

HOUSE BILL 206

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

Kristina Ortez and Joanne J. Ferrary and Andrea Romero and
Angelica Rubio and Melanie Ann Stansbury

AN ACT

RELATING TO UTILITIES; ENACTING THE UTILITY AFFORDABILITY AND
RELIEF ACT; PROHIBITING DISCONNECTIONS OF QUALIFYING ELECTRIC,
GAS, WATER AND WASTEWATER UTILITY CUSTOMERS WHO INCURRED
ARREARS DURING THE CORONAVIRUS DISEASE 2019 PUBLIC HEALTH
EMERGENCY; CREATING A PROGRAM FOR PARTIAL FORGIVENESS OF
UTILITY BILL ARREARS; ENACTING THE COMMUNITY ENERGY EFFICIENCY
DEVELOPMENT BLOCK GRANT ACT; CREATING A GRANT PROGRAM TO
IMPLEMENT ENERGY EFFICIENCY MEASURES IN LOW-INCOME HOUSEHOLDS;
MANDATING UTILITY REPORTING OF CUSTOMER DISCONNECTIONS, ARREARS
AND HOUSEHOLDS WITHOUT SERVICE; REQUIRING UTILITIES TO SUBMIT
REPORTS ON ENERGY AFFORDABILITY AND ACCESS TO ELECTRIC AND
WATER UTILITY SERVICE; DIRECTING THE EXCHANGE OF INFORMATION
REGARDING ENERGY EFFICIENCY MEASURES IN THE STATE; AUTHORIZING
UTILITY RATE PREFERENCES FOR LOW-INCOME CUSTOMERS; CREATING A
FUND.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] SHORT TITLE.--Sections 1 through 9 of this act may be cited as the "Utility Affordability and Relief Act."

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the Utility Affordability and Relief Act:

A. "arrears" means payments owed for electric, gas, water or wastewater utility service that are at least thirty days overdue, regardless of whether an installment agreement has been entered into between the customer and the utility;

B. "coronavirus disease 2019 public health emergency" means the period of time for which a declaration by the governor has established a state of public health emergency due to the coronavirus disease 2019, regardless of the year in which the declaration is in effect;

C. "installment agreement" means an agreement between a customer and a public utility for the customer to pay arrears on the customer's account over a set term; and

D. "public utility" means a public utility as defined in the Public Utility Act that provides electricity, gas, water or wastewater utility service and includes an electric cooperative organized pursuant to the Rural Electric Cooperative Act.

SECTION 3. [NEW MATERIAL] COMMISSION RULEMAKING.--The .218738.3

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1 public regulation commission shall promulgate rules or issue
2 orders to effectuate the provisions of the Utility
3 Affordability and Relief Act. The orders and rules may address
4 how arrears incurred prior to or after the coronavirus disease
5 2019 public health emergency are addressed by a public utility
6 when a customer also has arrears incurred during the
7 coronavirus disease 2019 public health emergency.

8 SECTION 4. [NEW MATERIAL] INSTALLMENT AGREEMENTS--
9 RESTRICTIONS ON DISCONNECTION AND COLLECTION FROM CUSTOMERS.--

10 A. A public utility shall offer its residential
11 customers with arrears incurred during the coronavirus disease
12 2019 public health emergency an installment agreement with a
13 payback term that is at least double the number of months for
14 which a customer failed to pay at least fifty percent of the
15 amount owed for that month; provided that a public utility
16 shall not be required to offer a payback term of more than
17 twenty-four months, and a customer may request a shorter
18 payback term.

19 B. A public utility shall not discontinue
20 electricity, gas, water or wastewater service to or pursue
21 collection against a residential customer for arrears incurred
22 during the coronavirus disease 2019 public health emergency if:

23 (1) the customer enters into an installment
24 agreement and makes payments under the installment agreement;
25 or

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1 (2) the customer's payments are in forbearance
2 or forgiven due to economic hardship.

