



County of Los Alamos

1000 Central Avenue
Los Alamos, NM 87544

Agenda - Final Board of Public Utilities

Robert Gibson, Chair; Matt Heavner, Vice Chair
Eric Stromberg,, Charles Nakhleh and Jennifer Hollingsworth,
Members
Philo Shelton, Ex Officio Member
Anne Laurent, Ex Officio Member
Ryn Herrmann, Council Liaison

Wednesday, July 22, 2026

5:30 PM

Municipal Building, B&C Room #110

Public Participation ~ in person or <https://us06web.zoom.us/j/82180323960>

Members of the public may also participate remotely and provide public comment via Zoom:

Link ~ <https://us06web.zoom.us/j/82180323960> | Webinar ID ~ 821 8032 3960

Phone one-tap:

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Join via audio:

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+1 719 359 4580 US

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

+1 360 209 5623 US

+1 386 347 5053 US

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+1 564 217 2000 US

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+1 305 224 1968 US

PUBLIC COMMENT:

Oral comments are accepted during the periods identified on the agenda and after initial board discussion on a business item, prior to accepting a main motion on an item. Public comments are limited to three minutes per person. For those participating over Zoom, please use the raise hand function. If you are participating by phone enter *9 to raise your hand. Please submit written comments to the board at bpu@lacnm.us.

1. CALL TO ORDER

1.a. [21056-26c](#)

Statement Regarding Closed Session

Presenters: Board of Public Utilities

2. PUBLIC COMMENT**3. APPROVAL OF AGENDA****4. CONSENT AGENDA**

MOTION: I move that the Board of Public Utilities approve the items on the Consent Agenda as (PRESENTED -or- AMENDED) and that the motions in the staff reports be included in the minutes for the record.

- 4.a. [21566-26](#)** Approval of Board of Public Utilities Meeting Minutes - June

Presenters: Board of Public Utilities

Attachments: [A - Draft BPU Work Session Minutes - 6/3/26](#)
[B - Draft BPU Regular Session Minutes - 6/17/26](#)

- 4.b. [21287-26b](#)** Approval of Changes to the Utilities Assistance Program (DPU Rule GR-18)

Presenters: Joann Gentry, Deputy Utility Manager-Finance & Admin.

Attachments: [A - GR-18 Utility Assistance Program redline](#)
[B - GR-18 Utility Assistance Program clean](#)
[C - UAP Presentation](#)

- 4.c. [21892-26a](#)** Award of Bid No. IFB26-58 for the Purpose of LASS Cured in Place Piping with AUI, Inc. in the Amount of \$849,570, plus Applicable Gross Receipts Tax for the Term of 180 Days.

Presenters: Dennis Astley, Deputy Utility Manager-Electric Distribution

Attachments: [A - Bid Form - East Jemez CIPP Project](#)
[B - Budget Revision 2027-02 LASS](#)

- 4.d. [21896-26a](#)** Award of Task Order No. 10, Agreement No. AGR24-39a for the Purpose of Determining Relay Settings for the New Transformer in White Rock Substation with Transmission & Distribution Services, LLC in the Amount of \$157,262, plus Applicable Gross Receipts Tax for the Term of 180 Days

Presenters: Dennis Astley, Deputy Utility Manager-Electric Distribution

Attachments: [A - Budget Revision 2027-03 WR Substation T1](#)
[B - Task Order No. 10 - T&D](#)

- 4.e. [21943-26a](#)** Approval of Task Order No. 4 (Amendment #2), AGR20-48c (Amendment #2) with Wilson & Company in the Amount of \$164,306.18 for the

Purpose of the Remaining Engineering Services for the Jemez Mountain Regional Fire Protection System

Presenters: James Martinez, Deputy Utility Manager-Engineering

Attachments: [A - Task Order No. 4 \(Amendment #2\), AGR20-48c](#)
[B - Wilson & Co. Amendment #2 - Additional Scope - Jemez Mountain Regional FPS](#)

- 4.f. [AGR1230-26a](#) Approval of Services Agreement No. AGR26-72 with Southwest Fire Defense, LLC in the Amount of \$1,000,000.00, plus Applicable Gross Receipts Tax, for the Purpose of Electric Power Line Tree Trimming Services Near and Around 15,000 Volt Energized Power Lines Over the Next Seven Years

Presenters: Dennis Astley, Deputy Utility Manager-Electric Distribution

Attachments: [A - AGR26-72 Southwest Fire Defense](#)

5. **PRESENTATIONS**

None

6. **DEPARTMENT BUSINESS**

- 6.a. [21707-26a](#) 2026 Electric Coordination Agreement (ECA) between the Incorporated County of Los Alamos and the United States Department of Energy National Nuclear Security Administration (DOE/NNSA)

Presenters: Ben Olbrich, Deputy Utility Manager-Power Supply

Attachments: [A - 2026 Electric Coordination Agreement Presentation](#)
[B - 89233126CNA000436 Contract T&C](#)
[C - Attachment 1 ECA PWS](#)
[D - Attachment 2 ECA Operating Procedures](#)
[E - Attachment 3 Los Alamos Electric Power Services Reporting Requirements Checklist](#)
[F - Attachment 4 LANL Exhibit-G Physical Security Lab-wide Rev.20240716](#)

- 6.b. [21726-26a](#) Approval to Execute a Power Purchase Agreement in an Amount not to Exceed \$9,195,750.00 Plus Applicable Gross Receipts Tax, to Meet Forecasted Los Alamos Power Pool Load for the Months of August and September 2026

Presenters: Ben Olbrich, Deputy Utility Manager-Power Supply

7. **PUBLIC HEARINGS**

- 7.a. [CO0760-26.2](#) Incorporated County of Los Alamos Code Ordinance No. 02-385; An Ordinance Amending Chapter 40, Article III, Sections 40-151, and 40-152

of the Code of the Incorporated County of Los Alamos Pertaining to Gas Service Rates

Presenters: Joann Gentry, Deputy Utility Manager-Finance & Admin.

Attachments: [A - Incorporated County of Los Alamos Code Ordinance No. 02-385](#)
[B - Gas Rate Ordinance Presentation](#)
[C - Publication Notice](#)

- 7.b. [CO0768-26.2](#) Incorporated County of Los Alamos Code Ordinance No. 02-387; An Ordinance Amending the Department of Public Utilities' Water Service Rate Schedules, Chapter 40, Article III, Sections 40-171, 40-173 and 40-175, and adding new Sections 40-176, 40-177, and 40-178 to the Incorporated County of Los Alamos Code

Presenters: Joann Gentry, Deputy Utility Manager-Finance & Admin.

Attachments: [A - Incorporated County of Los Alamos Code Ordinance No. 02-387](#)
[B - Water Rate Ordinance Presentation](#)
[C - Publication Notice](#)

8. **BOARD BUSINESS**

8.a. Chair's Report

- 8.a.1. [21972-26](#) American Public Power Association (APPA) National Conference Summary

Presenters: Robert Gibson, Chair-Board of Public Utilities

Attachments: [A - APPA Conference Summary](#)

8.b. Board Member's Reports

8.c. Utilities Manager's Report

8.d. County Manager's Report

8.e. Council Liaison's Report

8.f. Environmental Sustainability Board Liaison's Report

8.g. General Board Business

8.h. Board Expenses

- 8.h.1. [21886-26](#)** Discussion & Possible Approval of BPU Participation in the Los Alamos Nuclear Forum

Presenters: Board of Public Utilities

- 8.h.2. [21887-26](#)** Discussion & Possible Approval of BPU Participation at the UAMPS Annual Member Conference

Presenters: Board of Public Utilities

9. STATUS REPORTS

- 9.a. [21386-26](#)** Annual Update on Wastewater Systems

Presenters: Clay Moseley, Deputy Utility Manager-GWS Services

Attachments: [A - 2026 Wastewater Systems Annual Update](#)

- 9.b. [21567-26](#)** Status Reports - May 2026

Presenters: Philo Shelton, Utilities Manager

Attachments: [A - Electric Reliability Report](#)
[B - Accounts Receivables Report](#)
[C - Risk & Safety Report](#)

10. UPCOMING AGENDA ITEMS

- 10.a. [21568-26](#)** Tickler File for July - October 2026

Presenters: Philo Shelton, Utilities Manager

Attachments: [A - Tickler File Jul-Oct 2026](#)

11. PUBLIC COMMENT**12. ADJOURNMENT**

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Human Resources at 505-662-8040 as soon as possible.

Complete Board of Public Utilities agenda packets, past agendas, videos, legislation and minutes can be found online at <https://losalamos.legistar.com>.

Learn more about the Board of Public Utilities at <https://ladpu.com/BPU>.



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 1.a.
Index (Council Goals):
Presenters: Board of Public Utilities
Legislative File: 21056-26c

Title

Statement Regarding Closed Session

Body

Pursuant to § 10-15-1 (H)(2) of the New Mexico Open Meetings Act, NMSA 1978, the Board of Public Utilities met in closed session on June 17, 2026 to discuss information pertaining to limited personnel matters: Utilities Manager Performance Review

Recommended Action

I move that the Board of Public Utilities approve the following statement for inclusion in the minutes: *"The matters discussed in the closed sessions on June 17, 2026 were limited only to those topics specified in the notice of the closed session, and no action was taken on any matter during the closed session."*



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.a.
Index (Council Goals):
Presenters: Board of Public Utilities
Legislative File: 21566-26

Title

Approval of Board of Public Utilities Meeting Minutes - June

Recommended Action

I move that the Board of Public Utilities approve the minutes for the June 3 and June 17, 2026 meetings as presented.

Body

Draft minutes are sent to members after each meeting for their review. Members may then send changes to be incorporated prior to final approval of the minutes at the next regular meeting.

Attachments

- A - Draft BPU Work Session Minutes - 6/3/26
- B - Draft BPU Regular Session Minutes - 6/17/26



County of Los Alamos

1000 Central Avenue
Los Alamos, NM 87544

Minutes

Board of Public Utilities Work Session

Robert Gibson, Chair; Matt Heavner, Vice Chair
Eric Stromberg, Charles Nakhleh and Jennifer Hollingsworth, Members
Philo Shelton, Ex Officio Member
Anne Laurent, Ex Officio Member
Ryn Herrmann, Council Liaison

Wednesday, June 3, 2026

5:30 PM

Municipal Building Council Chambers

Public Participation ~ in person or <https://us06web.zoom.us/j/87563449773>

1. CALL TO ORDER

This work session of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, June 3, 2026. Chair Gibson called the meeting to order at 5:30 p.m. Members of the public were notified of the ability to attend and provide public comment either in person or over Zoom.

The following board members were in attendance:

Present: 5 - Members Heavner, Stromberg, Gibson, Shelton and Laurent

Remote 1 - Member Nakhleh

Absent: 1 - Member Hollingsworth

Others present in Chambers:

Ryn Herrmann, Council Vice Chair & BPU Liaison

Cristella Valdez, Assistant County Attorney

James Martinez, Deputy Utility Manager - Engineering

Dennis Astley, Acting Deputy Utility Manager - Electrical Distribution

Ben Olbrich, Deputy Utility Manager - Power Supply

Joann Gentry, Deputy Utility Manager - Finance & Administration

Abbey Hayward, Public Relations Manager

Kathy Casados, Executive Assistant

Bernadette Martinez, Human Resources Manager

Caitlin Martinez, NMED / Presenter

Michael Petersen, NMED / Citizen

David Hampton, Citizen

Tom McCrory, EM-LA / Citizen

John Evans, EM-LA / Citizen

Lisa Hampton, Citizen

Zachary Parlman, IM Senior Technical Support Specialist

Zoom participants:

Richard Valerio, Business Operations Manager

Randall Ryti, Councilor

Beth Beloff, NM-CIC / Presenter

Christian Casillas, CSCNM / Presenter

AV Booth

Angie28

Barbara Calef

ccns

Elena F

Emily Piltch

Jason Martinez

Jeff Steinborn

Joel Hebdon

Kenna

kking

Kylian Robinson

LAC-iPad

Linsey Hurst, Local 7076

Maire O'Neill

R.Mtz San I DECP

Santiago Rodriguez, NMED

Siona Briley

Siona Brile (Sigh-Own-Ah)

Stefanie Fountain

1.a. Action to Suspend Procedural Rules for Work Session

Chair Gibson called for a volunteer to read the motion.

Member Heavner moved and Member Stromberg seconded that the Board of Public Utilities suspend their procedural rules for the June 3, 2026 work session so that formal action could be taken.

The motion passed by the following vote:

YES - 4: Members Stromberg, Nakhleh, Heavner, and Gibson

NO - 0:

ABSENT - 1: Member Hollingsworth

2. PUBLIC COMMENT

Chair Gibson provided an opportunity for public comment on items not otherwise included on the agenda. There was none.

No formal action was taken on this item.

3. APPROVAL OF AGENDA

Chair Gibson called for amendments to the agenda, discussion or a motion. There were no amendments or discussion.

Member Heavner moved and Member Stromberg seconded that the Board approve the agenda as presented.

The motion passed by the following vote:

YES - 4: Members Stromberg, Nakhleh, Heavner, and Gibson

NO - 0:

ABSENT - 1: Member Hollingsworth

4. PRESENTATIONS

4.a. New Mexico Environment Department (NMED) Update on the Hexavalent Chromium Plume

Mr. Shelton introduced presenter Ms. Caitlin Martinez, Water Resource Professional with the NMED Ground Water Quality Bureau. Mr. Michael Petersen was also present in Council Chambers. Chair Gibson provided an opportunity for comments and questions from the Board. The following individuals spoke:

1. Member Stromberg
2. Member Nakhleh
3. Member Heavner
4. Member Gibson
5. Mr. Shelton
6. Ms. Laurent

No formal action was taken on this item.

4.b. Presentation of On Bill Financing Program and Possible Action

Ms. Angelica Gurule, Sustainability Manager and Ms. Abbey Hayward, Public Relations Manager presented. Ms. Gurule introduced Ms. Beloff with the New Mexico Climate Investment Center (NM-CIC) and Mr. Christian Casillas with the Coalition of Sustainable Communities New Mexico (CSCNM) who were present over Zoom. Chair Gibson provided an opportunity for comments and questions from the Board. The following individuals spoke:

1. Member Heavner
2. Member Gibson
3. Ms. Beloff
4. Mr. Casillas

Chair Gibson provided an opportunity for public comment; there was none. Chair Gibson then asked for further board discussion. The following individuals spoke:

1. Member Stromberg
2. Member Gibson

Chair Gibson then asked the board to consider the motions provided in the meeting packet.

Member Heavner moved and Member Nakhleh seconded that the Board of Public Utilities direct staff to pursue the On-Bill Financing program and return to the Board with additional program details.

The motion passed by the following vote:

YES - 3: Members Nakhleh, Heavner, and Gibson

NO - 1: Member Stromberg

ABSENT - 1: Member Hollingsworth

5. PUBLIC HEARINGS (none scheduled)

6. DEPARTMENT BUSINESS

- 6.a.** Approval of the Collective Bargaining Agreement (CBA) with the United Association of Plumbers and Pipefitters (UAPP), Local Union No. 412, Covering the Period of July 1, 2026, through June 30, 2031

Ms. Joann Gentry, Deputy Utility Manager - Finance & Administration and Ms. Bernadette Martinez, Human Resources Manager presented.

Chair Gibson provided an opportunity for comments and questions from the Board. The following individuals spoke:

1. Member Gibson
2. Mr. Shelton

Chair Gibson provided an opportunity for public comment; there was none. Chair Gibson called for further board discussion or a motion.

Member Stromberg moved and Member Heavner seconded that the Board of Public Utilities recommend approval of the Collective Bargaining Agreement between the County of Los Alamos and the United Association of Plumbers and Pipefitters (UAPP), Local Union No. 412, for the Period of July 1, 2026 through June 30, 2031 and forward to County Council for approval.

The motion passed by the following vote:

YES - 4: Members Stromberg, Nakhleh, Heavner, and Gibson

NO - 0:

ABSENT - 1: Member Hollingsworth

- 6.b.** Approval to Execute a Power Purchase Agreement in an Amount not to Exceed \$4,725,000 Plus Applicable Gross Receipts Tax, to supply power and energy to the Los Alamos Power Pool for the Month of July 2026

Mr. Ben Olbrich, Deputy Utility Manager - Power Supply presented. Chair Gibson provided an opportunity for comments and questions from the Board. The following individuals spoke:

1. Member Stromberg
2. Member Heavner

Chair Gibson provided an opportunity for public comment; there was none. Chair Gibson then called for further discussion or a motion.

Member Heavner moved and Member Stromberg seconded that the Board of Public Utilities approve a Power Purchase Agreement with a yet-to-be determined provider, competitively selected not later than June 26, 2026, in an amount not to exceed FOUR MILLION SEVEN HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$4,725,000.00) plus applicable gross receipts tax, for the purpose of supplying power and energy to the Los Alamos Power Pool for the month of July 2026 and forward to Council approval.

The motion passed by the following vote:

YES - 4: Members Stromberg, Nakhleh, Heavner, and Gibson

NO - 0:

ABSENT - 1: Member Hollingsworth

6.c. Annual Review of the Utilities Assistance Program (UAP)

Ms. Joann Gentry, Deputy Utility Manager - Finance & Administration presented. Chair Gibson provided an opportunity for comments and questions from the Board. The following individuals spoke:

1. Member Heavner
2. Member Gibson

Chair Gibson provided an opportunity for public comment; there was none. Chair Gibson then called for further discussion or a motion.

No formal action was taken on this item.

6.d. Department of Public Utilities Quarterly Report for Fiscal Year 2026 - Quarter 3

Ms. Abbey Hayward, Public Relations Manager presented. Chair Gibson provided an opportunity for comments and questions from the Board. The following individuals spoke:

1. Member Heavner
2. Mr. Astley
3. Mr. Shelton
4. Member Stromberg

No formal action was taken on this item.

6.e. Approval of Budget Revision 2026-80 for FEMA Grant to Fund the Jemez Mountain Fire Protection Project - Electrical Undergrounding in the Federal Share Amount of \$2,632,746.18 and accept sub-grant agreement DR-4652-0006-NM

Mr. James Martinez, Deputy Utility Manager - Engineering presented. Chair Gibson provided an opportunity for comments and questions from the Board. The following individuals spoke:

1. Member Gibson
2. Mr. Shelton

Chair Gibson provided an opportunity for public comment; there was none. Chair Gibson then called for further discussion or a motion.

Member Heaver moved and Member Stromberg seconded that the Board recommend approval of Budget Revision 2026-80 (Attachment C) for a FEMA grant to fund the Jemez Mountain Fire Protection Project - Electrical Undergrounding in the Federal share amount of \$2,632,746.18, available through the Hazard Mitigation Grant Program (HMGP) under FEMA-DR-4652-NM; the non-federal match requirement is \$842,770.27 for a total project cost of \$3,475,516.45. Member Heavner further moved that the Board recommend Council accept New Mexico Department of Homeland Security & Emergency Management (DHSEM) sub-grant agreement DR-4652-0006-NM and authorize the County Manager to sign this agreement in Attachment B.

The motion passed by the following vote:

YES - 4: Members Stromberg, Nakhleh, Heavner, and Gibson

NO - 0:

ABSENT - 1: Member Hollingsworth

7. BOARD BUSINESS

7.a. Initial Review of the Board of Public Utilities Annual Presentation to County Council

Chair Robert Gibson presented. He provided an opportunity for comments and questions from the Board. The following individuals spoke:

1. Member Heavner
2. Member Stromberg

No formal action was taken on this item.

8. PUBLIC COMMENT

Chair Gibson provided an opportunity for public comment on any topic; there was none.

No formal action was taken on this item.

9. ADJOURNMENT

The meeting adjourned at 8:08 p.m.

APPROVAL

Board of Public Utilities Chair

Date Approved by the Board

Minutes transcribed by: Kathy Casados, Executive Assistant



County of Los Alamos

Minutes

Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

Robert Gibson, Chair; Matt Heavner, Vice Chair
Eric Stromberg,, Charles Nakhleh and Jennifer Hollingsworth, Members
Philo Shelton, Ex Officio Member
Anne Laurent, Ex Officio Member
Ryn Herrmann, Council Liaison

Wednesday, June 17, 2026

5:30 PM

Municipal Building, Council Chambers

Public Participation ~ in person or <https://us06web.zoom.us/j/82180323960>

1. CALL TO ORDER

This regular meeting of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, June 17, 2026. Chair Gibson called the meeting to order at 5:34 p.m. Members of the public were notified of the ability to participate and provide public comment in-person, remotely, or via email.

The following board members were in attendance:

Present - 4: Members Gibson, Heavner, Shelton and Laurent

Remote - 2: Members Hollingsworth and Stromberg (about 10 min. late)

Absent - 1: Member Nakhleh

Others in attendance in Chambers:

Vice Chair Ryn Herrmann, Council Liaison

Ms. Cristella Valdez, Assistant County Attorney

Mr. James Martinez, Deputy Utility Manager - Engineering

Mr. Clay Moseley, Deputy Utility Manager - GWS Services

Mr. Dennis Astley, Deputy Utility Manager - Electrical Distribution

Ms. Joann Gentry, Deputy Utility Manager - Finance & Administration

Ms. Abbey Hayward, Public Relations Manager

Ms. Kathy Casados, Executive Assistant

Mr. Perry Rutherford, IM Technical Support Specialist

Mr. Ray Sauter, Citizen

Zoom participants:

Ms. Carly Blair, ESB Liaison

Mr. Richard Valerio, Business Operations Manager

Ms. Lynette Brode

CCNS

2. PUBLIC COMMENT

Chair Gibson provided an opportunity for public comment on the Consent Agenda or those not otherwise included on the agenda.

The following individuals spoke:

1. Mr. Ray Sauter

3. APPROVAL OF AGENDA

Chair Gibson called for amendments to the agenda, discussion or a motion. Chair Gibson then requested that item 7.a. be removed from the agenda due to miscommunication on the topic.

Member Heavner moved and Member Hollingsworth seconded that the agenda be approved as amended.

The motion passed by the following vote:

YES - 3: Members Hollingsworth, Heavner and Gibson

NO - 0:

ABSENT - Members Nakhleh and Stromberg (late)

3.a. Statement Regarding Closed Session on 6/3/26

Chair Gibson called for a volunteer to read the statement.

Member Heavner moved and Member Hollingsworth seconded that the Board of Public Utilities approve the following statement for inclusion in the minutes: "The matters discussed in the closed session on June 3, 2026 were limited only to those topics specified in the notice of the closed session, and no action was taken on any matter during the closed session."

The motion passed by the following vote:

YES - 3: Members Hollingsworth, Heavner and Gibson

NO - 0:

ABSENT - Members Nakhleh and Stromberg (late)

4. CONSENT AGENDA

Chair Gibson called for amendments to the consent agenda, discussion or a motion. He noted that since the minutes for both of the May meetings were amended that the motion for the minutes and the motion to approve the consent agenda should state "as amended." The amended minutes are **attached**. There was no further discussion.

Member Heavner moved and Member Hollingsworth seconded that the consent agenda be approved as amended and that the motions in the staff reports be included in the minutes for the record.

The motion passed by the following vote:

YES - 3: Members Hollingsworth, Heavner and Gibson

NO - 0:

ABSENT - Members Nakhleh and Stromberg (late)

4.a. Approval of Board of Public Utilities Meeting Minutes - May

I move that the Board of Public Utilities approve the minutes for the May 6 and May 20, 2026 meetings as amended. (See attached.)

4.b. Approval of NMFA Binding Letter of Commitment for the Denver Steels Phase II Water Service Line Replacement Project in the Amount of \$525,000.00

I move that the Board of Public Utilities recommend Budget Revision 2026-86 for the Denver Steels Phase II Water Service Line Replacement Project in the Amount of \$ 525,000.00 and forward to Council for approval.

- 4.c. Approval of Budget Revisions 26-87 to Increase the Transfer from Water Distribution to Water Production for the Cost of Water

I move that the Board of Public Utilities approve Budget Revision 2026-87 as presented and forward to Council for consideration and approval.

- 4.d. Approval of General Services Agreement No. AGR27-804 with Kutak Rock, LLP in the Amount Not to Exceed \$150,000 plus Applicable Gross Receipts Tax for the Purpose of Providing Legal Services in Connection with the Incorporated County of Los Alamos Utilities Operations

I move that the Board of Public Utilities approve Agreement No. AGR27-804 between the Incorporated County of Los Alamos and Kutak Rock, LLP in an amount not to exceed \$150,000.00, plus Applicable New Mexico Gross Receipts Tax, for the Purpose of Providing Legal Services in connection with the Incorporated County of Los Alamos Utilities Operations and authorize the Utilities Manager to sign the agreement.

5. PRESENTATIONS (none)

6. PUBLIC HEARINGS (none)

7. DEPARTMENT BUSINESS

- 7.a. DPU Rate Comparisons with National Data Collected by APPA and AWWA

Chair Gibson requested that this item be removed from the agenda due to a miscommunication. The information that he was seeking was a cost comparison not a rate comparison.

No action was taken on this item.

- 7.b. Discussion and Possible Action on One Year Rate Increase for Gas Services

Ms. Joann Gentry, Deputy Utility Manager - Finance & Administration presented. Her presentation and other documentation were provided in the meeting packet. Chair Gibson provided an opportunity for comments and questions from the board. The following individuals spoke:

1. Member Heavner
2. Mr. Shelton
3. Member Hollingsworth
4. Member Stromberg
5. Member Gibson
6. Mr. Shelton
7. Mr. Moseley
8. Member Gibson
9. Member Hollingsworth
10. Mr. Moseley

Chair Gibson called for further discussion or a motion. Member Gibson proposed a revised motion: "I move that the Board of Public Utilities direct the County Manager to present LAC Code Ordinance 02-385 to the Board on July 22, 2026." Member Heavner seconded.

Chair Gibson called for public comment. The following individual spoke via Zoom:

1. Ms. Lynne Brode

Chair Gibson then called for board discussion. The following individuals spoke:

1. Member Heavner
2. Ms. Cristina Valdez, Assistant County Attorney
3. Member Gibson

Ms.Valdez asked Chair Gibson to clarify whether he meant "Utilities Manager" not "County Manager" in his proposed revision. Member Gibson proposed a revision to his revised motion: "I move that the Board of Public Utilities direct the Utilities Manager to present LAC Code Ordinance 02-385 to the Board on July 22, 2026." Member Heavner seconded.

Chair Gibson then made a final call for discussion. The following individuals spoke:

1. Member Stromberg
2. Member Gibson
3. Member Stromberg
4. Member Gibson
5. Member Stromberg

Member Gibson moved and member Heavner seconded that the Board of Public Utilities direct the Utilities Manager to present LAC Code Ordinance 02-385 to the Board on July 22, 2026."

The motion passed by the following vote:

YES - 4: Members Stromberg, Hollingsworth, Heavner and Gibson

NO - 0:

ABSENT - Member Nakhleh

7.c.

Electric Distribution Undergrounding Discussion

Mr. Dennis Astley, Deputy Utility Manager - Electric Production presented. His presentation was included in the meeting packet. Chair Gibson provided an opportunity for comments or questions from the board. The following individuals spoke:

1. Member Heavner
2. Member Stromberg
3. Member Hollingsworth
4. Member Gibson

No action was taken on this item.

7.d.

Review of 10-year Budget Plan and Reserve Policies

Ms. Joann Gentry, Deputy Utility Manager - Finance & Administration presented. Chair Gibson provided an opportunity for comments and questions from the board. The following individuals spoke:

1. Member Heavner
2. Member Hollingsworth

3. Member Gibson
4. Mr. Shelton

No action was taken on this item.

8. BOARD BUSINESS

8.a. Chair's Report

Chair Gibson reported that:

1. He and Member Heavner swapped farmers market dates.
2. The DOE is telling DPU that the draft ECA will be ready in the next couple weeks. If so, the current extension ends in July. The BPU will need to schedule a special meeting, so he asked members to indicate their availability for the tentative date of July 8 at 3:00 p.m.: Member Hollingsworth - yes, Member Heavner - yes, Member Stromberg - yes, Member Gibson - yes. Member Nakhleh was absent
3. Mr. Nick Nelson offered a tour of lab's combustion turbine. Member Gibson stated that he is attending; Member Stromberg also expressed interest.
4. About a week ago he flew his own aircraft over the Foxtail Flats site. He provided a verbal account of view of the progress.

No action was taken on this item.

8.b. Board Member's Reports

Member Stromberg commented that the Foxtail Flats website needs to be updated. Member Gibson and Mr. Shelton also commented.

No action was taken on this item.

8.c. Utilities Manager's Report

Mr. Philo Shelton reviewed his report which was distributed to Members prior to the meeting and is **attached** to these minutes. Chair Gibson provided an opportunity for comments or questions from the board. The following individuals spoke:

1. Member Stromberg
2. Member Heavner
3. Member Gibson
4. Mr. Astley

8.d. County Manager's Report

Ms. Anne Laurent provided these highlights from the recent Council Meetings and Work Sessions:

1. Fire Season - at the time of the meeting there was a fire three miles northeast of Chicoma Mountain north of Los Alamos. A press release was issued prior to the start of the BPU meeting.
2. An Economic Development Director has been hired.
3. She encouraged public engagement on the new website by using the "Have your say" icon on front page.
4. At the June 23 Council Work Session, there will be an announcement of LEDA participation agreements prior to introduction of an ordinance at the July 28th Regular Meeting.

8.e. Council Liaison's Report

Vice Chair Herrmann provided updates from the June 9th Council Meeting:

2. The UAPP Collective Bargaining Agreement was approved.
3. The new employee performance review process was approved.
4. Many ordinances were introduced: water rates, gas rates, bond sales for Fire Station 4.
5. There was a Proclamation banning fireworks, which led to extending the drone show on the 4th of July.
6. The DOE Electric Resource Pool Budget was approved.
7. On August 25th Los Alamos will host the LA Nuclear Forum.

8.f. Environmental Sustainability Board Liaison's Report

Ms. Carly Blair provided a synopsis of the May ESB meeting:

1. There was a presentation on the Ridwell Recycling Program.
2. Ms. Angelica Gurule presented the On Bill Financing Program.
3. Ms. Shannon Blair introduced the single use plastic bag ban.

The next ESB meeting is on June 18th and on the agenda:

1. David Hampton will present on possible action for the ESB single use plastic bag ban.
2. Ms. Angelica Gurule will provide an update on the Residential Sustainability Report.

No action was taken on this item.

8.g. General Board Business

8.g.1. Discussion and Possible Support of the Council Charter Review of Utilities Profit Transfer; Council Procedures for Filling Partial Terms of Elected Officials; and Party Affiliation Requirements for Boards and Commission Members

Mr. Philo Shelton, Utilities Manager introduced the topic and summarized the charter amendments recommended by Council at their last meeting. Chair Gibson provided additional information. Ms. Anne Laurent, County Manager reminded the Board that changes to the Charter require a vote of the people. If agreed, the Board would be recommending an ordinance be included on the November ballot. Chair Gibson provided an opportunity for comments and questions from the board. The following individuals spoke:

1. Member Heavner
2. Ms. Gentry

Chair Gibson provided an opportunity for public comment; there was none. He then called for further discussion or a motion.

Member Heavner moved and Member Hollingsworth seconded that the Board support County Council's recommendation to have the County Manager draft an ordinance to formally propose the following change(s) to the Charter: remove paragraph "6. Any remaining funds shall be transferred to the County General Fund" in Section 509 of the Charter.

The motion passed by the following vote:

YES - 4: Members Stromberg, Hollingsworth, Heavner and Gibson

NO - 0:

ABSENT - Member Nakhleh

8.g.2. Approval of the Board of Public Utilities Annual Presentation to County

Council

Chair Gibson reviewed his presentation. He provided an opportunity for comments and questions from the Board; there were none. He then called for further discussion or a motion.

Member Heavner moved and Member Stromberg seconded that the Board of Public Utilities approve the Annual Presentation to Council and Chair Gibson's delivery of the presentation at the July 14, 2026 Council Work Session.

The motion passed by the following vote:

YES - 4: Members Stromberg, Hollingsworth, Heavner and Gibson

NO - 0:

ABSENT - Member Nakhleh

8.h. Board Expenses

None.

9. STATUS REPORTS

9.a. Status Reports - May 2026

Chair Gibson opened the floor for comments and questions on the status reports. The following individuals spoke:

1. Member Gibson
2. Mr. Astley

No action was taken on this item.

10. UPCOMING AGENDA ITEMS

10.a. Tickler File for July - September 2026

Chair Gibson opened the floor for comments and questions on the tickler. The following individuals spoke:

1. Member Gibson
2. Member Stromberg

No action was taken on this item.

11. PUBLIC COMMENT

Chair Gibson provided an opportunity for public comment on any topic; there was none.

12. ADJOURNMENT

The meeting adjourned at 8:12 p.m.

APPROVAL

Board of Public Utilities Chair

Date Approved by the Board

Minutes transcribed by: Kathy Casados, Executive Assistant

ATTACHMENTS

(in agenda order):

4.a. Revised BPU Minutes - May 2026

8.c. Utilities Manager Report - June 2026



BOARD OF PUBLIC UTILITIES

ADDITIONAL MEETING DOCUMENTS

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

MEETING DATE	June 17, 2026
AGENDA ITEM	4.a. 21292-26 Approval of Board of Public Utilities Meeting Minutes - May
ATTACHMENTS	A - Draft BPU Work Session Minutes - 5/6/26 B - Draft BPU Regular Session Minutes - 5/20/26
NEW OR REVISED? Is this a revision that is different from what was in the agenda packet, or is it something entirely new?	REVISED
RECOMMENDED ACTION If you have a new or revised recommended motion for the Board, enter it here.	REVISED MOTION: I move that the Board of Public Utilities approve the items on the Consent Agenda as AMENDED and that the motions in the staff reports be included in the minutes for the record.
ADDITIONAL INFORMATION Please VERY BRIEFLY explain the purpose of this information or document.	Chair Robert Gibson suggested these changes on June 11, 2026, (after the BPU packet had been published).

plus NMGR T with a New Final Completion Date of June 30, 2026

I move that the Board of Public Utilities recommend the reinstatement of contract for IFB 25-31 for the Bayo NP Booster Station Rehabilitation Project including the two prior change orders in the amount of \$1,427,586.41 plus NMGR T and approval of Change Order No. 3 with TLC Company, Inc. in the amount of \$34,983.25 plus NM Gross Receipts Tax with a new final completion date of June 30, 2026 and forward to Council for approval.

DEPARTMENT BUSINESS

4.c.

Award of Bid No. 26-31 for the Trinity Drive/NM-502 ADA and Safety Improvements Project to HASSE Contracting Company Inc. in the Amount of \$1,320,550.00 plus Applicable NM GRT (*Revised 5/5/26*)

Mr. James Martinez, Deputy Utility Manager - Engineering presented. ~~A revised motion was provided to the Board and is attached to these minutes.~~ Chair Gibson provided an opportunity for comments and questions from the board. The following individuals spoke:

1. Member Hollingsworth
2. Member Nakhleh

Chair Gibson then called for further discussion or a motion.

Member Hollingsworth moved and Member Nakhleh seconded that the Board of Public Utilities recommend the Award of Bid No. 26-31 for the Trinity Drive/NM-502 ADA and Safety Improvements Project in the amount of \$1,200,500.00 plus a 10% contingency in the amount of \$120,050, for a total project amount of \$1,320,550.00, plus applicable NMGR T to HASSE Contracting Company Inc. and forward to County Council for approval.

The motion passed by the following vote:

YES - 4: Members Hollingsworth, Nakhleh, Gibson, and Stromberg

NO - 0:

ABSENT - 1: Member Heavner

8.e. Council Liaison's Report



Vice Chair Herrmann provided updated on the recent Council meetings and Work Sessions. Vice Chair Heavner Chair-Gibson provided an opportunity for comments and questions from the board. There were none.

No action was taken on this item.

8.f. Environmental Sustainability Board Liaison's Report

Ms. Sue Barns reported that the ESB recently

1. Heard a presentation on the statewide nm climate action plan.
2. Heard a presentation regarding marketing for the climate action plan.
3. Discussed a draft ordinance to ban single use plastic bags within 90 days.

Vice Chair Heavner provided an opportunity for comments and questions from the board. There were none.

No action was taken on this item.

8.g. General Board Business

There was none.

No action was taken on this item.

8.h. Board Expenses

There were none.

No action was taken on this item.

9. STATUS REPORTS

9.a. Status Reports for April



Mr. Shelton commented that April data was not available from Risk so it will be presented at the June regular meeting.

Vice Chair Heavner Chair-Gibson opened the floor for comments and questions on the status reports. The following individuals spoke:

1. Member Stromberg
2. Mr. Moseley
3. Member Nakhleh
4. Mr. Shelton

No action was taken on this item.

10. UPCOMING AGENDA ITEMS

10.a. Tickler File for June -September



Vice Chair Heavner Chair-Gibson opened the floor for comments and questions on the tickler. The following individuals spoke:

1. Member Nakhleh

No action was taken on this item.

Utilities Manager's Report
June 17, 2026

1. New Mexico is under a Red Flag Warning. PNM has disabled automatic reclosing on both transmission feeders serving the Los Alamos area as part of their wildfire risk mitigation measures. This action was taken in response to elevated fire weather conditions within PNM's service territory outside of Los Alamos County. While no Public Safety Power Shutoff (PSPS) is currently anticipated, disabling transmission line reclosing increases the likelihood of an unplanned outage should either transmission line experiences a fault. As a result, both Los Alamos National Laboratory and Los Alamos County are at an increased risk of an unplanned power outage until normal transmission system configuration is restored.
2. For White Rock Sub-Station, R&M Construction held a preconstruction meeting today to drill and construct caissons for the transformer foundation. The tie line recloser control is programmed and it is ready to go on-line should it be needed.
3. For Elk Ridge, there is one home that has yet to tie into the new system while the old system is completely abandoned.
4. New Mexico Gas has mobilized to hydrotest the 7 to 8 miles of high-pressure gas line from Santa Fe to Los Alamos. The virtual pipeline will be in operation from mid-June to mid-August.
5. Recruitment status: We currently have interviews scheduled for GWS Superintendent, Energy and Water Conservation Coordinator, and Senior Engineer. The remaining vacancies are Electrical Distribution Engineering Manager, Associate Engineer, Management Analyst, Water Operator, Two-Power System Operators, and Engineering Aid for utility locates.
6. The plumbers and pipefitting union's contract renewal received approval for a five-year contract until June 30, 2031.
7. The ECA is under final review by the DOE and their goal is to have the final version back to DPU by the end of the month. I have set up a tentative special meeting date and time of July 8 at 3 PM to review this agreement with the full Board.
8. The sub-grant agreement for the Jemez Fire Protection Project was approved by Council and submitted back to FEMA for signature. Once this agreement is signed then we can begin procurement of materials and go out for bids for the project. This work will cover the electrical underground lines and removal of the overhead lines.
9. Foxtail Flats solar panels and electric transmission line extension are under construction. Next week staff are meeting with the BESS contractor to discuss how we plan to discharge the battery as this vendor finalizes their designs.

10. For Chromium Plume, I worked with Council Chair Ryti on a list of questions to ask Deputy Secretary Walsh next week when he meets with him at an Energy Community Alliance meeting.
11. For the NMED's sanitary survey items, all is complete except for the Sycamore housekeeping curb to prevent undermining at the tank base. NMED is scheduling a site inspection to help determine a path forward.
12. For PFAS class action lawsuit, staff provided reformatted well pumping data to match their needs. Also, we were asked to obtain two more samples from wells PM-4 and 5.
13. As part of the review of SWEIS water needs, NNSA/DOE moved up the expansion of their reclaimed water facility to 2030, so their water needs fall just under their annual water right allotment. This has removed one argument for expanding water production with a new well, however, DPU still has lost capacity with PM-3 offline, and this is a major resiliency and redundancy resource need to the community. We are finalizing contract terms for the 40-yr water plan and will bring this contract to BPU in the regular July meeting. DPU continues to work to receive federal funding for a new well at Overlook Park.
14. For the extended electrical outage on May 8th to 9th, it was determined that some of the programming on the relays were missing. Staff are working on a task order with the on-call engineer, T&D, to receive an updated program to add to these relays.
15. DPU applied for a federal grant in the amount of \$275,000 called The Natural Gas Distribution Infrastructure Safety and Modernization (NGDISM) grant program for the gas line replacement and upgrade along Central Ave. from 9th Street to the round-about at Trinity.
16. UAMPS Projects: CFPP is still working to close out the project with the DOE. In the interim, a resolution was adopted to move the Bank of America line of credit over to Wells Fargo. For UAMPS members to quickly meet capacity needs as a result of joining EDAM, UAMPS is pursuing several BESS projects.
17. PNM has successfully completed full demolition and decommissioning of the San Juan Generating Station Facility, in accordance with the Demolition and Remediation Plan (DRP). PNM submitted the closure report to San Juan County to comply with San Juan County Ordinance 121. Decommissioning work was carried out in accordance with the DRP, including the removal and proper recycling or disposal of materials generated during demolition activities. All materials were transported and recycled or disposed of at PNM-approved facilities. The formal decommissioning and demolition process was completed over an approximately three (3) year period, from initial contractor mobilization through final completion. The mine reclamation work will continue through 2030.



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.:	4.b.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Governance - Communication and Engagement; Quality of Life - Health, Wellbeing, and Social Services; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 3.0 Be a Customer Service Oriented Organization that is Approachable, Communicative, Efficient, and Transparent
Presenters:	Joann Gentry, Deputy Utility Manager-Finance & Admin.
Legislative File:	21287-26b

Title

Approval of Changes to the Utilities Assistance Program (DPU Rule GR-18)

Recommended Action

I move that the Board of Public Utilities approve revisions to the DPU Rules & Regulations, section GR-18: Utilities Assistance Program, as presented.

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve the motion as presented.

Body

At the June 3, 2026 BPU Work Session Ms. Joann Gentry presented the proposed revisions to the Utilities Assistance Program. Board members had an opportunity to comment and provide suggestions and no further revisions were provided.

Alternatives

The Board could suggest further revisions and/or choose to postpone action until a later meeting

Fiscal and Staff Impact

None

Attachments

- A - GR-18 Utility Assistance Program redline
- B - GR-18 Utility Assistance Program clean
- C - UAP Presentation

**RULES AND REGULATIONS
GENERAL RULES (GR)
RULE GR-18
UTILITIES ASSISTANCE PROGRAM (UAP)**

GR-18.01 GENERAL

The purpose of the UAP is to provide assistance to qualified low-income residential customers of the Utility during the periods of October 1 through March 31, or year-round for citizens over age 65 or account holders qualified through the Social Security Administration for Supplemental Security Income (SSI), or one-time assistance to account holders who demonstrate need due to unforeseen and unusual circumstances. Funding is provided voluntarily from customers.

To qualify for monthly assistance, the household income of the applicant must be below 50% of the median household income for the Los Alamos Census Designated Place (CDP), which includes all of Los Alamos County. The Department will verify income levels by requesting copies of tax returns, pay stubs, or other suitable documentation. Applicants should be aware that documents submitted may be subject to release under the inspection of public records act (IPRA). Personal Identifier Information and tax information will be redacted to the extent allowable under IPRA Regulations before release.

GR-18.02 AMOUNT OF ASSISTANCE PROVIDED

Assistance is limited by the amount of contributions. The Utility shall attempt to distribute assistance based on need. Assistance provided will be up to 30% of the customer's average bill for consumption of water, gas, electric and sewer during the previous winter months of October through March, with a maximum of ~~\$158.00~~ \$176.00 assistance per month and a minimum of ~~\$20.00~~ \$23.00 assistance per month for those who qualify. The monthly credit will be limited by the customer's total bill for utilities services for each individual month. If the customer does not have previous winter use history at the subject residence staff will estimate appropriate assistance based on relevant comparative information.

GR-18.03 ONE-TIME PAYMENTS FOR IMMEDIATE FINANCIAL HARDSHIP

Assistance is limited by the amount of contributions. A single lump sum assistance credit may be applied to a qualified customer's bill if they have a demonstrated need due to unforeseen circumstances (e.g., layoff, illness, major household repairs, etc.) and are in danger of their utility services being turned off for non-payment. A brief statement of income and anticipated expenses, a statement of need or hardship as to why available resources are not sufficient to pay the utilities bill, and details of other assistance resources sought or expended will be required. A single lump sum payment will generally only be granted once in a rolling twelve-month period and only after all other assistance programs have been pursued. The maximum amount will be \$350.00. Each individual case will be judged on its own merit. Staff will make a recommendation for final approval by the Deputy Utilities Manager for Finance and Administration after review of the hardship documentation provided to ensure compliance with the requirements stated in this provision.

GR-18.04 PROCEDURE FOR ALLOCATING ASSISTANCE

The annual assistance period will be October 1 through the following March 31 of each year, or October 1 through the following September 30 for year-round assistance. A new application will be required each year. In September the Utility will determine eligibility for winter or year-round assistance and calculate the maximum allocation for each applicant. One-time assistance payments will be considered as applications are received, if funds are available. Applications received during an annual assistance period will be considered for the remainder of the current assistance period if funds are available. If the total allocation thus calculated exceeds projected funds available, the allocations will be reduced on a pro-rata basis. However, allocations for winter or year-round assistance have priority over applications for one-time payments for immediate financial hardship. In no case will assistance payments exceed contributed funds available at the time the assistance payment is credited to the customer's account.

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Utility Assistance Program **DPU Rule** GR-18

Joann Gentry

Deputy Utility Manager of Finance & Administration

Overview

2



Update Rules & Regulations GR-18



Increase the Minimum from \$20 to \$23



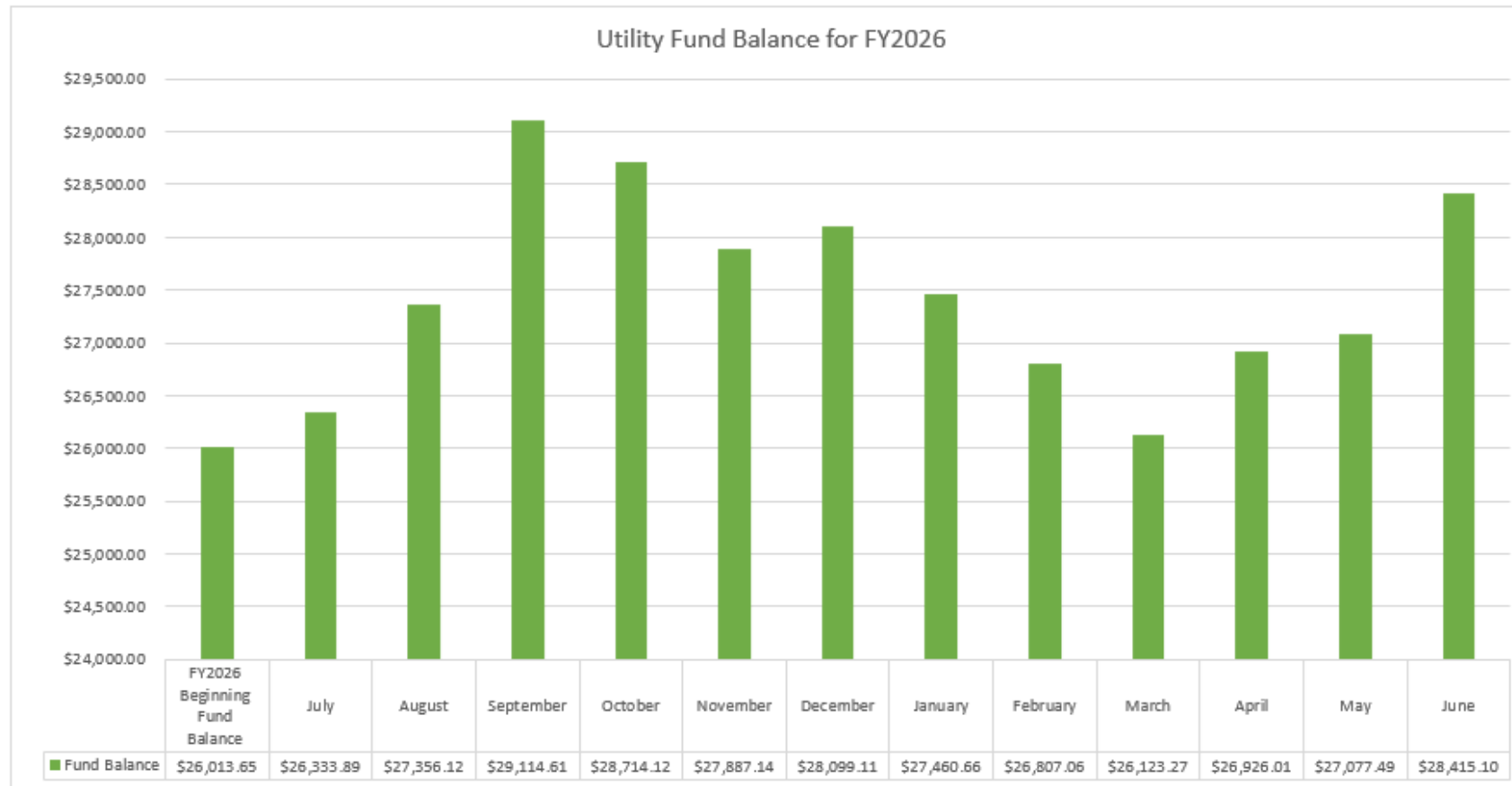
Increase the Maximum from \$158 to \$176

FY2026 Assistance & Donations

3

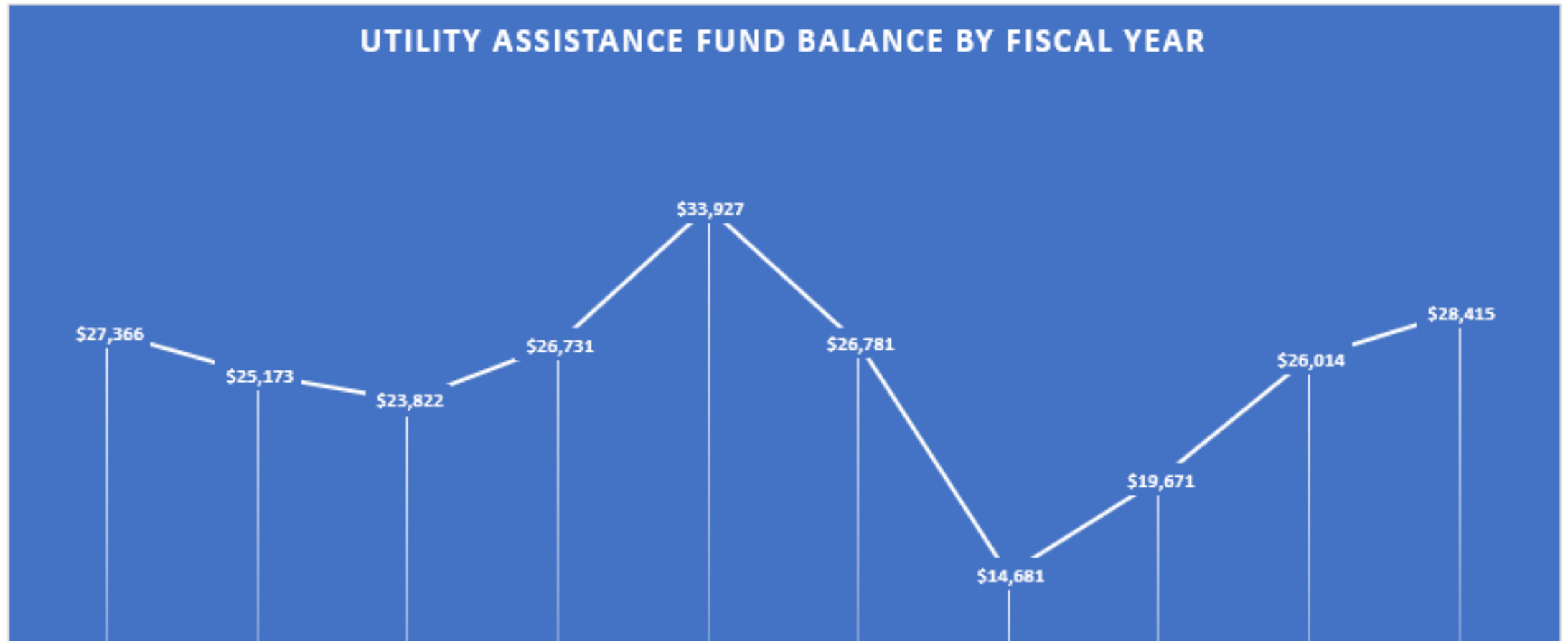


Utility Assistance Fund Balance



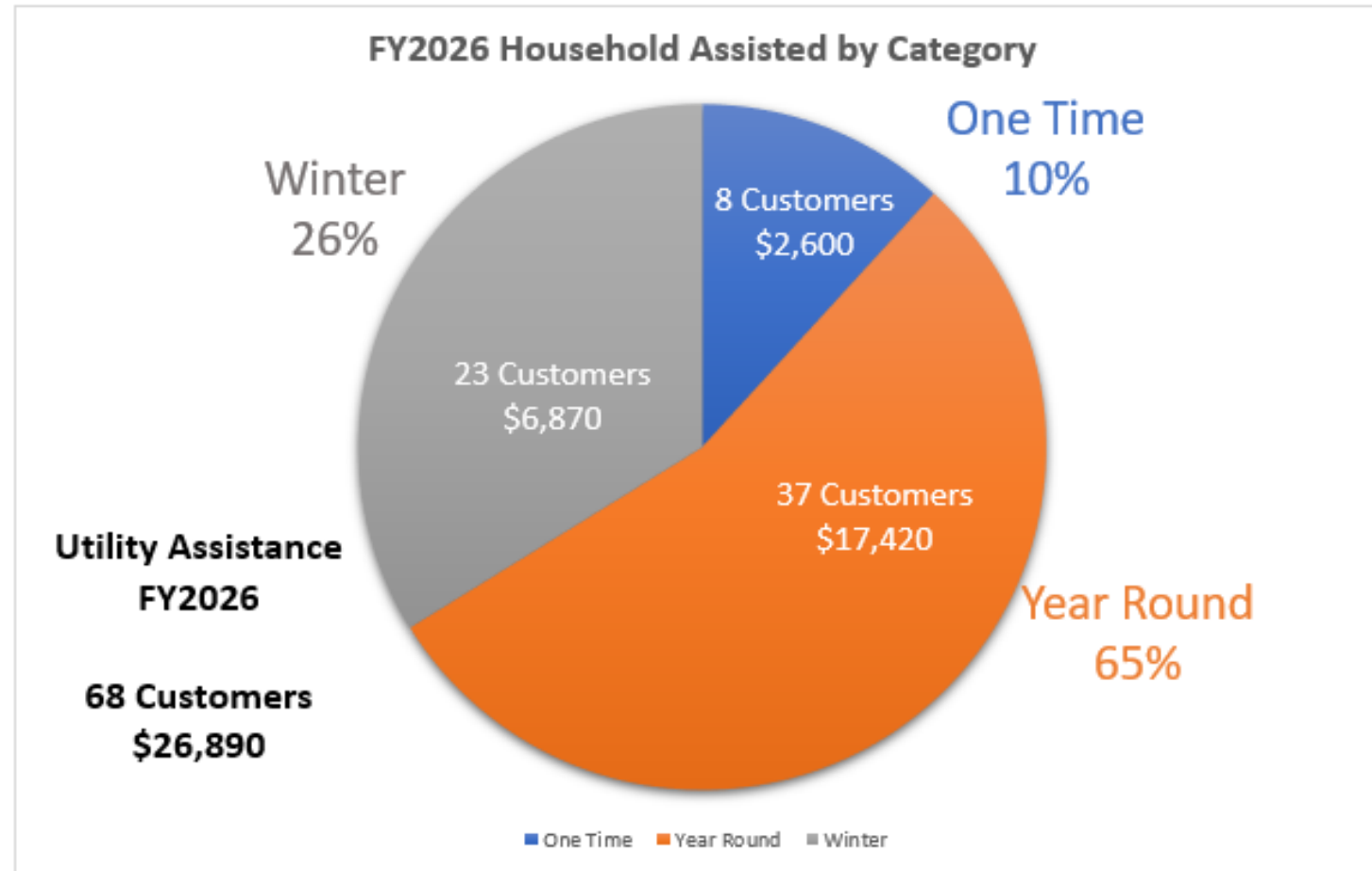
Utility Assistance Fund Balance by FY

5



Utility Assistance by Type

6



Additional Resources

7

- Low Income Home Energy Assistance Program (LIHEAP)
- Self Help
- LA Cares
- Los Alamos County Social Services

Amount of Assistance from additional resources for FY2026

- LIHEAP - \$6,580
- LA Cares - \$33,600

Breakdown of Proposed Changes

8

December 2025					
	Average	Service Fee	Commodity Rate		
Electric	500	\$ 17.60	\$ 0.1463	\$ 90.75	
Gas	126	\$ 14.25	\$ 0.76	\$ 110.01	
Water	6,000	\$ 16.69	\$ 7.53	\$ 61.87	
Sewer	Flat Rate	\$ 14.03	\$ 50.77	\$ 64.80	
				<u>\$ 327.43</u>	
December 2026					
	Average	Service Fee	Commodity Rate		Increase
Electric	500	\$ 22.50	\$ 0.1970	\$ 97.99	7.98%
Gas	126	\$ 15.53	\$ 0.90	\$ 128.93	17.20%
Water	6,000	\$ 18.03	\$ 8.13	\$ 66.81	7.98%
Sewer	Flat Rate	\$ 15.10	\$ 54.32	\$ 69.42	7.13%
				<u>\$ 363.15</u>	10.91%
				Minimum \$ 20.00	\$ 23.00
				Maximum \$ 158.00	\$ 176.00
Increase of 11% rounding up to the nearest dollar					

How to Donate to Utility Assistance Fund

9

Monthly Support

Residents can add a designated amount to their monthly bill

[https:// www.losalamosnm.us/ Services/ Public-Utilities/ Utilities-Assistance-Program/ Support-UAP](https://www.losalamosnm.us/Services/Public-Utilities/Utilities-Assistance-Program/Support-UAP)

One-Time Donation

Residents may fill out the UAP donation amount on their bills.

Purchase by shopping for DPU merchandise on Zazzle! DPU's four utility mascots are featured on apparel and more! [https:// www.zazzle.com/ store/ losalamosdpu](https://www.zazzle.com/store/losalamosdpu)



Staff Recommendation

10

**Board of Public Utilities
approve an assistance increase to
the minimum of \$23.00 and
the maximum of \$176.00 per month.**

Next Steps

11

If approved, staff will implement the following changes:

- **August 1, 2026, for year-round qualified households**
- **October 1, 2026, for Winter Assistance qualified household**
- **No Changes to One-Time Assistance**

Thank you! Questions?

Joann Gentry

Deputy Utility Manager -
Finance & Administration

Office: 505-662-8004

Mobile: 505-709-0139

joann.gentry@losalamosnm.gov





County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.c.

Index (Council Goals): Quality Excellence - Effective, Efficient, and Reliable Services; Quality Excellence - Infrastructure Asset Management; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services

Presenters: Dennis Astley, Deputy Utility Manager-Electric Distribution

Legislative File: 21892-26a

Title

Award of Bid No. IFB26-58 for the Purpose of LASS Cured in Place Piping with AUI, Inc. in the Amount of \$849,570, plus Applicable Gross Receipts Tax for the Term of 180 Days.

Recommended Action

I move that the Board of Public Utilities approve the Award of Bid No. IFB 26-58 for the Purpose of Cured in Place Piping with AUI, Inc. in the Amount of \$849,570 and a contingency in the amount of \$169,914, for a total of \$1,019,484, plus Applicable Gross Receipts Tax and forward to Council for approval.

I further move that the Board of Public Utilities approve Budget Revision 2027-02 in the amount of \$1,019,484 and forward to Council for approval

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve as presented

Body

Cured in Place Piping IFB 26-58 is to clean six conduits, each about 1,300 feet in length and then clean/seal the manhole in the bottom of the canyon. The conduits go from East Jemez Road to a manhole behind the medical center helipad. The cleaned conduits will be lined with a fiberglass reinforced resin to encapsulate the asbestos containing conduit.

Alternatives

DPU will require someone to clean the conduit of debris that has collected in there over the years and plugged the conduit. DPU would then have crews work with the existing Conduit and wear Personal Protective Equipment. This is not recommended because the asbestos conduits will not be encapsulated.

Fiscal and Staff Impact/Planned Item

Budget revision required to carry over \$1,019,484 from the previous fiscal year.

Attachments

- A - Bid Form - East Jemez CIPP Project
- B - Budget Revision 2027-02 LASS

REVISED VIA ADDENDUM 2

1.5.1 Bid Form

Bidder agrees to perform the work for the prices submitted in the bid form or applicable bidtable submitted through the Procurement Portal:

The TOTAL amounts of the below bid (excluding NMGRT) shall be shown in both words and figures. In case of discrepancies, the amount shown in words will govern.

Items in Red Text are revisions from the original Bid Form.

Base Bid:

The Bidder agrees to perform all of the work described as the Base Bid in the Solicitation Documents for an amount determined as follows:

UNITS ACRONYMS	
EA = EACH	L.S. = Lump Sum
SQ.FT. = Square Yard	LIN.FT. = Linear Feet

Base Bid: East Jemez CIPP (CURED IN PLACE PIPING) PROJECT					
Item No.	Item Description	Units	Estimated Quantity	Unit Price	Total Amount
1	Mobilization	L.S	1	82,000.00	82,000.00
2	Clean Existing Conduit	LIN.FT	7722	8.00	61,776.00
3	Filter Water Used for Cleaning	L.S	1	16,121.00	16,121.00
4	CCTV Inspection of Conduit	LIN.FT	7722	9.00	69,498.00
5	UV Cure CIPP 6" Transite Pipe	LIN.FT	7722	51.00	393,822.00
6	Repair Manhole (If Needed-Interior)	EA	1	8,131.00	8,131.00

7	Cementitious Patching of Vault (Interior)	SQ.FT.	40	462.00	18,480.00
8	Polyurethane Coating of Vault	SQ.FT.	384	333.00	127,872.00
9	Storage Tank to hold pumped water while testing and filtration is conducted	L.S.	1	8,313.00	8,313.00
10	Testing of Water in Vault via Transmission Electron Microscopy (TEM) Method (up to 10 tests)	EA	10	2,505.00	25,050.00
11	Testing of Water used for flushing the 6 conduits <u>prior</u> to filtration via Transmission Electron Microscopy (TEM) Method (up to 10 tests)	EA	10	961.00	9,610.00
12	Testing of Water used for flushing the 6 conduits <u>after</u> filtration via Transmission Electron Microscopy (TEM) Method (up to 10 tests)	EA	10	961.00	9,610.00
13	Testing of solids produced following flushing the 6 conduits after filtration of water via Transmission Electron Microscopy (TEM) Method (up to 10 tests)	EA	10	409.00	4,090.00
14	Abatement and Disposal of Asbestos Containing Material related to the pumping of water utilized for cleaning conduits	LS	1	15,197.00	15,197.00

BASE BID 1 –	\$ 849,570.00
---------------------	----------------------

Total Bid Amount written in words:

eight hundred forty nine thousand five hundred seventy dollars and zero cents

Note: The bid amount shall exclude state gross receipts tax or local option tax, but shall include all other costs of doing business, including but not limited to bonds, insurance and profit. The Incorporated County of Los Alamos is required to pay the applicable tax including any increase in the applicable tax becoming effective after the date the contract is entered into. The applicable gross receipts tax or local option tax shall be shown as a separate amount on each billing or request for payment under contract. The Incorporated County of Los Alamos reserves the right to reduce or add quantities.

Budget Revision 2027 - 02

BPU Meeting Date: July 22, 2026

Council Meeting Date: July 28, 2026

	Fund & Department	Org	Object	Revenue (decrease)	Expenditures (decrease)	Transfers In(Out)	Fund Balance (decrease)
1	Joint Utilities Fund - Electric Distribution	51285299	8369		\$ 1,019,484		\$ (1,019,484)
2							\$ -
3							\$ -
4							\$ -
5							\$ -
6							\$ -
7							\$ -
8							\$ -
9							\$ -
10							\$ -
Description: The purpose of the budget revision is to increase FY2027 expenditure authority for the purpose of the Los Alamos switch station (LASS) project.							
Fiscal Impact: The net fiscal impact to the Joint Utilities Fund in FY2027 is an increase in expenditures and a decrease in fund balance of \$1,019,484.							

Joann Gentry

7/14/2026

PreparerDate

County Manager Approval if Required

Philo Shelton

Department Director Signature

Sara Mariano

Budget Manager/Analyst Signature



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.d.

Index (Council Goals): Quality Excellence - Effective, Efficient, and Reliable Services; Quality Excellence - Infrastructure Asset Management; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance

Presenters: Dennis Astley, Deputy Utility Manager-Electric Distribution

Legislative File: 21896-26a

Title

Award of Task Order No. 10, Agreement No. AGR24-39a for the Purpose of Determining Relay Settings for the New Transformer in White Rock Substation with Transmission & Distribution Services, LLC in the Amount of \$157,262, plus Applicable Gross Receipts Tax for the Term of 180 Days

Recommended Action

I move that the Board of Public Utilities approve Task Order #10, Agreement No. AGR24-39a for the Purpose of Completing the study to connect the White Rock Transformer #1 and connecting the controls with Transmission & Distribution Services, LLC in the Amount of \$157,262 plus Applicable Gross Receipts Tax.

I further move that the Board recommend Budget Revision 2027-03 and forward to Council for approval.

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve as presented

Body

This is Task Order No.10 with Transmission & Distribution Services, LLC to determine relay settings for the new transformer in White Rock substation and connect the transformer controls to the switchgear building.

Alternatives

We would need to find another outside support service to assist us.

Fiscal and Staff Impact/Planned Item

The Electric Distribution fund balance will be reduced by \$169,352 and there are no staff impacts.

Attachments

A - Budget Revision 2027-03 WR Substation T1

B - Task Order No. 10 - T&D

Budget Revision 2027 - 03

BPU Meeting Date: July 22, 2026

Council Meeting Date: July 28, 2026

	Fund & Department	Org	Object	Revenue (decrease)	Expenditures (decrease)	Transfers In(Out)	Fund Balance (decrease)
1	Joint Utilities Fund - Electric Distribution	51285299	8369		\$ 169,352		\$ (169,352)
2							\$ -
3							\$ -
4							\$ -
5							\$ -
6							\$ -
7							\$ -
8							\$ -
9							\$ -
10							\$ -
Description: The purpose of the budget revision is to increase FY2027 expenditure authority for the purpose of the White Rock substation replacement project.							
Fiscal Impact: The net fiscal impact to the Joint Utilities Fund in FY2027 is an increase in expenditures and a decrease in fund balance of \$169,352.							

Joann Gentry

Preparer

7/14/2026

Date

County Manager Approval if Required

Philo Shelton

Department Director Signature

Sara Mariano

Budget Manager/Analyst Signature

Transmission & Distribution Services LLC.
SERVICES AGREEMENT: AGR24-39a

Task Order No. 10

Date Prepared: 9/4/2025

Task Order Project Title: White Rock Substation T1 Commissioning

Job Cost #: ED7935.

Task Order DPU Project Manager: Dennis G. Astley

Phone: (505)662-8165

Email: dennis.astley@lacnm.us

Task Order Contractor Contact: Kenny Adams

Phone: (505) 344-4234

Email: KAdams@t-d-services.com

Scope of Work:

The Los Alamos County Department of Public Utilities (LACDPU) is needing additional construction support and commissioning assistance for the White Rock Transformer #1 project. Included will be connections of the transformer controls to the switchgear building.

Engineering services are defined in three tasks.

Task 1: Engineering Services

- Test and connect control circuits of the transformer and switchgear building
- Study and create relay settings for the larger transformer that is replacing the previous unit
- Update relay settings in White Rock Substation based on study results
- Provide guidance on substation transformer foundation work and oil containment system
- Update records of substation prints

White Rock Substation			
Task #	Description	Est. Labor (Hrs)	Cost
1	Construction Services	240	\$ 57,350
2	Commissioning	100	\$ 23,000
3	Relay design and programming	180	\$ 41,400
4	Drawing/Record Update	60	\$ 12,000
5	Misc. Field Supplies		\$ 3,000
	15% Contingency		\$ 20,512
	Total		\$ 157,262

Start Work Date: 6/20/26.
Complete Work By: 11/30/26
Invoice actual labor

Estimated Total Cost: (not to exceed amount): **\$ 157,262.00**
GRT: **\$ 12,089.52**
Final Estimate: **\$ 169,351.52**

Current Agreement Total Value	\$ 6,884,298.81	GRT	\$.076875
Total Value of this Task Order	\$ 169,351.52	GRT	\$
Remaining Agreement Total Value	\$ 6,714,947.29		

Acceptance of Conditions and Items of Work

Department of Public Utilities: _____
Name Date

Transmission & Distribution Services, LLC _____
Date

Name: _____
Print



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.e.

Index (Council Goals): Quality Excellence - Effective, Efficient, and Reliable Services; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services

Presenters: James Martinez, Deputy Utility Manager-Engineering

Legislative File: 21943-26a

Title

Approval of Task Order No. 4 (Amendment #2), AGR20-48c (Amendment #2) with Wilson & Company in the Amount of \$164,306.18 for the Purpose of the Remaining Engineering Services for the Jemez Mountain Regional Fire Protection System

Recommended Action

I move that the Board of Public Utilities recommend Task Order No. 4 (Amendment #2), AGR20-48c with Wilson & Company for the purpose of engineering services for the Jemez Mountain Regional Fire Protection System in the amount of \$164,306.18, plus applicable gross receipts tax and forward to Council for approval.

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve the motion as presented.

Body

The Jemez Mountain Regional Fire Protection Project has been planned for years and progressed slowly through various jurisdictional approvals. The project will convey water from the existing potable water system in Los Alamos to Pajarito Mountain to provide domestic water to the Pajarito Mountain ski facilities, Camp May campground and provide a reliable water supply for regional fire protection and snow making. The existing 240,000 gallon non-potable water tank located in the vicinity of the Ski Lodge will be re-purposed to a potable water tank and will be able to be refilled as needed to provide fire protection to the Pajarito Mountain ski facilities. The existing water tank is now filled once per year from snowmelt runoff. In addition, the existing 10 million-gallon snow making pond located at the top of Pajarito Mountain will remain full year-round as a water resource for fire-fighting for the Jemez Mountain region. This will be a valuable fire-fighting resource, as opposed to Cochiti lake and Abiquiu lake that are much further away. The new water system will also provide a reliable water source for the Pajarito Ski hill snow making operation. This will allow the ski hill to have a consistent snow-pack and operate every year. The community will benefit from the thousands of skiers contributing to the local economy.

