TITLE 17 PUBLIC UTILITIES AND UTILITY SERVICES
CHAPTER 9 ELECTRIC SERVICES
PART 573 COMMUNITY SOLAR

17.9.573.1 ISSUING AGENCY: New Mexico public regulation commission.
[17.9.573.1 NMAC - N, 9/9/2026]

17.9.573.2 SCOPE: This rule applies to investor-owned electric utilities subject to the commission's jurisdiction and to rural electric distribution cooperatives that opt into the community solar program. This rule also applies to subscriber organizations and subscribers as defined in the Community Solar Act, Subsections M and N of Section 62-16B-2 NMSA 1978.
[17.9.573.2 NMAC - N, 9/9/2026]

17.9.573.3 STATUTORY AUTHORITY: Paragraph (10) of Subsection B of Section 62-19-9 and Section 62-16B-7 NMSA 1978.
[17.9.573.3 NMAC - N, 9/9/2026]

17.9.573.4 DURATION: Permanent, unless otherwise indicated.
[17.9.573.4 NMAC - N, 9/9/2026]

17.9.573.5 EFFECTIVE DATE: September 9, 2026 unless a later date is cited at the end of a section.
[17.9.573.5 NMAC - N, 9/9/2026]

17.9.573.6 OBJECTIVES: The objectives of this rule are to implement the Community Solar Act, Section 62-16B-1 *et seq*. NMSA 1978, and to reasonably allow for the creation, financing and accessibility of community solar facilities.
[17.9.573.6 NMAC - N, 9/9/2026]

17.9.573.7 DEFINITIONS: When used in this rule, unless otherwise specified the following definitions shall apply:
A. Definitions beginning with "A": [RESERVED]
B. Definitions beginning with "B": [RESERVED]
C. Definitions beginning with "C": [RESERVED]
D. Definitions beginning with "D": [RESERVED]
E. Definitions beginning with "E": [RESERVED]
F. Definitions beginning with "F": Fuel and purchased power cost adjustment clause means the existing fuel and purchased power cost adjustment clause approved by the commission pursuant to 17.9.550 NMAC for all New Mexico electric utilities.
G. Definitions beginning with "G": [RESERVED]
H. Definitions beginning with "H": [RESERVED]
I. Definitions beginning with "I": [RESERVED]
J. Definitions beginning with "J": [RESERVED]
K. Definitions beginning with "K": [RESERVED]
L. Definitions beginning with "L": [RESERVED]
M. Definitions beginning with "M": [RESERVED]
N. Definitions beginning with "N": Net bill credit means the remaining credit on a bill rendered by an electric utility for electric service to a subscriber that is participating in consolidated billing.
O. Definitions beginning with "O": [RESERVED]
P. Definitions beginning with "P": [RESERVED]
Q. Definitions beginning with "Q": [RESERVED]
R. Definitions beginning with "R": [RESERVED]
S. Definitions beginning with "S":
(1) Savings rate means a percentage set by a subscriber organization for a subscriber which

represents the discount to the subscriber's bill credit allocation.

(2) **Subscription charge** means an amount charged by a subscriber organization to a subscriber as a portion of the subscriber's bill credit allocation.

T. **Definitions beginning with "T": [RESERVED]**

U. **Definitions beginning with "U": [RESERVED]**

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]**

[17.9.573.7 NMAC - N, 9/9/2026]

17.9.573.8 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.
[17.9.573.8 NMAC - N, 9/9/2026]

17.9.573.9 UTILITY FILINGS FOR IMPLEMENTATION OF PROGRAM: Utilities shall file all tariffs, agreements and forms necessary for implementation of the provisions of the most recent amendments to this rule with the commission within 30 days of the effective date of the amendments.
[17.9.573.9 NMAC - N, 9/9/2026]

17.9.573.10 COMMUNITY SOLAR FACILITY REQUIREMENTS:

A. A community solar facility, excepting any native community solar project, shall:

(1) have a nameplate capacity rating of five megawatts alternating current or less;

(2) be located in the service territory of the qualifying utility and be interconnected to the electric distribution system of that qualifying utility;

(3) have at least ten subscribers;

(4) have the option to be co-located with other energy resources, but shall not be co-located with other community solar facilities;

(5) not allow a single subscriber to be allocated more than forty percent of the generating capacity of the facility; and

(6) make at least forty percent of the total generating capacity of a community solar facility available in subscriptions of 25 kilowatts or less.

B. At least thirty percent of electricity produced from each community solar facility shall be subscribed by low-income customers and low-income service organizations. The commission will issue guidelines to ensure the carve-out is achieved each year and develop a list of low-income service organizations and programs that may pre-qualify low-income customers.
[17.9.573.10 NMAC - N, 9/9/2026]

17.9.573.11 STATEWIDE CAPACITY PROGRAM CAPS:

A. The statewide capacity program cap, effective November 1, 2024, is 300 megawatts alternating current. This cap does not apply to applications and projects that have been processed in the commission's initial application selection process as such applications and projects remain subject to the initial cap of 200 megawatts. The 300-megawatt cap will apply to the first selection process to be conducted after November 1, 2024, and will be in addition to the 200-megawatt cap applied to the initial selection process, resulting in a total cap of 500 megawatts. The 300-megawatt cap is allocated among the service territories of the three qualifying utilities according to addressable market estimations, subject to further refinement, as follows:

(1) public service company of New Mexico (PNM), 185 MW;

(2) southwestern public service company (SPS), 70 MW; and

(3) El Paso electric company (EPE), 45 MW.

B. The commission may, at its discretion, reallocate the capacity cap among the territories of the utilities to avoid a significant shortfall of the capacity actually used vis-à-vis the capacity cap.

