



LOS ALAMOS

County of Los Alamos
Minutes
Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

Carrie Walker, Chair; Jeff Johnson, Vice-chair; Stephen McLin, Kathleen Taylor and Steve Tobin Members
Philo Shelton, Ex Officio Member
Harry Burgess, Ex Officio Member
Pete Sheehey, Council Liaison

Thursday, August 22, 2019

5:30 PM

1000 Central Avenue
Council Chambers

REGULAR SESSION

Date changed from 8/21 to 8/22.

1. CALL TO ORDER

The regular meeting of the Incorporated County of Los Alamos Board of Public Utilities was held on Thursday, August 22nd at 5:30 p.m. at 1000 Central Ave., Council Chambers. Ms. Walker called the meeting to order at 5:30 p.m.

Present 5 - Board Member Walker, Board Member Johnson, Board Member Tobin, Board Member McLin and Board Member Taylor

2. PUBLIC COMMENT

Ms. Walker opened the floor for public comment on items on the Consent Agenda and for those not otherwise included on the agenda. Members of the public gave the following summarized comments:

1) Mr. Anthony Sgro, 705 Totavi - Mr. Sgro noted that he has had four power outages on his street in the last couple of weeks and five to six outages per year. He discussed the advanced age and degradation of the lines supplying their neighborhood. He asked the Board to make it a higher priority to properly replace the lines in his neighborhood and update the system so that it is looped to provide better reliability.

2) Ms. P. Sgro, 705 Totavi - Ms. Sgro elaborated on her husband's comments about the condition of the wire, noting that it was also very brittle. She explained that she has respiratory problems and could not use her nebulizer during the outages as prescribed by her doctor. She asked the Board to make this a higher priority.

3) Mr. Jerome Berry - He has lived in Los Alamos for sixty years. He thinks that the Department's carbon neutrality strategic goal is a good idea. However, he discussed natural climate change over millions of years that has impacted atmospheric carbon levels. While he doesn't deny climate change, he doesn't think an increase in human production of greenhouse gasses will create a dangerous tipping point that would lead to catastrophic climate change. He cautioned the Board to also look at costs compared to the absolute present climate situation when considering a path forward to reach the carbon neutrality goal.

4) Ms. Rebecca Shankland, 6 Mariposa Ct. - Ms. Shankland was commenting on behalf of the League of Women Voters. The League of Women Voters supports an initiative to add a large solar array at the landfill and is pleased to see the County investing in clean,

renewable energy that will help reduce our carbon footprint. She hopes the Board will approve the proposal for a solar purchase power agreement this evening.

Ms. Walker moved that the Board of Public Utilities approve the following statement for inclusion in the minutes: The matters discussed in the closed session held on August 7th, 2019 at 3:30 p.m. were limited only to those topics specified in the notice of the closed session, and no action was taken on any matter in those closed sessions. The motion passed by a show of hands.

Yes: 5 - Board Member Walker, Board Member Johnson, Board Member Tobin, Board Member McLin and Board Member Taylor

3. APPROVAL OF AGENDA

Mr. Johnson moved that the agenda be approved as presented. The motion passed by the following vote:

Yes: 5 - Board Member Walker, Board Member Johnson, Board Member Tobin, Board Member McLin and Board Member Taylor

4. BOARD BUSINESS

4.A. Chair's Report

Other than reminding the Board of the upcoming Board's and Commissions Luncheon, Ms. Walker had nothing to report.

4.A.1 [11761-19](#) Reminder for Upcoming Boards & Commissions Luncheon

Presenters: Board of Public Utilities

The month prior to a Boards & Commissions luncheon, the attendee schedule is included in the agenda packet as a reminder during the Chair's report. Ms. Walker reminded the Board that she is scheduled to attend the September 19th luncheon. She notified Mr. Tobin, as the newest member, that he is scheduled to attend the January 16th meeting.

4.B. Board Member Reports

Board members had nothing to report.

4.C. Utilities Manager's Report

Mr. Shelton provided a written report, which is included in the minutes as an attachment.

Mr. McLin asked Mr. Shelton to elaborate on whether the effluent water storage tank at the Bayo booster station near the wastewater treatment plant is new or an upgrade and Mr. Shelton confirmed this is a new storage tank.

