

# Agenda

CITY CLERK'S OFFICE

DATE 1/9/13 TIME 2:17pm

SERVED BY Katherine Mortimer

RECEIVED BY [Signature]

## SUSTAINABLE SANTA FE COMMISSION

Tuesday, January 15, 2013  
Councilor's Conference Room  
Santa Fe, NM  
2:30 to 4:30 p.m.

- A. CALL TO ORDER
- B. ROLL CALL
- C. APPROVAL OF AGENDA
- D. APPROVAL OF MINUTES – December 18th, 2012
- E. COMMUNICATIONS FROM THE FLOOR (5 min)
- F. REPORT FROM AND ASSIGNMENT OF ACTIONEER (5 min)
- G. STAFF COMMUNICATIONS (10 min)
  - 1. Recycling outreach update
  - 2. Commercial Green Building Code update
  - 3. Western Adaptation Alliance Resolution update
- H. DISCUSSION/ACTION ITEMS
  - 1. Santa Fe Public Power Preliminary Economic Feasibility Study (M. Nanasi) (10 min)
  - 2. ASSESSMENT - STAR Communities Pilot (B. Sopoci-Belknap) (5 min)
  - 3. EMS: Update on Community EMS Template (K. Jennings) (5 min)
  - 4. COMMUNITY ENGAGEMENT
    - I. Feedback received on Web Pages & Social Media Presentation (K. Jennings) (5 min)
    - II. Update on JouleBug (K. Mortimer) (5 min)
    - III. Update on Hospitality Green & Green Business Certification (5 min)
    - IV. Update on SSF Awards (K. Mortimer) (5 min)
- I. UPDATES AND OPPORTUNITIES (10 min)
  - 1. Plastic Bag Ban (K. Kelly)
  - 2. Low Emission Sticker for Parking (K. Kelly)
  - 3. GMO Labeling (B. Sopoci-Belknap)
- J. ITEMS FROM THE CHAIR
- K. ITEMS FROM THE COMMISSION (5 min)
- L. ITEMS FOR NEXT AGENDA (5 min)
- M. ADJOURNMENT

Next Meeting: – February 19th, 2013

NOTE: Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6520, five (5) working days prior to meeting date.

**INDEX OF MINUTES**  
**SUSTAINABLE SANTA FE COMMISSION**  
**January 15, 2013**

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<b>B. ROLL CALL</b>	<b>Quorum</b>	<b>1</b>
<b>C. APPROVAL OF AGENDA</b>	<b>Approved</b>	<b>2</b>
<b>D. APPROVAL OF MINUTES:</b>		
December 18, 2012	<b>Approved</b>	<b>2</b>
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**DRAFT: SUBJECT TO APPROVAL**

**MINUTES OF THE**  
**CITY OF SANTA FE**  
**SUSTAINABLE SANTA FE COMMISSION**  
**January 15, 2013**

**CALL TO ORDER**

A meeting of the City of Santa Fe Sustainable Santa Fe Commission was called to order by Bianca Sopoci-Belknap, Chair at 2:30 p.m. at the City Hall, City Councilors' Conference Room, Santa Fe, New Mexico.

**ROLL CALL**

Roll call indicated the presence of a quorum for conducting official business as follows:

**MEMBERS PRESENT:**

Bianca Sopoci-Belknap, Chair  
Esha Chiocchio  
Kim Kelly  
Louise Pape  
Jerome Lujan  
Andrea Romero  
Maria Rotunda  
Glenn Schiffbauer

**MEMBERS ABSENT:**

2 vacancies

**STAFF PRESENT:**

Katlynn Jennings, Americorps Cadre Member  
Katherine Mortimer, Environmental Services Division  
Cindy Padilla, Environmental Services Division Director  
Nick Schiavo, City of Santa Fe Energy Specialist

**OTHERS PRESENT:**

Amanda Evans, Santa Fe Community College  
Zoe Isabella, New Energy Economy  
Mariel Nanasi, Executive Director, New Energy Economy

Lisa Merrill, SF Solid Waste Management Agency  
Craig O'Hare, Santa Fe County Energy Programs Specialist  
Alyssa Otero, Earth Care  
Seth Roffman, *Green Fire Times*  
Teresa Seamster, Northern Group Sierra Club  
Mitchel Stanfield, MSA Capital Partners/New Energy Economy  
Jo Ann G. Valdez, Stenographer

## **APPROVAL OF AGENDA**

Commissioner Pape requested that an agenda item be added to discuss the concept of people's ideas on moving forward on zero waste. This was added under H (Discussion Items).