C. Beginning January 1, 2026, and thereafter, the commission will review the statewide capacity program cap and megawatt allocation amongst the qualifying utilities on a triennial basis.

D. All project waitlists established under prior solicitations shall be vacated upon the opening of a new solicitation's bid window. Any vacated capacity from prior solicitations will be added, on a rolling basis, to the capacity available under the most recent solicitation.

E. Statewide capacity program caps shall exclude native community solar projects and rural electric distribution cooperatives.

[17.9.573.11 NMAC - N, 9/9/2026]

17.9.573.12 PROCESS FOR SELECTION OF COMMUNITY SOLAR FACILITIES:

A. The commission will engage a third-party administrator to manage an unbiased and nondiscriminatory process for the scoring and selection of proposed projects for building and operating community solar facilities. Any participant in the process may raise, by petition to the commission, an issue that is not fully addressed in this rule and that the commission finds, in its discretion, that it should address. This selection process does not apply to any native community solar project.

B. The program administrator shall develop, in consultation with public stakeholders, a framework for the implementation of a competitive solicitation that includes detailed timeline milestones and non-price factor criteria to be used by the program administrator in evaluating eligible bids.

(1) The competitive solicitation implementation framework and related documents must be submitted for public review and input, and commission approval. Following commission approval, the program administrator must conduct at least one public stakeholder meeting to present the non-price factor evaluation criteria to potential bidders and respond to questions concerning the application of the evaluation criteria to prospective bids. Any changes to the non-price factor evaluation criteria must be approved by the commission prior to being implemented by the program administrator.

(2) The program administrator must create a publicly-available resource to answer any and all stakeholder questions and endeavor to ensure answers are posted promptly, in a searchable format. The program administrator will endeavor to use consistent terminology and ensure its answers do not conflict. After the release of the competitive solicitation documents, the publicly available resource will be the sole location in which the program administrator will respond to questions received regarding the competitive solicitation process or related documents. After the release of the initial competitive solicitation framework, the program administrator will not communicate with individual bidders through any other means than the publicly available resource.

(3) The competitive solicitation implementation framework shall be submitted to the commission for approval.

C. Community solar facility bids shall be scored through a competitive solicitation process, with each bid meeting the following minimum requirements for eligibility:

(1) the subscriber organization's legally binding site control or an executed short-term lease for a state land site;

(2) the subscriber organization's commitment to meeting statutory subscriber minimums and not exceeding statutory maximums;

(3) the subscriber organization's completion of a utility pre-application report or an equivalent report by the utility; and

(4) the subscriber organization's payment of a $500/MW non-refundable bid application fee to the commission.

D. The program administrator shall limit the capacity of projects selected to proceed to the interconnection application process by any one subscriber organization bidder and its affiliates to a maximum total for such bids of thirty percent of the statewide capacity cap allocated to the applicable utility prior to any unallocated capacity from prior solicitations being rolled forward. Additionally, the total capacity of awarded capacity for any bids initially submitted by one subscriber organization and its affiliates shall not exceed twenty percent of the capacity cap allocated to the applicable utility.

E. No utility shall use any information provided in the interconnection application process or any information to which the utility has superior access to gain an unfair advantage for itself or any utility-affiliated bidder in the project scoring process.

F. Eligible bids shall be scored using a set of non-price factors, with each factor weighted by the number of points awarded to the factor, as follows:

(1) each bid shall be awarded to one of the following categories pertaining to permitting status, each with its own point weighting:

(a) a bid for which all necessary non-ministerial permits and approvals have been secured, based upon a permitting plan signed by a licensed engineering firm, shall be categorized as fully permitted and shall be awarded 15 points:

(b) a bid for which applications are pending for all necessary non-ministerial permits, or for which one or more permits have been granted and applications are pending for the remainder, based upon permitting plan signed by a licensed engineering firm, shall be categorized as partially permitted and shall be awarded 10 points; or

(c) a bid for which all necessary non-ministerial permits have been identified and applied for but not granted, based upon a permitting plan signed by a licensed engineering firm, shall be categorized as permits pending and shall be awarded five points.

(2) each bid shall be assigned to one of the following categories pertaining to financing status, each with its own point weighting:

(a) a bid for which financing has been secured, whether in the form of an executed commitment letter from the project financier(s) or in the form of written confirmation of executive-level approval for internal financing, shall be categorized as financing secured and shall be awarded five points; or

(b) a bid for which financing has not been secured but for which a detailed and feasible financing plan has been prepared shall be categorized as financing planned and shall be awarded two points.

(3) each bid shall be awarded points for having one or both of the following attributes concerning the proposed project site's viability for interconnection, with the attributes being additive, not exclusive, for a range of zero to five potential points per bid:

(a) a bid for which the proposed project site's distance to the utility's nearest three-phase line is less than one mile, as demonstrated by the utility's pre-application report or convincing alternative evidence presented by the bidder, shall be awarded two points; and

(b) a bid for which the proposed project would interconnect to a line of voltage 12 kV or higher, as demonstrated by the utility's pre-application report, shall be awarded three points.

