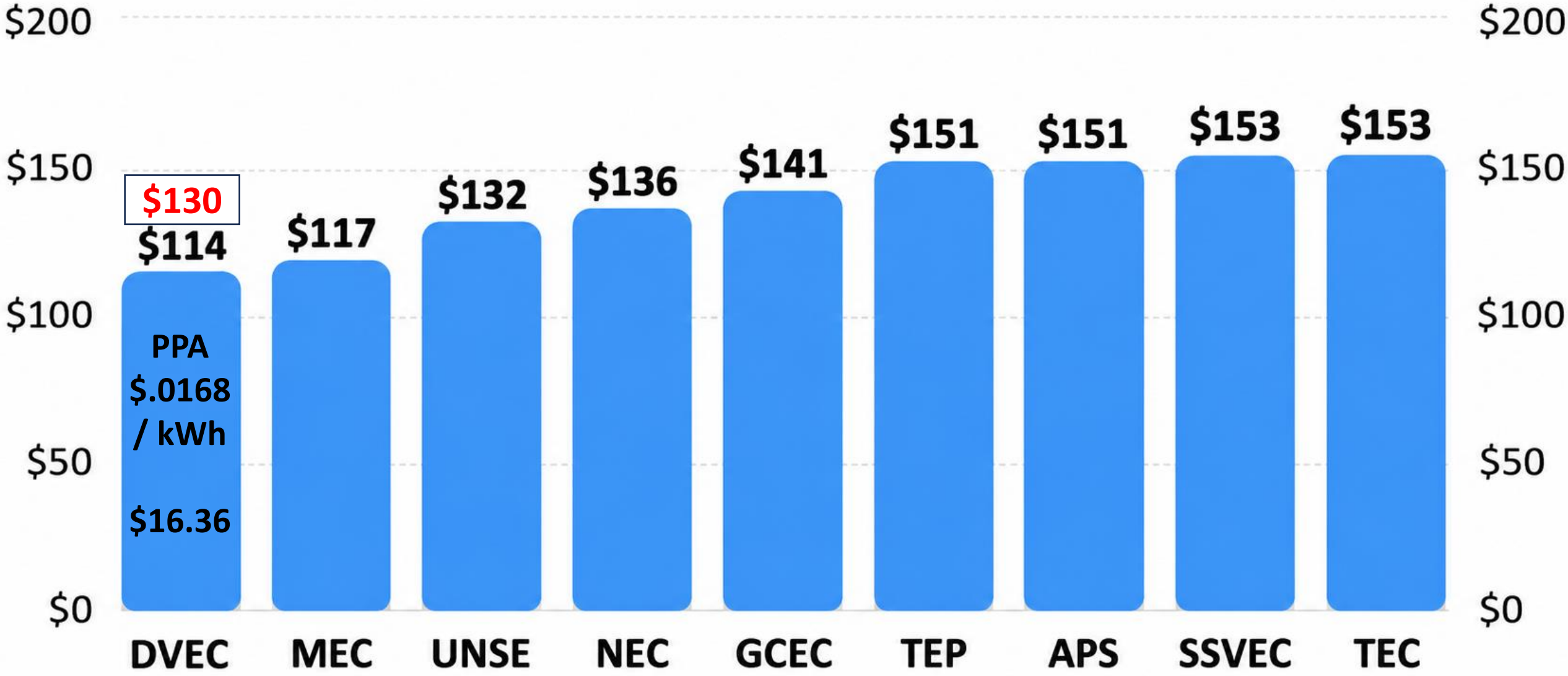
MEC'S POSITION ON LARGE LOADS & DATA CENTERS



- MEC has an obligation to serve.
- Obligated to offer services, but not at rates that negatively affect existing members.
- All large electric loads are treated equally.

MEC RESIDENTIAL BILLS (974 kWh)

Comparing Transmission & Energy Rates and Customer Charge (No PPA)



Large Loads are Attracted to Mohave County

Mohave Electric has the lowest overall tariff rates for large load businesses.

Large Industrial Rates - Primary Service									
Rates	**MEC**	**APS**	**NEC**	**UNSE**	**GCEC**	**TEP**	**DVEC**	**TEC**	**SSVEC**
Base Rate - kWh	$0.059554	$0.0421	$0.075	$0.058744	$0.076509	$0.060904	$0.084010	$0.0882	$0.0991
Second		$4.459 / KW	0.05564 / kWh						0.0691 / kWh
Demand Charge 5,300 KW	$12.08	$17.29	$9.07	$17.74	$0.024491 / kWh	$19.97	$10	$10	$7.50
Customer Charge	$200	$265	$500	$1,500	$81.50	$950	$60	$1,000	$400
Total w/ 2.5 MWh	$211,679.70	$219,774.29	$221,335.17	$240,972.14	$250,157.50	$257,589.30	$260,918.76	$272,383.20	$280,255.97

MEC Has Been Serving Large Loads Since 1959

- Project Burro 300 MW (proposed)
- Steel Products Producer 50 -100 MW
- Mining Operations 2-10 MW
- Limestone Quarry 2-7 MW
- Food Distributor 2-5 MW

CELEBRATING 80
1946 - 2026
MOHAVE ELECTRIC COOPERATIVE

WE'VE SHARED INFORMATION ABOUT LARGE LOADS

Through a variety of channels...

