

New Mexico's Energy Transition Act

Implementation of NM's Landmark ETA

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Energy, Minerals and Natural Resources Department

What is the ETA?

- Energy Transition Act (ETA) passed in 2019
- Sets strong clean energy targets
- Major components:
 - Securitization
 - Replacement Power
 - Apprenticeships
 - Community Funds



San Juan Generating Station
Photo Credit: The Albuquerque Journal

40% renewables by 2025 50% renewables by 2030

IOUs:

- 80% renewable energy by 2040
- 100% zero carbon resources by 2045 as long as safety, reliability and impacts to customer bills are considered.
- PNM has already stated publicly that it will meet the zero carbon requirement by 2040.

Rural Electric Coops:

- 100% zero carbon resources by 2050
- Resources composed of at least 80% renewable energy, as long as it is technically feasible, the system is reliable and is not unaffordable.

- **Escalante Generating Station**

- Not under the Public Regulation Commission (PRC) purview
- Owned by Tri-State, 253 MW capacity
- Closed by end of 2020
- Not eligible for securitization
- Tri-State set aside \$5 million for economic development in the region

- **San Juan Generating Station**

- PNM exit in 2022
- 562 MW generating capacity for PNM
- In August, the PRC approved 650 MW of solar resources and 300 MW of battery storage to replace retiring units

- **Four Corners Generating Station**

- 200 MW generating capacity for PNM
- PNM has purchasing contracts through 2031
- Proposed plan for PNM to divest by December 2024

- **Energy Transition Act Committee**
 - ETA designated \$20 million going to communities affected
 - Department of Workforce Development (\$12 million)
 - Indian Affairs Department (\$2 million)
 - Economic Development Department (\$6 million)
 - Committee meetings with communities to understand activities within these communities
 - Each department asked for proposals to stimulate economic activity in the region with a focus on:
 - Collaboration
 - Tangible, long term job creation
 - December 17th – meeting to go through proposals



Wind Developments:

- Wind turbine facility in La Joya, New Mexico
 - 306 MW of power bought by PNM
- Sagamore wind facility – the largest wind project in New Mexico



Regulatory Developments:

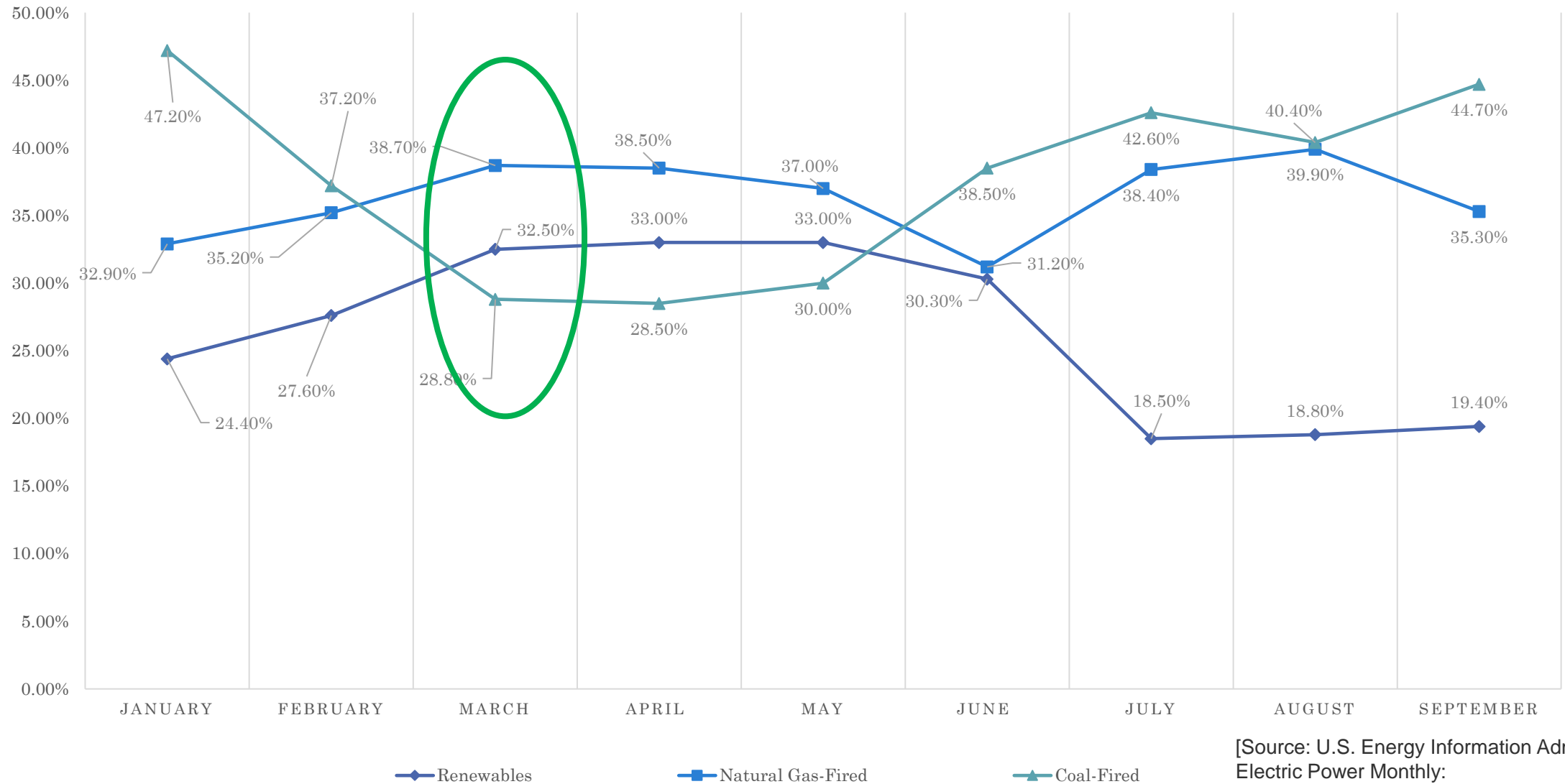
- PRC approves plan to for renewables and storage to replace the portion of the San Juan Generating Station capacity
- PRC approves 2 solar and storage projects which will total 250 MW of energy



