



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*  
*Randall Ryti, Council Liaison*

---

Wednesday, January 15, 2020

5:30 PM

1000 Central Avenue  
Council Chambers

---

**REGULAR SESSION**

**1. CALL TO ORDER**

The regular meeting of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, January 15th at 5:30 p.m. at 1000 Central Ave., Council Chambers. Board Chair Carrie Walker called the meeting to order at 5:31 p.m.

**Present 6 - Board Member Walker, Board Member Johnson, Board Member Tobin, Board Member Taylor, Board Member Shelton and Board Member Burgess**

**Absent 1 - Board Member McLin**

**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) Councilor Pete Sheehey - Although he is no longer the Council Liaison to the Board, Councilor Sheehey looks forward to continuing the relationship of cooperation and communication established between Council and the Board in the previous years. He will continue to serve on the Council/Board subcommittee and may come to future meetings to give public comment. Councilor Sheehey also spoke about the Council's recent consideration of the Board's recommendation to eliminate the 5% profit transfer calculation. Mr. Sheehey discussed Council's revised recommendations that will be formalized and considered again by Council at their January 28th and February 25th meetings. Councilor Sheehey expressed his support for using the profit transfer money to specifically fund utility needs. Councilor Sheehey also expressed his strong support for the Purchase Power Agreement with Uniper to be considered later in the meeting.

**3. APPROVAL OF AGENDA**

\*\*\*\*\*

**Ms. Taylor moved that the agenda be approved as presented. The motion passed by the following vote:**

\*\*\*\*\*

**Yes: 4 - Board Member Walker, Board Member Johnson, Board Member Tobin and Board Member Taylor**

**Absent:** 1 - Board Member McLin

**4. BOARD BUSINESS**

**4.A. Chair's Report**

Ms. Walker had nothing to report.

**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. Johnson asked Mr. Shelton if the contaminated soil issue in his report was the same issue that would be discussed later during the quarterly update on the water system. Mr. Shelton responded that it was the same issue, it has been ongoing for months and he is expecting to have a response to the cleanup proposal by the end of the week from the New Mexico Environmental Department. He reported that this contamination issue was not very extensive.

**4.C. [12681-20](#) Department of Public Utilities Quarterly Report**

**Presenters:** Philo Shelton

The Board requested that the quarterly report be presented each quarter with salient features explained. Mr. Shelton provided the report as part of the Utilities Manager's Report. There is now a sustainability section added to this report to be consistent with DPU's strategic goals and objectives.

**4.D. County Manager's Report**

Mr. Burgess reported on the following items:

1) Mr. Burgess reported that the State Legislature begins on Tuesday. The legislative dinner scheduled for Friday evening is where County representatives will solicit legislator support for Council priorities.

2) Mr. Burgess reported that the Environmental Protection Agency (EPA) has determined that the County should be subject to a stormwater permit. The County was first notified in 2014, discussions were held with the EPA at that time, then there was no additional contact from them in the last four to five years. Council has determined that it is appropriate to challenge the determination. There are various legal issues associated with the determination. A press release was issued yesterday. Mr. Burgess pointed out that the County and the Board have been very considerate of environmental issues. The County's challenge of the determination is not about not wanting to clean up the environment, it is more about unfairly putting the burden of legacy waste cleanup on the citizens of Los Alamos. He noted that White Rock wasn't even part of this designation. This concern has been expressed to EPA in Washington, DC before, but with changes in administration and changes in the New Mexico Environment Department, the County is now subject to this process. The County Attorney's office is working on this issue along with Mr. Shelton and the Public Works Director, Anne Laurent. The County has concerns about the costs of paperwork, monitoring outflows and other administrative duties

associated with this designation. He anticipates that it will shine a light on all County and Utilities operations, specifically those facilities in the wetlands in Pueblo Canyon. He believes it would bode well for the County for the EPA to look at those structures, as well as some other County operations and facilities, but they need to get all parties involved in the discussion. Mr. Burgess doesn't know what the timeframe for this will be, but he will continue to update the Board.

#### **4.E. Council Liaison's Report**

Mr. Ryti reported on the following items:

1) Mr. Ryti thanked Councilor Sheehey for his prior service as the Council Liaison.

2) Mr. Ryti discussed Council's consideration of the profit transfer during their January 7th meeting. This topic dates back several months with the Board/Council subcommittee working on the language and approach. On January 7th, Council had a work session discussion and no vote was taken. It was intended to gauge Council interest on different options. Council consensus was to keep the rate at 5% to calculate the amount of the transfer, which most Councilors felt was an appropriate number for now. The suggested changes also give Council the opportunity to allow those funds to stay in Utilities rather than moving them into the general fund and then having to transfer them back to Utilities. If passed, the changes would take effect immediately and could apply to the FY2019 funds already collected. Additionally, Council wished to include a three-year sunset clause so that there could be a definite reevaluation period, and the process would not continue indefinitely without further consideration. Council is scheduled for introduction of a revised ordinance at the January 28th meeting, with the public hearing scheduled for a meeting in late February. At their meeting, Council discussed the importance of providing funds for the backlog of needed utility infrastructure repairs and improvements and the need to have a formal mechanism for keeping the money in Utilities for that purpose. Mr. Ryti noted that the Charter lists five items of higher priority that must be taken care of before the profit transfer. Mr. Burgess added that a franchise fee change was also to be implemented at some future date when rates change. County staff felt that the 2% franchise fee was much lower than comparable utilities, which is inconsistent with the Charter requirement to collect an adequate franchise fee. It was recommended that the franchise fee be increased to 3% whenever the gas and electric rates could be revised.

Ms. Taylor asked if using profit transfer money collected from the gas and electric funds to fund other utility projects is inconsistent with the Charter requirement that all utilities be self-sustaining. Mr. Ryti did not have details about how that would work and noted that some sort of transfer mechanism would have to be put in place. Mr. Ryti reported that Council had a strategic planning meeting where they discussed parallel road and utility improvements and that perhaps those could be accelerated if funds from the profit transfer could stay in Utilities. While the County is collecting gross receipts, it would be worthwhile to pay down overall burdens for deferred activities.

2) Mr. Ryti listed the items approved by Council at the December and January meeting including a couple of utility easement vacations, an agreement for a well house for Otowi Well #2 and a replacement motor for Otowi Well #4, an amendment to continue conservation outreach services with the Pajarito Environmental Education Center and approval of a Water Trust Board loan/grant agreement for the effluent booster station.

3) Mr. Ryti noted that the New Mexico Legislative Session is coming up. Changes in legislation being considered for the Public Employees Retirement Association retirement system are being monitored by Council.

4) Mr. Ryti reported that at the last meeting in December, Council considered a contract for services for a downtown plan and updates to the development code and environment or "nuisance" code. Council is looking at making some changes and thought the Board might want to be aware of that, as it may relate to utility infrastructure in some cases.

Mr. Burgess left the meeting at 6:02 p.m.

