

Arguments over rates begin at PRC hearing

By J.R. Logan

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About 40 people filled a board room at the Public Regulation Commission in Santa Fe on Wednesday (July 6) for the first day of a hearing on Kit Carson Electric Cooperative's proposed rate increase.

The hearing is the most recent step in an investigation of the rate hike, but it could be months before the PRC makes a final determination in the case.

So far, it is estimated that the co-op has spent \$300,000 in legal fees for the case.

The purpose of the hearing is to allow cross-examination of witnesses, including co-op CEO Lu's Reyes, PRC staff, and co-op members who have become "intervenors" in the proceedings. Written testimony and other evidence has been turned in by parties on all sides, and the four- or five-day hearing will allow those same parties to fire questions at one another over the facts presented in the case.

The five commissioners who sit on the PRC have the option of attending the hearing, but it is not obligatory. Transcripts of the hearing will be included in the final case file, from which the commissioners will make a decision.

Hearing officer Lee Huffman, who is overseeing the current hearings, said Wednesday that he did not expect a final decision on the rates to be made until September.

Without the rate increase, the co-op continues to lose money as energy usage drops. The co-op contends that its critics are hurting the financial stability of the organization by dragging out the rate increase.

But those protesting the hike claim they are protecting the co-op from mismanagement and are standing up for consumers in hard economic times.

The mood at the hearing Wednesday morning was relatively austere, especially compared to the last time Taos descended on the PRC offices over the co-op rate case.

After the co-op made the details of the increase known last fall, hundreds of co-op members protested to the PRC, which regulates utilities in the state. Co-op management attempted to disqualify most of those protests, but at a hearing in February, hundreds of co-op members made the trip south to Santa Fe to ensure that their protests remained valid.

The PRC was caught off guard by the high turnout at the February meeting, and there was considerable trouble finding a way to conduct an orderly hearing. Jeers and heckles came from the crowd, and after a few raucous hours, the commission determined that the number of complaints warranted a full investigation.

Reyes was the first to take the hot seat Wednesday morning to face cross-examination. Other witness are scheduled through Monday (July 11).

The crowd present Wednesday included several co-op critics and supporters, as well as eight of the 11 trustees who sit on the co-op board.

Also on hand were former school board member Arsenio Còrdova and Taos Town Councilor Gene Sánchez.