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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2009-72

INTRODUCED BY:

- Councilor Galvert
- Mayor Coss
- Councilor Ortiz
- Councilor Romero
- Councilor Bushee
- Councilor Chavez
- Councilor Dominguez
- Councilor Trujillo
- Councilor Wurzbarger

A RESOLUTION

**URGING THE NEW MEXICO PUBLIC REGULATION COMMISSION TO FIND THAT
THIRD PARTY DEVELOPERS UTILIZING SOLAR POWER SERVICE
AGREEMENTS ARE NOT PUBLIC UTILITIES AND NOT SUBJECT TO
REGULATION BY THE PRC THEREBY ELIMINATING MARKET UNCERTAINTY
FOR RENEWABLE ENERGY.**

WHEREAS, the City of Santa Fe has taken various steps to encourage and support energy conservation and sustainability in the community; and

WHEREAS, the City of Santa Fe recognizes the importance of renewable energy as an economic initiative as well as crucial to the environment; and

WHEREAS, the Governing Body endorsed the U.S. Conference of Mayors Climate Protection Agreement (Resolution No. 2006-54); and

WHEREAS, the Governing Body adopted high performance energy efficient standards for city buildings (Resolution No. 2006-55); and

WHEREAS, the Governing Body approved the Sustainable Santa Fe Plan promoting the

1 use of renewable energy (Resolution No. 2008-93); and

2 **WHEREAS**, the Governing Body supports the use of renewable energy at city facilities
3 and has directed staff to contract with qualified vendors to provide renewable energy (Resolution
4 No. 2008-46); and

5 **WHEREAS**, in today's credit market, solar power service agreements provide an ideal
6 way to overcome the high up-front capital costs of a solar system, and are the preferred means of
7 financing solar installations, particularly for government entities; and

8 **WHEREAS**, government entities are not able to take advantage of federal and state solar
9 tax credits and therefore *virtually all large scale photovoltaic systems* at government facilities in
10 Colorado, California, New Jersey, and Oregon use solar power service agreements to accomplish
11 renewable energy goals; and

12 **WHEREAS**, the City of Santa Fe is actively engaged in solar power service agreements
13 for the purchase of renewable energy; and

14 **WHEREAS**, the possibility that these agreements will be regulated as public utilities has
15 seriously and negatively affected the City of Santa Fe's ability to move forward with expanding
16 use of solar energy in New Mexico.

17 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
18 **CITY OF SANTA FE** that the Governing Body urges the New Mexico Public Regulation
19 Commission to find that third party developers utilizing solar power service agreements are not
20 public utilities and not subject to regulation by the PRC thereby eliminating market uncertainty
21 for renewable energy.

22 **AND BE IT FURTHER RESOLVED** that City staff is directed to forward this
23 Resolution to the New Mexico Public Regulation Commission.

24 **AND BE IT FURTHER RESOLVED** that City staff is directed to file a motion to
25 intervene in the matter of a declaratory order regarding third party arrangements for renewable

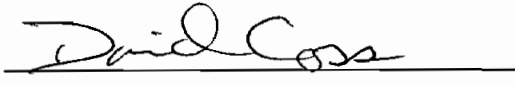
1 energy generation before the New Mexico Public Regulation Commission.

2 PASSED, APPROVED, and ADOPTED this 8th day of July, 2009.

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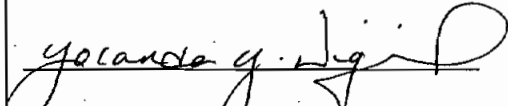
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DAVID COSS, MAYOR

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8 ATTEST:

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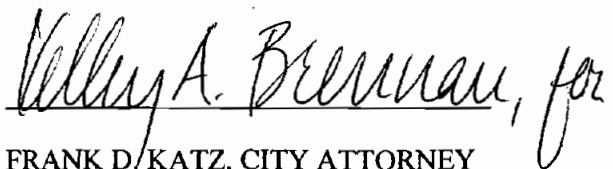
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YOLANDA Y. VIGIL, CITY CLERK

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13 APPROVED AS TO FORM:

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FRANK D. KATZ, CITY ATTORNEY

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Jp/ca/jpmb/2009 res/solar energy agreements