

INCORPORATED COUNTY OF LOS ALAMOS CODE ORDINANCE NO. 02-365

AN ORDINANCE AMENDING CHAPTER 40, ARTICLE III, SECTIONS 40-121, 40-122 AND 40-123 RELATING TO ELECTRIC RATE SCHEDULES, ELECTRIC CUSTOMER SERVICE CHARGES AND ELECTRIC ENERGY CHARGES

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 pursuant to Section 5, Article 10 of the State Constitution, is also granted all powers of a municipality; and

WHEREAS, pursuant to Chapter 1, Section 1.7, Amendments to Code, the Department makes non-substantive formatting changes to Sections 40-121, 40-122 and 40-123 to reformat "numbered subsections" (1), (2), (3) etc., to small letters (a), (b), (c) etc., followed by numbered sub-subsections (1), (2), (3) etc. The newly lettered subsections have also been reorganized to alphabetize the rate schedules to which the subsection's reference, *i.e.*, references to *Schedule 6-M* now come before references to *Schedule 6-P*; and

WHEREAS, pursuant to Article V of the County Charter, there is a Department of Public Utilities ("Department") charged with the duty to operate a County owned electric, gas, water and sewer systems; and

WHEREAS, Section 504 of the County Charter requires 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 electric rates to balance projected revenue requirements with the projected expenses of the Department; and

WHEREAS, the Department and Utilities Manager have been directed to implement time of use (TOU) electric rate structures/schedules to accomplish energy and electrification goals of the County Council, the Utilities Board and the Department; and

WHEREAS, pursuant to Section 203.1.d. of the County Charter, any change in County utility rates must be done via ordinance; and

WHEREAS, the Utilities Manager has identified and formulated new rate schedules to implement time of use rate structures; and

WHEREAS, the Department desires to inform its residential customers about the future peak demand charge, designed to fairly distribute peak load capital costs, of \$1.00 per KW of peak demand during the highest hour of usage, measured in kilowatts, within each billing period, which for residential customers will begin no sooner than July 1, 2026. For example, if customer's billing cycle includes the month of April, and customer's peak usage was 4 KW during that billing cycle, \$4.00 will be added as the peak demand charge for that billing cycle. Customers under rate service *schedules 6-K, 6-M, 6-R and 6-S* are already subject to the peak demand charge; and

WHEREAS, pursuant to Section 4.6.a. of the *Board of Public Utilities Procedural Rules* (ed. 09/18/24), the Utilities Manager is responsible for preparing and presenting proposed utility rate ordinances to the Board of Public Utilities; and

WHEREAS, pursuant to Section 4.6.b. of the *Board of Public Utilities Procedural Rules*, the proposed rates must be presented at the Board of Public Utilities meeting prior to the public hearing on a final proposed utility rate ordinance; and

WHEREAS, the Utilities Manager shall introduce the draft ordinance to the Board of Public Utilities and present the budget and operational reasons for the proposed amendments and electric rate ordinance; and

WHEREAS, the Utilities Manager presented the proposed amendments and electric rate increases to the Board of Public Utilities on March 19, 2025; and

WHEREAS, the Utilities Manager, after receiving comments from the Board of Public Utilities, presented the final amendments and electric rate ordinance on April 16, 2025; and

WHEREAS, the Board of Public Utilities accepted the final amendments and electric rate ordinance and recommended forwarding it to Council for adoption; and

WHEREAS, pursuant to Section 504 of the County Charter, the rates to be paid for utility services shall then be proposed by the Board of Public Utilities to the County Council and shall become effective on the date of adoption by Council; and

WHEREAS, on May 6, 2025, the County Council, pursuant to Section 203.2.1 of the County Charter introduced the proposed amendments and electric rate ordinance; and

WHEREAS, on June 10, 2025, the County Council, pursuant to Section 203.2.2 of the County Charter held a public hearing on the proposed amendments and electric rate ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE INCORPORATED COUNTY OF LOS ALAMOS, as follows:

Section 1. Section 121 of Chapter 40 of the Code of the Incorporated County of Los Alamos is hereby amended as follows:

Sec. 40-121. - Schedules.

