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HOUSE MEMORIAL 20

**55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022**

INTRODUCED BY

Andrea Romero and Angelica Rubio

A MEMORIAL

REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL, IN CONJUNCTION WITH THE PUBLIC REGULATION COMMISSION, TO CONDUCT AND OVERSEE A STUDY TO DETERMINE THE PUBLIC, RATEPAYER, ENVIRONMENTAL AND ECONOMIC BENEFITS AND COSTS AND THE TECHNICAL FEASIBILITY OF A STATE-LEVEL PUBLIC UTILITY MODEL FOR NEW MEXICO.

WHEREAS, the transition to renewable energy sources for New Mexico presents numerous opportunities to not only achieve statewide one-hundred-percent renewable energy and storage electricity needs at lower cost but also, through the provision of renewable energy and storage on its grid, to explore the possibility of exporting renewable energy and developing new markets; and

WHEREAS, New Mexico has the second-highest solar capacity and eleventh-highest wind capacity of any state in the nation

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1 and has the ability to deliver terawatts of energy to western  
2 states such as California and Arizona, which require a one-  
3 hundred-percent clean energy supply by 2045; and

4 WHEREAS, the legislature established the New Mexico  
5 renewable energy transmission authority in 2007 to facilitate  
6 development of electric transmission and storage projects; and

7 WHEREAS, the New Mexico renewable energy transmission  
8 authority found that:

9 A. New Mexico has the potential to develop one  
10 hundred thirty-seven thousand megawatts of wind energy and  
11 eight hundred twenty-four thousand megawatts of solar energy on  
12 state trust and private lands;

13 B. the total investment in the development,  
14 construction and operation of new renewables and transmission  
15 ranges from nine billion three hundred million dollars  
16 (\$9,300,000,000) to eleven billion two hundred million dollars  
17 (\$11,200,000,000) through 2032; and

18 C. three thousand seven hundred development and  
19 construction jobs will be created by 2032, with eight hundred  
20 permanent jobs in the future; and

21 WHEREAS, in the 2021 regular legislative session, the New  
22 Mexico legislature passed Senate Bill 112, which created the  
23 sustainable economy task force and developed a plan to  
24 transition the state's economy from over-dependence on  
25 extractive industries; and

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1           WHEREAS, a workforce solutions department study  
2           overwhelmingly supports the diversification of the state's  
3           economy and recommends procurement of as much of the state's  
4           electricity from wind and solar energy as possible; and

5           WHEREAS, despite only ten percent of electricity in the  
6           United States coming from public power facilities,  
7           approximately forty percent of this electricity was generated  
8           from non-carbon-emitting sources; and

9           WHEREAS, public power utilities generate more than sixty  
10          billion dollars (\$60,000,000,000) in annual revenue and invest  
11          more than two billion dollars (\$2,000,000,000) annually  
12          directly back into their communities; and

13          WHEREAS, public power utilities invest this revenue back  
14          into their communities through payments in lieu of taxes,  
15          providing local jobs with great benefits, offering free or  
16          reduced-cost electric services and supporting local causes and  
17          charities;

18          NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
19          REPRESENTATIVES OF THE STATE OF NEW MEXICO that the legislature  
20          recognize the immediate need to build and invest in large-scale  
21          renewable energy projects, the opportunity to become a leader  
22          in the renewable energy market and that immediate participation  
23          in this market may generate significant ongoing revenue for the  
24          state; and

25          BE IT FURTHER RESOLVED that the New Mexico legislative

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1 council be requested to cooperate with the New Mexico public  
2 regulation commission to investigate, pursue discovery and  
3 continue regulation to evaluate and determine if public power  
4 ownership for New Mexico would result in a net public benefit;  
5 and

6 BE IT FURTHER RESOLVED that the New Mexico legislative  
7 council, in conjunction with the public regulation commission,  
8 conduct and oversee a study to determine the public, ratepayer,  
9 environmental and economic benefits and costs and the technical  
10 feasibility of a state-level public utility model for New  
11 Mexico; and

12 BE IT FURTHER RESOLVED that the study be requested to  
13 explore how best to deliver electricity to consumers in light  
14 of the technological changes in electricity supply devoted to  
15 the generation and delivery of renewable electricity; and

16 BE IT FURTHER RESOLVED that the public regulation  
17 commission and other stakeholders be requested to report to the  
18 legislative finance committee, the interim committee that hears  
19 topics related to water and natural resources and the interim  
20 committee that hears topics related to economic development and  
21 policy as to the progress of the study; define the potential  
22 viability of public power, including evaluation of the costs  
23 and benefits; identify best practices and lessons learned from  
24 other states' experiences in implementing public power or  
25 community choice energy; and define the best pathways for

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1 implementation; and

2 BE IT FURTHER RESOLVED that the study develop  
3 recommendations for a reconstituted energy supply system in New  
4 Mexico based on a public power model and a new regulatory  
5 framework for the public regulation commission to guide the  
6 implementation of the new system; and

7 BE IT FURTHER RESOLVED that the new system have a goal of  
8 giving New Mexican consumers as much local power and control as  
9 possible, while ensuring enough operational power and control  
10 for major public policy goals such as the export of renewable  
11 energy to bolster the state budget, performance incentives  
12 incorporated into any wholesale power purchase, rate equity and  
13 reliability standards; and

14 BE IT FURTHER RESOLVED that the New Mexico legislative  
15 council, the public regulation commission and other  
16 stakeholders be requested to report to the legislative finance  
17 committee, the interim committee that hears topics related to  
18 water and natural resources and the interim committee that  
19 hears topics related to economic development and policy as to  
20 the findings and conclusions of the study by December 1, 2022;  
21 and

22 BE IT FURTHER RESOLVED that copies of this memorial be  
23 transmitted to the co-chairs of the New Mexico legislative  
24 council, the chair of the public regulation commission and the  
25 chair of the legislative finance committee.

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