

BACKGROUND

New Mexico’s electricity portfolio is dominated by coal and natural gas. While the state consistently ranks in the [top ten](#) states for oil and natural gas production, the proportion of electric generation from coal has [declined](#) by approximately 40% since 2005. According to the EIA, a variety of factors contributed to the [retirement](#) of several coal units in New Mexico, including falling natural gas prices, stricter air quality regulations, and California’s decision in 2014 to stop purchasing electricity produced by coal.

The Land of Enchantment boasts substantial wind, solar, hydroelectric, biomass, and geothermal energy potential. Signed by Governor Michelle Lujan Grisham in March 2019, [Senate Bill 489](#) sets a zero-carbon resource standard for the state, and increases the state’s renewable portfolio standard (RPS) to at least 80% renewable energy by 2050. According to the most recent verified U.S. Energy Information Administration (EIA) [data](#) available, net generation from wind tripled in the past three years, rising from 6.5% in 2015 to 18.9% in 2018.

The [2020 U.S. Energy and Employment Report](#) found that [New Mexico](#) has 44,112 traditional energy workers (5.3% of total state employment) and an additional 6,099 workers employed in energy efficiency.

The New Mexico Public Regulation Commission ([NMPRC](#)) [regulates](#) three natural gas companies, 21 electric cooperatives, and three investor-owned utilities (IOUs) in the state. The NMPRC has five elected, term-limited members. Currently, there are four Democrats and one Republican commissioner, Democrat Theresa Becenti-Aguilar is chair. Democratic majorities control both chambers of the [state legislature](#), and [Governor](#) Lujan Grisham is a Democrat.

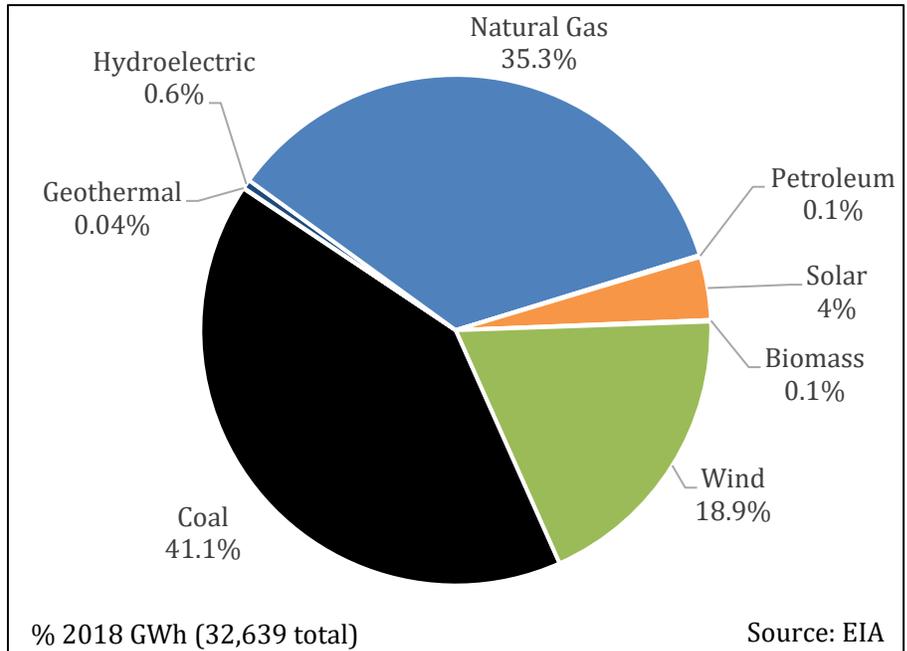
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POLICY STRENGTHS AND OPPORTUNITIES

The National Renewable Energy Laboratory (NREL) developed the notion of “policy stacking,”¹ an important framework for policymakers to consider. The basic idea behind policy stacking is that there is an interdependency and sequencing of state policy that, when done effectively, can yield greater market certainty, private sector investment, and likelihood of achieving stated public policy objectives.

In theory, but not always in practice, clean energy policies can be categorized into one of three tiers of the policy stack. Tier 1, market preparation policies, remove technical, legal, regulatory, and infrastructure-related barriers to clean energy technology adoption. Tier 2, market creation policies, create a market and/or signal state support for clean energy technologies. Tier 3, market expansion policies, create incentives and other programs in order to expand an existing clean energy market by encouraging or facilitating technology uptake by additional market participants.

