

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF POTENTIAL AMENDMENTS TO)
NMPRC RULE 17.9.572 NMAC, ENTITLED RENEWABLE) Case No. 19-00296-UT
ENERGY FOR ELECTRIC UTILITIES)**

ORDER ISSUING NOTICE OF PROPOSED RULEMAKING

THIS MATTER comes before the New Mexico Public Regulation Commission (the “Commission”) upon the Commission’s August 5, 2020 Order Granting Staff’s Motion to Bifurcate and Opening New Inquiry Docket into Potential Amendment to NMPRC Rule 17.9.572 NMAC Relating to the Renewable Energy Rate Riders and Line Loss Adjustments and upon the Commission’s own Motion to issue an Order issuing notice of proposed rulemaking to repeal and replace Commission Rule 17.9.572 (“Rule 572”) to make necessary changes to Rule 572 required by the 2019 Amendments to the Renewable Energy Act, Sections 62-16-1 etseq. NMSA 1978 (2019). **NOTICE** is hereby given that the Commission is issuing a notice of a rulemaking proceeding to repeal and replace Commission Rule 572 and make necessary changes to Rule 572 required by the 2019 Amendments to the Renewable Energy Act, Sections 62-16-1 etseq. NMSA 1978 (2019). A copy of the repealed and replaced Rule 572 is attached hereto as Exhibit A; whereupon, being duly advised in the premises,

THE COMMISSION FINDS AND CONCLUDES:

1. On October 9, 2019, the Commission issued its Order Commencing Rulemaking and Setting Initial Workshop, due to amendments to the Renewable Energy Act Sections 62-16-1 etseq. NMSA 1978 (the “Amended REA”) in 2019.
2. On December 2, 2019, Staff filed baseline proposed amendatory rule language and a request to bifurcate this Docket to consider opening a separate rulemaking docket to address

Rural Electric Cooperative renewable energy rules.

3. On May 7, 2020, the Commission issued its Order in this docket setting the initial comment filing deadline date of June 29, 2020.

4. Also on May 7, 2020, in the Case No. 19-00134-UT Final Order, Decretal Paragraph B. the Commission ruled that: “The scope of this pending Case No. 19-00296-UT shall include whether rate riders should continue to be used to recover RPS costs; and if rate riders should continue to be used to recover RPS costs, whether such rate riders should be line-loss adjusted.”

5. On June 17, 2020, a joint motion for extension of time was filed.

6. On June 24, 2020, the Commission issued an Order extending the comment filing deadline to July 29, 2020.

7. On July 29, 2020, Staff filed Response Comments as well as the following other participants in Case No. 19-00296-UT: Occidental Permian Ltd., Public Service Company of New Mexico, El Paso Electric Company, Southwestern Public Service Company, Coalition for Clean Affordable Energy and Western Resource Advocate, the City of Las Cruces, New Mexico Affordable Reliable Energy Alliance.

8. Staff, in support of its December 2, 2019 Motion to Bifurcate, requested bifurcation of the issues raised in Decretal Paragraph B of the Final Order Case No. 19-00134-UT¹, and urged that the first priority for amending Rule 572 should be to implement the directives pronounced in the 2019 amendments to the REA. For this reason, Staff maintained that, for the sake of

¹ The May 7, 2020 Order, Decretal Paragraph B. included the Case No. 19-00134-UT issues where it ruled that: “The scope of this pending Case No. 19-00296-UT shall include whether rate riders should continue to be used to recover RPS costs; and if rate riders should continue to be used to recover RPS costs, whether such rate riders should be line-loss adjusted.”

administrative efficiency, that this current docket should be bifurcated into 2 dockets, one, Case No. 20-00158-UT, an inquiry docket to address the renewable rate rider and line loss issues referenced in the Final Order in Case No. 19-00134-UT and another, this docket, a rulemaking docket, limited to carrying out the provisions mandated by the 2019 amendments to the REA.

9. On August 5, 2020, the Commission issued its Order Granting Staff's Motion to Bifurcate and Opening New Inquiry Docket into Potential Amendment to NMPRC Rule 17.9.572 NMAC Relating to the Renewable Energy Rate Riders and Line Loss Adjustments and bifurcated this matter into 2 dockets, one, Case No. 20-00158-UT, an inquiry docket, to address the renewable rate rider and line loss issues referenced in the Final Order in Case No. 19-00134-UT and another, this rulemaking docket, limited to carrying out the provisions mandated by the 2019 amendments to the REA.

10. The Commission finds that, after receiving written comments and written responses from interested stakeholders, including drafts of proposed rules to repeal and replace Rule 572, the attached Exhibit A appropriately reflects a consensus of these comments.

11. Therefore, the Commission finds that it is in the public interest to provide notice of this rulemaking to repeal and replace Commission Rule 572 and make necessary changes to Rule 572 required by the 2019 Amendments to the Renewable Energy Act, Sections 62-16-1 etseq. NMSA 1978 (2019) and the repealed and replaced Rule 572 is attached hereto as Exhibit A.

12. Interested persons should contact the Commission to confirm the date, time and place of any public meeting or hearing, because meetings and hearings are occasionally rescheduled. Meeting/hearing announcements are posted on the Commission's website at www.nmprc.state.nm.us.

13. The Commission will accept written comments on the repeal and replace of Rule 572 contained in Exhibit A and proposed in this Notice of Proposed Rulemaking from any interested person. Interested persons shall file their written initial comments on the proposed repeal and replace of Rule 572 no later than **February 1, 2021** and shall file their written response comments on the proposed repeal and replace of Rule 572 no later than **February 15, 2021**. Comments suggesting changes to the proposed repeal and replace of Rule 572 shall state and discuss the particular reasons for the suggested changes and shall include all specific language necessary or appropriate to effectuate the changes being suggested. Specific proposed language changes to the proposed rule shall be in legislative format. All pleadings, including comments and suggested changes to the proposed rules, shall bear the caption and Docket Number contained at the top of this Notice. Written initial and response comments, containing the Docket Number in this matter, shall be sent to: Melanie Sandoval, New Mexico Public Regulation Commission, Attention: Case No. 19-00296-UT, P.O. Box 1269, Santa Fe, NM 87504.

14. Copies of the proposed rules may be downloaded from the Commission's web site, www.nmprc.state.nm.us.

15. The Commission will review all timely submitted written comments and will hold a public comment hearing on **March 15, 2021 at 1:30 p.m.** which shall be accomplished through zoom, see the NMPRC home webpage for instructions to connect, <http://www.nmprc.state.nm.us>.

16. Interested persons should contact the Commission to confirm the date, time and place of any public hearing because hearings are occasionally rescheduled.

17. Any person with a disability requiring special assistance in order to participate in a hearing should contact Mr. Isaac Sullivan-Leshin at 827-4501 at least 48 hours prior to the

commencement of the hearing.

18. Commission Rule 1.2.3.7(B) (“Ex Parte Communications”) draws a distinction applicable to rulemaking proceedings between communications occurring before the record has been closed and communications occurring after the record has been closed. It defines only the latter as “ex parte communications.” In order to assure compliance with 1.2.3.7(B) NMAC, the Commission sets **March 22, 2021** as the date of record closure.

19. Copies of this Notice should be sent to all persons on the attached Certificate of Service.

IT IS THEREFORE ORDERED:

A. The repeal and replace of Commission Rule 572 to make necessary changes to Rule 572 required by the 2019 Amendments to the Renewable Energy Act, Sections 62-16-1 etseq. NMSA 1978 (2019) are attached to this Notice of Proposed Rulemaking as Exhibit A, are proposed for adoption as provided by this Notice.

B. The Notice of Proposed Rulemaking, attached hereto as Exhibit B, constitutes due and lawful notice to all potentially interested persons.

C. Any person wishing to comment on the rulemaking to repeal and replace Rule 572 to make necessary changes to Rule 572 required by the 2019 Amendments to the Renewable Energy Act, Sections 62-16-1 etseq. NMSA 1978 (2019), may do so by submitting written initial comments no later than **February 1, 2021** and written response comments no later than **February 15, 2021**. Comments suggesting changes to the rulemaking to repeal and replace Commission Rule 572 to make necessary changes to Rule 572 required by the 2019 Amendments to the Renewable Energy Act, Sections 62-16-1 etseq. NMSA 1978 (2019) shall state and discuss the

particular reasons for the suggested changes and shall include all specific language necessary or appropriate to effectuate the changes being suggested. Specific proposed language changes to the rulemaking to repeal and replace Commission Rule 17.9.572 (“Rule 572”) to make necessary changes to Rule 572 required by the 2019 Amendments to the Renewable Energy Act, Sections 62-16-1 etseq. NMSA 1978 (2019) shall be provided in a form consistent with that of the proposed repeal and replace of Rule 572. Commenters’ deletions shall be indicated by striking through the language to be deleted, and commenters’ additions shall be underlined. **The Staff of the Commission’s Utility Division shall file comments as provided in this paragraph.**

D. All pleadings, including comments, shall bear the above caption and case number of this matter and shall be filed with the Commission’s Records Division by mail at the address set forth below: NMPRC Records Management Bureau, P.O. Box 1269, Santa Fe, New Mexico 87504-1269 or by email to PRC.Records@state.nm.us in accordance with the current emergency electronic filing rules.

E. A public hearing on this rulemaking to repeal and replace Commission Rule 572 to make necessary changes to Rule 572 required by the 2019 Amendments to the Renewable Energy Act, Sections 62-16-1 etseq. NMSA 1978 (2019)., to be presided over by the Commission or its designee, to be appointed by subsequent single signature order of the Commission, shall be held beginning at **1:30 p.m. on March 15, 2021**, which shall be accomplished through Zoom, see the NMPRC home webpage for instructions to connect <http://www.nmprc.state.nm.us>.

F. Commenters are afforded the opportunity to submit written comments and written responses to the Commission, nevertheless, any individual who wants to provide oral comments shall be limited to three (3) minutes to express those comments, subject to the Commission’s

discretion. The Commission may also determine that a spokesperson be designated to speak on behalf of an organization, a group, or a group of individuals that shares the same message or seeks the same goals, in order to maximize the efficiency of the public comment hearing. No testimony or other evidence will be taken at the hearing as this is a rulemaking proceeding.

G. Commission Rule 1.2.3.7(B) NMAC (Ex Parte Communications) draws a distinction applicable to rulemaking proceedings between communications occurring before the record has been closed and communications occurring after the record has been closed. It defines only the latter as “ex parte communications.” In order to ensure compliance with Rule 1.2.3.7(B) NMAC, the Commission should set a date on which it will consider the record to be closed.

H. The Commission finds that the record shall close on **March 22, 2021**.

I. Interested persons should contact the Commission to confirm the date, time, and place of any public hearing, because hearings are occasionally rescheduled. Any person with a disability requiring special assistance in order to participate in the hearing should contact Mr. Isaac Sullivan-Leshin at (505) 827-4501 at least 48 hours prior to the commencement of the hearing.

J. At least thirty (30) days prior to the hearing date this Order shall be mailed to all persons who have made a written request for advance notice.

K. The Notice of Proposed Rulemaking, Exhibit B, shall be published in at least two newspapers of general circulation in New Mexico and in the NEW MEXICO REGISTER. Affidavits attesting to the publication of the Notice of Proposed Rulemaking as described above shall be filed in this docket. In accordance with the State Rules Act 14-4-1 etseq. NMSA 1978, the Commission shall to provide notice to the public in the manner as set forth in the State Rules Act. Section 14-4-2 (E) NMSA 1978.

L. Copies of this Order shall be e-mailed to all persons listed on the attached Certificate of Service if their e-mail addresses are known, and if not known, mailed to such persons via regular mail.

M. Copies of any forthcoming final order adopting a new rule shall be mailed or emailed, along with copies of the new rule, to all persons and entities appearing on the Certificate of Service as it exists at the time of issuance of the final order in this docket, to all commenters in this case, and to all individuals requesting such copies.

N. This Notice and Order is effective immediately.

ISSUED under the Seal of the Commission at Santa Fe, New Mexico, this 18th day of
November, 2020.