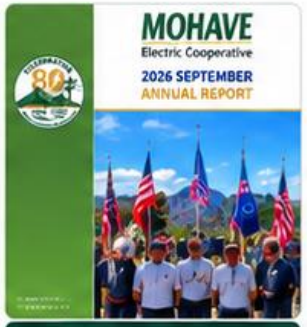
MOHAVE electric cooperative
A Touchstone Energy® Cooperative



BYLAWS ON THE WEBSITE



SOCIAL MEDIA



ANNUAL REPORT



ANNUAL MEETING PRESENTATION



LARGE LOAD SEMINARS



ACC FILINGS



CURRENTS MAGAZINE



NEWS COVERAGE

2024 BYLAW AMENDMENT – CLASS B MEMBERSHIP

- Bylaw Amendment Member Notice 2024
- Annual Meeting Report 2024
- Annual Meeting Presentation 2024
- Bylaw Amendment Approved in 2024
- News Release 2024
- Social Media 2024
- ACC Filings 2024

2026 ESA PROCESS, ACC APPROVAL & PROJECT BURRO

- ACC Filings 2026
- ACC News Release 2026
- ACC National News Coverage 2026
- Annual Meeting Report 2026
- Annual Meeting Presentation 2026
- Large Load Seminars 2026
- News Release 2026
- Social Media 2026
- Currents Magazine December 2026

LARGE LOADS & DATA CENTERS

- Large electric loads require careful evaluation
- Determine infrastructure requirement
- Establish upfront customer costs
- Negotiate an Energy Service Agreement (ESA)

LARGE LOADS & DATA CENTERS

Co-ops applied for streamlined process.
April 16, 2026

Arizona Corporation Commission approved.
August 12, 2026

Protects existing members from any negative financial or reliability impacts.

ACC Approves ESA – National Coverage August 2026



MOHAVE VALLEY NEWS

AMERICAN PUBLIC POWER ASSOCIATION

SHNS
STATE HOUSE NEWS SERVICE

yahoo!

91.5 KJZZ PHOENIX

"ACC Approves Measure to Ensure Electric Cooperative Customers Don't Pay For Large-Load Growth"

