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New Mexico receives highest ranking for NMPRC's clean energy interconnection policies

SANTA FE — The New Mexico Public Regulation Commission (NMPRC) today announced that the state received the only A grade in the country for the quality of its interconnection policies from the Interstate Renewable Energy Council (IREC) through its <u>Freeing the Grid report</u>. Interconnection rules are approved by state regulatory commissions to govern how distributed energy resources, such as solar and energy storage systems, can safely and reliably connect to the distribution grid. New Mexico has adopted a majority of the interconnection best practices as identified in the report, which should lead to streamlined review processes, reduced costs, and greater transparency for interconnection applicants and utilities.

"Decarbonizing energy generation is a key state goal, and removing barriers to interconnecting renewable generation helps to achieve that goal," said Commissioner James Ellison. "Following a two-year process of stakeholder engagement, the NMPRC adopted a new interconnection rule earlier this year that is aimed at removing those barriers. This new report recognizes New Mexico as a leader in its interconnection rules. The NMPRC is proud to play a role in removing barriers to renewable energy adoption."

The Freeing the Grid report graded all 39 states and territories that have statewide interconnection procedures. The grades released in the report are based on criteria reflecting key considerations to ensure interconnection policies support clean energy market growth, including cost, efficiency, transparency, and the technologies eligible to interconnect. Adopted by the NMPRC, New Mexico's interconnection rules received positive feedback in the following categories:

- **Rule Applicability**, which measures whether interconnection procedures provide clarity on the types and sizes of generators that are allowed to connect under the procedures
- Streamlined Review, which relates to how projects are reviewed for grid impacts and whether the interconnection procedures require faster processing times for systems that meet system size or other eligibility requirements.
- **Modifications**, which measures if interconnection procedures provide clear processes for both minor modifications to project design
- **Timelines and Efficiency**, which measures whether the interconnection procedures specify timeframes for certain process steps and require efficient timelines for the review of interconnection applications and the stages of the grid impacts review process

- Interconnection Costs and Requirements, which measures whether the interconnection procedures include provisions that help to lower interconnection costs
- Updated Standards and Export Provisions, which measures whether the interconnection procedures incorporate Institute of Electrical and Electronics Engineers (IEEE) Standard 1547-2018, technical requirements, and provisions related to allowing for export control.
- Initial Review Screens, which measures whether the interconnection procedures have incorporated new and revised initial review screens
- Data Sharing and Reporting, which measures whether the interconnection procedures require utilities to provide detailed information to help applicants better understand grid conditions, process timelines, project impacts, and cost estimates

New Mexico's interconnection rules also received recognition for meeting noteworthy best practices, such as embracing energy storage as an eligible technology and incorporating the IEEE 1547-2018 Standard.

The NMPRC-approved policies make New Mexico the only state recognized in the report for considering how interconnection poses a barrier to equitable access to sustainable energy for low-income communities. New Mexico's rules include provisions that measure access to low-income subscribers and underserved communities to determine whether there is a public benefit to employing a cost-sharing mechanism.

The purpose for IREC's report is to provide states with a resource to measure their interconnection rules and see how they compare, as well as to share guidance on best practices for interconnection. The grading is based on whether a provision or practice is explicitly included or referenced in the state's interconnection rules that apply to all jurisdictional utilities. Freeing the Grid is a joint initiative of the IREC and Vote Solar.

An online version of this release is available here.

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The **New Mexico Public Regulation Commission (PRC)** regulates the <u>utilities, telecommunications</u>, and <u>motor carrier</u> industries to ensure fair and reasonable rates, and to assure reasonable and adequate services to the public as provided by law. The PRC also promotes public safety through the <u>Pipeline</u> <u>Safety Bureau</u> and <u>Transportation Division</u>.

CONTACT

Patrick Rodriguez Public Information Officer

Email: <u>patrickj.rodriguez@prc.nm.gov</u> Phone: 505-490-7910 P.O. Box 1269 Santa Fe, NM 87504 <u>www.nm-prc.org</u>