

## **Renewable energy bill headed to Senate**

By Steve Terrell [sterrell@sfnewmexican.com](mailto:sterrell@sfnewmexican.com)

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Thanks to a positive recommendation Monday (March 4) from a Senate committee, the full Senate will hear a bill that would dramatically decrease the amount of carbon coming from electric utilities in the state and help Public Service Company of New Mexico recoup its investments in the coal-burning San Juan Generating Station near Farmington.

Despite Republican opposition, the Senate Corporations and Transportation Committee voted 5-2 to endorse the Energy Transition Act, which would mandate electric utilities in the state to have 50 percent renewable energy sources in their portfolios by 2030 with a goal of 80 percent renewables by 2040.

The Taos-area electric utility is already heading in that direction. Kit Carson Electric Cooperative bought its way out of a long-term power-purchasing contract in 2016 because of a cap that limited local renewable energy generation to 5 percent of the overall portfolio. Now, the co-op is in the midst of a plan to provide 100 percent day-time solar energy by 2022. The plan is a partnership between the co-op and Florida-based power supplier Guzman Energy.

The vote on the energy transition bill came at the end of a two-hour debate, which followed four hours of public input Saturday (March 2).

The committee, on a partisan split, rejected an amendment to Senate Bill 489 by Sen. Bill Sharer, R-Farmington, that would have given the city of Farmington, a part owner of the power plant, more time to negotiate the sale of the plant to a New York hedge fund.

The potential buyer, Acme Equities LLC, has proposed refitting the aging power plant with technology that city officials say would reduce carbon emissions by 90 percent and help pay for itself by shipping captured carbon to oil fields through a pipeline.

But the “carbon capture and sequestration” technology being touted by Farmington and Acme Equities is controversial and has never before been used in an operation as large as the San Juan plant.

Sharer said Monday he expects the bill to pass the Senate and hinted he might sue the state if the proposal becomes law. “What is my option?” he asked rhetorically. “To sue the state of New Mexico.”

The San Juan Generating Station and an adjacent coal mine constitute a major source of employment in northwestern New Mexico.

If Sharer is right and the Senate passes the bill, it would still have to get through the House — where Democrats enjoy an even larger majority — and be signed by Gov. Michelle Lujan Grisham, who strongly backs SB 489, sponsored by Sen. Jacob Candelaria, D-Albuquerque.

The Energy Transition Act is supported by an unlikely coalition that includes the state's largest utility and several major environmental groups, as well as business and labor groups. The opposition, also a "strange bedfellows" situation, includes various local officials in Farmington and San Juan County and some environmentalist groups, most prominently the Santa Fe-based New Energy Economy.