THE MINER
KINGMAN • ARIZONA

substack

AZ FREE NEWS

RTO Insider LLC

YES ENERGY

GilaValleyCentral
News of the Gila Valley and Surrounding Areas

HERALD/REVIEW MEDIA
Serving all of Cochise County

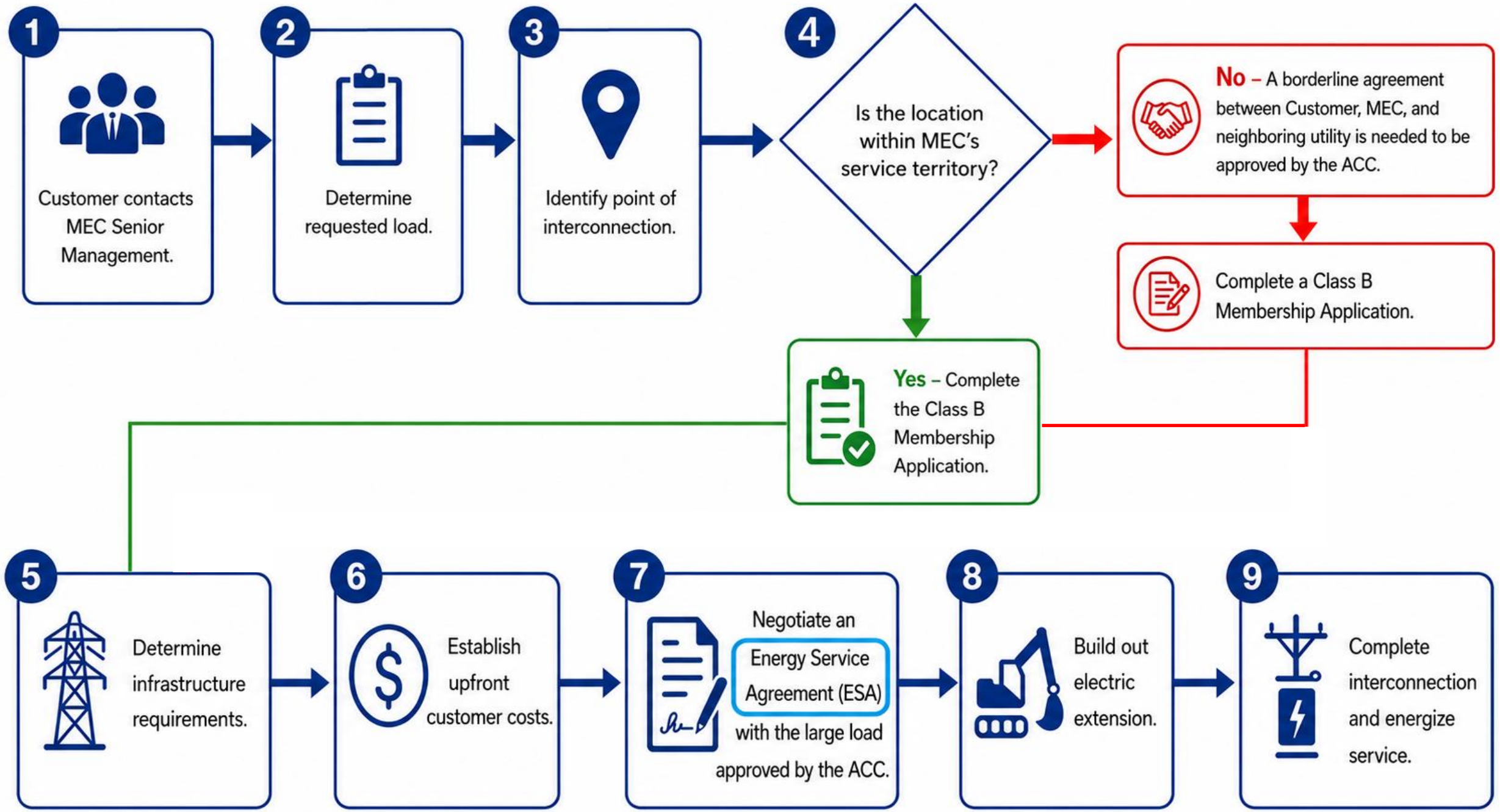
TCD the cool down

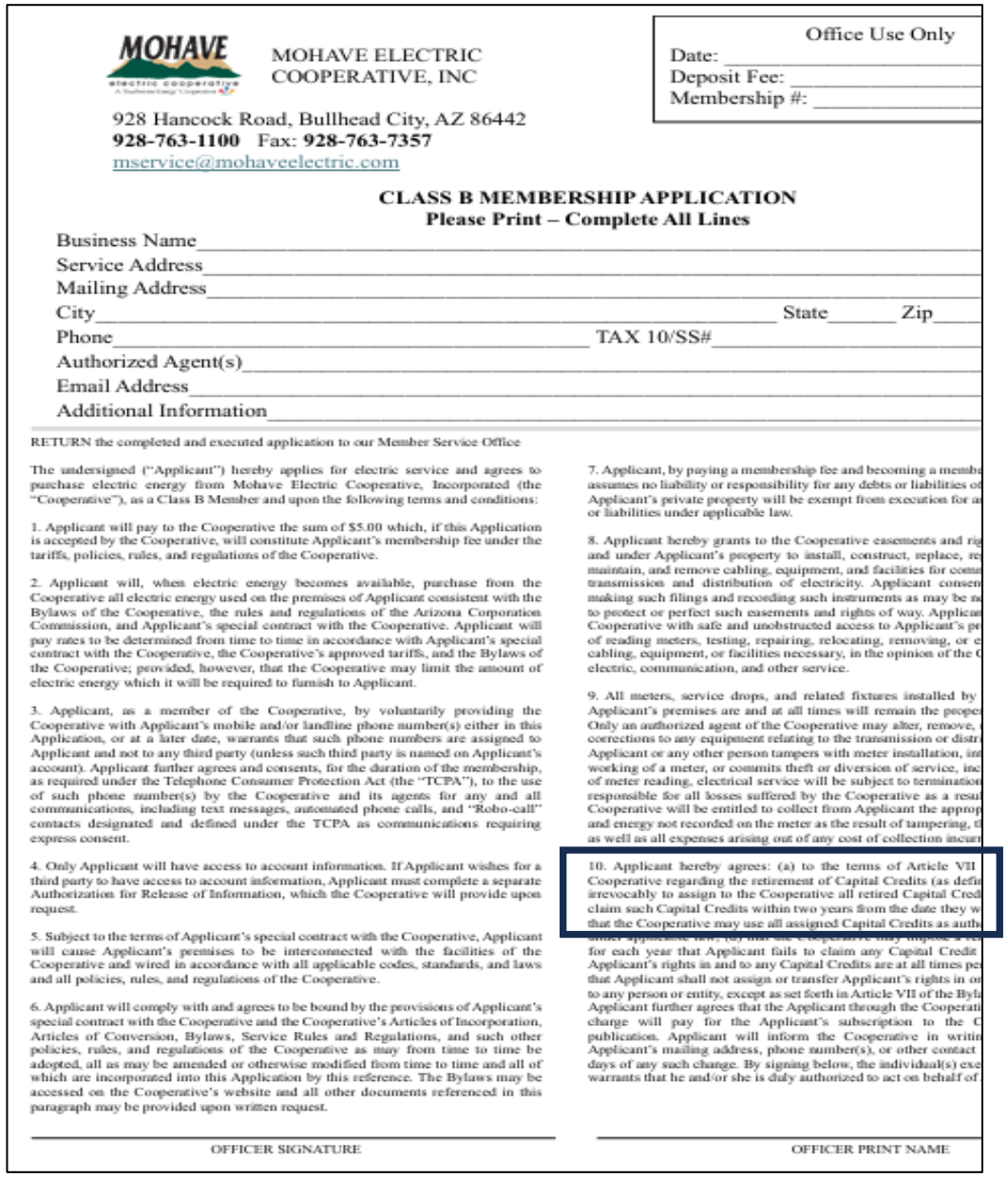
AZBEX
Arizona Builder's Exchange

TargetedNews SERVICE

Grand Canyon Times

Contify


1
Customer contacts MEC Senior Management.
2
Determine requested load.
3
Identify point of interconnection.
4
Is the location within MEC's service territory?
No – A borderline agreement between Customer, MEC, and neighboring utility is needed to be approved by the ACC.
Complete a Class B Membership Application.
Yes – Complete the Class B Membership Application.
5
Determine infrastructure requirements.
6
Establish upfront customer costs.
7
Negotiate an Energy Service Agreement (ESA) with the large load approved by the ACC.
8
Build out electric extension.
9
Complete interconnection and energize service.



MOHAVE ELECTRIC COOPERATIVE, INC

928 Hancock Road, Bullhead City, AZ 86442
928-763-1100 Fax: **928-763-7357**
mservice@mohaveelectric.com

Office Use Only
Date: _____
Deposit Fee: _____
Membership #: _____

CLASS B MEMBERSHIP APPLICATION
Please Print – Complete All Lines

Business Name _____
Service Address _____
Mailing Address _____
City _____ State _____ Zip _____
Phone _____ TAX 10/SS# _____
Authorized Agent(s) _____
Email Address _____
Additional Information _____

RETURN the completed and executed application to our Member Service Office

The undersigned ("Applicant") hereby applies for electric service and agrees to purchase electric energy from Mohave Electric Cooperative, Incorporated (the "Cooperative"), as a Class B Member and upon the following terms and conditions:

1. Applicant will pay to the Cooperative the sum of $5.00 which, if this Application is accepted by the Cooperative, will constitute Applicant's membership fee under the tariffs, policies, rules, and regulations of the Cooperative.

2. Applicant will, when electric energy becomes available, purchase from the Cooperative all electric energy used on the premises of Applicant consistent with the Bylaws of the Cooperative, the rules and regulations of the Arizona Corporation Commission, and Applicant's special contract with the Cooperative. Applicant will pay rates to be determined from time to time in accordance with Applicant's special contract with the Cooperative, the Cooperative's approved tariffs, and the Bylaws of the Cooperative; provided, however, that the Cooperative may limit the amount of electric energy which it will be required to furnish to Applicant.

