

FIFTY-FIFTH LEGISLATURE
FIRST SESSION, 2021

SB 84/a

January 28, 2021

Mr. President:

Your **CONSERVATION COMMITTEE**, to whom has been referred

SENATE BILL 84

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

1. On page 1, line 14, after the semicolon, insert "PROVIDING THAT RENEWABLE ENERGY CERTIFICATES ASSOCIATED WITH A COMMUNITY SOLAR FACILITY ARE THE PROPERTY OF THE QUALIFYING UTILITY;".

2. On page 1, line 19, strike "This" and insert in lieu thereof "Sections 1 through 9 of this".

3. On page 8, line 5, after "facility", strike the remainder of the line, strike line 6 through "utility" and insert in lieu thereof "shall be owned by the qualifying utility to whose electric distribution system the community solar facility is interconnected".

4. On page 11, line 13, after the period, insert "The decision of a rural electric distribution cooperative to opt-in to the community solar program shall be in the sole discretion of the cooperative's governing board.".

5. On page 11, between lines 21 and 22, insert the following new section:

"SECTION 10. Section 62-16-5 NMSA 1978 (being Laws 2004, Chapter 65, Section 5, as amended) is amended to read:

"62-16-5. RENEWABLE ENERGY CERTIFICATES--COMMISSION DUTIES.--

A. The commission shall establish:

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(1) a system of renewable energy certificates that can be used by a public utility to establish compliance with the renewable portfolio standard and that may include certificates that are monitored, accounted for or transferred by or through a regional system or trading program for any region in which a public utility is located; and

(2) requirements and procedures concerning requirements for renewable energy certificates pursuant to Subsections B and C of this section.

B. Renewable energy certificates:

(1) are owned by the generator of the renewable energy unless:

(a) the renewable energy certificates are transferred to the purchaser of the electricity through specific agreement with the generator;

(b) the generator is a qualifying facility, as defined by the federal Public Utility Regulatory Policies Act of 1978, in which case the renewable energy certificates are owned by the public utility purchaser of the renewable energy; ~~[or]~~

(c) a contract for the purchase of renewable energy is in effect prior to July 1, 2019, in which case the renewable energy certificates are owned by the purchaser of the electricity for the term of such contract, unless otherwise agreed to in a contract approved by the commission; or

(d) the generator is a community solar facility, as defined in the Community Solar Act, in which case the renewable energy certificates are owned by the public utility to whose electric distribution system the community solar facility is interconnected;

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(2) may be traded, sold or otherwise transferred by their owner, unless the certificates are from a rate-based public utility plant, in which case the entirety of the renewable energy certificates from that plant shall be retired by the utility on behalf of itself or its customers. Any contract to purchase renewable energy entered into by a public utility on or after July 1, 2019 shall include conveyance to the purchasing utility of all renewable energy certificates, and the entirety of those certificates shall be retired by that utility on behalf of itself or its customers or subsequently transferred to a retail customer for retirement under a voluntary program for purchasing renewable energy approved by the commission. A utility shall not claim that it is providing renewable energy from generation resources for which it has traded, sold or transferred the associated renewable energy certificates. The commission shall not disallow the recovery of the cost associated with any expired renewable energy certificate. The public utility shall annually file a report with the commission discussing:

(a) its use, sale, trading or transfer of renewable energy certificates; and

(b) whether and how its public claims of renewable energy generation account for renewable energy certificates that it has traded, sold or transferred;

(3) that are used for the purpose of meeting the renewable portfolio standard shall be registered with a renewable energy generation information system that is designed to create and track ownership of renewable energy certificates and that, through the use of independently audited generation data, verifies the generation and delivery of electricity associated with each renewable energy certificate and protects against multiple counting of the same renewable energy certificate; and

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(4) may be carried forward for up to four years from the date of issuance to establish compliance with the renewable portfolio standard, after which they shall be deemed retired by the public utility.

C. A public utility shall be responsible for demonstrating that a renewable energy certificate used for compliance with the renewable portfolio standard is derived from eligible renewable energy resources."",

and thence referred to the **TAX, BUSINESS AND TRANSPORTATION COMMITTEE**.

Respectfully submitted,

Elizabeth Stefanics, Chairman

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 6 For 3 Against

Yes: 6

No: Gallegos, Neville, Schmedes

Excused: None

Absent: None

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