

City: SEC wants a 'second bite at the apple'

By Wanda Moeller, El Defensor Chieftain Editor – September 5, 2019

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It's the City of Socorro's turn to comment. After the Socorro Electric Cooperative, Inc. (SEC) filed its response to the New Mexico Public Regulation Commission Hearing Examiner Carolyn Glick's decision, the City of Socorro filed its response to SEC's exemptions.

“Instead of complying with the rule, SEC needlessly restates arguments raised in its brief,” stated the city's attorneys Nann M. Winter and Keith W. Herrmann of Stelzner, Winter, Warburton, Flores, Sanchez and Dawes, P.A. of Albuquerque.

In addition, the brief states, “...the Hearing Examiner has already considered the record and the parties' position, and SEC simply wants a second bite at the apple after it failed to justify its rate increase.”

It was in August 2018, that the SEC Board of Trustees passed a resolution with the intention of raising its rates \$1.2 million over the next five years. The board also cited it hadn't had a rate increase since 2001. Under SEC's proposed rate increase, residents would see an increase of \$7.75 on their system charge, going from \$15 to \$22.75. They would see a slight increase to the kilowatt per hour charge, going from 12.5 cents per kilowatt hour to 12.519 cents. The small commercial system charge would increase from \$25 to \$32.50. The kilowatt hour charge would increase from 12.5 cents per kilowatt hour to 13.0784 cents. The system charges for large commercial users would go from \$75 to \$85. The kilowatt hour charge would remain at 7.75 cents per hour. Large commercial users would get a break in the demand charge. The charge would decrease from \$15 to \$8.50.

As result of the proposed hefty increase, the City of Socorro, New Mexico Tech and private citizens filed objections to the SEC's increase WITH the New Mexico Public Regulation Commission, which resulted in a hearing in June 2019 in Santa Fe.

After the hearing, Public New Mexico Public Regulation Commission Hearing Examiner Carolyn Glick filed her recommendation which recommended denying the SEC Rate increase. As a result of Glick's released recommendation, SEC filed its exception noting its rate increase was “just and reasonable.”

“The only inference to be gained from SEC's exception is that SEC did not like nearly any part of the recommendation decision,” Socorro's attorneys wrote. “SEC exception simply states the initial brief. While the hearing examiner used volumes of analysis to support her decision, SEC's exception vaguely cites individual pages and replicates its initial brief. But, the hearing examiner already considered SEC's argument when she reviewed the briefs submitted by the parties, along with the counter points of the staff and interveners.”

Furthermore, the city's attorneys note SEC's only response in its exception is to attack the hearing examiner – the established authority of the commission – rather than justify its “deficient application.” SEC objecting to the hearing examiner's numbers and stating the SEC Board of Trustees have the “exclusive authority” to manage their cooperative, misstates the New Mexico Public Regulation Commission's Authority, wrote the city's attorneys.

“SEC's last ‘exception’ is not an exception at all. SEC's restatement of staff's arguments does not change any of the analysis performed by the hearing examiner.”

A final order by the New Mexico Public Regulation Commission is expected to be released by Thursday, September 19.