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HOUSE BILL 188

**48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

INTRODUCED BY

Jose A. Campos

AN ACT

RELATING TO ELECTRIC POWER; ENACTING THE NEW MEXICO RENEWABLE ENERGY TRANSMISSION AUTHORITY ACT; CREATING THE NEW MEXICO RENEWABLE ENERGY TRANSMISSION AUTHORITY; PROVIDING, UNDER CERTAIN CIRCUMSTANCES, FOR THE FINANCING OR THE PLANNING, ACQUISITION, MAINTENANCE AND OPERATION OF CERTAIN ELECTRIC TRANSMISSION FACILITIES BY THE AUTHORITY; PROVIDING GROSS RECEIPTS TAX DEDUCTIONS FOR CERTAIN RECEIPTS RELATING TO ELECTRIC TRANSMISSION PROJECTS; PROVIDING FOR THE ISSUANCE OF RENEWABLE ENERGY TRANSMISSION BONDS; MAKING AN APPROPRIATION.

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

Section 1. [NEW MATERIAL] SHORT TITLE.--Sections 1 through 15 of this act may be cited as the "New Mexico Renewable Energy Transmission Authority Act".

Section 2. [NEW MATERIAL] DEFINITIONS.--As used in the

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1 New Mexico Renewable Energy Transmission Authority Act:

2 A. "acquire" means to obtain eligible facilities by  
3 lease, construction, reconstruction or purchase;

4 B. "authority" means the New Mexico renewable  
5 energy transmission authority;

6 C. "bonds" means renewable energy transmission  
7 bonds and includes notes, warrants, bonds, temporary bonds and  
8 anticipation notes issued by the authority;

9 D. "eligible facilities" means facilities to be  
10 financed or acquired by the authority, in which, within one  
11 year after beginning the transmission or storage of any  
12 electricity, and thereafter, at least thirty percent of the  
13 electric capacity, as estimated by the authority, originates  
14 from renewable energy sources;

15 E. "facilities" means electric transmission and  
16 interconnected storage facilities and all related structures,  
17 properties and supporting infrastructure, including any  
18 interests therein;

19 F. "finance" or "financing" means the lending of  
20 bond proceeds by the authority to a public utility or other  
21 private person for the purpose of planning, acquiring,  
22 operating and maintaining eligible facilities in whole or in  
23 part by that public utility or other private person;

24 G. "project" means an undertaking by the authority  
25 to finance or plan, acquire, maintain and operate eligible

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1 facilities located in part or in whole within the state of New  
2 Mexico;

3 H. "public utility" means a public electric utility  
4 regulated by the public regulation commission pursuant to the  
5 Public Utility Act and municipal utilities exempt from public  
6 regulation commission regulation pursuant to Section 62-6-4  
7 NMSA 1978 that own or operate facilities;

8 I. "renewable energy" means electric energy:

9 (1) generated by use of low- or zero-emissions  
10 generation technology with substantial long-term production  
11 potential; and

12 (2) generated by use of renewable energy  
13 resources that may include:

14 (a) solar, wind, hydropower and  
15 geothermal resources;

16 (b) fuel cells that are not fossil  
17 fueled; or

18 (c) biomass resources, such as  
19 agriculture or animal waste, small diameter timber, salt cedar  
20 and other phreatophyte or woody vegetation removed from river  
21 basins or watersheds in New Mexico, landfill gas and  
22 anaerobically digested waste biomass; but

23 (3) does not include electric energy generated  
24 by use of fossil fuel or nuclear energy; and

25 J. "storage" means energy storage technologies that

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1 convert, store and return electricity to help alleviate  
2 disparities between electricity supply and demand, to  
3 facilitate the dispatching of electricity or to increase  
4 economic return on the sale of electricity.

5 Section 3. [NEW MATERIAL] NEW MEXICO RENEWABLE ENERGY  
6 TRANSMISSION AUTHORITY CREATED--ORGANIZATION.--

7 A. The "New Mexico renewable energy transmission  
8 authority" is created as a public body, politic and corporate,  
9 separate and apart from the state, constituting a governmental  
10 instrumentality for the performance of essential public  
11 functions.