The project has been broken into 4 Phases and is currently in its last phase of the project as a whole. Phases I & II included the installation of 23,000 feet of 10" waterline with a shared trench that included 4" fiber conduit and a 6" electrical conduit, which was completed in May 2026. The Phase IV of the Project included the building of a new 500,000 gallon water tank, which consequently has been in operation since November of 2025.

The remainder of the work is incorporated into Phase III and will include the construction of the four booster stations, connection and disinfection of the existing water line, disinfection of the existing Camp May Hill Water Tank and the removal of the existing overhead power line that will be placed into the new underground system.

Wilson & Company was initially hired by the Department of Public Utilities (DPU) to design the system in 2016, then hired by Pajarito Recreation LP in 2021 to modify the design as a private system. Due to the longer time line of finishing the projects design and construction additional cost in design and construction have been encountered. This Amendment #2 if approved will be for additional design and construction services to finish the remainder of the project. Construction services with the current contractor will be completed in spring of 2027 but closeout documentation and project deliverables by Wilson & Company will end in January 2028. This includes but not limited to providing engineering support during the remaining construction, contract support, provide closeout certifications, and as-built drawings as required by the funding agencies.

Alternatives

If the task order is not approved the project will be delayed and options to perform the engineering will be evaluated.

Fiscal and Staff Impact/Planned Item

The total project cost is estimated at \$18 million. The 2022 and 2023 New Mexico Legislature and Governor awarded \$7,000,000 and \$900,000 to Los Alamos County for construction of the water line for the Jemez Mountain Fire Protection Project. Los Alamos County and Pajarito Recreation LP have mutually agreed through a development agreement to fund \$2 million dollars each towards the construction of the system and split the cost by 50% each up a total project budget of \$18 million. The original Task Order No 4, AGR20-48c for the Jemez Mountain Fire Protection Project was paid by the state grant award. This amount of \$164,306.18 will be shared 50-50 between DPU and Pajarito Recreation LP.

Attachments

A - Task Order No. 4 (Amendment #2), AGR20-48c

B - Wilson & Co. Amendment #2 - Additional Scope - Jemez Mountain Regional FPS

**Task Order
Wilson and Company
AGR20-48c**

Task Order No.: 4 (Amendment #2)

Date Prepared: July 1, 2026

Project Title: Jemez Mountain Regional Fire Protection Project (Phase III Design & Construction Services)

Job Cost #:

Task Order Project Manager: Ernesto Gallegos

Phone: 505-662-8147

Department: DPU-ENG

Vendor Contact: Brian Ambrogi (505)948-5214

Scope of Work:

In Phases I, II, and IV required additional support to the Subconsultant Services, Bidding Services, and Construction Services to the original Task Order #4. These services were an over-run due to design changes during construction as well as the additional time added to the overall design and construction of the project. Task Order 4 (Amendment #2) accounts for all the additional services owed as well as the remaining to finish the overall project.

The remaining services for the Jemez Mountain Fire Protection include Engineering, Construction Support, and closeout for the Phase III of the Jemez Mountain Regional Fire Protection. This will include any and all additional design work that may occur during construction, contract management & oversight, contract closeout, and project closeout that may arise during the final phase that is needed to complete the project. This will include but not limited with the installation of the Booster Pump Stations, commissioning of the sites, support during the construction, provide closeout certifications as well as as-built drawings as required by the funding agencies, communication with the NMED for compliance with Drinking Water Standards, and communication with the U.S. Forest Service (if necessary). In addition this will include site visits as necessary during construction as well as the one-year warranty walkdown.

See Exhibit 1 - Wilson & Company Amendment #2 – Jemez Mountain Reginal FPS Fee Proposal dated June 26, 2026.

Start Work Date: July 29, 2026

Complete Work By: January 31, 2028

Estimated Total Cost: (not to exceed amount): \$164,306.18

Total for TO #2 Final Estimate: \$ 176,937.22

Current Task Order Agreement Value	\$ 1,000,000.00	Less GRT
Estimated Value of all task orders to date, including this task order:	\$ 786,086.57	Less GRT
Remaining Contract Value:	\$ 213,913.43	Less GRT

SIGNATURE PAGE

Project Manager
Date

Wilson & Company **Date**

Utilities Manager Date

June 26, 2026

Ernesto Gallegos
Project Manager
Los Alamos County
1000 Central Ave,
Los Alamos, NM 87544

Re: Amendment #2 - Additional Scope – Jemez Mountain Regional FPS

Ernesto:

Per previous discussions, this Amendment #2 to AGR20-48C PO 86848 for the Jemez Mountain Regional FPS includes architectural design services as listed below that have been completed in addition to our original project scope and proposed amendment #1.

The additional design services included under this supplement are as follows:

SCOPE OF SERVICE:

Task 2 – Subconsultant Services:

Original scope of service included one complete phase of design and construction. There was additional work required to repackaging the single design package into four separate phases and providing construction phase services. Additional electrical design effort was included beyond the original scope of service as follows:

- Modification/revision of fiber optic conduit design in phase 1 – included design modifications for handholes, and conduit beyond the scope of simple repackaging of plans.
- Modification / revision of fiber optic conduit design in phase 2 – including design modifications for handholes, and conduit beyond the scope of simple repackaging of plans.
- Modification / revision of fiber optic and electrical conduits on the Pojoaque Tank 4 site based upon County design revisions, additional SCADA requirements, and site design changes.
- Additional design for four booster pump station buildings to incorporate more Input/Output contacts and requirements for SCADA system interface, revision of pump start-up operations from using a control valve at the top of the pipeline to a pressure-based control with option to start/monitor via SCADA System.

Task 5 – Design Services

- Additional Scope to design new Chlorination equipment, including coordination with county and manufacturer, updates to design drawings, NMED permitting, and specifications.
- Additional scope for requested grading adjustments due to field changes from previous phase – 1 sheet of updated grading plans. Topo to be provided by county, no additional survey is included.
- Permit updates for Chlorination equipment, completed the requested NMED 4-log removal calculations and documented chlorine inactivation process in coordination with NMED.
- Tank site plan breakout – Prepared an additional, fourth plan set, for just the water tank site, original scope included 3 plan sets.

- Redesign of piping, valves, fittings, and metering at the ski area to connect the new pipeline to the existing non-potable piping and incorporate new meter locations within the ski area for future metered connections.
- Architectural Revisions – Building was changed from pre-cast concrete to CMU block during design at county request to reduce construction cost.
- Additional grading site design at tank site and all booster stations due to relocation of fiber and electric services.

Task 6 – Bidding Services

- Additional Scope to be present for more on-site visits, original scope did not include site visits during the bidding process. Including time for contractor walkdown and travel – 3 on-site pre-bid meetings

Task 7 – Construction Services

- Additional Site Walkdowns with USFS – 3 total, which includes 1 more upcoming site walkdown for final phase of project.
- Additional field visits – original scope included 4 total field visits. Increased scope includes past site visits, and 8 total upcoming visits for phase 4 of construction.
- Additional weekly progress meetings through construction phase. Original proposal assumed ½ hour weekly progress meetings and that construction phase would be complete 10/24/2025. This request includes 6 past visits for phases 1,2, and 4. Scope also includes 5 upcoming site visits for phase 3.
- Architectural CA submittal review which was not included in the original scope.
- Additional Construction design services – Added as a contingency for unanticipated design changes during construction at client request. 2 weeks of design services for an EIT, and one week of PM effort is included in this task.
- 1-year warranty walk – Includes one trip at end of project to perform a warranty walkdown

ASSUMPTIONS/EXCLUSIONS

- Engineering services not specifically mentioned in this Amendment shall be assumed to be excluded.
- Retaining wall and drainage redesign is limited to shifting/expanding the wall and drainage improvements away from the tank, booster station, retaining wall, and proposed structure. The wall will remain a gravity block retaining wall.
- Architectural redesign is limited to modification of building plans, elevations, and details necessary to convert from precast to CMU construction; no full plan set redevelopment or design of roofing system; structural design and analysis is included.
- If architectural revisions result in required changes to other disciplines, such changes will be addressed under separate authorization.
- Existing plan geometry, grading intent, and site constraints from Sheets C-102, C-103, and C-104 will be used as the starting point.
- Existing utilities shown on the plans are approximate and will need to be field verified before final layout.
- Existing fence removal/replacement, tree removal, seeding, grading, riprap, and access impacts will be adjusted only as needed for the revised wall/drainage layout.
- No major change to tank, booster station, waterline, overflow, or site piping design is assumed unless conflicts are identified.

- No structural design beyond the proposed wall and completed building design.
- No additional geotechnical investigation or new soil borings.
- FEMA/floodplain analysis is excluded.
- Construction staking, construction survey, as-builts, or guiding contractor means and methods is excluded.
- Utility potholing/SUE, utility relocation design, or utility owner coordination beyond identifying conflicts is excluded.
- Temporary shoring design or excavation support design is excluded.
- Contractor SWPPP preparation, NOI/NOT filing, inspection reports, or temporary BMP installation are not included.

COMPENSATION:

For the completion of the additional engineering services described above for Tasks 2, 5, 6, & 7, we propose a **Time and Materials Not to Exceed fee of \$164,306.18 (excluding NMGR)**.

A man-hour breakdown of services is included in Exhibit A based on billing rates effective July 2026. to provide detailed scope and fee information. Should this fee be outside the anticipated project budget, we can amend the scope of service as needed.

TIMELINE FOR COMPLETION OF PROJECT:

The project timeline is assumed to terminate on January 31, 2028, to allow for the required warranty period.

TERMS AND CONDITIONS:

If the county agrees to the proposed scope and fee, we will prepare and provide the contract amendment documents for execution by the County.

If you have any questions, please contact our Project Manager, Mr. Ross Gabaldon, at 505-948-5123 or by e-mail at ross.gabaldon@wilsonco.com.

Sincerely,



Brian McBride
Vice President, Operations



Ross Gabaldon, PE
Project Manager

Attachments: Exhibit A: Man-hour Worksheet



Exhibit A
Man Hour Worksheet

Project LAC Jemez Mountain Regional FPS - Supplement 2
Project Number 20-600-894-03
Owner: Los Alamos County
Engineer: Wilson & Company, Inc., Engineers & Architects
Submittal Date: 26-Jun-26

This Manhour Worksheet is based upon our approved escalated contract billing rate schedule for July 2026 and is provided as an estimate of overall project effort. It is not intended to be used as a basis for rate limits or task budgeting beyond what is presented in the proposal letter.

WBS	TASK/SUBTASK/DESCRIPTION	Project Engineer	Grad Eng/Arch In	ARCHITECT/	INTERN	Labor	SUBCONSULTANT FEE	MILEAGE & MISC. EXPENSES	Task Total:	Schedule/Notes:
		(Licensed) PS	res (Unlic) P2	(LICENSED) A5	ARCHITECT/JOB CPTN(UNLIC) A3					
		\$ 213.38	\$ 113.65	\$ 164.68	\$ 132.21					
		Hrs.	Hrs.	Hrs.	Hrs.					
2	TASK 2 - SUBCONSULTANT SERVICES									
	Additional Coordination and Electrical - SCADA and Chlorine system Integration					0	\$ 38,050.00		\$ 38,050.00	
	Subtotal Hours (excl. NMGR):	0	0	0	0	0	\$ 38,050.00	\$ -	\$ 38,050.00	
5	TASK 5 - DESIGN SERVICES									
	Chlorine System - Design updates	4	12			16			\$ 2,217.32	
	Chlorine System - NMED Permitting	8	30			38			\$ 5,116.54	
	Grading Plan - revisions for Pump 1 Site Plan	8	32			40			\$ 5,343.84	
	Ski Area Piping - Design changes at ski area site	6	32			38			\$ 4,917.08	
	Building Site Regrading	6	24						\$ 4,007.88	
	Tank Breakout	8	40			48			\$ 6,253.04	
	Architectural building re-design			30	80				\$ 15,517.20	
	Construction Design Services	40	80						\$ 17,627.20	
	Tank Site Re-Grading	40	160						\$ 26,719.20	
	Subtotal Hours (excl. NMGR):	120	410	30	80	180	\$ -	\$ -	\$ 87,719.30	
6	TASK 6 - BIDDING SERVICES									
	Additional visits - Bidding services	15				15		\$ 516.00	\$ 3,716.70	
	Subtotal Hours (excl. NMGR):	15	0	0	0	15	\$ -	\$ 516.00	\$ 3,716.70	
7	TASK 7 CONSTRUCTION SERVICES									
	Field Visits - 6 Additional field visits (Phases 1, 2, 4)	48				48		\$ 1,032.00	\$ 11,274.24	
	Field Visits - USFS Walkdowns	24				24		\$ 516.00	\$ 5,637.12	
	Architectural Submittal review			8		8			\$ 1,317.44	
	Field Visits - 8 Additional field visits (Phase 3)	40	40			80		\$ 1,376.00	\$ 14,457.20	
	1-Year Warranty Walkdown	6	6			12		\$ 172.00	\$ 2,134.18	
	Subtotal Hours (excl. NMGR):	118	46	8	0	172	\$ -	\$ 3,096.00	\$ 34,820.18	
	Total Manhours	253	456	38	80	367	\$ 38,050.00	\$ 3,612.00		
	Subtotal All Tasks (Excl. NMGR):								\$ 164,306.18	
	NMGR @ 0.070625								\$ 11,604.12	
	Total incl. NMGR:								\$ 175,910.30	

June 26, 2026

Ernesto Gallegos
Project Manager
Los Alamos County
1000 Central Ave,
Los Alamos, NM 87544

Re: Amendment #2 - Additional Scope – Jemez Mountain Regional FPS

Ernesto:

Per previous discussions, this Amendment #2 to AGR20-48C PO 86848 for the Jemez Mountain Regional FPS includes architectural design services as listed below that have been completed in addition to our original project scope and proposed amendment #1.

The additional design services included under this supplement are as follows:

SCOPE OF SERVICE:

Task 2 – Subconsultant Services:

Original scope of service included one complete phase of design and construction. There was additional work required to repackage the single design package into four separate phases and providing construction phase services. Additional electrical design effort was included beyond the original scope of service as follows:

- Modification/revision of fiber optic conduit design in phase 1 – included design modifications for handholes, and conduit beyond the scope of simple repackaging of plans.
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- Additional design for four booster pump station buildings to incorporate more Input/Output contacts and requirements for SCADA system interface, revision of pump start-up operations from using a control valve at the top of the pipeline to a pressure-based control with option to start/monitor via SCADA System.

Task 5 – Design Services

- Additional Scope to design new Chlorination equipment, including coordination with county and manufacturer, updates to design drawings, NMED permitting, and specifications.
- Additional scope for requested grading adjustments due to field changes from previous phase – 1 sheet of updated grading plans. Topo to be provided by county, no additional survey is included.
- Permit updates for Chlorination equipment, completed the requested NMED 4-log removal calculations and documented chlorine inactivation process in coordination with NMED.
- Tank site plan breakout – Prepared an additional, fourth plan set, for just the water tank site, original scope included 3 plan sets.

- Redesign of piping, valves, fittings, and metering at the ski area to connect the new pipeline to the existing non-potable piping and incorporate new meter locations within the ski area for future metered connections.
- Architectural Revisions – Building was changed from pre-cast concrete to CMU block during design at county request to reduce construction cost.
- Additional grading site design at tank site and all booster stations due to relocation of fiber and electric services.

Task 6 – Bidding Services

- Additional Scope to be present for more on-site visits, original scope did not include site visits during the bidding process. Including time for contractor walkdown and travel – 3 on-site pre-bid meetings

Task 7 – Construction Services

- Additional Site Walkdowns with USFS – 3 total, which includes 1 more upcoming site walkdown for final phase of project.
- Additional field visits – original scope included 4 total field visits. Increased scope includes past site visits, and 8 total upcoming visits for phase 4 of construction.
- Additional weekly progress meetings through construction phase. Original proposal assumed ½ hour weekly progress meetings and that construction phase would be complete 10/24/2025. This request includes 6 past visits for phases 1,2, and 4. Scope also includes 5 upcoming site visits for phase 3.
- Architectural CA submittal review which was not included in the original scope.
- Additional Construction design services – Added as a contingency for unanticipated design changes during construction at client request. 2 weeks of design services for an EIT, and one week of PM effort is included in this task.
- 1-year warranty walk – Includes one trip at end of project to perform a warranty walkdown

ASSUMPTIONS/EXCLUSIONS

- Engineering services not specifically mentioned in this Amendment shall be assumed to be excluded.
- Retaining wall and drainage redesign is limited to shifting/expanding the wall and drainage improvements away from the tank, booster station, retaining wall, and proposed structure. The wall will remain a gravity block retaining wall.
- Architectural redesign is limited to modification of building plans, elevations, and details necessary to convert from precast to CMU construction; no full plan set redevelopment or design of roofing system; structural design and analysis is included.
- If architectural revisions result in required changes to other disciplines, such changes will be addressed under separate authorization.
- Existing plan geometry, grading intent, and site constraints from Sheets C-102, C-103, and C-104 will be used as the starting point.
- Existing utilities shown on the plans are approximate and will need to be field verified before final layout.
- Existing fence removal/replacement, tree removal, seeding, grading, riprap, and access impacts will be adjusted only as needed for the revised wall/drainage layout.
- No major change to tank, booster station, waterline, overflow, or site piping design is assumed unless conflicts are identified.

- No structural design beyond the proposed wall and completed building design.
- No additional geotechnical investigation or new soil borings.
- FEMA/floodplain analysis is excluded.
- Construction staking, construction survey, as-builts, or guiding contractor means and methods is excluded.
- Utility potholing/SUE, utility relocation design, or utility owner coordination beyond identifying conflicts is excluded.
- Temporary shoring design or excavation support design is excluded.
- Contractor SWPPP preparation, NOI/NOT filing, inspection reports, or temporary BMP installation are not included.

COMPENSATION:

For the completion of the additional engineering services described above for Tasks 2, 5, 6, & 7, we propose a **Time and Materials Not to Exceed fee of \$164,306.18 (excluding NMGRT).**

A man-hour breakdown of services is included in Exhibit A based on billing rates effective July 2026. to provide detailed scope and fee information. Should this fee be outside the anticipated project budget, we can amend the scope of service as needed.

TIMELINE FOR COMPLETION OF PROJECT:

The project timeline is assumed to terminate on January 31, 2028, to allow for the required warranty period.

TERMS AND CONDITIONS:

If the county agrees to the proposed scope and fee, we will prepare and provide the contract amendment documents for execution by the County.

If you have any questions, please contact our Project Manager, Mr. Ross Gabaldon, at 505-948-5123 or by e-mail at ross.gabaldon@wilsonco.com.

Sincerely,



Brian McBride
Vice President, Operations



Ross Gabaldon, PE
Project Manager

Attachments: Exhibit A: Man-hour Worksheet

Exhibit A
Man Hour Worksheet

Project LAC Jemez Mountain Regional FPS - Supplement 2
Project Number 20-600-894-03
Owner: Los Alamos County
Engineer: Wilson & Company, Inc., Engineers & Architects
Submittal Date: 26-Jun-26

This Manhour Worksheet is based upon our approved escalated contract billing rate schedule for July 2026 and is provided as an estimate of overall project effort. It is not intended to be used as a basis for rate limits or task budgeting beyond what is presented in the proposal letter.

WBS	TASK/SUBTASK/DESCRIPTION	Project Engineer (Licensed) P5	Grad Eng/Arch in res (Unlic) P2	ARCHITECT/ (LICENSED) A5	INTERN ARCHITECT/JOB CPTN(UNLIC) A3	Labor Hours	SUBCONSULTANT FEE	MILEAGE & MISC. EXPENSES	Task Total:	Schedule/Notes:
		\$ 213.38	\$ 113.65	\$ 164.68	\$ 132.21					
		Hrs.	Hrs.	Hrs.	Hrs.		\$	\$	\$	
2	TASK 2 - SUBCONSULTANT SERVICES									
	Additional Coordination and Electrical - SCADA and Chlorine system Integration					0	\$ 38,050.00		\$ 38,050.00	
	Subtotal Hours (excl. NMGR):	0	0	0	0	0	\$ 38,050.00	\$ -	\$ 38,050.00	
5	TASK 5 - DESIGN SERVICES									
	Chlorine System - Design updates	4	12			16			\$ 2,217.32	
	Chlorine System - NMED Permitting	8	30			38			\$ 5,116.54	
	Grading Plan - revisions for Pump 1 Site Plan	8	32			40			\$ 5,343.84	
	Ski Area Piping - Design changes at ski area site	6	32			38			\$ 4,917.08	
	Building Site Regrading	6	24						\$ 4,007.88	
	Tank Breakout	8	40			48			\$ 6,253.04	
	Architectural building re-design			30	80				\$ 15,517.20	
	Construction Design Services	40	80						\$ 17,627.20	
	Tank Site Re-Grading	40	160						\$ 26,719.20	
	Subtotal Hours (excl. NMGR):	120	410	30	80	180	\$ -	\$ -	\$ 87,719.30	
6	TASK 6 - BIDDING SERVICES									
	Additional visits - Bidding services	15				15		\$ 516.00	\$ 3,716.70	
	Subtotal Hours (excl. NMGR):	15	0	0	0	15	\$ -	\$ 516.00	\$ 3,716.70	
7	TASK 7 CONSTRUCTION SERVICES									
	Field Visits - 6 Additional field visits (Phases 1, 2, 4)	48				48		\$ 1,032.00	\$ 11,274.24	
	Field Visits - USFS Walkdowns	24				24		\$ 516.00	\$ 5,637.12	
	Architectural Submittal review			8		8			\$ 1,317.44	
	Field Visits - 8 Additional field visits (Phase 3)	40	40			80		\$ 1,376.00	\$ 14,457.20	
	1-Year Warranty Walkdown	6	6			12		\$ 172.00	\$ 2,134.18	
	Subtotal Hours (excl. NMGR):	118	46	8	0	172	\$ -	\$ 3,096.00	\$ 34,820.18	
	Total Manhours	253	456	38	80	367	\$ 38,050.00	\$ 3,612.00		
	Subtotal All Tasks (Excl. NMGR):								\$ 164,306.18	
	NMGR @ 0.070625								\$ 11,604.12	
	Total incl. NMGR:								\$ 175,910.30	



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 4.f.

Index (Council Goals): Quality Excellence - Effective, Efficient, and Reliable Services; Quality Excellence - Infrastructure Asset Management; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services

Presenters: Dennis Astley, Deputy Utility Manager-Electric Distribution

Legislative File: AGR1230-26a

Title

Approval of Services Agreement No. AGR26-72 with Southwest Fire Defense, LLC in the Amount of \$1,000,000.00, plus Applicable Gross Receipts Tax, for the Purpose of Electric Power Line Tree Trimming Services Near and Around 15,000 Volt Energized Power Lines Over the Next Seven Years

Recommended Action

I move that the Board of Public Utilities recommend Services Agreement No. AGR26-72 with Southwest Fire Defense, LLC in the amount of \$1,000,000.00 plus applicable gross receipts tax, for the purpose of Electric Power Line Tree Trimming services near and around energized power lines over the next seven years and forward to Council for approval.

Utilities Manager's Recommendation

The Utilities Manager recommends that the board approve the motion as presented.

Body

Tree trimming activities will be defined by LAC-DPU engineering. Task orders for each job will be drafted for review and approval by Southwest Fire Defense, LLC and LAC-DPU. Once task orders are agreed upon and signed by both parties, a purchase order will be issued to initiate the necessary tree trimming.

Alternatives

The Electric Utility requires tree trimming to maintain system reliability and public safety. Without the assistance of contractors, the system cannot be properly maintained.

Fiscal and Staff Impact

Typically DPU averages approximately \$10,000 a month in tree trimming services or \$120,000/year plus applicable GRT. The contract amount of \$1 Million is above the \$840,000 usage projection over the next seven years, however, this larger contract limit will allow for Community Services and Public Works to utilize this on-call contract for their tree removal needs. These departments will use their respective budgets that will make up the other portion of this contract limit. No additional staffing are needed and Electric Engineering staff will manage this on-call contract.

Attachments

A - AGR26-72_Southwest Fire Defense LLC



INCORPORATED COUNTY OF LOS ALAMOS SERVICES AGREEMENT

This **SERVICES AGREEMENT** ("Agreement") is entered into by and between the **Incorporated County of Los Alamos**, an incorporated county of the State of New Mexico ("County"), and **Southwest Fire Defense, LLC**, a New Mexico corporation ("Contractor"), collectively (the "Parties"), to be effective for all purposes July 29, 2026 ("Effective Date").

WHEREAS, the County Purchasing Officer determined in writing that the use of competitive sealed bidding was either not practical or not advantageous to County for procurement of the Services and County issued Request for Proposals No. 26-72 ("RFP") on May 5, 2026, requesting proposals for On-Call Electric Power Line Tree Trimming services, as described in the RFP; and

WHEREAS, Contractor timely responded to the RFP by submitting a response dated May 28, 2026 ("Contractor's Response"); and

WHEREAS, based on the evaluation factors set out in the RFP, Contractor was the successful offeror for the services listed in the RFP; and

WHEREAS, the Board of Public Utilities approved this Agreement at a public meeting held on July 22, 2026; and

WHEREAS, the County Council approved this Agreement at a public meeting held on July 28, 2026; and

WHEREAS, Contractor shall provide the Services, as described below, to County.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, County and Contractor agree as follows:

SECTION A. SERVICES:

1. **Generally.** Contractor shall provide all trained, qualified and experienced personnel, plus all necessary labor, tools, and equipment, materials, and supplies to perform Electric Power Line Tree Trimming services near and around 15,000-volt energized power lines. Services may, as requested by County, also include tree trimming in areas that are not near and around power lines. All work shall be assigned on an on-call basis, by Task Order, by the Project Manager, as needed. A sample Task Order is included in Exhibit C, Sample Request for Quote and Task Order, attached hereto and made a part hereof for all purposes. Task Order pricing shall be based on the pricing described in Exhibit A, attached hereto and made a part hereof for all purposes. County makes no guarantee of the quantity of work to be assigned. After the Task Order is issued and approved by County, the Parties shall pre-schedule the work. Upon County request, and execution of Task Orders, Contractor shall provide the services below.
2. **Contractor's Qualifications and Safety.**

- a. Contractor must possess all applicable pertinent licenses, permits, bonds, registrations and/or certificates to carry out the services in the State of New Mexico, which may include, but are not limited to, an EL-1, NM Contractors license or Powerline Clearance Tree Trimming Certifications of Contractor personnel, which allow the Contractor to perform power line clearing to trim and cut trees near and around 15,000-volt energized power lines.
- b. Contractor shall comply with and meet the safety standards established and promulgated under the Federal Occupational Safety and Health Act ("OSH Act") of 1970, 29 U.S.C.A § 651, *et seq.* or as may be amended, including but not limited to Occupational Safety and Health Administration ("OSHA") regulations, 29 CFR 1910 and 29 CFR 1926, as may be amended, for power line clearance tree trimming operations and shall provide proof of employee's certifications for power line clearance tree trimmers to County prior to commencing work.
- c. Contractor shall meet the safety standards established and promulgated under the most current American Public Power Association's ("APPA") Safety Manual, Section 508 (508.1 through 508.7), and employ qualified and certified power line clearance arborists at all times.
- d. Contractor shall comply with all applicable local, state, or federal laws governing, including but not limited to those for the safety and the safe operation of commercial motor vehicles, the Federal Motor Carrier Safety Acts, or any applicable laws in lieu thereof.
- e. Job site activities shall at all times be conducted in accordance with applicable federal, State and local requirements to include but not limited to the National Electric Safety Code (NESC); OSHA regulations, including, but not limited to 29 CFR 1910 and 29 CFR 1926; APPA Safety Manual Section 508 (508.1-508.7); and the New Mexico Department of Transportation Manual on Uniform Traffic Control Devices employing the most recent United States Forest Service Travel Management Motor Vehicle Use Map.
- f. Contractor shall provide to County a copy of its most recent final Safety Plan and certifications of those employees who can work near energized power lines prior to commencing work under this Agreement.

3. Tree Cutting and Trimming Work.

- a. Tree cutting and trimming work shall be scheduled when mutually beneficial to County and its customers. County shall generally provide two (2) weeks' notice to Contractor for the services required under any Task Order. The Task Order shall be priced by Contractor on a regular schedule, Monday through Friday, forty (40) hours per week. However, the Parties may agree to a four (4) day, ten (10) hour workday schedule.
- b. Unless otherwise directed by County, Contractor shall trim trees in accordance with the provisions herein, as well as that illustrated in Exhibit B, attached hereto and made a part hereof for all purposes. Siberian elms or similar trees may be cut to the ground only upon owner's approval.

4. Response to Emergencies.

- a. There may be times during inclement weather and winter conditions when County shall require emergency tree cutting or tree trimming services. During those emergency events, Contractor shall carry out all work requests in a timely manner

as agreed upon in the executed Task Order.

5. Crew and Equipment.

- a. Contractor's crew shall consist at minimum of a three (3) person crew, with the individual in the aerial bucket or climbing trees near power lines certified to work near and around 15,000-volt energized power lines as provided herein.
- b. At minimum, the three (3) person crew shall be equipped with a fifty (50) foot aerial bucket, drum chipper and all the necessary tree cutting and hand tools in order to perform the assigned tasks. Instances of trees having to be cut or trimmed while climbed shall be expected, as not all power lines are readily accessible to aerial bucket trucks.

6. Normal planning and pricing shall be as follows:

- a. County shall provide a series of map sheets under a Task Order to Contractor.
- b. County and Contractor shall field-review the work to be performed as illustrated in the map(s).
- c. Contractor shall take notice of any issues in the field that may arise, such as accessibility issues, traffic control requirements, etc., and pre-plan the work.
- d. Contractor shall develop a work plan for the Task Order and have it reviewed and approved by County's Project Manager or designee.
- e. Contractor shall price the Task Order using the pricing indicated on the rate schedule set out in Exhibit A, as a not-to-exceed fixed price.
- f. County shall review, and amend as necessary with Contractor input, the pre-planned Task Order.
- g. After the written Task Order is approved by County, the Parties shall schedule the work.

7. Prior to commencing work Contractor shall:

- a. When required, obtain a traffic control permit from County's Traffic Control Division.
- b. Ensure that all forms related to tail-gate safety meetings are available and personal protective equipment (PPE) is in good working condition.
- c. Make reasonable efforts to ensure that Contractor's crew has cellular communication available while performing work for County.
- d. Coordinate the daily work activities with County's Project Manager or designee.

8. Prior to commencing tree-trimming work in any private area:

- a. Contractor shall give a minimum of forty-eight (48) hours' notice to each private residence.
- b. County shall provide door hangers for Contractor and Contractor shall place door hangers at each private residence door or speak to an adult-owner(s) of the residence as to when the tree trimming work will be performed.
- c. If a family member other than owner answers the door, Contractor shall provide a door hanger to that family member.
- d. If the owner of the private residence wishes to be present when performing the tree-trimming work, Contractor shall ask County to coordinate the work.

9. Each day where work shall be performed under this Agreement:

- a. Contractor shall notify County's Project Manager or designee where the daily work activities will take place.
- b. Prior to commencing any work, Contractor shall conduct a tail-gate safety meeting with its crew and ensure that all PPE is in good condition, functional, and worn by all of Contractor's employees.
- c. When required and before any aerial tree trimming takes place, County shall place the power line over-current protection on "one-shot". At the end of each workday, Contractor shall coordinate with County to return the power line over-current protection to normal.
- d. Contractor shall not deviate from the Task Order or work plan maps, unless explicitly authorized by County.
- e. Contractor shall remove and dispose of trees, limbs, etc. at Contractor's expense. Upon County approval, the trees may be cut and left at the job site, provided the trees are cut small enough to be handled and moved by the general public or property owners.
- f. In open space areas and upon approval by County, Contractor shall chip tree limbs and spread within the job site area. Otherwise, Contractor shall dispose of wood chips and tree limbs at Contractor's expense as determined by County's Project Manager.
- g. Contractor shall be courteous and respectful to County customers at all times;
- h. Contractor shall notify County's Project Manager or designee immediately if a customer complaint arises; and
- i. Contractor shall provide daily Task Order status updates to County's Project Manager or designee of the previous day's work and of any anticipated changes in scheduling, review of customer complaint log, and other matters related to the tree trimming services.

SECTION B. TERM: The term of this Agreement shall commence July 29, 2026, and shall continue through July 28, 2033, unless sooner terminated, as provided herein.

SECTION C. COMPENSATION:

- 1. Amount of Compensation.** County shall pay compensation for performance of the services in an amount not to exceed ONE-MILLION DOLLARS (\$1,000,000.00), which amount does not include applicable New Mexico gross receipts taxes ("NMGRT"). Compensation shall be paid in accordance with the compensation rate schedule set out in Exhibit A.
- 2. Monthly Invoices.** Contractor shall submit itemized invoices to County's Project Manager showing amount of compensation due, amount of any NMGRT, and total amount payable. Payment of undisputed amounts shall be due and payable thirty (30) days after County's receipt of the invoice.

SECTION D. TAXES: Contractor shall be solely responsible for timely and correctly billing, collecting and remitting all NMGRT levied on the amounts payable under this Agreement.

SECTION E. STATUS OF CONTRACTOR, STAFF, AND PERSONNEL: This Agreement calls for the performance of services by Contractor as an independent contractor. Contractor is not an agent or employee of County and shall not be considered an employee of County for any purpose. Contractor, its agents, or employees shall make no representation that they are County

employees, nor shall they create the appearance of being employees by using a job or position title on a name plate, business cards, or in any other manner, bearing County's name or logo. Neither Contractor nor any employee of Contractor shall be entitled to any benefits or compensation other than the compensation specified herein. Contractor shall have no authority to bind County to any agreement, contract, duty, or obligation. Contractor shall make no representations that are intended to, or create the appearance of, binding County to any agreement, contract, duty, or obligation. Contractor shall have full power to continue any outside employment or business, to employ and discharge its employees or associates as it deems appropriate without interference from County; provided, however, that Contractor shall at all times during the term of this Agreement maintain the ability to perform the obligations in a professional, timely, and reliable manner.

SECTION F. STANDARD OF PERFORMANCE: Contractor agrees and represents that it has and shall maintain the personnel, experience, and knowledge necessary to qualify it for the particular duties to be performed under this Agreement. Contractor shall perform the Services described herein in accordance with a standard that meets the industry standard of care for performance of the Services.

SECTION G. DELIVERABLES AND USE OF DOCUMENTS: All deliverables required under this Agreement, including material, products, reports, policies, procedures, software improvements, databases, and any other products and processes, whether in written or electronic form, shall remain the exclusive property of and shall inure to the benefit of County as works for hire; Contractor shall not use, sell, disclose, or obtain any other compensation for such works for hire. In addition, Contractor may not, with regard to all work, work product, deliverables, or works for hire required by this Agreement, apply for, in its name or otherwise, any copyright, patent, or other property right, and acknowledges that any such property right created or developed remains the exclusive right of County. Contractor shall not use deliverables in any manner for any other purpose without the express written consent of County.

SECTION H. EMPLOYEES AND SUB-CONTRACTORS: Contractor shall be solely responsible for payment of wages, salary, or benefits to any and all employees or contractors retained by Contractor in the performance of the Services. Contractor agrees to indemnify, defend, and hold harmless County for any and all claims that may arise from Contractor's relationship to its employees and subcontractors.

SECTION I. INSURANCE: Contractor shall obtain and maintain insurance of the types and in the amounts set out below throughout the term of this Agreement with an insurer acceptable to County. Contractor shall ensure that all subcontractors maintain like insurance. Compliance with the terms and conditions of this Section is a condition precedent to County's obligation to pay compensation for the Services, and Contractor shall not provide any Services under this Agreement unless and until Contractor has met the requirements of this Section. County requires Certificates of Insurance, or other evidence acceptable to County, stating that Contractor has met its obligation to obtain and maintain insurance and to ensure that subcontractors maintain like insurance. Should any of the policies described below be cancelled before the expiration date thereof, notice shall be delivered in accordance with the policy provisions. General Liability Insurance and Automobile Liability Insurance shall name County as an additional insured.

- 1. General Liability Insurance:** ONE MILLION DOLLARS (\$1,000,000.00) per occurrence; ONE MILLION DOLLARS (\$1,000,000.00) aggregate.

2. **Workers' Compensation:** In an amount as may be required by law. County may immediately terminate this Agreement if Contractor fails to comply with the Worker's Compensation Act and applicable rules when required to do so.
3. **Automobile Liability Insurance for Contractor and its Employees:** ONE MILLION DOLLARS (\$1,000,000.00) combined single limit per occurrence; ONE MILLION DOLLARS (\$1,000,000.00) aggregate on any owned, and/or non-owned motor vehicles used in performing Services under this Agreement.

SECTION J. RECORDS: Contractor shall maintain, throughout the term of this Agreement and for a period of six (6) years thereafter, records that indicate the date, time, and nature of the services rendered. Contractor shall make available, for inspection by County, all records, books of account, memoranda, and other documents pertaining to County at any reasonable time upon request.

SECTION K. DUTY TO ABIDE: Contractor shall abide by all applicable federal, state, and local laws, regulations, and policies and shall perform the Services in accordance with all applicable laws, regulations, and policies during the term of this Agreement.

SECTION L. NON-DISCRIMINATION: During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of the obligations of Contractor under this Agreement, with regard to race, color, religion, sex, age, ethnicity, national origin, sexual orientation or gender identity, disability, or veteran status.

SECTION M. CHOICE OF LAW: The interpretation and enforcement of this Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico.

SECTION N. VENUE, FORUM NON-CONVENIENS, EXCLUSIVE STATE JURISDICTION: County and Contractor knowingly, voluntarily, intentionally, and irrevocably agree that any and all legal proceedings related to this Agreement, or to any rights or any relationship between the Parties arising therefrom, shall be solely and exclusively initiated, filed, tried, and maintained in the First Judicial District Court of the State of New Mexico. County and Contractor each expressly and irrevocably waive any right otherwise provided by any applicable law to remove the matter to any other state or federal venue, consents to the jurisdiction of the First Judicial District Court of the State of New Mexico in any such legal proceeding, waives any objection it may have to the laying of the jurisdiction of any such legal proceeding. County and Contractor also agree that this term is a material inducement for each to enter this Agreement, and that both County and Contractor warrant and represent that each have had the opportunity to review this term with legal counsel.

SECTION O. WAIVER OF JURY TRIAL: In the event of any action or proceeding, (including without limitation, any claim, counterclaim, cross-claim or third party claim) arising out of or, relating to this Agreement, or the transaction contemplated by this Agreement, County and Contractor KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL, and agree that a court shall determine and adjudicate all issues of law and fact with a jury trial being expressly waived. County and Contractor also agree that this waiver of a jury trial was a material inducement for each to enter this Agreement, and that both County and Contractor warrant and represent that each have had the opportunity to review this jury waiver with legal counsel.

SECTION P. INDEMNITY: Contractor shall indemnify, defend, and hold harmless County, its Council members, employees, agents, and representatives, from and against all liability, claims, demands, actions (legal or equitable), damages, losses, costs, or expenses, including attorney fees, of any kind or nature, to the extent that the liability, claims, demands, actions, damages, losses, costs, and expenses are caused by, or arise out of, the acts or omissions of the Contractor or Contractor's officers, employees, agents representatives, and subcontractors in the performance or breach of the Services under this Agreement.

SECTION Q. FORCE MAJEURE: Neither County nor Contractor shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by exercise of due diligence; provided, however, that the party failing to perform shall (i) as soon as possible, inform the other party of the occurrence of the circumstances preventing or delaying the performance of its obligations, and describe at a reasonable level of detail the circumstances causing such delay, and (ii) exert reasonable efforts to eliminate, cure, or overcome any of such causes and to resume performance of its Services with all possible speed. In such event, the non-performing party may be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay.

SECTION R. NON-ASSIGNMENT: Contractor shall not assign this Agreement or any privileges or obligations herein and shall not novate this Agreement to another without the prior written consent of the County Utilities Manager.

SECTION S. LICENSES: Contractor shall maintain all required licenses including, without limitation, all necessary professional and business licenses, throughout the term of this Agreement. Contractor shall require and shall ensure that all of Contractor's employees and subcontractors maintain all required licenses including, without limitation, all necessary professional and business licenses.

SECTION T. PROHIBITED INTERESTS: Contractor agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its Services hereunder. Contractor further agrees that it shall not employ any person having such an interest to perform Services under this Agreement. No County Council member or other elected official of County, or manager or employee of County shall solicit, demand, accept, or agree to accept, a gratuity or offer of employment contrary to Section 31-282 of the Los Alamos County Code.

SECTION U. TERMINATION:

- 1. Generally.** The County Utilities Manager may terminate this Agreement with or without cause upon ten (10) days prior written notice to Contractor. Upon such termination, Contractor shall be paid for services actually completed to the satisfaction of County at the rate set out in Section C. Contractor shall render a final report of the services performed to the date of termination, and shall turn over to County originals of all materials prepared pursuant to this Agreement.
- 2. Funding.** This Agreement shall terminate without further action by County on the first day of any County fiscal year for which funds to pay compensation hereunder are not appropriated by County Council. County shall make reasonable efforts to give Contractor at least ninety

(90) days advance notice that funds have not been and are not expected to be appropriated for that purpose.

SECTION V. NOTICE: Unless otherwise provided in this Agreement, any notices required under this Agreement shall be made in writing. Notices shall be sent via 1) hand-delivery; 2) registered or certified mail; 3) a nationally recognized overnight courier service; or 4) electronic mail (with copy by mail or courier). All notices shall be sent to each party at the addresses set out in this section or any address later provided by such party in writing, with postage prepaid by the sender, and shall be deemed delivered upon hand delivery, verified proof of delivery by courier, or three (3) days after deposit in the United States Mail.

County:

Mariano Valdez – Engineering Associate
Incorporated County of Los Alamos
Department of Public Utilities
1000 Central Avenue, Suite 130
Los Alamos, New Mexico 87544
E-mail: Mariano.valdez@losalamosnm.gov

Contractor:

Office Manager
Southwest Fire Defense LLC.
Post Office Box 1172
Santa Fe, New Mexico 87506
E-mail: swfd@swfiredefense.com

With a copy to:

County Attorney's Office
1000 Central Avenue, Suite 340
Los Alamos, New Mexico 87544
E-mail: ~Attorney@losalamosnm.gov

SECTION W. INVALIDITY OF PRIOR AGREEMENTS AND ENTIRE AGREEMENT:

1. This Agreement supersedes all prior contracts or agreements, either oral or written, that may exist between the Parties with reference to the Services described herein, and expresses the entire Agreement and understanding between the Parties with reference to said services. It cannot be modified or changed by any oral promise made by any person, officer, or employee, nor shall any written modification of it be binding on County until approved in writing by both authorized representatives of County and Contractor. In the event of any conflict between the terms, conditions, and provisions of this Agreement, and the terms, conditions and provisions of any exhibits or attachments, the terms, conditions and provisions of this Agreement shall control and take precedence.
2. Regarding the services described herein, this Agreement shall supersede, now and in the future and without limitation, any terms or conditions on Contractor's website, terms and conditions referenced on Contractor's quote or invoice, or any other Contractor terms and conditions not expressly agreed to and properly authorized by the Parties in writing. For clarity, no "click-through," "click-and-accept," "web-wrap," or other similar agreements or terms whether before, on, or after the date of this Agreement, will be effective to add to or modify the terms of this Agreement, regardless of any party's acceptance of those terms by electronic means.

SECTION X. NO IMPLIED WAIVERS: The failure of County to enforce any provision of this Agreement is not a waiver by County of the provisions, or of the right thereafter, to enforce any provision(s).

SECTION Y. SEVERABILITY: If any provision of this Agreement is held to be unenforceable for any reason: (i) such provision shall be reformed only to the extent necessary to make the intent of the language and purpose of the Agreement enforceable; and (ii) all other provisions of this Agreement shall remain in effect so long as the substantive purpose of the Agreement is possible.

SECTION Z. CAMPAIGN CONTRIBUTION DISCLOSURE FORM: A Campaign Contribution Disclosure Form was submitted as part of the Contractor's Response and is incorporated herein by reference for all purposes.

SECTION AA. LEGAL RECOGNITION OF ELECTRONIC SIGNATURES: Pursuant to NMSA 1978 § 14-16-7, this Agreement may be signed by electronic signature.

SECTION AB. DUPLICATE ORIGINAL DOCUMENTS: This document may be executed in two (2) counterparts, each of which shall be deemed an original.

SECTION AC. NEGOTIATED TERMS: This Agreement reflects negotiated terms between the Parties, and each party has participated in the preparation of this Agreement with the opportunity to be represented by counsel, such that neither party shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

ATTEST

INCORPORATED COUNTY OF LOS ALAMOS

MICHAEL D. REDONDO
COUNTY CLERK

BY: _____
ANNE W. LAURENT **DATE**
COUNTY MANAGER

Approved as to form:

J. ALVIN LEAPHART
COUNTY ATTORNEY

SOUTHWEST FIRE DEFENSE, LLC, A NEW MEXICO CORPORATION

BY: _____
DATE

NAME: _____

TITLE: _____

**Exhibit A
Compensation Rate Schedule
AGR26-72**

Cost Category	Year 1 Hourly Rate	Year 2 Hourly Rate or % Increase	Year 3 Hourly Rate or % Increase	Year 4 Hourly Rate or % Increase	Year 5 Hourly Rate or % Increase	Year 6 Hourly Rate or % Increase	Year 7 Hourly Rate or % Increase
Rates During Normal Business Hours (8:00 a.m. – 5:00 p.m., Monday – Friday)							
Properly Supplied Personnel & Equipment: Mini-Skid w/ Grapple, Bucket Truck, & Chipper	\$300.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Climber	\$55.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
*Grapple Saw Truck	\$300.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Front End Loader w/ Grapple	\$175.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Other specialty equipment as identified by Offeror	Stump Grinder \$150.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
**Traffic Control County Roads	\$75.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
**Traffic Control State Roads	\$75.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
International Society of Arboriculture Certified Arborist Consultant or other similar Consultant upon County Request	\$125.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Rates Outside Normal Business Hours (8:00 a.m. – 5:00 p.m., Monday – Friday)							
Properly Supplied Personnel & Equipment: Mini-Skid w/ Grapple, Bucket Truck, & Chipper	\$450.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Services Agreement No. AGR26-72
Southwest Fire Defense, LLC

Climber	\$82.50	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
*Grapple Saw Truck	\$450.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Front End Loader w/ Grapple	\$262.50	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
**Traffic Control County Roads	\$75.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
**Traffic Control State Roads	\$75.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Other specialty equipment as identified by Offeror	Stump Grinder \$225.00	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
International Society of Arboriculture Certified Arborist Consultant or other similar Consultant upon County Request	\$187.50	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

*GRAPPLE SAW TRUCK – HOURLY RATE: \$300.00 PER HOUR
Rate applies to the grapple saw truck, crane, or comparable specialty equipment.

** TRAFFIC CONTROL COST
Includes an administrative coordination fee of \$75.00

Exhibit B **Specifications for Tree Trimming Services**

Services Agreement No. AGR26-72
Southwest Fire Defense, LLC

AGR26-72

Unless otherwise directed by the County Project Manager or designee, the power line rights-of-way shall be trimmed in accordance to Figures 1 and 2. Figure 1 will generally be followed in County open-space areas and or the Los Alamos Ski Hill area. Otherwise, Figure 2 will generally be followed in the Los Alamos and White Rock areas.

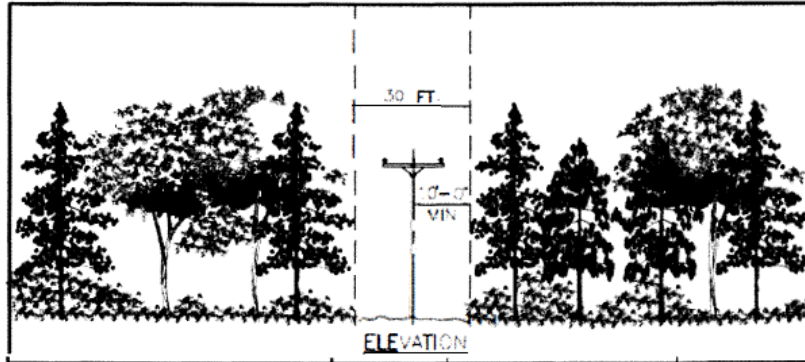


Figure 1: For Ski hill area or where Large Ponderosa Pines Exist

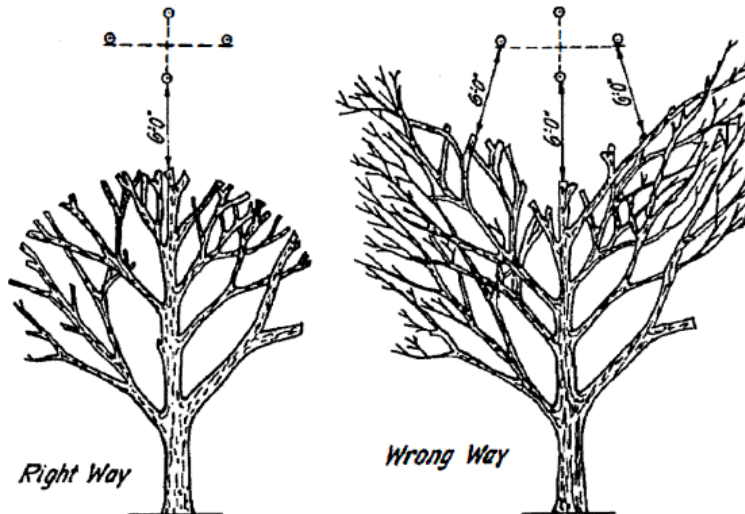


Figure 2. For all other areas for all other trees

Exhibit C
Sample Request for Quote & Task Order
AGR26-72
REQUEST FOR QUOTE #

COUNTY OF LOS ALAMOS UTILITIES DEPARTMENT
SERVICES AGREEMENT AGR26-72
SOUTHWEST FIRE DEFENSE, LLC
[DATE OF REQUEST FOR QUOTE]

PROJECT TITLE: ON-CALL SERVICES FOR POWER LINE TREE TRIMMING

Summary of Task Order #: Task Order Maps #-#

Miscellaneous trimming of trouble trees identified by LACU. The contractor will trim trees in a series of locations while documenting the time taken on each location. Maps are provided for each assigned area. All work will follow the terms of the agreement.

1. Primary work See Map 1 Crew Rate 3 # hours @ \$###.##/hour = \$ #,###.##
2. Primary work See Map 2 Crew Rate 3# hours @ \$###.##/hour = \$ #,###.##
3. Primary work See Map 3 Crew Rate 3# hours @ \$###.##/hour = \$ #,###.##

Estimated Construction Cost (LESS GRT): \$ #,###.##

Tax (Current Applicable NMGR) = \$ \$ #,###.##

Total \$ \$ #,###.##

Acceptance of Conditions and Items of Work

Department of Public Utilities: _____
Philo Shelton Date

Southwest Fire Defense, LLC: _____
Daniel Martinez Date



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.:	6.a.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Governance - Fiscal Stewardship; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	Ben Olbrich, Deputy Utility Manager-Power Supply
Legislative File:	21707-26a

Title

2026 Electric Coordination Agreement (ECA) between the Incorporated County of Los Alamos and the United States Department of Energy National Nuclear Security Administration (DOE/NNSA)

Recommended Action

I move that the Board of Public Utilities recommend Council approve the Electric Coordination Agreement (ECA) between the Incorporated County of Los Alamos and the Department of Energy National Nuclear Security Administration (DOE/NNSA).

Utilities Manager's Recommendation

The Utilities Manager recommends that Board approve the motion as presented.

Body

The Power Pool was established through the Electric Coordination Agreement (ECA) between Los Alamos County and The Department of Energy in 1985. In 2002 the National Nuclear Security Administration (NNSA) was established as a branch of the Department of Energy and took over responsibility for the ECA. The acronyms DOE, NNSA, and LANL (Los Alamos National Laboratory) may be used interchangeably throughout this discussion. 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. The contract has been renewed continuously since 1985 and has met the needs of both NNSA and the County as it has permitted the County to make long-term investments in new projects with NNSA support.

It is now necessary to establish a new ECA to accommodate changes in electricity markets, federal procurement rules and the cost risks of long-term resource commitments such as Foxtail Flats. This new ECA builds on the framework of the current agreement by refining existing Power Pool management and cost allocation practices based on past practice while adding new practices to equitably manage costs and risks of electric market changes and resource procurement. Important points of the new ECA include:

1. A new fixed price with a cost-sharing arrangement which complies with current DOE/NNSA contracting requirements
2. A 10-year contract term starting on August 1, 2026, continuing through July 31, 2036, with an

option for a 10-year extension

3. New language addressing contemporary electricity markets and resources
4. New language to address cost risks arising from load and generation forecasting uncertainties and long-term resource procurement commitments
5. Revised cost allocation methods to match current practices and prepare for future market changes

There are five separate documents that comprise the 2026 ECA. All five documents are included as attachments.

Much effort has gone into making this new ECA into a foundation for a balanced partnership between DOE/NNSA and the County. Starting with over three years of DOE/NNSA and DPU staff work to prepare the initial draft documents, the 2026 ECA has been reviewed and revised multiple times by several groups within the DOE/NNSA and County over the past seven months. Reviewers include:

1. Draft versions of all ECA documents were delivered on December 19, 2026, late May, and early June, to a working sub-committee consisting of Chair Gibson and Board Member Nakhleh. A total of 67 review comments were identified by these reviewers. Every one of the 67 comments has been addressed.
2. Los Alamos County attorney Thomas Wyman reviewed multiple draft versions of the ECA documents and offered substantive legal advice and revisions.
3. Outside counsel was engaged to provide subject matter expert legal review of the ECA documents and make necessary adjustments to the contract language that safeguards the County's interests. Seth Kirshenberg and Lauren Irish with Kutak Rock LLP have provided this service.
4. Department of Public Utilities staff contributed to the review process throughout, with the Finance and Administration Division, the Electric Production Division, and the Utilities Manager all reviewing multiple versions of the documents and making revisions throughout the documents to ensure that all parts, including the resource cost accounting practices, contract management language, and operating procedures are accurate, up-to-date, balance the interests of both parties, and provide financial risk protections for the County.
5. DOE/NNSA contracting office and field office staff were deeply involved throughout the review process in this coordinated effort with DPU staff. Their effort was essential for working through difficult contracting issues to the satisfaction of both parties.

The new ECA is a complex contract with unique provisions that make it very difficult to review and understand by anyone who is not already thoroughly familiar with the current ECA. The new ECA has been through a rigorous review, with many improvements made along the way. The thoroughness of the review and the provisions for making future modifications to the agreement provide assurance that the new ECA is an agreement that the Board of Public Utilities can confidently approve, supports DPU and LAC's long term goals, and continues this unique long-term partnership with DOE/NNSA.

Alternatives

The Board could elect not to accept the proposed 2026 ECA, and the current agreement will end on July 31, 2026, without any contract structure in place for managing the continued operation of the DOE/NNSA and the County's electric resources.

The Board could elect to request additional time to review the contract documents. However, Staff has already requested a thirty-one-day extension from DOE/NNSA, and DOE/NNSA has adamantly stated they will not consider an extension given their internal contracting review requirements that a time extension would entail. Also, it is unlikely that an extension be prepared by DOE/NNSA, hold a special Los Alamos Power Pool meeting, and approved by Council before the current ECA expires on July 31, 2026.

Alternative motion: I move that the Board of Public Utilities request from DOE/NNSA a thirty-one-day extension to the current Electric Coordination Agreement with a term through August 31, 2026, to allow additional time for County review. I further move that the Board of Public Utilities recommend Council approve such extension to the current Electric Coordination Agreement.

Fiscal and Staff Impact/Planned Item

There is no immediate staff or fiscal impact.

Attachments

- A - 2026 Electric Coordination Agreement Presentation
- B - 89233126CNA000436 Contract T&C
- C - Attachment 1 ECA PWS
- D - Attachment 2 ECA Operating Procedures
- E - Attachment 3 Los Alamos Electric Power Services REPORTING REQUIREMENTS CHECKLIST
- F - Attachment 4 LANL Exhibit-G Physical Security Lab-wide_Rev.20240716



2026 Electric Coordination Agreement

Department of Public Utilities
Electric Production Division
July 22, 2026

Purpose of Presentation

2



Describe the ECA and its goals



Explain the Electric Coordination Agreement (ECA) structure



Overview of how costs and payments are handled



Termination of the Contract



Staff Recommendation, Summary and Next Steps

What is the ECA?

3

- The Electric Coordination Agreement (ECA) is a collaborative agreement established in 1985 between the Department of Energy (DOE) and Los Alamos County
- DOE/NNSA is authorized pursuant to the Department of Energy Organization Act (Public Law 95-91) and other applicable law, including the Atomic Energy Act of 1954, as amended, to provide or otherwise arrange for utility facilities and services
- Parties: the Incorporated County of Los Alamos ("County") and the U.S. Department of Energy/National Nuclear Security Administration ("NNSA") at Los Alamos National Laboratory ("LANL")
- ECA is for the County to sell electric utility services to NNSA after the expiration of the current Electric Coordination Agreement ("1985 ECA") which expired on June 30, 2025 (and continues with extensions)

ECA Goals

4

- The Los Alamos National Laboratory (LANL) and County electric utility systems are tightly coupled, with shared infrastructure and generation resources that don't fit the typical "Utility" and "Utility Customer" structure
- The ECA is the contract that allows both parties to combine and efficiently manage their power generation and transmission resources
- The goal is to achieve economic dispatch and enhance the reliability of the electric supply (economic dispatch is the process of minimizing the total operational cost of power generation while considering power balance and unit generation limits)
- With the coming end of the 1985 ECA, the 2026 ECA is ready to take its place

2026 ECA Contract Structure

5

- Fixed Price contract with a Cost Sharing arrangement – combines a fixed price for utilities with a cost-sharing component that details how DOE and County each bear a portion of the total costs
- Cost risks of future unknowns are mitigated by the Changes Clause under which adjustments are made through a bilateral modification formally amending the contract
- Administrative modifications can be made for changes that do not impact the contract's fixed price, cost-sharing obligations, scope of work, or fundamental rights of the DOE and County
- The 2026 ECA is for 10 years with an additional 10-year option
- \$424 million total contract value for the first 10 years

2026 ECA Sections

6

- Contract 89233126CNA000436 Terms and Conditions
- ECA Performance Work Statement
- ECA Operating Procedures
- LANL Exhibit G Physical Security Lab-wide

Terms and Conditions

- This is a Standard Form 26 for Contract Award
 - Section A - Solicitation/Contract Form
 - Section B - Supplies or Services/Prices
 - Section C - Description/Specifications
 - Section D - Packaging and Marking
 - Section E - Inspection and Acceptance
 - Section F - Deliveries or Performance
 - Section G - Contract Administration Data
 - Section H - Special Contract Requirements
 - Section I - Contract Clauses
 - Section J - List of Documents, Exhibits and Other Attachments

Performance Work Statement

8

- The performance work statement (PWS) is the statement of work for this contract that describes the supplies or services to be provided, their costs, cost accounting methods and more
 - B.1 Accounting for Resource Costs
 - B.2 Miscellaneous Costs
 - B.3 Allocation of Resource Costs
 - B.4 Classification of Expenditures
 - B.5 Net Cost Responsibility and Payment
 - B.6 Renewable Energy Certificates and Other Attributes
 - C.1 Statement of Services
 - D-F Not Applicable
 - G.1 Contract Administration
 - H.1 Real Property Access
 - H.2 Western Electricity Coordinating Council Compliance
 - H.3 Cooperation of the Parties
 - Attachment 1 Exhibits
 - Exhibit 1: DOE/NNSA Approved Resources and SPARs
 - Exhibit 2: County Approved Resources
 - Exhibit 3: Miscellaneous Costs of Mutual Benefit
 - Exhibit 4: Method for the Cost Determination of DOE Distribution Facilities
 - Exhibit 5: San Juan Generating Station and Mine Reclamation

Operating Procedures

9

- This section describes how the day-to-day planning, resource scheduling, and other operational tasks are performed
 - Section A Administrative Procedures
 - A1 Operating Committee
 - A2 Manager of Operations and Other Approved Pool Personnel
 - A3 Operating Procedure Changes
 - A4 Retention of Operating Reports and Records
 - Section B Budget and Accounting Procedures
 - B1 Capital Budget
 - B2 Operating Budget
 - B3 Billing and Payment
 - B4 Adjustments for Prior Period Invoiced Corrections
 - B5 Timing of Expenditures
 - B6 Pool Operations Accounts
 - B7 Special Purpose Approved Resources
 - B8 Customer Related Costs

Operating Procedures cont.

10

- Section C Operations Procedures
 - C1 Annual Operating Plan for Approved Resources
 - C2 Operating Schedules and Reports
 - C3 Operating Reserves
 - C4 Transmission Facility Records and Operational Data
 - C5 Transmission System Operation and Maintenance
 - C6 Coordination of Relays and Protective Equipment
 - C7 Metering
 - C8 Communication Equipment
 - C9 Planned Maintenance Outages of Pool Resources and Service Interruption
 - C10 System Operation and Load Shedding
 - C11 Electric SCADA Maintenance and Security Coordination
 - C12 SNL/KAFB Scheduling Agent Services
 - C13 Load Serving Entity Functions by County for NNSA
- Section D Planning Procedures
 - D1 Planning Studies
 - D2 Participation in Electrical Industry Organizations

Reporting Requirements Checklist and LANL Exhibit G Physical Security

11

- The Reporting Requirements Checklist is a required form that DOE/NNSA must prepare in association with the ECA
 - Responsible party is DOE/NNSA
- The LANL Exhibit G Physical Security document defines the DOE/NNSA's comprehensive physical, personnel, cyber, and information security requirements for subcontractors performing work for Los Alamos National Laboratory (LANL)
 - Responsible party is the County - fully responsible for following all security rules in Exhibit G

Resource Costs and Payments

12

- Portion of the costs are fixed (certain investments in owned resources) and others are variable (transmission, etc.)
- The County true up costs monthly in arrears
- The County and NNSA contract is focused on a rate that is set based on actual costs of the parties

Key Terms

- **Approved Resources** means the electric utility resources contributed by each party pursuant to this contract and utilized by the Operating Committee pursuant to the Approved Operating Procedures.
- **Resource Accounting Pool** means that accounting method wherein costs of the consolidated County and DOE/NNSA Los Alamos Power Pool operations are recorded and apportioned between the parties pursuant to this contract.
- **Resource Planning Horizon** means a rolling five-year period following the current Pool Fiscal Year for capacity and energy planning.
- **Short-Term Capacity Resources** means the portion of Approved Resources beyond those resources defined as Long-Term Capacity Resources that may be operationally available from time to time. The Short-Term Capacity Resources include variable amounts that may be available on a month-by-month basis as well as amounts of purchased power from third party suppliers on a short-term contractual basis of 12 months or less. Short-Term Capacity Resources generally will be utilized to meet specific short-term operational needs.
- **Special Purpose Approved Resources (SPAR)** means the electric utility facilities and power contracts that have been incorporated into the ECA primarily to meet the special needs of one of the parties and utilized by the Operating Committee pursuant to the Operating Procedures.

Note: this presentation is only a general summary of the contract. The details and obligations of the parties are in the contract.

Pooling of Resources Sets the Rates

14

- Pooling of Approved Resources (Attachment A)
- The County and DOE/NNSA agree to give notice to one another of meetings or proceedings with third parties involving matters that could significantly alter established Resource Accounting Pool cost responsibilities
- The Operating Committee will develop and periodically review such priority plans to assure resources are allocated to give priority to human needs, health, safety, and security needs
- Continuity of Service – subject to Excusable Delay

Resource Costs and Payments

15

The parties agree to assign all relevant costs to the Los Alamos Power Pool in accordance with appropriate accounting principles and cost mentioned above under (b)(1). However, if actual energy costs are lower than the around-the-clock day-ahead Palo Verde index price plus \$2.00 for net energy delivered through the transmission network from each County owned generating resource or approved long-term power purchase agreement included herein for the month, then the parties agree to split the difference based on the formula below:

Formula: If $COR < PVI + 2$, then $[(PVI + 2) \text{ minus } COR] \text{ divided by } 2 = \text{Difference applied to DOE}$

Definitions: PVI = Palo Verde Index COR = County Owned Resources Total Energy Cost /MWH from the Component Cost Summary

Qualifying resources for this accounting treatment are resources that LAC has a long-term stake in and liabilities that either extend or are not in line with the contracting period. Examples of qualifying resources are set forth in Exhibit 2, *County Approved Resources*.

If actual energy costs are higher than the around-the-clock day-ahead Palo Verde index price plus \$2.00 on a weighted average basis for the month, then the parties agree that no further adjustment will be applied as current accounting methods will split the total energy costs on a pro rata basis according to actual energy used. Transmission, capacity, or demand costs will be allocated to the parties based on each party's contribution to the coincidental peak for the month.

Note: this presentation is only a general summary of the contract. The details and obligations of the parties are in the contract.

Miscellaneous Costs

16

- Set forth in Exhibit 3. Except as provided herein, all costs associated with personnel, procurement, management, and administration that are not directly related to the combined operation of Approved Resources shall be borne separately by each party. Additions, deletions, or changes of miscellaneous costs to the Resource Accounting Pool may be made upon agreement of the Contracting Officer and County Authority by exchange of correspondence without formal modification of this contract.
- Each party shall bear all costs associated with its respective 115/13 kilovolt (kV) transformation and 13 kV distribution facilities. At several locations, however, it is advantageous to connect load to the distribution network of the other party, and thereby avoid an unnecessary duplication of facilities. Operating Procedure B8 Customer Related Costs, provides the facilities charge for monthly cost of service responsibility associated with the County's use of DOE/NNSA's distribution facilities. Such costs are to be accounted for as part of the Resource Accounting Pool.

Note: this presentation is only a general summary of the contract. The details and obligations of the parties are in the contract

Termination of the Contract

17

- The ECA includes a contract ceiling that takes into account the existing contracts.
- The contract ceiling sets an expected amount of the funding required for the contract for the full term (as if the contract is renewed for the additional 10 years).
- If the contract is terminated, NNSA will pay the incurred amounts by the County (the termination for convenience process).

Note: this presentation is only a general summary of the contract. The details and obligations of the parties are in the contract

New Approved Resources

18

- The ECA provides a method for adding new Approved Resources which are generation or other assets that are included in the Resource Costs
- New DOE/NNSA transmission lines and the County's future East Gate Substation are already listed in the ECA, but not as Approved Resources. They may become Approved Resources upon mutual agreement by the parties

Note: this presentation is only a general summary of the contract. The details and obligations of the parties are in the contract

Staff Recommendations

19

- The Utilities Manager recommends that Board approve the motion as presented.

Summary

20

- The 2026 ECA recognizes the long-term nature of the County and DOE/NNSA needs and enables a continued electric operations partnership
- It improves on the unique framework refined over the past 40 years
- The 2026 ECA includes a clause requiring the Federal Agency to pay for the additional cost if the electric service contract is terminated prior to the term of the payment of the project, including termination costs

Note: this presentation is only a general summary of the contract. The details and obligations of the parties are in the contract

Next Steps

21

Forward to Council for approval

Sign the 2026 ECA

Transition power supply operations to the 2026 ECA starting August 1, 2026

Close out the 1985 ECA

Thank you! Questions?