**Commissioner Kelly moved to approve the agenda as amended. Commissioner Pape seconded the motion. The motion passed unanimously by voice vote.**

## **APPROVAL OF MINUTES:**

**December 18, 2012**

The following change was made to the Minutes of the December 18, 2012 meeting:

Page 7, 3<sup>rd</sup> paragraph from the bottom, the [Green Business] Committee members are: Kim **Kelly**, Esha Chiocchio, Glenn Schiffbauer and Katlynn Jennings.

**Commissioner Kelly moved to approve the Minutes of the December 18, 2012 meeting as amended. Commissioner Rotunda seconded the motion. The motion passed unanimously by voice vote.**

## **COMMUNICATIONS FROM THE FLOOR**

Introductions were made.

Seth Roffman distributed copies of the current issue of *Green Fire Times*. He noted that this issue was a collaboration with Farm to Table on building a regional food system. The next issue of *Green Fire Times* will focus on a regional sustainable economy.

## **REPORT FROM AND ASSIGNMENT OF ACTIONEER**

Ms. Merrill offered to be the Actioneer for this meeting. Please see Exhibit “A” for the Actioneer report.

## **STAFF COMMUNICATIONS**

### **1. Recycling outreach update**

Ms. Merrill reported that Friedman Recycling is scheduled to open their doors on May 1<sup>st</sup>.

Ms. Merrill mentioned that Capital Scraps will be accepting plastics for recycling.

### **2. Commercial Green Building Code update**

Ms. Mortimer reported that the Group will be meeting on Friday and they are hoping to have a draft soon. It will go through the approval process; go out for public comment for approximately 30 days and then it will go before City Council for approval.

### **3. Western Adaptation Alliance Resolution Update**

Chair Sopoci-Belknap noted that some feedback has been received on the Resolution.

Mr. O’Hare suggested that they also look at prevention and green house gas reductions.

Ms. Padilla said the changes would have to be approved by all of the sponsors.

Ms. Mortimer said the Resolution will go to City Council on January 30<sup>th</sup>. She said there is ways to get this point across without necessarily changing the Resolution. She reminded the Commission that they already approved the Resolution.

Commissioner Pape and Mr. O’Hare will send Ms. Mortimer some suggested talking points that she could present when she makes the presentation on the Resolution.

### **Community Solar Program/Resolution**

[A copy of the Solar Program Resolution is hereby incorporated to these Minutes as Exhibit "B".]

The Resolution directs staff to work with the Public Service Company of New Mexico and the New Mexico Public Regulation Commission to implement a community solar program for Santa Fe.

Mr. Schiavo spoke about the proposed Community Solar Program noting that the City does not have a way to implement this. He said they met with representatives from PNM last Friday to discuss this further. He mentioned that the City has looked at two possible sites for this: the landfill and land at the Airport.

Mr. Schiavo said the Resolution is scheduled to go before the Finance Committee next Tuesday and then to City Council at the end of this month.

Mr. Schiavo said ultimately PNM will have to approve to do this and then it will have to be taken to the Public Regulations Commission.

Commissioner Pape asked Mr. Schiavo if he could tell them roughly where the PNM territory is.

Mr. Schiavo said their territory is in the greater Santa Fe area (90% of PNM service Territory is in the County-excluding rural electric coop territory). He explained that Kit Carson received a rate rider to have a solar program in their territories.

Ms. Nanasi said if this is going to be a rate rider, then everyone will be paying for this and not everyone will agree to that.

Mr. Schiavo said you can have a rate rider for community solar only in the city. He said if PNM is interested; and if they see that people are interested, they could roll this into their rates/fees.

Chair Sopoci-Belknap said she is unclear as to what PNM's incentives would be to do this. She asked if there is anything that Mr. Schiavo would like from this Commission.

Mr. Schiavo said not anything off the top of his head, but it would be great if people have contacts who they can talk to about the program.