12 B. The authority shall be composed of five members  
13 as follows:

14 (1) three members appointed by the governor  
15 with the advice and consent of the senate. The initial  
16 appointees shall be appointed for staggered terms of one, two  
17 and three years; thereafter the members shall be appointed for  
18 three-year terms;

19 (2) one member appointed by the speaker of the  
20 house of representatives who shall serve at the pleasure of the  
21 speaker of the house; and

22 (3) one member appointed by the president pro  
23 tempore of the senate who shall serve at the pleasure of the  
24 president pro tempore.

25 C. The qualifications of the members shall be as

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1 follows:

2 (1) one member appointed by the governor shall  
3 have expertise in financial matters involving the financing of  
4 major electrical transmission projects;

5 (2) the other four members shall have:

6 (a) special knowledge of the public  
7 utility industry, as evidenced by college degrees or by  
8 experience, at least five years of which must be with the  
9 public utility industry; and

10 (b) knowledge of renewable energy  
11 development; and

12 (3) no member shall represent a person that  
13 owns or operates facilities.

14 D. In addition to the appointed members, the  
15 secretary of energy, minerals and natural resources shall serve  
16 as an ex-officio nonvoting member of the authority.

17 E. The governor shall designate an appointed member  
18 of the authority to serve as chair, and the authority may elect  
19 annually such other officers as it deems necessary.

20 F. The authority shall meet at the call of the  
21 chair or whenever three members shall so request in writing. A  
22 majority of members then serving constitutes a quorum for the  
23 transaction of business, but the affirmative vote of at least  
24 three members is necessary for any action to be taken by the  
25 authority.

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1           G. The authority is not created or organized and  
2 its operations are not conducted for the purpose of making a  
3 profit, but it is expected to recover the costs of operating  
4 the authority. No part of the revenues or assets of the  
5 authority shall benefit or be distributable to its members,  
6 officers or other private persons. The members of the  
7 authority shall receive no compensation for their services but  
8 shall be reimbursed for actual and necessary expenses at the  
9 same rate and on the same basis as provided for public officers  
10 in the Per Diem and Mileage Act.

11           H. The authority is not subject to the supervision  
12 or control of any other board, bureau, department or agency of  
13 the state except as specifically provided in the New Mexico  
14 Renewable Energy Transmission Authority Act. No use of the  
15 terms "state agency" or "instrumentality" in any other law of  
16 the state shall be deemed to refer to the authority unless the  
17 authority is specifically referred to in the law.

18           I. The authority is a governmental instrumentality  
19 for purposes of the Tort Claims Act.

20           Section 4. [NEW MATERIAL] AUTHORITY--DUTIES AND POWERS.--

21           A. The authority shall:

22                   (1) do any and all things necessary or proper  
23 to accomplish the purposes of the New Mexico Renewable Energy  
24 Transmission Authority Act;

25                   (2) hire an executive director and such other

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1 employees or other agents as it deems necessary for the  
2 performance of its powers and duties, including consultants,  
3 financial advisors and legal advisors, and prescribe the powers  
4 and duties and fix the compensation of the employees and  
5 agents. The executive director of the authority shall direct  
6 the affairs and business of the authority, subject to the  
7 policies, control and direction of the authority; and

8 (3) maintain such records and accounts of  
9 revenues and expenditures as required by the state auditor.  
10 The state auditor or the state auditor's designee shall conduct  
11 an annual financial and legal compliance audit of the accounts  
12 of the authority and file copies with the governor and the  
13 legislature.

