

Petitioner's Position Statement: PUC Regulation for Lake Country Power Cooperative

Lake Country Power is a non-profit, member owned utility with a member elected board and a CEO to manage the coop for the benefit of the membership. In 1997, three cooperatives merged resulting in the formation of Lake Country Power.

Since the 1997 merger, power rates have significantly and disproportionately increased. Profits known as Capital Credit Rebate checks used to be distributed regularly. Now they are almost nonexistent.

In 2006, our Lake Country Board members committed us to a 40 year contract with Great River Energy with absolutely no regulation on rate increases.

We have seen the consequences of this contract on our monthly electric bills.

The Public Utilities Commission (PUC) currently provides oversight and regulation on investor owned utilities such as Minnesota Power and Dakota Electric Coop. Dakota Electric Coop members have seen only 2 increases in their electric rates during the past 16 years. As member owners and investors of Lake Country Coop we also need oversight and regulation by the PUC.

In 2009, a petition was circulated to have the Public Utilities Commission provide oversight on future rate increase requests by Lake Country Power. This petition was in response to the ever increasing costs of electric power that is assessed to the membership by Lake Country Power and their power supplier, Great River Energy. Over 500 members have signed the petition which was enough to mandate a vote on the issue of Minnesota Public Utility Commission oversight of Lake Country Power rate increases.

Regulation by the PUC would require Lake Country Power to justify future rate increases that are passed onto the membership. While PUC involvement may not be the perfect solution, it is the only legal remedy

available to us. With enough member support and your vote, we could have this protection for future rate increases. In the future, however, if the membership determines that the PUC is not a benefit, we can petition to terminate their involvement with our Coop.

The cost for PUC regulation as estimated by the State of Minnesota would be less than \$9.00 per year per member. Lake Country Power management has raised the issue of this cost as the major reason not to proceed with PUC oversight, but our management had no problem raising our facility charge by \$30.00 per year per member.

We like to think of our coop as “Locally Owned and Locally Controlled”, but as a group of concerned members, we think that we are OUT of CONTROL. If we leave things as they are, you can count on endless, unregulated rate hikes and fees.

What can you do? Spread the news, create awareness, talk to your neighbors and carefully look at your bills. **Look for your ballot this summer and vote YES for rate regulation.**

By Roger Moll