NEW MEXICO PUBLIC REGULATION COMMISSION

/s/ Cynthia B. Hall, electronically signed

CYNTHIA B. HALL, COMMISSIONER DISTRICT 1

/s/ Jefferson Byrd, electronically signed

JEFFERSON L. BYRD, COMMISSIONER DISTRICT 2

/s/ Valerie Espinoza, electronically signed

VALERIE ESPINOZA, COMMISSIONER DISTRICT 3

/s/ Theresa Becenti-Aguilar, electronically signed

THERESA BECENTI-AGUILAR, COMMISSIONER DISTRICT 4

/s/ Stephen Fischmann, electronically signed

STEPHEN FISCHMANN, COMMISSIONER DISTRICT 5



**THIS DOCUMENT SHOWS THE NMPRC'S FINAL PROPOSED REPEAL/REPLACEMENT RULE 17.9.572
NMAC**

**TITLE 17 PUBLIC UTILITIES AND UTILITY SERVICES
CHAPTER 9 ELECTRIC SERVICES
PART 572 RENEWABLE ENERGY FOR ELECTRIC UTILITIES**

17.9.572.1 ISSUING AGENCY: New Mexico Public Regulation Commission.
[17.9.572.1 NMAC - Rp. 17.9.572.1 NMAC, _____]

17.9.572.2 SCOPE:
This rule applies to all electric investor owned public utilities under the commission's jurisdiction.
[17.9.572.2 NMAC - Rp. 17.9.572.2 NMAC, _____]

17.9.572.3 STATUTORY AUTHORITY: Sections 62-13-13.1, 62-16-3, 62-16-4, 62-16-5, 62-16-6, 62-16-7, 62-16-8 and 62-16-9 NMSA 1978, as amended.
[17.9.572.3 NMAC - Rp. 17.9.572.3 NMAC, _____]

17.9.572.4 DURATION: Permanent.
[17.9.572.4 NMAC - Rp. 17.9.572.4 NMAC, _____]

17.9.572.5 EFFECTIVE DATE: _____, 2021, unless a later date is cited at the end of a section.
[17.9.572.5 NMAC - Rp. 17.9.572.5 NMAC, _____]

17.9.572.6 OBJECTIVE: The purpose of this rule is to implement the Renewable Energy Act Section 62-16-1, et seq. NMSA 1978, as amended, and to bring significant economic development and environmental benefits to New Mexico.
[17.9.572.6 NMAC - Rp. 17.9.572.6 NMAC, _____]

17.9.572.7 DEFINITIONS: Unless otherwise specified, as used in this rule:

- A. **Definitions beginning with "A": [RESERVED]**
- B. **Definitions beginning with "B": [RESERVED]**
- C. **Definitions beginning with "C": [RESERVED]**
- D. **Definitions beginning with "D": [RESERVED]**
- E. **Definitions beginning with "E": emissions** means all emissions regulated by state or federal authorities including, but not limited to, all criteria pollutants and hazardous air pollutants, methane, mercury, and carbon dioxide;
- F. **Definitions beginning with "F": financial incentive** means money that a public utility is authorized to collect from ratepayers by the commission to encourage certain behaviors or actions that would not otherwise have occurred. The financial incentive, or monetary benefit, motivates certain behaviors or actions;
- G. **Definitions beginning with "G": [RESERVED]**
- H. **Definitions beginning with "H": [RESERVED]**
- I. **Definitions beginning with "I": [RESERVED]**
- J. **Definitions beginning with "J": [RESERVED]**
- K. **Definitions beginning with "K": kWh** means kilowatt-hour;
- L. **Definitions beginning with "L": [RESERVED]**
- M. **Definitions beginning with "M": MW** means one megawatt;
- N. **Definitions beginning with "N": [RESERVED]**
- O. **Definitions beginning with "O": [RESERVED]**
- P. **Definitions beginning with "P":**
 - (1) **plan year** means the calendar year for which approval is being sought;
 - (2) **plan year total retail energy sales** means weather adjusted retail energy sales in kWh projected for the plan year adjusted for projected energy efficiency reductions based on approved energy efficiency and load management programs in effect at the time of the filing, less energy sales to voluntary program participants under Section 62-16-7 NMSA 1978 (2019);
 - (3) **plan year total revenues** means plan year projected total retail revenues including the sum of:
 - (a) plan year total retail energy sales multiplied by the company's approved base fuel and non-base fuel retail rates by rate class;

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- (b) projected fuel clause revenues; and
- (c) all projected rider revenues, not including:
 - (i) projected plan year renewable portfolio revenue requirements, and
 - (ii) projected undergrounding rider contributions in aid of construction;

(4) **political subdivision of the state** means a division of the state made by proper authorities thereof, acting within their constitutional powers, for purpose of carrying out a portion of those functions of the state which by long usage and inherent necessities of government have always been regarded as public;

(5) **procure or procurement** means a process conducted by an investor-owned electric utility for soliciting and evaluating proposals for any new, additional or amended resource, in order to generate or purchase renewable energy or to commit to generate or purchase renewable energy, including but not limited to, instructions to bidders, bid specifications, conditions, forms or other requirements included in a request for proposals and all methods, practices and assumptions used by an investor owned electric utility to model or evaluate such proposals or to negotiate with bidders.

(6) **public utility** means investor owned electric utility certified by the commission to provide retail electric service in New Mexico pursuant to the Public Utility Act and does not include rural electric cooperatives;

Q. Definitions beginning with "Q.": [RESERVED]

R. Definitions beginning with "R":

(1) **reasonable cost threshold** means an average annual levelized cost of \$60.00 per megawatt-hour at the point of interconnection on the renewable energy resource with the transmission systems, adjusted for inflation after 2020;

(2) **renewable energy** means electric energy generated by use of renewable energy resources and delivered to a public utility;

(3) **renewable energy certificate** means a certificate or other record, in a format approved by the commission, that represents all the environmental attributes from one megawatt-hour of electricity generated from renewable energy;

(4) **renewable energy resource** means the following energy resources with or without energy storage:

- (a) solar, wind, and geothermal;
- (b) hydropower facilities brought in service on or after July 1, 2007;
- (c) biomass resources, limited to agriculture of animal waste, small diameter timber,

not to exceed eight inches, salt cedar and other phreatophyte or woody vegetation removed from river basins or watersheds in New Mexico: provided that these resources are from facilities certified by the energy, minerals and natural resources department to:

(i) be of appropriate scale to have sustainable feedstock in the near vicinity;

(ii) have zero life cycle carbon emissions; and

(iii) meet scientifically determined restoration, sustainability and soil nutrient principles;

(d) fuel cells that do not use fossil fuels to create electricity; and

(e) landfill gas and anaerobically digested waste biogas;

(5) **renewable portfolio standard (RPS)** means the minimum percentage of retail sales of electricity by a public utility to electric consumers in New Mexico that is required by the Renewable Energy Act to be from renewable energy;

(6) **renewable purchased power agreement** means an agreement that binds an entity generating power from renewable energy resources to provide power at a specified price and binds the purchaser to that price;

S. Definitions beginning with "S": [RESERVED]

T. Definitions beginning with "T": [RESERVED]

U. Definitions beginning with "U": [RESERVED]

V. Definitions beginning with "V": [RESERVED]

W. Definitions beginning with "W": WREGIS means the western renewable energy generation information system;

X. Definitions beginning with "X": [RESERVED]

Y. Definitions beginning with "Y": [RESERVED]

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Z. Definitions beginning with "Z":

(1) **zero carbon resource** means an electricity generation resource that emits no carbon dioxide into the atmosphere, or that reduces methane emitted into the atmosphere in an amount equal to no less than one-tenth of the tons of carbon dioxide emitted into the atmosphere, as a result of electricity production;

(2) **zero carbon resource standard** means providing New Mexico public utility customers with electricity generated from one hundred percent zero carbon resources.
[17.9.572.7 NMAC - Rp. 17.9.572.7 NMAC, _____]

17.9.572.8 LIBERAL CONSTRUCTION: This rule shall be liberally construed to carry out its intended purposes. If any provision of this rule, or the application thereof to any person or circumstance, is held invalid, the remainder of the rule, or the application of such provision to other persons or circumstances, shall not be affected thereby.

[17.9.572.8 NMAC - Rp. 17.9.572.8 NMAC, _____]

17.9.572.9 RELATIONSHIP TO OTHER COMMISSION RULES: Unless otherwise specified, this rule does not supersede any other rule of the commission but supplements rules applying to public utilities.

[17.9.572.9 NMAC - Rp. 17.9.572.9 NMAC, _____]

17.9.572.10 RENEWABLE PORTFOLIO STANDARD:

A. Each public utility must develop an annual Renewable Energy Act plan to comply with the renewable portfolio standard during the plan year. The plan shall demonstrate reasonable and consistent progress toward meeting the renewable portfolio standard to be effective following the end of the plan year. Renewable energy resources that are in a public utility's electric energy supply portfolio on July 1, 2004 shall be counted in determining compliance with this rule. However, renewable energy sold to customers through a voluntary renewable energy program tariff approved by the commission shall not be counted in determining compliance with this rule. Other factors being equal, preference shall be given to renewable energy generated in New Mexico.

B. Renewable portfolio standards. The renewable portfolio standard shall consist of:

(1) no less than 15 percent for each plan year from 2015 through 2019 of the utility's plan year total retail energy sales;

(2) no less than 20 percent for each plan year from 2020 through 2024 of the utility's plan year total retail energy sales;

(3) no less than 40 percent for each plan year from 2025 through 2029 of the utility's plan year total retail energy sales;

(4) no less than 50 percent for each plan year from 2030 through 2039 of the utility's plan year total retail energy sales;

(5) no less than 80 percent for each plan year from 2040 and thereafter of the utility's plan year total retail energy sales, provided that compliance with this standard until December 31, 2047 shall not require the public utility to displace zero carbon resources in the utility's generation portfolio as of July 15, 2019; and

(6) no later than January 1, 2045, zero carbon resources shall supply one hundred percent of all retail sales of electricity in New Mexico for each public utility.

C. Demonstration of Compliance. In accordance with Section 62-16-5 NMSA 1978 (2019):

(1) Compliance with this standard is demonstrated by the retirement of renewable energy certificates, provided that the associated renewable energy is delivered to the public utility and assigned to the public utility's New Mexico customers; and

(2) A public utility shall not retire renewable energy certificates associated with renewable energy from generation resources for which it has traded, sold or transferred the associated renewable energy certificate for purposes of compliance with the renewable portfolio standard.

[17.9.572.10 NMAC - Rp. 17.9.572.10 NMAC, _____]

17.9.572.11 ZERO CARBON STANDARD FOR GENERATION PORTFOLIOS: Each public utility must develop an annual Renewable Energy Act plan which over time demonstrates reasonable and consistent progress to supplying 100 percent of the utility's total retail energy sales with zero carbon resources no later than January 1, 2045. No later than January 1, 2045, zero carbon resources shall supply one hundred percent of all retail sales of electricity in New Mexico for each public utility. Reasonable and consistent progress shall be made over time by each public utility.

[17.9.572.11 NMAC - Rp. 17.9.572.11 NMAC, _____]

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17.9.572.12 COMMISSION DUTIES AND REPORTING REQUIREMENTS:

A. Administration of 80 percent RPS and zero carbon standards: In administering the renewable portfolio standard as set forth in this rule and section 62-16-4 A. NMSA 1978 (2019), the commission shall comply with all provisions of section 62-16-4 B. C. and D. NMSA 1978 (2019). After consultation with the department of environment, the commission may not approve a public utility's annual Renewable Energy Act plan that result in material increases to greenhouse gas emissions from entities not subject to commission oversight and regulation.

B. Commission reporting requirement: In consultation with applicable balancing authorities, the commission shall issue reports to the legislature in accordance with section 62-16-4 B (7) (a-c) NMSA 1978 (2019). [17.9.572.12 NMAC - Rp. 17.9.572.12 NMAC, _____]

17.9.572.13 REASONABLE COST THRESHOLD:

A. The reasonable cost threshold is a customer protection mechanism that limits the customer bill impact resulting from annual Renewable Energy Act plans.

B. The reasonable cost threshold in any plan year is an annual average levelized cost of \$60.00 per megawatt-hour at the point of interconnection of the renewable energy resource with the transmission system, adjusted for inflation starting in 2021 by the amount of the cumulative increase change in the consumer price index, urban, all items, published by the bureau of labor statistics between January 1, 2020 and January 1 of the procurement plan year. Each public utility shall include in its annual Renewable Energy Act plan a reasonable cost threshold analysis by procurement, existing or proposed, for the plan year for which it seeks commission approval. This analysis should show how each procurement compares for that plan year with inflation adjusted reasonable cost threshold. To the extent a procurement is greater than the reasonable cost threshold and results in excess costs, the public utility shall explain why it proposes to incur those excess costs. To the extent a procurement of renewable energy is at or below the reasonable cost threshold, the public utility shall explain the extent to which such procurement contributes toward exceeding the renewable portfolio standard. The public utility shall further explain in detail why the public utility cannot procure resources at a cost less than the reasonable cost threshold along with a demonstration of the public utility's efforts to obtain to procure renewable energy at or below the reasonable cost threshold.

