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## FISCAL IMPACT REPORT

SPONSOR Steinborn ORIGINAL DATE 2/21/19  
LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_  
SHORT TITLE Renewable Energy Services - State Facilities SB 51  
ANALYST Jorgensen

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Energy, Minerals, and Natural Resources Department (EMNRD)  
General Services Department (GSD)

### SUMMARY

#### Synopsis of Bill

Senate Bill 51 (SB51) requires the General Services Department (GSD) to adopt rules and issue a request for proposals to acquire renewable energy services for facilities by January 15, 2020.

### FISCAL IMPLICATIONS

Because existing statute provides mechanisms to support increasing the use of renewable and energy efficient products and technologies and because GSD currently has personnel dedicated to energy efficiency and renewable energy projects, SB51 has no fiscal impact.

### SIGNIFICANT ISSUES

GSD already employs an energy engineer who was hired to administer energy efficiency and renewable energy projects. Under the Public Facility Energy Efficiency and Water Conservation Act as well as the Energy Efficiency and Renewable Energy Bonding Act, GSD has funding options and established price agreements in place to support renewable energy projects. The programs created under these Acts allow state agencies to use a funding mechanism that does not require upfront capital funding but requires monitoring and verification of project operation to

ensure that the agency has a net cost savings.

EMNRD notes there are existing state price agreements for solar equipment and installation with eight industry vendors that can be used to deploy projects.

### **ADMINISTRATIVE IMPLICATIONS**

EMNRD reports there may be increased workloads related to SB51:

If GSD uses the Public Facility Energy Efficiency and Water Conservation Act (Sections 6-23-1 et seq. NMSA 1978) and the Energy Efficiency and Renewable Energy Bonding Act (Sections 6-21D-1 et seq. NMSA 1978) to implement requirements under SB51, EMNRD would be required to review and certify the net savings of any proposed projects and therefore, requiring technical administrative support from EMNRD.

### **TECHNICAL ISSUES**

Neither “renewable energy services” nor “renewable energy improvements” are defined in SB51.

CJ/gb