

## Frequently Asked Questions Electric Rate Ordinance

### How much will the electric rate increase if adopted by County Council?

The Department of Public Utilities is proposing electric rate increases covering a two-year period to be approved by the Board of Public Utilities and adopted by the County Council. Beginning July 1, 2025, both the monthly service charge and volumetric commodity rate will increase. The change in the monthly service charge is to cover the DPU administrative allocation and the County's Interdepartmental Charges (IDC's). If adopted, the commodity rate will increase by 9% beginning July 1, 2025, and an additional 8% beginning July 1, 2026. These increases will allow the DPU to generate revenues needed for current operations and improve the electric distribution system infrastructure. Calculations for the FY2026 budget cycle included a rate increase for the Electric Distribution Fund.

For a residential customer using 500 kwh per month, the increase would be \$7.50 per month beginning July 1, 2025, and an additional \$7.25 per month beginning July 1, 2026, for a total increase of \$14.75 per month.

ELECTRIC RATES IN LOS ALAMOS COUNTY: 1998 - 2027						
Rate Status	Effective Date	Service Charge	Commodity Rate (per kwh)	Residential 500 kwh	% Increase	*CPI Change
Proposed	July 2026	\$ 22.50	\$ 0.1510	\$ 98.00	8.0%	
Proposed	July 2025	\$ 17.60	\$ 0.1463	\$ 90.75	9.0%	
Current	July 2024	\$ 12.60	\$ 0.1413	\$ 83.25	9.4%	2.6%
Historical	Oct 2023	\$ 12.00	\$ 0.1282	\$ 76.10	9.3%	31.1%
Historical	Feb 2015	\$ 12.00	\$ 0.1152	\$ 69.60	20.4%	1.3%
Historical	Dec 2013	\$ 6.43	\$ 0.1028	\$ 57.83	8.0%	5.3%
Historical	Feb 2011	\$ 5.95	\$ 0.0952	\$ 53.55	5.0%	1.2%
Historical	Sept 2008	\$ 5.67	\$ 0.0907	\$ 51.02	4.8%	5.0%
Historical	July 2007	\$ 5.67	\$ 0.0860	\$ 48.67	4.8%	27.1%
Historical	Dec 1998	\$ 5.67	\$ 0.0815	\$ 46.42		

CPI Change  
Oct 2023 - Dec 2024  
CPI Change  
Feb 2015 to Oct 2023

CPI increase from Feb 2015 to Dec 2024 increased **34.5%**

Combined Electric Rate from Feb 2015 to Dec 2024 increased **19.6%**

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

Over the next 10 years, DPU plans to invest an average of more than \$3 million annually to improve the electric distribution system. The money invested will serve to increase our electrical reliability as the threat of outages due to aging infrastructure drops. It will also improve our local distribution capacity as Los Alamos County residents and businesses electrify more appliances, heating and cooling systems, and cars.

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. The financial guidance can be found at [ladpu.com/library](http://ladpu.com/library) under the Finances header, "Financial Utilities Guidance." This rate ordinance meets the guidance.

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

The draft ordinance is available on the DPU website at [ladpu.com/rates](http://ladpu.com/rates) under the Proposed Rate Changes header.

### **Didn't we have a rate increase just last year?**

Electricity rates increased in July 2024, October 2023 and February 2015. The Consumer Price Index increased by 34.5% between Feb 2015 and Dec 2024, However, the electric rates during that same period increased by only 19.6%.

### **What is the process for changing electric 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 initial increase will be effective on July 1, 2025. The second rate change will be effective beginning July 1, 2026.

### Are the BPU and County Council locked into these rates for the next two 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.

### If there are increases in other utility services (gas, water, sewer) what is the total impact to my monthly bill?

There is a proposed rate change for wastewater and a proposed electric Time of Use rate structure. The table below includes the wastewater 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 no sooner than July 1, 2026.