**4.F. Environmental Sustainability Board Liaison's Report**

Ms. Susan Barns provided a written report, which is included in the minutes as an attachment.

**4.G. General Board Business**

**4.G.1 [12409-19](#) Election of Board of Public Utilities Chair and Vice-chair for 2020**

**Presenters:** Carrie Walker

The Board of Public Utilities shall annually elect its chair and such officers as it desires from among its members. The election shall occur at the regular meeting in January of each year. (LAC Ordinance Sec. 40-41. Board of public utilities - Organization)

**ELECTION OF BOARD CHAIR:**

Mr. Johnson nominated Ms. Taylor.

After a roll call vote, Ms. Taylor was appointed Board Chair.

\*\*\*\*\*

**Ms. Taylor: 4 - Member Taylor, Member Tobin, Member Johnson, Member Walker**

**Absent - Member McLin**

\*\*\*\*\*

**ELECTION OF BOARD VICE-CHAIR:**

Ms. Taylor nominated Ms. Walker.

After a roll call vote, Ms. Walker was appointed Board Vice-chair.

\*\*\*\*\*

**Ms. Walker: 4 - Member Taylor, Member Tobin, Member Johnson, Member Walker**

**Absent - Member McLin**

\*\*\*\*\*

**4.G.2 [12673-20](#) Appointment of Board Member to Audit Committee for 2020**

**Presenters:** Carrie Walker

The Board opted to appoint a member at the regular February meeting when all members will be present.

**4.G.3 [12678-20](#) Schedule and Selection of Members to Attend Boards & Commissions Luncheons for 2020**

**Presenters:** Carrie Walker

Regular County Boards & Commissions luncheons are scheduled to give these groups an opportunity to work with one another and with Council representatives. Only one representative from each board or commission is asked to attend.

Board members volunteered for the following dates:

Thursday, January 16 - Mr. Tobin  
Thursday, March 19 - Mr. Johnson  
Thursday, May 14 - Ms. Walker  
Thursday, September 24 - Mr. Tobin  
Thursday, November 19 - Ms. Taylor  
Thursday, January 14, 2021 - Mr. McLin

**4.G.4**     [12674-20](#)

**Affirmation of the Incorporated County of Los Alamos Open Meetings Resolution No. 20-01**

**Presenters:**     Carrie Walker

At the first County Council meeting of a new calendar year, Council passes an Open Meetings Resolution that establishes minimum standards of reasonable notice to the public for all meetings of County boards, commissions, and policy making bodies. After the resolution is passed, the Board of Public Utilities reviews the resolution at the next regularly scheduled meeting and affirms the standards, as per Section 2.12.C of the Board's Procedures Manual.

\*\*\*\*\*

**Mr. Johnson moved that the Board of Public Utilities affirm Incorporated County of Los Alamos Resolution No. 20-01; A Resolution Establishing Minimum Standards of Reasonable Notice to the Public for All Meetings of the Council, the County Indigent Hospital and County Health Care Board and of all County Boards, Commissions and Policymaking Bodies. The motion passed by the following vote:**

\*\*\*\*\*

**Yes:    4 -    Board Member Walker, Board Member Johnson, Board Member Tobin and Board Member Taylor**

**Absent:   1 -    Board Member McLin**

**4.G.5**     [12680-20](#)

**Approval of Board of Public Utilities Meeting Calendar for 2020**

**Presenters:**     Carrie Walker

In accordance with Incorporated County of Los Alamos Resolution No. 20-01 regarding the Open Meetings, notice of regular meetings of all county boards, commissions and policymaking bodies shall be given ten days in advance of the meeting date. Each County board, commission and policymaking body may adopt a schedule of its regular meetings for the present calendar year or the balance thereof.

\*\*\*\*\*

**Mr. Tobin moved that the Board of Public Utilities approve the proposed Board meeting calendar for 2020. The motion passed by the following vote:**

\*\*\*\*\*

**Yes:    4 -    Board Member Walker, Board Member Johnson, Board Member Tobin and Board Member Taylor**

**Absent:   1 -    Board Member McLin**

4.G.6     [12675-20](#)     Approval of Meeting Agenda Outline for 2020

**Presenters:**     Carrie Walker

Section 3.3 of the Board of Public Utilities Procedures Manual outlines an annual calendar of BPU activities. Annually at the January meeting, the Board is to review and approve the standard meeting agenda outline in section 3.4 of the manual.

\*\*\*\*\*

**Mr. Johnson moved that the Board of Public Utilities approve the meeting agenda outline for 2020 as presented. The motion passed by the following vote:**

\*\*\*\*\*

4.G.7     [12679-20](#)     Complete and Approve 2019 Board of Public Utilities Annual Self-evaluation

**Presenters:**     Carrie Walker

The Board conducted its annual self-evaluation at a special meeting on December 6th, 2019. Each item was scored and comments or possible actions noted. Ms. Walker finalized the evaluation and presented it to the Board for final approval at this meeting.

\*\*\*\*\*

**Ms. Taylor moved that the Board of Public Utilities approve the 2019 Self-evaluation as presented. The motion passed by the following vote:**

\*\*\*\*\*

**Yes:    4 -    Board Member Walker, Board Member Johnson, Board Member Tobin and Board Member Taylor**

**Absent:   1 -    Board Member McLin**

4.G.8     [12632-19](#)     Quarterly Update on Utility System - Water System

**Presenters:**     Jack Richardson

Deputy Utilities Manager for Gas, Water and Sewer Mr. Jack Richardson 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. Richardson presented an update on the Water system.

The Board discussed this item and requested clarification where necessary.

4.H.     **Approval of Board Expenses**

There were no expenses.

4.I.     **Preview of Upcoming Agenda Items**

4.I.1     [12685-20](#)     Tickler File for the Next 3 Months

**Presenters:**     Board of Public Utilities

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) 02/19/2020 - Appointment of Board Member to Audit Committee for 2020. (Ms. Taylor)

**5. PUBLIC HEARING(S)**

There were no public hearings scheduled for this meeting.

**6. CONSENT AGENDA**

\*\*\*\*\*

**Mr. Johnson 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: 4 - Board Member Walker, Board Member Johnson, Board Member Tobin and Board Member Taylor**

**Absent: 1 - Board Member McLin**

**6.A [12684-20](#) 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 December 6th, 2019 and December 18th, 2019 as presented**

**6.B [12676-20](#) Approval of Modifications to the Board of Public Utilities Procedural Rules**

**Presenters:** Kevin Powers

**I move that the Board of Public Utilities approve modifications to the Board of Public Utilities Procedural Rules as presented.**

**7. BUSINESS**

**7.A [12475-19](#) Approval of a Power and Renewable Energy Credit Sales Agreement, County Agreement No. AGR20-926 between Uniper Global Commodities North America, LLC and the Incorporated County of Los Alamos, New Mexico.**

**Presenters:** Steve Cummins

Power Systems Supervisor Mr. Jordan Garcia presented this item. Deputy Utility Manager for Power Supply Mr. Steve Cummins also introduced Damian Irizarry, Uniper Director, West Origination. The following is the substance of the item being considered.