C. In any given year, if the average annual levelized cost of renewable energy that would need to be procured or generated for purposes of compliance with the renewable portfolio standard is greater than the reasonable cost threshold, a public utility shall not be required to incur that excess cost or to procure that resource, provided that the condition excusing performance under the renewable portfolio standard in any given year will not operate to delay the annual increases in the renewable portfolio standard in subsequent years.

D. A public utility that believes its procurement will exceed the reasonable cost threshold shall file with the commission a request for waiver of the renewable portfolio standard for the applicable plan year. The waiver request shall:

- (1) explain in detail why the public utility cannot procure resources at a cost less than the reasonable cost threshold;
- (2) include an explanation and evidence of all efforts the public utility undertook to procure resources at a cost within the reasonable cost threshold; and
- (3) be deemed granted if not acted upon within 90 days of the date the waiver request was filed.

E. In accordance with section 62-16-4 NMSA 1978 (2019), when a public utility can generate or procure renewable energy at or below the reasonable cost threshold it shall be required to do so to the extent necessary to meet the applicable renewable portfolio, however, the public utility is not precluded from proposing a procurement for commission approval that exceeds the reasonable cost threshold. To the extent a procurement is greater than the reasonable cost threshold and results in excess costs, the public utility shall explain in detail why the public utility cannot procure resources at a cost less than or equal to the reasonable cost threshold along with a demonstration of the public utility's efforts to obtain to procure renewable energy at or below the reasonable cost threshold.

[17.9.572.13 NMAC - Rp. 17.9.572.13 NMAC, _____]

17.9.572.14 RESOURCE SELECTION: The utility shall select resources to satisfy the renewable portfolio standard through a competitive resource selection process that included opportunities for bidders to propose purchased power, facility self-build or facility build-transfer options. The utility shall determine all commercially available resources available through a competitive procurement process for approval in the procurement plan that

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are necessary to make reasonable and consistent progress toward the renewable portfolio standard an zero-carbon standard over time. The utility shall use the net present value methodology to identify the costs of a proposed new renewable resource necessary to stratify the renewable portfolio standard.

[17.9.572.14 NMAC - Rp. 17.9.572.14 NMAC, _____]

17.9.572.15 ANNUAL RENEWABLE ENERGY ACT PLAN: An annual Renewable Energy Act plan shall include plan year and next plan year data. The plan year shall be presented for commission approval and the next plan year shall be presented for informational purposes.

A. On or before July 1 of each year, each public utility must file with the commission an annual Renewable Energy Act plan. The filing schedule shall be staggered, each of the investor owned utility filings shall occur one month apart, the last filing to be made July 1 of each year. The utilities shall file alphabetically each year (El Paso Electric Company shall file on or before May 1; Public Service Company of New Mexico shall file June 1; and Southwestern Public Service Company shall file July 1 each year).

B. The annual Renewable Energy Act plan is to include:

(1) testimony and exhibits providing a full explanation of the utility's determination of the plan year and next plan year renewable portfolio standard and reasonable cost threshold;

(2) the cost of procurement in the plan year and the next plan year for all new renewable energy resources required to comply with the renewable portfolio standard selected by the utility pursuant to Section 14 of this rule;

(3) the amount of renewable energy the public utility plans to provide in the plan year and the next plan year required to comply with the renewable portfolio standard;

(4) testimony and exhibits demonstrating how the cost and amount specified in Paragraphs (2) and (3) of this subsection were determined;

(5) testimony and exhibits demonstrating the plan year and next plan year procurement amounts and costs expected to be recovered by the utility;

(6) the capital ,operating and fuel costs on a per-megawatt-hour basis during the preceding calendar year of each nonrenewable generation resource rate-base by the utility, or dedicated to the utility through a power purchase agreement of one year or longer, and the nonrenewable generation resources' carbon dioxide emissions on a per-megawatt-hour basis during that same year;

(7) testimony and exhibits demonstrating the plan year and next plan year procurement amounts and costs expected to be recovered by the utility if limited by the reasonable cost threshold;

(8) testimony demonstrating that the cost of the proposed procurement is reasonable compared with the price of electricity from renewable resources in the bids received by the public utility to recent prices for comparable energy resources elsewhere in the southwestern united states;

(9) testimony regarding strategies used to minimize costs of renewable energy integration, including location, diversity, balancing area activity, demand-side management and load management;

(10) testimony demonstrating that the portfolio procurement plan is consistent with the integrated resource plan and explaining any material differences;

(11) testimony demonstrating that acceptable system reliability will be maintained with the proposed new renewable resource additions;

(12) testimony demonstrating that the cost of the proposed procurement process is reasonable by comparing the price of electricity from renewable resources in the bids received the by the public utility with recent prices for comparable energy resources elsewhere in the southwestern United States;

(13) information, including exhibits, as applicable, that demonstrates that the proposed procurement was the result of a competitive procurement process that included opportunities for bidders to propose purchased power, facility self-build or facility build-transfer options; and

(14) demonstration that the plan is otherwise in the public interest, considering factors such as overall cost and economic development opportunities.

C. A public utility shall serve notice and a copy of its annual renewable energy plan filing by first class mail on renewable resource providers requesting such notice from the commission, the New Mexico attorney general, and the intervenors in the public utility's most recent rate case. A public utility shall also post on its website the most recent and the pending annual Renewable Energy Act plans.

[17.9.572.15 NMAC - Rp. 17.9.572.15 NMAC, _____]

17.9.572.16 COST RECOVERY FOR RENEWABLE ENERGY AND CARBON DIOXIDE EMISSIONS REDUCTIONS:

**THIS DOCUMENT SHOWS THE NMPRC'S FINAL PROPOSED REPEAL/REPLACEMENT RULE 17.9.572
NMAC**

A. A public utility shall recover the reasonable costs of complying with this rule through the rate making process, including its reasonable interconnection and transmission costs, costs to comply with electric industry reliability standards and other costs attributable to acquisition and delivery of renewable energy and zero carbon energy to retail New Mexico customers.

B. Costs that are consistent with commission-approved annual Renewable Energy Act plans are deemed to be reasonable.

C. A public utility that is permitted to defer the recovery of renewable energy costs pursuant to commission order may, through the ratemaking process, recover from customers that are not subject to the rate impact limitations of Section 62-16-4 C. NMSA 1978 (2019) the cumulative sum of those deferred amounts, plus a carrying charge on those amounts.

D. Any financial benefits resulting to customers qualified pursuant Section 62-14-4C NMSA 1978 (2019) shall accrue to the customer immediately as of July 1, 2019 and shall be reflected in customer bills each month, subject to annual true-up and reconciliation.

E. Any renewable energy procurement costs recovered through the utility's fuel clause shall be separately identified in its monthly and annual fuel and purchased power clause adjustment filings and its continuation filings.

F. The commission shall not disallow the cost associated with any expired renewable energy certificate.

G. If a public utility has been granted a certificate of public convenience and necessity prior to January 1, 2015 to construct or operate an electric generation facility and the investment in that facility has been allowed recovery as part of the utility's rate-base, the commission may require the facility to discontinue serving customers within New Mexico if the replacement has less or zero carbon dioxide emissions into the atmosphere provided that no order of the commission shall disallow recovery of any undepreciated investments or decommissioning costs associated with the facility.

[17.9.572.16 NMAC - Rp. 17.9.572.16 NMAC, _____]

17.9.572.17 CUSTOMERS QUALIFIED PURSUANT TO SECTION 62-16-4C NMSA 1978 (2019): Any customer that is a political subdivision of the state, or any educational institution designated in Article 12, Section 11 of the New Mexico constitution with an enrollment of twenty thousand students or more during the fall semester on its main campus, with consumption exceeding 20 million kilowatt-hours per year at any single location or facility, and that owns renewable energy generation or hosts such facilities through a renewable purchased power agreement, shall not be charged by the utility for power purchases of one year or less or fuel on the amount of electricity purchased from the utility equal to the amount of renewable energy produced or hosted by the customer, if that customer certifies to the state auditor and notifies the commission and its serving utility, of the amount of renewable energy produced at the customer-owned or customer-hosted facilities that generate renewable energy. That customer shall also certify that it will retire all renewable energy certificates associated with the energy produced from by those facilities.

A. The notice to the commission and the customer's serving utility shall:

(1) be timely;

(2) state the plan year during which the renewable energy is expected to be produced or

hosted;

(3) quantify the amount of renewable energy expected to be produced or hosted; and

(4) shall include a copy of the customer's certification to the state auditor.

B. This section only exempts customers from charges for power purchases of one year or less or fuel on the amount of electricity purchased from the utility equal to the amount of renewable energy produced or hosted by the customer. This section shall not prevent the utility from recovering all of its reasonable and prudent fuel and purchased power costs.

C. A public utility shall not retire any renewable energy certificates retired per the certification of a customer made pursuant to Section 62-16-4 C. NMSA 1978 (2019) for renewable portfolio standard or voluntary renewable energy program compliance.

[17.9.572.17 NMAC - Rp. 17.9.572.17 NMAC, _____]

17.9.572.18 RENEWABLE ENERGY CERTIFICATES:

A. Each public utility shall annually establish its compliance with the renewable portfolio standard through the filing of an annual report, as provided in 17.9.572.19 NMAC, documenting the retirement of renewable energy certificates.

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NMAC**

- B.** Non-WREGIS registered renewable energy certificates shall contain the following information:
- (1) the name and contact information of the renewable energy generating facility owner or operator;
 - (2) the name and contact information of the public utility or rural electric distribution cooperative purchasing the renewable energy certificate;
 - (3) the type of generator technology and fuel type;
 - (4) the generating facility's physical location, nameplate capacity in MW, location and ID number of revenue meter and date of commencement of commercial generation;
 - (5) the public utility to which the generating facility is interconnected;
 - (6) the control area operator for the generating facility; and
 - (7) the quantity in kWh and the date of the renewable energy certificate creation.
- C.** Renewable energy certificates:
- (1) are owned by the generator of the renewable energy unless:
 - (a) the renewable energy certificates are transferred to the purchaser of the energy through specific agreement with the generator;
 - (b) the generator is a qualifying facility, as defined by the federal Public Utility Regulatory Policies Act of 1978, in which case the renewable energy certificates are owned by the public utility purchaser of the renewable energy unless retained by the generator through specific agreement with the public utility purchaser of the energy; or
 - (c) a contract for the purchase of renewable energy is in effect prior to January 1, 2019, in which case the purchaser of the energy owns the renewable energy certificates for the term of such contract.
 - (2) may be traded, sold or otherwise transferred by their owner to any other party, unless
 - (a) the certificates are from a rate-based public utility plant, in which case the entirety of the renewable energy certificates from that plant shall be retired by the utility on behalf of itself or its customers; or
 - (b) the certificates are from a renewable energy purchased power agreement entered into by a public utility on or after July 1, 2019, in which case the entirety of the renewable energy certificates from the purchased power agreement shall be retired by the utility on behalf of itself or its customers or transferred to a retail customers for retirement under a voluntary program;
 - (3) that are used once by a public utility to satisfy the renewable portfolio standard and are retired shall not be further used by the public utility.
 - (4) that are not used by a public utility to satisfy the renewable portfolio standard may be carried forward for up to four years from the date of creation and, if not used by that time, shall be retired by the public utility.
- D.** Public utilities are responsible for demonstrating that a renewable energy certificate used for compliance with the renewable portfolio standard is derived from eligible renewable energy resources and has not been retired, traded, sold or otherwise transferred to another party. Public utilities shall maintain records sufficient to meet the demonstration requirement of this subsection.
- E.** The acquisition, sale or transfer, and retirement of any renewable energy certificates used to meet renewable portfolio standards on or after January 1, 2008 shall be registered with the western renewable energy generation information system (WREGIS) or its direct successor(s), except as provided in Subsection F of this section. Certificates whose retirement has been registered by the public utility with WREGIS shall be deemed to meet the requirements of Subsection D of this section.
- F.** Renewable energy certificates representing electricity delivered to the public utility and assigned to the public utility's New Mexico customers and registered with a tracking system other than WREGIS may be used to meet renewable portfolio standards so long as WREGIS lacks the capability to import certificates from that other tracking system.

[17.9.572.18 NMAC - Rp. 17.9.572.18 NMAC, _____]

17.9.572.19 VOLUNTARY RENEWABLE TARIFFS:

- A.** Each public utility may offer a voluntary renewable energy tariff for those customers who want the option to purchase additional renewable energy.
- B.** The voluntary renewable tariff may also include provisions to enable consumers to purchase renewable energy within certain energy blocks and by source of renewable energy. Additionally, each public utility must develop an educational program on the benefits and availability of its voluntary renewable energy program. The tariff, along with the details of the consumer education program, shall be on file with the commission.