New Mexico's Net Annual Electric Generation, 2018



¹ V.A. Krasko and E. Doris, *National Renewable Energy Laboratory*, 2012. Strategic Sequencing for State Distributed PV Policies: A Quantitative Analysis of Policy Impacts and Interactions. <http://www.nrel.gov/docs/fy13osti/56428.pdf>.

For example, before financial incentives for combined heat and power (CHP) will be successful, two key considerations for deployment are having clear interconnection standards and favorable stand-by rates for customers who opt to add CHP. In this example, states should adopt policies to address interconnection and stand-by rates before adopting financial incentive programs.

GRID MODERNIZATION

New digital technologies have enabled utilities to better manage the grid and provide opportunities for consumers to customize their services to fit their priorities. These technologies allow a two-way flow of information between the electric grid and grid operators and between utilities and their customers.

Emerging technologies improve system reliability and resiliency by enabling better tracking and management of resources. These technologies allow grid operators to incorporate central and distributed energy resources, energy storage technologies, electric vehicles, and assist in addressing the challenges associated with planning, congestion, asset utilization, and energy and system efficiency.

Grid modernization will require a suite of state and federal policy changes to support advancements in grid technologies, grid management, and utility regulation.

In the most recent (2018) [Grid Modernization Index](#), New Mexico ranked in the bottom 10 states for grid modernization efforts, but the state is poised to make significant advancements in grid improvements. In March 2020, the state enacted [HB 233](#), or the Energy Grid Modernization Roadmap, which directs the Energy, Minerals, and Natural Resources Department (EMNRD) to outline a strategy and priorities for modernizing the state's electricity system. The department is tasked with developing a competitive grant program to accept project proposals from municipal and county governments, state facilities, public schools, and tribal communities. Additionally, the act allows IOUs to submit applications to the PRC for review and approval of investments into grid modernization projects and provides for cost recovery. Eligible projects include advanced metering infrastructure, real-time information devices, energy storage, cybersecurity measures, electric vehicle charging infrastructure, and others. [Sandia National Laboratories](#), headquartered in Albuquerque, engages in research and development for transmission and planning, grid resilience, distributed energy resource (DER) integration, and microgrids. Sandia also provided technical support to a [smart grid demonstration project](#) by the Public Service Company of New Mexico (PNM). The project was established using American Recovery and Reinvestment Act of 2009 (ARRA) funds. [Announced](#) in September 2018, a \$20 million grant will fund a Sustainable, Modular, Adaptive, Resilient, and Transactive (SMART) Grid Center at the University of New Mexico.

There are supportive policies that policymakers could adopt to increase in-state modernization efforts.

1. Develop a grid modernization strategy through a stakeholder process. Alternatively, states might decide to require that utilities develop and propose a ten-year grid modernization plan to the public utilities commission within a specified timeframe. Utilities would then be required to implement that plan within another specified timeframe. Strategies and/or plans should outline a clear set of grid modernization goals and describe methods to measure, report, verify, and enforce progress towards those goals. The grid modernization bill HB 233 does not require EMNRD to develop priorities and strategies in conjunction with stakeholders.
2. Develop [new utility business models](#). Today, non-traditional energy resources, including emerging, disruptive technologies (for example, customer-owned distributed generation, electric vehicles, and energy storage) are increasingly cost competitive with more traditional resources. This has not only led to shifting customer expectations but also to new market realities confronting energy providers. In light of this, many argue that the regulated utility industry needs a new set of principles that are more sophisticated, forward-planning, and incentive-based. The NMPRC opened an investigation ([17-00046-UT](#)) of new financial incentives and methods of cost recovery for regulated assets in March 2017. The case appears to have stalled. Policymakers could consider directing the NMPRC to evaluate alternative ratemaking mechanisms, [performance-based regulation](#), and/or new utility business models that support grid modernization.
3. Require that utilities' integrated resource plans (IRPs) include plans to enhance cybersecurity, integrate distributed energy resources (including electric vehicles and energy storage), increase smart meter deployment

and demand response and/or demand-side management (DSM) programs, and measure and report on the results of grid modernization efforts.

