2024: Jul 1 - Sept 30

Q1 REPORT FY25

LOS ALAMOS
Department of Public Utilities

WE ARE WHO

ABOUT DPU

The Department of Public Utilities is county-owned. It provides Los Alamos County with electric, natural gas, water and wastewater services. Established under Article 5 of the 1968 Charter for the Incorporated County of Los Alamos, the DPU falls under the jurisdiction of the Board of Public Utilities.

Serving a population of 19,187 citizens with an authorized budget of approximately $144 million, DPU operates and maintains assets totaling $296 million with about 100 employees.

Los Alamos is situated at the foot of the Jemez Mountains on the Pajarito Plateau with an elevation ranging from 6,200 to 9,200 feet. Because of this unique topography, DPU's assets are incredibly complex for the population served. For example, Santa Fe serves its 88,000 citizens with four lift stations. Here in Los Alamos, our population is a fifth of that size but 26 lift stations are required to properly serve our citizens with wastewater services.

P. #2

PAGE INDEX

INSIDE

PHILO SHELTON / UTILITIES MANAGER

June 2019 through present

Professional Engineer
Master of Science, Civil Engineering
Bachelor of Science, Civil Engineering
Master of Public Administration
Certified Public Manager

#HIGHLIGHTS

Electric production costs are ever changing. Last year, Los Alamos exited the Carbon Free Power Project because the project lacked sufficient subscription to allow for the project to move forward on the next phase of development—a major capital investment of just under $10 billion. The cost at the time for this energy was capped at $89/MWh in 2022 dollars. With increasing construction costs, the index over two years has risen by 16% and that resource would now cost $103.24/MWh in 2024 dollars.

In February 2024, LAC entered into a power purchase agreement with Foxtail Flats LLC for 170 MW of Solar and 120 MW (4-hour) Battery Energy Storage System (BESS). In combination, the average Solar + BESS costs $74.79/MWh, assuming full 320 MWh charging and discharging of BESS each day. Please keep in mind this resource is intended to shave the peak hour loads (~53 MW discharge for 6 hours). It is not supposed to cover our energy needs around the clock like the CFPP would have.

Solar energy is considered an intermittent resource while nuclear energy is available 95% of the time. The other 5% of the time covers the month every two years when the plant is down for refueling. Also, because the CFPP had six modules, the outage for refueling one module would have been minimized with five other modules still in service, making it a highly reliable energy resource.

The retired coal-fired San Juan Generating Station, at 36 MW, as well as the 10 MW LAC has in the Laramie River Station coal-fired plant located at Wheatland, WY, both brought high reliability attributes and load following capabilities. The challenge is to find a carbon-free resource that can deliver around-the-clock energy regardless of weather and,

preferably, is dispatchable to follow our load.

This year, DPU participated in a study with UAMPS to consider a gas peaking plant, hoping it could feed hydrogen into the fuel mix to meet DPU's net carbon-neutral goal. However, as this project developed, we learned today's Reciprocating Internal Combustion Engines (RICE) are not capable of running on 100% hydrogen. Instead, they can only run on a maximum blend of 30% hydrogen. For this RICE Project, UAMPS required a 30-plus-year commitment, a project time span that would surpass DPU's goal to be a carbon neutral electric provider by 2040.

LAZARD, a company that assembles cost data, lists the levelized cost of energy for a gas peaking plant to cost between $110 to $228/MWh nationwide. This project's levelized cost-of-energy estimate was between $147 and $159/MWh, depending on the cost of gas. While this project is within the market range for this type of resource, it does not meet DPU's carbon neutral goals, therefore, DPU withdrew from this study project.

So, what is left to consider since carbon-free RICE technology is not currently available? It would be geothermal energy. LAZARD lists the levelized cost of energy of geothermal plants to be between $64 and $106/MWh, however, these costs are based on very limited construction cost data. UAMPS recently solicited for geothermal energy projects and Los Alamos County is currently participating in both study projects to pursue this around-the-clock type thermal resource given its carbon-free attribute. One project, in North Milford, UT, is called Rodatherm, and the other project, near Beaver, UT, is called Cove Fort No. 2 Geothermal Project. Estimated to cost between $80 and $100/MWh, these projects are generally 35 MW in capacity. It makes sense to partner with UAMPS on the development of these projects to reduce risk and to diversify generation sites.

Long-term storage technology is an alternative to thermal generation resources. Besides lithium-ion batteries, long-term storage technologies are mostly in various development stages and are not yet ready for scaling up to utility scale. DPU is looking at hydrogen storage. A recent BPU agenda included a presentation by Kit Carson Electric COOP on this technology coupled with solar energy to make hydrogen from wastewater effluent.

Also, DPU is looking into a carbon dioxide (CO_2) battery that compresses CO_2, releases this energy though a turbine, and stores the discharged gas in a containment dome that looks like a large tennis bubble. Finally, DPU is monitoring the demonstration projects of our industry partners. Sacramento Municipal District (SMUD) is involved in a project to test an iron battery.

In conclusion, to meet DPU's future carbon-neutral energy needs, we will most likely require a combination of all these technologies, as we will want a diversified portfolio and some form of energy storage to take advantage of low-cost intermittent energy from wind and solar. Next year DPU plans to update its Integrated Resource Plan (IRP). This updated plan will need to include consideration of all these options for our portfolio.

#MISSION

Provide safe and reliable utility services in an economically and environmentally sustainable fashion

#VISION

Be a high-performing, community-centric utility contributing to a sustainable future with innovative and diversified utility solutions

#VALUES

We value **CUSTOMERS** by being service oriented and fiscally responsible

We value **COMMUNITY** by being communicative, organized and transparent

We value **EMPLOYEES & PARTNERSHIPS** by being a safe, ethical and professional organization that encourages continuous learning

We value **ENVIRONMENT & NATURAL RESOURCES** through innovative solutions

P. #6

Utility Manager Philo Shelton and Board Member Jennifer Hollingsworth chat with a patron at a farmers market.

STRATEGIC FOCUS AREAS

O OPERATIONS & PERFORMANCE

GOAL: Provide utility services safely, reliably and efficiently

- Efficiently implement and maintain secure and reliable business systems
- Ensure utility control and mapping systems and processes are accurate, safe and secure
- Establish a plan to upgrade electric supply and distribution systems to meet needs of all-electric buildings and electric vehicles and maximize benefit of distributed energy resources
- Develop a culture of continuous improvement
- Be flexible and adaptable in delivering all utility operations

F FINANCIAL PERFORMANCE

GOAL: Achieve and maintain excellence in financial performance

- Utilize revenues to provide a high level of service while keeping rates competitive with similar utilities
- Take advantage of favorable loan/grant opportunities
- Meet financial reserve targets within our 10-year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year
- Conduct cost of service studies for each utility at least every 5 years

C CUSTOMERS & COMMUNITY

GOAL: Be a customer service-oriented organization that is approachable, communicative, efficient and transparent

- Customer service processes and systems are efficient, secure and user-friendly
- Inform customers about Utilities operations and plans affecting the community and create opportunities for constituents to engage
- Utilize Voice of the Customer survey results to improve utility operations
- Educate Board Members on markets, contracts and production options for all utility resources

#GOALS

W WORKFORCE

GOAL: Sustain a capable, satisfied, engaged, ethical and safe workforce focused on customer service

- Sustain an environment where employees are empowered, engaged, satisfied and fairly compensated
- Promote a culture of safe, ethical and customer-focused behavior
- Invest in employee training and professional development

E ENVIRONMENTAL SUSTAINABILITY

GOAL: Continuously, conscientiously, work toward environmental sustainability

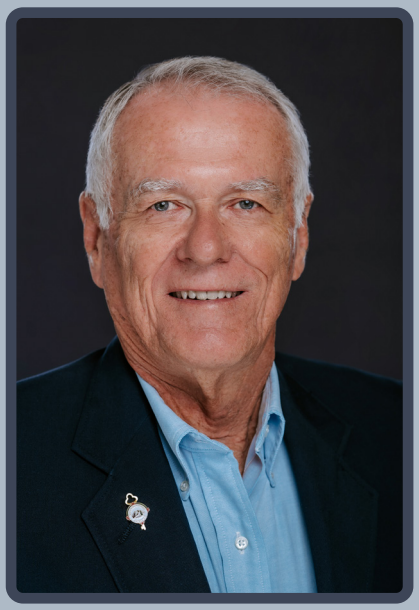
- Promote utility efficiency through targeted conservation programs
- Be a net carbon neutral electric provider by 2040
- Support phase-out of natural gas service by 2070 with at least a 10% reduction in usage by 2030 as measured by annual therms per heating degree day compared to a 2016-2020 average
- Reduce potable water use by 12% from 143 gallons per capita per day (GPCPD, 2020 calendar baseline) to 126 GPCPD by 2030
- Expand use of Class 1A effluent water
- Support customer electrification and other sustainability efforts with education and technical support

P PARTNERSHIPS

GOAL: Develop and strengthen partnerships

- Strengthen existing partnerships (e.g. community members, LANL, DOE, pueblos, NM and federal government, neighboring municipalities, LAC schools, County Council) and identify new potential partnering opportunities
- Collaborate with other Los Alamos County departments on implementation County sustainability goals
- Continue to coordinate infrastructure construction projects as early as possible between DOE, San Ildefonso Pueblo, DPU and Public Works, especially for communications infrastructure

BOARD OF PUBLIC UTILITIES



ROBERT GIBSON
Chair

Appointed: July 2023

1st Term: July ‘23 - June ‘28

Chair: 2024

Council liaison to BPU: 2008

Previous term: 2001-2006
- Chair: 2 years
- Vice Chair: 2 years

ERIC STROMBERG
Vice Chair

Appointed: July 2020

1st Term: July ‘20 - June ‘25

Vice Chair: 2024

CHARLES NAKHLEH
Member

Appointed: July 2022

1st Term: July ‘22 - June ‘27

Consisting of five voting members and appointed by the Los Alamos County Council, the Board of Public Utilities is the governing body for the DPU. Members reside in Los Alamos and are customers of the department. For calendars, policies and procedures, agendas, minutes and videos of meetings, visit LADPU.com/BPU.

OUR BOARD

MATT HEAVNER
Member

Appointed: January 2024

1st Term: Feb ‘24 - June ‘26

JENNIFER HOLLINGSWORTH
Member

Appointed: July 2024

1st Term: July ‘24 - June ‘28

The BPU normally holds work sessions on the first Wednesday and regular sessions on the third Wednesday of each month. Meetings begin at 5:30 pm in Council Chambers. Agendas are published at least 72 hours prior to each meeting. Members of the public are encouraged to attend and can participate either in person or via Zoom. Proceedings are also streamed online at LADPU.com/BPUliveproceedings. The BPU calendar is available online at LADPU.com/BPU.

SAFETY

Safety Culture Vision

DPU seeks to create a safety culture where employees practice safety every hour on the job, while no one is watching, because they want to and not because they have to. To create this safety culture, DPU employees believe in:

- Putting safety first
- Leading by example
- Establishing and enforcing a high standard of work performance
- Briefing or tailgating before every job
- Making work and safety suggestions

Safety Committee

DPU employees representing each utility division comprise the 13-person Safety Committee. They hold a committee meeting quarterly to review and share best practices. They also analyze accidents, incidents and near misses, and discuss and implement appropriate prevention measures.

Each member of the Safety Committee is responsible for moving that discussion forward to the rest of the staff at the next weekly group meeting and sharing agreed-upon prevention measures.

Safety Employee

The Safety Employee of the Quarter program was developed by the Safety Committee with an intent to reward those who most clearly and effectively demonstrate DPU's safety culture vision.

DPU employees may nominate fellow employees who exemplify the safety culture vision at any time. Safety Committee members review the nominations each quarter and select one person to recognize and reward with an extra day of administrative leave.

SAFETY EMPLOYEE OF THE QUARTER

Q1 / FY25

TRACEY ALARID

Management Analyst
Finance & Administration

Tracey has exemplified the safety culture of DPU many times over her 32-year career with Los Alamos County. Recently, she planned the annual Customer Service Fair in the hallway of the Los Alamos County Municipal Building. Staff from many different County departments participated and Tracey made sure they were all respectful of the limited space and shared responsibility for safety during the event, particularly when setting up and breaking down. She held a pre-setup briefing that included safety reminders, such as for methods to hang overhead displays and recognize potential crowd hazards.

Q4/ FY24

RICARDO LAMBERT
GWS Apprentice 2
Gas, Water, & Sewer

Q3 / FY24

ISAIAH MARTINEZ
GWS Trainee
Gas, Water, & Sewer

Q2 / FY24

MARK MARTINEZ
GWS Pipefitter
Gas, Water, & Sewer

Q1 / FY24

MICHELLE MARTINEZ
Engineering Associate
Engineering Division

ED

#HIGHLIGHTS

STEPHEN MAREZ / DEPUTY UTILITY MANAGER

Registered Professional Engineer

Bachelor of Science, Electrical Engineering

Master of Information Systems

Certified Project Mgmt. Professional

Memberships:

Institute for Electronic & Electrical Engineers

National Society of Professional Engineers

PROJECTS

Engineering staff continue to work on designs and specifications for all current and upcoming projects within the county including many electric car charging station sites. Operations crews continue to work on housing projects, maintenance and priority replacement projects.

Completed Projects

- The Hills Apartments: metering
- Barranca Tank
- White Rock Water Resource Reclamation Facility

Projects in Construction

- El Mirador Subdivision Phase 3
- Los Alamos Medical Center Vista Switch Controls
- DP Road Phase 2
- Line Reclosers
- Line Sensors
- LANL Asset Transfer Project
- PCS Building 5 EV Chargers
- Airport Fuel Farm
- UNM Welding Shop
- 134 East Road 3 Phase Transformer
- White Rock Visitors Center Bathrooms
- Lift stations
- Finch Street Primary Line
- Piñon Elementary School
- Chamisa Elementary School
- Arkansas Place Apartments
- Los Alamos Switch Station (LASS)
- LASS Feeder Installations
- Camp May Water Line
- ED System SCADA - T&D Contract

Projects with Design Complete, Awaiting Construction

- EA4 Power Line Replacement Design
- Electrification Study
- Jemez Mountain Fire Protection Project
- Sioux and Big Rock Loop Switch Replacement
- Crestview Housing Project
- Airport Hanger
- County Electric Vehicle Charging Stations
- Century Bank
- East Gate Primary Upgrade
- Sherwood Longs Condominiums
- Camp May Water Line
- Totavi Gas Station Cell Tower
- Oppenheimer Primary Replacement
- Buena Caza Commercial/ Residential

Projects in Design

- Substation Breaker Testing: RFP on the street

- 8 EV charger sites
- Bandelier Upper Campground
- Arbolada Subdivision
- Los Alamos Center

OPERATIONS

Line crews completed system inspections on electric equipment. The inspections are part of the asset management program. System assessments will be used to prioritize projects and develop budget recommendations.

STAFF UPDATE

The division hired Mariano Valdez as an Engineering Associate and Dennis Astley as Electrical Engineering Manager.

OTHER NEWS

Among other efforts to reduce outages, DPU's tree trimming contractor, Southwest Fire Defense and Tree Service, continued to remove hazard branches and trees. DPU's staff actively inspects the overhead line sections throughout the county on an ongoing basis to ensure the tree trimming contract is as successful and efficient as possible. This task is continually demanding as intense drought conditions cause trees to die in large numbers. During high wind events, even trees that are still very green will fall.

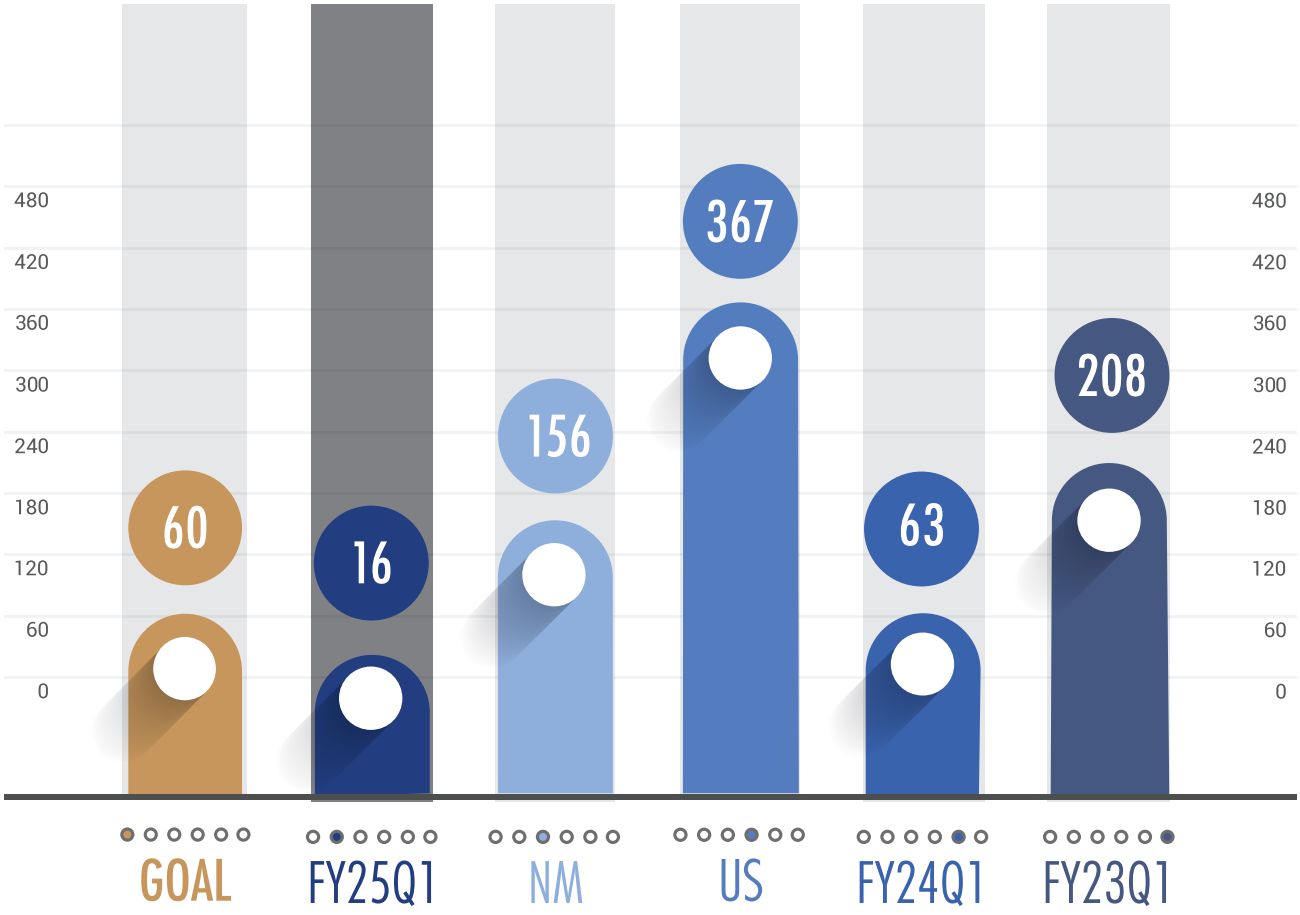
Above left: DPU contractor TLC installed electric conduits on DP Road.
Above right: Electric Distribution staff loaded a power pole onto a derrick/digger truck for installation at the El Vado hydroelectric plant

