

**CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MONDAY, JANUARY 10, 2021**

AGENDA

REGULAR MEETING

Regular meeting of the Public Utility Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, January 10, 2022 at 3:30 pm.

CALL TO ORDER

ROLL CALL:

George Szigeti, Chairman
Jeff Dornbusch, Vice-Chairman
Ron Pacourek, Member
Gil Avelar, Member
Don Armijo, Member

1. APPROVAL OF AGENDA

2. APPROVAL OF MINUTES:

- a. Regular meeting of December 20, 2021.

3. COMMENTS FROM THE PUBLIC: (3 Minute rule applies)

4. OLD BUSINESS:

- a. Discussion/Action: Recommendation of Amendments to Ordinance No. 664 – Customer Generated Renewable Energy. George Szigeti, Chairman

5. REPORTS FROM THE BOARD

6. REPORTS FROM STAFF

7. ADJOURNMENT

**CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MONDAY, DECEMBER 20, 2021**

MINUTES

REGULAR MEETING

Regular meeting of the Public Utility Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, December 20, 2021 at 3:30 pm.

CALL TO ORDER:

The meeting was called to order by Chairman Szigeti.

ROLL CALL:

George Szigeti, Chairman
Jeff Dornbusch, Vice-Chairman
Ron Pacourek, Member
Gil Avelar, Member
Don Armijo, Member

ALSO PRESENT:

Bruce Swingle, City Manager
Traci Alvarez, Assistant City Manager
Bo Easley, Electric Department Head
Sonya Williams, Utility Department Manager
Jesse Cole, Water/Wastewater Department Head
Dawn C. Barclay, Deputy City Clerk

1. APPROVAL OF AGENDA:

Vice-Chairman Dornbusch made a motion to approve the agenda. Member Pacourek seconded the motion. Motion carried unanimously.

2. APPROVAL OF MINUTES:

- a. Regular meeting of November 15, 2021.

Member Pacourek made a motion to approve the November 15, 2021 minutes. Chairman Szigeti seconded the motion. Motion carried unanimously.

3. COMMENTS FROM THE PUBLIC:

Ariel Dougherty – Presented her opinion based on her submitted handout to the board, which has been made part of these minutes.

Ron Fenn – Presented his opinion based on his submitted handout to the board, which has been made part of these minutes.

Willow Sage Dixon - Voiced her concerns in regards to the City solar production restrictions.

Jesus Escalera - Energy Consultant for Rocky Solutions, expressed he was in favor of Ron Fenn’s opinions and thought the City needed to take those ideas into consideration when making the recommendations for Ordinance No. 664.

Jon Biemer – Presented a handout to the board. Trying to stay within his 3 minutes, he spoke about his “Conclusions” that were stated in his handout which has been made part of these minutes.

4. OLD BUSINESS:

a. Discussion/Action: Recommendation of Amendments to Ordinance No. 664 – Customer Generated Renewable Energy. George Szigeti, Chairman

Chairman Szigeti began discussing the results from his meeting with Hank Adair, Head of Electric Department, for Farmington, NM, sharing his suggestions to revamp the proposal for Ordinance No. 664. Some of the topics discussed in detail were;

- Bateman Act.
- Procurement Codes.
- Calculating refunds on a yearly basis, true-up after the December billing, this will help offset summer usage.
- Cap on refund for each month’s usage. (\$20.00)
- Large utility companies were not addressed in the original proposal.
- Discussed “Voided Costs”.
- Discussed Sierra Electrics calculation formula.
- City Manager Swingle reminded the board, to keep in mind the Anti-Donation Clause issue.

Chairman Szigeti noted after the motion, he will redraft Ordinance No. 664 and he will present it back to the Public Utility Advisory Boards at the next meeting.

Chairman Szigeti made a motion to reformat Ordinance No. 664 to accommodate these said changes; to place all solar customers in the same category, to pay the “Avoided Cost” for their net production and to pay the “Avoided Cost Rule” on an annual basis. Member Pacourek seconded the motion. Roll call vote was taken.

Don Armijo, Member – Voted Aye

Gil Avelar, Member – Voted Aye

Ron Pacourek, Member – Voted Aye

Jeff Dornbusch, Vice-Chairman – Voted Aye

George Szigeti, Chairman – Voted Aye

Motion passed in favor, with a 5 to 0 vote.