3 SECTION 5. [NEW MATERIAL] UTILITY BILL RELIEF PROGRAM--
4 REQUIREMENTS--ACCOUNT CREDITS.--

5 A. The "utility bill relief program" is created and
6 shall be administered in accordance with the provisions of the
7 Utility Affordability and Relief Act.

8 B. A residential customer of a public utility that
9 has arrears incurred during the coronavirus disease 2019 public
10 health emergency qualifies for the utility bill relief program
11 if:

12 (1) the customer meets the qualifications to
13 receive assistance pursuant to the federal low-income home
14 energy assistance program;

15 (2) the customer or a member of the customer's
16 household is currently or was within six months of the
17 effective date of the Utility Affordability and Relief Act
18 eligible for benefits pursuant to the Unemployment Compensation
19 Law, the federal pandemic unemployment compensation program,
20 pandemic emergency unemployment compensation program or
21 federal-state extended benefits pursuant to the federal
22 Coronavirus Aid, Relief, and Economic Security Act; or

23 (3) the customer demonstrates through an
24 application for economic hardship, pursuant to Section 6 of the
25 Utility Affordability and Relief Act, that the customer

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1 continues to experience economic hardship related to the
2 coronavirus disease 2019 public health emergency and obtains
3 approval of the application for economic hardship from the
4 public utility.

5 C. For a residential customer who qualifies for the
6 utility bill relief program, a public utility shall apply to
7 the customer's account a temporary credit of one-half of the
8 arrears incurred by the customer during the coronavirus disease
9 2019 public health emergency and shall enter into an
10 installment agreement, or modify an existing installment
11 agreement, with the customer for the customer to pay the
12 remainder of the customer's arrears incurred during the
13 coronavirus disease 2019 public health emergency. If the
14 customer makes all payments on the installment agreement, the
15 temporary credits applied to the customer's account shall be
16 made permanent and the customer's arrears incurred during the
17 coronavirus disease 2019 public health emergency shall be
18 considered satisfied.

19 D. Unless a residential customer's application for
20 economic hardship is approved, if a residential customer
21 defaults on an installment agreement entered into pursuant to
22 Subsection C of this section, the temporary credit of one-half
23 of the arrears incurred during the coronavirus disease 2019
24 public health emergency shall be removed from the residential
25 customer's account and replaced by a permanent credit that is

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1 equal to and in addition to the amount paid by the customer on
2 the installment agreement before default. After the permanent
3 credit and all payments made by the customer before default are
4 applied to the customer's account, the customer shall be
5 responsible for the remaining amount due on the account. A
6 public utility may collect remaining arrears from a residential
7 customer who defaults on an installment agreement as allowed by
8 law.

9 E. A public utility may contract with a third party
10 to determine if a residential customer qualifies for the
11 utility bill relief program or to evaluate and approve
12 applications for economic hardship.

13 F. A residential customer who qualifies for the
14 utility bill relief program shall be deemed eligible for
15 low-income programs offered by a public utility under the
16 Efficient Use of Energy Act for the current and following
17 calendar years unless the programs in question require
18 additional proof of eligibility under federal or state law.

19 SECTION 6. [NEW MATERIAL] APPLICATION FOR ECONOMIC
20 HARDSHIP.--

21 A. A residential customer may submit an application
22 for economic hardship:

23 (1) to qualify for the utility bill relief
24 program if the customer does not otherwise meet the criteria in
25 Paragraph (1) or (2) of Subsection B of Section 5 of the

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1 Utility Affordability and Relief Act; or

2 (2) if the customer believes that the customer
3 cannot make any installment agreement payments due to the
4 economic hardship.

