TITLE 17 PUBLIC UTILITIES AND UTILITY SERVICES
CHAPTER 9 ELECTRIC SERVICES
PART 575 INTERCONNECTION OF GENERATING FACILITIES WITH A NAMEPLATE RATING UP TO AND INCLUDING 10 MW CONNECTING TO A RURAL ELECTRIC COOPERATIVE'S SYSTEM

17.9.575.1 ISSUING AGENCY: New Mexico public regulation commission.
[17.9.575.1 NMAC - N, 11/3/2026]

17.9.575.2 SCOPE:

A. This rule, and the definitions, standards, procedures and screening processes described herein apply to rural electric cooperatives operating within the state of New Mexico that are subject to the jurisdiction of the New Mexico public regulation commission. These standards and procedures apply to both qualifying and non-qualifying facilities.

B. The standards and procedures described in this rule (17.9.575 NMAC) apply only to the interconnection of generating facilities with a nameplate rated capacity up to and including 10 MW. The standards and procedures described in 17.9.569 NMAC apply to the interconnection of generating facilities with a rated capacity greater than 10 MW and are unchanged by this rule.

C. Interconnection requests are reviewed based on the combined nameplate ratings of systems accounting for their export capacity and energy storage operating mode. For purposes of review screens, only the capacity that is designed to inject electricity to the utility's distribution or transmission system, other than inadvertent exports and fault contribution, will be used.

D. All interconnection contracts between a utility and an interconnection customer existing at the time 17.9.575 NMAC is revised and adopted shall automatically continue in full force and effect. Material modifications to existing facilities or operations require a new interconnection application and agreement and will be subject to review under the current conditions of the electric power system. Any changes made to existing interconnection agreements shall conform to the provisions of 17.9.575 NMAC in effect at the time modification is executed.
[17.9.575.2 NMAC - N, 11/3/2026]

17.9.575.3 STATUTORY AUTHORITY: This rule is adopted under the authority vested in this commission by the New Mexico Public Regulation Commission Act, Section 62-19-1 *et seq.* NMSA 1978, the Public Utility Act, Section 62-3-1 *et seq.* NMSA 1978; the Rural Electric Cooperative Act, Section 62-15-1 *et seq*., 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.
[17.9.575.3 NMAC - Rp, 17.9.575.3 NMAC, 02/14/2023]

17.9.575.4 DURATION: Permanent.
[17.9.575.4 NMAC - N, 11/3/2026]

17.9.575.5 EFFECTIVE DATE: November 3, 2026, unless a later date is cited at the end of a section.
[17.9.575.5 NMAC - N, 11/3/2026]

17.9.575.6 OBJECTIVE: The purpose of this rule is to set forth common interconnection requirements and a common interconnection process based on a standard screening process for utilities and interconnection customers to expeditiously interconnect generating facilities with a rated capacity up to and including 10 MW in a safe and reliable manner.
[17.9.575.6 NMAC - N, 11/3/2026]

17.9.575.7 DEFINITIONS: Terms used in rule 17.9.575 NMAC shall have the following meanings:

A. Definitions beginning with "A":

(1) Applicant means a person or an entity that has filed an application to interconnect a generating facility to an electric power system. An applicant may include:

(a) A customer who applies for interconnection of a generating facility that will offset part or all of the load of a utility customer, the applicant is that customer, whether the customer owns the generating facility or a third party owns the generating facility.

(b) An owner of a generating facility that applies for interconnection of a generating facility that sells electric power to a utility.

(c) A subscriber organization as defined by the Community Solar Act, Subsection M. of Section 62-16B-2 NMSA 1978.

(2) **Area network** means a section of an electric power system served by multiple transformers interconnected in an electrical network circuit, generally used in large, densely populated metropolitan areas, to provide high reliability of service. Area network has the same meaning as the term "grid network" as defined in IEEE Std 1547.6™. An area network is also referred to as a grid network or a street network.

(3) **Auxiliary load** means electrical power consumed by any equipment necessary to operate the generator or energy storage system. This is intended for in-front-of-the-meter systems.

B. **Definitions beginning with "B": Business day** means Monday through Friday, excluding holidays observed by the utility.

C. **Definitions beginning with "C":**

(1) **Certified** means equipment has been tested in accordance with the applicable requirements of IEEE Std 1547™-2018 and IEEE Std 1547.1™-2020 by any nationally recognized testing laboratory (NRTL) recognized by the United States occupational safety and health administration to test and certify equipment pursuant to the applicable standard and the equipment has been labeled and is publicly listed by such NRTL at the time of the interconnection application. Equipment installed prior to March 28, 2023 will also be considered certified if it has been tested in accordance with IEEE Std 1547™-2003 and 1547.1™-2005.

(2) **Customer options meeting** means a meeting designed to review the status of the interconnection application initial review results, or to determine next steps needed to permit safe and reliable interconnection.

D. **Definitions beginning with "D":**

(1) **Detailed study process** means the procedure for evaluating an interconnection application that may include a scoping meeting, feasibility study, system impact study, or facilities study as described in Appendix A-1**.**

(2) **Distributed energy resource (DER)** means the equipment used by an interconnection customer to generate or store electricity that operates in parallel with the electric distribution system. DER may include, but is not limited to: an electric generator or energy storage system, a prime mover, or combination of technologies capable of injecting power and energy into the electric distribution system, which also includes the interconnection equipment necessary to safely interconnect with the distribution system. DER may not always be interconnected with the bulk power system. DERs may include distributed generation (DG) resources, distributed energy storage, demand response energy efficiency, and electric vehicles and chargers that are connected to the electric distribution power grid. DERs may be capable of exporting active power to an electric power system (EPS). The DER includes the customer's interconnection facilities but shall not include the area EPS operator's interconnection facilities.

(3) **Distribution service** means delivering energy over the electric power system pursuant to the approved tariffs of the utility other than services directly related to the interconnection of a generating facility under these interconnection procedures.

(4) **Distribution system** means the utility's facilities and equipment used to transmit electricity to ultimate usage points, known as premises, directly from nearby generators or from interchanges with higher voltage transmission networks which transport bulk power over longer distances. The voltage levels at which distribution systems operate differ among areas.

