

Energy Conservation and Management (ECAM)

Energy Infrastructure Funding Opportunities for Rural & Tribal Communities

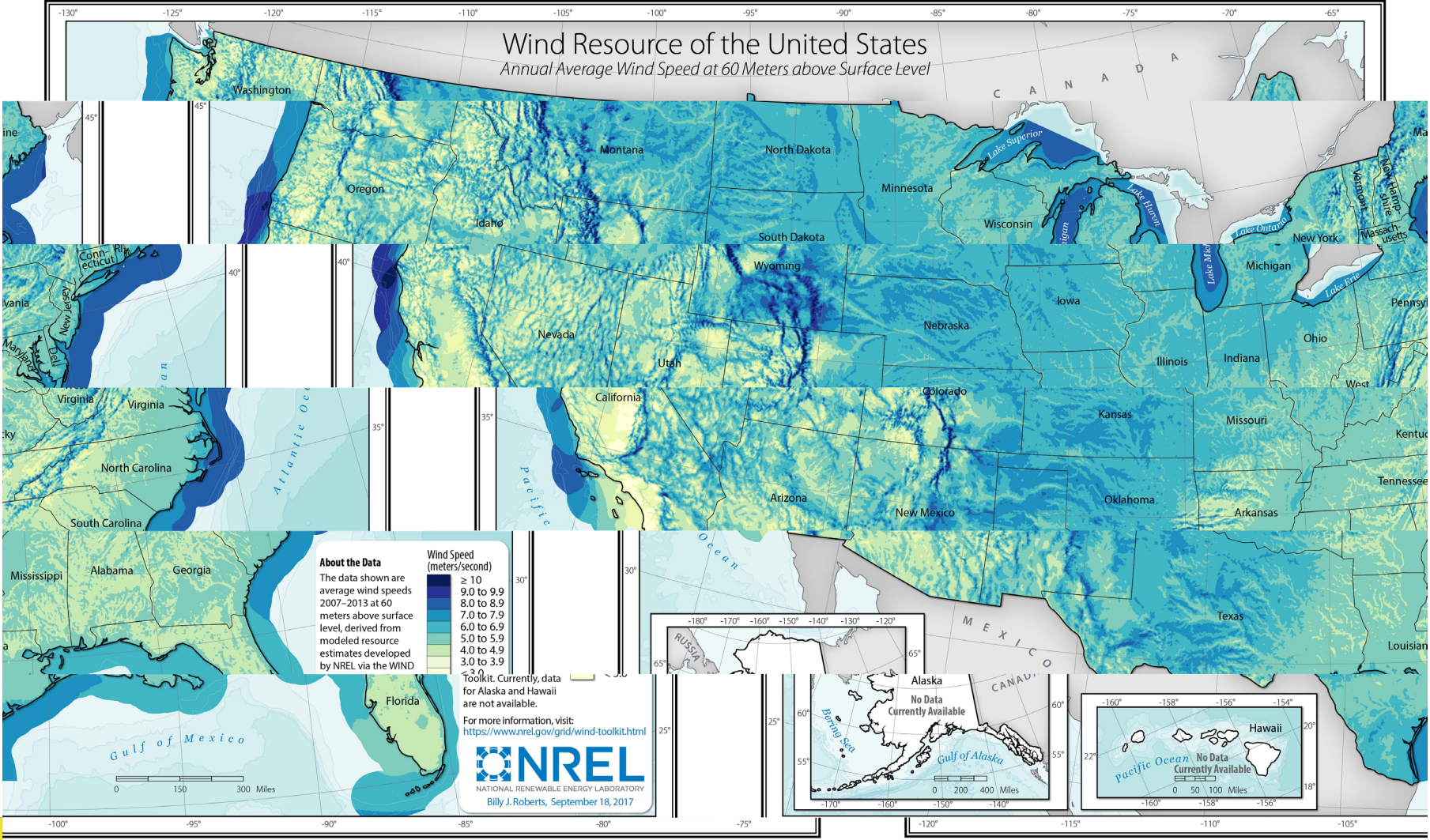
1 *What NM has to offer*