3. Applicant, as a member of the Cooperative, by voluntarily providing the Cooperative with Applicant's mobile and/or landline phone number(s) either in this Application, or at a later date, warrants that such phone numbers are assigned to Applicant and not to any third party (unless such third party is named on Applicant's account). Applicant further agrees and consents, for the duration of the membership, as required under the Telephone Consumer Protection Act (the "TCPA"), to the use of such phone number(s) by the Cooperative and its agents for any and all communications, including text messages, autotuned phone calls, and "Robo-call" contacts designated and defined under the TCPA as communications requiring express consent.

4. Only Applicant will have access to account information. If Applicant wishes for a third party to have access to account information, Applicant must complete a separate Authorization for Release of Information, which the Cooperative will provide upon request.

5. Subject to the terms of Applicant's special contract with the Cooperative, Applicant will cause Applicant's premises to be interconnected with the facilities of the Cooperative and wired in accordance with all applicable codes, standards, and laws and all policies, rules, and regulations of the Cooperative.

6. Applicant will comply with and agrees to be bound by the provisions of Applicant's special contract with the Cooperative and the Cooperative's Articles of Incorporation, Articles of Conversion, Bylaws, Service Rules and Regulations, and such other policies, rules, and regulations of the Cooperative as may from time to time be adopted, all as may be amended or otherwise modified from time to time and all of which are incorporated into this Application by this reference. The Bylaws may be accessed on the Cooperative's website and all other documents referenced in this paragraph may be provided upon written request.

7. Applicant, by paying a membership fee and becoming a membe
assumes no liability or responsibility for any debts or liabilities o
Applicant's private property will be exempt from execution for a
or liabilities under applicable law.

