

LFC Requester:

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AGENCY BILL ANALYSIS - 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: 01/24/2026 *Check all that apply:*
Bill Number: SB 78 Original Correction
 Amendment Substitute

Sponsor: Sen. Anthony L. Thornton **Agency Name and Code** 430 – Public Regulation Commission
Short Title: NUCLEAR ENERGY AS RENEWABLE ENERGY **Number:** _____
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

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:

SB 78 is a utilities bill that adds nuclear energy to the list of renewable energy sources that satisfy the Renewable Portfolio Standard (RPS) for public utilities and rural electric cooperatives.

Section 1 - Amends 62-15-37 NMSA 1978 (Rural Electric Cooperative Act - definitions):

- Adds “nuclear facilities” to the cooperative definition of “renewable energy resource,” defined as facilities using nuclear reactions (fission or fusion) to produce heat that drives power conversion systems and that do not emit CO₂ or other greenhouse gases during electricity generation.
- Removes the prior exclusion of nuclear energy from the cooperative definition by deleting the bracketed phrase “[or nuclear energy]” in the clause excluding fossil-fuel generation.

Section 2 - Amends 62-16-3 NMSA 1978 (Renewable Energy Act - definitions for public utilities):

- Adds “nuclear facilities” to the public utility definition of “renewable energy resource,” using the same concept: nuclear reactions (fission or fusion) producing heat for power conversion and no CO₂ or other greenhouse gas emissions during electricity generation.

FISCAL IMPLICATIONS

None.

SIGNIFICANT ISSUES

SB 78 would treat certain nuclear generation as ‘renewable’ for RPS compliance. While nuclear generation is generally considered zero-emitting during operation, it is not typically considered ‘renewable’ because fuel inputs are finite. The definitional change may raise policy concerns about whether the RPS is intended to promote renewable resource development specifically, or broader zero-emission generation.

The bill would expand what counts toward the RPS by letting utilities and co-ops use qualifying nuclear generation for compliance credit. If they rely on that credit, they may need to buy or build less new wind, solar, storage, or other eligible renewables to meet upcoming RPS targets. This may impact procurement strategies, Integrated Resource Plan (IRP) portfolios, and compliance planning under existing statutory timelines.

If nuclear is treated as “renewable,” the PRC may need to decide how RPS credit is created, tracked, and retired. Although the bill adds qualifying nuclear to the eligible resource list, it does not explain whether nuclear would use existing REC processes, whether additional tracking details

are needed, or what documentation would satisfy the “no greenhouse gas emissions during generation” requirement in compliance filings. If utilities seek to use nuclear-based credits, the PRC may face questions about proof standards, auditing, and consistency with current tracking systems.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to SB 39 MICROGRID OVERSIGHT ACT addressing similar clean-energy/RPS concepts.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

An alternative approach would be to recognize nuclear generation through a separate zero-carbon crediting framework, rather than redefining it as a “renewable energy resource.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

AMENDMENTS

None.