(a) Residential rate service schedules 6-A or 6-B are ~~is~~ applicable only for normal domestic light and power use in individual residences, dwelling units, and individual apartments, where each unit is separately metered. All service shall be delivered through a single set of service wires at a single service location and measured by one meter. Residential customers will be billed using the current electric rate schedule 6-A, a flat-rate billing method, until the Department's time-of-use (TOU) billing software is operational, when the Department will begin using new rate schedule 6-B TOU billing, but no sooner than July 1, 2026. Residential

customers who have opted out of the advanced metering infrastructure (AMI) program will not be eligible to enroll in TOU billing and shall be billed according to the flat-rate peak electric service rate schedule 6-C.

(b) Small commercial (less than 50 kilowatts per month) rate service schedule 6-G is applicable for commercial lighting, small power and other commercial, business, professional and small industrial loads. All service shall be delivered through a single set of service wires at a single service location and measured by one meter. The customer's monthly demand shall be less than 50 kilowatts (kW), but excludes customers to whom service is applicable under another rate service schedule. When a customer under this schedule establishes a demand of 50 kilowatts or greater for two consecutive months, the large commercial (50 kilowatts per month or greater) rate schedule 6-K will be charged for the current billing month plus a minimum of 11 succeeding billing months.

(c) Large commercial (50 kilowatts per month or greater) rate service schedule 6-K is applicable to all customers with a demand over 50 kilowatts per month or greater. All service shall be delivered through a single set of service wires at a single service location and measured by one meter, but excludes those customers to whom service is applicable under another rate schedule.

(d) Small county (less than 50 kilowatts per month), schedule 6-L, and small public schools (less than 50 kilowatts per month), schedule 6-N, are applicable, respectively, to power used by the incorporated county and the public schools. All service shall be provided by single set of service wires at a single service location at one point of delivery, measured by one meter. The customer's demand for the month shall be less than 50 kilowatts, but excludes those customers to whom service is applicable under another rate schedule. When a customer under this schedule establishes a demand of 50 kilowatts or greater for two consecutive months, the large county (50 kilowatts per month or greater) schedule 6-M, or the large public schools (50 kilowatts per month or greater) schedule 6-R, rate schedule will be charged for the current billing month plus a minimum of 11 succeeding billing months.

(e) Large county (50 kilowatts per month or greater), schedule 6-M, and large public schools (50 kilowatts per month or greater) schedule 6-R, are applicable, respectively, to the incorporated county of Los Alamos and the public schools. All service shall be provided by a single set of service wires at a single service location supplied at one point of delivery, measured by one meter, and the customer's demand for the month shall be 50 kilowatts or greater, but excludes those customers to whom service is applicable under another rate schedule.

(f) Municipal street and traffic light service rate schedule 6-P is applicable to electric service provided to the incorporated county for street and traffic lights.

(g) Area lighting service schedule 6-Q is applicable to all customers for private area lighting service.

(h) Special electric service schedule 6-S is applicable to large power users with an annual load factor less than 20 percent and a connected load greater than 50 kilowatts. Annual load factor is calculated as average demand divided by peak demand to be calculated in January for the prior 12 months.

(i) Municipal water production system rate schedule 6-W is applicable to metered electric service provided to the incorporated county for bulk water pumping.

(j) Rate schedules 6-T, 6-U, 6-V and 6-Y are reserved.

Section 2. Section 122 of Chapter 40 of the Code of the Incorporated County of Los Alamos, reformatted subsections (a) through (e), are hereby amended as follows:

Sec. 40-122. - Electric customer service charges.

Customer service charges are to be applied as follows:

(a) To each residential customer billed under rate service schedule 6-A, [~~\$12.00 per month per meter through June 30, 2024 and~~] \$12.60 per month per meter beginning July 1, 2024, \$17.60 per month per meter beginning July 1, 2025, and \$22.50 per month per meter beginning July 1, 2026. To each residential customer billed under rate service schedule 6-B or 6-C, \$22.50 per month per meter beginning no sooner than July 1, 2026.

