



THE TAOS NEWS

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Clock ticking for Kit Carson Electric rate hike protests

By J.R. Logan

The Taos News, October 14, 2010

Those members of Kit Carson Electrical Cooperative who wish to protest a proposed rate hike have until Nov. 5 to file a grievance with the New Mexico Public Regulation Commission.

The co-op officially announced its plans to restructure its rates at the end of September, and if the process isn't mired in complaints, the new rates will go into effect Nov. 15.

The co-op has hosted a number of open houses intended to explain the methodology behind the rate increase to customers.

CEO Lu's Reyes has said that the increase was necessary to improve the co-op's profit margin and reduce fluctuations in revenue.

Critics of the rate hike have said proper cost-saving measures were not taken to reduce operating expenses. They also cite mounting debt incurred by the co-op's side ventures as an indirect reason for the rate change.

A form of notice on the new rates went to the Public Regulation Commission near the end of September, and 22,000 four-page letters were sent out Wednesday (Oct. 13) notifying members of the change.

That means the clock is ticking.

State statute stipulates that members have 20 days from the postmark date on those letters to file a protest, in writing, to both the co-op and the Public Regulation Commission.

The protests should include the following information: the name, mailing address and phone number of any protesters and the same information for their attorney; the name of the co-op and identification of the specific proposed rate change (residential, commercial, etc.); a statement of the effect the rate hike would have on the member; and a statement as to why the rate hike is "unjust, unreasonable, or otherwise unlawful."

The letter should also spell out the efforts taken to resolve the issue within the co-op, and a description of the "relief" the protester seeks from the commission.

The statute states that there should be a "good faith effort" from both the member and the co-op to resolve the issue at the local level.

The co-op has seven days to respond directly to those members who turn in a protest.

Protest forms detailing all of the required information are available at the co-op. The original letter, plus 10 copies, must be sent to the Public Regulation Commission in Santa Fe.

According to the statutes, the protests should either be hand delivered to the commissions office or sent by first-class mail. The address is: New Mexico Public Utility Commission, 224 East Palace Ave., Santa Fe, New Mexico, 87501-2013.

A spokesman for the commission said 1 percent of a rate class, or 25 customers (whichever is less) must file a protest with the commission before a case can be docketed. After complaints have been turned in, the commission will determine whether it will review the rate change on the grounds of the protest. A pre-hearing on the issue could be scheduled to determine if an official hearing is necessary.

The statute does not specify whether protesters must be present in Santa Fe if a hearing is scheduled.