#SAIDI

SAIDI BASICS

DPU measures its System Average Interruption Duration Index (SAIDI) as a reliability indicator. This is a formula to determine the average time that a DPU customer could expect to be without power per year. 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). At the end of quarter 1 of FY2025, DPU's SAIDI was just 16 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 LANL substation failures.*



SYSTEM AVERAGE INTERRUPTION DURATION INDEX

RESULTS / COMPARISONS

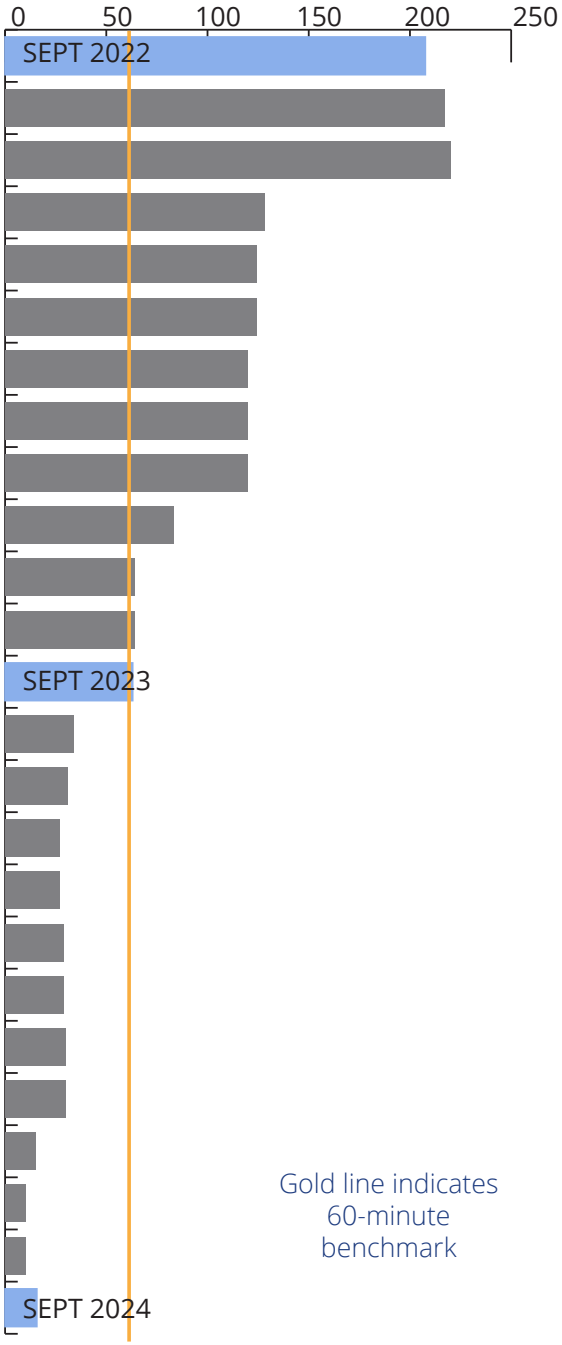
As of September 30, DPU's rolling 12-month SAIDI for Q1 was 16 minutes in FY2025; 63 minutes in FY2024; and 208 minutes in FY2023.

Reliability reports issued by the Energy Information Administration* demonstrate that DPU's current SAIDI is below the average of combined New Mexico utilities (includes New Mexico cooperatives, investor- and municipal-owned utilities) and considerably lower than the average of combined U.S. utilities through December 2023. Note that the EIA will release calendar 2024 SAIDI data in Oct. 2025.

EIA website
www.eia.gov/electricity/annual/

EIA SAIDI annual results
www.eia.gov/electricity/annual/html/epa_11_01.html

SAIDI 2-YEAR HISTORY



Gold line indicates 60-minute benchmark

PRIOR Q
JUN24
15

SEPT24
16

#SOLAR

DISTRIBUTED GENERATION

Unlike conventional power generating stations that are centralized and require transmission lines, distributed generation resources are decentralized and close to the load, such as rooftop solar systems. Los Alamos has many commercial and residential customers—533 at the end of Q1—who have opted to install small solar distributed generation systems.

Total Distributed Generation

As of the end of Q1, distributed generation resources totaled 3,516 kW connected to the distribution grid. This number is lower than previously reported due to the loss of the 1 MW solar field.

- Residential systems = 2,802 kW
- Commercial systems = 714 kW

New Distributed Generation

A total of 123 kw of distributed generation were added to DPU's electric distribution grid during Q1.

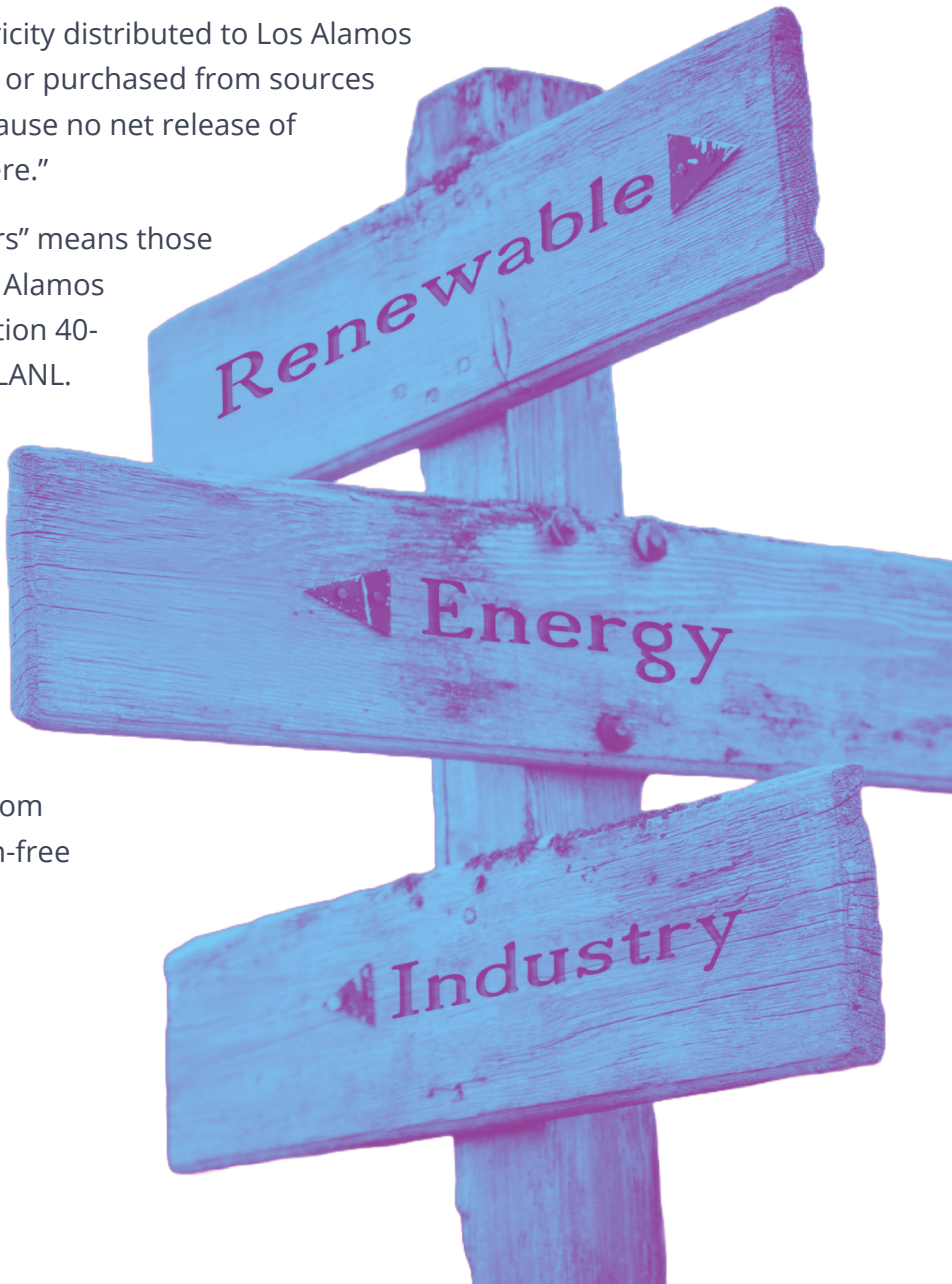
Pending Distributed Generation

Currently 20 customers are in the process of adding another 164 kW of distributed generation to DPU's electric distribution.

CARBON-NEUTRAL ELECTRICAL ENERGY PROVIDER

In recognition of the need to move away from CO_2-producing electrical energy sources, the Board of Public Utilities adopted a strategic goal in September 2013 that DPU will be a carbon-neutral electric provider by 2040.

In January 2016, BPU adopted the following definition for carbon-neutral electrical energy provider: "The Department of Public Utilities will be a carbon-neutral electrical energy provider when the electricity distributed to Los Alamos County consumers is generated or purchased from sources that in their normal operation cause no net release of carbon dioxide to the atmosphere."

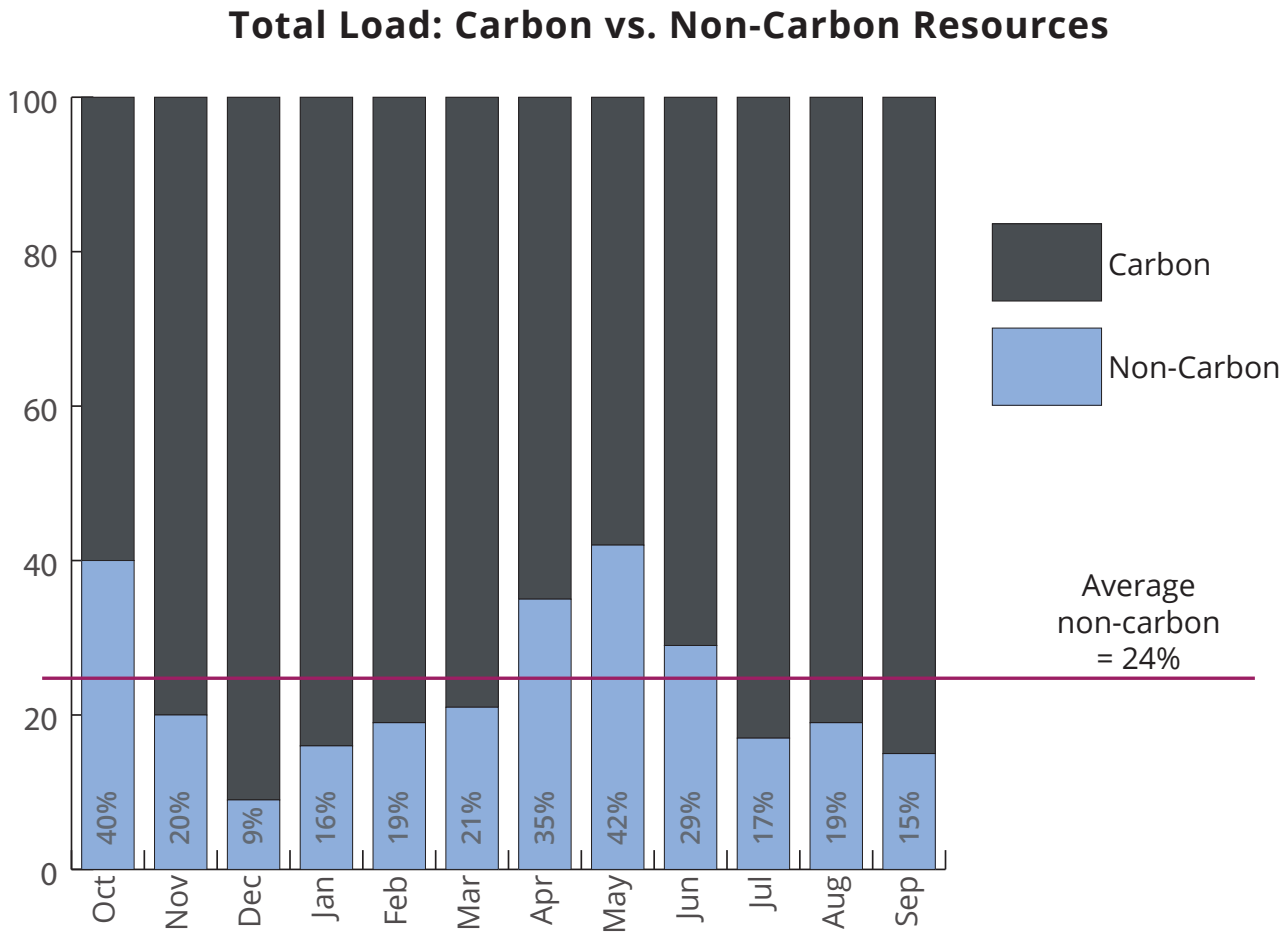


1. "Los Alamos County customers" means those customers scheduled in the Los Alamos County Code of Ordinances Section 40-121; this does not include DOE/LANL.

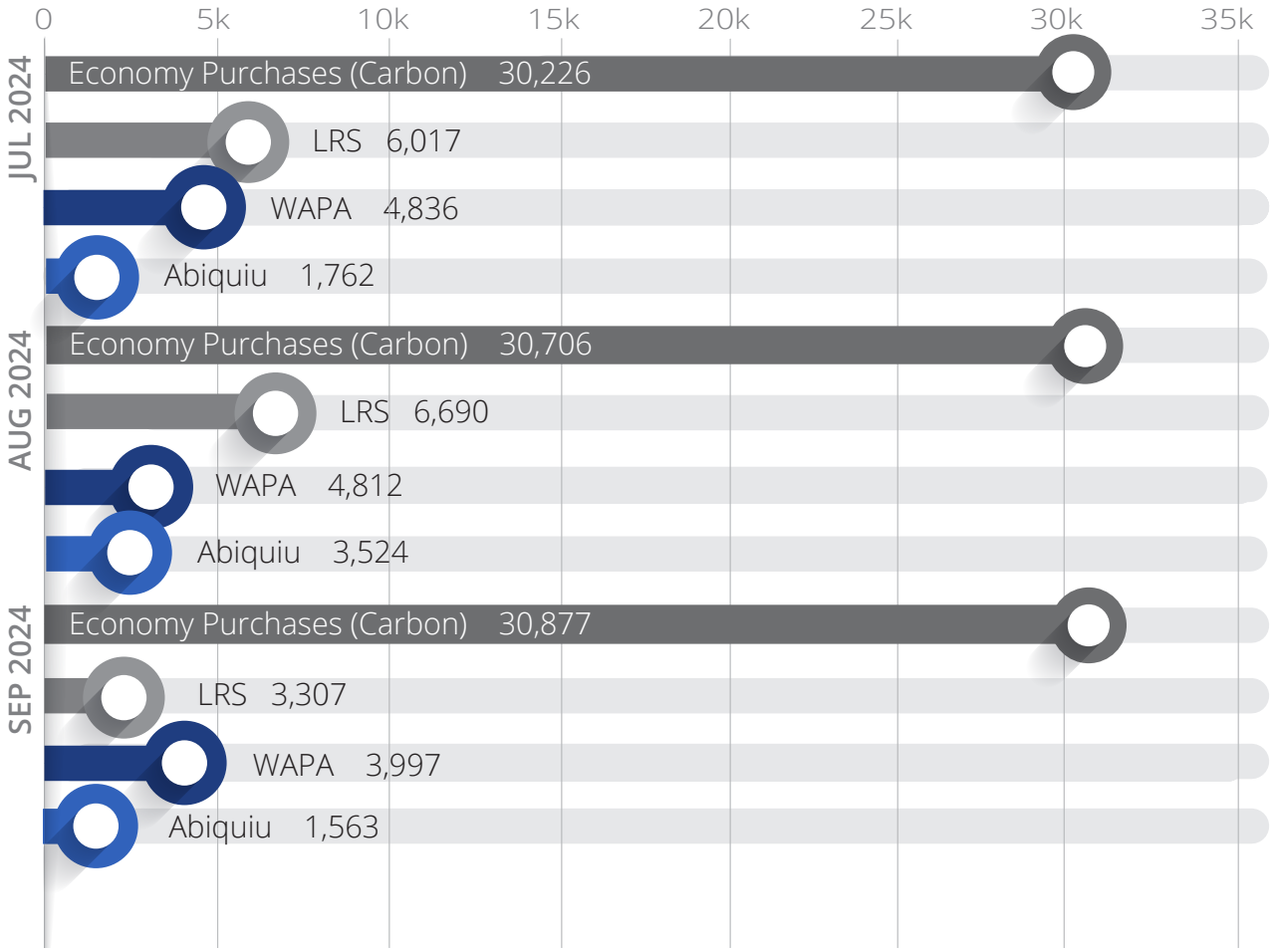
2. "No net release of carbon dioxide" means that purchases or generation of carbon-based electrical energy, necessary when carbon-free supplies are not practically available to supply Los Alamos County consumers, will be fully offset from previous sales of surplus carbon-free electricity to other entities.

NET CARBON NEUTRAL INITIATIVE

DPU plans to meet the carbon-neutral goal through the addition of non-carbon emitting generation resources such as solar, wind, geothermal and nuclear energy, and energy storage systems. Some energy from carbon-emitting sources will be needed to meet the County's load while new resources are developed, and to manage intermittency of wind and solar resources as well as generation outages.



Total Carbon vs Non-Carbon Energy Resources by MWH



Carbon-Emitting Resources

LRS: Laramie River Station

Econ Purchases: Mercuria contract & open market purchases

Non-Carbon-Emitting Resources

Mercuria: Non-carbon economy purchases

WAPA: Western Area Power Assn.

Abiquiu: Hydroelectric Plant

El Vado: Hydroelectric Plant

GENERATION SUPPLIED

RESOURCE	JUL	AUG	SEPT
Econ Purchases	30,226	30,706	30,877
LRS	6,017	6,690	3,307
Mercuria	0	0	0
WAPA	4,836	4,812	3,997
Abiquiu	1,762	3,524	3,997
El Vado	0	0	0
NON-CARBON % of load	35%	42%	29%

DPU calculates non-carbon percentages based on load rather than supply. Non-carbon resources are considered distributed first.