(5) **Distribution upgrade** means the additions, modifications, and upgrades to the utility's distribution system at or beyond the point of common coupling to facilitate interconnection of the generating facility and render the service necessary to effect the interconnection customer's operation of on-site generation. Distribution upgrades do not include interconnection facilities.

E. **Definitions beginning with "E":**

(1) **Electric power system (EPS)** means the equipment operated and maintained by a utility (may include: independent system operators, transmission owner/operator, vertically integrated utilities, electric cooperatives, municipals, and distribution companies) to deliver electric service to end-users, including transmission and distribution lines, substations, transformers, spot networks and area networks.

(2) Energy storage system (ESS) means any commercially available, customer-sited system or utility-sited system, including batteries and batteries paired with on-site generation, that is capable of retaining, storing, and delivering electrical energy by chemical, thermal, mechanical, or other means. For the purposes of this rule, an energy storage system can be considered part of a DER or a DER in whole that operates in parallel with the distribution system.

(3) Export capacity means the amount of power that can be transferred from the generating facility to the distribution system. Export capacity is either the nameplate rating, or a lower amount if limited using and acceptable means identified in 17.9.575.12 NMAC.

F. Definitions beginning with "F":

(1) Facilities study means a study that specifies and estimates the cost of the equipment, engineering, procurement, and construction work needed to implement the conclusions of the system impact study.

(2) Fast Track means the process for evaluating an interconnection application utilizing established screens as described in Appendix A-1.

(3) Fault current means the current produced during a short circuit on the electric power system measured in amperes**.**

(4) Feasibility study means a preliminary technical assessment of the proposed interconnection that identifies any potential adverse system impacts that would result from the interconnection of the generating facility.

G. Definitions beginning with "G":

(1) Generating facility means the equipment used by an interconnection customer to generate, store, manage, interconnect and monitor electricity. A generating facility includes the interconnection equipment required to safely interconnect the facility with the distribution system. DERs are generating facilities.

(2) Grid network means area network or street network. For definition, refer to area network

H. Definitions beginning with "H": Host load means the electrical power, less the DER auxiliary load, consumed by the customer at the location where the generating facility is connected.

I. Definitions beginning with "I":

(1) IEEE means the institute of electrical and electronic engineers.

(2) IEEE standards means the standards published by the IEEE, often in collaboration with American National Standards Institute (ANSI), National Institute of Standards and Technology (NIST), UL, International Electrotechnical Commission (IEC), CIGRE, and National Fire Protection Institute (NFPA), available at www.ieee.org.

(3) Inadvertent export means the unscheduled export of active power from a generating facility, exceeding a specified magnitude and for a limited duration generally due to fluctuations in-load-following behavior.

(4) Interconnection agreement means a standard form agreement between an interconnection customer and a utility that governs the interconnection of a generating facility to a utility's electric delivery system, as well as the ongoing operation of the generating facility after it is interconnected.

(5) Interconnection application means the request by an interconnection customer to interconnect a new generating facility, increase the capacity or make a material modification to the operating characteristics of an existing generating facility that is interconnected with the utility's electric power system.

(6) Interconnection customer means any person who proposes to interconnect a generating facility with the utility's system.

(7) Interconnection facilities means the utility's interconnection facilities and the interconnection customer's interconnection facilities. Collectively, interconnection facilities include all facilities and equipment between the generating facility and the point of common coupling, including any modification, additions or upgrades that are necessary to physically and electrically interconnect the generating facility to the utility's electric power system in a safe and reliable manner. Interconnection facilities are sole use facilities and shall not include distribution upgrades.

(8) Interconnection upgrade cost sharing means the allocation of distribution upgrade costs among multiple generator facility projects that utilize the hosting capacity created by a distribution upgrade.

(9) Interconnection procedures means the procedures specified in 17.9.575.12 NMAC through 17.9.575.20 NMAC.

J. Definitions beginning with "J": [RESERVED]

K. Definitions beginning with "K": [RESERVED]

L. Definitions beginning with "L":

(1) **Limited export** means the exporting capability of a DER whose generating capacity is limited by the use of any configuration or operating mode described in 17.9.575.12 NMAC.

(2) **Line section** means that portion of a utility's electric power system connected to a customer that is bounded by automatic sectionalizing devices or the end of the distribution line.

M. Definitions beginning with "M":

(1) **Material modification** means a modification to machine data, equipment configuration or to the interconnection site of the DER at any time after receiving notification by the utility of a complete interconnection application that has a material impact on the cost, timing, or design of any interconnection facilities or distribution upgrades, or a material impact on the cost, timing, or design of any interconnection application with a later queue priority date or material impact on the safety or reliability of the electric power system. A change to the point of interconnection would require either a new interconnection application or a change in queue position. A material modification does not include, for example;

(a) a change of ownership of a generating facility:

(b) a change or replacement of generating equipment that is a like-kind substitution in size, ratings, impedances, efficiencies, or capabilities of the equipment specified in the original interconnection application; or

(c) a reduction in the output of the generating facility of ten percent or less. Replacement of existing inverters with new inverters that conform to new standards after March 28, 2023, will not be considered a material modification, so long as the generating facilities output or export status does not change as a result.

(2) **Minimum load** means the lowest measured circuit/substation load regardless of time of day.

(3) **Minor modification** means any modification to a utility's electric power system that involves limited work or low costs. Minor modifications include, but are not limited to, activities like changing the fuse in a fuse holder cut-out or changing the settings on a circuit recloser.

N. Definitions beginning with "N":

(1) **Nameplate rating** means the sum total of maximum rated power output of a DER's constituent generating units or ESS, as identified on the manufacturer's nameplate, regardless of whether it is limited by any approved means.

(2) **Network system** means a collection of secondary networks, or combinations of such networks on a primary network feeder or primary network feeders that supply them. This may also consist of primary feeders networked to supply connected loads.

(3) **Network transformer** means a transformer designed for use in a vault to feed a variable capacity system of interconnected secondaries.

(4) **Non-export or non-exporting** means when the DER is sized and designed using any of the methods described in 17.9.575.12 NMAC, such that the output is used for host load only and no electrical energy (except for any inadvertent export) is transferred from the generating facility to the distribution system.

O. Definitions beginning with "O": Operating mode means the mode of DER operational characteristics that determines the performance during normal and abnormal conditions. For example, an operating modes can include "export only," "import only," and "no exchange."

