THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY

RESOLUTION NO. 2023 - Old

Introduced by: Commissioner Anna Hansen and Commissioner Camilla Bustamante

A RESOLUTION SUPPORTING SENATE BILL 165, ENACTING THE LOCAL CHOICE ENERGY ACT

WHEREAS, our nation's top scientists released the Fourth National Climate Assessment ("NCA") in November 2018 and their key message on Energy for the Southwest region stated: "The ability of hydropower and fossil fuel electricity generation to meet growing energy use in the Southwest is decreasing as a result of drought and rising temperatures. Many renewable energy sources offer increased electricity reliability, lower water intensity of energy generation, reduced greenhouse gas emissions, and new economic opportunities"; and

WHEREAS, producing one kilowatt-hour of energy via solar photovoltaic ("PV") systems requires approximately one-ninth of the water required to produce one kilowatt-hour of energy from a combined cycle fossil gas plant and producing a kilowatt-hour of energy via wind energy uses 11250th as much water as combined cycle gas plant; and

WHEREAS, the Santa Fe County Board of County Commissioners ("Board") passed Resolution No. 2017-68, which adopted and supported the goals set in the Paris Agreement and expressed the Board's intention to support greenhouse gas emission reduction within the County and the community; and

WHEREAS, the Board adopted Resolution 2013-7, which established sustainable resource management principles and directed staff to "lead by example" with respect to implementing cost-effective waste reduction, recycling, and clean energy strategies in County operations; and

WHEREAS, renewable energy and storage are among the cleanest sources of energy with which New Mexican residences and businesses can power its establishments to achieve better air quality and reduce greenhouse gas pollution; and

WHEREAS, many state and local governments in New Mexico, including Santa Fe County, have already begun reducing their greenhouse gas emissions through implementing energy efficiency, waste reduction, recycling, water conservation, fleet efficiency, and renewable energy production in County facilities and operations; and

WHEREAS, the Board wishes to encourage and work with the State of New Mexico, Native American Pueblos, Tribes, and Nations, and local governments to continue to prioritize the reduction of greenhouse gas emissions; and

WHEREAS, the New Mexico State Legislature, Native American Pueblos, Tribes, and Nations, and local governments have significant opportunities to provide incentives and resources to reduce greenhouse gas emissions; and

WHEREAS, the proposed Local Choice Energy Act ("LCEA"), Senate Bill 165, 2023 Regular Session, will allow for expansion of renewable energy generation, municipal aggregation of energy demand, and procurement; and

WHEREAS, the proposed LCEA is anticipated to stimulate local wealth creation, increase revenue for our communities and investments in our infrastructure, lower costs for high quality energy, give communities a choice in how they generate and purchase energy, support innovation and resiliency, and create jobs; and

WHEREAS, prior to serving customers, the proposed LCEA would require a local choice energy provider to:

- 1. Establish rates for different classes of customers who own or lease rooftop solar systems, including:
 - a. a rate, including a value, for the consumption of electricity supplied by the local choice energy provider in consideration of any applicable renewable energy credit for which the local energy choice provider is eligible; and
 - b. a rate or value for the electricity that is supplied to the grid by the customer; and
- 2. Establish a process applicable for customers who own or lease rooftop solar systems for net metering to determine the net energy delivered from the local choice energy provider to the customer and from the customer to the local choice energy provider for each time-of-use or single rate period, as applicable, during a billing period; and
- 3. To the extent feasible, establish rates and make other arrangements that honor customer subscriptions to community solar programs; and

WHEREAS, under the proposed LCEA, a privately owned community solar facility and subscribers of a privately owned community solar facility located within the jurisdiction of a local choice energy provider are automatically excluded from the local choice energy program but may opt in; and

WHEREAS, the proposed LCEA will not impede the creation of rooftop and community solar systems; and

WHEREAS, the proposed LCEA would enable counties and municipalities to leverage unprecedented federal funds forthcoming from the federal Inflation Reduction Act of 2022 and the federal Justice40 initiative (Executive Order 14008), which aims to direct 40 percent of overall benefits of certain federal investments to disadvantaged communities, by making it easier for them to create municipal utilities to manage micro grid and renewable energy projects; and

WHEREAS, the proposed LCEA defines a "local choice energy provider" as a municipality, county or Indian nation, tribe or pueblo, or a combination of municipalities, counties or Indian nations, tribes or pueblos, that enacts a local energy choice program; and