5 B. On a case-by-case basis, a public utility, or
6 third-party contractor, shall evaluate applications for
7 economic hardship and shall approve a residential customer's
8 application if the customer demonstrates that:

9 (1) the customer or another member of the
10 customer's household became unemployed or had working hours
11 reduced by forty percent or more during the coronavirus disease
12 2019 public health emergency and remains unemployed or working
13 under reduced hours;

14 (2) the customer or another member of the
15 customer's household is suffering or has suffered severe
16 symptoms of the coronavirus disease 2019 resulting in a present
17 financial impact on the customer;

18 (3) the customer or another member of the
19 customer's household left employment to care for one or more
20 dependents that needed care because of the coronavirus disease
21 2019 public health emergency and continues to provide such
22 care; or

23 (4) the existence of other continuing
24 circumstances due to the coronavirus disease 2019 public health
25 emergency that significantly impair the customer's ability to

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1 make payments. A customer's participation in federal, state or
2 local programs that provide aid to those in need because of the
3 coronavirus disease 2019 public health emergency, including
4 housing assistance, may be used as evidence of a continuing
5 circumstance that significantly impairs a customer's ability to
6 make payments.

7 C. If a residential customer's economic hardship
8 prevents the customer from making any payments on an
9 installment agreement, a public utility may:

10 (1) forbear requiring payments on an
11 installment agreement until the condition creating the economic
12 hardship has ended or until a time agreed upon with the
13 customer; or

14 (2) apply a permanent credit to the customer's
15 account for all arrears incurred during the coronavirus disease
16 2019 public health emergency and deem the arrears satisfied.

17 SECTION 7. [NEW MATERIAL] UTILITY CUSTOMER NOTIFICATION
18 REQUIREMENTS.--No later than sixty days after the effective
19 date of the Utility Affordability and Relief Act or, if the
20 coronavirus disease 2019 public health emergency has not
21 terminated, after the expiration of the coronavirus disease
22 2019 public health emergency, a public utility shall:

23 A. notify residential customers with arrears
24 incurred during the coronavirus disease 2019 public health
25 emergency that a customer may enter into an installment

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1 agreement to pay back arrears over a term that may be at least
2 double the number of months for which a customer failed to pay
3 at least fifty percent of the amount owed for that month and
4 shall provide contact information for a customer to establish
5 an installment agreement; and

6 B. notify residential customers with arrears
7 incurred during the coronavirus disease 2019 public health
8 emergency that:

9 (1) if a residential customer qualifies for
10 the utility bill relief program, up to fifty percent of the
11 customer's arrears could be forgiven, and the public utility
12 shall provide contact information for a residential customer to
13 apply for the utility bill relief program; and

14 (2) if a residential customer is continuing to
15 experience economic hardship due to coronavirus disease 2019,
16 including unemployment, underemployment or illness, that would
17 prevent the customer from currently paying back arrears,
18 including through an installment agreement, the customer may
19 apply to the public utility for further relief through an
20 application for economic hardship, and the public utility shall
21 provide contact information for a residential customer to
22 submit an application for economic hardship.

23 SECTION 8. [NEW MATERIAL] COST RECOVERY FOR PUBLIC
24 UTILITIES.--

25 A. A public utility shall make reasonable efforts

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1 to apply for federal funding that may be used for the purpose
2 of mitigating customer arrears and its reasonable costs for the
3 utility bill relief program and is encouraged to apply for
4 state, local or philanthropic funding to cover costs associated
5 with the utility bill relief program. To the extent allowed by
6 law, any federal, state, local or philanthropic funding
7 received for the purposes of mitigating customer arrears,
8 including funding received prior to the effective date of the
9 Utility Affordability and Relief Act, shall be applied to
10 arrears forgiven for the purposes of cost recovery pursuant to
11 that act.

12 B. An investor-owned public utility that is subject
13 to the rate regulation by the public regulation commission
14 pursuant to Section 62-8-7 NMSA 1978 shall be entitled to
15 recover reasonable costs for implementation of the utility bill
16 relief program, including the cost of permanent forgiveness of
17 arrears under the program and administrative costs such as
18 those incurred from the use of a third party or additional
19 staffing needed to determine customer eligibility and evaluate
20 applications for economic hardship, in the utility's next rate
21 case. An investor-owned public utility may retain its costs
22 for the utility bill relief program as a regulatory asset on
23 its books pending recovery.

24 C. The public regulation commission shall ensure
25 that the costs of the utility bill relief program are allocated

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1 equitably among all rate classes in a utility rate case.

