

**FORTY-SIXTH LEGISLATURE
FIRST SESSION, 2003**

February 14, 2003

Mr. Speaker:

Your ENERGY AND NATURAL RESOURCES COMMITTEE, to whom has been referred

HOUSE BILL 292

has had it under consideration and reports same with recommendation that it DO PASS, amended as follows:

1. On page 1, line 14, after "APPROVAL" strike the remainder of the line and on line 15, strike "SECTION 82".

2. On page 3, line 11, before "construction" insert a colon and the paragraph designation "(1)".

3. On page 3, line 13, strike the period and insert in lieu thereof "; or".

4. On page 3, between lines 13 and 14, insert the following new paragraph:

"(2) plants that have received, by January 1, 2003, the following permits, approvals or authorizations, if applicable:

(a) an authority to construct permit pursuant to the Air Quality Control Act;

(b) a ground water discharge permit pursuant to the Water Quality Act;

(c) a county site development plan approval;
and

(d) Indian tribal or pueblo government permits."

5. On page 5, line 20, after the subsection designation strike "A" and insert in lieu thereof "Notwithstanding the provisions of Subsection H of Section 62-9-3 NMSA 1978, a".

6. On page 5, line 22, after "will" insert "consumptively".

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7. On page 6, line 2, strike "The" and strike lines 3 through 25, strike pages 7 and 8 in their entirety and on page 9, strike lines 1 through 5 and insert in lieu thereof:

"In considering an application to construct or expand an electric power generating plant, the commission shall require the applicant to submit a water utilization plan that:

(1) compares alternate water management practices, including effects on capital and operating costs, water use, wastewater management and energy efficiency; and

(2) includes information about alternative power plant cooling methods, including dry cooling, hybrid wet-dry cooling and the use of produced or other sources of waste or degraded water.

B. The commission shall submit the water utilization plan to the state engineer. Within forty-five days, the state engineer shall evaluate the proposed water utilization plan and provide the commission with a determination of whether the proposed plan is consistent with the conservation of water within the state. The state engineer may recommend to the commission any alternatives for consideration and shall comment on whether the plan meets the criteria set forth in Subsection C of this section.

C. The commission shall develop criteria for evaluating electric power generating plant water utilization plans, and shall reject an application that in its judgment does not meet the criteria. The criteria shall include:

(1) total all-in life-cycle costs for water acquisition, treatment, pumping, use and disposal;

(2) total all-in life-cycle costs for construction and operating costs;

(3) estimated impact of these costs on the retail cost of electric power;

(4) energy efficiency gains or losses; and

(5) any other derivative effects such as air pollution increases or decreases."

8. Reletter the succeeding subsections accordingly.

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9. On page 10, line 19, strike "C" and insert in lieu thereof "B".

10. On page 11, line 5, strike the quotation marks, strike lines 6 and 7 and insert in lieu thereof a new subsection to read:

"G. The requirements of this section apply only to electric power generating units placed into service on or after January 1, 2003. In addition, any expansion of an electric power generating plant that has been placed into service prior to January 1, 2003 and that results in a plant capacity of three hundred thousand kilowatts or less is exempted from the requirements of this section.".,

and thence referred to the BUSINESS AND INDUSTRY
COMMI TTEE.

Respectfully submitted,

James Roger Madal ena, Chair man

Adopted _____
(Chi ef Clerk)

Not Adopted _____
(Chi ef Clerk)

Date _____

The roll call vote was 8 For 0 Against
Yes: 8
Excused: Martine z, Picraux, Roberts
Absent: None

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