Ben Olbrich
Deputy Utility Manager -
Power Supply

Office: 505-662-8140

Mobile: 505-235-4420

ben.olbrich@losalamosnm.gov



AWARD/CONTRACT		1. This Contract is a Rated Order under the Defense Priorities and Allocations System (DPAS) - Code of Federal Regulations - at 15 CFR 700.		RATING		PAGE 1 OF 22 PAGES	
2. CONTRACT (Procurement, Instruction, Identification) NUMBER 89233126CNA000436				3. EFFECTIVE DATE See Block 20C		4. REQUISITION/PURCHASE REQUEST/PROJECT NUMBER 26NA001820	
5. ISSUED BY Contracting Operations Division Contracting Operations Division NA-PAS-31 Albuquerque Complex P.O. Box 5400 Albuquerque NM 87185-5400				6. ADMINISTERED BY (If other than Item 5) CODE 05001 NNSA/Business Services Division U.S. Department of Energy Business Services Division P.O. Box 5400 Albuquerque NM 87185-5400			
7. NAME AND ADDRESS OF CONTRACTOR (Number, Street, County, State and ZIP Code) INCORPORATED COUNTY OF LOS ALAMOS Attn: DAVID GRIEGO 1000 CENTRAL AVE STE 300 LOS ALAMOS NM 875444059				8. DELIVERY ☐ FREE ON BOARD (FOB) ORIGIN ☒ OTHER (See below)			
				9. DISCOUNT FOR PROMPT PAYMENT NET 30			
CODE				FACILITY CODE		10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN	
11. SHIP TO/MARK FOR NNSA/Los Alamos Site Office U.S. Department of Energy Los Alamos Site Office 3747 West Jemez Road Los Alamos NM 87544				12. PAYMENT WILL BE MADE BY VIPERS https://vipers.doe.gov Any questions, please contact by call/email 888-251-3557 or payments@hq.doe.gov			
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION UNDER THE UNITED STATES CODE AT: ☐ 10 U.S.C. 3204(a)(0) ☐ 41 U.S.C. 3304(a)()				14. ACCOUNTING AND APPROPRIATION DATA See Schedule			
15A. ITEM NUMBER		15B. SUPPLIES/SERVICES		15C. QUANTITY		15D. UNIT	
		Continued...				15E. UNIT PRICE	
						15F. AMOUNT	
15G. TOTAL AMOUNT OF CONTRACT				\$424,000,000.00			
16. TABLE OF CONTENTS							
(X)	SECTION	DESCRIPTION	PAGE(S)	(X)	SECTION	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	SOLICITATION/CONTRACT FORM	3	X	I	CONTRACT CLAUSES	11
X	B	SUPPLIES OR SERVICES AND PRICES/COSTS	3	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS			
X	C	DESCRIPTION/SPECIFICATIONS/WORK STATEMENT	3	X	J	LIST OF ATTACHMENTS	22
X	D	PACKAGING AND MARKING	3	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	3		K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
X	F	DELIVERIES OR PERFORMANCE	3		L	INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS	
X	G	CONTRACT ADMINISTRATION DATA	4		M	EVALUATION FACTORS FOR AWARD	
X	H	SPECIAL CONTRACT REQUIREMENTS	6				
CONTRACTING OFFICER WILL COMPLETE ITEM 17 (SEALED-BID OR NEGOTIATED PROCUREMENT) OR 18 (SEALED-BID PROCUREMENT) AS APPLICABLE							
17. ☒ CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. ☐ SEALED-BID AWARD (Contractor is not required to sign this document.) Your bid on Solicitation Number _____, including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the terms listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your bid, and (b) this award/contract. No further contractual document is necessary. (Block 18 should be checked only when awarding a sealed-bid contract.)			
19A. NAME AND TITLE OF SIGNER (Type or print)				20A. NAME OF CONTRACTING OFFICER Yolanda Robinson-Freeman			
19B. NAME OF CONTRACTOR INCORPORATED COUNTY OF LOS ALAMOS		19C. DATE SIGNED		20B. UNITED STATES OF AMERICA		20C. DATE SIGNED	
BY _____ (Signature of person authorized to sign)				BY _____ (Signature of Contracting Officer)		07/16/2026	

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED	PAGES
	89233126CNA000436	PAGE 2 OF 22

NAME OF OFFEROR OR CONTRACTOR
INCORPORATED COUNTY OF LOS ALAMOS

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	UEI: NUDDNPTPSE45 "The Department of Energy and the Los Alamos County have enhanced their electricity and electrical system capabilities through a joint effort, specifically by leveraging combined power generation and transmission resources for the economic dispatch of power and energy. Founded on a long-standing partnership, this collaboration has served as a strategic framework, enabling both entities to realize substantial efficiencies in the collaborative management, planning, acquisition, and maintenance of their electrical generation and distribution assets and needs. The benefit is achieved by pooling these resources and expertise, leading to optimized operational costs and improved system reliability." Accounting Info: 00922-2026-01-100258-23320-1721310-0000000-1058781 -0000000 Fund: 00922 Appr Year: 2026 Allottee: 01 Report Entity: 100258 Object Class: 23320 Program: 1721310 Project: 0000000 WFO: 1058781 Local Use: 0000000 FOB: Destination Period of Performance: 08/01/2026 to 07/31/2036				

Section A - Solicitation/Contract Form.....	3
Section B - Supplies or Services/Prices.....	3
Section C - Description/Specifications.....	3
Section D - Packaging and Marking.....	3
Section E - Inspection and Acceptance	3
Section F - Deliveries or Performance	3
Section G - Contract Administration Data	4
Section H - Special Contract Requirements	6
Section I - Contract Clauses	11
Section J - List of Documents, Exhibits and Other Attachments	22

Section A - Solicitation/Contract Form

931.102 Fixed-price contracts.

952.204-2 Security requirements. (DEC 2024)

952.208-70 Printing. (APR 1984)

952.233-2 Service of protest. (DEC 2024)

970.5204-2 Laws, regulations, and DOE directives. (DEC 2000)

Section B - Supplies or Services/Prices

DOE-B-2006 Firm-Fixed-Price Contract (OCT 2014)

(a) This is a firm-fixed-price contract. The Contractor shall provide the following SEE SECTION J, ATTACHMENT 1: PWS at the fixed unit prices specified:

SEE SECTION J, ATTACHMENT 1: PWS

(b) Payments of the fixed unit prices and the total contract price will be made in accordance with SEE SECTION J, ATTACHMENT 1: PWS

(End of Clause)

Section C - Description/Specifications

DOE-C-2002 Performance Work Statement (OCT 2014)

SEE SECTION J ATTACHMENT 1: Performance Work Statement

(End of Clause)

Section D - Packaging and Marking

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Section E - Inspection and Acceptance

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Section F - Deliveries or Performance

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DOE-F-2003 Period of Performance (OCT 2014)

The Contractor shall commence performance of this contract in accordance with the contract terms and conditions on August 1, 2026 and continue through July 31, 2036.

(End of Clause)

Section G - Contract Administration Data

DOE-G-2001 Contracting Officer Authority (OCT 2014)

The Contracting Officer is responsible for administration of the contract. The Contracting Officer may appoint a Contracting Officer's Representative (COR), in accordance with the clause entitled Contracting Officer's Representative, to perform specifically delegated functions. The Contracting Officer is the only individual who has the authority on behalf of the Government, among other things, to take the following actions under the contract:

- (a) Assign additional work within the general scope of the contract.
- (b) Issue a change in accordance with the clause entitled Changes.
- (c) Change the cost or price of the contract.
- (d) Change any of the terms, conditions, specifications, or services required by the contract.
- (e) Accept non-conforming work.
- (f) Waive any requirement of the contract.

(End of Clause)

DOE-G-2002 Contracting Officer's Representative (OCT 2014)

Pursuant to the clause at DEAR 952.242-70, Technical Direction, the Contracting Officer shall designate in writing a Contracting Officer's Representative (COR) for this contract, and provide a copy of such designation to the contractor, including the delegated responsibilities and functions. The COR does not have authority to perform those functions reserved exclusively for the Contracting Officer.

(End of Clause)

DOE-G-2004 Contract Administration (OCT 2014)

To promote timely and effective contract administration, correspondence delivered to the Government under this contract shall reference the contract number, title, and subject matter, and shall be subject to the following procedures:

- (a) Technical correspondence. Technical correspondence shall be addressed to the Contracting Officer's Representative (COR) for this contract, and a copy of any such correspondence shall be sent to Contracting Officer. As used herein, technical correspondence does not include correspondence where patent or rights in data issues are involved, nor technical correspondence which proposes or involves waivers, deviations, or modifications to the requirements, terms or conditions of this contract.
- (b) Other Correspondence.
 - (1) Correspondence regarding patent or rights in data issues should be sent to the Intellectual Property Counsel. A copy of such correspondence shall be provided to Contracting Officer.

(2) If no Government Contract Administration Office is designated on Standard Form 33 (Block 24) or Standard Form 26 (Block 6), all correspondence, other than technical correspondence and correspondence regarding patent or rights in data, including correspondence regarding waivers, deviations, or modifications to requirements, terms or conditions of the contract, shall be addressed to the Contracting Officer. Copies of all such correspondence shall be provided to the COR.

(3) Where a Government Contract Administration Office, other than DOE, is Designated on either Standard Form 33 (Block 24), or Standard Form 26 (Block 6), of this contract, all correspondence, other than technical correspondence, shall be addressed to the Government Contract Administration Office so designated, with copies of the correspondence to the Contracting Officer and the COR.

(c) Information regarding correspondence addresses and contact information is as follows:

(1) Contract Specialist:

(A) Matthew Barela

(B) Telephone number: (505) 845-5535

(C) Address: NNSA Albuquerque Complex, 24600 20th Street SE, Kirtland AFB, NM 87117-550

(D) Email address: matthew.barela@nnsa.doe.gov

(2) Contracting Officer:

(A) Yolanda Robinson-Freeman

(B) Telephone number: (505) 845-4693

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(3) Contracting Officer's Representative:

(A) Cassandra Begay

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(C) Address: Los Alamos Field Office 3747 West Jemez Road, Los Alamos, NM 87544

(D) Email address: cassandra.begay@nnsa.doe.gov

(4) Intellectual Property Counsel:

(A) N/A

(B) Telephone number: N/A

(C) Address: N/A

(D) Email address: N/A

(5) Government Contract Administration Office NA-PAS 311

(A) Name: Specialty Acquisition Branch

(B) Telephone number: (505) 845-4693

(C) Mailing address: NNSA Albuquerque Complex, 24600 20th Street SE,
Kirtland AFB, NM 87117-5550

(D) Email address: yolanda.r-freeman@nnsa.doe.gov

(End of Clause)

DOE-G-2005 Billing Instructions (APR 2020)

(a) Contractors shall use Standard Form 1034, Public Voucher for Purchases and Services Other than Personal, when requesting payment for work performed under the contract.

(b) Contractors shall submit vouchers electronically through the DOE Office of Finance and Accounting's Vendor Invoicing Portal and Electronic Reporting System (VIPERS). VIPERS allows vendors to submit vouchers, attach supporting documentation and check the payment status of any voucher submitted to the DOE. Instructions concerning contractor enrollment and use of VIPERS can be found at <https://vipers.doe.gov>.

(c) A paper copy of a voucher that has been submitted electronically will not be accepted.

(End of Clause)

Section H - Special Contract Requirements

NNS-H-1003 ACCESS TO DOE-OWNED OR LEASED FACILITIES

(a) The performance of this contract requires that employees of the Contractor have physical access to DOE-owned or leased facilities; however, this clause does not control requirements for an employee's obtaining a security clearance. The Contractor understands and agrees that DOE has a prescribed process with which the Contractor and its employees must comply in order to receive a security badge that allows such physical access. The Contractor further understands that it must propose employees whose background offers the best prospect of obtaining a security badge approval for access. The contractor should consider the following types of potential problems, which are not all inclusive and may vary depending on access requirements, when making hiring decisions:

(1) is the candidate suspected of being a terrorist;

(2) is the candidate subject to an outstanding warrant;

(3) has the candidate deliberately omitted, concealed, or falsified relevant and material facts from any Questionnaire for National Security Positions (SF-86), Questionnaire for Non-Sensitive Positions (SF-85), or similar form;

(4) has the candidate presented false or forged identity source documents;

(5) has the candidate been barred from Federal employment;

(6) is the candidate currently awaiting a hearing or trial or been convicted of a crime punishable by imprisonment of six (6) months or longer; or

(7) is the candidate awaiting or serving a form of pre-prosecution probation, suspended or deferred sentencing, probation or parole in conjunction with an arrest or criminal charges against the individual for a crime that is punishable by imprisonment of six (6) months or longer.

(b) The Contractor shall assure:

(1) In initiating the process for gaining physical access, (i) compliance with procedures established by DOE in providing its employee(s) with any forms directed by DOE, (ii) that the employee properly completes any forms, and (iii) that the employee(s) submits the forms to the person designated by the Contracting Officer.

(2) In completing the process for gaining physical access, that its employee (i) cooperates with DOE officials responsible for granting access to DOE-owned or leased facilities and (ii) provides additional information, requested by those DOE officials.

(c) The Contractor understands and agrees that DOE may unilaterally deny a security badge to an employee and that the denial remains effective for that employee unless DOE subsequently determines that access may be granted. Upon notice from DOE that an employee's application for a security badge is or will be denied, the Contractor shall promptly identify and submit the forms referred to in subparagraph (b)(1) of this clause for the substitute employee. The denial of a security badge to individual employees by DOE shall not be cause for extension of the period of performance of this Contract or any Contractor claim against DOE.

(d) The Contractor shall return to the Contracting Officer or designee the badge(s) or other credential(s) provided by DOE pursuant to this clause, granting physical access to DOE-owned or leased facilities by the Contractor's employee(s), upon (1) the termination of this Contract; (2) the expiration of this Contract; (3) the termination of employment on this Contract by an individual employee; or (4) demand by DOE for return of the badge.

(e) The Contractor shall include this clause, including this paragraph (e), in any subcontract, awarded in the performance of this Contract, in which an employee(s) of the subcontractor will require physical access to DOE-owned or leased facilities.

(End of clause)

NNS-H-1013 IDENTIFICATION AND PROTECTION OF UNCLASSIFIED CONTROLLED NUCLEAR INFORMATION (UCNI)

In the performance of this contract, the Contractor is responsible for complying with the DOE O 471.1B requirements and for flowing down all requirements to subcontractors.

NNS-H-1014 LIMITATION OF GOVERNMENT'S OBLIGATION

(a) Of the price of \$424,000,000.00, the sum of \$6,000,000.00 is presently available for payment and allotted to this contract. It is anticipated that from time to time additional funds will be allotted to this contract until the total price of said item is allotted.

(b) The Contractor agrees to perform or have performed work on said item up to the point at which, in the event of termination of this contract pursuant to FAR Clause 52.249-2 "Termination for Convenience of the Government (Fixed Price)" the total amount payable by the Government (including amounts payable in respect of subcontracts and settlement costs), pursuant to paragraph (e) thereof, would in the exercise of reasonable judgment by the Contractor approximate the total amount at the time allotted to the contract. The Government shall not be obligated in any event to pay or reimburse the Contractor in excess of the amount from time to time allotted to the contract, anything to the contrary in the FAR Clause "Termination for Convenience of the Government (Fixed Price)" notwithstanding.

(c) It is contemplated that funds presently allotted to this contract will cover the work to be performed until December 1, 2026. The Contractor will notify the Contracting Officer in writing at least 60 days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable items. The notice

shall state the estimated date when such point will be reached and the estimated amount of additional funds required to continue performance to the above or an agreed substituted date. The Contractor shall, 30 days prior to the date above written or agreed substitute date, advise the Contracting Officer in writing as to the estimated amount of additional funds which will be required for the timely performance of the contract for a further period, as may be specified in the contract or otherwise agreed to by the parties. If, after such later notification, additional funds are not allotted by the date above, the Contracting Officer will terminate any items for which additional funds have not been allotted, pursuant to FAR Clause 52.249-2 "Termination for Convenience of the Government (Fixed Price)."

(d) When additional funds are allotted from time to time for continued performance of the work under this contract, the parties shall agree on the applicable period of contract performance which shall be covered by such funds. The provisions of paragraphs (b) and (c) above shall apply to such additional allotted funds and substituted date pertaining thereto and the contract amended accordingly.

(e) If the Contractor incurs additional costs, or is delayed in the performance of the work under this contract, solely by reason of the failure of the Government to allot additional funds in amounts sufficient for the timely performance of this contract, and if additional funds are allotted, an equitable adjustment shall be made in the price or prices of said items or in the time of delivery or both. Failure to agree to any such equitable adjustment hereunder shall be a dispute concerning a question of fact within the meaning of the clause in this contract entitled "Disputes."

(f) The Government may at any time prior to termination, and with the consent of the Contractor, after notice of termination, allot additional funds for this contract.

(g) Nothing in this clause shall affect the right of the Government to terminate this contract pursuant to FAR Clause 52.249-2 "Termination for Convenience of the Government (Fixed Price)."

(End of clause)

DOE-H-2013 Consecutive Numbering (OCT 2014)

Due to automated procedures employed in formulating this document, clauses and provisions contained within may not always be consecutively numbered.

(End of Clause)

DOE-H-2047 Federal Holidays and Other Closures (JUL 2021)

(a) Designated Federal holidays. Federal employees observe the following Federal holidays:

- (1) New Year's Day;
- (2) Birthday of Martin Luther King, Jr.;
- (3) Washington's Birthday;
- (4) Memorial Day;
- (5) Juneteenth;
- (6) Independence Day;
- (7) Labor Day;
- (8) Columbus Day;
- (9) Veterans Day;

(10) Thanksgiving Day; and

(11) Christmas Day.

Generally, Federal holidays that fall on Saturday are observed on the preceding Friday; and holidays that fall on Sunday are observed on the following Monday. The exact calendar day and/or date on which any of the listed holidays are observed may change year to year.

(b) Other Federal Holidays. In addition to the holidays specified above in paragraph (a), Federal employees may observe other holidays designated by Federal Statute, Executive Order, or Presidential Proclamation as a one-time, day-off such as Inauguration Day for the President of the United States.

(c) Unscheduled closures. Occasionally, an individual Federally-owned or -controlled site or facility will be closed or have an early closure on a normal work day for other reasons such as inclement weather or facility conditions. If an unplanned closure occurs, the Contractor will be notified as soon as possible after the determination that the Federally-owned or -controlled site or facility will be closed.

(d) The Contractor shall provide the services required by the contract at Federally-owned or -controlled sites or facilities on all regularly scheduled Federal work days and other days as may be required by the contract. The Contractor shall not provide the services required by the contract on those days, or portions thereof, specified in paragraphs (a), (b) and (c), except as required under paragraph (e). Accordingly, the Contractor's employees, whose regular duty station in performance of this contract is a Federally-owned or -controlled site or facility, shall not be granted access to the facility during those times specified in paragraphs (a), (b) and (c), unless required by paragraph (e) below.

(e) There may be times that the Contractor is required to perform the services required by the contract on a Federal holiday or other closure times. In the event that such performance is required, the Contracting Officer will notify the Contractor, in writing, and specify the extent to which performance of the contract will be required. The Contractor shall provide sufficient personnel to perform the contractually-required work on those days, as directed by the Contracting Officer.

(f) In accordance with the payment and other applicable clauses of the contract, the Government will not pay the Contractor for its employees' regularly scheduled work hours not actually provided directly in performance of the contract due to an unscheduled closure as contemplated in paragraphs (b) and (c) above.

(End of Clause)

DOE-H-2063 Confidentiality of Information (NOV 2023)

(a) Performance of work under this contract may result in the Contractor having access to Controlled Unclassified Information (CUI), via written or electronic documents, or by virtue of having access to DOE's electronic or other systems. Such CUI includes personally identifiable information (such as social security account numbers) or proprietary business, technical, or financial information belonging to the Government or other companies or organizations. The Contractor shall treat this information as confidential and agrees not to use this information for its own purposes, or to disclose the information to third parties, unless specifically authorized to do so in writing by the Contracting Officer.

(b) The restrictions set out in paragraph(a) above, however, do not apply to -

(1) Information which, at the time of receipt by the Contractor, is in the public domain;

- (2) Information which, subsequent to receipt by the Contractor, becomes part of the public domain through no fault or action of the Contractor;
- (3) Information which the Contractor can demonstrate was previously in its possession and was not acquired directly or indirectly as a result of access obtained by performing work under this contract;
- (4) Information which the Contractor can demonstrate was received from a third party who did not require the Contractor to hold it in confidence; or
- (5) Information which is subject to release under applicable law.

(c) These provisions do not alter the contractor's and their employees' obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General or the Office of Special Counsel of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this agreement and are controlling.

(d) The Contractor shall obtain a written agreement from each of its employees who are granted access to, or furnished with, CUI, whereby the employee agrees that he or she will not discuss, divulge, or disclose any such information to any person or entity except those persons within the Contractor's organization directly concerned with the performance of the contract. The agreement shall be in a form satisfactory to the Contracting Officer.

(e) Upon request of the Contracting Officer, the Contractor agrees to execute an agreement with any party which provides CUI to the Contractor pursuant to this contract, or whose facilities the Contractor is given access to that restrict use and disclosure of CUI obtained by the Contractor. A copy of the agreement, which shall include all material aspects of this clause, shall be provided to the Contracting Officer for approval.

(f) Upon request of the Contracting Officer, the Contractor shall supply the Government with reports itemizing the confidential or proprietary information it receives under this contract and identify the source (company, companies or other organizations) of the information.

(g) The Contractor agrees to flow down this clause to all subcontracts issued under this contract.

(End of Clause)

DOE-H-2066 Safeguards and Security Program (OCT 2014)

(a) Pursuant to the clause at DEAR 952.204-2, Security, the Contractor agrees to comply with all security regulations and contract requirements as incorporated into the contract.

(b) The Contractor shall comply with the requirements of those DOE directives, or parts thereof, identified below in implementing the requirements of this clause. The Contracting Officer, may, at any time, unilaterally amend this clause in order to add, modify or delete specific requirements.

Contracting Officer's Representative (COR) upon request will provide any Directive and security regulations to the contractor that are applicable to this contract.

(End of Clause)

DOE-H-2076 Lobbying Restrictions (NOV 2018)

In accordance with 18 U.S.C. § 1913, the Contractor agrees that none of the funds obligated on this award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress. This restriction is in addition to those prescribed elsewhere in statute and regulation.

(End of Clause)

Section I - Contract Clauses

52.202-1 Definitions. (JUN 2020)

52.203-3 Gratuities. (APR 1984)

52.203-5 Covenant Against Contingent Fees. (MAY 2014)

(a) The Contractor warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or to deduct from the contract price or consideration, or otherwise recover, the full amount of the contingent fee.

(b) *Bona fide agency*, as used in this clause, means an established commercial or selling agency, maintained by a contractor for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government contract or contracts through improper influence.

Bona fide employee, as used in this clause, means a person, employed by a contractor and subject to the contractor's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds out as being able to obtain any Government contract or contracts through improper influence.

Contingent fee, as used in this clause, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a Government contract.

Improper influence, as used in this clause, means any influence that induces or tends to induce a Government employee or officer to give consideration or to act regarding a Government contract on any basis other than the merits of the matter.

(End of clause)

52.203-6 Restrictions on Subcontractor Sales to the Government. (JUN 2020)

52.203-6 Restrictions on Subcontractor Sales to the Government. (JUN 2020) - Alternate I (NOV 2021)

52.203-7 Anti-Kickback Procedures. (JUN 2020)

52.203-17 Contractor Employee Whistleblower Rights. (NOV 2023)

52.204-1 Approval of Contract. (DEC 1989)

This contract is subject to the written approval of Contracting Officer and shall not be binding until so approved.

(End of clause)

52.204-12 Unique Entity Identifier Maintenance. (OCT 2016)

52.204-13 System for Award Management Maintenance. (OCT 2018)

52.204-18 Commercial and Government Entity Code Maintenance. (AUG 2020)

52.204-19 Incorporation by Reference of Representations and Certifications. (DEC 2014)

52.209-6 Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, Proposed for Debarment, or Voluntarily Excluded. (JAN 2025)

52.209-9 Updates of Publicly Available Information Regarding Responsibility Matters. (OCT 2018)

52.209-10 Prohibition on Contracting With Inverted Domestic Corporations. (NOV 2015)

52.210-1 Market Research. (NOV 2021)

52.212-5 Contract Terms and Conditions Required To Implement Statutes or Executive Orders - Commercial Products and Commercial Services. (MAR 2026)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial products and commercial services:

(1) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).

(2) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab Covered Entities (DEC 2023) (Section 1634 of Pub. L. 115-91).

(3) 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. (NOV 2021) (Section 889(a)(1)(A) of Pub. L. 115-232).

(4) 52.209-10, Prohibition on Contracting with Inverted Domestic Corporations (NOV 2015).

(5) 52.232-40, Providing Accelerated Payments to Small Business Subcontractors (MAR 2023) (31 U.S.C. 3903 and 10 U.S.C. 3801).

(6) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).

(7) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Public Laws 108-77 and 108-78 (19 U.S.C. 3805 note)).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial products and commercial services: *[Contracting Officer check as appropriate.]*

[] (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (JUN 2020), with Alternate I (NOV 2021) (41 U.S.C. 4704 and 10 U.S.C. 4655).

[] (2) 52.203-13, Contractor Code of Business Ethics and Conduct (NOV 2021) (41 U.S.C. 3509).

[X] (3) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (JUN 2010) (Section 1553 of Pub. L. 111-5). (Applies to contracts funded by the American Recovery and Reinvestment Act of 2009.)

[X] (4) 52.203-17, Contractor Employee Whistleblower Rights (NOV 2023) (41 U.S.C. 4712); this clause does not apply to contracts of DoD, NASA, the Coast Guard, or applicable elements of the intelligence community-see FAR 3.900(a).

[X] (5) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (JUN 2020) (Pub. L. 109-282) (31 U.S.C. 6101 note).

[] (6) [Reserved]

[] (7) 52.204-14, Service Contract Reporting Requirements (OCT 2016) (Pub. L. 111-117, section 743 of Div. C).

[] (8) 52.204-15, Service Contract Reporting Requirements for Indefinite-Delivery Contracts (OCT 2016) (Pub. L. 111-117, section 743 of Div. C).

[] (9) 52.204-27, Prohibition on a ByteDance Covered Application (JUN 2023) (Section 102 of Division R of Pub. L. 117-328).

[] (10) 52.204-28, Federal Acquisition Supply Chain Security Act Orders-Federal Supply Schedules, Governmentwide Acquisition Contracts, and Multi-Agency Contracts. (DEC 2023) (Pub. L. 115-390, title II).

[] (11)(i) 52.204-30, Federal Acquisition Supply Chain Security Act Orders- Prohibition. (DEC 2023) (Pub. L. 115-390, title II).

[] (ii) Alternate I (DEC 2023) of 52.204-30.

[] (12) 52.209-6, Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, Proposed for Debarment, or Voluntarily Excluded. (JAN 2025) (31 U.S.C. 6101 note).

[] (13) 52.209-9, Updates of Publicly Available Information Regarding Responsibility Matters (OCT 2018) (41 U.S.C. 2313).

[] (14) [Reserved]

[] (15) 52.219-3, Notice of HUBZone Set-Aside or Sole-Source Award (OCT 2022) (15 U.S.C. 657a).

[] (16) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (OCT 2022) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).

[] (17) [Reserved]

[] (18)(i) 52.219-6, Notice of Total Small Business Set-Aside (NOV 2020) (15 U.S.C. 644).

[] (ii) Alternate I (MAR 2020) of 52.219-6.

[] (19)(i) 52.219-7, Notice of Partial Small Business Set-Aside (NOV 2020) (15 U.S.C. 644).

[] (ii) Alternate I (MAR 2020) of 52.219-7.

- [] (20) 52.219-8, Utilization of Small Business Concerns (JAN 2025) (15 U.S.C. 637(d)(2) and (3)).
- [] (21)(i) 52.219-9, Small Business Subcontracting Plan (JAN 2025) (15 U.S.C. 637(d)(4)).
 - [] (ii) Alternate I (NOV 2016) of 52.219-9.
 - [] (iii) Alternate II (NOV 2016) of 52.219-9.
 - [] (iv) Alternate III (JUN 2020) of 52.219-9.
 - [] (v) Alternate IV (JAN 2025) of 52.219-9.
- [] (22)(i) 52.219-13, Notice of Set-Aside of Orders (MAR 2020) (15 U.S.C. 644(r)).
 - [] (ii) Alternate I (MAR 2020) of 52.219-13.
- [] (23) 52.219-14, Limitations on Subcontracting (OCT 2022) (15 U.S.C. 657s).
- [] (24) 52.219-16, Liquidated Damages- Subcontracting Plan (SEP 2021) (15 U.S.C. 637(d)(4)(F)(i)).
- [] (25) 52.219-27, Notice of Set-Aside for, or Sole-Source Award to, Service-Disabled Veteran-Owned Small Business (SDVOSB) Concerns Eligible Under the SDVOSB Program (FEB 2024) (15 U.S.C. 657f).
- [] (26)(i) 52.219-28, Postaward Small Business Program Rerepresentation (JAN 2025) (15 U.S.C. 632(a)(2)).
 - [] (ii) Alternate I (MAR 2020) of 52.219-28.
- [] (27) 52.219-29, Notice of Set-Aside for, or Sole-Source Award to, Economically Disadvantaged Women-Owned Small Business Concerns (OCT 2022) (15 U.S.C. 637(m)).
- [] (28) 52.219-30, Notice of Set-Aside for, or Sole-Source Award to, Women-Owned Small Business Concerns Eligible Under the Women-Owned Small Business Program (OCT 2022) (15 U.S.C. 637(m)).
- [] (29) 52.219-32, Orders Issued Directly Under Small Business Reserves (MAR 2020) (15 U.S.C. 644(r)).
- [] (30) 52.219-33, Nonmanufacturer Rule (SEP 2021) (15 U.S.C. 637(a)(17)).
- [X] (31) 52.222-3, Convict Labor (JUN 2003) (E.O. 11755).
- [] (32) 52.222-19, Child Labor-Cooperation with Authorities and Remedies (MAR 2026) (E.O. 13126).
- [X] (33) 52.222-21, Prohibition of Segregated Facilities (APR 2015).
- [X] (34)(i) 52.222-26, Equal Opportunity (SEPT 2016) (E.O. 11246).
 - [] (ii) Alternate I (FEB 1999) of 52.222-26.
- [X] (35)(i) 52.222-35, Equal Opportunity for Veterans (JUN 2020) (38 U.S.C. 4212).
 - [] (ii) Alternate I (JULY 2014) of 52.222-35.

[X] (36)(i) 52.222-36, Equal Opportunity for Workers with Disabilities (JUN 2020) (29 U.S.C. 793).

[] (ii) Alternate I (JULY 2014) of 52.222-36.

[] (37) 52.222-37, Employment Reports on Veterans (JUN 2020) (38 U.S.C. 4212).

[X] (38) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496).

[X] (39)(i) 52.222-50, Combating Trafficking in Persons (OCT 2025) (22 U.S.C. chapter 78 and E.O. 13627).

[X] (ii) Alternate I (MAR 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627).

[] (40) 52.222-54, Employment Eligibility Verification (JAN 2025) (Executive Order 12989). (Not applicable to the acquisition of commercially available off-the-shelf items or certain other types of commercial products or commercial services as prescribed in FAR 22.1803.)

[] (41)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Items (MAY 2008) (42 U.S.C. 6962(c)(3)(A)(ii)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

[] (ii) Alternate I (MAY 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

[] (42) 52.223-11, Ozone-Depleting Substances and High Global Warming Potential Hydrofluorocarbons (MAY 2024) (42 U.S.C. 7671, *et seq.*).

[] (43) 52.223-12, Maintenance, Service, Repair, or Disposal of Refrigeration Equipment and Air Conditioners (MAY 2024) (42 U.S.C. 7671, *et seq.*).

[] (44) 52.223-20, Aerosols (MAY 2024) (42 U.S.C. 7671, *et seq.*).

[] (45) 52.223-21, Foams (MAY 2024) (42 U.S.C. 7671, *et seq.*).

[] (46) 52.223-23, Sustainable Products and Services (MAY 2024) (E.O. 14057, 7 U.S.C. 8102, 42 U.S.C. 6962, 42 U.S.C. 8259b, and 42 U.S.C. 7671l).

[] (47)(i) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).

[] (ii) Alternate I (JAN 2017) of 52.224-3.

[] (48)(i) 52.225-1, Buy American- Supplies (OCT 2022)) (41 U.S.C. chapter 83).

[] (ii) Alternate I (OCT 2022) of 52.225-1.

[] (49)(i) 52.225-3, Buy American-Free Trade Agreements-Israeli Trade Act (NOV 2023) (19 U.S.C. 3301 note, 19 U.S.C. 2112 note, 19 U.S.C. 3805 note, 19 U.S.C. 4001 note, 19 U.S.C. chapter 29 (sections 4501-4732), Public Law 103-182, 108-77, 108-78, 108-286, 108-302, 109-53, 109-169, 109-283, 110-138, 112-41, 112-42, and 112-43).

[] (ii) Alternate I [Reserved].

[] (iii) Alternate II (JAN 2025) of 52.225-3.

[] (iv) Alternate III (FEB 2024) of 52.225-3.

[] (v) Alternate IV (OCT 2022) of 52.225-3.

[] (50) 52.225-5, Trade Agreements (NOV 2023) (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note).

[] (51) 52.225-13, Restrictions on Certain Foreign Purchases (FEB 2021) (E.O.'s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).

[] (52) 52.225-26, Contractors Performing Private Security Functions Outside the United States (OCT 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. Subtitle A, Part V, Subpart G Note).

[] (53) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (NOV 2007) (42 U.S.C. 5150).

[] (54) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (NOV 2007) (42 U.S.C. 5150).

[X] (55) 52.226-8, Encouraging Contractor Policies to Ban Text Messaging While Driving (May 2024) (E.O. 13513).

[] (56) 52.229-12, Tax on Certain Foreign Procurements (FEB 2021).

[] (57) 52.232-29, Terms for Financing of Purchases of Commercial Products and Commercial Services (NOV 2021) (41 U.S.C. 4505, 10 U.S.C. 3805).

[] (58) 52.232-30, Installment Payments for Commercial Products and Commercial Services (NOV 2021) (41 U.S.C. 4505, 10 U.S.C. 3805).

[X] (59) 52.232-33, Payment by Electronic Funds Transfer-System for Award Management (OCT 2018) (31 U.S.C. 3332).

[] (60) 52.232-34, Payment by Electronic Funds Transfer-Other than System for Award Management (JUL 2013) (31 U.S.C. 3332).

[] (61) 52.232-36, Payment by Third Party (MAY 2014) (31 U.S.C. 3332).

[] (62) 52.239-1, Privacy or Security Safeguards (AUG 1996) (5 U.S.C. 552a).

[] (63) 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities (Nov 2024) (Sections 1821-1826, Pub. L. 118-31, 41 U.S.C. 3901 note prec.).

[] (64) 52.242-5, Payments to Small Business Subcontractors (JAN 2017)(15 U.S.C. 637(d)(13)).

[] (65)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (NOV 2021) (46 U.S.C. 55305 and 10 U.S.C. 2631).

[] (ii) Alternate I (Apr 2003) of 52.247-64.

[] (iii) Alternate II (NOV 2021) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to

acquisitions of commercial products and commercial services: *[Contracting Officer check as appropriate.]*

- ☐ (1) 52.222-41, Service Contract Labor Standards (AUG 2018) (41 U.S.C. chapter 67).
- ☐ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (MAY 2014) (29 U.S.C. 206 and 41 U.S.C. chapter 67).
- ☐ (3) 52.222-43, Fair Labor Standards Act and Service Contract Labor Standards-Price Adjustment (Multiple Year and Option Contracts) (AUG 2018) (29 U.S.C. 206 and 41 U.S.C. chapter 67).
- ☐ (4) 52.222-44, Fair Labor Standards Act and Service Contract Labor Standards-Price Adjustment (MAY 2014) (29 U.S.C. 206 and 41 U.S.C. chapter 67).
- ☐ (5) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (MAY 2014) (41 U.S.C. chapter 67).
- ☐ (6) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services-Requirements (MAY 2014) (41 U.S.C. chapter 67).
- ☐ (7) 52.222-55, Minimum Wages for Contractor Workers Under Executive Order 14026 (JAN 2022).
- ☒ (8) 52.222-62, Paid Sick Leave Under Executive Order 13706 (JAN 2022) (E.O. 13706).
- ☐ (9) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (JUN 2020) (42 U.S.C. 1792).
- ☐ (10) 52.247-69, Reporting Requirement for U.S.-Flag Air Carriers Regarding Training to Prevent Human Trafficking (JAN 2025) (49 U.S.C. 40118(g)).

(d) *Comptroller General Examination of Record.* The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, as defined in FAR 2.101, on the date of award of this contract, and does not contain the clause at 52.215-2, Audit and Records - Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1), in a subcontract for commercial products or commercial services. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause-

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (NOV 2021) (41 U.S.C. 3509).

(ii) 52.203-17, Contractor Employee Whistleblower Rights (NOV 2023) (41 U.S.C. 4712).

(iii) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).

(iv) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab Covered Entities (DEC 2023) (Section 1634 of Pub. L. 115-91).

(v) 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. (NOV 2021) (Section 889(a)(1)(A) of Pub. L. 115-232).

(vi) 52.204-27, Prohibition on a ByteDance Covered Application (JUN 2023) (Section 102 of Division R of Pub. L. 117-328).

(vii)(A) 52.204-30, Federal Acquisition Supply Chain Security Act Orders-Prohibition. (DEC 2023) (Pub. L. 115-390, title II).

(B) Alternate I (DEC 2023) of 52.204-30.

(viii) 52.219-8, Utilization of Small Business Concerns (JAN 2025) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds the applicable threshold specified in FAR 19.702(a) on the date of subcontract award, the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(ix) 52.222-21, Prohibition of Segregated Facilities (APR 2015).

(x) 52.222-26, Equal Opportunity (SEP 2016) (E.O. 11246).

(xi) 52.222-35, Equal Opportunity for Veterans (JUN 2020) (38 U.S.C. 4212).

(xii) 52.222-36, Equal Opportunity for Workers with Disabilities (JUN 2020) (29 U.S.C. 793).

(xiii) 52.222-37, Employment Reports on Veterans (JUN 2020) (38 U.S.C. 4212).

(xiv) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(xv) 52.222-41, Service Contract Labor Standards (AUG 2018) (41 U.S.C. chapter 67).

(xvi) [] (A) 52.222-50, Combating Trafficking in Persons (OCT 2025) (22 U.S.C. chapter 78 and E.O. 13627).

[] (B) Alternate I (MAR 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627).

(xvii) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (MAY 2014) (41 U.S.C. chapter 67).

(xviii) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services-Requirements (MAY 2014) (41 U.S.C. chapter 67).

(xix) 52.222-54, Employment Eligibility Verification (JAN 2025) (E.O. 12989).

(xx) 52.222-55, Minimum Wages for Contractor Workers Under Executive Order 14026 (JAN 2022).

(xxi) 52.222-62 Paid Sick Leave Under Executive Order 13706 (JAN 2022) (E.O. 13706).

(xxii)(A) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).

(B) Alternate I (JAN 2017) of 52.224-3.

(xxiii) 52.225-26, Contractors Performing Private Security Functions Outside the United States (OCT 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. Subtitle A, Part V, Subpart G Note).

(xxiv) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (JUN 2020) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xxv) 52.232-40, Providing Accelerated Payments to Small Business Subcontractors (MAR 2023) (31 U.S.C. 3903 and 10 U.S.C. 3801). Flow down required in accordance with paragraph (c) of 52.232-40.

(xxvi) 52.240-1, Prohibition on Unmanned Aircraft Systems Manufactured or Assembled by American Security Drone Act-Covered Foreign Entities (Nov 2024) (Sections 1821-1826, Pub. L. 118-31, 41 U.S.C. 3901 note prec.).

(xxvii) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (NOV 2021) (46 U.S.C. 55305 and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the Contractor may include in its subcontracts for commercial products and commercial services a minimal number of additional clauses necessary to satisfy its contractual obligations.

(End of clause)

52.215-2 Audit and Records - Negotiation. (JUN 2020)

52.215-8 Order of Precedence - Uniform Contract Format. (OCT 1997)

52.215-10 Price Reduction for Defective Certified Cost or Pricing Data. (AUG 2011)

52.215-11 Price Reduction for Defective Certified Cost or Pricing Data - Modifications. (JUN 2020)

52.215-12 Subcontractor Certified Cost or Pricing Data. (JUN 2020)

52.215-12 Subcontractor Certified Cost or Pricing Data. (JUN 2020) - Alternate I (OCT 2025)

52.215-13 Subcontractor Certified Cost or Pricing Data - Modifications. (JUN 2020)

52.215-13 Subcontractor Certified Cost or Pricing Data - Modifications. (JUN 2020) - Alternate I (OCT 2025)

52.215-23 Limitations on Pass-Through Charges. (JUN 2020)

52.215-23 Limitations on Pass-Through Charges. (JUN 2020) -- Alternate I (OCT 2009)

52.216-12 Cost-Sharing Contract - No Fee. (APR 1984)

52.216-12 Cost-Sharing Contract - No Fee. (APR 1984) - Alternate I (APR 1984)

52.217-8 Option To Extend Services. (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within fifteen (15) days before the contract period of performance expires.

(End of clause)

52.217-9 Option To Extend the Term of the Contract. (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 30 Days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 20 years.

(End of clause)

52.222-4 Contract Work Hours and Safety Standards - Overtime Compensation. (MAY 2018)

52.226-1 Utilization of Indian Organizations and Indian-Owned Economic Enterprises. (JUN 2000)

52.232-33 Payment by Electronic Funds Transfer - System for Award Management. (OCT 2018)

52.232-39 Unenforceability of Unauthorized Obligations. (JUN 2013)

52.233-1 Disputes. (MAY 2014) - Alternate I (DEC 1991)

52.233-4 Applicable Law for Breach of Contract Claim. (OCT 2004)

52.237-3 Continuity of Services. (JAN 1991)

52.241-8 Change in Rates or Terms and Conditions of Service for Unregulated Services. (FEB 1995)

- (a) This clause applies to the extent that services furnished hereunder are not subject to regulation by a regulatory body.
- (b) After a 60 day notice, either party may request a change in rates or terms and conditions of service, unless otherwise provided in this contract. Both parties agree to enter in negotiations concerning such changes upon receipt of a written request detailing the proposed changes and specifying the reasons for the proposed changes.
- (c) The effective date of any change shall be as agreed to by the parties. The Contractor agrees that throughout the life of this contract the rates so negotiated will not be in excess of published and unpublished rates charged to any other customer of the same class under similar terms and conditions of use and service.
- (d) The failure of the parties to agree upon any change after a reasonable period of time shall be a dispute under the Disputes clause of this contract.
- (e) Any changes to rates, terms, or conditions as a result of such negotiations shall be made a part of this contract by the issuance of a contract modification.

(End of clause)

52.242-1 Notice of Intent to Disallow Costs. (APR 1984)

52.242-13 Bankruptcy. (JUL 1995)

52.243-1 Changes - Fixed-Price. (AUG 1987)

- (a) The Contracting Officer may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any one or more of the following:
 - (1) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the Government in accordance with the drawings, designs, or specifications.
 - (2) Method of shipment or packing.
 - (3) Place of delivery.
- (b) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, the Contracting Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both, and shall modify the contract.
- (c) The Contractor must assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.
- (d) If the Contractor's proposal includes the cost of property made obsolete or excess by the change, the Contracting Officer shall have the right to prescribe the manner of the disposition of the property.
- (e) Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

(End of clause)

52.252-2 Clauses Incorporated by Reference. (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es): <https://www.acquisition.gov/>

(End of clause)

52.252-4 Alterations in Contract. (APR 1984)

Portions of this contract are altered as follows: TO BE UTILIZED WHEN CHANGES OCCUR

(End of clause)

52.249-14 Excusable Delays. (APR 1984)

Section J - List of Documents, Exhibits and Other Attachments

Attachment Number	Title	Date
1	Attachment 1 - Electric Coordination Agreement PWS Final	06/16/2026
2	Attachment 2 - Operating Procedures	06/16/2026
3	Attachment 3 - REPORTING REQUIREMENTS CHECKLIST	12/15/2025
4	Attachment 4 - Exhibit G Physical Security	01/27/2025

Electric Coordination Agreement
Performance Work Statement

Between the U.S. Department of Energy/National Nuclear Security Administration
And

Incorporated County of Los Alamos
Contract Number: 89233126CNA000436

BACKGROUND:

The Department of Energy and the Los Alamos County have enhanced their electricity and electrical system capabilities through a joint effort, specifically by leveraging combined power generation and transmission resources for the economic dispatch of power and energy. Founded on a long-standing partnership, this collaboration has served as a strategic framework, enabling both entities to realize substantial efficiencies in the collaborative management, planning, acquisition, and maintenance of their electrical generation and distribution assets and needs. The benefit is achieved by pooling these resources and expertise, leading to optimized operational costs and improved system reliability.

PART I - THE SCHEDULE

SECTION A - SOLICITATION/CONTRACT FORM

A.1 [Insert SF 33, SF 26, or other appropriate form for contract award]

SECTION B - SERVICES AND PRICES/COSTS

B.0 CONTRACT TYPE

- (1) This is a Fixed Price Cost Sharing arrangement for the coordination and management of electric resources.
- (2) This section describes the supplies or services to be furnished hereunder and their prices or costs.

B.1 ACCOUNTING FOR RESOURCE COSTS

- (1) The costs of providing the Approved Resources described in Section C.1(1) shall be accounted for in the Resource Accounting Pool. The costs and charges allowable for inclusion in the Resource Accounting Pool are set forth in Attachment 1, Exhibits. The uniform system of accounts as approved from time to time by the Federal Energy Regulatory Commission (FERC) shall be used to record costs for Approved Resources.
- (2) A cost incurred audit of charges to the Resource Accounting Pool will be arranged annually by the Incorporated County of Los Alamos (County). This audit will be completed by an independent auditor acceptable to both Parties unless it can be demonstrated that an audit can be completed by the Defense Contract Audit Agency or the U.S. Department of Energy/National Nuclear Security Administration (DOE/NNSA) Office of Inspector General within one (1) year of the end of the Pool Fiscal Year to be audited. If the audit is performed by an independent auditor, the costs of such audit will be included in the Resource Accounting Pool.
- (3) Either Party may request a review, in addition to the annual audit, of the expenses that have been included in the Resource Accounting Pool, and the Party making the request will be responsible for all costs associated with such review. The allowability of DOE/NNSA's variable and miscellaneous costs (those which are not a fixed charge or established by formula) shall be consistent with DOE/NNSA's full cost recovery policy as set forth in 10 Code of Federal Regulations (CFR) Part 1009 except that no DOE/NNSA added factor shall apply. The allowability of the County's variable

and miscellaneous costs (those which are not a fixed charge or established by formula) shall be consistent with the Contract Cost Principles and Procedures as set forth in 48 CFR Subparagraph 31.6 (Office of Management and Budget (OMB) Circular No. A-87 Revised).

- (4) The Parties agree to assign all relevant costs of the Los Alamos Power Pool in accordance with appropriate accounting principles and cost recovery methods mentioned under B.1 *Accounting for Resource Costs*. However, if actual energy costs are lower than the around-the-clock day-ahead Palo Verde index price plus \$2.00 for net energy delivered through the transmission network from each County owned generating resource or approved long-term power purchase agreement included herein for the month, then the Parties agree to split the difference based on the formula below:

(a) Definitions:

- PVI = Palo Verde Index
- COR = County Owned Resources Total Energy Cost / MWh from the Component Cost Summary

(b) Formula:

- If $COR < PVI + 2$, then $((PVI + 2) \text{ minus } COR) \text{ divided by } 2 = \text{Difference applied to DOE}$

- (5) Qualifying resources for this accounting treatment are resources that the County has a long-term stake in and liabilities that either extend or are not in line with the contracting period. Examples of qualifying resources are set forth in Exhibit 2, *County Approved Resources*.
- (6) If actual energy costs are higher than the around-the-clock day-ahead Palo Verde index price plus \$2.00 on a weighted average basis for the month, then the Parties agree that no further adjustment will be applied as current accounting methods will split the total energy costs on a pro rata basis according to actual energy used. Transmission, capacity, or demand costs will be allocated to the Parties pursuant Section B.3.

B.2 MISCELLANEOUS COSTS

- (1) Except as provided herein, all costs associated with personnel, procurement, management, and administration that are not directly related to the combined operation of Approved Resources shall be borne separately by each Party. All individuals directly involved in Los Alamos Power Pool activities shall maintain hourly time records as support for charges reimbursed by the Resource Accounting Pool. Exhibit 3, *Miscellaneous Costs of Mutual Benefit*, sets forth miscellaneous costs of mutual benefit to the Parties that will be allowable in the Resource Accounting Pool.
- (a) Additions, deletions, or changes of any costs to the Resource Accounting Pool will be presented to the Operating Committee for consideration and approval. If it is determined a modification to the contract is required, then the Contracting Officer will issue a Bi-lateral modification. Exhibit 3, *Miscellaneous Costs of Mutual Benefit*, will be updated as the contract is modified to reflect recurring cost items, as needed.
- (2) Each Party shall bear all costs associated with its respective 115/13 kilovolt (kV) transformation and 13 kV distribution facilities. At several locations, however, it is advantageous to connect load to the distribution network of the other Party and thereby avoid an unnecessary duplication of facilities. Operating Procedure B8, *Customer Related Costs*, provides the facilities charge for monthly cost of service responsibility associated with the County's use of DOE/NNSA's distribution facilities. Such costs are to be accounted for as part of the Resource Accounting Pool.

B.3 ALLOCATION OF RESOURCE COSTS

- (1) Costs included in the Resource Accounting Pool pursuant to Section C.1(1)(a) below, and B.2 above shall be classified as demand-related, energy-related, or customer-related, or a combination thereof, consistent with the classification as shown in the monthly billing statement. Demand-related costs shall be allocated each month between the two Parties based on the ratio of each Party's billing demand to the sum of both Parties' billing demands for the applicable month.
- (2) For the term of the contract the following billing demand shall apply to the Approved Resources that exist during the time period:
 - (a) Billing demand for each Party is the higher of that Party's actual demand at the time of the coincidental monthly system peak during the billing month, or 83% of that Party's actual demand at the time of the highest coincidental monthly system peak during the preceding eleven months.
- (3) The following billing demand shall apply to the Approved Resources:
 - (a) Billing demand shall be each Party's actual demand at the time of the coincidental monthly system Los Alamos Service Area peak during the billing month. However, if in any month when the combined demand of the Parties is less than 164 megawatts (MW) then the following demand ratchet provision shall apply:
 - i. The billing demand of each Party shall be the higher of a) that Party's actual demand at the time of the coincidental monthly peak during the billing month, or b) 83% of that Party's actual demand at the time of the highest coincidental peak during the preceding eleven months. Provided, however, if any such resulting computation under b) yields a computed demand greater than 110 MW for DOE/NNSA, then 110 MW shall become the DOE/NNSA's billing demand. Likewise, if any such resulting computation under b) yields a computed demand greater than 22 MW for the County, then 22 MW shall become the County's billing demand.
 - (b) The Parties may negotiate a different cost allocation procedure for any future Los Alamos Power Pool resources funded by the County, or for the fixed costs associated with any additional long-term power purchase or transmission commitment made to expand Los Alamos Power Pool resources.
 - (c) Energy-related costs shall be allocated based on the ratio of a Party's energy consumption during the month to the combined total consumption for the month. Customer-related costs shall be allocated between the Parties as appropriate to each cost item as described under the Operating Procedure B8 *Customer Related Costs* or as mutually agreed by the Operating Committee. The County will make invoice adjustments in accordance with the Operating Procedure B4, *Adjustments for Prior Period Invoiced Corrections*.
 - (d) The Parties agree to annually assess, in good faith, requirements for Long-Term Capacity Resources and Short-Term Capacity Resources, through evaluation of historical experience, Monthly Demand Projections and minimum Long-Term Capacity Requirements. A similar review shall also be made at other times whenever a previously unanticipated load reduction or load increase of 5 MW or more occurs or is projected to occur. Through such capacity assessments, the Parties agree to determine if excess Long-Term Capacity exists, which is capacity in excess of the lowest amount of Long-Term Capacity Resources required to satisfy the Minimum Long-Term Capacity Requirements for all months within the Resource Planning Horizon.

- (e) If excess Long-Term Capacity is determined to exist throughout the Resource Planning Horizon, each Party agrees to pursue available options to dispose of their excess portion of the appropriate Long-Term Capacity Resource(s). If an offer is received, acceptable to both Parties, the disposition of the excess capacity will be so handled.
- (f) Alternatively, if an offer, projected to produce a net savings to the Los Alamos Power Pool throughout the full Resource Planning Horizon, is received that is acceptable to one Party and not the other, the Parties shall develop specific terms and conditions to reapportion cost responsibilities and revenue benefits, such that the Party that determines the offer is unacceptable shall be assigned the associated cost responsibility and revenue benefits.
- (g) The County shall not be required to accept any offer (or penalized hereunder for refusing to accept an offer) to dispose of Long-Term Capacity Resources if the acceptance of such offer would adversely affect the status of any outstanding County Bonds as exempt for inclusion in gross income for federal income tax purposes. If the Parties are unable to dispose of such Excess Long-Term Capacity, then the cost associated with the Approved Resource shall continue to be shared as a Los Alamos Power Pool cost.

B.4 CLASSIFICATION OF EXPENDITURES

- (1) The Parties recognize that expenditures incurred will be classified as either capital, operating and maintenance, or repairs. Assets may include facilities owned by others but claimed as a resource, for example, hydro-generating facilities.
- (2) Capital expenditures are funds used by a Party or the Parties to acquire or upgrade physical assets such as property, buildings, or equipment. An expenditure is considered to be a capital expenditure when the asset is a newly acquired capital asset or an investment that materially increases the value or the useful life of an existing capital asset.
- (3) Notwithstanding this classification, projects with total cost less than \$250,000 will shall be included in the Los Alamos Power Pool in the period(s) costs are incurred. Except as discussed below, Capital Projects and Operations and Maintenance (O&M) expenditures costing \$250,000 or more will be charged to the Resource Accounting Pool over a recovery period to be negotiated on a case-by-case basis and added to the fixed charges for the relevant Los Alamos Power Pool Approved Resource through (1) written modification to the relevant exhibit to this contract or (2) approval of the Contracting Officer and County Authority of such fixed charge within the Resource Accounting Pool's 24-month budget.
- (4) O&M expenditures are activities related to the performance of routine, preventative, predictive, scheduled, and unscheduled actions aimed at preventing equipment failure or decline with the goal of increasing efficiency, reliability, and safety.
- (5) Repair expenditures are costs incurred to bring an asset back to an earlier condition or to keep the asset operating at its present condition (as opposed to improving the asset).

B.5 NET COST RESPONSIBILITY AND PAYMENT

The Parties' costs and charges as allowed in the Resource Accounting Pool and the Parties' allocated share of costs of the Resource Accounting Pool shall be determined monthly in accordance with the Operating Procedures. The Parties will agree on a method for calculating the cost of electric service to the Parties and the related net payment.

B.6 RENEWABLE ENERGY CERTIFICATES (RECs) AND OTHER ATTRIBUTES

The Parties recognized that Long-Term Capacity Resources and Short-Term Capacity Resources may have associated RECs and Renewable Attributes. RECs and Renewable Attributes will be allocated as agreed upon by the Operating Committee to the mutual benefit of the Parties. Each Party can purchase RECs as needed, and they will be solely responsible for the costs associated with those RECs.

SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

This section describes the work to be performed.

C.1 STATEMENT OF SERVICES

(1) Resources

(a) *Contribution and Usage of Capacity and Energy.*

- i. Section C.1(1)(d) and Attachment 1, Exhibits, identify the respective Approved Resources which are contributed by DOE/NNSA and the County for electrical service to the Los Alamos Service Area. Each Party shall be separately responsible for all arrangements necessary for the acquisition, transportation, operation (including fuel costs) and maintenance of its respective resources. All capacity and energy requirements of DOE/NNSA and the County within the Los Alamos Service Area and during the term of this contract shall be first satisfied from the Approved Resources. Notwithstanding the foregoing, and pursuant to the Operating Procedures, other resources may be used to furnish the loads of the Parties otherwise required to be first served from the Approved Resources when such other resources are found to be economically beneficial to both Parties.
- ii. The County and DOE/NNSA agree to give notice to one another of meetings or proceedings with third Parties involving matters that could significantly alter established Resource Accounting Pool cost responsibilities. The County and DOE/NNSA agree to designate representatives who are to be notified of such meetings and proceedings. Said representatives shall consult one another to determine whether the Party receiving notice should attend. Such notice should be given to the other Party at least forty-eight hours prior to the meeting.

(b) *Priorities.*

- i. For purposes of establishing priority of deliveries in the event of curtailment of Approved Resources. Priority of use of Approved Resources shall be allocated in accordance with the Operating Procedures, C10 *System Operation and Load Shedding*. The Operating Committee will develop and periodically review such priority plans to ensure resources are allocated to give priority to human needs, health, safety, and security needs.

(c) *Continuity of Service.*

- i. Each Party will use every reasonable means consistent with prudent utility practices to provide its Approved Resources on a regular and uninterrupted basis, but neither Party shall be liable to the other for failure, suspension, diminution, or other variations of service occasioned by any cause beyond its control and without willful misconduct or gross negligence. Such causes may include, but are not restricted to, acts specified in FAR Clause 52.249–14, Excusable Delays.

- ii. The Parties recognize that temporary service interruptions or reductions may be necessary for the purpose of maintenance, repairs, replacements, installation, or inspection of equipment and facilities. Either Party will give the Operating Committee, except in case of emergency, reasonable advance notice of such temporary interruptions or reductions and will minimize to the extent practicable the duration of such interruptions or reductions.

(d) *Additional Approved Resources.*

- i. In the event either Party desires to add additional Approved Resources beyond those defined in Attachment 1, Exhibits, such additions may be incorporated into this contract by modification, provided the Parties mutually agree upon the terms and conditions and cost allocations for the addition of such Approved Resources. The Government will submit the modification to the Los Alamos County for approval per Section G.1.
- ii. The Parties recognize under the terms of the County's Network Integrated Transmission Service Agreement (NITSA) with Public Service Company of New Mexico (PNM) that PNM has the utility responsibility to provide off-site transmission facilities on a timely basis to serve projected Los Alamos Service Area load growth and service reliability needs. In recognition of this PNM obligation, the Parties may request PNM to evaluate the projected needs of the Los Alamos Service Area and complete all necessary system improvements required to address the growth and service reliability needs of the Los Alamos Service Area and the surrounding area.
- iii. The Parties recognize that carbon-free power supply resources may be required by either Party. Such energy supply facilities and/or contracts necessary to meet these requirements shall be included as Approved Resources. The Parties agree to provide for cost recovery through the Resource Accounting Pool pursuant to the operational and cost-recovery guidelines set forth in Attachment 1, Exhibits, depending upon which Party(s) contracts for such carbon-free power supply resources.
- iv. The Parties recognize the need to provide flexibility to enter power purchase arrangements to meet longer-term capacity needs. The Parties agree that subject to the advance concurrence of the contracting authorities, authorized power purchase contracts will be Approved Resources under the Los Alamos Power Pool. The Parties agree to submit a modification to their respective contracting authorities to add the new resource to this contract. The Parties agree to provide for cost recovery through the Resource Accounting Pool pursuant to the operational and cost-recovery guidelines set forth in Attachment 1, Exhibits, depending upon which Party(s) contracts for the resource(s).
- v. A list of Approved Resources and Special Purpose Approved Resources (SPARs) under this contract is attached hereto as Attachment 1, Exhibits.

(e) *Infrastructure Investment*

The County shall provide written notice to DOE/NNSA within 60 days identifying any proposed additional electric production, transmission, or storage facilities ("New Facilities") for investment under this contract. Such notice may include: (i) a full description of the proposed

New Facilities; (ii) any impact on services, rates, or terms and conditions of service to DOE/NNSA; (iii) the required commitment period for the investment; and (iv) whether any contract modifications will be necessary. The Contracting Officer shall meet with the County within thirty (30) days of receiving such notice to discuss the proposed County investment and its impacts on DOE/NNSA rates.

If, following consultation and DOE/NNSA agreement, the County proceeds with the investment in any New Facilities, any resulting changes to rates or terms and conditions of service shall be incorporated into this contract by modification.

If the County proposes a long-term modification to add New Facilities, which may exceed the term of this Contract, the parties may review additional options outside this Contract such as involving Western Area Power Administration (WAPA), to facilitate the addition of New Facilities.

(2) Metering

- (a) All metering equipment shall be of standard manufacture and adequate to establish accurately the monthly kilowatt-hour energy use of each Party and to provide a reasonably accurate determination of each Party's contribution to the coincidental monthly demand. All meters measuring loads greater than 25 kilowatts (kW) shall measure and store 60 days of interval-by-interval load data.
- (b) Each Party will be responsible to furnish, install, maintain, and calibrate (if necessary) all meters for assets or resources they own, operate, and manage. Approved assets/resources Attachment 1, Exhibits, and further include additional Approved Resources added pursuant to Section C.1(1)(d). All meter readings shall be in accordance with the Operating Procedures, C7, *Metering*. If any meter fails to register or registers incorrectly, the quantity of service delivered through it shall be estimated based upon the best available information or historic and/or current usage. Each Party shall have the right to inspect all meter installations and billing data derived from the meters.
- (c) For the purpose of determining cost allocation factors for the Resource Accounting Pool, all metered quantities shall be adjusted for losses to reflect usage quantities at the system input points, which are defined as the dead-end structure on the east side of the Rio Grande river crossing of the Norton-ETA 115 kV line, the STA end of the BA – STA 115 kV Line, the net output of on-site generation, including the LANL Technical Area (TA) – 03 combustion gas turbine generator, the two 1 MW diesel engine generators and the 1 MW Photovoltaic (PV) at TA-61, as metered at the points of connection to the Los Alamos 13 kV system.

(3) Scheduling Agent Services

The County shall provide economic dispatch, scheduling agent services, load serving entity functions, accounting, and administrative services on behalf of Los Alamos Power Pool and shall be paid in accordance with Section B.1, *Accounting for Resource Costs*.

SECTION D - PACKAGING AND MARKING

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SECTION E - INSPECTION AND ACCEPTANCE

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SECTION F - DELIVERIES OR PERFORMANCE

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SECTION G - CONTRACT ADMINISTRATION DATA

G.1 CONTRACT ADMINISTRATION

- (1) The Contracting Officer serves as the contracting authority for the DOE/NNSA, and the County Council will serve as the contracting authority for the County. The responsibilities of the contracting authority shall include, but are not necessarily limited to, the following:
 - (a) Final approval of all contract modifications and 24-month budget put forth by the Operating Committee.
 - (b) Approval of all additions to, or deletions of, Approved Resources.
 - (c) Approval of the updated Operating Procedures will occur every five (5) years, which shall include policies for disposal of surplus power, economy energy transactions, short-term power purchases, emergency power purchases, and negotiations and agreements related thereto. Modifications or revisions that do not significantly impact the overall operations will be approved by the Operating Committee then documented in the five-year update to the Operating Procedures for contracting authority approval.
 - (d) Resolution of issues that cannot be resolved by the Operating Committee. Any issue that cannot be resolved by the Contracting Officer shall be resolved under the provisions of the Disputes Clause.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 REAL PROPERTY ACCESS

- (1) DOE/NNSA hereby grants to the County, free of any rental or similar charge, a revocable access permit to the delivery points for any proper purpose under this contract, including use of the site or sites agreed upon by the Parties hereto for the installation, operation, and maintenance of the facilities of the County required to be located upon DOE/NNSA's premises. Authorized representatives of the County will be allowed access to the facilities of the County located within the DOE/NNSA premises at suitable times to perform the obligations of the County with respect to these facilities. It is expressly understood that the DOE/NNSA may limit or restrict the right of access herein granted in any manner considered to be necessary for national security.
- (2) The County hereby grants to DOE/NNSA, free of any rental or similar charge, a revocable access permit to the delivery points for any proper purpose under this contract, including use of the site or sites agreed upon by the Parties hereto for the installation, operation, and maintenance of the facilities of DOE/NNSA required to be located upon County premises. Authorized representatives of DOE/NNSA will be allowed access to the facilities of DOE/NNSA located within County premises at suitable times to perform the obligations of DOE/NNSA with respect to these facilities.
- (3) Any facilities installed pursuant to the contract shall be and remain the property of the Party installing them notwithstanding that the same may have been affixed to the premises, and each Party shall have a reasonable time after the expiration of this contract in which to remove its facilities so installed; provided, however, that each Party shall have the option of abandoning any of its facilities in place and/or leaving such facilities in place until service comparable to that provided for hereunder is otherwise obtained. Either Party may require that facilities that have been installed by

the other Party remain in service until a reasonable amount of time has been allowed for the affected Party to replace those facilities.

- (4) DOE/NNSA and the County entered into a joint use license agreement (M20NA70289) that will run concurrently with this contract. The Parties have a mutual interest in providing existing space within individually owned facilities to accommodate both the primary control room and back-up control for the shared Supervisory Control and Data Acquisition (SCADA) system.
- (5) DOE/NNSA granted a ground lease (DERP-M1NA27945) to the County for the operation and maintenance of the photovoltaic project at TA-61. It will expire on October 31, 2036, with a renewal option for an additional twenty-five (25) year term upon request by the County.

H.2 WESTERN ELECTRICITY COORDINATING COUNCIL (WECC) COMPLIANCE

- (1) The WECC is the Regional Entity for the Western Interconnection responsible for compliance monitoring and enforcement. DOE/NNSA is registered as a Distribution Provider (DP) with WECC. As a registered entity, DOE/NNSA is responsible for compliance with all requirements of the WECC standards that are applicable to their function for which they are registered. The DOE/NNSA owns, operates and maintains the primary and back-up control room(s) for the Supervisory Control and Data Acquisition (SCADA) system. The SCADA system and the Backup Control Center (BCC) provide a critical function needed to meet the WECC requirements related to the Critical Infrastructure Protection and cybersecurity requirements.
- (2) The Parties agree to the following terms to ensure compliance with the applicable WECC standards and/or requirements:
 - (a) Each Party shall comply with the North American Electric Reliability Corporation (NERC) and WECC standards where applicable. DOE/NNSA will notify the County of new standards or modifications to standards as applicable. The Operating Procedures will be updated to identify the requirements and who is the responsible Party to implement, as necessary.
 - (b) As the registered entity with WECC, DOE/NNSA shall be the lead Party responsible for the annual self-certification including (1) communication with WECC regarding any issues or concerns; (2) submitting the required documentation; and (3) coordinating with the County in a timely manner. The County shall provide the appropriate documentation to support DOE/NNSA within the required timeframes as communicated by DOE/NNSA.

H.3 COOPERATION OF THE PARTIES

If, in the maintenance of their respective resources and the utilization thereof for the purposes of this contract, it becomes necessary by reason of any emergency or extraordinary condition for either Party to request the other to furnish personnel, materials, tools, and equipment for the accomplishment thereof, the Party so requested shall cooperate with the other and render such assistance as the Party so requested may determine to be available. The Party making such request, upon receipt of properly itemized bills from the other Party, shall reimburse the Party rendering such assistance for all costs, properly and reasonably incurred by it in such performance, consistent with the policies and principles set forth in Section B.1, Accounting for Resource Costs.

PART II SECTION I - CONTRACT CLAUSES

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PART III - LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

LIST OF PWS ATTACHMENTS

(1) The following documents, exhibits, and other attachments are incorporated into this contract:

ATTACHMENT 1: EXHIBITS

ATTACHMENT 1

EXHIBITS

Exhibit 1: DOE/NNSA Approved Resources and SPARs

- 1.1 Technical Area-03 Combustion Gas Turbine Generator (CGTG)**
- 1.2 DOE/NNSA Power Purchase Agreement Contracts**
- 1.3 DOE/NNSA Transmission and Substation Facilities**

Exhibit 2: County Approved Resources

- 2.1 Laramie River Station**
- 2.2 El Vado Hydroelectric Plant**
- 2.3 Abiquiu Hydroelectric Plant**
- 2.4 County Power Purchase Contracts**
- 2.5 County 1 MW Photovoltaic Installation at the Technical Area-61**
- 2.6 Foxtail Flats Photovoltaic and Battery Storage Project**
- 2.7 County Substation and Switching Facilities**

Exhibit 3: Miscellaneous Costs of Mutual Benefit

Exhibit 4: Method for the Cost Determination of DOE Distribution Facilities

Exhibit 5: San Juan Generating Station and Mine Reclamation

Exhibit 1: DOE/NNSA Approved Resources and SPARs

This Exhibit describes DOE/NNSA-owned electric utility resources which are included in the Resource Accounting Pool as either Approved Resources or SPARs.

1.1. Technical Area-03 Combustion Gas Turbine Generator (CGTG) SPAR

Description: The DOE/NNSA installed a Combustion Gas Turbine Generator (CGTG) adjacent to the Los Alamos TA-03 Steam Plant. The unit is incorporated in the Resource Accounting Pool as a SPAR, with a modified cost recovery schedule, not a full cost recovery Approved Resource. The Combustion Turbine is natural gas fired and will be operated and maintained to primarily support LANL energy needs.

Cost Recovery: DOE/NNSA accepted full fiscal responsibility for the arrangements to fund the Combustion Turbine. When the Combustion Turbine is utilized for Los Alamos Power Pool capacity purposes, DOE/NNSA will be given a credit equal to the cost of the fuel at the time of generation when operation is authorized by the MOP and a fixed fee to cover operations and maintenance and capital costs (O&MC), expenditures. The fixed O&MC cost will be reviewed and updated annually by DOE/NNSA and adjusted as part of the annual budget submittal. As a SPAR, the Combustion Turbine may be asked to curtail operations to achieve balancing on the system. Every effort will be made to manage balancing of the Los Alamos Power Pool's respective service territory before asking to curtail the Combustion Turbine.

1.2. DOE/NNSA Power Purchase Agreements

A. DOE Firm Electric Service Agreement No. DE-AC0489AL45747 (17-SLC-0885)

DOE/NNSA has an allocation of WAPA Salt Lake City Area Integrated Projects (SLCA/IP) firm power and has arranged for WAPA to secure long-term supplies of renewable energy including carbon-free energy. The Parties agree that WAPA's allocation of SLCA/IP power, which expires on September 30, 2057, unless extended, is an Approved Resource. All wheeling charges necessary to deliver the power and energy shall be included herein. Any new WAPA allocation and associated wheeling charges shall be included herein and shall be an Approved Resource. The scheduling of such energy purchases shall be the responsibility of the Manager of Operations or the designated representative. It is agreed that such purchased energy costs as well as costs associated with related wheeling shall be included herein.

WAPA offers, when available, monthly, and seasonal surplus capacity without energy. When economically beneficial to both Parties, such capacity may be utilized and will be included herein.

B. DOE Interagency Agreement No. 22-SLC-1098

DOE entered into an Interagency Agreement with WAPA, designated as Agreement No. 22-SLC-1098, which expires December 31, 2053. This agreement provides for a variety of services from WAPA, including purchases of long-term energy supply. Under this arrangement, WAPA is proceeding to secure long-term carbon-free energy supplies for LANL and Sandia/KAFB to meet the carbon-free electrical energy goals established for LANL. Within limits defined below, costs associated with carbon-free energy purchases shall be included in the Resource Accounting Pool as a SPAR.

Monthly Fixed Charges: Unless the carbon-free power source is available on a firm basis, the carbon-free energy supply will be treated as a non-firm energy resource with no capacity credit. If the carbon-

free energy is received on a firm basis, the associated firm fixed costs will be assigned to the Los Alamos Power Pool to the extent that the resulting average energy supply costs are not in excess of the maximum level provided below.

Carbon-Free Energy Expense: The actual carbon-free energy supply cost for non-firm carbon-free energy to be secured by WAPA for DOE/NNSA up to a mutually acceptable ceiling price per megawatt-hour (MWh) at points of input into the PNM transmission system, not counting PNM-NITSA cost, is to be fully allocated to electric energy expense.

Should carbon-free energy be firmed by WAPA through use of the DOE/NNSA 15 MW of WAPA peaking capacity, the net energy costs shall be allowed to the extent that the combined monthly fixed costs and carbon-free energy supply costs do not exceed a mutually acceptable ceiling price per MWh at points of input into the PNM transmission system. Credits, if any, obtained through firming of carbon-free energy for other New Mexico customers of WAPA shall be reflected in the determination of the net allowable energy costs assignable to the Resource Accounting Pool.