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
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**

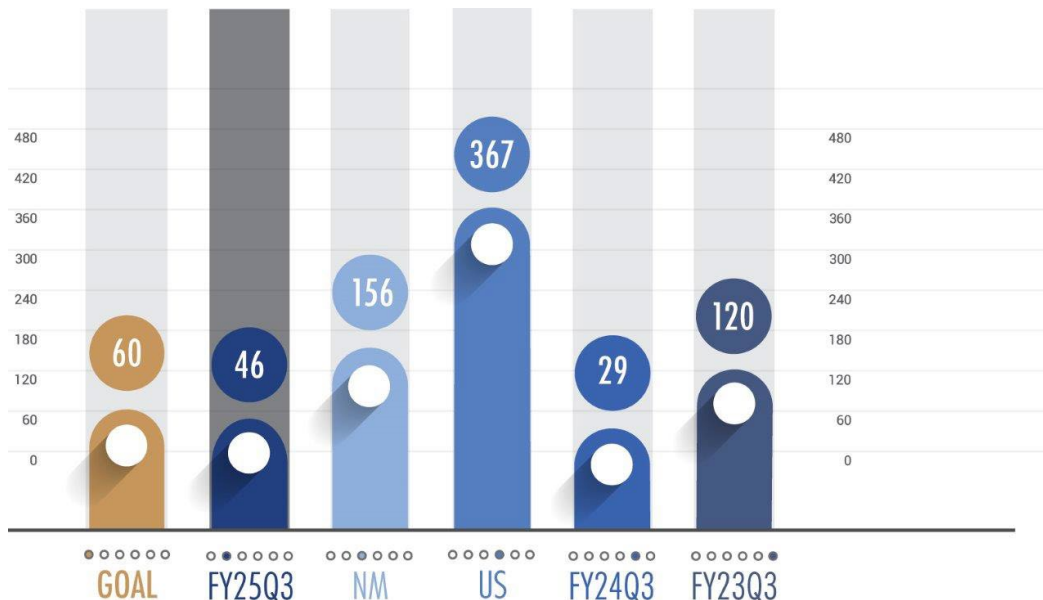
\*\* FY2023 gas includes the \$0.44 revenue recovery rate

## What is the SAIDI?

As a reliability indicator, DPU measures its System Average Interruption Duration Index (SAIDI). This is a formula to determine the annual average time that a DPU customer could expect to be without power. According to the Energy Information Administration (EIA), the mean SAIDI in 2023 was 124 minutes without major events and 367 minutes with major events for utilities across the nation (excluding U.S. territories). This information is available on the EIA website. DPU set a goal in 2008 to reduce its SAIDI to below 60 minutes (including major events). As of April 1, DPU's SAIDI was 46 minutes\*, including major events, which is well within DPU's goal to remain under 60 minutes. It is also comfortably below the 2023 national SAIDI of 367 minutes and New Mexico's 2023 SAIDI of 156 minutes. \*DPU's SAIDI does not include outages caused by failures with LANL's substation and/or PNM's transmission line.

## Are the consecutive rate increases tied to improving the SAIDI?

Yes, the rate increase and budgeted FY2026 expenditures in Electric Distribution are to improve infrastructure and reliability which will result in reduced outages. As a rolling annual measure that is updated monthly, the SAIDI is subject to large upward swings when significant outages that impact many people, especially for long periods of time, occur. Though DPU's SAIDI has improved over the past two years, one large outage could cause it to rise much higher. It is important that DPU consistently and continually maintain and improve the electrical infrastructure, even when the SAIDI is low.