4.D. County Manager's Report

Mr. Burgess reported on the following items:

1) Mr. Burgess noted that there are four items on the August 27th Council agenda

pending approval by the Board tonight.

4.E. Council Liaison's Report

Mr. Sheehey was absent. No report was given.

4.F. Environmental Sustainability Board Liaison's Report

Ms. Susan Barns was absent. No report was given.

4.G. General Board Business

4.G.1 [12118-19](#) Quarterly Update on Utility System - Electric Distribution

Presenters: Steve Cummins

Electric Engineering Manager Mr. Stephen Marez presented this item. The following is the substance of the item being considered.

The Board requested a quarterly system assessment on a different utility each quarter. This quarter, Mr. Marez presented an update on the Electric Distribution system.

The Board discussed this item and requested clarification where necessary.

4.G.2 [12128-19](#) Follow-up to Planning for Upcoming Board of Public Utilities Annual Boards & Commissions Presentation to Council on September 17th, 2019

Presenters: Carrie Walker

Ms. Walker presented this item. The following is the substance of the item being considered.

Ms. Walker will give the Board's annual presentation to Council on September 17th. She gave the Board a draft presentation to review.

The Board discussed this item and requested clarification where necessary.

The following actions were identified for follow-up:

1) Board members will send comments to Ms. Jaime Kephart by a date to be determined. Ms. Kephart will send those to Ms. Walker for inclusion in the presentation.

4.H. Approval of Board Expenses

There were no expenses.

4.I. Preview of Upcoming Agenda Items

4.I.1 [12229-19](#) Tickler File for the Next 3 Months

Presenters: Philo Shelton

In addition to the items already listed in the tickler provided in the agenda packet, the following items were identified for the tickler for upcoming meetings:

1) 9/17/2019 - Special Joint Session With Council to Discuss Changes and Challenges

Driving the Electric Production Industry (Mr. Shelton and Mr. Cummins)

2) 10/2/2019 - Special Session to Discuss Strategic Planning (Mr. Shelton)

3) TBD - Update from Danny Katzman on the Hexavalent Chromium Plume in Mortendad Canyon (Mr. McLin)

5. PUBLIC HEARING(S)

There were no public hearings scheduled for this meeting.

6. CONSENT AGENDA

Mr. Tobin moved that the Board of Public Utilities approve the items on the Consent Agenda as presented and that the motions contained in the staff reports be included in the minutes for the record. The motion passed by the following vote:

Yes: 5 - Board Member Walker, Board Member Johnson, Board Member Tobin, Board Member McLin and Board Member Taylor

6.A [12206-19](#) Approval of Board of Public Utilities Meeting Minutes

Presenters: Board of Public Utilities

I move that the Board of Public Utilities approve the meeting minutes of July 17th, 2019 as presented.

6.B [RE0410-19](#) Approval of Incorporated County of Los Alamos Resolution No. 19-23. A Resolution Removing Uncollectible Utility Accounts from the Incorporated County of Los Alamos' Accounts Receivable List for Fiscal Year 2014

Presenters: Bob Westervelt

I move that the Board of Public Utilities approve Incorporated County of Los Alamos Resolution No. 19-23. A Resolution Removing Uncollectible Utility Accounts from the Incorporated County of Los Alamos' Accounts Receivable List for Fiscal Year 2014, and forward to the Council with a recommendation for approval.

6.C [12049-19](#) Approval of Budget Carryovers from FY2019 to FY2020

Presenters: Bob Westervelt

I move that the Board of Public Utilities approve Budget Revision 2020-08 for carryovers from FY2019 to FY2020 and forward to Council with a recommendation for approval. I further move that the budget revision be included as an attachment in the minutes for the record.

6.D [AGR0640-19](#) Request for Consent to Assignment of Services Agreement AGR17-01, Changing the Assignment from Diamond Marketing Solutions Group, Inc. to Output Services Group, Inc. (OSG) and Approval of Related Amendment No. 2.

Presenters: Bob Westervelt

I move that the Board of Public Utilities approve the Consent to Assignment of Services Agreement AGR17-01, changing the assignment from Diamond Marketing Solutions Group, Inc. to Output Services Group, Inc. (OSG) and the related Amendment No. 2 to Services Agreement AGR-17-01, and forward both to Council for approval.

