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Extending New Mexico Solar/Wind Tax Credits Will Create 7,200 New Jobs, \$1.8 Billion in Investments Now

The Partnership for Affordable Clean Energy today announced major new research findings that confirm more than 7,200 new jobs and almost \$1.8 billion in new investments will be created immediately with extension of New Mexico's solar and wind tax credits.

All projects identified by the PACE research project are on a list waiting for approval for New Mexico Renewable Energy Production Tax Credit (REPTC). However, this tax credit is set to expire in January of 2018 unless the New Mexico Legislature extends the credit this session. PACE has consistently supported utility-scale energy projects as the best bargain for electric customers.

PACE's research is the first to quantify the amount of jobs and investments awaiting approval for the tax credit. Without the Legislature's extension of the tax credit program, almost all projects will be lost.

PACE supports a bipartisan bill - HB440 - that changes and temporarily extends the program.

"These jobs and these investments are here, right now, just waiting to be operational. A 'Yes' vote on HB 440 creates thousands of jobs for New Mexico workers and creates billions in new investments, almost on the spot," said Lance Brown, executive director of PACE. "And these numbers don't even include the expected jobs and investments that this tax credit will continue to attract over the years to come."

"New Mexico simply cannot afford to turn away this many jobs and this much investment, all right here for the taking," he said.

The current tax credit has already been a huge success for New Mexico. In 2002, New Mexico created the REPTC, a tax credit available to energy companies who generate electricity from renewables.

According to research conducted by the New Mexico Energy, Minerals and Natural Resources Department, the REPTC has already created 9,000 new jobs and \$430 million of labor income.

PACE's research shows that those current jobs and investments numbers will increase dramatically when the backlogged projects are approved with the extended tax credit.

"A 'Yes' vote for extension means new jobs and investments almost immediately, not to mention the long-term job impact on jobs the tax credit will have," Brown said. "Unfortunately, a vote against the tax credit extension could easily kill these jobs and investment. It is as simple as that."

PACE has posted online a complete list, by project and county, of projects awaiting approval for the tax credit, along with jobs and investments totals.

How we did it: Using publicly available data, PACE analyzed investment levels for previous large scale solar projects to estimate an average level of capital investment per megawatt of proposed generation capacity. With these estimated, PACE was able to extrapolate capital investment levels for a series of renewable generation projects currently on the state waiting list for the Renewable Energy Tax Credit. Combining our estimates for capital investment with a macroeconomic multiplier for employment, developed in the 2015 Energy, Minerals and Natural Resources Department's economic impact study, PACE further calculated the number of jobs expected to be generated from the current renewable energy projects being held up.

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