(4) each bid shall be awarded points, in amounts as whole numbers and tenths of whole numbers, such as 1.1 points, for including any, some, or all the following commitments beyond what is required by the statute, with the commitments being additive, not exclusive, for a range of zero to 26 potential points per bid:

(a) a bid including a commitment to exceed the statutory thirty percent minimum level of subscription of low-income customers and low-income service organizations shall be awarded , points pro rata for a commitment above the thirty percent minimum, up to a maximum of eight points for a commitment to a fifty percent low-income subscription level for the proposed project;

(b) a bid including a commitment to serve a specific percentage of direct-billed residential low-income customers shall be awarded points pro rata, up to a maximum of eight points for a commitment to forty percent of total project capacity comprised of direct-billed, low-income customers for the proposed project;

(c) a bid including a commitment to refrain from imposing upon any potential low-income customer or low-income service organization any up-front costs of subscribing, a commitment to refrain from imposing upon any potential low-income customer or low-income service organization any early termination fee, and a commitment to refrain from requiring or ordering any credit check or credit report for any low-income customer or low-income service organization, shall be awarded two points; and

(d) a bid including a commitment to provide an additional discount on the community solar bill credit for any low-income customer or low-income service organization, for a minimum period of five years, by including, with respect to the solar bill credit as calculated and provided by the utility, a discount from the subscriber organization to the subscriber in the amount of twenty to thirty percent off the utility solar bill credit, shall be awarded four points for a commitment of twenty percent and additional points pro rata, up to a maximum of eight points for a commitment to a discount of thirty percent.

(5) each bid shall be awarded points, for having any, some, or all of the following attributes, with the attributes being additive, not exclusive, for a range of zero to 36 potential points per bid:

(a) a bid including a commitment to offer workforce training or educational opportunities within the state shall be awarded six points;

(b) a bid including a commitment to contract for engineering or construction services performed directly by, and with compensation paid to, one or more resident New Mexico businesses, including subcontractors, shall be ratably awarded points based on the percentage of services committed to. Each ten percent of services shall yield one point, up to ten points for one hundred percent of engineering or one hundred percent construction services committed to; with a maximum of twenty available points if the commitment is to one hundred percent of engineering services and one hundred percent of constructions services performed directly by, and with compensation paid to, one or more resident New Mexico businesses; and

(c) a bid including a commitment to a minimum of fifty percent ownership of the proposed facility by one or more New Mexico resident businesses for a minimum of five years after the date of commercial operation shall be awarded five points for the minimum fifty percent ownership, with an additional one point for each additional ten percent of resident business ownership, for a maximum of ten available points.

(6) each bid shall be awarded points for having any, some, or all of the following attributes concerning the proposed project site, with the attributes being additive, not exclusive, for a range of zero to seven potential points per bid:

(a) a bid for a project to be sited on a brownfield, built environment, or rooftop shall be awarded two points;

(b) a bid for a project to be sited on land owned by a municipal, county, or state entity shall be awarded three points; and

(c) a bid for a project that has received a favorable analysis from the department of cultural affairs or a qualified independent expert shall be awarded two points.

(7) each subscriber organization submitting a bid shall be categorized according to the provisions of Section 13-1-21 NMSA 1978, as a resident business, Native American resident business, resident veteran business, Native American resident veteran business, or none of these, which status must remain in place until the project bid has at least reached mechanical completion. For the purpose of scoring this category, the subscriber organization itself, not its partners or subsidiaries, is considered the "business". Ownership structure documentation demonstrating compliance with this subsection must be maintained with the program administrator. Any sale, equity transfer, or assignment of the subscriber organization to a non-resident entity prior to achieving mechanical completion may result in penalties including the possible disqualification of the project bid in question. Points shall be awarded according to the following schedule:

(a) a subscriber organization that is a resident business or Native American resident business shall receive seven points.

(b) a subscriber organization that is a resident veteran business or Native American veteran resident business shall receive nine points.

G. The program administrator shall score projects based upon these qualifications and scoring criteria within each qualifying utility's territory. Within 30 days of the completion of the scoring process, the program administrator must publicly disclose the points awarded to each scored bid for each category enumerated in Paragraphs (1) - (7) of Subsection F of 17.9.573.12 NMAC.

(1) The program administrator will select applications up to one hundred-fifty percent of each utility's pro-rata allocation of the solicitation capacity to proceed to the interconnection application process. Should an application withdraw or be withdrawn from the program, the administrator will select the next eligible application to replace it, without regard to the thirty percent developer cap.

(2) Program capacity will be allocated to each scored bid upon submission to the program administrator of a fully executed interconnection agreement with the applicable qualifying utility and the subscriber organization's payment to the commission of an application fee in the amount of $2,500 for each megawatt AC of nameplate capacity the proposed facility is expected to have according to the fully executed interconnection agreement. The program administrator shall limit the total program capacity allocated to any single subscriber organization and its affiliates' bids to a maximum total of twenty percent of the statewide capacity cap allocated to the applicable qualifying utility prior to any unallocated capacity from prior solicitations being rolled forward. This limitation shall apply only to capacity allocated directly to a subscriber organization for its own bidded projects. Capacity that is subsequently acquired by a subscriber organization through the purchase or transfer of bids or allocation from other non-affiliated subscriber organizations may exceed this twenty percent limitation. Failure to pay the application fee within 30 calendar days of selection of the project will result in the project's removal from the program. This process shall continue until the allocated capacity cap for each utility has been reached.

(3) The program administrator shall maintain a publicly accessible record of all projects allocated capacity within each utility's service territory. This project registry shall be updated on at least a weekly basis until the allocated capacity cap for each utility has been reached.

(4) The program administrator may decline to award capacity to a project that will interconnect to a portion of the distribution grid at which there is insufficient load to offset the additional generation to be provided by the project and which will require additional point-to-point transmission service over a third-party system to a separate portion of the utility's distribution grid.

