



Department of Public Utilities

Electric, Gas, Water, and Wastewater Services

Frequently Asked Questions

Water Rate Ordinance

How much are water rates increasing?

The Department of Public Utilities (DPU) is proposing water rate increases covering a two-year period to be approved by the Board of Public Utilities and adopted by the County Council.

Additional revenue is needed to support current operations and build cash reserves required for future infrastructure needs. During the FY2027 and FY2028 budget cycle, it was determined that revenues generated would need to increase by 8% each year to maintain adequate fund balances per the DPU financial policies.

This results in the following rate adjustments:

Proposed service charge per month

Residential, Multifamily, Commercial, County & Schools

Water Meter Size	Current	After 9/30/2026	After 9/30/2027
1-inch & under	\$16.69	\$18.03	\$19.47
1.5 inch	\$52.86	\$40.57	\$43.81
2 inch	\$78.89	\$72.12	\$77.88
3 inch	\$155.68	\$162.27	\$175.23
4 inch	\$265.10	\$288.48	\$311.52
6 inch	\$559.63	\$649.08	\$700.92
8 inch	\$924.64	\$1,153.92	\$1,246.08
10 inch	-	\$1,803.00	\$1,947.00
12 inch	-	\$2,596.32	\$2,803.68

Administrative Office

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Proposed consumption charge per 1,000 gallons

Customer class	Consumption date	Non-peak season (Oct-Apr)	Peak season (May-Sept)		
		all consumption	<= 9,000 gal	9,001 -15,000 gal	> 15,000 gal
Single-family residential	Current	\$7.53	\$7.53	\$8.28	\$9.10
	After 9/30/2026	\$8.13	\$8.13	\$8.94	\$9.84
	After 9/30/2027	\$8.78	\$8.78	\$9.66	\$10.62
Multi-family residential	Current	\$7.53	\$7.53	\$7.53	\$7.53
	After 9/30/2026	\$8.13	\$8.13	\$8.13	\$8.13
	After 9/30/2027	\$8.78	\$8.78	\$8.78	\$8.78
Commercial	Current	\$7.53	\$7.53	\$7.53	\$7.53
	After 9/30/2026	\$8.13	\$8.13	\$8.13	\$8.13
	After 9/30/2027	\$8.78	\$8.78	\$8.78	\$8.78
County & Schools	Current	\$7.53	\$7.53	\$7.53	\$7.53
	After 9/30/2026	\$8.13	\$8.13	\$8.13	\$8.13
	After 9/30/2027	\$8.78	\$8.78	\$8.78	\$8.78

Why do we need these water increases and what do they cover?

To keep DPU's water pumping and delivery system resilient and sound, DPU has planned future capital projects. These projects are essential to ensure:

- A sufficient water supply to meet customer demand, including increased needs at LANL and new housing in both White Rock and Los Alamos townsite.
- Infrastructure that supports fire suppression,
- Repair and replacement of aging infrastructure to reduce leaks and water main breaks,
- Continued delivery of safe, high-quality drinking water that meets all federal and state health standards.

In addition, in 2016 the Board of Public Utilities adopted financial policies requiring each utility fund to maintain healthy cash reserves. These reserves help ensure DPU can meet daily operational needs, cover system retirement obligations, manage debt service, and respond to unexpected equipment failures or external disruptions.

Where can I find the draft ordinance?

The draft ordinance, along with additional information, is available on the DPU website at

<https://ladpu.com/rates>

What is the process for raising the water rates?

The BPU will hold a public hearing on August 19 at 5:30 pm in the Council Chambers at 1000 Central Ave., Los Alamos, NM, and via Zoom. If the BPU approves the ordinance, it will be introduced at the August 25 County Council meeting. The Council will then hold a public hearing to consider adoption at the September 29 council meeting in Council Chambers. The following link will allow public access to both meetings: <https://ladpu.com/ratehearing>

When will these rates take effect?