These mutually acceptable ceiling prices shall be subject to periodic review and change as part of the annual budget process to reflect the projected annual Four Corners' competitive market prices for non-firm and firm energy. Adjusted rates as agreed upon by the Parties shall become effective upon (1) written modification to this exhibit or (2) the approval by the Contracting Officer and County Authority of such revised charge within the Resource Accounting Pool's 24-month budget.

Transmission Delivery Costs: Any PNM NITSA or other transmission service costs and/or WAPA transmission delivery costs, including additional ancillary fees and losses associated with the delivery of carbon-free energy through the PNM transmission system, will be treated as Los Alamos Power Pool transmission costs.

1.3. DOE/NNSA Transmission and Substation Facilities

Description

The DOE/NNSA Los Alamos 115 kV Transmission and Substation Facilities that shall be included as Approved Resources and SPARs are as follows:

- A. ETA Switching Station and related facilities
- B. STA Switching Station and related facilities
- C. WTA Switching Station and related facilities
- D. 115 kV Transmission System ETA to TA-53, TA-53 to TA-03, STA to WTA, WTA to TA-03
- E. 115 kV Transmission ETA to PNM system point of connection
- F. TA-03 Substation and related facilities
- G. Capacitor Banks and related facilities
- H. Synchronous Optical Network (SONET Ring)
- I. Primary and Backup Control Rooms and the Personnel Access Control System
- J. Supervisory Control and Data Acquisition System (SCADA)

K. Static Var Compensator at TA -05

L. SN Line: Transmission network line from PNM's Norton Substation to STA (SN Line) is a SPAR until the LAC coincidental peak demand exceeds 30 MVA, after which time the Operating Committee may consider making the SN Line an Approved Resource. Then the Parties may mutually agree upon the terms and conditions for adding the SN Line as an additional Approved Resource pursuant to Section C.1(1)(d).

M. CN Line: Transmission network line from ETA to TA-03 (CN Line) and substation modifications are a SPAR until the LAC coincidence peak demand exceeds 30 MVA, after which time the Operating Committee may consider making the CN Line and substation modifications including a current limiting reactor an Approved Resource. Then the Parties may mutually agree upon the terms and conditions for adding the CN Line as an additional Approved Resource pursuant to Section C.1(1)(d).

Monthly Fixed Charge – Approved Resources.

The Parties agree that a monthly fixed charge associated with the DOE/NNSA 115 KV Transmission and Substation Facilities for each budget year will be based upon amortization of the remaining net asset value over the remaining estimated asset life as of June 30 of the proceeding contract year. Estimated asset lives will be established when assets are placed in service based on standard asset lives adopted for assets of a similar nature, industry or trade standards, or other methodology agreed to by the Parties upon project approval. Any assets exposed directly or fully amortized will be excluded from this fixed charge amount. The monthly charge shall be included as part of DOE/NNSA's annual budget. Replacements and additions of single items, not to exceed \$250,000, shall be separately charged as an operating expense on an actual cost-incurred basis.

Operating and Maintenance Expenses.

The Parties agree that all operating and maintenance expenses associated with the approved 115 kV Transmission and Substation Facilities shall be included herein.

Monthly Fixed Charge – SPARs

The Parties agree the amount of fixed charges for construction of new transmission network line from PNM's Norton Substation to the TA-71 STA Switching station (SN Line) are a SPAR until the LAC coincidental peak demand exceeds 30MVA and shall not be included. The Parties agree that once LAC's coincidental peak demand net of any storage exceeds 30 MVA then the Operating Committee may consider making the SN Line an Approved Resource. Then the parties may mutually agree upon the terms and conditions for adding the SN Line as an additional Approved Resource pursuant to Section C.1(1)(d).

The Parties agree the amount of fixed charges for construction of new transmission network line from ETA to TA-03 (CN Line) and substation modifications including a current limiting reactor are a SPAR until the LAC coincidental peak demand exceeds 30 MVA and shall not be included. The Parties agree that once LAC's coincidental peak demand net of any storage exceeds 30 MVA then the Operating Committee may consider making the CN Line an Approved Resource. Then the parties may mutually agree upon the terms and conditions for adding the CN Line as an additional Approved Resource pursuant to Section C.1(1)(d).

Annual Adjustment of Fixed Charges:

In the event of extraordinary additions or replacements of single items, in excess of \$250,000, the Parties may agree to treat such specific additions or replacements as capital improvements and negotiate a revision of the fixed charge. An adjusted monthly fixed charge as agreed upon by the Parties shall become effective upon (1) written modification to this exhibit or (2) the approval by the Contracting Officer and County Authority of such revised charge within the Resource Accounting Pool's 24- month budget.

Exhibit 2: County Approved Resources

General

The County owns and operates or holds contracts for generation resources and has entered into various transmission agreements to provide for the delivery of power to the Los Alamos Service Area; these generation and transmission resources are Approved Resources under this contract unless otherwise indicated, and are set forth as separate schedules to this Exhibit 2.

2.1 Laramie River Station

Description

The County has contracted with Lincoln Electric System (LES) for a life of the project participation of 4.35 percent (10 MW) of LES original entitlement from the Laramie River Station (LRS). LRS is a coal-fired generating plant located in Wheatland, Wyoming. LES power and energy as well as related transmission arrangements for the LES power shall be included herein.

Monthly Participation Charge

The Parties agree that the monthly participation charge as set forth in the agreement between the County and LES shall be included herein.

2.2 El Vado Hydroelectric Plant

Description

The Parties agree that the El Vado Project is an Approved Resource under this contract. The El Vado Project, located on the El Vado Reservoir 55 miles northwest of Los Alamos, has one (1) 8.9 MW hydroelectric generating unit and commenced initial operation in May 1988.

Determination of Monthly Capacity Charge

A monthly capacity charge for the El Vado Hydroelectric Plant shall be computed by the County in accordance with the following formula:

$$\text{Monthly Capacity Charge} = (1/\text{MO}) \times (\text{DS} + \text{RR} + \text{FDE})$$

Where:

MO = Total months or parts thereof that the Approved Resource is anticipated at the beginning of the County Fiscal Year by the County to operate during such County Fiscal Year. The calculation shall include MO=12.

DS = Debt Services for Approved Resources shall mean the net amount of annual payments of principal (whether due to maturity or through retirement from mandatory sinking fund installments or through mandatory extraordinary redemptions prior to maturity as a result of, among other things, failure to renew this contract), and interest on any obligations (bonds, notes, letter of credit and other credit facilities, subordinated indebtedness or other evidence of indebtedness) owned by the County on any obligation of the County issued to finance or refinance Approved Resources including without limitation, any obligation issued by the County under either Indenture, less all relative interest earnings, from Bond Fund Earnings, Bond Reserve Fund Earnings, Rate Stabilization Reserve Fund Earnings and Replace Reserve Fund

Earnings held under such Indentures, regardless of whether or not earnings from these funds are otherwise restricted. For purposes thereof, the interest earnings are limited to those that would be allowed to flow to the County under Internal Revenue Service Arbitrage restrictions.

RR = Current annual budgets for renewal and replacements.

FDE = Annual budget for fixed demand related expenses recorded in Federal Energy Regulatory Commission (FERC) Accounts 408, 431, 500, 502, 505, 506, 507, 510, & 511, and such other approved charges.

The monthly capacity charge will be allocated 100 percent energy.

Existing Debt Service will be included as a part of the capacity charge. If a new debt service must be issued, then the Operating Committee will consider it on a case-by-case basis. It will be approved by the Contracting Authority for each party.

If Debt Service for Approved Resources includes payments of principal on an accelerated basis and the DOE pays its share thereof as required by the terms of this contract, the County agrees that it will share, in a fair and equitable manner and upon such terms as shall be agreed to by the County and DOE, the benefits of the County's Approved Resources paid for early by such acceleration.

If the County borrows funds to avoid having to pass on all or a major share of the incremental costs of accelerated debt retirement to its retail customers, repayment of such borrowed funds shall be the sole responsibility of the County and shall not be recoverable from the Pool.

Determination of Monthly Energy Charge

A monthly energy charge for hydroelectric production shall be developed in accordance with the following formula:

$$\text{Monthly Energy Charge} = \text{FERC}$$

Where

FERC = Total Charges incurred by County, that are properly chargeable to FERC Account Nos. 535 through 545, and such other approved charges.

The monthly energy charge will be allocated as 100 percent energy.

2.3 Abiquiu Hydroelectric Plant

Description

The Parties agree that the Abiquiu Project is an Approved Resource under this contract. The Abiquiu Project, located on the Abiquiu Reservoir 28 miles northwest of Los Alamos, has three (3) hydroelectric generating units with a combined capacity of 17.0 MW. The first 6.9 MW unit at the Abiquiu Project commenced initial operation in March 1989, and the second 6.9 MW unit commenced operation April 1990. The third unit at the Abiquiu Project, also referred to as the Low Flow Turbine-generator unit ("LFT"), has a rated capacity of 3.2 MW. The LFT was funded, beginning June 1, 2009, through County issuance of 20-year revenue bonds in the approximate amount of \$10 million. Existing debt service, including that for the LFT, will be included as a part of the monthly capacity charge. In the event new

debt service is issued, the Pool will consider the inclusion of such new debt service on a case-by-case basis.

Determination of Monthly Capacity Charge

A monthly capacity charge for the Abiquiu Hydroelectric Plant shall be computed by the County in accordance with the following formula:

$$\text{Monthly Capacity Charge} = (1/\text{MO}) \times (\text{DS} + \text{RR} + \text{FDE})$$

Where:

MO = Total months or parts thereof that the Approved Resource is anticipated at the beginning of the County Fiscal Year by the County to operate during such County Fiscal Year. The calculation shall include MO=12.

DS = Debt Services for Approved Resources shall mean the net amount of annual payments of principal (whether due to maturity or through retirement from mandatory sinking fund installments or through mandatory extraordinary redemptions prior to maturity as a result of, among other things, failure to renew this contract), and interest on any obligations (bonds, notes, letter of credit and other credit facilities, subordinated indebtedness or other evidence of indebtedness) owned by the County on any obligation of the County issued to finance or refinance Approved Resources including without limitation, any obligation issued by the County under either Indenture, less all relative interest earnings, from Bond Fund Earnings, Bond Reserve Fund Earnings, Rate Stabilization Reserve Fund Earnings and Replace Reserve Fund Earnings held under such Indentures, regardless of whether or not earnings from these funds are otherwise restricted. For purposes thereof, the interest earnings are limited to those that would be allowed to flow to the County under Internal Revenue Service Arbitrage restrictions.

RR = Current annual budgets for renewal and replacements.

FDE = Annual budget for fixed demand related expenses recorded in Federal Energy Regulatory Commission (FERC) Accounts 408, 431, 500, 502, 505, 506, 507, 510, & 511, and such other approved charges.

The monthly capacity charge will be allocated 100 percent energy.

Existing Debt Service will be included as a part of the capacity charge. If a new debt service must be issued, then the Operating Committee will consider it on a case-by-case basis. It would need to be approved the Contracting Authority for each party.

If Debt Service for Approved Resources includes payments of principal on an accelerated basis and the DOE pays its share thereof as required by the terms of this contract, the County agrees that it will share, in a fair and equitable manner and upon such terms as shall be agreed to by the County and DOE, the benefits of the County's Approved Resources paid for early by such acceleration.

If the County borrows funds to avoid having to pass on all or a major share of the incremental costs of accelerated debt retirement to its retail customers, repayment of such borrowed funds shall be the sole responsibility of the County and shall not be recoverable from the Pool.

Determination of Monthly Energy Charge

A monthly energy charge for hydroelectric production shall be developed in accordance with the following formula:

Monthly Energy Charge = FERC

Where:

FERC = Total charge incurred by County, on and after the date that a given hydroelectric unit is declared available for commercial operation, that are properly chargeable to FERC Account Nos. 535 through 545, and such other approved charges.

The monthly capacity charge will be allocated 100 percent energy.

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 shall be included herein.

2.4 County Purchased Power Contracts

County Contract No. 17-SLC-0896

The Parties agree that WAPA's allocation of SLCA/IP power and energy per Contract No. 17-SLC-0896 which expires September 30, 2057, unless extended, is an Approved Resource. In addition, any new WAPA allocation shall be an Approved Resource. Any wheeling charges necessary to deliver the power and energy shall be included herein.

WAPA offers, when available, monthly, and seasonal surplus capacity and energy. When economically beneficial to both Parties, such capacity may be utilized and shall be included herein.

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 shall be included 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 included 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 shall be included herein:

- A. PNM Interconnection Agreement
- B. Plains/Tri-State Interconnection Agreement & TSA
- C. WAPA Transmission Agreement(s)
- D. NORA Interconnection Agreement & TSA
- E. Jemez Interconnection Agreement

- F. 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 Los Alamos Power Pool as part of the cost of the El Vado Plant).
- G. PNM/LAC Network Integration Transmission Service Agreement (NITSA)
- H. Southwest Power Pool Transmission and Market Participant Agreements

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 shall be included herein.

2.5 County 1 MW Photovoltaic Installation at the Technical Area-61

Description

The County has a 1 MW PV generation resource on leased federal land at TA-61. This land is owned by DOE/NNSA and is leased to the County. Output from the 1 MW PV installation at TA-61 is used to serve Los Alamos Power Pool Loads. There is potential to increase the power generation capacity of this installation; the cost allocation to the Los Alamos Power Pool and any termination provisions associated with the construction for such an increase, and/or any associated power purchase agreements, and accounting procedures are subject to Operating Committee review and concurrence and subsequent approval by the Contracting Authorities as part of the future Los Alamos Power Pool budgets.

2.6 Foxtails Flats Photovoltaic and Battery Energy Storage Project

Description

The Foxtail Flats Photovoltaic (PV) and Battery Energy Project is in San Juan County, New Mexico on leased Tribal or New Mexico State lands. The project consists of 170 MW of PV with an 80MW / 320MWh battery energy storage over a 20-year term. Sandia National Laboratory/Kirtland Airforce Base (SNL/KAFB), DOE/NNSA and the County will be participating as offtakers in this resource. This Exhibit will be effective when the power resources become commercially operational.

SNL/KAFB, DOE/NNSA and the County agree that the Power Purchase Agreement (PPA), entered between the Incorporated County of Los Alamos and Foxtail Flats Solar LLC is an approved resource throughout the term of the Electric Coordination Agreement (ECA). The PPA is for 170 MW of unit contingent PV power.

The power is priced at a fixed price of \$37.88/MWh with no escalator for the life of the PPA.

The Parties agree that the Energy Storage Agreement (ESA) entered between the County and Foxtail Flats Storage LLC, is an approved resource throughout the term of the Electric Coordination Agreement (ECA), notwithstanding Exhibit 1, Section 1.2 B. *DOE Interagency Agreement No. 22-SLC-1098*. The ESA is for 80MW / 320MWh of battery energy storage capacity. The resource is priced at a fixed price of \$13.50/kW-month with no escalator for the life of the ESA. The battery will nominally be fully charged and discharged once per day.

The Parties will not be responsible for any operations and maintenance costs of any of the facilities associated with the power resource(s). The Parties agree that any wheeling or transmission costs

necessary to deliver the power and energy are included herein. If any one Party among the Parties cannot utilize their entire resource allocation, then the other two Parties will have first right of refusal for the excess power from the PV at the stated price. Power excess to the aggregate need of the Parties will be sold through the merchant desk or curtailed.

Total generation is the actual power produced by the array and battery energy storage plus the amount of any curtailed power capacity that was not called upon to generate. Curtailment may occur when economic conditions, for example negative pricing, or system constraints preclude reasonable sales.

Resource Allocation and Costs:

(1) Sandia National Laboratory/Kirtland Airforce Base (SNL/KAFB)

30 MW of PV plus 20 MW / 80 MWh of battery energy storage at the fixed price listed above adjusted for sales and curtailment on a monthly basis for a 10-year term starting from the Foxtail Flats Phase 2 Commercial Operation Date, with the option for an additional 10-year term immediately following the first term will be allocated to SNL/KAFB. This sales agreement helps mitigate the risk for selling the excess PV in the first ten years.

SNL/KAFB will notify the LAPP at least three (3) calendar years before the end of the first 10-year term whether or not the option for a second 10-year term will be exercised. If the option is not exercised, then SNL/KAFB's 30 MW PV and 20 MW BESS allocations will be reallocated to LAPP at the end of the first 10-year term. The scheduling, billing and payment of this resource will be done in accordance with 08-SLC-061, Scheduling Agent Agreement between WAPA and the County on behalf of SNL/KAFB.

(2) Los Alamos Power Pool (LAPP)

90MW of PV plus 60MW / 240MWh of battery energy storage at the fixed prices listed above adjusted on a monthly basis for sales and curtailment for the first 10-years will be allocated to the LAPP. LAPP refers to the LANL and County collectively.

The scheduling, billing and payment of this resource will be done in accordance with Sections C.1(1) *Resources* and B.1 *ACCOUNTING FOR RESOURCE COSTS* of this contract for the Los Alamos Power Pool.

(3) Market Sales

The County intends on selling approximately 50MW of the PV for the first ten years, starting from the commercial operation date. All expenses and revenues associated with these market sales are included herein.

2.7 County Substation and Switching Facilities

Description

The Los Alamos County Substation and Switching Facilities are as follows:

- A. Townsite Switching Station
- B. Los Alamos Switching Station (LASS)
- C. White Rock Substation

D. East Gate Substation. The Parties agree that the County may fund a new substation and associated equipment. The County will have ownership, operating and maintenance responsibilities. When complete, the Operating Committee may consider making this substation an Approved Resource. Then the Parties may mutually agree upon the terms and conditions for adding the East Gate Substation as an additional Approved Resource pursuant to Section C.1.(1)(d).

Resource Allocation and Costs:

The County shall own, operate and maintain these resources. The Parties agree these resources are not considered approved resources so they will not be included herein. If the County decides to make any of these resources an approved resource, the County will present it to the Operating Committee for consideration as a new approved resource pursuant to Section C.1(1)(d)

Additional Approved Resources.

Exhibit 3: Miscellaneous Costs of Mutual Benefit

To provide for the coordinated operation of the DOE/NNSA and County resource planning, the Parties recognize that there are certain other costs which are not appropriately included as costs of the Approved Resources, but which are mutually beneficial to both Parties. The list of other costs shall be included herein is as follows:

- A. Expenses associated with the coordination of the combined operation of the Approved Resources include funding and operating the load dispatch center and the employment of a Manager of Operations. The monthly allocation of Scheduling Agent Services will be done in a two-step process. First, all of the Scheduling Agent Services costs will be totaled. The portion allocable to KAFB/SNL will be determined by the ratio of (i) the total energy use by KAFB/SNL to (ii) the combined LAC/LANL and KAFB/SNL energy use for the billing month, multiplied by the total cost. The costs determined by this formula are allocable to KAFB/SNL and will be billed directly to WAPA. Second, all remaining Scheduling Agent Services costs will be included in the monthly LAC/LANL settlement sheet and allocated 100 percent demand.
- B. Expenses related to the Los Alamos Power Pool, and meetings shall be included herein. The Parties agree that these costs will be allocated 50 percent demand and 50 percent energy.
- C. Studies and meetings associated with the planning for future resources and facilities as scheduled in the approved 24-month budget forecast. The Parties agree that these costs will be allocated 50 percent demand and 50 percent energy.
- D. Cost of owning, maintaining, and reading meters, rendering invoices and data management. The Parties agree that these costs will be allocated as customer costs.
- E. Cost of developing an Integrated Resource Plan (IRP) or any subsequent planning documents for future resources will be shared proportionally based on prior fiscal year energy allocation between the Parties and included herein. The IRP will be updated every 5 years or sooner as mutually agreed upon and budgeted for by the Parties.
- F. Cost of software, equipment, services, and other associated expenses for load and resource planning occurring more frequently than every five years will be shared proportionally based on prior fiscal year energy allocation between the parties and shall be included herein.
- G. Cost of software, equipment, services, settlements, and other associated expenses for the LAPP's membership or participation in electricity markets shall be included herein with costs to be allocated as mutually agreed upon by the parties. Such electricity market costs may include but are not limited to, the California Independent System Operator (CAISO) extended day-ahead market (EDAM), the CAISO Energy Imbalance Market (EIM), the SPP Regional Transmission Organization (RTO), the SPP Markets+, and other electricity markets and market functions which may arise.
- H. In recognition of financial penalties or expenses which may be imposed on the parties by PNM, CAISO, SPP or other electric market entities due to LAPP's participation in the electric markets, such financial penalties or expenses which are directly attributable to load forecasting errors or load deviations exceeding +/-5% and that have a measurable financial effect on the Resource Accounting Pool shall be included herein with costs to be allocated as mutually agreed upon by the parties.

- I. In recognition of compliance cost associated with special contract requirements, contract clauses, and other clauses under this contract, if such costs arise solely at the direction of DOE/NNSA and are solely to the benefit of DOE/NNSA, then the parties agree that such costs shall be allocated 100% to DOE/NNSA.

Exhibit 4: Method for the Cost Determination of DOE Distribution Facilities

General

This exhibit identifies the method utilized for determination of the Facilities Charge to be assessed to the County for the County's use of distribution facilities which are now or in the future may be installed by the DOE.

The Parties agree to evaluate the feasibility of transferring these assets to the County on as needed basis.

Method

The Parties agree that the County will be assessed \$2,046 monthly for use of DOE distribution facilities. Whenever any facilities are added or deleted from the facilities described below, the Parties will determine a new monthly assessment.

Duct and cable between TA-03 Substation and County (TC1&2 and LC1&2)

Distribution line to serve Elk Ridge Trailer Court

Exhibit 5: San Juan Generating Station and Mine Reclamation

General

The San Juan Generating Station (SJGS) is an 1,848 MW coal-fired facility located in northern New Mexico within San Juan County. The four units at SJGS were placed into service between 1973 and 1982. The SJGS was an Approved Resource under the 1985 Electric Coordination Agreement (DE-AC04-85AL26078). In December 2017, Units 2 and 3 were retired but their decommissioning and demolition (D&D) was deferred. Units 1 and 4 remained operational until September 29, 2022.

PNM retained Burns and McDonnell Engineering Company to develop a statement of work for the decommissioning and demolition of the SJGS. SJGS Decommissioning Study Project No. 137089 dated July 14, 2022, is included herein as the source document that identified the SOW and cost estimate for the D&D of SJGS. With the SJGS D&D schedule, the asset liabilities extend beyond the term of the 1985 ECA (DE-AC04-85AL26078) into the term of this agreement.

In August 2012, the County entered into the San Juan Generation Station Reclamation Trust Agreement with the Bank of Albuquerque as Trustee for the San Juan Coal Company (SJCC) for participating in the San Juan Project. The trust agreement is included herein as it identifies the terms and conditions for the participant (or the County). The purpose of this Agreement is to provide funding for the payment to SJCC of certain coal mine reclamation costs, in accordance with the County's obligations as set out in the Funding Agreement. Most of the mine reclamation activities should be completed by 2030 but may go beyond the 10-year contract term of this agreement. All expenses associated with the SJGS D&D, mine reclamation, and miscellaneous costs are included herein until all obligations are fulfilled. The County shall keep the LAPP apprised of all activities and costs. If additional funding is required, then the Operating Committee will vote before approval by the appropriate contracting authority.

A. SJGS D&D Costs

The Los Alamos County currently has approximately \$4.2 Million for SJGS D&D. The SJGS D&D is estimated to end in 2035-2040 when there may be an opportunity to finally decommission the Shumway Arroyo. The SJGS partners also entered the Sierra Club Consent Decree that requires the plant to maintain and operate a water collection and treatment system through 2040.

B. Mine Reclamation Costs

The County has approximately \$3.37 Million in a Trust Fund for mine reclamation activities. The trust fund is paid to the current trustee (San Juan Westmorland) for all mine reclamation activities. Any remaining funds will be released back to the participants once all obligations have been satisfied and the observation period is complete, which may take up to 10 years after the reclamation activities are complete. The costs for mine reclamation activities may increase depending on inflation so it may require additional funds to be added through a cash injection to the Trust Fund.

C. Miscellaneous Costs

In addition to SJGS D&D and mine reclamation, there are also long-term costs for engineering and oversight until the County is released from its SJGS obligation. This service is currently provided by PNM. It costs approximately \$12,000 per year. There will also be long-term legal costs for potential

disputes, etc. The SJGS partners are required to pay property taxes and insurance which is not included as a D&D expense.

DEFINITIONS

In addition to the terms defined in the contract, the following terms are defined for purposes of this contract:

- *Approved Resources* means the electric utility resources contributed by each Party pursuant to this contract and utilized by the Operating Committee pursuant to the Operating Procedures.
- *Capacity* means the instantaneous load-serving capability of power supply resources as name plate capacity for intermittent power supply resources, both as mutually agreed upon by the Parties.
- *Carbon-Free* means electricity generation that either does not use fossil fuels or does not emit carbon.
- *Carbon-Neutral* means the County will be a carbon-neutral electrical energy provider when the electricity distributed to Los Alamos County consumers is generated or purchased from sources that in their normal operation cause no net release of carbon dioxide into the atmosphere. No net release of carbon dioxide means that purchases or generation of carbon-based electrical energy, necessary when carbon-free supplies are not practically available to supply Los Alamos County consumers, will be fully offset from previous sales of surplus carbon-free electricity to other entities.
- *Contract Authorities* means a County or DOE/NNSA representative(s) who has legal authority to enter contracts or incur obligations for their respective agency.
- *Contracting Officer* means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings.
- *Contracting Officer Representative* means a government employee formally designated to act as an authorized representative of a contracting officer for specified functions that do not include actions that could change the scope, price, terms, or conditions of a contract (e.g., technical monitoring).
- *County Authority* means the Board of Public Utilities and the County Council or their duly authorized representative for purposes of this contract.
- *Los Alamos County consumers* means those customers scheduled in the Los Alamos County Code of Ordinances Section 40-121; this does not include Los Alamos National Laboratory (LANL).
- *Los Alamos Power Pool (LAPP)* means the loads and power supply resources that serve the Los Alamos Service Area.
- *Los Alamos Service Area* means that area within and adjacent to the geographic boundary of Los Alamos County receiving service from the electric systems of either the County or DOE/NNSA.
- *Long-Term Capacity Resources* means the power supply resources and their associated capacity for each month of the Resource Planning Horizon as mutually agreed upon by the Parties.
- *Manager of Operations* means a person responsible to the Operating Committee and having authority to act on its behalf regarding matters in those areas that are specified within the Approved Operating Procedures.

- *Minimum Long-Term Capacity Requirements* means the highest monthly amount of the LAPP Monthly Demand Projections in all months of the Resource Planning Horizon plus a planning reserve margin mutually agreed upon by the parties.
- *Monthly Demand Projections* means a forecast of monthly demands for the LAPP for each month of the Resource Planning Horizon derived from forecasts submitted annually by each party prior to the end of the current Pool Fiscal Year plus mutually agreed upon losses.
- *Operating Committee* means those persons designated by the Contracting Officer and the County Authority to have responsibility for the coordinated operation of the Approved Resources and the Resource Accounting Pool in accordance with Operating Procedures.
- *Operating Procedures* means the set of procedures developed and approved by both Parties which identifies respective duties and obligations for the administration, budget, operations and planning for activities approved by the Contracting Officer and the County Authority for the coordinated operation of the Approved Resources and the Resource Accounting Pool.
- *Party or Parties* refers to the Incorporated County of Los Alamos and Department of Energy/National Nuclear Security Administrative as an individual entity or collectively known as “the Parties”.
- *Pool Fiscal Year* means a twelve-month period from July 1 through June 30.
- *Prudent Utility Practice* means the practices, methods, and acts (including the practices, methods, and acts engaged in or approved by a significant portion of the electric power generation industry, CAISO, WECC and/or NERC) for similar facilities that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner consistent with law, regulation, permits, codes, standards, reliability, safety, environmental protection, economy, and expedition. Prudent Utility Practice(s) are not necessarily defined as the optimal standard practice method or act to the exclusion of others, but rather refer to a range of actions reasonable under the circumstances.
- *Renewable Energy Certificates or RECs* means the electronic certificates which relate to each megawatt hour of generation delivered from the Project to the Delivery Point or the Solar Charging Point, as applicable, at any time during the Term of this Agreement, that are produced, documented, or classified by WREGIS according to their ability to meet renewable portfolio standards requirements in the State of New Mexico.
- *Renewable Attribute* means all available environmental characteristics, environmental claims, environmental credits, environmental benefits, environmental emissions reductions, environmental offsets, environmental allowances and environmental allocations, existing now or in the future, howsoever characterized, denominated, measured or entitled, attributable to the energy output of a Project. Renewable Attributes include but are not limited to: (a) any avoided emissions of pollutants to the air, soil or water including but not limited to sulfur oxides (Sox), nitrogen oxides (NO), carbon monoxide (CO), particulate matter and other pollutants; (b) any avoided emissions of carbon dioxide (CO₂), methane (CH₄) and other greenhouse gases that have been or may be determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth’s climate by trapping heat in the atmosphere; (c) all set-aside allowances and/or allocations from emissions trading

programs; and (d) all renewable energy credits, certificates, green tags, registrations, recordation or other memorialization of whatever type or sort, representing any of the above.

- *Resource Accounting Pool* means that accounting method wherein costs of the consolidated County and DOE/NNSA Los Alamos Power Pool operations are recorded and apportioned between the Parties pursuant to this contract.
- *Resource Planning Horizon* means a rolling five-year period following the current Pool Fiscal Year for capacity and energy planning.
- *Short-Term Capacity Resources* means the portion of Approved Resources beyond those resources defined as Long-Term Capacity Resources that may be operationally available from time to time. The Short-Term Capacity Resources include variable amounts that may be available on a month-by-month basis as well as amounts of purchased power from third Party suppliers on a short-term contractual basis of 12 months or less. Short-Term Capacity Resources generally will be utilized to meet specific short-term operational needs.
- *Special Purpose Approved Resources (SPAR)* means the electric utility facilities and power contracts that have been incorporated into the ECA primarily to meet the special needs of one of the Parties and utilized by the Operating Committee pursuant to the Operating Procedures.
- *Scheduling Agent Services* means those facilities and County personnel that provide: (1) continuous real-time monitoring of the loads and resources related to supplying the power requirements of LANL, the County, and joint requirements of Sandia National Laboratory/Kirtland Air Force Base (SNL/KAFB); (2) supplemental short-term purchases to cover projected resource deficits; (3) short-term sales of capacity, energy and renewable attribute excesses; (4) schedules for transmission deliveries for all power transactions; (5) hour-by-hour records as well as assistance in the month end accounting and validation of monthly statements related to transmission services and short-term power transactions as may be necessary to support the Resource Accounting Pool; (6) adjustment of deliveries in the event of transmission or power supply emergencies to the extent practical to ensure continuity of service; and (7) assurance that power supply resources are scheduled and operated in a manner that minimizes costs without compromising service reliability.

OPERATING PROCEDURES
PREPARED PURSUANT TO THE TERMS OF
THE ELECTRIC ENERGY COORDINATION AGREEMENT

between the
UNITED STATES DEPARTMENT OF ENERGY/
NATIONAL NUCLEAR SECURITY ADMINISTRATION

And the
INCORPORATED COUNTY OF LOS ALAMOS

(Contract No. 89233126CNA000436)

The United States Department of Energy/National Nuclear Security Administration (DOE/NNSA) and the Incorporated County of Los Alamos (the County or LAC), (each a Party and collectively referred to as the Parties) established these operating procedures (Operating Procedures) pursuant to that certain Electric Coordination Agreement between the Department of Energy/National Nuclear Security Administration and the Incorporated County of Los Alamos, Contract Number 89233126CNA000436 dated April 1, 2026 (the ECA) and the incorporated performance work statement (Performance Work Statement), as may be amended from time to time. Any terms not defined specifically within the body of these Operating Procedures shall have the meaning ascribed to them in the Performance Work Statement. The Operating Procedures are categorized as follows: Administrative Procedures, Budget and Accounting Procedures, Operations Procedures, and Planning Procedures.

The Operating Procedures shall become effective upon the last signed date shown below.

U.S. DEPARTMENT OF ENERGY
NNSA

INCORPORATED COUNTY OF LOS
ALAMOS

Contracting Officer

Chair of the Board of Public Utilities

Date

Date

Chair of the County Council

Date

Table of Contents

Section A Administrative Procedures	1
A1 Operating Committee	1
A2 Manager of Operations and Other Approved Pool Personnel	5
A3 Operating Procedure Changes.....	6
A4 Retention of Operating Reports and Records	7
 Section B Budget and Accounting Procedures	 10
B1 Capital Budget.....	10
B2 Operating Budget.....	12
B3 Billing and Payment.....	14
B4 Adjustments for Prior Period Invoiced Corrections	15
B5 Timing of Expenditures.....	16
B6 Pool Operations Accounts	17
B7 Special Purpose Approved Resources	18
B8 Customer Related Costs	21
 Section C Operations Procedures.....	 23
C1 Annual Operating Plan for Approved Resources	23
C2 Operating Schedules and Reports	25
C3 Operating Reserves	26
C4 Transmission Facility Records and Operational Data	27
C5 Transmission System Operation and Maintenance	28
C6 Coordination of Relays and Protective Equipment	30
C7 Metering.....	31
C8 Communication Equipment.....	36
C9 Planned Maintenance Outages of Pool Resources and Service Interruption.....	37
C10 System Operation and Load Shedding	38
C11 Electric SCADA Maintenance and Security Coordination.....	39
C12 SNL/KAFB Scheduling Agent Services	41
C13 Load Serving Entity Functions by County for NNSA	46
 Section D Planning Procedures.....	 47
D1 Planning Studies.....	47
D2 Participation in Electrical Industry Organizations	48

Section A Administrative Procedures

A1 Operating Committee

A1.1 Policies & Procedures

A1.1.1 Establishment of the Operating Committee

The parties hereby agree to establish an Operating Committee, which shall, pursuant to policies and directions in the Operating Procedures, accomplish planning, resource scheduling, and accounting procedures for the cooperative operation of the Approved Resources.

A1.1.2 Duties and Responsibilities

The Operating Committee's duties and responsibilities include general monitoring and control over the planning and operation of the Approved Resources and the Resource Accounting Pool. The Operating Committee shall approve the appointment of a Manager of Operations pursuant to the Operating Procedures. Specific duties and responsibilities of the Operating Committee, some of which may be delegated to the Manager of Operations, shall include, but not be limited to, the following.

- a. Coordinate capacity and energy requirements of the various users within the Los Alamos Service Area to assure optimum utilization of the Approved Resources.
- b. Plan and schedule use of Approved Resources to assure that user requirements are satisfied in a reliable and efficient manner.
- c. Maintain the Resource Accounting Pool for the purpose of determining the appropriate allocation of costs to the parties. A separate checking account and accounting system shall be established by the County for the collection and disbursement of all funds related to Approved Resources. All determinations of the Operating Committee shall be subject to periodic audit by the Contracting Officer and County Authority or their respective designees.
- d. On an annual basis, complete for review and approval by the Contracting Officer and County Authority a detailed 24-month budget forecast of all cost components that comprise the Resource Accounting Pool.
- e. On an annual basis, conduct reviews and studies, and recommend necessary modifications of the Operating Procedures for review and approval by the Contracting Officer and the County Authority.
- f. Develop and periodically update a service load shedding plan pursuant to Section 3 (a) (2) Priorities.
- g. Refer issues that cannot be resolved to the Contracting Officer and the County Authority. During the period of resolution, the Manager of Operations will proceed according to the Operating Procedures.

A1.1.3 Operating Committee Members

The Operating Committee shall be composed of representatives designated by the County (by and through the County Utilities Manager) and the DOE/NNSA COR. The Operating Committee will be composed of equal representations from each Party, and the number of Operating Committee members may vary from time to time. Membership will be reviewed annually. Each

Party will designate a voting member including an alternate who will represent their respective Parties. For purposes of voting on Operating Committee matters, DOE/NNSA and the County shall each have one vote. In the case of a disagreement the parties shall work together until such disagreement is resolved.

A1.1.4 Minutes

The County shall prepare minutes of the Operating Committee meetings. Distribution shall be made to all members of the Operating Committee no later than seven days before the subsequent Operating Committee meeting.

A1.1.5 Meeting Frequency

The Operating Committee shall normally meet every six weeks but may meet more or less frequently when otherwise warranted. A meeting date shall be set by the Operating Committee during the next meeting unless otherwise agreed upon.

A1.1.6 Running the Meeting

The Manager of Operations shall normally conduct all Operating Committee meetings.

A1.1.7 Distribution of the Agenda

Whenever possible, items requiring committee vote shall be distributed to all members of the Operating Committee no later than seven days before the meeting where such action is expected to be taken. If the vote is for a new approved resource, all pertinent documentation shall be provided to the Operating Committee at least a week prior to the next meeting.

A1.1.8 Third-Party Agreements

DOE/NNSA and County involvement with third parties is pursuant to the terms and conditions of the third-party agreements that are identified below, unless otherwise amended in writing.

A1.1.8.1 PNM/County Open Access Transmission Tariff (OATT) Service Agreements

- a. Network Integration Transmission Service Agreement (NITSA)
- b. Network Operating Agreement (NOA)

A1.1.8.2 Tri-State G&T/County Interconnection Agreement

- a. Service Schedule A - Emergency Assistance
- b. Service Schedule B - Economy Energy Interchange
- c. Service Schedule C - Banked Energy
- d. Service Schedule D - Reciprocal Wheeling Service
- e. Service Schedule E - Scheduled Outage Assistance
- f. Operating Procedure I - PNM/Tri-State/LAC
- g. Transmission Service Agreement (Spills & Coyote substations) for Hydro Wheeling

A1.1.8.3 Other Agreements

- a. Nora/County Wheeling Agreement
- b. Jemez/County Wheeling Agreement
- c. Western Electricity Coordinating Council/NNSAL and LAC Agreement (WECC)
- d. WAPA/LAC Firm Electric Service Agreement

- e. WAPA/LAC Firm Transmission Agreement
- f. WAPA/DOE Firm Electric Service Agreement
- g. Lincoln Electric System/LAC LRS Participation Agreement
- h. Basin Electric Cooperative/LAC Displacement Agreement
- i. PNM/DOE Electric Service Agreement (WAPA Transmission Service)
- j. WAPA BA Services Agreement
- k. WAPA Generator Imbalance Agreement
- l. WAPA De-minimus Entity Agreement (possibly)
- m. San Juan Project Participation Agreement
- n. San Juan Restructuring Agreement
- o. San Juan Mine Reclamation & Trust Funds Agreement
- p. San Juan Decommissioning Agreement
- q. USACE Memorandum of Agreement between USACE & LAC for Operation and Maintenance of Hydro
- r. El Vado, Memorandum of Agreement between USBOR, MRGCD and LAC for Operation and Maintenance of Hydro
- s. WSPP Master Agreement with County
- t. Miscellaneous Short-Term Agreements
- u. LAC/PNM Marketing-excess energy sales agreement
- v. Colorado River Electric Distributors Association (CREDA)
- w. LAC/WAPA/PNM Operating Procedure #1
- x. Southwest Regional Transmission Association (SRTA)
- y. Regional Transmission Organizations (RTO's)
- z. Short-Term Energy Purchase/Sales Agreements
- aa. WAPA/LAC Scheduling and Merchant Desk Agreement for SNL/KAFB
- bb. WAPA/NNSA Interagency Agreement for Purchase of Renewable Energy
- cc. Utah Associated Municipal Power Systems
- dd. Foxtail Flats PPA and ESA

A1.1.9 Contract Representatives

The Parties may designate representatives (Contract Representatives) and such Contract Representatives from the Parties shall have authority and responsibility to represent their respective Party's interest in matters related to the above referenced agreements. The Manager of Operations may be delegated as the Contract Representative by DOE/NNSA or County for operational matters related to the various contracts.

- a. The Contract Representative(s) for matters related to the agreements or organizations listed above shall carry out their respective duties and obligations pursuant to the Approved Operating Procedures described in Section B Budget and Accounting Procedures, Section C Operations Procedures, and Section D Planning Procedures.

- b. The Contract Representative(s) for matters related to the agreements or organizations listed above shall be responsible to keep the Operating Committee informed on matters under deliberation.
- c. The Contract Representative(s) for matters related to the agreements shall be responsible to maintain a record of the minutes of each meeting and/or any procedures, practices or action established.
- d. The Contract Representative(s) for matters related to the agreements or organizations listed above shall inform the Operating Committee of items that could alter cost responsibility, alter contractual commitments, or impact service reliability for the Los Alamos Power Pool (LAPP).

A1.2 Approvals

Reserved.

A1.3 Attachments

Reserved.

A2 Manager of Operations and Other Approved Pool Personnel

A2.1 Policies & Procedures

A2.1.1 Selection and Appointment of the Manager of Operations

The County shall be responsible for recruiting potential candidates for the position of Manager of Operations for interview by representatives of both Parties to the Operating Committee. Such representatives of the Parties shall recommend the preferred candidates to the Operating Committee. The Manager of Operations will be a County employee who will report to and receive direction from the Operating Committee.

A2.1.2 Vacancy

If the position of the Manager of Operations is vacant, the County (by and through the County Utilities Manager), with concurrence of the Operating Committee, shall appoint an Acting Manager of Operations on an interim basis until recruitment and selection is completed in accordance with Section A2.1.1 above.

A2.1.3 Performance Evaluation Inputs

The members of the Operating Committee may individually provide the County with specific written recommendations to be included in the Manager of Operation's annual performance appraisal. The County (by and through the County Utilities Manager) shall then make annual performance evaluations, concurrent with that of the County's performance evaluation process of the Manager of Operations.

A2.1.4 Annual Review of LAPP Personnel Requirements

The Manager of Operations shall annually conduct a review of LAPP personnel requirements as part of the annual budget process and, should a need for changes arise, propose changes to the Operating Committee for their consideration and possible recommendation to the Contracting Officer and County Authority. The following are the job titles and number of full-time employees (FTE) for each approved pool position:

- a. Manager of Operations (1 FTE)
- b. Power System Supervisor (1 FTE)
- c. Sr., Apprentice/Trainee, or Power System Operators (6 FTE)
- d. Resource Coordinators (2 FTE)
- e. Sr. or Data Analyst (1 FTE)

The Manager of Operations shall maintain a listing of all operating procedures and guidelines that have been established.

A2.2 Approvals

Reserved.

A2.3 Attachments

Reserved.

A3 Operating Procedure Changes

A3.1 Policies & Procedures

A3.1.1 Review and Revision of the Operating Procedures

The Manager of Operations shall review every three years or as necessary the practicality and appropriateness of the Operating Procedures and, where revisions to, deletions from or additions to the Operating Procedures are viewed to be beneficial, recommend changes to the Operating Committee. The Manager of Operations shall be responsible for preparation of revisions to or the establishment of Operating Procedures to the Operating Committee for their review and approval. In addition, changes may be recommended whenever deemed necessary by the Manager of Operations or members of the Operating Committee.

A3.2 Approvals

All proposed changes to the Approved Operating Procedures are to be submitted to the County Authority and the Contracting Officer for their review and approval.

A3.3 Attachments

Reserved.

A4 Retention of Operating Reports and Records

A4.1 Policies & Procedures

A4.1.1 Resource Pool Filing System

The Manager of Operations shall establish a Resource Pool filing system. All records related to the Resource Pool will be retained in accordance with state, federal or industry records and information management (RIM) requirements applicable to each organization within the Pool. Any other records not specified in this agreement shall fall under the New Mexico Administrative Code (NMAC) record retention and disposition schedules.

A4.1.2 Filing of Maintenance and Test Reports

Maintenance and test reports shall be retained by the owner of the related facility. The owners of such Pool Facilities shall make available copies upon request of the maintenance and test reports for designated facilities to the Manager of Operations. If information in such files is readily accessible by the Manager of Operations, portions of such files may serve in place of files that the Manager of Operations would otherwise maintain. If such files are not readily accessible by the Manager of Operations, the Manager of Operations shall specify information on DOE/NNSA and County owned Pool Resources that is required and DOE/NNSA's contractor and the County shall provide such information on a continuing basis for inclusion in the files of the Manager of Operations.

A4.2 Approvals

The Manager of Operations shall review and approve the proposed filing system as well as verify annually that the records are being maintained in an acceptable manner and report to the Operating Committee.

A4.3 Attachments

Resource Pool File Retention Schedule, revised March 2026.

	TYPE OF RECORD	RECORD SERIES	RECORD TITLE	RETENTION	VALUE
A)	DOE/NNSA INVOICES/BILLS (To be stored in their entirety with the following documents included :) • DOE/NNSA/LAC monthly settlement sheets • Invoices from power suppliers • Invoices for transmission services provided by others • Payments for power sales • Payments for transmission services • Invoices from PNM	1.21.2.301	Accounts Payable	Destroy six years from date audit report released.	FISCAL

	TYPE OF RECORD	RECORD SERIES	RECORD TITLE	RETENTION	VALUE
B)	ALL OTHER INVOICES (at LAC, official invoice records are maintained by the County's enterprise reporting system)	1.21.2.303	Accounts Receivable	Destroy six years from date audit report released	FISCAL
C)	DEBT SERVICE ON APPROVED RESOURCES Including but not limited to the following: - Debt service schedules - Records of payments - Interest income	1.21.2.341	Investments	Destroy six years from date file closed.	FISCAL
D)	ECA BUDGETS Including but not limited to the following: - Annual operating budgets for all Approved Resources - Capital budget items	1.21.2.326	Annual Budget	Permanent	FISCAL
E)	APPROVAL OF CAPITAL BUDGET ITEMS FOR COUNTY OWNED RESOURCES <i>Note:</i> These must be approved through the Board of Public Utilities and, if over \$300,000.00, through LA County Council. Approvals of these capital budget items are documented in meeting minutes, which are kept permanently.	1.21.2.326 1.21.2.452	Annual Budget Meetings	Permanent	ADMINISTRATIVE
F)	DISPATCH AND POWER SCHEDULING OPERATING REPORTS (Including but not limited to the following: - Corrected copies of daily schedule - Daily power factor report (by hour) - Daily load component summary (by hour) - Written daily log - Disturbance reports) - Miscellaneous reports	1.21.2.116	Reports - General	Destroy two years from date file created	ADMINISTRATIVE

	TYPE OF RECORD	RECORD SERIES	RECORD TITLE	RETENTION	VALUE
G)	HYDRO FACILITY – OPERATIONS DOCUMENTS (including but not limited to the following: • Monthly operation reports • Written daily logs • Maintenance records)	1.21.2.116	Reports - General	Destroy two years from date file created	ADMINISTRATIVE
H)	INTERCONNECTION AGREEMENTS (i.e. WECC, etc.)	1.21.2.116	Reports - General	Destroy two years from date file created	ADMINISTRATIVE
I)	RESOURCE STUDIES AND PLANNING DOCUMENTS	1.21.2.116	Reports - General	Destroy two years from date file created	ADMINISTRATIVE
J)	DOE/NNSA/LAC OPERATING COMMITTEE MINUTES	1.21.2.452	MEETINGS	PERMANENT	HISTORICAL
K)	DOE/NNSA OWNED FACILITIES		To be developed and retained by DOE/NNSA		

Section B Budget and Accounting Procedures

B1 Capital Budget

B1.1 Policies & Procedures

B1.1.1 Operating Committee Review and Approval of Budgets

The Operating Procedures require the preparation and submittal to the Operating Committee of certain annual budgets, operating plans and other reports for the review and approval by the Operating Committee and/or the Contracting Officer and County Authority.

B1.1.2 Schedule of Power Pool Reports

The Manager of Operations shall maintain a schedule of required Pool reports, which shall be updated quarterly and presented to the Operating Committee.

B1.1.3 Review Time for Reports

All reports requiring Operating Committee vote shall be dated and provided to each member of the Operating Committee at least 10 days prior to the Operating Committee meeting, unless otherwise agreed.

B1.1.4 Report Approval Timeline

Within 45 days of the date presented to the Operating Committee, the Operating Committee shall either formally accept or reject annual budgets, operating plans and other reports submitted for Operating Committee vote. If rejected, the Operating Committee shall specify the desired course of action.

B1.1.5 Development and Presentation of the 24-Month Budget

The County (by and through the County Deputy Utility Manager – Finance & Administration) shall develop and present a detailed 24-month Budget including capital and operating expenditures to the Operating Committee by April 1st of each year.

The capital expenditures budget (Capital Budget) shall reflect all equipment purchases for single items of \$250,000 or more, except as otherwise provided in the DOE/NNSA and County Coordination Agreement. Items less than \$250,000 shall be shown in the operating budget (Operating Budget) and expensed pursuant to the ECA Performance Work Statement, Section b (4) Classification of Expenditures.

B1.1.6 Capital Budget for Debt Service

The service life, method of capitalization and amortization, repayment schedule and current budget year recovery, if any, shall be specified as part of the Capital Budget.

B1.1.7 LANL Capital Budget Requests Deadline

DOE/NNSA will ensure that LANL provides the County (by and through the County Deputy Utility Manager – Finance & Administration) with Capital Budget requests for DOE/NNSA Approved Resources by January 15 annually.

B1.1.8 Capital Budget Demand Expenses

Capital Budget items which are controlled by the operating agent of generating resources for which neither DOE/NNSA nor County is the operating agent shall be passed through as demand expenses.

B1.1.9 Spending on Non-Budgeted Items

Only money for items covered by the Capital Budget shall be expended except as necessary during an emergency, forced outage or to avoid possible equipment damage or to minimize the risk of injury.

B1.1.10 Quarterly Review of the Capital Budget

The County (by and through the County Deputy Utility Manager – Finance & Administration) shall review the Capital Budget at least quarterly and prepare an amended budget if warranted by changes in circumstances.

B1.2 Approvals

Once the annual budgets, operating plans and other reports are approved by the Operating Committee then it will be submitted to the County Authority and the Contracting Officer for their review and approval, as needed.

B1.3 Attachments

Reserved.

B2 Operating Budget

B2.1 Policies & Procedures

B2.1.1 24-Month Budget

The County (by and through the County Deputy Utility Manager – Finance & Administration) shall develop and present a detailed 24-month Budget including Capital and Operating Expenditures to the Operating Committee by April 1st each year. Miscellaneous Operating Expenditures of more than \$100,000 shall be detailed on a supplemental schedule to allow monitoring and administration of costs. The planned use of outside personnel, equipment and services shall be separately identified.

B2.1.2 DOE/NNSA Load Forecast Deadline

DOE/NNSA will provide the County with a load forecast by month for development of the Operating Budget by January 15 annually.

B2.1.3 Budget Reflects Operating Schedule

The Budget shall reflect the planned operating schedule of Procedure C1, *Annual Operating Plan for Approved Resources*.

B2.1.4 DOE/NNSA Delivery of Approved Resources Operating Budget

DOE/NNSA will ensure that LANL provides the County (by and through the County Deputy Utility Manager – Finance & Administration) with Operating Budget requests for DOE/NNSA owned facilities by January 15 annually for DOE/NNSA's Approved Resources.

B2.1.5 Unauthorized Expenses

Once the Operating Budget is approved, only such funding categories as specifically provided for expenditure in the approved Budget are authorized except in the case of situations where personnel safety, system service integrity or risk of equipment damage may result.

B2.1.6 Application of Prudent Utility Practices

It is recognized that the Operating Budget represents an approved plan of operations, and it is not to be used to inhibit prudent utility operation. The Manager of Operations in actual operations is expected to make decisions as appropriate to assure system reliability and minimize overall operating costs in a prudent manner. The Manager of Operations to the maximum extent possible shall make decisions that are consistent with prudent utility practices as have been, or may be, established by the Western Electricity Coordination Council, North American Electric Reliability Corporation, or the Federal Energy Regulatory Commission or successors thereto.

B2.1.7 Budget-to-Actual Quarterly Reporting

Actual operating results are to be compared against budgeted results on a year-to-date line-item basis no less than quarterly, and the County (by and through the County Deputy Utility Manager – Finance & Administration) shall provide to the Operating Committee a written explanation for significant variations (plus/minus 10% actual versus budget and over \$100,000).

B2.1.8 Review of Budget Variances

Significant departures from the Operating Budget as defined in item 1.5. shall be subject to a prudence review by the Operating Committee and reported to the Contracting Officer and County Authority if found to result from imprudent operations.

B2.1.9 Notice of Potential Budget Variances

The Manager of Operations shall inform the County (by and through the County's Deputy Utility Manager – Finance & Administration) of circumstances which may cause significant variances to the Operating Budget.

B2.1.10 Budget Review and Adjustment

The County (by and through the Deputy Utility Manager – Finance & Administration) shall review the Operating Budget at least quarterly and prepare an amended Operating Budget if warranted by changes in circumstances.

B2.2 Approvals

2.1. Once the Operating Committee has accepted the budget, or any revision thereof resulting in a net increase, it must be submitted to the County Authority and the Contracting Officer for their review and approval.

B2.3 Attachments

Reserved.

B3 Billing and Payment

B3.1 Policies & Procedures

B3.1.1 Cost Allocation

Resource Accounting Pool costs will be allocated in accordance with Section B - Services and Prices/Costs of the ECA.

B3.1.2 Responsibility for Invoice Format and Preparation

The County (by and through the County's Deputy Utility Manager – Finance & Administration) will be responsible for development of invoice format and preparation of bills.

B3.1.3 Review and Approval of Invoices

The Manager of Operations shall review all invoices related to his enumerated duties and approve such invoices for billing and payment.

B3.1.4 Handling of Invoice Questions and Issues

In the event of a question regarding portions of any invoice, the Party receiving such bill shall furnish the County (by and through the Deputy Utility Manager – Finance & Administration) a written statement of the issue including all relevant information to clearly define the dollar amount at issue. The County (by and through the County's Deputy Utility Manager – Finance & Administration) shall review the item under question and attempt to resolve the question. If the County (by and through the County's Deputy Utility Manager – Finance & Administration) is not able to resolve the question in a manner that is acceptable to the Parties, within 45 days of receipt of the written statement, he/she shall provide relevant information to all members of the Operating Committee for review and resolution at the next regular scheduled Operating Committee meeting. If the Operating Committee is unable to resolve the question, it shall be referred to the Contracting Officer by the aggrieved party for resolution in accordance with the FAR 22.233-1, *Disputes*, of the DOE/NNSA and ECA. This procedure is intended as an optional means for expeditiously resolving issues and is not intended to preclude either party from their right to direct use of the Contract Disputes Clause.

B3.1.4.1 Notification of Dispute Determination

By whichever of the above manners the dispute is resolved, the County (by and through the County's Deputy Utility Manager – Finance & Administration) shall notify the aggrieved party in writing of the final determination in the matter. Copies of such correspondence shall be sent to all members of the Operating Committee, the Contracting Officer and the County Authority, and all Parties concerned in the dispute, and shall be appended to the minutes of the next regular Operating Committee Minutes.

B3.1.5 Record of Disputes

The County (by and through the County's Deputy Utility Manager – Finance & Administration) shall maintain a record of outstanding billing disputes and their status.

B3.2 Approvals

Reserved.

B3.3 Attachments

Reserved.

B4 Adjustments for Prior Period Invoiced Corrections

B4.1 Policies & Procedures

B4.1.1 Responsibility for Calculation of Invoice Adjustments

The County (by and through the County's Deputy Utility Manager – Finance & Administration) will be responsible for the calculation of adjustments to the current month invoice for changes in prior months invoiced amounts.

B4.1.2 Adjustments Applied to Appropriate Billing Parameters and Month(s)

Adjustments associated with changes in prior months invoiced amounts shall be allocated to the Parties using the appropriate billing parameters from the month the charges were first invoiced.

B4.1.3 Clarity of Adjustments

The current month's invoice shall include sufficient detail to show the determination of prior month adjustments.

B4.1.4 Review and Approval of Invoice Adjustments

The Manager of Operations shall review all invoiced adjustments as part of his/her duties under Procedure B3, *Billing and Payment*.

B4.2 Approvals

Reserved.

B4.3 Attachments

Reserved.

B5 Timing of Expenditures

B5.1 Policies & Procedures

B5.1.1 Expenditures Which Benefit Over Months

The Parties recognize that the timing of expenditures could have significant impact on the allocation of costs. While costs included in capacity charges are spread evenly over the year, and most energy charges are included in the settlement sheets in the months they benefit, other costs occur periodically which benefit a longer period of time than the current month

B5.1.2 Averaging Expenditures Across Months

To eliminate the possibility of timing expenditures to benefit either party, operations expenditures that are expected to benefit more than the current month shall be included in the Resource Pool using an average allocator that corresponds to the months that will receive a benefit.

B5.1.3 Rolling 12-Month Demand Allocator

Capital expenditures less than \$250,000 shall be allocated based on a rolling twelve-month demand allocator. This rolling allocator shall be computed as the average allocator for the current and previous eleven months.

Examples of operations expenditures benefiting periods greater than the current month shall include, but are not limited to, falling water charges, prepayments of transmission services and payments for professional services.

B5.2 Approvals

All proposed allocation methods should be submitted to the Operating Committee for their review and approval as part of the annual budget process or updates thereof.

B5.3 Attachments

Reserved.

B6 Pool Operations Accounts

B6.1 Policies & Procedures

B6.1.1 Separate Checking Account for the Resource Accounting Pool

The County shall maintain a separate checking account for Pool revenues and the County's Pool expenses.

B6.1.2 Handling of Earnings

The net earnings on this separate checking account shall be included in the capacity charge computation for County owned resources.

B6.1.3 Reconciliation of Audited General Ledger

Reconciliation - Within eleven months after the end of the County's fiscal year, the County will prepare a reconciliation of its audited general ledger to the costs included in the settlement sheets for the fiscal year.

B6.2 Approvals

Reserved.

B6.3 Attachments

Reserved.

B7 Special Purpose Approved Resources

B7.1 Policies & Procedures

B7.1.1 Technical Area-3 Combustion Gas Turbine Generator

B7.1.1.1 CGTG is a SPAR

The Technical Area-3 Combustion Gas Turbine Generator (CGTG) is owned by DOE/NNSA and operated by LANL. It is classified as a Special Purpose Approved Resource (SPAR) and its operation is considered by the Manager of Operations to be either Authorized or Unauthorized, as described in Sections B7.1.1.2 and B7.1.1.3, respectively.

This procedure is designed to include the CGTG in the resource mix available to serve the DOE/NNSA's load, and the LAPP's load and regional utility network needs on an "as required" basis. DOE/NNSA's load can be served by the CGTG after all LAPP approved resources have been used to serve LAPP load. Energy Credits will be included in the Resource Accounting Pool only when the CGTG is Authorized and scheduled to serve LAPP load or regional utility needs by the Manager of Operations or designee.

B7.1.1.2 CGTG Authorized Operation

CGTG Authorized operations shall include, but not necessarily be limited to, periods of operation for: a) serving LAPP load requirements; b) Balancing Authority requested operation; and c) training, rating, operational and equipment acceptance tests as required to comply with Western Electricity Coordination Council (WECC) requirements. All such operation under any one of the aforementioned conditions shall be classified as "Authorized Operation".

B7.1.1.3 CGTG Unauthorized Operation

CGTG Unauthorized Operations shall include the use of generation to supply only DOE/NNSA's load. To avoid excess inadvertent power and sales risk in the markets, the County and the O&M Contractor will coordinate the scheduling of the TA-3 CGTG on a month ahead, day ahead and real time operations basis. Such Operations shall be classified as "Unauthorized Operation". If such Unauthorized Operation of the TA-3 CGTG has a measurable financial effect on the Resource Accounting Pool, then the Operating Committee shall determine a mutually agreeable accounting practice for resolving such events.

B7.1.1.4 CGTG Cost Recovery

Cost Recovery for the TA-3 Combustion Gas Turbine Generator shall be performed as follows.

B7.1.1.4.1 CGTG Energy Credit

If the CGTG generates energy from Authorized Operation, then the DOE/NNSA shall receive a credit equal to the actual cost of the natural gas fuel consumed by the CGTG during Authorized Operation, and a fixed fee of \$26.15 per megawatt-hour (MWh) (2023) to cover operations and maintenance and capital costs (O&MC). The fixed O&MC cost will be reviewed and updated annually by DOE/NNSA and adjusted as part of the annual budget submittal.

If the CGTG generates energy from Unauthorized Operation, then the energy credit will be equal to one MWh of reduction in DOE/NNSA's load for each MWh of net generation. This credit shall be in lieu of O&MC cost described above.

B7.1.1.4.2 CGTG Incidental Third-Party Sales

The TA-3 CT unit is not intended for third party sales under normal conditions; however, during network emergencies the unit may be utilized under section 1.1.2. Revenues from TA-3 CGTG operations in response to authorized operations shall be determined by applicable agreements and/or tariffs. Costs (in accordance with section 1.1.3.1) and revenue shall be accounted for and shared by the Parties following the ECA accounting procedures.

B7.1.1.4.3 CGTG Ancillary Transmission Service Charges

Network transmission tariffs require that certain ancillary services be charged for load-serving generators connected to the transmission network. Applicable ancillary services are priced under the PNM NITSA tariff and billed to the County as part of the monthly transmission services invoice. Additional ancillary fees associated with the TA-3 CGTG will be treated as common transmission costs. Such charges attributable to third-party sales to the extent practical shall be identified and recovered from the third-party user.

B7.1.1.4.4 CGTG Metering

Net electric output of the TA-3 CGTG shall be metered with time-of-use kW/kWh meters with a minimum of 60-day storage capability using 60-minute clock-hour demand intervals. Interval-by-interval metering data shall be provided to the Manager of Operations and the authorized metering agent for billing purposes. The hourly output of the TA-3 CGTG shall be combined with the total net imports and other local generation to determine the LAPP monthly demand and energy usage.

Fuel used for Authorized Generation will be directly metered and adjusted to eliminate fuel used for all other equipment.

B7.1.1.5 Quick Start Emergency Generators

B7.1.1.5.1 SPAR-CR Emergency Generators

DOE/NNSA and/or the County may install back-up or emergency generators on their distribution systems to provide emergency service in the event of a power supply failure. If the emergency generators are connected to the power grid using appropriate synchronizing and system protection devices; they may qualify as Special Purpose Approved Resources-Contingency Reserve (SPAR-CR). Starting and stopping of a SPAR-CR unit must be under the direct control of the LAPP Power System Operators.

B7.1.1.5.2 SPAR-CR Energy Credits

The owner of a SPAR-CR will receive an energy credit equal to the energy provided. Operation for testing and training will be performed as necessary by the owner; however, only a one-to-one energy credit will be received for non-contingency reserve operation. No capacity credit, fuel expense, or other operating or maintenance expenses will be incurred by the LAPP related to SPAR-CRs.

B7.1.1.5.3 SPAR-CR Metering

Each SPAR-CR shall be equipped with time-of use kWh/kW meters which can be always monitored by the LAPP Power Operations Center (POC). The output of each SPAR-CR shall be added to the hourly load calculation for the LAPP monthly invoice. Each SPAR-CR, which now includes the WETF Emergency Diesel Generator and the TA-3 Steam Plant Emergency Diesel Generator, shall be initially certified by the Manager of Operations.

B7.1.1.5.4 SPAR-CR Notifications

The owner of a SPAR-CR unit will notify the LAPP Power Operations Center when it plans to operate a unit for training and testing purposes and when a unit is unavailable for operation to enable the Power System Operators to adjust the resource schedule accordingly.

B7.1.1.6 Withdrawal of a SPAR-CR

The owner of a SPAR-CR may withdraw its units from LAPP by providing a 60-day advance written notice of its intent to the Manager of Operations.

B7.2 Approvals

Reserved.

B7.3 Attachments

Reserved

B8 Customer Related Costs

B8.1 Policies & Procedures

B8.1.1 Definition of Customer Related Costs

“Customer related costs” are costs for: 1. NNSA contractor to perform work to support County-owned facilities or County customers, as described below, or 2. County crews or contractor to perform work to support Los Alamos National Laboratory (LANL) or their customers, as described below.

B8.1.2 DOE/NNSA Customer Related Work Process

Certain County-owned facilities or their customers are connected to or are in close proximity to DOE/NNSA owned utility facilities. From time to time those NNSA owned utility facilities may need to be modified to accommodate upgrades, repairs, new tie-in or replacements to County facilities. Due to security and access issues, such modifications usually must be done by an NNSA contractor. To accomplish such modifications, the County Utilities Manager should formally request a quote for such work from the DOE/NNSA Contracting Officer Representative (COR) and/or Facilities Operations Director for Utilities and Institutional Facilities (FOD). The COR and/or FOD shall provide a written quote to include an estimate of the cost of the work as well as a not to exceed amount. Once accepted by the County, the work may commence. Upon completion of the work, the COR and/or FOD shall present a bill to the County’s Utilities Manager.

B8.1.3 County Customer Related Work Process

Similarly, LANL or their customers may need utilities work done by County crews or contractors from time to time. For such work the COR and/or FOD should formally request a quote for such work from the County’s Utilities Manager. The Utilities Manager shall provide a written quote, including a not to exceed amount. Once accepted by the COR and/or FOD, the work may commence. Upon completion of the work, the Utilities Manager shall present a bill to the COR and/or FOD.

B8.1.4 Approval of Cost Increases

The Parties shall make every effort to prepare a reasonable quote and to complete the work efficiently. If during the work the scope or conditions significantly change such that the project cost may exceed the not to exceed amount, the party performing the work shall notify their counterpart in writing, by preparing and delivering a revised quote. The other party must accept the revised estimate before the cost incurred exceeds the original not to exceed amount. Once the work has been completed, the party performing the work shall deliver a bill to their counterpart within 60 days.

B8.1.5 Credit Adjustments

The County will add credit adjustments as needed for DOE/NNSA and/or their customers to the monthly invoice and the parties will review these credit adjustments monthly.

B8.1.6 Payment

Payment for work done under this operating procedure should be done as an adjustment to the monthly invoice under the Electric Coordination Agreement. The party being billed shall be responsible for proper accounting for the transaction in their respective financial records. Bills

delivered by the 10th of the month shall be included in the invoice for the previous month, to be delivered by the 15th.

B8.2 Approvals

Reserved.

B8.3 Attachments

Reserved.

Section C Operations Procedures

C1 Annual Operating Plan for Approved Resources

C1.1 Policies & Procedures

C1.1.1 Load Forecasts and Short-Term Resources and Services

Each party shall provide load forecasts of both demand and energy for electrical loads by January 15th for the ensuing ten years 1) for use in the next 24-month Operating Budget, 2) for use in LAPP resource planning studies and 3) to supply ten-year load data for PNM's operational and ten-year planning purposes pursuant to the NITSA/NOA requirements. The County shall have contractual responsibility for acquisition and transportation of short-term resources and other services required to LAPP load requirements and to dispose of short-term excess energy. DOE/NNSA shall have contractual responsibility for acquisition and transportation of emergency and economy energy purchase transactions related to the operation of DOE/NNSA generation assets, DOE/NNSA owned transmission and DOE/NNSA's WAPA allocation. DOE/NNSA shall normally have contractual responsibility for acquisition and transportation of short term and other services for its resources. The Manager of Operations is responsible for scheduling of all resources.

C1.1.1.1 Timely Information for Scheduling of Resources

DOE/NNSA and the County will provide information to the Manager of Operations in a timely manner for use in scheduling and dispatching all LAPP resources.

C1.1.1.2 Necessary Benefits of Resources

Neither party shall enter into arrangements for the use of other resources unless it can be demonstrated to the satisfaction of the Operating Committee that the proposed arrangements will be economically beneficial to both Parties, and they are either covered or approved in accordance with the terms of the DOE/NNSA and County Coordination agreement.

C1.1.2 Written Documentation

The Parties shall provide written documentation to the Manager of Operations for the following:

- C1.1.2.1 Load forecasts of both demand and energy for electrical loads by month for the 24 months included in each 24-month budget period. DOE/NNSA and LANL shall include a separate component for intermittent loads greater than 1 MW. Such load forecasts shall be forwarded to the Manager of Operations by January 15, of each year.
- C1.1.2.2 Hot start time requirements and LANL fuel cost.
- C1.1.2.3 Other variable cost data.
- C1.1.2.4 Proposed Maintenance Schedule
- C1.1.2.5 Other information that may be required for operating purposes including planned operation per established guidelines.

C1.1.2.6 List of all capital improvement projects to Approved Pool Resources for inclusion in the 24-month capital and operating budgets.

C1.1.2.7 Transmission line data:

- One-line switching diagrams including control devices
- Nominal and max power carrying capacity
- Minimum, normal, and max operating voltage
- Advance maintenance and outage schedules
- SVC Maintenance and outage schedules

C1.1.3 Annual Plan for Approved Resources and Market Purchases

The Manager of Operations shall prepare an annual operating plan for approved resources and market purchases as follows:

C1.1.3.1 Evaluate and prepare the proposed schedule of WAPA Resources pursuant to the terms of the WAPA/DOE/NNSA Interagency Agreement and LAC/WAPA Contract for firm electric service.

C1.1.3.2 Gather and evaluate the planned availability and maintenance schedules of Laramie River Station, the hydroelectric facilities, and the TA-3 CGTG, and the capacities of other available resources.

C1.1.3.3 Prepare a schedule of loads and resources, which identifies monthly capacity deficiencies and surpluses.

C1.1.3.4 Make proposals for short-term purchases and sales opportunities that should be contracted for in advance of the coming operating year for large blocks of capacity and/or energy.

C1.1.3.5 Revise and update the annual operating plan whenever a significant change occurs.

C1.2 APPROVALS

The above items C1.1.3.4 and C1.1.3.5 shall be formally reviewed and approved by the Operating Committee.

C1.3 ATTACHMENTS

Reserved

C2 Operating Schedules and Reports

C2.1 Policies & Procedures

C2.1.1 Preparation of Operating Schedules and Reports

The Manager of Operations shall collect and evaluate load, operational, and economic data. The Manager of Operations shall prepare operating schedules and reports to assure that the resource pool is operating in an economic and reliable manner. The Manager of Operations shall perform the following tasks.

- C2.1.1.1 Scheduling and dispatching of LAPP production resources.
- C2.1.1.2 Administer purchase and sale transactions regarding economy energy, emergency and maintenance services, transmission services, and any other services necessary to minimize cost or maximize benefits to both DOE/NNSA and the County.