14 B. The authority may:

15 (1) make and execute agreements, contracts and  
16 other instruments necessary or convenient in the exercise of  
17 its powers and functions with any person or governmental  
18 agency;

19 (2) enter into contractual agreements with  
20 respect to one or more projects upon the terms and conditions  
21 the authority considers advisable;

22 (3) utilize the services of executive  
23 departments of the state upon mutually agreeable terms and  
24 conditions;

25 (4) enter into partnerships with public or

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1 private entities;

2 (5) identify and establish corridors for the  
3 transmission of electricity within the state;

4 (6) through participation in appropriate  
5 regional transmission forums, coordinate, investigate, plan,  
6 prioritize and negotiate with entities within and outside the  
7 state for the establishment of interstate transmission  
8 corridors;

9 (7) pursuant to Subsection C of this section,  
10 finance or plan, acquire, maintain and operate eligible  
11 facilities necessary or useful for the accomplishment of the  
12 purposes of the New Mexico Renewable Energy Transmission  
13 Authority Act;

14 (8) pursuant to the provisions of the Eminent  
15 Domain Code, exercise the power of eminent domain for acquiring  
16 property or rights of way for public use if needed for projects  
17 if such action does not involve taking utility property and  
18 does not materially diminish electric service reliability of  
19 the transmission system in New Mexico, as determined by the  
20 public regulation commission;

21 (9) receive by gift, grant, donation or  
22 otherwise, any sum of money, aid or assistance from the United  
23 States, the state of New Mexico, any other state, any political  
24 subdivision or any other public or private entity;

25 (10) for any project, provide information and

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1 training to employees of the project regarding any unique  
2 hazards that may be posed by the project, as well as training  
3 in safety work practices and emergency procedures;

4 (11) issue bonds pursuant to the New Mexico  
5 Renewable Energy Transmission Authority Act as necessary to  
6 undertake a project;

7 (12) enter into contracts for the lease and  
8 operation by the authority of eligible facilities owned by a  
9 public utility or other private person;

10 (13) enter into contracts for leasing eligible  
11 facilities owned by the authority, provided that any revenue  
12 derived pursuant to the lease shall be deposited in the  
13 renewable energy transmission bonding fund;

14 (14) collect payments of reasonable rates,  
15 fees, interest or other charges from persons using eligible  
16 facilities to finance eligible facilities and for other  
17 services rendered by the authority, provided that any revenue  
18 derived from payments made to the authority shall be deposited  
19 in the renewable energy transmission bonding fund;

20 (15) borrow money necessary to carry out the  
21 purposes of the New Mexico Renewable Energy Transmission  
22 Authority Act and mortgage and pledge any leases, loans or  
23 contracts executed and delivered by the authority;

24 (16) sue and be sued; and

25 (17) adopt such reasonable administrative and

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1 procedural rules as may be necessary or appropriate to carry  
2 out its powers and duties.

3 C. Except as provided in this subsection, the  
4 authority shall not enter into any project if public utilities  
5 or other private persons are performing the acts, are  
6 constructing or have constructed the facilities, or are  
7 providing the services contemplated by the authority, and are  
8 willing to provide funds for and own new infrastructure to meet  
9 an identified need and market. Before entering into a project,  
10 the following procedures shall be implemented:

11 (1) the authority shall provide to each public  
12 utility and the public regulation commission and publish one  
13 time in a newspaper of general circulation in New Mexico and  
14 one time in a newspaper in the area where the eligible  
15 facilities are contemplated and on a publicly accessible web  
16 page maintained by the authority, an initial notice describing  
17 the project that the authority is contemplating, including a  
18 detailed description of the existing or anticipated renewable  
19 energy sources that justify the determination by the authority  
20 that the project facilities are eligible facilities. The  
21 description shall contain, at a minimum, the names of all  
22 persons that already are or will develop the renewable energy  
23 sources, all persons that will own the renewable energy sources  
24 and the peak output capacity, source type, location and  
25 anticipated connection date of the renewable energy sources;

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1                   (2) any person with an interest that may be  
2 affected by the proposed project shall have thirty days from  
3 the date of the last publication of the initial notice to  
4 challenge, in writing, the determination by the authority that  
5 the facilities are eligible facilities. If a challenge is  
6 received by the authority within the thirty days, the authority  
7 shall hold a public hearing no sooner than thirty days after  
8 receiving the challenge and after a minimum of two weeks notice  
9 in the same newspapers and web page in which the initial notice  
10 was given. Following the public hearing, the authority shall  
11 make a final determination of eligibility and give notice of  
12 the determination pursuant to Section 39-3-1.1 NMSA 1978. Any  
13 person or governmental entity participating in the hearing may  
14 appeal the final determination by filing a notice of appeal  
15 with the district court pursuant to Section 39-3-1.1 NMSA 1978;