Rural Electric Coop Developments:

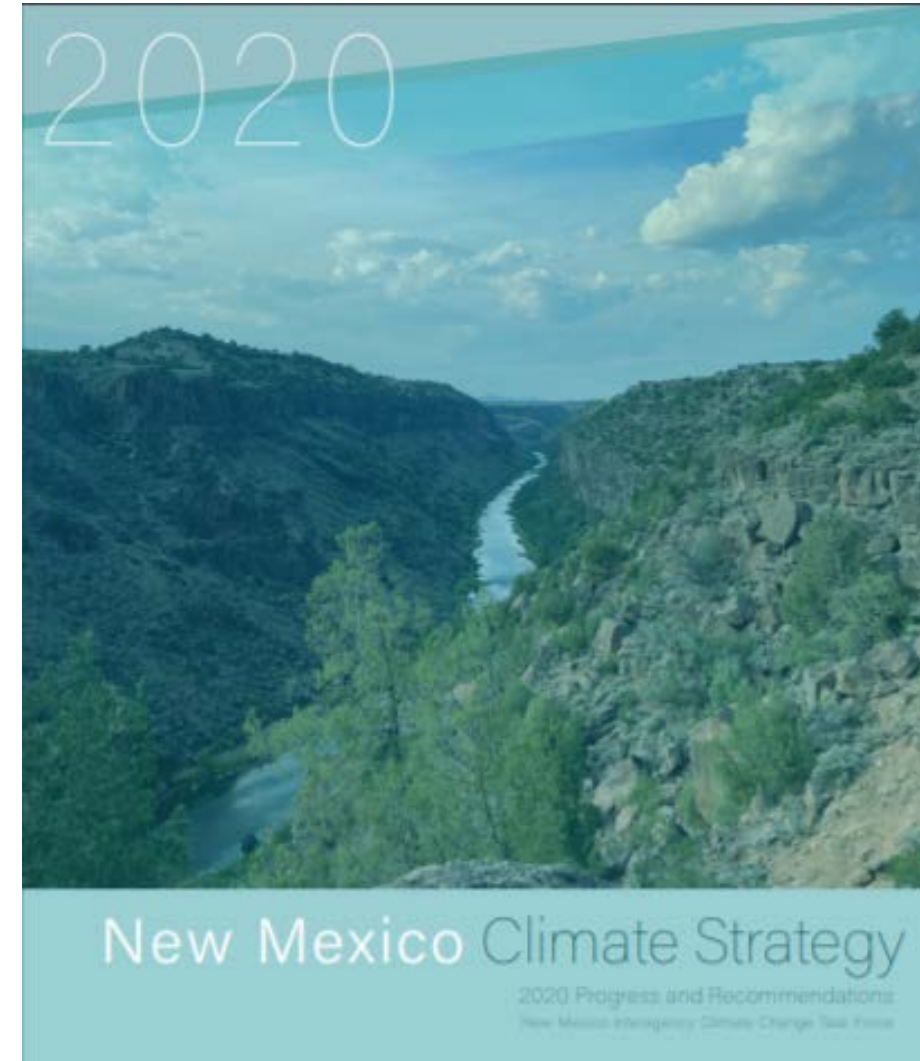
- Kit Carson Electric Coop brought 3 MW of new solar online

PERCENTAGE OF UTILITY-SCALE GENERATION BY FUEL



[Source: U.S. Energy Information Administration,
Electric Power Monthly:
<https://www.eia.gov/electricity/monthly/>]

- **Executive Order on Addressing Climate Change and Waste Prevention**
 - Objective: to reduce statewide greenhouse gas emissions by at least 45% by 2030 (compared to 2005 levels)
 - Created the Climate Change Taskforce
 - [New Mexico Climate Strategy Report](#)
- **House Bill 233 Energy Grid Modernization Roadmap**
 - 2020 legislation that charged EMNRD to develop a guide for electric service providers, policy makers and consumers in how to reach the ETA goals
 - Will produce a series of technical and policy whitepapers



Thank you!

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