4. The technologies associated with grid modernization generate a wealth of information about the grid itself and about customer behavior. State policy should include measures to protect this data, but can also encourage the use of this information to facilitate additional improvements in grid management and customer service. To address this, policymakers can develop legislation or rules that clarify who owns the energy data associated with consumer energy usage; protect customer privacy; outline the process for allowing direct access to data by third parties; and promote access to the highest resolution of data possible. States could establish customer access to energy data through the [Green Button Connect](#) program, for example. Southwestern Public Service Company has [implemented](#) Green Button access for customers in its service territory.

ENERGY STORAGE

Energy storage offers a unique opportunity to manage supply and demand dynamically while also maximizing the value of grid resources. By deploying storage to strategic locations, utilities can more effectively manage their energy portfolios. First, storage allows utilities to manage intermittent demand – helping to flatten peak demand requirements. Second, the responsiveness of energy storage can allow utilities to implement voltage regulation and other ancillary services, which are useful for improving system efficiency. Third, storage can dispatch power to better integrate intermittent power generation resources like renewable energy to the grid. Finally, energy storage can help the commercial sector avoid costly [demand charges](#). As utilities around the country consider implementing or extending demand charges to other sectors, energy storage will become more relevant as a customer cost-saving investment.

The flexibility of battery storage, combined with advanced metering infrastructure, allows customers to control how and when they use energy from the grid or from solar panels installed on their home or business. In most cases, this can provide greater cost savings than standalone solar systems. Combined with [time-varying rates or real-time pricing programs](#), state policy can further support customer choice and open a new market for energy services. Prices that better reflect the time-varying and location-dependent costs of producing and delivering electricity can lead to several economic and environmental gains.

Storage provides multiple benefits to both the customer and the utility. State planning and regulatory policies can help maximize these benefits by 1) establishing a framework for easy integration of energy storage into the grid and 2) establishing a marketplace that monetizes the benefits of energy storage for cost effective investment.

While New Mexico does not have a state-mandated energy storage procurement target or goal, the NMPRC voted unanimously in 2017 to mandate the inclusion of [energy storage](#) in utilities' IRPs as a commercially feasible energy resource. Following the order, PNM [issued](#) a request for proposals for renewable and energy storage projects totaling 456 megawatts (MW). PNM also maintains a 500 kilowatt (kW) [solar-plus-storage](#) demonstration project in partnership with the U.S. Department of Energy, Sandia Laboratories, and the University of New Mexico.

There are opportunities for developing supportive state policies:

1. Amend [existing interconnection policies](#) to ensure that storage can connect to the grid through a transparent and simple process. The Interstate Renewable Energy Council ([IREC](#)) has produced a series of interconnection protocols that states can easily adopt. The state could establish best practices for interconnecting storage in statute, or legislation could provide an instruction to the NMPRC to update existing policy.
2. Instruct utilities to evaluate the value of energy storage in multiple strategic locations across the utility system and consider a requirement to deploy storage where it will be cost effective, or identify the price point at which it will become cost effective.
3. Require the inclusion of energy storage as a critical piece of the energy system as both a demand and supply management resource. Some states have required that utilities evaluate the cost effectiveness of [non-wires alternatives](#) (NWA) to large transmission and generation investments. Alternatively, states might want to require that utilities develop a distribution investment plan that identifies the locations on the distribution system where energy storage or other distributed resources would offer the greatest value.

4. Consider creating a mandatory energy storage procurement target or requirement for energy storage with a documented process for periodic review of progress towards that goal. Procurement targets can limit the amount of utility owned storage; require that a certain amount of storage be targeted to low-income customers; and create carve-outs for storage at the transmission, distribution, and customer levels. Procurement targets can jump-start market creation, spur fast learning, and guide the development of a regulatory framework. In 2017, the NMPRC [denied](#) requests to adopt an energy storage target due to a lack of adequate data to establish a clear benchmark.
5. Add energy storage as an eligible technology under existing clean energy policies like renewable portfolio standards or energy efficiency programs. In 2019, Massachusetts became the first state in the nation to include energy storage in its [three-year energy efficiency plan](#).
6. Finance and incentivize energy storage for customers and utilities. Incentives could enable customers to use storage to manage their electric load and store locally produced renewable energy. Incentives in the form of rebates, grants, and tax credits can provide a bridge to scalable deployment for storage. Incentives can be designed to decline as storage values become more readily monetized and/or as the cost of storage decreases. Policymakers could allow utilities that provide incentives to customers to recover the costs of installing smart meters. This would enable dynamic and time-varying energy management from multiple distributed battery systems. This should signal to customers the value of leveraging storage while better aligning customer costs with system costs. Financing energy storage installations for commercial customers could help reduce their demand charges. Policymakers might want to start first with a policy that provides grants to pilot projects. Policy might also target solar system owners. Financial incentives should be designed to ensure that the state will meet other goals including emissions and peak demand reductions, and equitable access to clean energy. New Mexico's [Advanced Energy Tax Credit](#) program, which provides credits for storage paired with renewable energy systems, could be expanded to include residential customers.
7. Clear data access policies that allow third parties to provide energy management services based on signals from the utility can greatly increase the value of efforts to monetize the value stream offered by energy storage. (See discussion above, under Grid Modernization.)

