

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

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

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

WHEREAS, the construction or installation of energy cost-saving and water-saving measures pursuant to these acts

provides economic development opportunities in which the New Mexico building contracting industry desires to fully participate; and

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

WHEREAS, by statutory and operational powers and duties, the department of finance and administration, the energy, minerals and natural resources department, the general services department, the New Mexico finance authority, the public education department, the public school capital outlay council, the public school facilities authority and the taxation and revenue department each has a role to play in the implementation of the Public Facility Energy Efficiency and Water Conservation Act and the Energy Efficiency and Renewable Energy Bonding Act;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the department of finance and administration, the energy, minerals and

natural resources department, the general services department, the New Mexico finance authority, the public education department, the public school capital outlay council, the public school facilities authority and the taxation and revenue department be requested to form a group chaired by a representative of the energy, minerals and natural resources department to make recommendations after a jointly conducted study to:

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

B. identify what administrative, organizational, procurement, regulatory and jurisdictional barriers currently impede wider implementation of these procurement and financing tools and practices;

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

D. examine successful energy cost-saving and water-saving models in other states, including Colorado and Texas, to see if centralizing technical and procurement

expertise as a resource for public entities is the most effective and efficient approach to expanding the successful use of the Public Facility Energy Efficiency and Water Conservation Act and the Energy Efficiency and Renewable Energy Bonding Act;

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

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

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

H. estimate the comprehensive cost and budget savings from wider implementation of the procurement and financing tools statewide or identify a process to do so and pursue a cost-benefit analysis or identify a process for doing so for wider implementation of the Public Facility Energy Efficiency and Water Conservation Act and the Energy Efficiency and Renewable Energy Bonding Act;

I. identify additional public and private grant and incentive funding resources to facilitate and speed

implementation of the acts; and

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

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

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