C2.1.2 The Manager of Operations shall be responsible for the following tasks.

- C2.1.2.1 Preparation of an hourly schedule of the Approved Resources each day for the following day's operation, giving recognition to the Annual Operating Plan, expected loads and available resources.
- C2.1.2.2 Adjustments to the hourly schedule shall be made as appropriate to meet load requirements and to take advantage of economic opportunities.
- C2.1.2.3 Power Scheduling Software showing the actual and scheduled operations for accounting and operating purposes.
- C2.1.2.4 Preparation of monthly operating reports which summarize the previous month's operation.

C2.2 APPROVALS

- 1.1. The Operating Committee shall review and approve any changes in the established format of the operating reports.

C2.3 ATTACHMENTS

- 1.2. Reserved

C3 Operating Reserves

C3.1 Policies & Procedures

C3.1.1 WECC and NERC Membership and Compliance

The County shall maintain membership in the Western Electricity Coordinating Council (WECC) and comply with their operating criteria and those of the North American Electric Reliability Corporation (NERC).

C3.1.2 NITSA Schedules 5 & 6

The County has expanded the services offered by PNM under the NITSA to include Schedule 5 Operating Reserves and Schedule 6 Supplemental Reserves in order to meet this obligation.

C3.1.3 Interruptible Loads

The DOE/NNSA and County shall identify interruptible load, if any. The Manager of Operations shall establish guidelines as appropriate for the Power System Operators to follow during system disturbances and outages of generation and transmission resources.

C3.2 Approvals

Reserved.

C3.3 Attachments

Reserved.

C4 Transmission Facility Records and Operational Data

C4.1 Policies & Procedures

C4.1.1 Transmission and System Data File

DOE/NNSA and County shall be responsible for the maintenance and operation of their respective contribution of transmission facilities to the Resource Pool. These responsibilities will normally be carried out pursuant to contracts between DOE/NNSA or the County and area utilities. In order to assure the ready availability of system data for joint and independent studies, as well as to facilitate system operations, it is agreed that a file or files of transmission and system data shall be maintained and available for the Operating Committee.

C4.1.2 File Maintenance by the Parties

It is recognized that DOE/NNSA's management and operations contractor (M&O Contractor) will continue to maintain official files of data on DOE/NNSA owned facilities and the County will continue to maintain official files on County owned facilities.

C4.1.3 Data Request Response Time

DOE/NNSA (by and through the M&O Contractor) and County will provide current data as required within 30 days upon request by the Manager of Operations.

C4.2 Approvals

Reserved.

C4.3 Attachments

Reserved.

C5 Transmission System Operation and Maintenance

C5.1 Policies & Procedures

C5.1.1 Transmission Facilities

- C5.1.1.1 DOE/NNSA is NERC registered as a Distribution Provider (DP) but is still owner and operator for the transmission facilities.
- C5.1.1.2 DOE/NNSA and the County shall comply with NERC and WECC standards where applicable, for the safe and reliable operation of electric transmission system.
- C5.1.1.3 DOE/NNSA and the County shall be responsible for the maintenance and operation of their respective transmission facilities. Incurrence of significant costs relating to operation or maintenance of Pool transmission facilities will be reviewed and approved pursuant to the Operating Committee procedures for budgeting and planning.
- C5.1.1.4 DOE/NNSA 115 kV transmission and substation facilities are described in Attachment 1, Exhibit 1.3 of the ECA.

C5.1.2 Operating Personnel Credentials and Training

- C5.1.2.1 DOE/NNSA and the County shall staff at all times operating positions with personnel that are appropriately qualified for positions directly responsible for safe electric system operations.
 - C5.1.2.1.1 The County shall notify NNSA as necessary or as requested on any staffing vacancies or deficiencies relating to compliance with the requirements for staffing of certified and qualified personnel. The County shall continue to report on personnel shortfalls until the County is in compliance with the required level of staffing with qualified personnel.
- C5.1.2.2 DOE/NNSA (by and through its M&O Contractor) and the County shall provide training resources necessary for operating personnel to obtain and maintain operator qualifications.
 - C5.1.2.2.1 DOE/NNSA shall provide training and qualification requirements necessary for operations of NNSA electric transmission facilities.

C5.1.3 Operating Procedures

- C5.1.3.1 Operating personnel shall be provided with the responsibility and authority to implement real time actions to ensure stable and reliable operations of the electric system.
 - C5.1.3.1.1 Written operating procedures state that operating personnel have the authority to take or direct timely and appropriate real-time actions without obtaining approval from higher level personnel during normal and emergency conditions.

- C5.1.3.2 All maintenance work requiring a planned outage of transmission facilities which may impair the ability to adequately serve Resource Pool loads or reduce system reliability shall be coordinated and scheduled with the Transmission Operator, who will coordinate with County, PNM, and other affected entities as appropriate.
- C5.1.3.3 The Transmission Operator shall be responsible for administration of the load curtailment plan in accordance with general guidelines set forth in emergency operations plan and procedures developed by all Parties for their respective systems.
- C5.1.3.4 DOE/NNSA and the County shall have specific written procedures (clearance and switching) required for operating the electric transmission system in a manner, which ensures personnel safety, the safety of the general public, and the protection of property.

C5.2 Approvals

Reserved.

C5.3 Attachments

Reserved.

C6 Coordination of Relays and Protective Equipment

C6.1 Policies & Procedures

C6.1.1 Investigation of Permanent Fault Conditions

Each permanent fault condition on TC-1, TC-2, LC-1, or LC-2 shall be investigated by the Manager of Operations, LAC Deputy Utility Manager, Electrical Distribution, and/or M&O Contractor and a brief report shall be prepared and filed with the Operating Committee with a description of the sequence of relay and breaker actions that led to the fault being isolated. A determination should be made as to whether or not all affected devices performed properly, and if not, what changes should be made to assure proper clearance in the future.

C6.1.2 Maintenance of Relays and Protective Equipment

DOE/NNSA and the County shall be responsible for the maintenance and operation of their respective relays and protective equipment. Incurrence of significant costs relating to operation or maintenance of relays and protective equipment will be reviewed and approved pursuant to the Operating Committee procedures for budgeting and planning.

C6.1.3 Notification to the Operating Committee

Whenever system improvements are planned that could increase equipment duties, the facility owner shall provide a report for the Operating Committee of all affected equipment ratings and make recommendations of equipment replacement and/or revised Approved Operating Procedures as appropriate.

C6.1.4 Record Retention

Official files of data on DOE/NNSA and County owned facilities will be maintained per Operating Procedure A4 Retention of Operating Reports and Records.

C6.2 Approvals

Reserved.

C6.3 Attachments

Reserved.

C7 Metering

C7.1 Policies & Procedures

C7.1.1 Points of Interconnection with PNM

- C7.1.1.1 The points of interconnection with PNM are the ownership transfer point between DOE/NNSA and PNM pole No. 78 of the 115 kV Norton Line (NL), and the Southern Technical Area (STA) end of the 115 kV Reeves Line (RL) and SN 115kV Line at the Norton Substation.
- C7.1.1.2 The Norton (NL and SN) and STA points of interconnection as well as the TA-3 CGTG shall be equipped with billing accuracy recording kWh meters which store data by interval. Billing meters shall allow the transfer of data to a personal computer for translation and determination of coincident demands among the metering points. PNM's interconnection meters will be read monthly to determine the total electrical energy into the LAPP.
- C7.1.1.3 DOE/NNSA shall be responsible for acquisition, installation, and maintenance of back-up metering equipment located at the Norton (NL and SN) and STA points of interconnection as well as net metering of the TA-3 CGTG while PNM will provide and maintain loss compensated metering equipment at Buckman and Norton. DOE/NNSA shall also own and maintain backup metering at Buckman as necessary.
- C7.1.1.4 Metering equipment at Norton (NL and SN) and STA shall be set to record power flows in and out of the Los Alamos Service Area. The Norton meter will be loss compensated to exclude transmission line losses on PNM's 115 kV line section of the NL Line.
- C7.1.1.5 All meters listed in Exhibit A & B in C7 may be inspected with representatives of DOE/NNSA, the County and PNM given an opportunity to be present.
- Note: Manufacture's guidance for digital meters does not require calibration over the life of the meter.

C7.1.2 Internal Los Alamos System

- C7.1.2.1 All points of normal delivery from the LAPP to Los Alamos County load centers shall be equipped with billing accuracy recording demand meters with interval-by-interval storage capability (except for the monthly peak demand meters in 1.2.2 to which a Diversity factor is applied) as shown in Exhibit A in C7. See Exhibits A in C7 for delivery points.
- C7.1.2.2 Points of delivery from the LANL distribution system to Los Alamos County with estimated demand of less than 25 kW shall be equipped with kWh meters with a peak indicating demand register.
- C7.1.2.3 The DOE/NNSA shall be responsible for ownership, operation, and maintenance of all meters at points of delivery from its transmission and/or distribution system to

Los Alamos County. The Manager of Operations shall have oversight authority over all meter functions. The County shall have the right to inspect all delivery point meters and to separately read the meters and compare such meter readings to the DOE/NNSA meter readings used for billing.

- C7.1.2.4 Each Party may choose to place an identification marker (i.e. a tag) on the meters they own and operate to delineate ownership. As needed, each Party will notify the other Party when a meter is installed, removed, or replaced, and must update the list on Exhibit A.
- C7.1.2.5 Each Party will be responsible for notifying their customers on who to contact for repairs, installation, or removal of meters during normal, emergency or off hours.

For customer requests during normal business hours, please contact:

- LANL: Duty Office at 505-699-7452
- LAC: Customer Care Center 505-662-8333

For emergency or off hours repairs on a meter, please notify:

- LANL: Facility Supervisor or Duty Officer: 505-699-4075 / 505-699-7452
- LAC Police Dispatch 505-662-8222

The customer will be billed for service during the next billing cycle for any work done by the DOE/NNSA M&O contractor.

- C7.1.2.6 If time-of-day metering is not available to measure the incremental station service applicable to TA-3 generation, net generation shall be equal to 90% of gross generation.
- C7.1.2.7 Points of delivery from the LANL distribution system to LAC customers shall be defined in Exhibit A in C7. LANL shall deduct the energy and demand in accordance with Exhibit A in C7. LAC shall reimburse LANL 1.5¢/kWh for maintenance and operation expenses on the distribution system supporting these customers. Approved LAC customers served from the LANL distribution system are listed in Exhibit A attached to and made part of this procedure by reference.

C7.1.3 Meter Readings

- C7.1.3.1 Metering data shall be collected the first workday of the billing month and processed for billing and load information purposes by the 5th working day of the billing month.
- C7.1.3.2 All metering data shall be processed to determine the total LAPP load for each 60-minute time interval. The total system import from PNM's transmission system, plus the net output of all local generation sources is the LAPP load. DOE/NNSA's load shall be determined by subtracting the loss adjusted capacity and energy deliveries to Los Alamos County from the total LAPP load. The total LAPP load, the loss adjusted County load and DOE/NNSA's load, shall be calculated per Exhibit B attached to and made part of this procedure by reference.

- C7.1.3.3 The loss adjusted County load shall be determined using loss factors and, where applicable, a diversity factor, which the DOE/NNSA and County Operating Committee determines from time to time to be the proper loss and diversity factors to determine County's share of the LAPP losses inside the LAPP transmission and distribution system. Approved loss and diversity factors are listed in Exhibit A attached to and made part of this procedure by reference.
- C7.1.3.4 It is recognized that DOE/NNSA's M&O contractor will continue to maintain official files of data on DOE/NNSA owned facilities, which shall contain nameplate data on all meters, related current transformers and potential transformers. This file shall also contain information on all meter equipment settings, test reports including adjustments made, and individuals present during the tests. The meter owners shall provide all data listed above to the Manager of Operations by November 1 of each year with updates on a timely basis as changes occur.

C7.2 APPROVALS

Exhibits A & B hereto may be modified by the Operating Committee as necessary to implement the requirements of the ECA.

C7.3 ATTACHMENTS

Exhibit A LAC Delivery Point Metering.

Exhibit B LAPP Interchange Metering Points & billing Methodology.

EXHIBIT A

LAC DELIVERY POINT METERING

<u>Delivery Point</u>	<u>Voltages of Circuit Metered</u>	<u>kW & kWh Loss %</u>	<u>Diversity Factor</u>
LAC ELECTRIC			
TA-03-1682-LA-3	13,800	1.7	
TA-03-1682-S-6 LAMC	13,800	1.7	
TA-03-2598-LC1	13,800	1.7	
TA-03-2598-LC2	13,800	1.7	
TA-03-2598-TC1	13,800	1.7	
TA-03-2598-TC2	13,800	1.7	
LAC1 – Pajarito Cliffs	13,800	1.7	
LAC2 Lower LA Canyon	13,800	1.7	
Landfill Transfer Station	480	4.0	
S-18 West	13,800	1.7	
Totavi (Point of Receipt)	13,800	1.7	
White Rock SWR Unit 1	12,470	1.7	
White Rock SWR Unit 2	12,470	1.7	
LAC WATER ELECTRIC			
Community Booster/S-Site Booster #1	13,800	1.7	
Otowi Well #2	480	4.0	
Otowi Well #4	4,160	1.7	
Pajarito Well #1	480	4.0	
Pajarito Well #1 Booster	480	4.0	
Pajarito Well #1 Chlorinator Bldg	480	4.0	
Pajarito Well #2	4,160	1.7	
Pajarito Well #2 Booster	480	4.0	
Pajarito Well #3	13,800	1.7	
Pajarito Well #4	120	4.0	
Pajarito Well #5	4,160	1.7	
Pajarito Well #3 Booster	480	4.0	
S-Site Booster #2	480	4.0	
LANL RETAIL CUSTOMERS			
Atomic City Transit Center	240	4.0	
AT&T Mobile	240	4.0	0.33
Bandelier – Ponderosa Campground	240	4.0	0.33
Bandelier @ TA-33	13,800	1.7	
Bandelier – TA-49 Fire Cache	240	4.0	0.33
Bandelier – TA-49 Interagency Fire Center	240	4.0	0.33
Bandelier @ Entrance	120	4.0	0.33
Bandelier – Tsankawi	240	4.0	0.33
Century Link	240	4.0	0.33
CommNet Four Corners	240	4.0	0.33
Elk Ridge Trailer Court	13,800	1.7	
LA Transit Mix	480	4.0	
NMDOT - SF County Traffic Signal	240	4.0	0.33
National Radio Astronomy @ TA-33	240	4.0	0.33
T-Mobile	240	4.0	0.33
Verizon	240	4.0	0.33

Note: The loss factors shown in Exhibit A attached hereto were developed in a Report on Revenue Metering Loss Adjustment Factors dated February 24, 1995 and approved by the Operating Committee.

EXHIBIT B

LAPP INTERCHANGE METERING POINTS & BILLING METHODOLOGY

LAPP Interchange Metering

<u>Metering Point</u>	<u>Voltage of Circuit Metered</u>	<u>kW &kWh Loss%</u>
Norton (Norton to ETA)	115 KV	N/A
STA (Buckman to STA)	115 KV	N/A
Buckman to PNM	12.5 KV	TLC or 1%

LAPP Interchange Energy = (Norton IN + STA IN) less (Norton OUT + STA OUT + Buckman + transmission losses to NT-Rio Grande)

Billing Methodology

Total Billing Energy (between DOE/NNSA & LAC) = +/- RL Line measured at STA +/- NL line measured at Norton – Buckman load measured at the low side of transformer (adjusted to include 115/12.5kV transformer losses to be calculated real-time) – NL line losses (to be calculated real time) between Norton and the dead-end structure on the east side of the Rio Grande River crossing + (Hydro Schedule –Hydro Actual) + Load side generation)

Where:

SVC energy losses = 730 HR x 250 kW/hr = 182,500 kWh monthly
SVC demand loss = 250 kW per month

LAPP Peak Demand (1) = The highest coincident demand for a 60-minute period as measured by the interchange revenue meters
= PNM's Monthly Transmission System Peak Load (see Section 1.46 of the Tariff or its successor Section) is defined as the maximum firm usage of PNM's transmission system in a calendar month. PNM's Monthly Transmission System Load (see Section 34.3 of the Tariff) is determined by taking PNM's Transmission System Peak minus the coincident peak usage of all firm Point-to-Point Transmission Service customers pursuant to Part II of the Tariff, plus the reserved capability of all firm Point-to-Point Transmission Service Customers pursuant to Part II of the Tariff.
For purposes of this Third Revised Service Agreement, PNM's Monthly Transmission System Load shall be equal to the algebraic sum of the following quantities at the time of hourly coincident peak each month of: (i) PNM's Native Load, (ii) plus PNM's Network Integration Transmission Service customers' loads pursuant to Part III of the Tariff, (iii) plus PNM's bilateral transmission contract customers usage (Pre- Open Access Transmission Tariff firm transmission agreements), and (iv) the reserved capability of PNM's Point-to-Point Transmission Service Customers pursuant to Part II of the Tariff.

DOE/NNSA Peak Demand = LAPP Peak Demand less the LAC loss adjusted metered demand coincident with the LAPP Peak Demand

DOE/NNSA Energy = Total Billing Energy less the metered LAC Energy use (Loss adjusted)

NOTE:

- 1) In the case of multiple peaks with its associated demands of equal value, the first occurrence and the associated time shall be deemed the peak demand for the month.
- 2) If the SCADA peak is unavailable for a period of time for which schedules indicate a peak have occurred; then the recorded interval data from kWh meters shall be used to determine the LAPP peak demand.

C8 Communication Equipment

C8.1 Policies & Procedures

C8.1.1 Maintenance of Communications Equipment

The Operating Committee shall oversee the development, procurement, installation, and maintenance of the communication equipment necessary to transmit information from each point of interconnection and each generating resource to the Los Alamos Dispatch Center as well as to Tri-State G&T, NORA, Jemez Mountain Electric Cooperative and PNM.

C8.1.2 Communications Equipment Annual Status Reports

The Manager of Operations and Utility Facility Operations Director shall report annually to the Operating Committee for their review on the operating experience, adequacy, maintenance practices and recommendations of improvements for the communication system and related equipment interfaces.

C8.2 Approvals

Reserved.

C8.3 Attachments

Reserved.

C9 Planned Maintenance Outages of Pool Resources and Service Interruption

C9.1 Policies & Procedures

C9.1.1 Scheduling Planned Maintenance Outages of Pool Resources and Service Interruptions.

- C9.1.1.1 All planned maintenance outages of Pool Resources and service interruptions planned by one party that could affect service to load of the other party or delivery of energy from Approved Resources shall be fully coordinated with the Manager of Operations, who in turn shall report to the Operating Committee for their review.
- C9.1.1.2 The Manager of Operations shall give consideration to possible temporary service arrangements, additional staffing or other practical steps that would limit the duration of the interruption and the amount of load affected.

C9.1.2 Evaluation of Service Interruptions

- C9.1.2.1 The party responsible for the facilities which caused the need for a planned or emergency service interruption that affected total supply from one or more distribution feeders, resulted in a sustained outage of a substation transformer or a generating unit, or caused the sustained loss of reactive correction equipment of 5 MVARs or more, shall file a brief report with the Manager of Operations.
- C9.1.2.2 The Manager of Operations shall maintain a file of all such outage reports.
- C9.1.2.3 The Manager of Operations shall review such reports and make specific recommendations to the Operating Committee.

C9.2 Approvals

Reports arising through Section C9.1.2.3 shall be formally reviewed and acted on appropriately by the Operating Committee.

C9.3 Attachments

Reserved.

C10 System Operation and Load Shedding

C10.1 Policies & Procedures

C10.1.1 NERC and WECC Compliance

Policy: DOE/NNSA and County are committed to comply with applicable NERC and WECC Reliability and Operating Standards and Requirements.

- C10.1.1.1 The DOE/NNSA M&O Contractor and County shall plan and implement methods of load curtailment consistent with NERC requirements and when requested by PNM as the Balancing Authority.
- C10.1.1.2 The DOE/NNSA M&O Contractor and County recognize the requirement to reduce the total system load when transmission and/or generation resources are inadequate to serve the system load.
- C10.1.1.3 Each Party shall develop and maintain a manual load shedding plan as needed by the Planning Coordinator (PNM) for its loads and generators.
- C10.1.1.4 The DOE/NNSA M&O Contractor and County will work together to coordinate and implement manual load shedding using the current LANL Utility Operating Instructions (UOI) and County Dispatch Operating Procedures.

C10.1.2 Reporting on Load Shedding

In the event load shedding procedures are implemented, the LANL Utilities Facilities Operations Director (FOD) and County shall submit a report to Operating Committee for review at the next scheduled Operating Committee meeting. The report will identify the amount, duration of load curtailments, and the reasons for implementation of the curtailment. This report shall comment on the degree of compliance of DOE/NNSA and County.

C10.1.3 Load Shedding Percentages

The percentage of load shedding required of each Party is approximately 80% for the Laboratory and approximately 20% for the County.

C10.2 Approvals

Reserved.

C10.3 Attachments

Reserved.

C11 Electric SCADA Maintenance and Security Coordination

C11.1 Policies & Procedures

C11.1.1 Critical Infrastructure Protection (CIP) Compliance

- C11.1.1.1 DOE/NNSA is registered with NERC as a Distribution Provider (DP) and owns and operates the LANL 115kV system and associated controls, which includes the electric Supervisory, Control and Data Acquisition (SCADA) system.
- C11.1.1.2 DOE/NNSA, or designee, shall develop and maintain policies and procedures for compliance with applicable NERC Requirements. This includes the NERC Critical Infrastructure Protection (CIP) Standards.
- C11.1.1.3 DOE/NNSA shall be responsible for compliance with these procedures for critical infrastructure assets owned by the DOE/NNSA which includes the Primary and Backup Control Centers, the Primary and Backup SCADA server rooms, the Physical Access Control System (PACS) and the DOE/NNSA Substation Bulk Electric System (BES) Cyber Systems.
- C11.1.1.4 The County shall provide evidence to NNSA, or designee, as required by DOE/NNSA NERC CIP procedures as it pertains to LAC-owned equipment. NNSA, or designee, shall validate NERC compliance by the County.
- C11.1.1.5 DOE/NNSA, or designee, shall maintain evidence files for NERC CIP compliance and is responsible for submittal of documentation to WECC.
- C11.1.1.6 The County shall be accountable to DOE/NNSA for compliance with the DOE/NNSA NERC CIP procedures and herein.

C11.1.2 Electric SCADA Assets

- C11.1.2.1 DOE/NNSA, or designee, owns and maintains the electric Supervisory Control and Data Acquisition (SCADA) system and associated software licenses and applications, servers, and equipment.
- C11.1.2.2 The County shall comply with DOE/NNSA CIP policies and procedures for connection of County equipment to the SCADA system.
- C11.1.2.3 DOE/NNSA, or designee, and the County shall own and maintain their respective electric SCADA Remote Terminal Units (RTU's). Each will maintain an inventory of their RTUs.
- C11.1.2.4 DOE/NNSA, or designee, shall maintain a baseline of the electric SCADA system, its current patches, revisions, and operating configurations, and shall provide such information to the Operating Committee as requested.
- C11.1.2.5 DOE/NNSA, or designee, shall develop an electric SCADA configuration change control procedure to document patches, revisions and operating configurations for electric SCADA control, analog and monitoring functions. DOE/NNSA and the County shall review and provide input to this procedure at least annually.

- C11.1.2.6 DOE/NNSA, or designee, and the County shall comply with the configuration change control procedure for their respective equipment connected to the SCADA.
- C11.1.2.7 DOE/NNSA shall coordinate and provide advance notice to LAC for any SCADA work that requires LAC staff support. DOE/NNSA shall plan and schedule their work that affects the operations of LAC facilities so that plant outages and customer outages are mutually agreed upon. DOE/NNSA shall provide timely SCADA support to LAC when there is a SCADA system failure. County and DOE/NNSA SCADA personnel will work jointly to resolve any communications problems.

C11.1.3 Communications

- C11.1.3.1 DOE/NNSA, or designee, shall maintain the electric SCADA CPU communications (e.g., Synchronous Optical Network (SONET) Ring) used for electric SCADA RTU communications. The County shall maintain its own communications associated with the electric SCADA CPUs and its RTUs.
- C11.1.3.2 DOE/NNSA, or designee, shall maintain the diagram for the SCADA CPU, SONET, and RTU communications delineating ownership.

C11.2 Approvals

Reserved.

C11.3 Attachments

Reserved.

C12 SNL/KAFB Scheduling Agent Services

C12.1 Policies & Procedures

C12.1.1 Written Guidelines

Each month the Los Alamos County (LAC) Manager of Operations is responsible to issue written guidelines to direct the hour-by-hour operations of the LAC Power System Operators. Copies of such written guidelines shall be included in the Operating Committee meeting handouts and submitted to Western Area Power Administration (WAPA) and the SNL/KAFB for their review and comment at their discretion.

C12.1.2 Power Scheduler Responsibilities for Hourly Load Profiles

The LAC Power Scheduler shall have responsibility to prepare and submit the hourly load profile information to Public Service Company of New Mexico (PNM). This information shall be developed from the most recent PNM SCADA data on interchange deliveries into SNL/KAFB and/or the PNM Profiler historical Actual Net Interchange information for similar days for SNL/KAFB. Adjustments may be made to reflect the anticipated impact on hourly loads from predicted changes in ambient temperatures. Additionally, the LAC Power Scheduler may recognize the anticipated load impact from projected SNL/KAFB operational changes, whenever such information is provided by the designated SNL/KAFB utility representatives. It shall be the designated SNL/KAFB utility representative's responsibility to advise the LAC Power scheduler of anticipated load changes of two (2) MW or more at least 48 hours in advance. If unanticipated load changes of two (2) MW or more occur, it shall be their responsibility to advise the LAC Power Scheduler as soon as practical.

C12.1.3 Power Scheduler Responsibilities for Short-Term Power

Prior to each operating season, the LAC Power Scheduler shall have responsibility to project the short-term power needs and/or surplus power that is projected for the upcoming operating season and make recommendations to WAPA for possible block energy transactions that might be made for the next operating season. As used herein, operating seasons shall mean WAPA's winter season (October-March) and summer season (April-September). Subject to the prior concurrence of the SNL/KAFB utility representative who may need to coordinate with others in NNSA Headquarters, WAPA may enter into additional seasonal transactions to address the projected needs and/or surpluses.

Alternatively, WAPA may advise the LAC Power Scheduler to handle the projected needs and/or surpluses through LAC month-ahead transactions. To facilitate the development of the following season's schedule, to the extent needed, conference calls will be held to obtain input from SNL, KAFB and LAC.

C12.1.4 Projecting Power Needs or Surplus

Prior to each operating month, the LAC Power System Supervisor shall have responsibility to project the short-term power needs and/or surplus power that is projected for the upcoming month and make recommendations to WAPA through the Operating Committee for possible energy transactions that might be made for the next month. LAC may enter into additional monthly transactions to address the projected needs and/or surpluses. Notification of scheduled monthly transactions shall be provided by e-mail to WAPA and NNSA SNL/KAFB utility representative. To the maximum extent practical monthly purchases and sales shall be scheduled on a combined basis for KAFB/SNL, LANL and LAC.

C12.1.5 Handling of Power Needs or Surplus

The LAC Power Scheduler may handle the projected needs and/or surpluses through LAC daily and/or hourly transactions. To the maximum extent practical weekly purchases and sales shall be scheduled on a combined basis for SNL/KAFB, LANL and LAC.

C12.1.6 Combined Operations

To the maximum extent practical, real-time operations shall be conducted on a combined basis for SNL/KAFB, LANL and LAC. Resource transactions responsibility and revenues shall be accounted for on an after-the-fact optimal basis.

C12.1.7 WAPA Hydropower Scheduling

Prior to each month, the LAC Power Scheduler shall have responsibility to prepare and submit the required hour by hour schedule for the KAFB allocation of WAPA hydroelectric power.

C12.1.8 Monitoring of Metering

LAC will monitor SNL/KAFB loads from Public Service Company of New Mexico's (PNM) real-time metering using the Inter-control Center Communications Protocol between LAC and PNM.

C12.1.9 Separate Handling of SNL/KAFB Scheduling

The LAC Power Scheduler shall develop and maintain a separate Power Scheduler for SNL/KAFB as an extension to the LAC Power Scheduler (Power Scheduling Software).

C12.1.10 SNL/KAFB PNM NITSA

WAPA will continue to contract with PNM for a NITSA/NOA to deliver power to SNL/KAFB. The administration of WAPA's NITSA/NOA is described below.

C12.1.10.1 Operate on WAPA's behalf its scheduling agent responsibilities required by the First Revised Service Agreement for Network Integration Transmission Service Agreement (NITSA) between PNM and WAPA and the First Revised Network Operating Agreement (NOA) between WAPA and PNM In accordance with an Operating Procedure executed among PNM, WAPA and LAC.

C12.1.10.2 All necessary NITSA ancillary services from PNM for the KAFB/SNL load, including spinning and non-spinning reserves and reactive supply, shall be purchased under the WAPA NITSA/NOA pertaining to KAFB/SNL. Operations oversight and monthly cost validation related to the ancillary services obtained shall be the responsibility of LAC.

C12.1.10.3 The return of energy for transmission losses shall be scheduled normally at either 1 MW or 2 MW each hour as necessary to satisfy the return of losses to PNM.

C12.1.10.4 If SNL/KAFB has excess power and LAC/LANL requires additional power, such power shall be made available to LAC/LANL on a first priority basis at a transaction price equal to the lower of actual cost or 95% of the Platts Four Corners Index (PFCI) price.

C12.1.10.5 If LAC/LANL has excess power and SNL/KAFB requires additional power, such power shall be made available to SNL/KAFB on a first priority basis at a LAPP market value transaction price.

C12.1.10.6 Excess SNL/KAFB power that is not assigned to meet LAC/LANL needs will be available for the LAC to sell to CRSP on a first priority basis before offering it to third Parties. Consistent with established LAC practices if neither LAC/LANL nor CRSP can utilize the excess, LAC will attempt to sell excess power hourly at a negotiated price or default to the PNM/LAC sales agreement or any successor agreement then in effect.

C12.1.11 Tagging

The normal practice shall be to require the suppliers to provide transaction tags to PNM for all resource transactions related to SNL/KAFB. It shall be the LAC power scheduler's responsibility to work with the block power suppliers and advise them of any split of power schedules to entities other than SNL/KAFB, e.g. portion to go to PNM for losses, or surpluses provided to LAC, and to verify that all required tags have been properly provided by the suppliers. If and when tags are not properly provided by the supplier, the LAC Power Scheduler shall prepare and submit the transactions tags to PNM for all resource transactions related to KAFB/SNL power supply needs and surplus power sales.

C12.1.12 Handling of Imbalance Penalties

In the event that the combined operations incur any Schedule 4, Imbalance penalties, written documentation as to the cause, cost responsibility and recommendations for future avoidance of similar penalties shall be prepared by the Power Scheduler and submitted to the Operating Committee, WAPA and the NNSA SNL/KAFB utility representative for review and possible action. Monetary penalties shall be reviewed by the Operating Committee and if, in their sole discretion, such penalties cannot be clearly attributable to the errors of either party, or if the penalties should reasonably have been avoided by the Power Schedulers, then the penalties shall be shared by the LAC, LANL and SNL/KAFB based on SNL/KAFB's proportionate share of the combined monthly energy for the operating month(s) during which the penalty relate.

C12.1.13 Purchasing-Selling Entity

LAC shall function as the Purchasing-Selling Entity (PSE) for the combined LAC-SNL/KAFB load-resource pool pursuant to a delegation letter to be signed by authorized representatives of SNL/KAFB and LAC. SNL/KAFB shall have the opportunity to review all compliance documentation generated by LAC.

C12.1.14 Manpower Requirements

C12.1.14.1 Scheduling agent services for SNL/KAFB are provided by the same staff listed under Operating Procedure A2, section 1.1.4. The Power System Operators are County employees with direct supervision provided by the LAC Power System Supervisor. The Operating Committee shall be responsible for approving any necessary changes in the number of Power System Operators required to support scheduling agent services for SNL/KAFB.

C12.1.15 Cost Allocation

C12.1.15.1 SNL/KAFB shall pay a portion of the total expenses of the combined operation and coordination of the Approved Resources, include funding and operating the load dispatch center and the employment of a Manager of Operations. This SNL/KAFB portion shall be calculated monthly by the following two-step process. First, all of the Scheduling Agent Services costs will be totaled. The portion allocable to SNL/KAFB will be determined by the ratio of (i) the total energy use by SNL/KAFB (Metered data from PNM) to (ii) the combined LAC/LANL (Metered ANI provided by LANL) and SNL/KAFB energy use for the billing month, multiplied by the total cost. The SNL/KAFB allocable costs determined by this process shall be billed directly to the Western Area Power Administration. Second, all remaining Scheduling Agent Services costs will be included in the monthly LAC/LANL settlement sheet and allocated 100% demand.

C12.1.16 Billing & Payment

C12.1.16.1 Billing: LAC will submit an estimated monthly invoice to WAPA with a copy to SNL and KAFB utility representative by the end of each month for all estimated Scheduling Agent Services expected to be rendered during that month for SNL/KAFB, plus the net of SNL/KAFB estimated supplemental power purchases for the current month and actual sales for the prior month.

WAPA will issue its estimated invoice for the prior month to SNL and KAFB utility representatives for the NITSA, SLCA/IP Allocation, and WRP including the estimated invoice from LAC (as described herein) by the second (2nd) day of each month.

Estimated and actual costs of dispatch, purchases and sales will be reconciled on the next month's invoice.

C12.1.16.2 Payment: WAPA will pay any amount due to LAC, based on the estimated invoice by the twentieth (20th) day of the following month. Payment will be electronically transferred by WAPA into LAC's designated account. In the event that the revenue from sales of excess SNL/KAFB power exceeds the estimated monthly costs for the Scheduling Agent Services and any supplemental purchases, such net amount will be paid by electronic transfer into WAPA's designated account by LAC within seventy-two (72) hours of receipt of such sales revenue.

Pursuant to the Interagency Agreement (87-SLC-0029) between KAFB and WAPA and the Base Support Agreement (FB4469-00286-610) between NNSA and KAFB, KAFB will pay WAPA for the services rendered by LAC, as well as for the NITSA, SLCA/IP Allocation, and WRP services no later than fifteen (15) days following receipt of invoice.

C12.1.17 Term

C12.1.17.1 This Operating Procedure shall become effective on August 1, 2026, and shall remain in effect through July 31, 2036, unless terminated upon one (1) year advance written notice given by either Party to the other Party.

C12.2 Approvals

Reserved.

C12.3 Attachments

Reserved.

C13 Load Serving Entity Functions by County for NNSA

C13.1 Policies & Procedures

C13.1.1 County Responsibilities

County will respond to directives communicated through/from Balancing Authority PNM. County will also notify DOE/NNSA and its M&O Contractor of any directives.

C13.1.2 PNM Responsibilities

PNM provides Intermittency services via the Energy Imbalance Market. PNM will provide directives during energy emergencies if the EIM is insufficient.

C13.1.3 Interruptible Demands and Direct Control Load Management

Interruptible Demands and Direct Control Load Management (DCLM) Data: NERC Reference Standard MOD-031-3 Energy and Demand Data R1. County will provide upon request energy and demand data to planning coordinator (PNM), for interruptible demands and DCLM to Transmission Operators, Balancing Authorities on request within 30 calendar days. Evidence required by County: Provide list of interruptible demands to NNSA by January 31 of each year to ensure they are available if requested. If there are no interruptible demands, County shall provide documentation stating so.

C13.1.4

Normal Operations Planning: County shall coordinate LASA's current-day, next-day, and seasonal operations with the Balancing Authority and Transmission Service Provider. Evidence required from County: Next Day load and seasonal operations forecast is transmitted by County to Balancing Authority prior to the upcoming month. County shall provide documentation to NNSA by January 31 each year.

C13.2 Approvals

Reserved.

C13.3 Attachments

Reserved.

Section D Planning Procedures

D1 Planning Studies

D1.1 Policies & Procedures

D1.1.1 Commissioning of Studies for Reliability and Resource Adequacy

The Operating Committee shall commission studies, as necessary, to assess the reliability and adequacy of the LAPP. A listing of typical studies follows.

- a. Transmission line and generation outage conditions
- b. Reactive Power Correction
- c. Fault Current Studies
- d. WECC & NERC Compliance
- e. Integrated Resource Plan (Power Supply Study)
- f. Long term power requirements
- g. Feasibility of adding new approved resources
- h. Gap analysis as appropriate

D1.1.2 Commissioning of Studies for Potential Resource Additions

The Operating Committee shall commission studies to assess potential resource additions to meet future load and reliability requirements as indicated by the results of the studies performed in Section 1.1 above.

D1.2 Approvals

D1.2.1 Commissioned Studies

The Operating Committee shall select a person or firm to prepare “commissioned” studies and appoint a Project Manager to represent the interest of the LAPP to carry-out commissioned studies.

D1.2.2 Submittal of Reports

All formal reports and studies shall be submitted to the Operating Committee for review and approval.

D1.3 Attachments

Reserved.

D2 Participation in Electrical Industry Organizations

D2.1 Policies & Procedures

D2.1.1 Professional Organizations Membership

The County will continue to maintain memberships in the following organizations and their successors, as needed for compliance, business and regulatory purposes.

- a. American Public Power Association (APPA)
- b. Utah Associated Municipal Power Systems (UAMPS)
- c. Western Electricity Coordinating Council (WECC)
- d. WSPP
- e. Colorado River Electrical Distributors Association (CREDA)
- f. Vendor “user groups”, transmission organizations, and associations, as necessary, to carry out the responsibilities of the job and maintain a current knowledge base

D2.1.2 Professional Organizations Meetings Attendance

The Manager of Operations, or his designated representative, shall represent LAPP at meetings of the above-listed organizations.

D2.1.3 Evaluation of Continued Membership

The Manager of Operations shall evaluate continued memberships in these or other organizations and make recommendations to the Operating Committee for any changes recommended.

D2.1.4 Evaluation of New Membership

The Manager of Operations shall evaluate the benefit of becoming a member of other industry planning, marketing, and operating groups and if beneficial, recommend pursuing membership to the Operating Committee.

D2.2 Approvals

D2.2.1 New Memberships Review and Approval

The Operating Committee shall review and approve the recommendations for new memberships.

D2.2.2 Funding Approval

Funding for the above must be contained in an approved budget before Operating Committee can expend funds for the above matter.

D2.3 Attachments

Reserved.

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U.S. Department of Energy
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REPORTING REQUIREMENTS CHECKLIST

Submit by Email

Program/Project Name: Identification Number:

Participant Name: Address:

City: State: Zip Code: Phone Number:

PLANNING AND REPORTING REQUIREMENTS

Report Name	Frequency	Copies	Address	Report Name	Frequency	Copies	Address
A. General Management				E. Scientific and Technical Information (STI) DOE F 241.1 available at http://www.osi.gov			
☐ Management Plan (Requires COR Approval)				☐ Technical Progress Report (Annual Accomplishment Report)			
☐ Status Report				☐ Draft for Review			
☐ Summary Report				☐ Final for Approval			
B. Schedule / Labor / Cost				☐ Conference Report			
☐ Milestone Schedule / Plan				☐ Final Technical Report			
☐ Labor Plan				☐ Draft of Review			
☐ Facilities Capital Cost of Money Factors Comp.				☐ Final for Approval			
☐ Contract Facilities Capital and Cost of Money				☐ Software			
☐ Cost Plan				Other			
☐ Milestone Schedule / Status				F. Other Reports (Not Science and Technical Information, SIT)			
☐ Labor Management Report				☐ Draft for Review			
☐ Cost Management Report				☐ Final for Approval			
C. Exception Reports				Other			
☐ Conference Record				G. Miscellaneous Other Reports			
☐ Hot Line Report				Small Disadvantage Subcontracting Plan Reports available at eSRS website .			
D. Performance Measurement				☐ Individual Subcontracting Report (formerly SF294)			
☐ Management Control System Description				☐ Summary Subcontracting Report (formerly SF295)			
☐ WBS Dictionary				Government Property Reports (41 CFR 102-36.295) available at DOE Forms website .			
☐ Index				☐ DOE F 4300.3 Semi-Annual Report of DOE Owned Plant and Capital Equipment			
☐ Element Definition				☐ Property Information Database Report			
Cost Performance Reports				Work Environment, Health & Safety Plan (10 CFR 851)			
☐ Format 1 - WBS				☐ Initial Submission			
☐ Format 2 - Function				☐ Updates			
☐ Format 3 - Baseline							
Financial Incentives							
☐ Statement of Income and Expense							
☐ Balance Sheet							
☐ Statement of Changes in Financial Position							

Additional Reports not listed above

Report Name	Frequency	Copies	Address	Report Name	Frequency	Copies	Address
Quarterly Power Pool Meeting Notes	Q	1	A, B, C	Other			
Monthly Invoices and Billing	M	1	A, B, C	Other			
Planning Studies	F	1	A, B, C	Other			
Operating Procedures	A	1	A, B, C	Other			
Other				Other			
Other				Other			
Other				Other			
Other				Other			
Other				Other			
Other				Other			
Other				Other			
Other				Other			
Add Row				Delete Row			

Addresses

Notes: Address Code "E" = Front page of report required only. Address Code "F" = Copy of transmission page of document which was submitted to COR required.

A.

Organization: Attn: Address:

City: State: Zip Code: email: Fax Number:

B.

Organization: Attn: Address:

City: State: Zip Code: email: Fax Number:

C.

Organization: Attn: Address:

City: State: Zip Code: email: Fax Number:

D.

Organization: Attn: Address:

City: State: Zip Code: email: Fax Number:

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REPORTING REQUIREMENTS CHECKLIST

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Program/Project Name:Electrical Power Services for LANL

Identification Number:89233126CNA000436

Frequency Codes:
A - As Required
C - Change to Contractual Agreement
F - Final (end of effort)
D - Daily

BM - Bimonthly
M - Monthly
O - Once After Award
Q - Quarterly

S - Semi-Annually
X - With Proposal / Bid / Application or with Significant Changes
Y - Yearly or Upon Renewal of Contractual Agreement / Revision of Task Assignment
W - Weekly

Prepared by (Program Manager / COR)

Reviewed by (Contract Specialist / Contracting Officer)

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U.S. Department of Energy
National Nuclear Security Administration
REPORTING REQUIREMENTS CHECKLIST

Program/Project Name:

Electrical Power Services for LANL

Identification Number:

89233126CNA000436

PLANNING AND REPORTING REQUIREMENTS

Types of Reports and Customary Uses

The checklist identifies and communicates reporting requirements. The checklist will be completed for each contract. If necessary, special instructions may be appended to modify the checklist to adapt it to specific situations. Below are definitions of the terms used in the checklist.

A. GENERAL MANAGEMENT REPORTS

These summarize schedule, labor, and cost plans and status for rapid overview by senior managers, and provide appropriate narrative explanation of status variance from plan.

A-1 Management Plan

The "Management Plan" describes the participant's approach to performing the effort and producing the products identified in the contractual agreement, and the technical, schedule, cost, and financial management control systems to be used to manage that performance. The "Management Plan" is commonly required as part of the proposal and becomes a binding part of the contractual agreement. The content and level of detail in the "Management Plan" vary with the types of contractual agreement and the nature of the work involved; however, they must be sufficiently comprehensive to describe the planned execution, management, and results of the work. The participant may attach existing materials (e.g., company personnel management procedures) as appropriate. Figure A-1 shows an example "Management Plan" outline which should be modified and applied as appropriate to specific applications. The plan should include:

1. A brief consolidated executive summary permitting general management to quickly comprehend the most significant components of the plan. This summary should be sufficient to present a comprehensive overview of the project and should stress the logical interrelationships among the significant planned components.
2. A brief introduction including a background (e.g., legislative, scientific, sociological, and historical) that demonstrates the participant's understanding of the problems, both management and technical, associated with the proposed effort.
3. An overall description of planned accomplishments, including technical, schedule, cost, and financial results, and how they interrelate. When required, the "Work Breakdown Structure Dictionary" and the "Management Control Systems Description" normally required under CSCSC will be included in this section.
4. A description of the management systems employed to control cost and schedule performance, including a discussion of the organizational components responsible for cost and schedule management, and an explanation of planning, budgeting, accounting, and analytical procedures and systems.
5. A description of the technical support systems and controls employed to enable and control the planned technical results, including systems engineering, configuration management, quality assurance, safety engineering, environmental engineering, data processing, and any other systems, as applicable.
6. A description of the administrative support system's and controls employed to facilitate execution of the contract. The description should include an overview of those systems that support general corporate efforts but which are not dedicated to specific project activities.
7. For loans and loan guarantees, a description of the financial support systems and controls employed to ensure accomplishment of planned financial results, including income, expenses, cash, inventory, receivables, fixed assets, payables, current and long-term liabilities, equity, and any other applicable items.

A-2 Status Report

The "Status Report" is the participant project manager's concise narrative assessment of the status of the work being performed under the contractual agreement. DOE management uses the report to monitor status and to provide early recognition of potential problem areas. The report highlights changes to objectives, changes to technical approach, task variances from baseline in excess of stipulated thresholds by reporting element, causative factors, and actions taken or proposed to resolve them, as well as factors with potential for causing significant variances in the future. Task progress may also be highlighted. The report next identifies open items requiring action by DOE or the participant. The report also provides a summary assessment of the current situation, including a forecast of the near future and the expected impact on project accomplishment. The report may be accompanied by attachments. For contracts, the report includes, as attachments, funding status, funding by time period, and a cost change reconciliation.

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REPORTING REQUIREMENTS CHECKLIST

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Program/Project Name:

Electrical Power Services for LANL

Identification Number:

89233126CNA000436

A-3 Summary Report

A summary presentation of integrated cost, labor, and schedule information for rapid analysis and trend forecasting. Most data are presented graphically.

B. SCHEDULE/LABOR/COST**B-1 Milestone Schedule Plan/Status Report**

A dual-purpose format to establish a baseline schedule and then indicate performance status for each reporting element identified in the award instrument.

B-2 Labor Plan

A baseline plan to allocate direct labor to each reporting element required by the contractual agreement.

B-3 Facilities Capital Cost of Money Factors Computation

The purpose of this form is to (a) accumulate total facilities capital net book values allocated to each business unit for the participant cost accounting period and (b) convert those values to facilities capital cost of money factors applicable to each overhead or general and administrative expense allocation base employed within a business unit.

B-4 Contract Facilities Capital and Cost of Money

The purpose of this form is to compute the estimated facilities capital to be employed for a specific contract proposal. An intermediate step is to compute the estimated facilities capital cost of money, using the Facilities Capital Cost of Money Factors developed on Form(s) CASB-CMF. This procedure is intended to be fully compatible with Cost Accounting Standard 414, "Cost of Money as an Element of the Cost of Facilities Capital", and extend those criteria and techniques to prospective periods for forward pricing purposes. Measurement of the amount of facilities capital employed is discussed in FAR 31.205-10.

B-5 Cost Plan

This establishes the plan for accruing total costs for the life of the contractual agreement.

B-6 Milestone Schedule Plan/Status Report

A dual-purpose format to establish a baseline schedule and indicate performance status for each reporting element identified in the award instrument.

B-7 Labor Management Report

A periodic report of the status of actual and projected labor expenditures and their variances from the approved "Labor Plan" for a contractual agreement.

B-8 Cost Management Report

A periodic report of the status of actual and estimated accrued costs and their variances from the current approved "Cost Plan" for a contractual agreement. The report will be used by the Government to monitor the status of the contractual agreement, verify the reasonableness of the participant's invoices, report costs accrued during the reporting period, and estimate costs to be accrued during the subsequent report period(s).

C. EXCEPTION REPORTS

These reports are used to inform DOE of any unusually significant events and document the participant's understanding of DOE/participant discussions.

C-1 Conference Record

Documents for the DOE project manager, DOE contracting officer, and the participant an understanding of significant decisions, direction or redirection, or required actions resulting from meetings with DOE representatives. It is required for any meeting, conference, or phone conversation in which a decision is made that may change the schedule, labor, cost, or technical aspects of the contractual agreement or the approved baseline plans.

U.S. Department of Energy
National Nuclear Security Administration
REPORTING REQUIREMENTS CHECKLIST

Program/Project Name:

Electrical Power Services for LANL

Identification Number:

89233126CNA000436

C-2 Hot Line Report

This is essentially an expedited "Conference Record." Identification as a "Hot Line Report" serves notice at each link in the delivery chain that speed in handling is required. Unless otherwise agreed by the parties involved, DOE is expected to take action and respond in a similarly speedy manner. These reports may be used to report a major breakthrough in research, development, or design; an event causing a significant schedule slippage or cost overrun; achievement or failure to achieve an important technical objective; or any requirement for quickly documented direction or redirection.

D. PERFORMANCE MEASUREMENT REPORTS

These provide information regarding the budgeted cost for work performed relative to the budgeted cost for work scheduled and the actual cost of work performed and provide for reporting data on performance measurement baseline maintenance and estimates at completion. Refer to DOE O 413.3-10 which EVMS for projects exceeding certain thresholds.

D-1 Management Control Systems Description

Performance measurement reports are normally required when the Cost and Schedule Control Systems Criteria of DOE 2250.1A are applied. However, the inclusion of the criteria in a solicitation or contractual agreement is not a requirement for submission of reports which are specified only by the "Reporting Requirements Checklist."

D-2 Work Breakdown Structure Dictionary

Management control systems Description and Work Breakdown Structure Dictionary are normally required of a contractor as part of "The Management Plan" when the cost and schedule control systems criteria are applied to a contract.

D-3 Cost Performance Report

A periodic report of budgeted, earned, and actual cost of work performed, and of budgeted and estimated costs at completion, with related variances by work breakdown structure element.

D-3a Work Breakdown Structure (Format 1)

Part 1-Index-The work breakdown structure index lists the preliminary work breakdown structure elements extended to the lowest level required. Specific project requirements may be added as needed. Work Breakdown Structure Dictionary Part II - Element Definition Part II describes the work breakdown structure elements contained in the Index and their relationship to design and funding documents. Specific project requirements may be added as needed.

D-3b Cost Performance Report - Functional Categories (Format 2)

A periodic report of budgeted, earned, and actual cost of work performed, and of budgeted and estimated costs at completion, with related variances, by functional organization.

D-3c Cost Performance Report - Baseline (Format 3)

This is a periodic report of revisions to the performance measurement baseline.

E. TECHNICAL-SCIENTIFIC AND TECHNICAL INFORMATION (STI)

The mission of the Office of Scientific and Technical Information (OSTI) is to advance science and sustain technological creativity by making R&D findings available and useful to Department of Energy (DOE) researchers and the American people. Ongoing strategies for accomplishing this mission. Office of Scientific and Technical Information (OSTI) requires that STI products and documents that provide findings, statistics, and analysis related to DOE research and development programs (excluding administrative documents) are appropriate for announcement to OSTI per DOE G 241.1-1A.

This information is to be submitted on the website <https://www.osti.gov/etlink/Technical Reports>, submitted on both a regular and as-required basis, are the primary means by which DOE disseminates scientific, technical, and engineering information acquired in the performance of DOE-supported efforts to the Department's researchers and program managers, and, when appropriate, the general public. This requirement shall be completed online per STI consists of information products, in any format or medium, derived from scientific and technical studies, work, or investigations that relate to research, development, demonstration, and other specialized areas such as environmental and health protection and waste management.

Program/Project Name:

Electrical Power Services for LANL

Identification Number:

89233126CNA000436

Scientific and technical information products may be unclassified unlimited, sensitive unclassified, export controlled, classified, or declassified. DOE-funded STI originates primarily from research and other activities performed by contractors for management, operation, or integration of DOE-owned/leased facilities, direct DOE-executed prime procurements, DOE-operated research activities, and financial assistance recipients, in addition to DOE employees. The definition from DOE G 241-1.1A is as follows: Scientific and Technical Information (STI).

- STI consists of information products, in any format or medium, derived from scientific and technical studies, work, or investigations that relate to
- research, development,
- demonstration,
- and other specialized areas such as environmental and health protection and waste management.
- Scientific and technical information products may be unclassified unlimited, sensitive unclassified, export controlled, classified, or declassified.

F. OTHER REPORTS (not OSTI)

This is required when program manager or contracting officer desires a technical report that does not require filing under OSTI requirements. A draft and/or a final may be required.

G. MISCELLANEOUS OTHER REPORTS

This is for any other contractual reports that the Program Manager/Contract Specialist would like to highlight.

Information of reports not addressed here are available online. The PIDS information is not a form, but report information that may be required from the contractor.

Property Information Database System (PIDS)

Non-M&O contractors are reminded that information needs to be collected on federally-owned property as well as Contractor-Acquired property used in Conjunction with Cooperative Agreements, Grants, Interagency Agreements, Non-maintenance and operation cost reimbursement contractors, and fixed-priced contracts. This report reflects reporting of Contractor's property statistics for the fiscal year. This information is made available to Congressional and other offices. This provides the means for reporting DOE and Contractor held property as follows:

- Equipment items valued \$5K to \$49,999
- Equipment valued at \$50K and above
- Sensitive items regardless of value

**EXHIBIT G PHYSICAL SECURITY
SECURITY REQUIREMENTS
TABLE OF CONTENTS**

<u>No.</u>	<u>Clause Title</u>	<u>Page</u>
G1.0	Definitions and Acronyms (Jan 2023)	2
G2.0	Security Requirements (Jan 2023)	2
2.1	DEAR Clauses Incorporated By Reference	2
2.2	DOE Directives Incorporated by Reference	3
2.3	Goal of Zero Security Incidents	4
G3.0	General Security (Jan 2023)	4
3.1	Work site, Security Area, Badge and Data Information	5
3.2	Integrated Safeguards and Security Management (ISSM)	5
3.3	Safeguards, Security and Counterintelligence Awareness	6
3.4	Security Training	6
3.5	Security Stop Work	7
3.6	Reporting Security Incidents	7
3.7	Workplace Violence	8
G4.0	Physical Security (Oct 2020)	8
4.1	Prohibited Articles	8
4.2	Escorting	9
4.3	Security Areas	10
4.4	Acknowledgement / Control of Vehicles On-Site	11
4.5	Enhanced Security Areas	11
4.6	Security Fences and Barriers	11
4.7	Parking on LANL Premises	11
G5.0	Personnel Security (Jan 2023)	11
5.1	Substance Abuse	12
5.2	Badges	15
5.3	Clearances (i.e., access authorizations)	17
5.4	Foreign Ownership, Control or Influence (FOCI)	19
5.5	Human Reliability Program	20
5.6	Foreign Visits and Assignments	21
G6.0	Information Security (Jan 2023)	21
6.1	Official Use Only (OUO) and TRIAD Proprietary (TPI) Information	22
6.2	Unclassified Controlled Nuclear Information (UCNI)	23
6.3	Classified Matter and Material	24
G7.0	Controlled Portable Electronic Devices / Wireless Technology (June 2022)	27
7.1	Use of Controlled Portable Electronic Devices (PEDs)	27
7.2	Approvals Required Before Commencement of Work	28
7.3	Rules for Using Authorized Controlled PEDs in Security Areas	28
7.4	Wireless Device Requirements	28
7.5	LANL and Other Government-owned Wireless Devices	28
7.6	Privately-Owned Controlled PEDs	29
7.7	Privately-owned Wireless Computing Devices	29
7.8	Connecting to Presentation Systems and Using Equipment Remote Controls	29
G8.0	Contacts (June 2022)	30
G9.0	Required Notifications (May 2015)	30
G10.0	Additional Requirements (Mar 2017)	30

G1.0 Definitions and Acronyms (Jan 2023)

Definitions and acronyms may be accessed electronically at

http://www.lanl.gov/resources/_assets/docs/Exhibit-G/exhibit-g-definitions-acronyms-green.pdf

G2.0 Security Requirements (Jan 2023)

SUBCONTRACTOR shall comply with all requirements specified in this exhibit. Regardless of the performer of the work (e.g. sub-tier or third party contractor) SUBCONTRACTOR shall ensure compliance with the provisions of this exhibit. All measures taken by CONTRACTOR to correct Subcontract Workers' non-compliance shall be at SUBCONTRACTOR'S expense, and the cost thereof, including any stipulated penalties resulting from such non-compliance, shall be deducted from payments otherwise due SUBCONTRACTOR. Additionally, when requested by CONTRACTOR, SUBCONTRACTOR shall provide such information, assistance and support as necessary to facilitate CONTRACTOR'S compliance with any DOE Directives that may be applicable to the scope of work.

Work on this subcontract shall be subject to random periodic inspections and assessment by LANL Security personnel to verify compliance with the security requirements in this Exhibit G.

2.1 DEAR Clauses Incorporated By Reference

2.1.1 The Department of Energy Acquisition Regulation (DEAR) clauses which are incorporated by reference herein shall have the same force and effect as if printed in full text.

2.1.2 Full text of the referenced clauses may be accessed electronically at
https://www.acquisition.gov/Supplemental_Regulations

2.1.3 The following verbiage alterations apply only to FAR and DEAR clauses wherever necessary to make the context of the unmodified DEAR clauses applicable to this subcontract and do not apply to DOE or NNSA Directives.

- The term "Contractor" shall mean "SUBCONTRACTOR;"
- The term "Contract" shall mean this subcontract; and
- The term "DOE", "Government," "Contracting Officer" and equivalent phrases shall mean CONTRACTOR and/or CONTRACTOR'S representative, except the terms "Government" and "Contracting Officer" do not change when a right, act, authorization, or obligation can be granted or performed only by the Government or the prime contract Contracting Officer or his duly authorized representative; or where specifically modified herein.

2.1.4 The following clauses apply as stated in the Instructions.

Clause Number	Title and Date	Instructions
DEAR 952.204-2	Security (Aug 2016)	Applies when work involves or may involve classified information, access to special nuclear materials or the provision of protective services.
DEAR 952.204-70	Classification / Declassification (Sep 1997)	Applies when work involves or may involve access to classified information.
DEAR 952.247-70	Foreign Travel (June 2010)	Applies if foreign travel may be required in order to perform subcontract work. If applicable, authorization is required from DOE prior to traveling.
DEAR 970.5204-1	Counterintelligence (Dec 2000)	Applies when DEAR 952.204-2 Security and DEAR 952.204-70 Classification / Declassification are applicable.
DEAR 970.5223-4	Workplace Substance Abuse Programs at DOE Sites (Dec 2000)	Applies to subcontracts with sites (LANL) controlled by DOE which are operated under the authority of the Atomic Energy Act of 1954.
FAR 52.204-9	Personal Identity Verification of Contractor Personnel (Jan 2011)	Applies when Subcontractor has routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system.

2.2 DOE Directives Incorporated by Reference

When requested by CONTRACTOR, SUBCONTRACTOR shall provide such information, assistance and support as necessary to ensure CONTRACTOR'S compliance with the following DOE/NNSA Directives, as applicable to the scope of work. SUBCONTRACTOR shall comply with the requirements of the Contractor Requirement Document (CRD) attached to a Directive when required by such CRD. The Directives are prefaced with certain conditions for applicability to the subcontract. **A referenced Directive does not become effective or operative under this subcontract unless and until the condition's precedent are met through the scope of work.** The DOE Directives referenced herein may be found at <http://www.directives.doe.gov/>. Applicable NNSA NAP documents may be provided to SUBCONTRACTOR by the Contract Administrator / Procurement Specialist (CA/PS) upon request.

Clause Number	Title	Instructions
DOE O 142.2A, Admin Chg 1, Attach. 2 CRD	Voluntary Offer Safeguards Agreement and Additional Protocol with the International Atomic Energy Agency	Applies to contracts which involve activities potentially subject to application of safeguards by the International Atomic Energy Agency (IAEA)
DOE M 142.2-1, Chg 2 Attach. 1 CRD	Manual for Implementation of the Voluntary Offer Safeguards Agreement and Additional Protocol with the IAEA.	Applies if contract involves activities associated with the IAEA Safeguards Agreement.
DOE O 142.3A, Chg 2 (MinChg), Attach. 1 CRD	Unclassified Foreign Visits and Assignments Program	Applies if contract involves foreign national access to DOE-owned or leased sites/facilities. Applies if contract involves any foreign national access to DOE information or technologies that are not releasable to the public.
DOE O 206.1 Chg 1, Attach. 1 CRD	Department of Energy Privacy Program	Applies if contract includes activities that may include collecting, processing, storing, maintaining or accessing LANL PII information or data.
DOE O 452.4C Attach. 1 CRD	Security and Control of Nuclear Explosives and Nuclear Weapons	Applies if contract includes work in support of the Nuclear Explosive and Weapon Security and Control Program.
DOE O 452.8 Attach. 1 CRD	Control of Nuclear Weapon Data	Applies if contract work requires workers to hold a clearance and have a need to know to perform in authorized government function.
DOE O 457.1A Attach. 2 CRD	Nuclear Counterterrorism	Applies if contract involves or could potentially involve accessing or generating nuclear weapon design information.
DOE O 460.2B Attach. 2 CRD	Departmental Materials Transportation & Packaging Management	Applies if contract involves transportation and packaging of hazardous or nonhazardous material.
DOE M 460.2-1A Attach. 1 CRD	Radioactive Material Transportation Practices Manual	Applies if contract involves transportation and packaging of radioactive material or radioactive waste.
DOE O 461.1C Chg 1 (MinChg) Attach. 1 CRD	Packaging and Transfer for Offsite Shipment of Materials of National Security Interest	Applies if contract includes packaging and shipment off-site of materials of national security interest.
DOE M 470.4B Chg 2 (MinChg) Attach. 1 CRD	Safeguards and Security Program	Applies when contract requires security training and/or requires a FOCI determination for access authorizations (clearances).
DOE O 470.5 Attach. 1 CRD	Insider Threat Program	Applies when contract includes activities that involve cleared workers, classified information or matter, Special Nuclear Material, nuclear weapons or parts, or when DEAR 952.204-2 is applicable.
DOE O 471.1B Attach. 1 CRD	Identification and Protection of Unclassified Controlled Nuclear Information	Applies to work activities that may generate, possess, or have access to information or matter containing UCNI.

Clause Number	Title	Instructions
DOE O 471.6 Chg 3, Attach. 1 CRD	Information Security	Applies if contract includes access to unclassified or classified information and matter controlled by statutes, regulation or NNSA policies.
DOE O 471.7, Attach. 1 CRD	Controlled Unclassified Information	Applies if contract involves activities where Controlled Unclassified Information (CUI) information and documents will be handled, used or generated.
DOE O 472.2A, Attach. 2 CRD	Personnel Security	Applies if contract work requires employees to hold a clearance and/or when official duties require access to classified information or matter, or special nuclear material or data.
DOE O 473.1A, Attach. 1 CRD	Physical Protection Program	Applies if contract includes responsibilities for operating, administering, and/or protecting DOE & NNSA safeguards and security interests.
DOE M 474.2 Chg 4 (PgChg), Attach. 1 CRD	Nuclear Material Control and Accountability	Applies if contract includes access to nuclear or special nuclear material or data.
DOE O 475.1 Attach. 2 CRD	Counterintelligence Program	Applies if contract work involves access to or use of DOE facilities, technology, personnel, unclassified sensitive information and classified matter.
DOE O 475.2B Attach. 1 CRD	Identifying Classified Information	Applies if contract work includes access to classified information, documents, or material.
DOE O 550.1, Chg 1, Attach. 1 CRD	Official Travel	Applies if contract work involves or could potentially involve official travel.
DOE O 5639.8A	Security of Foreign Intelligence Information and Sensitive Compartmented Information Facilities	Applies if contract work requires access, receipt, storage, processing and/or handling of Foreign Intelligence Information.
NAP 476.1, Admin Chg 1, Attach 1 CRD	Atomic Energy Act Control of Import and Export Activities	Applies if contract involves or could potentially involve CONTRACTOR Tier 2 specifications that reveal a specific nuclear weapon function or nuclear weapon tests and explosions.
NNSA SD 206.1, Attach. 1 CRD	Privacy Program	Applies if contract involves or could potentially involve activities to handle, collect, control, maintain, or access documents, records, federal information, information technology or information systems that contain or store Privacy Act information and PII for NNSA.
NNSA SD 471.6, Attach 1 CRD	Operations Security Program	Applies if contract involves access to data or information pertaining to; mission activities, acquisitions, supply chain, research and design, performance data, and other sensitive activities conducted on behalf of NNSA.

2.3 Goal of Zero Security Incidents

SUBCONTRACTOR and any lower-tier subcontractors shall strive to eliminate all security events, incidents, and adverse impacts to national security.

G3.0 General Security (Jan 2023)

3.1 Work site, Security Area, Badge and Data Information

WORK SITE / TA:	
	DOE owned/leased (LANL) or CONTRACTOR owned/leased facility or property
	Subcontractor owned/leased <u>and</u> DOE Owned / Leased (LANL) facility or property
	Subcontractor owned/leased only

TYPE / CATEGORY	
	Subcontract
X	Subcontract Master Task Order / Basic Agreement
	Subcontract Release
	Purchase Order (will not become a Subcontract)

ON-SITE WORK AREA DESIGNATION	
X	General Access Area / Publically Accessible (GAA)
X	Property Protection Area (PPA)
X	Limited Area (LA)
X	Protection Area (PA)
X	Material Access Area (MAA)
	SCIF, SAPF, certified Vault or Vault Type Room (VTR)

BADGE TYPE / CLEARANCE LEVEL	
X	LANL Generic Uncleared US Visitor badge
X	LANL Generic Uncleared US Visitor Escort Required badge
X	LANL Uncleared Site-specific badge
	LANL Uncleared Foreign National badge
	LANL Cleared Foreign National badge
X	Uncleared DOE badge
	L-Cleared DOE badge
	Q-Cleared DOE badge
	HRP

DATA CLASSIFICATION	
	Classified
X	UCNI
X	Controlled Unclassified (OUO, CPI, PII, ECI, AT, NNPI, RSI)
X	Unclassified / sensitive
X	Unclassified / Public Release

OPSEC PLAN	
	Required
	Not Required

3.2 Integrated Safeguards and Security Management (ISSM)

ISSM uses a five-step process to perform work securely. ISSM provides a framework to support each worker in fulfilling their security responsibilities. The following five-step process defines a systematic approach to actions taken before, during, and after work is performed. SUBCONTRACTOR shall ensure that the ISSM five-step process (or an equivalent process) is followed by all Subcontract Workers.

- (1) Define the Scope of Work.

- (2) Analyze the Security Risk.
- (3) Develop and Implement Security Controls.
- (4) Perform Work within Security Controls.
- (5) Ensure Performance.

3.3 Safeguards, Security and Counterintelligence Awareness

3.3.1 Operations Security (OPSEC) Plan

SUBCONTRACTOR shall develop (with assistance from CONTRACTOR), implement and sustain a DOE OPSEC Plan using the template provided by the Contract Administrator / Procurement Specialist. SUBCONTRACTOR'S OPSEC Plan shall be approved by CONTRACTOR before work may begin at or for LANL. A link to the OPSEC Plan template is <http://www.lanl.gov/resources/exhibit-g.php>

3.3.2 Subcontract Workers shall report all of the following situations to the Office of Counterintelligence and inform the RLM or STR/AdSTR and CA / PS.

- Professional contacts and relationships with sensitive country foreign nationals, whether they occur at one's worksite or abroad.
- All unofficial travel to any DOE sensitive country at least 30 days before departure. (Form 1743)
- All official travel to any DOE sensitive country at least 30 days before departure. Coordinate with LANL host to fill out the necessary paperwork.
- Any suspicious or provocative actions encountered while on travel.
- Suspicious or provocative actions or behaviors on the part of foreign nationals visiting or assigned to LANL.
- Substantive personal relationships with sensitive country foreign nationals (who are not lawful permanent residents), other than family members.
- Business transactions including financial transactions, partnerships, or other business interests or investments with citizens of sensitive countries who are not lawful permanent residents, whether they involve one-time interactions or ongoing financial relationships. (Small payments for things such as house cleaning or other such personal services or financial support provided to family members are not included).
- Any attempts by unauthorized persons to gain access to classified information. (Not limited to DOE sensitive country foreign nationals or foreign nationals; includes US and non-US citizens)

3.3.3 SUBCONTRACTOR shall be alert to and report any of the following to the RLM and STR/AdSTR:

- attempts by unauthorized persons to obtain information;
- unexplained / excessive use of copiers by workers;
- workers living beyond their means;
- unreported contact with foreign nationals;
- unauthorized downloads of information;
- attempts to encourage others to violate laws or security policies
- unusual foreign travel patterns of workers; and
- personal problems of workers that could affect security or fitness for duty.

3.4 Security Training

3.4.1 SUBCONTRACTOR shall ensure that all Subcontract Workers:

- become familiar with the Integrated Safeguards and Security Management (ISSM) process and its implementation requirements for the work to be performed and their security responsibilities; and
- complete required safeguards, security and cyber-security training as indicated herein.

- 3.4.2 The training matrix below identifies security training Subcontract workers may be required to complete before beginning work at or for LANL. An "X" before the name of the course indicates that such training is required under this subcontract.

SUBCONTRACTOR management shall review the security requirements indicated below with each worker. A signed official copy of the review and acceptance by the subcontract worker shall be kept on file with SUBCONTRACTOR. Each Subcontract worker's security requirements shall be reviewed with management yearly or whenever the worker's job security duties change.