EP

BEN OLBRICH / DEPUTY UTILITY MANAGER

Bachelor of Science, Electrical Engineering

#HIGHLIGHTS

PROJECTS

Foxtail Flats Solar and Storage

The Foxtail Flats Solar and Storage projects continue on schedule with the following significant accomplishments by the developer, D. E. Shaw Renewable Investments (DESRI):

- Pedestrian cultural surveys completed on over 2600 acres
- Biological surveys completed
- Initiated conversations with engineering, procurement and construction firms
- All necessary real estate secured with signed agreements
- Completed topographical mapping
- Substation equipment ordered (long-lead items)

EP staff are refining generation and load modeling and seeking better modeling tools to evaluate the effects of seasonal variation in forecasts of generation, load and market prices.

Abiquiu Maintenance

The Abiquiu facility provides electrical service to the U.S. Army Corps of Engineers (USACE) tunnels under the dam. The electrical feeder to the southern tunnel shorted out underground and rendered the entire tunnel unsafe to enter with no lighting or ventilation fans. The hydroelectric staff worked closely with USACE to source materials, equipment, and manpower to repair the fault. The existing underground system (most likely dating from the early 1990s) had multiple issues that required correction, including unexpected junction boxes, improper direct bury splices, and incorrect conductors, conduits and wiring methods. The hydroelectric staff team had to dig up the line in multiple places and reinstall with proper conduit, ground boxes, conductors and splices. Thanks to their efforts the electrical service is in an improved condition and the tunnel can be safely entered.

SCADA and Communications Equipment Replacement

Hydroelectric staff are working with DPU Engineering and procurement staff to specify and purchase equipment to replace the telemetry system at El Vado that communicates necessary system information between the power plant and the Dam Operators' facilities on top of the dam. The current

communications equipment was installed in the 1980s and is long past its useful end-of-life. The El Vado telemetry system is being replaced simultaneously with the Supervisory Control and Data Acquisition (SCADA) capital improvement project that DPU Engineering is performing. After the El Vado implementation is working successfully, a similar replacement project will be performed at Abiquiu.

El Vado uses a microwave radio system to carry SCADA and telephone data between the power plant and the electrical substation 12 miles away. The existing radios are obsolete and no longer serviceable but remains functional. This microwave radio link will be replaced with a fiber optic path using new equipment and the El Vado fiber optic cable installed recently by DPU Engineering.

OPERATIONS

Power Operations

Day-ahead market and hourly electricity market prices have remained steady over the past two quarters, and prices are forecast to remain stable through the winter. EP staff attended the WSPP 2024 Fall Conference

The Los Alamos EV fast charger charges a Tesla Cybertruck while another one waits for its turn.

EP

#CONTINUED...

to keep abreast of current regional market trends and issues and continue building relationships with electricity suppliers and marketers. EP staff are preparing to develop a new Integrated Resource Plan that is responsive to the significant changes that occurred this year to the current and planned electrical generation resource portfolio.

Hydroelectric Facilities

Following the suspension of dam repair work in March, the demobilization was completed during this quarter. While the U.S. Bureau of Reclamation plans to refill the reservoir to an elevation that could be enough to generate power at the hydroelectric facility, typical winter water flow rates are too low for electrical generation. EP anticipates being able to generate electricity starting in the spring of 2025 when snow melt begins and continuing when river

El Vado hydroelectric facility

flows are sufficient for the next 3 to 5 years while the US Bureau of Reclamation redesigns the dam repair project.

The Abiquiu hydroelectric facility generated throughout the quarter, producing the following average monthly power and total monthly energy values:

- June: 2.67 MW, 1923 MWh
- July: 2.2 MW, 1671 MWh
- August: 3 MW, 3531 MWh

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STAFF DEVELOPMENT

Adam Cooper, EP's current Hydroelectric Plant Supervisor, announced his retirement effective January 1, 2025, with November 15 being his final day at work. Adam has provided his skills and knowledge to operate and maintain the Abiquiu and El Vado power plants for 17 years. The EP team is grateful for Adam's service and wishes him a long and rewarding retirement!

EP is pleased to welcome Jeff Spencer as a new Power System Operator Apprentice, filling the single Power Operator staff vacancy. EP also has filled two new Resource Coordinator positions, with the internal promotions of two Senior Power System Operators, Isaac Montoya and Jared Robinson. EP is now fully staffed, but planning forward for future operator retirements.

COMMUNITY IMPACT

Plant Tours

Senior hydroelectric technicians Don Wichers and Matt Duggan gave guided tours to students from United World College, which is near Las Vegas, NM, and to Cub Scout Pack 409 from Albuquerque. For over two decades, the hydroelectric staff have provided guided tours of DPU's hydroelectric power plants to students, professional groups and regional organizations. Many of these tours, including the two mentioned above, are coordinated by staff from DPU's water and energy conservation outreach partner, the Pajarito Environmental Education Center (PEEC). There are only four hydroelectric power plants in New Mexico, and Los Alamos County operates two of them! These tours provide a fascinating view of the equipment and operations of a renewable electricity resource in action.

Electric Vehicle Charging

EP completed the installation of the Municipal Building and White Rock Visitor Center electric vehicle fast chargers in July, and they have worked flawlessly since then. Through the end of September, 344 charging sessions occurred at the Municipal Building, delivering 9.695 MWh of energy, and 69 charging sessions occurred in White Rock, delivering 1.788 MWh of energy. The average charging session length was 35 minutes, and the two chargers were actively charging for 244 hours, or 5% of the overall period.

EP has requested reimbursement of $135,600 under the grant from the New Mexico Environment Department Volkswagen Trust. The reimbursement is 62% of the total project cost of $224,748. After the reimbursement payment is received the net cost to DPU for the charger project will be $89,924. EP will continue monitoring the use and financial metrics to support future County-wide EV charger planning.

GWS

#HIGHLIGHTS

CLAY MOSELEY/ DEPUTY UTILITY MANAGER

Bachelor of Science, Applied Mathematics

Master of Science, Engineering Construction Management

Certifications:

NM Water Treatment Operator 2

NM Wastewater Operator 2

PROJECTS

Lift Station Rehabilitations

The Engineering division has been working on upgrading several of the old "Cantex" lift stations that were slated for control panel upgrades but required far more extensive replacement work to the mechanical components. The project is ongoing and has met some delays due to the unavailability of some parts. GWS has been overseeing the bypass operations of the stations while the project waits for the delayed components.

Lift Station SCADA Implementation

Parallel to the lift station rehabilitation projects, many of the lift stations have seen a major upgrade in the form of a type of SCADA monitoring system. Liquid levels and pump operation parameters can be monitored remotely with the addition of radar liquid level sensors that connect to a SCADA-Pack PLC that can be programmed to fine-tune how the lift station operates. The system requires a rudimentary cell-phone service that posts data every 10 seconds. This new system has already revealed several operational issues that would have resulted in failures sometime in the future and is capable of calling the GWS crew stand-by emergency phone when a parameter is out of range, such as a rising liquid level due to a pump-start failure. With an increase of towelettes (and related products) and grease being discharged into the system from municipal users, the new lift station monitoring systems have been a major weapon in the battle for preventing overflows.

Valve Hardware Corrosion Mitigation (DW)

The ongoing project to replace the hardware in the water distribution system valves has continued apace. After establishing a process, crews have done a good job of staying on top of the schedule to get all the valves in Quemazon Ph-I completed. Early in the project, crews started with the valves that did not require larger-scale traffic control and closures. In the latter stage of the project, more closures and traffic control have been required. The project is estimated to be complete by the end of October. An unanticipated and additional challenge is the associated repair of asphalt and concrete following GWS work, as Public Works has not had the resources to support the volume of repairs necessary.

Fire Hydrant Testing & Replacement Program (DW)

The hydrant testing program resumed this year after a hiatus to rebuild the GWS staff. Hydrant testing places high stress on the system and inevitably results in some failures. This year, the GWS crews supported the LAFD to operate the valves and test the system, and there were some failures that were repaired right away. Additionally, a few hydrants were found to be in need of some rehabilitation or complete replacement. The DW crews put together a plan to replace the worst of the hydrants and were able to complete almost all the replacements in Q1. This will be a continuing process, but the most critical hydrants are being replaced.

Elk Ridge Gas System Inspections (Gas)

Due to the integrity management issues associated with the gas system beyond the master meter at the Elk Ridge Mobile Home Park, the GWS crews initiated a detailed leak detection and gas pipeline locate project to ensure the system is not a hazard to the residents there. The crews were able to coordinate with the residents whose homes were potentially over the gas lines to perform leak detections under the structures. With a much more detailed pipeline locate investigation, the number of homes found to be over the lines was reduced by almost half from what was originally assumed. The system was also found to be free of leaks. Until a new solution is put into place for the residents, GWS gas crews will continue to perform periodic leak detection checks.

Integrity Management Program: Continuous Surveillance (Gas)

With the restructuring of the GWS division and creation of a dedicated gas system supervisor, much more focus and attention is being placed on gas system O&M to ensure compliance with PHMSA regulations. One major requirement that has always been a record-keeping challenge is in the area of "Continuous Surveillance." Crews must visit every part of the system, perform detailed inspections, and document each observation. In the past, this was partially accomplished during other maintenance work, however NM PRC's auditors found this effort inadequate. With the new restructuring of GWS, continuous surveillance has been parsed out into its own work category and has, in fact, yielded some results with findings of violations or improper installations by GWS gas crews.

DPU contractor DUB-L-EE rehabilitated a suspended sewer line in White Rock.

GWS #CONTINUED...

Water Well MCC O&M + Reconditioning (WP)

While several aging wells await the much-anticipated, necessary Motor Control Center (MCC) and mechanical upgrades, WP crews and electricians have been working on keeping the oldest and most problematic well controls operating. Early in the summer, Pajarito Well #1 suffered a motor burn-out. The motor was completely removed and sent to a specialty electrical shop in Farmington. Pajarito Well #1 is a critical well because of its location in the system and because it supplies water at the same rate that White Rock uses it. As such, it provides a perfect balance without too much further pumping input. With the well out of service, the WP operators faced a challenge to move water around the system to find a new supply/demand balance.

Once the PW-1 motor was put back into service, the old MCCs were not functioning properly. Additionally, PW-2 began experiencing issues with LANL load imbalances (this is still being investigated), but it also seemed as if the MCCs on that well were to blame for spurious shutdowns and difficulties in start-up. While the WP operators pivoted to provide water to the LANL system, a decision was made to take PW-1 and PW-2 offline to partially "tear" in to the MCCs to find possible points of failure, perform cleaning and reconditioning, and replace any components that looked bad. The WP electricians had never disassembled the MCCs to this extent, but having them in a failed state while a project for their replacement was on the horizon, the risk of a negative outcome was low. Essentially, there was nothing to lose in treading new ground, and much to gain if successful.

Ultimately, several components were found to be in poor condition with a lot of carbon dust present in the circuits and electrical/mechanical components. With some effort, new components were found and deep cleaning was performed, instilling some confidence that enough new life would be breathed into the two wells to make it to replacement. To everyone's relief, both wells were successfully restarted and have been operating more reliably, though still not at 100%. While there some issues remain, the situation is stable, and water is being produced from both wells for much longer periods than before the work was completed.

Non-Potable Supply Challenges (WP)

This summer saw some challenges with changes in customer demands. Firstly, the golf course reconfiguration project put a high demand on NP water coming from the Los Alamos WWTP. At the same time, the Los Alamos County Parks Division was rebuilding several fields and irrigation systems at the Overlook Park in White Rock. Both projects required much around-the-clock irrigation, which is not customary nor what the NP system is designed to allow. As a result, WP staff provided a source of potable water to the effluent pond at the Overlook Irrigation Booster Station. Finally, the Parks Division requested a new cross-connection system to provide potable water into the irrigation system to increase the amount of irrigation water they can provide. WP staff are overseeing the project to ensure the correct installation that follows safe-drinking water and cross-connection protection principles. A

new operating procedure is being developed to further ensure the County's potable water stays safe from contamination.

Los Alamos WWTP Tertiary Filtration System (WWT)

The first quarter saw the long-anticipated completion of the tertiary filtration system at the LA-WWTP. This was a major, complicated upgrade to the treatment process, resulting in clean Class-1A effluent. The system works well and the results were immediately evident with a massive decrease in total suspended solids and turbidity index numbers.

White Rock WRRF Project (WWT)

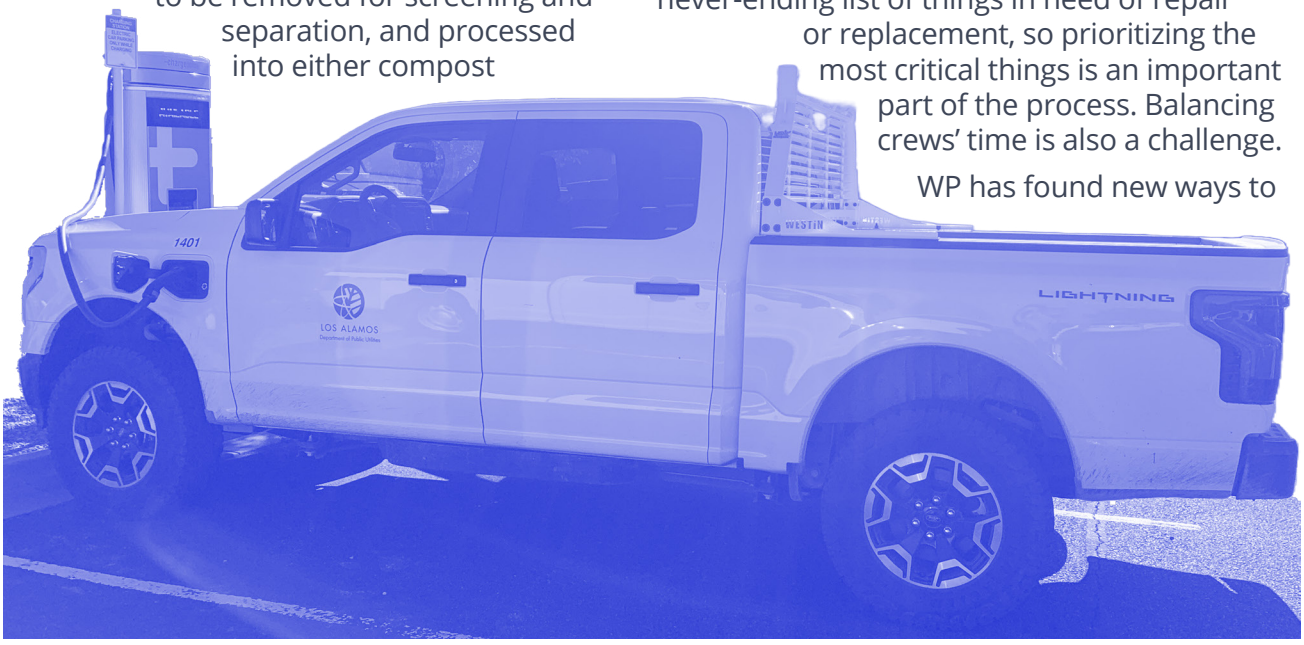
With the new WRRF plant online, operators have been learning how the new processes work. Additionally, the operators assisted the contractor, RMCI, with the removal of the old anaerobic sludge from the digesters. This was a massive effort that introduced an operational challenge to the treatment process, as the old sludge "dewaters", and the sludge-filled water is returned to the live treatment process. This process introduces an old sludge scum to the oxidation ditch that must be separated out and wasted into the sludge wasting system. The operators came up with a clever process to isolate the scum in the oxidation ditch and hand-pump it to the sludge handling portion of the process. Over time, the old sludge that was removed from the old digesters will be dewatered enough to be removed for screening and separation, and processed into either compost (carbonaceous material) or landfill trash (non-organic/trash components).

LA Canyon Watershed Stabilization

While it was a long process and the permitting delayed the actual "on-the-ground" work until the last possible time slot (with some time extensions granted by the NMED), watershed stabilization work was accomplished with great success. The contractor, Keystone Restorative Ecology (KRE), put as many resources as possible on the work and completed all requirements by August. The DPU also added scope to the project to do dam maintenance per the NM OSE Dam Safety Bureau. The project's aim is to create better functioning flood plain conditions and reduce the amount of sediment flows, while also adding resilience to infrastructure against flood events. The flash flood in September put the recently finished work to the test. For now, it appears that the improvements are successfully preventing flood waters from damaging the road and allowing that water to follow the stream channel.

OPERATIONS

GWS staff were busy throughout the summer developing new workflows to support capital projects, the valve hardware replacement project, hydrant testing and repairs/replacements, meter replacements and service line repairs, and increased gas system O&M initiatives. There is seemingly a never-ending list of things in need of repair or replacement, so prioritizing the most critical things is an important part of the process. Balancing crews' time is also a challenge. WP has found new ways to



The Water Production Division received one of the first electric trucks in the County fleet.

GWS #CONTINUED...

operate and optimize the system. With some wells showing their age, different strategies were developed to keep the water flowing. The challenges posed by increased demand for irrigation water sparked a need to meet that demand and formulate new strategies. It is evident that this will be an area of change in the coming years. Engineering and operations are working together to anticipate the challenges and predict future demands on the system.

The WWT operations staff exceeded expectations while transitioning to the new White Rock WRRF's operations, which bear little resemblance to the old plant's operations. Without missing a step, the WWT staff were trained and made the transition seamlessly. At the same time, the WWT staff have absorbed the new tertiary filter operations at the Los Alamos WWTP while keeping the end-of-life dewatering belt filter press and headworks screen running until replacement projects can be completed. The current staff at the two plants have done an amazing job with all the new changes and challenges they have faced.

STAFF DEVELOPMENT

The GWS division has seen several more promotions from internal apprenticeship and the successful completion of required certifications. The staff continues to strive for higher level certifications, which benefits the County by ensuring qualified people are available to perform critical operations, both on a daily basis and during emergencies.

Previously, whether or not GWS could staff qualified journeyman gasfitters and operators was a concern. Stringent regulatory requirements for gas system operator qualifications (OQ) include more than 90 procedural verifications to meet compliance as an operator. Q1 in FY2025 was the first quarter that the DPU dedicated a separate gas system supervisor to oversee all gas O&M workflows on a full-time basis, along with the OQ certifications required for the journeyman gasfitters. The newly dedicated supervisor must keep all records in a specialized industry-standard gas system records management database.

During Q1, two long-time DPU water operators retired from the Water Production Division. Through the budgeted "overfill" mechanism, a level-4 water operator was hired in FY2024 to get up to speed with the system's complicated operations. As a result, there was no lapse in institutional knowledge, nor any operational issues. Additionally, for the first time in the DPU's Water Production history, two apprentice-level staff successfully served their apprenticeships and passed the certification exams for promotion to Water Systems Operators. This successful development relieved much of the stress of the other two operators, especially since they had to hold all of the swing and night shifts.

The WWT staff are still new and working on their apprenticeships before being qualified to sit for their certification exams. Most of them are working on educational programs in preparation for the time when they can apply for the tests. They have also been attending the NM Water and Wastewater training schools in person to achieve their required training credits. Most of the newer WWT staff are holding their first career positions in the utilities industry, and for some, their first career positions of any sort. They are all motivated and showing tremendous initiative in their daily work, skills, and training.

