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FISCAL IMPACT REPORT

ORIGINAL DATE 02/08/09

SPONSOR Wallace LAST UPDATED _____ HJM 41

SHORT TITLE Allow Jemez Hot Dry Rock Geothermal Energy SB _____

ANALYST Woods

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)

SUMMARY

Synopsis of Bill

House Joint Memorial 41 resolves that the legislature supports the reopening and redevelopment of the hot dry rock energy production facility at Fenton Hill; and, further, that the New Mexico congressional delegation be urged to support an amendment to federal law to permit geothermal leasing within the Jemez national recreation area.

There is no appropriation attached to the legislation.

FISCAL IMPLICATIONS

EMNRD states that there are none specifically for that department; however, EMNRD adds: "Should the project become operational there would be new [unspecified] revenue for the state."

SIGNIFICANT ISSUES

EMNRD indicates that consideration should be given to the feasibility and the environmental impacts of the project. It states: "There are no existing electric transmission lines near the project area and therefore, new transmission would need to be constructed through an environmentally sensitive area. Also, the impacts to surface and groundwater resources have not been addressed and are not yet known. The number of jobs created are relatively few and the potential power generation relatively small (10-20 MW)."

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

EMNRD states: “New Mexico legislative support for the project would not be on record and unavailable for the federal law amendment process.”

AMENDMENTS

None suggested by respondent.

BW/svb