5. NEW BUSINESS:

- a. **Discussion/Action: Reschedule the Public Utility Advisory Board's Regular Meeting for January 2022 due to Federal Holiday.**

The board discussed and agreed to move the meeting date to Monday, January 10, 2022 at 5:30pm in recognition of Martin Luther King, Jr. Day.

Member Pacourek made a motion to change the regular meeting time for the Public Utility Advisory Board to Monday, January 10, 2022, at 3:30 pm. Chairman Szigeti seconded the motion. Motion carried unanimously.

6. REPORTS FROM THE BOARD:

Chairman Szigeti – Spoke about the Utility Rates from Farmington, NM, and the tier system they currently have in place.

Member Pacourek – Read part of a description from the "Public Utilities Advisory Board" duties/requirements section. He focused on the use of the words "rates" and "fees". He felt the words were being used loosely and would like to see the words be used in their proper format.

7. REPORTS FROM STAFF:

Traci Alvarez, Assistant City Manager – Provided an update to Wilson & Company. They have completed the Municipal Water PER for the entire water system. Ms. Alvarez noted, the file is too large to email. Ms. Alvarez will advise Ms. Barclay when the report has been uploaded to the City website, so Ms. Barclay can forward the link to the Public Utility Advisory Board members for their review. Wilson & Company will be providing detailed updates at the second City Commission meeting on January 26, 2022. She encouraged the board to listen to the City Commission meeting and if they had any questions regarding the report given by Wilson & Company, to please call or email her.

8. ADJOURNMENT:

There being no further business to come before the Public Utility Advisory Board, Chairman Szigeti made a motion to adjourn the meeting. Member Pacourek seconded the motion. Motion carried unanimously. The meeting was adjourned.

PASSED AND APPROVED ON THIS 10th DAY OF JANUARY 2022.

George Szigeti, Chairman
Public Utility Advisory Board

ORDINANCE NO. 664

AN ORDINANCE OF THE CITY OF TRUTH OR CONSEQUENCES, PROVIDING THAT THE CODE OF ORDINANCES, CITY OF TRUTH OR CONSEQUENCES, BE AMENDED BY AMENDING SECTION 14-48 PERTAINING TO THE CUSTOMER GENERATED RENEWABLE ENERGY PROGRAM:

Sec. 14-48. Customer generated renewable energy program shall be amended in its entirety to read as follows:

a) CUSTOMER GENERATED RENEWABLE ENERGY PROGRAM

1) Overview

a. The City of Truth or Consequences (City) Customer Generated Renewable Energy Program is available to any City electric customer, residential or commercial, that installs a qualified renewable energy system and has it interconnected to the City's power grid. A Qualifying Facility means a cogeneration or a small power production facility which meets the criteria for qualification contained in 18 C.F.R. Section 292.203, or such other criteria as may be reasonably prescribed by rule by the City. Application is to be made to the Electrical Department Manager. Blank application copies can be obtained from the electrical department or on the City website. All supporting technical, design and support documentation for the interconnection application must be submitted in writing via hard copy or electronic format. Review and approval of system design and size will be per the T or C Electrical Department and permitted through the Planning & Zoning Department and must conform to:

i. The standards and procedures as described in Rule 17.9.568 NMAC and the most recent version of the New Mexico Interconnection Manual as approved by the Public Regulatory Commission.

ii. Provisions of Sec. 14-33, tampering with meters, of the City of Truth or Consequences, existing municipal code.

b. The City reserves the right, but not the duty, to inspect any system to ensure the system complies with all existing regulations.

c. The City reserves the right to deny interconnection for non-compliant systems. Denial of a customer's interconnection application can be appealed to the City's Electric Department Manager. The appeal must specifically explain the basis of the appeal. If the City's Electric Department Manager denies the appeal, the customer may appeal to the City Manager. If the City Manager denies the appeal, the customer may appeal to the City Commission. In such event, the procedure shall be in accordance with the rules applicable to 14-30 (e) appeals.