H. The program administrator shall maintain a scoring list for each qualifying utility.

I. A utility must consider interconnection applications for community solar projects that have been selected by the program administrator to proceed to the interconnection application process and shall not consider interconnection applications for community solar projects that have not been selected to proceed to the interconnection application process. Among the group of interconnection applications for community solar projects that have been selected to proceed to the interconnection process by the administrator or have replaced selected projects, a utility must prioritize starting to review applications in the order of ranking by points awarded to each project in the scoring process. When projects are not on the same substation or feeder, a utility shall make reasonable efforts to review interconnection applications for eligible community solar projects in parallel rather than sequentially, in order to avoid delays in project advancement.

J. If a scored project fails to meet any mandatory engineering data deadline, fee submission requirement or execution timeline set forth in 17.9.568 NMAC, the utility shall deem the application withdrawn, adjust the queue order, and proceed with subsequent applications without delay. The project shall not be withdrawn if the execution delay is caused by utility-administered engineering evaluations under 17.9.568 NMAC - Detailed Study Process, unresolved technical disputes timely filed under 17.9.568.27 NMAC - Dispute Resolution, or utility equipment procurement constraints.

K. A project under consideration for program capacity may not submit an interconnection application prior to being selected by the program administrator to proceed to the interconnection application process.

L. Each utility must provide a report to the program administrator on the status of the community solar project interconnection queue as of January 1, April 1, July 1, and October 1, no later than the 15th of each of those months, respectively. Such reports must include information on the status of each scored community solar project that has made application with respect to the following data, which the program administrator must post publicly to the program website:

(1) project name;
(2) project Location / Circuit ID;
(3) subscriber Organization.
(4) project size (MWac);
(5) interconnection Review Status;
(6) permission to Operate Date;
(7) withdrawn Date (if applicable).

M. A subscriber organization shall not make any modification to a scored project's bid commitments without the express, prior written approval of the program administrator. Any modification executed or implemented by a subscriber organization prior to receiving formal written approval under this subsection may result in the revocation of the project's conditional capacity allocation, cancellation of its place in the utility queue, and forfeiture of all paid fees. Any modification approved by the program administrator under this subsection remains subject to the utility's independent engineering review under Subsection E of 17.9.568.13 NMAC. If the utility determines that the approved relocation or adjustment constitutes a material modification that cancels or alters the project's original interconnection queue position, the subscriber organization must immediately report the utility's determination to the program administrator for a secondary capacity review.
[17.9.573.12 NMAC - N, 9/9/2026]

17.9.573.13 INTERCONNECTION AND ADMINISTRATIVE COSTS:

A. The commission may determine on a case-by-case basis whether the cost of distribution system upgrades necessary to interconnect one or more community solar facilities, including native community solar projects, may be eligible for some form of cost-sharing:

(1) among subscriber organizations using the same distribution facilities;
(2) among all ratepayers of the qualifying utility via rate base adjustments; or
(3) among ratepayers of the same rate class as subscribers to the community solar facility via a rate rider for that class.

B. In making a determination that there are public benefits to such a cost-sharing mechanism, the commission will employ the analysis that the commission employs when considering cost sharing or rate basing grid modernization projects as defined by Section 62-8-13 NMSA 1978, the Grid Modernization Act, to make a finding that the approved expenditures are:

(1) reasonably expected to improve the utility's electrical system efficiency, reliability, resilience and security;
(2) reasonably expected to maintain reasonable operations, maintenance and ratepayer costs;

(3) reasonably expected to meet energy demands through a flexible, diversified and distributed energy portfolio;

(4) 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; or

(5) designed to contribute to the reduction of air pollution, including greenhouse gases.

C. The commission will consider approving sharing of interconnection costs with non-subscribing ratepayers only to the extent that the costs borne by such ratepayers are matched or exceeded by demonstrable benefits to such ratepayers, so that there will be no subsidization of interconnection costs by non-subscribing ratepayers.in appropriate cases.

D. A utility may recover administrative costs of carrying out its responsibilities concerning the community solar program through a rate rider from which non-subscribing ratepayers are exempt. A utility may apply to the commission to establish such a rider. Each utility must publicly report to the program administrator details on actual administrative costs and recovered costs via the administrative rate rider on an annual basis. The program administrator must publish and maintain all utility reports on the program website.

[17.9.573.13 NMAC - N, 9/9/2026]

17.9.573.14 REGISTRATION OF SUBSCRIBER ORGANIZATIONS:

A. The commission will issue a registration form that each subscriber organization shall file with the commission, that includes ownership and contact information, non-profit registration, or proof of certification to operate in New Mexico, and a general description of the project(s) proposed by the subscriber organization.

B. Each subscriber organization's ongoing authorization to operate community solar facilities shall be dependent upon the organization's compliance with the statutory thirty percent low-income subscription minimum (or their low-income bid commitment if above thirty percent) for each facility operated by the subscriber organization. For each facility, the subscriber organization shall share the initial validated subscriber list received from the utility with the program administrator. The subscriber organization shall subsequently share updated validated subscriber lists with the program administrator on a monthly basis. In each case, the validated subscriber allocation list must indicate low-income status for each subscriber. Updated validated subscriber allocation lists shall be submitted no later than five business days before the end of each month to ensure alignment with monthly allocation changes permitted under Subsection B of 17.9.573.21 NMAC. Subscriber organizations that fail to reach the required low-income subscription level by the date of commercial operation of each community solar facility may be subject, at the commission's discretion, to penalties up to and including suspension or revocation of the subscriber organization's authorization to operate.

C. In addition to meeting the statutory minimum requirements, each subscriber organization shall be required to materially fulfill their bid commitments made in their community solar project application for which they received points in the scoring process.