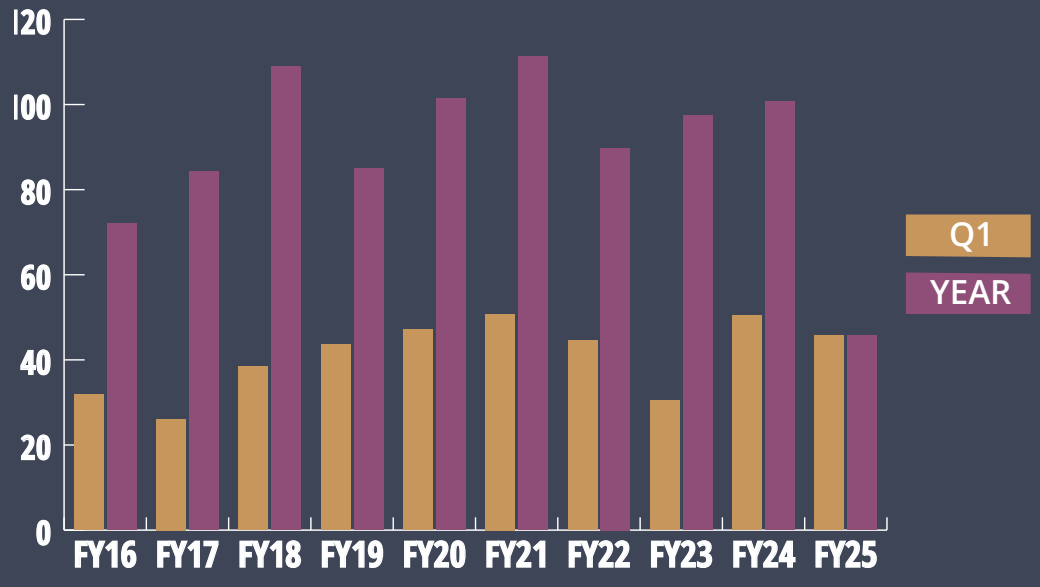
RECLAIMED WATER

Reclaimed water is a blend of treated effluent from the wastewater plants and collected stormwater from the Los Alamos County Reservoir and the Pajarito Mountain stormwater collection system. This water is used for irrigation on parks, ballfields and the Los Alamos County Golf Course, as well as for snow making and fire protection at the Pajarito Mountain Ski Area. This water is a great substitute for groundwater to meet the County's demand to irrigate public spaces. It is also an integral part of the DPU Water & Energy Conservation Plan.

The total reclaimed wastewater used in the first quarter of FY2025 was just under 46 Mgal, slightly above the 10-year average of 41 Mgal. Stormwater is only metered and used during stormwater production season, which is typically in the 3rd and 4th quarters, so there was no stormwater use in Q1. When available, it's particularly beneficial to use stormwater at the golf course before reclaimed wastewater because it goes through gravity-fed tanks and avoids the expense of pumping. Regardless of type, golf course irrigation is the largest use of reclaimed water in the county.

DPU recently improved the quality of its treated effluent to a class 1A standard—the highest standard possible—through two large projects. The installation of a filtration system at the Los Alamos plant was completed in July. The new White Rock Water Resource Recovery Facility (WRRF), which replaces the White Rock wastewater plant, went largely online in May.

Reclaimed Water Used for Irrigation, Snowmaking, & Fire Protection (Mgal)



ENG

#HIGHLIGHTS

JAMES ALARID / DEPUTY UTILITY MANAGER

Registered Professional Engineer
Bachelor of Science, Civil Engineering
Master of Science, Civil Engineering

Memberships:
American Society of Engineers
American Water Works Association

PROJECTS

Bathtub Row/Nectar/Peach Street Utility Upgrades

This project is a joint roadway and utility upgrade project. The project will reconstruct the road, water lines and sewer lines in Bathtub Row, Nectar, Peach and 15th Street in Los Alamos. The new water line near Fuller Lodge has been installed and placed into service. The road in this area will be paved before suspending the project for the winter. The remaining work will start again in the spring of 2025 and the project is scheduled to be complete by October 2025.

DP Road Roadway and Utility Upgrades

This project is a joint roadway and utility upgrade project for reconstruction of the road, water lines, gas lines, and electric distribution system, and installation of a new low-pressure sewer system. Without existing sewer service in the area, this project will provide the opportunity for existing businesses to abandon their septic tanks and allow vacant properties to be developed. A lot of progress was made on the project in the first quarter. The new gas mains and water mains have been installed, tested and placed into service. The electric duct bank has been installed. Road improvements are the main focus prior to winter. All customers will have their water, gas and electric services transferred to the new lines in the spring of 2025 and the new low-pressure sewer construction will begin in the spring. The project is scheduled to be completed by the fall of 2025.

Water Production SCADA System Replacement

The existing water production Supervisory Controls and Data Acquisition (SCADA) system is 30 years old, and many features are no longer supported. This project will be completed by a combination of contractors and in-house personnel. The existing, proprietary system communicates through microwaves. The new system will be built on an open architecture format which will allow staff to program and maintain it internally. It will communicate through new fiber optic lines. Currently, an RFP for software and process logic controller

(PLC) fabrication has been issued and contractors have been short listed. Step 2 of the RFP was issued in October. We are on schedule to have the software and the PLC fabricator under contract in January 2025. In addition, a series of fiber optic line extensions will be completed. The first of the fiber optic line extensions in Los Alamos Canyon is being designed. The work to transition the water production SCADA system will take place over the next two years.

White Rock Force Main Replacement

A section of an existing above-ground sewer force main in White Rock required replacement to eliminate a leak. The replaced segment of force main was an above-ground pipeline inside of a steel casing which crosses a canyon. The leaking pipe was replaced with a new one within the steel casing this quarter.

North Mesa Infrastructure Evaluation

A consultant has been hired to evaluate the impacts to roadway and utility infrastructure by two proposed developments on North Mesa. The two developments may add an additional 500 new residential homes. The capacity and condition of the water and wastewater collection infrastructure in the vicinity of the two developments will be evaluated and recommendations of any upgrades needed to serve the new development will be identified and cost estimated. The evaluation is expected to be completed in the winter of 2024.

Abiquiu Hydroelectric Plant Draft Tube Repairs

The existing draft tube on generator #3 in Abiquiu has been degrading due to cavitation in the structure. The air injection system is

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the cause of cavitation, and it will be re-designed to prevent further cavitation. Andritz Hydro, the turbine manufacturer, has provided a preliminary estimate for two options to complete the work. Andritz will perform a site visit and finalize a proposal to complete the repair. The work will take place in the summer of 2025 after the peak-runoff season is over.

Los Alamos WWTP Belt Press Replacement

The belt press at the Los Alamos Wastewater Treatment Plant has been in service for 20 years and is nearing the end of its service life. The project will replace the existing belt press with a modern and more efficient sludge dewatering system. The project is currently advertised for bids and will be awarded in November. The project will be complete by the summer of 2025.

SCADA System Specialist Darryl Tabor proudly displays an engraved tray presented to him by the County upon his retirement.

NM-4 Waterline Replacement & Fiber Optic

The project will replace 18,000 feet of existing 16” concrete cylinder waterline along NM-4 between White Rock and the NM-502/NM-4 intersection. A conduit and manhole system for installation of a future fiber optic line for San Ildefonso Pueblo will also be constructed. The project was awarded in October and construction is scheduled to take place through the end of 2025.

Bayo Non-Potable Booster Station Rehabilitation

The existing Bayo Non-Potable Water Booster Station adjacent to the composting facility has been in service since 1995. This project will replace the electric components, valves, controls and the chlorination system. The design is ongoing, and the project is scheduled to be complete by the summer of 2025.

White Rock Water Reclamation Facility

We are glad to report that the new plant has been online since May and has been meeting the new NPDES permit water quality requirements. The final site work is being completed and miscellaneous items throughout the plant are being finalized. The final inspection took place in October and the remaining punch-list items, as-built drawings, operations and maintenance

manuals, and administrative close-outs will take place over the next few months.

Los Alamos Wastewater Treatment Plant Filtration Project

The project was completed this quarter, and the plant is now producing Class A effluent, the highest water quality designation achievable by the New Mexico Environment Department.

Bayo Lift Station Elimination Project

In early August, the sewage from the Bayo Canyon sewer interceptor was transferred to the new pipeline and the Bayo Lift Station is now out of service, completing this project.

Jemez Mountain Regional Fire Protection Project

Phase I of the project was awarded and while it was scheduled to begin in November, that start date was delayed until spring. Phase I includes approximately half of the water line, fiber optic duct bank and electric duct bank up the mountain. Phase II includes the new water tank at the base of the mountain along West Jemez Road and is scheduled to be bid for construction in November. Phase III will complete the remaining waterline, fiber optic and electric underground utilities. The final bid package will include the four water booster stations. Phase III & IV will not be bid pending the results of a FEMA mitigation grant application that has been submitted to fund the electric distribution line replacement. We anticipate the earliest that Phase III & IV will be bid for construction will be in early 2025.

When complete, the project will extend water service to the Pajarito Ski Area for domestic use, fire protection and snow making. The project will be under construction in 2025 with an anticipated completion in 2026.

Water Production Wells Electric and Mechanical Upgrades

The project will upgrade electrical and mechanical equipment in eight existing wells. A pre-construction meeting was held this quarter. Procurement of the long lead electrical equipment is ongoing. Work will begin in the winter of 2024/2025 when water demands are low. All work will be completed by December 2025.

El Vado Fiber Optic Line

Completed this quarter, the project constructed 12 miles of fiber optic line on an existing County owned transmission line between the El Vado Hydroelectric Plant and Spills Substation. The new fiber optic line replaces an antiquated microwave system which had reached the end of its useful life.

Wastewater Lift Station Upgrades

Four of the oldest lift stations in the system will be upgraded with new pumps, valves, electric equipment and controls. The major long lead equipment was procured for all four lift stations. Upgrades to Paseo Peñasco and El Gancho lift stations are ongoing. The electric improvements are complete and the new pumps, valves and piping will be finished by the end of November.

Bids were advertised for the rehabilitation of North Road and Los Arboles lift stations and the contract was awarded in October. The work will be completed by the summer of 2025.

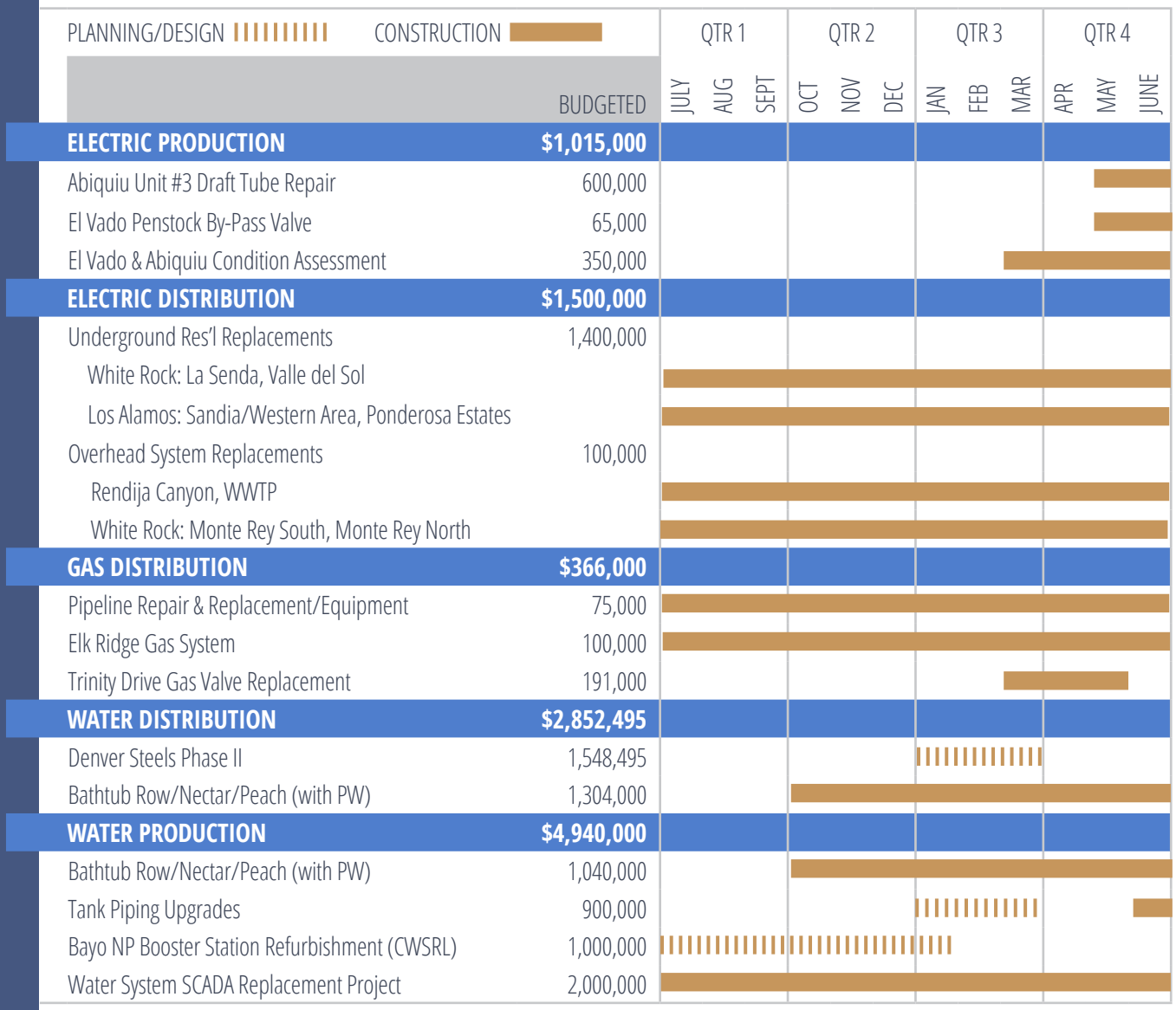
OPERATIONS

This quarter the engineering team has been managing multiple ongoing construction projects, busy with building permits and designing new projects. Most of the tasks performed are in support of the 10-year capital improvement plan.

STAFF DEVELOPMENT

Jennifer Baca, Casey Aumack and Sam Herceg continue their college coursework in pursuit of their respective degrees. Casey will be testing in November to become a Register Professional Engineer. Ernesto Gallegos, Lucas Montoya and Michele Martinez will be testing for their Project Management Professional (PMP) certifications this fall.

FY2025 CAPITAL IMPROVEMENT PLAN



	BUDGETED
ELECTRIC PRODUCTION	**$1,015,000**
Abiquiu Unit #3 Draft Tube Repair	600,000
El Vado Penstock By-Pass Valve	65,000
El Vado & Abiquiu Condition Assessment	350,000
ELECTRIC DISTRIBUTION	**$1,500,000**
Underground Res'l Replacements	1,400,000
White Rock: La Senda, Valle del Sol	
Los Alamos: Sandia/Western Area, Ponderosa Estates	
Overhead System Replacements	100,000
Rendija Canyon, WWTP	
White Rock: Monte Rey South, Monte Rey North	
GAS DISTRIBUTION	**$366,000**
Pipeline Repair & Replacement/Equipment	75,000
Elk Ridge Gas System	100,000
Trinity Drive Gas Valve Replacement	191,000
WATER DISTRIBUTION	**$2,852,495**
Denver Steels Phase II	1,548,495
Bathtub Row/Nectar/Peach (with PW)	1,304,000
WATER PRODUCTION	**$4,940,000**
Bathtub Row/Nectar/Peach (with PW)	1,040,000
Tank Piping Upgrades	900,000
Bayo NP Booster Station Refurbishment (CWSRL)	1,000,000
Water System SCADA Replacement Project	2,000,000

PLANNING/DESIGN ▮▮▮▮▮▮▮▮▮▮ CONSTRUCTION ▬▬

	BUDGETED	QTR 1 JULY	QTR 1 AUG	QTR 1 SEPT	QTR 2 OCT	QTR 2 NOV	QTR 2 DEC	QTR 3 JAN	QTR 3 FEB	QTR 3 MAR	QTR 4 APR	QTR 4 MAY	QTR 4 JUNE
WASTEWATER COLLECTION	**$1,193,000**												
Bathtub Row/Nectar/Peach (with PW)	478,000				▬	▬	▬	▬	▬	▬	▬	▬	▬
Above Ground Force Main Replacement	180,000			▬									
Quemazon Lift Station Rehabilitation	250,000						▮	▮	▮	▮			▬
N. Community Backyard Sewer Mains/Services R&R PH I	285,000							▮	▮	▮			
WASTEWATER TREATMENT	**$630,000**												
LA WWTP Fine Screen Replacement	450,000	▮	▮	▮	▮						▬	▬	
Repair Cracks on LA WWTP Aeration Basin	180,000							▮	▮	▮			▬

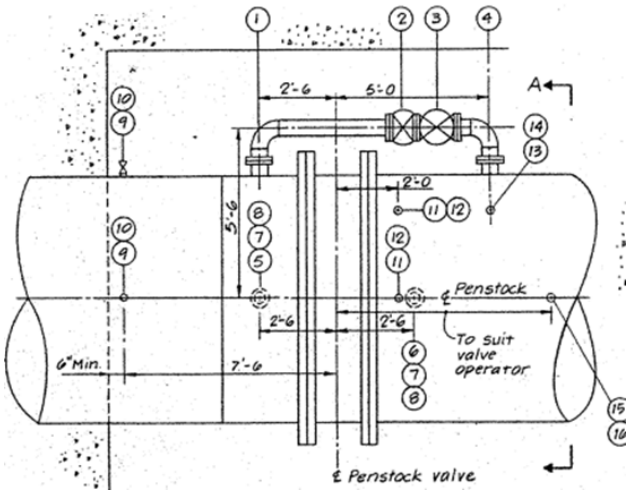
Abiquiu hydroelectric facility

FY2025 CAPITAL UTILITY IMPROVEMENT PROJECTS

EL VADO PENSTOCK BY-PASS VALVE

An independent evaluation of the El Vado Penstock Valve and associated hydraulic and control system was recently performed. Installation of a new redundant isolation valve on the main valve by-pass piping was recommended to provide redundancy on this critical equipment.

Budget: $65,000
Schedule: Summer 2025



ABIQUIU UNIT #3 DRAFT TUBE REPAIR

The existing draft tube on unit #3 in Abiquiu is wearing from cavitation created by the dissolved oxygen injection system. This system forces air into the discharge water to enhance the oxygen content to sustain aquatic life. The injection piping obstructs the discharge flow and creates cavitation that has worn through steel draft tube. The damaged section of the penstock will be repaired and a new aeration intake system will be installed.