Ms. Nanasi suggested that the Commission have a basic strategic plan if they want to take this on. She said it is a valued effort and could be extremely successful in Santa Fe but there has to be some PR done about it.

Commissioner Kelly said it would be good for the Commission to come out with a letter to send out to interest groups and decision makers. She offered to write the letter. Possibly, they can also write something about it in *Green Fire Times*.

Ms. Nanasi said writing a letter to the PRC, for example, may not be the way to go. She suggested that the Commission have some kind of strategy on how to proceed with this.

Chair Sopoci-Belknap recommended that there be some kind of subcommittee to work on this.

Commissioners Schiffbauer and Kelly will be on the subcommittee and Commissioner Kelly will coordinate a meeting to discuss ways that they can reach out to contacts/people to support this.

## **DISCUSSION/ACTION ITEMS**

### **1. SF Public Power Preliminary Economic Feasibility Study**

[Copies of the *Preliminary Economic Feasibility Assessment of a Publicly-Owned Electric Utility for the City of Santa Fe and Santa Fe County* prepared by MSA Capital Partners for New Energy Economy were distributed. A copy is hereby incorporated to these Minutes as Exhibit "C".]

Ms. Nanasi explained that the City and County Regional Planning Authority directed the Energy Task Force to conduct a study and allocated \$25K to do this. A Memorandum of Agreement was established with New Energy Economy to conduct the study and they contributed \$10K towards the study. They retained MSA Capital Partners to conduct the study and it was completed in November of 2012. The funding was sufficient to only do a preliminary assessment.

Ms. Nanasi said the analysis is consistent with the City 2008 Sustainable SF Plan, the County 2010 Sustainable Growth Management Plan and the Electrical Distribution System Study for SF County that was completed in 2008. The Electrical Distribution System Study analyzed the technical feasibility and costs of separating the County (greater Santa Fe area)



electrical system from PNM; and to assess the potential of developing a regional municipal power utility.

Ms. Nanasi noted that the study indicated lower customer costs, as a result of energy efficiency and reduced administrative expenses. She said the 8% profit that PNM makes would also be eliminated. She mentioned that there could also be an opportunity for local job creation and economic development potential with having a regional municipal power utility.

Ms. Nanasi introduced Mitchel Stanfield of MSA Capital Partners.

Mr. Stanfield presented the information from a PowerPoint presentation.  
{Please see Exhibit "C" for the specifics of the presentation.}

He noted that the study is available on the County's website and soon to be on the New Energy Economy's website.

He said the objective of the study is to create a dialog in the community on the efficacy of a publicly-owned electrical utility for the City of Santa Fe and Santa Fe County. He noted that they looked and evaluated three scenarios in terms of cost savings for rate payers/residents in contract to the status quo. They learned that in a public utility they have the ability to more than double the amount of energy efficiency available to us through the status quo. This is a significant benefit, not only in terms of climate and environment, but in cost savings for the rate payer.

Ms. Nanasi said the options for the next steps include:

- Community Education and Outreach-Public Opinion Assessment
- Detailed Refinement of Engineering Analyses and Costs
- City-County Financing Assessment
- Market Evaluation – Availability of Energy Solutions

Ms. Nanasi mentioned that the Board of County Commissioners heard the presentation and asked a lot of questions.

Chair Sopoci-Belknap asked if there were any mandates for staff on what they should do with the feasibility assessment.

Mr. Schiavo said he has not heard anything in terms of interest in hearing the presentation on the assessment.

Mr. O'Hare said he has not received any direction from the governing body to continue to pursue this. He mentioned that the City/County Energy Task Force continues to meet and he will try to schedule a meeting with County Commissioner Holian, Councilor Calvert and Nick Schiavo to discuss where they want to go from here.

Commissioner Pape suggested that the Commissioners read the issue of *Climate Today* that deals with why moving forward on climate change is urgent.

**2. Assessment-STAR Communities Pilot**

Chair Sopoci Belknap reported that they are waiting on the software.

**3. EMS-Update on Community EMS Template**

Ms. Jennings reported that she should have the edits on the EMS Template done by Friday.