**THIS DOCUMENT SHOWS THE NMPRC'S FINAL PROPOSED REPEAL/REPLACEMENT RULE 17.9.572
NMAC**

C. All renewable energy purchased by a retail customer through an approved voluntary program shall not be subject to charges by the public utility to recover costs of complying with the renewable portfolio standard requirements.

D. The commission may require that a public utility offer its retail customers a voluntary program for purchasing renewable energy that is in addition to electricity provided by the public utility pursuant to the renewable portfolio standard, under rates and terms that are approved by the commission.

E. All renewable energy purchased by a retail customer through an approved voluntary program shall:

(1) have all associated renewable energy certificates retired by the retail customer, or on that customer's behalf, by the public utility, and the certificates shall not be used to meet the public utility's renewable portfolio standard requirements pursuant to Subsection A of Section 62-16-4 NMSA 1978 (2019);

(2) be excluded from the total retail sales to New Mexico customers used to determine the renewable portfolio standard requirements pursuant to Subsection A of Section 62-16-4 NMSA 1978 (2019); and

(3) not be subject to charges by the public utility to recover costs of complying with the renewable portfolio standard requirements pursuant to Subsection A of section 62-16-4 NMSA 1978 (2019).
[17.9.572.19 NMAC - Rp. 17.9.572.19 NMAC, _____]

17.9.572.20 ANNUAL RENEWABLE ENERGY PORTFOLIO REPORT: Concurrent with the filing of an annual renewable energy plan, each public utility must file with the commission a report on its renewable energy generation or purchases of renewable energy during the prior plan year. This report shall:

A. itemize all renewable energy generation or renewable energy certificate purchases and sales;

B. list, and include copies of, all renewable energy certificates, including acquired, issued or retired certificates;

C. document from WREGIS or its successor the renewable energy certificates acquired, sold, retired, transferred, or expired; such documentation shall include reports from WREGIS or its successor which allow the commission to determine, by fuel type, the number of RECs in each calendar year:

(1) acquired;

(2) sold;

(3) retired;

(4) transferred; and

(5) expired;

D. describe the retirements made to meet renewable portfolio standard compliance based on actual retail sales and procurement costs, for the most recent reporting period including, the reductions, if any, to the RPS for:

(1) purchases by retail customers through an approved voluntary program;

(2) or due to the reasonable cost threshold;

(3) explain and demonstrate how the reduction was determined; and

(4) quantity of renewable energy certificates banked for future compliance use.

E. describe and quantify the implementation of the voluntary renewable tariff requirements in 17.9.572.18 NMAC; and

F. present a full explanation of approved recovery mechanisms for approved annual renewable energy plan costs and a complete accounting of all collected and deferred amounts.
[17.9.572.20 NMAC - Rp. 17.9.572.20 NMAC, _____]

17.9.572.21 REVIEW BY COMMISSION:

A. Interested parties wishing to protest an annual Renewable Energy Act plan shall do so by stating the bases for the protest within 30 days after the filing of the utility's annual renewable energy plan.

B. The commission shall approve or modify annual Renewable Energy Act plans within 90 days and may approve such plans without a hearing, unless a protest is filed that demonstrates to the commission's reasonable satisfaction that a hearing is necessary.

C. The commission may modify a plan after notice and hearing, and may, for good cause, extend the time to approve an annual Renewable Energy Act plan for an additional 90 days.

D. If the commission has not acted within the 90 day period, a plan is deemed approved.

E. The commission may reject a plan, within forty days of filing, if the commission finds that the plan does not contain the required information; upon such rejection the public utility's obligation to procure

**THIS DOCUMENT SHOWS THE NMPRC'S FINAL PROPOSED REPEAL/REPLACEMENT RULE 17.9.572
NMAC**

additional resources will be suspended for the time necessary to file a revised plan. In such instances, the total amount of renewable energy to be procured by the public utility will not change.
[17.9.572.21 NMAC - Rp. 17.9.572.21 NMAC, _____]

17.9.572.22 EXEMPTION AND VARIANCE: Any interested person may file an application for an exemption or a variance from the requirements of this rule. Such application shall:

- A. identify the section of this rule for which the exemption or variance is requested;
- B. describe the situation that necessitates the exemption or variance;
- C. set out the effect of complying with this rule on the public utility and its customers if the exemption or variance is not granted;
- D. define the result the request will have if granted;
- E. state how the exemption or variance will be consistent with the purposes of this rule;
- F. state why no other reasonable alternative is preferable; and
- G. state why the proposed alternative is in the public interest.

[17.9.572.22 NMAC - Rp. 17.9.572.22 NMAC, _____]

17.9.572.23 FINANCIAL INCENTIVE OR OTHER INCENTIVE

A. In accordance with Section 62-16-4 (D) NMSA 1978 (2019), a public utility or any other person, may apply by a motion or application, requesting that the commission provide the public utility with a financial incentive or other incentives to encourage public utilities to produce or acquire renewable energy that exceeds the applicable annual renewable portfolio standard set forth in Section 62-16-4 NMSA 1978 (2019); results in reductions in carbon dioxide emissions earlier than required by Section 62-16-4 (A) NMSA 1978 (2019); or causes a reduction in the generation of electricity by coal-fired generating facilities, including coal-fired generating facilities located outside of New Mexico.

B. The utility has the burden to prove by the preponderance of evidence, the amount and duration of the financial incentive or other incentive, in accordance with the formula set forth in this rule. The financial incentive include additional earnings and capital investment opportunities for resources used in furtherance of the outcomes described in this rule.

C. The formula for calculating the financial incentive for each percent the utility exceed the applicable annual renewable portfolio standard; for each month the utility reduces carbon dioxide emissions earlier than required; or for each kw hour per year reduction in the generation of electricity by coal-fired generating facilities, including coal-fired generating facilities located outside of New Mexico.

D. **Formula:**

(1) (insert here)

(2) **PLEASE NOTE: THE NMPRC DOES NOT HAVE A PROPOSED FORMULA**

FOR CALCULATING A FINANCIAL INCENTIVE AT THIS TIME; IT IS REQUEST THAT ALL COMMENTS INCLUDE A PROPOSAL ON HOW BEST TO CALCULATE A FINANCIAL INCENTIVE.

[17.9.572.23 NMAC - Rp. 17.9.572.23 NMAC, _____]

HISTORY OF 17.9.572 NMAC:

Pre-NMAC History: None.

History of Repealed Material:

17 NMAC 10.572, Renewable Energy Development Program (filed 11-30-98) repealed 7-1-03.

17.9.572 NMAC, Renewable Energy as a Source of Electricity (filed 6-16-03) repealed 1-14-05.

17.9.572 NMAC, Renewable Energy for Electric Utilities (filed 12-29-04) repealed 8-30-07.

17.9.572 NMAC, Renewable Energy for Electric Utilities (filed 8-15-07) repealed 5-31-13.

Other History:

17 NMAC 10.572, Renewable Energy Development Program (filed 11-30-98) replaced by 17.9.572 NMAC,

Renewable Energy as a Source of Electricity, effective 7-1-03, 17.9.572 NMAC, Renewable Energy as a Source of Electricity (filed 6-16-03) replaced by 17.9.572, Renewable Energy for Electric Utilities, effective 1-14-05.

17.9.572 NMAC, Renewable Energy for Electric Utilities (filed 12-29-04) replaced by 17.9.572 NMAC, Renewable Energy for Electric Utilities (filed 8-15-07) replaced by 17.9.572 NMAC, Renewable Energy for Electric Utilities effective 5-31-13.

THIS DOCUMENT SHOWS ALL CHANGES MADE TO CURRENT RULE 17.9.572 NMAC TO CREATE THE NMPRC'S PROPOSED REPLACEMENT RULE AS WELL AS SEVERAL COMMENT CYCLES

TITLE 17 PUBLIC UTILITIES AND UTILITY SERVICES
CHAPTER 9 ELECTRIC SERVICES
PART 572 RENEWABLE ENERGY FOR ELECTRIC UTILITIES

17.9.572.1 ISSUING AGENCY: New Mexico Public Regulation Commission.
[17.9.572.1 NMAC - Rp, 17.9.572.1 NMAC, 5-31-13, [NMAC 2021](#)]

17.9.572.2 SCOPE:

~~A. This rule applies to all electric investor owned public utilities under the commission's jurisdiction are subject to 17.9.572.1 through 17.9.572.21 NMAC.~~

~~B. Rural electric distribution cooperatives are subject to 17.9.572.1 through 17.9.572.6, 17.9.572.17, 17.9.572.21, 17.9.572.22, and 17.9.572.23 NMAC.~~
[17.9.572.2 NMAC - Rp, 17.9.572.2 NMAC, 5-31-13, [NMAC 2021](#)]

Commented [JA1]: Las Cruces says delete because Staff deleted. This change appears to be consistent with the Commission's deletion of current Rules 17.9.572.22 and 17.9.572.23 NMAC and Senate Bill 489's placing of RPS requirements for rural electric cooperatives in Section 26 of that legislation, not in Section 27 with the REA amendments for public utilities.

17.9.572.3 STATUTORY AUTHORITY: Sections ~~62-13-13.1, 62-16-3, 62-16-4, 62-16-5, 62-16-6, 62-15-34, 62-15-36,~~ 62-16-7, 62-16-8 and 62-16-9 NMSA 1978.
[17.9.572.3 NMAC - Rp, 17.9.572.3 NMAC, 5-31-13, [NMAC 2021](#)]

17.9.572.4 DURATION: Permanent.
[17.9.572.4 NMAC - Rp, 17.9.572.4 NMAC, 5-31-13, [NMAC 2021](#)]

17.9.572.5 EFFECTIVE DATE: ~~XX.XX, May 31, 2021~~13, unless a later date is cited at the end of a section.
[17.9.572.5 NMAC - Rp, 17.9.572.5 NMAC, 5-31-13, [NMAC 2021](#)]

17.9.572.6 OBJECTIVE: The purpose of this rule is to implement the Renewable Energy Act Section 62-16-1, et seq. NMSA 1978, and to bring significant economic development and environmental benefits to New Mexico.
[17.9.572.6 NMAC - Rp, 17.9.572.6 NMAC, 5-31-13, [NMAC 2021](#)]

17.9.572.7 DEFINITIONS: Unless otherwise specified, as used in this rule:

~~A. **financial incentive** means money that a public utility is authorized to collect from ratepayers by the commission to encourage certain behaviors or actions that would not otherwise have occurred. The financial incentive, or monetary benefit, motivates certain behaviors or actions.~~

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~~B. **procure or procurement** means a process conducted by an investor-owned electric utility for soliciting and evaluating proposals for any new, additional or amended resource, including but not limited to instructions to bidders, bid specifications, conditions, forms or other requirements included in a request for proposals and all methods, practices and assumptions used by an investor owned electric utility to model or evaluate such proposals or to negotiate with bidders, and that otherwise complies with law, in order to generate or purchase renewable energy [or to purchase renewable energy certificates] or to commit to generate or purchase renewable energy [or to commit to purchase renewable energy certificates];~~

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~~B. **public utility** means investor owned electric utility entity certified by the commission to provide retail electric service in New Mexico pursuant to the Public Utility Act and but does not include rural electric cooperatives;~~

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~~C. **reasonable cost threshold (RCT)** means an average annual levelized cost of sixty dollars (\$60.00) per megawatt-hour at the point of interconnection on the renewable energy resource with the transmission systems, adjusted for inflation after 2020 [the cost level established by the commission above which a public utility shall not be required to add renewable energy to its electric energy supply portfolio pursuant to the renewable portfolio standard];~~

Commented [JA3]: typo

Commented [JA4]: Tracks ETA language.

