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LPEA's 2025 Budget Focuses on Inflation Relief, Fire Mitigation, and Transitioning to a Sustainable Energy Future

DURANGO, CO – The La Plata Electric Association (LPEA) Board of Directors has approved the cooperative's 2025 budget, which includes an average rate increase of 7.72%. This rate increase will take effect for usage beginning April 1, 2025. LPEA's average rate increase of 7.72% compares favorably to the 20% increase in the Consumer Price Index (CPI) since 2020, representing the benefit of effective cost control measures and strong financial stewardship by the cooperative's staff.

“LPEA’s top priority is to deliver safe, reliable electricity at the lowest reasonable cost to our members,” said LPEA Board President Ted Compton. “This budget addresses the higher cost of labor and materials due to inflation and incorporates the expected short-term costs needed for our energy transition. While we do not take the decision to raise rates lightly, it is essential for the effective management of your electric cooperative.”

After careful review of the cooperative’s financials, the LPEA Board determined that the 2025 rate increase will be necessary to maintain a healthy financial profile and support operational needs, such as additional tree trimming for wildfire risk mitigation, increasing member rebates for emerging technologies, and the rising costs of construction materials and critical components like transformers and wire which are impacted by supply chain constraints and limited manufacturing capacity. The 2025 budget also includes investments to investigate possible solutions to address the [red zone areas](#) impacted by the solar moratorium.

An independent, third-party cost-of-service study is currently underway to inform the final rate design. Once completed, the impact of the rate adjustment on members' bills will be shared. The formal rate tariff, detailing specific changes, will be posted in early 2025 in accordance with LPEA’s policies and will take effect on April 1, 2025.



Rate increases are always challenging, but this decision was made to ensure the long-term reliability and sustainability of the system while serving the best interests of LPEA members. LPEA remains committed to delivering reliable, affordable energy and will continue to prioritize initiatives that balance the needs of our members with the financial sustainability of the cooperative.

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About LPEA

La Plata Electric Association (LPEA) is a member-owned, not-for-profit electric distribution cooperative serving La Plata and Archuleta counties, along with segments of Hinsdale, Mineral, and San Juan counties. Celebrating 85 years of dedicated service, LPEA stands as the fifth largest cooperative among 22 in Colorado, committed to delivering safe and reliable electricity at the lowest reasonable cost to approximately 36,500 members. In this exciting era of energy transition, LPEA focuses on integrating renewable solutions and enhancing energy efficiency, empowering communities to embrace a sustainable future while honoring its rich history. The cooperative is leading the way toward an innovative energy landscape. For additional information, contact LPEA at (970) 247-5786 or visit lpea.coop.