

City of Socorro

111 School of Mines Road
Socorro, New Mexico 87801

Phone (575) 835-0240 www.socorronm.gov



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An explanation of upcoming franchise agreement negotiations

Three city franchise agreements have expired and are in the process of being renegotiated: Socorro Electric Cooperative, Qwest (now CenturyLink) and Jones Cable (now Comcast). Franchise agreements are complex and they impact City residents and commercial entities. This is an attempt to untangle some of the issues since the City will be seeking the public's input on the tentative agreements.

According to the state statutes that govern the way the City of Socorro governs itself (Chapter 3 of Title 12 of the New Mexico Administrative Code), the City has the authority to provide utilities to its residents. In the case of natural gas, the City itself provides gas services to residents. In the case of electricity, the City has chosen to allow what is now the Socorro Electric Cooperative (SEC) to provide electric services. Among other things, this franchise agreement with SEC allows them access to the alleys and streets of the public right-of-way. It is the City's responsibility to maintain these rights-of-way, as in keeping the weeds cut, etc.

Because of the anti-donation clause the City can't allow a private company (and SEC is a private company even though they are not for profit) to use these rights-of-way for free—in some manner money must be returned to the public for its use. This is done through the franchise fees that show up on electric bills; SEC passes those fees on to the city's general fund where

they are used for police, fire, parks, library, culture and recreation services.

Because an electric franchise agreement gives exclusive use to the SEC and because the SEC is serving the needs of Socorro citizens, their rates are regulated by the Public Regulatory Commission, not by the City. The franchise agreement with the City could address issues such as requiring that the SEC abide by PRC rules, the manner in which the SEC conducts their business on the rights-of-way, how they repair pavement should they need to cut through a street or alley, how old the power poles can be, the process for moving a pole if the City needs to put in a sidewalk, etc.

The City wants to create a franchise agreement with SEC that is ultimately good for the public it serves. When a tentative agreement is reached, the City Council must pass an ordinance to put it into effect. The ordinance must be passed in a public session of the City Council as required by law, and prior to that session, the City must hold public hearings allowing any member of the public the right to speak on the proposed agreement. Dates and times of those hearings will be publicized once the tentative agreement is reached.

Though this article deals primarily with Socorro Electric Cooperative, the process for CenturyLink and Comcast are the same.

Employee Anniversaries

Mario Amaro	15 years
Raymond Calkins	10 years

City Council

Mary Ann Chavez-Lopez	Nick Fleming
Gordy Hicks	Toby Jaramillo
Donald Monette	Michael Olguin, Jr.
Ernest Pargas, Jr.	Peter D. Romero
Ravi Bhasker, Mayor	Pat Salome, Clerk