

March 9, 2010

SENATE EXECUTIVE MESSAGE NO. 99

The Honorable Timothy Z. Jennings, President Pro Tempore  
and Members of the New Mexico State Senate  
State Capitol Building  
Santa Fe, New Mexico 87501

Honorable President Pro Tempore Jennings and Members of the Senate:

I have this day SIGNED:

SENATE BILL 190, which was enacted during the Forty-Ninth Legislature, Second Session, 2010.

I support the regulatory clarity regarding renewable energy distributed energy facilities that is provided in Section 1 of this bill. However, I am concerned that the bill specifies an effective date of January 1, 2011 for Section 1, which may prevent several important distributed solar projects already under development from moving forward in a timely manner.

In addition, I am concerned about the implementation of Section 2, which calls for the Public Regulation Commission (PRC) to approve interconnected customer rate riders. The PRC and entities participating in PRC proceedings must exercise caution in interpreting this Section. This Section should not be interpreted to limit the evidence the PRC may consider when establishing interconnected customer charges. Furthermore, a relatively small charge could be prudent but a high charge could hinder the growth of New Mexico's burgeoning renewable energy industry, and the green jobs and environmental benefits associated with that industry's success. I have directed the New Mexico Energy, Minerals & Natural Resources Department to participate in PRC proceedings to the extent possible to ensure that any charges placed on interconnected customers are not unreasonably high.

Given those caveats I recognize the importance of signing into law a bill that provides regulatory clarity regarding renewable energy distributed energy facilities and a date certain when such projects may proceed in our state.