The Department of Public Utilities (DPU) has been working to achieve the Board's 2040 carbon neutrality strategic goal. Many paths have been explored for renewable energy projects here in New Mexico, whereby DPU could participate and enjoy the economies of scale that come with the very large wind and solar projects. Due to the past and continuing efforts of staff, an exciting new opportunity has been developed with Uniper Global Commodities ("Uniper") to participate in a Power Purchase Agreement (PPA) for combined wind and solar projects in New Mexico that can provide 15MW of low-cost energy, 3/4 of which would be renewable. Additional value is added by the firm, Around-The-Clock (ATC) nature of the power, which is very unusual for PPA's of this small

scale and cost. This contract will supply 131,400 MWh of energy on an annual basis, of which approximately 103,000 MWh is renewable. The cost of this PPA is in alignment with the budget for market purchases for the next two years and lower than what was forecast for years 3 through 15, resulting in a savings. There is little impact to staff since Uniper is responsible for delivering firm power. In the few occasions where LAC Power Operations is required to step in and replace the power, Uniper will reimburse the County for the actual cost of replacement power.

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) Ms. Susan Barns, no address given - Ms. Barns spoke in support of the agreement and thanked the staff. Ms. Barns spoke about Tristate's closure of their coal-fired generation and mines in Colorado in the near term. She hopes that the Board will consider more of these opportunities in the future as coal-fired generation resources continue to go away.
- 2) Ms. Katie Leonard, 3092 Woodland Road - Ms. Leonard spoke in support of the agreement and thanked the staff. Ms. Leonard attended high school in Los Alamos and returned to town as an adult. She hopes to be here in the future and would like to see that this Board was the one to initiate the change to a more sustainable future.
- 3) Mr. Galen Gisler, 4730 Sandia Drive - Mr. Gisler spoke in support of the agreement. However, he felt the wind and solar generation profile that was presented to the Board was unrealistic and was more of an ideal plot rather than an average or typical plot. He was hoping to hear more about other ways of mediating gaps other than through gas or fossil fuels. In particular, he would like to see Uniper focus attention on battery storage or DC high voltage transmission.

\*\*\*\*\*

**Ms. Taylor moved that the Board of Public Utilities approve AGR20-936, a Power and Renewable Energy Credit Sales Agreement, between Uniper Global Commodities North America, LLC and the Incorporated County of Los Alamos and forward to Council with a recommendation for approval. The motion passed by the following vote:**

\*\*\*\*\*

**Yes: 4 - Board Member Walker, Board Member Johnson, Board Member Tobin and Board Member Taylor**

**Absent: 1 - Board Member McLin**

**7.B      [12677-20](#)**

Approval of Modification 21 to the Electric Energy and Power Coordination Agreement (ECA) Between the Incorporated County of Los Alamos and the United States Department of Energy (DOE).

**Presenters:**      Bob Westervelt

Deputy Utility Manager of Finance and Administration Mr. Bob Westervelt presented this item. The following is the substance of the item being considered.

The Power Pool was established through the Electric Energy and Power Coordination Agreement (ECA) between Los Alamos County and The Department of Energy in 1985.



# FINAL - APPROVED

Through the contract, both parties contribute the power from and costs of each of the respective "Pool Approved Resources" into the Pool, and those costs are then allocated back to the parties pro rata according to each party's usage. Historically the County has contributed approximately 75% of the resources, while the Lab has accounted for approximately 80% of the load. Los Alamos is considering entering into a purchased power agreement with Uniper Global Commodities for 15 MW Firm Power (agenda item 7.A). This project was initially discussed with the Operating Committee at the October 30, 2019 Operating Committee meeting, and the proposed MOD21 to the Electric Coordination Agreement recognizing the project as a Pool Approved Resource was approved by the Operating Committee on January 7, 2020 and requires Board and Council approval.

The Board discussed this item and requested clarification where necessary.

1) Mr. Johnson requested that staff give a future presentation and the Board have a discussion about continuation of the ECA.

\*\*\*\*\*

**Mr. Tobin moved that the Board of Public Utilities approve this Modification 21 to the Electric Coordination Agreement as revised and forward to Council with a recommendation for approval. The motion passed by the following vote:**

\*\*\*\*\*

**Yes: 4 - Board Member Walker, Board Member Johnson, Board Member Tobin and Board Member Taylor**

**Absent: 1 - Board Member McLin**

## 8. STATUS REPORTS

### 8.A 12683-20 Status Reports

Presenters: Board of Public Utilities

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

- 1) Accounts Receivables Report
- 2) 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 7:51 p.m.

*Kathleen Taylor*  
\*\*\*\*\*

APPROVAL

*Kathleen Taylor*

Board of Public Utilities Chair Name

Board of Public Utilities Chair Signature

# FINAL - APPROVED

Board of Public Utilities

Minutes

January 15, 2020

---

February 19, 2020  
Date Approved by the Board

ATTACHMENT  
OFFICER REPORTS  
SUBMITTED AT THE MEETING

## FINAL - APPROVED

### **Utility Manager's Report January 15, 2020**

1. At yesterday's project management committee meeting, UAMPS Staff indicated that the appropriations of \$10 million is now in place. Next, it is a matter of working through the contracting process with DOE for the JUMP module project participation. The design certification is progressing ahead of the January 2021 schedule, and may be completed as early as September 2020. Please consider attending the legislative rally sponsored by APPA to help gain bipartisan support for the CFPP.
2. Staff continues to work with NMED to cleanup an area of the soil containing the oil of approximately 1.2 cubic yards of soil located next to Otowi Well #4 at DP Los Alamos Canyons confluence. NMED has indicated there will be a response by end of this week. Met with NNSA and N3B on the required excavation permit and this permit is ready to issue subject to NMED agreeing with the project work limits for this clean up.
3. A follow up meeting was held with members of the ECA and PNM regarding their allowable costs to be in the 2019 transmission formula rate annual update. These allowable costs assumptions will also carry forward in 2020 transmission formula rates.
4. Worked with Richard Virtue and staff in drafting a term sheet to supply to PNM regarding considerations with negotiations with Farmington and Enchant. PNM will assemble all the owner's and non-extender's concerns and will then prepare a unified response that will go to Farmington.
5. Continued to monitor the PRC hearing and interrogatories regarding the San Juan Generating Station decommissioning. Worked with Richard Virtue on Los Alamos' position regarding this hearing. Additional testimony will be heard other the next two weeks from January 22 until the 29<sup>th</sup>.
6. Held the 245<sup>th</sup> Operating Committee Meeting and received approval to include the Uniper Power Purchase agreement within the power pool.
7. Held meetings and reviewed the White Rock Water Resource Recovery Facility Improvements, Draft Design Analysis Report. The preliminary cost estimates are within the \$17 million project budget.
8. Attended the Council meeting and a follow up meeting on the proposed profit transfer proposal. After the Council meeting, the 5% profit transfer is proposed to remain in effect and these funds are proposed to be returned to DPU for repair and replacement type capital improvement projects instead of being transferred to the general fund. Also,

## FINAL - APPROVED

attended the Council's annual strategic planning meeting. There were discussions on succession planning, infrastructure, housing, and environmental sustainability topics.

