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SENATE BILL 159

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,  
2000**

INTRODUCED BY  
Arthur Rodarte

AN ACT

RELATING TO GENERATION AND TRANSMISSION COOPERATIVES;  
LIMITING PUBLIC REGULATION COMMISSION REGULATION OF ELECTRIC  
GENERATION AND TRANSMISSION COOPERATIVES; DECLARING AN  
EMERGENCY.

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

Section 1. Section 62-6-4 NMSA 1978 (being Laws 1941,  
Chapter 84, Section 17, as amended) is amended to read:

"62-6-4. SUPERVISION AND REGULATION OF UTILITIES.--

A. The commission shall have general and exclusive  
power and jurisdiction to regulate and supervise every public  
utility in respect to its rates and service regulations and  
in respect to its securities, all in accordance with the  
provisions and subject to the reservations of the Public  
Utility Act, and to do all things necessary and convenient in  
the exercise of its power and jurisdiction. Nothing in this

underscored material = new  
~~[bracketed material] = delete~~

1 section, however, shall be deemed to confer upon the  
2 commission power or jurisdiction to regulate or supervise the  
3 rates or service of any utility owned and operated by any  
4 municipal corporation either directly or through a  
5 municipally owned corporation or owned and operated by any H  
6 class county, by a class B county as defined in Section  
7 4-36-8 NMSA 1978 or by a class A county as described by  
8 Section 4-36-10 NMSA 1978 either directly or through a  
9 corporation owned by or under contract with an H class  
10 county, by a class B county as defined in Section 4-36-8 NMSA  
11 1978 or by a class A county as described by Section 4-36-10  
12 NMSA 1978 or the rates, service, securities or class I or  
13 class II transactions of a generation and transmission  
14 cooperative as defined in the Electric Utility Industry  
15 Restructuring Act of 1999. No inspection or supervision fees  
16 shall be paid by generation and transmission cooperatives, or  
17 by such municipalities or municipally owned corporations, a  
18 class B county as defined in Section 4-36-8 NMSA 1978, a  
19 class A county as described by Section 4-36-10 NMSA 1978 or H  
20 class counties or such corporation owned by or under contract  
21 with a class B county as defined in Section 4-36-8 NMSA 1978,  
22 a class A county as described by Section 4-36-10 NMSA 1978 or  
23 an H class county with respect to operations conducted in a  
24 class B county as defined in Section 4-36-8 NMSA 1978, in a  
25 class A county as described by Section 4-36-10 NMSA 1978 or  
in H class counties.

B. The sale, furnishing or delivery of gas, water

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1 or electricity by any person to a utility for resale to or  
2 for the public shall be subject to regulation by the  
3 commission but only to the extent necessary to enable the  
4 commission to determine that the cost to the utility of the  
5 gas, water or electricity at the place where the major  
6 distribution to the public begins is reasonable and that the  
7 methods of delivery of the gas, water or electricity are  
8 adequate; provided, however, that nothing in this subsection  
9 shall be construed to permit regulation by the commission  
10 with respect to a generation and transmission cooperative as  
11 defined in the Electric Utility Industry Restructuring Act of  
12 1999, except location control pursuant to Section 62-9-3 NMSA  
13 1978, or of production or sale price at the wellhead of gas  
14 or petroleum [~~except regulation of abandonment pursuant to~~  
15 ~~Section 62-7-8 NMSA 1978~~].

16 C. The sale, furnishing or delivery of coal,  
17 uranium or other fuels by any affiliated interest to a  
18 utility for the generation of electricity for the public  
19 shall be subject to regulation by the commission but only to  
20 the extent necessary to enable the commission to determine  
21 that the cost to the utility of the coal, uranium or other  
22 fuels at the point of sale is reasonable and that the methods  
23 of delivery of the electricity are adequate; provided,  
24 however, that nothing in this subsection shall be construed  
25 to permit regulation by the commission of production or sale  
price at the wellhead of gas or petroleum [~~except regulation~~  
~~of abandonment pursuant to Section 62-7-8 NMSA 1978~~].

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underscoring material = new  
~~[bracketed material] = delete~~

1 Nothing in this section shall be construed to permit  
2 regulation by the commission of production or sale price at  
3 the point of production of coal, uranium or other fuels."

4 Section 2. EMERGENCY.--It is necessary for the public  
5 peace, health and safety that this act take effect  
6 immediately.

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