



Legislation Text

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CITY of ALBUQUERQUE
TWENTY-FIRST COUNCIL

COUNCIL BILL NO. R-15-257 ENACTMENT NO. _____

SPONSORED BY: Isaac Benton

RESOLUTION

Directing That The City Pursue A Partnership With Bernalillo County And Potentially Other Local Governments For Energy Representation Before The PRC In The Current PNM Rate Case, And Reconsider Its Relationship With The New Mexico Industrial Energy Consumers Association (NMIEC) (Benton)

DIRECTING THAT THE CITY PURSUE A PARTNERSHIP WITH BERNALILLO COUNTY AND POTENTIALLY OTHER LOCAL GOVERNMENTS FOR ENERGY REPRESENTATION BEFORE THE PRC IN THE CURRENT PNM RATE CASE, AND RECONSIDER ITS RELATIONSHIP WITH THE NEW MEXICO INDUSTRIAL ENERGY CONSUMERS ASSOCIATION (NMIEC).

WHEREAS, "NMIEC is an organization of large and industrial consumers of electricity and natural gas in the State of New Mexico"; and

WHEREAS, the City of Albuquerque has been a dues paying member of NMIEC since approximately 2011; and

WHEREAS, prior to approximately 2011, the City's representation before the Public Regulation Commission was managed and staffed directly by the City Attorney, and subsequently was entrusted to NMIEC; and

WHEREAS, part of NMIEC's role has been to represent the City's interests with respect to a Stipulation Agreement submitted to the Public Regulation Commission (PRC) on October 1, 2014, in docket No. 13-00390-UT (the "Stipulation Agreement") and related matters; and

WHEREAS, the City initially participated in the Stipulation Agreement based on

representations that the Stipulation Agreement represented the least cost plan to ratepayers; and

WHEREAS, on April 6, 2015, the City Council adopted a resolution withdrawing its support for the Stipulation Agreement because, since the time of its filing, the costs and economics of certain elements of the Agreement had changed to the detriment of the City and its ratepayers; and

WHEREAS, after the City withdrew its support for the initial stipulation, which was presented to the City by NMIEC as the final and best possible outcome, a revised and amended stipulation was developed which was somewhat closer, although still not in complete alignment, with the City's goals; and

WHEREAS, although the City as an entity is a large-scale energy consumer on a similar scale as other members of NMIEC, the City is unique in that it has an obligation to use its resources to advance the best interests of its constituent residents and businesses who are also PNM ratepayers; and

WHEREAS, to the extent that the City uses its resources to promote the interests of only large and industrial consumers of energy, it could effectively be advocating against its own constituents and the citizen tax payers that largely fund municipal government; and

WHEREAS, even to the extent that the City has some rate classes and consumption quantities in common with other NMIEC members, the City is unique as an entity because its electric demands span multiple rate classes, and because it has unique energy needs such as powering street lights and traffic signals, and it is not an industrial consumer; and

WHEREAS, the current rate proposal before the PRC provides a 4.8% rate reduction for manufacturing while increasing residential rates 7.9%, small commercial 7%, and general power (the largest category of the City's own use) by 5.17%; and

WHEREAS, the City Council finds that, given these broader interests, it may not be adequately represented by NMIEC which focuses primarily on advancing the interests of its large-scale and industrial members, and that the City should seek partnerships with other local governments such as Bernalillo County and the City of Santa Fe that provide similar services and have similar responsibilities to those of the City.

BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

Section 1. PARTNERSHIP WITH BERNALILLO COUNTY. The City shall work with Bernalillo County to execute a Memorandum of Agreement to facilitate a system for joint representation before the New Mexico Public Regulation Commission in the forthcoming rate

case as appropriate. The City Legal Department is hereby directed to work with the Bernalillo County Legal Department to develop a protocol for joint representation consistent with the MOA, and discussions with the County to pursue longer-term, broader coordination with other local governments. In the event that these efforts are unsuccessful, the City Legal Department shall prepare an estimate of the cost for its own representation and present it to the Council for possible funding.

Section 2. CITY REPRESENTATION IN THE RATE CASE. The City Legal Department shall file to act as an intervenor in the PNM rate case presently before the PRC, so as to allow the City to act independently of NMIEC in this case.

Section 3. SEVERABILITY. If any section, paragraph, sentence, clause, word, or phrase of this resolution is for any reason held to be invalid or unenforceable by any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this resolution. The Council hereby declares that it would have passed this resolution and each section, paragraph, sentence, clause, word or phrase irrespective of any provisions being declared unconstitutional or otherwise invalid.