A link to available web-based training can be found at <https://extrain.lanl.gov/>

Required Course	Course Title - Required For	Frequency	Estimated Time to Complete Training
General Security			
X	General Employee Training (GET) – Workers on-site >10 days in 12 month period / Live or web	Once	8 hrs.
X	Incident Reporting and Protective Actions – All / web	12 months	10 min.
	Facility Security Officer Orientation – FOCI Determination for clearances / web	Once	2 hrs.
	Annual Security Refresher (ASR) – L & Q-cleared Workers / web	12 months	1 hr.
	Comprehensive Security Briefing - L & Q-cleared Workers / web	Once	2 hrs.
X	Export Control Fundamentals – Based on SOW / web	12 months	30 min.
X	Substance Abuse Awareness – All / web	Once	30 min.
X	Beryllium General Overview – All / web	24 months	30 min.
X	DOE Insider Threat Awareness – L & Q-cleared workers / web	12 months	30 min.
Information Security			
	Protecting UCNI – workers with access to UCNI / web	Once	1 hr.
Classified Matter Protection And Control			
	Classified Matter Protection - L & Q-cleared Workers / web	Once	2 hrs.
	CMPC User Refresher – L & Q-cleared Workers / web	24 months	1 hr.
Cyber Information Security			
	Initial Information Security Briefing – All computer Users / web	Once	1 hr.
	Annual Information Security Refresher – all computer users / web	12 months	30 min.
Human Reliability Program			
	HRP Training for HRP Workers - workers / web	12 months	20 min.
Protecting Classified & Sensitive Information			
	Protecting UCNI - Users of Unclassified Controlled Nuclear Information (UCNI) / web	Once	1 hr.
Physical Security			
	Escort Responsibilities - Escorts & Vault or Vault Type Room Users, Custodians / web	12 months	30 min.
	The Outsider - Vault or Vault Type Room Users (AIS Escorts) / web	Once	1 hr.
	Vault or Vault Type Room User - Vault or Vault Type Room Users / web	12 months	10 min.
Site-Specific Training			

3.5 Security Stop Work

When any Subcontract worker observes a security related hazard or unmitigated risk, the worker has the authority and responsibility to inform any worker engaged in that work that the work be stopped.

3.6 Reporting Security Incidents

This subsection contains requirements for identifying and reporting known and potential incidents of security concern. Such incidents may involve issues associated with Personally Identifiable Information (PII), ECI, UCNI, classified matter, computer systems, nuclear materials, secure communications, personnel security occurring on-site or off-site; and physical security occurring on LANL property, Laboratory-leased property or SUBCONTRACTOR-owned property. Subcontract workers shall comply with the following requirements.

3.6.1 *Immediately* upon discovery of a potential and/or reasonably suspected incident of security concern, report such concern to the Security Incident Team (SIT) (505-665-3505) or a SPL / DSP; and inform the RLM, and STR/AdSTR. During normal business hours, notifications shall be made only in person or through secure communications (STU or STE) as required below. A non-secure telephone, non-secure fax, non-secure voice mail, or non-secure electronic mail shall not be used to report a potential incident of security concern.

3.6.1.1 The potential compromise of PII shall be reported *immediately* upon discovery to the SIT or SPL / DSP. A potential compromise of PII is considered a serious information security incident because of the possibility of significant adverse consequences to the individual whose data has been compromised.

3.6.1.2 *Immediately* report all security incidents and potential threats and vulnerabilities involving LANL data utilized by the SUBCONTRACTOR to the SIT or SPL / DSP, and then notify the appropriate ISSO or OCSR, RLM and STR/AdSTR.

3.6.1.3 After discovery of any incident involving the loss, compromise, or unauthorized disclosure of classified matter, report the incident *immediately* to the SIT or SPL / DSP, then inform the assigned OCSR, RLM and STR/AdSTR.

3.6.1.4 After discovery of any incident involving the loss, theft, diversion, or unauthorized use of nuclear material, report the incident *immediately* to Material Control & Accountability Group or the SIT or SPL / DSP.

3.6.2 Contact Requirements Outside of Normal Business Hours

For all incidents contact the Security duty officer through the Protective Force at 505-665-7708, *immediately* after discovery of a potential incident of security concern. The Security on-call duty officer may ask to meet with the SUBCONTRACTOR in person so that SUBCONTRACTOR may report such known or potential incidents of security concern, if secure communications are not available.

3.7 Workplace Violence

LANL maintains a work environment that is free from violent behavior and threats of violence. Violent behavior and threats of violence are unacceptable conduct and are prohibited. Any subcontract worker who participates in workplace violence will be barred from the LANL worksite and their employer shall be notified. Workplace violence is behavior that involves:

- hostile or aggressive physical contact with another person;
- a statement or body gesture that threatens harm to another person; or
- a course of conduct that would cause a reasonable person to believe that they are under threat of harm.

G4.0 Physical Security (Oct 2020)

4.1 Prohibited Articles

Prohibited Articles are those items never permitted on DOE property (e.g. LANL), which includes leased facilities and parking lots. SUBCONTRACTOR shall ensure that prohibited articles are not brought on to DOE property. Introducing an unauthorized prohibited article onto DOE property is a reportable security incident that may result in legal action. Prohibited articles include:

- Dangerous weapons (e.g., guns and knives), explosives, or other instruments or material likely to cause substantial injury or damage to persons or property; includes pocket, hunting or other sharp knives with blades longer than 2.5 inches;
- Non-government-owned firearms;
- Alcoholic beverages, including unopened bottles or cans;

- Controlled substances such as illegal drugs and associated paraphernalia, including medical marijuana, but not other prescription medicine; and
- Items prohibited by local, state or federal law;
- Pepper spray and/or mace;
- Privately owned Unmanned Aerial Vehicles (UAVs), drones, unmanned aircraft systems and remotely piloted aircrafts, etc.and
- Other items that may pose a safety, security or environmental hazard; as determined by LANL security professionals.

4.2 Escorting In addition to any facility-specific escorting requirements, SUBCONTRACTOR shall ensure that all LANL escorting requirements listed below are complied with while in a Security Area (including Property Protection Areas) whether escorting individuals or being escorted by another individual.

An Activity Security Plan (ASP) shall be developed by the LANL host when escorting in PPAs will occur outside normal operating hours. SUBCONTRACTOR shall comply with all ASP requirements.

4.2.1 Uncleared foreign nationals are allowed unescorted in publicly accessible Laboratory property only.

Uncleared foreign nationals are not permitted in Security Areas and only under extraordinary circumstances should an exception be requested. Uncleared foreign nationals may only be escorted into a security area if prior approval has been obtained from DOE/HQ and local security officials. This approval process takes a minimum of eight (8) weeks.

4.2.2 An Uncleared US citizen Subcontract worker may be authorized for escorted access into a Security Area only if such individual:

- is entering an area to conduct official LANL business that can be accomplished only in a Security Area, or
- has a skill or ability that is required and cannot be provided by another person who has the required clearance (i.e., access authorization) level.

4.2.3 The following Subcontractor workers shall be escorted in a Security Area:

- Uncleared US citizens;
- US citizen visitors who do not have a cleared DOE-standard badge; and
- L-cleared US citizens in a Q-Only Security Area.

4.2.4 All US citizens escorted into a Security Area shall wear one of the following:

- An Uncleared DOE standard badge;
- A LANL Generic Uncleared US Citizen Visitor Badge or;
- A LANL Generic Uncleared US Citizen ESCORT REQUIRED Visitor Badge.

4.2.5 Subcontract Workers who are being escorted shall:

- Provide a valid photo ID;
- State their country of citizenship for their escort before entering a security area;
- Log in, pursuant to the manner required by the LANL owning / tenant organization, before entering a security area or a PPA controlled by an electronic badge reader;
- Physically remain with his or her escort upon entry, during the visit and upon exit of a security area.
- Comply with all requirements outlined by the escort;
- Display a valid badge at all times.

4.2.6 Subcontract Workers serving as escorts have the following responsibilities:

- Complete "Escort Responsibilities" training course prior to escorting individuals;
- Be a US Citizen and possess a valid DOE badge and clearance level for the Security Area being accessed;

- Ensure the Worker being escorted has a valid photo ID prior to issuing any badge;
- Ensure each Worker being escorted is a US citizen through their statement of such status;
- Provide Worker with clear instructions on the rules of behavior and consequences for failure to comply, before granting access to facilities and/or information systems;
- Confirm that each Worker displays their assigned badge whenever in a Security Area;
- Review prohibited and controlled article restrictions with each Worker prior to escorting such Worker;
- Protect classified and unclassified controlled matter, information or discussions from unauthorized access by a Worker;
- Log in each Worker by whatever method is provided at the facility being accessed;
- Notify area occupants of the presence of an Uncleared Worker;
- Maintain control of each Worker at all times;
- Implement any facility-specific escorting requirements as required;
- Immediately notify the Requester/RLM and STR/AdSTR of any incident of security concern;
- Escort each Worker safely to the organization's designated muster area in the case of an emergency evacuation.

4.2.7 An escort shall not escort more than five (5) individuals at any one time, unless otherwise approved by CONTRACTOR in writing; by means of an approved Security Plan.

4.2.8 In cases where an individual without proper security clearance is discovered unescorted in a Security Area, SUBCONTRACTOR workers shall immediately place such individual under escort by an authorized escort and report the situation to the RLM and STR/AdSTR as soon as possible.

4.2.9 Escorting Vehicles

When vehicles are escorted through manned security posts, the escort may be in the same vehicle or a separate vehicle as the subcontract worker(s). The escort ratio for vehicles is 1:3. One escort vehicle to three escorted vehicles.

4.3 Security Areas

SUBCONTRACTOR shall comply with all requirements for designated Security Areas. In addition, SUBCONTRACTOR shall ensure that all Subcontract workers:

- Have the appropriate clearance (i.e., access authorization) for the Security Area or be properly escorted within the Security Area;
- Adhere to the posted requirements for entering any Security Area (clearance status, badge, access status, training, inspections, controlled articles, prohibited articles, etc.);
- Immediately report physical security and access control discrepancies to the SIT and RLM. Inform the STR/AdSTR. (e.g. breaches of fences or walls or attempts to circumvent security barriers);
- Use a valid badge to enter a Security Area and display the valid badge at all times photo side out, above the waist and in front of the body while in that area;
- Not introduce prohibited articles into Security Areas;
- Obtain authorization before introducing controlled articles into a Security Area;
- Cooperate with Protective Force personnel during badge checks;
- Cooperate with Protective Force personnel and the Canine Inspection Team during security inspections of vehicles, persons, and/or hand-carried items being brought into or out of a PPA or Security Area.
- Not remove or destroy any door cores or badge readers, unless the SOW in this Subcontract specifically indicates to do so;
- Not duplicate any keys issued;
- Store and protect all keys issued;

- Do not loan an assigned key to another worker without written authorization from the LANL Key Custodian;
- Return all issued keys to the responsible organization Key Custodian when no longer required and inform the RLM and STR/AdSTR of the same;
- *Immediately* report lost or stolen keys in person to the Key Custodian who issued the keys and inform the RLM and STR/AdSTR of the same;
- Adhere to all requirements for escorting individuals who are not authorized to be in a Security Area unescorted. (See Escorting, Section 4.2);
- Do not tailgate, piggyback, or vouch, nor allow another person to do so in PPAs or Security Areas.

4.4 Acknowledgement / Control of Vehicles On-Site

- If requested, SUBCONTRACTOR shall submit to the STR/AdSTR or RLM the make, year and license number of all vehicles that will be used on site.
- Vehicles driven by unbadged drivers delivering construction materials or other supplies will be permitted to enter unsecured areas only if they are under escort by authorized DOE or LANL badged personnel.
- All non-government owned commercial vehicles and heavy duty vehicles (the equivalent of a Ford F350 or larger) will be screened by the Protective Force at the truck inspection station near the intersection of East Jemez Road and NM 4. If the search does not disclose anything of concern, the driver will receive an appropriate pass that will allow entry into their LANL destination.

4.5 Enhanced Security Areas

Subcontract Workers authorized to enter a Sensitive Compartmented Information Facility (SCIF), a Special Access Program Facility (SAPF), a certified Vault or Vault Type Room (VTR), a Material Access Area (MAA), a Protected Area (PA), or Limited Area (LA) with Special Administrative Access Controls shall comply with all training and other security requirements as directed by the LANL host organization and identified in the training matrix. These areas have rigid physical security standards and robust access controls that shall be adhered to.

4.6 Security Fences and Barriers

- 4.6.1 SUBCONTRACTOR shall make arrangements through the RLM or STR/AdSTR to ensure that adequate access control is maintained at any temporary openings or penetrations of Security Area boundaries. Such work shall be arranged through the RLM or STR/AdSTR and inspected/approved by the Physical Security Team or Deployed Security Professional to ensure there are adequate access controls in place during the temporary opening and that at the end of the workday the temporary openings are repaired / replaced. The RLM or STR/AdSTR shall provide the CA appropriate documentation related to SUBCONTRACTOR compliance with this requirement.
- 4.6.2 At the end of each work day or sooner if required, SUBCONTRACTOR shall repair, replace or provide adequate barriers to preclude unauthorized entry into any Security Area through temporary openings, penetrations, holes dug or cuts in security fences, or through modified gates or other alterations of security perimeters. The repairs shall be inspected / approved by the Physical Security Team or Deployed Security Professional at the end of the work day to ensure the temporary openings are repaired / replaced properly.
- 4.6.3 SUBCONTRACTOR shall make arrangements through the RLM or STR/AdSTR to ensure that any planned placement and proximity of equipment and vehicles to security fences and security boundaries does not create an unintended bridge to a Security Area.

4.7 Parking on LANL Premises

- 4.7.1 Subcontract Workers shall park vehicles in designated parking areas only; and shall obey all posted designations and park in a safe and courteous manner.
- 4.7.2 Failure to park in designated areas and to obey posted signage shall result in a parking violation. Vehicles that are abandoned or present a safety or security concern are subject to removal at the owner's expense.

G5.0 Personnel Security (Jan 2023)

5.1 Substance Abuse

The unauthorized use of alcohol and/or illegal drugs or being under the influence of alcohol and/or illegal drugs is prohibited on the LANL site. LANL's substance abuse policy applies to all who perform work at or for Los Alamos National Laboratory as a subcontract worker, guest scientist, visitor, student or other type of worker as it relates to ensuring a work environment that is free from unauthorized or illegal use, possession or distribution of alcohol or controlled substances.

Drugs currently used in CONTRACTOR'S pre-badge and random testing panel include marijuana, cocaine, opiates, heroine, phencyclidine and amphetamines. A detailed drug testing panel including cutoff concentrations can be found at <http://www.lanl.gov/resources/assets/docs/Exhibit-G/drug-testing-panel-2010.pdf>

The use of medical marijuana is illegal under federal law and therefore is prohibited in accordance with these substance abuse requirements.

SUBCONTRACTOR shall ensure that Subcontract workers comply with all requirements of LANL's Substance Abuse Policy (SAP) which may be accessed electronically at <http://www.lanl.gov/resources/exhibit-g.php>.

For the purposes of this Exhibit, the term manager as used in the SAP means any or all of the following: STR/AdSTR, LANL manager or staff with oversight of this Subcontract, or on-site Subcontract personnel. Subcontractor workers found to be in violation of LANL's SAP may be restricted from working at the Laboratory.

SUBCONTRACTOR shall ensure that all lower-tier subcontractors meet the requirements of this section. Failure at any tier, of a SUBCONTRACTOR to comply with the requirements of this section, shall be grounds for the CONTRACTOR to bar the worker of a SUBCONTRACTOR at any tier from work on DOE/LANL property or on the subcontract.

5.1.1 Subcontract Workers shall:

- Be fit for duty and avoid behavior that compromises the health or safety of others or the security of the Lab;
- Notify Personnel Security, the RLM, STR/AdSTR and CA/PS immediately if cited, arrested or convicted of any drug or alcohol statute violation;
- Notify Personnel Security, the RLM, STR/AdSTR and CA/PS immediately if they are cited, arrested or convicted of any alcohol-related incident such as (e.g.) DUI, DWI, public intoxication, open container, minor in possession;
- Notify Personnel Security, the RLM, STR/AdSTR, and CA/PS immediately after any initiation of treatment for any drug or alcohol-related disorder (only required of workers with security clearances);
- Meet with Personnel Security or Occupational Medicine promptly when asked to perform a drug and/or alcohol test and fully cooperate with their instructions;
- Provide true and accurate records relating to their use of drugs and alcohol;
- Immediately report accidental ingestion of illegal drugs to Personnel Security, the RLM, and STR/AdSTR so the appropriate action can be taken.

5.1.2 Pre-badge Drug Testing

Subcontract workers who will obtain a standard (non-Visitor) badge such as a DOE Q, L, Un-cleared; Un-cleared Site-specific LANL; or Cleared/Un-cleared Foreign National badge, shall successfully pass a drug test no more than 60 days before obtaining a standard (non-Visitor) badge.

Subcontract workers who currently hold a standard badge but have not completed a pre-badge drug test, are required to complete the pre-badge drug test prior to working on a LANL subcontract for the first time.

Subcontract workers who currently hold a standard badge and transfer from one LANL subcontract to another without a break in service between subcontracts, are not required to complete a second pre-badge drug test.

Subcontract workers who hold a standard badge and experience a break in service for five (5) or more business days between LANL subcontracts are required to successfully pass a drug test no more than 60 days before re-obtaining a standard badge.

Subcontract workers shall not begin work on this subcontract until a pre-badge drug test is completed and passed, if applicable. The testing will be coordinated and paid for by SUBCONTRACTOR.

A drug testing laboratory used for any LANL required drug test shall be certified by the Department of Health and Human Services under the National Laboratory Certification Program. A current list of approved drug testing laboratories is published in the Federal Register which can be found at: <https://www.samhsa.gov/workplace/resources/drug-testing/certified-lab-list>

SUBCONTRACTOR shall provide records of pre-badging drug screening to CONTRACTOR upon request.

5.1.3 Random Drug Testing

All Subcontract workers who are issued standard non-Visitor badges from the LANL Badge Office, which include Q, L or Un-cleared badges, are subject to random drug testing while on the LANL site.

Subcontract workers who are subject to random drug testing under another government testing program will not be included in LANL's random testing pool.

5.1.4 Reasonable Suspicion Drug and/or Alcohol Testing

5.1.4.1 When conducting reasonable suspicion testing, CONTRACTOR may test for any drug.

5.1.4.2 Drug and/or Alcohol testing will be required if:

- A Subcontract worker is reasonably suspected of being impaired by either drugs or alcohol.
- LANL Personnel Security, LANL Occupational Medicine or LANL manager or supervisor determines that there is reasonable suspicion that the subcontract worker may have violated this procedure.
- The subcontract worker is the subject of a drug-detection dog alert and/or possesses property that has caused a drug-detection dog alert.
- A LANL manager or supervisor observes worker behavior commonly associated with alcohol or substance abuse such as unexplained chronic tiredness, tardiness, absence patterns, odor of alcohol, slurred speech, unsteady gait, etc. The manager or supervisor shall discuss the observed behavior with the worker as appropriate and make a referral to LANL Occupational Medicine for an evaluation of the worker.

5.1.4.3 Drug and/or alcohol testing may be required if:

- An incident or accident results in a serious injury or had the potential for serious injury occurs at work.
- LANL Occupational Medicine determines that unannounced, periodic testing is medically appropriate as indicated within the context of *Fitness for Duty* or *Human Reliability Program* monitoring.
- It is related to security clearances or applications for security clearances.
- When conducting occurrence testing, CONTRACTOR may test for any drug.

5.1.5 Other Testing

Drug and/or alcohol testing shall be required if:

- A non-vehicular incident or accident occurs at work that results in a serious injury or had the potential for serious injury.
- A vehicle accident that results in or had the potential for injury while driving any government-owned vehicle (including motorized equipment) on or off Laboratory property; or while driving any private vehicle (including rental

vehicles) within the boundaries of a Laboratory Technical Area (other than downtown Los Alamos). [Note: LANL Personnel Security will determine whether to require testing under these circumstances]

- It is necessary when related to security clearances or applications for security clearances.

5.1.6 Testing Conduct

CONTRACTOR'S Personnel Security organization has oversight of all drug and alcohol testing on-site at LANL for random, reasonable suspicion and other testing. All drug collections and alcohol testing are conducted in accordance with 49 CFR Part 40 and 10 CFR Part 707. All testing (except pre-badge drug testing) will be conducted and paid for by the CONTRACTOR.

5.1.7 Confirmed Positive Drug and/or Alcohol Test

The Requester or STR/AdSTR and LANL manager shall take the following actions if a Subcontract worker has a confirmed positive drug test:

- Immediately stop the worker from performing any additional work on site;
- Immediately notify Subcontract worker's management that the worker's badge is being pulled;
- Ask the worker to report back to his/her employer because his/her assignment is being terminated when a drug test is confirmed positive;
- Ask the worker to call a relative or friend to take him/her home when an alcohol test is confirmed positive;
- Confiscate the worker's badge and return it to Personnel Security;
- Consult with LANL Occupational Medicine to determine whether the worker should have a medical evaluation prior to driving;
- If alcohol related, instruct worker to report to LANL Occupational Medicine the next work day, prior to performing any work duties, for a Fitness for Duty evaluation unless the assignment is terminated.
- Coordinate with the CA/PS to ensure proper notifications are made regarding test results and any changes to the subcontract worker's assignment.

5.1.8 Failure to Show or Refusal of Drug and/or Alcohol Test

- If a Subcontract worker fails to show up for a test after being contacted, such failure shall be treated in the same manner as a confirmed positive.
- If a Subcontract worker refuses to be tested, such refusal shall be reported and treated as a confirmed positive.
- Failure to cooperate and submit to a drug/alcohol test shall be grounds for the CONTRACTOR to bar the worker from the LANL site and work on the subcontract.

5.1.9 Detection Dogs may be used:

- On all Laboratory property (DOE-owned, leased or rented property for LANL) including, but not limited to parking lots.
- In and around worker's privately-owned vehicles parked on Laboratory property.
- In and around work areas.
- In and around desks, lockers and other containers assigned to workers.

5.1.9.1 If illegal drugs are found on a Subcontract worker's person by using detection dogs, the Requester or STR/AdSTR and LANL manager shall take action as outlined in Subsection 5.1.6.

5.1.9.2 If illegal drugs are not found, but the detection dogs alert to the scent of illegal drugs in private property owned by a worker or in a work area, desk, locker or other container assigned to a certain employee and no illegal drugs are actually found, the LANL Physical Security Team shall notify the subcontract worker's LANL manager of a drug-detection dog alert. Additional action may be taken if

behavior is observed by the LANL manager that may pose an immediate threat to the health and safety of the worker or others or a potential threat to security.

5.1.10 Off-site Behavior

The unlawful manufacture, distribution, dispensing, possession, use, transfer or sale of controlled substances is prohibited regardless of whether this occurs at the workplace, on Laboratory business, or on an individual's private time or property. These and other violations of this substance abuse policy are considered connected to work with or at LANL and may result in the termination of a Subcontract worker's permission to work on DOE / LANL property or on the subcontract, regardless of whether or not the misconduct occurs during work hours or on Laboratory premises.

5.2 Badges

SUBCONTRACTOR shall ensure compliance with the badge requirements outlined in the following subsections. Any individual performing work under this subcontract shall obtain a DOE or LANL badge. (Subcontract workers, Guests and Affiliates)

All badges issued by the LANL Badge Office are accountable. SUBCONTRACTOR shall ensure that every badge issued under this subcontract is returned to the LANL Badge Office.

SUBCONTRACTOR shall also timely report any lost or stolen badges to the LANL Badge Office. Failure to return DOE security and site-specific (LANL) badges will result in denial of future badging services to the badge holder.

5.2.1 General Badging Requirements

5.2.1.1 A Subcontract Worker who is submitted for a standard DOE-Cleared or Uncleared badge or a LANL-Only Site-specific badge shall provide Real ID approved proof of U.S. citizenship to the LANL Badge Office at the time of badging. The following applies regardless of the length of time that a Subcontract Worker will be on site.

5.2.1.2 Proof of citizenship includes an original photo identification card, such as a current and valid state driver's license or passport and an original of one of the following five secondary evidence documents:

- For a Subcontract worker born in the U.S., a birth certificate filed for record shortly after birth and certified with the registrar's signature is required. A delayed birth certificate (one created when a record was filed more than one year after the date of birth) is acceptable if it shows that the report of birth was supported by acceptable secondary evidence of birth. All documents submitted as evidence shall be original or certified.
- For a Subcontract worker claiming citizenship by naturalization, a Certificate of Naturalization showing the individual's name is required. (*Form N550 or N570*)
- For a Subcontract worker claiming citizenship acquired by birth abroad to a US citizen, one of the following (showing the worker's name) is required: Certificate of Citizenship issued by the Immigration and Naturalization Service; Consular Report of Birth Abroad of a Citizen of the United States of America (*Form FS240*); or Certificate of Birth (*Form FS 545 or DS 1350*).
- A current US passport.
- A record of Military Processing-Armed Forces of the US (*DD Form 1966*) provided it reflects that the worker is a US citizen.

5.2.1.3 A Subcontract Worker who is a US citizen, does not currently hold a DOE badge and meets applicable requirements, shall be issued a DOE Uncleared badge or LANL-Only Site-specific badge.

5.2.1.4 A Subcontract Worker who is either a Cleared or an Uncleared foreign national shall be badged in accordance with current DOE and LANL policies. The Subcontract worker shall wear a photo badge whenever on DOE property (i.e. LANL) or LANL-leased premises.

5.2.1.5 Individuals who falsely certify their citizenship will be removed from the Laboratory and will be denied future access to LANL. This will be reported to the

appropriate LANL organizations for investigation and other external organizations as necessary.

5.2.2 Obtaining a Badge

5.2.2.1 Worker (US Citizen) Requirements

- A Subcontract worker shall obtain either a DOE or a LANL badge before performing any work at LANL.
- A Subcontract worker shall present identification as required by the Badge Office before being issued a badge.

5.2.2.2 Official Visitor (US Citizen) Requirements

- An Official Visitor shall obtain a badge in accordance with this document;
- An Official Visitor shall wear a badge issued by the LANL Badge Office whenever on Laboratory Property;
- Uncleared Official Visitors will be required to sign a "*Statement of U.S. Citizenship*" form at the LANL Badge Office affirming their U.S. citizenship;
- Uncleared Official Visitors shall receive a briefing that covers safety and security requirements relevant to the work they will be performing;
- Uncleared Official Visitors who falsely certify their citizenship will be removed from the Laboratory and will be denied future access to LANL. This breach will also be reported to the appropriate LANL organizations.

5.2.2.3 Cleared Foreign National (Worker or Official Visitor) Requirements

A cleared foreign national, in conjunction with his or her Laboratory Host, shall contact the LANL Personnel Security Office to receive a cleared foreign national badge.

5.2.2.4 Uncleared Foreign National (Worker or Official Visitor) Requirements

An Uncleared foreign national, in conjunction with his or her Laboratory Host, shall contact the Foreign Visits & Assignment Team before performing work or other activities at LANL; and contact the LANL Personnel Security Office to receive an Uncleared foreign national badge.

5.2.3 Subcontract Workers shall:

- Complete training required by Personnel Security before receiving a badge (see Section 3.4.2 for training details);
- Wear the badge, photo-side out, above the waist, on the front side of the body, at all times while on DOE-owned property (LANL) or on CONTRACTOR leased or rented premises;
- Remove the badge and protect it from public view when leaving DOE-owned property or CONTRACTOR leased or rented premises;
- Present the badge whenever requested by Protective Force personnel, LANL host, or the Personnel Security Group;
- Not allow other individuals to use their badge under any circumstances;
- Minimize the number of instances of temporary badge issuance and replacement of lost badges;
- Ensure the badge is never photocopied;
- Return an issued badge to the Badge Office (via the RLM or STR/AdSTR as appropriate) following termination of employment, badge expiration, end of assignment, or completion of a visit. Subcontract Workers are not permitted to retain badges for any reason.
- Failure to return DOE security and LANL site-specific badges will result in denial of future badging services to the badge holder.

5.2.4 Badge Expiration Dates

5.2.4.1 Badges may be issued for the term of the subcontract. However, a

SUBCONTRACTOR shall only request a badge for the period of time in which a Subcontract Worker will be utilized on this subcontract.

5.2.4.2 SUBCONTRACTOR shall abide by the following end date requirements:

- When a Subcontract Worker is working multiple subcontracts all outside of Security Areas, the earliest end date among the subcontracts will be the badge end date.
- When a Subcontract Worker holds a clearance (i.e., access authorization) under multiple subcontracts, the badge end date is based on the subcontract that is designated as the "primary" subcontract.
- When a Subcontract Worker holding a clearance (i.e., access authorization) is performing work under multiple subcontracts held by a Subcontractor that has received a favorable FOCI determination, the earliest end-date among those subcontracts is used. A new badge will need to be requested if there is any work to be performed that extends beyond the earliest end-date within a Security Area.

5.2.4.3 If a subcontract is going to be extended, SUBCONTRACTOR shall renew a Subcontract Worker's badge within 30 days prior to its expiration.

5.2.5 Lost or Stolen Badge(s)

5.2.5.1 Lost or stolen badges shall be reported to the LANL Badge Office within 24 hours or the next business day after discovery of the loss, whichever is soonest. The RLM or STR/AdSTR shall also be notified. The individual badge holder shall go to the LANL Badge Office and complete a written affidavit (*Form 1672*) *Notification of Permanent Inactivation of Badge* in order to obtain a replacement badge.

5.2.5.2 In addition to 5.2.5.1, if a badge is stolen, the individual badge holder shall report the theft to the Security Incident Team (SIT) and inform the STR/AdSTR or CA/PS by the next business day of discovery of the loss.

5.3 Clearances (i.e., access authorizations)

SUBCONTRACTOR shall follow all clearance requirements outlined below and shall not permit any individual to have access to classified information; except when access to classified information is determined by proper clearance and the need-to-know.

The requirements for securing eligible personnel and proper personnel security clearances (i.e., access authorizations) for "L" and "Q" work and for complying with other security regulations and procedures shall not be considered cause for an extension of time for performance of the subcontract work or for extra payments under the subcontract. However, the cost of processing DOE "Q" or "L" access authorizations will be borne by the Government.

5.3.1 Requesting an Initial Clearance

SUBCONTRACTOR shall ensure that Subcontract Workers:

- Provide information required to request a clearance, including, but not limited to, proof of citizenship, Personal Identification Verification (PIV) documents, fingerprints, residence, work, education, military history, and personal references, as well as specific information regarding any legal, financial, mental health or loyalty issues;
- Have had a complete a background investigation and testing for illegal drugs;
- Verify the Subcontract Worker's record is active in the system, correct and complete through the RLM or STR/AdSTR, including employer and subcontract number and that the worker is working on a FOCI approved contract;
- Complete a *Clearance Request/Recertification/Suitability Form* (DOE F 472.1C) signed by a LANL RLM.
- Complete an online (e-QIP) *Questionnaire for National Security Positions QNSP* (SF-86) and attendant clearance documents when requested by the Personnel Security Office.
- Meet with Clearance Processing Security Specialist and/or provide written responses to additional requests for information from Clearance Processing.

5.3.2 Clearance Processing Critical Reporting Elements

SUBCONTRACTOR shall ensure that subcontract workers holding a cleared DOE-standard badge, report any of the following events to Clearance Processing, the RLM and STR/AdSTR within **one (1)** working day of the occurrence unless otherwise stated:

- All arrests, criminal charges (including charges that are dismissed) or detentions by Federal, state, or other law enforcement authorities for violations of the law (other than traffic violations for which only a fine of \$300 or less was imposed), within or outside of the US, unless the traffic violations were drug or alcohol related;
- Personal or business-related filing for bankruptcy;
- Any use of an illegal drug, or use of a legal drug in a manner that deviates from approved medical direction;
- Garnishment of wages;
- Legal action effected for name change;
- Change in citizenship;
- Employment by, representation of, or other business-related association with a foreign or foreign-owned interest or foreign national;
- Any hospitalization for mental illness; treatment of drug abuse; or treatment for alcohol abuse;
- Any matters of potential counter-intelligence interest, including but not limited to approaches by individuals seeking unauthorized access to classified information or matter or SNM. If such an approach or contact is made while on foreign travel, workers should notify a Department of State official at the local US Embassy or Consulate;
- Termination of employment - also notify the RLM and STR/AdSTR;
- When the clearance holder or applicant is transferred from one company subcontract to another company's subcontract with LANL;
- Change in duties resulting in a clearance no longer being required;
- Leave of absence or extended leave not requiring access to classified information or matter, or SNM for 90 consecutive working days;
- Leave for foreign travel, employment, assignment, education, or residence for more than three months, not involving official US Government business even if employment continues with the subcontractor.

5.3.3 Security Termination Requirements for Departing Subcontract Workers

Cleared Subcontract workers who are terminating work under a LANL Subcontract at the Laboratory for any reason shall meet all the federal and local requirements for departing workers.

Subcontract workers shall complete all clearance-related departure requirements. Some termination procedures are mandated by federal law. Failing to comply with the requirements can hinder or prevent a worker's future efforts to obtain a security clearance or badging services at LANL. Failure of a Cleared worker to follow proper termination procedures is also reported to NNSA/DOE by LANL Personnel Security.

Clearance-related requirements for departing Subcontract workers include the following:

- **Termination Briefing** - the Subcontract worker shall attend a termination briefing conducted by LANL Personnel Security or SUBCONTRACTOR management; and submit a completed *Safeguards and Security Clearance Termination Briefing Form* to Personnel Security.
- **Security Termination Statement** - the Subcontract worker shall sign and submit a *Security Termination Statement* (DOE Form 5631.29) to LANL Personnel Security.
- **Surrender DOE Access Credentials** - the Subcontract Worker shall surrender his or her security badge to the LANL Badge Office, while coordinating with the RLM and STR/AdSTR.

For each event listed below, the required action shall be carried out within **two (2) working days** of the Event described in the first column of the table.

Event	Do Termination Briefing & Form, and Submit DOE Form 5631.29	Return These Badges
Subcontract Worker's employment terminated	Individual Subcontract Worker	Subcontract Worker's badge, whether Cleared or Uncleared, including expired
Subcontract Worker transferred from subcontract	Individual Subcontract Worker	Subcontract Worker's badge, whether Cleared or Uncleared, including expired
Clearance no longer required	All Subcontract Workers	All Cleared "L" or "Q" badges, including expired
Subcontractor's FOCI approval withdrawn or terminated	All Subcontract Workers	All Cleared "L" or "Q" badges, including expired
Subcontract completed or terminated	All Subcontract Workers	All badges, whether Cleared or Uncleared, including expired

- SUBCONTRACTOR shall ensure that any Subcontract Worker who holds a clearance and is no longer working on this subcontract, follows the security clearance termination process outlined above.
- SUBCONTRACTOR shall notify Personnel Security, the RLM, STR/AdSTR and CA/PS of any Event that changes the status of a worker's need for a badge.

5.3.4 Clearance Renewals or Reinvestigations

SUBCONTRACTOR shall ensure that a Subcontract Worker whose clearance is being renewed or reinvestigated:

- Completes the reinvestigation e-QIP package every 5 years for Q clearance holders or every 10 years for L clearance holders.
- Completes the LANL Annual Security Refresher Training before the effective date of the training expiring and access is therefore denied.

5.4 Foreign Ownership, Control or Influence (FOCI)

FOCI determinations are required for a SUBCONTRACTOR, its owners, and lower-tier subcontractors, if a subcontract requires Q or L-cleared access authorizations. Before a Subcontract Worker may be Q or L-cleared, his/her company shall undergo a FOCI certification. A separate FOCI determination is required for a prime subcontractor and any lower-tier subcontractor.

SUBCONTRACTOR'S Key Management Personnel shall have an active clearance or a clearance request in process before a favorable FOCI determination can be returned. As a part of the FOCI determination process, SUBCONTRACTOR'S Facility Security Professional (FSO) and any additional workers with security responsibilities shall complete the self-study course indicated under Section 3.4.2.

SUBCONTRACTOR shall submit their FOCI packages / information online at this website: <https://foci.anl.gov/>. A favorable FOCI determination shall be rendered prior to LANL granting a facility clearance requiring access authorizations. Questions related to FOCI should be addressed through the RLM or STR/AdSTR to the Personnel Security POC.

5.4.1 SUBCONTRACTOR shall ensure that the following notifications are immediately provided to the Personnel Security POC and the RLM or STR/AdSTR.

- Written notification of a change in the extent and nature of FOCI that affects the information in the FOCI determination;
- Immediately provide written notification and supporting documentation relevant to changes that would affect the information in a subcontractor's or any tier parents' most recent DOE FOCI submission(s).

5.4.2 SUBCONTRACTOR shall complete and submit a new FOCI package at least every five years or at the request of CONTRACTOR, to the Personnel Security POC.

5.4.3 SUBCONTRACTOR shall certify annually to the Personnel Security POC and inform the

RLM or STR/AdSTR and the CA/PS that:

- No significant changes have occurred in the extent and nature of FOCI that would affect the answers to the questions provided in its FOCI representations;
- No changes have occurred in the organization's ownership;
- No changes have occurred in the organization's officers, directors, and executive personnel.

5.4.4 CONTRACTOR may terminate this subcontract for default if SUBCONTRACTOR either fails to meet obligations imposed by this section, or creates a FOCI situation in order to avoid performance or a termination for default. CONTRACTOR may terminate this subcontract for convenience if SUBCONTRACTOR becomes subject to FOCI and for reasons other than avoidance of performance of the subcontract, cannot, or chooses not to avoid or mitigate the FOCI problem.

5.5 Human Reliability Program

SUBCONTRACTOR shall comply with all requirements of the Human Reliability Program (HRP) if they have workers who take part in the program.

5.5.1 SUBCONTRACTOR shall ensure that Subcontract Workers who are HRP certified shall:

- Hold an active "Q" DOE security clearance;
- Submit to testing for illegal drugs;
- Submit to testing for alcohol abuse;
- Submit to random polygraph examinations;
- Complete medical and psychological evaluations which require a polygraph examination;
- Complete Part 2 of the QNSP annually;
- Complete initial and annual HRP training (see Section 3.4.2 for details)

5.5.2 SUBCONTRACTOR shall ensure that Subcontract Workers shall be enrolled in HRP if their work responsibilities involve:

- Access to Category I SNM or transportation or protection of Category I quantities of SNM;
- Nuclear explosive duties or responsibility for working with, protecting, or transporting nuclear explosives, nuclear devices or selected components;
- Access to information concerning vulnerabilities in protective systems when transporting nuclear explosives, nuclear devices, selected components or Category I quantities of SNM; or
- The potential to significantly impact national security or cause unacceptable damage to national security.

5.5.3 Removal from HRP

5.5.3.1 A RLM who has a reasonable belief that an HRP-certified Subcontract Worker is not reliable, based on either a safety or security concern, shall immediately remove the Subcontract Worker from HRP duties pending a formal determination of the individual's reliability.

5.5.3.2 Subcontract Workers may be placed on a temporary removal for a safety or security concern by a supervisor / manager, LANL oversight manager or the HRP management official.

A safety concern means any condition, practice, or violation that causes a substantial probability of physical harm, property loss, and/or environmental impact.

A security concern means the presence of information regarding an individual applying for or holding an HRP position that may be considered derogatory. Such information may include, but is not limited to:

- Observable phenomena, such as direct observation of the use or possession of illegal drugs or alcohol; detection of alcohol odor on the breath;

- The physical symptoms of being under the influence of drugs or alcohol;
- A pattern of abnormal conduct or erratic behavior;
- Indications of deceitful or delinquent behavior;
- Irresponsibility in performing assigned duties;
- Failure to comply with work directives, hostility or aggression toward fellow workers or authority;
- Uncontrolled anger, violation of safety or security procedures, repeated absenteeism; or
- Irresponsibility in performing assigned duties.

5.5.3.3 An HRP-certified individual who is removed completely or placed on temporary removal is prohibited from entering any Material Access Areas and shall immediately stop performing HRP duties.

5.6 Foreign Visits and Assignments

5.6.1 Foreign National Approval

Access to the LANL site and/or to LANL data is restricted to U.S. Citizens only, unless prior approval for access by foreign nationals has been provided to SUBCONTRACTOR by the Subcontract Administrator in writing.

This requirement applies to both on-site work and remote access to data, by SUBCONTRACTOR and lower-tier subcontractors.

For the purposes of this requirement, Foreign National means “a person without U.S. citizenship or nationality” including Lawful Permanent Residents, also known as “Permanent resident aliens” or “Green Card holders”.

5.6.2 On-Site work

All foreign national Subcontract workers and any lower-tier subcontractors are required to obtain approval to work on a LANL subcontract off-site and/or on-site, from the LANL Foreign Visits and Assignments office PRIOR to their arrival at the Laboratory; or work begins off-site. This requirement includes any Laboratory business conducted at the LANL site and/or off-site.

Foreign national Subcontract Workers shall be issued a security badge before performing work at LANL. They will be required to present a valid passport and visa documentation before a badge will be fabricated and issued. The individual who is hosting a foreign national on-site shall be a CONTRACTOR employee and a US citizen.

5.6.3 Off-site work

Approval for a foreign national to work off-site on a LANL project is not required if all of the following conditions are met: 1) all work performed by a foreign national is conducted entirely off-site AND 2) the research results from this Subcontract are open, non-sensitive and can or will be published in open literature intended for public release. If either of the above criteria is not met, approval for a foreign national to work on a LANL project off-site must be obtained prior to commencing work on this Subcontract as outlined in Section 5.6.1.

G6.0 Information Security (Jan 2023)

Access to LANL data is restricted to U.S. Citizens only, unless prior approval for access by foreign nationals has been provided to SUBCONTRACTOR by the Subcontract Administrator in writing. To initiate approval, SUBCONTRACTOR shall provide information requested by CONTRACTOR about any foreign national worker of SUBCONTRACTOR or of lower-tier subcontractors who require access to the LANL site or LANL Data. Foreign national workers with a business need to access LANL systems or data remotely (i.e. off-site visits, including videoconferencing) are required to obtain approvals.

Subcontract Workers shall not disclose LANL data collected, created, processed, transmitted, stored or disseminated by SUBCONTRACTOR in performance of this subcontract, unless each case of such disclosure is specifically approved by the LANL Data Owner and the CA/PS.

Subcontract Workers shall ensure LANL data utilized in the performance of this subcontract is not used for any other purpose that has not been specifically approved by the LANL Data Owner.

6.1 Official Use Only (OUO) and TRIAD Proprietary (TPI) Information

OUO and TPI information is unclassified with the potential to damage government, commercial or private interests if disseminated to persons who do not have a need-to-know the information to perform their jobs or other DOE-authorized activities. The TPI designation includes any information relating to the business, operations and programs of LANL not generally known by persons not employed at LANL.

Personal Identifiable Information (PII) is a type of OUO. PII is any information collected or maintained by DOE or CONTRACTOR about an individual, including but not limited to education, medical history, financial transactions and employment history; and information that can be used to distinguish an individual's identity.

SUBCONTRACTOR shall protect OUO and TPI information from unauthorized dissemination (e.g. to persons who do not require the information to perform work under this subcontract) and shall follow all requirements for OUO and CPI documents specified below.

CONTRACTOR shall impose an administrative penalty under this subcontract if:

- OUO information from a document marked as containing OUO information is intentionally released to a person who does not need to know the information to perform their job.
- A document marked as containing OUO information is intentionally or negligently release to a person who does not need to know the information to perform their job.
- A document that is known to contain OUO information is intentionally not marked.
- A document that is known to not contain OUO information is intentionally marked as containing such information.

6.1.1 Access

No security clearance is required for access to OUO or TPI. Access to OUO and TPI information shall only be provided to those persons who have a need to know.

If OUO information is Export Control Information (ECI) access is restricted to US persons, defined as citizens and Lawful Permanent Residents. Access to ECI (including parts, tools, material and equipment fabricated from ECI specifications and drawings) by non-Permanent Resident Alien foreign nationals is prohibited.

If OUO information is Applied Technology (AT) it is subject to access restrictions established by the DOE Program Office. The associated LANL program manager can determine access authorizations for Laboratory workers.

6.1.2 Storing

OUO and CPI information shall be stored in a locked room or locked receptacle (e.g. desk, file cabinet, safe). OUO and TPI information stored on a computer shall meet all LANL password, authentication, encryption, or file access control requirements to protect the files from unauthorized access.

6.1.3 Reproduction / Printing

All copies of LANL OUO and TPI (including 3-D print prototypes) must be protected, accessed, stored, marked, transmitted and destroyed in the same manner as the originals.

OUO and TPI shall be reproduced to the minimum extent possible.

6.1.4 Transmitting

E-mail messages that contain OUO or TPI information shall indicate OUO or TPI in the first line, before the body of the text. OUO or TPI disseminated over networks outside of LANL should be password protected or encrypted with NIST-validated encryption software (e.g., Entrust®).

PII information that is disseminated over networks outside of LANL shall be encrypted with NIST-validated encryption software.

In the case of hard copies being sent outside of LANL - OUO or CPI shall be placed in a sealed, opaque envelope marked with the recipient's name, a return address and the words "To Be Opened by Addressee Only". For interoffice mail within LANL, OUO or CPI shall be placed in a sealed, opaque envelope with the recipient's address and the words "To be Opened by Addressee Only" on the front of the envelope.

6.1.5 Destroying

Users are not required to destroy electronic media that contains OUO or CPI. However, disks should be overwritten using approved software before they are thrown away. Hard copy OUO or CPI documentation shall be destroyed by using an approved shredder (strips no more than ¼ inch wide).

6.1.6 Export Controlled Information Restrictions

The work to be performed under this subcontract includes LANL technical data; the export of which is restricted by the Arms Export Control Act (22 U.S.C. §2751, et seq.), the Atomic Energy Act of 1954, as amended (42 U.S.C. §2011) or the Export Administration Act of 1979, as amended (50 U.S.C. §2401, et seq.). Violations of these laws may result in severe administrative, civil, or criminal penalties. Further dissemination must be pre-approved by Los Alamos National Laboratory.

6.2 Unclassified Controlled Nuclear Information (UCNI)

UCNI is certain unclassified but sensitive government information where unauthorized dissemination is prohibited. UCNI is intended to be viewed only by those individuals with a need-to-know to perform their official duties or DOE-authorized activities. SUBCONTRACTOR shall protect such information from unauthorized dissemination and shall follow all requirements for UCNI documents specified below. Subcontract workers with routine access to UCNI shall be briefed periodically on their responsibilities for protecting UCNI.

6.2.1 Access

No security clearance is required for access to UCNI; however, access is permitted only to those authorized for routine or special access and those who have a need-to-know. UCNI stored on a computer shall be restricted (passwords, authentication, file access control encryption and offline storage) to only those who have a need-to-know. UCNI processed on non-Government owned computers shall have prior LANL OCIO written approval.

6.2.2 Storing

When using UCNI, physical control shall be maintained over the material to prevent unauthorized access to the information. When not in use UCNI matter shall be stored in a locked room or receptacle (e.g. desk, file cabinet, bookcase or safe). The locked receptacle shall have controls that limit access to only approved workers. UCNI stored on a computer shall meet all LANL password, authentication, encryption or file access control requirements. UCNI stored on non-Government owned computers shall have prior LANL OCIO written approval.

6.2.3 Reproduction / Printing

- Reproduced copies of documents or media that contain UCNI (including 3-D print prototypes) must be protected, accessed, stored, marked, transmitted and destroyed in the same manner as required for the originals.
- Copy machine malfunctions occurring while UCNI documents are being reproduced shall be cleared with all paper paths checked for UCNI material.
- Copies shall be kept to the minimum required.

6.2.4 Transmitting

Ensure that UCNI is marked correctly prior to transmitting it over any media. Only a qualified LANL Reviewing Official can identify and mark UCNI. Contact the LANL Classification Group through the RLM or STR/AdSTR for assistance.

When transmitting UCNI over telecommunication circuits (including telephone, fax, radio, e-mail or Internet) encryption algorithms that comply with all applicable Federal laws, regulations, and standards for the protection of UCNI shall be used.

Transmission of UCNI including voice, video telecommunications, or presentations over open phone lines is prohibited. A Secure Terminal Equipment (STE) line is required. All cellular devices, including LANL-issued smart phones such as Blackberries must be turned off completely when in proximity to UCNI discussions.

UCNI documents shall be transmitted using a fax machine that employs encryption. When transmitted via fax or e-mail outside LANL, UCNI shall be encrypted with NIST-validated encryption software. E-mails with UCNI attachments are considered transmittal documents and shall be marked and encrypted as such.

If mailing outside of LANL, an opaque envelope shall be used and the outer packaging shall not indicate that the content within is UCNI. For interoffice mail, an interoffice envelope shall be used and mailed through standard interoffice mail, but do not indicate that the content is UCNI. When using e-mail, UCNI shall be encrypted with NIST-validated encryption software such as Entrust®.

6.2.5 Destroying

- Destruction of material containing UCNI requires removal of the properties that make the material UCNI.
- Hard copy UCNI documents are to be destroyed by shredding in an approved shredder (cross-cut particles no larger than ¼ inch wide and 2 inches long).
- SUBCONTRACTOR shall coordinate with a LANL Reviewing Official (through the RLM or STR/AdSTR) after destruction to verify that all UCNI has been removed prior to disposing of the material.

6.2.6 Noncompliance Consequences

SUBCONTRACTOR'S failure to comply with the requirements pertaining to UCNI may result in the imposition of a civil and/or criminal penalty for each violation.

6.3 Classified Matter and Material

Disclosure of any classified information relating to the work or services hereunder to any person not entitled to receive it, or failure to safeguard any classified information, may subject the SUBCONTRACTOR, its agents, employees or lower-tier subcontractors to criminal liability under the laws of the United States (i.e., Atomic Energy Act of 1954, as amended, 42 U.S.C 2001 et seq.; 18 U.S.C. 793 and 794; and Executive Order 12958).

6.3.1 General Responsibilities

- 6.3.1.1 SUBCONTRACTOR shall ensure compliance with all requirements for accessing, storing, generating, marking, reproducing, receiving, transmitting, and accounting for classified matter documents and materials.
- 6.3.1.2 SUBCONTRACTOR shall employ need-to-know controls, safeguard all classified information and protect against sabotage, espionage, loss or theft of the classified documents and material in SUBCONTRACTOR'S possession in connection with the performance of work under this subcontract.
- 6.3.1.3 Except as otherwise expressly provided in this subcontract, SUBCONTRACTOR shall, upon completion or termination of this subcontract, transmit to CONTRACTOR all classified matter in the possession of all Subcontract Workers.

6.3.2 Classified Matter Responsibilities

Subcontract Workers shall:

- Complete required CMPC training, before receiving access to classified matter;
- Protect classified matter from unauthorized physical, visual or aural access;
- Ensure classified matter in use shall be constantly attended by, or under the control of, a person possessing the proper access authorization and need-to-know.
- Conduct classified discussions and classified work only in Security Areas;

- Conduct classified discussions or classified work that involves Top Secret (TS) information only in a Security Area specifically approved for TS;
- Discuss, release, or transmit Classified Matter only to those individuals possessing the required clearance and need-to-know;
- Ensure that Classified Matter is attended or stored in an approved security container;
- Ensure when classified information is discussed, ensure that the classification level and category and any applicable caveats are stated before the discussion begins.
- Immediately report any issues concerning missing classified matter, emergency situations, controlling or transmitting classified matter to the SIT, DSP or SPL and LANL RLM.

6.3.3 Determining Need-to-Know

Any Subcontract Worker who has been granted access to classified matter shall determine another worker's clearance and need-to-know before granting access to that matter. Need-to-know shall be established by:

- determining what matter will be accessed; and
- determining whether the recipient requires access to this matter to perform his / her official duties through current relationships, tasks, duties and assignments or confirmation by a LANL RLM.

6.3.4 Clearance requirements for access to classified matter:

Category & Level of Classified Matter	Q Cleared	L Cleared
Confidential National Security Information	Permitted	Permitted
Confidential Formerly Restricted Data	Permitted	Permitted
Confidential Restricted Data	Permitted	Permitted
Secret National Security Information	Permitted	Permitted
Secret Formerly Restricted Data	Permitted	Permitted
Secret Restricted Data	Permitted	Excluded
Top Secret National Security Information	Permitted	Excluded
Top Secret Formerly Restricted Data	Permitted	Excluded
Top Secret Restricted Data	Permitted	Excluded
Sigmas 14 & 15 granted by UCSC or alternate		

6.3.5 Training Requirements for Classified Matter Users

All Subcontract Workers who access, generate, handle, store or process classified matter shall take the following training: (See Section 3.4.2 for details)

Course Title	Frequency
Classified Matter Protection	Once
CMPC User Refresher Training	24 months

Specific training is required for any Subcontract worker who will be working with Sigma 14, 15 or 20 classified matter. These workers shall take the following training as it applies to their job duties within the scope of work: (See Section 3.4.2 for details)

Course Title	Frequency
Sigma 14 Awareness	12 months
Sigma 15 Awareness	12 months
Sigma 20 Awareness	12 months

6.3.6 Marking Classified Matter

Properly marking classified matter is complicated and situation specific. If a Subcontract Worker is going to be working with classified documents, the RLM or STR/AdSTR shall arrange for the Subcontract Worker to take the appropriate training in this area.

6.3.7 Storing Classified Matter

When storing Classified Matter, Subcontract Workers shall:

- Store classified matter that is not in use in an approved security container.
- Return all classified matter to the LANL RLM or other authorized personnel if a Subcontract Worker will be on leave for more than 90 days, no longer needs to use the classified matter, or terminates employment.
- Protect Classified Matter that is pending Derivative Classifier review at the highest potential or possible classification level and category.
- Ensure combinations on containers on LANL property are changed as required.
- Secure security containers before leaving such containers unattended.
- Perform end-of-day checks to ensure proper storage of Classified Matter.

6.3.8 Requirements for Storage of Classified Matter

6.3.8.1 Secret and Confidential matter shall be stored in: a locked GSA-approved safe within a Security Area; or in a certified Vault or Vault Type Room within a Security Area.

6.3.8.2 Top Secret (TS) matter shall be stored in: a locked GSA-approved safe in a Security Area with supplemental controls approved by the LANL Physical Security Team; or in a certified Vault or Vault Type Room approved for TS by the LANL Physical Security Team.

6.3.9 Receiving or Transmitting Classified Matter

6.3.9.1 Classified mail shall be delivered to a primary or alternate CMC at the designated classified mail stop with the inner envelope unopened. All incoming classified mail shall be examined for evidence of tampering, incorrect addressing, improper marking, improper transmission and incorrect packaging.

6.3.9.2 Prior to sending classified matter, Subcontract workers shall verify the intended recipient's clearance or access authorization, any required program or special access approvals, need-to-know for the matter being transmitted, and approved classified mail address. Workers shall ensure the classified matter is marked in accordance with LANL procedures.

6.3.10 Destroying Classified Matter

6.3.10.1 Subcontract Workers shall destroy unneeded (e.g. multiple copies) or obsolete classified matter and classified was as soon as practical. Classified matter covered by any current moratoriums or court orders shall not be destroyed. Record copies of documents, whether electronic or paper-based shall only be destroyed in accordance with established Laboratory records retention requirements and procedures.

6.3.10.2 Classified matter shall be destroyed using only approved destruction equipment located within a Limited Area or higher. Classified matter shall be destroyed beyond recognition to prevent reconstruction. Acceptable methods for destroying classified matter include shredding, pulping, melting, mutilation, chemical decomposition, or pulverizing.

6.3.11 Classified Scanning

6.3.11.1 SUBCONTRACTOR shall comply with enhanced security requirements for document scanning activities to prevent compromising classified information. Scanners include secure copiers connected to secure networks, secure copiers connected to secure desktop systems, secure scanners connected to automated information systems, and secure multi-function scanners.

6.3.11.2 System Accreditation

All classified equipment shall be accredited before processing classified information. The LANL Cyber Security Office shall approve the use of all non-government owned equipment prior to processing classified information.

6.3.11.3 Operator Training

Secure scanner operators shall complete all required training including:

- Annual Security Refresher Training
- Classified Matter Protection
- Computer Security Annual Refresher
- Classified Computer Security Briefing
- Sigma 15 training, if applicable
- Read Section 3.4 “Reproducing Classified Matter” and Attachment A “Rules of Use and Operating Instructions” in the Classified Matter Protection and Control Handbook, P204-2.

G7.0 Controlled Portable Electronic Devices / Wireless Technology (June 2022)

LANL’s level of control on wireless computing devices and on other controlled portable articles depends on the type of device, who owns it (Government or non-Government), where it will be located and how it will be used. Microphone, camera, storage and transmit/wireless capabilities restrict where a device may be carried or used without additional approval or authorization.

7.1 Use of Controlled Portable Electronic Devices (PEDs)

Controlled PEDs are easily portable, stand-alone devices that can store, read, write, record or transmit data or information. Certain controlled PEDs can read and/or write nonvolatile information and plug into a computer. They are not stand-alone devices like other types of controlled PEDs.

Controlled PEDs do not require approval for use in General Access Areas (GAAs) and Property Protection Areas (PPAs). Connection to the LANL Visitor Network does not require prior approval.

Controlled PEDs are not permitted in Secure Spaces. SUBCONTRACTOR shall ensure that controlled PEDs are not brought into a Secure Space. Additional LANL site-specific requirements may exist and shall be followed as appropriate.

Controlled PEDs include:

- Cell phones, smart phones, cordless phones, Blackberry devices, two-way pagers, two-way radios;
 - *Instant Messaging, including text messages shall not be used for discussion of, or creation of records for official LANL business.*
- Smart watch, fitness trackers with Bluetooth, USB or other connect/transmit capabilities;
- Recording equipment (audio, video, optical, or data);
- Copiers or scanners with hard drives;
- Radio frequency (RF) transmitting equipment (including ankle monitoring devices), Infrared (IR) or other wireless transmission capabilities;
- Electronic equipment with a data exchange port capable of being connected to automatic information system equipment;
- Portable computers, including but not limited to: laptops, tablet computers, personal digital assistant (PDAs), palm-top computers, Blackberry devices, Notebooks, iPhones or iPads and watches;
- Portable electronic reading, web-browsing and data collection devices with WiFi or USB connectivity, including but not limited to: Kindles, iPads, Nextbook Tablets, Nook eReaders, Sony Digital Readers or iPods;
- Any device with a capability to connect to computers or use wireless communications;
- All types of Cameras - video, still, digital, film, tablet computers or in cell phones. If the use of cameras - either inside or outside of a Security Area is deemed mission essential - then use of cameras shall be authorized via coordination with the STR/AdSTR, the RLM and the Physical Security Team prior to the use of such cameras. (*Form 1897PA*) A Subcontract worker using a non-government owned camera on Laboratory property shall possess a valid DOE/LANL badge.
- CD / DVD write drives

- External hard drives
- Flash memory (i.e. PC cards, SD memory cards)
- USB memory devices (i.e. thumb drives, memory sticks, jump drives)
- Medically necessary devices prescribed by a medical professional used for medical, disability or health reasons (e.g., motorized wheelchairs, hearing aids, heart pacemakers, glucose monitors).
 - [Form 1897MED](#), *Medical Personal Electronic Device (MedPED)*, must be completed and approved prior to being brought into a Limited Area or Secure Space.

7.2 Approvals Required Before Commencement of Work

- 7.2.1 Prior to connecting to a LANL-owned system (other than the Visitor network), approval shall be obtained from the Cyber Information Security Office. The RLM or STR/AdSTR shall also be informed.
- 7.2.2 Subcontractors using wireless technology in locations that are not designated as a GAA or PPA, are required to obtain certification and approval from the Cyber Information Security Office prior to engaging wireless technology. The RLM or STR/AdSTR shall also be informed. A LANL "Wireless System Security Plan" may be required.
- 7.2.3 Violations of this requirement may constitute a security infraction and may result in administrative actions up to and including exclusion of a Subcontract Worker from LANL and/or from working on this subcontract.

7.3 Rules for Using Authorized Controlled PEDs in Security Areas

Authorized controlled PEDs with audio recording or data transmitting capabilities in Security Areas shall be turned off (for UCNI), batteries removed (for classified) or placed in an approved Radio Frequency container whenever:

- A classified or UCNI discussion or phone call is taking place within audible range;
- Classified or UCNI computer processing is taking place in the immediate area of the device;
- Classified or UCNI faxing is taking place within the immediate area of the device; and
- Classified or UCNI copying is taking place on a digital copier in the immediate area of the device.

It is the responsibility of subcontract workers to be cognizant of classified or UCNI activities that may be occurring in adjacent work areas. Workers shall confirm that no classified or UCNI activities area taking place in the immediate vicinity prior to using the authorized controlled article.

7.4 Wireless Device Requirements

- 7.4.1 The use of devices with wireless connectivity such as computing, cellular and printing devices with "Bluetooth" technology, or wireless networking protocol in locations other than a GAA or PPA) are prohibited at LANL, including all LANL property and leased space. Wireless devices cannot be connected to LANL computing assets or networks, except for the Visitor's network. Such capabilities shall be disabled unless the activity has been approved by the LANL Cyber Information Security Office. It is the user's responsibility to know what devices they possess, the capabilities of those devices and to ensure that wireless capabilities have been disabled.
- 7.4.2 The use of wireless networking, Bluetooth and cell phone technologies is allowed in LANL GAAs, PPAs, public areas of the Bradbury Science Museum, the Otowi Cafeteria and public access areas outside buildings such as roadways, sidewalks and parking lots.
- 7.4.3 The use of wireless networking is not restricted in non-LANL occupied areas of LANL-leased properties such as Canyon Complex, White Rock Training Center, the Research Park and Central Park Square.
- 7.4.4 These wireless device requirements do not apply to the wireless computing capability used by SUBCONTRATOR delivery and shipping workers in the LANL receiving area outside of a building.

7.5 LANL and Other Government-owned Wireless Devices

- 7.5.1 Government-owned cell or satellite phones are not allowed in Secure Spaces or higher Security areas.
- 7.5.2 All LANL and government-issued cellular devices including smart phones such as Blackberries shall be turned off completely when in proximity to UCNI activity. Batteries must be removed when in proximity to classified activity.
- 7.5.3 LANL-issued Blackberry devices, applications and accessories are not allowed in LANL locations designated as a Secure Space. No Blackberry devices are allowed in Vault Type Rooms, SCIFs or SAPFs.
- 7.5.4 Government-owned computing-controlled articles (e.g., laptops, palmtop computers and PDAs) shall follow access control requirements such as username and password.
- 7.5.5 Government-owned computing-controlled articles shall use anti-virus software to detect malicious activity where the capability exists.
- 7.5.6 Government-owned unclassified controlled articles are not permitted to connect to any LANL computer or network or store LANL sensitive data without approval from LANL management.
- 7.6 Privately-Owned Controlled PEDs
 - 7.6.1 Privately-owned Controlled PEDs are prohibited in Secure Spaces and higher security areas.
 - 7.6.2 Privately-owned cellular devices including smart phones such as Blackberries shall be turned off completely when in proximity to UCNI activity. Batteries must be removed when in proximity to Classified activity.
 - 7.6.3 Privately-owned Controlled PEDs may not be connected to any classified or unclassified LANL-owned information system or network (except the Visitor's network) without written approval and may not be used to store any sensitive or classified government information without written approval. (*Form 1897*)
 - 7.6.4 Privately-owned Controlled PEDs shall not store or process government controlled unclassified information; unless formal approval has been granted and full disc encryption is utilized.
 - 7.6.5 When privately-owned vehicles are allowed to enter a Limited Area, controlled PEDs that are attached to the vehicle (i.e. built-in cell phones, On Star and CB radios) shall be turned off if capable and left in the vehicle. Additional restrictions may apply in some areas and Subcontract workers shall follow local controls.
- 7.7 Privately-owned Wireless Computing Devices
 - 7.7.1 LANL Cyber Information Security Office approval is required if computing devices will be in a Security Area or connected to the LANL network. (*Form 1897*)
 - 7.7.2 LANL management approval is required before connecting a privately-owned computing device to a LANL network. (*Form 1897*)
 - 7.7.3 Privately-owned wireless computing devices shall be authorized prior to connecting to any LANL wireless computing resource.
- 7.8 Connecting to Presentation Systems and Using Equipment Remote Controls
 - 7.8.1 Privately-owned controlled PEDs may be connected to stand-alone presentation equipment and stand-alone systems in PPAs provided:
 - 7.8.1.1 The information system shall not contain any sensitive information that the controlled article owner does not have authorization to access.
 - 7.8.2 LANL allows RF and Infrared (IR) remote controls on unclassified presentation equipment (audio, video, etc.) in unclassified workspace without restrictions.
 - 7.8.3 LANL does not allow RF and IR remote controls on classified computers.
 - 7.8.4 IR and RF remote controls are permitted to control projectors.

G8.0 Contacts (June 2022)

Name	Telephone	Email
Security After-hours On-call Officer cell phone	505-699-4094	
Security After-hours On-call Duty Officer pager	505-949-0156	
Badge Office	505-667-6901	badge@lanl.gov
Chief Information Office (CIO)	505-606-2263	
Chief Information Office on-call pager	505-664-6282	
Classification Group	505-667-5011	
Classified Matter Protection & Control	505-665-1802	cmpe@lanl.gov
Clearance Processing	505-667-7253	clearance@lanl.gov
Counterintelligence Program	505-665-6090	ocihelp@lanl.gov
(Cyber) Information Security Help Desk	505-665-1795	cybersecurity@lanl.gov
Emergency Management & Response	505-667-6211	
Export Control	505-665-2194	export@lanl.gov
Fire, Bomb Threat, etc.	911	
Foreign Ownership Control & Influence		foci@lanl.gov
Foreign Visits and Assignments	505-665-1572	foreignvisits@lanl.gov
Fraud, Waste and Abuse	505-665-6159	
Immigration Services	505-667-8650	
Lock and Key Program	505-606-5397	
Material Control & Accountability Group	505-667-5886	
Network Operations Center (NOC)	505-667-7423	noc@lanl.gov
Personnel Security	505-665-6565	
Physical Protection Operations Control	505-667-4949	sec-pssops@lanl.gov
Protective Force Operations	505-665-0000	
Protective Force After Hours Reporting (Central Alarm Station)	505-665-7708	
Protective Force After Hours Shift Commander	505-665-1279	
Safety Help Desk	505-665-7233	safety@lanl.gov
Security Help Desk	505-665-2002	security@lanl.gov
Security Incident Team (SIT)	505-665-3505	
Wireless Point of Contact		wirelesssecurity@lanl.gov

G9.0 Required Notifications (May 2015)

SUBCONTRACTOR shall notify the Requester, STR/AdSTR and the Contract Administrator /Procurement Specialist immediately, whenever a change in the scope of the work to be performed has been identified or requested. The Requester or STR/AdSTR shall then notify the appropriate security expert so that any security modifications can be made to the approved Exhibit G in response to the change in the scope of work.

G10.0 Additional Requirements (Mar 2017)

10.1 SUBCONTRACTOR shall comply with safeguards and security requirements for TA-55 as outlined below and instructed by the LANL Host.

The following items are not permitted at TA-55 Areas without prior written authorization from the TA-55 Security Team and concurrence by the RLM or STR/AdSTR. These items include:

- Media (e.g. CDs, DVDs, USB flash drives, external hard drives, etc);
- Recording equipment (audio, video, optical or data);
- Radio frequency, Infrared or Bluetooth transmitting equipment (e.g. two-way radios, two-way pagers, etc.)
- Electronic equipment with a data exchange port capable of being connected to information system equipment (e.g. iPods, USB flash drive, etc.)
- Privately-owned computers (e.g. palm-tops, laptops, PDAs, etc.)
- Cameras (film or digital, video or still, tablet computers). If the use of cameras, either inside or outside of a security area is deemed mission essential, it must be authorized via coordination among the STR/AdSTR, the RLM, the TA-55 Security Team, and the Physical Security Team prior to the use of such cameras.

TA-55 does not issue Generic Visitor Badges. All individuals who enter TA-55 workspace must have a LANL or DOE issued badge.

Escorts shall maintain visual contact with all escorted personnel at all times. One individual may escort no more than five persons, except in PF-4 where the ration is four individuals to one escort. While in PF-4, Subcontract workers must also comply with the Safeguards two-person rule.

When entry to PF-4 is required, each escort shall accompany Subcontract workers to the TA-55 Access Control Office where a PF-4 specific entry ticket will be issued.

Vehicle Access:

- With proper authorization, only Government and Subcontractor vehicles are allowed entry into the TA-55 Protected Area (PA);
- Private vehicles are not allowed entry;
- Vehicles requiring entry through the West Vehicle Access (WVA) shall be approved prior to entering;
- Only the driver and LANL escort are allowed to enter the PA inside a vehicle. All other personnel shall enter the PA via the East Control Facility (ECF).

10.2 SUBCONTRACT workers shall comply with the following site-specific requirements for TA-15 and TA-16 while working in those areas.

- Report to either the TA-15 or TA-16 Access Control Office to check in prior to beginning work and to check out after work in those areas;
- Lock personal or company vehicles when left unattended;
- Report all suspected thefts to the LANL Deployed Security Representative for the organization where the work is being performed.

10.3 If any of the following activities or situations are tied to the scope of work for a specific Release under this Basic Agreement, additional security provisions will be added to the Release against this Agreement:

- Work in a SCIF or SAPF: LANL Host will provide required additional training requirements and instructions.
- Work in a Vault Type Room: additional training listed under 3.4.2, as well as instructions from LANL Host.
- Access to Classified data, information, or discussions: LANL host will provide additional instructions and training requirements.

Attachment G1

EXHIBIT G PHYSICAL SECURITY SECURITY REQUIREMENTS

Vendor Name (if Applicable): *

SR/PR/CRS/ESR No. *

Exhibit G dated: *

REQUIRED REVIEWS AND APPROVALS

Reviewed By:

Name of DSP or SPL

Signature

Date



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.:	6.b.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Governance - Fiscal Stewardship; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	Ben Olbrich, Deputy Utility Manager-Power Supply
Legislative File:	21726-26a

Title

Approval to Execute a Power Purchase Agreement in an Amount not to Exceed \$9,195,750.00 Plus Applicable Gross Receipts Tax, to Meet Forecasted Los Alamos Power Pool Load for the Months of August and September 2026

Recommended Action

I move that the Board of Public Utilities recommend approval of a Power Purchase Agreement with a yet-to-be determined power supplier, competitively selected not later than July 31, 2026, in an amount not to exceed \$9,195,750.00 plus applicable gross receipts tax, for the purpose of supplying power and energy to serve the Los Alamos Power Pool's electric load for the months of August and September 2026, and forward to Council for approval.

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve the motion as presented.

Body

DPU's current Power Purchase Agreement (PPA) ends on July 31, 2026. Up to 75 megawatts (MW) of purchased power is needed throughout the months of August and September 2026 to supply the Los Alamos Power Pool's forecasted load. 75 MW over 61 days equates to 109,800 megawatt hours (MWh) of energy.