**4. COMMUNITY ENGAGEMENT**

**I. Feedback received on Web Pages and Social Media Presentation**

Ms. Jennings noted that she sent out e-mails/calls for feedback but she has not received much response. Next, she will focus on outreach and getting people to visit the website.

Ms. Jennings said they are also doing some social media messaging. They are working on newer pieces that explain what Sustainable SF Commission is and what the future priorities will be, etc.

Commissioner Pape asked if the community would be able to add events or meetings to the calendar.

Ms. Jennings said she could add events if people let her know.

Commissioner Chiocchio asked if it would be possible to have a Sustainable SF [e-mail] monthly newsletter to increase traffic to the website that could also have information around sustainability.

Chair Sopoci-Belknap said the Commission wants to give out information, but not necessarily be a working web site or feeder.

Ms. Mortimer mentioned that they are also developing a Tweeter page.

Ms. Jennings said she would be willing to do a monthly newsletter but she questions how they will get the e-mail addresses.

## **II. Update on JouleBug**

Ms. Mortimer said there should be a JouleBug format for DROID by Earth Day. They would like to do a launch at the Community College and she talked to Amanda about the sustainable group who is on campus that can make this happen.

## **III. Update on Hospitality Green and Green Business Certification**

Commissioner Kelly reported that they have a meeting scheduled for next week. She mentioned that she spoke to the Director of the Convention and Visitors Bureau and he is open to the idea. She said they need to get their ideas together first and then they will put together a plan.

## **IV. Update on SSF Awards**

The Commissioners were asked to send edits that they may have to the SSF Award form no later than tomorrow. Nominations are currently being taken for the awards. The Commissioners were asked to nominate at least one group or individual for a category in the Sustainable Santa Fe awards.

Ms. Mortimer said there are presently no nominations.

Chair Sopoci-Belknap said she would like to have the nominations by the next meeting. She also would like to have a different process for judging the awards. She suggested that previous awardees be invited to be included in the judging process.

Ms. Mortimer said it would be good to have sponsors to serve on the judging panel.

Mr. Roffman offered to do an article in *Green Fire Times* about the SSF awards.

## **I. UPDATES AND OPPORTUNITIES**

### **1. Plastic Bag Ban**

Commissioner Kelly said the Plastic Bag Ban Ordinance was not on the agenda for the last Business and Quality of Life Committee meeting.

Mr. Mortimer said a copy of the most current version of the Ordinance is included in the Commissioners' packets.

Commissioner Kelly briefly reviewed the revisions to the Ordinance.

A suggestion was made that a time window be added in for people to opt-in; and that the Ordinance be more "business-friendly". Also, a requirement that businesses will have their employees ask people if they need a bag.

Commissioner Chiocchio mentioned that Aspen, Colorado collaborated with a school and a sewing class and students made cloth bags. The bags were given to people who could not afford the reusable bags and this was very successful.

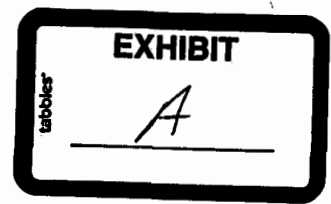
The Commissioners were invited to attend the next Business and Quality of Life Committee meeting. Ms. Mortimer will e-mail the Commissioners the time and date of the next meeting.

### **2. Low Emission Sticker for Parking**

Commissioner Kelly said there is no update.

### **3. GMO Labeling**

Chair Sopoci-Belknap mentioned that Senator Peter Wirth is sponsoring a bill at this year's Legislative Session that would mandate the labeling of food and commercial feed containing genetically modified material has been pre-filed in the New Mexico State Senate. Senate Bill (SB) 18 amends the New Mexico Food Act and would apply to any food, drink or chewing gum for humans or animals. The new law defines any product containing more than one percent of a genetically modified material as a product that would require a disclosure label on the "immediate container" or wrapper. It would require the label to be "easily legible." Chair Sopoci-Belknap will e-mail the link of the bill to the Commissioners.