9. Please note that the DPU quarterly report has a sustainability section to be in alignment with DPU's FY 2020 six strategic goals.
10. QNM provided a feedback report and has offered a follow up meeting with staff in the next two weeks. The report identified mostly different items on opportunities for improvements. The one item identified that was the same between the last feedback report and this feedback report is having a tracking system and follow up mechanism for customer service and complaint issues. After Staff's meeting with QNM, we will provide BPU the feedback report with a summary of what we learned from this process.
11. Based on the QNM feedback report, staff is exploring options for customer service software and looking to receive some formal presentations from these vendors over the next month in preparation for the budget.
12. Held Asset Management Governance Team Meeting to review operations and capital needs for the next two years. A draft of a CIP plan was produced and staff is in the process of refining this plan.
13. Prepared a proposed staffing plan with SMT that includes a plan for succession as meter readers are transitioned into new or difference job duties as AMI is implemented. This staffing plan is considering the housing and retail development boom over the next five years, transitioning existing staff to gain experience and certifications as a plan for succession, and restoring a conservation and work procedure specialist.
14. Three DPU employees completed the Los Alamos Leadership Academy. Congratulations to Jaime Kephart, Jack Richardson, and Steven Marez!

## FINAL - APPROVED

### **Environmental Sustainability Board (ESB) liaison report**

*Susan Barns, ESB Liaison      1/15/2020*

December ESB meeting activities included:

- Information on Compost Operator training taken by Environmental Services staff.
- End of year issues, including election of Board Chair and Vice-Chair, review of ESB Work Plans, and 2020 meeting schedule.
- The Board also discussed the BPU Water and Energy Conservation Plan stakeholder committee mentioned in the December meeting. Our Vice-Chair, Heather Ward, expressed interest in serving on the committee, if you think it appropriate. Either way, we look forward to hearing new ideas and plans for energy and water conservation for our County.

Tomorrow night's ESB meeting will include:

- Finalization of ESB Work Plans
- Presentation on the new Recycle Coach app and website tool. Recycle Coach provides real time notifications and reminders about trash, recycle and yard trimming collections. It also has a personalized calendar feature and a "What goes Where" search tool to help residents understand how to properly manage a specific trash or recyclable items.



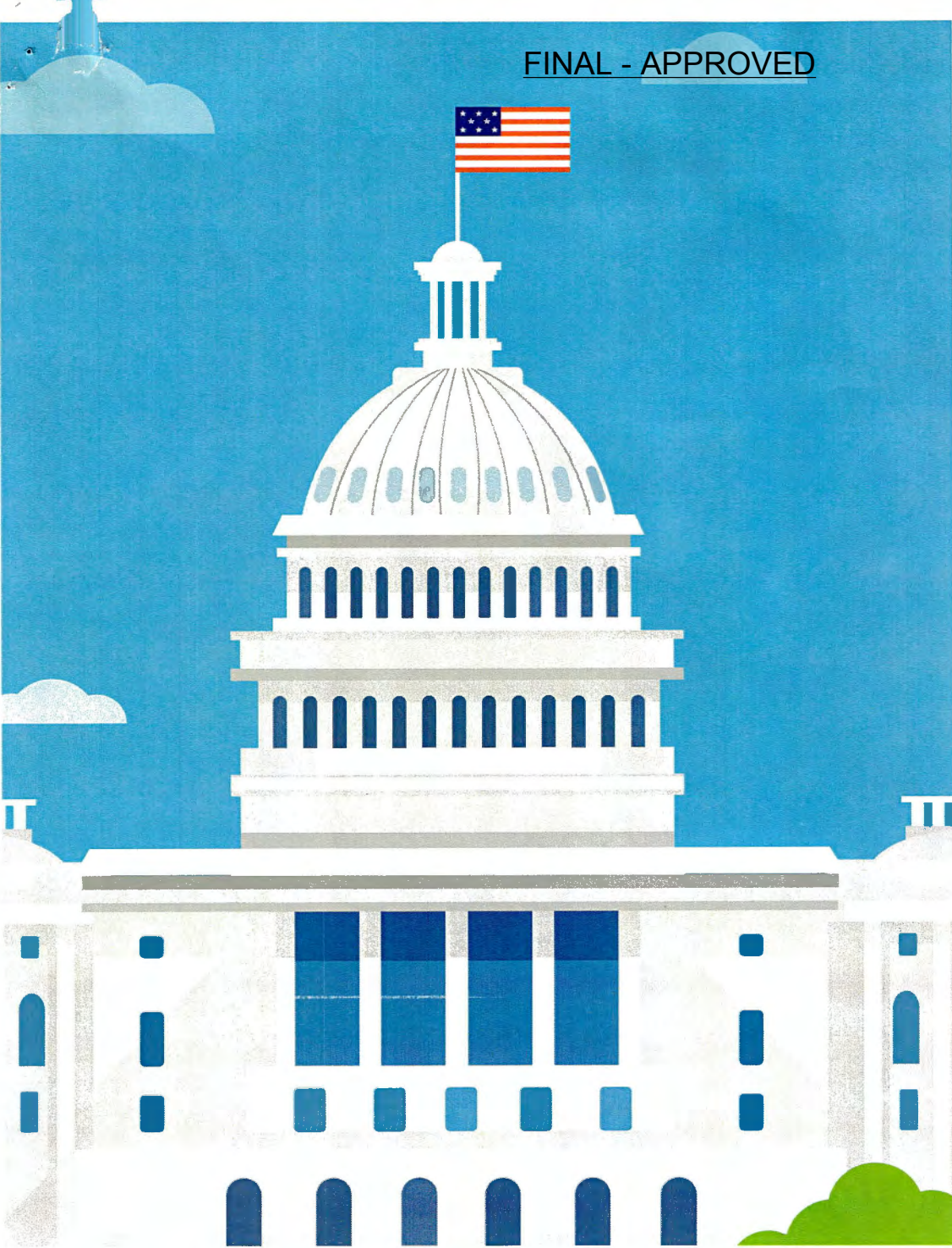
## BOARD OF PUBLIC UTILITIES ADDITIONAL MEETING DOCUMENTS

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	01/15/2020
AGENDA ITEM	4.C Utilities Manager's Report
DOCUMENT TITLE(S)	APPA 2020 Legislative Rally Information
FROM	Philo Shelton
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.	This document is informational only.