16                   (3) public utilities and other persons willing  
17 and able to provide money for, acquire, maintain and operate  
18 the eligible facilities described in the notice shall have the  
19 following time period to notify the authority of intention and  
20 ability to provide money for, acquire, maintain and operate the  
21 eligible facilities described in the notice:

22                               (a) within ninety days of the date of  
23 the last publication of the initial notice if no challenge is  
24 received pursuant to Paragraph (2) of this subsection; or

25                               (b) within ninety days of the date of

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1 the notice of determination if a challenge is received pursuant  
2 to Paragraph (2) of this subsection; and

3 (4) in the absence of notification by a public  
4 utility or other person pursuant to Paragraph (3) of this  
5 subsection, or if a person, having given notice of intention to  
6 provide money for, acquire, maintain and operate the eligible  
7 facilities contemplated by the authority, fails to make a good  
8 faith effort to commence the same within twelve months from the  
9 date of notification by the authority of its intention, the  
10 authority may proceed to finance or plan, acquire, maintain and  
11 operate the eligible facilities originally contemplated,  
12 provided that a person that, within the time required, has made  
13 necessary applications to acquire federal, state, local or  
14 private permits, certificates or other approvals necessary to  
15 acquire the eligible facilities shall be deemed to have  
16 commenced the same as long as the person diligently pursues the  
17 permits, certificates or other approvals.

18 D. In soliciting and entering into contracts for  
19 the transmission or storage of electricity, the authority and  
20 any person leasing or operating eligible facilities financed or  
21 acquired by the authority shall, if practical, give priority to  
22 those contracts that will transmit or store electricity to be  
23 sold and consumed in New Mexico.

24 E. The authority and any eligible facilities  
25 acquired by the authority are not subject to the supervision,

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1 regulation, control or jurisdiction of the public regulation  
2 commission; provided that nothing in this subsection shall be  
3 interpreted to allow a public utility to include the cost of  
4 using eligible facilities in its rate base without the approval  
5 of the public regulation commission.

6 F. In exercising its powers and duties, the  
7 authority shall not own or control facilities unless:

8 (1) the facilities are leased to or held for  
9 lease or sale to a public utility or such other person approved  
10 by the public regulation commission;

11 (2) the operation, maintenance and use of the  
12 facilities are vested by lease or other contract in a public  
13 utility or such other person approved by the public regulation  
14 commission;

15 (3) the facilities are owned or controlled for  
16 a period of not more than one hundred eighty days after  
17 termination of a lease or contract described in Paragraph (1)  
18 or (2) of this subsection or after the authority gains  
19 possession of the facilities following a breach of such a lease  
20 or contract or as a result of bankruptcy proceedings; or

21 (4) the facilities do not affect in-state  
22 retail rates or electric service reliability.

23 G. A public utility subject to regulation of the  
24 public regulation commission pursuant to the Public Utility Act  
25 may recover the capital cost of a project undertaken pursuant

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1 to the New Mexico Renewable Energy Transmission Authority Act  
2 from its retail customers only if the project has received a  
3 certificate of public convenience and necessity from the public  
4 regulation commission. A municipal utility exempt from  
5 regulation of the public regulation commission may recover such  
6 costs only if the project has been approved by the governing  
7 body of the municipality. Costs associated with a project  
8 undertaken pursuant to the New Mexico Renewable Energy  
9 Transmission Authority Act are not recoverable from retail  
10 utility customers except to the extent the costs are prudently  
11 incurred and the project is used and useful in serving those  
12 customers as determined by the public regulation commission.

