

SEC electric bills about to rise?

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Resolution paves way for increase

By John Larson - El Defensor Chieftain Staff Writer Sep 7, 2018

Socorro Electric Cooperative's Board of Trustees at its August meeting voted to approve a Cost of Service Study Resolution. While not outlining specific details of the resolution, a discussion on its contents was held prior to the vote. District 3 Trustee Donald Wolberg said he was concerned and although he didn't doubt that it was needed, "The problem is the rate increases on the membership, without asking them," Wolberg said.

Herrera said members know, through public outreach and open houses, "the last rate increase was in 2011."

"We're going to have a campaign to help educate the membership on this," Herrera said.

"My basic [issue] is this. We have an aging, declining population in an economically blighted area. Rate increases on a population that to a large extent is still struggling," Wolberg said, adding that, even "all our public schools have been telling the teachers and the custodians, that they can't afford the power that they get. Teachers aren't allowed to have hot plates, refrigerators, coffee pots.

"And I understand that we're not the cause of this, for these results. Things we have no control over," he said. "We can't control how much Tri-State is going to cost us. How much we need to spend at home... But I do suspect a rate increase like this, which is \$1.2 million a year, \$6 million in five years, that we're asking the community to pay. I understand it's needed to provide reliable power."

Wolberg said the rate increase was, "something we need to get our folks' input on."

"What I'm worried about is, if we pass the resolution to agree to the power increase, then tell the folks we're doing it 'because'... rather than the other way around," he said. "See what I mean? Telling them what we need, and that we have to go ahead and do the rate increase. It bothers me."

"One of the first duties with listed the rural electric act for the trustees is to manage the rates," Dorrough said. "And so, it's our duty to make the decision regarding rates. Not the people. Not the members."

"But it's also our obligation to represent the interests of the membership," Wolberg said. "The interests of the membership I'm in contact with."

"If the co-op does not have sufficient money to operate, would that be in the best interest of the members?" Dorrough said.

"I agree with all that. I'm not arguing that," Wolberg said.

"This is not something that we need to ask the members," Dorrough said. "It's a job that we have to do. It's one of those times when you have to make the difficult decisions."

Wolberg said it's a decision that he predicted would cause a backlash.

"They'll say: One, we didn't tell them about it until after the fact. Two, they can't afford it. And three, 'we told you what the co-op is all about,' " he said.

Herrera said informing the members was part of the process.

“There’s a whole process. Open houses,” he said. “We have to file a notice.”

“How many members does it take to complain to the PRC?” Wolberg said.

Herrera said one percent.

“And we can almost guarantee there will be sufficient number of people to complain to the PRC and we’ll have to justify the rate increase,” Dorrough said.

“Well, those are my thoughts,” Wolberg said. “I agree with our responsibilities as a trustee, but I also think it’s our responsibility as individual trustees to represent the interests of our members.”

He said some of the members he represents live in mobile homes, or are on food stamps.

“What is your alternative solution?” Dorrough said. “We’ve gone through two cost of service studies.”

“I don’t know. I admit to ignorance,” Wolberg said. “I don’t know.”

District 3 trustee and Board Vice President Luis Aguilar commented that in the city “we have endured increases in water rates, and the city tax also. And there’s nothing you can do about it.”

He said as trustees they have to keep the cooperative efficiently operating.

“It goes back to what is needed to operate,” Aguilar said. “I know it’s going to be difficult for some folks. But it’s our responsibility to maintain that level of reliable service.”

The vote to approve the rate increase was 3-0. Voting in favor of the resolution were Aguilar, District 4 trustee Dave Wade and District 1 trustee Mary Baca. District 2 trustee Judith Holcomb was absent for the meeting and District 3 trustee Leroy Anaya was called away from the meeting before the resolution was voted on. Wolberg abstained.

“This is a significant issue,” he told the Defensor Chieftain.

When asked for a follow up comment, Dorrough said in an email, “Due to the importance of this issue, the SEC feels that it would be best if we communicate directly with our members.”

In other business at the Aug. 22 meeting, the board approved a federal loan in the amount of \$26.3 million to cover upgrading the system, including steel poles between Socorro and Magdalena.