2 How NM can benefit

3 ECAM programs for Tribal and rural communities

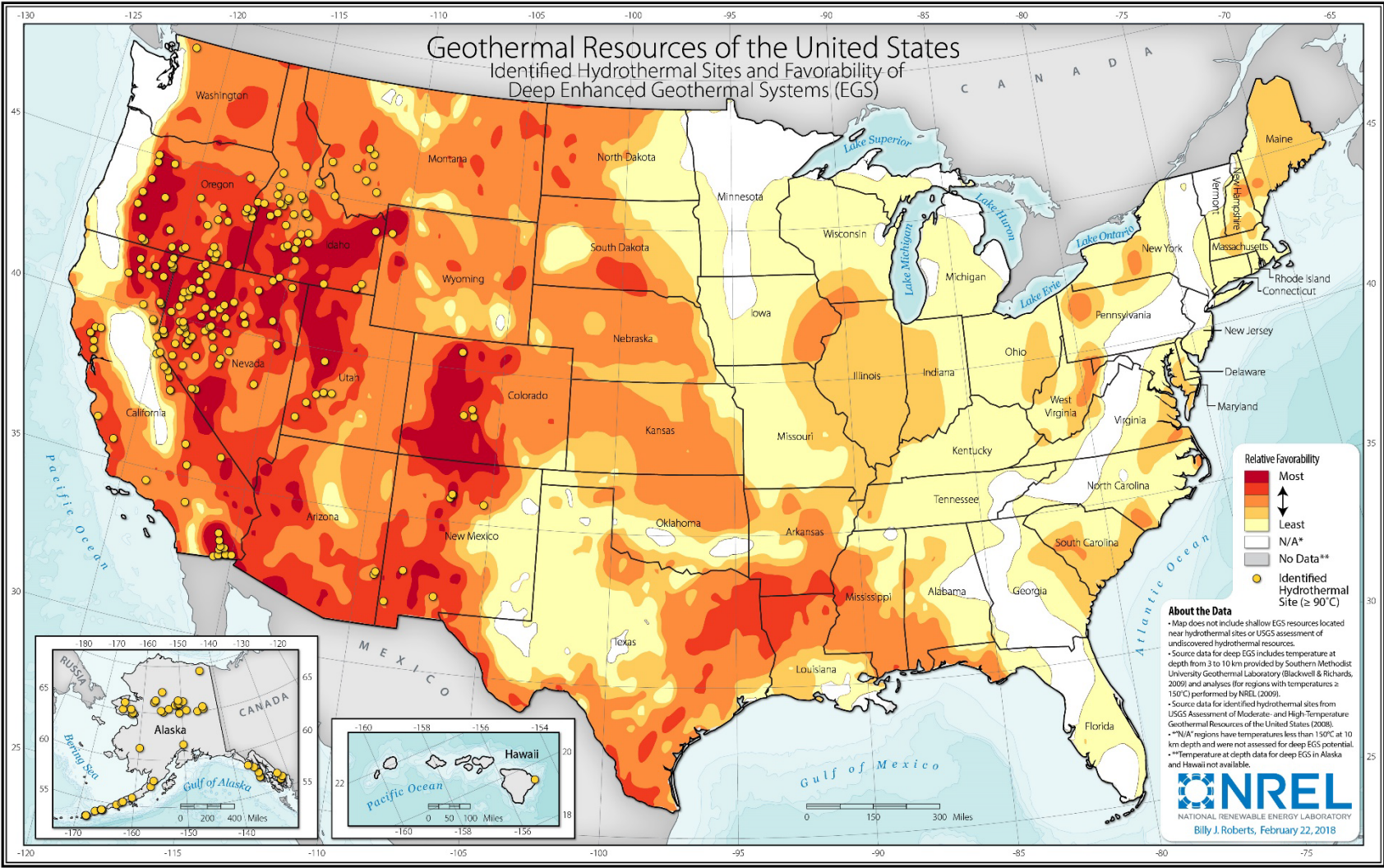
More information on all programs is available on our website at
CleanEnergy.nm.gov

