

Utility Manager's Report
May 18, 2022

1. There were several preparations made in response to the Cerro Pelado Fire. Backup generators were installed on the Pajarito Well #4 and two booster stations and a 1.5 MW generator was installed on the Guaje Well Field that was set up as a micro grid to assure water supply should the electric distribution lines be taken down due to fire. The 1.5 MW generator was made available by UAMPS as a member benefit since 2020 for a rental fee of \$500/month for emergencies. The unit was delivered within 24 hours of signing the use agreement. For comparison, staff had found a 1 MW generator that was in Huston and this rental company requested a rental fee of \$28,000 per month. Last week, employees were asked to do maximum telework to avoid additional traffic on the roadways should the community be asked to evacuate. As of today, all employees are back to the office.
2. Held another Post 2025 ECA meeting and the Power Pool committee on May 12th developed a plan on how to implement the IPR recommendations over time. NNSA also brought up that within three months they expect to finalize the interagency agreement with WAPA that would allow for 30-year power purchase agreements.
3. Attended the UAMPS Project Management Committee (PMC) meeting regarding the CFPP and the project continues to remain on schedule and just under budget. The elements of the level three cost estimates are coming together. There were no additional subscriptions obtained. NuScale went public on the New York Stock Exchange with stock ticker symbol of SMR. LAC's subscription remains at 2.15-MW based on the investment cap of \$1.26 million.
4. Last month DPU entered the NM Gas rate case that is before the PRC since the distribution fee increased significantly. Dan Najjar with Virtue and Najjar and his consultant GDS have worked out an agreement in principle on this case that reduces LAC's estimated cost from \$170,000 down to \$40,000. Once this is finalized these fees are established for two years and they can be revisited in two years when the next rate case increase is allowed by the PRC.
5. The SJGS coal mine has had some major production issues and Westmoreland has encountered an ancient streambed that is inhibiting the progression of the long wall equipment within the coal seam. PNM is providing twice a day update on Westmoreland's progress. The coal stockpile is close to a 15-day supply and the operation of the SJGS may be reduced to conserve fuel. The plant is currently using 7,000 tons per day and yesterday only 5,400 tons of coal was produced and as of today by 4 PM 4,000 tons were produced.
6. I have attended weekly meetings on the Farmington and Enchant term sheet and I believe we are getting closer to a final term sheet that should be wrapped up in the next two months.

7. Made a presentation to Leadership Los Alamos on Earth Day regarding DPU's Environmental Sustainability Goals. Assisted with the PEEC Earth Day event and DPU had two booths with PEEC presenting water conservation ideas and DPU Staff presenting energy conservation ideas as well as assisting customers to sign up on the new customer portal. This Thursday and Friday from 9:15 AM until 1 PM, staff will be supporting the 4th Grade Water Festival at Fuller Lodge. This is one of the more popular water conservation events sponsored by DPU.
8. Met with both unions regarding the County's proposed inflation pay and both unions supported this one-time payment. Due to position vacancies, there are sufficient funds to award DPU employees inflation pay.
9. Based on last month's comments on the Los Alamos County Wastewater Treatment plant NPDES Discharge Permit renewal and the subsequent meeting between NMED and EPA, EPA decided to reopen the comment period for 45-days on the permit for the limited purpose of receiving additional data on the proposed sampling and monitoring requirements. Staff has taken new samples this week and we are using the recommended sampling methods by EPA in preparation to make new comments that are supported with new data on this proposed permit. The goal is to help reduce DPU's sampling and monitoring costs proposed in this permit renewal.
10. Due to the Cerro Pelado fire and staff was in maximum telework situation, we made the decision to delay Tyler/Munis redeploy until June 7, 2022. This will delay the implementation of the Tyler 311 and MyCivic software implementation by at least a month.
11. Participated in the interviews and selection of the Deputy Public Works Director. Also, participated in the interviews for three candidates for the BPU.
12. Attended N3B's Technical Working Group presentation on the groundwater model assumptions and results used to monitor the chromium plume.
13. The Camp May waterline project has finally received a Finding of No Significant Impacts (FONSI). Staff has set up meetings to discuss next steps and seek additional grants to help support this needed project to improve fire protection at Camp May and the Ski Hill.
14. Attended the UAMPS board meeting and Mason Baker has been selected from a pool of four internal candidates to be UAMPS next General Manager and CEO beginning on January 1, 2023.