

**MINUTES  
of the  
FIRST MEETING  
of the  
RADIOACTIVE AND HAZARDOUS MATERIALS COMMITTEE**

**June 15, 2009  
Room 321, State Capitol  
Santa Fe**

The first meeting of the Radioactive and Hazardous Materials Committee (RHMC) of the 2009 interim was called to order by Senator Richard C. Martinez, chair, at 10:05 a.m. on June 15, 2009 in Room 321 of the State Capitol in Santa Fe.

**Present**

Sen. Richard C. Martinez, Chair  
Rep. John A. Heaton, Vice Chair  
Rep. William J. Gray  
Sen. Carroll H. Leavell  
Sen. David Ulibarri  
Rep. Jeannette O. Wallace

**Absent**

Sen. Vernon D. Asbill  
Sen. Stephen H. Fischmann  
Rep. Antonio Lujan  
Sen. John Pinto  
Rep. Jeff Steinborn  
Rep. Jim R. Trujillo

**Advisory Members**

Sen. Rod Adair  
Rep. Eliseo Lee Alcon  
Rep. Thomas A. Anderson  
Rep. Donald E. Bratton  
Sen. Dianna J. Duran  
Sen. Lynda M. Lovejoy  
Rep. Nick L. Salazar

Sen. Gay G. Kernan  
Rep. Rodolpho "Rudy" S. Martinez  
Sen. William H. Payne

**Staff**

Gordon Meeks  
Mark Harben

**Guests**

The guest list is in the original meeting file.

**Monday, June 15**

Senator Martinez welcomed the committee and had the members introduce themselves.

**Interim Committee Meeting Protocols**

Raúl Burciaga, assistant director for drafting services, Legislative Council Service (LCS), provided the committee with an overview of protocol for interim committee meetings. He explained that the New Mexico Legislative Council decided to clarify interim committee

protocols because some issues were not covered last year. Mr. Burciaga outlined the definition of "quorum" in order to conduct business as a voting committee; he said that once a quorum is established, it is assumed to exist unless challenged. If a challenge is issued, only voting members can vote, according to Mr. Burciaga; while advisory members may express their views, he continued, their vote cannot be counted formally. Membership of committees may be adjusted to make sure there is a quorum for purposes of conducting a meeting, which, according to Mr. Burciaga, is intended to allow the committees to function officially and is not designed to change the outcome of a particular vote.

The sound systems are adjusted to automatically adjust the volume. Some conditions may obstruct the microphones and affect volume. Seating capacity in the capitol was designed to accommodate committees in the 1970s and 1980s. The LCS does try to seat as many as possible at the dais, but patience is appreciated when legislators have to be seated at an auxiliary table.

The New Mexico Legislative Council has asked staff to develop a schedule that minimizes conflicts of voting members. Mr. Burciaga has created a schedule with a minimal amount of conflicts, so he asked the members to avoid making changes unless absolutely necessary.

He discussed the per diem rules, including travel days that are eligible for per diem. Each legislator may attend other committees and obtain per diem for up to four days with prior approval from the speaker or pro tempore. Travel out of state may also be approved, but must be done so prior to the travel.

### **Work Plan, Schedule and Itinerary**

Mr. Meeks discussed the proposed work plan. Representative Heaton suggested topics for agendas at each scheduled meeting that the committee agreed to on the work plan and provided staff with a copy of his recommendations. He also discussed his bill from the 2009 session to change the name and mission of the committee, which failed, but which he intends to introduce again.

The importance of the Grants Mineral Belt and the need to reprocess spent nuclear fuel was discussed by committee members. The committee agreed to ask that the same members who participated in the trip to Washington, D.C., for briefings on the issue continue to take the lead on behalf of the committee on the issue of uranium mining and legacy mine cleanup and be appointed to the task force. The committee also asked that a representative from the Office of the Governor be present at all meetings dealing with this issue.

### **Renewable Energy Development in New Mexico**

Roy Stephenson, director of the Utility Division of the Public Regulation Commission (PRC), gave a presentation to the committee. He discussed the Renewable Energy Act, including its inception in 2004 and its history of updates and provisions. He explored the distinctions between energy conservation and energy efficiency. The act created the renewable

portfolio standard (RPS), which required renewable generation of five percent of retail sales by 2006, 10 percent by 2011, 15 percent by 2015 and 20 percent by 2020. Mr. Stephenson explained that alternative energy such as wind and solar power is important to explore, but it also has drawbacks and limitations. He discussed Senate Bill (SB) 644 from 2005, explaining that it mandates cost-effective energy and load management; seeks identification and removal of disincentives; and establishes integrated resource planning and cost recovery via a rate rider capped at 1.5 percent of a customer's bill. He continued to explain the modifications of SB 644 by 2007's SB 418. House Bill 305 from 2008 was also examined, including its provision for incentives for energy efficiency programs and its goals. The Integrated Resources Planning (IRP) Rule was adopted in March 2007, requiring utilities to file periodic IRPs, along with having short- and long-term plans.

