



enchantment

The Voice of New Mexico's Rural Electric Cooperatives

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December 2016

Notice of Proposed Rate Revision

Sierra Electric Cooperative, Inc. ("SEC") will file proposed rate schedules under Advice Notice No. 65 on January 2, 2017, with the New Mexico Public Regulation Commission ("Commission") which will result in a rate adjustment to all customer classes except the City of T or C and New Mexico Spaceport Authority.

Pursuant to Rule 17.9.540 NMAC and Rule 17.1.2.10 NMAC of the Commission's Rules of Practice and Procedure, SEC's consumers are notified that:

- This filing will result in a revenue increase from the adjustment in rates in the total approximate amount of \$316,000 (3.60%) of calendar year 2015 revenue. The increase may vary between consumer classes and among some individual consumers within a consumer class.
- The rate design will remain unchanged. Changes are proposed in the System Charge, Demand Charge, and Energy Charge on all rate classes affected. SEC's cost of power will be re-based at \$0.08614 per kWh sold, which is the cost of power for the test year. The Fuel and Purchased Power Cost Adjustment ("FCA") will be applied per kWh sold for power costs in excess of or less than SEC's base rate of \$0.08614 per kWh sold. Interest Expense on Long-Term debt will be re-based to the interest on Long-Term Debt at December 31, 2015. The Debt Cost Adjustment ("DCA") per kWh sold will be applied to the affected rates for interest costs in excess of or less than that interest cost.
- SEC proposes in this filing to cancel Rate No. 18 - Optional Renewable Resource Power Rider and re-name a modified version of it as Rate Rider No. 2 - Optional Renewable Resource Power Rider.
- The present and proposed rates are as follows:

RESIDENTIAL (3,551 Consumers)	REGULAR		TIME OF USE (TOU)	PRESENT	PROPOSED
	PRESENT	PROPOSED			
System Charge	\$15.00	\$25.00	System Charge	\$17.50	\$27.50
Energy Charge	\$.09420	\$.14385	Energy Charge On-Peak	\$.13750	\$.18000
FCA	\$.04092	-----	Energy Charge Off-Peak	\$.07560	\$.11342
DCA	\$.01303	-----	FCA	\$.04092	-----
Energy Charge/kWh	\$.14815	\$.14385	DCA	\$.01303	-----
			Energy Charge On-Peak	\$.19145	\$.18000
			Energy Charge Off-Peak	\$.12955	\$.11342

IRRIGATION (152 Consumers)	REGULAR		TIME OF USE (TOU)	PRESENT	PROPOSED
	PRESENT	PROPOSED			
System Charge	\$16.50	\$25.00	System Charge	\$19.00	\$27.50
Energy Charge	\$.11000	\$.15874	Energy Charge On-Peak	\$.14000	\$.17500
FCA	\$.04155	-----	Energy Charge Off-Peak	\$.09690	\$.15114
DCA	\$.01658	-----	FCA	\$.04155	-----
Energy Charge/kWh	\$.16813	\$.15874	DCA	\$.01658	-----
			Energy Charge On-Peak	\$.19813	\$.17500
			Energy Charge Off-Peak	\$.15503	\$.15114

SMALL COMMERCIAL (396 Consumers)	REGULAR		TIME OF USE (TOU)	PRESENT	PROPOSED
	PRESENT	PROPOSED			
System Charge	\$16.50	\$30.00	System Charge	\$19.00	\$32.50
Energy Charge	\$.09490	\$.15153	Energy Charge On-Peak	\$.14000	\$.17000
FCA	\$.04069	-----	Energy Charge Off-Peak	\$.07550	\$.13700
DCA	\$.01540	-----	FCA	\$.04069	-----
Energy Charge/kWh	\$.15099	\$.15153	DCA	\$.01540	-----
			Energy Charge On-Peak	\$.19609	\$.17000
			Energy Charge Off-Peak	\$.13159	\$.13700

LARGE POWER SERVICE (18 Consumers)	REGULAR		TIME OF USE (TOU)	PRESENT	PROPOSED
	PRESENT	PROPOSED			
System Charge	\$50.00	\$100.00	System Charge	\$70.00	\$120.00
Energy Charge	\$.06360	\$.12058	Energy Charge On-Peak	\$.07500	\$.13000
Demand	\$12.00	\$15.00	Energy Charge Off-Peak	\$.07500	\$.10854
FCA	\$.04120	-----	Demand - On Peak	\$14.50	\$17.50
DCA	\$.01496	-----	FCA	\$.04120	-----
Energy Charge	\$.11976	\$.12058	DCA	\$.01496	-----
			Energy Charge On-Peak	\$.13116	\$.13000
			Energy Charge Off-Peak	\$.13116	\$.10854