P. Definitions beginning with "P":

(1) **Parallel operation** means the simultaneous operation of a generating facility with power delivered or received by the electric power system while interconnected. Parallel operation includes only those generating facilities that are interconnected with the electric power system for more than 60 cycles (one second).

(2) **Parties** means the applicant and the utility in a particular interconnection agreement. "Either party" refers to either the applicant or the utility.

(3) **Person** means, for purposes of this rule, an individual, firm, partnership, company, rural electric cooperative organized under Laws 1937, Chapter 100 or the rural electric cooperative act, corporation or lessee, trustee or receiver appointed by any court.

(4) **Point of interconnection** means the point where the interconnection facilities connect with the electric distribution system. Point of interconnection has the same meaning as the term "point of common coupling" as defined in IEEE 1547-2018.

(5) **Power control system** (PCS) means systems or devices which electronically limit or control steady state currents to a programmable limit.

(6) Primary network feeder means a feeder that supplies energy to a network system or the combination of a network system and other radial loads. Dedicated primary network feeders are feeders that supply only network transformers for the secondary network.

(7) Power conversion unit (PCU) means an inverter or AC generator, not including the energy source.

(8) Premise means a piece of land or real estate including buildings and other appurtenances thereon.

(9) Protective function means the equipment, hardware, or software in a generating facility (whether discrete or integrated with other functions) for the purpose of protecting against conditions that, if left uncorrected, could result in harm to personnel, damage to equipment, loss of safety or reliability, or operation outside pre-established parameters required by the interconnection agreement.

Q. Definitions beginning with "Q": [RESERVED]

R. Definitions beginning with "R":

(1) Rated capacity means the total AC nameplate rating of the power conversion unit(s) at the point of common coupling**.**

(2) Reference point of applicability (RPA) means the location where the interconnection and interoperability performance requirements, as specified by IEEE 1547-2018, apply.

(3) Relevant minimum load means the lowest measured circuit or substation load coincident with the generating facility's production. For solar-only facilities this shall be the daytime minimum load.

S. Definitions beginning with "S":

(1) Secondary network means an AC distribution system where the secondaries of the distribution transformers are connected to a common network for supplying electricity directly to consumers.

(2) Simplified process means the procedure for evaluating an interconnection application for a small certified inverter-based DER described in Appendix A-1.

(3) Small utility means a utility that serves fewer than 50,000 customers.

(4) Supplemental review means additional engineering evaluation to determine if a generating facility can be interconnected following the (simplified or fast track) process without the need for detailed study as described in Appendix A-1.

(5) System emergency means a condition on a utility system that is likely to result in imminent significant disruption of service to customers or is imminently likely to endanger life or property.

(6) System impact study means a study that identifies and details the electric system impacts that would result if the proposed generating facility were interconnected without project modifications or electric system modifications, focusing on the adverse system impacts preliminarily identified in the feasibility study (if conducted), or to study potential impacts, including but not limited to those identified in the scoping meeting. A system impact study shall evaluate the impact of the proposed interconnection on the safety and reliability of the electric power system.

T. Definitions beginning with "T": Technical interconnection and interoperability requirements (TIIR) documents are public documents, often utility specific, which include requirements for interconnection, interoperability, capabilities, and their utilization (settings), and grid integration (e.g., protection coordination, telemetry).

U. Definitions beginning with "U":

(1) UL means the company by that name which has established technical standards for safe operations of electrical devices, previously known as underwriter's laboratory.

(2) UL 1741 CRD for PCS means the certification requirement decision for power control systems for the standard titled "inverters, converters, controllers and interconnection system equipment for use with distributed energy resources". (March 8, 2019), Underwriters Laboratories Inc., 333 Pfingsten Road, Northbrook IL 60062-2096.

(3) Unintentional island means an unplanned island per IEEE 1547-2018.

(4) Utility means a rural electric cooperative, as that term is used in the Rural Electric Cooperative Act, NMSA 1978, §§ 62-15-1 *et seq*.

V. Definitions beginning with "V": [RESERVED]

W. Definitions beginning with "W": [RESERVED]

X. Definitions beginning with "X": [RESERVED]

Y. Definitions beginning with "Y": [RESERVED]

Z. Definitions beginning with "Z": [RESERVED]

[17.9.575.7 NMAC - N, 11/3/2026]

17.9.575.8 APPLICABILITY: All generating facilities that operate in parallel with the utility electric power system are required to have an interconnection review and an interconnection agreement to ensure safety, system reliability, and operational compatibility. These interconnection procedures are applicable to all state-jurisdictional interconnections of generating facilities with a rated capacity up to and including 10 megawatts (MW). Generating facilities with a rated capacity greater than 10 megawatts (MW) shall be conducted pursuant to 17.9.569 NMAC. Neither these procedures nor the requirements included hereunder apply to generating facilities interconnected or approved for interconnection prior to the effective date of these procedures.
[17.9.575.8 NMAC - N, 11/3/2026]

17.9.575.9 LIBERAL CONSTRUCTION: If any part or application of this rule is held invalid, the remainder of its parts and any other applications of the rule shall not be affected.
[17.9.575.9 NMAC - N, 11/3/2026]

17.9.575.10 APPLICABLE CODES AND STANDARDS:

A. The interconnection customer shall install, operate, and maintain the generating facility and the interconnection equipment in a safe manner in accordance with the rules for safety and reliability set forth in the latest editions of the national electrical code, other applicable local, state, and federal electrical codes, and prudent electrical practices.