MAINSTREAMING RENEWABLES

As the renewable energy industry matured, technology improved, and global production of generating equipment increased. Renewable energy is increasingly seen as the least cost, and lowest risk form of energy (excluding energy efficiency). A 2019 Bloomberg New Energy Finance [report](#) predicts that renewable resources will generate at least 60% of total global electricity and 43% of U.S. electricity by 2050. With increased deployment, utilities are learning more about how to integrate renewables effectively, investors are becoming more comfortable with the technologies, and building code officials are recognizing common standards and best practices. For these reasons, it is in the interest of policymakers to ensure that their states are well positioned to benefit from the transition to clean energy resources.

To reduce barriers to customer and utility participation in the renewable energy market, New Mexico might consider several policy options.

Customer-Oriented Policies

1. Interconnection, Net Metering, and Streamlined Permitting – In general, customers want a clear, streamlined, affordable, and predictable system for connecting renewable energy systems to the grid. To ensure this, New Mexico's policymakers could consider adopting IREC's [model interconnection procedures](#), removing net metering system size limitations and crediting net excess generation at the customer's retail rate. Allowing [aggregated net metering](#) would be especially beneficial to the state's agricultural operations. Other applications for aggregated net metering include commercial properties and public entities like state and local governments, universities, and schools. The state might also consider establishing either statewide standards for streamlined permitting processes, or resources to support local governments that voluntarily implement a streamlined program, as [Las Cruces](#) has done. State incentives, such as tax credits, financial incentives, or loans can be tied to systems that are established within a designated streamlined permitting jurisdiction.

2. Shared Renewables – Due to building and property attributes and ownership issues, many customers are unable to install renewable energy technologies where they live or work. Allowing shared, or community, renewable energy projects addresses these barriers. These projects have multiple owners or subscribers who pay for a portion of the project or the generation provided by the system. New Mexico might consider adopting a virtual net metering policy. Virtual net metering allows a customer to receive credits from a shared system as if the generation were on site. Virtual net metering is different from a power purchase agreement (PPA), which pays the customer for the proportion of power they produce. Because it is treated as a credit on the customer’s bill, the customer can avoid the tax implications of a PPA payment - which can adversely affect the economics of the system (and may come as a surprise to the participant).

Low credit ratings often deter participation in renewable energy markets; this can affect low- and moderate-income (LMI) households’ adoption of renewable energy solutions. Supportive policies for shared renewables can be designed to encourage participation by LMI households; this can increase adoption of renewable technologies and reduce energy costs. Low-income participation can be ensured either through a percentage mandate for the overall annual contracted capacity, or by offering a higher rate of payment for the portion of shared solar capacity attributed to LMI customers. States that have a shared renewable program may want to coordinate this program with implementation of the federal [Weatherization Assistance Program](#) to provide recipients of assistance with participation in a shared renewable system.

There are [several additional policy options](#) that New Mexico might consider to promote renewable energy uptake by LMI consumers. Generally, successful state policies should be tailored to these customers, be cost-effective and financially sustainable, have measurable performance indicators, and be flexible enough to allow later changes in design.

