

1 A MEMORIAL

2 REQUESTING THAT THE STATE INVESTMENT OFFICE DEVELOP A  
3 STRATEGIC PLAN PROVIDING FOR STATE INVESTMENT IN NEW MEXICO  
4 RENEWABLE ENERGY, STORAGE AND TRANSMISSION.

5  
6 WHEREAS, the New Mexico renewable energy industry is a  
7 growth sector; and

8 WHEREAS, the vast majority of revenue collected by the  
9 state land office is derived from the energy industry; and

10 WHEREAS, fossil fuels are a finite resource, and the  
11 fossil fuel industry is subject to economic boom and bust  
12 cycles; and

13 WHEREAS, the state's economy would be strengthened by  
14 diversifying investments in New Mexico renewable energy  
15 projects, broadening energy exports and upgrading energy  
16 transmission infrastructure; and

17 WHEREAS, New Mexico renewable energy projects include  
18 energy generated from wind, solar geothermal, biomass and  
19 other renewable sources and storage and transmission  
20 resources that are predominantly used to store or transmit  
21 renewable energy generated with New Mexico or New-Mexico-  
22 based renewable energy equipment manufacturing facilities;  
23 and

24 WHEREAS, other southwestern states are seeking to become  
25 renewable energy leaders, and New Mexico is in competition

1 with these states to provide energy for the United States  
2 energy market; and

3 WHEREAS, if large-scale energy projects are not  
4 anticipated in New Mexico, the state may receive diminished  
5 access to new high-capacity transmission lines and an  
6 accompanying diminished ability to export its renewable  
7 energy; and

8 WHEREAS, renewable energy projects will be  
9 disproportionately built in 2020 and 2021 due to incentives  
10 provided by the federal investment tax credit;

11 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
12 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the state  
13 recognize the immediate need to build and invest in  
14 large-scale New Mexico renewable energy projects and to  
15 become a leader in the renewable energy market and that  
16 immediate participation in this market may generate  
17 significant revenue for the state; and

18 BE IT FURTHER RESOLVED that the state promote and  
19 participate in growing the state's renewable energy industry  
20 to increase long-term revenue for the state land office,  
21 Native American tribes and the state; and

22 BE IT FURTHER RESOLVED that the state investment office,  
23 in consultation with the state land office, and the economic  
24 development department be requested to research and draft a  
25 strategic plan to establish a New Mexico renewable energy

1 investment policy, with the purpose of beginning investment  
2 in New Mexico renewable energy projects before 2021; and

3 BE IT FURTHER RESOLVED that the state investment office  
4 be requested to make a recommendation to the state investment  
5 council on the adoption of the strategic plan, which shall  
6 also be presented to the appropriate interim legislative  
7 committees; and

8 BE IT FURTHER RESOLVED that the strategic plan pursue  
9 investment opportunities with returns at or above market  
10 rates for funds subject to the Uniform Prudent Investor Act  
11 and that for funds that seek economically targeted  
12 investments, the strategic plan pursue investments that  
13 maximize benefit to taxpayers, including investment  
14 opportunities with returns at or above market rates; and

15 BE IT FURTHER RESOLVED that, in developing a strategic  
16 plan, the state investment office be requested to examine,  
17 report and make recommendations to the state investment  
18 council on each of the following:

19 A. the impact of supplementing current oil and gas  
20 investments with large investments in New Mexico renewable  
21 energy projects and the effect this may have on revenue and  
22 investment risk strategies;

23 B. the identification of fund managers, investment  
24 funds and innovative and new investment vehicles capable of  
25 managing and investing in New Mexico renewable energy

1 projects which may include a request for information  
2 soliciting responses from private investment funds capable of  
3 managing those investment vehicles;

4 C. the identification of state funding sources  
5 eligible for investment in identified investment vehicles and  
6 other innovative strategies to allow investment of state  
7 funding sources in New Mexico renewable energy projects;

8 D. strategies for financing low and moderate risk  
9 debt for utility-scale solar, wind and storage projects in  
10 New Mexico and analyzing which state funding sources may  
11 participate in these investments;

12 E. opportunities to provide economically targeted  
13 investments in New Mexico renewable energy projects that  
14 increase revenue to the state land office, Native American  
15 tribes and the state;

16 F. opportunities to collaborate with electric  
17 cooperatives, utilities, Native American tribes and private  
18 investors to invest in and place New Mexico renewable energy  
19 projects on Native American land, land managed by the state  
20 land office and other state land;

21 G. the amount of New Mexico renewable energy  
22 project investment opportunities available in calendar year  
23 2020 and subsequent years;

24 H. the identification or development of a suitable  
25 quantifiable metric for measuring increases in state revenue

1 resulting from investment in New Mexico renewable energy  
2 projects;

3 I. investment opportunities in advanced renewable  
4 energy, storage and transmission projects and projects that  
5 promote environmental remediation;

6 J. investment opportunities in renewable energy  
7 manufacturing, construction and related industry in New  
8 Mexico-based businesses;

9 K. strategies for prioritizing investing money  
10 from state funding sources in New Mexico renewable energy  
11 projects; and

12 L. other information deemed relevant by the state  
13 investment office; and

14 BE IT FURTHER RESOLVED that copies of this memorial be  
15 transmitted to the state investment council, the state  
16 investment officer, the commissioner of public lands, the  
17 economic development department, the energy, minerals and  
18 natural resources department, the secretary of Indian affairs  
19 and the secretary of environment. \_\_\_\_\_

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