8. Applicant hereby grants to the Cooperative easements and rig
and under Applicant's property to install, construct, replace, re
maintain, and remove cabling, equipment, and facilities for comm
transmission and distribution of electricity. Applicant consen
making such filings and recording such instruments as may be n
to protect or perfect such easements and rights of way. Applica
Cooperative with safe and unobstructed access to Applicant's pr
of reading meters, testing, repairing, relocating, removing, or e
cabling, equipment, or facilities necessary, in the opinion of the
electric, communication, and other service.

9. All meters, service drops, and related fixtures installed by
Applicant's premises are and at all times will remain the prope
Only an authorized agent of the Cooperative may alter, remove,
corrections to any equipment relating to the transmission or distr
Applicant or any other person tampers with meter installation, in
working of a meter, or commits theft or diversion of service, inc
of meter reading, electrical service will be subject to termination
responsible for all losses suffered by the Cooperative as a resu
Cooperative will be entitled to collect from Applicant the approp
and energy not recorded on the meter as the result of tampering, t
as well as all expenses arising out of any cost of collection incur

10. Applicant hereby agrees: (a) to the terms of Article VII
Cooperative regarding the retirement of Capital Credits (as defi
irrevocably to assign to the Cooperative all retired Capital Cred
claim such Capital Credits within two years from the date they w
that the Cooperative may use all assigned Capital Credits as auth
under applicable law; (b) that the Cooperative may impose a
for each year that Applicant fails to claim any Capital Credit
Applicant's rights in and to any Capital Credits are at all times pe
that Applicant shall not assign or transfer Applicant's rights in o
to any person or entity, except as set forth in Article VII of the Byl
Applicant further agrees that the Applicant through the Cooperati
charge will pay for the Applicant's subscription to the C
publication. Applicant will inform the Cooperative in writi
Applicant's mailing address, phone number(s), or other contact
days of any such change. By signing below, the individual(s) exe
warrants that he and/or she is duly authorized to act on behalf of

OFFICER SIGNATURE

OFFICER PRINT NAME

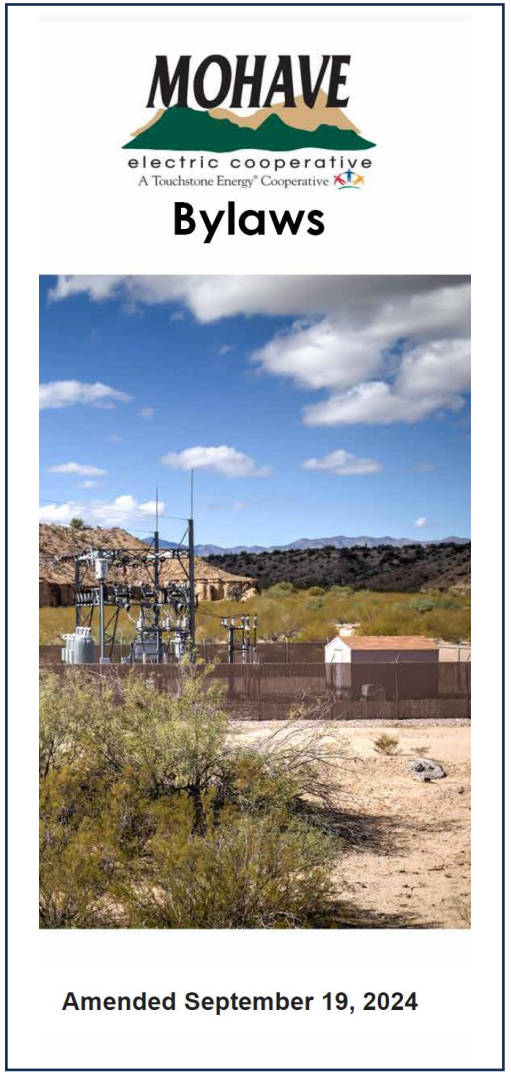
Mohave Electric's Class B Membership Agreement

Approved September 2024

- At Develpers Own Risk
- Long Term Rate Stability
- Protects Patron's Capital in Clause 10