~~D. **renewable energy** means electric energy generated by use of renewable energy resources and delivered to a public utility;~~

~~E. **renewable energy certificate (REC)** means a certificate or other record, in a format approved by the commission, that represents all the environmental attributes from one [kilowatt] megawatt-hour of electricity [generation] generated from [a] renewable energy [resource];~~

Commented [JA5]: Tracks ETA language

THIS DOCUMENT SHOWS ALL CHANGES MADE TO CURRENT RULE 17.9.572 NMAC TO CREATE THE NMPRC'S PROPOSED REPLACEMENT RULE AS WELL AS SEVERAL COMMENT CYCLES

F. ~~renewable energy resource~~ means the following energy resources with or without energy storage:

- ~~(1) solar, wind, and geothermal;~~
- ~~(2) hydropower facilities brought in service on or after July 1, 2007;~~
- ~~(3) biomass resources, limited to agriculture of animal waste, small diameter timber, not to exceed eight inches, salt cedar and other phreatophyte or woody vegetation removed from river basins or watersheds in New Mexico; provided that these resources are from facilities certified by the energy, minerals and natural resources department to:~~
 - ~~(a) be of appropriate scale to have sustainable feedstock in the near vicinity;~~
 - ~~(b) have zero life cycle carbon emissions; and~~
 - ~~(c) meet scientifically determined restoration, sustainability and soil nutrient principles;~~
- ~~(4) fuel cells that do not use fossil fuels to create electricity; and~~
- ~~(5) landfill gas and anaerobically digested waste biogas;~~

~~[electrical energy generated by means of a low or zero emissions generation technology with substantial long-term production potential and generated by use of renewable energy resources that may include solar, wind, hydropower resources brought into service after July 1, 2007, geothermal, fuel cells that are not fossil fueled and biomass resources; biomass resources are fuels, such as agriculture or animal waste, small diameter timber, salt cedar and other phreatophyte or woody vegetation removed from river basins or watersheds in New Mexico, landfill gas and anaerobically digested waste biomass; renewable energy does not include fossil fuel or nuclear energy;~~

~~**E.** **renewable energy certificate (REC)** means a certificate or other record, in a format approved by the commission, that represents all the environmental attributes from one kilowatt hour of electricity generation from a renewable energy resource;]~~

~~**G.** **renewable portfolio standard (RPS)** means the minimum percentage of retail [energy] sales of electricity by a public utility to electric consumers in New Mexico that is required by the Renewable Energy Act to be from [to be supplied by] renewable energy;~~

~~**G.** **fully diversified renewable energy portfolio** means one in which no less than 30% of the renewable portfolio standard requirement is met using wind energy, no less than 20% is met using solar energy, no less than 5% is met using one or more of the other renewable energy technologies, as defined by this section; in a fully diversified renewable energy portfolio, no less than the following percentages are met through distributed generation:~~

- ~~(1) no less than 1 1/2% for plan years 2011 through 2014; and~~
- ~~(2) no less than 3% beginning in plan year 2015;~~

~~**H.** **emissions** means all emissions regulated by state or federal authorities, including but not limited to all criteria pollutants and hazardous air pollutants; methane; mercury; and carbon dioxide (CO2);~~

~~**I.** **[distributed generation]** means electric generation sited at a customer's premises, providing electric energy to the customer load at that site or providing electric energy to a public utility [or a rural electric distribution cooperative for use by multiple customers in one or more contiguous distribution substation service areas;]~~

~~**J.** **plan year** means the calendar year for which approval is being sought;~~

~~**K.** **plan year total revenues** means plan year projected total retail revenues including the sum of:~~

- ~~(1) plan year total retail energy sales multiplied by the company's approved base fuel and non-base fuel retail rates by rate class;~~
- ~~(2) projected fuel clause revenues; and~~
- ~~(3) all projected rider revenues, not including:
 - ~~(a) projected plan year renewable portfolio revenue requirements, and~~
 - ~~(b) projected undergrounding~~~~

~~rider contributions in aid of construction;~~

~~**M.** **plan year total retail energy sales** means weather adjusted retail energy sales in kWh projected for the plan year adjusted for projected energy efficiency reductions based on approved energy efficiency and load management programs in effect at the time of the filing, less:~~

- ~~(1) energy sales to voluntary program participants [large customers that qualify] under Section 62-16-7[4A(2)]NMSA 1978; and~~

- ~~(2) energy sales to customers exempted pursuant to Section 62-16-4CA(3) NMSA [1978];~~

~~**L[M].** **[large customer adjustment]** means the specific procurement requirements for nongovernmental customers at a single location or facility, regardless of the number of meters at that location or facility, with consumption exceeding 10 million kilowatt-hours per year, the procurement of renewable energy will be limited to~~

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THIS DOCUMENT SHOWS ALL CHANGES MADE TO CURRENT RULE 17.9.572 NMAC TO CREATE THE NMPRC'S PROPOSED REPLACEMENT RULE AS WELL AS SEVERAL COMMENT CYCLES

the lower of two percent of that customer's annual electric charges or \$99,000; after January 1, 2012, the \$99,000 limit is adjusted for inflation by the amount of the cumulative increase change in the consumer price index, urban, all items (CPI-U) published by the bureau of labor statistics between January 1, 2011 and January 1 of the procurement plan year;

~~M[N]~~ **political subdivision of the state** means a division of the state made by proper authorities thereof, acting within their constitutional powers, for purpose of carrying out a portion of those functions of the state which by long usage and inherent necessities of government have always been regarded as public;:-

~~N[O]~~ **renewable purchased power agreement** means an agreement that binds an entity generating power from renewable energy resources to provide power at a specified price and binds the purchaser to that price;

~~O[P]~~ **zero carbon resource** means an electricity generation resource that emits no carbon dioxide into the atmosphere, or that reduces methane emitted into the atmosphere in an amount equal to no less than one-tenth of the tons of carbon dioxide emitted into the atmosphere, as a result of electricity production;

~~P.~~ **voluntary program** means

~~Q.~~ **zero carbon resource standard** means providing New Mexico public utility customers with electricity generated from one hundred percent zero carbon resources;

~~R.~~ **WREGIS** means the western renewable energy generation information system.

~~R.~~ **annual average levelized cost** means

~~S.~~ **balancing authority** means

[17.9.572.7 NMAC - Rp, 17.9.572.7 NMAC, 5-31-13; A, 5-15-14, [NMAC 2021](#)]

17.9.572.8 LIBERAL CONSTRUCTION: This rule shall be liberally construed to carry out its intended purposes. If any provision of this rule, or the application thereof to any person or circumstance, is held invalid, the remainder of the rule, or the application of such provision to other persons or circumstances, shall not be affected thereby.

[17.9.572.8 NMAC - Rp, 17.9.572.8 NMAC, 5-31-13, [NMAC 2021](#)]

17.9.572.9 RELATIONSHIP TO OTHER COMMISSION RULES: Unless otherwise specified, this rule does not supersede any other rule of the commission but supplements rules applying to public utilities.

[17.9.572.9 NMAC - Rp, 17.9.572.9 NMAC, 5-31-13, [NMAC 2021](#)]

17.9.572.10 RENEWABLE PORTFOLIO STANDARD:

A. Each public utility must develop an annual Renewable Energy Act plan to comply with the renewable portfolio standard during the plan year. The plan shall demonstrate reasonable and consistent progress toward meeting the renewable portfolio standard to be effective following the end of the plan year. Renewable energy resources that are in a public utility's electric energy supply portfolio on July 1, 2004 shall be counted in determining compliance with this rule. However, renewable energy sold to customers through a ~~premium priced or~~ a voluntary renewable energy program tariff approved by the commission shall not be counted in determining compliance with this rule. Other factors being equal, preference shall be given to renewable energy generated in New Mexico.

B. Renewable portfolio standards. The renewable portfolio standard shall consist of:

~~(1)~~ no less than 10% for each plan year from 2011 through 2014 of the utility's plan year total retail energy sales;

~~(2)~~ no less than 15% for each plan year from 2015 through 2019 of the utility's plan year total retail energy sales; and

~~(3)~~ no less than 20% for each plan year from 2020 through 2024 [and thereafter] of the utility's plan year total retail energy sales;:-

~~(3)~~ no less than 40% for each plan year from 2025 through 2029 of the utility's plan year total retail energy sales;

~~(4)~~ no less than 50% for each plan year from 2030 through 2039 of the utility's plan year total retail energy sales; and

~~(5)~~ no less than 80% for each plan year from 2040 and thereafter of the utility's plan year total retail energy sales, provided that compliance with this standard until December 31, 2047 shall not require the public utility to displace zero carbon resources in the utility's generation portfolio as of July 15, 2019; and

~~(6)~~ - no later than January 1, 2045, zero carbon resources shall supply one hundred percent of all retail sales of electricity in New Mexico for each public utility.

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THIS DOCUMENT SHOWS ALL CHANGES MADE TO CURRENT RULE 17.9.572 NMAC TO CREATE THE NMPRC'S PROPOSED REPLACEMENT RULE AS WELL AS SEVERAL COMMENT CYCLES

D. ~~Demonstration of Compliance requirements.~~ ~~In accordance with Section 62-16-5 NMSA 1978 (2019): (1) Compliance with this standard is demonstrated by the retirement of renewable energy certificates-RECs, provided that the associated renewable energy is delivered to the public utility and assigned to the public utility's New Mexico customers; and (2) A public utility shall not retire renewable energy certificate RECs associated with renewable energy from generation resources for which it has traded, sold or transferred the associated renewable energy certificate REC for purposes of compliance with the renewable portfolio standard RPS.;~~
[17.9.572.10 NMAC - Rp, 17.9.572.10 NMAC, 5-31-13]

Commented [JA12]: Sierra Club wants the title to be changed to Demonstration of Compliance because Compliance Requirements is misleading since it is not exclusive requirements for compliance.

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17.9.572.11 ZERO CARBON STANDARD FOR GENERATION PORTFOLIOS: ~~Each public utility must develop an annual Renewable Energy Act plan which over time demonstrates reasonable and consistent progress to supplying 100% of the utility's total retail energy sales with zero carbon resources no later than January 1, 2045. No later than January 1, 2045, zero carbon resources shall supply one hundred percent of all retail sales of electricity in New Mexico for each public utility. Reasonable and consistent progress shall be made over time by each public utility.~~

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~~17.9.572.11 DIVERSIFICATION REQUIREMENTS FOR PORTFOLIOS:~~ ~~Each public utility must meet its renewable portfolio standard requirements using a diversified portfolio of resources, taking into consideration the overall reliability, availability, dispatch flexibility and cost of the various renewable resources as follows:~~

~~A. Except as provided in this section, public utility annual Renewable Energy Act plans shall be designed to achieve a fully diversified renewable energy portfolio no later than January 1, 2011.~~

~~B. Public utilities shall not be required to provide a fully diversified renewable portfolio when doing so would conflict with reasonable cost thresholds established by the commission or when full diversification is prevented by technical constraints or limitations. For the purposes of this section, technical constraints or limitations include, but are not limited to, transmission constraints, limitations on system integration, limited availability of particular renewable resources, and limitations on system reliability, but shall not include constraints or limitations that the public utility is capable of overcoming at reasonable cost or effort. Notwithstanding the provisions of this Subsection B excusing the failure by a public utility to meet the requirement to provide a fully diversified renewable energy portfolio, each public utility must meet its overall renewable portfolio standard.~~

~~C. In any year for which a public utility's annual Renewable Energy Act plan does not provide for a fully diversified portfolio, the public utility shall describe its plan for achieving a fully diversified portfolio in a timely manner.~~

~~D. Renewable energy certificates used to meet the distributed generation diversity requirement may not also be used to meet a resource-specific diversity requirement.]~~

[17.9.572.11 NMAC - Rp, 17.9.572.14 NMAC, 5-31-13]

17.9.572.12 COMMISSION DUTIES AND REPORTING REQUIREMENTS:

A. ~~Administration of 80% RPS and zero carbon standards.~~ ~~In administering the 80% renewable portfolio standard, effective no later than 2040, and the zero carbon resource standard, effective no later than 2045, the commission shall In administering the renewable portfolio standard as set forth in this rule and Section 62-16-4 A, NMSA 1978 (2019), the Commission shall comply with all provisions of Section 62-16-4 B., C. and D. NMSA 1978 (2019) After consultation with the department of environment, the Commission may not approve a public utility annual Renewable Energy Act plans that result in material increases to greenhouse gas emissions from entities not subject to commission oversight and regulation.;~~

~~(1) not jeopardize the operation of a sewage treatment facility that capture and combusts methane gas in the facility's operations;~~

~~(2) maintain and protect the safety, reliable operation and balancing of loads and resources on the electric system;~~

~~(3) prevent unreasonable impacts to customer electricity bills, taking into consideration the economic and environmental costs and benefits of renewable energy resources and zero carbon resources;~~

~~(4) consult with the energy, minerals and resources department; and~~

~~(5) consult with the department of environment;~~

B. ~~Commission reporting requirement.~~ ~~In consultation with applicable balancing authorities, the commission shall issue a reports to the legislature in accordance with section 62-16-4 B (7) (a-c) NMSA 1978 (2019), to the legislature by July 1, 2020, and each July 1 every four years thereafter. The required report shall include:~~

~~(1) review of the standard, with a focus on technologies, forecasts, existing transmission, environmental protection, public safety affordability and electricity transmission and distribution system reliability;~~

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Commented [JA13]: City wants to add: ensure that the standard does not result in material increases to greenhouse gas emissions from entities not subject to commission oversight and regulation

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- ~~(2) evaluation of the anticipated financial costs and benefits to electric utilities in implementing the standard, including the impacts and benefits to customer electricity bills; and~~
- ~~(3) identification of the barriers to, and benefits of, achieving the standard.~~

17.9.572.13[2] REASONABLE COST THRESHOLD: A. The reasonable cost threshold is a customer protection mechanism that limits the customer bill impact resulting from annual Renewable Energy Act plans. [~~as measured by plan year revenue requirements. A public utility shall calculate the large customer adjustment consistent with the methodology for the reasonable cost threshold.~~]

~~A.~~ [A public utility shall not be required to add renewable energy to its electric energy portfolio in any plan year, pursuant to the renewable portfolio standard, where the annual renewable energy plan revenue requirement is above the reasonable cost threshold [established by the commission pursuant to Subsection B of this section].

