



La Plata Electric Association, Inc.

A Touchstone Energy® Cooperative

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NEWS

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LPEA making rate changes to keep up with inflation, maintain and improve local electric grid *New tools coming allow members to have a more active role in controlling their energy costs*

DURANGO, Colo. – To maintain and improve electricity infrastructure and to prepare for the future of the electric grid, the La Plata Electric Association Board of Directors on Wednesday approved new rate changes that will generate \$3 million for the association. The new rates will go into effect April 1, 2020.

LPEA has not had a rate increase since 2016 and has been unable to keep up with inflation and the increasing cost of equipment and services that an electric supplier must provide to its members. For example, during the last year, LPEA experienced major outages caused by old and decaying infrastructure.

“Electricity is critical to maintaining our economy and our lives in the 21st Century,” said Bob Lynch, LPEA’s board president. “We must continue to invest, or we will fall behind in providing the excellent electrical service that LPEA members expect.”

LPEA’s base and energy charge for our General Service rate (residential and small commercial) will remain the same, but LPEA will be adding a new peak-power rate charge. This new peak-power rate charge will encourage LPEA members to monitor their energy use at periods when demand for electricity is highest – from 4-9 p.m. The new peak-power rate will be \$1.50 per kilowatt and it is estimated that the average monthly bill will increase just \$5 per month. The peak-power charge gives the members an ability to lower this increase through their choices of how and when they use electricity.

“As a Board we voted to add a peak-power rate to assist LPEA in meeting our 2020 financial obligations and increasing our cooperative’s safety and reliability,” Lynch said. “It also allows for our members to have more choices in controlling their bills, giving them the flexibility to manage their energy during peak-power pricing.”

LPEA’s peak-power rate will encourage members to understand their energy usage and make different choices of how and when they use electricity. To support our members in this effort, LPEA will be developing new programs and enhancing current tools to assist members in managing their daily usage. That information will be available to members by the end of March.

LPEA's SmartHub application already allows members to see their usage hour by hour, allowing them to understand how they are using energy and make simple changes, like running your dishwasher or drying clothes outside the 4 to 9 p.m. peak-hours.

“LPEA's peak-power rate is important for the future as LPEA modernizes its electric grid which will include new technologies for controlling usage, and to accommodate things like battery storage systems, more alternative power sources and electric vehicles,” said Jessica Matlock, LPEA CEO.

LPEA is a member-owned, not-for-profit, electric distribution cooperative serving La Plata and Archuleta, with segments of Hinsdale, Mineral and San Juan counties. There are 22 cooperatives in Colorado, LPEA is the fifth largest cooperative in the state, providing safe, reliable electricity at the lowest reasonable cost to approximately 34,000 members.

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