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HOUSE MEMORIAL 61

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

INTRODUCED BY

Roberto "Bobby" J. Gonzales and Joseph L. Sanchez
and Susan K. Herrera

A MEMORIAL

REQUESTING THE APPROPRIATE INTERIM LEGISLATIVE COMMITTEE TO
RECEIVE TESTIMONY ON RURAL ELECTRIC COOPERATIVE REGULATION AND
GOVERNANCE.

WHEREAS, a majority of the electric cooperatives in forty-
seven states are self-governed; and

WHEREAS, New Mexico is one of the few states that
regulates its electric cooperatives in a similar manner to
public utilities; and

WHEREAS, each electric cooperative in the state, based on
its membership, has different goals that are not met with one
regulatory approach; and

WHEREAS, each New Mexico electric cooperative is locally
governed by an elected board of trustees; and

WHEREAS, the elected board of trustees governance model

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1 has proven through time to be the most effective and efficient
2 way to direct the affairs of a rural electric cooperative; and

3 WHEREAS, through the cooperative principle of democratic
4 member control, an electric cooperative's members are able to
5 directly and effectively influence the cooperative's policies
6 and rates; and

7 WHEREAS, in the current regulatory scheme, electric
8 cooperatives are not able to consistently implement the
9 policies supported by the cooperative's members and that are
10 required to meet the new, emerging utility business model;

11 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
12 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the appropriate
13 interim legislative committee be requested to receive testimony
14 on public regulation commission regulation of rural electric
15 cooperatives and how the state may best foster rural electric
16 cooperative self-governance; and

17 BE IT FURTHER RESOLVED that the appropriate interim
18 legislative committee be requested to receive testimony on how
19 best to allow a rural electric cooperative to implement, with
20 or without public regulation commission regulation, policies
21 that may be supported by its membership, including:

22 A. decoupling rates in order to keep rates stable
23 and potentially lower them;

24 B. passing fixed costs, such as property taxes and
25 line management, onto electric cooperative members;

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underscoring material = new
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1 C. setting policies supporting emerging
2 technologies for power storage, electric vehicles and behind-
3 the-meter applications, thereby encouraging renewable energy
4 deployment and community engagement; and

5 D. charging different rates within a customer
6 class; for example, a low-income rate for qualifying
7 residential customers; and

8 BE IT FURTHER RESOLVED that copies of this memorial be
9 transmitted to the co-chairs of the New Mexico legislative
10 council.