

## Frequently Asked Questions

### Sewer Rate Increase

#### **How much is the DPU proposing to increase the sewer rate?**

The Department of Public Utilities is proposing sewer rate increases covering a two-year period to be approved by the Board of Public Utilities and adopted by the County Council. The proposed increases are across the board, affecting monthly service fees, flat rates for residential customers and variable rates for commercial or non-residential customers. If adopted, the rates will increase by 7% effective July 1, 2025, and an additional 7% effective July 1, 2026.

The Board of Public Utilities and County Council previously approved a 2% increase that would have taken effect beginning September 30, 2025. This rate increase replaces that increase.

#### **Why do we need these sewer rate increases and what do they cover?**

Due to the topography in Los Alamos, DPU needs to maintain and operate two wastewater treatment plants and a complicated network of pipes, pumps and lift stations. While the City of Santa Fe requires only four lift stations to service 83,000 citizens, Los Alamos requires 25 lift stations for 19,000 citizens.

The Los Alamos wastewater treatment plant was replaced in 2007 and DPU is still paying off that loan. DPU has also secured a low interest loan for the replacement of the White Rock wastewater treatment plant, which was built in the 1960s. As a condition of the loan DPU needs to demonstrate adequate revenue to be able to pay back the loan. The new \$30 million plant replacement, the White Rock Water Reclamation Facility, has been online since May 2024.

To keep the system that collects and treats wastewater resilient and sound, DPU's scheduled future capital projects will ensure:

- Adequate infrastructure to support increased demand for new housing in both White Rock and the Los Alamos townsite,
- Repair and replacement of aging infrastructure to reduce leaks and prevent sewer main breaks, including several lift stations and vulnerable vitrified clay pipes,
- Safe, quality effluent that meets all federal and state standards.

Further, in 2016 the Board of Public Utilities adopted a financial guide to build cash reserves for each utility fund to ensure the department's ability to meet operational needs, handle system retirement obligations, meet debt service requirements and be prepared for unanticipated system failures or external disruptions.

**Where can I find the draft ordinance?**

The draft ordinance as well as other information is available on the DPU website at [ladpu.com/rates](http://ladpu.com/rates)

**How will these rates impact my bill and are any other utility services (electric, gas, water) also increasing?**

If adopted, the increase will be \$4.24 per month beginning July 1, 2025, and an additional \$4.54 per month beginning July 1, 2026, for a combined increase of \$8.78 per month. There are also proposed electric rate changes as well as a proposed electric Time of Use rate structure. The table below includes the electric rate change, which would also be effective July 1 if adopted. The Time-of-Use rates are not reflected in the table below. Time of Use would allow customers to reduce their bills by shifting electric usage when possible, however the impact of those choices is not yet known. If adopted, Time-of-Use rates would be effective July 1, 2026.

### Historical & Projected Typical Monthly Bill for Residential

|        | ELECTRIC<br>500 kwh | GAS<br>75 therms | WATER<br>6,000 gal | SEWER   | Total (excludes<br>refuse) | Total \$\$<br>change | Total %<br>change |
|--------|---------------------|------------------|--------------------|---------|----------------------------|----------------------|-------------------|
| FY2015 | \$69.60             | \$47.75          | \$33.07            | \$37.68 | <b>\$188.10</b>            |                      |                   |
| FY2016 | \$69.60             | \$47.00          | \$33.07            | \$40.69 | <b>\$190.36</b>            | \$2.26               | 1.20%             |
| FY2017 | \$69.60             | \$44.00          | \$35.83            | \$43.94 | <b>\$193.37</b>            | \$3.01               | 1.58%             |
| FY2018 | \$69.60             | \$42.50          | \$39.06            | \$47.45 | <b>\$198.61</b>            | \$5.24               | 2.71%             |
| FY2019 | \$69.60             | \$44.00          | \$39.91            | \$51.24 | <b>\$204.75</b>            | \$6.14               | 3.09%             |
| FY2020 | \$69.60             | \$42.50          | \$43.12            | \$54.32 | <b>\$209.54</b>            | \$4.79               | 2.34%             |
| FY2021 | \$69.60             | \$53.75          | \$45.23            | \$55.95 | <b>\$224.53</b>            | \$14.99              | 7.15%             |
| FY2022 | \$69.60             | \$59.75          | \$47.07            | \$57.07 | <b>\$233.49</b>            | \$8.96               | 3.99%             |
| FY2023 | \$69.60             | \$87.51          | \$50.20            | \$57.93 | <b>\$265.24</b>            | \$31.75              | 13.60%            |
| FY2024 | \$76.10             | \$59.83          | \$53.96            | \$59.08 | <b>\$248.97</b>            | (\$16.27)            | -6.13%            |
| FY2025 | \$83.25             | \$61.75          | \$58.19            | \$60.56 | <b>\$263.75</b>            | \$14.78              | 5.94%             |
| FY2026 | \$90.75             | \$61.50          | \$61.87            | \$64.80 | \$278.92                   | \$15.17              | 5.75%             |
| FY2027 | \$98.00             | \$62.58          | \$64.34            | \$69.34 | \$294.26                   | \$15.34              | 5.50%             |

TOTAL CHANGE IN MONTHLY BILL FY2015 TO FY2027

\$106.16

### What is the process for raising the sewer rates?

The BPU will hold a public hearing April 16, 2025, at 5:30 p.m. in the Council Chambers of the Municipal Building (1000 Central Ave.) and via Zoom. If the BPU approves the ordinance, it will be introduced at the May 6 County Council meeting. The Council will then hold a public hearing to consider adoption at the June 10 meeting. Both County Council meetings will be held at 6 p.m. in Council Chambers. The following link will allow public access to both public hearings:

[ladpu.com/ratehearing](http://ladpu.com/ratehearing)

### When will these rates take effect?

If adopted, the proposed ordinance states that the increases will go into effect on July 1, 2025, (7%) and July 1, 2026 (7%).

