



County of Los Alamos

1000 Central Avenue
Los Alamos, NM 87544

Minutes

Board of Public Utilities Work Session

*Cornell Wright, Chair; Steve Tobin, Vice Chair;
Eric Stromberg, Stephen McLin and Charles Nakhleh, Members;
Philo Shelton, Ex Officio Member
Steve Lynne, Ex Officio Member
Denise Derkacs, Council Liaison*

Wednesday, August 3, 2022

5:30 PM

Zoom:

<https://us06web.zoom.us/j/81509833643>

REMOTE MEETING

1. CALL TO ORDER

This work session of the Incorporated County of Los Alamos Board of Public Utilities was held on Wednesday, August 3, 2022, via Zoom video conferencing platform. Board Chair Cornell Wright called the meeting to order at 5:30 p.m. BPU members, staff and the public participated remotely. Members of the public were notified of the ability to watch and submit public comment online. The following board members were in attendance:

Present 6 - Members Wright, McLin, Nakhleh, Stromberg, Shelton and Lynne

Absent 1 - Tobin

2. PUBLIC COMMENT

Chair Wright opened the floor for public comment for those items not on the agenda; there was none.

3. APPROVAL OF AGENDA

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

Yes: 4 - Board Member Wright, Board Member McLin, Board Member Nakhleh and Board Member Stromberg

Absent: 1 - Board Member Tobin

4. BUSINESS & PRESENTATIONS

- 4.A. [15887-22](#) Quarterly Update on Utility System: Electric Production - Hydroelectric Facilities

Mr. Garcia opened by stating that there would be two presentations: Electric Production Hydroelectric Facilities Asset Management and a briefing on Electric Production

Operations.

Both presentations provide a high level overview of the Electric Production operation and power generation assets. The Department of Public Utilities operates and manages the electric production assets to serve its customers with affordable, reliable and safe electric service. This is accomplished through multiple contracts, a mix of power generation resources along with the transmission and the distribution system network to serve our customers.

The assets include the San Juan Generating Station near Farmington New Mexico operated by the Public Service Company of New Mexico and the Laramie River Station located in Wheatland Wyoming operated by Basin Electric Power Cooperative. The County owned and operated renewable assets include the Solar PV array and hydroelectric facilities at the Abiquiu and El Vado reservoirs located in Northern New Mexico.

Mr. Garcia introduced Mr. Adam Cooper, Hydroelectric Plant Supervisor. Mr. Cooper provided an annual update of the hydroelectric facilities at the Abiquiu and El Vado reservoirs located in Northern New Mexico. He also provided a copy of his presentation in the meeting packet. The following items were discussed in greater detail:

1. Facilities Overview
2. Hydro Plants Operations
3. Asset Management
4. 10 Year Capital Improvement Plan
5. Federal Partners Projects
6. Performance Metrics
7. Future Concerns

Mr. Cooper and Mr. Garcia responded to board member inquiries and provided clarifying information as appropriate. Chair Wright opened the floor for public comment; there was none.

Mr. Garcia then presented the annual briefing of the Electric Production Operations. A copy of his presentation was included in the meeting packet. Mr. Garcia covered these topics in greater detail:

1. LAC Approved Resources
2. LANL's Approved Resources
3. Load Forecasts & Generation Resource/Options
4. CY2020 Blended Cost of Power
5. Performance Metrics
6. Summary of Energy Imbalance Market
7. Back Office & Month End Invoicing
8. Electric Coordination Agreement
9. Transmission
10. County Gas Supply
11. Resource Planning Challenges
12. Staffing Challenges

Mr. Garcia responded to board member inquiries and provided clarifying information as appropriate. Chair Wright opened the floor for public comment; there was none.

RECESS from 7:43 - 7:53 pm

4.B. [15801-22](#) Quarterly Update on Utility System - Electric Distribution

Mr. Marez presented an update to the 2021 Electric Distribution Condition Assessment. A copy of his presentation was included in the meeting packet. The update provided the strategy for operating and maintaining the electric distribution system for Los Alamos and White Rock, and provided an overview of O&M and Capital needed to provide safe and reliable electric utility services. The following topics were discussed in greater detail:

1. FY22 Achievements
2. FY22 Budget Variances
3. FY23 Capital Projects Budget
4. Active Projects
5. O&M Projects
6. Ongoing Action Items
7. O&M Goals
8. Challenges
9. System Management
10. Estimated Cost of Replacements
11. Overhead Maintenance
12. System Reliability
13. Priority List of Projects
14. Future Budget Needs

Mr. Marez responded to board member inquiries and provided clarifying information as appropriate. Chair Wright opened the floor for public comment; there was none.

5. PUBLIC HEARING(S)

5.A. [CO0643-22-b](#)

**Incorporated County of Los Alamos Code Ordinance No. 02-329;
An Ordinance Amending Chapter 40, Article III, Sections 40-151,
and 40-152 of the Code of the Incorporated County of Los Alamos
Pertaining to Gas Service Rates.**

Chair Wright stated that this public hearing was originally scheduled for July 20, 2022. However, due to County-wide internet issues on that date, the hearing was rescheduled for August 3rd. Ms. Garcia provided a brief update of Code Ordinance 02-329, which was introduced to the Board of Public Utilities at their regular meeting of June 15, 2022. The proposed increases are expected to generate, in Gas Distribution, \$229,280; \$391,535; \$568,830; and \$662,083 for FYs 23, 24, 25, and 26 respectively. A list of Frequently Asked Questions regarding the proposed gas rate adjustment is posted on the website at:

https://www.losalamosnm.us/government/departments/utilities/rates___fees,
and an updated copy is **attached** to these minutes.

Ms. Garcia also provided the following documents in the meeting packet:

- A - Code Ordinance 02-329 - Gas Rates
- B - Rate Comparisons to Neighboring Communities
- C - Revenue, Expenses, and Cash Balances Graphs FY2023 - FY2032
- D - Summary of Proposed Gas Rate Increases
- E - Publication Notice
- F - Frequently Asked Questions
- G - 2022 Gas Rate Increase Presentation

Ms. Garcia responded to board member inquiries and provided clarifying information as appropriate. Chair Wright opened the floor for public comment; there was none.

Member Nakhleh moved that the Board of Public Utilities approve Incorporated County of Los Alamos Code Ordinance No. 02-329; An Ordinance Amending Chapter 40, Article III, Sections 40-151, and 40-152 of the Code of the Incorporated County of Los Alamos Pertaining to Gas Service Rates and forward to Council for adoption. The motion passed by the following vote:

Yes: 4 - Board Member Wright, Board Member McLin, Board Member Nakhleh and Board Member Stromberg

Absent: 1- Board Member Tobin

6. ADJOURNMENT

Chair Wright opened the floor for public comment on any item; there was none.

The meeting adjourned at 8:57 pm

APPROVAL

Board of Public Utilities Chair Name

Board of Public Utilities Chair Signature

Date Approved by the Board