DPU is seeking the lowest-priced offer for a PPA to meet this need. At the time of publication of this staff report, indicative pricing is \$67/megawatt-hour (MWh). Staff will solicit offers until the end of the day on July 26, 2026. This pricing is presented as an estimate because the price will change along with market power prices, up until the day that the agreement is fully executed. A 25% contingency of \$16.75/MWh is added to the indicative price to account for a potential market price increase. 109,800 MWh of energy at \$83.75/MWh equates to \$9,195,750,000.00 excluding GRT.

The selected power supplier will be party to the WSPP AGREEMENT, dated October 31, 2025, and the PPA will be executed pursuant to this WSPP AGREEMENT.

Alternatives

If the PPA is not approved, staff will not have time to seek approval of another PPA. Staff will use

market purchases to buy power, which comes with a price risk.

Fiscal and Staff Impact

No immediate fiscal impact because the approved budget for power purchases is sufficient for this proposed PPA. There is no anticipated staff impact since all associated work is a part of normal electric production work functions.



County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Staff Report

July 22, 2026

Agenda No.:	7.a.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Excellence - Infrastructure Asset Management; Quality Governance - Fiscal Stewardship; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	Joann Gentry, Deputy Utility Manager-Finance & Admin.
Legislative File:	CO0760-26.2

Title

Incorporated County of Los Alamos Code Ordinance No. 02-385; An Ordinance Amending Chapter 40, Article III, Sections 40-151, and 40-152 of the Code of the Incorporated County of Los Alamos Pertaining to Gas Service Rates

Recommended Action

I move that the Board of Public Utilities recommend that Council adopt Incorporated County of Los Alamos Code Ordinance No. 02-385; An Ordinance Amending Chapter 40, Article III, Sections 40-151, and 40-152 of the Code of the Incorporated County of Los Alamos Pertaining to Gas Service Rates.

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve the motion as presented.

Body

On June 9, 2026 Council rejected the proposed two year gas rate increase recommended by BPU. The Council Chair suggested to the Utilities Manager to get back with BPU for a single gas rate increase recommendation. At this same meeting, County Council considered and recommended to the County Manager to draft an ordinance to amend the Utilities Charter section to remove profit transfer paragraph that the community will consider on the November ballot. Since Ordinance 758 has been adopted, there will be a ballot question for the community to consider in this November's election. Depending on the outcome of the election, it could change how DPU recommends future gas and electric rates. Therefore, there is a reason to proceed with a single rate increase for gas services.

In addition, Council ask to pull together more information that would support the recommended gas rate increase. During the June 17, 2026 BPU meeting, staff provided a recent budget-to-actual analysis that was completed through May 2026. FY2026 sales revenue is projected at \$5.6 million, with a net loss of about \$760,000. Also, Staff researched and found the U.S. Energy Information Administration (eia.gov) report and the average cost of gas in calendar year 2025 for the State of New Mexico was \$1.15 per therm delivered to residential customers.

Citizens are welcome to attend and provide public comment regarding the proposed Gas Service Rates at these scheduled meetings:

Council Introduction: August 4, 2026

Council Public Hearing: August 25, 2026

Alternatives

As noted above, rate increases will be necessary to support essential operations, infrastructure replacement, and the restoration of cash reserves. Without taking action, DPU would be forced to curtail maintenance and replacement activities, which would ultimately impact reliability.

Fiscal and Staff Impact/Planned Item

The proposed gas rate increase will help to restore our gas fund to a positive gas flow in FY2029 as well as begin funding long-term cash reserves. There are no staff changes related to this rate increase.

Attachments

- A - Incorporated County of Los Alamos Code Ordinance No. 02-385
- B - Gas Rate Ordinance Presentation
- C - Publication Notice

INCORPORATED COUNTY OF LOS ALAMOS CODE ORDINANCE NO. 02-385

AN ORDINANCE AMENDING CHAPTER 40, ARTICLE III, SECTIONS 40-151 AND 40-152 OF THE CODE OF THE INCORPORATED COUNTY OF LOS ALAMOS PERTAINING TO THE NATURAL GAS SERVICE RATE SCHEDULE

WHEREAS, the Incorporated County of Los Alamos ("County") is an incorporated county of the State of New Mexico as provided in Article 10, Section 5, of the New Mexico Constitution; and

WHEREAS, pursuant to the County Charter, Section 500, there is a Department of Public Utilities ("Department") charged with the duty to operate County owned electric, gas, water and sewer systems; and

WHEREAS, pursuant to the County Charter, Section 502, the Department head shall be known as the "Utilities Manager" who shall conduct the business of the Department subject to the policies established by the Board of Public Utilities ("BPU"); and

WHEREAS, pursuant to the County Charter, Section 504, the Department's utility systems shall be operated on a compensatory basis, and the utility rates and charges shall be just, reasonable, and comparable to those in neighboring communities, and shall be uniform for all consumers of the same class; and

WHEREAS, the Department Utilities Manager has determined the current gas utility rates will not meet the requirement for the gas utility to operate on a compensatory basis unless the gas rates are increased to cover the projected revenue requirements adopted in the Department's fiscal year 2027 budget and fiscal year 2028 projections; and

WHEREAS, pursuant to County Charter, Section 203.1(d), any change in County utility rates shall be by ordinance; and

WHEREAS, pursuant to Section 4.6(a) of the *Board of Public Utilities Procedural Rules* (ed. 09/18/2024), the Utilities Manager is responsible for preparing and presenting proposed utility rate ordinances to the BPU; and

WHEREAS, pursuant to County Charter, Section 504, the rates to be paid by consumers for utility services shall be proposed by the BPU, to the County Council, and shall become effective on the date of adoption by the County Council; and

WHEREAS, pursuant to Section 4.6(b) of the *Board of Public Utilities Procedural Rules*, the Utilities Manager shall introduce a draft of the proposed gas rate increase ordinance to the BPU and present the budget and operational reasons for the proposed increase to the BPU at a public meeting, prior to a final public hearing on the proposed increase to the natural gas rate ordinance; and

WHEREAS, pursuant to Section 4.6(b) of the *Board of Public Utilities Procedural Rules*, a revised rate ordinance presented to the BPU after rejection of the original rate ordinance by the County Council need not be submitted in advance of the public hearing but may be acted upon by the BPU when submitted; and

WHEREAS, the final proposed gas rate ordinance is a revision of a proposed gas rate ordinance (No. 02-379) that was rejected by the County Council at its June 9, 2026, Regular Meeting; and

WHEREAS, the Utilities Manager presented the final proposed increased gas rate ordinance to the BPU on July 22, 2026, for a public hearing; and

WHEREAS, on July 22, 2026, the BPU approved the final proposed increased gas rate ordinance and recommended forwarding it to the County Council; and

WHEREAS, on August 4, 2026, the County Council, pursuant to County Charter, Section 203.2.1 introduced the proposed gas rate ordinance; and

WHEREAS, on August 25, 2026, the County Council, pursuant to County Charter, Section 203.2.2 held a public hearing on the proposed increase to the natural gas rate ordinance; and

WHEREAS, the natural gas rate schedule shall be amended as follows, with strike through-text deleted and underline-text added.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE INCORPORATED COUNTY OF LOS ALAMOS:

Section 1. Section 151 of Chapter 40 of the Code of the Incorporated County of Los Alamos is hereby amended as follows:

Sec. 40-151. - Gas rate schedules 7A and 7E.

- (a) *Residential service schedule 7A.* The residential rate applies to customers in a single dwelling or in a single dwelling unit of a multiple dwelling or apartment for domestic purposes only.
- (b) *General commercial and industrial service schedule 7E.* The commercial and industrial rate applies to customers for use in or in connection with any commercial, business or industrial activities, including multiple dwelling units where service for more than one unit is taken through a master meter, and to other customers not otherwise specifically falling within another class.
- (c) *Service charge.*
 - (1) Per meter rated 250 CFH or less: [~~\$11.08 per month after September 30, 2023; \$13.00 per month after September 30, 2024; \$14.25 per month after September 30, 2025;~~] \$15.53 per month after August 31, 2026.
 - (2) Per meter rated more than 250 CFH: [~~\$33.24 per month after September 30, 2023; \$39.00 per month after September 30, 2024; \$41.25 per month after September 30, 2025;~~] \$44.96 per month after August 31, 2026.
- (d) *Gas consumption charge.* (One therm is equal to 100,000 British Thermal Units (BTU))
 - (1) The gas consumption charge for schedules 7A and 7E shall be made up of two components: fixed cost recovery, and a variable cost of gas component.
 - i. The fixed cost recovery shall be [~~\$0.27~~] \$0.48 per therm [~~((one therm is equal to 100,000 British Thermal Units (BTU)) after September 30, 2023; \$0.32 after September 30, 2024; \$0.34 after September 30, 2025.)~~] after August 31, 2026.
 - ii. The variable cost of gas rate shall be calculated each month based on the projected cost of gas for the billing month plus an adjustment for any prior over or under collection for gas purchases and/or gas transportation costs, provided, however that the variable cost of gas rate shall not be lower than \$0.11 per therm per month.

- (2) The projected cost of gas shall be at the rate as stated on the San Juan Index or any recognized index that may replace the San Juan Index.
- (3) Should the variable cost of gas exceed \$4.00 per therm, the billed rate to consumers shall not reflect the cost of gas over that amount until the rate is approved by an ordinance of the council.

Section 2. Section 152 of Chapter 40 of the Code of the Incorporated County of Los Alamos is hereby amended as follows:

Sec. 40-152. - Gas rate schedules 7L and 7N.

(a) *Applicability.*

- (1) *Schedule 7L:* Interdepartmental service—Incorporated County of Los Alamos.
- (2) *Schedule 7N:* Schools service—Los Alamos Public Schools.

(b) *Service charge.*

- (1) Per meter rated 250 CFH or less: [~~\$11.08 per month after September 30, 2023; \$13.00 per month after September 30, 2024; \$14.25 per month after September 30, 2025;~~] \$15.53 per month after August 31, 2026.
- (2) Per meter rated more than 250 CFH: [~~\$33.24 per month after September 30, 2023; \$39.00 per month after September 30, 2024; \$41.25 per month after September 30, 2025;~~] \$44.96 per month after August 31, 2026.

(c) *Gas consumption charge.* (One therm is equal to 100,000 British Thermal Units (BTU))

- (1) The gas consumption charge for schedules 7L and 7N shall be made up of three ~~two~~ components: fixed cost recovery, and a variable cost of gas component. [~~and an extraordinary gas cost recovery fee.~~]
 - i. The fixed cost recovery shall be [~~\$0.24~~] \$0.43 per therm [~~(one therm is equal to 100,000 British Thermal Units (BTU)) after September 30, 2023; \$0.28 after September 30, 2024; \$0.30 after September 30, 2025;~~] after August 31, 2026.
 - ii. The variable cost of gas rate shall be calculated each month based on the projected cost of gas for the billing month plus an adjustment for any prior over or under collection for gas purchases and/or gas transportation costs, provided, however that the variable cost of gas rate shall not be lower than \$0.11 per therm per month.
- (2) The projected cost of gas shall be at the rate as stated on the San Juan Index or any recognized index that may replace the San Juan Index.
- (3) Should the variable cost of gas exceed \$4.00 per therm the billed rate to consumers shall not reflect the cost of gas over that amount until the rate is approved by an ordinance of the Council.

Section 3. Effective Date. This ordinance shall become effective upon adoption with the amended gas ordinance being applied for all billings on or after August 31, 2026.

Section 4. Severability. Should any section, paragraph, clause or provision of this ordinance, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of

this ordinance.

Section 5. **Repealer.** All ordinance or resolutions, or parts thereof, inconsistent herewith are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed to revive any ordinance or resolution, or part thereof, heretofore repealed.

ADOPTED this 25th day of August 2026.

**COUNCIL OF THE INCORPORATED
COUNTY OF LOS ALAMOS**

**Randall T. Ryti,
Council Chair**

ATTEST:

**Michael D. Redondo,
Los Alamos County Clerk**



Gas Rate **Code** Ordinance **No.** 02-385

Joann Gentry
Deputy Utility Manager - Finance & Administration

Overview



Approval of Gas Rate Ordinance 02-385



Discuss aligning gas rate with current operational costs and net income



Discuss the prices of natural gas in New Mexico and how it compares to DPU



Discuss how this rate adjustment translates to an average summer and winter residential bill



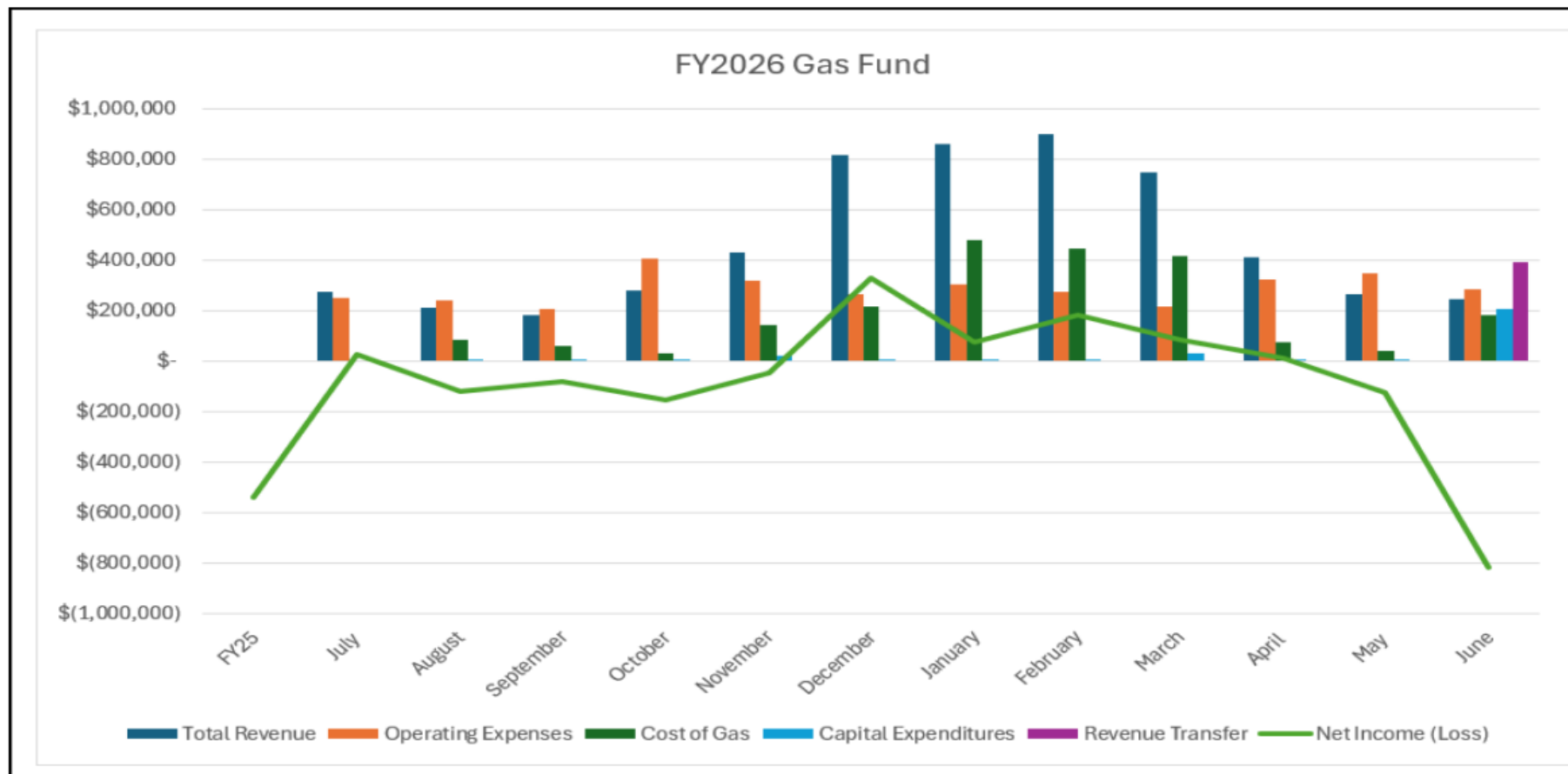
County Council rejected the previous ordinance on June 9, 2026



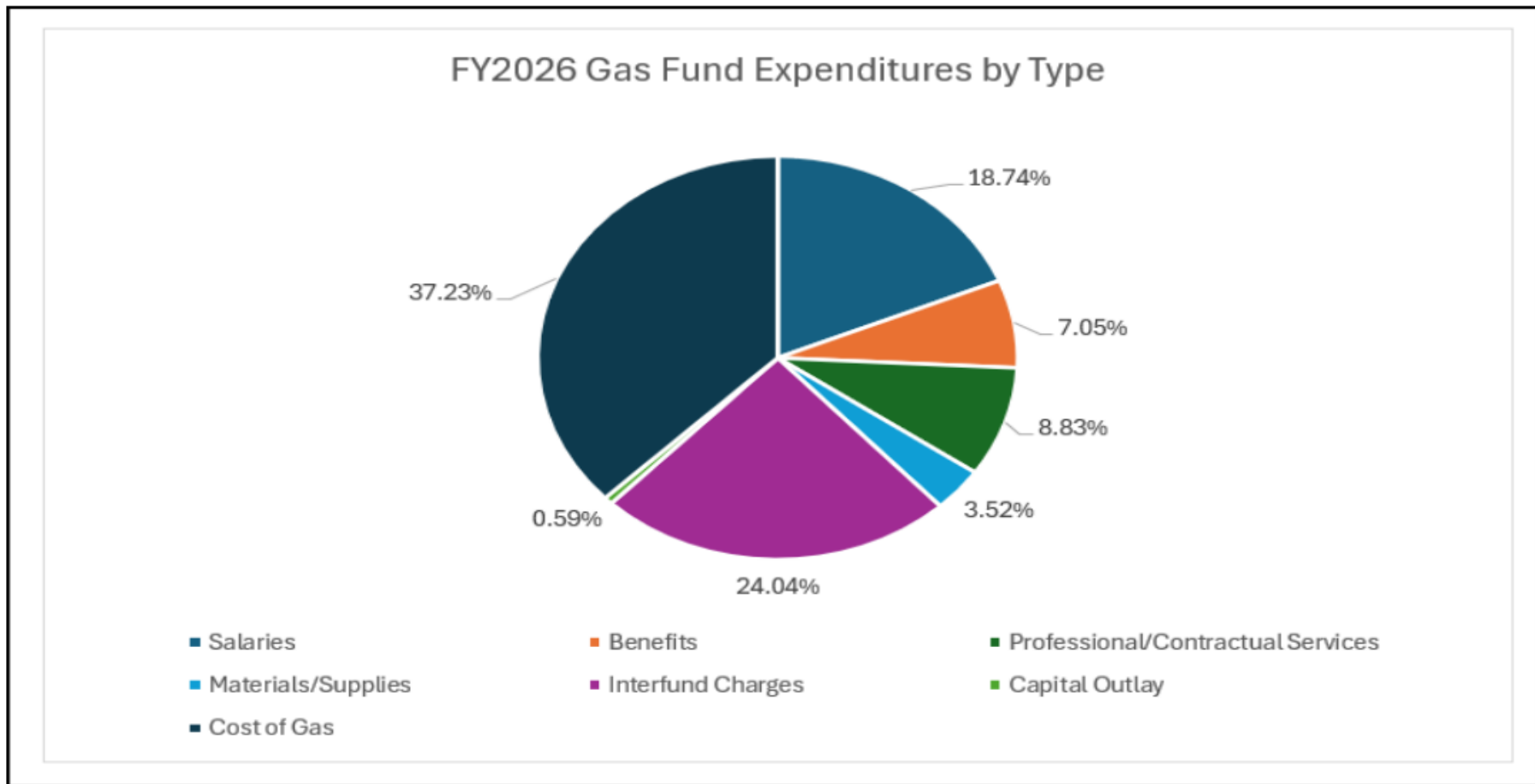
Suggested a single rate adjustment be proposed rather than a multi-rate adjustment

How did the gas fund do in FY 2026?

3

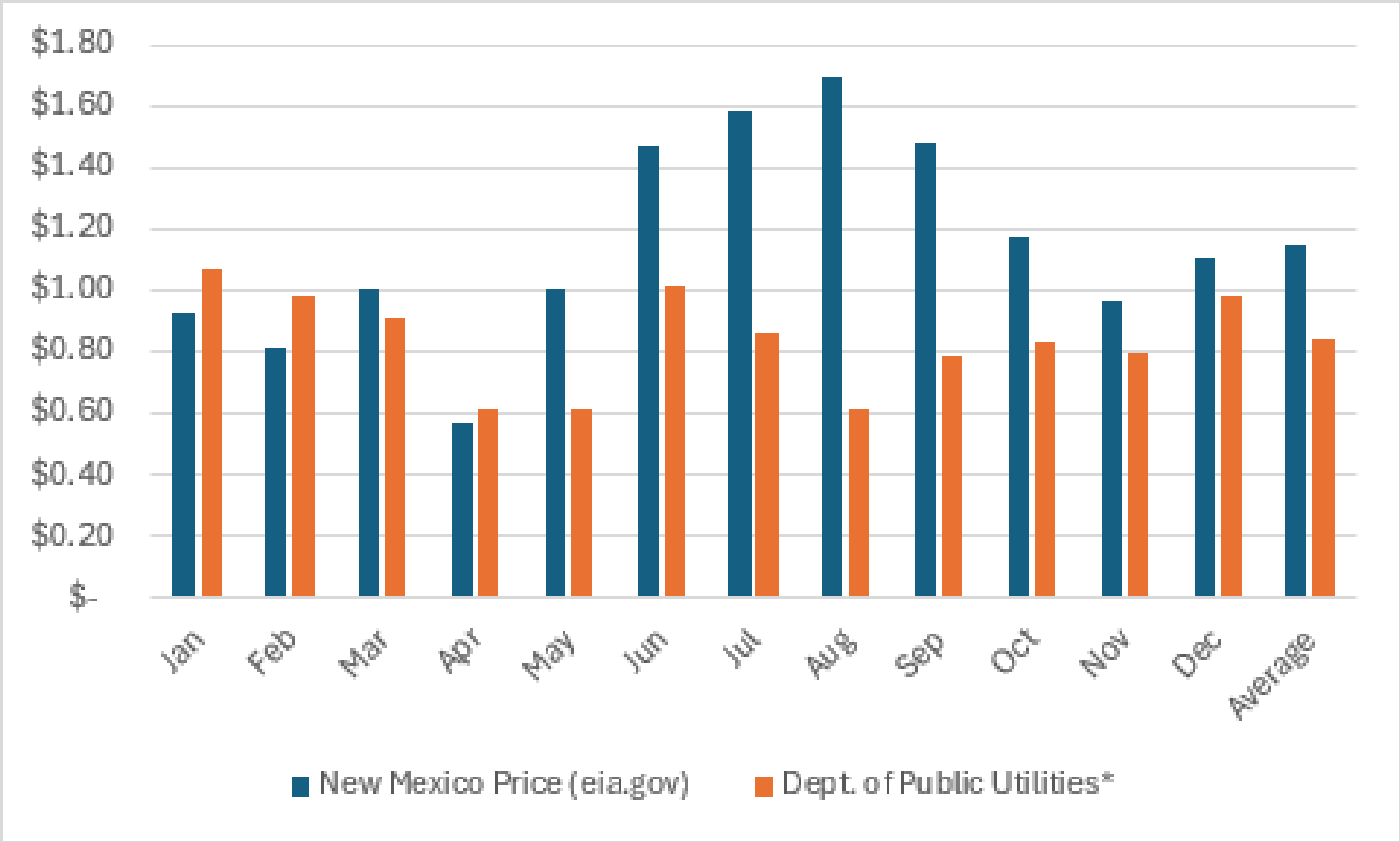


What were FY26 Expenditures?



Price of Natural Gas - CY2025

New Mexico Prices vs. DPU

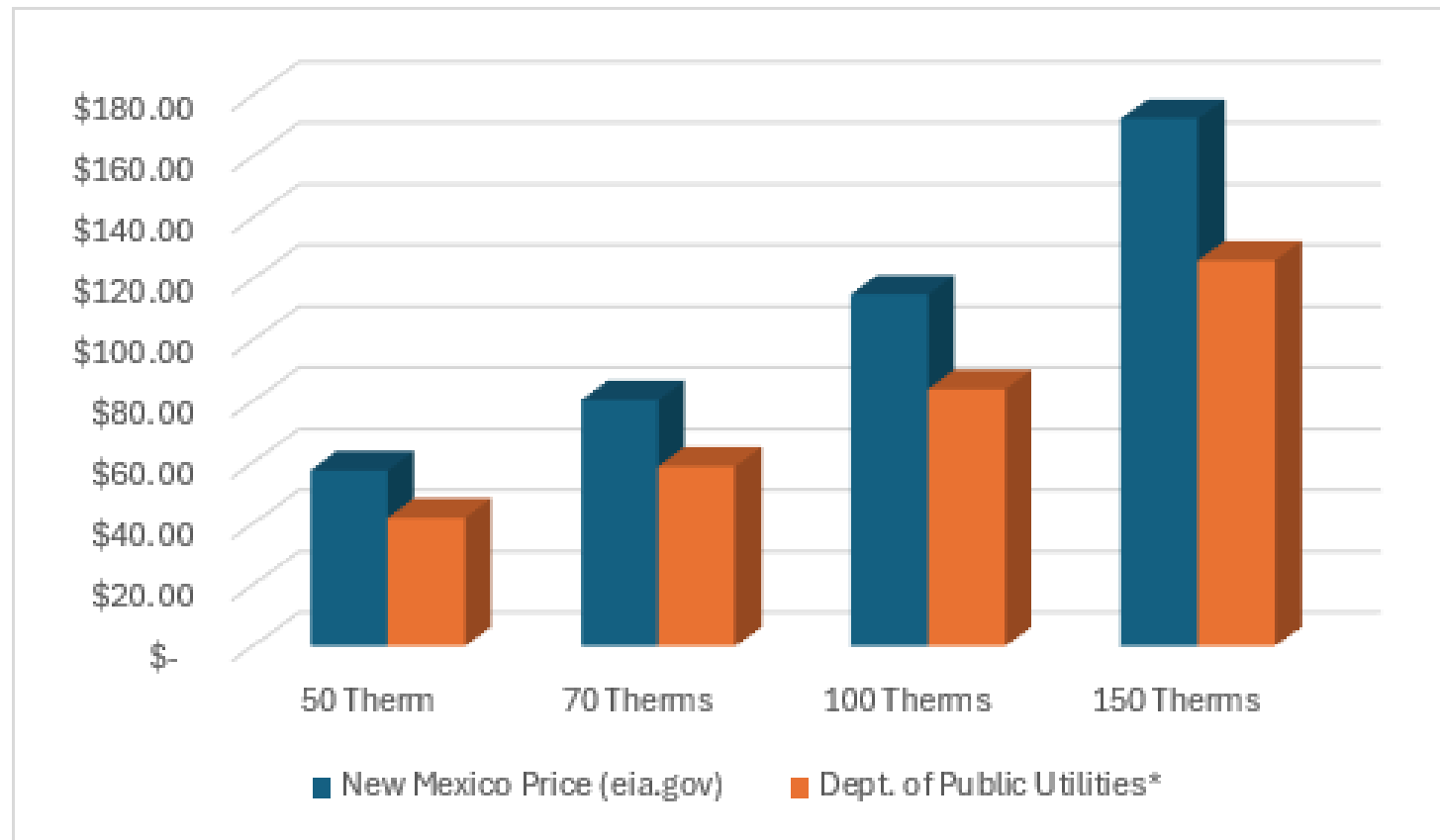


NM Price Data: U.S. Energy Information Administration
website: eia.gov
*Used CY2025 Variable Cost of Gas by month

Cost of Gas – CY2025

New Mexico Prices vs. DPU

6



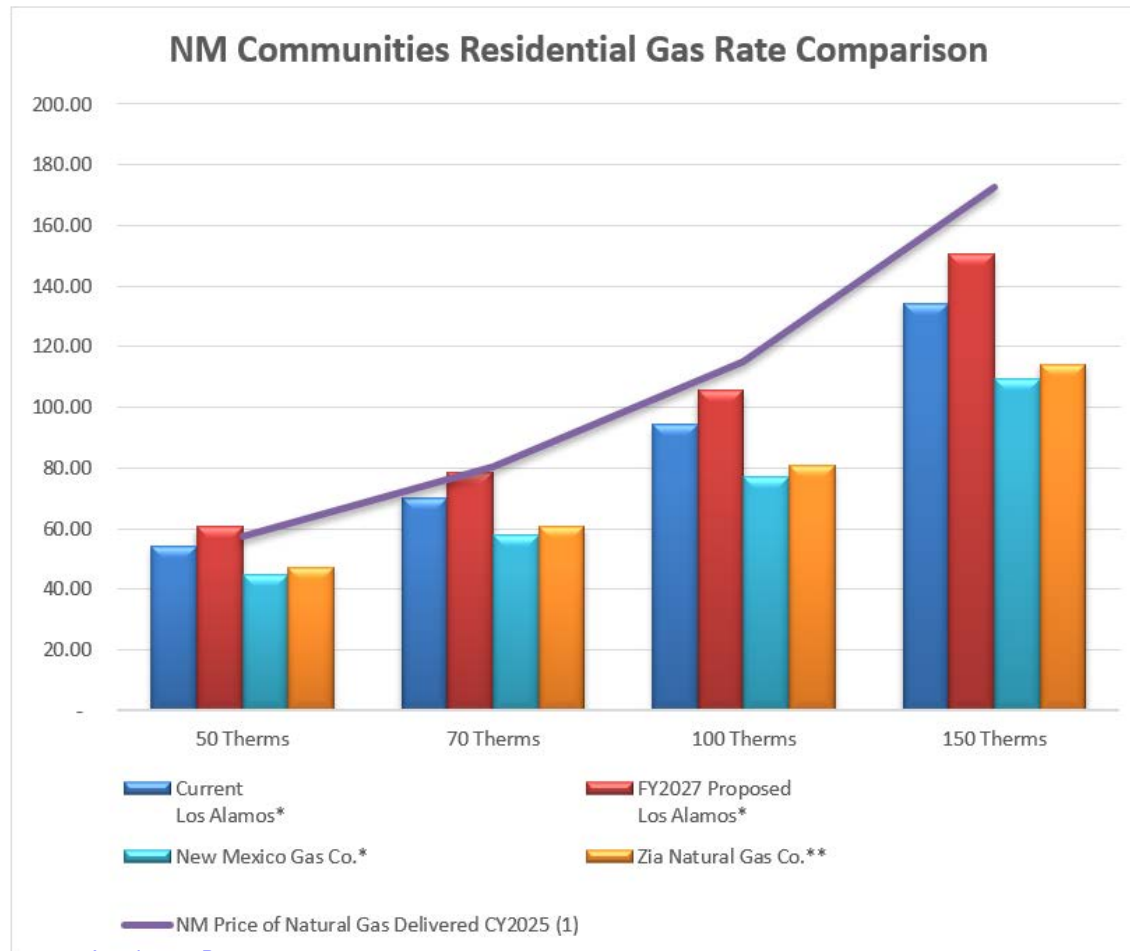
NM Price Data: U.S. Energy Information Administration

website: eia.gov

*Used CY2025 Average Variable Cost of Gas

Neighboring Communities

7



Attachment B

SAMPLE RESIDENTIAL BILL - Assuming Small Gas Meter					
Monthly Usage	Current Los Alamos*	FY2027 Proposed Los Alamos*	NM Price of Natural Gas Delivered CY2025 (1)	New Mexico Gas Co.*	Zia Natural Gas Co.**
50 Therms	54.25	60.53	57.48	44.77	47.37
70 Therms	70.25	78.53	80.47	57.72	60.72
100 Therms	94.25	105.53	114.95	77.14	80.75
150 Therms	134.25	150.53	172.43	109.51	114.12

*Average of 12 months Cost of Gas Comodity Rate used.

** Average of all service areas used for comparison.

(1) Source EIA.gov, excludes any Monthly Service Fees

Typical Bill for Residential Customers

8

Historical & Projected Typical Monthly Bill for Residential							
	ELECTRIC 500 kwh	GAS 75 therms	WATER 6,000 gal	SEWER	Total (excludes refuse)	Total \$\$ change	Total % change
FY2018	\$69.60	\$42.50	\$39.06	\$47.45	\$198.61	\$5.24	2.71%
FY2019	\$69.60	\$44.00	\$39.91	\$51.24	\$204.75	\$6.14	3.09%
FY2020	\$69.60	\$42.50	\$43.12	\$54.32	\$209.54	\$4.79	2.34%
FY2021	\$69.60	\$53.75	\$45.23	\$55.95	\$224.53	\$14.99	7.15%
FY2022	\$69.60	\$59.75	\$47.07	\$57.07	\$233.49	\$8.96	3.99%
FY2023**	\$69.60	\$87.51	\$50.20	\$57.93	\$265.24	\$31.75	13.60%
FY2024**	\$76.10	\$59.83	\$53.96	\$59.08	\$248.97	(\$16.27)	-6.13%
FY2025	\$83.25	\$61.75	\$58.19	\$60.56	\$263.75	\$14.78	5.94%
FY2026	\$90.75	\$71.25	\$61.87	\$64.80	\$288.67	\$24.92	9.45%
	ELECTRIC 500 kwh	GAS 70 therms	WATER 6,000 gal	SEWER	Total (excludes refuse)	Total \$\$ change	Total % change
FY2027	\$106.19	\$78.53	\$66.81	\$69.33	\$320.86	\$32.19	11.15%

Note: (75 therms used to calculate average cost of gas FY2018-FY2026. Updated to 70 therms starting in FY2027 based on 5-year average)

** Gas Sunset Recovery

How does the current gas rate compare to the proposed gas rate?

9

	Current Rate	Proposed	% Change
Fixed rate per Therm	\$0.34	\$0.48	41
Service charge	\$14.25	\$15.53	9
Monthly Average over the 12 months			
70 Therms Variable (0.42)	\$29.40	\$29.40	-
70 Therms Fixed	\$23.80	\$33.60	41
Service Charge	\$14.25	\$15.53	9
Total	\$67.45	\$78.53	16
Winter Average			
126 Therms Variable (0.42)	\$52.92	\$52.92	-
126 Therms Fixed	\$42.84	\$60.48	41
Service Charge	\$14.25	\$15.53	9
Total	\$110.01	\$128.93	17

Recommendation & Summary

10

- Adopt Ordinance 02-385
 - Align gas rates to operational costs
 - This is a single rate adjustment to go into effect September 1, 2026
 - Proposed gas rate is below statewide cost trends
 - Adopting the rate ordinance will provide stable operations and necessary infrastructure maintenance

Next Steps



Introduced to BPU on June 17, 2026



Present Ordinance 02-385 to BPU on July 22, 2026



Introduction to County Council on August 4, 2026



Present Ordinance 02-385 to County Council on August 25, 2026

Thank you!

Questions?

Joann Gentry

Deputy Utility Manager -

Finance & Administration

Office: 505-662-8004

Mobile: 505-709-0139

joann.gentry@losalamosnm.gov



NOTICE OF CODE ORDINANCE NO. 02-385**STATE OF NEW MEXICO, COUNTY OF LOS ALAMOS**

Notice is hereby given that the Board of Public Utilities (BPU), Incorporated County of Los Alamos, State of New Mexico, will hold a public hearing on July 22, 2026 at 5:30 p.m. at the Los Alamos Municipal Building at 1000 Central Avenue in Room #110. At this open meeting, the BPU will consider and receive public comment on Los Alamos County Code Ordinance No. 02-385. A full copy of the ordinance is available for inspection during regular business hours at the Department of Public Utilities, 1000 Central Avenue, Suite 130. A full copy can also be viewed online at <https://www.losalamosnm.gov/Services/Public-Utilities/Rates-and-Fees> under "Proposed rate changes." Interested citizens are encouraged to attend this public hearing.

**INCORPORATED COUNTY OF LOS ALAMOS CODE ORDINANCE NO. 02-385
AN ORDINANCE AMENDING CHAPTER 40, ARTICLE III, SECTIONS 40-151 AND
40-152 OF THE CODE OF THE INCORPORATED COUNTY OF LOS ALAMOS
PERTAINING TO THE NATURAL GAS SERVICE RATE SCHEDULE**

Board of Public Utilities of the Incorporated County of Los Alamos

By: /s/ Robert B. Gibson, Chair

Attest: /s/ Michael D. Redondo, County Clerk

Los Alamos Daily Post

Publication Date: July 9, 2026



County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Staff Report

July 22, 2026

Agenda No.:	7.b.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; Quality Governance - Fiscal Stewardship; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 2.0 Achieve and Maintain Excellence in Financial Performance
Presenters:	Joann Gentry, Deputy Utility Manager-Finance & Admin.
Legislative File:	CO0768-26.2

Title

Incorporated County of Los Alamos Code Ordinance No. 02-387; An Ordinance Amending the Department of Public Utilities' Water Service Rate Schedules, Chapter 40, Article III, Sections 40-171, 40-173 and 40-175, and adding new Sections 40-176, 40-177, and 40-178 to the Incorporated County of Los Alamos Code

Recommended Action

I move that the Board of Public Utilities recommend that Council adopt Incorporated County of Los Alamos Code Ordinance No.02-387; An Ordinance Amending the Department of Public Utilities' Water Service Rate Schedules, Chapter 40, Article III, Sections 40-171, 40-173 and 40-175, and adding new Sections 40-176, 40-177, and 40-178 to the Incorporated County of Los Alamos Code, with revisions to the effective dates of the last service charge period to "after September 30, 2027" in Sections 40-171(b) and (c) and "after June 30, 2027" in all other sections and forward to Council for introduction and adoption as revised.

..Utility Manager's Recommendation

The Utility Manager recommends that the Board of Public Utilities approve the motion as presented.

Body

The ordinance presented on April 15, 2026 to BPU, was the correct version; however, all subsequent approvals of the ordinance were based on an inadvertently presented a version that was materially different from the ordinance introduced at BPU. Accordingly, the water rate ordinance adopted by the Council on June 30, 2026, is void.

Based on the review of the ordinance presented on April 15, 2026, the recommendations below are being submitted for consideration-

Section 40-171(b) and (c): Change dates listed as "From 10/1/2027 through 9/30/2028" or "10/1/2027-9/30/2028" to "After 9/30/2027."

Section 40-173(b) and (c): Change dates listed as "From 7/1/2027 through 6/30/2028" or "July 1, 2027 through June 30, 2028" to "After 6/30/2027."

Section 40-175(b) and (c): Change dates listed as "July 1, 2027 through June 30, 2028" to "After 6/30/2027."

Section 40-176(b) and (c): Change dates listed as “From 7/1/2027 through 6/30/2028” or “July 1, 2027 through June 30, 2028” to “After 6/30/2027.”

Section 40-177(b) and (c): Change dates listed as “July 1, 2027 through June 30, 2028” to “After 6/30/2027.”

Section 40-178: Change dates listed as “July 1, 2027 through June 30, 2028” to “After 6/30/2027.”

Citizens are welcome to attend and provide public comment regarding the proposed Water Service Rates at these scheduled meetings:

Council Introduction: August 4, 2026

Council Public Hearing: August 25, 2026

Alternatives

Without taking action, DPU would be forced to curtail maintenance and replacement activities, which would ultimately impact system reliability.

Fiscal and Staff Impact/Planned Item

The proposed increases are expected to restore the water fund to a positive cash flow in FY2029 as well as begin funding our long-term cash reserves in FY2034.

Attachments

A - Incorporated County of Los Alamos Code Ordinance No. 02-387

B - Water Rate Ordinance Presentation

C - Publication Notice

INCORPORATED COUNTY OF LOS ALAMOS CODE ORDINANCE NO. 02-387

AN ORDINANCE AMENDING THE DEPARTMENT OF PUBLIC UTILITIES' WATER SERVICE RATE SCHEDULES, CHAPTER 40, ARTICLE III, SECTIONS 40-171, 40-173, AND 40-175, AND ADDING NEW SECTIONS 40-176, 40-177, AND 40-178 TO THE INCORPORATED COUNTY OF LOS ALAMOS CODE

WHEREAS, the Incorporated County of Los Alamos ("County") is an incorporated county of the State of New Mexico as provided in Section 5, Article 10 of the New Mexico Constitution, and is granted all powers of a municipality; and

WHEREAS, pursuant to Article V of the County Charter, the Department of Public Utilities ("Department") is charged with the duty to operate County owned electric, gas, water and sewer systems; and

WHEREAS, Section 504 of the County Charter requires that the Department be operated on a compensatory basis, with rates being just, reasonable, and comparable to those in neighboring communities; and

WHEREAS, the Department and Utilities Manager have identified the need to increase water rates to meet the projected revenue requirements of the Department; and

WHEREAS, pursuant to Charter Section 203.1.d. any change in County utility rates shall be done by ordinance; and

WHEREAS, pursuant to Section 4.6.a. of the *Board of Public Utilities Procedural Rules* (ed 8/20/25), the Utilities Manager is responsible for preparing and presenting proposed utility rate ordinances to the Board of Public Utilities ("BPU"); and

WHEREAS, pursuant to Charter Section 504 the rates to be paid for utility services shall then be proposed by the BPU to the County Council and shall become effective on the date of adoption by Council; and

WHEREAS, the Utilities Manager presented a proposed increased water rate ordinance that is materially the same as this proposed increased water rate ordinance to BPU on April 15, 2026; and

WHEREAS, the Utilities Manager presented this final proposed increased water rate ordinance to the BPU on July 22, 2026; and

WHEREAS, on August 4, 2026, the County Council, pursuant to County Charter, Section 203.2.1 introduced this proposed increased water rate ordinance; and

WHEREAS, on August 25, 2026, the County Council, pursuant to County Charter, Section 203.2.2 held a public hearing on this proposed increased water rate ordinance; and

WHEREAS, the water service rate schedule shall be amended, with strike through-text indicating deletions and underline-text indicating added text.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE INCORPORATED COUNTY OF LOS ALAMOS, as follows:

Section 1. Section 40-171 of the Code of the Incorporated County of Los Alamos is amended to read, as follows:

Sec. 40-171. Potable water rate schedule 8-A.

- (a) *Applicability.* Potable water rate schedule 8-A is applicable to all classes of retail customers whether commercial, residential, or otherwise. The rate shall consist of a service charge plus a water consumption charge.
- (b) *Service charge.*

Service Charge Per Meter Per Month							
Water Meter Size	[Through 10/31/2022]	[From 11/1/2022 through 09/30/2023]	[From 10/01/2023 through 09/30/2024]	[From 10/01/2024 through 09/30/2025]	[After 9/30/2025] Through 9/30/2026	From 10/1/2026 through 9/30/2027	From 10/1/2027 through 9/30/2028
1-inch and under	[\$11.40]	[\$12.54]	[\$13.79]	[\$15.17]	\$16.69	<u>\$18.03</u>	<u>\$19.47</u>
1½-inch	[\$36.10]	[\$39.71]	[\$43.68]	[\$48.05]	\$52.86	<u>\$40.57</u>	<u>\$43.81</u>
2-inch	[\$53.88]	[\$59.27]	[\$65.20]	[\$71.72]	\$78.89	<u>\$72.12</u>	<u>\$77.88</u>
3-inch	[\$106.33]	[\$116.96]	[\$128.66]	[\$141.53]	\$155.68	<u>\$162.27</u>	<u>\$175.23</u>
4-inch	[\$181.06]	[\$199.17]	[\$219.09]	[\$241.00]	\$265.10	<u>\$288.48</u>	<u>\$311.52</u>
6-inch	[\$382.23]	[\$420.45]	[\$462.50]	[\$508.75]	\$559.63	<u>\$649.08</u>	<u>\$700.92</u>
8-inch	[\$631.54]	[\$694.69]	[\$764.16]	[\$840.58]	\$924.64	<u>\$1,153.92</u>	<u>\$1,246.08</u>
<u>10-inch</u>						<u>\$1,803.00</u>	<u>\$1,947.00</u>
<u>12-inch</u>						<u>\$2,596.32</u>	<u>\$2,803.68</u>

- (c) *Water consumption charge.* The water consumption charge shall be charged to each customer billed under rate schedule 8-A according to the following schedules:

	<i>Consumption October 1 through April 30 (Non-Peak Season)</i>			
	<i>Commodity Rate per 1,000 Gallons</i>			
	<i>Monthly Consumption</i>	<i>9,000 gal or less</i>	<i>over 9,000 gal to 15,000 gal</i>	<i>over 15,000 gal</i>
Single family residential	[Through 10/31/ 2022]	[\$6.02]	[\$6.02]	[\$6.02]
	[11/1/2022 to 09/30/ 2023]	[\$6.50]	[\$6.50]	[\$6.50]
	[10/01/2023 to 09/30/ 2024]	[\$6.83]	[\$6.83]	[\$6.83]
	[10/01/2024 to 09/30/2025]	[\$7.17]	[\$7.17]	[\$7.17]
	Through [After] 09/30/2026[5]	\$7.53	\$7.53	\$7.53
	<u>10/1/2026- 09/30/2027</u>	<u>\$8.13</u>	<u>\$8.13</u>	<u>\$8.13</u>
	<u>10/1/2027- 09/30/2028</u>	<u>\$8.78</u>	<u>\$8.78</u>	<u>\$8.78</u>
Multi-family residential	[Through 10/31/ 2022]	[\$6.02]	[\$6.02]	[\$6.02]
	[11/1/2022 to 09/30/ 2023]	[\$6.50]	[\$6.50]	[\$6.50]
	[10/01/2023 to 09/30/ 2024]	[\$6.83]	[\$6.83]	[\$6.83]
	[10/01/2024 to 09/30/2025]	[\$7.17]	[\$7.17]	[\$7.17]
	Through [After] 09/30/2026[5]	\$7.53	\$7.53	\$7.53
	<u>10/1/2026- 09/30/2027</u>	<u>\$8.13</u>	<u>\$8.13</u>	<u>\$8.13</u>
	<u>10/1/2027- 09/30/2028</u>	<u>\$8.78</u>	<u>\$8.78</u>	<u>\$8.78</u>
Commercial	[Through 10/31/ 2022]	[\$6.02]	[\$6.02]	[\$6.02]
	[11/1/2022 to 09/30/2024 2023]	[\$6.50]	[\$6.50]	[\$6.50]
	[10/01/2023 to 09/30/ 2024]	[\$6.83]	[\$6.83]	[\$6.83]
	[10/01/2024 to 09/30/2025]	[\$7.17]	[\$7.17]	[\$7.17]
	Through [After] 09/30/2026[5]	\$7.53	\$7.53	\$7.53

	<u>10/1/2026-09/30/2027</u>	<u>\$8.13</u>	<u>\$8.13</u>	<u>\$8.13</u>
	<u>10/1/2027-09/30/2028</u>	<u>\$8.78</u>	<u>\$8.78</u>	<u>\$8.78</u>
County/schools	[Through 10/31/2022]	[\$6.02]	[\$6.02]	[\$6.02]
	[11/1/2022 to 09/30/ 2023]	[\$6.50]	[\$6.50]	[\$6.50]
	[10/01/2023 to 09/30/ 2024]	[\$6.83]	[\$6.83]	[\$6.83]
	[10/01/2024 to 09/30/2025]	[\$7.17]	[\$7.17]	[\$7.17]
	Through [After] 09/30/2026[5]	\$7.53	\$7.53	\$7.53
	<u>10/1/2026-09/30/2027</u>	<u>\$8.13</u>	<u>\$8.13</u>	<u>\$8.13</u>
	<u>10/1/2027-09/30/2028</u>	<u>\$8.78</u>	<u>\$8.78</u>	<u>\$8.78</u>

	<i>Consumption May 1 through September 30 (Peak Season)</i>			
	<i>Commodity Rate per 1,000 Gallons</i>			
	<i>Monthly Consumption</i>	<i>9,000 gal or less</i>	<i>over 9,000 gal to 15,000 gal</i>	<i>over 15,000 gal</i>
Single family residential	[Through 10/31/2022]	[\$6.02]	[\$6.40]	[\$7.65]
	[11/1/2022 to 09/30/ 2023]	[\$6.50]	[\$7.15]	[\$7.87]
	[10/01/2023 to 09/30/ 2024]	[\$6.83]	[\$7.51]	[\$8.26]
	[10/01/2024 to 09/30/2025]	[\$7.17]	[\$7.89]	[\$8.67]
	Through [After] 09/30/2026[5]	\$7.53	\$8.28	\$9.10
	<u>10/1/2026-09/30/2027</u>	<u>\$8.13</u>	<u>\$8.94</u>	<u>\$9.84</u>
	<u>10/1/2027-09/30/2028</u>	<u>\$8.78</u>	<u>\$9.66</u>	<u>\$10.62</u>
Multi-family residential	[Through 10/31/2022]	[\$6.02]	[\$6.33]	[\$6.47]
	[11/1/2022 to 09/30/ 2023]	[\$6.50]	[\$6.50]	[\$6.50]
	[10/01/2023 to 09/30/ 2024]	[\$6.83]	[\$6.83]	[\$6.83]
	[10/01/2024 to 09/30/2025]	[\$7.17]	[\$7.17]	[\$7.17]
	Through [After] 09/30/2026[5]	\$7.53	\$7.53	\$7.53

	<u>10/1/2026-09/30/2027</u>	<u>\$8.13</u>	<u>\$8.13</u>	<u>\$8.13</u>
	<u>10/1/2027-09/30/2028</u>	<u>\$8.78</u>	<u>\$8.78</u>	<u>\$8.78</u>
Commercial	[Through 10/31/2022]	[\$6.02]	[\$6.02]	[\$6.02]
	[11/1/2022 to 09/30/ 2023]	[\$6.50]	[\$6.50]	[\$6.50]
	[09/30/ 2024]	[\$6.83]	[\$6.83]	[\$6.83]
	[10/01/2024 to 09/30/2025]	[\$7.17]	[\$7.17]	[\$7.17]
	Through [After] 09/30/2026[5]	\$7.53	\$7.53	\$7.53
	<u>10/1/2026-09/30/2027</u>	<u>\$8.13</u>	<u>\$8.13</u>	<u>\$8.13</u>
	<u>10/1/2027-09/30/2028</u>	<u>\$8.78</u>	<u>\$8.78</u>	<u>\$8.78</u>
County/schools	[Through 10/31/2022]	[\$6.02]	[\$6.02]	[\$6.02]
	[11/1/2022 to 09/30/ 2023]	[\$6.50]	[\$6.50]	[\$6.50]
	[10/01/2023 to 09/30/ 2024]	[\$6.83]	[\$6.83]	[\$6.83]
	[10/01/2024 to 09/30/2025]	[\$7.17]	[\$7.17]	[\$7.17]
	Through [After] 09/30/2026[5]	\$7.53	\$7.53	\$7.53
	<u>10/1/2026-09/30/2027</u>	<u>\$8.13</u>	<u>\$8.13</u>	<u>\$8.13</u>
	<u>10/1/2027-09/30/2028</u>	<u>\$8.78</u>	<u>\$8.78</u>	<u>\$8.78</u>

Note: Multi-family residential includes multiple dwelling units (duplexes, triplexes, quads ...) and apartments as defined in Code section 40-201.

Section 2. Section 40-173 of the Code of the Incorporated County of Los Alamos is amended to read, as follows:

Sec. 40-173. Non-potable water rate charge.

- (a) The non-potable water rate sold and delivered to points of delivery. The rate shall consist of a service charge, plus a non-potable water consumption charge.

[this section intentionally left blank]

(b) Service Charge.

<u>Service Charge Per Meter Per Month</u>		
<u>Water Meter Size</u>	<u>From 7/1/2026 through 6/30/2027</u>	<u>From 7/1/2027 through 6/30/2028</u>
<u>1-inch and under</u>	<u>\$9.02</u>	<u>\$9.74</u>
<u>1½-inch</u>	<u>\$20.29</u>	<u>\$21.91</u>
<u>2-inch</u>	<u>\$36.06</u>	<u>\$38.94</u>
<u>3-inch</u>	<u>\$81.14</u>	<u>\$87.62</u>
<u>4-inch</u>	<u>\$144.24</u>	<u>\$155.76</u>
<u>6-inch</u>	<u>\$324.54</u>	<u>\$350.46</u>
<u>8-inch</u>	<u>\$576.96</u>	<u>\$623.04</u>
<u>10-inch</u>	<u>\$901.50</u>	<u>\$973.50</u>
<u>12-inch</u>	<u>\$1,298.16</u>	<u>\$1,401.84</u>

(c) The water consumption rate for non-potable water, including effluent reuse water, shall be [~~\$3.03 per 1,000 gallons for consumption through October 31, 2022, \$3.18 per 1,000 gallons for consumption November 1, 2022 through September 30, 2023, \$3.34 per 1,000 gallons for consumption October 1, 2023 through September 30, 2024, \$3.51 per 1,000 gallons for consumption October 1, 2024 through September 30, 2025, and~~] \$3.69 per 1,000 gallons for consumption through June 30, 2026, \$3.99 per 1,000 gallons for consumption July 1, 2026 through June 30, 2027, and \$4.30 per 1,000 gallons for consumption July 1, 2027 through June 30, 2028.

Section 3. Section 40-175 of the Code of the Incorporated County of Los Alamos is amended to read, as follows:

Sec. 40-175. Bulk delivery rate schedule 8-D.

(a) Applicability. Schedule 8-D is applicable to all bulk water sold and delivered to bulk points of delivery. The rate shall consist of a service charge, plus a water consumption charge.

- (b) The bulk delivery rate for water sold and delivered to bulk points of delivery shall be [~~\$4.13 per 1,000 gallons for consumption through October 31, 2022, \$4.83 per 1,000 gallons for consumption November 1, 2022 through September 30, 2023, \$5.07 per 1,000 gallons for consumption October 1, 2023 through September 30, 2024, \$5.32 per 1,000 gallons for consumption October 1, 2024 through September 30, 2025, and~~ \$5.59 per 1,000 gallons for consumption through June 30, 2026, \$6.04 per 1,000 gallons for consumption for July 1, 2026 through June 30, 2027, and \$6.52 per 1,00 gallons for consumption for July 1, 2027 through June 30, 2028.
- (c) The customer service charge for water sold and delivered to bulk points of delivery shall be [~~\$778.84 per month per customer for service through October 31, 2022; \$817.78 per month per customer for service November 1, 2022 through September 30, 2023; \$858.67 per month per customer for service October 1, 2023 through September 30, 2024; \$901.60 per month per customer for service October 1, 2024 through September 30, 2025; and~~ \$946.68 per month per customer for service through June 30, 2026, \$1,022.41 per month per customer for service July 1, 2026 through June 30, 2027, and \$1,104.21 per month per customer for service July 1, 2027 through June 30, 2028.

Section 4. Three new sections are added to the Code of Ordinances, Chapter 40 Utilities, Water Rates, Sections; 40-176 Irrigation Meters, 40-177 Bulk Water Sales to Los Alamos National Laboratory, and 40-178 Pajarito Mountain Service Area, as follows:

Sec 40-176. – Irrigation Meters

Definition: An irrigation meter is a dedicated water meter that exclusively meters water used for outdoor watering, irrigation and snowmaking. None of the water used is returned to the sewer system, and sewer charges do not apply to irrigation meter usage.

- (a) The potable water rate is applicable to water sold and delivered for irrigation meters. The rate shall consist of a service charge, plus a potable water consumption charge.
- (b) Service Charge.

<u>Service Charge Per Meter Per Month for Snow Making and Irrigation</u>		
<u>Water Meter Size</u>	<u>From 7/1/2026 through 6/30/2027</u>	<u>From 7/1/2027 through 6/30/2028</u>
<u>1-inch and under</u>	<u>\$9.02</u>	<u>\$9.74</u>
<u>1½-inch</u>	<u>\$20.29</u>	<u>\$21.91</u>
<u>2-inch</u>	<u>\$36.06</u>	<u>\$38.94</u>
<u>3-inch</u>	<u>\$81.14</u>	<u>\$87.62</u>

<u>4-inch</u>	<u>\$144.24</u>	<u>\$155.76</u>
<u>6-inch</u>	<u>\$324.54</u>	<u>\$350.46</u>
<u>8-inch</u>	<u>\$576.96</u>	<u>\$623.04</u>
<u>10-inch</u>	<u>\$901.50</u>	<u>\$973.50</u>
<u>12-inch</u>	<u>\$1,298.16</u>	<u>\$1,401.84</u>

- (c) The water consumption rate for potable water, for irrigation use, shall be \$8.13 per 1,000 gallons for consumption July 1, 2026 through June 30, 2027, and \$8.78 per 1,000 gallons for consumption July 1, 2027 through June 30, 2028.

Sec. 40-177. Bulk Water Sales to Los Alamos National Laboratory

- (a) The water consumption rate for water sales to Los Alamos National Laboratory, for potable water sold and delivered to Los Alamos National Laboratory points of delivery shall consist of a service charge, plus a water consumption charge.
- (b) The customer service charge for water sold and delivered to bulk points of delivery shall be \$946.68 per month per customer for service through June 30, 2026, \$1,022.41 per month per customer for service July 1, 2026 through June 30, 2027, and \$1,104.21 per month per customer for service July 1, 2027 through June 30, 2028.
- (c) The water consumption rate for potable water sold and delivered to Los Alamos National Laboratory shall be \$7.45 per 1,000 gallons for consumption from July 1, 2026 through June 30, 2027, and \$7.80 per 1,000 gallons for consumption from July 1, 2027 through June 30, 2028.

Sec. 40-178. Pajarito Mountain Service Area

The water consumption rate for the Pajarito Mountain "Service Area", including the Jemez Mountains' wildfire protection area, for potable water sold and delivered to points of delivery above 8,000 feet in elevation, shall consist of an applicable potable water service charge or irrigation meter charge, and a commercial water consumption charge plus an energy charge. The energy charge rate is \$1.50 per 1,000 gallons of water sold from July 1, 2026 through June 30, 2027, and \$1.50 per 1,000 gallons of water sold from July 1, 2027 through June 30, 2028.

Section 5. Effective Date. This ordinance shall become effective upon adoption with the amended water rates being applied for all billings on or after August 31, 2026.

Section 6. Severability. Should any section, paragraph, clause or provision of this ordinance, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

Section 7. **Repealer.** All ordinance or resolutions, or parts thereof, inconsistent herewith are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed to revive any ordinance or resolution, or part thereof, heretofore repealed.

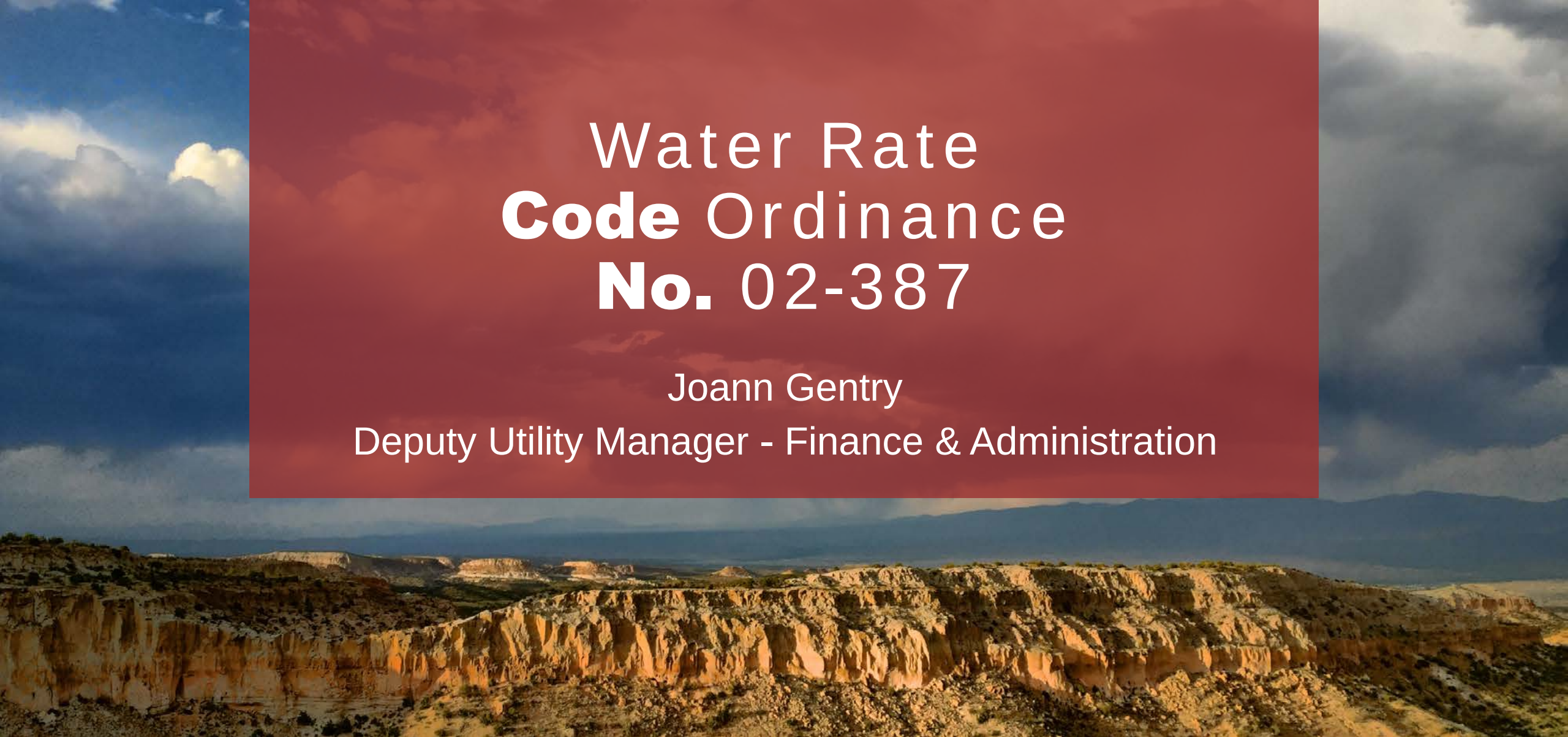
ADOPTED this 25th day of August 2026.

**COUNCIL OF THE INCORPORATED
COUNTY OF LOS ALAMOS**

**Randall T. Ryti,
Council Chair**

ATTEST: (SEAL)

**Michael D. Redondo,
Los Alamos County Clerk**



Water Rate **Code** Ordinance **No.** 02-387

Joann Gentry
Deputy Utility Manager - Finance & Administration

Overview

2



Water Rate Ordinance 02-380 provided to BPU on April 15, 2026, was the correct version; however, an incorrect version was subsequently provided on May 20, 2026



Water Rate Ordinance 02-380 provided to the County Council on June 9, 2026, and June 30, 2026 was not the correct version



Water Rate Ordinance 02-387 replaces the incorrect version previously presented to BPU and County Council

Recommended Revisions

Recommendations:

- Section 40-171(b) and (c) revise where dates, which are listed as “From 10/1/2027 through 9/30/2028” or “10/1/2027-9/30/2028” to “After 9/30/2027” • Section 40-173 (b) and (c) revise where dates, which are listed as “From 7/1/2027 through 6/30/ 2028” or “July 1, 2027 through June 30, 2028” to “After 6/30/2027”
- Section 40-175 (b) and (c) revise where dates, which are listed as “July 1, 2027 through June 30, 2028” to “After 6/30/2027”
- Section 40-176 (b) and (c) revise where dates, which are listed as “From 7/ 1/ 2027 through 6/30/2028” or “July 1, 2027 through June 30, 2028” to “After 6/ 30/2027”

Recommended Revisions

- Recommendations:
 - Section 40-177 (b) and (c) revise where dates, which are listed as “July 1, 2027 through June 30, 2028” to “After 6/30/2027”
 - Section 40-178 revise where dates, which are listed as “July 1, 2027 through June 30, 2028” to “After 6/30/2027”

Thank you!

Questions?

Joann Gentry

Deputy Utility Manager -
Finance & Administration

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Mobile: 505-709-0139

joann.gentry@losalamosnm.gov



NOTICE OF CODE ORDINANCE NO. 02-387

STATE OF NEW MEXICO, COUNTY OF LOS ALAMOS

Notice is hereby given that the Board of Public Utilities (BPU), Incorporated County of Los Alamos, State of New Mexico, will hold a public hearing on July 22, 2026 at 5:30 p.m. at the Los Alamos Municipal Building at 1000 Central Avenue in Room #110. At this open meeting, the BPU will consider and receive public comment on Los Alamos County Code Ordinance No. 02-38. A full copy of the ordinance is available for inspection during regular business hours at the Department of Public Utilities, 1000 Central Avenue, Suite 130. A full copy can also be viewed online at

<https://www.losalamosnm.gov/Services/Public-Utilities/Rates-and-Fees> under "Proposed rate changes." Interested citizens are encouraged to attend this public hearing.

**INCORPORATED COUNTY OF LOS ALAMOS CODE ORDINANCE NO. 02-387
AN ORDINANCE AMENDING THE DEPARTMENT OF PUBLIC UTILITIES' WATER
RATE SCHEDULES, CHAPTER 40, ARTICLE III, SECTIONS 40-171, 40-173, AND
40-175, AND ADDING NEW SECTIONS 40-176, 40-177, AND 40-178 TO THE
INCORPORATED COUNTY OF LOS ALAMOS CODE**

Board of Public Utilities of the Incorporated County of Los Alamos

By: /s/ Robert B. Gibson, Chair

Attest: /s/ Michael D. Redondo, County Clerk

Los Alamos Daily Post

Publication Date: July 9, 2026



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 8.a.1.
Index (Council Goals): DPU FY26 - 6.0 Develop and Strengthen Partnerships
Presenters: Robert Gibson, Chair-Board of Public Utilities
Legislative File: 21972-26

Title

American Public Power Association (APPA) National Conference Summary

Body

Mr. Robert Gibson, Board of Public Utilities Chair and Mr. Philo Shelton, Utilities Manager attended the APPA National Conference in Boston, M.A. from June 28 - July 1, 2026. Chair Gibson will provide a summary.

Attachments

A - APPA Conference Summary

American Public Power Association (APPA) National Conference Summary

Conference in Boston, MA; 28 Jun – 1 Jul 2026 Report by: Robert Gibson, BPU Chair

Overview

This was a large conference, with around 1600 attendees. It had a conventional structure with four plenary sessions, around forty smaller breakout sessions, and a trade show. With typically 7-8 parallel breakout sessions in each of five time periods, one person could capture only a small portion of the information exchanged. Below are the some take-aways interesting to this attendee.

Most slides are available on-line to attendees.

Supply

Fracking and horizontal drilling started in ~2008. Natural gas prices have been declining since.

Natural gas is in oversupply in the US. About 20% of production is exported (as LNG).

Natural gas is very cheap, thus presently favorable for electric production. Electricity prices are thus sensitive to gas prices.

Electricity demand in the US was essentially flat until ~2015. AI then started to have an impact.

Electricity demand is now growing at about 3%/yr., a trend expected to continue for at least the next decade. Data centers are the primary driver. Electrification has not yet had major impact.

Solar may be competitive without Investment Tax Credits when they expire in 2030.

Renewables now comprise ~26% of national electric supply. Gas has grown to 40% due to cheap fracked gas. Coal has fallen to ~15%. Nuclear remains roughly constant at ~17%.

A resurgence of nuclear may be approaching. It is the only technology with bipartisan political support. Large plants appear to be favored politically more than SMRs.

The claim was made in one talk that seismic issues had been solved for advanced geothermal. It was asserted that disposal of the fracking fluid was the cause and that different disposal techniques solve the seismic problem.

Transmission

Interconnection (transmission) agreement permitting times are rapidly increasing. Typical was 22 months in 2008, 55 months in 2024. Roughly 3.3 GW of capacity is presently awaiting interconnection. FERC is trying to shorten permitting time.

Railway rights-of-way may be an untapped resource for siting transmission lines – at least in the eastern part of the country where they are common.

Underground HVDC transmission is technically feasible (HVAC is not). It is considerably more expensive than towered transmission. It would be a natural match for rail R-O-Ws.

Transmission lines have a load rating based on worst case (generally hottest day) conditions. They can usually carry a lot more, perhaps as much as 2X on cold winter days.

Storage

Lithium-Iron-Phosphate (LiFePO₄ or LFP) batteries are increasingly popular for their long life and resistance (immunity?) to thermal runaway. Energy density is slightly lower than other Li types. They are more favorable for utility applications and less for mobile (i.e., EV) where weight is a factor.

Iron-air batteries are promising for long-term (~100 hour) utility-scale storage. Materials are cheap and plentiful. Their round-trip electrical efficiency is relatively low (50-60%). They are heavy and bulky, thus only suitable for utility-scale.

The many other potential storage technologies were reviewed, but none appeared ready for wide implementation.

Residential Demand-side Management

Several New England public power entities are making tentative steps in this direction.

Most entities exploring this do not yet have AMI or TOU, but intend to.

Property owners don't volunteer for demand-side management without incentives (surprise?), but little specificity was offered in how they were structured.

Even with small penetrations, peak shaving of several percent was claimed.

Communicating Rate Increases

Experience and recommendations were very similar to what we already do.

People do understand inflation. Small, annual inflationary increases are generally better understood and tolerated than occasional large jumps.

Miscellaneous

Various data on California mid-day electric utility demand were presented. Some suggested it was approaching zero because of all the distributed PV. Other data did not go that far, but there is clearly a major effect.

One talk asserted that ~60% of solar installations in California have storage (of some form) attached. That seems high and was not confirmed. Some reduction in evening utility demand may be appearing.

All residential rates mentioned were substantially higher than ours, sometimes 2-3X higher.

Electrical demand in New England may peak in winter by mid-2030s with heat pumps and EVs.

Trade Show

The most interesting thing I saw was an on-demand water heater with internal thermal storage in a solid-liquid phase change (similar to what is used in cold packs for coolers or heat pack hand warmers). Energy (electrical or hydronic) can be input over long and off-peak time periods, avoiding the huge peak demands of traditional on-demand systems. It is not a mature product, but an example of a potential technical solution to electrification needs.



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 8.h.1.

Index (Council Goals): Quality Governance - Communication and Engagement; DPU FY26 - 6.0
Develop and Strengthen Partnerships

Presenters: Board of Public Utilities

Legislative File: 21886-26

Title

Discussion & Possible Approval of BPU Participation in the Los Alamos Nuclear Forum

Recommended Action

I move that the Board of Public Utilities approve training and per diem expenses not to exceed \$500 per Board Member to participate in the Los Alamos Nuclear Forum on August 25, 2026 in Los Alamos, NM.

I further move that if more than three Board Members wish to participate that a quorum notice is distributed as appropriate.

