

**CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MONDAY, JULY 19, 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, July 19, 2021 at 5:30 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 June 21, 2021.

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

4. OLD BUSINESS:

- a. Discussion/Action: Recommendations of Final Changes to Ordinance 664.

5. NEW BUSINESS:

- a. Discussion/Action: Re-organization of Chairman and Vice-Chairman.

6. REPORTS FROM THE BOARD

7. REPORTS FROM STAFF

8. ADJOURNMENT

**CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MONDAY, JUNE 21, 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, June 21, 2021 at 5:30 pm.

CALL TO ORDER

ROLL CALL:

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

ALSO PRESENT:

Bruce Swingle, City Manager
Bo Easley, Electric Department Director
Sonya Williams, Utility Office Manager
Dawn C. Barclay – Deputy City Clerk

1. APPROVAL OF AGENDA:

Member Pacourek made a motion to approve the agenda. Member Armijo seconded.
Motion carried unanimously.

2. APPROVAL OF MINUTES:

- a. Regular meeting of May 17, 2021.
- b. Workshop meeting of June 14, 2021.

Member Armijo made a motion to approve the minutes with correction noted by Chairman Szigeti.
Member Pacourek seconded. Motion carried unanimously.

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

Ariel Dougherty – Addressed the board in person. She was unclear how the board was going to move forward with the adopted changes to Ordinance 664. She also voiced her concern for the following; \$8 fee on utility bills, overcharge of .04 cents and the cost of the new transformers. She mentioned some benefits the solar citizens provide to the city. She also objects to the re-appointment of the current board members and voiced her concern about discrimination.

Ron Fenn – Addressed the board in person. He began reading his provided handout which was made part of the agenda packet referred to as “Modified Contract Agreement with City of Truth or Consequences Utility Department” also addressing the “15 points” handout referring to the format for the City utility bill.

4. NEW BUSINESS:

a. Discussion/Action: Recommendation of Re-appointment for Don Armijo.

Member Pacourek made a motion to approve the re-appointment of Don Armijo. **Chairman Szigeti** seconded the motion. Motion carried unanimously.

b. Discussion/Action: Recommendation of Re-appointment for Gil Avelar.

Chairman Szigeti made a motion to approve the re-appointment of Gil Avelar. **Member Pacourek** seconded the motion. Motion carried unanimously.

c. Discussion/Action: Recommendations for Proposed Changes to Ordinance 664.

Chairman Szigeti - Recapped the changes from the Workshop. Under state law Municipalities do not have the right to restrict the construction of a solar facility on private property. He also stated It is very difficult to accurately predict what a 90% usage would be for a given customers bill and the formula being currently used is oversizing the systems. He proposed that the City adopt the same procedure that Sierra Electric is currently using to bill their solar customers. They reimburse kilowatt hour, per kilowatt hour for the energy they consume in a particular month. Sierra Electric pays .02 cent (+) per kilowatt hour for excess production. His suggestion is to reimburse at .05 cent per kilowatt hour for that extra production on a monthly basis.

Member Pacourek – Commented on Chairman Szigeti’s statement by saying there would be an added burden to the Utility Office to print reimbursement checks every month. He also would like to see an option to use the credit on an as needed basis. In addition, he would like to have the option to request a check once a year for unused credit.

Member Armijo – Asked the board if there is a reference anywhere in the State Statute about the size of system that can be installed. He also stressed to the board his concern about a customer installing a

system consisting of several acres and becoming a business with no limitations as to the size of unit installed on the property.

Chairman Szigeti - Acknowledged Member Armijo's concern by saying it is something they have to keep in mind. He also brought up the fact about the State Law which says there is a permit up to 10 watts and anything over that limit does require a more in-depth permit.

Member Armijo – Elaborated on his suggestion that any credits earned must be used within a year. He also asked Sonya Williams, Utility Office Director if she had a time of completion for the utility bill format upgrade. Ms. Williams replied it would be sometime after the fiscal year.

Chairman Szigeti made a motion to red line Ordinance 664 along with consulting with the City Attorney before bringing back to the Public Utility Advisory Board's next scheduled meeting. Member Armijo seconded the motion. Motion carried unanimously.

5. REPORTS FROM THE BOARD:

Chairman Szigeti reported the City Commission voted 4 to 1 against reducing the meter reading fee. It will remain at \$50. He reminded that the board the Utility Department's reports will be made available at the July meeting. Chairman Szigeti suggested that PUAB members be included on the same notification list as the City Commissioners regarding city Utilities matters.