ACTIONEER'S REPORT  
January 15, 2013  
Submitted by Lisa Merrill

**The Commission** – must vote for at least one group or individual for a category in the Sustainable Santa Fe Awards

**Kim Kelly and Glen Schiffbauer** – create Energy Task Force subcommittees (ETF) for “Public Power” and “Community Solar”

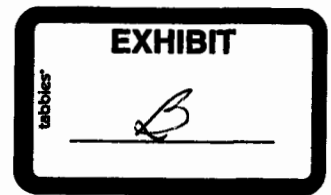
- Collaborate with Nick Schiavo (City) and Mariel Nanasi (New Energy Economy)
- Create a strategy and campaign for both ETF subcommittees.
- Find the target market
- Get other cities involved
- Apply political pressure to the PRC

**Bianca and Louise** – send Katherine language for Western Adaptation Alliance geared towards prevention to be mentioned during presentation.

**Commission** – send checklist ideas to Kim Kelly regarding Bag Ordinance.

**Bianca** – will re-email GMO Labeling Bill to Commission.

**Katherine** - will email the date/time of the next BQL Bag Ordinance meeting to Commission.



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**CITY OF SANTA FE, NEW MEXICO**

**RESOLUTION NO. 2013-\_\_**

**INTRODUCED BY:**

Councilor Patti Bushee

**A RESOLUTION**

**DIRECTING STAFF TO WORK WITH THE PUBLIC SERVICE COMPANY OF NEW  
MEXICO AND THE NEW MEXICO PUBLIC REGULATION COMMISSION TO  
IMPLEMENT A COMMUNITY SOLAR PROGRAM FOR SANTA FE.**

**WHEREAS**, Community Solar is defined as a solar-electric system that, through a voluntary program, provides power and/or financial benefit to, or is owned by, multiple community members; and

**WHEREAS**, Community Solar advocates are driven by the recognition that the on-site solar market comprises only one part of the total market for solar energy; and

**WHEREAS**, a 2008 study by the National Renewable Energy Laboratory found that only 22 to 27% of residential rooftop area is suitable for hosting an on-site photovoltaic (PV) system after adjusting for structural, shading, or ownership issues; and

**WHEREAS**, clearly, community options are needed to expand access to solar power for renters, those with shaded roofs, and those who choose not to install a residential system on their home for financial or other reasons; and

1       **WHEREAS**, fairness also supports expanding programs in ways that increase options for  
2 participation; and

3       **WHEREAS**, as a group, ratepayers and/ or taxpayers fund solar incentive programs and as a  
4 matter of equity, solar energy programs should be designed in a manner that allows all contributors to  
5 participate; and

6       **WHEREAS**, Community Solar projects are designed to increase access to solar energy and  
7 to reduce up-front costs for participants; and

8       **WHEREAS**, the secondary goals met by many Community Solar projects include:

- 9           • Improved economies of scale
- 10          • Optimal project siting
- 11          • Increased public understanding of solar energy
- 12          • Generation of local jobs
- 13          • Opportunity to test new models of marketing, project financing and service delivery

14       **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
15 **CITY OF SANTA FE** that staff is directed to work with the Public Service Company of New  
16 Mexico and the New Mexico Public Regulation Commission to implement a Community Solar  
17 program for Santa Fe.

18       PASSED, APPROVED and ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2013.

19  
20 \_\_\_\_\_  
21 DAVID COSS, MAYOR

22 ATTEST:

23  
24 \_\_\_\_\_  
25 YOLANDA Y. VIGIL, CITY CLERK

# Preliminary Economic Feasibility Assessment of a Publicly- Owned Electric Utility for the City of Santa Fe and Santa Fe County

Santa Fe Sustainable Commission  
15 January 2013



Prepared by MSA Capital Partners for New Energy Economy

## Outline

- Background
- Study Objectives
- Status Quo Limitations
- Scenarios Evaluated
- Assumptions – Methodology
- Scenario Rate and Bill Comparisons
- Economic Development and Job Creation
- Next Steps Options
- Questions, Comments



## Background

- **“Electrical Distribution System Study for SF County” Completed (2008)**
  - Analyzed the technical feasibility and costs of separating the County (greater Santa Fe area) electrical system from PNM.
  - No engineering or technical impediments to municipalization.
- **County 2010 Sustainable Growth Mgt. Plan**
  - Aggressive Renewable Energy (RE) and Energy Efficiency (EE) Goals
  - Reduce County greenhouse gas (GHG) emissions
  - “Assess the potential to create a local power utility”
  - Focus on clean energy-related economic development.
- **City 2008 Sustainable Santa Fe Plan**
  - Similar RE, EE and GHG goals as County SGMP
  - “Consider development of a regional municipal power utility.”

