

RESOLUTION NO. 006-2019

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF CRESTONE
ESTABLISHING A TOWN FUND FOR LEGAL FEES AND COSTS
AND ACCEPTING PUBLIC CONTRIBUTIONS FOR THE PURPOSE OF OPPOSING
RATE INCREASES TO THE CRESTONE COMMUNITY BY THE SAN LUIS VALLEY
RURAL ELECTRIC COOPERATIVE ASSOCIATION**

WHEREAS, the Town of Crestone and surrounding area has recently been notified by the San Luis Valley Rural Electric Cooperative Association (SLVREC) of an increase in monthly rate charges, which includes a demand charge, basing monthly demand on one of the highest fifteen-minute demands for electricity, (which is generally charged only to non-residential or commercial customers for a consistent supply of electricity); and

WHEREAS, of the twenty two (22) members of the Colorado Rural Electric Association, there are only one or two other co-ops imposing a demand charge for residential users (and at a significantly lower rate) than that proposed by SLVREC; and

WHEREAS, the rate structure is unfair, unjust, unreasonable, discriminatory, and punitive to solar grid - tie owners who have personally invested renewable energy and who feed electricity back to SLVREC (generally during peak hours) the excess of which is purchased by SLVREC at a lower rate and then sold at a higher rate, which has the effect of residential users subsidizing SLVREC and increasing its profits at the expense of residential customers; and

WHEREAS, the residential customers in the local area have a per capita income of only 65% of the state average; and

WHEREAS, a complaint has been filed by thirty one (31) local residents and a second similar complaint has been filed by the Town of Crestone with the Colorado Public Utilities Commission against SLVREC's proposed increases; and

WHEREAS, the Colorado PUC has set this matter for hearing in the Crestone community on September 3, 2019; and

WHEREAS, the Town of Crestone has contacted legal counsel experienced in practice before the PUC who is willing to represent the Town; and

WHEREAS, the Town has no budgeted funding for such unexpected rate increase proposal opposition; and

WHEREAS, the Town and citizens of the surrounding community are in need of funding for legal costs and fees in order to be adequately represented in opposing the projected rate increases before the PUC.

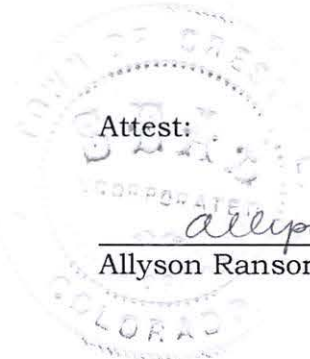
NOW, THEREFORE, be it resolved by the Board of Trustees of the Town of Crestone that a special fund is hereby established and known as the Crestone/Baca

SLVREC Rate Increase Opposition Fund to be administered by the Town for the sole public purpose of opposing the rate increase proposed by SLVREC, and for forcing the SLVREC to comply with the provisions of C.R.S. 40-9.5-106, which prohibits the acts currently contemplated by SLVREC.

It is therefore resolved that local citizens be encouraged to contribute to such fund in order that legal counsel be retained and that local citizens and the Town be adequately represented before the PUC.

DONE and **SIGNED** this 8th day of July, 2019.

Attest:


Allyson Ransom
Allyson Ransom, Town Clerk



Kairina Danforth, Mayor