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FISCAL IMPACT REPORT

SPONSOR:	Rodarte	DATE TYPED:	1/27/00	HB	
SHORT TITLE:	Regulation of Electric Utilities			SB	159
				ANALYST:	Valenzuela

SOURCES OF INFORMATION

LFC Files

Public Regulation Commission (PRC)

SUMMARY

Synopsis of Bill

Senate Bill 159 proposes amendments to Section 62-6-4 of the Public Utility Act. The amendments would remove from regulation of rates, service, securities and diversification activities of generation and transmission cooperatives as defined by the Electric Utility Industry Restructuring Act of 1999. The bill contains an emergency clause.

Significant Issues

New Mexico is one of only eight states, which regulate the rates and services of member-owned generation and transmission electric cooperatives. The principal provider of electric services in rural New Mexico is Plains Electric Generation and Transmission Cooperative, which is a not-for-profit member-owned provider. Plains is currently in the process of merging with Tri-state Generation and Transmission Association, who currently operates in three neighboring states. These states do not regulate rates and services for Tri-state.

FISCAL IMPLICATIONS

Senate Bill 159 does not contain an appropriation and would not have an additional impact. In fact, removing generation and transmission cooperatives would reduce the workload for the Public Regulation Commission.

MFV/njw