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## FISCAL IMPACT REPORT

**SPONSOR** Fischmann **ORIGINAL DATE** 01/19/11  
**LAST UPDATED** 02/28/11 **HB** \_\_\_\_\_

**SHORT TITLE** Coordination of Utility Planning **SB** 245

**ANALYST** Wilson

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Environment Department (ED)

Public Regulation Commission (PRC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 245 amends the Efficient Use of Energy Act to amplify the requirements for a public utility's Integrated Resource Plan (IRP). The bill deletes references to rulemaking by the PRC as that rulemaking has already occurred.

The bill requires the PRC when adopting rules and acting on cases before it to take into account a public utility's need for compliance with provisions of the Public Utility Act (PUCA), the Renewable Energy Act (REA) and the Efficient Use of Energy Act (EUEA).

The PRC shall also approve resource planning requirements and shall authorize utilities to implement plans that coordinate and integrate provisions for compliance with PUCA, REA and the EUEA.

The PRC shall ensure that an efficiency plan or renewable portfolio plan approved by the PRC is incorporated into the utility's integrated resource plan.

### FISCAL IMPLICATIONS

There are no fiscal implications

**SIGNIFICANT ISSUES**

ED takes credit for pollutants averted through renewable energy production and energy efficiency programs in state implementation plans required pursuant to the Clean Air Act. Increased renewable energy production and energy efficiency programs decrease the need for energy production from fossil fuels, resulting in reduced greenhouse gas and ozone precursor emissions. This could result in fewer requirements for other sources of these emissions in potential nonattainment areas.

ED notes the objective of the legislative air quality performance measures is to improve and protect air quality by decreasing the number of non-attainment areas and proactively address air quality where it is degrading. The ED's Air Quality Bureau has a legislative performance measure to reduce annual statewide greenhouse gas emissions to a target level. SB 245 will assist with achieving this performance measure.

The bill reinforces the current statutory standard applicable to utility filings reviewed by the PRC. However, it may be construed as constricting the discretion of the PRC in some instances.

**ADMINISTRATIVE IMPLICATIONS**

The PRC can handle the provisions of this bill as part of ongoing responsibilities

DW/mew:svb