Budget: $600,000
Schedule: Summer 2025

EL VADO & ABIQUIU CONDITION ASSESSMENT

A consultant will be hired to perform a comprehensive condition assessment of both hydroelectric plants, to include the turbine, generator and all support systems. The condition assessment will identify and recommend necessary upgrades, O&M tasks and equipment replacement. Capital improvement planning for these facilities over the next decade will be based on assessment results.

Budget: $350,000
Schedule: Summer 2025 - Fall 2025

OVERHEAD ELECTRIC SYSTEM REPLACEMENTS

\Many components of the utilities' overhead infrastructure operate near or past their useful life which is greater than 50 years. The department's Asset Management Program (AMP) prioritizes O&M projects on (a) root cause analysis after power outages, (b) quarterly line patrols, and (c) year-end assessments. The O&M program includes replacement of power poles, cross-arms, and revamps (wire & transformer upgrades). Areas to be included are: Rendija Canyon, Monte Rey South and Monte Rey North. Recloser replacements are planned for the Los Alamos Wastewater Treatment plant and Rendija Canyon.

Budget: $100,000
Schedule: Year-round design/construction

UNDERGROUND RESIDENTIAL ELECTRIC DISTRIBUTION REPLACEMENTS

The underground system contains 1970s infrastructure which was direct-buried in contact with the earth. When portions or segments of the system which have experienced 3 or more failures, they are targeted for replacement because they will fail again. Areas to be included are La Senda and Valle Del Sol in White Rock, and Sandia/Western Area and Ponderosa Estates in Los Alamos.

Budget: $1,400,000
Schedule: Year-round design/construction

GAS PIPELINE REPAIR/REPLACEMENT

Budgeted funds will be used for miscellaneous system improvements throughout the year. The nature of work includes leak repairs, pressure regulating station improvements, valve replacements or other unforeseen occurrences which may occur and require contractor support.

Budget: $75,000
Schedule: Year round

TRINITY DR GAS VALVE REPLACEMENT

A number of old gas valves in Trinity Drive between Knecht Street and 20th Street are installed with mechanical couplings and are showing signs of failure. These valves will be replaced with new polyethylene valves.

Budget: $200,000
Schedule: Spring 2025

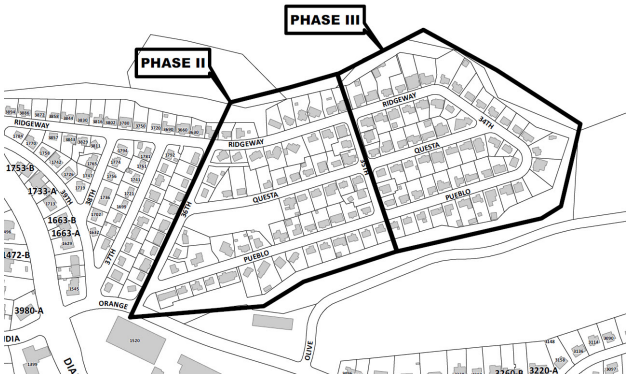
DENVER STEELS PHASE II

This joint project between DPU and the Public Works Dept. will repave the roadway and replace utility infrastructure beneath the road in the Denver Steels neighborhood. Sections of water lines from the 1950s will be replaced, as well clay sewer lines that cross the roads. The water distribution portion of the project will be funded by Drinking Water State Revolving Loans (DWSRL).

Budget:

DW (DWSRL)	$1,398,495
WWC	$150,000

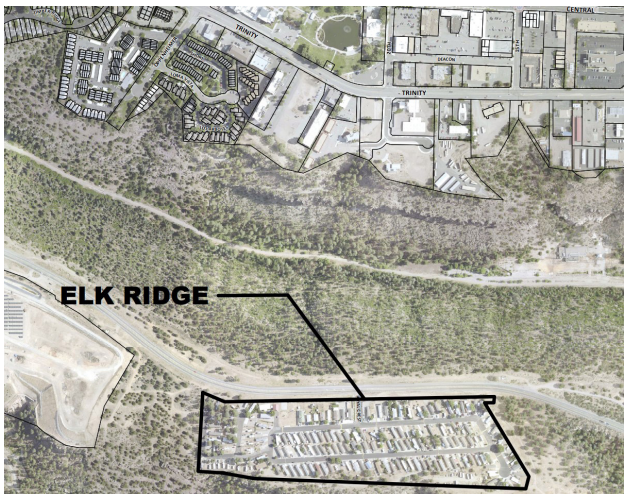
Schedule: Summer 2025



ELK RIDGE GAS SYSTEM EVALUATION

DPU is working with the property owner of the Elk Ridge Mobile Home Park owners to take over the ownership and operation of the gas distribution system. The system will be investigated and condition assessed. DPU will map the system and construct isolated safety improvements. (Replacements and upgrades are scheduled for FY2026.)

Budget: $100,000
Schedule: FY2025 - FY2026



WP TANK PIPING UPGRADES

Pipeline segments and valves will be replaced, vaults will be rehabilitated and an unused pipe gallery which is leaking at the Twin Tank site will be phased out. Transmission lines serving the Pajarito Tanks 4 & 4A will be reconfigured in preparation for painting Pajarito Tank 4A in 2027.

Budget: $900,000 Construction
Schedule: Design Winter 2024; Construction Summer 2025

P. #40

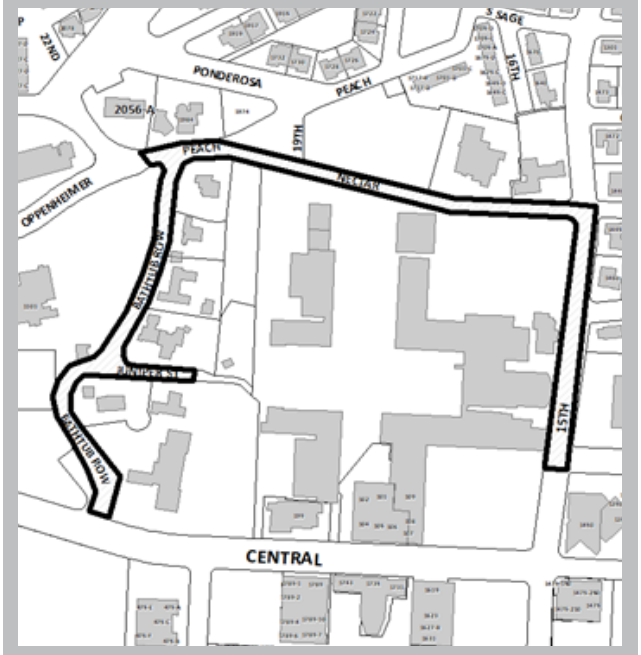
BATHTUB ROW/NECTAR/PEACH ROAD & UTILITY REPLACEMENT PROJECT

This project will be a joint project between DPU and the Public Works Dept. to repave the roadway and replace utility infrastructure beneath the road. The project will be on Bathtub Row, Peach Street and Nectar Street. Vintage sections of water lines from the 1940s will be replaced and sewer lines will be replaced along Bathtub Road. The water distribution portion of the project will be funded by profit transfer monies allocated to the DPU by the County Council.

Budget:

DW (profit transfer)	$1,304,000
WP	$1,040,000
WWC	$478,000

Schedule: Fall 2024 - Fall 2025



REPLACE WATER SYSTEM SCADA (DW)

The existing, proprietary SCADA system from the early 1990s will be replaced. Many components are no longer supported and cannot be repaired or replaced. The new system will be developed with open architecture software. The communication system will be replaced with a fiber optic network and over 40 remote sites will be equipped with new radio terminal units. A new master server will be installed. The project will be funded by a Drinking Water State Revolving Loan (DWSRL).

Budget: $2,000,000
Schedule: Summer 2024 - **Summer 2026**

REPLACE ABOVE-GROUND SEWER MAIN

The above-ground 4" steel sewer line which conveys sewage from the Rio Bravo lift station in White Rock is showing signs of failing. This project will replace or rehabilitate the line.

Budget: $180,000
Schedule: Design Summer 2024; Construction Fall 2024

BAYO NP WATER BOOSTER STATION REFURBISHMENT

The existing Bayo Booster Station, located adjacent to the composting facility, pumps treated effluent from the Los Alamos Wastewater Treatment Plant to a tank at the Los Alamos Middle School. The booster station has been in service for 31 years. The disinfection system, electric gear, valves and miscellaneous mechanical features will be replaced as part of this project. The electric gear and disinfection system are aged and are at the end of their service life. The DPU is negotiating with DOE/NNSA to sell effluent water to the Los Alamos National Laboratory for cooling super computers. When this happens the Bayo Booster Station will increase its operation from 7 months per year to 12 months per year. The Bayo Booster Station is the single means to pump effluent into Los Alamos and this rehabilitation effort will prepare the facility for many years of reliable operation.

Budget:

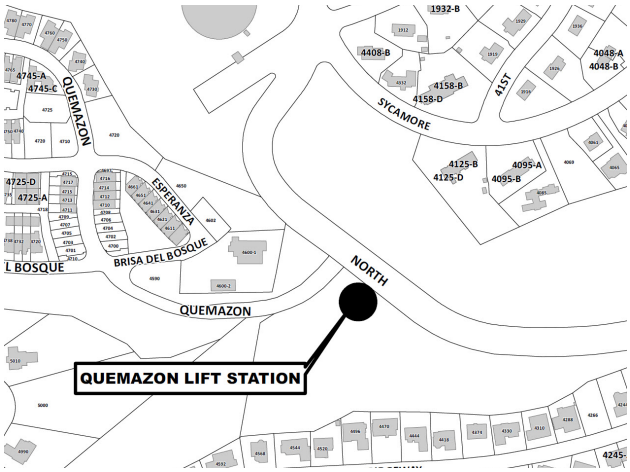
Loan:	$800,000
Grant (CWSRL):	$200,000

Schedule: Winter 2025

QUEMAZON LIFT STATION REHABILITATION

The oldest lift station in Quemazon subdivision will be rehabilitated. The lift station was installed in 1998 and receives flow from the entire Quemazon subdivision. It will be completely rehabilitated to ensure many more years of reliable operation.

Budget: $250,000
Schedule: Design Spring 2024, Construction Winter 2025



NORTH COMMUNITY BACKYARD SEWER MAINS/SERVICE R&R, PHASE I

Segments of the sewer lines in North Community that are recurring problems and threaten to overflow will be repaired and/or replaced. This will be the first of multiple phases of this project over the next three fiscal years.

Budget: $285,000
Schedule: Design Spring 2025, Construction Fall 2025

LOS ALAMOS WWTP FINE SCREEN REPLACEMENT

The fine screen at the Los Alamos Wastewater Treatment Plant, which has been in operation since the plant was commissioned in 2004, is nearing the end of its life. Located in the entrance works, the fine screen removes rags and debris from the influent prior to entering the aeration basins.

Budget: $450,000
Schedule: Design Fall 2024, Construction Fall 2025

REPAIR AERATION BASIN CONCRETE AT WWTP

The concrete aeration basins at the Los Alamos Wastewater Treatment Plant have developed cracks that are beginning to show signs of allowing water to seep through them. The services of an on-call engineer will be secured to prepare specifications for the repair and the repair work will bid for construction.

Budget: $180,000
Schedule: Summer 2025

#HIGHLIGHTS

STAFFING

Our summer intern, Abigail Nash, finished up her duties in early August. She was an invaluable asset to our team and you will see some of her work if you borrow the induction popcorn popper kit. Abigail was willing to learn about whatever we tasked her with and we are incredibly grateful to have had her as part of our team for the summer. Thank you, Abigail!

Abbey participated in a 5-week course to become a certified Electric Coach, a program sponsored by Rewiring America. If you have any questions about where to begin to electrify or to enhance your efficiency, reach out to her to put those new skills to good use!

The end is in sight for the Conservation and PR staff as they head up the accreditation review with auditors from the American Public Works Association in November. The application has been a huge two-year effort that, assuming all goes well, will validate our operations and provide a structure for continuous improvement.

Abbey spent a few days in the Windy City of Chicago at the Alliance for Water Efficiency Symposium networking and learning about new ideas to optimize AMI and how to prepare for drought management response.

OPERATIONS

Abbey worked with Emergency Management and Social Services to put together and provide information on Cooling Stations around the county. Any public building can operate as a cooling station as long as there is conditioned space, access to seating, and access to water. Abbey worked with the Chamber of Commerce to reach out to any business also interested in becoming a cooling station, providing they meet the basic parameters. The Co-Op, the American Legion, and Bathtub Brewery stepped up to the cause. All cooling stations are marked as such with a window decal of "Cooling Station."

DPU has filled quite a few job vacancies this fiscal year so far. Have you checked out the website created and maintained by Cathy that is dedicated to featuring DPU's vacancies? It is at ladpu.com/jobs.

Conservation Student Intern Abigail Nash spearheaded a revamp of the Induction Cooktop Loaner Program by adding stovetop popcorn poppers to the mix of options.

DPU's Rube Goldberg contraption-building activity was a hit at ScienceFest in July.

Much of the team's work is ongoing but ever-changing. Abbey and Cathy work to create fresh new messaging for a wide variety of topics that are old and new, many of which are conservation oriented. See the August DPU Scoop bill insert for safety messaging related to transformer boxes, a topic that spans the ages, and the September DPU Scoop bill insert for coverage of the Home Energy Rebate Program's arrival in New Mexico, a much-anticipated new topic. Bill inserts can be found at ladpu.com/inserts. Beyond bill inserts, DPU's messages and content are spread through press releases (and resulting news sources), the County website, Facebook, Instagram, NextDoor, Threads, YouTube, and a variety of events.

EVENTS

Discovery Day at ScienceFest brought out many creative participants as we had materials on hand to build a Rube Goldberg Machine to flip on a light switch. Determined kids and adults spent some serious time trying to build a solution, while having some fun too.

Our conservation education contractor, Pajarito Environmental Education Center (PEEC), held their annual EV Show during Discovery Day. An estimated 1,200 people checked out Rivians, Cybertrucks, Lightnings, Teslas, and more! They also stoked the competitive side with solar car races and gave away little solar critters for the little kids.

Just days after ScienceFest, we hosted a Back to the Future-themed ribbon cutting for the DC EV Fast Charger in the Municipal Building Parking lot. Engineering Intern Craig Barber and brand-new Engineer Associate Stephen Horner filled the roles of Doc Brown and Marty McFly, respectively. A DeLorean, complete with flux capacitor, traveled (through time?) to the Municipal Building for the ceremony, courtesy of Jon and Kristie McClellan. To round out the event, we charged the community with the DC Fast Charger Challenge that posed the question: if Doc Brown and Marty McFly were to charge their DeLorean time machine using the electric vehicle DC fast charger in the Los Alamos

#CONTINUED...

County Municipal Building parking lot, how long would it take to charge up to the 1.21 gigawatts of electricity required for time travel, assuming the time machine hits 88 miles per hour? We received some excellent, well thought-out and defended answers, in true Los Alamos style.

Abbey spoke at the League of Women Voters' July Lunch with a Leader about DPU's conservation efforts. The presentation can be found on the Los Alamos League of Women Voters' website.

Like last summer, DPU had a presence at the Farmers Market once a month. Inserting ourselves into the public events has proven to be a effective and valuable way to remind folks that DPU is an integral part of the community.

Q1 involved a lot of preparation for 2nd quarter events, including: a grand re-opening, a ribbon cutting, a planned-then-postponed groundbreaking, the review for the accreditation, the Ghost Hunt, and multiple talks at PEEC.

ACCOMPLISHMENTS

The aforementioned EV Fast Charger Ribbon Cutting was well received and garnered positive attention from the public. The campaign to publicize the event included a variety of channels to reach the community in engaging ways. As such, we highlighted the campaign as we applied for, and ultimately received, an Excellence in Communications Award under the web and social media category from the American Public Power Association.

Left: A ScienceFest patron stops by DPU's tent to work on a Rube Goldberg machine.
Right: Craig Barber and Stephen Horner, as Doc Brown and Marty McFly, stand with DeLorean owner Jon McClellan at the EV Fast Charger Ribbon Cutting.

PLANNING IN PROGRESS

01 DISCUSSIONS

- DPU at Farmer's Market
- Conservation Conversations
- Heat pump panel at PEEC, Oct.
- Expert on insulation at PEEC, Nov.

02 ACTIVITIES

- Thermal Camera Ghost Hunt, Oct. 26
- Energy-Based Home Improvement Fair, Nov. 18, 5:30 p.m.
- Electrification Planning Workshop, TBD

03 PROJECTS

- Rollout of Garden in a Box designs
- Expansion of Library of Things to include appliance brush cleaners, MORE thermal cameras and Popcorn Popper Party Kit
- Update of the Water and Energy Conservation Plan

#BASICS

Natural gas prices are mainly a function of market supply and demand, which causes fluctuations. Multiple factors affect the price of gas, one being weather. Cold temperatures, for example, increase demand for heating while hot weather increases demand for cooling, both of which increase natural gas demand by electric power plants.

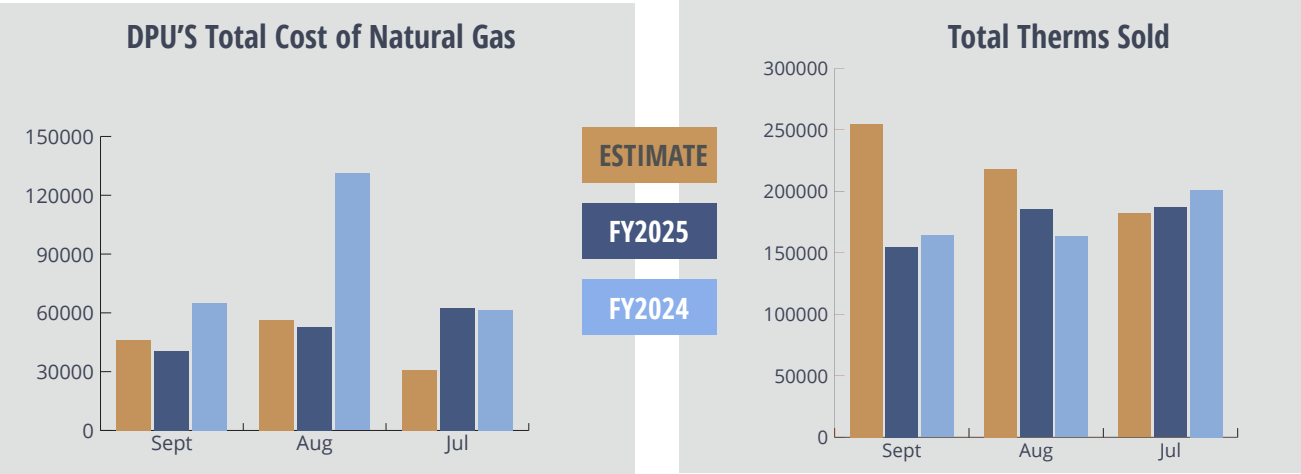
To mitigate some of the fluctuations, DPU joined the New Mexico Municipal Energy Acquisition Authority (NMMEAA). Created by local governments in 2008 through a Joint Powers Agreement, the purpose of NMMEAA is to obtain reliable, long-term gas supply under favorable terms, conditions and price. NMMEAA benefits government-owned utilities like DPU and through this membership, DPU is able to pass its savings directly to customers.