B. In order to qualify for any interconnection procedures, each generating facility generator shall be in conformance with the following codes and standards (or their successors) as applicable, unless otherwise provided by law:

(1) IEEE Std 1547™, IEEE standard for interconnection and interoperability of distributed energy resources with associated electric power systems interfaces, as amended by IEEE 1547a™-2020, including use of IEEE 1547.1™-2020 testing protocols to establish conformity;

(2) IEEE Std 1547.1™-.2020™, standard conformance test procedures for equipment interconnecting distributed energy resources with electric power systems and associated interfaces;

(3) ANSI C84.1-2020, electric power systems and equipment - voltage ratings (60 Hertz);

(4) IEEE Std 1547.2™-2008™, application guide for IEEE 1547 standard for interconnecting distributed resources with electric power systems;

(5) IEEE Std 1547.6™-2011™, IEEE recommended practice for interconnecting distributed resources with electric power systems distribution secondary networks;

(6) IEEE Std 1547.7™-2013™, IEEE guide for conducting distribution impact studies for distributed resource interconnection;

(7) IEEE C62,92.6™-2017 IEEE Guide for Application of Neutral Grounding in Electrical Utility Systems, Part VI - Systems Supplied by Current Regulated Sources;

(8) UL 1741, Edition 3, September 28, 2021 Inverters, Converters, Controllers and Interconnection System Equipment for Use with Distributed Energy Resources;

(9) NFPA 70, current version, National Electrical Code, including any NM or local modifications;

(10) IEEE C2, current version, National Electrical Safety Code, including any NM or local modifications;

(11) UL 1741 Certification Requirement Decision for Power Control Systems, March 8, 2019, Inverters, Converters, Controllers and Interconnection System Equipment for Use With Distributed Energy Resources.

C. The interconnection equipment shall be considered certified for interconnected operation if the equipment package has been tested and listed by a nationally recognized testing and certification laboratory (NRTL) for continuous interactive operation with a utility grid.
[17.9.575.10 NMAC - N, 11/3/2026]

17.9.575.11 IEEE 1547-2018 ADOPTION*:*

A. Beginning on March 28, 2023 (or another date set by commission order), generating facilities shall be required to comply with IEEE 1547-2018, and shall conform with the following minimum requirements.

(1) Abnormal performance requirements: Category III ride through capabilities must be supported for inverter-based generating facilities. Rotating generating facilities must meet category I ride-through capabilities.

(2) Normal performance requirements: Inverter-based generating facilities shall meet reactive power requirements with category B. Rotating generating facilities must meet category A.

B. Each utility shall post its preferred default settings in their public facing Technical Interconnection and Interoperability Requirements (TIIR) document. As applicable the following shall be identified in the TIIR documents:

(1) voltage and frequency trip settings;

(2) frequency droop settings;

(3) activated reactive power control function and default settings;

(4) voltage active power (volt-watt) mode activation and default settings;

(5) communication protocols and ports requirements.

[17.9.575.11 NMAC - N, 11/3/2026]

17.9.575.12 DETERMINATION OF EXPORT CAPACITY STATUS:

A. Export controls: If a DER uses any configuration or operating mode in subsection C to limit the export of electrical power across the point of interconnection, then the export capacity shall be only the amount of power capable of being exported (not including any inadvertent export). To prevent impacts on system safety and reliability, any inadvertent export from a DER must comply with the limits identified in this section. The export capacity specified by the interconnection customer in the interconnection application will be documented as the maximum allowed export capacity of the DER in the interconnection agreement.

B. An interconnection application proposing to use a configuration or operating mode to limit the export of electrical power across the point of interconnection shall include proposed control or protection settings.

C. Acceptable export control methods:

(1) Export control methods for non-exporting DER:

(a) Reverse power protection (Device 32R): To limit export of power across the point of interconnection, a reverse power protective function is implemented using a utility grade protective relay. The default setting for this protective function shall be one tenth percent (export) of the service transformer's nominal base nameplate rating, with a maximum two second time delay to limit inadvertent export.

(b) Minimum power protection (Device 32F): To limit export of power across the point of interconnection, a minimum import protective function is implemented utilizing a utility grade protective relay. The default setting for this protective function shall be five percent (import) of the generating unit's total nameplate capacity, with a maximum two second time delay to limit inadvertent export.

(c) Relative distributed energy resource rating: This option requires the DER facility's nameplate capacity to be no greater than fifty percent of the interconnection customer's verifiable minimum host load during DER operating hours over the past 12 months. This option is not available for interconnections to area networks or spot networks.

(2) Export control methods for limited export DER:

(a) Directional power protection (Device 32): To limit export of power across the point of interconnection, a directional power protective function is implemented using a utility grade protective relay. The default setting for this protective function shall be the export capacity value, with a maximum 2.0 second time delay to limit inadvertent export.

(b) Configured power rating: A reduced output power rating utilizing the power rating configuration setting may be used to ensure the DER does not generate power beyond a certain value lower than the nameplate capacity. The configuration setting corresponds to the active or apparent power ratings in Table 28 of IEEE Std 1547-2018, as described in subclause 10.4. A local DER communication interface is not required to utilize the configuration setting if it can be set by other certified means. The reduced power rating may be indicated by means of a nameplate rating replacement or, a supplemental adhesive de-rating tag to indicate the reduced power output capacity. The customer must also provide a signed attestation confirming the reduced power output capacity. This method must be certified to IEEE 1547.1-2020. Use of a configured power rating not applied to individual power conversion unit(s) shall require evaluation under mutually agreed-upon means.

(3) Export control methods for non-exporting DER or limited export DER:

(a) Certified power control systems: DER facilities may use certified power control systems to limit export. DER facilities utilizing this option must use a power control system and inverter certified per UL 1741 by a nationally recognized testing laboratory (NRTL) with a maximum open loop response time of no

more than 30 seconds. NRTL testing to the UL power control system certification requirements decision shall be accepted until similar test procedures for power control systems are included in a standard. This option is not available for interconnections to area networks or spot networks.

(b) Agreed-upon means: DER facilities may be designed with other control systems or protective functions to limit export and inadvertent export if mutual agreement is reached with the distribution provider. The limits may be based on technical limitations of the interconnection customer's equipment or the electric distribution system equipment. To ensure inadvertent export remains within mutually agreed-upon limits, the interconnection customer may use an uncertified power control system, an internal transfer relay, energy management system, or other customer facility hardware or software if approved by the distribution provider.
[17.9.575.12 NMAC - N, 11/3/2026]

17.9.575.13 INTERCONNECTION APPLICATION: An interconnection customer shall submit its interconnection application to the utility using Appendix B-1 or B-2 as applicable, together with the fees specified in 17.9.575.19 NMAC.

A. The utility shall record the date and time on the face of the interconnection application upon receipt by the utility. The original date and time recorded by the utility on the interconnection-application at the time of its original submission shall be accepted as the date and time on which the interconnection application was received for the purposes of any timetable established in this rule or in Appendix A-1. Following submission of the interconnection application, the parties will follow the procedures and time requirements described in Appendix A-1.