13 Section 5. [NEW MATERIAL] RENEWABLE ENERGY TRANSMISSION  
14 BONDS--APPROPRIATION OF PROCEEDS.--

15 A. The authority is authorized to issue and sell  
16 revenue bonds, known as "renewable energy transmission bonds",  
17 payable solely from the renewable energy transmission bonding  
18 fund, in compliance with the New Mexico Renewable Energy  
19 Transmission Authority Act, for the purpose of entering into a  
20 project when the authority determines that the project is  
21 needed.

22 B. The net proceeds from the bonds are appropriated  
23 to the authority for the purpose of financing or acquiring  
24 eligible facilities.

25 Section 6. [NEW MATERIAL] RENEWABLE ENERGY TRANSMISSION

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1 BONDING FUND CREATED--MONEY IN THE FUND PLEDGED.--

2 A. The "renewable energy transmission bonding fund"  
3 is created in the state treasury. The fund shall consist of  
4 revenues received by the authority from operating or leasing  
5 eligible facilities, fees and service charges collected, and,  
6 if the authority has provided financing for eligible  
7 facilities, money from payments of principal and interest on  
8 loans. Earnings of the fund shall be credited to the fund.  
9 Balances in the fund at the end of any fiscal year shall remain  
10 in the fund, except as provided in this section.

11 B. Money in the renewable energy transmission  
12 bonding fund is pledged for the payment of principal and  
13 interest on all bonds issued pursuant to the New Mexico  
14 Renewable Energy Transmission Authority Act. Money in the fund  
15 is appropriated to the authority for the purpose of paying debt  
16 service, including redemption premiums, on the bonds and the  
17 expenses incurred in the issuance, payment and administration  
18 of the bonds.

19 C. On the last day of January and the last day of  
20 July of each year, the authority shall estimate the amount  
21 needed to make debt service and other payments during the next  
22 twelve months from the renewable energy transmission bonding  
23 fund on the bonds plus the amount that may be needed for any  
24 required reserves. The authority shall transfer to the  
25 renewable energy transmission authority operational fund any

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1 balance in the renewable energy transmission bonding fund above  
2 the estimated amounts.

3 D. Bonds issued pursuant to the New Mexico  
4 Renewable Energy Transmission Authority Act shall be payable  
5 solely from the renewable energy transmission bonding fund or,  
6 with the approval of the bondholders, such other special funds  
7 as may be provided by law and do not create an obligation or  
8 indebtedness of the state within the meaning of any  
9 constitutional provision. No breach of any contractual  
10 obligation incurred pursuant to that act shall impose a  
11 pecuniary liability or a charge upon the general credit or  
12 taxing power of the state, and the bonds are not general  
13 obligations for which the state's full faith and credit is  
14 pledged.

15 E. The state does hereby pledge that the renewable  
16 energy transmission bonding fund shall be used only for the  
17 purposes specified in this section and pledged first to pay the  
18 debt service on the bonds issued pursuant to the New Mexico  
19 Renewable Energy Transmission Authority Act. The state further  
20 pledges that any law requiring the deposit of revenues in the  
21 renewable energy transmission bonding fund or authorizing  
22 expenditures from the fund shall not be amended or repealed or  
23 otherwise modified so as to impair the bonds to which the  
24 renewable energy transmission bonding fund is dedicated as  
25 provided in this section.

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1           Section 7. [NEW MATERIAL] AUTHORITY TO REFUND BONDS.--The  
2 authority may issue and sell at public or private sale bonds to  
3 refund outstanding renewable energy transmission bonds by  
4 exchange, immediate or prospective redemption, cancellation or  
5 escrow, including the escrow of debt service funds accumulated  
6 for payment of outstanding bonds, or any combination thereof,  
7 when, in its opinion, such action will be beneficial to the  
8 state.

9           Section 8. [NEW MATERIAL] RENEWABLE ENERGY TRANSMISSION  
10 BONDS--FORM--EXECUTION.--

11           A. The authority, except as otherwise specifically  
12 provided in the New Mexico Renewable Energy Transmission  
13 Authority Act, shall determine at its discretion the terms,  
14 covenants and conditions of the bonds, including, but not  
15 limited to, date of issue, denominations, maturities, rate or  
16 rates of interest, call features, call premiums, registration,  
17 refundability and other covenants covering the general and  
18 technical aspects of the issuance of the bonds.