3. Corporate Procurement – Many Fortune 100 and 500 companies have established either climate goals or commitments to purchase renewable energy. Over the last five years, [over 20 gigawatts \(GW\) of renewable contracts](#) have been announced by corporate entities. This is leading policymakers to provide additional avenues for businesses to procure renewable energy. With New Mexico’s substantial wind capacity and PNM’s [green energy rider](#), the state is becoming an attractive environment for corporate procurement of renewable energy. The NMPRC signed off on PNM’s plan to procure 266 MW of renewable capacity to power the Los Lunas [Facebook data center](#), making it one of the [single largest corporate PPAs](#) signed in 2018. [New Mexico’s policy](#) allows companies to purchase RECs or renewable energy through [green tariffs](#), develop or lease onsite renewable energy projects, and enter into onsite third-party PPAs. The products available in [New Mexico](#) meet all six of the [Corporate Renewable Energy Buyers’ Principles](#). It is prudent to incorporate corporate renewable purchase commitments into the IRPs that utilities submit to regulators to plan for resource needs over multiple decades. By integrating these renewable purchase commitments into the IRP process, regulators can avoid over-building resources and stranding generation assets.

Utility-Oriented Policies

Some states have created programs that aim to reduce greenhouse gas (GHG) emissions and increase investments in clean energy resources. New Mexico’s Energy Transition Act ([Senate Bill 489](#)) increased the state’s RPS to 80% by 2040 and created a new clean energy resource standard of 100% carbon-free energy by 2045 for IOUs and 2050 for cooperative utilities. New Mexico was the third state, joining California, the District of Columbia, and Hawaii, to establish a 100% clean energy target. Utilities in the state are taking the lead in clean energy by incorporating more renewable resources in their energy portfolios. Regulators approved a plan proposed by PNM to [phase out](#) all coal generation by 2031. In April 2019, PNM set a [goal](#) to provide carbon free electricity by 2040.

The Energy Transition Act includes provisions for refinancing aging coal plants to support the transition toward renewables with a policy tool called securitization. [Securitization](#) restructures utilities’ unpaid debt on non-competitive coal plants, allowing them to pay reduced interest rates with ratepayer-backed bonds to minimize the economic effects of closures for coal communities. A portion of bond proceeds goes toward funding jobs-focused transition assistance programs and renewable energy initiatives. This enables coal-owning utilities to retire coal plants ahead of schedule while promoting a more just energy transition. SB 489’s securitization measures were designed to facilitate PNM’s closure of the [San Juan](#) generating station.

To increase utility adoption of clean energy technologies, New Mexico’s policymakers might consider adopting a clean peak standard. [Clean peak standards](#) aim to increase the share of clean energy resources used to meet peak demand and decrease energy bills over the long-term by reducing peak demand in the hours when energy costs are highest. These objectives can be met through different policy options, including: planning and procurement that focuses on peak demand; a moratorium on the construction of new peaking units or a phase out of existing units; incentives – including carve-outs in states with RPSs – for clean energy resources delivered during peak times; and/or adopting a new clean peak standard that sets a target for clean energy deliveries during peak times.

PATHWAYS TO A LOW CARBON FUTURE

The international scientific community has determined that steep and rapid reductions in global greenhouse gas (GHG) emissions are needed to avoid the worst impacts of global warming and climate change. Federal and state policy interventions are necessary to transform our energy systems and rapidly reduce GHG emissions in the U.S. In general, effective policies will:

- 1) Establish performance standards and place enforceable limits on carbon pollution;
- 2) Provide financial incentives for individuals, businesses, and industry to choose clean energy and greatly improve energy efficiency;
- 3) Spur public and private investment in clean energy infrastructure, including investment in advanced transportation systems for the movement of people and goods; and
- 4) Provide funding for research, development, and demonstration of technologies that will underpin the decarbonization of the U.S. economy.

Governor Lujan Grisham’s [Executive Order 2019-003](#) commits the state to joining the [U.S. Climate Alliance](#), establishes a GHG emissions reductions goal of 45% below 2005 levels by 2030, and creates a Climate Change Task Force charged with evaluating policies and developing a strategy to meet this goal. The first [report](#) containing initial recommendations for New Mexico’s climate strategy was released in November 2019. The order also requires the development of a statewide regulatory framework to reduce oil and gas sector methane emissions. To compliment this, New Mexico’s policymakers might consider the following:

1. GHG Emissions Monitoring and Reporting – To effectively implement policies that reduce emissions, a mandatory system for monitoring, reporting, and verifying GHG emissions must be put in place. While the U.S. EPA has GHG reporting requirements, the federal reporting requirements focus on major industrial sources, leaving significant gaps in the information states need to fully understand their emissions profile. Policymakers might consider legislation similar to Colorado’s [SB19-096](#), which requires annual GHG reporting and establishes emissions baselines from which to measure progress.
2. Cap-and-Trade / Cap-and-Invest – These policies place enforceable limits on carbon emissions that cannot be exceeded by regulated entities without penalty. Emissions allowances are allocated or sold to companies by the state and sources must hold an allowance for each ton of carbon they emit in a given year. Emissions caps and available allowances are reduced every year, requiring that industries reduce their emissions or pay higher market prices for available allowances. States might choose to invest the revenue associated with emissions allowances in renewable energy, public transportation, zero-emission vehicles, environmental restoration, sustainable agriculture, recycling, and other actions.

States might consider joining an existing program like the [Western Climate Initiative \(WCI\)](#) or the [Regional Greenhouse Gas Initiative \(RGGI\)](#), as joining an established network can remove administrative barriers to entry.

3. Carbon Tax – Carbon taxes impose a price on each ton of carbon emitted and are levied on the purchase and use of fossil fuels by business and industry. That cost is subsequently reflected in consumer prices. If carbon taxes are levied at a high rate they will discourage the use of GHG emitting resources and technologies, encouraging a market switch to new technology. Alternatively, carbon taxes can be set at a lower rate, which will have a limited impact on market behavior, but the revenue can be substantial and that revenue can be invested in energy efficiency and emission reduction technologies which will result in lower emissions. States considering this option might examine [British Columbia’s existing tax structure](#) or the federal proposals from the [Citizen’s Climate Lobby](#) and the [Climate Leadership Council](#).

4. Emissions Performance Standards – Transportation sources now emit more GHGs than any other sector, and rapid reductions from all types of vehicles, engines, and equipment is critical to achieving carbon reduction goals. The [Low Carbon Fuel Standard](#) (LCFS) implemented by both Oregon and California is another example of a flexible, market-based approach to regulating carbon emissions at the state level. LCFSs regulate the carbon intensity of transportation fuel in order to reduce the use of petroleum-based fuels and promote investment in low-carbon options (electrification, biofuels, hydrogen, etc.). The market mechanism LCFSs use is a crediting system where each fuel type is assigned a carbon intensity (CI) score. The allowable CI score is decreased yearly, requiring a switch to lower CI fuels. Entities who provide fuel below the regulated CI score earn credits. These credits can be sold to providers who operate at a deficit (above the mandated CI score), creating a market incentive for investment in cleaner fuels.

ELECTRIFICATION OF THE TRANSPORTATION SECTOR

Bloomberg New Energy Finance [estimates](#) that 58% of all new passenger vehicle sales will be electric by 2040 and that price parity with conventional vehicles will be met for most segments in the mid-2020s. Therefore, a key part of building a modernized grid involves designing infrastructure that will facilitate easy connection of electric vehicles (EVs) to the grid. One of the most important barriers to increased adoption of EVs is the consumer’s awareness of the availability of EV charging stations. Ultimately, drivers want to be sure that their car will get them where they need to go. Another important barrier to increased adoption of EVs is their higher up-front cost as compared to similar conventionally fueled vehicles. The good news is that both supportive policies for developing charging infrastructure and technological advancements have eased range anxiety.

A few [incentives](#) for alternatively fueled vehicles are currently available in New Mexico. As part of implementing [HB 233](#), or the Energy Grid Modernization Roadmap, EMNRD will develop a grant program to support grid modernization. This will [include](#) EV charging infrastructure. Manufacturers of electric and hybrid electric vehicles are eligible for a [tax credit](#), state and local agencies are eligible for [loans](#) to support the purchase of alternative fueled vehicles, including EVs, and EVs and EV supply equipment (EVSE) is an eligible improvement under the state’s [guaranteed utility savings contracts](#) program.

Governor Lujan Grisham’s [Executive Order 2019-003](#) includes a direction that state agencies evaluate the adoption of low emission vehicle (LEV) and zero emission Vehicle (ZEV) standards. On July 9, 2019, Governor Lujan Grisham, as a member of the U.S. Climate Alliance, signed the [Nation’s Clean Car Promise](#) to support the creation of a national clean car standard.