(b) To each customer billed under rate service schedules 6-G, 6-K, 6-L, 6-M, 6-N and 6- R, [~~\$22.00 per month per meter through June 30, 2024 and~~] \$23.10 per month per meter beginning July 1, 2024, \$25.18 per month per meter beginning July 1, 2025, and \$27.19 per month per meter beginning July 1, 2026.

(c) To each customer billed under rate service schedule 6-P, [~~\$19.18 per month per meter through June 30, 2024 and~~] \$20.14 per month per meter beginning July 1, 2024, \$21.95 per month per meter beginning July 1, 2025, and \$23.71 per month per meter beginning July 1, 2026.

(d) To each customer billed under rate service schedule 6-S, [~~\$65.00 per month per meter through June 30, 2024 and~~] \$68.25 per month per meter beginning July 1, 2024, \$74.39 per month per meter beginning July 1, 2025, and \$80.34 per month per meter beginning July 1, 2026.

(e) To each customer billed under rate service schedule 6-W, [~~\$217.75 per month through June 30, 2024 plus charges for energy and demand and~~] \$228.64 beginning July 1, 2024, plus charges for energy and demand, \$249.22 beginning July 1, 2025, plus charges for energy and demand, and \$269.16 beginning July 1, 2026, plus charges for energy and demand.

Section 3. Section 123 of Chapter 40 of the Code of the Incorporated County of Los Alamos, reformatted subsections (a) through (k), are hereby amended as follows:

Sec. 40-123. - Electric energy charges and demand charges.

In addition to applicable customer service charges, electric energy charges and demand charges are to be applied as follows:

(a) Residential Rate Service Schedules:

(1) Schedule 6-A. Each customer billed under the flat-rate service schedule 6-A shall be charged [~~\$0.1282 per kilowatt hour through June 30, 2024 and~~] \$0.1413 per kilowatt hour beginning July 1, 2024, \$0.1463 per kilowatt hour beginning July 1, 2025, and \$0.1510 per kilowatt hours beginning July 1, 2026.

- (2) Schedule 6-B. Each customer billed under the time-of-use rate service schedule 6-B shall be charged \$0.1970 per kilowatt hour for the On-Peak period (between 5 p.m. and 11 p.m. each day) and \$0.11 per kilowatt hour for the Off-Peak period (all hours not between 5 p.m. and 11 p.m. each day) beginning no sooner than July 1, 2026.

PLUS \$1.00 per KW of peak demand during the highest hour of usage, measured in kilowatts, within each billing period, beginning no sooner than July 1, 2026. For example, if customer's billing cycle includes the month of April, and customer's peak usage was 4 KW during that billing cycle, \$4.00 will be added as the peak demand charge for that billing cycle.

- (3) Schedule 6-C. Each customer billed under the flat-rate service schedule 6-C Opt-Out shall be charged \$0.1970 per kilowatt hour beginning no sooner than July 1, 2026.

(b) Schedule 6-G Small Commercial. Each customer billed under rate service schedule 6-G shall be charged [~~\$0.1229 per kilowatt hour through June 30, 2024 and~~] \$0.1351 per kilowatt hour beginning July 1, 2024, \$0.14763 per kilowatt hour beginning July 1, 2025, and \$0.1591 per kilowatt hour beginning July 1, 2026.

(c) Schedule 6-K Large Commercial. Each customer under rate service schedule 6-K shall be charged [~~\$12.05 per kW of peak demand through June 30, 2024 and~~] \$13.20 per kW of peak demand beginning July 1, 2024, [~~plus \$0.0899 per kilowatt hour through June 30, 2024 and~~] plus \$0.0985 per kilowatt hour beginning July 1, 2024, \$0.1074 per kilowatt hour beginning July 1, 2025, and \$0.1160 per kilowatt hour beginning July 1, 2026.