19           B. The bonds shall be in such form as the authority  
20 may determine, and successive issues shall be identified by  
21 alphabetical, numerical or other proper series designation.

22           C. Bonds shall be signed and attested by the  
23 executive director of the authority and shall be executed with  
24 the facsimile signature of the chair of the authority and the  
25 facsimile seal of the authority, except for bonds issued in

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1 book entry or similar form without the delivery of physical  
2 securities. Any interest coupons attached to the bonds shall  
3 bear the facsimile signature of the executive director of the  
4 authority, which officer, by the execution of the bonds, shall  
5 adopt as the executive director's own signature the facsimile  
6 thereof appearing on the coupons. Except for bonds issued in  
7 book entry or similar form without the delivery of physical  
8 securities, the Uniform Facsimile Signature of Public Officials  
9 Act shall apply, and the authority shall determine the manual  
10 signature to be affixed on the bonds.

11 Section 9. [NEW MATERIAL] PROCEDURE FOR SALE OF RENEWABLE  
12 ENERGY TRANSMISSION BONDS.--

13 A. Bonds shall be sold by the authority at such  
14 times and in such manner as the authority may elect, either at  
15 private sale for a negotiated price or to the highest bidder at  
16 public sale for cash at not less than par and accrued interest.

17 B. In connection with any public sale of the bonds,  
18 the authority shall publish a notice of the time and place of  
19 sale in a newspaper of general circulation in the state and  
20 also in a recognized financial journal outside the state. The  
21 publication shall be made once each week for two consecutive  
22 weeks prior to the date fixed for such sale, the last  
23 publication to be two business days prior to the date of sale.  
24 The notice shall specify the amount, denomination, maturity and  
25 description of the bonds to be offered for sale and the place,

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1 day and hour at which sealed bids therefore shall be received.  
2 All bids, except those of the state, shall be accompanied by a  
3 deposit of two percent of the principal amount of the bonds.  
4 Deposits of unsuccessful bidders shall be returned upon  
5 rejection of the bid. At the time and place specified in such  
6 notice, the authority shall open the bids in public and shall  
7 award the bonds, or any part thereof, to the bidder or bidders  
8 offering the best price. The authority may reject any or all  
9 bids and readvertise.

10 C. The authority may sell a bond issue, or any part  
11 thereof, to the state or to one or more investment bankers or  
12 institutional investors at private sale.

13 Section 10. [NEW MATERIAL] NEW MEXICO RENEWABLE ENERGY  
14 TRANSMISSION AUTHORITY ACT IS FULL AUTHORITY FOR ISSUANCE OF  
15 BONDS--BONDS ARE LEGAL INVESTMENTS.--

16 A. The New Mexico Renewable Energy Transmission  
17 Authority Act is, without reference to any other act of the  
18 legislature, full authority for the issuance and sale of  
19 renewable energy transmission bonds, which bonds shall have all  
20 the qualities of investment securities under the Uniform  
21 Commercial Code and shall not be invalid for any irregularity  
22 or defect or be contestable in the hands of bona fide  
23 purchasers or holders thereof for value.

24 B. The bonds are legal investments for any person  
25 or board charged with the investment of any public funds and

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1 are acceptable as security for any deposit of public money.

2 Section 11. [NEW MATERIAL] SUIT MAY BE BROUGHT TO COMPEL  
3 PERFORMANCE OF OFFICERS.--Any holder of bonds or any person or  
4 officer being a party in interest may sue to enforce and compel  
5 the performance of the provisions of the New Mexico Renewable  
6 Energy Transmission Authority Act.

7 Section 12. [NEW MATERIAL] RENEWABLE ENERGY TRANSMISSION  
8 BONDS TAX EXEMPT.--All renewable energy transmission bonds are  
9 exempt from taxation by the state or any of its political  
10 subdivisions.