~~B.]~~ **B.** The reasonable cost threshold in any plan year is an annual average levelized cost of sixty dollars (\$60.00) per megawatt-hour at the point of interconnection of the renewable energy resource with the transmission system, adjusted for inflation starting in 2021 by the amount of the cumulative increase change in the consumer price index, urban, all items, published by the bureau of labor statistics between January I, 2020 and January I of the procurement plan year. Each public utility shall include in its annual Renewable Energy Act plan a reasonable cost threshold analysis by procurement, existing or proposed, for the plan year for which it seeks commission approval. This analysis should show how each procurement compares for that plan year with inflation adjusted reasonable cost threshold. To the extent a procurement is greater than the reasonable cost threshold and results in excess costs. The public utility shall explain why it proposes to incur those excess costs. To the extent a procurement of renewable energy is at or below the reasonable cost threshold, the public utility shall explain the extent to which such procurement contributes toward exceeding the renewable portfolio standard. The public utility shall further explain in detail why the public utility cannot procure resources at a cost less than the reasonable cost threshold along with a demonstration of the public utility's efforts to obtain to procure renewable energy at or below the reasonable cost threshold after 2020 [3% of plan year total revenues, beginning in 2013].

~~[C]B.~~ [As changing circumstances warrant, and after notice and hearing, the commission may prospectively modify the reasonable cost threshold. In modifying the reasonable cost threshold, the commission will take into account:

- ~~(1) the price of renewable energy at the point of sale to the public utility;~~
- ~~(2) transmission and interconnection costs required for the delivery of renewable energy to retail customers;~~
- ~~(3) the impact of the cost for renewable energy on retail customer rates;~~
- ~~(4) overall diversity, reliability, availability, dispatch flexibility, cost per kilowatt-hour and life cycle cost on a net present value basis of renewable energy resources available from suppliers; and~~
- ~~(5) other factors, including public benefits, the commission deems relevant.]~~

~~[D]C.~~ In any given year, if the average annual levelized cost of renewable energy that would need to be procured or generated for purposes of compliance with the renewable portfolio standard [the cost to procure renewable energy] is greater than the reasonable cost threshold, a public utility [with] shall not be required to incur that excess cost or to procure that resource, provided that the condition excusing performance under the renewable portfolio standard in any given year will not operate to delay the annual increases in the renewable portfolio standard in subsequent years.

D. A public utility that believes its procurement will exceed the reasonable cost threshold shall file with the commission a request for waiver of the renewable portfolio standard for the applicable plan year. The Waiver [F]Request shall:

- (1) explain in detail why the public utility cannot procure resources at a cost less than the reasonable cost threshold; and shall
- (2) include an explanation and evidence of all efforts the public utility undertook to procure resources at a cost within the reasonable cost threshold; and [Waiver requests shall]
- (3) be deemed granted if not acted upon within 60 days of the date the Waiver Request was filed.

E. A In accordance with section 62-16-4 NMSA 1978, when a public utility can generate or procure renewable energy at or below the reasonable cost threshold it shall be required to do so to the extent necessary to meet the applicable renewable portfolio, however, the public utility is not precluded from proposing a procurement for commission approval that exceeds the reasonable cost threshold. To the extent a procurement is greater than the reasonable cost threshold and results in excess costs, the public utility shall explain in detail why the public utility

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cannot procure resources at a cost less than or equal to the reasonable cost threshold along with a demonstration of the public utility's efforts to obtain to procure renewable energy at or below the reasonable cost threshold."

[17.9.572.12 NMAC - Rp, 17.9.572.11 NMAC, 5-31-13]

17.9.572.14[3] RESOURCE SELECTION: The utility shall select resources to satisfy the renewable portfolio standard-RPS through a competitive resource selection process that included opportunities for bidders to propose purchased power, facility self-build or facility build-transfer options. The utility shall determine all commercially available resources available through a competitive procurement process for approval in the procurement plan that are necessary to make reasonable and consistent progress toward the renewable portfolio standard an zero-carbon standard over time. The utility shall use the net present value methodology to identify the costs of a proposed new renewable resource necessary to stratify the renewable portfolio standard.

~~A. The utility shall determine all commercially available resources or purchases of renewable energy certificates available to the utility, either by ownership or by contract, for the procurement plan year that will satisfy the RPS and the diversity requirements.~~

~~B. Of the resources or REC purchases identified above, the company shall use the net present value methodology to identify the most cost effective additional or new renewable resource(s) necessary and available to satisfy both the annual renewable portfolio standard and the diversity requirements.~~

~~C. In the case that the resources required are not required to satisfy diversity requirements those resources must represent the most cost effective option available.]~~

[17.9.572.13 NMAC - Rp, 17.9.572.12 NMAC, 5-31-13]

17.9.572.15[4] ANNUAL RENEWABLE ENERGY ACT PLAN: An annual Renewable Energy Act plan shall include plan year and next plan year data. The plan year shall be presented for commission approval and the next plan year shall be presented for informational purposes.

A. On or before July 1 of each year, each public utility must file with the commission an annual Renewable Energy Act plan. The filing schedule shall be staggered, each of the investor owned utility filings shall occur one month apart, the last filing to be made July 1 of each year. The utilities shall file alphabetically each year (El Paso [e]Electric Company shall file on or before May 1; [p]Public [s]Service [e]Company of New Mexico shall file June 1; and [s]Southwestern [p]Public [s]Service [e]Company shall file July 1 each year).

B. The annual Renewable Energy Act plan is to include:

(1) testimony and exhibits providing a full explanation of the utility's determination of the plan year and next plan year renewable portfolio standard and reasonable cost threshold;

(2) the cost of procurement in the plan year and the next plan year for all new renewable energy resources required to comply with the renewable portfolio standard selected by the utility pursuant to Section 14[3] of this rule;

(3) the amount of renewable energy the public utility plans to provide in the plan year and the next plan year required to comply with the renewable portfolio standard;

(4) testimony and exhibits demonstrating how the cost and amount specified in Paragraphs (2) and (3) of this subsection were determined;

(5) testimony and exhibits demonstrating the plan year and next plan year procurement amounts and costs [based on revenue requirements] expected to be recovered by the utility;

(6) the capital, operating and fuel costs on a per-megawatt-hour basis during the preceding calendar year of each nonrenewable generation resource rate-base by the utility, or dedicated to the utility through a power purchase agreement of one year or longer, and the nonrenewable generation resources' carbon dioxide emissions on a per-megawatt-hour basis during that same year; [testimony and exhibits demonstrating the plan year and next plan year procurement amounts and costs if complying with a fully diversified renewable portfolio standard is limited by the reasonable cost threshold];

(7) testimony and exhibits demonstrating the plan year and next plan year procurement amounts and costs [based on revenue requirements] expected to be recovered by the utility if limited by the reasonable cost threshold;

(8) testimony [and exhibits that] demonstrate that the cost of the proposed procurement is reasonable compared with the price of electricity from renewable resources in the bids received by the public utility to recent prices for comparable energy resources elsewhere in the southwestern united states [as to its terms and conditions considering price, costs of interconnection and transmission, availability, dispatchability, renewable energy certificate values and portfolio diversification requirements];

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(9) testimony [and exhibits] regarding strategies used to minimize costs of renewable energy integration, including location, diversity, balancing area activity, demand-side management and load management [the amount and impact of renewable energy that can be added in any given year without adding generating resources for load following or system regulation purposes];

(10) testimony [and exhibits] demonstrating that the portfolio procurement plan is consistent with the integrated resource plan and explaining any material differences;

(11) testimony demonstrating that acceptable system reliability will be maintained with the proposed new renewable resource additions.

(12) testimony demonstrating that the cost of the proposed procurement is reasonable by comparing the price of electricity from renewable resources in the bids received by the public utility with recent prices for comparable energy resources elsewhere in the southwestern United States;

(13) information, including exhibits, as applicable, that demonstrates that the proposed procurement was the result of a competitive procurement that included opportunities for bidders to propose purchased power, facility self-build or facility build – transfer options;

and

~~(14)~~ demonstration that the plan is otherwise in the public interest, considering factors such as overall cost and economic development opportunities.

C. ~~Plan year revenue requirements:~~ For RCT purposes, the plan year revenue requirements shall reflect rate impacts on customer bills and shall be determined by applying a traditional revenue requirements impact approach for all resources, including regulatory assets authorized in prior plan years, used to satisfy the renewable portfolio standard and shall not include normalizations, annualizations and out of period adjustments.

~~(1) Revenue requirement adjustments shall include net avoided fuel and purchased power costs, cost savings resulting from environmental credits (if not already included in the net avoided fuel costs) pursuant to compliance rules in effect during the plan year, and cost savings or increases for capacity, generation, transmission, or distribution, operation and maintenance expense, back up and load following generation, off-system sales opportunity impacts, or other facilities and improvements or functions that may be required and that can be shown to result in actual reductions or increases in plan year revenue requirements to be collected from ratepayers.~~

~~(2) Avoided fuel costs are expected or modeled fuel savings that result from the procurement of renewable resources in the plan years.]~~

D.] A public utility shall serve notice and a copy of its annual renewable energy plan filing by first class mail on renewable resource providers requesting such notice from the commission, the New Mexico attorney general, and the intervenors in the public utility's most recent rate case. A public utility shall also post on its website the most recent and the pending annual Renewable Energy Act plans.

[17.9.572.14 NMAC - Rp, 17.9.572.16 NMAC, 5-31-13; A, 5-15-14]

17.9.572.16[5] COST RECOVERY FOR RENEWABLE ENERGY AND CARBON DIOXIDE EMISSIONS REDUCTIONS:

A. A public utility shall recover the reasonable costs of complying with this rule through the rate making process, including its reasonable interconnection and transmission costs, costs to comply with electric industry reliability standards and other costs attributable to acquisition and delivery of renewable energy and zero carbon energy to retail New Mexico customers.

B. Costs that are consistent with commission-approved annual Renewable Energy Act plans are deemed to be reasonable.

C. A public utility that is permitted to defer the recovery of renewable energy costs pursuant to commission order may, through the ratemaking process, recover from customers that are not subject to the rate impact limitations of Section[s] 62-16-4C[A(2) and 62-16-4A(3)]NMSA 1978 the cumulative sum of those deferred amounts, plus a carrying charge on those amounts.

D. ~~[For customers that are subject to the rate impact limitations of Section 62-16-4A(2) NMSA 1978, a public utility may, through the ratemaking process, recover from those customers the cumulative sum of those Section 62-16-4A(2) NMSA 1978 limited deferred amounts, plus carrying charges on those amounts.]~~

Any financial benefits resulting to customers qualified pursuant Section 62-14-4C shall accrue to the customer immediately as of July 1, 2019 and shall be reflected in customer bills each month, subject to annual true-up and reconciliation.

E. Any renewable energy procurement costs recovered through the utility's fuel clause shall be separately identified in its monthly and annual fuel and purchased power clause adjustment filings and its continuation filings.

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F. The Commission shall not disallow the cost associated with any expired renewable energy certificate.

