



**New Mexico has more than 300 days of sunshine each year. Does it make sense that only 6.4% of our electricity is generated by the sun?**

**Together, we can change this story! With community-owned, operated, and generated renewable electricity, we can create a brighter future today and inspire communities around the world.**

# SB165

## The Local Choice Energy Act

**Sponsors:**

**Senator Carrie Hamblen**

**Senator Elizabeth Stefanics**

### What is Local Choice Energy?

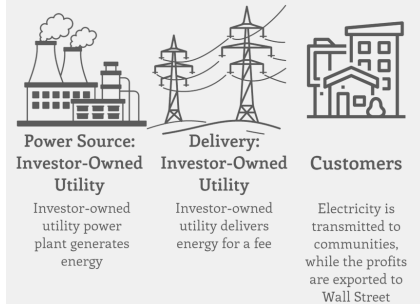
Local Choice Energy (LCE) legislation is a small but meaningful legal change that would let local governments and tribes generate or purchase renewable electricity and sell it to us at lower prices. Electricity would be transmitted in partnership with investor-owned utility companies (IOUs) on their grid, for the same fees they charge their customers, and people living in the service area of a Local Choice Energy Provider would be able to choose to keep their existing service or change it.

Instead of sending profits to Wall Street, Local Choice Energy invests in the resiliency of our communities, providing safe, reliable, affordable electricity, while creating local jobs and improving local economies. When Local Choice Energy becomes the law of the land, communities that want to create Local Choice Energy programs will be able to do so by passing municipal or county ordinances, or in the case of tribal government, through the tribal government process in place.

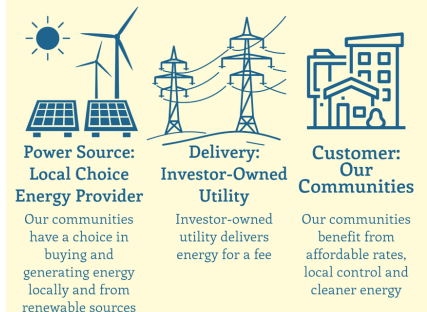
### Why is Local Choice Energy good for New Mexico?

- LCE (also sometimes called Community Choice Aggregation or CCA) is a proven approach that is authorized in 10 states and serves more than 36 million people in more than 1800 communities.
- Communities served by community-owned electricity providers enjoy safe, reliable service and more resiliency.
- Ratepayers served by community-owned electric utilities enjoy as much as 15-20% lower rates nationally. In New Mexico, the average monthly residential bills of municipally-owned utilities are 25% less than investor-owned utilities according to data from the US Energy Information Administration.
- Community-owned electricity providers are accelerating the transition to renewable energy. All communities in the U.S. that have achieved 100% renewable power are served by community-owned electricity providers.
- LCE means local economic development, investing profits in local communities, creating jobs, and attracting businesses seeking renewable electricity at lower prices.
- Passing LCE will make it easier for New Mexican communities to take advantage of once-in-a-lifetime federal funding to create the infrastructure needed for renewable energy generation and microgrids that will ensure greater resiliency.
- LCE allows us to have local control of our electric generation and not be subject to out-of-state, out-of-country monopoly utility companies that provide us with the most expensive electricity and export their profits out of New Mexico.
- A 2023 study from UMass Amherst found that 79% of local choice programs in Massachusetts offered lower rates amounting to \$70 million in annual savings, and 60% exceed the state's renewable energy requirements.
- A 2020 UCLA study demonstrates that local choice energy is an effective tool for accelerating renewable energy development.

#### How Our Existing System Works



#### How Local Choice Energy Works



**NEW MEXICANS  
WANT ENERGY  
CHOICES!**

## New Mexicans deserve choices. Local Choice Energy introduces competition into the electricity generation market.

73% of New Mexicans are served by three electric utilities (PNM, SPS/Xcel, EPE) that are owned by investors (IOUs), and under current law, New Mexicans aren't able to choose other electricity providers. The IOUs are required to make profits for their investors. Dirty fuels are more profitable, despite how destructive they are, and the IOUs are incentivized to use them for as long as they can. In 2021 PNM had just 10% solar in its energy portfolio. SPS had only 2% solar. EPE only had 5% renewable energy in 2020. With Local Choice Energy, we could empower our communities to be able to make better choices. We can create our renewable energy future, right here, right now, powered by our communities and the sun.

### How is Local Choice Energy different from Community Solar?

Local Choice Energy is a platform that enables communities to use renewables and launch renewable programs, while community solar is just one program. Community Solar is limited in its reach: a maximum of 200MW statewide and 5MW per project. Local Choice Energy would allow communities to generate or purchase as much renewable energy as they need. (For comparison, the City of Santa Fe alone uses nearly 200 MW at its peak.) The financial benefits of Community Solar go to the private developer and subscribers of the project, whereas Local Choice Energy revenues benefit the local communities they serve and are reinvested back into local government budgets for community needs. Also, the IOUs are delaying the implementation of the Community Solar Act the legislature passed and the governor signed into law in 2021 through lawsuits, unfair billing proposals, proposed limitations, and other regulatory filings, because they fear that community-generated solar energy is a threat to their business. New Mexicans deserve more choices.

### Consider these facts:

- Municipal utilities in New Mexico have 25% lower residential average monthly bills than IOUs and coops.
- Local Choice Energy legislation includes protections for workers and unions.
- Locally-generated electricity is more reliable and resilient than the status quo.

### How can we get Local Choice Energy?

We need to pass SB 165 in New Mexico in 2023 to bring Local Choice Energy to our communities. We're growing a grassroots movement across the state in order to do this, and you can join us. Sign up at [publicpowernm.org](http://publicpowernm.org) and help us by calling your legislators, county commissioners, mayors, councilors, and other community leaders to ask for their support. Help us spread the word and make this policy a reality in New Mexico!

## Endorsed by: Bernalillo County, Santa Fe County, Town of Hurley and...