(d) Schedule 6-L Small County. Each customer billed under rate service schedule 6-L shall be charged [~~\$0.1263 per kilowatt hour through June 30, 2024 and~~] \$0.1388 per kilowatt hour beginning July 1, 2024, \$0.1513 per kilowatt hour beginning July 1, 2025, and \$0.1634 per kilowatt hours beginning July 1, 2026.

(e) Schedule 6-M Large County. Each customer under rate service schedule 6-M shall be charged [~~\$11.50 per kW of peak demand through June 30, 2024 and~~] \$12.60 per kW of peak demand beginning July 1, 2024, [~~plus \$0.0914 per kilowatt hour through June 30, 2024 and~~] plus \$0.1001 per kilowatt hour beginning July 1, 2024, \$0.1091 per kilowatt hours beginning July 1, 2025, and \$0.1178 per kilowatt hour beginning July 1, 2026.

(f) Schedule 6-N Small Public School. Each customer billed under rate service schedule 6-N shall be charged [~~\$0.1205 per kilowatt hour through June 30, 2024 and~~] \$0.1326 per kilowatt hour beginning July 1, 2024, \$0.1445 per kilowatt hour beginning July 1, 2025, and \$0.1561 per kilowatt hour beginning July 1, 2026.

(g) Schedule 6-P Municipal street and traffic light. Each customer billed under rate service schedule 6-P shall be charged [~~\$0.1146 per kilowatt hour through June 30, 2024 and~~] \$0.1264 per kilowatt hour beginning July 1, 2024, \$0.1378 per kilowatt hours beginning July 1, 2025, and \$0.1488 per kilowatt hour beginning July 1, 2026.

(h) Schedule 6-Q Area Lighting

(1) All metered customers under rate service schedule 6-Q shall be billed [~~\$1.31 per light per month through June 30, 2024 and~~] \$1.43 per light per month beginning July 1, 2024, \$1.56 per light per month beginning July 1, 2025, and \$1.68 per light per month beginning July 1, 2026; in addition to [~~\$0.140 per kilowatt hour through June 30, 2024 and~~] \$0.1526 per kilowatt hour beginning July 1, 2024; \$0.1663 per kilowatt hour beginning July 1, 2025; and \$0.1796 per kilowatt hour beginning July 1, 2026.

(2) Unmetered customers under rate service schedule 6-Q shall be billed:

- a. For each 70-watt high pressure sodium lamp which is privately owned and maintained, [~~\$3.77 per month through June 30, 2024 and~~] \$4.13 per month beginning July 1, 2024, \$4.50 per month beginning July 1, 2025, and \$4.86 per month beginning July 1, 2026.
- b. For each 70-watt high pressure sodium lamp for county or public school use, [~~\$4.88 per month through June 30, 2024 and~~] \$5.34 per month beginning July 1, 2024, \$5.82 per month beginning July 1, 2025, and \$6.29 per month beginning July 1, 2026.
- c. For each 70-watt high pressure sodium lamp for residential or commercial use, [~~\$4.93 per month through June 30, 2024 and~~] \$5.40 per month beginning July 1, 2024, \$5.89 per month beginning July 1, 2025, and \$6.36 per month beginning July 1, 2026.
- d. For each 100-watt high pressure sodium lamp which is privately owned and maintained, [~~\$5.30 per month through June 30, 2024 and~~] \$5.80 per month beginning July 1, 2024, \$6.32 per month beginning July 1, 2025, and \$6.83 per month beginning July 1, 2026.
- e. For each 100-watt high pressure sodium lamp for county or public school use, [~~\$6.35 per month through June 30, 2024 and~~] \$6.95 per month beginning July 1, 2024, \$7.58 per month beginning July 1, 2025, and \$8.19 per month beginning July 1, 2026.
- f. For each 100-watt high pressure sodium lamp for residential or commercial use, [~~\$6.64 per month through June 30, 2024 and~~] \$7.27 per month beginning July 1, 2024, \$7.92 per month beginning July 1, 2025, and \$8.55 per month beginning July 1, 2026.
- g. For each 175-watt mercury vapor lamp which is privately owned and maintained, [~~\$8.87 per month through June 30, 2024 and~~] \$9.71 per month beginning July 1, 2024, \$10.58 per month beginning July 1, 2025, and \$11.43 per month beginning July 1, 2026.
- h. For each 175-watt mercury vapor lamp for county or public school use, [~~\$9.70 per month through June 30, 2024 and~~] \$10.62 per month beginning July 1, 2024, \$11.58 per month beginning July 1, 2025, and \$12.51 per month beginning July 1, 2026.
- i. For each 175-watt mercury vapor lamp for residential or commercial use, [~~\$10.48 per month through June 30, 2024 and~~] \$11.15 per month beginning July 1, 2024, \$12.15 per month beginning July 1, 2025, and \$13.12 per month beginning July 1, 2026.
- j. For each 400-watt mercury vapor lamp which is privately owned and maintained, [~~\$18.77 per month through June 30, 2024 and~~] \$20.55 per month beginning July 1, 2024, \$22.40 per month beginning July 1, 2025, and \$24.19 per month beginning July 1, 2026.