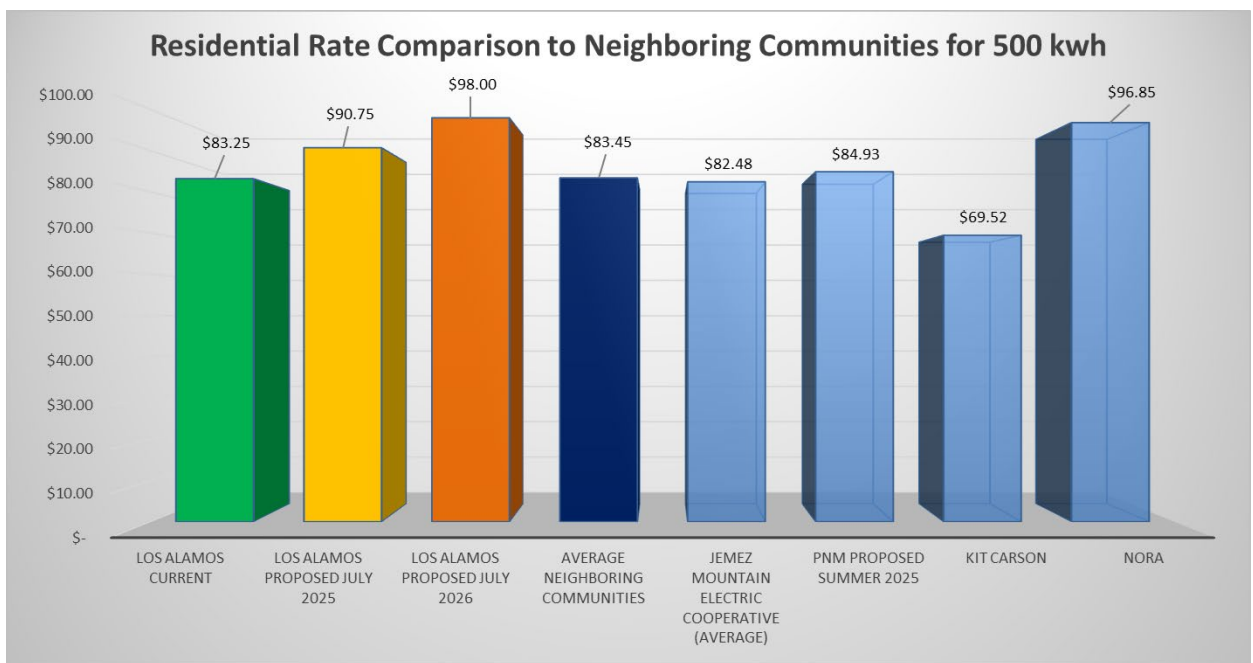


## What if this rate ordinance is not approved?

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 which will increase the degradation of system conditions and result in a less reliable electric utility. It would also impact planned increases to electric distribution system capacity, which are becoming increasingly necessary as people electrify their homes and vehicles.

## How do these rates compare with other communities?

Comparisons to neighboring communities for a residential 500 kwh utility charge are below.



## How do these rates compare with the rest of the Country?

### Average Price of Residential Electricity per kWh for December 2024

Source: eia.gov



US Ave  
\$0.1626



New Mexico  
\$0.1426



Los Alamos  
\$0.1413 Dec 24  
\$0.1463 Jul 25  
\$0.1510 Jul 26



Mountain  
\$0.1375

Mountain
Arizona
Colorado
Idaho
Montana
Nevada
New Mexico
Utah
Wyoming

### **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 with 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.

### **What energy conservation tips are available to reduce household consumption?**

These tips are organized by order of highest to lowest energy users in a typical home. These are primarily targeted toward electric appliances, but many could be applied toward gas versions.

#### Space heating

- Open drapes and curtains to let winter sun warm spaces, close them as the sun sets.
- Keep your heat pump set at a consistent temperature, instead of ramping systems up and down.
- Non-heat pump systems should be using a programmable thermostat could save up to 10% on heating and cooling costs.

#### Water heating

- Use a solar dryer: hang your clothes on the line outside.
- Set your water heater temperature at 120F
- Wash your laundry in cold water.

#### Space cooling

- Set your AC to 78 degrees (DOE's ideal setting).
- Pairing ceiling fans with AC will allow you to set your AC 4 degrees warmer without impacting comfort.
- Close your windows during daylight hours and keep them covered to keep the heat out: 76% of the sunlight coming in the window turns to heat.

- Invest in blackout curtains that reflect the sunlight and heat.
- Open your windows after the sun goes down.
- Use fans strategically: move air from cooler areas to warmer areas.
- Minimize stove and oven use: grill outside (Fire Restrictions permitting), cook at night, use the exhaust fan to pull heat out.
- Consider an induction cooking unit: heat your food, not your room.

#### Lighting

- Replace incandescent light bulbs with LEDs: a 60W bulb can reach 200F on the glass surface.
- If most of your lightbulbs are CFLs and/or LEDs, lighting costs are negligible.

#### Other

- Use those delay cycle features: run your laundry machines and dishwashers during the night or in the early morning.
- Set your refrigerator temp between 37F and 40F and your freezer at 0F to preserve food the longest without wasted energy.
- Have an older fridge or freezer in a hot part of your house? Ditch it. Chances are pretty good you are paying more for electricity to keep it cool than you would be paying for an upgrade.
- Insulate/weatherstrip/caulk doors and windows that have gaps to the outside world.
- Add insulation to your attic and walls.
- Add attic ventilation to move hot air out.