2 D. An electric cooperative may recover its
3 reasonable costs for the utility bill relief program, including
4 the cost of permanent forgiveness of arrears under the program,
5 in the cooperative's next rate adjustment.

6 SECTION 9. [NEW MATERIAL] ELECTRIC COOPERATIVE--ALLOWABLE
7 DEDUCTION FROM FEES PAID TO THE STATE.--In a year when an
8 electric cooperative is applying temporary or permanent credits
9 to partially or fully forgive customer arrears pursuant to the
10 Utility Affordability and Relief Act, an electric cooperative
11 may deduct from fees paid to the state pursuant to Section
12 62-8-8 NMSA 1978 an amount equal to fifty percent of the amount
13 the cooperative will seek to collect from customers in that
14 year to recover the cooperative's costs pursuant to the Utility
15 Affordability and Relief Act. In no event shall an electric
16 cooperative's combined deductions pursuant to this section and
17 Section 62-15-36 NMSA 1978 exceed the total amount of the fees
18 the cooperative paid to the state pursuant to Section 62-8-8
19 NMSA 1978.

20 SECTION 10. [NEW MATERIAL] SHORT TITLE.--Sections 10
21 through 16 of this act may be cited as the "Community Energy
22 Efficiency Development Block Grant Act".

23 SECTION 11. [NEW MATERIAL] DEFINITIONS.--As used in the
24 Community Energy Efficiency Development Block Grant Act:

25 A. "affordable housing" means residential housing

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1 primarily for low-income persons, including housing currently
2 occupied by low-income persons or housing that is affordable to
3 low-income persons based on assessed value, rent or estimated
4 mortgage;

5 B. "community energy efficiency project" means a
6 project that provides improvements to residential buildings in
7 an underserved community that will in the aggregate reduce
8 energy consumption, energy-related operating costs or the
9 carbon intensity of energy consumption;

10 C. "community partner" means an organization that
11 provides services or outreach to an underserved community to
12 implement a community energy efficiency project;

13 D. "department" means the energy, minerals and
14 natural resources department;

15 E. "division" means the energy conservation and
16 management division of the department;

17 F. "energy efficiency" means measures that target
18 efficient energy consumer behavior, equipment or devices and
19 result in a decrease in energy consumption without reducing the
20 amount or quality of energy services, and includes health and
21 safety measures that use efficient equipment or devices to
22 improve indoor air or drinking water quality;

23 G. "low-income person" means an individual, couple
24 or family whose annual household adjusted gross income, as
25 defined in Section 62 of the federal Internal Revenue Code of

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1 1986, as that section may be amended or renumbered, does not
2 exceed two hundred percent of the federal poverty level;

3 H. "registered apprenticeship program that promotes
4 diversity" means an apprenticeship program registered pursuant
5 to the Apprenticeship Assistance Act that encourages diversity
6 among participants, participation by those underrepresented in
7 the industry associated with the apprenticeship program and
8 participation from disadvantaged communities as determined by
9 the workforce solutions department;

10 I. "residential housing" means:

11 (1) a building, structure or portion thereof
12 that is primarily occupied or designed for or intended
13 primarily for occupancy as a residence by one or more
14 households, including congregate housing, manufactured homes
15 and other facilities; and

16 (2) real property that is offered for sale or
17 lease for the construction or location on that real property of
18 a building, structure or portion thereof that is intended
19 primarily for occupancy as a residence by one or more
20 households; and

21 J. "underserved community" means an area in the
22 state, including a county, municipality or neighborhood, or
23 subset of an area, where:

24 (1) the median adjusted gross income as
25 defined in Section 62 of the Internal Revenue Code of 1986, as
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1 that section may be amended or renumbered, does not exceed two
2 hundred percent of the federal poverty level; or

3 (2) there is a high energy burden or limited
4 access to energy efficiency services as determined by
5 department rule.

