

INCORPORATED COUNTY OF LOS ALAMOS CODE ORDINANCE NO. 02-328

AN ORDINANCE AMENDING CHAPTER 40, ARTICLE III, SECTIONS 40-151, 40-152, 40-171, 40-173, and 40-175 OF THE CODE OF THE INCORPORATED COUNTY OF LOS ALAMOS PERTAINING TO GAS SERVICE RATE SCHEDULES AND WATER SERVICE RATE SCHEDULES

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 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 that the Department to be operated on a compensatory basis, with rates being just, reasonable, and comparable to those in neighboring communities; and

WHEREAS, the Department and Utility Manager have identified the need to increase natural gas and water rates to meet the projected revenue requirements of the Department; and

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

WHEREAS, pursuant to Section 4.6.a. of the *Board of Public Utilities Procedural Rules* (ed 2/19/20), the Utilities Manager is responsible for preparing and presenting proposed utility rate ordinances to the Board of Public Utilities; and

WHEREAS, pursuant to Section 504 of the 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, pursuant to Section 4.6.a. of the *Board of Public Utilities Procedural Rules*, the proposed rates must be presented at least one month prior to the Board of Public Utilities public hearing on a final proposed utility rate ordinance; and

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

WHEREAS, the Utilities Manager presented to the proposed rate increases for natural gas and water to the Board of Public Utilities on _____; and

WHEREAS, the Utilities Manager, after receiving comments from the Board of Public Utilities, the presented the final rate ordinance on _____;

WHEREAS, the Board of Public Utilities [accepted and recommended/accepted and modified, etc.] the final rate ordinance and recommended forwarding it to Council for adoption; and

WHEREAS, on _____, 2022 the County Council, pursuant to Section 203.2.1 of the County Charter introduced the proposed rate ordinance; and

WHEREAS, on _____, 2022, the County Council, pursuant to Section 203.2.2 of the County Charter held a public hearing on the proposed rate ordinance.

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

Section 1. Section 40-151 of the Code of the Incorporated County of Los Alamos is amended to read, 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: \$9.50 per month through September 30, 2022; \$10.26 per month after September 30, 2022; \$11.08 per month after September 30, 2023; \$11.97 per month after September 30, 2024; \$12.57 per month after September 30, 2025;
 - (2) Per meter rated more than 250 CFH: \$28.50 per month through September 30, 2022; \$30.78 after September 30, 2022; \$33.24 per month after September 30, 2023; \$35.90 per month after September 30, 2024; \$37.70 per month after September 30, 2025.
- (d) *Gas consumption charge.*
 - (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. The fixed cost recovery shall be \$0.23 per therm (one therm is equal to 100,000 British Thermal Units (BTU)) through September 30, 2022; \$0.25 after September 30, 2022; \$0.27 after September 30, 2023; \$0.29 after September 30, 2024; \$0.30 after September 30, 2025. 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.
 - (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 \$0.99 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 40-152 of the Code of the Incorporated County of Los Alamos is amended to read, 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: \$9.50 per month through September 30, 2022; \$10.26 per month after September 30, 2022; \$11.08 per month after September 30, 2023; \$11.97 per month after September 30, 2024; \$12.57 per month after September 30, 2025;
(2) Per meter rated more than 250 CFH: \$28.50 per month through September 30, 2022; \$30.78 after September 30, 2022; \$33.24 per month after September 30, 2023; \$35.90 per month after September 30, 2024; \$37.70 per month after September 30, 2025.