7. BUSINESS

7.A 12146-19 Update on the Adopted Future Energy Resource Initiatives

Presenters: Steve Cummins

Deputy Utility Manager of Power Supply Mr. Steve Cummins presented this item. The following is the substance of the item being considered.

The Board of Public Utilities adopted, as part of a strategic policy, recommendations from the July 7th, 2015 "Future Electrical Energy Resources" report. The Board asked staff to provide a comprehensive update of the adopted initiatives. Documents provided gave a brief summary of what's been accomplished towards achieving each of the 26 initiatives. The Board discussed this item and requested clarification where necessary.

The following actions were identified for follow-up:

1) Mr. Shelton will work with the consultant facilitating the upcoming Board strategic planning meeting to add an agenda item to discuss how to keep the future energy resources initiatives updated considering ongoing industry changes and new research.

Mr. Burgess left the meeting at 7:05 p.m.

7.B 12131-19 Presentation of the Feasibility and Estimated Cost of a Pumped Hydro Storage Facility in Los Alamos County

Presenters: Steve Cummins

Mr. Cummins presented this item. The following is the substance of the item being considered.

Mr. Cummins introduced Engineering Intern Mr. Tyler Mobraaten, who conducted the research for this item and presented the data. As per the 2016 Future Energy Resources Board strategic initiative, staff has explored the economic feasibility of a pumped hydro storage system in Los Alamos County and its potential uses within the County. Staff recommended that the Board consider this initiative complete until the technology is readily available at the required scale or until the cost of power rises to the point where this is an economically viable option.

The Board discussed this item and requested clarification where necessary.

Ms. Walker opened the floor for public comments. Members of the public gave the following summarized comments:

1) Mr. Galen Gliser, 4730 Sandia - Mr. Gliser asked if staff had ever considered using something heavier than water as a storage medium.

2) Mr. Robert Gibson, 1465 Camino Redondo - He noted that in the presentation, there

were a couple of assumptions underlying the strategic thinking regarding energy resources, including the County's continued participation in the Carbon Free Power Project and the County's full ownership of the hydro plants when the Electric Coordination Agreement expires in 2025. He feels these are both huge factors when planning for any future energy resources. There are also some additional large energy resource decision points coming up. He suggested that the Board consider exactly when it might be appropriate to do major strategic rethinking of how to get to the carbon neutral goal, rather than arbitrarily setting time frames for additional studies.

Ms. Walker called for a recess at 7:40 p.m. The meeting reconvened at 7:45 p.m.

7.C [11474-18](#)

Approval of Agreement No. AGR19-43 with Los Alamos Solar II, LLC for the Purpose of a Solar Power Purchase Agreement to Deliver Photovoltaic Generated Electricity to the County

Presenters: Steve Cummins

Mr. Cummins presented this item. The following is the substance of the item being considered.

At the September 2018 BPU regular meeting, staff presented indicative pricing for a solar PV Power Purchase Agreement (PPA) at the landfill site, which came in at \$.06/kWh. BPU directed staff to proceed with issuing a request for proposals, which was issued in the second quarter of 2019. The evaluation committee selected PNE and Positive Energy doing business as Los Alamos Solar II, LLC. Based on the evaluation criteria, all offerors were qualified with cost being the deciding factor. The selected offeror proposed a price of \$.0585/kWh. Over the 25-year term, the 1.32MW PV system's average annual production is estimated at 2,250,000 kWh (2,250 MWh), which is approximately 0.4% of the County's annual load. In September 2010, Mod 17 to the Electric Coordination Agreement was executed authorizing renewable energy produced at the landfill site as an approved resource. On June 17, 2019 the Operating Committee was presented with the Solar PV PPA pricing and provided concurrence to proceed with this project as an approved resource. Even though the pricing is higher than other potential opportunities, staff believes this PPA as presented is an acceptable option for Board consideration.

The Board discussed this item and requested clarification where necessary.

