



# **Presentation to County Council**

Robert Gibson, Chair  
July 14, 2026

# Board Members



<u>Member</u>	<u>Position</u>	<u>Term Ends</u>
Robert Gibson	Chair	2028
Matt Heavner	Vice Chair	2031
Jennifer Hollingsworth	Member	2029
Charlie Nakhleh	Member	2027
Eric Stromberg	Member	2030

# Senior Management



Philo S. Shelton, III  
Utilities Manager

## Deputy Utility Managers



James  
Martinez  
Engineering  
Division



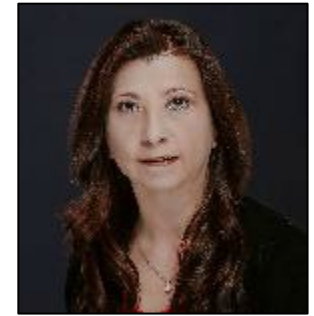
Ben  
Olbrich  
Electric  
Production



Dennis  
Astley  
Electric  
Distribution



Clay  
Moseley  
Gas, Water  
and Sewer  
Services



Joann  
Gentry  
Finance and  
Administration

# DPU from 100,000 ft.

- Department scope:
  - provide electricity, natural gas, water, and wastewater services;
  - 107.65 employees; \$95M FY27 budget.
- Basic responsibility: keep the lights on and all fluids flowing when and where they should.
- Routine operations and maintenance are by far the largest part of DPU's job.
- This report focuses on current and future major challenges.



# Wastewater

- No major issues; routine repairs and replacements are on-going
- More uses for non-potable effluent water could require more pipelines
- Blockages and back-ups
- PFAS litigation



# Water

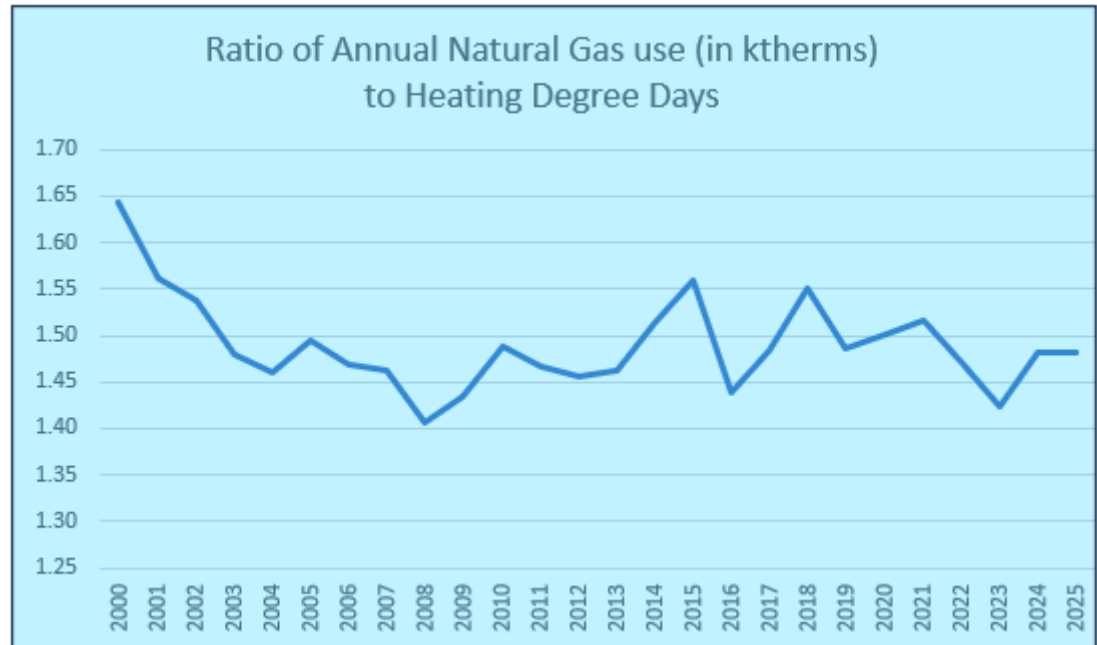
- Water rights and usage (past, present, and projected), Los Alamos County and LANL
- PM-3 out of service / Cr Plume
- Potential new well into SJ-C water
  - Federal funding needed
  - Agreement w/DOE needed
- Distribution system in good condition
- PFAS Litigation

*(Insert Water Usage Chart)*



# Natural Gas

- System in good condition
- Elk Ridge neighborhood addition *(Update w/ current info)*
  - Physically complete; new system operational
  - Legal and financial issues outstanding
- Goal: Phase out NG by 2070;
  - Milestone: 10% reduction by 2030
  - Little progress →
  - Focus on new construction
  - Continue education for existing properties



# Electric - Supply

- ECA Follow-on (*Update w/ present status*)
- Demand projections (LARES and B&M): 2-3X current use
- Goal: Carbon-neutral electrical provider by 2040
- Foxtail Flats
  - Solar: 170 MW solar @ \$37.88 / MWh
  - Storage: 320 MWh @ \$110.96 / MWh
  - Construction status and schedule (*Update to most current*)
  - Business Plan development to follow ECA approval
- Other potential carbon-free sources and storage
- IRP (Integrated Resources Plan) with dynamic updating
- Extended Day Ahead Market (EDAM ) – Fall 2027

{ 20 yr. fixed cost (no escalator)  
Present avg. cost ~\$75/MWh

# Electric - Transmission

- National and NM problem
- Third transmission line into LA County
  - Any 2 of 3 lines can fully supply LAC and LANL
  - Construction status and schedule (*Update to most current*)

# Electric - Distribution

- Current system reliable, but aging
- “Plug-In Solar” policy to be developed
- Renewal over next 20-30 years
  - Goals: extend lifetime, increase reliability, increase capacity
  - Current projects: LASS, WR Substation, WR-LANL tie-line
  - Near-term projects: improve system models, EA-4 feeder line rebuild
  - Long-term projects: increase conductor and transformer capacity
  - Additional underground?



# Organizational Challenges

- Financial

- Rate hike drivers: inflation (>CPI), compliance, catching up
- Scrubbing of costs needed
- Review of reserve policies in progress (*if it is by meeting date*)

- Hiring

- 7 current vacancies (*Update to current at meeting date*)
- Acute in Electric Distribution
- Adds stress to current staff



# Questions?

**Robert Gibson, Chair**  
**Board of Public Utilities**  
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**DPU Quarterly Report**  
<https://ladpu.com/FY26Q3>

**LOS ALAMOS**  
Department of Public Utilities

Electric, Gas, Water, and Wastewater Services