B. The utility shall place interconnection applications in the order they are received. The order of each interconnection application will be used to determine the cost responsibility for the upgrades necessary to accommodate the interconnection. At the utility's option, interconnection applications may be studied serially or in clusters for the purpose of the system impact study.
[17.9.575.13 NMAC - N, 11/3/2026]

17.9.575.14 INTERCONNECTION AGREEMENT:

A. For simplified process interconnection projects, the applicant will sign a form interconnection agreement at the time it submits its interconnection application, and the utility will return a counter-signed interconnection agreement.

B. For fast track and detailed study interconnection projects: after receiving an interconnection agreement from the utility, the applicant shall have 30 business days or another mutually agreeable timeframe to sign and return the interconnection agreement. If the applicant does not sign the interconnection agreement within 30 business days, the interconnection application shall be deemed withdrawn. After the interconnection agreement is signed by the parties, the interconnection of the generating facility shall proceed under the provisions of the interconnection agreement.

C. Nothing in this rule shall preclude a utility from establishing reasonable operational requirements for DER interconnection, including limitations on export capability, through the interconnection agreement process, provided such requirements are applied on a non-discriminatory basis to all functionally equivalent DER technologies.
[17.9.575.14 NMAC - N, 11/3/2026]

17.9.575.15 OPTIONAL PRE-APPLICATION REPORT: Potential applicants may request this optional report for a specific site to get information about system conditions at their proposed point of interconnection without submitting a full interconnection application.

A. Costs of pre-application reports: The utility may collect from the applicant the reasonable cost incurred to perform or obtain necessary expertise from consultants to produce a pre-application report. The utility shall provide a good faith estimate of the costs of such consultants to an applicant within 10 business days of the date the interconnection applicant submits their request for a pre-application report.

B. Time frames for pre-application reports: Pre-application reports should be completed in 20 business days for system sizes up to one MW, and 30 business days for system sizes greater than one MW, from the receipt of the completed request form and payment of the fee. If it can be documented that a utility cannot meet this deadline due to circumstances beyond their control, then the utility will be given more time but must notify the applicant.

C. Length of time for accuracy of information: Due to the dynamic nature of the electric power system, accuracy cannot be guaranteed past the time of completion of a report. The pre-application report shall be

non-binding on the utility and shall not confer any rights to the interconnection customer. The provided information does not guarantee that an interconnection may be completed.

D. Potential applicants shall provide the following information to the utility to expedite its pre-application review:

(1) project contact information including name, address, phone number, and email address;

(2) project location (street address with nearby cross streets, and town/city);

(3) meter number, pole number, or other equivalent information (such as latitude and longitude coordinates) identifying the potential point of interconnection, if available;

(4) generator type (i.e., solar, wind, combined heat and power) and whether energy storage will be collocated with the generation;

(5) nameplate capacity (in alternating current kW);

(6) single or three phase generator configuration;

(7) stand-alone generator with no on-site load (yes or no?); and

(8) whether new service is requested. If there is existing service, include the customer account number, site minimum and maximum existing or proposed maximum loads in kW and specify if the amount of any anticipated additional load is expected to change.

E. The pre-application report shall be completed by the utility per the schedule in Subsection B of this section and include the following information, if available:

(1) Total capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site. If substation or circuit planned capacity limits are less than the total capacity the utility shall indicate the planned capacity limits.

(2) Aggregate existing export capacity (MW) interconnected to the substation/area bus or bank and circuit likely to serve proposed site.

(3) Aggregate queued export capacity (MW) proposing to interconnect to the substation/area bus or bank and circuit likely to serve proposed site.

(4) Available capacity (MW) of substation/area bus or bank and circuit likely to serve proposed site. Available capacity is the total capacity less the sum of existing and queued export capacity, accounting for all load served by existing and queued generators.

(5) Whether the proposed generating facility is located on an area, spot or radial network.

(6) Nominal distribution circuit voltage at the proposed site.

(7) Approximate circuit distance between the proposed site and the substation.

(8) Relevant line section(s) and substation actual or estimated peak load and minimum load data, when available.

(9) Manufacturer model number/type and rating of protective devices and number and type of voltage regulating devices between the proposed site and the substation/area.

(10) Whether or not three-phase power is available at the site or distance from three-phase service.

(11) Limiting conductor rating from proposed point of interconnection to distribution substation.

(12) Based on proposed point of interconnection, existing or known constraints such as, but not limited to, electrical dependencies at that location, short circuit interrupting capacity issues, power quality or stability issues on the circuit, capacity constraints, or secondary networks.

(13) Any other information the utility deems relevant to the interconnection application.

F. The pre-application report need only include pre-existing data. A pre-application report request does not obligate the utility to conduct a study or other analysis of the proposed project if that data is not available. If the utility cannot complete all or some of a pre-application report due to lack of available data, the utility will provide the potential applicant with a pre-application report that includes the information that is available and identify the information that is unavailable.

G. Notwithstanding any of the provisions of this section, the utility shall, in good faith, provide pre-application report data that represents the best available information at the time of reporting.

[17.9.575.15 NMAC - N, 11/3/2026]

17.9.575.16 PERMISSION TO OPERATE:

A. The interconnection customer may not commence operations until its interconnection application is deemed complete and the utility has issued a permission to operate (PTO). The interconnection customer shall provide the utility with at least 10 business days' notice of the anticipated start date of the generating facility.

Within 10 business days of receiving the notice of the anticipated start date of the generating facility, the utility may conduct an inspection of the generating facility at a time mutually agreeable to the parties. The inspection may include verification that the facility complies with applicable codes and standards, the terms of the interconnection agreement, and may include a witness test. The utility may also schedule appropriate metering replacement or programming if necessary. If the generating facility passes the inspection, the utility shall provide written notice of the passage within three business days. If a Generating Facility initially fails a utility inspection, the utility shall offer to redo the inspection at the applicant's expense at a time mutually agreeable to the parties. If the utility determines that the generating facility fails the inspection, the utility must provide the applicant with a written explanation detailing the reasons for the failure and any standards violated. If the utility determines no inspection is necessary, it shall notify the applicant within three business days of receiving the notice of the anticipated start date. For simplified process and fast track generating facilities, utility approval for interconnection (i.e. permission to operate) shall normally be processed not later than 10 business days following the utility's receipt of:

(1) a completed net energy metering interconnection application, if appropriate, including all supporting documents and required payments;

(2) a completed signed interconnection agreement, if appropriate; and

(3) evidence of the applicant's final electric inspection clearance from the governmental authority having jurisdiction over the generating facility. If the 10-day period cannot be met, the utility shall-notify the applicant.