FINAL - APPROVED

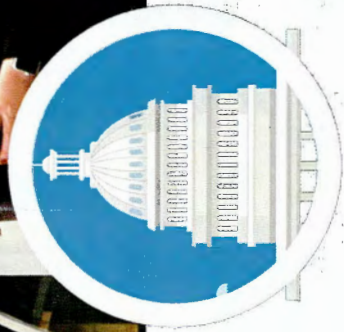


**AMERICAN  
PUBLIC  
POWER  
ASSOCIATION**  
Powering Strong Communities

# 2020 Legislative Rally

February 24 – 26 | Washington, D.C.





## Join the Legislative Rally



Influence those who decide your community's future



Learn more about the issues affecting public power at in-depth pre-Rally seminars



Get tools to help you advocate for public power with your elected representatives and Administration officials



Communicate public power's value and needs to Congress and the Administration during Hill visits



Network with and learn from public power peers

## The Rally

APPA provides the resources, connections, and collective power to help public power communities have an impact in Washington, D.C.

Key federal policy issues that will be discussed at the Rally include:

- o Public power's efforts to reduce its carbon dioxide emissions to address climate change;
- o Pushing for legislation that would provide public power utilities with comparable incentives to various energy-related tax credits they cannot take advantage of due to their tax-exempt status;
- o Maintaining and enhancing tax-exempt financing for public power utilities' electric infrastructure investments;
- o Protecting the ability of the Tennessee Valley Authority and Power Marketing Administrations to continue to fulfill their historic mission of providing affordable electricity to the nearly 50 million customers they jointly serve;
- o How public power and others in the electric sector are working closely with their federal government partners to protect the grid from a cyber or physical attack;
- o Preserving public power's exemption to regulate attachments to its poles at the local level;
- o Supporting legislation to promote energy storage technologies; and
- o Supporting policies that promote the electrification of vehicles and ensuring public power's ability to deploy charging infrastructure in their communities.

**FINAL APPROVED**

## Target Audience

Public power professionals, including public power staff and leaders.





FILED - APPROVED

"Congress needs to hear the voice of the public power community! This is your opportunity to influence policy makers who can make a difference. As a public power advocate, you are in the best position to talk to Congress about the direct impact of federal actions at the local level. Our coordinated outreach efforts are strengthened because you represent not just your own public power community, but 49 million Americans served by public power utilities."

**SUE KELLY**, PRESIDENT & CEO, AMERICAN PUBLIC POWER ASSOCIATION

"The APPA Legislative Rally is a great opportunity to promote policies before Congress and federal agencies that benefit public power utilities and their customers. It also allows you to educate policymakers on how federal policies impact your ability to provide affordable, reliable, and environmentally responsible electric service.

Meeting one-on-one with your legislators provides you the opportunity to visit with your congressional delegations and their staff to gain their support to preserve the public power business model and its unique advantages."



# Preliminary Program

## Monday, February 24

Public power advocates gather at the Mayflower Hotel for leadership meetings, pre-rally seminars, and the welcome reception.

## Tuesday, February 25

In the morning, the Legislative and Resolutions (L&R) Committee meets to review APPA's federal legislative agenda, followed by a discussion of new proposed policies, and then adoption of these policies. This is followed by the L&R Committee luncheon, with a keynote speaker who focuses on the issues of the day and political environment in our nation's capital. In the afternoon, attendees meet with their congressional delegations on Capitol Hill and attend policy briefings on specific issues hosted by APPA at the Mayflower Hotel. In the evening, PowerPAC contributors enjoy a reception to thank them for their involvement with APPA's political action committee.

## Wednesday, February 26

Public power advocates begin their morning attending the Legislative Rally breakfast, where APPA presents its Public Service Award to a member of Congress for his or her strong support of public power. Following the Legislative Rally breakfast, public power advocates travel to Capitol Hill for meetings with their congressional delegations.

## 2020 Legislative Rally Sponsor

**RALLY WELCOME RECEPTION**

## Highlights





# Highlights

## Meet Your Elected Representatives on Capitol Hill

As a public power expert, this is your opportunity to educate your senators and representatives and their staff on what is happening at your utility and in your community.

## Legislative & Resolutions Committee

Be a part of the discussion and help us decide APPA's policy positions on key issues that are important to public power. Hear from a keynote speaker at the luncheon about the state of play in Congress and at the White House.

## Legislative Rally Breakfast

This always-popular breakfast meeting is your chance to hear directly from a member of Congress or Senator who is being recognized as a public power champion.

## Pre-Rally Seminars

Join your industry colleagues to learn how to be an effective advocate and about the latest developments in policy affecting public power.

For more information on the pre-rally seminars, visit [www.PublicPower.org/LegislativeRally](http://www.PublicPower.org/LegislativeRally).

## 2020 Legislative Rally Sponsors

L&R COMMITTEE LUNCHEON SPONSOR

MOBILE APP SPONSOR



FINAL APPROVED

## More about the L&R Committee Luncheon\*

Reserve a table at the Tuesday luncheon and ensure that your attendee guests get the most value possible out of this annual event. Benefits of tables include:

- Preferential seating at the front of the banquet hall;
- Three additional tickets to the luncheon (individual tickets cost \$69.00)
- Signage and advance notice of table location to ensure that attendee invited guests are seated together; and
- Greater visibility for guests who may be trying to locate you.

### Cost

Member	\$350
Nonmember	\$700

Please note the number of tables you would like to reserve on the registration form and return it to APPA. Clay Bryan will confirm the details of

APPA maintains the right to cancel any APPA meeting or seminar if there are not enough registrants to open only to APPA regular members (public power utilities, joint agencies, and state/regional associations).

\*Counsel has advised that under the Senate ethics rules, only APPA members



# 2020 Pre-Rally Seminars

**8:30 a.m. – 12:00 p.m.**  
**MONDAY, FEBRUARY 24**

## Taking Your Advocacy Efforts to the Next Level: Best Practices in Lobbying

Get insight from a career lobbyist on engaging members and staff on a federal, state, and local level. Learn how to get your message across, who to target, and how to leverage public power's inherent assets to make an impact. Join fellow attendees for mock problem-solving exercises, breakouts for strategy development, and more.

### **Speakers:**

**Kathy Garcia**, Vice President, Government Relations, Regulatory Affairs & Public Policy, CPS Energy, San Antonio, Texas; and **Rob Talley**, President, Talley & Associates, Arlington, Virginia



## **AS COMMUNITY LEADERS, WE HAVE A STRONGER VOICE.**

"As members of municipal utility boards and Commissions, we stay close to our constituents and hear their concerns in our local grocery stores, coffee shops, churches, and places of business. Because of this close proximity to our customers, we can more easily represent their concerns to our senators and representatives, and our messages carry great force and efficacy with them. Our customers entrust us to bring affordable and

**8:30 a.m. – 12:00 p.m.**  
**MONDAY, FEBRUARY 24**

## Demystifying Distributed Energy Resources

Advances in distributed energy resources (DERs), such as distributed solar, electric vehicles, and energy storage, present opportunities and challenges for utility. Load management, cost recovery, and stakeholder interests loom large. Visualize the impacts of DER adoption on your utility's system to enhance planning and decision making in a rapidly evolving business environment.

