Objective: To position New Mexico as a national leader in energy and natural resources management.

Energy, Minerals & Natural Resources Department
Sarah Cottrell Propst, Cabinet Secretary
Our Work

EMNRD has five public-facing divisions:

- Energy Conservation and Management
- Forestry
- Mining and Minerals
- Oil Conservation
- State Parks

Our focus areas include climate change, mining and oil & gas industry oversight, outdoor recreation, resilient resource management, and expanding renewable energy.
Energy Transition Act

• Passed in 2019

• Benchmarks for Utilities:
  • 80% renewable energy by 2040
  • 100% zero carbon resources by 2045 as long as safety, reliability and impacts to customer bills are considered.
  • The Public Service Company of New Mexico (PNM) is on track to meet the zero-carbon requirement by 2040.

• Benchmarks for Rural Electric Cooperatives:
  • 100% zero carbon resources by 2050
  • Resources composed of at least 80% renewable energy, with considerations for technical feasibility, reliability, and affordability.
Implementing the ETA: Grid Modernization

• 2020: Grid Modernization Act signed into law, which:
  • Directs EMNRD to develop a strategic plan for energy grid modernization
  • Establishes competitive grant program for implementation
    • Competitive grant applications are currently under review
  • Allows New Mexico to more easily apply for federal grants for grid modernization projects
  • Directs the Public Regulation Commission to allow for reasonable cost recovery for utility grid modernization projects
    • The first grid modernization project has already been proposed to the PRC earlier this year
Grid Modernization Grant Program

• The Grant Program and Fund supports pilot projects that advance research and understanding of distributed grid technologies and upgrades

• Eligible projects will improve electric distribution or transmission infrastructure to expand renewables

• Eligible applicants include municipalities and county governments; state agencies; state universities; public schools; post-secondary education institutions; and tribes and pueblos.

• $301,600 for grid modernization pilot projects available in FY22
Grid Modernization Process

• Fall 2020: Grid Modernization Advisory Group meets
  • Utilities, energy experts, consumer advocates, energy companies, and state regulators convened
  • Identified action-oriented recommendations and ways forward
• Draft technical white papers released in February 2021 for public review
• Recommendations based on the Group’s discussions and whitepapers are under review, and some are already in progress
Key Recommendations From the Grid Modernization Advisory Group

• Update New Mexico’s interconnection rules and manual
• Deploy advanced metering infrastructure statewide
• Proactively engage in regional transmission planning and consider joining a formal regional market
• Revise IRP processes to ensure more transparency and inter-utility coordination on resource adequacy
• Deploy community solar program
• Create new methods for bringing energy efficiency and beneficial electrification to traditionally underserved areas of the state
Implementation Progress

- In 2021, the state legislature passed a bill authorizing community solar programs in New Mexico; the PRC is currently engaged in rulemaking for community solar.
- The PRC has opened dockets on interconnection manual updates and the possibility of IRP revisions.
- EMNRD is evaluating the first round of grid modernization grant applications.
- The first grid modernization cost recovery petition has been filed at the PRC.
Objective:
To position New Mexico as a national leader in energy and natural resources management.

Contact Info:
Sarah Cottrell Propst, Cabinet Secretary (sarah.propst@state.nm.us)
Lois C. Pedro, Executive Assistant (LoisC.Pedro@state.nm.us, 505-476-3316)

Thank you