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A MEMORIAL

REQUESTING THE APPROPRIATE INTERIM LEGISLATIVE COMMITTEE TO
RECEIVE TESTIMONY ON RURAL ELECTRIC COOPERATIVE REGULATION
AND GOVERNANCE.

WHEREAS, a majority of the electric cooperatives in
forty-seven states are self-governed; and

WHEREAS, New Mexico is one of the few states that
regulates its electric cooperatives in a similar manner to
public utilities; and

WHEREAS, each electric cooperative in the state, based
on its membership, has different goals that are not met with
one regulatory approach; and

WHEREAS, each New Mexico electric cooperative is locally
governed by an elected board of trustees; and

WHEREAS, the elected board of trustees governance model
has proven through time to be the most effective and
efficient way to direct the affairs of a rural electric
cooperative; and

WHEREAS, through the cooperative principle of democratic
member control, an electric cooperative's members are able to
directly and effectively influence the cooperative's policies
and rates; and

WHEREAS, in the current regulatory scheme, electric
cooperatives are not able to consistently implement the

1 policies supported by the cooperative's members and that are
2 required to meet the new, emerging utility business model;

3 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
4 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the
5 appropriate interim legislative committee be requested to
6 receive testimony on public regulation commission regulation
7 of rural electric cooperatives and how the state may best
8 foster rural electric cooperative self-governance; and

9 BE IT FURTHER RESOLVED that the appropriate interim
10 legislative committee be requested to receive testimony on
11 how best to allow a rural electric cooperative to implement,
12 with or without public regulation commission regulation,
13 policies that may be supported by its membership, including:

14 A. decoupling rates in order to keep rates stable
15 and potentially lower them;

16 B. passing fixed costs, such as property taxes and
17 line management, onto electric cooperative members;

18 C. setting policies supporting emerging
19 technologies for power storage, electric vehicles and behind-
20 the-meter applications, thereby encouraging renewable energy
21 deployment and community engagement; and

22 D. charging different rates within a customer
23 class; for example, a low-income rate for qualifying
24 residential customers; and

25 BE IT FURTHER RESOLVED that copies of this memorial be

1 transmitted to the co-chairs of the New Mexico legislative

2 council. _____

HM 61
Page 3

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