



# THE TAOS NEWS

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## MY TURN

### Rate hike: There must, we all agree, be a better way

**JOHN PLUMMER**

A number of readers have written to The Taos News to express their concerns about the proposed rate increase by Kit Carson Electric Co-op (KCEC).

The notion that residences that are careful, and use less than 100 kWhs of electricity each month, will realize bills that are increased by as much as 70 percent, while residences that use more than 800 kWhs of electricity each month will actually see their electricity bills go down, seems incongruous to everyone I've spoken to, including even Luis Reyes Jr. CEO of Kit Carson Electric.

There must, we all agree, be a better way!

How did this seemingly anomalous situation occur? There are two factors.

First, Kit Carson proposes a more than doubling of the hook-up charge, on the dubious grounds that capital investment that has been recovered many years past should be recovered yet again. Second, the limited amount that is still needed to keep KCEC solvent would be achieved by selling electricity at a constant rate per kWh, no matter how much electricity is used or when it is purchased, an archaic idea that is being replaced by utilities worldwide. Together these two conditions limit the ability of KCEC to encourage conservation through their rate structure.

I have developed an Electricity Rate Planning Model to look at alternative pricing strategies. What would be the result, for example, if the minimum charge were kept at the present level, or even eliminated, but the rate per kWh grew exponentially as usage increases? This model can be downloaded from the website [www.taosplans.org](http://www.taosplans.org). Take a look, try out some options, and when you find one you like, send your suggestion to CEO Reyes at [lreyes@kitcarson.com](mailto:lreyes@kitcarson.com).

There are just a couple days remaining to file a protest with the New Mexico Public Regulation Commission. However, CEO Reyes says he'd like to develop a better proposal working with the community. Let's take him at his word, and help KCEC become a model for the nation.

*John Plummer is a resident of Taos who is concerned about the environment.*