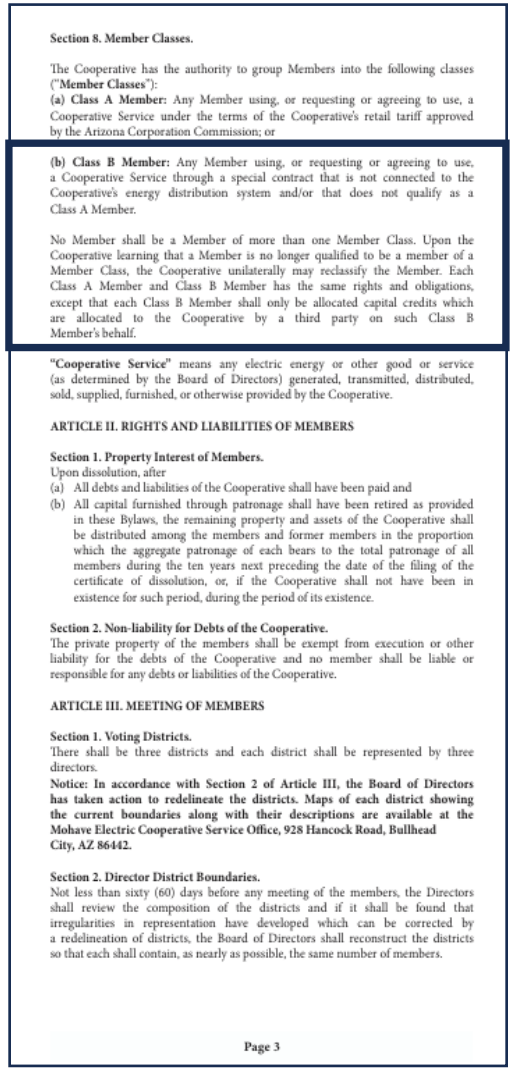
MEC’s Patronage Capital Credits are only for Class A Members and are protected by MEC Bylaws and the Class B Membership Application

Approved September 19, 2024


MOHAVE
electric cooperative
A Touchstone Energy® Cooperative

Bylaws

Amended September 19, 2024


Section 8. Member Classes.

The Cooperative has the authority to group Members into the following classes ("**Member Classes**"):

(a) Class A Member: Any Member using, or requesting or agreeing to use, a Cooperative Service under the terms of the Cooperative's retail tariff approved by the Arizona Corporation Commission; or

(b) Class B Member: Any Member using, or requesting or agreeing to use, a Cooperative Service through a special contract that is not connected to the Cooperative's energy distribution system and/or that does not qualify as a Class A Member.

No Member shall be a Member of more than one Member Class. Upon the Cooperative learning that a Member is no longer qualified to be a member of a Member Class, the Cooperative unilaterally may reclassify the Member. Each Class A Member and Class B Member has the same rights and obligations, except that each Class B Member shall only be allocated capital credits which are allocated to the Cooperative by a third party on such Class B Member's behalf.

"**Cooperative Service**" means any electric energy or other good or service (as determined by the Board of Directors) generated, transmitted, distributed, sold, supplied, furnished, or otherwise provided by the Cooperative.

ARTICLE II. RIGHTS AND LIABILITIES OF MEMBERS

Section 1. Property Interest of Members.
Upon dissolution, after
(a) All debts and liabilities of the Cooperative shall have been paid and
(b) All capital furnished through patronage shall have been retired as provided in these Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the ten years next preceding the date of the filing of the certificate of dissolution, or, if the Cooperative shall not have been in existence for such period, during the period of its existence.

Section 2. Non-liability for Debts of the Cooperative.
The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

ARTICLE III. MEETING OF MEMBERS

Section 1. Voting Districts.
There shall be three districts and each district shall be represented by three directors.
Notice: In accordance with Section 2 of Article III, the Board of Directors has taken action to redelineate the districts. Maps of each district showing the current boundaries along with their descriptions are available at the Mohave Electric Cooperative Service Office, 928 Hancock Road, Bullhead City, AZ 86442.

Section 2. Director District Boundaries.
Not less than sixty (60) days before any meeting of the members, the Directors shall review the composition of the districts and if it shall be found that irregularities in representation have developed which can be corrected by a redelineation of districts, the Board of Directors shall reconstruct the districts so that each shall contain, as nearly as possible, the same number of members.

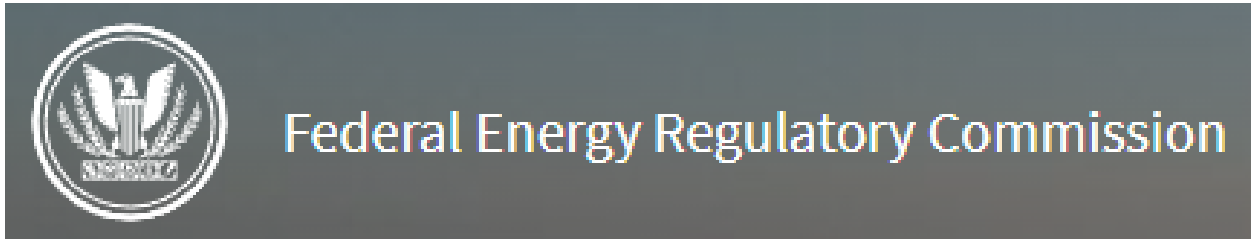
Page 3

Class A MEC Tariff vs Class B ESA Large Loads

- MEC must obtain resources to provide service.
- MEC retains the financial responsibility for resources and infrastructure if the business folds or departs.
- MEC must build infrastructure to accommodate the load.
- MEC is responsible for System Impact Mitigation.
- Post Commercial Operations – issues while in service are MEC's responsibility to resolve.