LARGE POWER SERVICE - Mining or Milling (1 Consumer)	REGULAR		TIME OF USE (TOU)	PRESENT	PROPOSED
	PRESENT	PROPOSED			
System Charge	\$0.00	\$100.00	System Charge	\$50.00	\$120.00
Energy Charge	\$0.00	\$.12058	Energy Charge On-Peak	\$.19500	\$.13000
Demand	\$0.00	\$15.00	Energy Charge Off-Peak	\$.12500	\$.10854
FCA	\$0.00	-----	Demand - On-Peak	\$0.00	\$17.50
DCA	\$0.00	-----	FCA	\$.04062	-----
Energy Charge	\$0.00	\$.12058	DCA	\$.01519	-----
			Energy Charge On-Peak	\$25081	\$.13000
			Energy Charge Off-Peak	\$.18081	\$.10854

PRIVATE & PUBLIC LIGHTING/ COMMUNITY STREET LIGHTING (242 Consumers)	REGULAR		OPTIONAL RENEWABLE RESOURCE POWER RIDER (0 Consumers)	PRESENT	PROPOSED
	PRESENT	PROPOSED			
System Charge	\$15.70	\$23.00	System Charge	N/A	N/A
FCA	\$.04170	-----	Charge per 100 kWh block	\$2.50	Varies
DCA	\$.01588	-----			

- A comparison of present and proposed rates for residential consumers at various kWh consumption levels is as follows:

KWH	PRESENT		PROPOSED		Increase	
	BILL	BILL	BILL	BILL	\$	%
0	\$25.00	\$25.00	\$25.00	\$25.00	\$0	0.0%
250	\$52.04	\$60.96	\$60.96	\$52.04	\$8.93	17.2%
500	\$89.08	\$96.93	\$96.93	\$89.08	\$7.85	8.8%
750	\$126.11	\$132.89	\$132.89	\$126.11	\$6.77	5.4%
1000	\$163.15	\$168.85	\$168.85	\$163.15	\$5.70	3.5%
2000	\$311.30	\$312.70	\$312.70	\$311.30	\$1.40	.4%

Minimum Bill is currently \$25.00; proposed rate Minimum Bill will be the System Charge.

- SEC will promptly notify a member, who so requests, of the date on which the schedule proposing the new rates will be filed with the Commission.
- The proposed new rates will go into effect automatically and without hearing, unless the lesser of one percent of or twenty-five (25) members of a customer class, whichever is fewer, of SEC file a signed protest (setting forth grounds for review of SEC's proposed rates) with the Commission no later than twenty (20) days after SEC has filed the schedule proposing the new rates with the Commission, and the Commission determines there is just cause for reviewing the proposed rates on one or more of the grounds of protests.
IF A HEARING IS HELD BY THE PUBLIC REGULATION COMMISSION, ANY COSTS INCURRED BY THE COOPERATIVE MAY BE INCLUDED IN THE COOPERATIVE'S FUTURE RATES, FOLLOWING THE COOPERATIVE'S NEXT RATE CASE.
- Procedures for protesting a proposed rate or rates are set forth in NMPC Rule 17.9.540 NMAC, a copy of which can be obtained upon request from or inspected at either Sierra Electric Cooperative, Inc., P.O. Box 290, Elephant Butte, New Mexico, 87935 (telephone 575-744-5231) or the New Mexico Public Regulation Commission, 1120 Paseo de Peralta, P.O. Box 1269, Santa Fe, New Mexico 87504 (telephone 505-827-6940 or 1-888-427-5772), and forms for protests are available from either SEC or the Commission.
- Prior to filing a protest with the Commission, a Cooperative member should attempt to resolve any grievance by presenting your objections to the new rates, in writing, and allowing SEC seven (7) days in which to attempt a resolution of your objections or otherwise respond.
- Any interested person may examine the rate filing together with any exhibits and related papers that may be filed at any time at the main office of the Cooperative or on or after the date of filing at the offices of the Commission.
- Further information concerning this filing or the protest procedure may be obtained by contacting Sierra Electric Cooperative, Inc. or the New Mexico Public Regulation Commission.



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