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FISCAL IMPACT REPORT

SPONSOR Campos ORIGINAL DATE 2/16/17
 LAST UPDATED 3/07/17 HB _____

SHORT TITLE NM Energy Road Map SJM 21/aSCONC

ANALYST Armstrong

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
			None		Nonrecurring	EMNRD operating budget
			Unknown		Nonrecurring	Other agency operating budgets

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of SCONC Amendment

The Senate Conservation Committee amendment clarifies that the goal of the memorial, rather than of the U.S. Department of Energy (DOE), is to move to a more diversified energy portfolio for future production and distribution and for efficient use of energy.

Synopsis of Joint Memorial

Senate Joint Memorial 21 (SJM21) requests that state agencies partner with and provide information to the Energy, Minerals and Natural Resources Department (EMNRD) to develop the state energy roadmap. The joint memorial also requests an update on the development and progress of a state energy roadmap by presented to the appropriate legislative interim committee by November 2018.

FISCAL IMPLICATIONS

As stated by SJM21, EMNRD's Energy Conservation and Management Division (ECMD) received a \$300 thousand DOE grant in December 2016 to develop a state energy roadmap. This grant will support ECMD's efforts, but other agencies participating in the process may incur additional costs that would be absorbed by their operating budgets.

SIGNIFICANT ISSUES

According to EMNRD’s 2016 annual report, the roadmap project will initiate the implementation phase of New Mexico’s Energy Policy and Implementation Plan, released in 2015, with the goal of bringing energy stakeholders together for informed discussion about New Mexico’s energy production, distribution, efficiency, and usage. From the annual report:

The project objective is to develop a New Mexico state energy roadmap that outlines planning strategies for the future of energy production, distribution and usage in New Mexico and achieve low-carbon energy, economically viable future. The roadmap project implements portions of New Mexico’s 2015 Energy Policy and Implementation Plan.

To develop the roadmap, the ECMD will:

- Convene a stakeholder effort to support development of the roadmap;
- Use scenario-planning to inform the Roadmap priorities;
- Outline the steps needed to move to a low-carbon standard for energy production upon expiration of the state’s existing Renewable Portfolio Standard (RPS); and
- Identify implementation strategies across all energy sectors and teams to support adoption of final strategies.

JA/al/sb