



LOS ALAMOS

County of Los Alamos
Minutes
Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

Carrie Walker, Chair; Jeff Johnson, Vice-chair; Stephen McLin, Kathleen Taylor and Steve Tobin Members
Philo Shelton, Ex Officio Member
Harry Burgess, Ex Officio Member
Pete Sheehey, Council Liaison

Friday, December 6, 2019

11:30 AM

1000 Central Avenue
Council Chambers

SPECIAL SESSION

1. CALL TO ORDER

A special meeting of the Incorporated County of Los Alamos Board of Public Utilities was held on Friday, December 6th, 2019, at 11:30 a.m. at 1000 Central Ave., Council Chambers. Board Chair Carrie Walker called the meeting to order at 11:32 a.m.

Present 5 - **Board Member Walker, Board Member Tobin, Board Member McLin, Board Member Taylor and Board Member Shelton**

Absent 2 - **Board Member Johnson and Board Member Burgess**

2. PUBLIC COMMENT

Ms. Walker opened the floor for public comment on items not otherwise included on the agenda. There were no comments.

3. APPROVAL OF AGENDA

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

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

Absent: 1 - **Board Member Johnson**

4. BUSINESS

4.A [12561-19](#) **Amendment to the Carbon Free Power Project Budget and Plan of Finance**

Presenters: Steve Cummins

Deputy Utility Manager of Power Supply Mr. Steve Cummins presented this item. The following is the substance of the item being considered.

At the recommendation of a citizen ad hoc committee and the direction of the Board, the Department of Public Utilities (DPU) was tasked to continue participating in the Carbon

Free Power Project (CFPP) as an option for meeting a portion of the County's power demands. The CFPP was considered as a potential resource for replacing the County's coal generation assets and to meet a Board-approved goal for the DPU to be a carbon-neutral electrical energy provider by 2040. On April 10, 2018 the Board and the County Council approved a resolution authorizing and approving the Power Sales Contract with an Amended and Restated Initial Budget and Plan of Finance for the first phase of the CFPP. The Budget and Plan of Finance broke the project into phases allowing the project participants an option to exit the project at the end of each phase if they determine the project is no longer the preferred option. The first phase has a decision point and off-ramp at the \$6 million spend point, which is 100% reimbursable by DOE and NuScale if the Utah Associated Municipal Power Systems (UAMPS) terminates the project for any reason. The PMC anticipated exhausting the \$6 million by November 2019, at which time the PMC and the individual participants reached a decision point. At this time, the UAMPS Project Management Committee is recommending increasing the budget for the CFPP participants by \$976k, (approx. \$52,500 for LAC, non-reimbursable), to keep the project moving forward from December 2019 through March 31, 2020. The participants are still eligible for 100% reimbursement of the \$6 million if UAMPS terminates the project in the spring or summer of 2020. If the project terminates in spring 2020, LAC will have a sunk cost of approximately \$82k. If LAC unilaterally takes the off-ramp in spring of 2020, the total sunk cost will be approximately \$162k, not including staff time since 2015.

The Board discussed this item and requested clarification where necessary.

Ms. Walker opened the floor for public comments. Members of the public gave the following summarized comments:

1) Mr. Michael Dempsey, 300 Connie Ave. - Mr. Dempsey provided a written statement, which is included in the minutes as an attachment. Additionally, Mr. Dempsey noted that the County spent a lot more money on building the Smart House than what is being requested here and believes this is a more worthwhile expenditure when comparing costs. He also discussed the possibility of the project gaining more subscribers once the coal-fired power plant outside Delta Utah shuts down in 2025 after losing its Southern California customer base.

2) Mr. Steve Silva, 101 Lacinda Rd. - Mr. Silva noted that it would be ironic if the Board and Council do not invest in nuclear power given that Los Alamos has a legacy of being the "Atomic City."

Ms. Taylor moved that the Board of Public Utilities authorize a budget amendment of \$52,500.00 with a 20% contingency of \$10,500 for the continued participation in the Carbon Free Power Project and authorize the Utilities Manager to execute an amendment to budget and plan of finance with the Utah Associated Municipal Power Systems (UAMPS), and forward to Council for their consideration. The motion passed by the following vote:

Yes: 4 - Board Member Walker, Board Member Tobin, Board Member McLin and Board Member Taylor

Absent: 1 - Board Member Johnson

4.B [12514-19](#)

Conduct 2019 Board of Public Utilities Annual Self-evaluation

Presenters: Carrie Walker

Ms. Walker presented this item. The following is the substance of the item being considered.

The Board conducted its annual self-evaluation using the questionnaire that was slightly modified after the 2018 evaluation. The Board scored each question, provided comments and identified action items for improvement.

Mr. Tobin left the meeting at 1:38 p.m.

The following actions were identified for follow-up:

- 1) Ms. Walker will compile the scores comments and action items on a spreadsheet that will be presented to the Board at the December regular meeting for approval. The final evaluation will be included in those minutes as an attachment.

5. PUBLIC COMMENT

Ms. Walker opened the floor for public comment on any items. There were no comments.

6. ADJOURNMENT

The meeting adjourned at 2:04 p.m.

APPROVAL

Board of Public Utilities Chair Name

Board of Public Utilities Chair Signature

Date Approved by the Board

ATTACHMENT WRITTEN PUBLIC COMMENTS

People who give public comment at a meeting may submit a written copy before, during or after the meeting to be included in the minutes.

Dear Board of Public Utilities,

Thank you for all the great work that you do! I have enjoyed the reliable, reasonably priced and robust utility service here in Los Alamos County for over 25 years. I am truly grateful for the reliability of the electricity, gas and water service. I don't think the electricity has ever been off for more than a few hours, more like a few minutes here in White Rock in the last 25 years. The same applies for the natural gas service, and I am truly grateful for the clean water we have here. I drink almost exclusively Los Alamos County tap water. I have worked/traveled all over the United States, and worked in 21 countries overseas, and I surely don't feel the same about the water anywhere else as I do in Los Alamos County! Thank you and all the County workers for a job well done!

I applaud this Board and the previous Boards with pursuing the Carbon Free Power Project via UAMPS with the goal of developing Modular Nuclear Reactors to supply Carbon Free Electrify.

I encourage the Board and the County Council to appropriate the currently requested funds and further funds as required to see the project to completion.

Thank you,

Michael A. Dempsey

300 Connie Ave.

White Rock, NM 87547