

NOTICE OF PROPOSED RULEMAKING
CASE NO. 21-00266-UT

The New Mexico Public Regulation Commission (the “commission”) 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.”** 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 purpose of this rulemaking is to revise and update Part 17.9.568 NMAC 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. Additionally, the commission plans to update the provisions in the existing interconnection manual and integrate those provisions into rule 17.9.568 NMAC.

Constitutional and statutory authority: 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 rules may be obtained from the rulemaking proceedings section of the commission’s website at <https://www.nm-prc.org/rulemaking-proceedings/> under Case No. 21-00266-UT or by calling Isaac Sullivan-Leshin in the Office of General Counsel at (505) 670-4830. From the same sources, any person can obtain the commission’s *Agreements Attachment* and *Screening Process Attachment* referenced in the proposed rule.

How a person can comment on the proposed rule, where comments will be received and when comments are due: Written initial comments and written response comments shall be filed by the deadlines below in accordance with NMPRC rules of procedure 1.2.2 NMAC. For information as to how to file at the time of filing, please contact Melanie Sandoval, the commission’s records bureau chief at (505) 470-8538 or melanie.sandoval@state.nm.us. Written initial comments shall be filed no later than **May 6, 2022** and written response comments shall be filed no later than **May 20, 2022**. Comments shall refer to Case No. 21-00266-UT. All written comments will be posted on the commission’s website within three days of their receipt by the records bureau.

When and where a public rule hearing will be held and how a person can participate in the hearing: a public hearing will be held on **May 31, 2022, beginning at 1:00 p.m.** via Zoom platform. The commission’s office of general counsel will email a Zoom invitation to the persons on the official service list in this matter prior to the hearing. The Zoom invitation will include a call-in number for those participants who are unable to access the Zoom platform via computer. Any member of the public 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 12:00 p.m. on May 27, 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. The first portion of the hearing will allow for any public commenters who have not filed written commentary and the second portion of the hearing will allow for oral argument for parties who have previously filed written commentary. In the interest of administrative efficiency, commenters who have submitted written comments may be restricted from making oral comments in the first portion of the hearing 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. 21-00266-UT.

The record of this case will close on **June 10, 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.

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.

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/>.

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

- IEEE Std 1547TM, IEEE standard for interconnection and interoperability of distributed energy resources with associated electric power systems interfaces;
- IEEE Std 1547.1TM, 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 1547.2TM, application guide for IEEE 1547 standard for interconnecting distributed resources with electric power systems;
- IEEE Std 1547.6TM, IEEE recommended practice for interconnecting distributed resources with electric power systems distribution secondary networks;
- IEEE Std 1547.7TM, 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.

Notice of termination of previous rulemaking: On December 28, 2021 the commission published a NOPR commencing a rulemaking to repeal and replace 17.9.568 NMAC in Volume XXXII, Issue 24 of the New Mexico Register. The commission hereby gives notice that the rulemaking commenced on December 28, 2021 is hereby terminated and a new rulemaking will commence as of the date of the publication of this notice. Any comments filed in docket 21-00266-UT prior to the publication of this notice will not be considered to be part of the record of

this rulemaking. If any person wishes for previously filed comments to be part of the record of this rulemaking the person must refile them in accordance with the directions in this notice.