11 Section 13. [NEW MATERIAL] RENEWABLE ENERGY TRANSMISSION  
12 AUTHORITY OPERATIONAL FUND.--The "renewable energy transmission  
13 authority operational fund" is created in the state treasury.  
14 The fund shall consist of money appropriated and transferred to  
15 the fund. Earnings from investment of the fund shall be  
16 credited to the fund. Money in the fund is appropriated to the  
17 authority for the purpose of carrying out the provisions of the  
18 New Mexico Renewable Energy Transmission Authority Act. Any  
19 unexpended or unencumbered balance remaining at the end of a  
20 fiscal year shall not revert. Disbursements from the fund  
21 shall be made upon warrants drawn by the secretary of finance  
22 and administration pursuant to vouchers signed by the executive  
23 director of the authority.

24 Section 14. [NEW MATERIAL] REPORT TO LEGISLATURE.--The  
25 authority shall submit a report of its activities to the

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1 governor and to the legislature not later than December 1 of  
2 each year. Each report shall set forth a complete operating  
3 and financial statement covering its operations for the  
4 previous fiscal year.

5 Section 15. [NEW MATERIAL] LEGISLATIVE OVERSIGHT  
6 COMMITTEE.--

7 A. The "New Mexico renewable energy transmission  
8 authority oversight committee" is created as a joint interim  
9 legislative committee. The New Mexico legislative council  
10 shall determine the membership of the committee and shall  
11 appoint the members and designate the chair and the vice chair  
12 in accordance with legislative council policies. The staff for  
13 the committee shall be provided by the legislative council  
14 service.

15 B. The New Mexico renewable energy transmission  
16 authority oversight committee shall:

17 (1) monitor and oversee the operation of the  
18 authority;

19 (2) meet on a regular basis to receive and  
20 review reports from the authority on implementation of the  
21 provisions of the New Mexico Renewable Energy Transmission  
22 Authority Act and to review rules proposed for adoption  
23 pursuant to that act;

24 (3) review and provide assistance and advice  
25 to the authority before the authority enters into a project;

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1 (4) undertake an ongoing examination of the  
2 statutes, constitutional provisions, regulations and court  
3 decisions governing energy transmission and renewable energy  
4 development; and

5 (5) report its findings and recommendations,  
6 including recommended legislation or necessary changes, to the  
7 governor, to the public regulation commission and to each  
8 session of the legislature. The report and proposed  
9 legislation shall be made available on or before December 15 of  
10 each year.

11 Section 16. A new section of the Gross Receipts and  
12 Compensating Tax Act is enacted to read:

13 "[NEW MATERIAL] DEDUCTION--GROSS RECEIPTS--EQUIPMENT FOR  
14 CERTAIN ELECTRIC TRANSMISSION OR STORAGE FACILITIES.--Receipts  
15 from selling equipment to the New Mexico renewable energy  
16 transmission authority or an agent or lessee of the authority  
17 may be deducted from gross receipts if the equipment is  
18 installed as part of an electric transmission facility or an  
19 interconnected storage facility acquired by the authority  
20 pursuant to the New Mexico Renewable Energy Transmission  
21 Authority Act."

22 Section 17. A new section of the Gross Receipts and  
23 Compensating Tax Act is enacted to read:

24 "[NEW MATERIAL] DEDUCTION--GROSS RECEIPTS--SERVICES  
25 PROVIDED FOR CERTAIN ELECTRIC TRANSMISSION AND STORAGE

.165146.1GR

underscoring material = new  
[bracketed material] = delete

1 FACILITIES.--Receipts from providing services to the New Mexico  
2 renewable energy transmission authority or an agent or lessee  
3 of the authority for the planning, installation, repair,  
4 maintenance or operation of an electric transmission facility  
5 or an interconnected storage facility acquired by the authority  
6 pursuant to the New Mexico Renewable Energy Transmission  
7 Authority Act may be deducted from gross receipts."

8 Section 18. EFFECTIVE DATE.--The effective date of the  
9 provisions of this act is July 1, 2007.

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