



Renewable Energy Industry Association of New Mexico

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Press Contact:

Patrick Griebel for REIA-NM: [pjgriebel@smdlegal.com](mailto:pjgriebel@smdlegal.com) 505.379.4662

### **Renewable Advocates Oppose PNM Plan to Cut Solar Energy Program**

*New Mexico Utility's Plan to Restrict Customer-Owned Solar Would Put Thousands of Green Jobs at Risk*

**Albuquerque, NM - August 14, 2009** –The Public Service Company of New Mexico (PNM), the state's largest utility, recently filed plans to sharply scale back funding for its customer owned, or "distributed generation" (DG) solar incentive program. The proposed changes would put hundreds of current solar jobs at risk and thousands of potential jobs at risk in New Mexico's growing clean energy industry. The Renewable Energy Industry Association of New Mexico (REIA-NM) has officially intervened as a party before the New Mexico Public Regulation Commission to protect the successful—and popular—solar program. "As written, this should be called 'PNM's Green-Collar Unemployment Plan'" says Patrick Griebel, REIA Board-Member and spokesman.

"Utilities from California to New Jersey are partnering with the solar companies to lower costs and bring clean energy to customers. The Governor, the Legislature, the PRC, Mayor Chavez, Mayor Coss, Mayor Miyagashima and many more have bent over backwards in the past few years to provide clear pro-renewable direction for this state and its communities. PNM, on the other hand, seems to oppose anything solar unless they own it," continued Griebel. "New Mexico has an opportunity to build a vibrant, diverse solar marketplace. That's a recipe for delivering economic, environmental and energy benefits to all; we hope PNM will choose to work with all stakeholders and develop a common solution rather than standing in the way of that brighter future."

In 2007, state regulators required utilities in New Mexico to develop a diverse portfolio of renewable energy resources, including small-scale solar energy systems. To fulfill this requirement, PNM currently offers incentives that encourage homes, businesses, public buildings and other customers to reduce their utility bills by going solar. As an additional benefit, the program encourages private investment in solar energy development, an arrangement that is cheaper for ratepayers than utility investment.

PNM has proposed eliminating its support of customer-owned solar energy, choosing instead to develop utility-owned solar to meet its renewable energy mandate. The utility has cited costs as the primary reason for the switch. REIA questions the underlying assumptions behind the PNM's calculations, particularly the transmission cost savings of DG and the comparative costs of traditional energy sources like coal and nuclear. In addition, the utility's calculations do not account for the significant in-state economic benefits of a new local clean energy economy. .



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REIA Press Release – REIA Intervenes in PNM Renewable Energy Plan  
August 14, 2009

“PNM claims cost is the issue, but a competitive market for solar can surely achieve better cost efficiencies than a monopolistic utility-ownership model,” said Griebel. “REIA will show in this case that PNM is playing fast and loose with the numbers.”

PNM’s solar incentive program currently supports:

- Lower utility bills for customers that go solar: Over 400 households in PNM territory save money on their monthly power bills by generating their own solar energy.
- Green job creation in a growing new industry: New Mexico’s solar industry employs several hundred individuals and has experienced significant growth in the past year.
- Long-term price predictability for all energy customers: While traditional energy sources are vulnerable to volatile market pricing as anyone who’s looked at their utility bill lately can attest, the sun is a free energy source that delivers predictable power during peak hours when it is needed most. Smaller customer-owned systems also fit into the existing grid without requiring expensive new infrastructure investment like their large-scale counterparts.

**About the Renewable Energy Industry Association of New Mexico (REIA):** REIA is composed of 39 Member Companies from across the renewable energy spectrum. REIA-NM is comprised of several large manufacturing members as well as companies that design, install, and consult on solar projects in New Mexico. REIA-NM supports renewable energy industry growth in New Mexico by increasing public awareness, ensuring high quality standards for manufacturing, designing, and installation of renewable energy systems. REIA-NM works with local, state, and national government representatives on the advancement of renewable energy policies and practices. [www.reia-nm.org](http://www.reia-nm.org)

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