- k. For each 400-watt mercury vapor lamp for county or public school use, [~~\$19.11 per month through June 30, 2024, and~~] \$20.93 per month beginning July 1, 2024, \$22.81 per month beginning July 1, 2025, and \$24.63 per month beginning July 1, 2026.
- l. For each 400-watt mercury vapor lamp for residential or commercial use, [~~\$20.08 per month through June 30, 2024, and~~] \$21.99 per month beginning July 1, 2024, \$23.97 per month beginning July 1, 2025, and \$25.89 per month beginning July 1, 2026.
- (i) *Schedule 6-R Large Public School.* Each customer under rate service schedule 6-R shall be charged [~~\$11.51 per kW of peak demand through June 30, 2024 and~~] \$12.60 per kW of peak demand beginning July 1, 2024, [~~plus \$0.0836 per kilowatt hour through June 30, 2024 and~~] plus \$0.0916 per kilowatt hour beginning July 1, 2024, \$0.0998 per kilowatt hour beginning July 1, 2025, and \$0.1078 per kilowatt hour beginning July 1, 2026.
- (j) *Schedule 6-S Special Large Power.* Each customer under rate service schedule 6-S shall be charged [~~\$12.17 per kW of peak demand through June 30, 2024 and~~] \$13.38 per kW of peak demand beginning July 1, 2024, [~~plus \$0.0908 per kilowatt through June 30, 2024 and~~] \$0.0999 per kilowatt beginning July 1, 2024, \$0.1089 per kilowatt hour beginning July 1, 2025, and \$0.1176 per kilowatt hour beginning July 1, 2026. (i) *Schedule 6-Q.*
- (k) *Schedule 6-W Water Production.* Customers under rate service schedule 6-W shall be billed:
- (1) A monthly energy charge equal to the sum of the actual LAC/DOE electric resource pool unit cost for the applicable month plus [~~\$0.018 per kilowatt hour through June 30, 2024 and~~] \$0.020 per kilowatt hour beginning July 1, 2024, \$0.0218 per kilowatt hours beginning July 1, 2025, and \$0.0235 per kilowatt hours beginning July 1, 2026, for the water production system; and
 - (2) A monthly demand charge equal to the actual LAC/DOE electric resource pool demand cost per kW times the water production system kW demand coincident with the LAC/DOE electric resource pool demand for the applicable month.

Section 4. Effective Date. This ordinance shall become effective upon adoption by the county Council and shall be implemented as soon as practical thereafter.

Section 5. 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 6. Repealer. All ordinances 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 10th day of June 2025.

**COUNCIL OF THE INCORPORATED
COUNTY OF LOS ALAMOS**

Theresa Cull, Council Chair

ATTEST: (SEAL)

**Michael D. Redondo
Los Alamos County Clerk**