In December 2019, Governor Lujan Grisham [signed](#) the revised [Intermountain West EV Corridor Memorandum of Understanding \(MOU\)](#).² The mutual intention of the signatories (Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming) is to update their Regional Electric Vehicle Plan for the West (REV West Plan) based on progress to date. Under the MOU, the signatory states agree to create best practices and procedures that will enhance EV adoption; create voluntary minimum standards for EV charging stations; identify and develop opportunities to incorporate EV charging station infrastructure into planning and development processes; encourage EV manufacturers to stock and market a wide variety of EVs in the states; and identify, respond to, and where possible, collaborate on funding opportunities to support the development of the REV West Plan.

There are several policy opportunities to further encourage and prepare for increased market penetration of EVs in the state, including:

1. EV and EVSE Financing and Financial Incentives – Providing financial incentives and innovative financing options can help spur greater market penetration of EVs. Sales, property, and income tax credits are some of the simplest methods for addressing high up-front costs of EVs and EVSE. While sales tax credits are typically applied at the time of purchase, property and income tax credits may do less to address upfront cost barriers as the credit is not applied at the time of purchase.³ States have adopted other financial incentives including low-interest loans, vouchers, and rebates. A handful of states qualify EVSE under their property assessed clean energy (PACE)

² Former Governor Susana Martinez signed the original [Intermountain West EV Corridor Memorandum of Understanding \(MOU\)](#) in 2017.

³ A [study](#) by the Congressional Budget Office however suggests that tax credits are important tools for ensuring increased adoption of alternative-fueled vehicles.

programs. A simple solution is to increase and expand existing tax credits to incentivize commercial, publicly available charging stations.

2. Charging Infrastructure Plan – Locating charging infrastructure is different from locating conventional fueling stations. While some drivers will need to charge more quickly, others will refuel when they are parked for longer periods of time, for example when shopping, eating at a restaurant, or going to work. Charging infrastructure plans should attempt to pair the appropriate level of charging (level 2 or direct current fast charging) with a reasonable amount of time a person will be at that location. Legislation could direct a state agency to develop an infrastructure plan through a stakeholder process. States with existing registration fees for EVs could use a portion of this revenue to fund charging infrastructure development efforts, as [Washington](#) has done.

Enacted March 2019, [House Bill 521](#) requires electric utilities, except for rural distribution cooperatives, to file an application with the NMPRC for approval of a transportation electrification plan by 2021. Each utility's plan can address investments, incentives, programs, rate designs, and other expenditures that support transportation electrification. In its review of a plan, the NMPRC is required to consider a number of factors. These include the potential improvement of the public utility's electrical system efficiency, the integration of variable resources, operational flexibility and system utilization during off-peak hours, increased access to use of electricity as a transportation fuel generally and by low-income users in underserved communities, and the contribution to any reduction in pollution or greenhouse gases ([Fiscal Impact Report](#)).

3. Parking Infrastructure Requirements – In tandem with the development of a statewide plan, legislation could set requirements for EV parking infrastructure. Some states have adopted permitting standards for parking lots, requiring, for instance, that for every 100 parking spaces, there must be at least one EV charging space. Legislation could also incentivize utilities to develop [make-ready locations](#). These locations supply power to the point where a utility or third party developer might install an EV charging station. New Mexico's [building energy code](#) could also be updated to include requirements for EV charging infrastructure.

NEWS

- August 17, 2020: [Investment into Renewable Energy in New Mexico Continues to Grow](#)
- August 7, 2020: [New Mexico's Plan to Shut Down Coal Without Leaving People Behind](#)
- July 30, 2020: ["New Mexico is Leading the Nation": Renewables Set to Replace Coal-Fired San Juan Generating Station](#)
- July 9, 2020: [New Mexico Establishes First Alternative Fuel Corridors](#)
- July 7, 2020: [New Mexico Utility Unveils Solar Array to Power Facebook](#)
- June 26, 2020: [New Mexico's Oil and Gas Regions Could become the State's Leaders in Renewable Energy](#)
- June 24, 2020: [Staff for New Mexico Regulators Pushes Renewables for San Juan Replacement](#)
- June 16, 2020: [Pattern Swoops on 1GW New Mexico Wind Pipeline](#)
- May 1, 2020: [New Mexico Delays 350 MW, 240 MWh Solar+Storage Projects Intended to Replace San Juan Coal Plant](#)
- March 3, 2020: [New Mexico Governor Signs Solar Energy, Grid Update Bills](#)

