

**NOTICE OF PROPOSED RULEMAKING
DOCKET NO. 21-00266-UT**

The New Mexico Public Regulation Commission (the “commission”) hereby gives notice of its initiation of a proposed rulemaking to repeal and replace rule, **17.9.568 NMAC, “Interconnection of Generating Facilities with a Rated Capacity up to and Including 10 MW Connecting to a Utility System.”**

Summary of the full text of the proposed rule and short explanation of its purpose: The purpose of this rulemaking is to revise and update Title 17.9.568 establishing the definitions, standards, procedures and screening processes for the interconnection of electric generating facilities with a rated capacity up to and including 10 MW. The rule provides guidance for the revision and updating of the New Mexico utility interconnection manual and technical guidelines documents, last revised in October 2008. The existing rule and associated manual no longer adequately accommodate evolving technologies and devices that are increasingly seeking behind-the-meter interconnection to utility distribution networks. Recently developed technical standards IEEE 1547-2018/IEEE1547.1-2020/UL1741SB are adopted to provide for advanced functionalities for DC/AC inverters, and for testing and certification of interconnected devices. The revised rule modifies or adds technical and non-technical processes for interconnection, including: allowing for pre-application review of projects; refining technical screening criteria, determining categorization of projects by size; defining timelines for processing of interconnection applications; establishing a dispute resolution process; defining utility reporting requirements; and making additions or revisions to a set of definitions. It also sets out considerations governing non-export, limited export, and inadvertent export of energy into the utility system. The rule directs utilities to provide the commission and the public with information about available hosting capacity or constraints on distribution circuits. Citing recently adopted statutes, including the Grid Modernization Act of 2019 (Section 62-8-13 NMSA 1978) the proposed rule provides the commission with options for future determinations of alternatives to the traditional cost-causation model for necessary interconnection-related system upgrades.

Legal authority authorizing the proposed rule and the adoption of the rule: The Commission has the authority to promulgate the Proposed Rule pursuant to the New Mexico Public Regulation Commission Act, Section 8-8-1 et seq. NMSA 1978, the Public Utility Act, Section 62-3-1 et seq. NMSA 1978; the Energy Transition Act, 62-18-1 et seq. NMSA 1978; the Grid Modernization Act, Section 62-8-13 NMSA 1978; and the Community Solar Act, Section 62-16B-1 NMSA 1978.

How a copy of the full text of the proposed rule can be obtained: A copy of the full text of the proposed rule and instructions for accessing the complete rulemaking record can be obtained from the rulemaking page on the commission’s website at <https://www.nm-prc.org/rulemaking-proceedings/> or by calling Isaac Sullivan-Leshin of the commission’s office of general counsel at (505) 670-4830. From the same sources, any person can obtain the commission’s *Additional Issues to be Addressed in Interconnection Rulemaking Formal Comment Process*, which should be reviewed and considered in conjunction with the proposed rule.

How a person can comment on the proposed rule, where comments will be received and when comments are due: Any person wishing to comment on the proposed rule or the *Additional Issues to be Addressed in Interconnection Rulemaking Formal Comment Process* may do so by submitting written initial comments no later than **February 4, 2022**. Any person wishing to respond to initial comments may do so by submitting written response comments no later than **February 28, 2022**. Any person wishing to reply to response comments or comments made at the hearing may do so by submitting written reply comments no later than **March 22, 2022**. Comments can be electronically filed by sending them in PDF format to prc.records@state.nm.us. Comments must refer to Docket No. 20-00171-UT. All written comments will be posted on the commission’s website within three days of their receipt by the records bureau.

The record closure date for this proceeding is **March 29, 2022**. From that date through the completion of this proceeding, rulemaking participants will be forbidden from communicating with the commission or its representatives concerning substantive issues in this proceeding.

When and where a public rule hearing will be held and how a person can participate in the hearing: A public hearing on the proposed rule and the *Additional Issues to be Addressed in Interconnection Rulemaking Formal Comment Process*, to be presided over by the commission or its designee, will be held beginning at **10 a.m. on Thursday March 10, 2022**, via the Zoom online platform. Any person who wishes to make a comment at the hearing must contact Isaac Sullivan-Leshin at (505) 670-4830 or isaac.sullivan-leshin@state.nm.us by no later than **4:30 p.m. on March 9, 2022** to sign up as a hearing participant. The commission's office of general counsel will email a Zoom invitation to all hearing participants the day before the hearing. The Zoom invitation will include a call-in number for those participants who are unable to access the Zoom platform via computer. The hearing will be held in order to receive oral comments. In the interest of administrative efficiency, commenters who have submitted written comments may be restricted from making oral comments at the discretion subject to the discretion of the Commission or its designee. In addition, any commenter may be limited to five minutes to speak, subject to the discretion of the commission or its designee. The commission or its designee may also determine that a spokesperson should 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. A court reporter will prepare a transcript of the hearing for filing the rulemaking docket, Docket No. 20-00171-UT. Any person with a disability requiring special assistance in order to participate in the hearing should contact Renada Peery-Galon at (505) 467-9116 at least 48 hours prior to the commencement of the hearing.

Technical information that served as a basis for the proposed rule and how the information can be obtained: When adopting the proposed rule, the commission considered the report titled "*New Mexico Interconnection Rules: Report and Recommendations to the New Mexico Public Regulation Commission*," prepared by the interconnection rulemaking working group, which was filed in Docket No. 20-00171-UT on October 15, 2021. The commission also considered the report titled "*New Mexico Community Solar - Stakeholder Participation Pre-Rulemaking Status Report*," prepared by Strategen Consulting, LLC, which was filed in Docket No. 21-00112-UT on October 15, 2021. Copies of this technical information can be obtained from the rulemaking page on the commission's website at <https://www.nm-prc.org/rulemaking-proceedings/> or by calling Isaac Sullivan-Leshin of the commission's office of general counsel at (505) 670-4830.

The following codes and standards are also referenced in the proposed rule:

- IEEE Std 1547™, IEEE standard for interconnection and interoperability of distributed energy resources with associated electric power systems interfaces;
- IEEE Std 1547.1™, standard conformance test procedures for equipment interconnecting distributed energy resources with electric power systems and associated interfaces;
- ANSI C84.1, electric power systems and equipment - voltage ratings (60 Hertz);
- IEEE Std 1547.2™, application guide for IEEE 1547 standard for interconnecting distributed resources with electric power systems;
- IEEE Std 1547.6™, IEEE recommended practice for interconnecting distributed resources with electric power systems distribution secondary networks;
- IEEE Std 1547.7™, IEEE guide for conducting distribution impact studies for distributed resource interconnection;
- UL 1741, standard for inverters, converters, controllers and interconnection system equipment for use with distributed energy resources. UL 1741 compliance must be recognized or certified by a nationally recognized testing laboratory as designated by the U.S. Occupational Safety and Health Administration.

These codes and standards can be obtained from the Institute of Electrical and Electronic Engineers and the company known as UL.

Instructions on how to access the complete rulemaking record, reports and other items filed in the commission's e-docket system can be found at <https://www.nm-prc.org/rulemaking-proceedings/>.