



La Plata Electric Association, Inc.

A Touchstone Energy® Cooperative 

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NEWS

FOR MORE INFORMATION CONTACT

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\$1.5 million in Capital Credits heading to LPEA members in July and August

DURANGO, Colo. – Over the coming weeks, La Plata Electric Association (LPEA) will disburse \$1.5 million in Capital Credits to its members. This special retirement passes the benefit of Tri-State’s proposed 2% rate reduction directly to members as quickly as possible. LPEA’s power costs are budgeted at roughly \$70 million annually, so \$1.5 million represents more than 2% of that total.

The amount members receive is relative to their energy use. The funds will be remitted as an LPEA bill credit (if less than \$100) or as a check (if more than \$100). Members should expect to see their check or bill credit in July or early August. This special retirement is in addition to LPEA’s typical Capital Credit retirement, which usually takes place in November.

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 final decision is still pending Federal Energy Regulatory Commission (FERC) approval. To pass along this decrease to LPEA members, the LPEA Board of Directors approved the special retirement of \$1.5 million in Capital Credits in May, pending approval by FERC. In June, the board voted to move ahead with the retirement even without final approval by FERC.

“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.”

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 released a request for proposals and is now evaluating proposals received.

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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