WHEREAS, millions of people in the United States are already served by local choice energy providers known as Community Choice Aggregates ("CCAs") in thousands of communities in 10 states; and

WHEREAS, according to LEAN Energy US, communities served by these providers enjoy utility rates that are 15-20% lower than what they would pay investor-owned utilities; and

WHEREAS, CCAs utilize renewable energy and are a key part of reducing our carbon footprint; and

WHEREAS, CCAs are a proven powerful tool that involves the partnership of utilities, developers, community groups, local governments, state governments, and other industry actors in fulfilling objectives to meet carbon neutrality goals, catalyze community resilience, safety and greater security, create impactful technology and infrastructure, generate more community wealth, and advance community benefits; and

WHEREAS, many CCA communities have developed programs that prioritize the . empowerment of low-income residents in their transition to clean energy. For example, in 2021, some New York CCA communities participated in Community Distributed Generation ("CDG") projects. These projects enabled participating CCAs to automatically serve close to 100% of low-income residents in their locality with solar CDG bill credits; and

WHEREAS, CCA communities have demonstrated many success stories since first being implemented in Massachusetts in the mid-1990s, including their ability to deliver on renewable power investment, replicate, and scale, while targeting climate and Justice40 goals. A high-level snapshot of the market shows:

1. In California, there are 25 CCA programs serving more than 11 million customers and dozens of communities are either engaged in, or currently considering CCA. To date, CCAs in the state have contracted for almost 10,000 megawatts of new clean generation capacity through long-term power purchase agreements with terms of 10 years or more, while also offering a plethora of clean energy products and demand-

side programs.

- 2. Illinois CCAs are offering increased renewable power options to consumers at competitive costs. Currently, multiple Illinois CCAs are interested in evolving the market further through the formation of the equivalent of a Joint Power Authority which directly sparks the development of substantial new renewable power resources.
- 3. In New York, there are over 150 CCAs. Of note, 19 of 20 municipalities in one CCA have selected a 100% renewable energy product offered at a lower rate than residents have historically paid for non-renewable supply. As of mid-2021, New York CCAs had already provided over 3 million megawatt-hours ("MWhs") of renewable energy supply to over 51 municipalities resulting in 770,000 tons of avoided carbon dioxide emissions. Additionally, a New York CCA enrolled approximately 1,700 customers in the nation's first community solar program in 2020.
- 4. Ohio's largest CCA, Northeast Ohio Public Energy Council ("NOPEC"), serves over 900,000 customers in more than 235 communities. NOPEC estimates saving customers more than \$300 million in 2020 while awarding \$28 million in community energy efficiency grants since its inception in 2001. When NOPEC alone applies its purchasing power to developing new renewable power plants, this initiative could spark the construction of 7.2 million MWhs per year of greenfield renewable capacity; and

WHEREAS, the proposed LCEA advances the environmental sustainability goals of Santa Fe County including carbon neutrality, ecological resilience, economic vitality, quality of life, and social equity.

NOW, THEREFORE, BE IT RESOLVED, that the Board of County Commissioners of Santa Fe County hereby supports the proposed Local Choice Energy Act and urges that this legislation be enacted by the state legislature during its 2023 session.

BE IT FURTHER RESOLVED that the County Manager is directed to forward this resolution to the following persons: Attorney General of New Mexico; U.S. Senators Martin Heinrich and Ben Ray Lujan; Congressional Representative Teresa Leger Fernandez; Governor Michelle Lujan Grisham; the leadership of the New Mexico Senate and House; Senators and Representatives in the New Mexico Legislature representing Santa Fe County, and New Mexico Counties' Board of Directors and Executive Director.

PASSED, APPROVED, AND ADOPTED ON THIS 31st DAY OF JANUARY, 2023.

BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY

Katharine E. Clark Santa Fe County Clerk



APPROVED AS TO FORM:

Jeff\Young

Santa Fe County Attorney

BCC RESOLUTIONS

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COUNTY OF SANTA FE STATE OF NEW MEXICO

I Hereby Certify That This Instrument Was Filed for Record On The 7TH Day Of February, 2023 at 08:50:30 AM And Was Duly Recorded as Instrument # 2006145 Of The Records Of Santa Fe County

> Witness My Hand And Seal Of Office Katharine E. Clar

LOMOTO County Clerk, Santa Fe, NM

