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SENATE MEMORIAL 70

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

INTRODUCED BY

James G. Taylor

A MEMORIAL

REQUESTING THE PUBLIC REGULATION COMMISSION TO STUDY THE DESIGN
AND TYPE OF PROGRAMS TO HELP LOW-INCOME NEW MEXICANS AFFORD
RESIDENTIAL HEAT, LIGHT AND COOLING.

WHEREAS, New Mexico continues to rank among the poorest
states in the country; and

WHEREAS, home energy is necessary to maintain human health
and safety; and

WHEREAS, disconnections, arrearages and applications for
heating assistance reflect the gap between household income and
rising energy prices; and

WHEREAS, the legislature has enacted a moratorium on
cutting off utility service to low-income clients during the
winter months in order to prevent severe health emergencies;
and

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1 WHEREAS, families of every income level have felt the
2 impact of rising utility costs; and

3 WHEREAS, as a group, low-income households use the least
4 amount of energy but pay the highest percentage of their
5 incomes for service; and

6 WHEREAS, most New Mexicans pay approximately four percent
7 of income for utilities, yet approximately twenty percent of
8 New Mexico families must spend twenty percent or more of the
9 family income to pay utility bills; and

10 WHEREAS, fuel funds and other low-income bill payment
11 assistance and weatherization programs provide a vital safety
12 net and an important public and private partnership to protect
13 low-income customers; and

14 WHEREAS, such programs can help New Mexico's poorest
15 families defray or lessen their utility costs, but these
16 programs meet the needs of only a fraction of the families who
17 need such help and meet only a fraction of the costs of
18 utilities for these families; and

19 WHEREAS, the legislature has made it clear through its
20 actions in a special session and through other appropriations
21 and other enactments that low-income households should have the
22 state's help in meeting their heating and cooling needs rather
23 than doing without utilities; and

24 WHEREAS, consumers want utility companies to remain viable
25 and successful; and

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1 WHEREAS, discount rates provide system benefits that
2 include lower arrears, reduced bad debt expense, customer
3 service savings and reduced disconnection and reconnection
4 expenses; and

5 WHEREAS, the constitution of New Mexico grants the public
6 regulation commission the responsibility to regulate public
7 utilities, including electric, natural gas and water companies
8 "in such manner as the legislature shall provide"; and

9 WHEREAS, the legislature clearly wants the rates for
10 low-income utility customers to be affordable as a matter of
11 economic development and public health and safety;

12 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE
13 OF NEW MEXICO that the public regulation commission be
14 requested to study the possibility of creating programs that
15 ensure affordable service and rates available to low-income
16 customers and may include appropriately designed discount rates
17 or tiered discounts; and

18 BE IT FURTHER RESOLVED that the public regulation
19 commission is urged to review programs in other states that
20 adjust utility rates for low-income residents so that
21 responsible low-income residents are able to continue to meet
22 their obligation to pay for utilities and have a better
23 prospect of being able to pay the amount owed; and

24 BE IT FURTHER RESOLVED that the public regulation
25 commission be requested to study the use of ratepayer-funded

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1 dollars for usage reduction and energy assistance programs for
2 low-income residential customers; and

3 BE IT FURTHER RESOLVED that copies of this memorial be
4 transmitted to the chair of the public regulation commission,
5 the governor, the secretary of human services and the heads of
6 every public utility in the state.

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