6. REPORTS FROM STAFF:

Bruce Swingle, City Manager – Stated there is a meeting set up with the AG's Office who will advise the City on rights regarding the \$50 meter reading charge.

7. ADJOURNMENT

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

PASSED AND APPROVED ON THIS 19th DAY OF JULY 2021.

George Szigeti, Chairman
Public Utility Advisory Board

Modified Contract Agreement with City of Truth or Consequences Utility Department.

I, Ronald W Fenn, a man, in response to the non-negotiated, unilateral changes of my contract with the City of Truth or Consequences for Electrical Service herein adjust and modify my Contract Terms.

Whereas there has existed a tacit contract: "purchase for services" between the parties for more than twenty years without default or failure to pay and

Whereas a new agreement for Co-Generation has been in force since June of 2019, that provides mutual benefit to myself and the City,

Whereas the recent "smart-meter" program was not negotiated in "good faith" or with "full-disclosure" to the community "owners of the utility" for which the entity exists and the denial of a legally required election for a Initiative Moratorium Ordinance per NM Stat § 3-14-18 (2019),

Whereas harm, both real and theoretical exists in the technology including: fire hazard, radio frequency radiation health effects, surveillance features which violate the Constitutionally protected right to security and sanctuary of ones home and for potential problems related to cybersecurity hacking,

Whereas in the case of Co-Generation where power supplied to the City exceeds that purchased from the City, no extraordinary measures or policies can or need be shown to be beneficial when self reading and reporting for accounting purposes is offered and proven effective,

Whereas under the terms set forth in Ordinance 664, (currently under review for violation of the Solar Rights Act [47-3-1 to 47-3-5 NMSA 1978] no requirement for account "settlement" prior to discontinuance of the service defers compensation to some future time and at some undetermined rate leaves the substantial capital investment in my solar generation facility in limbo

Whereas there has not been shown another need or requirement for "metering" other than for providing billing and accounting data, no extreme measures need be taken when such information is otherwise provided,

Therefore: I will only conditionally accept your offer of a fee exceeding that already in the monthly Service Fee as long as it is waived each month the utility department receives a date stamped photo record, emailed to the utility office each month on a mutually determined day and frequency, showing electric usage, also that the City's sends no one out to read the meter when such record is provided, unless meter tampering or other violation of the City's equipment is reasonably suspected or annual verification is required. Further, just as compensation is deferred, the punitive fee, if any shall only be collected upon the final settlement of the Electric Utility account. Credit already removed from this account to date shall be restored pursuant to this agreement. This is my conditional acceptance to your contract offer.

Signed _____

Dated _____

Account # 2006-03625-00

☐ Accepted ☐ Denied Date: _____

City Manager: _____ Utility Manager: _____

Print Name: _____

To insure accurate and verifiable customer billing, City Utilities need to provide proper Invoices with Itemized charges. To accomplish this the following need to be changed or incorporated in the Utility Bill.

1. Dates of Meter Reading or Data capture both Previous and Current.
2. Service Month needs to be recorded, and needs not include days as the Service charge is not adjusted or pro-rated by the actual number of service days reflected in the billing month.
3. Actual Days between reading or capture dates needs to be supplied which can be automatically calculated by the computer subtracting "Previous" from "Current" dates.
4. Service Charges must be removed from rate calculations and Itemized accordingly.
5. Rates must be shown with each utility and usage to assist customer in verifying and reconciling their bills.
6. Meter Reading amounts, and meter multipliers (when used) must be clearly calculated and multiplied by the appropriate unit rate which must be shown for each utility and sub division.
7. Electrical Demand quantity must be shown with its Cost factor, multiplied and shown as an itemized sub total.
8. Taxes must be itemized for each Utility with a different rate with its appropriate rate and included in the Subtotal column.
9. Penalty dates for late payment when shown must include the penalty rate.
10. In Solar production accounts, only the Net quantity (kWh REC subtracted from kWh DEL and negative amounts treated as zero charge) is multiplied by the Utility Rate and shown as Total Elect.
11. There is no need to show Solar Credit as the meter readings automatically in real time provide the data for the next billing period. The practice of showing dollar credit falsely calculated on a rate that will never be honored is illogical and misleading. In the event of a "settlement" for excess production the account meter can be reset. If the city just allowed Solar Producers to have Analog meters they would automatically show the Net by running bi-directionally and dispel the notion that the non-solar customers are somehow subsidizing the individuals who have made great financial investments in their systems.
12. As the "Adjustment" is a fixed amount it should not be separated from the Base Rate, but be combined to reflect the actual Rate charged as in the City's Utility Rate Sheet.
13. Subtotals for each utility can be added and shown as an Amount Due.
14. The Net Metering process will eliminate the need for separate Electric bills for Solar producers as there is no monetary credit that can be applied to the other utilities.