D. Subscriber organizations shall submit, on an annual basis, a compliance attestation affirming that all such commitments remain in place or have been materially fulfilled. This attestation shall be submitted to the program administrator and signed by an authorized representative of the subscriber organization until all commitments have been fulfilled.

E. The program administrator or commission may, at its discretion, review any subscriber organization's compliance with their bid commitments or program requirements. Any material failure to fulfill their bid commitments or program requirements without prior program administrator or commission approval may result in fines and other penalties up to and including suspension or revocation of the subscriber organization's authorization to operate, in accordance with Subsection A of Section 62-16B- 7 NMSA 1978.

[17.9.573.14 NMAC - N, 9/9/2026]

17.9.573.15 SPECIAL SUBSCRIBER PROVISIONS:

A. Low-income customers who are eligible to meet the thirty percent carve out of Paragraph (3) of Subsection B of Section 62-16B-7 NMSA 1978 may be pre-qualified based on participation in any of the following programs (to the extent that they are still active), as well as additional programs identified by commission staff. A low-income customer may demonstrate participation in pre-qualified programs through signing a self-attestation of participation in one of the following programs:

(1) medicaid;

(2) supplemental nutrition assistance program (SNAP);

(3) low-income home energy assistance program (LIHEAP);

(4) participants, within the last year, of first-time homeowner programs and housing rehabilitation programs;

(5) living in a low-income/affordable housing facility;

(6) state and federal income tax credit programs that have relevant low-income tax requirements;

(7) section 8 housing choice voucher program;

(8) food distribution program on Native American reservations (FDPIR);

(9) temporary assistance for needy families (TANF);

(10) the special supplemental nutrition program for women, infants, and children (WIC);

(11) tribally- administered temporary assistance for needy families (TTANF); or

(12) federal weatherization assistance program.

B. An entire multi-family affordable housing project may prequalify its entire load as a low-income subscriber.

C. A customer who does not qualify under subpart A may qualify as a low-income subscriber by signing a self-attestation that the customer's income and household size qualify the customer as a low-income subscriber.

D. Low-income service organizations need only fit the special definition of this term provided in the community solar act, Subsection H of Section 62-16-2 NMSA 1978.

E. A subscriber organization must initially certify to the program administrator that the subscriber organization has complied with the thirty percent-low-income-subscription requirement and must recertify on an annual basis. The annual recertification requires that each subscriber organization certify that it is in compliance with the low-income subscription requirement for each facility owned by the subscriber organization, by providing a certification to the program administrator in a form to be provided by the program administrator. The subscriber organization shall provide the certification to the program administrator in January of each year, certifying that the low-income subscription requirement was fulfilled as of December 31st of the previous calendar year. The subscriber organization shall, on an annual basis, submit to each subscriber who has qualified as a low-income subscriber a form that has check boxes for confirmation that such subscriber either remains qualified or no longer qualifies as a low-income subscriber. The subscriber organization shall omit from its list of low-income subscribers those subscribers who indicate they no longer qualify as low-income subscribers. The subscriber organization may assume that subscribers who fail to return the form remain in their current status. The subscriber organization shall maintain all such documentation received, as well as a list of those persons who failed to return the form. The documentation shall be maintained, easily accessible, and organized by year. The form may be delivered electronically to a subscriber who has consented to electronic communications. A subscriber may opt out of electronic delivery. For a subscriber who opts out, has not consented, or lacks a valid electronic contact, the form shall be mailed with a self-addressed prepaid return envelope or prepaid postcard. A summary of the documentation shall be submitted to the program administrator annually, and the documentation shall be made available to the program administrator upon request.

F. The commission shall contract with an experienced service provider to partner with community organizations to provide education and outreach to low-income serving organizations and to manage an outreach program to attract low-income subscribers to the program.

[17.9.573.15 NMAC - N, 9/9/2026]

17.9.573.16 SUBSCRIBER PROTECTIONS:

A. The commission has adopted a uniform disclosure form that may be updated as needed by the commission or the program administrator. The uniform disclosure form shall identify the information to be provided by subscriber organizations to potential subscribers, in both English and Spanish, and when appropriate, native or indigenous languages, to ensure fair disclosure of future costs and benefits of subscriptions, key contract terms, security interests and other relevant but reasonable information pertaining to the subscription, as well as grievance and enforcement procedures. The key contract terms to be disclosed on the form are estimated subscription size (kw AC), estimated contract effective date, contract term (months or years), option to renew y/n?, enrollment costs/subscription fees, current administrative cost rider rate, payment terms, rate discount, estimated total one year payments, a uniform visual example which shows estimated net monthly utility bill savings based on average usage of a residential customer, stated in terms of dollar and percent savings as well as stated estimates of annual and monthly average dollar and percent savings, early termination fees or cancellation terms, and subscription portability or transferability. The subscriber organization shall provide the form to a potential subscriber and allow them time to review the form's disclosures and sign the form before entering into a subscription agreement. The subscriber organization shall maintain in its files a signed form for each subscriber for the duration of the subscriber's subscription, plus one year, and shall make the form available to the commission upon the commission's request.

B. The subscriber organization must maintain a minimum level of general liability insurance coverage for each facility that it operates, with the minimum level dependent upon the nameplate capacity of the facility, according to the following schedule: one million dollars per occurrence for a facility with a capacity greater than 250 kW, five hundred thousand dollars per occurrence for a facility with a capacity in the range of 40 kW - 250kW, and three hundred thousand dollars per occurrence for a facility with a capacity below 40 kW.

