

Editorial: PRC should see the light with record heat and blackouts

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Did New Mexicans just get a glimpse at the future as the state transitions to 100% renewable electric power mandated under the Energy Transition Act? The answer is very likely “yes,” especially in light of an important – and misguided – decision last month by the state Public Regulation Commission.

Let’s review.

It was hot Aug. 19, as it has been for much of August, with a forecast peak temperature in the high 90s. Many New Mexicans were working from home thanks to the COVID-19 pandemic when Public Service Company of New Mexico made the following request:

“As we deal with record-setting heat ... energy supplies in the west are limited. ... With forecasted pockets of cloud cover in New Mexico this afternoon, PNM solar generation could be reduced. Therefore, we are proactively asking customers to help reduce their energy usage by turning up their air conditioning to 78 degrees or higher and delay the use of other high-energy-use appliances such as your dishwasher, washer and dryer until 9 p.m. or later.”

These steps, the state’s largest utility said, would help reduce the strain on the grid over the next few days.

And, cutting back on peak power use would be a way to avoid any potential rolling blackouts like those ordered by regulators in California last week brought about by “the failure of a power plant and the loss of wind power” at a time of huge electricity demand caused by baking temperatures. When the system can’t meet demand, it shuts down – one way or another.

New Mexicans should pay attention to this. As we transition to renewables, the ETA requires 50% by 2030, 80% by 2040 and 100% by 2045. PNM’s power portfolio is 14% wind and 11% solar.

While we are committed to investing in new wind and solar, we also are gambling that better battery and other technology – along with out-of-state imports – will

improve enough to cover power needs when skies are cloudy and the wind doesn't blow.

In California, those lofty green goals are running up against reality – leaving millions without power in rolling blackouts.

Gov. Gavin Newsom pointed to California's shift to renewables and said shutting down gas power plants had created gaps in the state's energy supply.

While California remains committed to green, he said, "We cannot sacrifice reliability." He promised state officials "would be much more aggressive in making sure that is the case."

Back here in New Mexico, state utility regulators had a chance to hedge our bets in a way that would not sacrifice reliability, thereby making the nightmare scenario in California less likely to be repeated here. They didn't take it.

PNM had proposed a 280-megawatt natural-gas-fired power plant – enough to serve about 280,000 "meters" – as part replacement for the 600 megawatts it will lose by shutting the two remaining coal-fired units at the San Juan Generating Station.

The PRC – at the behest of environmental groups that have morphed from "no coal" to "no fossil fuel" – turned thumbs down on the proposal.

Regulators in effect said PNM was being overly concerned with reliability and that they knew more than utility engineers when it came to mapping out future power needs and sources.

2045 is centuries away in technology terms. We might be just fine by then. But this isn't 2045, and regulators are taking a big chance that really isn't necessary.

This is one of Gov. Michelle Lujan Grisham's signature initiatives, and she also should be concerned. Because if it's 100 degrees out and New Mexicans are told to raise their thermostats or even turn off their AC to keep the grid from shutting down, there is going to be some major fallout. "Sheltering" at home during a pandemic is one thing. "Sweltering" at home is another.

Just ask Newsom – who is scrambling in hopes he doesn't face a recall election like the one that booted Gov. Gray Davis out of office. Blackouts in 2001 were widely seen as a factor in the Davis recall.

Meanwhile, in light of developments here and in California, the PRC should re-examine its decision. New Mexico can make significant progress toward renewable energy without sacrificing reliability. That's important, because at the

end of the day, people need to know the power will come on when they flip the switch.

Let's hope the light goes on at the PRC.