Ms. Taylor moved that the Board of Public Utilities approve Agreement No. AGR19-43 with Los Alamos Solar II, LLC for the purpose of a Power Purchase Agreement to deliver photovoltaic generated electricity to the County, and forward to Council for approval. The motion failed by the following vote:

Yes: 2 - Board Member Walker and Board Member Taylor

Abstain: 1 - Board Member Tobin

No: 2 - Board Member Johnson and Board Member McLin

8. STATUS REPORTS

8.A [12207-19](#)

Status Reports

Presenters: Board of Public Utilities

FINAL - APPROVED

Board of Public Utilities

Minutes

August 22, 2019

The following informational status reports were provided to the Board in the agenda packet:

- 1) Electric Reliability Update
- 2) Accounts Receivables Report
- 3) Safety Report

9. PUBLIC COMMENT

Ms. Walker opened the floor for public comment on any items. There were no comments.

10. ADJOURNMENT

The meeting adjourned at 8:16 p.m.

APPROVAL

Carrie Walker

Board of Public Utilities Chair Name

Chris Wahn

Board of Public Utilities Chair Signature

September 18, 2019

Date Approved by the Board

FINAL - APPROVED

**ATTACHMENT
OFFICER REPORTS
SUBMITTED AT THE MEETING**

ATTACHMENT
OFFICER REPORTS
SUBMITTED AT THE MEETING

FINAL - APPROVED

Utility Manager's Report August 22, 2019

1. Attended the annual UAMPS conference August 19-20 and UAMPS board meeting on August 21st in Jackson, WY regarding the Carbon Free Power Project (CFPP). The Joint Use Modular Plant (JUMP) resolution was finalized and voted on at this meeting. Los Alamos County JUMP allocation increased to 3.186 MW from 2.974 MW. This slight increase was due to one member not electing to accept their JUMP allocation which was then reallocated proportionally back to the remaining participating members. As a result of this action, LAC entitlement share increased to 5.2516% from 5.2288%.
2. Received a draft of the water sales agreement from NNSA and provided comments back to NNSA. We anticipate a finalized copy next week to present to BPU in September. The agreement is called a bridge contract and it essentially has the same terms as the existing agreement. The existing agreement expires on September 30, 2019.
3. Met with the consultant, who helped DPU prepare the Zia application, regarding assisting DPU with Strategic Planning and negotiated a scope of work. The BPU Strategic Planning meeting is scheduled for October 2nd and DPU's Staff is scheduled for October 10th.
4. Met with Customer Care staff and implemented one of staff's ideas to have a payment terminal at one of the 311 counters for customers to use. Today our first customer used this terminal.
5. Reviewed numerous job descriptions with staff in preparation of the next salary survey.
6. Attended an AMI project meeting and identified the need for an on-call electrician need should the customer's meter housing not be suitable to receive a new electric meter. Staff is in the process of procuring these on-call vendors for this task.
7. Held several meetings with the selected vendor on the agreement for the second megawatt of solar PV at the landfill that will be for BPU's consideration.
8. Staff held an interview to Public Power Magazine on DPU's Goal to be a Carbon Neutral Electric provider by 2040, in response to questions of electrification.
9. DPU is pursuing cancelling the SEW smart mobile app since it is not functioning. Staff is in the process of looking at other product to replace this it for customers to manage utility accounts online.
10. Staff is ready to reinstitute the Budget Billing program for customers sometime in September.
11. DPU will be submitting a Notice of Intent to apply for Water Trust Board funding from the 2020 legislature. The notice of intent is due August 23, 2019 and the application is due on October 3, 2019. The project request will be for new effluent water storage tank at the Bayo Booster station near the wastewater plant.

FINAL - APPROVED

12. Milestones on the NM 502 project that will be achieved by the end of August; completion of the new 14" water transmission line, completion of the 8" high pressure, 6" medium pressure gas lines, and completion of the new 10" sewer crossing Trinity in the vicinity of DP Road. A significant amount of work remains, but the project is on schedule to complete the utility work prior to a winter suspension.
13. NMED has signed the agreement for the design of the new White Rock wastewater treatment plant. Survey and geotechnical investigations will begin next week and a formal kick-off meeting will take place the first week of September.
14. The FEMA grant for the stabilization of the Los Alamos Reservoir road has reached a major milestone this week. The environmental documents have been finalized and the 30-day public comment period is in progress per the requirements of the National Environmental Policy Act (NEPA). If there are no objections received in the public comments, work will begin on awarding the construction funds for the project. (Estimated at approximately \$1.5 million).
15. The patching of Quartz Street electric line replacements will be completed this week.