C. False advertising prohibited - subscriber organizations, subscriber managers, and authorized contractors shall not engage in false or misleading advertising. This includes, but is not limited to, representing the value of a subscription by advertising the solar bill credit discount as the net discount on the customer's total electricity bill. Such conduct constitutes false advertising under New Mexico statutes, chapter 57, article 15 - trade practices and regulations. Failure to abide by this requirement may result in temporary suspension, or complete revocation, of authority to participate in the community solar program from the program administrator.

D. Compliance with local solicitation laws - subscriber organizations, subscriber managers, and authorized contractors shall comply with all applicable local laws governing solicitation activities. This includes obtaining any required solicitor's permits and business licenses before engaging in door-to-door or in-person solicitation. In some jurisdictions, unpermitted solicitation is a misdemeanor offense. Subscriber managers are responsible for ensuring that their authorized representatives are aware of and comply with all relevant local requirements. Failure to prevent unauthorized solicitation by an authorized representative may result in the suspension of the subscriber manager's authorization to enroll subscribers in the New Mexico community solar program.

[17.9.573.16 NMAC - N, 9/9/2026]

17.9.573.17 SUBSCRIPTION AGREEMENTS: Each subscriber organization shall develop and implement a written subscriber agreement containing the organization's terms and conditions for subscribing to its project.

A. The subscriber agreement must include the following terms, at a minimum:

(1) general project information;

(2) the effective date and term of the agreement;

(3) identification of all charges and fees;

(4) payment details;

(5) information about the bill credit mechanism;

(6) estimated annual net dollar savings in year one based on average usage of a residential customer;

(7) the terms and conditions of service;

(8) the process for customer notification if the community solar facility is out of service;

(9) the customer protections provided;

(10) contact information for questions and complaints; and

(11) the subscriber organization's commitment to notify the subscriber of changes that could impact the subscriber.

B. Subscriber organizations may update subscriber agreements or related enrollment information to reflect non-material changes without submitting a new agreement, provided that such changes do not alter the terms of service in a manner that affects subscriber rights or obligations. Non-material changes include administrative updates, any decrease in subscription size consistent with the executed subscriber agreement that does not reduce the savings rate or alter other material rights, and an increase of no more than twenty-five percent of the original subscription size if authorized by the executed agreement and compliant with Paragraph (1) of Subsection A of Section 62-16B-5 NMSA 1978, changes in subscriber location within the same utility service territory, or reassignment to another approved project administered by the same subscriber organization.

C. Qualifying utilities shall implement and maintain an electronic system to allow subscriber organizations to submit enrollment materials and make updates through a streamlined digital process. The system shall allow batch submission of subscriber information and documentation, provide confirmation of receipt, and support standard file formats including CSV and PDF, and notice of review within a specified number of business days.

D. The electronic system shall be fully implemented and available to subscriber organizations no later than 90 days after the rules are enacted by the commission. After that date, utilities shall not require paper-based or manual submission of subscriber materials, including consent forms. The program administrator shall monitor implementation and may recommend action to the commission in cases of noncompliance.

E. The commission may consider additional required terms in a future proceeding.

F. Complaints by subscribers against subscriber organizations may be submitted to the commission's consumer relations division for informal resolution. The commission may, in its discretion, refer serious issues to the attorney general to pursue enforcement proceedings.

G. The program administrator may require additional, reasonable reporting by subscriber organizations and qualifying utilities that the program administrator finds necessary or convenient for the efficient administration of the community solar program.

[17.9.573.17 NMAC - N, 9/9/2026]

17.9.573.18 CO-LOCATION OF COMMUNITY SOLAR FACILITIES: As long as a community solar facility is not located on the same parcel as another community solar facility, it shall not be considered co-located with another community solar facility. For any parcel that has been subdivided in the two years prior to a community solar project bid, all subdivided parcels shall be considered a single parcel for the purposes of this rule. The commission will consider, on a case-by-case basis, allowing more than one community solar facility to be located on the same parcel.

[17.9.573.18 NMAC - N, 9/9/2026]

17.9.573.19 PRODUCTION DATA:

A. The subscriber organization shall pay for a production meter to be used to measure the amount of electricity and renewable energy certificates generated by each community solar facility.

B. The subscriber organization shall provide real-time reporting of production as specified by the utility. For a community solar facility with production capacity greater than 250 kW AC, the subscriber organization shall provide real-time electronic access to production and system operation data to the utility.

C. Production from the facility shall be reported to the subscribers by the subscriber organization on at least a monthly basis. Subscriber organizations are encouraged to provide website access to subscribers showing real-time output from the facility, if practicable, as well as historic production data.

[17.9.573.19 NMAC - N, 9/9/2026]

17.9.573.20 COMMUNITY SOLAR BILL CREDIT RATE:

A. In calculating the solar bill credit rate, the utility shall calculate the total aggregate retail rate on a per-customer-class basis, less the commission-approved distribution cost components, and identify all proposed rules, fees and other charges converted to a kilowatt-hour rate, including fuel and purchased power cost adjustments, the value of renewable energy attributes and other charges of a qualifying utility's effective rate schedule applicable to a given customer rate class, but does not include charges described on a qualifying utility's rate schedule as minimum monthly charges, including customer or service availability charges, energy efficiency program riders or other charges not related to a qualifying utility's power production, transmission or distribution functions, as approved by the commission, franchise fees and tax charges on utility bills.

B. The total aggregate retail rate is the total amount of a qualifying utility's demand, energy and other charges converted to a kilowatt-hour rate, including fuel and purchased power cost adjustments, the value of renewable energy attributes and other charges of a qualifying utility's effective rate schedule applicable to a given customer rate class, but does not include charges described on a qualifying utility's rate schedule as minimum monthly charges, including customer or service availability charges, energy efficiency program riders or other charges not related to a qualifying utility's power production, transmission or distribution functions, as approved by the commission, franchise fees and tax charges on utility bills. The utility's tariff for the bill credit shall include a table specifying the components of the total aggregate retail rate, the value of the renewable energy attributes and the distribution costs to be subtracted.