PASS-THROUGH MODEL

Since 2013, DPU has included a "pass-through" cost of natural gas in its rate. In addition to a monthly service fee, the gas consumption charge comprises a fixed cost fee per therm to cover DPU's gas maintenance and operations expenses and a cost-of-gas pass-through rate per therm. This allows DPU's true cost to purchase the natural gas commodity to be passed directly to the customer.

This price is calculated each month based on the San Juan Index and then adjusted based on the actual cost from the prior month. Historically, customers benefited from this approach as the DPU did not need to maintain a

San Juan Index/MMBTU			Total Cost of Gas for Q1			Total Therms Sold for Q1		
	FY25	FY24		FY25	FY24		FY25	FY24
Sept:	1.36	2.79	Sept:	40,529	64,905	Sept:	154,842	164,070
Aug:	2.03	3.69	Aug:	52,984	131,083	Aug:	185,237	163,348
Jul:	1.10	2.85	Jul:	62,347	61,563	Jul:	186,817	201,253
			Total:	$155,860	$257,551	Total:	526,896	528,671



substantial rate stabilization fund to absorb the volatile, fluctuating gas prices. However, 2022 brought unprecedented high costs that weren't captured under DPU's $0.99 variable rate cap.

At the end of March 2023, BPU recommended, and Los Alamos County Council adopted, a new ordinance that raised that cap to $4/therm. Additionally, a temporary recovery rate mechanism began in the 4th quarter of FY2023 to recover recent costs not collected with the lower cap in place. These costs reached full recovery in February 2024 and the rate was discontinued the next month.

Each month DPU posts the new variable cost of gas rate on the website at: https://ladpu.com/GasRateNow.

TOTAL GAS CHARGE COMPRISES FOUR COMPONENTS:

(1) Monthly Service Fee
+ [((2) Fixed Component + (3) Variable Cost of Gas) x (4) Total Therms]
= TOTAL CHARGE

SCHEDULE OF CUSTOMERS
7A: Residential
7E: Commercial
7L: County
7N: Schools

RESIDENTIAL EXAMPLE:
7A Customer used 18 therms in Sept 2024
$11.08 + [($0.27 + $0.34) x18) =
$22.06 (4)

COMMERCIAL EXAMPLE:
7E Customer used 135 therms in Sept 2024
$11.08 + [($0.27 + $0.34) x 135) =
$93.43 (4)

1. MONTHLY SERVICE FEE (1)

Schedule	Meter Rated	Charge
ALL	≤ 250 CFH	$ 11.08
ALL	> 250 CFH	$33.24

2. FIXED COST RECOVER FEE/THERM

Schedule	Fee/Therm
7A & 7E	$0.27 (2)
7L & 7N	$0.24

3. VARIABLE COST OF GAS/THERM (Pass-Through Cost of Gas) Calculated each month based on the San Juan index and then adjusted based on the actual cost from the prior month. It is capped at $4/therm.

Month & Year	Projected Variable Cost of Gas		Adjust Prior Month Estimate	Variable Pass-Through Cost of Gas/Therm (3)
Jul 2024	$0.11	+	$0.00	$0.11
Aug 2024	$0.26	+	$0.10	$0.36
Sept 2024	$0.18	+	$0.16	$0.34

F&A

#HIGHLIGHTS

KAREN KENDALL / DEPUTY UTILITY MANAGER

Bachelor of Business Administration - Accountancy

Memberships:

Government Finance Officers Assn.

Awards:

Assn. of Government Accountants (NM Chapter) 2006 Financial Manager of the Year

OVERVIEW

If you walk by Customer Care and feel a sense of déjà vu, it might be that Amy Danforth caught your eye. Amy joined DPU's customer service team in 2007, and as excellent employees often do, she moved up in the County, first to Community Development and then to Public Works. DPU is happy to welcome Amy back to the team as Customer Care Supervisor.

During the first quarter of FY2025, there were rate increases approved by the Board of Public Utilities and Los Alamos County Council in Electric (9%), Gas (5.5%) Wastewater (2%) and Water (6%).

As of September 30, the balance in the Utilities Assistance Program fund was $21,707. Thank you to all the generous donors who provide this critical assistance. If you are interested in donating to the UAP fund, you can call the Customer Care Center at 505-662-8333. More information is also available on DPU's page on the county website. An online form at ladpu.com/support gives UAP donors the opportunity to set up regular monthly donations on their utility bills.

OVERALL OPERATIONS

Through September 30, the Joint Utilities Fund operating revenues were $18.3 million, which is 7% below Q1 in FY2024. The Joint Utilities Fund total revenues were $21.7 million.

Overall expenditures of $15.2 million were 3% below the same period for the prior fiscal year. This is primarily due to the timing of capital projects.

At the beginning of each fiscal year, DPU creates budget revisions to carry over remaining budgets associated primarily with capital projects. The total amount re-budgeted at the joint utilities level was $32.2 million. By fund, rebudgeted totals were: $3.4 million in wastewater, $24.6 million in water (primarily due to the Jemez Mountain Fire Protection project), $200k in gas and $4 million in electric.

Electric Operations

Electric revenues were $8 million for wholesale, $4.4 million for retail and a total of $14 million for all electric revenue for Q1. Operating expenditures totaled $9.3 million and capital expenditures were just under $48k for a total of $9.4

million. The cost of power was $2.8 million. The net operating income was $4.9 million and total net income for the first quarter was $4.5 million. Retail electric sales were less than 1% higher than the 1st quarter of FY2024.

Gas Operations

Gas revenues were $518k for the first quarter of FY2025. Operating expenditures were $608k, cost of gas was $116k and capital expenditures were almost $52k. The net operating loss was $205k and net loss after capital expenditures was $257k. Total sales in therms were less than 1% above the first quarter of the prior year.

Water Operations

Retail water sales were 15% below the prior year's first quarter. Operating expenditures were $1.7 million, the cost of water was $1.5 million and there was more than $315k in capital expenditures. The operating net income was $338k and net income was $699k.

Wastewater Operations

Wastewater revenues were $1.6 million from operations and $2.7 million in grant/loan proceeds for a total of $4.3 million for the first quarter of the fiscal year. Operating expenditures were $1.3 million and capital expenditures were

OVERALL PERFORMANCE: Q1 YTD

FY2025 Financial Status - Unaudited

		Electric	Gas	Water	Wastewater	Total
OPERATING REVENUES	Utility sales and service	$13,730,743	$520,696	$2,090,324	$1,611,536	$17,953,299
	Miscellaneous Revenue	425,040	(2,597)	(14,053)	(17,395)	390,995
	Total Operating Revenue	**$14,155,783**	**$518,099**	**$2,076,270**	**$1,594,141**	**18,344,293**
OPERATING EXPENSES	Employee salaries & benefits	$1,062,766	$252,963	$517,863	$362,914	$2,196,506
	Prof'l & Contract services	6,990,341	59,194	81,533	133,862	7,264,929
	Materials and supplies	123,213	27,485	122,560	66,477	339,735
	Other *	1,128,325	383,432	1,016,195	739,108	3,267,060
	Net Operating Expenditures	**$9,304,645**	**$723,074**	**$1,738,150**	**$1,302,361**	**$13,068,230**
NET OPERATING INCOME (LOSS)		**$4,851,138**	**$(204,975)**	**$338,120**	**$291,780**	**$5,276,063**

** "Other" comprises interfund charges, capital outlay and fiscal charges.*

F&A

#CONTINUED...

$1.7 million for a total of $3 million in total expenditures. Net operating income was $292k. Net income for the first quarter was $1.3 million. The White Rock Water Resource Reclamation Facility is being funded by a state loan which is on a reimbursement basis as the project progresses.

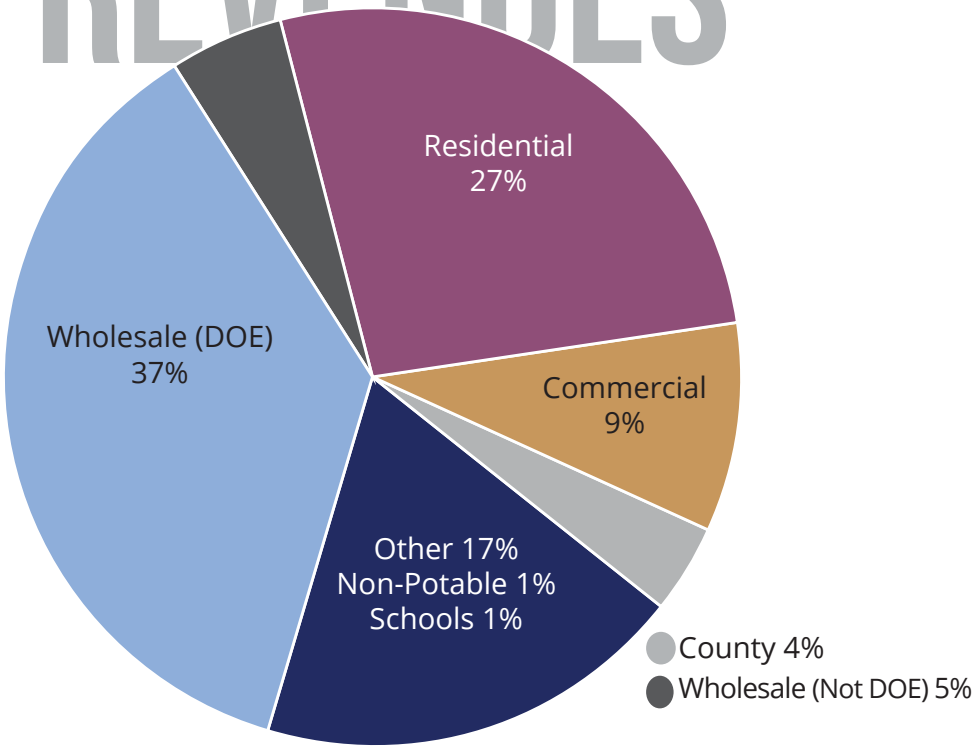
DPU REVENUE BY SOURCE: Q1 YTD

SOURCE	Q1 FY25	Q1 FY24	Q1 FY23
Wholesale (DOE)	$8,020,771	$7,363,881	$9,305,782
Wholesale (Other)	1,028,965	3,565,967	4,415,734
Residential	5,843,141	6,016,804	5,051,149
Commercial	1,875,259	1,528,977	1,738,547
Educational Sales	247,853	242,615	250,932
Municipal	793,518	663,553	611,462
Non-potable	143,792	156,573	47,345
Other	3,708,843	199,164	63,357
TOTAL	**$21,662,141**	**$19,737,534**	**$21,484,308**

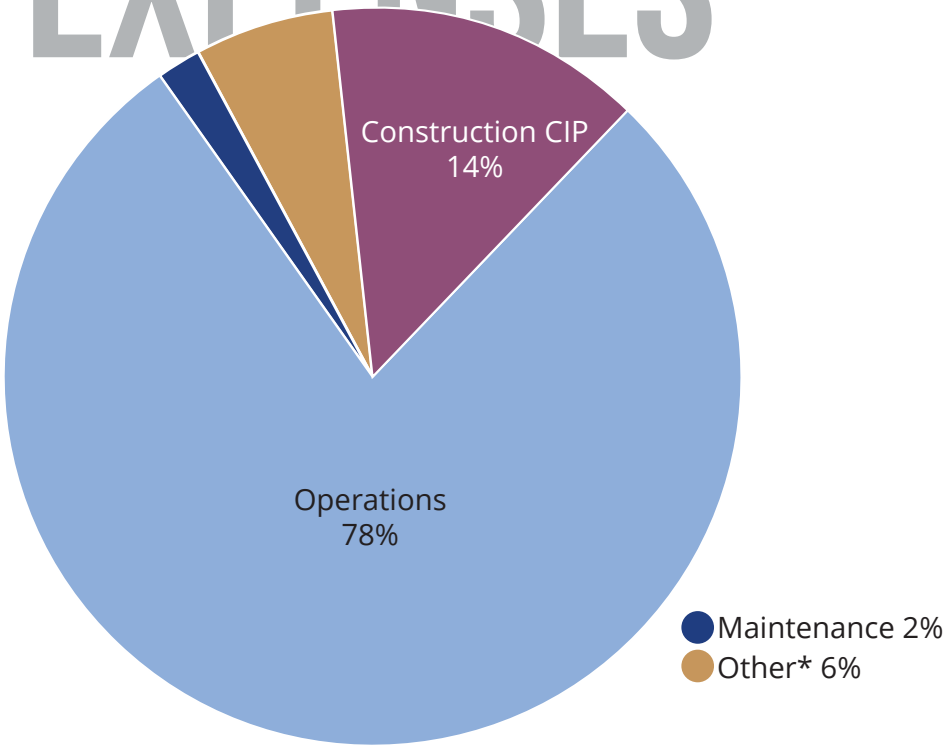
DPU EXPENSE BY TYPE: Q1 YTD

	Q1 FY25		Q1 FY24		Q1 FY23	
	FY Budget	Spent YTD	FY Budget	Spent YTD	FY Budget	Spent YTD
Electric	$66,140,132	$9,352,597	$66,884,233	$59,263,364	$53,173,184	$16,297,219
Gas	10,648,761	774,798	20,194,161	13,921,870	8,683,302	944,120
Water	23,166,976	2,053,679	30,649,264	12,303,691	28,840,518	2,492,128
Wastewater	12,163,714	3,012,471	37,614,330	21,129,472	33,329,603	3,461,081
TOTAL	**$112,119,583**	**$15,193,545**	**$155,341,988**	**$106,618,397**	**$124,026,607**	**$23,194,548**

REVENUES

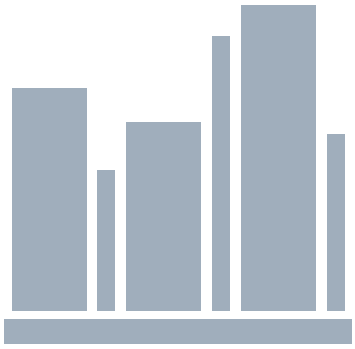


EXPENSES



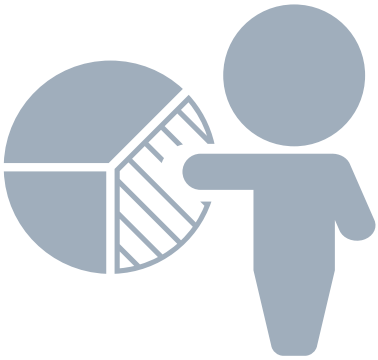
** "Other" expenses are interfund charges, capital outlay and fiscal charges.*

FINANCIAL PERFORMANCE



GOAL: Achieve and maintain excellence in financial performance

- Utilize revenues to provide a high level of service while keeping rates competitive with similar utilities
- Take advantage of favorable loan/grant opportunities
- Meet financial reserve targets within our 10-year financial policy, with a debt coverage ratio of 1.3 or greater every fiscal year
- Conduct cost of service studies for each utility at least every 5 years



FOLLOWING PAGES:

- Debt Profile
- Financial Statements by Utility
- Consumption Detail by Utility

Unaudited quarterly reports may include changes to prior quarters' data. Financial data is not final until audited following the close of the fiscal year.

CURRENT DEBT PROFILE: Q1

Net System Revenue of the Joint Utility System

Year	Total Senior Debt Service	Total Subordinate Debt Service	Total Super Subordinate Debt Service	Total Debt Service	Total Debt Service	Total Operating Net Revenue	Total Debt Service Coverage Ratio
2025	$961,427	$970,578	$1,057,574	$198,254	$3,187,832	$5,620,584	1.76
2026	$961,325	$971,622	$2,308,886	$417,130	$4,658,963	$15,891,378	3.41
2027	$959,114	$967,199	$2,308,883	$699,760	$4,934,956	$7,945,306	1.61
2028	$963,571	$970,093	$2,305,541	$1,627,247	$5,866,452	$11,880,192	2.03
2029	$956,496	$967,267	$2,301,346	$2,208,381	$6,433,490	$8,365,819	1.30
2030	$955,368	$968,898	$2,301,344	$2,829,998	$7,055,608	$9,201,866	1.30
2031		$964,813	$2,291,204	$3,153,554	$6,409,570	$9,471,693	1.48
2032		$963,823	$2,243,743	$4,027,388	$7,234,953	$10,680,073	1.48
2033		$967,062	$2,236,558	$4,353,266	$7,556,885	$12,556,642	1.66
2034		$964,341	$2,236,558	$4,353,266	$7,554,164	$13,707,944	1.81

FY2025 based on FY2023 Annual Comprehensive Financial Report (ACFR)
FY2026 based on FY2024 projected actuals
FY2027-FY2034 based on 10-year financial projection

ELECTRIC PRODUCTION

Through Sept 30, 2024	FY2025 BUDGET Adopted	FY2025 BUDGET Revised	ACTUALS	% Left
REVENUE				
MWh Sales to LANL	474,554	474,554	87,777	82%
MWh Sales to ED	121,887	121,887	31,642	74%
Total MWh Sales	596,441	596,441	119,419	80%
DOE Revenues	$36,540,661	$36,540,661	$8,020,771	78%
Sales to Elec Dist	9,385,265	9,385,265	2,841,806	70%
Economy Sales	11,357,401	11,357,401	1,327,237	88%
Other Revenue	551,365	551,365	391,585	29%
Total Revenue	**$57,834,692**	**$57,834,692**	**$12,581,399**	**78%**
OPERATING EXPENSES				
Salaries	$1,729,057	$1,729,057	$385,464	78%
Benefits	736,134	736,134	146,244	80%
Prof'l/Contract Services	49,988,214	49,989,523	6,883,105	86%
Materials/Supplies	219,060	219,060	23,219	89%
Interfund Charges	2,152,695	2,152,695	263,974	88%
Capital Outlay	10,000	62,487	15,117	76%
Fiscal Charges	432,114	432,114	107,674	75%
Total Operating Expense	**$55,267,274**	**$55,321,069**	**$7,824,797**	**86%**
Operating Income (Loss)	**$2,567,418**	**$2,513,623**	**$4,756,602**	
Capital Expenditures	$1,045,000	$1,195,531	$5,081	100%
Other Financing Judgments/Settlements			23,390	
NET INCOME (LOSS)	**$1,522,418**	**$1,318,092**	**$4,774,911**	