BOARD OF PUBLIC UTILITIES ADDITIONAL MEETING DOCUMENTS

Additional or revised information or documents are often passed out to the Board at the meetings.
 Whenever possible, this informational cover page will accompany those documents.

MAKE 20 COPIES OF ANY DOCUMENTS, INCLUDING THIS COVER SHEET, AND RETURN TO JAIME KEPHART PRIOR TO THE MEETING.

MEETING DATE	8/22/2019
AGENDA ITEM	4.G.2 Follow-up to Planning for Upcoming Board of Public Utilities Annual Boards & Commissions Presentation to Council on September 17 th
DOCUMENT TITLE(S)	Draft Presentation Prepared by Carrie Walker
FROM	Carrie Walker, BPU Chair
NEW OR REVISED? Is this a revision that is different from what was in the agenda packet, or is it something entirely new?	New
RECOMMENDED ACTION If you have a new or revised recommended motion for the Board, enter it here.	<u>N/A</u>
ADDITIONAL INFORMATION Please VERY BRIEFLY explain the purpose of this information or document.	The draft presentation was not available in time for agenda publication. Ms. Walker gave it to the Board at the meeting.

FINAL - APPROVED

Insert DPU/County Logo

2019 COUNCIL PRESENTATION

Board of Public Utilities

Carrie Walker, Chair

September 17, 2019



BOARD MEMBERS

<u>MEMBER</u>	<u>POSITION</u>	<u>TERM ENDS</u>
Steve Tobin (1)	Member	2024
Jeff Johnson (2)	Vice-chair	2020
Kathleen Taylor (3)	Member	2021
Carrie Walker (4)	Chair	2022
Steve McLin (5)	Member	2023

NEW UTILITIES MANAGER

In February 2019, Utilities Manager Timothy Glasco submitted a notice of retirement. Mr. Glasco served the County for nearly 25 years in the Department of Public Utilities, 5 of those as the Utilities Manager.

PIC OF PHILO

After a nation-wide recruitment and interviews conducted by multiple panels of staff, the Board and Council, the County Public Works Director, Philo S. Shelton, III, was selected. Mr. Shelton began as the Utilities Manager on July 8th.

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SAFETY EMPLOYEE OF THE QUARTER

The Safety Employee of the Quarter program was developed by the DPU Safety Committee in 2014. The intent is to reward those who most clearly and effectively demonstrate DPU's safety culture vision.

Pics here

FY18 Q4
Adam Cooper
Electric Production

FY19 Q1
Victor Tanuz
Water Production

FY19 Q2
Joel Martinez
Water Production

FY19 Q3
Dennis Segura
Engineering

Tyler Munis Enterprise Resource Planning



The County's go-live date was July 1st, 2018. The implementation of this new system has impacted processes throughout DPU, including those related to

- Financial systems and reporting
- Contract management
- Customer accounts
- Utility billing and integration with the customer app
- Consumption reporting
- Payroll and labor capture

Employees have worked hard to adapt to and refine processes using the new system. They continue to strive to find solutions to issues impacting DPU's efficiency and customer satisfaction.

The County has planned a Munis upgrade for October 2019. Testing will begin at that time with go-live scheduled for January 1st, 2020.

Advanced Metering Infrastructure

FINAL - APPROVED

In August 2018, the BPU approved an agreement with Ferguson Incorporated for system-wide deployment of AMI. Council approved execution of the agreement in March 2019.



Opt-Out

In February 2019, the Board adopted Rule GR-16, which allows customers to opt-out without any additional fees. For customers who opt-out, smart meter wireless transmission capabilities will be deactivated. **Customers can opt-out via an online form or by contacting Customer Care.**

Smart meter installations were originally scheduled to begin around September of 2019. However, coordinating meter installations with the upcoming Munis upgrade in October may require a revision to the original schedule. Once installations begin, it could take up to 18 months to have the entire county upgraded to the new AMI.

FINAL - APPROVED Otowi #2 Water Supply Well

The drilling of Otowi Well #2 began on January 16, 2018. The operation was originally scheduled to take 60 days to complete the drilling and install the screen and casing; however, the driller encountered fissured basalt layers, which delayed progress and increased the contract amount from approximately \$2.6 million to \$4.2 million.