6 SECTION 12. [NEW MATERIAL] COMMUNITY ENERGY EFFICIENCY
7 DEVELOPMENT BLOCK GRANT--PROGRAM CREATED--RULEMAKING--REPORT TO
8 LEGISLATURE.--

9 A. The "community energy efficiency development
10 program" is created and shall be administered by the division.

11 B. If state or federal funds have been deposited
12 into the community energy efficiency block grant fund, the
13 department shall:

14 (1) adopt rules to:

15 (a) administer the community energy
16 efficiency development program;

17 (b) govern the acceptance, evaluation
18 and prioritization of applications submitted by qualified
19 entities for grants made pursuant to the Community Energy
20 Efficiency Development Block Grant Act;

21 (c) determine whether the status of a
22 person or household is low-income; and

23 (d) assess whether the value, rent or
24 estimated mortgage of residential housing is affordable to
25 persons or households of low income;

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1 (2) solicit, review and prioritize community
2 energy efficiency project applications;

3 (3) make grants for community energy
4 efficiency projects from the community energy efficiency
5 development block grant fund;

6 (4) approve and enter into contracts with
7 grantees to implement selected affordable housing energy
8 efficiency projects; provided that the contracts shall include
9 project performance measures, penalties or other provisions
10 that ensure the successful completion of the projects in
11 accordance with Article 9, Section 14 of the constitution of
12 New Mexico and reporting on project performance, energy savings
13 and non-energy benefits resulting from energy efficiency
14 measures; and

15 (5) exchange information with the New Mexico
16 mortgage finance authority detailing the work done in the state
17 to implement energy efficiency measures.

18 C. The department shall not be required to carry
19 out the responsibilities in Subsection B of this section in any
20 year that there are insufficient funds available for making
21 grants in the community energy efficiency block grant fund.

22 D. By November 1 of each year in which a community
23 energy efficiency project is in operation, the department shall
24 provide to the interim legislative committee that addresses the
25 status of the development of energy efficient measures and

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1 programs a report on the status of participation in the
2 community energy efficiency development program by people in
3 underserved communities, the types of projects funded by grants
4 made through the program and any recommended changes with
5 respect to the program.

6 SECTION 13. [NEW MATERIAL] PROJECT REQUIREMENTS.--

7 A. A county, municipality or Indian nation, tribe
8 or pueblo may submit an application to the department for a
9 grant for a community energy efficiency project.

10 B. An application shall:

11 (1) describe the community energy efficiency
12 project for which a grant is requested and how the project
13 would support infrastructure improvements for affordable
14 housing;

15 (2) describe how the community energy
16 efficiency project would benefit an underserved community in
17 which it is located;

18 (3) identify the targeted underserved
19 community;

20 (4) set forth the energy efficiency
21 improvements to residential units located within an underserved
22 community that meet the following eligibility criteria pursuant
23 to Article 9, Section 14 of the constitution of New Mexico:

24 (a) residential housing units occupied
25 by low-income persons within an underserved community; or

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1 (b) residential housing units within an
2 underserved community that otherwise meet the criteria for
3 housing that is affordable to low-income persons as established
4 by the department in rule;

5 (5) propose a series of energy efficiency
6 measures expected to reduce energy use in targeted households
7 and the estimated reduction of energy use from the
8 implementation of the measures;

9 (6) identify a service provider that will
10 implement the energy efficiency measures in targeted households
11 and set forth the experience of the service provider in working
12 with the targeted underserved community;

13 (7) identify one or more community partners
14 that will identify and work with targeted households to
15 implement a community energy efficiency project in an
16 underserved community and set forth the experience of the
17 community partner in working with the targeted underserved
18 community;

19 (8) set forth any commitment by a service
20 provider or community partner to employ apprentices from a
21 registered apprenticeship program that promotes diversity or to
22 provide paid internships to persons from the targeted
23 underserved communities; and

24 (9) provide a project budget detailing
25 anticipated expenditures and additional sources of funding that

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1 would complement a grant obtained pursuant to the Community
2 Energy Efficiency Development Block Grant Act.

3 C. The department may require that applications
4 meet additional criteria consistent with the goal of improving
5 the energy efficiency, livability or public health and safety
6 of affordable housing in underserved communities.