B. A generating facility that has not been approved for parallel operation within one year of execution of the interconnection agreement is subject to withdrawal by utility; however, the utility may not deem the interconnection application withdrawn if:

(1) applicant provides reasonable evidence that the interconnection application is still active; or

(2) the delay is at no fault of applicant.

[17.9.575.16 NMAC - N, 11/3/2026]

17.9.575.17 APPLICATION REVIEW PROCESS: The utility shall utilize the interconnection screening process and the screen criteria described in Appendix A-1.

A. There are four interconnection review paths:

(1) Simplified interconnection: For certified inverter-based generating facilities with a power rating of 25 kilowatts (kW) or less on radial or network systems under certain conditions.

(2) Fast track with or without supplemental review: For certified generating facilities that pass certain specified screens and likely would have a power rating of less than 1.0 megawatts (MW).

(3) Full interconnection study: For generating facilities that have a power rating of 1.0 megawatt (MW) or less that do not qualify for the simplified or fast track processes.

(4) Case specific review process: for generating facilities with a rated capacity greater than 1.0 megawatt (MW), which shall be reviewed pursuant to the process set forth in 17.9.569 NMAC for larger facilities.

B. Application submittal: The interconnection applicant shall submit an interconnection application (see Appendices B-1 or B-2, as appropriate) to the utility, together with the applicable processing fee identified in 17.9.575.20 NMAC. The application shall be date and time-stamped upon receipt for the purposes of any timetable in these procedures.

C. Completeness review: Utility shall notify the interconnection applicant, via email or other means, that the interconnection application has been received within three business days of receipt of the interconnection application. Within 10 business days of receipt, the utility shall notify the applicant whether the interconnection application is deemed complete and valid. If the application is incomplete, the utility shall provide the applicant with a list of all information that the applicant must provide to complete the application. The applicant must provide the requested information within 10 business days, or the application will be deemed withdrawn.

D. Interconnection queue position and posting: The utility shall assign the interconnection application a queue position based on when it is received under Subsection A of 17.9.575.13 NMAC.

(1) The utility shall maintain a single queue,

(2) The queue position of each interconnection application will be used to determine the cost responsibility for the upgrades necessary to accommodate the interconnection.

(3) The queue shall be publicly available on the utility's website and be updated at least monthly.

(4) If an application fails the screening process under the simplified or fast track process, but the applicant decides to continue with review (including supplemental review) under another level, the applicant shall retain its original queue position.

(5) If an interconnection application fails the screening process under the simplified or fast track process, but the applicant decides to continue with review (including supplemental review) under another level, the applicant shall retain its original queue position.

E. Modifications to generating facility:

(1) At any time after an interconnection application is deemed complete or an interconnection agreement has been signed, if the applicant wishes to make modifications to the planned generating facility it shall submit to the utility, in writing, all proposed modifications to any information provided in the interconnection application or in the interconnection agreement. Any modification to machine data, equipment configuration, or to the interconnection site of the generating facility not agreed to in writing by the utility and the interconnection customer may be deemed a withdrawal of the interconnection application.

(2) Within 10 business days of receipt of a proposed modification, the utility shall notify the applicant whether a proposed modification to either an interconnection application or an existing generating facility constitutes a material modification.

(a) If the utility determines the proposed modification is a material modification, then the utility shall notify the interconnection customer in writing that the customer may:

(i) withdraw the proposed modification; or

(ii) proceed with a new interconnection application for such modification.

The interconnection customer shall provide its determination in writing to the utility within 10 business days after being provided the material modification determination results. If the interconnection customer does not provide its determination, the proposed modification shall be deemed withdrawn.

(b) If the proposed modification is determined not to be a material modification, then the utility shall notify the interconnection customer in writing that the modification has been accepted and that the customer shall retain its eligibility for interconnection, including its place in the interconnection queue. Existing generating facilities may make the modification without requiring a new interconnection application.

(3) Any dispute as to the utility's determination that a modification constitutes a material modification shall proceed in accordance with the dispute resolution provisions in 17.9.575.26 NMAC.

(4) Any modification to machine data, equipment configuration, or to the interconnection site of the generating facility not agreed to in writing by the utility and the interconnection customer may be deemed a withdrawal of the interconnection application and may require submission of a new interconnection application, unless proper notifications of each party by the other as described in Paragraphs (1) and (2) of Subsection E of 17.9.575.13 NMAC.

F. Site Control: Documentation of site control must be submitted with the interconnection request. Site control may be demonstrated by:

(1) ownership of, or a leasehold interest in, or a right to develop a site for the purpose of constructing a generating facility;

(2) a fully executed option to purchase or acquire a leasehold site for such purpose; or

(3) a fully executed agreement demonstrating exclusivity or other business relationship between the interconnection applicant and the entity having the authority to grant the applicant the right to possess or occupy a site for such purpose.

[17.9.575.17 NMAC - N, 11/3/2026]

17.9.575.18 INTERCONNECTION APPLICATION REVIEW FLOW CHART: [RESERVED]

[17.9.575.18 NMAC - N, 11/3/2026]

17.9.575.19 GENERAL PROVISIONS APPLICABLE TO INTERCONNECTION APPLICATIONS:

A. An applicant shall pay the following application fee to the utility at the time it delivers its interconnection application to the utility:

(1) $150.00 if the proposed generating facilities will have a nameplate rating less than or equal to 25 kW;

(2) $300.00 if the proposed generating facilities will have a nameplate rating greater than 25 kW and less than or equal to 100 kW; or

(3) $300.00 + $1.00 per kW if the proposed generating facilities will have a nameplate rating greater than 100 kW;

(4) if the proposed generating facility is non-export only, it shall pay $150.00, if it has a nameplate rating below 100kW, or $300 if the nameplate rating is greater than 100 kW.

B. In addition to the fees authorized by this rule, a small utility may collect from the applicant the reasonable costs incurred to obtain necessary expertise from consultants to review interconnection applications for generating facilities with rated capacities greater than 10 kW. A small utility shall provide a good faith estimate of the costs of such consultants to an applicant within 10 business days of the date the interconnection application is delivered to the utility.