### **Speakers:**

**Andy Reger** and **Scott Burnham**, NewGen Strategies & Solutions

**1:30 p.m. – 5:00 p.m.**  
**MONDAY, FEBRUARY 24**

## Pole Attachments 2.0: What's New and What Remains the Same

It's been nearly a year and a half since the Federal Communications Commission (FCC) adopted sweeping new pole attachment rules and regulations (the "one-touch-make-ready" rules for investor-owned utilities) and—for the first time—asserted authority over attachments to public power utility poles for wireless small cell facilities. During this time period, there have been legal appeals, rule-making issues, and further efforts by wireless and other communication providers at the FCC, before Congress, and in the states to regulate access to public power utility poles. This seminar will provide the necessary background on these issues and inform and update attendees on the status of, and future developments, including APPA's efforts to fend off these efforts, and will receive practical information on lessons learned in implementing and streamlining wireless attachment agreements.

### **Speakers:**

**Jim Baller**, President, Baller Stokes & Lide, Washington, D.C.; **Sean Stoke**, Principal, Baller Stokes & Lide, Washington, D.C.; and **Joanne Hovis**, President, CTC Technology & Energy, Kensington, Maryland

**FINAL - APPROVED**



# Registration and Hotel

Register at [www.PublicPower.org/LegislativeRally](http://www.PublicPower.org/LegislativeRally)

## Registration Fees

Member	\$400	<b>Pre-Rally Seminars</b>	
Nonmember	\$800	<b>Register on/Before January 31</b>	
		Member	\$350 (each)
		Non-Member	\$700 (each)
		<b>After January 31</b>	
		Member	\$400 (each)
		Non-Member	\$750 (each)

## Guest Registration

All guest registrations must be accompanied by a Legislative Rally attendee registration. Guests may not attend general sessions or concurrent sessions unless otherwise listed in the conference program. Guests of attendees are welcome to attend the Welcome Reception and L&R Committee Luncheon for a fee. Children 12 and under do not need to register.

### Welcome Reception

\$136  
Monday, February 24, 2020  
5:30 p.m. – 7:00 p.m.

### L&R Committee Luncheon

\$69  
Tuesday, February 25, 2020  
Noon – 1:30 p.m.

## Mayflower Hotel

### Hotel Accommodations/Reservations and Important Notice about Cancellations

The 2020 Legislative Rally will be held from February 24-26 at the Mayflower Hotel, 1127 Connecticut Ave NW, Washington, DC 20036. To ensure the APPA discounted room rate of \$325 per night (excluding D.C. taxes of 14.5 percent), please call the reservations center at 1-877-212-5752 or go online at <https://book.passkey.com/e/49989241> on November 1, 2019, when the APPA room block will be open to receive reservations. Please note that the room block



## Hotel Reservation & Cancellation Policy

### Very Important, Please Read

The cut-off date to receive the group rate (plus tax) at the Mayflower for the Legislative Rally is Friday, January 31, 2020. If rooms remain in the block after the cut-off date, the group rate will be honored. If not, you may be charged a higher rate. The room block will sell out before January 31, so early reservations are strongly encouraged. For individual reservations call 1-877-212-5752 and reference "American Public Power Association Legislative Rally" or make your reservation online at <https://book.passkey.com/e/49989241>.

The Mayflower should receive all reservations no later than January 31, 2020.

## More about the Mayflower Hotel

The Mayflower Hotel has been in Washington, D.C., landmark status since opening its doors over 90 years ago. Listed on the National Register of Historic Places, the hotel has completely refreshed, offering a host of modern amenities, while maintaining a sense of iconic history. Immerse yourself in the beauty of its sweeping marble lobby by getting comfortable in its richly appointed guestrooms. Its vibrant American brasserie, EDGAR, offers locally inspired fare, seasonal cocktails by the glass, open daily breakfast, lunch, or dinner. Guests can also experience the sights and sounds of Washington, D.C., from the hotel, with easy access to the city's many attractions.



# Registration and Hotel

## Capital Hilton Hotel

An overflow room block has been secured at the Capitol Hilton Hotel, 1001 16th Street NW, Washington, DC 20036. A five-minute walk from the Mayflower Hotel, where the Legislative Rally will occur, rooms at the Capital Hilton are available at a discounted rate of \$315 per night (excluding D.C. taxes of 14.5 percent). Please call the reservations center at 1-800-774-1500 on November 1 or go online at <https://book.passkey.com/go/appa2020>.

**When making your reservation, please request the APPA Legislative Rally.**

## Hotel Reservations & Cancellation Policy

The cut-off date to receive the group rate (plus tax) at the Capital Hilton is Monday, February 3, 2020. If rooms remain in the block after the cut-off date, the group rate will be honored. If not, you may be charged a higher rate. The room block may sell out before February 3, so early reservations are encouraged. For individual reservations call 800-774-1500 and reference "APPA" or make your reservation online at <https://book.passkey.com/go/appa2020>.

The Capital Hilton should receive all reservations no later than February 3, 2020. Cancelled reservations that are not resold may become a financial liability for APPA, so please make your reservations thoughtfully. If you require additional assistance with housing, please contact Meeting Services at 202-467-2941 or [Meetings@PublicPower.org](mailto:Meetings@PublicPower.org).

## More about the Capital Hilton Hotel

Combining style, historical character, and an enviable location, the Capital Hilton is the place to stay when visiting Washington, D.C. The hotel is located just blocks from the capital's best attractions, including the White House, National Mall, and a multitude of museums. With comfortable rooms and suites, a great restaurant, and extensive event space, the hotel offers all you need for an unforgettable trip to DC.

## Cancellations/No-Shows/ Refunds/Substitutions

Registrants who cancel in writing on or before February 17, 2020, are entitled to a refund of their registration fee, minus a \$50 cancellation fee. Registrants who cancel after February 17 will not receive a refund. However, we will accept attendee substitutions for the 2020 APPA Legislative Rally. Registrants and no-shows who do not cancel on or before February 17 are responsible for the full registration fee and are not entitled to a refund of their registration fee.

Cancellations must be made in writing and mailed or emailed to:

American Public Power Association  
2451 Crystal Drive  
Suite 1000  
Arlington, VA 22202-4804  
email: [Registration@PublicPower.org](mailto:Registration@PublicPower.org)

## Photographs

By registering for this meeting, I authorize the American Public Power Association (APPA) to photograph me at this event and use such photographs in APPA marketing pieces (both electronic and print). I understand that I will not be paid for giving this consent.