- Requires customer self generation or AEPCO facilitates market purchases.
- Business bears all upfront costs, making those expenses subject to potential loss if plans change or the project is abandoned.
- MEC requires the business to fund any necessary infrastructure improvements upfront prior to receiving service.
- Large Loads are responsible for System Impacts and any new transmission and infrastructure increases redundancy for all members.
- Post Commercial Operations – issues while in service are Class B Member's responsibility to resolve.

Regulatory Agencies Require Transmission Entities to Conduct an Impact Study



NERC



WECC

System Impact and Facilities Studies

1. **Preliminary Load and Resource Analysis**

   Requirements to determine if requested load is practical & potential market access.

2. **Feasibility Interconnection Study**

   Determining the amount of load that can be transferred on existing grid infrastructure without upgrades and impacts to existing customers.

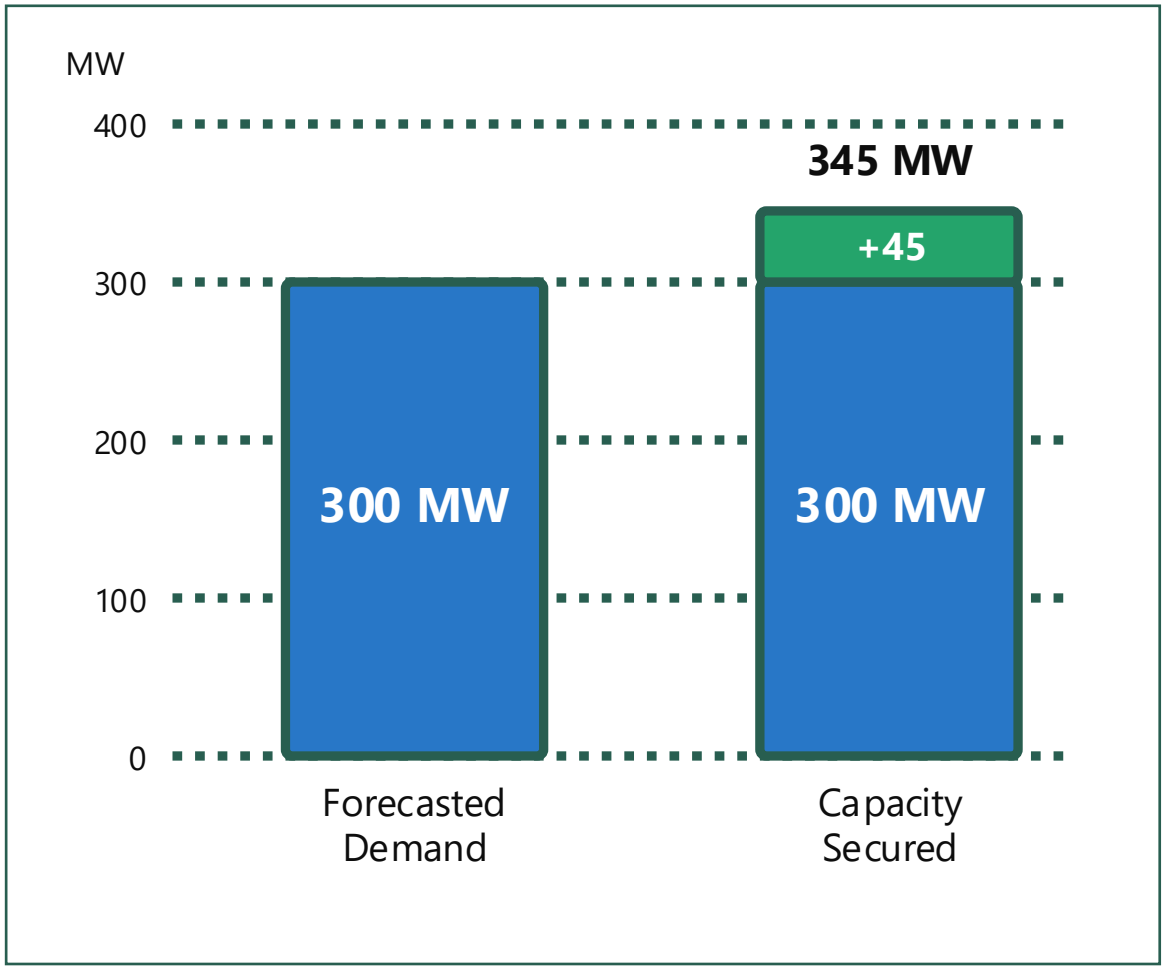
3. **System Impacts Study**

   To all neighboring utility systems and determine the components requiring upgrades to accommodate the load.

4. **Facility Study**

   Evaluates new or modified interconnecting facilities including voltage, telecommunications, grounding, protection, metering and other technical requirements, in coordination with distribution providers, neighboring transmission owners and planning entities.

