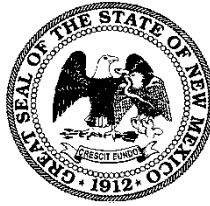


NEW MEXICO PUBLIC REGULATION COMMISSION

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NEWS RELEASE

Commission Votes to Suspend Kit Carson Electric Co-op's Proposed Rate Increase

SANTA FE – On the Wednesday, December, 23 deadline for protests to be filed by member customers of Kit Carson Electric Cooperative Inc. (KCEC), the New Mexico Public Regulation Commission (NMPRC) voted to suspend the proposal for new rates that KCEC filed with the Commission on December 3.

The NMPRC's Records Bureau received a total of 89 protests submitted on the Commission's Protest Forms from KCEC customers regarding this proposed rate increase. An additional 15 protests consist of emails and signed letters, and a petition with 281 signatures was provided to the Records Bureau.

The Commission's suspension of KCEC's proposed rate hike was deemed a necessity due to the protest process. Had protests not been filed in this case, the proposed rate increase would have taken effect on January 4, 2016.

KCEC filed a response to the protests with the NMPRC Records Bureau on December 21, contending that 58 of those protests submitted failed to meet the requirements for protests as outlined in the Public Utility Act and NMPRC's Rule 540 by failing to attempt to contact Kit Carson. The company cited several examples of members failing to comply with other protest requirements, including signatures from 52 individuals who have no account with the company.

NMPRC Rules state: "If the lesser of one percent of or 25 members of a customer class protest to the Commission, the Commission will determine if there is just cause to review the rate proposal through a formal rate hearing. If no members protest, the rates will go into effect automatically with no Commission review."

Figures provided by KCEC in their Notice of Proposed Rate Adjustment indicate that the average residential customer would see a household monthly bill increase of 18.96 percent. Kit Carson has 22,278 residential customers.

About the NMPRC

The NMPRC regulates public utilities, telecommunications companies and motor carriers operating in the State of New Mexico. It also administers the State Fire Marshal's Office, the New Mexico Firefighters Training Academy in Socorro, N.M., and the Pipeline Safety Bureau.

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