

New Mexico Sets New Energy Efficiency Standards

Electric and gas utilities in New Mexico must begin meeting new energy efficiency standards under legislation that Governor Bill Richardson is expected to sign into law that also would allow financial incentives for utilities on cost-effective programs. The law calls for electric utilities in New Mexico to meet a five per cent energy efficiency savings from the baseline 2005 electricity sales by 2014 and a 10 per cent savings by 2020. If an electric utility demonstrates that it cannot meet the standards, the measure allows the New Mexico Public Regulation Commission to set alternative energy efficiency requirements. The Commission, under the bill, also must develop incentives by which utilities can “earn a profit on cost-effective energy efficiency” programs that are considered “financially more attractive” than building new electric power plants. Utilities must conduct studies to determine energy efficiency measures that are cheaper than building new capacity.

[Source essa news]