G. If a public utility has been granted a certificate of public convenience and necessity prior to January 1, 2015 to construct or operate an electric generation facility and the investment in that facility has been allowed recovery as part of the utility's rate-base, the commission may require the facility to discontinue serving customers within New Mexico if the replacement has less or zero carbon dioxide emissions into the atmosphere; provided that no order of the commission shall disallow recovery of any undepreciated investments or decommissioning costs associated with the facility.
[17.9.572.15 NMAC - Rp, 17.9.572.12 NMAC, 5-31-13]

17.9.572.17[6] CUSTOMERS ~~[EXEMPTED]~~ QUALIFIED PURSUANT TO SECTION 62-16-4C [A(3)] NMSA 1978: Any customer that is a political subdivision of the state, or any educational institution designated in Article 12, Section 11 of the constitution of New Mexico with an enrollment of twenty thousand students or more during the fall semester on its main campus, with consumption exceeding 20 million kilowatt-hours per year at any single location or facility, and that owns renewable energy generation or hosts such facilities through a renewable purchased power agreement, shall not be charged by the utility for power purchases of one year or less or fuel on the amount of electricity purchased from the utility equal to the amount of renewable energy produced or hosted by the customer, [is exempt from all charges by the utility for renewable energy procurements in a year, regardless of the number of customer locations or meters on the system,] if that customer certifies to the state auditor and notifies the commission and its serving utility, of the amount of renewable energy produced at the customer-owned or customer-hosted facilities that generate renewable energy. [expend 2 1/2% of that year's annual electricity charges to continue to develop, within 24 months, customer owned renewable energy generation.] That customer shall also certify that it will retire all renewable energy certificates associated with the energy produced from [that expenditure] by those facilities.

A. The notice to the commission and the customer's serving utility shall;

(1) be timely, [shall]

(2) state the plan year during which the renewable energy is expected to be produced or hosted;

(3) quantify the amount of renewable energy expected to be produced or hosted; and

(4) [for which the exemption will apply and] shall include a copy of the customer's certification to the state auditor.

B. This section only exempts customers from charges for power purchases of one year or less or fuel on the amount of electricity purchased from the utility equal to the amount of renewable energy produced or hosted by the customer. [for renewable energy procurement costs incurred and to be recovered by the customer's serving utility during the plan year for which the certification applies.] This section shall not prevent the utility from recovering all of its reasonable and prudent fuel and purchased power costs.

C. A [New Mexico jurisdictional] public utility shall not retire any RECs retired per the certification of a customer made pursuant to Section 62-16-4C[A(3)] NMSA 1978 for RPS or voluntary renewable energy program compliance.

[17.9.572.16 NMAC - N, 5-31-13]

17.9.572.18[7] RENEWABLE ENERGY CERTIFICATES:

A. Each public utility shall annually establish its compliance with the renewable portfolio standard through the filing of an annual report, as provided in 17.9.572.19 NMAC, documenting the retirement of renewable energy certificates. [Effective for services provided on and after January 1, 2015, each rural electric distribution cooperative shall annually establish its compliance with the renewable portfolio standard through the filing of an annual report, as provided in 17.9.572.23 NMAC, documenting the retirement of renewable energy certificates.]

B. Non-WREGIS registered RECs shall contain the following information:

(1) the name and contact information of the renewable energy generating facility owner or operator;

(2) the name and contact information of the public utility or rural electric distribution cooperative purchasing the renewable energy certificate;

(3) the type of generator technology and fuel type;

(4) the generating facility's physical location, nameplate capacity in MW, location and ID number of revenue meter and date of commencement of commercial generation;

(5) the public utility or rural electric distribution cooperative to which the generating facility is interconnected;

(6) the control area operator for the generating facility; and

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(7) the quantity in kWh and the date of the renewable energy certificate creation.

C. Renewable energy certificates:

(1) are owned by the generator of the renewable energy unless:

(a) the renewable energy certificates are transferred to the purchaser of the energy through specific agreement with the generator;

(b) the generator is a qualifying facility, as defined by the federal Public Utility Regulatory Policies Act of 1978, in which case the renewable energy certificates are owned by the public utility ~~or rural electric distribution cooperative,~~ purchaser of the renewable energy unless retained by the generator through specific agreement with the public utility ~~or rural electric distribution cooperative~~ purchaser of the energy; or

(c) a contract for the purchase of renewable energy is in effect prior to January 1, 2019~~04~~, in which case the purchaser of the energy owns the renewable energy certificates for the term of such contract; and

(2) may be traded, sold or otherwise transferred by their owner to any other party, unless

(a) ~~the certificates are from a rate-based public utility plant, in which case the entirety of the renewable energy certificates from that plant shall be retired by the utility on behalf of itself or its customers; or~~

(b) ~~the certificates are from a renewable energy purchased power agreement entered into by a public utility on or after July 1, 2019, in which case the entirety of the renewable energy certificates from the purchased power agreement shall be retired by the utility on behalf of itself or its customers or transferred to a retail customers for retirement under a voluntary program~~

~~[such transfers and use of the certificate by a public utility or rural electric distribution cooperative for compliance with the renewable energy portfolio standard do not require physical delivery of the electric energy represented by the certificate to a public utility or rural electric distribution cooperative, so long as the electric energy represented by the certificate was contracted for delivery in New Mexico, or consumed or generated by an end use customer of the public utility or rural electric distribution cooperative in New Mexico, unless the commission determines that there is an active regional market for trading renewable energy and renewable energy certificates in any region in which the public utility or rural electric distribution cooperative is located];~~

(3) that are used once by a public utility ~~or rural electric distribution cooperative~~ to satisfy the renewable portfolio standard and are retired ~~, or that are traded, sold or otherwise transferred by the public utility or rural electric distribution cooperative~~ shall not be further used by the public utility ~~or rural electric distribution cooperative~~; and

(4) that are not used by a public utility ~~or rural electric distribution cooperative~~ to satisfy the renewable portfolio standard ~~and that are not traded, sold or otherwise transferred by the public utility or rural electric distribution cooperative~~ may be carried forward for up to four years from the date of creation and, if not used by that time, shall be retired by the public utility ~~or rural electric distribution cooperative~~.

D. Public utilities ~~and rural electric distribution cooperatives~~ are responsible for demonstrating that a renewable energy certificate used for compliance with the renewable portfolio standard is derived from eligible renewable energy resources and has not been retired, traded, sold or otherwise transferred to another party. Public utilities ~~and rural electric distribution cooperatives~~ shall maintain records sufficient to meet the demonstration requirement of this subsection.

E. The acquisition, sale or transfer, and retirement of any renewable energy certificates used to meet renewable portfolio standards on or after January 1, 2008 shall be registered with the western renewable energy generation information system (WREGIS) or its direct successor(s), except as provided in Subsection F of this section. Certificates whose retirement has been registered by the public utility ~~or rural electric distribution cooperative~~ with WREGIS shall be deemed to meet the requirements of Subsection D of this section.

F. Renewable energy certificates representing electricity delivered to the public utility and assigned to the public utility's New Mexico customers and registered with a tracking system other than WREGIS may be used to meet renewable portfolio standards so long as WREGIS lacks the capability to import certificates from that other tracking system.

G. ~~[The requirement for registration and trading of renewable energy certificates through WREGIS shall not constitute a finding by the commission that a regional renewable energy market is generally available.~~

~~H. Until such time as the commission has determined that there is a regional market for exchanging renewable energy and renewable energy certificates that is generally available for all public utilities and rural electric distribution cooperatives in the state, any public utility or rural electric distribution cooperative may seek approval from the commission to meet some or all of its renewable portfolio standard using individual renewable energy certificates that represent energy generated by a renewable energy resource within a regional renewable energy market or trading system in any region where the public utility or rural electric cooperative is located.~~

~~I. Any state having a mandatory renewable portfolio standard that accepts renewable energy~~

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certificates for energy produced and delivered in New Mexico on a non-discriminatory basis for compliance with its RPS shall be deemed to be part of an active regional market for RECs for the purposes of Paragraph (2) of Subsection C of this section.]

[17.9.572.17 NMAC - Rp, 17.9.572.13 NMAC, 5-31-13]

17.9.572.19[8] VOLUNTARY RENEWABLE TARIFFS:

A. Each public utility ~~shall~~ may offer a voluntary renewable energy tariff for those customers who want the option to purchase additional renewable energy.

B. The voluntary renewable tariff may also include provisions to enable consumers to purchase renewable energy within certain energy blocks and by source of renewable energy. Additionally, each public utility must develop an educational program on the benefits and availability of its voluntary renewable energy program. The tariff, along with the details of the consumer education program, shall be on file with the commission.

C. All renewable energy purchased by a retail customer through an approved voluntary program shall not be subject to charges by the public utility to recover costs of complying with the renewable portfolio standard requirements.

D. The commission may require that a public utility offer its retail customers a voluntary program for purchasing renewable energy that is in addition to electricity provided by the public utility pursuant to the renewable portfolio standard, under rates and terms that are approved by the commission.

E. All renewable energy purchased by a retail customer through an approved voluntary program shall:

(1) have all associated renewable energy certificates retired by the retail customer, or on that customer's behalf, by the public utility, and the certificates shall not be used to meet the public utility's renewable portfolio standard requirements pursuant to Subsection A of Section 62-16-4 NMSA 1978;

(2) be excluded from the total retail sales to New Mexico customers used to determine the renewable portfolio standard requirements pursuant to Subsection A of Section 62-16-4 NMSA 1978; and

(3) not be subject to charges by the public utility to recover costs of complying with the renewable portfolio standard requirements pursuant to Subsection A of section 62-16-4 NMSA 1978.

[-17.9.572.18 NMAC - Rp, 17.9.572.15 NMAC, 5-31-13]

17.9.572.19 ANNUAL RENEWABLE ENERGY PORTFOLIO REPORT: Concurrent with the filing of an annual renewable energy plan, each public utility must file with the commission a report on its renewable energy generation or purchases of renewable energy during the prior plan year. This report shall:

A. itemize all renewable energy generation or renewable energy certificate purchases and sales;

B. list, and include copies of, all renewable energy certificates, including acquired, issued or retired certificates;

C. document from WREGIS or its successor the renewable energy certificates RECs acquired, sold, retired, transferred, or expired; such documentation shall include reports from WREGIS or its successor which allow the commission to determine, by fuel type, the number of RECs in each calendar year:

- (1) acquired;
- (2) sold;
- (3) retired;
- (4) transferred; and
- (5) expired;

D. describe the retirements made to meet renewable portfolio standard-RPS compliance based on actual retail sales and procurement costs, for the most recent reporting period including, the reductions, if any, to the RPS for:

(1) purchases by retail customers through an approved voluntary program;

[procurements for non-governmental customers with consumption exceeding 10 million kilowatt hours per year, customers that are political subdivisions], or

(2) due to the reasonable cost threshold RCT;

(3) [including an explanation and exhibits demonstrating explain and demonstrate how the reduction was determined, how the diversity requirements were satisfied and;

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- (4) the quantity of renewable energy certificates ~~RECs~~-banked for future compliance use;
- E. describe and quantify the implementation of the voluntary renewable tariff requirements in 17.9.572.18 NMAC; and
- F. present a full explanation of approved recovery mechanisms for approved annual renewable energy plan costs and a complete accounting of all collected and deferred amounts.
[17.9.572.19 NMAC - Rp, 17.9.572.17 NMAC, 5-31-13]

17.9.572.20 REVIEW BY COMMISSION:

- A. Interested parties wishing to protest an annual Renewable Energy Act plan shall do so by stating the bases for the protest within 30 days after the filing of the utility's annual renewable energy plan.
- B. The commission shall approve or modify annual Renewable Energy Act plans within 90 days and may approve such plans without a hearing, unless a protest is filed that demonstrates to the commission's reasonable satisfaction that a hearing is necessary.
- C. The commission may modify a plan after notice and hearing, and may, for good cause, extend the time to approve an annual Renewable Energy Act plan for an additional 90 days.
- D. If the commission has not acted within the ninety-day period, a plan is deemed approved.
- E. The commission may reject a plan, within forty days of filing, if the commission finds that the plan does not contain the required information; upon such rejection the public utility's obligation to procure additional resources will be suspended for the time necessary to file a revised plan. In such instances, the total amount of renewable energy to be procured by the public utility will not change.
[17.9.572.20 NMAC - Rp, 17.9.572.18 NMAC, 5-31-13]

17.9.572.21 EXEMPTION AND VARIANCE: Any interested person may file an application for an exemption or a variance from the requirements of this rule. Such application shall:

- A. identify the section of this rule for which the exemption or variance is requested;
- B. describe the situation that necessitates the exemption or variance;
- C. set out the effect of complying with this rule on the public utility and its customers if the exemption or variance is not granted;
- D. define the result the request will have if granted;
- E. state how the exemption or variance will be consistent with the purposes of this rule;
- F. state why no other reasonable alternative is preferable; and
- G. state why the proposed alternative is in the public interest.
[17.9.572.21 NMAC - Rp, 17.9.572.19 NMAC, 5-31-13]

17.9.572.22 FINANCIAL INCENTIVE

- A. In accordance with Section 62-16-4 (D) NMSA 1978 (2019), a public utility or any other person, may apply by a motion or application, requesting that the commission provide the public utility with a financial or other incentives to encourage public utilities to produce or acquire renewable energy that exceeds the applicable annual renewable portfolio standard set forth in Section 62-16-4 NMSA 1978 (2019); results in reductions in carbon dioxide emissions earlier than required by Section 62-16-4 (A) NMSA 1978 (2019); or causes a reduction in the generation of electricity by coal-fired generating facilities, including coal-fired generating facilities located outside of New Mexico.
- B. The utility has the burden to prove by the preponderance of evidence, the amount and duration of the financial incentive, in accordance with the Formula set forth in this rule. The financial incentive include additional earnings and capital investment opportunities for resources used in furtherance of the outcomes described in this rule.
- C. The formula for calculating the financial incentive for each percent the utility exceed the applicable annual renewable portfolio standard; for each month the utility reduces carbon dioxide emissions earlier than required; or for each kw hour per year reduction in the generation of electricity by coal-fired generating facilities, including coal-fired generating facilities located outside of New Mexico.