C. The utility shall base its distribution cost calculation upon its most recently commission-approved cost-of-service study.

D. The utility shall not subtract any costs of transmission from the solar bill credit rate calculation.

E. The utility shall value the environmental attributes of renewable energy certificates (RECs) at the utility's average cost of meeting its renewable portfolio standard requirement.

F. The utility shall ensure that the fuel and purchased power cost components credit rate is equal to the utility's commission-approved fuel and purchased power cost adjustment clause rate on the subscriber's bill.

[17.9.573.20 NMAC - N, 9/9/2026]

17.9.573.21 UNSUBSCRIBED ENERGY:

A. The utility shall document any payments made for unsubscribed energy, including documentation of the utility's calculation of avoided cost and make such documentation available to the commission upon request. The utility may request recovery of such payments in its next base rate case.

B. Subscriber organizations may modify subscriber's allocation monthly. Subscriber organizations will prioritize the banked unsubscribed energy ahead of newly produced energy, even if this will cause a portion of the newly produced energy in the current month to be unsubscribed.

C. Utilities will utilize the solar bill credits in effect at the time the unsubscribed energy is applied.

D. Avoided cost of energy rate for unsubscribed energy:

(1) The qualifying utility shall pay for unsubscribed energy which has been rolled forward for greater than 12 months to the subscriber organization at an avoided cost of energy rate as determined by the qualifying utility's commission-approved qualifying facility tariff.

(2) The payments for unsubscribed energy shall be recovered in the fuel and purchased power cost adjustment clause as economic eligible fuel expense.

(3) The qualifying utility shall seek recovery of the incremental costs to administer the unsubscribed energy through the community solar administrative cost rider.

[17.9.573.21 NMAC - N, 9/9/2026]

17.9.573.22 CONSOLIDATED BILLING:

A. Each qualifying utility shall submit a proposed consolidated billing proposal for commission approval by January 1, 2027. Proposals may vary among utilities and should be specific to billing system requirements and constraints.

(1) Proposals shall include, at a minimum:

(a) the calculation of the community solar bill credit rate, including applicable taxes and fees;

(b) the calculation of the utility administrative costs;

(c) the calculation of the payment due to the subscriber organization, including the subscription rate, taxes, and fees;

(d) any applied unsubscribed energy from the subscriber organization;

(e) proposed mechanisms for customers participating in other utility programs, such as multiple community solar subscriptions, budget billing, on-bill financing, and additional green tariff programs;

(f) proposed data privacy for subscriber information to avoid misuse or exposure of financial or personal information;

(g) estimated costs and timelines; and

(h) descriptions of resource requirements and constraints.

(2) The commission will review the proposed design specifications to ensure full compliance with applicable statutory and regulatory requirements.

(3) The commission may request changes to any proposed design specification prior to approval or denial.

B. Each qualifying utility shall propose an implementation plan for consolidated billing for all community solar subscribers within 180 days of receiving commission approval of a consolidated billing design specification. Utility implementation plans shall include relevant estimated costs and timelines, as well as descriptions of resource requirements or constraints.

C. Each qualifying utility shall provide quarterly reporting on the implementation plan until full consolidated billing is achieved for each qualifying utility. Each quarterly report shall include any changes to the estimated completion date, expenses incurred and recovered to date, and any new information relevant to the estimated budget and timeline.

D. Once a qualifying utility has implemented an approved consolidated billing program, all subscriber organizations operating within the utility's territory shall participate in the consolidated billing program.

E. A subscriber organization shall provide to the utility a subscriber list for each community solar facility enrolled in consolidated billing and a savings rate for each subscriber's electric utility account.

F. A qualifying utility shall calculate an electric utility account's net bill credit using a savings rate with precision up to one-tenth of a percent.

G. For all customers participating in consolidated billing, a subscriber organization shall set a percentage savings rate that is greater than zero. A subscriber organization may set a unique savings rate for each electric utility account subscribed to a community solar facility.

H. When calculating a net bill credit, a qualifying utility shall use the savings rate information

provided by a subscriber organization. A qualifying utility must apply updated savings rate information no later than
the first full billing cycle for the subscriber's account that occurs after receiving the information.

I. The calculation of subscription credits and charges shall be completed as follows:

(1) A qualifying utility shall calculate the dollar amount of the net bill credit for a subscriber's account by multiplying the savings rate by the dollar value of the solar bill credit during the billing period.

(2) A qualifying utility shall calculate the dollar amount of the subscription charge by subtracting the net bill credit dollar value from the dollar value of the solar bill credit during the billing period.

(3) A qualifying utility shall deduct a subscriber's net bill credit from the monthly electric energy charges due to the qualifying utility.

(4) For a subscriber on budget billing, a qualifying utility shall deduct a subscriber's net bill credit from the subscriber's monthly budget bill amount due.

J. For each billing period in which a subscriber is enrolled in consolidated billing, the qualifying utility shall include the following on the subscriber's bill for electric service:

(1) the dollar value of the subscription credit during the billing period;

(2) the savings rate as specified by the subscriber organization under Subsection G of 17.9.573.22 NMAC;

(3) the subscription charge in dollars; and

(4) the net bill credit in dollars applied under Paragraph (3) of Subsection I of 17.9.573.22 NMAC.

K. A qualifying utility shall, on a subscriber's electricity bill, label the subscription components in Subsection J of 17.9.573.22 NMAC as being associated with the subscriber's community solar subscription.

