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## FISCAL IMPACT REPORT

SPONSOR Ingle DATE TYPED 2/18/05 HB \_\_\_\_\_

SHORT TITLE PRC Abandonment of Service Impact Study SB 688

ANALYST Wilson

### APPROPRIATION

| Appropriation Contained |      | Estimated Additional Impact |      | Recurring or Non-Rec | Fund Affected |
|-------------------------|------|-----------------------------|------|----------------------|---------------|
| FY05                    | FY06 | FY05                        | FY06 |                      |               |
|                         |      |                             | NFI  |                      |               |

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General’s Office (AGO)  
 Energy, Minerals & Natural Resources (EMNRD)  
 Public Regulation Commission (PRC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 688 amends section 62-9-5 NMSA of the Public Utility Act to require the PRC, when reviewing a utility request to abandon service or facilities, to consider the effect of the abandonment on all customers in New Mexico, whether served directly or indirectly.

#### Significant Issues

This bill expands the ability of the PRC to protect consumers when a utility is seeking to abandon service by requiring that the commission consider the interests of retail consumers in New Mexico who are served indirectly by facilities. This section could particularly benefit retail consumers who are served indirectly by facilities—even those facilities located out of state—if the utility owning them also provides direct retail service in New Mexico. The new provision will require the PRC to consider their interests if the plants that serve them are proposed to be sold.

### ADMINISTRATIVE IMPLICATIONS

The PRC can Administer the provisions in this bill with existing staff.

DW/lg