

SENATE BILL 78

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

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AN ACT

RELATING TO UTILITIES; ADDING NUCLEAR ENERGY TO THE LIST OF
RENEWABLE ENERGY SOURCES THAT SATISFY THE RENEWABLE PORTFOLIO
STANDARD FOR PUBLIC UTILITIES AND RURAL ELECTRIC COOPERATIVES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 62-15-37 NMSA 1978 (being Laws 2007,
Chapter 4, Section 4, as amended) is amended to read:

"62-15-37. DEFINITIONS--ENERGY EFFICIENCY--RENEWABLE
ENERGY.--As used in the Rural Electric Cooperative Act:

A. "energy efficiency" means measures, including
energy conservation measures, or programs that target consumer
behavior, equipment or devices to result in a decrease in
consumption of electricity without reducing the amount or
quality of energy services;

B. "renewable energy" means electric energy

1 generated by use of renewable energy resources and delivered to
2 a rural electric cooperative;

3 C. "renewable energy certificate" means a
4 certificate or other record, in a format approved by the public
5 regulation commission, that represents all the environmental
6 attributes from one megawatt-hour of electricity generated from
7 renewable energy;

8 D. "renewable energy resource" means electric or
9 useful thermal energy:

10 (1) generated by use of the following energy
11 resources, with or without energy storage and delivered to a
12 rural electric cooperative:

13 (a) solar, wind and geothermal;

14 (b) hydropower facilities brought in
15 service on or after July 1, 2007;

16 (c) other hydropower facilities
17 supplying no greater than the amount of energy from hydropower
18 facilities that were part of an energy supply portfolio prior
19 to July 1, 2007;

20 (d) fuel cells that do not use fossil
21 fuels to create electricity;

22 (e) biomass resources, limited to
23 agriculture or animal waste, small diameter timber, not to
24 exceed eight inches, salt cedar and other phreatophyte or woody
25 vegetation removed from river basins or watersheds in New

1 Mexico; provided that these resources are from facilities
2 certified by the energy, minerals and natural resources
3 department to: 1) be of appropriate scale to have sustainable
4 feedstock in the near vicinity; 2) have zero life cycle carbon
5 emissions; and 3) meet scientifically determined restoration,
6 sustainability and soil nutrient principles; ~~and~~

7 (f) landfill gas and anaerobically
8 digested waste biomass; and

9 (g) nuclear facilities that use nuclear
10 reactions, whether through nuclear fission or nuclear fusion,
11 to produce heat that drives power conversion systems and do not
12 emit carbon dioxide or other greenhouse gases during
13 electricity generation; and

14 (2) does not include electric energy generated
15 by use of fossil fuel ~~[or nuclear energy]~~;

16 E. "useful thermal energy" means renewable energy
17 delivered from a source that can be metered and that is
18 delivered in the state to an end user in the form of direct
19 heat, steam or hot water or other thermal form that is used for
20 heating, cooling, humidity control, process use or other valid
21 end-use energy requirements and for which fossil fuel or
22 electricity would otherwise be consumed;

23 F. "zero carbon resource" means an electricity
24 generation resource that emits no carbon dioxide into the
25 atmosphere, or that reduces methane emitted into the atmosphere

1 in an amount equal to no less than one-tenth of the tons of
2 carbon dioxide emitted into the atmosphere, as a result of
3 electricity production; and

4 G. "zero carbon resource standard" means providing
5 New Mexico rural electric cooperative retail customers with
6 electricity generated from one hundred percent zero carbon
7 resources."

8 SECTION 2. Section 62-16-3 NMSA 1978 (being Laws 2004,
9 Chapter 65, Section 3, as amended) is amended to read:

10 "62-16-3. DEFINITIONS.--As used in the Renewable Energy
11 Act:

12 A. "commission" means the public regulation
13 commission;

14 B. "energy storage" means batteries or other means
15 by which energy can be retained and delivered as electricity
16 for use at a later time;

17 C. "municipality" means a municipal corporation,
18 organized under the laws of the state, and H class counties;

19 D. "public utility" means an entity certified by
20 the commission to provide retail electric service in New Mexico
21 pursuant to the Public Utility Act but does not include rural
22 electric cooperatives;

23 E. "reasonable cost threshold" means an average
24 annual levelized cost of sixty dollars (\$60.00) per megawatt-
25 hour at the point of interconnection of the renewable energy

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1 resource with the transmission system, adjusted for inflation
2 after 2020;

3 F. "renewable energy" means electric energy
4 generated by use of renewable energy resources and delivered to
5 a public utility;

6 G. "renewable energy certificate" means a
7 certificate or other record, in a format approved by the
8 commission, that represents all the environmental attributes
9 from one megawatt-hour of electricity generated from renewable
10 energy;

11 H. "renewable energy resource" means the following
12 energy resources, with or without energy storage:

13 (1) solar, wind and geothermal;

14 (2) hydropower facilities brought in service
15 on or after July 1, 2007;

16 (3) biomass resources, limited to agriculture
17 or animal waste, small diameter timber, not to exceed eight
18 inches, salt cedar and other phreatophyte or woody vegetation
19 removed from river basins or watersheds in New Mexico; provided
20 that these resources are from facilities certified by the
21 energy, minerals and natural resources department to:

22 (a) be of appropriate scale to have
23 sustainable feedstock in the near vicinity;

24 (b) have zero life cycle carbon
25 emissions; and

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1 (c) meet scientifically determined
2 restoration, sustainability and soil nutrient principles;

3 (4) fuel cells that do not use fossil fuels to
4 create electricity; ~~and~~

5 (5) landfill gas and anaerobically digested
6 waste biogas; and

7 (6) nuclear facilities that use nuclear
8 reactions, whether through nuclear fission or nuclear fusion,
9 to produce heat that drives power conversion systems and do not
10 emit carbon dioxide or other greenhouse gases during
11 electricity generation;

12 I. "renewable portfolio standard" means the minimum
13 percentage of retail sales of electricity by a public utility
14 to electric consumers in New Mexico that is required by the
15 Renewable Energy Act to be from renewable energy;

16 J. "renewable purchased power agreement" means an
17 agreement that binds an entity generating power from renewable
18 energy resources to provide power at a specified price and
19 binds the purchaser to that price;

20 K. "zero carbon resource" means an electricity
21 generation resource that emits no carbon dioxide into the
22 atmosphere, or that reduces methane emitted into the atmosphere
23 in an amount equal to no less than one-tenth of the tons of
24 carbon dioxide emitted into the atmosphere, as a result of
25 electricity production; and

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underscored material = new
[bracketed material] = delete

1 L. "zero carbon resource standard" means providing
2 New Mexico public utility customers with electricity generated
3 from one hundred percent zero carbon resources."

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