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FISCAL IMPACT REPORT

BILL NUMBER: House Memorial 60

SHORT TITLE: Study Use of Buildings as Grid Asset

SPONSOR: Hochman-Vigil

LAST ORIGINAL
UPDATE: _____ **DATE:** 2/13/26 **ANALYST:** Davidson

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
EMNRD	No fiscal impact	\$100	No fiscal impact	\$100	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Energy, Minerals and Natural Resources Department

SUMMARY

Synopsis of House Memorial 60

House Memorial 60 requests the Energy, Minerals and Natural Resources Department's (EMNRD) Energy Conservation and Management Division (ECAM) to convene a study regarding the use of buildings as grid assets in concert with electrification and possibly demand flexibility. The memorial tasks the study and subsequent working group with identifying best practices, financing mechanisms, consumer protections and workforce needs, and then provide the working group's recommendations and present them by November 1st, 2026, to the appropriate interim legislative committee.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

Memorials do not contain appropriations and are not enforceable as state law. The study requested in this memorial is outside of the normal operations of ECAM and is likely to result in additional costs for them. EMNRD did not provide an estimate as to what implementation of the bill would cost. LFC estimates the bill could require ECAM to need additional funds for contract

work for implementation.

SIGNIFICANT ISSUES

EMNRD analysis notes that, due to the rapidly evolving nature of energy and technology, the bill could provide an opportunity for the state to study the utilization of buildings as “miniature power plants” to support the grid and offset peak demand.

EMNRD further notes the number of energy storage systems are declining nationally, while adoption of new technologies continues to grow. With a careful rollout of utility incentive frameworks, strategic deployments, and appropriate rate design, EMNRD suggests New Mexico could identify new methods to address peak energy use needs.

For similar memorials calling for additional study by EMNRD, the agency has previously noted that the short implementation timeline and the deadline for submitting study findings could present challenges for effective implementation.

AD/SEC/dw