

## Editorial

# Let the PRC decide if the electric rate hike is fair

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We have yet to hear from anyone who wants Kit Carson Electric Cooperative to raise its rates except for its CEO and all but two of its trustees.

The critics say that people can't afford the \$10.50 tacked onto their \$10 service charge — that's \$126 more a year per residential account. They say the greatest impact would be on those who use the least amount of electricity.

It's a clever legal tactic.

And, many critics are connecting the rate increase to what they say is a much bigger issue concerning the co-op's management.

They note: the propane division that lost money for 10 years and had to be subsidized at the expense of electric customers; junkets for trustees; and ventures into Internet services, broadband and construction of a command center.

To its credit, Kit Carson has brought solar arrays to Taos County and encouraged members to purchase blocks of wind-generated energy although its contract with Tri-State limits the amount of renewable energy that can go through the co-op.

Also, CEO Lu's Reyes held numerous meetings with the public this fall concerning Kit Carson's rate hike proposal.

Reyes and other Kit Carson officials say that the proposed hike has nothing to do with diversification. They say the co-op can't stay in the black because people are using less electricity.

Of course, the co-op didn't help its cause when it gave Reyes a 5 percent raise, to \$161,000 a year, just before announcing the rate hike. Talk about bad timing and bad public relations.

So, co-op members decided to protest formally to the state Public Regulation Commission, which oversees utilities, telecommunications, motor carriers and insurance industries to keep rates fair and reasonable.

Protesting is a complicated process that requires lengthy paperwork with stringent guidelines, but many co-op members were not deterred. In all 317 protests were filed.

The commission requires a minimum of 25 to call a hearing.

The Public Regulation Commission, which has never had such an outpouring of protests over a rate hike, will hold a hearing Monday (Jan. 10) in Santa Fe.

But last week, Kit Carson struck back by claiming only six of the 317 protests are valid. Protesters received a form letter with a check mark beside one or more categories such as: "failure to set forth a clear and concise statement of the relief you seek from the New Mexico Public Regulation Commission (NMPRC)."

Of course, we would expect Kit Carson Electric officials and their lawyers to discredit most of the protests. It's a clever legal tactic.

(And, guess who's footing the bill for these lawyers? Yes, the same co-op members who are facing a rate hike.) We believe the state commission should make its own decision about whether the protests have merit and the rate hikes are justified. Let's settle once and for all whether the rate hikes would pay for the co-op's ventures into areas other than electricity.

But while we're at it, we're not going to let co-op members off the hook. Membership has its privileges, and one of them is to attend the annual meeting. Last year's failed to maintain a quorum, although we suspect many of the rate protesters were in attendance.

Perhaps, now members will pay more attention to who is on the board of trustees, or better yet, they will run if they think they could do a better job.

Until members take a more active role in their co-op, we get the co-op we deserve.