CITY of ALBUQUERQUE
TWENTY-FIRST COUNCIL

COUNCIL BILL NO. ___R-15-257___   ENACTMENT NO. _R·2015·106_

SPONSORED BY: Isaac Benton

1   RESOLUTION

2   DIRECTING THAT THE CITY PURSUE A PARTNERSHIP WITH BERNALILLO

3   COUNTY AND POTENTIALLY OTHER LOCAL GOVERNMENTS FOR ENERGY

4   REPRESENTATION BEFORE THE PRC IN THE CURRENT PNM RATE CASE,

5   AND RECONSIDER ITS RELATIONSHIP WITH THE NEW MEXICO INDUSTRIAL

6   ENERGY CONSUMERS ASSOCIATION (NMIEC).

7   WHEREAS, "NMIEC is an organization of large and industrial consumers of

8   electricity and natural gas in the State of New Mexico"; and

9   WHEREAS, the City of Albuquerque has been a dues paying member of

10   NMIEC since approximately 2011; and

11   WHEREAS, prior to approximately 2011, the City's representation before

12   the Public Regulation Commission was managed and staffed directly by the

13   City Attorney, and subsequently was entrusted to NMIEC; and

14   WHEREAS, part of NMIEC's role has been to represent the City's interests

15   with respect to a Stipulation Agreement submitted to the Public Regulation

16   Commission (PRC) on October 1, 2014, in docket No. 13-00390-UT (the

17   "Stipulation Agreement") and related matters; and

18   WHEREAS, the City initially participated in the Stipulation Agreement

19   based on representations that the Stipulation Agreement represented the least

20   cost plan to ratepayers; and

21   WHEREAS, on April 6, 2015, the City Council adopted a resolution

22   withdrawing its support for the Stipulation Agreement because, since the time

23   of its filing, the costs and economics of certain elements of the Agreement

24   had changed to the detriment of the City and its ratepayers; and

25   WHEREAS, after the City withdrew its support for the initial stipulation,

26   which was presented to the City by NMIEC as the final and best possible

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1   outcome, a revised and amended stipulation was developed which was

2   somewhat closer, although still not in complete alignment, with the City's

3   goals; and

4   WHEREAS, although the City as an entity is a large-scale energy consumer

5   on a similar scale as other members of NMIEC, the City is unique in that it has

6   an obligation to use its resources to advance the best interests of its

7   constituent residents and businesses who are also PNM ratepayers; and

8   WHEREAS, to the extent that the City uses its resources to promote the

9   interests of only large and industrial consumers of energy, it could effectively

10 be advocating against its own constituents and the citizen tax payers that

11 largely fund municipal government; and

12 WHEREAS, even to the extent that the City has some rate classes and

13 consumption quantities in common with other NMIEC members, the City is

14 unique as an entity because its electric demands span multiple rate classes,

15 and because it has unique energy needs such as powering street lights and

16 traffic signals, and it is not an industrial consumer; and

17 WHEREAS, the current rate proposal before the PRC provides a 4.8% rate

18 reduction for manufacturing while increasing residential rates 7.9%, small

19 commercial 7%, and general power (the largest category of the City's own use)

20 by 5.17%; and

21 WHEREAS, the City Council finds that, given these broader interests, it

22 may not be adequately represented by NMIEC which focuses primarily on

23 advancing the interests of its large-scale and industrial members, and that the

24 City should seek partnerships with other local governments such as Bernalillo

25 County and the City of Santa Fe that provide similar services and have similar

26 responsibilities to those of the City.

27 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF

28 ALBUQUERQUE:

29 Section 1.   PARTNERSHIP WITH BERNALILLO COUNTY. The City shall

30 work with Bernalillo County to execute a Memorandum of Agreement to

31 facilitate a system for joint representation before the New Mexico Public

32 Regulation Commission in the forthcoming rate case as appropriate. The City

33 Legal Department is hereby directed to work with the Bernalillo County Legal

1   Department to develop a protocol for joint representation consistent with the

2   MOA, and discussions with the County to pursue longer-term, broader

3   coordination with other local governments. In the event that these efforts are

4   unsuccessful, the City Legal Department shall prepare an estimate of the cost

5   for its own representation and present it to the Council for possible funding.

6   Section 2.   CITY REPRESENTATION IN THE RATE CASE. The City Legal

7   Department shall file to act as an intervenor in the PNM rate case presently

8   before the PRC, so as to allow the City to act independently of NMIEC in this

9   case.

10   Section 3.   SEVERABILITY. If any section, paragraph, sentence, clause,

11   word, or phrase of this resolution is for any reason held to be invalid or

12   unenforceable by any court of competent jurisdiction, such decision shall not

13   affect the validity of the remaining provisions of this resolution. The Council

14   hereby declares that it would have passed this resolution and each section,

15   paragraph, sentence, clause, word or phrase irrespective of any provisions

16   being declared unconstitutional or otherwise invalid.

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1   PASSED AND ADOPTED THIS _____2nd_____ DAY OF ___November___ 2015
2   BY A VOTE OF:_____8_____ FOR____1____AGAINST.
3
4   Against: Harris
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8   _____
9   **Rey Garduño, President**
10 **City Council**
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13 APPROVED THIS _____14th_____ DAY OF ___November_____, 2015
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17 <u>Bill No. R-15-257</u>
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19 _____
20 **Richard J. Berry, Mayor**
21 **City of Albuquerque**
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24 ATTEST:
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26 _____
27 **Natalie Y. Howard, City Clerk**
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