L. Subscription charges shall be remitted by the utility to the subscriber organization as follows:

(1) For each month that an account is subscribed to a community solar facility, the qualified utility shall remit to the subscriber organization of the community solar facility an amount equal to the subscription charge calculated in Paragraph (2) of Subsection I of 17.9.573.22 NMAC.

(2) A qualifying utility shall remit the amount in Paragraph (1) of Subsection L of 17.9.573.22 NMAC no later than 60 calendar days from the date on which the qualifying utility determines the most recent energy reading from the community solar facility.

(3) A qualifying utility shall make the payment required under Paragraph (1) of Subsection L of 17.9.573.22 NMAC to the subscriber organization through electronic fund transfer or other payment method mutually agreed upon by the subscriber organization and the qualifying utility.

(4) Customer partial payments, and customer non-payments shall not change the remittance process established in Paragraph (1) of Subsections L through Paragraph (3) of Subsection L NMAC. Partial payments and non-payments of the remaining utility bill shall be administered under 17.5.410 NMAC and the utility's generally applicable tariff.

M. Net credit billing reporting

(1) A qualifying utility that provides consolidated billing shall provide a subscriber organization with a report detailing each subscriber's net credited amounts.

(2) A qualifying utility shall provide the report no later than 60 days after the community solar facility meter reading by the qualifying utility.

(3) The required reports shall include the following items for each subscriber's account:

(a) subscriber's solar bill credit allocation;

(b) generation period associated with subscriber's solar bill credit allocation;

(c) subscriber's utility account number;

(d) subscription charge for the billing period; and

(e) net credit amount allocation for the period.

(4) A qualifying utility shall retain a record of bill credits applied to each subscriber's account for a period of five years.

(5) A qualifying utility shall report a summary of errors in the reports described in Paragraph (1) of Subsection M of 17.9.573.22 NMAC for each calendar year by April 1 unless otherwise directed by the commission.

N. Subscriber organizations shall be responsible for all costs of consolidated billing. Costs shall be allocated to each subscriber organization based on a dollar-per-kilowatt of awarded capacity in the community solar program. No subscriber organization may opt out of participating in consolidated billing.

O. Subscriber organizations shall be required to begin payment after consolidated billing is implemented and no earlier. Each subscriber organization participating in a community solar facility shall begin making payments to the qualifying utility for consolidated billing upon the facility achieving permission to operate. Payment amounts shall be calculated in accordance with Subsection P.

P. Costs for consolidated billing shall be recovered by the utility from each subscriber organization participating in the facility through the creation of a regulatory asset which may be recovered from such subscriber organizations. The costs may be accrued based on actual costs incurred on an annual basis and may be amortized over time.

(1) Consolidated billing costs include both the cost to initiate the billing capability, as well as all ongoing administration costs of assuming all billing functions for the subscriber organizations.

(2) If a subscriber organization discontinues operations in New Mexico, the financial obligation for consolidated billing shall pass to any subscriber organization that assumes the awarded capacity. If no other subscriber organization assumes the awarded capacity, the financial obligation for consolidated billing shall be redistributed among existing subscriber organizations.

Q. Nothing in this rule shall limit the ability of the utility to disclose subscriber organization subscription rates to customers.

[17.9.573.22 NMAC - N, 9/9/2026]

17.9.573.23 RELOCATION OF COMMUNITY SOLAR FACILITIES: A selected community solar facility may petition for relocation of its project site, subject to commission approval, only if the following conditions are met:

A. point of interconnection (POI): relocation shall not change the designated point of interconnection identified in the solicitation bid. If relocation requires a different POI, the new POI must:

(1) remain on the original parcel, or

(2) be located on an adjacent parcel secured by a valid lease or utility-approved easement. The utility and subscriber organization shall jointly select a compliant POI that prioritizes safety and reliability.

B. proximity to 3-phase line (<1 mile): if the original site is within one mile of the nearest 3-phase circuit, the relocated site must remain within that one-mile radius. By mutual agreement, the IOU and subscriber organization may select an alternate POI along the same feeder within that radius.

C. proximity to 3-phase line (>1 mile): if the original site is greater than one mile from the nearest 3-phase circuit, relocation shall not increase the distance from that circuit or the original POI.

D. ownership consistency: the landowner of the original and relocated parcel must be the same.

E. site control: The subscriber organization must maintain legally binding site control of the relocated parcel.

F. no adverse cost impacts: relocation shall not increase interconnection or other costs for projects already selected. The hosting utility must validate any proposed relocation for potential restudy. Any new studies triggered by relocation shall be paid for by the relocating developer.

[17.9.573.23 NMAC - N, 9/9/2026]

17.9.573.24 CONTRACTUAL DOCUMENTS AS COLLATERAL: A subscriber organization may seek to grant a security interest in any contractual agreements it has executed with a utility, including its subscriber organization agreement and its interconnection agreement, under the condition that any such assignment incorporate the provisions of the subscriber organization agreement with respect to assignment (Article 15), and default and remedies (Article 9). In no case shall any subscriber organization propose a consent to assignment to a utility which materially conflicts with or amends the provisions of the subscriber organization agreement. Any such consent, if executed, shall be null and void.

[17.9.573.24 - N, 9/9/2026]

HISTORY OF 17.9.573 NMAC: [RESERVED]

History of Repealed Material: 17.9.573 NMAC - Community Solar (filed 7/12/2022), Repealed effective 9/9/2026.

Other: 17.9.573 NMAC - Community Solar (filed 7/12/2022), Replaced by 17.9.573 NMAC - Community Solar effective 9/9/2026.