



**NEW MEXICO
BUSINESS COALITION**

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RE: Oppose SB 432 Low-Income Solar Act

Mr./Madame Chair and Committee Members:

The New Mexico Business Coalition (NMBC) represents hundreds of businesses and thousands of New Mexicans. Our focus is to make New Mexico a better place to live and work, where we have an abundance of good-paying jobs to provide for our families.

NMBC respectfully opposes SB 432 Low-Income Solar Act. This bill creates similar issues as created by low-income utility rates. When the legislature attempts to reduce utility rates for a certain class of consumers, it will be hurting others in the process. Because New Mexico is such a poverty-stricken state, it doesn't matter where you draw the line for those you are trying to help, you will put additional pressure on those just above the line – the people on a fixed income who are barely making ends meet who cannot afford to pay additionally on their electric bill to cover the costs of others. And that is exactly what will happen. Someone must cover the difference in costs because the utility company will not be held liable for those costs.

There will be increased costs incurred for the utility company to provide these services and to maintain the equipment. Those costs will also be borne by other ratepayers not getting any benefit from the solar installation.

In addition, the property owner of the low-income multifamily residential property would have the expense of installing the system and it would not increase the value of property. Many owners cannot afford to make these unnecessary investments and would have virtually no incentive to do so. If they were to make the investment, they would need to raise rents to cover the costs, thus defeating the overall benefit to the residents.

The PRC's regulatory authority would be limited to enforcing the rules and tariffs, but it appears that it could do nothing regarding issues arising between the users and the owners of the solar systems. This is going to create problems that need to be addressed but there will be no assigned authority to mediate. It is also very burdensome for utility companies.

On behalf of hard-working New Mexicans and businesses, and for the reasons stated, NMBC is strongly opposed to SB 432 Low-Income Solar Act. and urges you to say 'NO' to its passage.

Thank you,

A handwritten signature in blue ink that reads "Carla J. Sonntag".

Carla J. Sonntag
President