- **City-County Regional Planning Authority Directs Energy Task Force to Pursue Study**
  - Allocates \$25K for Study
- **MOA established with New Energy Economy to conduct study**
  - NEE contributes \$10K toward study.
  - 2012: NEE retains MSA Capital Partners to conduct study
  - Study Completed: November 2012
- **Note: Funding was sufficient for only a preliminary assessment.**

### Study Objectives - Evaluate a Santa Fe

#### *City/County-Owned Electric Utility with Respect to:*

- Costs of system acquisition, start-up, and annual operation and maintenance.
- Impacts on commercial and residential rates and bills, compared to status quo.
- Ability to meet County's adopted aggressive renewable energy, energy efficiency and greenhouse gas objectives.
- Potential for stimulating job creation and economic development in the County.

### Status Quo Limitations

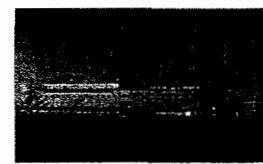
#### **1) State Law Limits Ability to Achieve Aggressive Clean Energy Deployment in the County**

- NM Efficient Use of Energy Act (EUEA)
  - 5% by 2014, 10% by 2020.
- NM Renewable Energy Act (REA) → "Renewable Portfolio Standard": 15% by 2015, 20% by 2020
  - **No requirement for locally-sourced renewable energy projects.**
  - Law allows requirement to be met entirely with distant utility-scale projects (no local job creation).
  - Law has provisions that can be used to not meet targets.
- PRC Implements EUEA and REA
  - Aggressive or relaxed adherence to statutory requirements → uncertainty.
  - Rule: Only 3% customer-scale solar requirement.

## **Status Quo Limitations:**

### **2) Private Utility Regulatory Model**

- Not conducive to achieving local greenhouse gas reduction and clean energy economic development policies.
- Private Utility Business Model: Profit motive for stockholders creates incentive to own all electric generation assets and sell as much electricity as possible.
  - PRC's regulatory model tends to reinforce this.
- Customer-owned solar and energy efficiency are in direct conflict with private utilities' profit objective.
- Private utilities are required to comply with federal and state clean air and clean energy requirements but tend to consistently resist them.



**Status Quo: Coal likely to remain the dominant source of power for decades.**

## **Status Quo Limitations:**

### **3) Utility-Scale Wind Farms on NM's Eastern Plains Don't Stimulate Job Creation in the Santa Fe Area**



## Three Scenarios Evaluated

- 20 year analyses – 2013-2033
  - Full RE and EE achieved by 2028
- **Two “Santa Fe Public Power” (SFPP) Scenarios:**
  - SFPP 1: Power Purchased from the Market
  - SFPP 2: Purchased Power and Local Utility-Scale Generation
  - Both SFPP Scenarios:
    - No coal or nuclear power.
    - “Aggressive Energy Efficiency Standard”: 20% Energy Efficiency
    - 45% Renewable Energy
    - 11.25% customer-scale (e.g. roof-top) solar (part of RE total) = 44 megawatts of solar (14,000, 3 kilowatt systems!)
  - SFPP 2: Locally-sited 66 Megawatt Natural Gas Power Plant: 2020, Locally-Sited 66 MW of Utility-Scale Solar Projects
- **Status Quo Scenario** – PNM continues to own and operate.

## Assumptions - Methodology

- SFPP Service Territory: greater SF area (90% of PNM service territory in County)
  - Excludes rural electric coop territory.
- SFPP System Acquisition and Start-Up Costs: \$155 million
  - Sensitivity Analyses: +\$100 million in acquisition costs.
  - Standard financing terms.
- Cost of acquiring EE: 2.6¢/kwh (half the cost of supply sources).
- SFPP Supply costs:
  - Natural Gas-Derived Power: 5¢/kwh
  - Utility-Scale Wind: 5¢/kwh
  - Utility-Scale Solar: 8¢/kwh
  - Customer-Scale Solar: 14¢/kwh
    - Sensitivity Analyses: 20¢/kwh
- PNM Status Quo Rate Increases: 10 year historic average
  - Residential: 2.66%/year Commercial: 1.97%/year