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve the motion as presented.

Body

Excerpt from <https://www.losalamosnuclearforum.com/>:

The Los Alamos Nuclear Forum brings together the leaders shaping the next generation of nuclear energy, national security, advanced manufacturing, artificial intelligence, and critical infrastructure.

Hosted in the birthplace of the Atomic Age, LANF is where government, national laboratories, industry, investors, utilities, Tribal leaders, universities, and policymakers come together to move nuclear innovation from research to real-world deployment.

Whether you're exploring advanced reactors, nuclear medicine, space nuclear technologies, fuel security, workforce development, waste management, or the financing needed to build America's energy future, LANF offers direct access to the people leading those conversations.

The nuclear industry is entering one of the most significant periods of growth in its history. The decisions made over the next decade will determine how America powers artificial intelligence, strengthens national security, expands advanced manufacturing, develops lifesaving medical technologies, and builds a more reliable, affordable, and resilient energy system.

Be part of the conversation before the future is decided. The Los Alamos Nuclear Forum is where those connections begin.

Seats are limited. Explore the agenda. Meet the speakers. Connect with sponsors. Register today and join the people helping shape America's nuclear future.

<https://www.losalamosnuclearforum.com/registernow>

Fiscal and Staff Impact

The registration cost is \$299 for in person attendance and \$199 for virtual attendance. The event will be held at SALA Event Center in Los Alamos so there is no mileage involved. The current DPU budget includes a line item for Board Training and Travel.



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 8.h.2.

Index (Council Goals): Quality Governance - Communication and Engagement; DPU FY26 - 6.0
Develop and Strengthen Partnerships

Presenters: Board of Public Utilities

Legislative File: 21887-26

Title

Discussion & Possible Approval of BPU Participation at the UAMPS Annual Member Conference

Recommended Action

I move that the Board of Public Utilities approve training and travel expenses not to exceed \$3,500.00 per Board Member to participate in the UAMPS Annual Member Conference from August 23-25, 2026 in Logan, Utah.

I further move that if more than three Board Members wish to participate that a quorum notice is distributed as appropriate.

Utilities Manager's Recommendation

The Utilities Manager recommends that the Board approve the motion as presented.

Body

Excerpt from email invitation:

The UAMPS Annual Member Conference is a multi-day event that brings together educational speakers, networking opportunities and family activities. UAMPS Members, along with Mayors, City Councilors, and governing boards will engage with industry experts through presentations, discussions and panels. Join us in learning about strategic solutions, and interacting with other public power leaders, as we discover ways to create a future that includes a cost effective and reliable energy outlook.

UAMPS is excited to invite you to our annual Member Conference August 23-25, 2026 located at the Riverwoods Conference Center in Logan, Utah.

The conference will begin with a fun and casual opening banquet on Sunday, August 23rd at 6:30 PM. Please register yourself and any guests before August 14th.

Rooms are available at the Springhill Suites and Townplace Suites located in the same campus as the conference center. Please book your rooms prior to August 3rd to secure the group rate of \$189/night.

Registration, hotel information, and conference agenda can also be found at

Fiscal and Staff Impact

Historically, similar travel for a UAMPS conference has cost under \$3,000.00. The current DPU budget includes a line item for BPU training and travel.



County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Staff Report

July 22, 2026

Agenda No.:	9.a.
Index (Council Goals):	Quality Excellence - Effective, Efficient, and Reliable Services; DPU FY26 - 1.0 Provide Safe and Reliable Utility Services; DPU FY26 - 3.0 Be a Customer Service Oriented Organization that is Approachable, Communicative, Efficient, and Transparent; Quality Governance - Communication and Engagement
Presenters:	Clay Moseley, Deputy Utility Manager-GWS Services
Legislative File:	21386-26

Title

Annual Update on Wastewater Systems

Body

The board has requested a system assessment on a different utility each quarter. This quarter, Clay Moseley, Deputy Utilities Manager for GWS Operations, will present an update on the wastewater systems: wastewater collections and wastewater treatment. Discussion includes both the physical condition and operational challenges of the wastewater sub-systems: Wastewater Collections (WC) and Wastewater Treatment (WT). Also included are recent AMT (Asset Management Team - Engineering and Operations) achievements and challenges and planned near-term future O&M Goals, Action Items and Major Projects.

The physical condition of each sub-system (WC = FAIR, WT=GOOD) has seen some upward improvements from last year's report. This is the result of AMT goals moving into their project phase, with several of the projects being successfully completed. Project completion from both CIP and in-house Operations contribute to improvements. Large systems require multiple years of CIP and O&M improvement projects before the entire system's condition can be revised to a significantly improved status. The AMT program focuses on prioritizing the most critical issues from most impactful to less impactful.

The new White Rock WRRF is now fully functional after being put into operation two years ago. It truly is a source of pride for the DPU and the WT staff enjoy operating it. It has had a few startup issues, most of which have been mitigated by the project team, but one large issue with the sludge basin mixing pumps is still being worked on. There is an aggressive corrosion problem, the source of which is not fully understood and requires further investigation.

The Los Alamos WWTP has seen several major upgrades and replacements this past year, which has resulted in a significant improvement in its overall condition assessment. The original solids dewatering belt press has been replaced with a more modern, resource efficient screw press. The headworks fine screen was completely overhauled with new components, completed by WT in-house operations staff. This saved a tremendous amount of money that will be put toward other upcoming projects. Many of the electrical motor control modules (MCC "buckets") have been overhauled with new components by the Water Systems Electrical Technicians

(in-house), providing much more reliable operation of the various electrical motors driving pumps and process equipment. This was also originally planned to be outsourced to electrical contractors as a CIP project. The LA-WWTP will be seeing several more repair and upgrading projects over this next year through a mix of in-house projects and CIP.

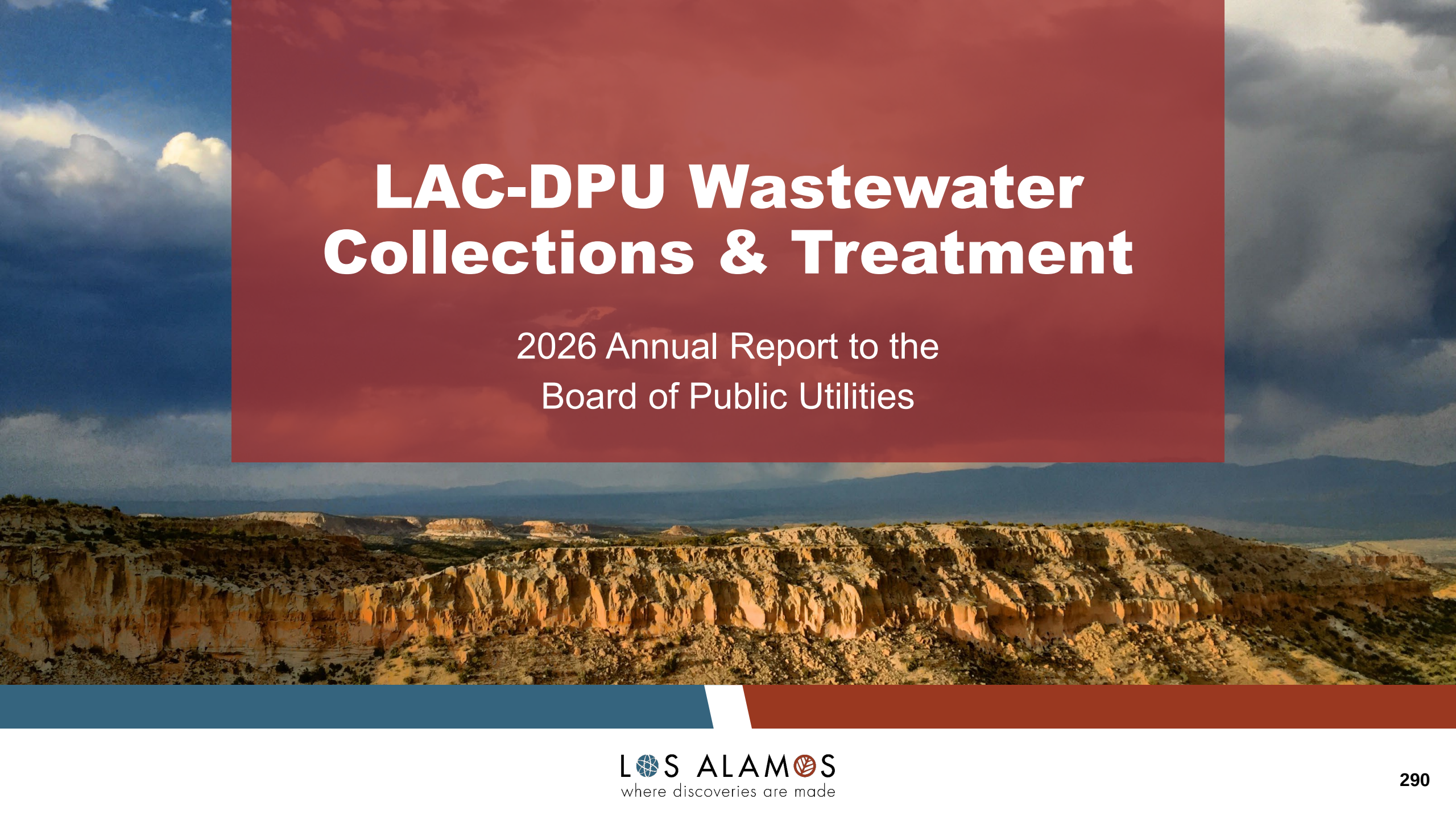
The wastewater collections (WC) system continues to be the focus of aggressive O&M work and CIP upgrades and replacements. O&M work includes inspections, mainline flushing, root removal, chemical treatment, and lift station service. The CIP projects will see a shift from replacement and upgrades of the lift stations to pipeline replacements and reconfigurations. Much of the original vitrified clay pipe sewer mains are seeing condition issues that now require replacement. Additionally, the AMT has identified sewer mains that are located under homes, putting them in a higher risk category for failure that necessitates reconfiguration.

The sewer system is a mix of older original VCP (vitrified clay pipe) where the BAR (Burn Area Replacement) project did not replace the mains: North Community, Western Area, upper Barranca Mesa, Downtown and Eastern Area neighborhoods, plus older sections of White Rock; and newer PVC and PE pipe where the BAR project replaced the original sewer system, along with locations where projects have already replaced the original sewer lines, and in newer parts of town: Quemazon, Hawks Landing, lower North Mesa, lower Barranca Mesa, various areas in White Rock (anything from sometime in the early 1970s to present-day). The more modern parts of the system that are constructed from PVC and PE pipe rarely present problems in the main line, usually only where poorly constructed connections were made. VCP pipe is subject to shifting joints, cracking, root intrusion, and cave-ins. The various types of problems with VCP are difficult to predict when they will occur, but it is predictable that it will eventually occur at some point, requiring a prioritized replacement program.

The AMT will continuously need to analyze, predict, and plan for replacement and upgrade projects in both the WT and WC systems. With all wastewater systems, O&M is extremely vital and critical at every level; therefore, recruiting, training and maintaining an expert Operations staff is the most important aspect of the wastewater systems.

Attachments

A - 2026 Wastewater Systems Annual Update



LAC-DPU Wastewater Collections & Treatment

2026 Annual Report to the
Board of Public Utilities

Purpose of Presentation

2



Provide a summary of the operational status of both the wastewater collections system (sewer) and the two LAC wastewater/water reclamation plants



Describe the challenges of operating and maintaining both systems and programs



Analyze the physical condition of the assets



Provide an overview of the future operational needs and capital project plans

Wastewater Collections – a tale of two systems

3

- The LAC wastewater collections system is complex
- Terrain and topography
- Challenges posed by original construction layout – i.e. backyard sewer mains, mains running through drainages, off the mesa cliffs, etc.
- Maintenance access is extremely challenging in many areas
- Abundance of vitrified clay pipe – approximately 32,000 ft. between TS and WR
- 25 sewer pump/lift stations – a mix of old and new; any lift station installed before 2000 has seen at least one rebuild or upgrade. Even the original Quemazon-1 lift station is scheduled for a complete rebuild this year.
- New sewer systems present very few problems – i.e. PVC and PE pipe, proper grading, layout in streets for better access, updated rules & regulations
- Implementation of modern technology in lift stations
- O&M of the WC system requires a very experienced team utilizing a heuristic approach

Older Infrastructure = O&M Challenges

4

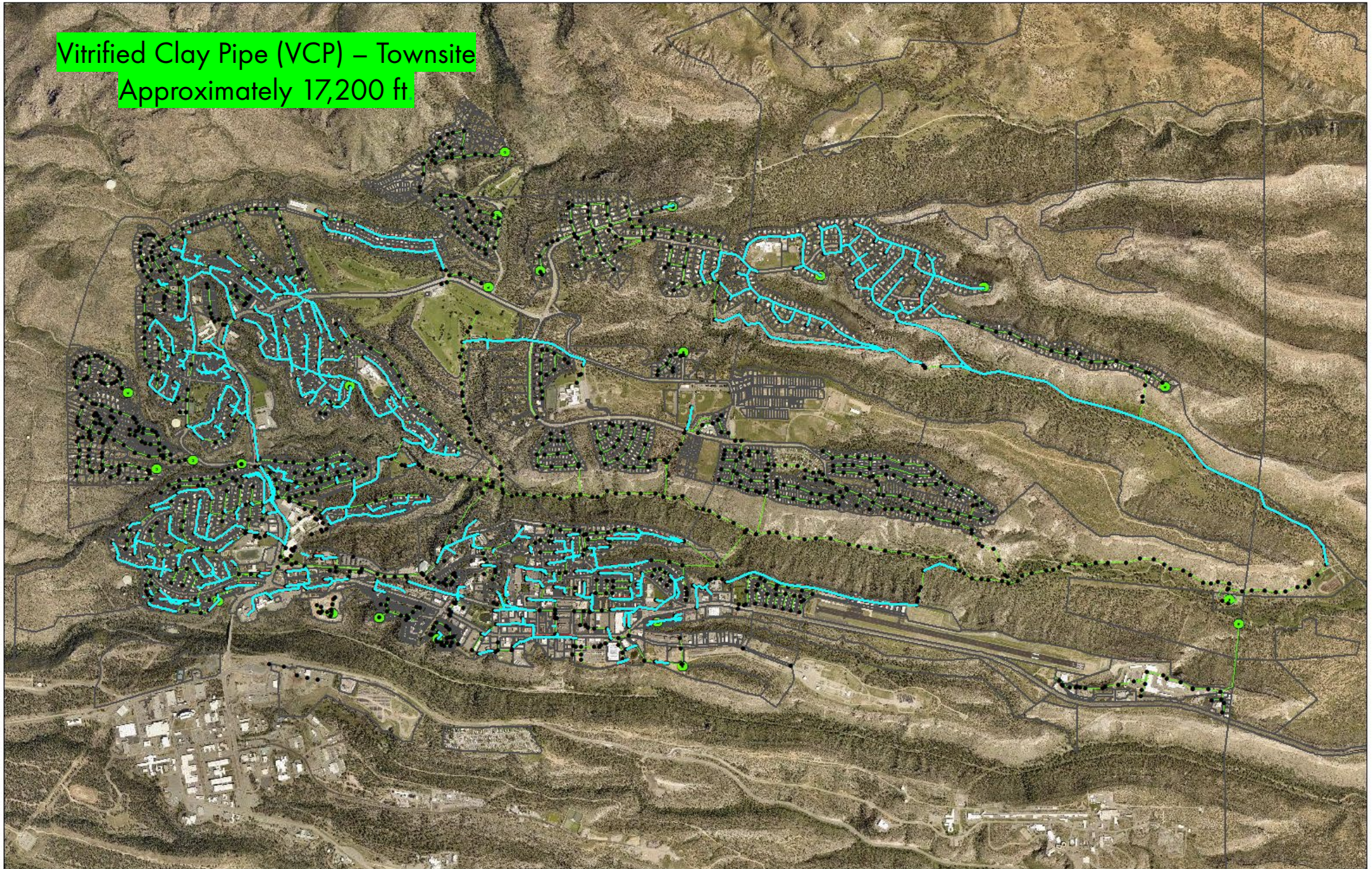


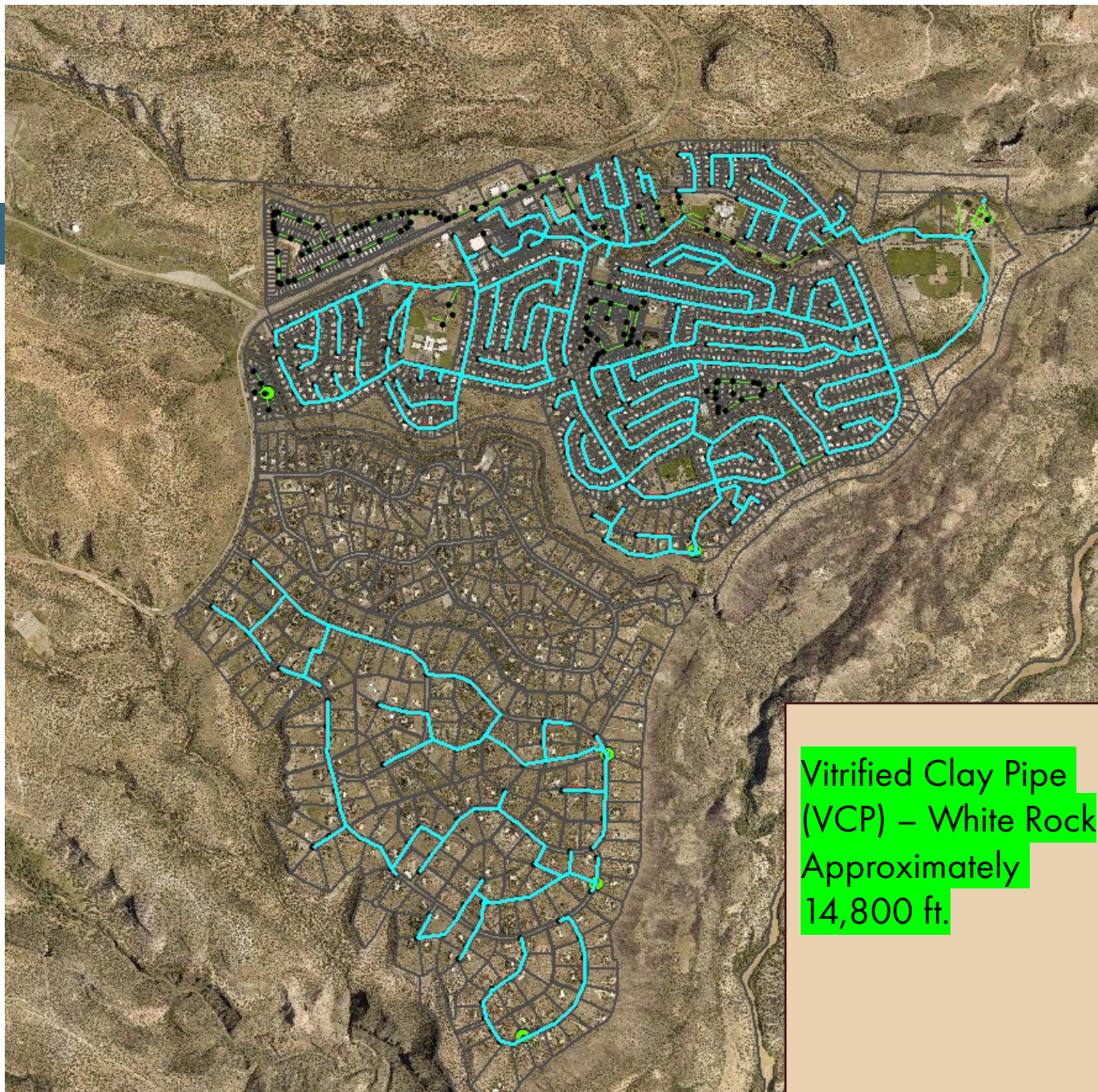
O&M Challenges

5

- Unpredictable nature of sewer blockages
- Bad consumer habits – discharges of:
 - Non-dissolvable wipes (only toilet paper can be flushed)
 - Fats, oils, grease – large residential discharges create problems in lift stations and in the sewer network pipes
 - Rags, mops, other large items – crews find these items very frequently
- Sheer magnitude of network mileage to maintain with only four crew members (on average)
- Roots – very prevalent in older areas with VCP
- Grade problems – shifting soils move VCP pipe joints, creating flow problems
- Infiltration of stormwater – storm water carries soil/sediments that settle out and create earth dams inside pipes and manholes
- Sewer mains running under homes
- Non-permitted residential taps – home additions that created a 2nd service line without inspections or permits
- Numerous original above-ground steel cliff-drop sewer lines – e.g. North Mesa

Vitrified Clay Pipe (VCP) – Townsite
Approximately 17,200 ft





FY27 CIP

WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL

2,185,000

SEWER COLLECTION	1,885,000
Denver Steels Phase III (Public Works Road Project)	150,000
Sewer Line Rehabilitation (RIP Loan)	
Fairway Street	800,000
Sycamore Street	600,000
North Community/Western Area Sewer Mains & Services R&R - Phase 2	300,000
DP Road Staging Area	35,000
WASTEWATER TREATMENT	300,000
Convert Effluent Washwater to Gravity System (RIP Loan)	300,000

FY28 CIP

WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL

4,150,000

SEWER COLLECTION

4,150,000

Old Pueblo Plant Canyon Drop Replacement (WTB \$640 / CIP \$160k)

800,000

Cooper Road Sewer Canyon Drop Repl. (WTB \$1,080,000 /CIP \$270k)

1,350,000

Sewer Line Rehabilitation (RIP Loan)

Refurbish or Eliminate Pueblo Canyon Pipe Bridge

1,100,000

Aspen School Area Pipeline - Phase 2 (Public Works Project)

200,000

Sandia Drive

700,000

WASTEWATER TREATMENT

0

FY29 CIP

10

WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL

1,700,000

SEWER COLLECTION

1,700,000

Sewer Line Rehabilitation (RIP Loan)

Eastern Area Phase 1 Renewal & Replacement

1,000,000

Aspen School Area Pipeline - Phase 3 (Public Works Project)

300,000

Kimberly Sewer Lift Station & Wet Well

400,000

WASTEWATER TREATMENT

0

FY30 CIP

WASTEWATER TREATMENT AND SEWER COLLECTION TOTAL

2,000,000

SEWER COLLECTION

2,000,000

Sewer Line Rehabilitation (RIP Loan)

Airport Canyon Sewer Drop Replacement

1,000,000

Eastern Area Phase 2 Renewal & Replacement

750,000

Orange and Nickel Streets (Public Works Project)

250,000

WASTEWATER TREATMENT

0

FY31 CIP

2,000,000

SEWER COLLECTION

2,000,000

Sewer Line Rehabilitation (RIP Loan)

Laguna Sewer Canyon Drop Replacement

1,400,000

Range Road Lift Station Refurbishment

350,000

40th, 41st & 42nd South of Urban (Public Works Project)

250,000

WASTEWATER TREATMENT

0

Focal Points for the Future

13



Aggressive capital project plan to modernize infrastructure – i.e. replace VCP with PVC according to modern standards, upgrade lift stations



Analyze & respond to operational needs to improve efficiency – i.e. purchase of new/modern vector unit to expedite maintenance workflows



Maintain highly engaged and expert staff through apprentice program



Analyze crew workflows and equipment allocation to maximize O&M progress

Wastewater Collections - Staff Recommendations

14

- Maintain and build a strong GWS apprentice program to ensure O&M workflows keep pace with needs; consider staff additions as work volume increases
- Continuously analyze needs toward acquisition and maintenance of the tools and equipment necessary to run an efficient operation
- Constantly evaluate problem areas that require additional maintenance work throughout the year
- Prioritize asset management team collaboration between Engineering and GWS Operations to develop near- and long-term CIP plans to replace aging/failing infrastructure
- Factor in the need to be flexible with projects and respond to newly developing situations as they arise
- Emphasize public engagement – sewer discharges are a consumer issue that have health and economic impacts

Wastewater Treatment & Reclamation

15

- DPU owns and operates two treatment plants for Los Alamos & White Rock
- Both plants produce Class 1 A effluent water suitable for reclamation and reuse
- Los Alamos Plant (2007):
 - Designed for 1.5 MGD, processes on average ~0.8 MGD
 - BNR (biological nutrient removal) process utilizing aerated biological reactor basins with forced air
 - LA WWTP is now seeing age/condition related replacements and upgrades
- White Rock WRRF (2024):
 - Designed for 0.5 to 0.7 MGD, processes on average ~0.28 MGD
 - BNR process utilizing an aerated oxidation ditch through mixing
 - The WR WRRF is still seeing some “new facility” start-up troubleshooting issues, but is generally a very good plant to own and operate

Los Alamos WWTP

16

- Originally constructed and in operation since 2007, much of the plant process equipment is now seeing its “end of life” need for replacement or complete overhaul
- Fine filtration process added in 2025 – promoted effluent/reclaim water quality to Class-1A
- Upgrades/Replacements completed as of 2026:
 - Replaced 2 older “Hoffman” blowers with modern VFD Aerzen blowers
 - Replaced original outmoded plant SCADA from proprietary Allen Bradley “FactoryTalk” to open source “Ignition” system – CIP and SCADA staff project
 - Replacement of dewatering process belt press with more modern screw press - CIP
 - Replaced original reuse water system pumps with improved pumps more suited to the application – WT staff project
 - Replaced VFDs on reuse water pumps – WT staff project
 - Replaced 50% of RAS/WAS pumps – WT staff project
 - Rebuilt 50% of the process MCC buckets (motor starters) – WT/Electric staff project
 - Fabricated and installed grit chamber decking to protect headworks HVAC – WT staff project
 - Complete rebuild and overhaul of the headworks fine screen – WT staff project

Los Alamos WWTP (continued)

17

Pending replacement/upgrade projects:

- Replacement of UV disinfection system – WT/Electric staff project
- Blower room heat dissipation & HVAC – planned CIP
- Repair and waterproofing of aeration basin walls – planned CIP
- Elimination of onsite reuse water pumping system – planned CIP
- Replacement of sodium & mercury ballast lighting – in process by WT/Electrical staff
- Continue MCC bucket rebuilds – in process by WT/Electrical staff

In-House Overhaul of the Fine Screen

A cost savings of \$200k to \$400k!







White Rock WRRF

21

- New facility – very popular for public tours! Produces very clean effluent
- Very modern technology that the operators enjoy
- Has had a few startup problems requiring warranty work from both the Engineer and Contractor (BHI & RMCI):
 - Grit chamber vortex system
 - RAS/WAS pumps
 - Chlorinator and sensors
 - Several minor SCADA/controls issues
 - Sludge basin mixing pumps – unresolved major corrosion problem

White Rock Effluent Discharge Permit

Operating Conditions

#	Terms and Conditions																		
6.	The Permittee shall ensure that Class 1A reclaimed domestic wastewater discharged from the reuse storage impoundment to the reuse areas does not exceed the following discharge limits. <table><tr><th>Test</th><th>30-day Average</th><th>Maximum</th></tr><tr><td>Total Nitrogen</td><td>N/A</td><td>10 mg/L</td></tr><tr><td>E. coli bacteria</td><td>3 MPN/100 mL</td><td>15 MPN/100 mL</td></tr><tr><td>BOD₅</td><td>10 mg/L</td><td>15 mg/L</td></tr><tr><td>Turbidity</td><td>3 NTU</td><td>5 NTU</td></tr><tr><td>TRC or UV Transmissivity</td><td>Monitor Only</td><td>Monitor Only</td></tr></table> [Subsections B and C of 20.6.2.3109 NMAC, NMSA 1978, § 74-6-5.D]	Test	30-day Average	Maximum	Total Nitrogen	N/A	10 mg/L	E. coli bacteria	3 MPN/100 mL	15 MPN/100 mL	BOD ₅	10 mg/L	15 mg/L	Turbidity	3 NTU	5 NTU	TRC or UV Transmissivity	Monitor Only	Monitor Only
Test	30-day Average	Maximum																	
Total Nitrogen	N/A	10 mg/L																	
E. coli bacteria	3 MPN/100 mL	15 MPN/100 mL																	
BOD ₅	10 mg/L	15 mg/L																	
Turbidity	3 NTU	5 NTU																	
TRC or UV Transmissivity	Monitor Only	Monitor Only																	
7.	The Permittee shall ensure adherence to the following general requirements for above-ground use of reclaimed domestic wastewater. a) The Permittee shall install and maintain signs in English and Spanish at all reuse areas such that they are visible and legible for the term of this Discharge Permit. The Permittee shall post signs at the entrance to the reuse areas and at other locations where public exposure to reclaimed domestic wastewater may occur. The signs shall state: NOTICE: THIS AREA IS IRRIGATED WITH RECLAIMED WASTEWATER - DO NOT DRINK. AVISO: ESTA ÁREA ESTÁ REGADA CON AGUAS NEGRAS RECOBRADAS - NO TOMAR. The Permittee may submit alternate wording and/or graphics to NMED for approval. b) Reclaimed domestic wastewater systems shall have no direct or indirect cross connections with public water systems or irrigation wells pursuant to the latest revision of the New Mexico Plumbing Code (14.8.2 NMAC) and New Mexico Mechanical Code (14.9.2 NMAC). c) Above-ground use of reclaimed domestic wastewater shall not result in excessive ponding of wastewater and shall not exceed the water consumptive needs of the																		



22

Huge improvement!

WT & WP CIP plans include covering the old WR plant secondary clarifiers through a grant for protecting the quality of the effluent water and increasing storage capacity

Focal Points for the Future

23



Maintain current level and mix of CIP and WT staff-run projects developed by asset management team program



Analyze & respond to operational needs to improve efficiency



Maintain highly engaged and expert staff through apprentice & training program



Current WT staff level is sufficient

Thank you!

Questions?

T. Clay Moseley

Deputy Utility Manager –
GWS Services

Office: 505-662-8271

Cell: 505-500-0523

clay.moseley@losalamosnm.gov





County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 9.b.

Index (Council Goals):

Presenters: Philo Shelton, Utilities Manager

Legislative File: 21567-26

Title

Status Reports - May 2026

Body

Each month the Board receives in the agenda packet informational reports on various items. No presentation is given, but the Board may discuss any of the reports provided.

Attachments

A - Electric Reliability Report

B - Accounts Receivables Report

C - Risk & Safety Report



Department of Public Utilities

Electric, Gas, Water, and Wastewater Services

Monthly Status Report

Electric Reliability

Dennis Astley

Deputy Utility Manager -
Electric Distribution

Total # Accounts	9045	
Total Interruptions	35	
Sum Customer Interruption Durations	25398:45:00	
#Customers Interrupted	13506.0	
SAIFI	1.49	
SAIDI	2:48	
CAIFI	0.259%	
CAIDI	1:52	
ASAI	98.8305%	

- **SAIFI - System Average Interruption Frequency Index**
A measure of interruptions per customer (Per Year)

$$\text{SAIFI} = \frac{(\text{Total number of customer interruptions})}{(\text{Total number of customers served})}$$

- **SAIDI – System Average Interruption Duration Index**
A measure of outage time per customer if all customers were out at the same time (hours per year)

$$\text{SAIDI} = \frac{(\text{Sum of all customer outage durations})}{(\text{Total number of customers served})}$$

- **CAIDI – Customer Average Interruption Duration Index**
A measure of the average outage duration per customer (hours per interruption)

$$\text{CAIDI} = \frac{(\text{Sum of all customer outage durations})}{(\text{Total number of customer interruptions})} = \frac{\text{SAIDI}}{\text{SAIFI}}$$

- **ASAI – Average System Availability Index**
A measure of the average service availability (Per unit)
$$\text{ASAI} = \frac{(\text{Service hours available})}{(\text{Customer demand hours})} = \frac{8760 - \text{SAIDI}}{8760}$$

Electric Distribution Reliability Study Twelve Month Outage History				Prepared by Dennis G Astley Deputy Utility Manager								
Date	Call Rcd.	Circuit	Cause	Start Time	End Time	Duration	Minutes	Customers Affected (Meters)	Combined Customer Outage Durations	Total Outage H:M:S	Running Consumer Pain Index	Running SAIDI
7/16/2025	Utilities	16	Weather	9:25	10:15	0:50	50	10	8:20:00	8:20:00	0:00:03	0:00:03
7/22/2025	Utilities	13	OH Failure	12:25	13:20	0:55	55	1675	1535:25:00	1543:45:00	0:10:14	0:10:14
7/22/2025	Utilities	13	Transformer Failure	17:30	18:45	1:15	75	10	12:30:00	1556:15:00	0:10:19	0:10:19
7/28/2025	Utilities	15	Weather	16:05	18:00	1:55	115	1	1:55:00	1558:10:00	0:10:20	0:10:20
8/8/2025	Utilities	WR1	Transformer Failure	3:20	6:00	2:40	160	2612	6965:20:00	8523:30:00	0:56:32	0:56:32
8/12/2025	Utilities	WR2	Vehicle	10:00	11:00	1:00	60	961	961:00:00	9484:30:00	1:02:55	1:02:55
8/25/2025	Utilities	WR1	weather	19:22	20:10	0:48	48	949	759:12:00	10243:42:00	1:07:57	1:07:57
11/4/2025	Utilities	13	Contractor	15:30	16:30	1:00	60	21	0:00:00	10243:42:00	1:08:05	1:07:57
11/4/2025	Utilities	16	URD Failure	22:30	3:30	5:00	300	35	175:00:00	10418:42:00	1:09:15	1:09:07
12/11/2025	Utilities	ELK RIDGE	Unknown	7:29	9:20	1:51	111	175	323:45:00	10742:27:00	1:11:24	1:11:16
12/12/2025	Utilities	WR1	URD Failure	4:30	7:30	3:00	180	50	150:00:00	10892:27:00	1:12:24	1:12:15
12/16/2025	Utilities	14	Contractor	0:30	2:30	2:00	120	14	0:00:00	10892:27:00	1:12:35	1:12:15
12/18/2025	Utilities	ELK RIDGE	weather	3:45	5:45	2:00	120	20	40:00:00	10932:27:00	1:12:51	1:12:31
12/18/2025	Utilities	13	TREE	5:45	9:30	3:45	225	20	75:00:00	11007:27:00	1:13:21	1:13:01
12/22/2025	Utilities	17	Contractor	10:30	11:00	0:30	30	15	0:00:00	11007:27:00	1:13:24	1:13:01
1/1/2026	Utilities	16	Unknown	15:00	16:15	1:15	75	6	7:30:00	11014:57:00	1:13:27	1:13:04
1/28/2026	Utilities	WR2	URD Failure	9:00	10:00	1:00	60	14	14:00:00	11028:57:00	1:13:32	1:13:10
2/6/2026	Utilities	ELK RIDGE	OH Failure	9:30	10:00:00	0:30:00	30	20	10:00:00	11038:57:00	1:13:36	1:13:14
2/17/2026	Utilities	16	weather	10:30	12:00	1:30	90	7	10:30:00	11049:27:00	1:13:40	1:13:18
3/6/2026	Utilities	16	LANL Error	13:30	13:50	0:20	20	231	77:00:00	11126:27:00	1:14:11	1:13:18
3/11/2026	Utilities	16	WEATHER	13:44	14:24	0:40	40	40	26:40:00	11153:07:00	1:14:22	1:13:48
3/18/2026	Utilities	WR1	URD Failure	16:00	3:30	11:30	690	6	69:00:00	11222:07:00	1:14:49	1:13:59
3/31/2026	Utilities	Bandelier	URD Failure	10:05	16:00	5:55	355	4	23:40:00	11245:47:00	1:14:58	1:14:27
4/17/2026	Utilities	WR2	URD Failure	10:00	11:00	1:00	60	10	10:00:00	11247:27:00	1:15:02	1:14:37
4/22/2026	Utilities	ELK RIDGE	LANL Error	15:00	16:30:00	1:30:00	90	20	0:00:00	11247:27:00	1:15:14	1:14:37
5/8/2026	Utilities	13	URD Failure	21:32	22:36:00	1:04:00	64	4373	4664:32:00	15920:19:00	1:46:11	1:14:37
5/8/2026	Utilities	13	URD Failure	21:32	23:48:00	2:16:00	136	945	2142:00:00	18062:19:00	2:00:23	1:45:36
5/8/2026	Utilities	13	URD Failure	21:32	0:20:00	2:48:00	168	17	47:36:00	18109:55:00	2:00:42	1:59:49
5/8/2026	Utilities	13	URD Failure	21:32	1:02:00	4:30:00	270	305	1372:30:00	19482:25:00	2:09:49	2:00:08
5/8/2026	Utilities	13	URD Failure	21:32	2:38:00	6:00:00	360	102	612:00:00	20094:25:00	2:13:52	2:09:14
5/8/2026	Utilities	13	URD Failure	21:32	4:35:00	8:00:00	480	134	1072:00:00	21166:25:00	2:20:59	2:13:18
5/8/2026	Utilities	13	URD Failure	21:32	5:26:00	9:00:00	540	376	3384:00:00	24550:25:00	2:43:26	2:20:24
5/8/2026	Utilities	13	URD Failure	21:32	7:42:00	11:10:00	670	26	290:20:00	24840:45:00	2:45:21	2:42:51
5/25/2026	Utilities	EA4	Pole Fire	21:30	1:00:00	4:00:00	240	2	8:00:00	24848:45:00	2:45:24	2:44:47
6/20/2026	Utilities	14	URD Failure	11:30	17:30:00	6:00	360	50	300:00:00	25148:45:00	2:47:24	2:44:50
6/23/2026	Utilities	WR2	Bird	6:00	7:00:00	1:00	60	250	250:00:00	25398:45:00	2:49:03	2:46:49

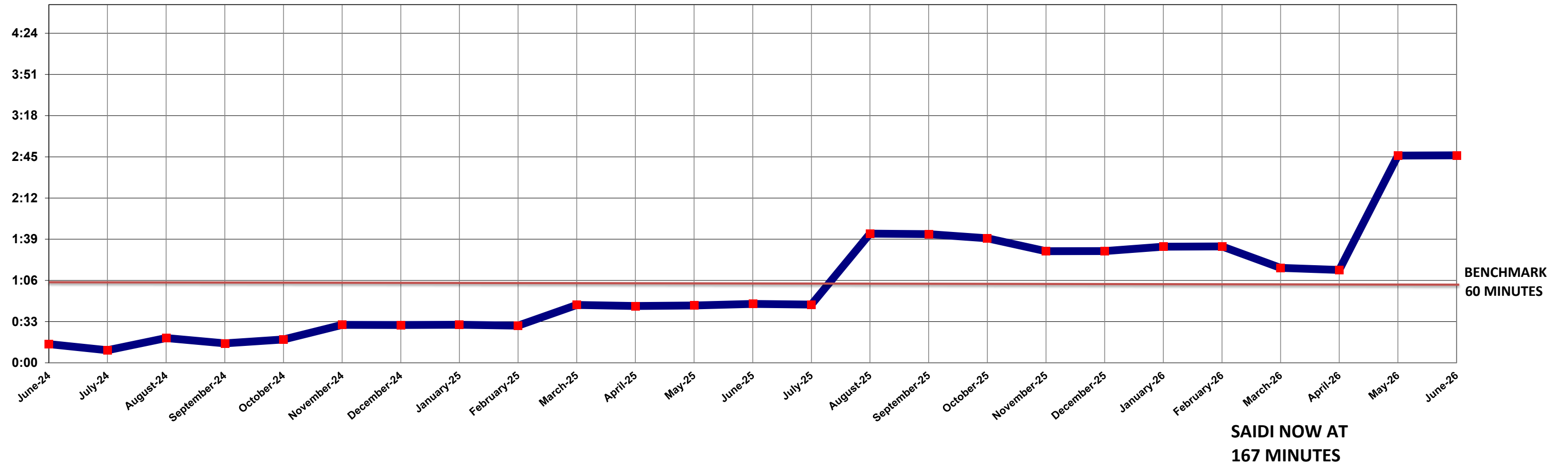
CIRCUIT SAIDI IS CALCULATED ACCORDING TO THE NUMBER OF CUSTOMERS IN EACH CIRCUIT RESPECTIVELY

<u>Running SAIDI</u> <u>Circuit 13</u>	<u>Running</u> <u>SAIDI Circuit</u> <u>14</u>	<u>Running</u> <u>SAIDI Circuit</u> <u>15</u>	<u>Running SAIDI</u> <u>Circuit 16</u> <u>0:00:16</u>	<u>Running</u> <u>SAIDI Circuit</u> <u>17</u>	<u>Running</u> <u>SAIDI Circuit</u> <u>18</u>	<u>Running</u> <u>SAIDI Circuit</u> <u>EA4 & ELK</u> <u>RIDGE</u>	<u>Running</u> <u>SAIDI Circuit</u> <u>WR1</u>	<u>Running SAIDI</u> <u>Circuit WR2</u>	<u>Monthly SAIDI</u>	
0:55:40										
0:00:27										
		0:00:04							JULY	0:10:20
							7:14:53			
								1:00:00		
0:00:00							0:47:24		AUGUST	0:11:25
			0:05:42						NOVEMBER	0:01:10
						1:57:44				
0:02:43						0:14:33				
									DECEMBER	0:03:54
			0:00:15							
						0:03:38		0:00:52	JANUARY	0:00:35
			0:00:21						FEBRUARY	0:00:08
			0:00:52							
							0:04:18			
						0:08:36			MARCH	0:00:47
								0:00:37	April	0:00:04
						0:00:00				
2:49:06	8:39:15	2:29:16	2:31:56	22:19:06	21:53:57				May	1:30:10
1:17:39										
0:01:44										
0:49:45										
0:22:11										
0:38:52										
2:02:41										
0:10:32										
						0:02:55				
	0:33:24									
								0:15:37		
9:11:21	8:39:15	2:29:20	2:39:22	22:19:06	21:53:57	2:27:25	8:06:35	1:01:30	<u>Total</u>	<u>#REF!</u>
1655	539	1875	1842	209	213	165	1586	961	9045	
NUMBER OF CONSUMERS BY CIRCUIT										

EACH POINT IS A MONTHLY SAIDI HISTORY
60 MINUTES = LACDPU SAIDI BENCHMARK

SAIDI = STANDARD AVERAGE INTERRUPTION DURATION

SAIDI= $\frac{\text{Sum of all customer outage durations}}{\text{(Total number of customers served)}}$





Department of Public Utilities

Electric, Gas, Water, and Wastewater Services

Monthly Status Report

Accounts Receivables

Joann Gentry

Deputy Utility Manager - Finance & Administration

Los Alamos County Utilities Department
Active Receivables Over 90 Days Past Due
July 1, 2026

Account	Customer ID	Acct Type	Comments	90 - 119	120 +
3006236	2019737	RS	Disconnection - Utilities off - Lien on File	316.75	0.00
3003985	2215939	RS	Door tag needs to be issued	361.17	0.00
3003824	2200179	RS	Balance transferred from inactive to active account	0.00	192.52
3007586	2022918	RS	Balance transferred from inactive to active account	0.00	276.80
3200648	2216331	CM	Refuse only - Call to customer	0.00	336.00
3006139	2025374	RS	Disconnection - Utilities off - Lien on File	460.33	451.99
3010031	2047958	CM	Electric Only - Disconnect for Non-Pay	61.96	681.84
3005857	2018637	RS	Utilities off - Lien to be filed this month	669.99	713.65
3000101	2217357	RS	Utilities off - Sent to Collection Agency	76.92	1,332.11
3009213	2215544	RS	All Utilities off	512.69	1,335.02
3006455	2020325	RS	Utilities off - Lien on file	215.89	1,580.47
3003969	2012357	RS	Utilities off - Lien on file	152.74	2,998.93
3002412	2003472	RS	Utilities off - Lien on file	152.74	3,485.46
3007154	2021905	RS	Utilities off - Lien on file	0.00	3,957.63
14 Accounts				\$ 2,981.18	\$ 17,342.42
					\$ 20,323.60

Los Alamos County Utilities Department
Receivables More than 60 Days Inactive Accounts
July 1, 2026

YEAR	OUTSTANDING	# OF	OUTSTANDING	# OF	Jul 1 (TOTALS)	
	Jul 1 (DUE)	ACCOUNTS	Jul 1 (CREDITS)	ACCOUNTS		
FY22	\$ 35,722.04	90	\$ (6,257.17)	52	\$ 29,464.87	142
FY23	\$ 28,456.89	103	\$ (14,457.90)	100	\$ 13,998.99	203
FY24	\$ 17,168.55	54	\$ (10,993.42)	27	\$ 6,175.13	81
FY25	\$ 22,214.32	97	\$ (12,781.28)	94	\$ 9,433.04	191
FY26	\$ 23,607.51	97	\$ (29,119.78)	177	\$ (5,512.27)	274
TOTAL	\$ 127,169.31	441	\$ (73,609.55)	450	\$ 53,559.76	891

YEAR	OUTSTANDING	# OF	OUTSTANDING	# OF	Jun 1 (TOTALS)	
	Jun 1 (DUE)	ACCOUNTS	Jun 1 (CREDITS)	ACCOUNTS		
FY22	\$ 35,768.08	91	\$ (6,257.17)	52	\$ 29,510.91	143
FY23	\$ 28,456.89	103	\$ (14,457.90)	100	\$ 13,998.99	203
FY24	\$ 17,289.95	56	\$ (10,993.42)	27	\$ 6,296.53	83
FY25	\$ 22,349.38	97	\$ (12,954.12)	96	\$ 9,395.26	193
FY26*	\$ 19,635.94	83	\$ (18,590.66)	150	\$ 1,045.28	233
TOTAL	\$ 123,500.24	430	\$ (63,253.27)	425	\$ 60,246.97	855

YEAR	Account Type	OUTSTANDING	# OF	OUTSTANDING	# OF
		Jul 1	ACCOUNTS	Jun 1	ACCOUNTS
FY22	Residential	\$ 20,096.43	130	\$ 20,142.47	131
	Commercial	\$ 9,368.44	12	\$ 9,368.44	12
FY23	Residential	\$ 6,063.10	180	\$ 6,063.10	180
	Commercial	\$ 7,935.89	23	\$ 7,935.89	23
FY24	Residential	\$ 11,134.58	75	\$ 11,255.98	77
	Commercial	\$ (4,959.45)	6	\$ (4,959.45)	6
FY25	Residential	\$ 5,789.28	177	\$ 5,801.91	177
	Commercial	\$ 3,643.76	14	\$ 3,593.35	16
FY26	Residential	\$ 5,354.73	253	\$ 3,622.38	217
	Commercial	\$ (10,867.00)	21	\$ (2,577.10)	16
TOTAL		\$ 53,559.76	891	\$ 60,246.97	855

*FY2026: A total of \$23,607.51 is due from customers, and \$29,119.78 should be refunded for overpayments and/or deposits applied to final accounts.

All other differences are due to payment on account or a balance transfer to their active account.



Department of Public Utilities

Electric, Gas, Water, and Wastewater Services

Monthly Status Report

Risk Management & Safety

Victoria DeVargas

LAC Risk Manager

LOS ALAMOS COUNTY - RISK MANAGEMENT

June 2026

MONTH	ADMIN	EL DIST	EL PROD	GWS	WA PROD	WWTP
	Hours Worked	Hours Worked	Hours Worked	Hours Worked	Hours Worked	Hours Worked
Jan - 2026	2894.0	1444.3	1646.5	2896.0	1080.0	1255.0
Feb - 2026	3458.8	1832.5	1799.5	3606.4	1242.0	1433.8
Mar - 2026	3239.5	1783.9	1756.5	3571.4	1235.0	1457.0
Apr - 2026	5333.5	2810.3	2851.3	5750.3	2058.8	2218.3
May - 2026	3536.5	1961.8	1849.0	3736.9	1440.3	1535.8
June - 2026	3310.0	1935.2	1683.0	3459.5	1146.8	1421.3
July - 2025	3869.0	1918.5	1930.5	3414.7	1469.5	1332.0
Aug - 2025	4018.8	2096.0	2022.0	3899.2	1429.0	1611.8
Sept - 2025	3427.8	1722.0	1891.8	4144.7	1397.5	1502.0
Oct - 2025	5360.5	2491.2	2804.5	5396.5	1900.5	2258.3
Nov - 2025	3546.8	1625.8	1671.5	3498.2	1106.8	1469.0
Dec - 2025	3026.8	1706.5	1666.3	3066.3	1139.0	1354.3
Total Hrs Worked ->	45021.8	23327.8	23572.3	46440.1	16645.1	18848.3
Number of Recordable Injury and Illness Cases*	2	10	0	2	0	0
OSHA Recordable Injury & Illness Incidence Rate	8.88	85.73	0.00	8.61	0.00	0.00
Number of OSHA Days Away Days Restricted (DART) cases	0	0	0	0	0	0
OSHA Days Away Days Restricted (DART) Rate	0.00	0.00	0.00	0.00	0.00	0.00

INJURY DATES:

8-26-25: (ED) employees (10) potentially exposed to asbestos on east gate duct bank project.
 9-16-25: (GWS) employee was holding small hose and sustained high pressure injury on his hands.
 12-2-25: (ENG) employee potentially exposed to asbestos while working with Los Alamos County.
 12-5-25: (ENG) employee hit by vehicle on bike between job sites.
 1-23-26: (GWS) employee fell and injured shoulder.

TOTAL UTILITIES PERFORMANCE: 14 INJURIES X 200,000 = 200,000/173,855.4 ACTUAL HOURS WORKED = 16.11 OSHA RECORDABLE INJURIES PER 100 FTE

NATIONAL PERFORMANCE, UTILITIES (NAICS 22): 1.9 OSHA RECORDABLE INJURIES PER 100 FTE

INJURIES REQUIRING MEDICAL ATTENTION BEYOND FIRST AID ARE REQUIRED TO BE CONSIDERED OSHA RECORDABLE INJURIES , RETAINED IN THIS RECORD FOR ONE YEAR, REGARDLESS OF HOW MINOR THEY MAY BE.

DEPARTMENT OF PUBLIC UTILITIES CLAIMS					
Information Provided by the County Risk Manager					
YEAR	REPORT MONTH	BPU MTG DATE	TORT CLAIMS	WORKERS COMP	PROPERTY DAMAGE
2026	JUNE	7/22/2026	1) Claimant alleges that WP employee hit the side of his truck with door, causing damage. 2) Claimant requests reimbursement for water line improvements (Denver Steels)	None	1) ED employee backed into tree pushing a tube on the side of the unit into the rear window, breaking window.
2026	MAY	6/17/2026	NONE	NONE	NONE
2026	APR	5/20/2026	NONE	NONE	NONE
2026	MAR	4/15/2026	1) Claimant alleges damages due to a sewer back up. 2) Claimant alleges damages due to a sewer back up.	NONE	NONE
2026	FEB	3/18/2026	1) Claimant alleges water damage from increased water pressure.	NONE	1) GWS employee hit side of utility box on vehicle in Bayo Canyon.
2026	JAN	2/18/2026	1) Claimant alleges water damage from increased water pressure.	1) GWS employee fell and injured shoulder.	NONE
2025	DEC	1/14/2026	NONE	1) Employee hit on bike between job sites (ENG) Employee potentially exposed to Asbestos while working with Los Alamos County (ENG)	2) NONE
2025	NOV	12/10/2025	1) Claimant alleges that water line break caused damage to plumbing.	NONE	NONE
2025	OCT	11/19/2025	NONE	NONE	1) GWS employee broke back window on county truck.
2025	SEP	10/22/2025	1) Claimant alleges that water leak repair clogged bathroom fixtures with sediment, had to hire a plumber to clear sediment and replace gaskets on fixtures.	1) GWS employee sustained high pressure injury from vactor hose.	NONE
2025	AUGUST	9/17/2025	1) Claimant alleges sewage back up. 2) Claimant alleges Wrongful Termination.	1) ED employees potentially exposed to asbestos.	NONE
2025	JULY	8/20/2025	1) Claimant alleges sewer line failed (GWS)	NONE	1) WP employee backed into County truck.
2025	JUNE	7/16/2025	NONE	NONE	NONE
2025	MAY	6/25/2025	NONE	NONE	NONE
2025	APR	5/21/2025	NONE	NONE	1) GWS employee backed into Fire Engine at PCS Warehouse 2) GWS employee hit canopy pillar while backing out of parking space 3) WWTP employee hit the conveyor arm with front end loader
2025	MAR	4/16/2025	1) Sonic Restaurant - awning damage (GWS)	NONE	NONE
2025	FEB	3/19/2025	1) Claimant alleges sewage backup into shower was caused by County (GWS)	NONE	1) GWS employee hit the awning at Sonic w/ Vactor Truck 2) ED employee broke back window of vehicle
2025	JAN	2/19/2025	1) Claimant alleges sewer clean out forced sewage back up into basement. (GWS) 2) Claimant alleges sewer back up on main line caused sewer leakage into crawl space. (GWS)	1) ED employee injured while operating ground tamper.	NONE
2024	DEC	1/15/2025	NONE	NONE	NONE
2024	NOV	12/4/2024	NONE	NONE	NONE
2024	OCT	11/20/2024	1) Claimant alleges leak at downstream fitting caused damage to residence (damage occurred 2/24)	NONE	NONE
2024	SEP	10/23/2024	1) Claimant reported sewage flooded basement	NONE	WP employee backed into pole at LANL.

YEAR	REPORT MONTH	BPU MTG DATE	TORT CLAIMS	WORKERS COMP	PROPERTY DAMAGE
2024	AUG	9/18/2024	1) Claimant stepped in uncovered water valve hole 2) Claimant states sewer back up in his basement 3) Claimant states water main leaked into basement causing her to fall	NONE	NONE
2024	JUL	8/12/2024	NONE	NONE	NONE
2024	JUN	7/17/2024	NONE	NONE	Update Resident backed into the side of small dump truck (GWS.)
2024	MAY	6/26/2024	1) GWS- Sewage back up into home. 2) GWS-Water line break that caused flooding into business.	NONE	
2024	APR	5/15/2024	1) ED- Claimant states they had damage to furnace and outlets 2) GWS- Claimant states water heater damage after water was shut off for line repair on County side	NONE	NONE
2024	MAR	4/17/2024	1) Claimant states a power surge caused damage to fixtures	1) WP employee sustained injuries from a Motor Vehicle	1) ED employee hit another county vehicle with front bumper
2024	FEB	3/20/2024	NONE	NONE	NONE
2024	JAN	2/21/2024	NONE	NONE	1) Damage to tailgate of dump truck while GWS was loading asphalt.
2023	DEC	1/17/2024	1) Claimant found and removed plastic bucket debris found in their water pipes from main water lines.	1) WWTP employee smashed finger while operating equipment	NONE
2023	NOV	12/6/2023	NONE	WP employee injured his foot when a piece of concrete fell	NONE
2023	OCT	11/15/2023	NONE	NONE	NONE
2023	SEP	10/18/2023	Claimant states water pressure blew off faucet causing flooding in the residence.	NONE	NONE
2023	AUG	9/20/2023	Four claimants state backflow of sewage into their	NONE	Non-County owned truck hit power pole on the ski hill.
2023	JUL	8/16/2023	NONE	NONE	NONE
2023	JUN	7/19/2023	1) Claimant states alleged failure to detect and rectify a gas leak resulting in damages to residence/property. 2) Claimant states a backed up sewage line pushed sewage into their home resulting in damage to the residence.	NONE	Claim in which a Utilities employee reported that the toolbox slid in the truck he was driving, and it broke the truck's rear window.
2023	MAY	6/21/2023	NONE	A GWS employee alleges leg/ankle strain from being struck by the fender of a dual wheel truck after he allegedly responded to the driver's inquiry at a job site. This injury is reflected in the OSHA Incidence Rate spreadsheet.	A WWTP employee avoiding an oncoming car, misjudged clearance and slid off the road into a tree.
2023	APR	5/17/2023	1) County directed by homeowner to shut off only water service for the winter, but County shut off gas and electric also, causing freezing conditions and plumbing damage in the house 2) Claimant alleges a piece of asphalt left on street by County maintenance crew after repairs became embedded in her tire.	NONE	1) A GWS employee allegedly struck a concrete slab causing significant damage to the underside and steering controls of the vehicle. 2) GWS unit 1216 was found with a broken rear left window where parked under shed behind Bldg. 5; glass on ground; unknown party caused damage.
2023	MAR	4/19/2023	Claimant resident's fence was on County right of way, and ED had to cut the fence in order to work on a transformer. No liability; we recommended denial.	NONE	NONE
2023	FEB	3/15/2023	NONE	NONE	Utilities Hydroelectric employee was plowing snow when he slid into a ditch due to hazardous conditions. Side mirror and wheel/rim were damaged.
2023	JAN	2/15/2023	Claimant reports sewer back-up related to County main back-up. County staff acknowledge responsibility.	NONE	LAPD reported a hit and run damage to a Utility box; no suspects.



County of Los Alamos

Staff Report

July 22, 2026

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 10.a.

Index (Council Goals):

Presenters: Philo Shelton, Utilities Manager

Legislative File: 21568-26

Title

Tickler File for July - October 2026

Attachments

A - Tickler File Jul-Oct 2026



County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Combined Tickler

BPU & Council

July - December 2026

File Number	Title
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Agenda Date: 07/28/2026

21707-26	Briefing/Report (Dept,BCC) - Action Requested 2026 Electric Coordination Agreement (ECA) between the Incorporated County of Los Alamos and the United States Department of Energy National Nuclear Security Administration (DOE/NNSA) Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Ben Olbrich, Deputy Utility Manager-Power Supply and Philo Shelton, Utilities Manager
21726-26	Briefing/Report (Dept,BCC) - Action Requested Approval to Execute a Power Purchase Agreement in an Amount not to Exceed \$9,195,750.00 Plus Applicable Gross Receipts Tax, to Meet Forecasted Los Alamos Power Pool Load for the Months of August and September 2026 Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: Ben Olbrich, Deputy Utility Manager-Power Supply
21892-26	Construction Contract Award of Bid No. IFB26-58 for the Purpose of LASS Cured in Place Piping with AUI, Inc. in the Amount of \$849,570, plus Applicable Gross Receipts Tax for the Term of 180 Days Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: Dennis Astley, Deputy Utility Manager-Electric Distribution
21896-26	Construction Contract Award of Task Order No. 10, Agreement No. AGR24-39a for the Purpose of Determining Relay Settings for the New Transformer in White Rock Substation with Transmission & Distribution Services, LLC in the Amount of \$157,262, plus Applicable Gross Receipts Tax for the Term of 180 Days Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: Dennis Astley
21943-26	Construction Contract Approval of Task Order No. 4 (Amendment #2), AGR20-48c (Amendment #2) with Wilson & Company in the Amount of \$164,306.18 for the Purpose of the Remaining Engineering Services for the Jemez Mountain Regional Fire Protection System Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: James Martinez

File Number	Title	
AGR1230-26	General Services Agreement	Consent
	Approval of Services Agreement No. AGR26-72 with Southwest Fire Defense, LLC in the Amount of \$1,000,000.00, plus Applicable Gross Receipts Tax, for the Purpose of Electric Power Line Tree Trimming Services Near and Around 15,000 Volt Energized Power Lines Over the Next Seven Years	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Dennis Astley
Agenda Date: 08/04/2026		
CO0768-26	Code Ordinance	Introduction of Ordinance
	Introduction of Incorporated County of Los Alamos Code Ordinance No. 02-387; An Ordinance Amending the Department of Public Utilities' Water Service Rate Schedules, Chapter 40, Article III, Sections 40-171, 40-173 and 40-175, and adding new Sections 40-176, 40-177, and 40-178 to the Incorporated County of Los Alamos Code	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Joann Gentry
CO0760-26	Code Ordinance	Introduction of Ordinance
	Introduction of Incorporated County of Los Alamos Code Ordinance No. 02-385; An Ordinance Amending Chapter 40, Article III, Sections 40-151, and 40-152 of the Code of the Incorporated County of Los Alamos Pertaining to Gas Service Rates	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Joann Gentry, Deputy Utility Manager-Finance & Admin.
Agenda Date: 08/05/2026		
21572-26	Discussion	Business
	Open Meetings Act Training	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Cristella Valdez, Assistant County Attorney
21574-26	Briefing/Report (Dept, BCC) - No action requested	Business
	Transactional Survey Report: January - June 2026	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Abbey Hayward, Public Relations Manager
21575-26a	Discussion	Business
	Annual Review of the Board of Public Utilities Procedural Rules	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Cristella Valdez, Assistant County Attorney
21693-26	Briefing/Report (Dept,BCC) - Action Requested	Business
	A Presentation on Future Department of Public Utilities Plug-in Solar Policy	
	Department Name: DPU	Length of Presentation:

File Number	Title	
	Drop Dead Date: Sponsors: Ben Olbrich, Deputy Utility Manager-Power Supply	
21210-26	Presentation UNM & NMSU Pathways to Zero Natural Gas Usage - Presentation of Findings Department Name: DPU Drop Dead Date:	Presentation Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
Agenda Date: 08/19/2026		
19438-26	Briefing/Report (Dept, BCC) - No action requested Foxtail Flats Business Plan Update Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Ben Olbrich, Deputy Utility Manager-Power Supply
AGR1218-26a	General Services Agreement Approval of Services Agreement No. AGR__-____ with [vendor] in the amount of \$[amount], plus Applicable Gross Receipts Tax, for the Purpose of the Long-Range Water Supply Plan for County of Los Alamos for the Term of ____ Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: James Martinez, Deputy Utility Manager-Engineering
AGR1219-26a	General Services Agreement Approval of Services Agreement No. AGR__-____ with [vendor] in the amount of \$[amount], plus Applicable Gross Receipts Tax, for the Purpose of the Abiquiu and El Vado Condition Assessment for County of Los Alamos for the Term of ____ Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: James Martinez, Deputy Utility Manager-Engineering
21575-26b	Discussion Approval and Reaffirmation of the BPU Procedural Rules Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Cristella Valdez, Assistant County Attorney
21421-26b	Briefing/Report (Dept,BCC) - Action Requested Financial & Reserve Policies Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Joann Gentry, Deputy Utility Manager-Finance & Admin.
21569-26	Minutes Approval of Board of Public Utilities Meeting Minutes Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: Board of Public Utilities
21894-26a	Construction Contract Award of Bid No. ____-____ for the Purpose of Installation of Conduit, Switches and	Consent

File Number	Title	
	Transformers at Camp May with [Name of Vendor] in the Amount of \$[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____ Department Name: DPU Drop Dead Date:	Length of Presentation: Sponsors: Dennis Astley, Deputy Utility Manager-Electric Distribution
21897-26a	Construction Contract Award of Bid No. _____ - ____ for the Purpose of Establishing an On-Call Powerline Contract to Support the Make Ready Work for the Atomic Fiber Project with [Name of Vendor] in the Amount of \$[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____ Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: Dennis Astley, Deputy Utility Manager-Electric Distribution
OR1152-26.1	Ordinance Incorporated County of Los Alamos Ordinance No. 759 (for the Approval of the Denver Steels Loan Documents) - USE FULL TITLE Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: James Martinez, Deputy Utility Manager-Engineering
RE0681-26a	Resolution Recommendation Regarding Incorporated County of Los Alamos Resolution No. 26-xx; A Resolution Removing Uncollectible Utility Accounts from the Incorporated County of Los Alamos Accounts Receivables List for - Fiscal Year 2022 Department Name: DPU Drop Dead Date:	Resolution Length of Presentation: Sponsors: Joann Gentry, Deputy Utility Manager-Finance & Admin.
21570-26	Status Report Status Reports Department Name: DPU Drop Dead Date:	Status Reports Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
21571-26	Calendar Tickler File Department Name: DPU Drop Dead Date:	Tickler Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
Agenda Date: 08/25/2026		
21897-26	Construction Contract Award of Bid No. _____ - ____ for the Purpose of Establishing an On-Call Powerline Contract to Support the Make Ready Work for the Atomic Fiber Project with [Name of Vendor] in the Amount of \$[amount of contract], plus Applicable Gross Receipts Tax for the Term of _____ Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: Dennis Astley, Deputy Utility Manager-Electric Distribution
OR1152-26	Ordinance Introduction of Incorporated County of Los Alamos Ordinance No. 759 (for the Approval of the Denver Steels Loan Documents) - USE FULL TITLE Department Name: DPU	Consent Length of Presentation:

File Number	Title	
	Drop Dead Date:	Sponsors: James Martinez
AGR1219-26	General Services Agreement	Consent
	Approval of Services Agreement No. AGR__ - ____ with [vendor] in the amount of \$[amount], plus Applicable Gross Receipts Tax, for the Purpose of the Abiquiu and El Vado Condition Assessment for County of Los Alamos for the Term of ____	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: James Martinez, Deputy Utility Manager-Engineering
AGR1218-26	General Services Agreement	Consent
	Approval of Services Agreement No. AGR__ - ____ with [vendor] in the amount of \$[amount], plus Applicable Gross Receipts Tax, for the Purpose of the Long-Range Water Supply Plan for County of Los Alamos for the Term of ____	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: James Martinez, Deputy Utility Manager-Engineering
21894-26	Construction Contract	Consent
	Award of Bid No. ____ - ____ for the Purpose of Installation of Conduit, Switches and Transformers at Camp May with [Name of Vendor] in the Amount of \$[amount of contract], plus Applicable Gross Receipts Tax for the Term of ____	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Dennis Astley, Deputy Utility Manager-Electric Distribution
CO0768-26b	Code Ordinance	Public Hearing
	Incorporated County of Los Alamos Code Ordinance No. 02-387; An Ordinance Amending the Department of Public Utilities' Water Service Rate Schedules, Chapter 40, Article III, Sections 40-171, 40-173 and 40-175, and adding new Sections 40-176, 40-177, and 40-178 to the Incorporated County of Los Alamos Code	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Joann Gentry, Deputy Utility Manager-Finance & Admin.
RE0681-26	Resolution	Public Hearing
	Incorporated County of Los Alamos Resolution No. 26-xx; A Resolution Removing Uncollectible Utility Accounts from the Incorporated County of Los Alamos Accounts Receivables List for Fiscal Year 2022	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Joann Gentry, Deputy Utility Manager-Finance & Admin.
CO0760-26b	Code Ordinance	Public Hearing
	Incorporated County of Los Alamos Code Ordinance No. 02-385; An Ordinance Amending Chapter 40, Article III, Sections 40-151, and 40-152 of the Code of the Incorporated County of Los Alamos Pertaining to Gas Service Rates	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Joann Gentry, Deputy Utility Manager-Finance & Admin. and Philo Shelton, Utilities Manager

Agenda Date: 08/26/2026

File Number	Title	
21577-26a	Discussion Annual Strategic Planning for the Department of Public Utilities Department Name: DPU Drop Dead Date:	SPECIAL SESSION Length of Presentation: Sponsors: Board of Public Utilities
Agenda Date: 09/02/2026		
21577-26b	Briefing/Report (Dept, BCC) - No action requested Strategic Planning Update Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
20742-26	Briefing/Report (Dept, BCC) - No action requested Discussion on Utility Data (after UNM Report) Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
21387-26	Briefing/Report (Dept, BCC) - No action requested Department of Public Utilities Quarterly Report for Fiscal Year 2026 - Quarter 4 Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Abbey Hayward, Public Relations Manager
Agenda Date: 09/08/2026		
OR1152-26b	Ordinance Incorporated County of Los Alamos Ordinance No. 759 (for the Approval of the Denver Steels Loan Documents) - USE FULL TITLE Department Name: DPU Drop Dead Date:	Public Hearing Length of Presentation: Sponsors: James Martinez
Agenda Date: 09/16/2026		
21065-26	Briefing/Report (Dept, BCC) - No action requested Extended Day-Ahead Market (EDAM) Update by UAMPS Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
21577-26c	Briefing/Report (Dept,BCC) - Action Requested Approval of DPU Mission, Vision and Values, and the FY27 Strategic Goals and Objectives Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
21625-26	Minutes	Consent

File Number	Title	
	Approval of Board of Public Utilities Meeting Minutes	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Board of Public Utilities
21713-26a	Budget Item	Consent
	Approval of Budget Revision No. 2027-xx for DPU Budget Carryovers from FY2026 to FY2027	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Joann Gentry, Deputy Utility Manager-Finance & Admin.
21626-26	Status Report	Status Reports
	Status Reports	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Philo Shelton, Utilities Manager
21627-26	Calendar	Tickler
	Tickler File	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Philo Shelton, Utilities Manager
Agenda Date: 09/29/2026		
21713-26	Budget Item	Consent
	Approval of Budget Revision No. 2027-xx for DPU Budget Carryovers from FY2026 to FY2027	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Joann Gentry, Deputy Utility Manager-Finance & Admin. and Tara Mariano, Senior Budget Analyst
Agenda Date: 10/07/2026		
21717-26	Briefing/Report (Dept, BCC) - No action requested	Business
	Annual Update: Integrated Resource Plan (IRP) Implementation	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Ben Olbrich, Deputy Utility Manager-Power Supply
21718-26	Briefing/Report (Dept, BCC) - No action requested	Business Business
	Annual Update - Gas Distribution System	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Clay Moseley, Deputy Utility Manager-GWS Services
21716-26	Closed Session	CLOSED SESSION
	Mid Year Review of Utilities Manager Performance	
	Department Name: DPU	Length of Presentation:
	Drop Dead Date:	Sponsors: Board of Public Utilities

File Number	Title
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Agenda Date: 10/21/2026

21629-26	Minutes Approval of Board of Public Utilities Meeting Minutes Department Name: DPU Drop Dead Date:	Consent Length of Presentation: Sponsors: Board of Public Utilities
21630-26	Status Report Status Reports Department Name: DPU Drop Dead Date:	Status Reports Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
21631-26	Calendar Tickler File Department Name: DPU Drop Dead Date:	Tickler Length of Presentation: Sponsors: Philo Shelton, Utilities Manager

Agenda Date: 10/31/2026

21694-26	Briefing/Report (Dept,BCC) - Action Requested PARKING LOT: Mozart Presentation Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
21691-26	Briefing/Report (Dept, BCC) - No action requested PARKING LOT: DPU Cost Comparisons with National Data Collected by APPA and AWWA Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Philo Shelton, Utilities Manager
21508-26b	Briefing/Report (Dept, BCC) - No action requested PARKING LOT: Continued Electric Distribution Undergrounding Discussion Department Name: DPU Drop Dead Date:	Business Length of Presentation: Sponsors: Dennis Astley