Formula:

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THIS DOCUMENT SHOWS ALL CHANGES MADE TO CURRENT RULE 17.9.572 NMAC TO CREATE THE NMPRC'S PROPOSED REPLACEMENT RULE AS WELL AS SEVERAL COMMENT CYCLES

17.9.572.22 — RURAL ELECTRIC DISTRIBUTION COOPERATIVES VOLUNTARY RENEWABLE TARIFFS: Rural electric distribution cooperatives must offer their retail customers a voluntary renewable energy tariff to the extent that their suppliers under their all requirements contracts make such renewable resources available. Rural electric distribution cooperatives must report to the commission by April 30 of each year concerning the availability to them of renewable energy and the annual demand for renewable energy pursuant to their voluntary tariff.
{17.9.572.22 NMAC — Rp, 17.9.572.20 NMAC, 5-31-13}

17.9.572.23 — RURAL ELECTRIC DISTRIBUTION COOPERATIVES RENEWABLE PORTFOLIO STANDARD: Each rural electric distribution cooperative organized under the Rural Electric Cooperative Act shall meet a renewable portfolio standard as follows:

A. "Renewable energy," "renewable energy certificate" shall have the same definitions as provided in Subsections D and E of 17.9.572.7 NMAC.

B. No later than January 1, 2015, renewable energy shall comprise no less than 5% of each distribution cooperative's total retail sales to New Mexico customers; the renewable portfolio standard shall increase by 1% per year thereafter until January 1, 2020, at which time the renewable portfolio standard shall be 10%.

C. The renewable portfolio standard of each distribution cooperative shall be diversified as to the type of renewable energy resource, taking into consideration the overall reliability, availability, dispatch flexibility and the cost of the various renewable energy resources made available to the distribution cooperative by its suppliers of electric power.

D. Renewable energy generation by solar technologies which were developed and operational before January 1, 2012, by a distribution cooperative or through the wholesale contract obligation of the wholesale supplier, shall be given a three time multiplier credit for every kWh generated.

E. Renewable energy resources that are in a distribution cooperative's energy supply portfolio on January 1, 2008 shall be counted in determining compliance with this rule.

F. If a distribution cooperative determines that, in any given year, the cost of renewable energy that would need to be procured or generated for purposes of compliance with the renewable portfolio standard would be greater than the reasonable cost threshold, the distribution cooperative shall not be required to incur that cost; provided that the existence of this condition excusing performance in any given year shall not operate to delay any renewable portfolio standard in subsequent years. For purposes of the Rural Electric Cooperative Act, "reasonable cost threshold" means an amount that shall be no greater than 1% of the distribution cooperative's gross receipts from business transacted in New Mexico for the preceding calendar year and shall be subject to the following conditions:

(1) If the wholesale supplier is obligated to meet all or part of the distribution cooperative's requirements, pursuant to the wholesale electric service "all requirements" contract, the solar calculation by the wholesale provider, shall be provided in the distribution cooperative's filing to the commission.

(2) The distribution cooperative shall submit its RCT information in a form acceptable to the commission, with the information required in Subsection I below.

G. A rural electric distribution cooperative may collect from its customers a renewable energy and conservation fee of no more than one percent of the customer's bill. In no event shall a rural electric distribution cooperative collect more than \$75,000 annually through the renewable energy and conservation fee from any single customer. Money collected through the renewable energy and conservation fee shall be segregated in a separate renewable energy and conservation account from other distribution cooperative funds and shall be expended only on programs or projects to promote the use of renewable energy, load management or energy efficiency.

H. Each distribution cooperative that collects a renewable energy and conservation fee from its customers shall deduct from the fees paid to the state pursuant to Section 62-8-8 NMSA 1978 an amount equal to 50% of the amount of money collected through the renewable energy and conservation fee during the preceding calendar year.

I. By April 30 of each year, a distribution cooperative shall file with the public regulation commission a report on its purchases and generation of renewable energy during the preceding calendar year; the report shall include the cost of the renewable energy resources purchased and generated by the distribution cooperative to meet the renewable portfolio standard; the report shall provide the information required below:

(1) a summary of the distribution cooperative's purchases and generation of renewable energy and purchases of renewable energy certificates that occurred during the preceding calendar year;

(2) the total amount of monies collected by the distribution cooperative from its customers during the preceding calendar year through the assessment of a renewable energy and conservation fee and the balance of funds

THIS DOCUMENT SHOWS ALL CHANGES MADE TO CURRENT RULE 17.9.572 NMAC TO CREATE THE NMPRC'S PROPOSED REPLACEMENT RULE AS WELL AS SEVERAL COMMENT CYCLES

in the distribution cooperative's renewable energy and conservation fund, as of January 1 and December 31 of the preceding calendar year;

~~(3) the amount of monies withheld by the distribution cooperative from the inspection and supervision fees due to the state that were placed in the renewable energy and conservation fund as a partial match of the renewable energy and conservation fees collected during the preceding calendar year;~~

~~(4) the amount of monies received by the distribution cooperative from any third party that were placed in the renewable energy and conservation fund;~~

~~(5) whether and to what extent the distribution cooperative will assess its customers for a renewable energy and conservation fee in the succeeding calendar year; and~~

~~(6) a summary of each renewable energy project, energy efficiency or load management program upon which monies from the renewable energy and conservation fund were expended during the preceding calendar year, which includes:~~

~~(a) a description of the anticipated benefits to the distribution cooperative's members from each project or program;~~

~~(b) the amount of monies spent on each project or program; and~~

~~(c) the current status of each project or program.~~

~~J. For renewable distributed generation systems of 25kW or less, whether interconnected or not with the distribution cooperative's system, the annual renewable energy credits can be determined by use of a metering device or pursuant to a recognized standard allocation of 2,500 kWhs per 1 kW of installed capacity, and these RECs shall not be required to be registered with WREGIS, if the following conditions are met:~~

~~(1) the renewable distributed generation system is owned by the distribution cooperative;~~

~~(2) the renewable distribution cooperative provides tariffed service to customers from the distributed generation system; and~~

~~(3) WREGIS lacks the capability to import certificates from the renewable distributed generation or~~

~~(4) if registration of the RECs from the renewable distributed generation cannot be justified by the cost of registration.~~

~~K. A distribution cooperative shall report to its membership a summary of its purchases and generation of renewable energy during the preceding calendar year.~~

~~[17.9.572.23 NMAC - Rp, 17.9.572.21 NMAC, 5-31-13]~~

HISTORY OF 17.9.572 NMAC:

Pre-NMAC History: None.

History of Repealed Material:

17 NMAC 10.572, Renewable Energy Development Program (filed 11-30-98) repealed 7-1-03.

17.9.572 NMAC, Renewable Energy as a Source of Electricity (filed 6-16-03) repealed 1-14-05.

17.9.572 NMAC, Renewable Energy for Electric Utilities (filed 12-29-04) repealed 8-30-07.

17.9.572 NMAC, Renewable Energy for Electric Utilities (filed 8-15-07) repealed 5-31-13.

Other History:

17 NMAC 10.572, Renewable Energy Development Program (filed 11-30-98) replaced by 17.9.572 NMAC,

Renewable Energy as a Source of Electricity, effective 7-1-03, 17.9.572 NMAC, Renewable Energy as a Source of Electricity (filed 6-16-03) replaced by 17.9.572, Renewable Energy for Electric Utilities, effective 1-14-05.

17.9.572 NMAC, Renewable Energy for Electric Utilities (filed 12-29-04) replaced by 17.9.572 NMAC, Renewable

Energy for Electric Utilities (filed 8-15-07) replaced by 17.9.572 NMAC, Renewable Energy for Electric Utilities effective 5-31-13.

{01190488-1}

NOTICE OF PROPOSED RULEMAKING
CASE NO. 19-00296-UT

The New Mexico Public Regulation Commission (the “commission”) gives notice of its initiation of a proposed rulemaking to repeal and replace **17.9.572 NMAC**. The rules which may be adopted as the final rules in this proceeding may include all, part, or none of the language in the proposed rules issued by the commission. The commission may also consider alternative proposals for amending or replacing the current rules.

Concise statement of proposed rules: The commission is considering repealing and replacing 17.9.572 NMAC to implement the 2019 amendments to the Renewable Energy Act Section 62-16-1, et seq. NMSA 1978 as set forth in the Energy Transition Act, 2019 Legislative Session, SB 243.

Constitutional and statutory authority: New Mexico Constitution, Article XI, Section 2; the New Mexico Public Utility Act, Sections 62-3-1 et seq., NMSA 1978; and the Public Regulation Commission Act, Section 8-8-1 through 8-8-21 NMSA 1978, Paragraph (10) of Subsection B of Section 8-8-4 NMSA 1978.

A copy of the full text of the proposed rules may be obtained from the Rulemaking Proceedings section of the Commission’s website at <http://www.nmprc.state.nm.us> under Case No. 19-00296-UT or by calling Isaac Sullivan-Leshin in the Office of General Counsel at (505) 670-4830.

Written initial comments and written response comments shall be filed by the deadlines below. Written initial comments shall be filed no later than **February 1, 2021**. Written response comments shall be filed no later than **February 15, 2021**. Comments shall refer to Case No. 19-00296-UT. All written comments will be posted on the commission’s website within three days of their receipt by the records bureau.

A public hearing will be held on **March 15, 2021 at 1:30 p.m.** which shall be accomplished through Zoom. Instructions on how to connect will be posted on the NMPRC home webpage at <http://www.nmprc.state.nm.us> prior to the hearing. The purpose of the hearing is to receive oral comments. Commenters are afforded the opportunity to submit written comments to the Commission, however, any individual who wants to provide oral comments shall be limited to three (3) minutes to express those comments, subject to the Commission’s discretion. The Commission determines that a spokesperson shall be designated to speak on behalf of an organization, a group, or a group of individuals that shares the same message or seeks the same goals, in order to maximize the efficiency of the public comment hearing. No testimony or other evidence will be taken at the hearing as this is a rulemaking proceeding.

The record of this case will close on **March 22, 2021**.

Any person with a disability requiring special assistance in order to participate in the hearing should contact Mr. Bradford Borman at (505) 827-4048 at least 48 hours prior to the commencement of the hearing.

EXHIBIT B

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF POTENTIAL AMENDMENTS TO)
NMPRC RULE 17.9.572 NMAC, ENTITLED RENEWABLE) Case No. 19-00296-UT
ENERGY FOR ELECTRIC UTILITIES)**

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing **Order Issuing Notice of Proposed Rulemaking** issued by the New Mexico Public Regulation Commission on November 18th, 2020 was sent via email to the parties indicated below:

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DATED this 18th day of November, 2020.

NEW MEXICO PUBLIC REGULATION COMMISSION

/s/ Isaac Sullivan-Leshin, electronically signed

Isaac Sullivan-Leshin, Paralegal

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Sullivan-Leshin, Isaac, PRC

From: Sullivan-Leshin, Isaac, PRC
Sent: Wednesday, November 18, 2020 4:56 PM
To: Records, PRC, PRC
Subject: 19-00296-UT; Filing Submission
Attachments: 19-00296-UT, Order Issuing Notice of Proposed Rulemaking.pdf

IN THE MATTER OF POTENTIAL AMENDMENTS TO NMPRC RULE)
17.9.572 NMAC, ENTITLED RENEWABLE ENERGY FOR ELECTRIC) Case No. 19-00296-UT
UTILITIES)

Please file the attached ORDER ISSUING NOTICE OF PROPOSED RULEMAKING into the above captioned case.

Thank you.