(c) *Gas consumption charge.*

- (1) The gas consumption charge for schedules 7L and 7N shall be made up of two components: fixed cost recovery and a variable cost of gas component. The fixed cost recovery shall be \$0.20 per therm (one therm is equal to 100,000 British Thermal Units (BTU)) through September 30, 2022; \$0.22 after September 30, 2022; \$0.24 after September 30, 2023; \$0.26 after September 30, 2024; \$0.27 after September 30, 2025. 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.
(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 \$0.99 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. 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	
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Water Meter Size	Through 09/30/2020 2022	From 10/01/2020 2022 through 09/30/2024 2023	From 10/01/2023 through After 09/30/2024 2024	From 10/01/2024 through 09/30/2025	After 9/30/2025
1¼-inch and under	\$10.51 <u>\$11.40</u>	\$10.96 <u>\$11.97</u>	\$11.40 <u>\$12.57</u>	<u>\$13.20</u>	<u>\$13.86</u>
1½-inch	\$33.30 <u>\$36.10</u>	\$34.74 <u>\$37.91</u>	\$36.10 <u>\$39.81</u>	<u>\$41.80</u>	<u>\$43.89</u>
2-inch	\$49.70 <u>\$53.88</u>	\$51.84 <u>\$56.57</u>	\$53.88 <u>\$59.40</u>	<u>\$62.37</u>	<u>\$65.49</u>
2½-inch, 3-inch	\$98.07 <u>\$106.33</u>	\$102.24 <u>\$111.65</u>	\$106.33 <u>\$117.23</u>	<u>\$123.09</u>	<u>\$129.24</u>
4-inch	\$167.00 <u>\$181.06</u>	\$174.10 <u>\$190.11</u>	\$181.06 <u>\$199.62</u>	<u>\$209.60</u>	<u>\$220.08</u>
6-inch	\$352.55 <u>\$382.23</u>	\$367.53 <u>\$401.34</u>	\$382.23 <u>\$421.41</u>	<u>\$442.48</u>	<u>\$464.60</u>
8-inch	\$582.50 <u>\$631.54</u>	\$607.25 <u>\$663.12</u>	\$631.54 <u>\$696.28</u>	<u>\$731.09</u>	<u>\$767.64</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:

	Consumption October 1 through April 30 (Non-Peak Season)			
	Commodity Rate per 1,000 Gallons			
	Monthly Consumption	9,000 gal or less	over 9,000 gal to 15,000 gal	over 15,000 gal
Single family residential	Through 09/30/2020 2022	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>
	10/01/2020 2022 to 09/30/2024 2023	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>
	After 10/01/2023 to 09/30/2024 2024	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>
	10/01/2024 to 09/30/2025	<u>\$6.97</u>	<u>\$6.97</u>	<u>\$6.97</u>
	After 09/30/2025	<u>\$7.32</u>	<u>\$7.32</u>	<u>\$7.32</u>
Multi-family residential	Through 09/30/2020 2022	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>
	10/01/2020 2022 to 09/30/2024 2023	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>

	<u>After 10/01/2023 to 09/30/2024</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>
	<u>10/01/2024 to 09/30/2025</u>	<u>\$6.97</u>	<u>\$6.97</u>	<u>\$6.97</u>
	<u>After 09/30/2025</u>	<u>\$7.32</u>	<u>\$7.32</u>	<u>\$7.32</u>
Commercial	<u>Through 09/30/2020 2022</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>
	<u>10/01/2020 2022 to 09/30/2024 2023</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>
	<u>After 10/01/2023 to 09/30/2024 2024</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>
	<u>10/01/2024 to 09/30/2025</u>	<u>\$6.97</u>	<u>\$6.97</u>	<u>\$6.97</u>
	<u>After 09/30/2025</u>	<u>\$7.32</u>	<u>\$7.32</u>	<u>\$7.32</u>
County/schools	<u>Through 09/30/2020 2022</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>
	<u>10/01/2020 2022 to 09/30/2024 2023</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>
	<u>After 10/01/2023 to 09/30/2024 2024</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>
	<u>10/01/2024 to 09/30/2025</u>	<u>\$6.97</u>	<u>\$6.97</u>	<u>\$6.97</u>
	<u>After 09/30/2025</u>	<u>\$7.32</u>	<u>\$7.32</u>	<u>\$7.32</u>

	Consumption May 1 through September 30 (Peak Season)			
	Commodity Rate per 1,000 Gallons			
	Monthly Consumption	9,000 gal or less	over 9,000 gal to 15,000 gal	over 15,000 gal
Single family residential	<u>Through 09/30/2020 2022</u>	\$5.55 <u>\$6.02</u>	\$5.90 <u>\$6.40</u>	\$7.06 <u>\$7.65</u>
	<u>10/01/2020 2022 to 09/30/2024 2023</u>	\$5.79 <u>\$6.32</u>	\$6.15 <u>\$6.72</u>	\$7.36 <u>\$8.03</u>
	<u>After 10/01/2023 to 09/30/2024 2024</u>	\$6.02 <u>\$6.64</u>	\$6.40 <u>\$7.06</u>	\$7.65 <u>\$8.43</u>
	<u>10/01/2024 to 09/30/2025</u>	<u>\$6.97</u>	<u>\$7.41</u>	<u>\$8.85</u>
	<u>After 09/30/2025</u>	<u>\$7.32</u>	<u>\$7.78</u>	<u>\$9.29</u>
Multi-family residential	<u>Through 09/30/2020 2022</u>	\$5.55 <u>\$6.02</u>	\$5.84 <u>\$6.33</u>	\$5.96 <u>\$6.47</u>