### Are the BPU and County Council locked into these rates for the next four years?

No. Rates can always be modified if the BPU and County Council determine it is appropriate and approve and adopt a new rate ordinance.

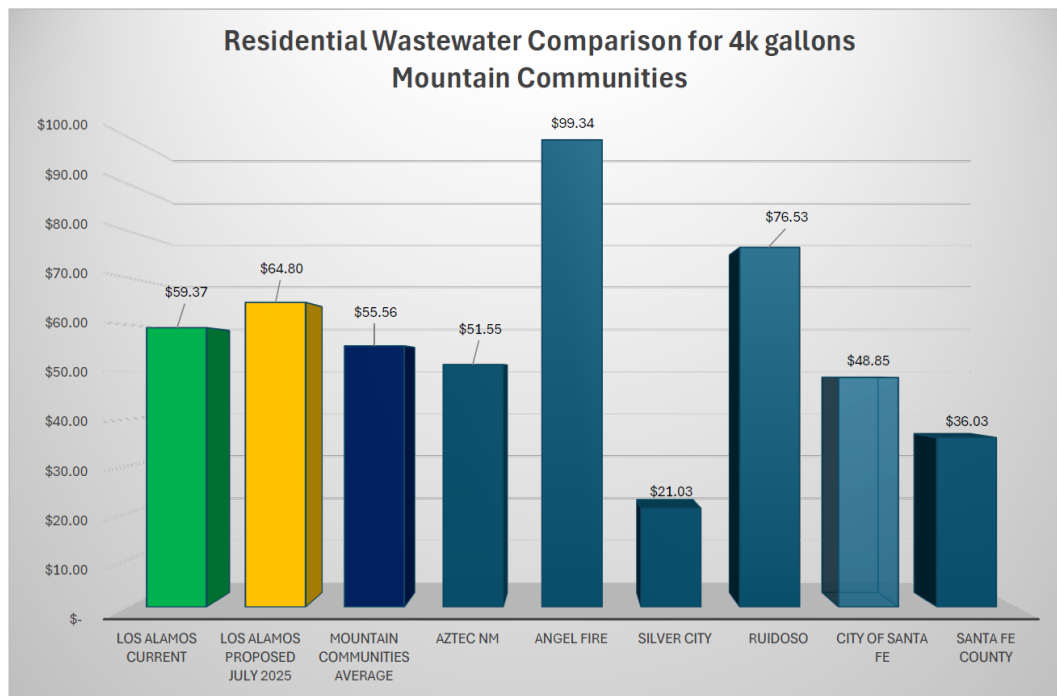
### Has the DPU neglected the wastewater/sewer infrastructure?

Maintaining the infrastructure is an ongoing process. DPU has carefully prioritized capital improvement projects. For the next 10 years going forward, DPU plans to reinvest \$12,197,000 in wastewater collection and \$8,660,000 in wastewater treatment systems. These projects include sewer main restoration and replacements, lift station maintenance and replacements, and upgrades to wastewater treatment facilities and equipment.

### What if these increases are not approved?

If the rate increases are not approved, DPU will need to consider how to cut expenses. This will likely be done by delaying capital projects while still avoiding EPA permit violations due to sewer backups and overflows which can result in fines from the New Mexico Environment Department.

### How do these rates compare with other communities?



Note: Santa Fe County and the City of Santa Fe are jointly building a \$600 million new wastewater treatment plant.

### **Is there any assistance for individuals on fixed incomes?**

DPU has a Utility Assistance Program. Originally set up to help with energy bills for heating, the program was changed so that qualifying families can apply the assistance for all utility expenses. Information on assistance can be found at <https://ladpu.com/assist>.

Funded by DPU customer donations, the program is available to:

1. Qualifying low-income customers during the months of October through March;
2. Qualifying low-income customers over age 65, year-round;
3. Customers who demonstrate a financial hardship due to unforeseen circumstances. These customers may qualify for a single, lump sum credit.

Customers can contact the Customer Care Center to apply or to donate to the program (505.662.8333 or [CustomerCare@lacnm.us](mailto:CustomerCare@lacnm.us)), or they can find assistance and contribution forms online at <https://ladpu.com/assist>.

Other programs available to assist customers' utility bills are:

LA Cares 505 661 8105 or Self-help, Inc 505 662 4666.

New Mexico State offers the NM Low Income Energy Assistance Program (LIHEAP) to assist with energy bills 505 753 2271.