7 SECTION 14. [NEW MATERIAL] REQUIRED GRANT OF AUTHORITY.--

8 A. The Community Energy Efficiency Development
9 Block Grant Act is enacted to allow the state, a county or a
10 municipality to provide or pay the costs of financing
11 infrastructure necessary to support affordable housing projects
12 as provided by Article 9, Section 14 of the constitution of New
13 Mexico.

14 B. Prior to the department's final approval of an
15 application for a grant pursuant to the Community Energy
16 Efficiency Development Block Grant Act, an applicant that is a
17 county or a municipality shall provide the department with a
18 copy of the ordinance enacted by the county or municipality
19 that provides the county's or municipality's formal approval
20 for a specific community energy efficiency development block
21 grant and includes in the ordinance the terms and conditions of
22 the grant approved by the department. The department shall not
23 approve an application for a community energy efficiency
24 project if the county or municipality fails to enact an
25 ordinance that gives formal approval for the terms and

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1 conditions approved by the department for the community energy
2 efficiency development block grant and includes in the
3 ordinance those exact terms and conditions.

4 C. Prior to the department's final approval of an
5 application for a grant pursuant to the Community Energy
6 Efficiency Development Block Grant Act, an applicant that is an
7 Indian nation, tribe or pueblo shall provide the department
8 with a copy of a resolution enacted by the Indian nation, tribe
9 or pueblo that provides the Indian nation's, tribe's or
10 pueblo's formal approval for a specific community energy
11 efficiency development block grant and includes in the
12 ordinance the terms and conditions of the grant approved by the
13 department. The department shall not approve an application
14 for a community energy efficiency project if an Indian nation,
15 tribe or pueblo fails to enact a resolution that gives formal
16 approval for the terms and conditions approved by the
17 department for the community energy efficiency development
18 block grant and includes in the resolution those exact terms
19 and conditions.

20 SECTION 15. [NEW MATERIAL] SELECTION OF PROJECTS.--

21 A. When reviewing and selecting community energy
22 efficiency projects for grants from the community energy
23 efficiency development block grant fund, the department shall
24 consider:

25 (1) the estimated reduction in energy use from

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1 the project;

2 (2) the geographic diversity of the portfolio
3 of community energy efficiency projects to be approved by the
4 department;

5 (3) the experience of each community partner
6 or service provider identified in the application in working
7 with the targeted underserved community;

8 (4) whether the application includes a
9 commitment by a service provider or community partner to employ
10 apprentices from a registered apprenticeship program that
11 promotes diversity or to provide paid internships to persons
12 from the targeted underserved communities;

13 (5) the value of the project as a
14 demonstration project to provide data for the effectiveness of
15 implementing similar projects elsewhere; and

16 (6) the degree to which the project benefits
17 an underserved community, including any non-energy benefits and
18 health benefits provided by the project.

19 B. Provided that the criteria is published in the
20 project solicitation, the department may further consider in
21 its review and selection of community energy efficiency
22 projects:

23 (1) the degree to which the project will
24 protect public health, including protecting underserved
25 communities from a public health threat such as the coronavirus

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1 disease 2019;

2 (2) the degree to which the project will
3 contribute to economic recovery, including from the coronavirus
4 disease 2019 pandemic; or

5 (3) the degree to which the project will
6 reduce economic hardship of individual families due to the
7 coronavirus disease 2019 pandemic.

8 SECTION 16. [NEW MATERIAL] COMMUNITY ENERGY EFFICIENCY
9 DEVELOPMENT BLOCK GRANT FUND CREATED--ADMINISTRATION.--

10 A. The "community energy efficiency development
11 block grant fund" is created as a nonreverting fund in the
12 state treasury. The fund consists of appropriations, gifts,
13 grants and donations to the fund and income from investment of
14 the fund. Expenditures from the fund shall be made on warrant
15 of the secretary of finance and administration pursuant to
16 vouchers signed by the secretary of energy, minerals and
17 natural resources or the secretary's authorized representative.

