

New Mexico Energy Efficiency Activity

Commissioner E. Shirley Baca

New Mexico Public Regulation Commission
September 25, 2005

Governor Richardson's Clean Energy Executive Order and Task Forces

- o Executive Order 2004-019
- o All task forces were charged with developing policy and legislative recommendations by December 15, 2004.
- § Concentrating Solar Power
- § Electricity Transmission
- § Biomass
- § Distributed Solar
- § Utility Energy Efficiency
- § Green Building

Governor Richardson's Climate Change and Greenhouse Gas Reduction Executive Order 2005-003

- o Signed (06-09-05)
- o Creation of the Climate Change Action Council
- Efficient Use of Energy Act ("the Act")
- o Signed on April 7, 2005
- o Requires this Commission to direct public utilities to evaluate and implement cost-effective programs that reduce energy demand and consumption.
- o Public utilities must obtain Commission approval of energy efficiency and load management programs before they are implemented
- o Requires public utilities supplying electric or gas service to periodically file an integrated resource plan with the Commission. (IRPs identify the most cost-effective portfolio of resources to supply the energy needs of customers.)

- Case No. 05-00189-UT
- o Address the requirements of the ACT
- o Sets up workshops to develop standards relating to energy efficiency and load management programs
- § Phase I – creating guidelines to be followed by public utilities
- Saving, goals and targets informed by energy efficiency potential studies
- Policies for program filings, cost-effectiveness testing, measurement and verification and annual reporting;
- Policies on removing utility disincentives
- Policies for industrial self-direct programs; and
- Establishment of collaborative

Phase II – developing a proposed IRP rule

- o Schedule
 - § Pre-workshop conference – 06-21-05
 - § Public workshop – 08-16-05
 - § Sub-groups continuing next on 10-6-05 with single working document
- o Parties:
 - § Electric utilities: PNM, SPS, EPE
 - § Gas utilities: PNM, Zia
 - § Others: NMRECA, NMIEC, ENMR, ARRP, CCAE, CANM, AG, NRDC, and the NM Mortgage Finance Authority (NMMFA)

Case No. 05-00189-UT

- o The application of PNM's gas division for approval of gas energy efficiency programs and program cost tariff rider
- o To offer a package of energy efficiency programs to residential customers authorized by the Efficient Use of Energy Act.
 - § \$10 rebate on the purchase of a water heater insulation blanket
 - § \$25 rebate on the purchase of an ENERGY STAR Ò programmable thermostat
 - § \$100 rebate on the purchase of an ENERGY STAR washing machine
 - § 25% rebate, up to \$500, on participating contractor-installed insulation and weatherization measures
 - § Various rebates for participating contractor-installed gas efficiency products:

- ENERGY STAR thermostats (\$40)
- Hot water heater insulation blankets (\$15)
- Hot water pipe insulation (\$5)
- Low-flow showerheads (\$8)
- § Programs were selected based on cost effectiveness and likely appeal to gas residential customers:
 - o PNM would also contribute approximately \$500,000 to New Mexico Weatherization Assistance Program
- § Administered by the New Mexico Mortgage Finance Authority
- § Funds to be used to help weatherize the homes of low-income PNM customers

- o The projected total annual energy savings from these programs is 354,002 therms / year, a total savings of more than \$300,000/year for participating customers.
- o PNM believes all customers will realize some benefits through reduced demand on the PNM gas system and lower air emissions.
- o PNM calculates the programs will cost approximately \$2.2 million per year, a \$0.0075 per therm charge to all gas residential customer's bill to pay for the program. The average monthly residential bill would see an added 44-cent rider.
- o Schedule
- § Pre-hearings held 07-29-2005, and 8-30-2005
- § Schedule not published
- o Parties:
- § NMIEC, ENMR, CCAE, CANM, AG, NMMFA

Commissioner E. Shirley Baca
New Mexico Public Regulation Commission
1120 Paseo de Peralta/P.O. Box 1269
Santa Fe, New Mexico 87504