## Scenario EE and Energy Source Comparison

Year 2028 Scenario Comparisons	SFPP Scenario 1	SFPP Scenario 2	PNM-Status Quo
% of energy efficiency savings	20	20	8
% of energy from renewable sources	45	45	20
% of energy from coal	0	0	60
% of energy sourced in Santa Fe County*	11.25	84	2
% of customer-scale renewable energy	11.25	11.25	0.6

## Scenario Rate and Bill Comparisons

### SCENARIO 1 - PERCENT SFPP RATES AND BILLS ARE LESS THAN STATUS QUO

	2015		2022		2028	
	Base Case	+ \$100 Million	Base Case	+ \$100 Million	Base Case	+ \$100 Million
SFPP vs PNM Rates	15%	11%	12%	9%	20%	18%
SFPP vs PNM Bills	17%	13%	21%	18%	31%	30%

### SCENARIO 2 - PERCENT SFPP RATES AND BILLS ARE LESS THAN STATUS QUO

	2015		2022		2028	
	Base Case	+ \$100 Million	Base Case	+ \$100 Million	Base Case	+ \$100 Million
SFPP vs PNM Rates	17%	12%	8%	5%	18%	17%
SFPP vs PNM Bills	19%	14%	17%	15%	29%	28%

## Residential Bill Comparison

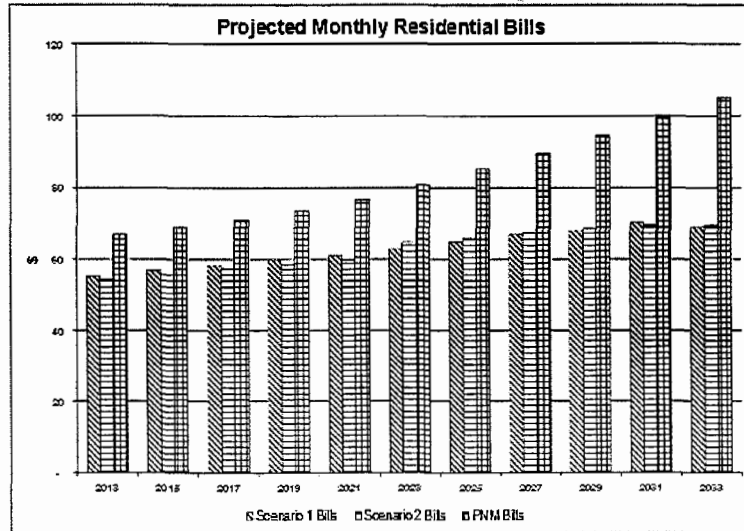


Figure 6: Projected Monthly Residential Bills

## Commercial Bill Comparison

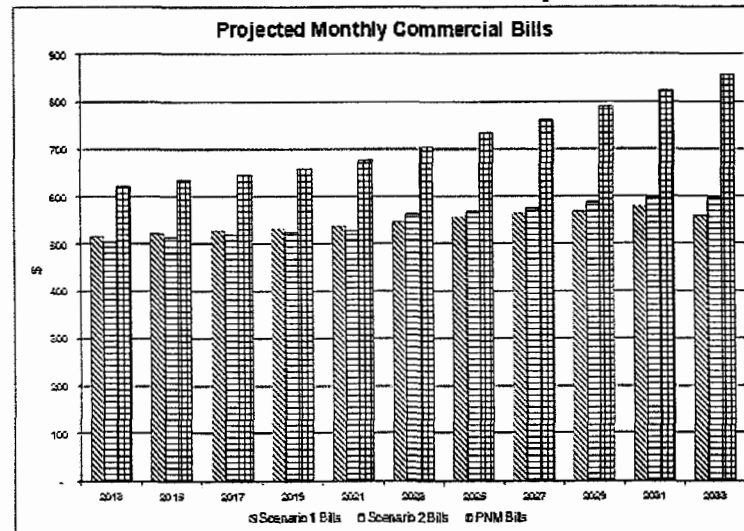


Figure 7: Projected Monthly Commercial Bills

## Effect of EE and Customer-Scale Solar on Utility's Electric Generation Needs

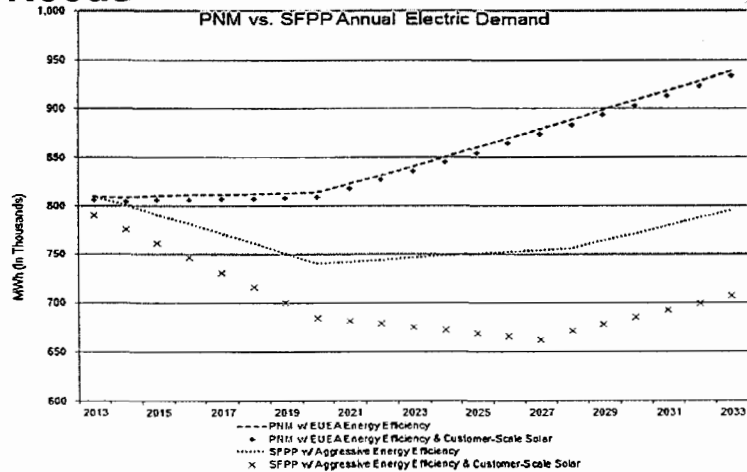


Figure 3: PNM- Status Quo vs. SFPP1 and 2 Annual Utility Electric Generation Needs

## Effect of the SFPP "Aggressive Energy Efficiency Standard"

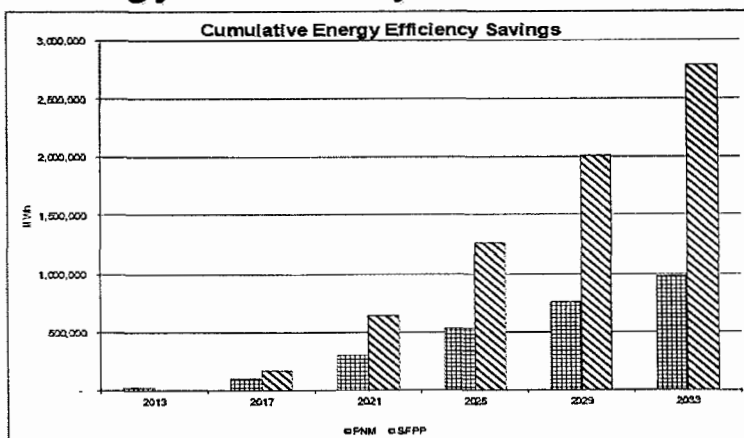