18 B. Money in the fund is subject to appropriation by
19 the legislature to the department to carry out the purposes of
20 the Community Energy Efficiency Development Block Grant Act;
21 provided that money in the fund that is derived from the
22 federal government may be expended by the department without
23 legislative authorization for any purpose that is consistent
24 with the goal of reducing the energy burden of low-income
25 individuals or underserved communities as otherwise allowed by

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1 law, including carrying out the purposes of the community
2 energy efficiency development block grant program.

3 SECTION 17. Section 58-18-5.2 NMSA 1978 (being Laws 1981,
4 Chapter 173, Section 2, as amended) is amended to read:

5 "58-18-5.2. AUTHORITY DUTIES.--The authority shall:

6 A. make available to the Mortgage Finance Authority
7 Act oversight committee all of its records and facilities upon
8 written request; and

9 B. exchange with the energy conservation and
10 management division of the energy, minerals and natural
11 resources department information detailing work done in the
12 state to implement energy efficiency measures."

13 SECTION 18. A new section of Chapter 62, Article 6 NMSA
14 1978 is enacted to read:

15 "[NEW MATERIAL] UTILITY REPORTING ON DISCONNECTIONS,
16 ARREARS AND PEOPLE WITHOUT SERVICE.--

17 A. By December 31, 2022, the commission shall
18 promulgate rules requiring that each utility under the
19 commission's jurisdiction report:

20 (1) on a quarterly basis the number of
21 customers in each customer class that are disconnected, the
22 reason for disconnection, the number of customers reconnected
23 after disconnection, the number of disconnected and reconnected
24 customers that were eligible for the federal low-income home
25 energy assistance program, the current number of customers

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1 eligible for disconnection due to arrears and the average
2 amount of arrears for customers eligible for disconnection;

3 (2) on an annual basis the number, or best
4 estimate of the number, of residential customers that are not
5 receiving utility service in the utility's service territory
6 and any information available about why those customers are not
7 receiving service; and

8 (3) any other information the commission
9 determines is necessary and available for understanding and
10 monitoring the provision of uninterrupted electricity and gas
11 service to all New Mexicans and low-income New Mexicans in
12 particular.

13 B. For the purposes of this section, "low-income"
14 means an annual household adjusted gross income, as defined in
15 the Income Tax Act, of equal to or less than two hundred
16 percent of the federal poverty level."

17 SECTION 19. A new section of Chapter 62, Article 6 NMSA
18 1978 is enacted to read:

19 "[NEW MATERIAL] PUBLIC UTILITY REPORT ON ACHIEVING ENERGY
20 AND WATER EQUITY.--

21 A. By December 31, 2021, the commission shall issue
22 an order requiring each public utility providing electricity
23 service to provide a report that includes the following:

24 (1) an analysis of the benefits, costs and
25 feasibility of providing all prudent energy efficiency

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1 improvements to fifty percent of all low-income New Mexico
2 households by 2030 and one hundred percent of all low-income
3 New Mexico households by 2050, including an analysis of the
4 benefits to energy affordability, utility load and greenhouse
5 gas emissions;

6 (2) identifies whether the utility's rates are
7 affordable to low-income customers in its service territory,
8 and if not, identifies what type of low-income discount rate,
9 alone or in combination with other actions such as energy
10 efficiency improvements, the utility would recommend to achieve
11 energy affordability; and

12 (3) identifies whether changes could be made
13 to the utility's policies, to the rules or orders of the
14 commission or in statute to improve energy affordability,
15 reduce energy burden and ensure continuous energy access for
16 low-income New Mexicans.

17 B. By December 31, 2022, the commission shall issue
18 an order requiring each public utility providing water service
19 and wastewater company under its jurisdiction to provide a
20 report that includes:

21 (1) on an annual basis the number, or best
22 estimate of the number, of people in its territory that do not
23 have adequate access to community water service, including
24 wastewater connections, and any information available about why
25 those customers are not receiving service; and

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1 (2) an analysis of the benefits, costs and
2 feasibility of providing adequate water service to fifty
3 percent of all New Mexico households by 2030 and one hundred
4 percent of all New Mexico households by 2050 that desire that
5 service in their jurisdiction.

