

LPEA supports developing a national policy that reduces greenhouse gas emissions.

LPEA's Mission – To provide our members safe, reliable electricity at the lowest reasonable cost while being environmentally responsible.

At LPEA we take our mission seriously, including **being environmentally responsible**.

First and foremost, conservation is the most rapid and least expensive way to reduce carbon and other emissions from power plants. LPEA actively helps our members use less power. Effective conservation programs can help our members lower their bills even when rates have to increase. We will continue to expand our investment in energy efficiency and conservation as well as our promotion of green power.

Thanks to the strong commitment of the city of Durango, the town of Pagosa Springs, town of Ignacio, many businesses, and an increasing number of our members, LPEA uses more wind-generated green power than any other cooperative in Tri-State G&T's system. Our net metering plan for renewable energy systems pays homeowners for their excess generation. We offer up to \$3,000 to help our members offset the cost of installing net metered renewable energy. We expect more local renewable programs including micro-hydro and concentrated solar systems.

Even as LPEA joins in national initiatives to protect the environment and reduce CO₂ emissions from existing and future power plants, **the other two legs of our mission—power reliability and power cost—remain important as well**. Because our cooperative does not function in isolation, reliability and cost aren't just vital to us locally; they must be cornerstones in a national solution to the greenhouse gas problem.

Reliability of the power supply hasn't been an issue in the United States in any of our memories. But demand for power is about to outstrip supply. LPEA calculates that industrial, commercial, and residential growth over the next five years will increase local power needs by 30%. In addition to promoting sound conservation practices and developing renewable sources, we must also have new, CLEAN sources of large amounts of power.

In fact, as the entire global economy depends on reliable power, the U.S. must work to ensure that it is clean power as well. Because coal generates more than 50% of U.S. electricity, it is appropriate for the U.S. to take the lead in developing technology for clean, emissions-free, coal-fired power production. And because coal fuels electricity around the world, we should export these new clean technologies cost effectively. Visible pollution and greenhouse gasses from industries around the globe are our problem, too.

Controlling Costs. Electricity is the underlying energy source for almost every aspect of our economy; ballooning costs would negatively affect all our lives. (We are seeing this pervasive effect now as the costs of gasoline and diesel fuel contribute to food price increases.) Every month more than 1,000 LPEA members already have great difficulty staying current on their bill.

For the benefit of our members as well as for the health of our economy, LPEA remains committed to keeping costs under tight control.

The benefits of reducing greenhouse gasses should extend past the environment and into our national and personal wallets. Whether we adopt a carbon tax or another formula to penalize carbon producing power sources, the money generated should support conservation programs and promote technology that answers our needs for renewable energy, clean coal, carbon capture, and other new sources of reliable power. In the process, we all—scientists, politicians, consumers—must recognize that clean, reasonably priced power is a desirable and achievable goal.

Avoiding unintended consequences. As our nation looks at plans for cutting carbon emissions, policies must avoid unintended bad outcomes.

Think about corn-based ethanol. The recent rush to this alternative fuel has already produced several unintended consequences. In the future, bio fuels produced from grasses, algae, biomass, waste cooking oil, or other products may help reduce the world's dependence on oil, but with its environmentally damaging requirements for large amounts of water and chemical fertilizers, and inability to be pipelined, corn-based ethanol will likely not be the answer.

It is vital that Congress weigh all outcomes as it grapples with possible solutions. LPEA recommends that extensive modeling, including economic, be applied to each taxing or carbon trading proposal to ensure that new policies get the intended improvements in the environment without jeopardizing reliability or creating crippling economic costs.

Our bottom line at LPEA is that we need to keep all three legs of our mission viable: environmental responsibility, reliability, and controlling costs. We should all insist that Congress look for solutions that will do all three. We at LPEA are going to be talking with our legislators about it and hope you will as well.