The proposed ordinance states that the increases will go into effect after each “peak” season. The peak season for Los Alamos and White Rock runs from May through September of each year. Therefore, these rates will take effect on October 1st of each proposed year.

There were several recent breaks to waterlines, has the DPU neglected the water infrastructure?

Over the past 3 years, DPU has invested in operations, maintenance and capital improvements, comprising \$4,205,098 in the water distribution system and \$23,380,819 in the water production system. However, maintaining our infrastructure is an ongoing process. DPU has carefully prioritized the water capital improvement projects by identifying areas with the greatest need that impact the most customers. This includes replacement needs for waterlines that experience frequent breaks. For the next 5 years, DPU plans to reinvest \$19,330,00 in water production infrastructure and \$4,355,000 in water distribution infrastructure.

Should we abandon water conservation programs and education since the result is less revenue for DPU, therefore causing rates to go up?

Water conservation efforts in every community naturally reduce the amount of revenue water providers receive. However, many of DPU's costs are fixed. Regardless of how much water is sold, DPU must maintain and operate wells, pump stations, and pipelines, and ensure we have the staff needed to keep the system functioning safely and reliably. If water consumption drops to the point where revenue no longer covers these fixed costs, DPU—like other water utilities—must raise rates to continue providing service.

Because water conservation is essential, we continue to encourage everyone to be good stewards of our natural resources. The Office of the State Engineer has allocated 5,541.3 acre-feet of water rights per year to Los Alamos County and the Department of Energy. If the County wishes to support new housing and economic development, we must all use water wisely to stay within this limit.

DPU also has a conservation goal of reducing water consumption by 12% by 2030. Additionally, the department has benefited from low-interest loans and grant programs that require conservation plans and rate structures—such as the County's current tiered water rates—that promote efficient water use.

What if these increases are not approved?

If the rate increases are not approved, DPU will need to reduce expenses, which would likely include delaying critical capital projects. Postponing this work will accelerate the deterioration of system infrastructure and ultimately result in a less reliable water utility.

How do these rates compare with other communities?

The following is an example of a residential customer (single-family home) with a 1-inch water meter. Cells in orange represent the proposed rate increases.

Community	Gallons Consumed Non-Peak Season	Monthly Bill
Los Alamos Current Rate	6,000	\$61.87
Los Alamos Proposed Rate FY27	6,000	\$66.81
Los Alamos Proposed Rate FY28	6,000	\$72.15
Santa Fe County	6,000	\$82.06
City of Santa Fe	6,000	\$60.47
Espanola	6,000	\$49.74

Community	Gallons Consumed Peak Season*	Monthly Bill
Los Alamos** Current Rate	14,000	\$125.86
Los Alamos** Proposed Rate FY27	14,000	\$135.90
Los Alamos** Proposed Rate FY28	14,000	\$146.79
Santa Fe County**	14,000	\$177.18
City of Santa Fe**	14,000	\$171.59
Espanola	14,000	\$84.78

*Month of August was used for the peak season comparison.

** Tiered or seasonal rates apply for this jurisdiction

Is there any assistance for individuals on fixed incomes?

DPU maintains a Utility Assistance Program to aid qualified low-income residential families. More information and the application are available at <https://ladpu.com/assist>.

DPU recognizes that even a small increase in a utility bill can significantly affect customers who are facing unexpected hardships, living on fixed incomes, or struggling financially to meet basic expenses. If you are having difficulty paying your utility bill, we'd like to help! Thanks to the voluntary contributions of our generous community and customers, we offer financial assistance to eligible households through our Utilities Assistance Program (UAP).

Customers may contact the Customer Care Center with questions about the application or to donate to the program by calling 505-662-8333 or emailing CustomerCare@lacnm.us.

Other programs available to assist customers' utility bills are:

- LA Cares, 505 661 8105
- Self-help, Inc, 505 662 4666.
- NM Low Income Energy Assistance Program (LIHEAP) (assists with energy bills), 505-753-2271.