Large Loads Must Secure Additional Capacity Beyond Their Own Needs



Excess Capacity or Resources

Large Loads secure self-generation and do not rely solely on the volatility in the Power Market

Require more resources than forecasted use

May sell or trade excess capacity

Requires AEPCO's prior written consent

Capacity Obligation Procedure (COP) requires yearly forecasts and monthly verifications

What benefit does a large load bring to MEC Class A Members?

Rate Stabilization

Class B Member
Large Industrial Load



- High energy usage
- Pays for power and transmission service
- Generates positive margins (revenue above cost)

Positive Margins

MOHAVE electric cooperative
A Touchstone Energy® Cooperative

- **Covers fixed costs** *(transmission, infrastructure, operations)*
- **Strengthens financial stability**
- **Helps lower overall costs for all members**

Lower Costs

Class A Members
Residential and Small Business



- Benefit from lower costs of service
- Helps keep rates affordable
- Continues reliable service

Positive margins from Class B members can be used to offset the fixed costs for Class A members. Lowering MEC's costs saves Class A members money, which helps keep rates affordable and stable.

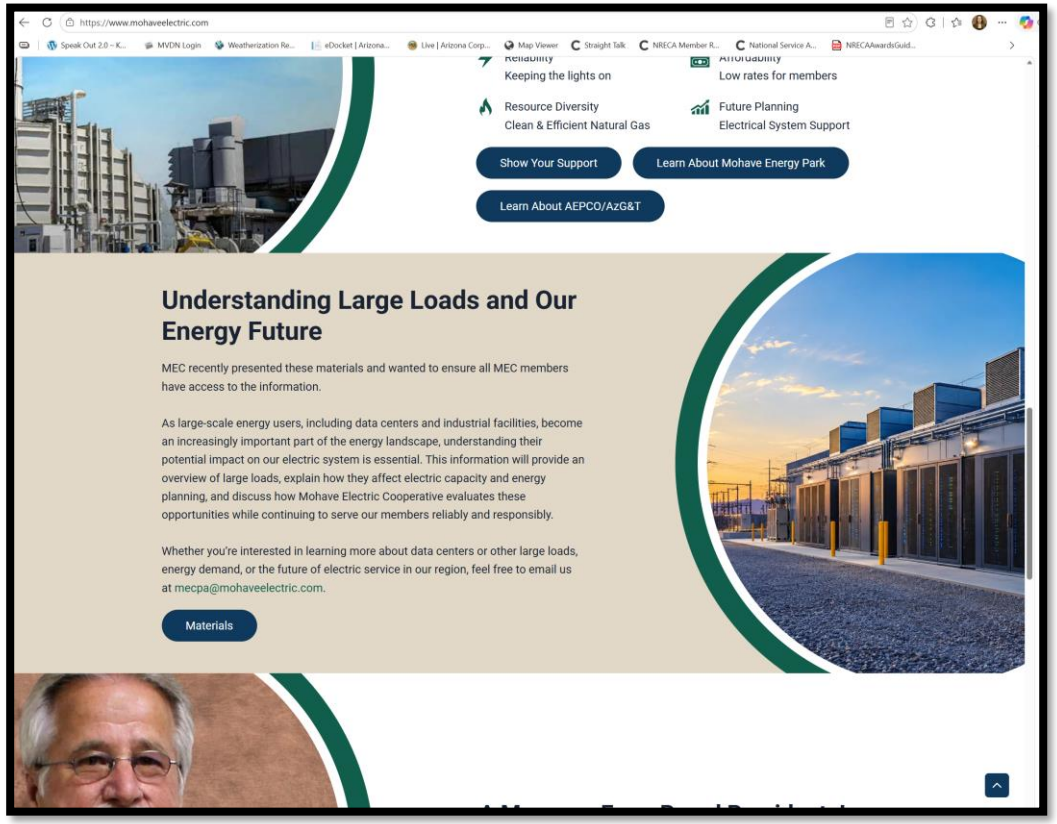
MEC's Website

- **Today's Presentation**
- **ACC Approvals on ESA**
- **Pending Project Burro Docket**

On 8/13/26, the ACC published a news release announcing their approval of Decision #82128.

ACC Approves Measure to Ensure Electric Cooperative Customers Don't Pay for Large-Load Growth

https://azcc.gov/news/home/2026/08/13/acc-approves-measure-to-ensure-electric-cooperative-customers-don-t-pay-for-large-load-growth



Bullhead City
Data Center Ordinance

Bullhead City Council ordinance should require an MEC Class B Membership and ESA Agreement.

INCORPORATED AUGUST 28, 1984 ★ BULLHEAD CITY, ARIZONA ★

CELEBRATING 80 1946 - 2026 MOHAVE ELECTRIC COOPERATIVE

SEAL OF THE ARIZONA CORPORATION COMMISSION ★ 1912 ★ DITAT DEUS

MOHAVE electric cooperative

A Touchstone Energy® Cooperative

THANK YOU

Questions?

