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SENATE MEMORIAL 49

**51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

INTRODUCED BY

Timothy M. Keller

A MEMORIAL

REQUESTING KEY AGENCIES TO CONDUCT A JOINT STUDY CONCERNING  
CLEAN ENERGY PERFORMANCE CONTRACTING, WATER CONSERVATION AND  
RELATED FINANCING EFFORTS FOR PUBLIC FACILITIES IN NEW MEXICO  
AND HOW THEY MIGHT BE EXPANDED, IMPROVED AND PROMOTED.

WHEREAS, in the past twenty years, New Mexico has enacted  
the Public Facility Energy Efficiency and Water Conservation  
Act and the Energy Efficiency and Renewable Energy Bonding Act;  
and

WHEREAS, the purposes of these acts are to provide  
contracting and funding mechanisms that will enhance government  
and educational institutions' ability to take advantage of the  
long-term cost savings associated with the installation of  
efficient energy use and water-saving or renewable-energy  
measures; and

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1           WHEREAS, money saved in reducing the cost of energy and  
2 water use in public facilities is money that can be redirected  
3 to the public purposes for which public facilities exist; and

4           WHEREAS, there is today significant potential for energy  
5 cost-saving and water-saving measures to be applied to  
6 government and educational facilities throughout the state; and

7           WHEREAS, the construction or installation of energy cost-  
8 saving and water-saving measures pursuant to these acts  
9 provides economic development opportunities in which the New  
10 Mexico building contracting industry desires to fully  
11 participate; and

12           WHEREAS, although the energy, minerals and natural  
13 resources department has developed programs and resources to  
14 implement the acts and has made outreach to governmental and  
15 educational entities about energy efficiency programs, a review  
16 of the efforts to implement the acts and how to broaden their  
17 scope in light of the increasing costs of energy use and the  
18 advancing technology available to meet energy needs, while  
19 reducing energy use, will benefit both the beneficiaries of  
20 energy cost savings and the contracting industry; and

21           WHEREAS, by statutory and operational powers and duties,  
22 the department of finance and administration, the energy,  
23 minerals and natural resources department, the general services  
24 department, the New Mexico finance authority, the public  
25 education department, the public school capital outlay council,

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1 the public school facilities authority and the taxation and  
2 revenue department each has a role to play in the  
3 implementation of the Public Facility Energy Efficiency and  
4 Water Conservation Act and the Energy Efficiency and Renewable  
5 Energy Bonding Act;

6 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE  
7 OF NEW MEXICO that the department of finance and  
8 administration, the energy, minerals and natural resources  
9 department, the general services department, the New Mexico  
10 finance authority, the public education department, the public  
11 school capital outlay council, the public school facilities  
12 authority and the taxation and revenue department be requested  
13 to form a group chaired by a representative of the energy,  
14 minerals and natural resources department to make  
15 recommendations after a jointly conducted study to:

16 A. examine and identify the technical expertise,  
17 personnel and funding resources necessary to expand and  
18 optimize the use of the existing performance contracting and  
19 financing tools in the Public Facility Energy Efficiency and  
20 Water Conservation Act and the Energy Efficiency and Renewable  
21 Energy Bonding Act to maximize public energy cost savings and  
22 water savings;

23 B. identify what administrative, organizational,  
24 procurement, regulatory and jurisdictional barriers currently  
25 impede wider implementation of these procurement and financing

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1 tools and practices;

2 C. address public budget process disincentives and  
3 outdated procurement practices that slow and prevent wider use  
4 of these tools and greater realization of savings;

5 D. examine successful energy cost-saving and water-  
6 saving models in other states, including Colorado and Texas, to  
7 see if centralizing technical and procurement expertise as a  
8 resource for public entities is the most effective and  
9 efficient approach to expanding the successful use of the  
10 Public Facility Energy Efficiency and Water Conservation Act  
11 and the Energy Efficiency and Renewable Energy Bonding Act;

12 E. consult with members of the private sector and  
13 the New Mexico chapter of the energy services coalition to  
14 identify best practices and fully leverage private expertise  
15 toward more public savings;

16 F. examine the benefits of pre-qualification  
17 procurement procedures to ensure that public entities have  
18 better access to qualified and reputable energy services  
19 companies;

20 G. make recommendations to address the necessary  
21 administrative improvements, resource needs and organizational  
22 barriers identified in the study;

23 H. estimate the comprehensive cost and budget  
24 savings from wider implementation of the procurement and  
25 financing tools statewide or identify a process to do so and

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1 pursue a cost-benefit analysis or identify a process for doing  
2 so for wider implementation of the Public Facility Energy  
3 Efficiency and Water Conservation Act and the Energy Efficiency  
4 and Renewable Energy Bonding Act;

5 I. identify additional public and private grant and  
6 incentive funding resources to facilitate and speed  
7 implementation of the acts; and

8 J. make recommendations regarding statutory,  
9 regulatory and administrative changes necessary to broaden and  
10 accelerate public facility use of the cost-saving, efficiency  
11 and water-saving measures in the acts; and

12 BE IT FURTHER RESOLVED that written recommendations  
13 resulting from the study be completed and reported to the  
14 appropriate interim committees of the legislature and to the  
15 legislative finance committee prior to December 1, 2014; and

16 BE IT FURTHER RESOLVED that copies of this memorial be  
17 sent to the secretaries of finance and administration, energy,  
18 minerals and natural resources, general services, public  
19 education and taxation and revenue; the chairs of the New  
20 Mexico finance authority and the public school capital outlay  
21 council; the director of the public school facilities  
22 authority; and the co-chairs of the New Mexico chapter of the  
23 energy services coalition.