6 C. The commission shall request public comment on
7 the reports required by this section and hold a public hearing
8 on the reports to solicit recommendations on action that the
9 commission may take.

10 D. By December 31, 2023, the commission shall
11 promulgate rules or issue orders in response to recommendations
12 made by utilities and members of the public to make immediate,
13 reasonable and consistent improvements toward energy
14 affordability and to reduce energy burden as allowed by law,
15 with a goal of achieving fifty percent energy affordability for
16 low-income New Mexicans by 2030 and one hundred percent by
17 2050, provided that the commission may apply policies to a
18 subset of low-income New Mexicans. In promulgating the rules
19 or issuing the orders, the commission shall consider the degree
20 to which the rules or orders:

- 21 (1) improve energy affordability;
- 22 (2) reduce utility load;
- 23 (3) reduce greenhouse gas emissions; and
- 24 (4) impact ratepayers.

25 E. By December 31, 2023, the commission shall

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1 promulgate rules or issue orders in response to recommendations
2 made by water utilities and wastewater companies under its
3 jurisdiction and members of the public to make immediate,
4 reasonable and consistent improvements to the access to water
5 service, including wastewater connections, with a goal of
6 providing adequate water service to fifty percent of all New
7 Mexico households by 2030 and one hundred percent of all New
8 Mexico households by 2050 that desire that service.

9 F. For the purposes of this section:

10 (1) "adequate water service" means service to
11 a customer that provides the customer with access to piped or
12 well water twenty-four hours a day, meets state and federal
13 standards for safety and enables complete plumbing at the
14 customer's residence, including a water heater, sink, shower or
15 bathtub, toilet and a code-compliant system for removing
16 wastewater;

17 (2) "energy affordability" means that the
18 combination of electricity and gas bills do not equal more than
19 five percent of the annual income of a customer's household;
20 and

21 (3) "low-income" means an annual household
22 adjusted gross income, as defined in the Income Tax Act, of
23 equal to or less than two hundred percent of the federal
24 poverty level."

25 SECTION 20. A new section of the Efficient Use of Energy

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1 Act is enacted to read:

2 "[NEW MATERIAL] ELIGIBILITY BASED ON UTILITY BILL RELIEF
3 PROGRAM.--A customer eligible for the utility bill relief
4 program pursuant to the Utility Affordability and Relief Act
5 shall be deemed eligible for low-income programs offered by
6 utilities pursuant to the Efficient Use of Energy Act unless
7 the programs require additional proof of eligibility under
8 federal or state law."

9 SECTION 21. Section 62-8-6 NMSA 1978 (being Laws 1941,
10 Chapter 84, Section 42, as amended) is amended to read:

11 "62-8-6. DISCRIMINATION.--

12 A. No public utility shall, as to rates or
13 services, make or grant any unreasonable preference or
14 advantage to [~~any~~] a corporation or person within any
15 classification or subject [~~any~~] a corporation or person within
16 any classification to any unreasonable prejudice or
17 disadvantage. [~~No~~] A public utility shall not establish and
18 maintain any unreasonable differences as to rates of service
19 either as between localities or as between classes of service.

20 B. Nothing shall prohibit [~~however~~] the commission
21 from approving:

- 22 (1) economic development rates; [~~and~~]
23 (2) rates designed to retain load; [~~or from~~
24 approving]
25 (3) energy efficiency programs designed to

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1 reduce the burden of energy costs on low-income customers
2 pursuant to the Efficient Use of Energy Act; or
3 (4) rates designed to recover the costs of
4 permanent forgiveness of arrears pursuant to the Utility
5 Affordability and Relief Act.

6 C. Nothing in this section shall prohibit a public
7 utility from making or granting a reasonable preference or
8 advantage to low-income customers with approval of the
9 commission, and the commission may approve a rate, charge,
10 service, classification or facility that includes the
11 reasonable preference or advantage. The implementation of such
12 a commission-approved rate, charge, service, classification or
13 facility by a public utility shall not be deemed to subject a
14 person or corporation to any unreasonable prejudice or
15 disadvantage or undue discrimination."

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