



Consumer Federation of America

1620 I Street, N.W., Suite 200 * Washington, DC 20006

February 12, 2019

New Mexico State Legislature
490 Old Santa Fe Trail
Santa Fe, NM 87501

Re: Senate Bill 136 and House Bill 291, Relating to Utilities; Amending the Efficient Use of Energy Act; Providing Updated Goals and Cost Recovery Percentages; Allowing the Adoption of Rate Adjustment Mechanisms to Address Disincentives; Making Technical Changes.

Dear Members of the New Mexico State Legislature:

The Consumer Federation of America (CFA), established in 1968, is an association of more than 250 nonprofit consumer organizations across the U.S., including New Mexico, established to advance the consumer interest through research, advocacy, and education.

CFA has long supported cost-effective energy and water efficiency appliance standards because of the tremendous consumer benefits they provide. These standards strengthen the minimum energy- and water-saving requirements of home appliances and electronics in order to save consumers money and energy on their utility bills; save water; reduce air pollution from electricity generation; mitigate the risk of electric shortages and blackouts; and drive down utility costs by avoiding the need for costly and unnecessary electric grid investments.

Utility energy efficiency programs play an important role in helping to spur the adoption of these cost-saving standards. They help drive the leading edge of technologies and make efficient products more widely available and accessible, especially among those residential and business consumers who are “hardest to reach.” Thus, state policies like the *Efficient Use of Energy Act*, which ensure the availability of utility energy efficiency programs, are a critical component for realizing the \$2.4 trillion in utility bill savings that will be saved nationally thanks to the implementation of appliance standards through 2035.¹ For New Mexico alone, the net present value of these savings is \$13.2 billion.²

Extending the *Efficient Use of Energy Act* is a win-win-win for New Mexico. It will cut energy and water waste, save consumers and businesses money, and reduce greenhouse

¹ Energy-Saving States of America: How Every State Benefits from National Appliance Standards Andrew deLaski and Joanna Mauer, February 2017, <http://appliance-standards.org/sites/default/files/Appliances%20standards%20white%20paper%202%202-14-17.pdf>

² Ibid.

gases. CFA urges you to consider the consumer benefits that efficiency provides and to forge the way for the state of New Mexico to be a leader on energy efficiency.

Thank you for your consideration and for your work to advance energy efficiency in the state.

Sincerely,



Mark Cooper
Senior Fellow



Mel Hall-Crawford
Director of Energy Programs