

LFC Requester:	Jon Clark
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**AGENCY BILL ANALYSIS
2015 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original	<input checked="" type="checkbox"/>	Amendment	<input type="checkbox"/>	Date	January	, 2015
Correction	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Bill No:	SB 247	

Sponsor:	Sen. Stuart Ingle	Agency Code:	Attorney General's Office
Short Title:	First Right to Construct, Own and Maintain	Person Writing	P. Cholla Khoury, AAG
		Phone:	827-7484
		Email	ckhoury@nmag.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: HB 116
 Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Letter. This is a staff analysis in response to an agency’s, committee’s, or legislator’s request.

BILL SUMMARY

Synopsis: SB 247 creates a first right to construct, own and maintain electric transmission facilities for public utilities and generation and transmission cooperatives in the State of New Mexico. This first right to construct applies to transmission facilities that have been approved for construction by regional transmission authorities and that are eligible to regional cost allocation, and requires that the facility shall not be built until it has obtained all necessary governmental approvals.. To the extent any transmission facility interconnects two or more public utilities or generation and transmission cooperatives, the interconnected entities shall determine who shall build own and maintain the facilities. If no such determination is made, than each interconnected entity shall build, own and maintain its own share of the facility.

HB 116 provides that the public utility or generation and transmission cooperative shall give the PRC notice within 60 days of informing the regional transmission organization that it is exercising its rights to construct, own and maintain the transmission facility.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

HB 116 gives companies that participate in a Regional Transmission Organization (RTO) the first right to construct transmission facilities that are deemed necessary by the RTO. FERC Order 1000 specifically removes the federal first right of construction but remains silent on a State’s ability to create such a right.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo

AMENDMENTS

N/A