	<u>10/01/2020 2022</u> <u>to 09/30/2024</u> <u>2023</u>	\$5.79 <u>\$6.32</u>	\$6.09 <u>\$6.65</u>	\$6.22 <u>\$6.79</u>
	<u>After 10/01/2023</u> <u>to 09/30/2024</u> <u>2024</u>	\$6.02 <u>\$6.64</u>	\$6.33 <u>\$6.98</u>	\$6.47 <u>\$7.13</u>
	<u>10/01/2024 to</u> <u>09/30/2025</u>	<u>\$6.97</u>	<u>\$7.33</u>	<u>\$7.49</u>
	<u>After 09/30/2025</u>	<u>\$7.32</u>	<u>\$7.70</u>	<u>\$7.86</u>
Commercial	<u>Through</u> <u>09/30/2020 2022</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>
	<u>10/01/2020 2022</u> <u>to 09/30/2024</u> <u>2023</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>
	<u>After 10/01/2023</u> <u>to 09/30/2024</u> <u>2024</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>
	<u>10/01/2024 to</u> <u>09/30/2025</u>	<u>\$6.97</u>	<u>\$6.97</u>	<u>\$6.97</u>
County/schools	<u>After 09/30/2025</u>	<u>\$7.32</u>	<u>\$7.32</u>	<u>\$7.32</u>
	<u>Through</u> <u>09/30/2020 2022</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>	\$5.55 <u>\$6.02</u>
	<u>10/01/2020 2022</u> <u>to 09/30/2024</u> <u>2023</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>	\$5.79 <u>\$6.32</u>
	<u>After 10/01/2023</u> <u>to 09/30/2024</u> <u>2024</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>	\$6.02 <u>\$6.64</u>
	<u>10/01/2024 to</u> <u>09/30/2025</u>	<u>\$6.97</u>	<u>\$6.97</u>	<u>\$6.97</u>
	<u>After 09/30/2025</u>	<u>\$7.32</u>	<u>\$7.32</u>	<u>\$7.32</u>

Note: Multi-family includes dwelling units and apartments as defined in section 40-201.

Section 4. 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.

The water consumption rate for non-potable water, including effluent reuse water, shall be ~~\$2.79~~ \$3.03 per 1,000 gallons for consumption through September 30, ~~2020 2022~~, ~~\$2.94~~ \$3.18 per 1,000 gallons for consumption October 1, ~~2020 2022~~ through September 30, ~~2024 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 ~~\$3.03~~ \$3.69 per 1,000 gallons for consumption after September 30, ~~2024 2025~~.

Section 5. 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 ~~\$3.84~~ \$4.13 per 1,000 gallons for consumption through September 30, ~~2020~~ 2022, ~~\$3.97~~ \$4.34 per 1,000 gallons for consumption October 1, ~~2020~~ 2022 through September 30, ~~2024~~ 2023, ~~\$4.56~~ \$4.79 per 1,000 gallons for consumption October 1, ~~2023~~ 2024 through September 30, ~~2024~~ 2023, ~~\$4.79~~ \$5.03 per 1,000 gallons for consumption October 1, ~~2024~~ 2025 through September 30, ~~2025~~ 2024, and ~~\$4.13~~ \$5.03 per 1,000 gallons for consumption after September 30, ~~2024~~ 2025.
- (c) The customer service charge for water sold and delivered to bulk points of delivery shall be ~~\$718.35~~ \$778.84 per month per customer for service through September 30, ~~2020~~ 2022, ~~\$748.88~~ \$817.78 per month per customer for service October 1, ~~2020~~ 2022 through September 30, ~~2024~~ 2023, ~~\$858.67~~ \$901.60 per month per customer for service October 1, ~~2023~~ 2024 through September 30, ~~2024~~ 2023, ~~\$901.60~~ \$946.68 per month per customer for service October 1, ~~2024~~ 2025 through September 30, ~~2025~~ 2024, and ~~\$778.84~~ \$946.68 per month per customer for service after September 30, ~~2024~~ 2025.

Section 6. Effective Date. This ordinance shall become effective upon adoption with the amended water rates being applied for all billings on or after June 1, 2022.

Section 7. 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 8. 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 1 day of June 2022.

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

**Randall T. Ryti,
Council Chair**

ATTEST: (SEAL)

**Naomi D. Maestas,
Los Alamos County Clerk**