C. Commissioning tests of the interconnection customer's installed equipment shall be performed pursuant to applicable codes and standards, including IEEE 1547.1 "IEEE standard conformance test procedures for equipment interconnecting distributed energy resources with electric power systems." A utility must be given at least five business days written notice of the tests, or as otherwise mutually agreed to by the parties, and may be present to witness the commissioning tests. An interconnection customer shall reimburse a utility for its costs associated with witnessing commissioning tests performed except that a utility may not charge a fee in addition to the interconnection application fee for the cost of witnessing commissioning tests for inverter-based generating facilities that have nameplate capacities that are less than or equal to 25 kW.

D. If an interconnection customer requests an increase in capacity for an existing generating facility, the interconnection application shall be evaluated on the basis of the new total capacity of the generating facility. If an interconnection customer requests interconnection of a generating facility that includes multiple energy production devices at a site for which the interconnection customer seeks a single point of common coupling, the interconnection application shall be evaluated on the basis of the aggregate capacity of the multiple devices.

E. Confidential information shall remain confidential unless otherwise ordered by the commission. Confidential information shall mean any confidential and proprietary information provided by one party to the other party that is clearly marked or otherwise designated "confidential".

[17.9.575.19 NMAC - N, 11/3/2026]

17.9.575.20 GENERAL PROVISIONS APPLICABLE TO UTILITIES:

A. A utility shall interconnect any interconnection customer that meets the interconnection criteria set forth in this rule. A utility shall make reasonable efforts to keep the applicant informed of the status and progress.

B. Utilities shall reasonably endeavor to aid and assist interconnection customers to ensure that a proposed generating facility's interconnection design, operation, and maintenance are appropriate for connection to the utility's system. This may include consultations with the applicant and its engineer and other representatives.

C. Utilities shall make reasonable efforts to meet all time frames provided for in this rule unless a utility and an applicant agree to a different schedule. If a utility cannot meet a deadline provided herein, it shall notify the-applicant in writing within one business day, explain the reason for its inability to meet the deadline, and provide an estimated time by which it will complete its activity. The utility shall keep the applicant updated of any changes in the expected completion date.

D. Utilities shall use the same reasonable efforts in processing and analyzing interconnection applications from all interconnection customers, whether the generating facility is owned or operated by the utility, its subsidiaries or affiliates, or others.

E. Utilities shall maintain records for three years of each interconnection application received, the times required to complete each interconnection application approval or disapproval, and justification for the utility's disapproval of any interconnection application. Other reporting requirements are specified in 17.9.575.23 NMAC.

F. Utilities shall maintain current, clear, and concise information regarding this rule including the name, telephone number, and email address of contact persons. The information shall be easily accessible on the utility's website beginning within one month of the effective date of this rule, or the information may be provided in bill inserts or separate mailings sent no later than one month after the effective date of this rule and no less often than once each year thereafter. Each utility shall maintain a copy of this rule at its principal office and make the same available for public inspection and copying during regular business hours.

G. A small utility that uses a consultant to review a proposal to interconnect a generating facility with the small utility's system may extend each of the time deadlines for review of the fast track process by a period not to exceed 20 business days provided that the small utility shall make a good faith effort to complete the review sooner.

H. Compliance with this interconnection process does not constitute a request for, nor provision of any transmission delivery service, or any local distribution delivery service. Interconnection under this rule does not constitute an agreement by the utility to purchase or pay for any energy, inadvertently or intentionally exported.

[17.9.575.20 NMAC - N, 11/3/2026]

17.9.575.21 GENERAL PROVISIONS APPLICABLE TO INTERCONNECTION CUSTOMERS:

A. The cost of utility system modifications shall be borne by the interconnection customer unless otherwise agreed by the parties.

B. An interconnection customer shall have thirty (30) business days (or other mutually agreeable period) following receipt of an interconnection agreement to execute the agreement and return it to the utility. If the interconnection customer does not execute the interconnection agreement and return it to the utility within the applicable period, the interconnection application shall be deemed withdrawn. After all parties execute an interconnection agreement, interconnection of the generating facility shall proceed

C. An interconnection customer is responsible for the prudent maintenance and upkeep of its interconnection equipment.

D. Upon the petition of a utility, for good cause shown, the commission may require a customer with a generating facility with a rated capacity of 250 kW or less to obtain general liability insurance prior to connecting with a public utility. A utility may require that an applicant proposing to connect a generating facility with a rated capacity greater than 250 kW provide proof of insurance with reasonable limits not to exceed $1,000,000.00 or other reasonable evidence of financial responsibility.

[17.9.575.21 NMAC - N, 11/3/2026]

17.9.575.22 EXTENSIONS:

A. The applicant may request in writing the extension of one timeline set by these rules. The requested extension may be for up to one-half of the time originally allotted (e.g., a 10-business-day extension for a 20-business-day timeframe). The utility shall not unreasonably refuse this request.

B. If further timeline extensions are necessary, the applicant may request an extension, and the utility shall grant the extension so long as it does not unreasonably delay the processing of later queued interconnection applications.

[17.9.575.22 NMAC - N, 11/3/2026]

17.9.575.23 DISPUTE RESOLUTION:

A. Each party agrees to attempt to resolve all disputes arising hereunder promptly, equitably and in a good faith manner.

B. In the event of a dispute, either party shall provide the other party with a written notice of dispute. Such notice shall describe in detail the nature of the dispute. The non-disputing party shall acknowledge the notice within three business days of its receipt and identify a representative with the authority to make decisions for the non-disputing party with respect to the dispute.

C. If the dispute has not been resolved in eight business days for timeline related disputes or 20 business days for all other disputes after the receipt of the notice, the parties may, upon mutual agreement:

(1) continue negotiations for an additional 10 business days; or

(2) seek resolution through the assistance of a dispute resolution service. The dispute resolution service will assist the parties in either resolving the dispute or in selecting an appropriate dispute resolution venue (e.g., mediation, settlement judge, early neutral evaluation, or qualified technical expert(s)) to assist the parties in resolving their dispute. Each party will be responsible for one-half of any costs paid to neutral third-parties.

D. For any technical disputes, both parties shall have a qualified technical representative present in the attempts to resolve the dispute.