Drilling and testing was completed in May. Remaining work includes a variety of punch list items and completion of the final engineering report. **The unofficial test results estimate the yield from the well to be above 1,000 gallons per minute. This will be one of the top producing wells in the water production system.**

Once the final engineering report is received, an RFP will be issued for engineering services to design the well house and equip the well. It is anticipated that the well will be online by the summer of 2020.

Renewal of the DOE Water Contract

FINAL APPROVED

With the lease of the water production system in 1998, the County entered into a contract with the Department of Energy (DOE) to provide water to Los Alamos National Laboratory. The contract includes provisions for access to County water facilities on DOE property, deals with security issues and provides for various environmental and other issues specific to working with LANL.

The period of the current contract is from October 1st, 2009 to September 30, 2019.

UPDATE THIS SECTION IN AUGUST PRIOR TO THE COUNCIL PRESENTATION IN SEPTEMBER

Management Audit & QNM Zia Application

FINAL - APPROVED

Every 5 years, the Board is required by Charter to employ a qualified consultant to review, comment, and make recommendations as to the operation and condition of the County Utilities.

Additionally, the Department has a Board approved strategic objective to develop a culture of continuous improvement. As one way to achieve this, the management team defined a shorter-term initiative to **attain Malcolm Baldrige level recognition for performance excellence by 2025.**



The first step in attaining Baldrige recognition is to receive the highest level of state recognition, which is the Quality New Mexico Zia Award. Since 2008, the Department has received two Roadrunner awards, just one step below the Zia. A consultant was hired to assist with preparing a Zia application, and it was submitted to QNM in July.

The next step is for Quality New Mexico to conduct a site visit to verify the quality of operations as submitted in the application and provide a feedback report that will highlight strengths and opportunities for improvement in seven different comprehensive areas of performance. **This site visit and subsequent feedback report will serve to fulfill the management audit requirement.**

Stabilizing Utilities Through Financial Policies

The Board adopted formal policies for financial targets in August of 2016. The purpose was to ensure adequate cash is available for effective and efficient operations of all County-owned utilities. For budgeting, rate-setting and operational planning purposes, the Department adheres to the policy in regards to cash reserves.

At this time, the Department has sufficient reserves to meet minimum requirements overall.

In June 2019, staff presented a financial plan update to assess progress toward financial goals and assist the Board in determining if revisions of the guidelines or targets was prudent at that time. Staff will return to the Board at a later date to discuss options for the excess gas cash balance, strategies for funding future water system projects through reserve funds or bonds, and to discuss possible changes to clarify some of the language in the Financial policies.

Quarterly Utility System Updates

FINAL - APPROVED

In 2017, the Board requested and began receiving updates on a separate utility system each quarter. These reports typically focus on the condition of the utility, capital improvement progress and planning, performance measures, operations and maintenance needs, financial health, budget concerns and any other major issues the Board needs to be aware of.

These assessments, along with the financial policies, provide a strong framework for informed decision-making throughout the year.

The recent presentations from October 2018 to August 2019 can be viewed online.

- 10/18/2018 – Gas
- 1/16/2019 – Water
- 4/17/2019 – Wastewater
- 7/17/2019 – Electric Production
- 8/22/2019 – Electric Distribution

The next quarterly update will be held in October on the Gas Utility.

Rate Adjustments

FINAL - APPROVED

From February to April 2019, the Board and Council considered and approved a rate adjustment for the potable and non-potable water rates.

The adjustment was in accordance with the long-range financial sustainability plan for the water utility and had been under discussion for the previous two years. The ten-year forecast for the water utility presented with the FY2019/20 budget included a series of incremental rate increases to generate revenues needed for current operations and to build cash reserves necessary for future infrastructure needs. A 6.25% increase in both retail and wholesale sales was proposed, plus an increase from \$2.50 to \$2.66 per 1000 gallons for non-potable water sales.

This and future proposed rate actions should establish a cash flow that covers operations and maintenance, with a modest amount of annual capital replacement spending. In the water utility overall, this plan will also provide for movement toward the Department's long-term cash reserve goals.

Initiatives for Future Energy Resources

Board Adopted Strategic Objective

Be a carbon neutral electric energy provider by 2040.