## Climate & Attire

The average daily high for Washing-

## Need help?

### Program Questions

Desmarie Waterhouse at  
[DWaterhouse@PublicPower.org](mailto:DWaterhouse@PublicPower.org)  
202-467-2930

### Registration Questions

Meeting Services at Registration  
[PublicPower.org](mailto:PublicPower.org), 202-467-2930

### Hotel Questions

Meeting Services at Meeting  
[PublicPower.org](mailto:PublicPower.org), 202-467-2930

**L&R Luncheon Table Contact**  
Clay Bryan at [CBryan@PublicPower.org](mailto:CBryan@PublicPower.org), 202-467-2963

# 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.**

<b>MEETING DATE</b>	01/15/2020
<b>AGENDA ITEM</b>	4.G.7 Complete and Approve the 2019 Board of Public Utilities Annual Self-evaluation
<b>DOCUMENT TITLE(S)</b>	Board of Public Utilities Self-Evaluation – Calendar Year 2019
<b>FROM</b>	Carrie Walker
<b>NEW OR REVISED?</b>  Is this a revision that is different from what was in the agenda packet, or is it something entirely new?	New
<b>RECOMMENDED ACTION</b>  If you have a new or revised recommended motion for the Board, enter it here.	<u><b>The recommended motion as presented in the staff report is sufficient. No changes to the recommended motion are required.</b></u>
<b>ADDITIONAL INFORMATION</b>  Please VERY BRIEFLY explain the purpose of this information or document.	This document was not ready to be included in the agenda packet at the time of publication.



**FINAL - APPROVED**  
**BOARD OF PUBLIC UTILITIES SELF-EVALUATION**  
**CALENDAR YEAR 2019**

**Approved Month, Date, Year**

In accordance with Section 3.9 of the BPU's Procedures Manual, during November and December, the BPU will perform an annual self-evaluation of its own performance.

QUESTION	SCORE	COMMENTS
<b>I. GENERAL BOARD AREAS</b>		
A. Is there a Board policy manual addressing meeting procedures, committee roles and structure, election and term of officers, new member orientation, and related matters?	5.0	
B. Do all Board members participate in a formal orientation?	4.3	
C. Are Board procedures adhered to regarding bylaws, open meeting requirements, compliance with legal regulations, etc.?	5.0	
D. Are meeting packets complete and distributed prior to meetings?	4.8	
E. Is the length of Board meetings appropriate?	4.0	Some members noted that, while having brief/efficient meetings is desirable, skipping background information may be confusing for the public. An interest was expressed in making materials more easily available, in particular through the county website. The chair took the action item to research this possibility.
F. Is there an annual Board calendar?	5.0	
G. Does the Board receive sufficient information to make good decisions?	3.5	Several members noted that DPU was responsive to requests for additional information.
H. Are decisions made in a timely manner?	4.3	
<b>II. BOARD POLICY AREAS</b>		
<b>A. Accountability</b>		
1. Does the Board understand its obligation to see the organization acts	5.0	

**FINAL - APPROVED**  
**BOARD OF PUBLIC UTILITIES SELF-EVALUATION**  
**CALENDAR YEAR 2019**

**Approved Month, Date, Year**

in the best interests of DPU customer and citizens of the county?		
2. Does the Board act with diligence and objectivity on behalf of DPU customers and the County?	5.0	
<b>B. Responsibility</b>		
1. Do Board members understand their roles?	4.8	
2. Do Board members understand the difference between their policy role and management's administrative role?	4.3	
3. Do Board members actions reflect this understanding?	4.5	
<b>C. Policy Direction</b>		
1. Do Board members understand the mission, goals and strategies of the organization?	4.5	
2. Does the Board give clear directions to management on the mission and goals of the organization?	4.5	
3. Does the Board spend appropriate time on policy consideration and direction versus operational issues?	4.5	
<b>D. Monitoring</b>		
1. Does the Board have a system for receiving and monitoring information about the DPU's organizational performance?	4.0	The board expressed interest in exploring how to better monitor customer service (e.g. numbers and types of complaints.) The board requested a discussion of this topic in the coming months.
2. Are there systems for corrective action where performance is below standard or reward when performance is above standard?	3.0	The board noted the DPU management audit has provided a framework for ensuring continuous improvement in operations. The board felt this question should be revised for clarity in future evaluations.

**FINAL - APPROVED**  
**BOARD OF PUBLIC UTILITIES SELF-EVALUATION**  
**CALENDAR YEAR 2019**

**Approved Month, Date, Year**

3. Are organizational goal setting and achievements taken into account during the DPU Manager's evaluation?	4.8	
<b>E. Other Communication and Advocacy</b>		
1. Does the Board represent the community interests it serves?	4.5	Members felt several questions in this section could be consolidated during future evaluations.
2. Does the Board communicate the value of the organizations to its stakeholders?	3.5	Members noted that the board relies heavily on the DPU for much communication with the public.
3. Does the Board seek input and involve its stakeholders in policy considerations and decisions?	3.3	Some members noted members of the public often send comments to Council rather than the BPU. The Council liaison and the subcommittee may be helpful avenues for hearing more community feedback.
4. Do Board members support the organization publicly?	3.8	Some members noted this question felt repetitive.
5. Does the Board communicate effectively with the County Council?	4.5	Members noted this has improved, and noted the work of the Council/BPU subcommittee.
<b>III. BOARD RESPONSIBILITY AREAS</b>		
<b>A. Legal</b>		
1. Does the Board act within the guidelines set by the county charter and policies and procedures document?	4.5	
2. Are there written policies on Board ethics and conflicts of interest?	4.8	Annual disclosures are signed by each member.
<b>B. Financial</b>		
1. Does the Board approve annual operating and capital budgets and receive periodic (at least quarterly) progress reports?	4.5	Several board members felt many of the questions in this second were interrelated, and that the board and department have made great improvement in these areas over the last several years.
2. Does the Board review a financial plan for the organization and receive	4.5	

**FINAL - APPROVED**  
**BOARD OF PUBLIC UTILITIES SELF-EVALUATION**  
**CALENDAR YEAR 2019**

**Approved Month, Date, Year**

sufficient information to monitor its financial strength and performance?		
3. Are financial goals and comparative ratios established and does the Board receive tracking information?	4.8	
4. Are the requirements for an annual audit met and does the Board receive a report on the results?	4.0	Several board members requested that more information on the annual audit results be distributed.
5. Are the organizations and the Board indemnified sufficiently against insurable risk?	5.0	
6. Is the Board proactive in pushing for rate increases with the County Council when these increases are necessary for the financial health of the DPU?	4.5	
<b>C. Planning</b>		
1. Is the Board informed about the business environment in which the organization is operating?	4.0	
2. Does the Board review and approve the organization's mission, goals, and major strategic initiatives?	5.0	Members noted the board's engagement with DPU strategic planning was more in depth this year.
3. Do Board members usually attend annual DPU strategy and planning meetings?	5.0	
<b>D. Board/Management Relations</b>		
1. Is there a written job description and/or employment contract for the DPU Manager?	5.0	
2. Does the Board conduct a formal, annual performance review of the DPU Manager?	5.0	
3. Is the DPU Manager's compensation linked to the results of this review?	4.3	The board noted that this is not fully within its own control.

