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SENATE BILL 415

**50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

INTRODUCED BY

Sue Wilson Beffort

AN ACT

RELATING TO UTILITIES; ENACTING A NEW SECTION OF THE RENEWABLE ENERGY ACT TO PROVIDE FOR COST LIMITS.

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

SECTION 1. A new section of the Renewable Energy Act is enacted to read:

"[NEW MATERIAL] LIMITATION ON COSTS OF ACQUIRING RENEWABLE ENERGY RESOURCES.--

A. Notwithstanding any other provision of the Renewable Energy Act, a public utility shall not be required in any calendar year to acquire additional renewable energy resources if the total actual costs of all of its renewable resource acquisitions to be recovered from customers in that calendar year exceeds two percent of the public utility's New Mexico retail sales revenues in the preceding year, less

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1 revenue received from rate riders, fuel and purchased power  
2 cost adjustment clauses, gross receipts taxes and franchise  
3 fees.

4 B. A public utility shall not be required to file a  
5 new procurement plan if it files a report with the commission  
6 showing that procurement plans previously approved by the  
7 commission cause the utility to exceed the cost limitation  
8 imposed by Subsection A of this section.

9 C. Nothing in this section shall be construed to  
10 prohibit a public utility from recovering the costs incurred to  
11 acquire renewable energy resources pursuant to procurement  
12 plans previously approved by the commission or that are  
13 identified as the least-cost resource needed to meet customer  
14 needs."