

Coalition asks PRC to reject PNM plan

By Hanna Grover

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FARMINGTON — While the New Mexico Public Regulation Commission is hearing arguments about a plan from the Public Service Company of New Mexico to close two units at a local electricity generating station, a coalition of community groups has voiced loud opposition to the move.

The coalition called on the PRC earlier this week to reject the utility's plan.

The groups are citing the health and financial security of New Mexico as reasons to reject the plan, which would close two of the units at the San Juan Generating Station and replace the energy with power from solar, wind and nuclear sources.

The reaction came after three weeks of hearings that ended Jan. 27. While the plan would lead to a decrease in coal-generated energy, the coalition claims it would solidify the utility's commitment to the generating station and to coal power over the long run.

The generating station has been an important source of energy for PNM. Currently, PNM gets 50 percent of its energy from the San Juan Generating Station, Susan Sponar, a spokeswoman for the utility, said.

The decision to close two of the units came as a way of curbing emissions in an attempt to meet EPA standards.

Sponar said the move would be a blow to PNM. "We're taking a significant step backwards in regards to our own portfolio," Sponar said.

But Sponar said the proposed plan was the most cost-effective one for the consumers.

"The plan will cut emissions, including emissions of carbon, by 50 percent," Sponar said.

She added that it will also cut water use by 50 percent.

Shutting two of the stacks also will reduce the utility's reliance on coal, Sponar said. She said the plant has been an important employer in the Four Corners region, but "We think this is the responsible step," she said.

However, the move is too little and too slow in the eyes of environmental groups like the Sierra Club. The group is one of the members of the coalition opposing the plan, along with the San Juan Citizens Alliance, New Mexico Interfaith Power and Light, Diné CARE and Positive Energy Solar.

The Sierra Club has been campaigning against the continued use of coal, citing its health risks and

pollution.

Nellis Kennedy-Howard, the Sierra Club's southwest regional campaign director, said the coalition is advocating for a faster transition to renewable energies that would provide employment in the clean-energy sector for the people who are currently employed by the generating station.

"We believe there is a better option," she said.

While the proposed closure of the two stacks signals a decrease in coal-generated power, the coalition claims the plan will mean a continued commitment to coal-related energy even as other companies are moving away from coal. The Farmington Electric Utility decided not to acquire additional capacity at the generating station last month, citing economic reasons as one of the factors leading to its decision.

"New Mexico can and should be a clean energy leader in our country," Kennedy-Howard said.

She said the coalition is advocating for a more timely transition from coal to renewable energy sources such as solar and wind power.

The groups also cited a recent proposal of a \$10-a-month increase to the average residential home bill as a reason for the PRC to deny the plan.

Sponar said the proposed increase is not due to the use of coal or the transition the generating station is currently going through. Instead, she said the increase will help the utility recover money it has invested in power lines and transmission services, as well as investments in other power plants.

While PNM continues to get power from the coal generating station, it also is looking at expanding its renewable energy sources.

In 2003, the utility began to diversify its power sources, Sponar said.

Last year, it added three new solar energy centers, bringing the number of centers to 11. It is also planning on adding four new solar energy centers this year.

The utility has also invested in wind and geothermal energy.

"We're really trying to do the right thing," Sponar said.