Figure 8: PNM vs. SFPP1 and 2 Energy Savings: A Comparison of Complying with the State Efficient Use of Energy Act vs. the SFPP Aggressive Energy Efficiency Standard.

## Local Job Creation and Economic Development Potential

- **SFPP 1: Medium**

- 44 MW of customer-scale solar → creates more jobs per MW of installed power than any other type of electric generation.
- EE renovations of homes and businesses stimulates construction sector
- More community-generated income (\$\$) remains in the community.

- **SFPP 2: High**

- Same as SFPP 1, plus 66 MW of locally-sited natural gas power plant and 60 MW of local utility-scale solar generation.
- Highest rate of local job creation and keeping consumers' energy dollars in-region.

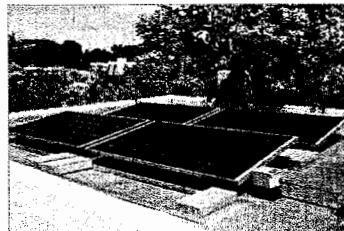
- **Status Quo: Low**

- Minimal locally-sited power generation.
- Less than 1% customer-scale solar by 2028.
- Majority of consumers' energy dollar leaves region.

### Customer-Scale Solar and Energy Efficiency Renovations of Buildings Create Jobs. Stimulating the Local Economy



Pole-Mounted PV



Ballasted (weighted) PV system.



## Next Steps Options

- Community Education & Outreach – Public Opinion Assessment
- Detailed Refinement of Engineering Analyses and Costs
- City-County Financing Assessment
- Market Evaluation – Availability of Energy Solutions

**Questions, Comments from the Commission**

**Thank you!**