ELECTRIC DISTRIBUTION

Through Sept 30, 2024	FY2025 BUDGET Adopted	FY2025 BUDGET Revised	ACTUALS	% Left
REVENUE				
KWh Sales	121,886,557	121,886,557	31,648,536	74%
Sales Revenue	$16,771,591	$16,771,591	$4,382,735	74%
Other Revenue	408,099	408,099	33,455	92%
Total Revenue	**$17,179,690**	**$17,179,690**	**$4,416,190**	**74%**
OPERATING EXPENSES				
Salaries	$1,579,149	$1,579,149	$383,642	76%
Benefits	685,442	685,442	147,416	78%
Prof'l/Contract Services	960,502	960,502	107,236	89%
Materials/Supplies	546,050	593,004	99,994	83%
Interfund Charges	2,444,993	2,484,993	487,706	80%
Capital Outlay	78,900	78,900	456	99%
Fiscal Charges	1,015,816	1,015,816	253,398	75%
Cost of Power	9,385,265	9,385,265	2,841,806	70%
Total Operating Expense	**$16,696,117**	**$16,783,071**	**$4,321,654**	**74%**
Operating Income (Loss)	**$483,573**	**$396,619**	**$94,536**	
Capital Expenditures	$2,000,000	$2,225,726	$42,871	98%
Other Financing				
Grants/Loan Proceeds	-	-	(135,600)	
Revenue (Profit) Transfer	(721,179)	(721,179)	-	100%
NET INCOME (LOSS)	**$(2,237,606)**	**$(2,550,286)**	**$(83,935)**	

WATER PRODUCTION

Through Sept 30, 2024	FY2025 BUDGET Adopted	FY2025 BUDGET Revised	ACTUALS	% Left
REVENUE				
Potable KGal prod.	1,150,000	1,150,000	351,023	69%
Non-potable KGal prod.	136,500	136,500	43,051	68%
Potable Sales to DW	$3,957,464	$3,957,464	$1,500,008	62%
Potable Wholesale Sales	1,751,799	1,751,799	(298,273)	117%
Other Revenue	471,618	471,618	144,475	69%
Total Revenue	**$6,180,881**	**$6,180,881**	**$1,346,210**	**78%**
OPERATING EXPENSES				
Salaries	$1,117,648	$1,117,648	$230,374	79%
Benefits	468,943	468,943	81,435	83%
Prof'l/Contract Services	651,830	887,805	77,254	91%
Materials/Supplies	179,246	179,246	50,706	72%
Interfund Charges	2,180,355	2,180,355	528,049	76%
Capital Outlay	17,510	17,510	-	100%
Fiscal Charges	994,724	994,724	248,681	75%
Total Operating Expense	**$5,610,256**	**$5,846,231**	**$1,216,498**	**79%**
Operating Income (Loss)	**$570,625**	**$334,650**	**$129,712**	
Capital Expenditures	$4,960,000	$10,736,418	$282,306	97%
Other Financing				
Grants/Loan Proceeds	$8,540,000	$8,540,000	$(60,900)	101%
County/Ext. Reimb.	-	-	736,958	
NET INCOME (LOSS)	**$4,150,625**	**$(1,861,768)**	**$523,465**	

WATER DISTRIBUTION

Through Sept 30, 2024	FY2025 BUDGET Adopted	FY2025 BUDGET Revised	ACTUALS	% Left
REVENUE				
KGal Sales	800,000	800,000	269,359	66%
Sales Revenue	$7,356,570	$7,356,570	$2,244,805	69%
Other Revenue	147,911	147,911	(14,737)	110%
Total Revenue	**$7,504,481**	**$7,504,481**	**$2,230,068**	**70%**
OPERATING EXPENSES				
Salaries	$709,375	$709,375	$149,925	79%
Benefits	327,733	327,733	56,128	83%
Prof'l/Contract Services	378,000	387,946	4,279	99%
Materials/Supplies	344,700	359,496	71,855	80%
Interfund Charges	1,338,627	1,338,627	239,465	82%
Cost of Water	3,957,464	3,957,464	1,500,008	62%
Total Operating Expense	**$7,055,899**	**$7,080,641**	**$2,021,659**	71%
Operating Income (Loss)	**$448,582**	**$423,841**	**$208,408**	
Capital Expenditures	$2,702,495	$3,461,150	$33,223	99%
Other Financing				
Grants/Loan Proceeds	$1,398,495	$1,398,495	-	100%
Revenue Transfer Council Redirect	-	-	-	
NET INCOME (LOSS)	**$(855,418)**	**$(1,638,815)**	**$175,185**	

NATURAL GAS DISTRIBUTION

Through Sept 30, 2024	FY2025 BUDGET Adopted	FY2025 BUDGET Revised	ACTUALS	% Left
REVENUE				
Therm Sales	9,500,000	9,500,000	526,912	94%
Sales Revenue	$11,286,019	$11,286,019	$520,696	95%
Other Revenue	57,491	57,491	(2,597)	105%
Total Revenue	**$11,343,510**	**$11,343,510**	**$518,099**	**95%**
OPERATING EXPENSES				
Salaries	$815,939	$815,939	$191,061	77%
Benefits	378,692	378,692	61,903	84%
Prof'l/Contract Services	447,439	447,553	59,194	87%
Materials/Supplies	187,659	187,757	27,485	85%
Interfund Charges	1,366,371	1,366,371	267,957	80%
Capital Outlay	-	-	456	-100%
Cost of Gas	7,000,000	7,000,000	115,018	98%
Total Operating Expense	**$10,196,100**	**$10,196,311**	**$723,074**	**93%**
Operating Income (Loss)	**$1,147,410**	**$1,147,199**	**$(204,975)**	
Capital Expenditures	$375,000	$452,449	$51,724	89%
Other Financing Revenue (Profit) Transfer	(527,058)	(527,058)	-	100%
NET INCOME (LOSS)	**$245,352**	**$167,691**	**$(256,699)**	

WASTEWATER COLLECTION & TREATMENT

Through Sept 30, 2024	FY2025 BUDGET Adopted	FY2025 BUDGET Revised	ACTUALS	% Left
REVENUE				
KGals Processed	400,000	400,000	98,709	75%
Sales Revenue	$6,775,858	$6,775,858	$1,611,536	76%
Other Revenue	490,090	490,090	(17,395)	104%
TOTAL REVENUE	**$7,265,948**	**$7,265,948**	**$1,594,141**	**78%**
OPERATING EXPENSES				
Salaries	$1,452,106	$1,452,106	$258,414	82%
Benefits	694,776	694,776	104,500	85%
Prof'l/Contract Services	699,600	825,755	133,862	84%
Materials/Supplies	347,773	348,038	66,477	81%
Interfund Charges	2,091,028	2,091,028	525,681	75%
Capital Outlay	-	20,179	456	98%
Fiscal Charges	851,887	851,887	212,972	75%
Total Operating Expense	**$6,137,170**	**$6,283,768**	**$1,302,361**	**79%**
Operating Income (Loss)	**$1,128,778**	**$982,180**	**$291,780**	
Capital Expenditures	$1,973,000	$5,879,945	$1,710,110	71%
Other Financing				
Grant/Loan Proceeds	1,500,000.00	1,500,000	2,754,000	-84%
Revenue Transfer Council Redirect	-	-	-	
NET INCOME (LOSS)	**$655,778**	**$(3,397,766)**	**$1,335,669**	

UTILITY SERVICE: ELECTRIC

	Q1	Q2	Q3	Q4	YTD
SALES (KWh)					
Residential	16,885,512				16,885,512
Private Area Lights	9,354				9,354
Commercial	10,194,631				10,194,631
Municipal	2,704,662				2,704,662
Water Production	1,636,214				1,636,214
Educational	1,162,081				1,162,081
Solar Energy (sold to DPU)	(943,918)				(943,918)
Total	31,648,536				31,648,536
BILLED LOCATIONS (average)					
Residential	7,727				7,727
Commercial	625				625
Municipal	167				167
Educational	50				50
Total	8,569				8,569
REVENUE/KWH (average)					
Residential	$0.1429				$0.1429
Private Area Lights	0.4230				0.4230
Commercial	0.1341				0.1341
Municipal	0.1358				0.1358
Water Production	0.0883				0.0883
Educational	0.1333				0.1333
Solar Energy (sold to DPU)	(0.1641)				(0.1641)
Average	$0.1406				$0.1406
LOSS CALCULATION					
Power Rec'd, KWh	31,167,341				31,167,341
PV Power Rec'd, KWh	-				-
Qtrly Losses <gains>, KWh	(481,194)				(481,194)
% Qtrly Losses <gains>	-1.54%				-1.54%
Cumulative Losses <gains>	**-1.54%**				-1.54%

UTILITY SERVICE: NATURAL GAS

	Q1	Q2	Q3	Q4	YTD
SALES (Therms)					
Residential	324,303				324,303
Commercial	142,818				142,818
Municipal	26,635				26,635
Water Production	28,684				28,684
Educational	4,472				4,472
Total	**526,912**				526,912
BILLED LOCATIONS (average)					
Residential	6,935				6,935
Commercial	362				362
Municipal	43				43
Educational	20				20
Total	**7,361**				7,361
REVENUE/THERM (average)					
Residential	$1.2311				1.2311
Commercial	0.6593				0.6593
Municipal	0.5802				0.5802
Water Production	0.2804				0.2804
Educational	0.8432				0.8432
Average	**0.9882**				0.9882
LOSS CALCULATION					
Gas Rec'd, therms	661,660				661,660
Qtrly Losses <gains>, therms	134,748				134,748
% Qtrly Losses <gains>	20.37%				20.37%
Cumulative Losses <gains>	**20.37%**				20.37%

UTILITY SERVICE: WATER

	Q1	Q2	Q3	Q4	YTD
SALES (KGAL)					
Residential	194,003				194,003
Commercial	27,889				27,889
Municipal	35,886				35,886
Educational	11,581				11,581
Total	**269,359**				269,359
BILLED LOCATIONS (average)					
Residential	6,453				6,453
Commercial	302				302
Municipal	85				85
Educational	22				22
Total	**6,863**				6,863
REVENUE/KGAL (average)					
Residential	$8.6871				$0.0000
Commercial	$7.6014				$0.0000
Municipal	$7.1969				$0.0000
Educational	$7.7028				$0.0000
Average	**$8.3339**				$0.0000
LOSS CALCULATION					
Water Rec'd, Kgal	295,859				295,859
Qtrly Losses <gains>, Kgal	26,500				26,500
% Qtrly Losses <gains>	8.96%				8.96%
Cumulative Losses <gains>	**8.96%**				8.96%

UTILITY SERVICE: WASTEWATER

	Q1	Q2	Q3	Q4	YTD
SEWER TREATED (KGAL)					
Los Alamos	64,925				**64,925**
White Rock	33,784				**33,784**
Total Treated	98,709				**98,709**
BILLED LOCATIONS (average)					
Residential	6,984				**6,984**
Commercial	233				**233**
Municipal	35				**35**
Educational	21				**21**
TOTAL	7,274				**7,274**
REV PER KGAL TREATED	**$17.78**				**$17.78**

DPU

#WORKFORCE

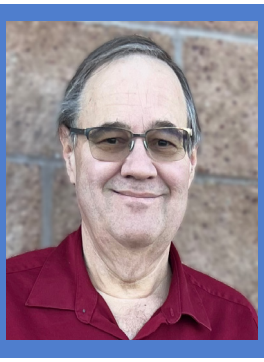
NEW HIRES/TRANSFERS

- **Michael Salazar** was hired as a Trainee in the Gas, Water & Sewer Division.
- DPU welcomed **Amy Danforth** back as the Billing & Customer Service Supervisor in the Finance & Admin. Division. Amy most recently worked in Public Works.
- **Mariano Valdez** was hired as an Engineering Associate for Electric Distribution.
- In Electric Production, **Jeffrey Spencer** was hired as a Power Systems Operator Apprentice.
- **John Sosulski** was hired as GIS Specialist in the Engineering Division.
- DPU rehired **Christopher Rosacker** as Senior Water Systems Operator under the Water Production Division. He worked in the department years under Wastewater Treatment.
- **Dennis Astley** was hired as Electrical Engineering Manager under the Electric Distribution Division.

PROMOTIONS

- **Agustine Campos** and **Robert Lucero**, in the Gas, Water & Sewer Division, were both promoted to GWS Apprentice I.
- **Myron Cordova, Darren Martinez, Elier Rojo Varela** and **Jared Martinez** were promoted to Apprentice 2 in the Gas, Water & Sewer Division.
- In Water Production, **Vincent Corona** was promoted to Water Systems Operator.
- Also in Water Production, **Joel Martinez** was promoted to SCADA Systems Specialist.
- **Isaac Montoya** and **Jared Robinson** were both promoted to EP Resource Coordinators in Electric Production.
- **Patrick Moore** was promoted to WWTP Apprentice I in the Wastewater Treatment Division.
- Under Electric Production, **Donald Wichers** was promoted to Hydroelectric Plant Supervisor.

Pictured below: Amy Danforth, Dennis Astley, Vincent Corona, Joel Martinez; Jeff Spencer; Jared Robinson; Robert Lucero; Justin Lujan; Adam Cooper and Lucas Montoya





Pictured above: John Sosulski; Mariano Valdez; Gary Trujillo; Darren Martinez and Chris Rosacker

Pictured below: Michael Salazar (GWS), Donald Wichers, Patrick Moore, Karen Salazar, Jared Martinez and Agustine Campos

ANNIVERSARIES

20 Years:

- **Adam Cooper**, Hydroelectric Plant Supervisor, Electric Production Division

5 Years:

- **Karen Salazar**, Sr. Office Specialist, Finance & Administration Division

RETIREMENTS

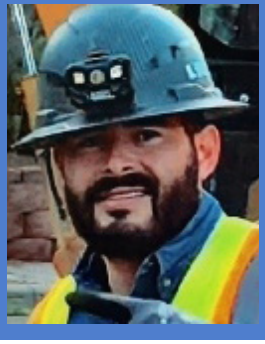
- **Adam Cooper**, Hydroelectric Plant Supervisor, Electric Production Division
- **Michael Salazar**, Engineering Associate, Electric Distribution Division
- **Daryl Tabor,** SCADA System Specialist, Engineering Division

ACHIEVEMENTS

- The following DPU employees completed the County's Leadership Power Skills class: **Casey Aumack** (Eng); **Justin Lujan** (GWS); **Lucas Montoya** (Eng) **and Gary Trujillo** (WP).





MOMENTS IN TIME

Clockwise from upper left: 1. The staff of the Customer Care Center solidified their cohesiveness with a team photo in preparation for Customer Service Week. 2. A previously bare Communitree boasted leftover ribbon cutting swag. 3-5. The Back to the Future themed EV Fast Charger Ribbon Cutting was a hit! Steve Horner and Craig Barber played the parts of Marty McFly and Doc Brown. [Background: DPU hosted a Rube Goldberg contraption building table at ScienceFest and the Farmer's Market. Pictured are parts and pieces that were available for use in building.]

1. An Electric Distribution lineman investigated underground electrical work on DP Road. 2. Board Vice Chair Eric Stromberg ran a utilities trivia challenge to engage with adults at a Farmers Market. 3-4. Jacob Leyba and Victor Trujillo (GWS), worked on a meter set in the shop at Pajarito Cliffs. 5. Michael Salazar (ED) unwrapped a retirement gift as Philo Shelton looked on.

#POSITIVEFEEDBACK

Tue 6:38 PM

Collin Meierbachtol <cmeierba@gmail.com>
To D'Anna, Catherine

i Cathy,

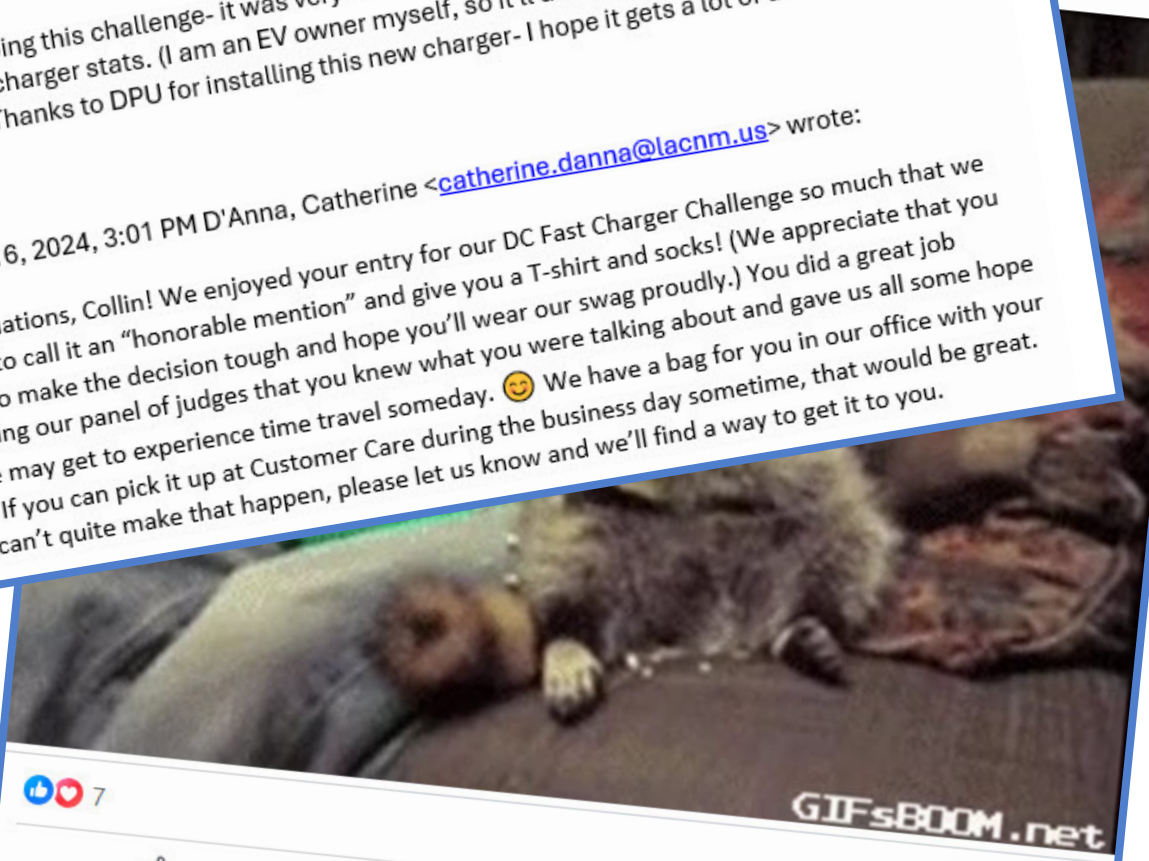
/ow, that's fantastic- thanks for the honorable mention award! I'm currently in California for work, ut I should be able to stop by Customer Care later this week to pick up my bag. And I'll be sure to ear my items with pride!

had a blast doing this challenge- it was very exciting writing up, and I really enjoyed getting to how the fast charger stats. (I am an EV owner myself, so it'll definitely come in handy having one on the hill"!) Thanks to DPU for installing this new charger- I hope it gets a lot of use!

ollin

n Tue, Jul 16, 2024, 3:01 PM D'Anna, Catherine <catherine.danna@lacnm.us> wrote:

Congratulations, Collin! We enjoyed your entry for our DC Fast Charger Challenge so much that we decided to call it an "honorable mention" and give you a T-shirt and socks! (We appreciate that you helped to make the decision tough and hope you'll wear our swag proudly.) You did a great job convincing our panel of judges that you knew what you were talking about and gave us all some hope that we may get to experience time travel someday. 😊 We have a bag for you in our office with your prizes. If you can pick it up at Customer Care during the business day sometime, that would be great. If you can't quite make that happen, please let us know and we'll find a way to get it to you.



