



La Plata Electric Association, Inc.

A Touchstone Energy® Cooperative 

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NEWS

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LPEA board approves special retirement of \$1.5 million in capital credits to LPEA members

DURANGO, Colo. – The La Plata Electric Association (LPEA) Board of Directors today approved the special retirement of \$1.5 million in capital credits to LPEA members. This retirement passes the benefit of Tri-State’s proposed 2% rate reduction directly to LPEA members as quickly as possible. LPEA’s power costs are budgeted at roughly \$70 million annually, so the \$1.5 million represents more than 2% of that total.

Thanks to legal efforts led by LPEA, the Tri-State Board of Directors approved a rate settlement to reduce wholesale power rates to its members by 2% immediately with an additional 2% reduction in March of 2022. The decision is now with the Federal Energy Regulatory Commission for final approval. Pending this approval, LPEA members should expect to see a credit on their bill in June or July. This special retirement will be in addition to LPEA’s standard annual capital credit retirement which will take place this November.

“In evaluating options to pass on the potential Tri-State rate decrease, our first priority was to find the quickest and most effective way to get this money into our members pockets now,” said LPEA CEO Jessica Matlock. “It’s been a difficult year plus for our community, and we want to continue to do what we can to ease that strain.”

“Working with Tri-State to achieve the rate decreases they promised has been a long and involved process,” added LPEA Board President Britt Bassett. “In the end, we won on this front, and we want to pass the fruits of that labor directly back to our membership. This \$1.5 million refund is just the first example of that. Looking at Tri-State’s additional 2% decrease next year, we are evaluating more options to pass this through to our members in the future.”

LPEA will analyze the combined benefits of lower power supply expenses with a third-party consultant who will conduct a Cost of Service study this summer. This will ensure that LPEA’s rates are tied accurately to the cost of providing power. Based on the results of that study, the LPEA board will consider how best to continue passing on the benefits of Tri-State’s rate reductions to LPEA members into the future.

LPEA also continues to explore the feasibility of securing at least part of its power supply from vendors other than Tri-State, which has the potential to decrease power costs even more. LPEA has released a request for proposals and will evaluate proposals received in late June.

For more details on LPEA's future power supply, visit lpea.coop/powersupply.

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. LPEA is the fifth largest cooperative of 22 in Colorado, and aims to provide safe, reliable electricity at the lowest reasonable cost to its approximately 34,500 members. For additional information, contact LPEA at 970.247.5786 or visit lpea.coop.

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