15. Solar Production must be re-coded to reflect its negative consumption to honestly reflect the overall utility condition. Since exported solar reflected in the REC reading is put back into the local grid and sold to nearby users without compensation until a future undetermined date at a not yet determined rate. The City Utility benefits from not having to purchase that quantity from a commercial source and pay for it within the month. The locally produced solar output is additionally not subject to transportation costs and accompanying losses or middleman profits.

Current Billing practices are nearly impossible to decipher without a great deal of requests for information or other research.

Anyone would balk at a bill or receipt for purchases from a store or business that did not itemize the charges that allows the consumer to rectify their bills and spending.

Here is an example of the format for Electric Service (in this case for a commercial business) that can be adapted easily for Residential or Commercial accounts

In the interest in better service to the Utility Consumers of Truth or Consequences I hope that these changes may be adopted and I offer my assistance to the city in making this happen on a volunteer basis. This has been a large part of my business experience and ability.

Sincerely,
Ron Fenn
316 N Foch St
T or C, NM 87901
575-894-1543

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 ADDING THE FOLLOWING SECTION 14-48 PERTAINING TO CUSTOMER GENERATED RENEWABLE ENERGY:

Sec. 14-48. Customer generated renewable energy

(a) Renewable Energy Generation Customer Program

(1) Overview

- a. The City of Truth or Consequences (City) Renewable Energy Customer Program is available to any City **electric** customer, residential or commercial, that installs a qualified renewable energy system ~~sized for the most recent twelve month average usage~~ and has it interconnected to the City's power grid. 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 ~~appeal and~~ 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, building permit and inspection department and must conform to:
 - i. The standards and procedures described in rule 17.9.568 NMAC and the ~~manual-~~ (<http://www.nmpre.state.nm.us/utilities/docs/NMInterconnecti onManual2008.pdf>) New Mexico Interconnection Manual 2008, to the interconnection of generating facilities with a rated capacity up to and including 10 MW. (internet links are no longer valid)
 - ii. The standards and procedures described in 17.9.569 NMAC and the ~~manual-~~ (<http://www.nmpre.state.nm.us/utilities/docs/NMInterconnecti onManual2008.pdf>) New Mexico Interconnection Manual 2008, apply to the interconnection of generating facilities with a rated capacity greater than 10 MW.
 - iii. Provisions of Sec. 14-33, **Tampering with meters**, of the City of Truth or Consequences, existing municipal code.
- b. The City reserves the right to deny interconnection for non-compliant ~~over-sized systems and in no case may the renewable energy-generation system be sized such that its inverters rated capacity exceeds 90% of the most recent 12 month average of customers'—~~ **usage**. Denial of a customer's interconnection application may be appealed in writing once and must be done within 30 days from the notice of denial. The appeal is to be sent to: City of T or C City

(2) Metering

- a. Systems 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.

(3) Rates

- a. 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.
- b. Customer kilowatt hour generation will be used to displace a customer's own kilowatt hour consumption.
- c. 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. (Does this mean that GRT can only be applied to the net difference between used and generated plus monthly charge?)
- d. 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 rate of \$0.05 per kWh.
Alternate: ...at the rate of \$0.05 per kWh for the first 200kWh of net generation, and \$0.02 per kWh for net generation in excess of 200kWh.
- e. Each year, at the October 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. The customer has the option to donate this credit back to the Utility Office to be used to help pay the utility bills of disadvantaged customers.
- f. 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 unused kWh credits. ~~at the Sierra Electric Cooperative at the time of the disconnect Sierra Electric Cooperative Rate to be determined at the time of disconnect~~ (This amount will be first deducted from the customers 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.)

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 TORRES- City Clerk

System size less than 10 kW:

A net metering difference that is from the customer to the utility entails a payment of the difference to the consumer/producer. Systems size less than or equal to 10 kW: The excess amount of KWH may be carried over to the next month or the utility may either credit the account or pay to the consumer at their avoided cost rate on file with the NMPRC. The utility determines the option that they will use.

System size greater than 10 kW:

A net metering difference that is from the customer to the utility entails a payment of the utility's avoided cost that is on file with the Commission to the consumer/producer. This is typically paid as a check to the customer. A net metering difference from the utility to the customer, the utility bills the customer for the difference at their regular retail rate.

The type of customer (residential, commercial, etc) matters not except in what the retail rate is. Typically though, less than 10 kW means residential.

Per NMAC 17.9.570