Mr. Stephenson told the committee that one of the largest issues and obstacles to alternative energy is transmission. He explained what net metering is, in which energy generated at a home that is not used is then sent back to the utility company for a monetary compensation. Mr. Stephenson said that net metering in New Mexico is limited to 10 kilowatts (kW) systems, but a new rule provides expedited treatment of systems 10 kW to 100 kW. All RPS annual filings are in compliance to date, but 2011 will find more challenges for this to happen again. Mr. Stephenson informed the committee about current and proposed projects, including EPE Esolar Project (92 megawatt concentrated solar at Santa Teresa, New Mexico) and the Tri-State PV Project (30 megawatt PV facility at Springer, New Mexico).

Questions and discussion from the committee addressed:

- quantification of demand compared to costs for renewable energy;
- in-state demand for renewable energy;
- storage of electric power generated from wind turbines;
- transmission capacity as a constraint to renewable energy development;
- publicizing net metering availability;
- royalties to the State Land Office from wind farms;
- whether the renewable portfolio standard is limited to in-state generation or includes out-of-state generation;
- "carbonless portfolio standard" as opposed to the term RPS;
- basing credits for the RPS on an annual basis rather than monthly accounting;
- the scheduled hearing before the PRC on Rule 572 on the periodicity of the accounting period for net metering;
- the appropriateness of the 10 kW maximum for net metering;
- cost-recovery options for transmission lines;
- the economic development benefits when job creation from renewable energy systems is minimal; and
- smaller power plants adjacent to regional cities to take advantage of the existing distribution grid.

Craig O'Hare, special assistant for clean energy to the secretary of energy, minerals and natural resources, explained to the committee the steps New Mexico has taken to attract a

diversified clean energy industry and the state's progress in establishing a clean energy industry cluster. He described the provisions of the advanced energy tax credit and the renewable energy production tax credit. There are over 500 megawatts of energy generated from wind farms in New Mexico. A 10 megawatt geothermal plant in Hidalgo County is coming on line to serve the Arizona Salt River Project. This represents a "gold mine" of geothermal resources in New Mexico. He also mentioned announcements by El Paso Electric for 92 megawatts of power from a solar thermal tower to be built in Santa Teresa, a 30 megawatt thin film photovoltaic project in northeast New Mexico being developed by Tri-State Electric Coop, a 40-45 megawatt PV system being pursued by Xcel and SPS and a 10 megawatt project by Public Service Company of New Mexico.

Mr. O'Hare told the committee that the New Mexico Renewable Energy Transmission Authority is the key to developing renewable energy for export out of New Mexico. He then said that distributed generation is an alternative to massive new transmission facilities that could take advantage of existing distribution systems and provide for distributed "harvesting" of energy akin to water harvesting. Distributed generation involves the purchase of energy from customers or small-scale generators distributed through the existing customer grid system. This approach could meet more than 40 percent of society's electric needs for commercial and residential power. Senator Peter Wirth's SB 647, which authorizes creation of renewable energy financing districts, supports the emergence of distributed generation as a renewable energy policy option. More legislation may be needed to provide incentives, accommodate third-party ownership of distributed generation systems and set interconnection standards.

He told the committee that New Mexico is well on its way to creating a clean energy industry economic cluster, with alternative energy manufacturers being drawn here with the tax credits offered by the state and better coordination between state and local economic development agencies. He mentioned the location of Advent Solar, Schott Solar, Signet Solar, Skyfuel and Solar Array Ventures as examples of renewable energy companies locating in New Mexico as a result of state efforts to attract alternative energy industry. He described several existing provisions in law that may need some amending, including the Efficient Use of Energy Act and the sustainable building tax credit. Building code changes and green energy job training were also mentioned.

Questions and comments from the committee dealt with:

- renewable energy districts status of implementation;
- potential state revenue bond issuance;
- the PRC position on de-coupling utility rates from their electric power generation/acquisition costs;
- where de-coupling has been successful; and
- a motion to support the creation of a subcommittee from the RHMC and Indian Affairs Committee to deal with uranium mine legacy wastes.

The committee adjourned at 12:10 p.m.