7

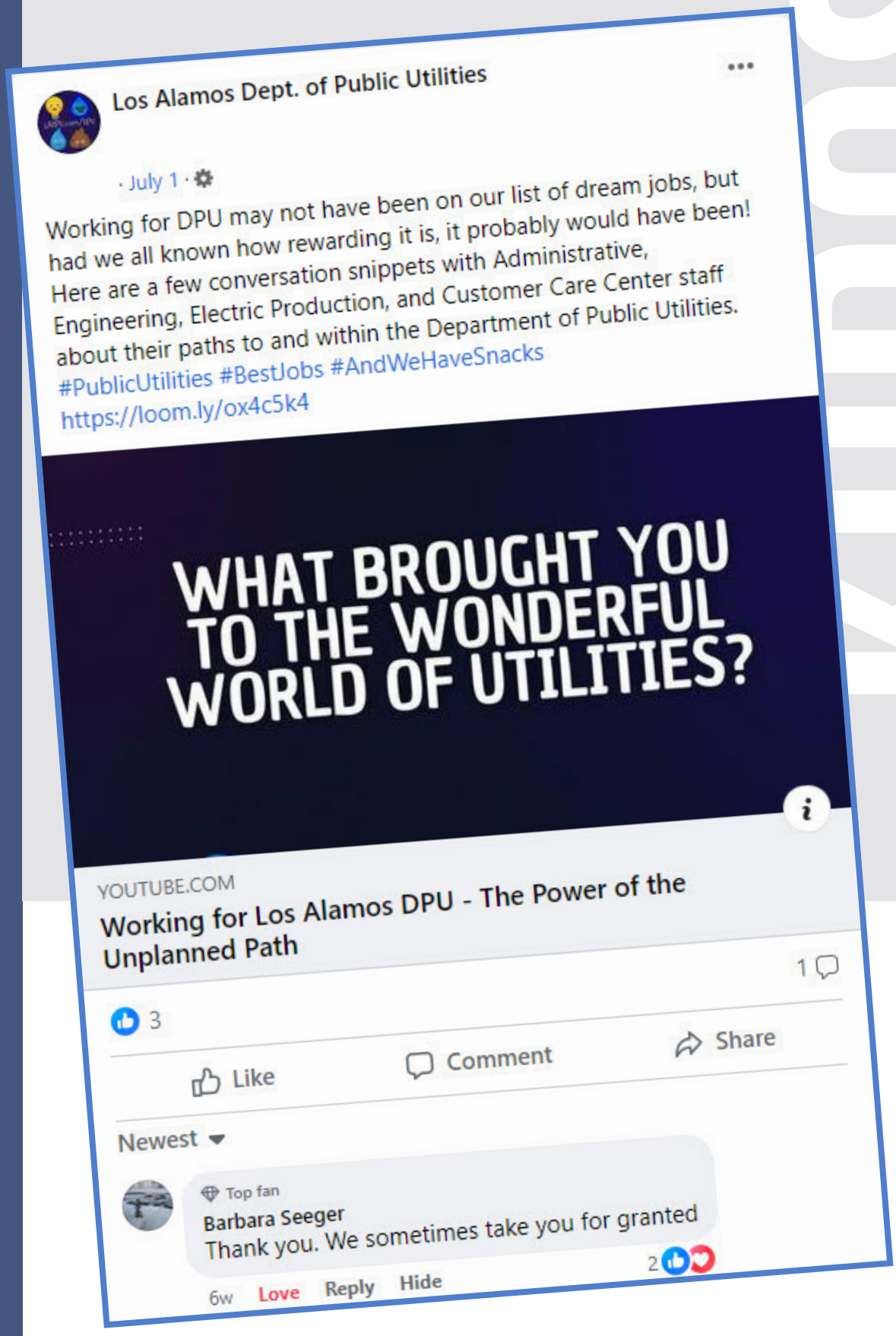
Like Comment Share 2 comments

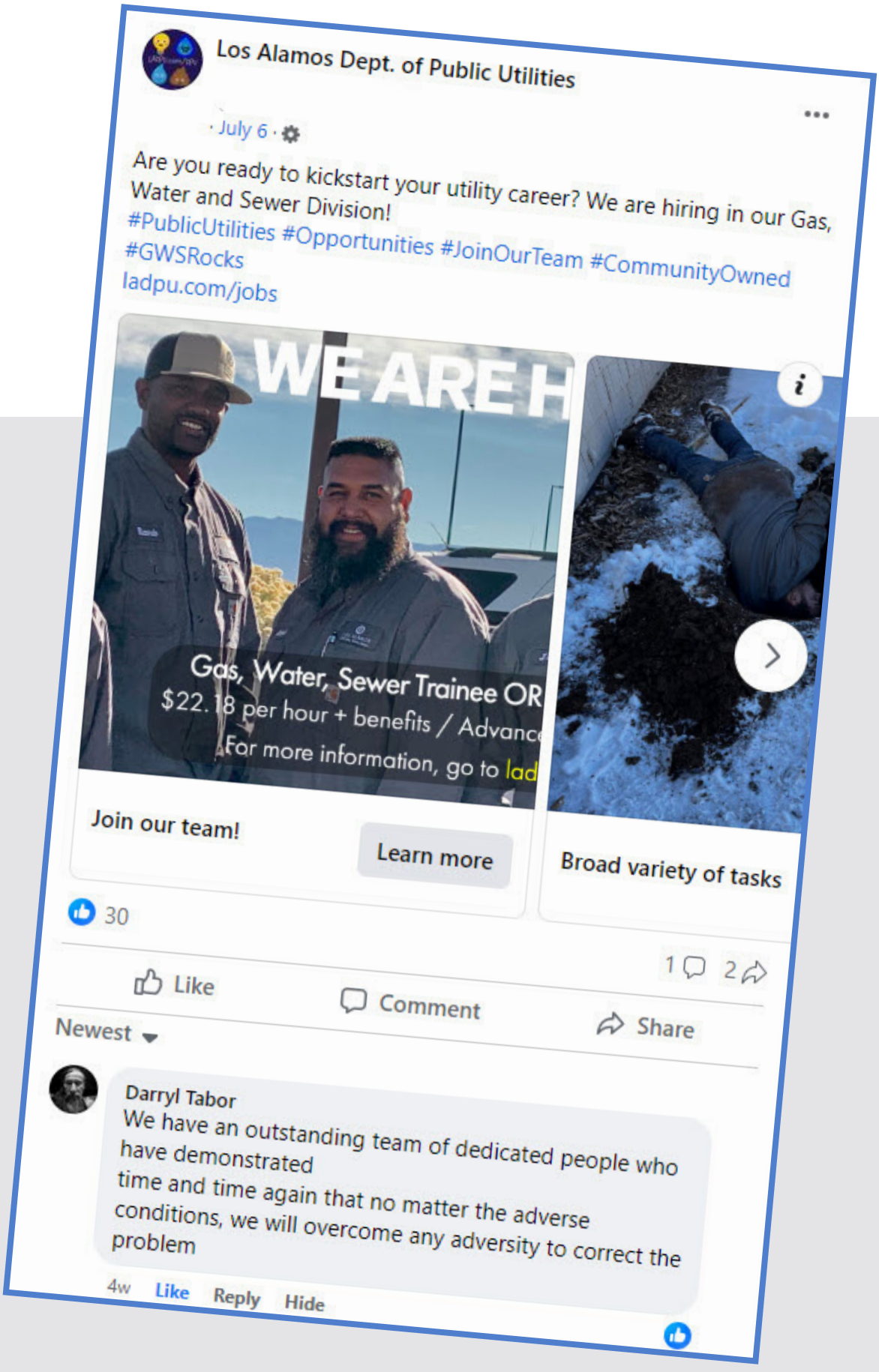
Top fan
Zuzu Petals
Have a wonderful and safe Labor Day! Thank you for all you do via your public service. You should get paid by the laugh for your wonderful posts. Truly the poop emoji is where it belongs.

12w Love Reply Hide Edited


Los Alamos Dept. of Public Utilities
· July 12 ·
"Great Scott!" - Doc Brown, *Back to the Future*
We're excited to announce the ribbon cutting for the new EV Fast Charger!
Monday, July 15th
12 PM - 1 PM
Los Alamos Municipal Building
Hosted by the Department of Public Utilities (DPU)
Popcorn, DoLorean, Photos, EV Fleet
Let's drive towards a sustainable future together!
#BackToTheFuture #EVCharging #SustainableEnergy
AVAILABLE
9
Like
Comment
2
1
Share
Newest
Top fan
Meredith Horner
I love these videos so much.
4w Love Reply Hide
Los Alamos Dept. of Public Utilities
· September 7 ·
UPDATE: Water has been restored as of 5:15 pm. Due to entrai
murky, but it is perfectly safe. We recommend flushing your ta
up faster. Thank you again for your patience.
Los Alamos Dept. of Public Utilities
Published by Julie Williams-Hill
· September 7 ·
Department of Public Utilities reports a major 10 inch water main break in the Pajarito Acres neighborhood. Water will be out for 8 to 10 hours while crews repair and replace the five feet of water main lines. Thanks for your patience.
1 comment
6
Like
Comment
Share
Phillip Noll
thank you for your hard work!
10w Like Reply Hide 2
Dana Bee
Thank you DPU crew!!!! Water is a wonderful thing.
10w Like Reply Hide 2

KUDOS


Los Alamos Dept. of Public Utilities
· July 1 ·
Working for DPU may not have been on our list of dream jobs, but had we all known how rewarding it is, it probably would have been! Here are a few conversation snippets with Administrative, Engineering, Electric Production, and Customer Care Center staff about their paths to and within the Department of Public Utilities.
#PublicUtilities #BestJobs #AndWeHaveSnacks
https://loom.ly/ox4c5k4
WHAT BROUGHT YOU TO THE WONDERFUL WORLD OF UTILITIES?
YOUTUBE.COM
Working for Los Alamos DPU - The Power of the Unplanned Path
3
1
Like
Comment
Share
Newest
Top fan
Barbara Seeger
Thank you. We sometimes take you for granted
2
6w
Love
Reply
Hide


Los Alamos Dept. of Public Utilities
· July 6 ·
Are you ready to kickstart your utility career? We are hiring in our Gas, Water and Sewer Division!
#PublicUtilities #Opportunities #JoinOurTeam #CommunityOwned
#GWSRocks
ladpu.com/jobs
WE ARE H
Gas, Water, Sewer Trainee OR
$22.18 per hour + benefits / Advanc
For more information, go to lad
Join our team!
Learn more
Broad variety of tasks
30
1
2
Like
Comment
Share
Newest
Darryl Tabor
We have an outstanding team of dedicated people who have demonstrated
time and time again that no matter the adverse conditions, we will overcome any adversity to correct the problem
4w
Like
Reply
Hide

From: David North <d@vidnorth.com>
Sent: Tuesday, September 10, 2024 02:06 PM
To: Customer Care <CustomerCare@lacnm.us>
Subject: [EXTERNAL]Thanks To The Water Line Crew

Great job repairing the water line on Piedra Loop on Saturday. The crew was right on top of things all day, working hard on it every time I went by. I'm sure everyone affected appreciates the hard effort.

Meanwhile, it was in La Senda, not Pajarito Acres. One of our developments is missing!

Thanks again,

Dave North

FM 9/26/2

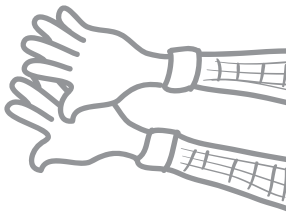
LOS ALAMOS
where discoveries are made

County of Los Alamos
Public Comment Form

Please note: any information you give the County on this comment form becomes a "public record" and could be released under the Inspection of Public Records Act.

Comments: Person #1
Put in an overpass instead of road diet

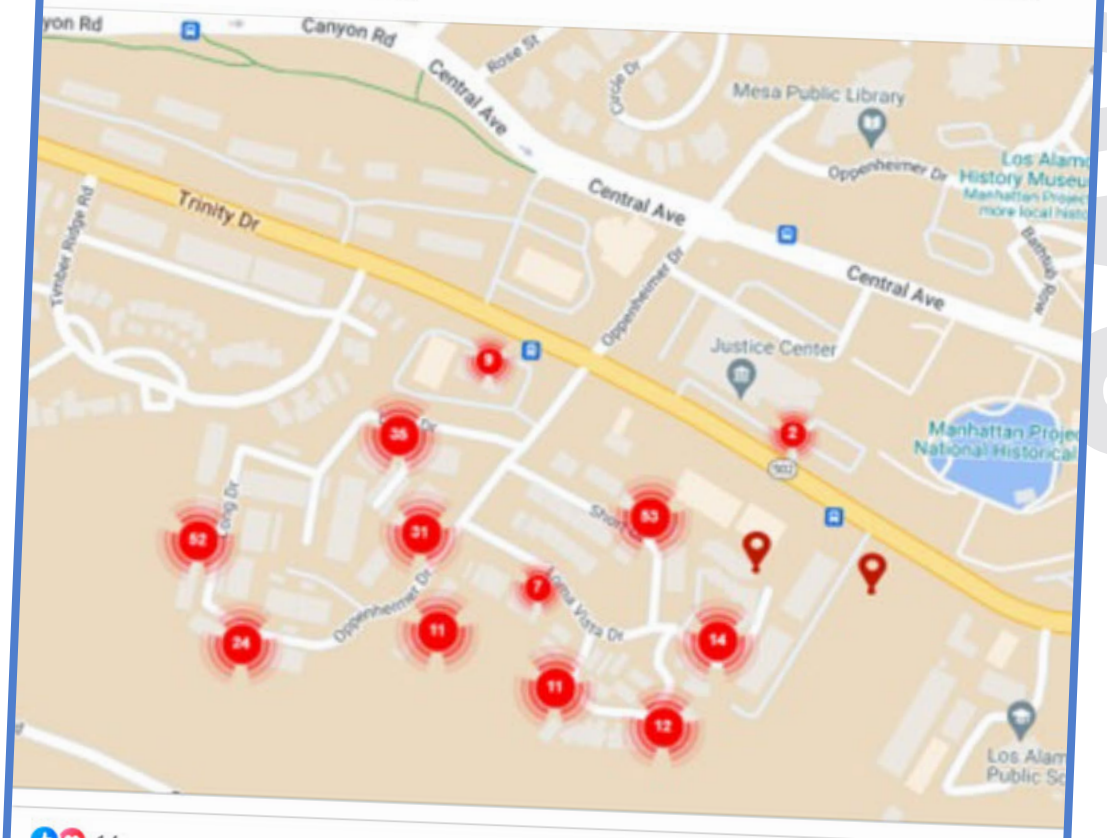
Person #2
Love one consolidated utility bill, a monthly wildlife education insert just the right length
What work is going on


Los Alamos Dept. of Public Utilities's Post

Los Alamos Dept. of Public Utilities

To all who were impacted by today's power outage, your patience was greatly appreciated! Power has been restored to all customers.



14

7 comments

Top fan
Karen Kendall
We have an awesome crew! Thank you ED for getting the lights back on so quickly! You're the best!
2d Like Reply Send message Hide

Janet Lovato
Thank you!
2d Like Reply Send message Hide

Clay Moseley
Yeah, way to go, guys!
2d Like Reply Send message Hide

Karen Salazar
Thank you to the ED Dept, those guys are always making sure the lights stay on!
2d Like Reply Send message Hide
2

A ABBREVIATIONS USED IN DPU REPORTS

ACFR	Annual Comprehensive Financial Report
AMI	Automated Metering Infrastructure
APPA	American Public Power Association
ATC	Around the Clock
BGAL	Billions of Gallons
BPU	Board of Public Utilities
CAP	Climate Action Plan
DG	Distributed Generation
DOE	Department of Energy
DOT	Department of Transportation
DPU	Department of Public Utilities
DW	Water Distribution
DWSRL	Drinking Water State Revolving Loan
ECA	Electric Coordination Agreement
ED	Electric Distribution
EIA	Energy Information Administration
EP	Electric Production
EV	Electric Vehicle
FERC	Federal Energy Regulatory Commission
FER	Future Energy Resources Committee
FY	Fiscal Year
GA	Gas Distribution
GPCD	Gallons Per Capita Daily
GWS	Gas, Water, & Sewer Division*
IRP	Integrated Resource Plan
KGAL	Thousands of Gallons
KWH	Kilowatt Hours
LAC	Los Alamos County
LANL	Los Alamos National Laboratory
LAPP	Los Alamos Power Pool
LARES	Los Alamos Resiliency, Energy & Sustainability Task Force
MCC	Motor Control Center
MCM	Thousands of Circular Mils (wire gauge measurement)
MGAL	Millions of Gallons
MWH	Megawatt Hours

#ABBR

NMED	New Mexico Environment Department
NMGC	New Mexico Gas Company
NMMEAA	New Mexico Municipal Energy Acquisition Authority
NNSA	National Nuclear Security Administration
NP	Non-Potable
NPV	Net Present Value
NPDES	National Pollutant Discharge Elimination System
O&M	Operations & Maintenance
OSE	Office of State Engineer
PEEC	Pajarito Environmental Education Center
PHMSA	Pipeline & Hazardous Materials Safety Administration
PPA	Power Purchase Agreement
PRV	Pressure Regulating Valve
PV	Photovoltaic
RFP	Request for Proposals
SCADA	Supervisory Control and Data Acquisition
SLS	Sewer Lift Station
UAP	Utility Assistance Program
UAMPS	Utah Associated Municipal Power Systems
UM	Utilities Manager
USBR	United States Bureau of Reclamation
USFS	United States Forest Service
WAPA	Western Area Power Administration
WWC	Wastewater Collection
WP	Water Production
WR	White Rock
WRRF	Water Resource Reclamation Facility
WWT	Wastewater Treatment
WWTP	Wastewater Treatment Plant

*Sewer = Wastewater Collection

2024: Jul 1 - Sept 30

Q1 REPORT FY25

Find us on social media!

LOS ALAMOS
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