

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Soules ORIGINAL DATE 2/7/18
LAST UPDATED _____ HB _____
SHORT TITLE Clean Energy Policy Task Force SM 97
ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI		NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to SJM21 passed in 2017 session.

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

Senate Memorial 97 requests the Legislative Council to convene a task force to develop a long-term environmentally clean energy policy. The task force would consider the most efficient use of all currently available energy resources and the economic benefits to all stakeholders. The task force would be comprised of representatives from constituencies including utilities, energy resource providers, local governments, economic and tax analysts, and environmental interest groups. The policy recommendation would be presented by September 2018.

FISCAL IMPLICATIONS

Because the requests of SM97 will be addressed in the development of the roadmap and reported as requested by SJM21 (see significant issues), this legislation has no fiscal impact.

SIGNIFICANT ISSUES

Senate Joint Memorial 21 passed during the 2017 Legislative session which request state agencies to partner with the Energy, Minerals and Natural Resources Department (EMNRD) to develop the state energy road map. The joint memorial also requests an update on the development and progress of a state energy roadmap be presented to the appropriate legislative interim committee by November 2018.

According to EMNRD's FY16 annual report:

In December 2016 ECMD received a \$300 thousand U.S. DOE grant award to begin work on a state energy roadmap project. The project objective is to develop a New Mexico State Energy Roadmap (Roadmap) that outlines planning strategies for the future of energy production, distribution and usage in New Mexico and achieve a 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.

TECHNICAL ISSUES

Changing the required reporting date from September 2018 to November 2018 would align the requirements of SM97 with those of SJM21.

CJ/al