

My Turn

'Mr. Reyes and KCEC trustees, this is not personal'

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Kudos to Kit Carson CEO Luis Reyes for consistency and persistence.

He seems to believe frequent missives in the op-ed section create credibility, and only his statements are true and factual.

Sadly, making statements without providing supporting data, or giving irrelevant data, tells the real story; if he provided data, it would prove him wrong, or woefully misleading.

Therein lies the real problem: a profound lack of credibility at KCEC's top levels.

Job requirements often outpace the skill set of the person holding the job. Longevity and technical expertise alone do not qualify someone to be CEO.

Business and financial acumen are requirements, and Mr. Reyes seems lacking.

Hundreds are voicing concerns about how KCEC is being run, many of us with relevant expertise and credibility. Sadly, when we ask questions or ask for data, we are denied, ignored, and attacked at a personal level. Why does Mr. Reyes himself point out in his April 21 My Turn that the author of the trustee recall petition My Turn moved from Albuquerque to Ranchos five years ago? Is this a not-so-subtle attempt to discredit the author? How is length of residency relevant when someone is trying to ensure the survival of Taos' only electric supplier? Or, is this simply bullying?

Has service reliability improved over the years? Yes.

Has Kit Carson Electric raised its rates over the past 25 years? No.

Did electricity flow with little interruption during the gas crisis? Yes.

Again, kudos, but these are not the issues at hand.

Did Taos get the best it could all along from KCEC, or was it short-changed? If KCEC was really paying attention to the core business all along, shouldn't reliability have been better, sooner? Outage rates are still unacceptable. Were they investing adequately in plant growth and rehab all along? Is KCEC sufficiently mechanized and automated to achieve ongoing cost reduction? Should rates have been raised modestly every few years to continuously improve plant investment?

How is continued operation of two unprofitable divisions fiscally responsible? It's not.

Standards exist for running a successful business; accepted practices and metrics that apply no matter what the business or where it's located. To behave like these standards don't apply in Taos is both ludicrous and dangerous; such behavior predicts the demise of business and eventually the community.

Publishing a Kit Carson Propane "Success Story" in *The Taos News* is both laughable and frightening, given that KCP is unprofitable. Where on earth does long-term lack of profitability equal success? How does this paid advertisement help the credibility of KCEC's leaders?

In the real world, a start-up company has a deadline from its investors for turning a profit, generally three to five years.

KCEC's members were the investors for both propane and telecom divisions.

Both KCP and KCT are still unprofitable after more than 10 years, and have captured less than 10 percent and 5 percent, respectively, of the available market, where multiple successful competitors exist. In the real world, investors would have shut these divisions down in year five or sooner, and the businesses sold off to a competitor or simply closed and the assets sold at auction.

Yes, jobs are important for the community but, as both recent and distant history demonstrates, a company has to do whatever's necessary to survive. Jobs are not entitlements. As noble as the reason for starting KCT was (schools), the choice of solution was ill-advised and ill-fated.

Does the Enchanted Circle deserve and need better broadband availability? Certainly.

Is KCEC the right company to provide it? History suggests not. In fact, Mr. Reyes' claim of creating a good business plan to get the federal grant is questionable. A glowing business plan can readily be created from inaccurate, incomplete data and faulty assumptions.

As for the broadband grant, the government generally does not verify an applicant's assumptions in detail. And given the president's emphasis on developing broadband in rural America, it is highly likely there was a predisposition to award the grant somewhere like Taos.

Mr. Reyes and KCEC trustees, this is not personal; this is about saving our only electric supplier. You are simply not equipped to move KCEC ahead. Giving Mr. Reyes a raise in 2010, knowing that profits nose-dived in 2008 and 2009, was not smart, and certainly wasn't respectful of KCEC's owners. You have failed us. It's time for you to go.

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