

LFC Requester:

Julisa Rodriguez

AGENCY BILL ANAL**YSIS - 2026 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}***Date Prepared:** 02/05/2026*Check all that apply:***Bill Number:** HB 329Original Correction Amendment Substitute **Sponsor:** Rep. Meredith A. Dixon**Agency Name
and Code**430 – Public Regulation
Commission**Short Title:** Energy Affordability & Grid
Reliability**Number:****Person Writing**J. Bogatko**Phone:** (505)490-2696**Email** jerri.mares@prc.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
	\$2,000.	Nonrecurring	General Fund

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 329 proposes new legislation related to public utilities, including the creation of an energy affordability and grid reliability council, the assignment of duties to the council, and an appropriation to the PRC to facilitate the council's administrative attachment to the PRC and staffing.

SECTION 1 –Energy Affordability and Grid Reliability Council Created – Purpose – Membership – Public Regulation Commission (“PRC”) to Staff.

Paragraph A - States that the “energy affordability and grid reliability council” is created to:

1. Evaluate strategies to protect consumers by maintaining affordable utility rates and ensure prudent and timely investment in grid modernization, reliability, and resilience;
2. Examine options to support additional energy production, generation capacity and infrastructure necessary to meet growing consumer demand and enhance economic development consistent with the Energy Transition Act;
3. Assess regulatory, financing and planning mechanisms that balance costs containment, reliability, emissions reduction and long-term system sustainability;
4. Consider impacts on residential, rural, tribal and small business customers;
5. Identify best practices from other states addressing similar energy transition and demand growth challenges; and
6. Develop legislative, regulatory or administrative recommendations.

Paragraph B - Specifies the member composition of the council to include:

1. One representative from the energy, minerals and natural resources department (“EMNRD”) designated by the secretary of EMNRD;
2. One representative with expertise in consumer or ratepayer advocacy, appointed by the governor;
3. One representative with expertise in electric or natural gas utility operations, generation, transmission or distribution, appointed by the governor;
4. One representative with expertise in economic development or workforce impacts related to energy policy, appointed by the governor; and

5. As advisory members, one representative from each investor-owned utility in the state.

Paragraph C - Provides that the governor shall appoint a chair and vice chair of the council.

Paragraph D - Stipulates that all members of the council serve at the pleasure of the governor.

Paragraph E – Mandates that public members of the council are entitled to per diem and mileage as provided in the Per Diem and Mileage Act and shall receive no other compensation, perquisite or allowance.

Paragraph F – Establishes that the council is administratively attached to the PRC and that the PRC shall staff the council.

SECTION 2 – Provides for a \$2 million dollar appropriation from the general fund to the PRC for expenditure in fiscal year 2027 to pay costs associated with the energy affordability and grid reliability council. Any unexpended balance remaining at the end of fiscal year 2027 shall revert to the general fund.

FISCAL IMPLICATIONS

HB 329 provides a \$2 million dollar appropriation to the PRC for FY27 only, with any unexpended balance reverting to the general fund. Per SECTION 1, Paragraph F, above, it is anticipated that the costs associated with the council will primarily consist of those incurred by the PRC in adequately staffing the council and the performance of other administrative functions to facilitate the council's work. However, the bill does not include a sunset provision for the Energy Affordability and Grid Reliability Council or specify whether the council's activities are intended to continue beyond FY27. If the council is expected to continue its work after FY27, the bill does not identify a funding mechanism to support its ongoing activities, creating an indeterminate future fiscal impact.

SIGNIFICANT ISSUES

N/A

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

Per SECTION 1, Paragraph F the council is administratively attached to the PRC such that the PRC is required to staff the council.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None noted.

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

N/A