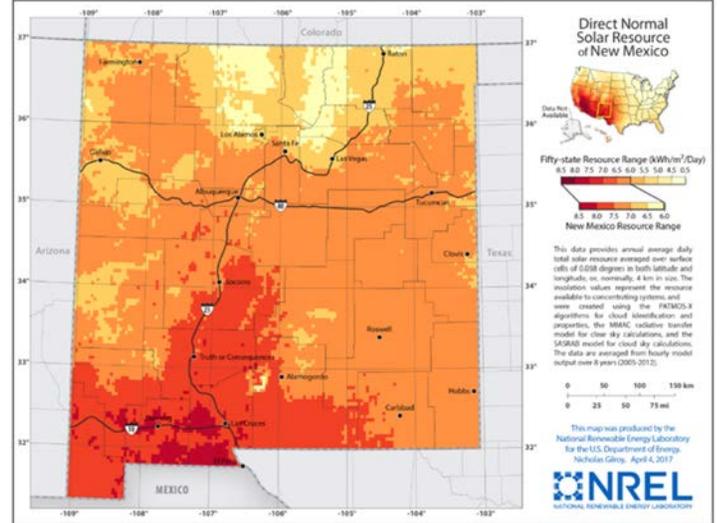
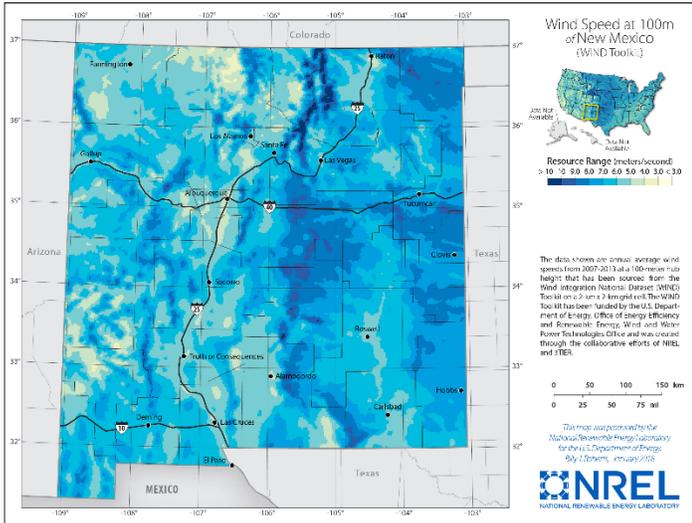
OTHER RESOURCES

- The American Council for an Energy-Efficient Economy State and Local Policy Database, New Mexico: <https://database.aceee.org/state/new-mexico>
- The Database of State Incentives for Renewables and Efficiency, New Mexico: <https://programs.dsireusa.org/system/program?fromSir=0&state=NM>
- U.S. Energy Information Administration, New Mexico: <https://www.eia.gov/state/?sid=NM>
- SPOT for Clean Energy, New Mexico: <https://spotforcleanenergy.org/state/new-mexico/>
- American Wind Energy Association (AWEA): <https://www.awea.org/resources/fact-sheets/state-facts-sheets>
- National Renewable Energy Laboratory Biomass Maps: <https://www.nrel.gov/gis/biomass.html>
- The Rocky Mountain Institute, From Gas to Grid – Building Charging Infrastructure to Power Electric Vehicle Demand: <https://rmi.org/wp-content/uploads/2017/10/RMI-From-Gas-To-Grid.pdf>

- The GridWise Alliance, EVs - Driving Adoption, Capturing Benefits: <http://gridwise.org/evs-driving-adoption-capturing-benefits/>
- The Regulatory Assistance Project, Performance-Based Regulation: <https://www.raponline.org/event/performance-based-regulation-the-power-of-outcomes-part-1/>
- The Interstate Renewable Energy Council, A Playbook for Modernizing the Distribution Grid, Volume 1: <https://irecusa.org/publications/a-playbook-for-modernizing-the-distribution-grid-volume-1/>

NEW MEXICO'S WIND AND SOLAR RESOURCES

WIND <https://windexchange.energy.gov/states/nm>



Our Resources

CNEE Homepage: <https://cnee.colostate.edu/>

The SPOT for Clean Energy: <https://spotforcleanenergy.org/>

The Advanced Energy Legislation (AEL) Tracker: <https://www.aeltracker.org/>

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