2) Applicability

- a. This ordinance applies to any customer of the City of Truth or Consequences Electric Department that installs a solar, wind or other renewable energy system to generate electricity for onsite use, with the intent of reducing their electric bill.
- b. This ordinance does not apply to any entity that installs a deliberately over-sized system with the intent of selling the overage to the Electric Department or any other entity.

3) Metering

- a. Customers participating in the customer generated renewable energy program will be billed monthly from a bi-directional or net main meter at the specific facility or residence. The monthly bill will reflect a net reading which will show customer usage in excess of customer generation as positive kWh, or customer generation in excess of customer usage as negative kWh. The customer will be billed per existing City of Truth or Consequences municipal code Sec. 14-43 for installation of the net meter by the City and those costs will be billed to the customer on the first billing cycle post net meter installation.

4) Rates

- a. Residential and small non-residential installations.
 - i. Definition: This category includes systems of any size supporting a single family home, a single dwelling unit in a multifamily structure with its own electric meter, or any non-residential system with a generating capacity less than or equal to 10 kilowatts.
 - ii. Customers will be billed for service in accordance with the rate structure and monthly service charges that the customer would be assigned if the customer had not interconnected a qualifying facility.
 - iii. Customer kilowatt hour generation will be used to displace a customer's own kilowatt hour consumption.
 - iv. If electricity supplied by the City exceeds the electricity generated by the customer during a billing period, the customer will be billed for the net energy supplied by the City under the applicable rate.
 - v. If electricity generated by the customer exceeds the electricity supplied by the City during a billing period, the City will credit the customer on the next billing cycle for the excess kWh generated at the average wholesale cost paid by the electric department.

vi. Each year, at the January billing, any credit in excess of \$20.00 on the customer's account after current charges are paid shall be refunded to the customer. If the credit amount is less than \$20.00, the credit will be carried over to the next billing cycle.

vii. In the event a customer disconnects from the City's system with a credit for excess production, the City will pay the customer for all credits. This amount will be first deducted from the customer's final utility bill and then from any additional fees or fines that the customer owes to the City. Any remaining balance will be reimbursed to the customer by check or electronic transfer.

b. Large non-residential installations.

i. Definition: This category includes systems with a generating capacity greater than 10 kilowatts that support a non-residential facility.

ii. Customers will be billed for service in accordance with the rate structure and monthly service charges that the customer would be assigned if the customer had not interconnected a qualifying facility.

iii. Customer kilowatt hour generation will be used to displace a customer's own kilowatt hour consumption.

iv. If electricity supplied by the City exceeds the electricity generated by the customer during a billing period, the customer will be billed for the net energy supplied by the City under the applicable rate.

v. If electricity generated by the customer exceeds the electricity supplied by the City during a billing period, the City will credit the customer on the next billing cycle for the excess kWh generated at the average wholesale cost paid by the electric department.

vi. Each year, at the January billing, any credit in excess of \$20.00 on the customer's account after current charges are paid shall be refunded to the customer. If the credit amount is less than \$20.00, the credit will be carried over to the next billing cycle.

vii. In the event a customer disconnects from the City's system with a credit for excess production, the City will pay the customer for all credits. This amount will be first deducted from the customer's final utility bill and then from any additional fees or fines that the customer owes to the City. Any remaining balance will be reimbursed to the customer by check or electronic transfer.

c. The average wholesale cost of electricity shall be calculated annually and is defined as the total number of kilowatt hours purchased by the electric department in a given fiscal year divided by the total cost of the electricity, including demand charges, transmission costs and GRT.

d. The monthly Customer Fee for cogenerating customers will be as follows:

Residential:	\$10.00
Small Commercial 1 Phase	\$12.00
Small Commercial 3 Phase	\$14.00
Large Commercial 1 Phase	\$25.25
Large Commercial 3 Phase	\$27.50

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS. CITY COMMISSIONERS OF THE CITY OF TRUTH OR CONSEQUENCES:

Section 1. All Ordinances or Resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This Repealer shall not be construed to revive any Ordinance or Resolution or part thereof, heretofore repealed.

Section 2. This Ordinance shall take effect on the _____ day of 2021.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2021.

CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO

**BY: _____
Sandra Whitehead- Mayor**

**ATTEST: _____
Angela A. Torres- City Clerk**