E. If the dispute remains unresolved after 30 business days, either party may petition the commission to handle the dispute as a formal complaint or may exercise whatever rights and remedies it may have in equity or law.

F. If the dispute remains unresolved after 90 business days, a formal complaint to the commission has not been submitted, and the dispute is causing delays to other projects in the queue, the utility may adjust the queue position of the disputing project. The disputing party shall be responsible for any additional study costs that may result from the change in queue position.

[17.9.575.23 NMAC - N, 11/3/2026]

17.9.575.24 NON-REPORTING REQUIREMENTS: For each request for a pre-application report or interconnection application-received, the utility shall collect and retain the following data, at a minimum, consistent with their data records and retention practices:

A. facility capacity;

B. DER type (technology);

C. number of pre-application reports requested and processed;

D. date of interconnection application submittal;

E. date interconnection application deemed complete;

F. interconnection fees and study costs assessed to the customer;

G. interconnection facility and distribution upgrade costs assessed to the customer;

H. number of times outside consultants were utilized and the range of fees assessed to the customer for the consultant's services.

[17.9.575.24 NMAC - N, 11/3/2026]

17.9.575.25 SAFETY PROVISIONS:

A. A DER project that operates outside of its approved export status or operational limits may be disconnected by the utility following notification of violation and a 30-day cure period.

B. An interconnection customer shall separate from the utility system in the event of any one or more of the following conditions:

(1) a fault on the generating facility's system; or

(2) a generating facility contribution to a utility system emergency; or

(3) abnormal frequency or voltage conditions on the utility's system; or

(4) any occurrence or condition that will endanger utility employees or customers; or

(5) a generating facility condition that would otherwise interfere with a utility's ability to provide safe and reliable electric service to other customers; or

(6) the sudden loss of the system power.

C. The utility may temporarily disconnect the generating facility upon the following conditions:

(1) for scheduled outages per notice requirements in the utility's tariff or commission rules;

(2) for unscheduled outages or emergency conditions pursuant to Subsection B of 17.9.575.29 NMAC;

(3) if the generating facility does not operate in the manner consistent with these terms and conditions;

(4) the utility shall inform the customer in advance of any scheduled disconnection, or as is reasonable after an unscheduled disconnection.

D. A visible-open, load break disconnect switch between the generating facility and the utility system that is visibly marked "generating facility generation disconnect" and is accessible to and lockable by the utility is required for all generating facilities except for those generating facilities with a maximum capacity rating of 10 kW or less that use a certified inverter including a self-contained renewable energy certificate (REC) meter and either:

(1) a utility accessible AC load break disconnect; or

(2) a utility accessible DC load break disconnect where there is no other source of generated or stored energy connected to the system.

E. Interconnection customers shall post a permanent and weatherproof one-line electrical diagram of the generating facility located at the point of service connection to the utility. Generating facilities where the disconnect switch is not located in close proximity to the utility meter must post a permanent and weatherproof map showing the location of all major equipment including the utility meter point, the generating facility generation disconnect, and the generating facility generation breaker. Non-residential generating facilities larger than 10 kW shall include with or attached to the map the names and current telephone numbers of at least two persons authorized to provide access to the generating facility and who have authority to make decisions regarding the generating facility interconnection and operation.

F. If the generating facility interconnection equipment package is not certified or if a certified equipment package has been modified, the generating facility interconnection equipment package shall be reviewed and approved by a professional electrical engineer, registered in the state of New Mexico.

[17.9.575.25 NMAC - N, 11/3/2026]

17.9.575.26 COST SHARING FOR INTERCONNECTION UPGRADES:

A. The cost of utility system modifications required pursuant to the fast track process or the full interconnection study process shall be borne by the applicant unless otherwise agreed to by the parties or following a determination by the commission that some or all of the costs constitute system benefits eligible for cost-sharing options:

(1) The commission may determine on a case-by-case basis whether the cost of distribution system upgrades necessary to interconnect one or more generating facilities may be eligible for some form of cost sharing:

(a) among several developers using the same distribution facilities;

(b) among all ratepayers of the qualifying utility via rate base adjustments; or

(c) among ratepayers of the same rate class as subscribers to the community solar facility via a rate rider for that class.

(2) In making such a determination that there are public benefits to such a cost-sharing mechanism, the commission shall employ the same analysis as provided for cost-sharing or rate basing grid modernization projects as defined by Section 62-8-13 NMSA 1978 (Grid Modernization Act 2019, HB 233) to make a finding that the approved expenditures are:

(a) reasonably expected to improve the public utility's electrical system efficiency, reliability, resilience and security; maintain reasonable operations, maintenance and ratepayer costs; and meet energy demands through a flexible, diversified and distributed energy portfolio;

(b) reasonably expected to increase access to, and use of, clean and renewable energy, with consideration given to increasing access to low-income subscribers and subscribers in underserved communities;

(c) designed to contribute to the reduction of air pollution, including greenhouse gases;

(3) Expenditures approved for such cost sharing of necessary interconnection upgrades shall not be considered a "subsidization" subject to the three percent limitations spelled out in this rule or in the Community Solar Act.

[17.9.575.26 NMAC - N, 11/3/2026]

17.9.575.27 VARIANCES: A party may file a request for a variance from the requirements of this rule. Such application shall describe the reasons for the variance; set out the effect of complying with this rule on the parties and the utility's customers if the variance is not granted; identify the section(s) of this rule for which the variance is requested; describe the expected result which the request will have if granted; and state how the variance will aid in achieving the purposes of this rule. The commission may grant a request for a procedural variance through an order issued by the chairman, a commissioner or a designated hearing examiner. Other variances shall be presented to the commission as a body for determination.

[17.9.575.27 NMAC - N, 11/3/2026]

17.9.575.28 APPENDICES:

A. Appendix A-1 - Interconnection Manual.

B. Interconnection Applications:

(1) Appendix B-1 - Simplified Interconnection Application.

(2) Appendix B-2 - Standard Interconnection Application.

C. Interconnection Agreements:

(1) Appendix C-1 - Simplified Interconnection Agreement.

(2) Appendix C-2 - Standard Interconnection Agreement.

[17.9.575.28 NMAC - N, 11/3/2026]

History of 17.9.575 NMAC: [RESERVED]