**FINAL - APPROVED**  
**BOARD OF PUBLIC UTILITIES SELF-EVALUATION**  
**CALENDAR YEAR 2019**

**Approved Month, Date, Year**

4. Does the Board make resources available for the DPU Manager's continued professional development?	4.5	The DPU manager commented that resources were readily available.
5. Is there a succession plan for the DPU Manager, with exposure to the Board of possible successors?	4.3	
6. Has the Board established an effective working relationship with the DPU Manager?	4.8	The board gave positive feedback on the relationship with the new manager.
7. Is there Board/management cooperation on determining the future direction of the organization?	4.8	
8. Are Board/DPU Manager roles clearly defined so the Board focuses on its policy role and avoids micro-management?	4.5	
9. Does the Board provide overall staffing direction to the DPU Manager without becoming involved in specific personnel matters?	4.5	
10. Is the Board explicit about the information it needs from the DPU Manager to fulfill its governance function?	4.5	
<b>F. Education and Development</b>		
1. Do Board members participate in educational opportunities recommended and offered by the DPU or other entities that enhance their effectiveness as a board member?	3.5	Members felt many opportunities are given, and expressed interest that those continue to be suggested and made available. Members encouraged each other to take advantage of these opportunities when possible.

# 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.**

<b>MEETING DATE</b>	01/15/2020
<b>AGENDA ITEM</b>	7.B Approval of Modification 21 to the Electric Energy and Power Coordination Agreement (ECA) Between the Incorporated County of Los Alamos and the United States Department of Energy (DOE).
<b>DOCUMENT TITLE(S)</b>	A - Proposed ECA Mod 21 approved by the Operating Committee
<b>FROM</b>	Bob Westervelt
<b>NEW OR REVISED?</b>  Is this a revision that is different from what was in the agenda packet, or is it something entirely new?	Revised
<b>RECOMMENDED ACTION</b>  If you have a new or revised recommended motion for the Board, enter it here.	<b>I move that the Board of Public Utilities approve this Modification 21 to the Electric Coordination Agreement as revised and forward to Council with a recommendation for approval.</b>
<b>ADDITIONAL INFORMATION</b>  Please VERY BRIEFLY explain the purpose of this information or document.	NNSA requested specific language referencing the current expiration date of the Electric Coordination Agreement for clarity. Text in red replaces in its entirety the previous language, showing in blue strikethrough.



# FINAL - APPROVED

## Electric Coordination Agreement Contract Modification

The purpose of this modification is to revise Exhibit B, Schedule 5 to add the Incorporated County of Los Alamos power purchase agreement. The attachment is revised and incorporated as Attachment A, Exhibit B, Schedule 5, Rev 2 COUNTY PURCHASE POWER CONTRACTS.

Attachment A  
Exhibit B  
Schedule 5, [Rev 2](#)

### EXHIBIT B, SCHEDULE 5

#### COUNTY PURCHASED POWER CONTRACTS

##### County Contract No. 87-SLC-0027

The parties agree that Western's allocation of SLCA/IP power and energy per Contract No. 87-SLC-0027 which expires September 30, 2024, unless extended, is an Approved Resource. In addition, any new Western allocation shall be an Approved Resource. Any wheeling charges necessary to deliver the power and energy are includable herein.

Western offers, when available, monthly and seasonal surplus capacity and energy. When economically beneficial to both parties, such capacity may be utilized and will be includable herein.

##### County Contract No. AGR20-926

~~The parties agree the power purchase agreement (PPA) entered into between the Incorporated County of Los Alamos (the County) and Uniper Global Commodities North America, LLC (Uniper) is an Approved Resource. The PPA is for 15 years for 15 MW of firm renewable power (wind and solar). The power is currently priced at a fixed price of \$36.67/MWh with no escalator for the 15 years of the PPA. The parties will not be responsible for any operations and maintenance costs of the facilities associated with the power resources. The parties agree any wheeling or transmission costs necessary to deliver the power and energy are includable herein.~~

##### County Contract No. AGR20-926

The parties agree the power purchase agreement (PPA) entered into between the Incorporated County of Los Alamos (the County) and Uniper Global Commodities North America, LLC (Uniper) is an approved resource throughout the term of the Electric Coordination Agreement (ECA) which expires 2025. The PPA is for 15 years for 15 MW of firm renewable power (wind and solar). The power is currently priced at a fixed price of \$36.67/MWh with no escalator for

the 15 years of the PPA. The parties will not be responsible for any operations and maintenance costs of the facilities associated with the power resources. The parties agree any wheeling or transmission costs necessary to deliver the power and energy are includable herein.

The Electrical Coordination Agreement expires on June 30, 2025 and the relationship structure will likely change from the current ECA. The term of the PPA goes beyond 2025. The parties agree the terms and conditions outlined in the new electrical contract and/or agreement for power resources and/or assets will be applicable to this PPA after 2025.

#### Short Term Purchase Power

Short term purchases as may be required and as have been approved by the parties in the 24-month budget forecast are includable herein.

#### Emergency Power for County Approved Resources

Through power pool membership, reserve sharing groups, regional transmission organizations, and power purchase agreements the County will be providing for emergency and replacement power and energy. Emergency and replacement power purchases shall be includable herein.

The following agreements for transmission of power and modifications thereto for the County's Approved Resources and provision for alternate transmission paths in case of failures in the normal path are included herein:

- (a) PNM Interconnection Agreement
- (b) Plains/Tri-State Interconnection Agreement & TSA
- (c) Western Transmission Agreement
- (d) Northern Rio Arriba Cooperative (NORA) Interconnection Agreement & TSA
- (h) Jemez Interconnection Agreement
- (i) El Vado – Spills Switchyard 69 kV line (The El Vado – Spills Switchyard 69 kV Line and associated line terminal equipment that connects the El Vado Plant to the NORA system is assigned to the Resource Pool as part of the cost of the El Vado Plant).
- (j) PNM/LAC Network Integration Transmission Service Agreement (NITSA)

The parties agree that the County will fund the Norton – STA Line section and the associated line terminals at Norton and STA (Norton – STA Project) and agree that



## FINAL - APPROVED

NNSA will have on-going ownership, operating and maintenance responsibility. When completed, this line shall be considered an Approved Resource.

### Monthly Charge

The parties recognize that the monthly charge associated with the transmission interconnection agreements will be dependent in part on actual power deliveries. The parties agree that all such charges are includable herein.

Upon completion of the Norton – STA Project the associated debt service cost and cost allocation principles of Attachment A, Exhibit B, Schedule 6, shall become effective for purposes of the Resource Accounting Pool. The recovery of NNSA on-going ownership, operation and maintenance cost associated with the Norton – STA Project is provided for in Attachment A, Exhibit A, Schedule 3.

### Long-Term Purchase Power

The parties agree that the 36-month contract with Southwestern Public Service Company dated October 31, 2003 for purchase of firm energy equal to Western CRSP allocations to the Eastern New Mexico Distribution Cooperatives is an Approved Resource. Any wheeling charges necessary to deliver the power and energy are included herein. This contract shall not be extended without the prior approval of the Operating Committee and the responsible contracting authorities