The Future Energy Resources (FER) Committee (an ad hoc citizen committee) prepared a July 2015 report to recommend future energy generation resources for Los Alamos County. The Board adopted most of the recommendations.

Detailed updates on progress towards these recommendations and a timeline is available every quarter in the Department's Quarterly Performance Reports. These are sent to Council and are also available on the Department's online Reports & Documents Library.

FY19/20 EFFORTS INCLUDE:

- Model the Electric Distribution Grid
- Unbundling Electric Rates
- Carbon Free Power Project
 - Subscription @ 124 MW of 600 MW plant capacity
 - JUMP Resolution
- Utility Scale Solar Project Research
- Community Solar Garden Options
- EV Charging Station
- Advanced Metering Infrastructure
- Post 2025 Electric Coordination Agreement
- Hydro Pumped Storage Research

Major Focus Areas for FY20

FINAL - APPROVED

- Engineering Design of the White Rock Waste Water Treatment Facility
- NM 502 Reconstruction Project
- Continue DOE Water Contract Renewal Negotiations
- Electric Coordination Agreement Negotiations for Post 2025
- Carbon Free Power Project Decision Point
- 2nd MW of Photovoltaic at the Landfill
- Continued Research Into Utility Scale Solar Projects and Community Solar Gardens
- Implementation of Advanced Metering Infrastructure & Public Education
- Upgrade of Tyler Munis & Subsequent Challenges
- Customer Account Mobile App
- Quality New Mexico Site Visit & Feedback Report
- Biennial Customer Service Survey
- Rate Adjustments – Sewer, Water, Unbundling of Electric Rates
- International Brotherhood of Electrical Workers (IBEW) Collective Bargaining Agreement Expiration May 2020

FY2020 BUDGETED CIP

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ELECTRIC PRODUCTION	265,000
Update Energy & Water Conservation Plan	25,000
Electric SCADA Upgrades (Modems, Switches & RTUS)	100,000
Abiquiu Jib Crane	140,000
ELECTRIC DISTRIBUTION	1,400,000
Los Alamos URD Replacement (cables, jboxes, pedestals)	100,000
White Rock URD Replacement (cables, jboxes, pedestals)	100,000
Overhead System Replacement (poles, xarms, transformers)	200,000
Townsite Circuit 15, 3 PHASE	
White Rock Circuit 1, 3PHASE	
Los Alamos Substation LASS	850,000
Electric Vehicle Charging Stations	150,000
GAS DISTRIBUTION	25,000
Update Energy & Water Conservation Plan	25,000
WATER DISTRIBUTION	0
WATER PRODUCTION	1,655,000
Update Energy & Water Conservation Plan	25,000
NM 4 & Tsankawi Chlorination Building and Pipe Replacement	750,000
Replace Overlook Park Booster Station (NP-WTB)	880,000
WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL	0
SEWER COLLECTION	0
WASTEWATER TREATMENT	0

**In addition
to CIP
projects
deferred in
or carried
over from
FY19**

Board of Public Utilities

bpu@lacnm.us

Philo Shelton, Utilities Manager

philo.Shelton@lacnm.us

662-8148

Supplemental Materials

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FINAL - APPROVED

[illegible]

FINAL - APPROVED

[illegible]

Critical Infrastructure Protection

FINAL - APPROVED

In July of 2016, new cyber security regulations, North American Electric Reliability Corporation Critical Infrastructure Protection Version 5 (CIP-5), were implemented that apply to the operators of electric transmission lines. The Los Alamos Power Pool comprised of DOE/LANL and Los Alamos County share responsibilities in operating "pool assets".

The Department contracted with Intellibind Technologies to provide CIP-5 comprehensive patch management services with the intention to transfer the electric Supervisory Controls and Data Acquisition (SCADA) system to LANL by January 2019. However, the scheduled has moved out by two years, and LANL will not be ready to take over the system until 2021.

In May 2019, the Board and Council approved an extension of both the term and compensation for Intellibind to account for the delay and to provide additional compliance and audit related services that were previously performed by a SCADA Technician who resigned.

This action ensures that the Department maintains a subject matter expert to advise on and assist with very important compliance and regulatory issues related to protecting our utility control systems.