



La Plata Electric Association, Inc.

A Touchstone Energy® Cooperative 

November 19, 2015

NEWS

La Plata Electric Association announces rate class adjustments

Following comment period, new rate tariffs to go into effect Jan. 1, 2016

DURANGO, Colo. – The La Plata Electric Association (LPEA) Board of Directors, Wednesday, Nov. 18, 2015, during its regular monthly board meeting, proposed approval for a realignment and rebalancing of rates to various customer classes to be in-line with LPEA’s wholesale power supplier Tri-State Generation and Transmission Association’s new rate structure, resulting in increases in some LPEA classes, decreases in others.

For average residential customers, LPEA estimates an average increase of approximately \$5.25 per month on their electric bills while commercial and industrial members can expect a decrease. This is because Tri-State’s new rate structure places more emphasis on efficient use of the system.

“Going forward we will continue to work with our members on increased energy efficiency and when members use their power, as that is where they have control to lower their costs,” said Dan Harms manager of rates, technology and energy policy, who is LPEA’s rate specialist. “Tri-State’s new rate structure sends a strong message to LPEA to reduce electrical usage during the late afternoon and evening hours, which fits nicely with our Time of Use rates.”

In response to Tri-State’s new rate structure, and to help ensure accuracy in rate design, LPEA invested in a comprehensive Cost of Service Study, with experienced rate consultants NewGen Strategies & Solutions analyzing what it actually costs LPEA to provide service to every rate class, from residential to commercial to large industrial and more.

“Tri-State’s changes in its price points for peak and off-peak supply of electricity, prompted our need to perform a Cost of Service Study. NewGen’s analysis confirmed the need to adjust rates in essentially all of our classes,” said Harms. “As a cooperative, when we design our rate structures, one of the basic tenants is fairness. Simply put, we need to realign rates to make them fair for all of our members as well as coincide with Tri-State’s structure.

“LPEA has always been extremely prudent in our expenditures, and every year our managers are asked to find ways to cut costs,” said Mike Dreyspring, LPEA CEO. “We are continually working to make LPEA a cost-effective, fair and sustainable business. This rate realignment is part of the process.”

LPEA must provide at least a 30-day notice of proposed rate tariff changes, and during that time will accept written member comments to those proposed changes. The board is scheduled to finalize the rate tariff changes at its next board meeting, Wednesday, Dec. 16, 2015, with the new rates to go into effect Jan. 1, 2016.

The complete rate classification listing will be delineated in legal display advertisements in local newspapers and on-line at www.lpea.coop. For further information, call 970.247.5786.

LPEA, a Touchstone Energy Cooperative established in 1939, provides to its more than 30,000 members, with in excess of 42,000 meters, safe, reliable electricity at the lowest reasonable cost, while being environmentally responsible.

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