

MINUTES OF THE SENATE UTILITIES COMMITTEE.

The meeting was called to order by Chairman Senator Stan Clark at 9:30 a.m. on March 12, 2001 in Room 231-N of the Capitol.

All members were present except:

Committee staff present: Raney Gilliland, Legislative Research
 Emalene Correll, Legislative Research
 Tom Severn, Legislative Research
 Bruce Kinzie, Revisor of Statutes
 Lisa Montgomery, Revisor of Statutes
 Ann McMorris, Secretary

Conferees appearing before the committee: none

Others attending: See attached list.

Committee discussion on current statute on parallel generation services 66-1,184, New Mexico's net metering rule, and reports on energy charges from various electric utilities. (Attachment 1)

Chair opened for discussion on:

SB 299 - Promotion of energy efficiency, income tax credits

Chair asked for comments on Sections 3 through 6 on **SB 299**. He reviewed the tax credits in those sections.

Moved by Senator Lee, seconded by Senator Wagle, to strike Sections 2, 3, 4, 5, 6 of S.B. 299 and ask for an interim study to determine the fiscal impact. Motion withdrawn after considerable debate on whether to strike or table.

Discussion on amending Section 1. Various areas under consideration were demand or capacity charges, energy charges, distribution costs, avoided costs, calculation of avoided cost on monthly basis rather than annual and interruptible power. Possible language for the amendment could include a section from New Mexico's rule ..."it is an option for QFs with a capacity of 100 kW or less that primarily intend to service their own loads (called load displacement option)....." and not requiring payment by the utility until \$25 is owed customer/generator.

Moved by Senator Brownlee, seconded by Senator Lee, to amend Section 1 of SB 299 with conceptual amendment based on the New Mexico net metering rule. Motion carried.

Further consideration of **SB 299** will be held in meetings scheduled either Wednesday or Thursday

Approval of Minutes

Moved by Senator Emler, seconded by Senator Barone, the minutes of the Senate Utilities meeting on March 8, 2001 be approved. Motion carried.

Next meeting of the committee will be held on March 13, 2001.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

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