

# **Paoli Peaks Forced to Implement Hoosier Energy & Orange County REMC Energy Surcharge on Lift Tickets**

## **Predatory Energy Pricing Schedules Necessitate Unfortunate Utility Surcharge**

Paoli, IN. – January 10, 2019 – [Paoli Peaks](#), today regretfully announces the start of the Hoosier Energy & Orange County REMC energy surcharge on all lift and snow tubing tickets sold during the 2018/2019 winter season. The surcharge, which has been brought upon by years of predatory electrical pricing by Hoosier Energy and Orange County REMC, are an unfortunate but necessary step to ensure the economic viability of Paoli Peaks in Southern Indiana.

“During our 40-year history, Paoli Peaks has helped to spread the joy that comes with learning to ski or snowboard, enjoying snow tubing with friends, and creating snow-filled memories with family,” said Rick McMullen, General Manager at Paoli Peaks. “We would love to continue to offer these great life experiences to our local community for generations to come, but the pricing structures employed by our local energy companies, Hoosier Energy and Orange County REMC, have put that future in jeopardy.”

Given the historically low snowfall totals in Indiana, Paoli Peaks relies almost entirely on making its own snow to cover all 64 acres of skiable terrain and tubing that it opens to the public each winter. In order to accomplish this, the hardworking staff at Paoli Peaks must take advantage of every minute of favorable snowmaking temperatures when available. These critical operations have been negatively impacted by years of "Winter Load Controls" and multiple demand charges imposed by its local utilities, which add additional fees of more than \$90,000 during the two-hour periods of 6:00 p.m. – 8:00 p.m. and 7:00 a.m. to 9:00 a.m. during cold days in December, January, and February.

The financial penalties of these fees require the need for a total shutdown of the snowmaking system, for up to 6 hours each day during prime snowmaking temperatures. This 6-hour loss in production is due to the time and effort involved with startup and shutdown of the snowmaking system, which requires 1.5-2 hours to ramp-up and ramp-down. As a result, Paoli Peaks struggles to produce a snow surface suitable for welcoming guests, while trying to maneuver around these fee periods.

This loss of runtime, paired with the punitive fees associated with making snow during prime snowmaking conditions, has therefore put the future of Paoli Peaks, as well as skiing and riding in Indiana, in jeopardy. Paoli Peaks management has repeatedly explored various ways to work with its local utility providers, Hoosier Energy and Orange County REMC for years, but its requests for a chance to develop solutions that work for everyone have gone unanswered. Without a solution, the future employment of more than 400 local Hoosiers that work at Paoli Peaks throughout the year have unfortunately been placed in limbo.

"The weather is already challenging enough to operate a ski area in Southern Indiana, but when electrical rates are so high that it prevents our hardworking team from being able to make snow it makes our continued operation nearly impossible," said Jason Boyd, Senior Vice President of Operations, for Peak Resorts. "Knowing that the electric costs at the end of the season have the potential to vary by hundreds of thousands of dollars, simply due to making snow during a particular 2-hour period each month is not an economically sustainable way to operate. Of the 17 ski areas we operate across 7 states; in Indiana Paoli Peaks pays the highest electrical rates of all of them by a factor of three, which has put continued operation in a really tough position."

Due to these realities, Paoli Peaks will be implementing a Hoosier Energy and Orange County REMC surcharge of \$3 on every lift and snow tubing ticket sold this winter, until a suitable solution can be found.

We encourage guests to reach out directly to Hoosier Energy and Orange County REMC and ask that they work with Paoli Peaks to help ensure a future filled with skiing and riding for all Hoosiers.

Hoosier Energy contact:  
Heather Hughet  
Communications Coordinator  
317-417-3378  
[hhughet@hepn.com](mailto:hhughet@hepn.com)

Orange County REMC contact:  
Mark Belcher  
Member Services  
812-653-7579  
[mbelcher@myremc.coop](mailto:mbelcher@myremc.coop)

#### **About Paoli Peaks**

Located in Southern Indiana, Paoli Peaks is a full-service skiing and snowboarding facility located on a natural hill with a 300-foot vertical drop and an average grade of 10%-15%. Offering something for everyone, trails range in ability from Beginner to Advanced with a Progression Terrain Park for all levels. There are three triple chair lifts, one quad chair, one beginner double chair, one rope tow, and two conveyer lifts, with an uphill capacity of 11,200 skiers per hour. Its Arctic Blast Tubing Facility features up to twelve lanes on 700-foot slopes. Paoli Peaks features 100% snowmaking coverage, made possible by a snowmaking system comprised of 110 guns able to cover its entire 64 acres in as little as 36 hours.

Media Contact:  
Jamie Storrs  
802.464.4203  
[jstorrs@peakresorts.com](mailto:jstorrs@peakresorts.com)