New Mexico ranks in the top ten states for wind potential

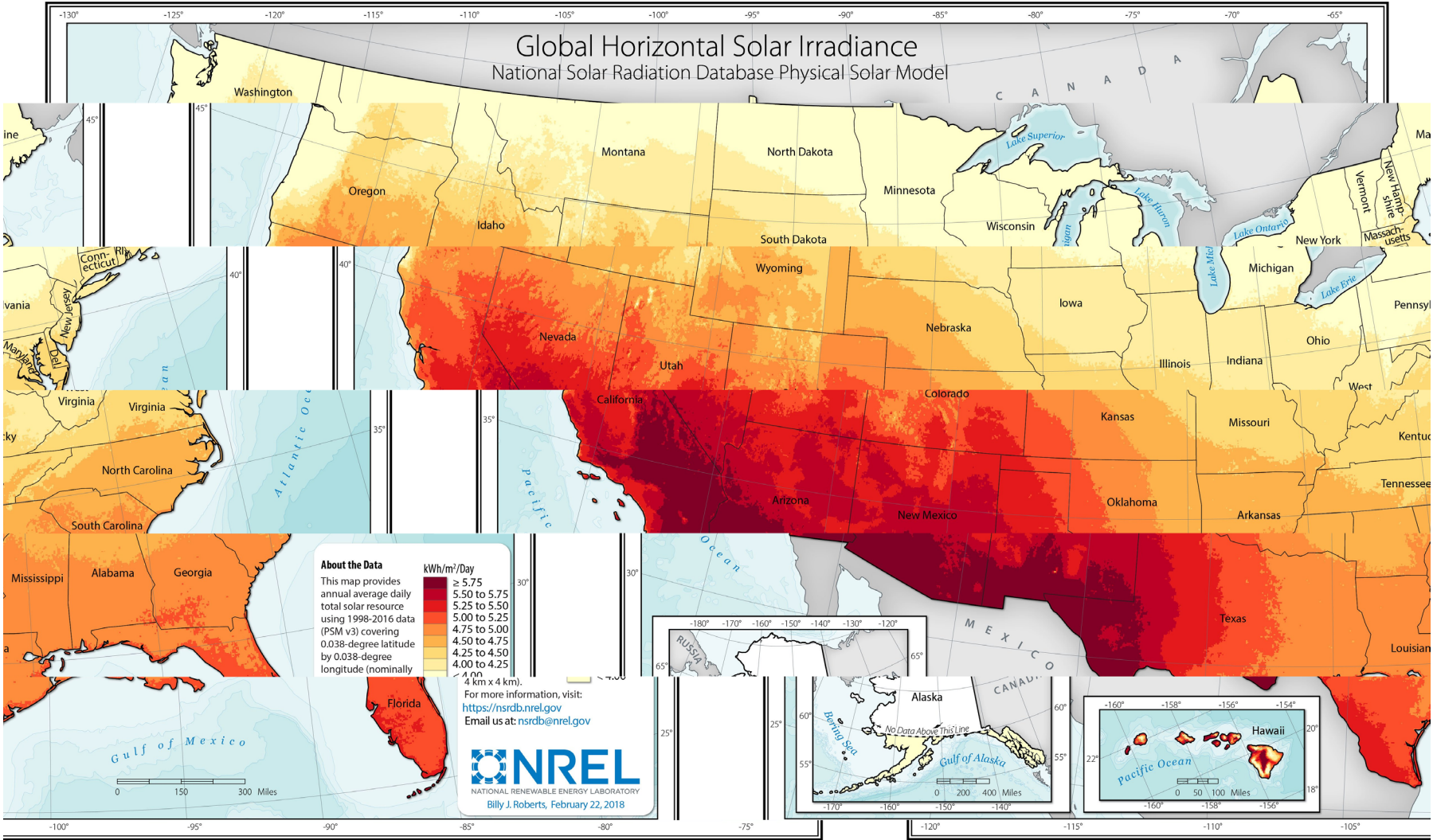


Energy, Minerals and Natural Resources Department

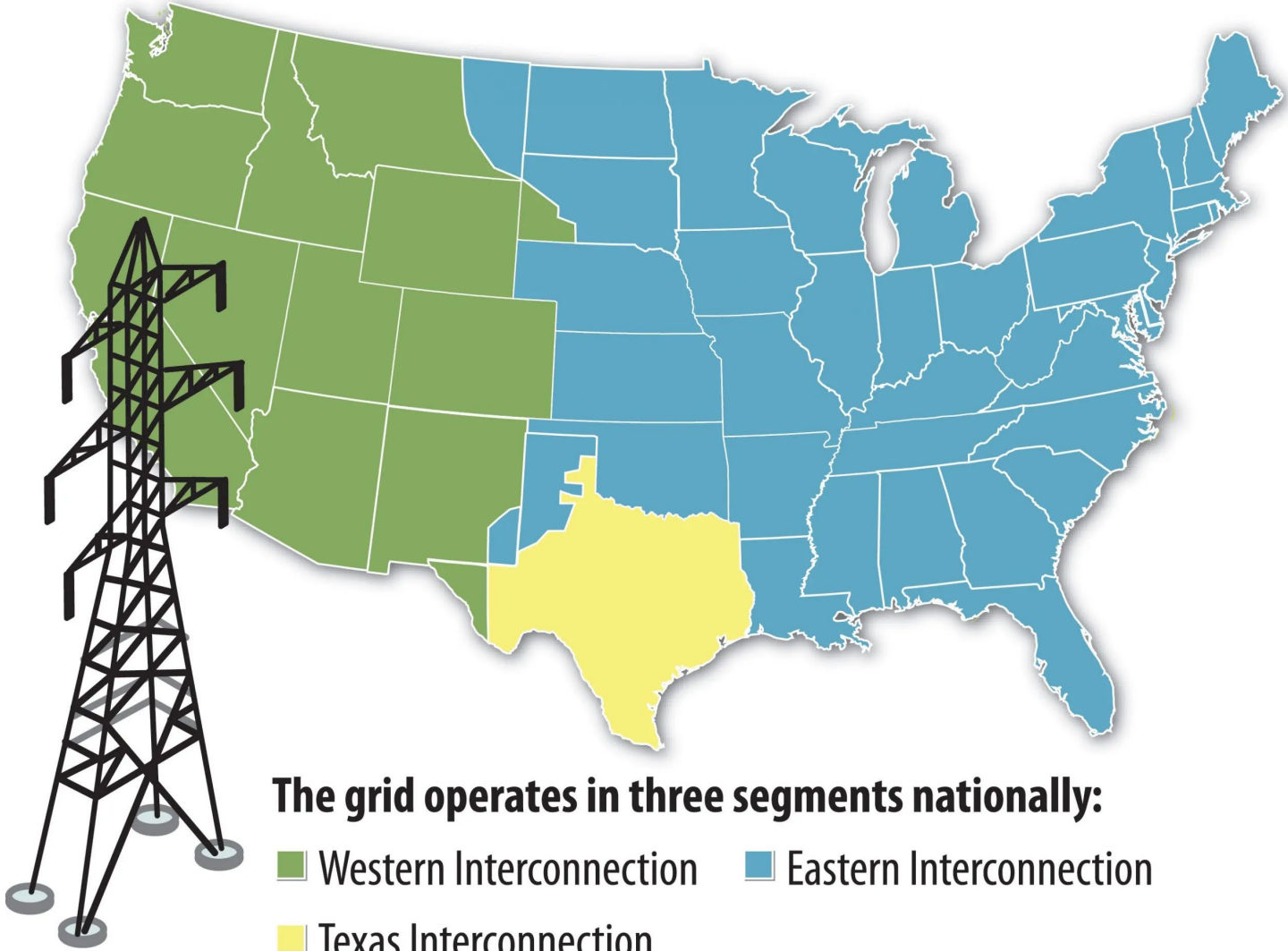
New Mexico ranks #6 for geothermal potential



New Mexico ranks #1 in solar potential



New Mexico lies at the intersection of the three national grids



The grid operates in three segments nationally:

- Western Interconnection
- Eastern Interconnection
- Texas Interconnection

1 What NM has to offer

2 ***How NM can benefit***

3 ECAM programs for rural and Tribal communities

Rural and Tribal New Mexico has the potential to:

- Power itself
 - .. saving money on utility bills
 - .. bolstering tribal sovereignty
 - .. increasing electricity resiliency
 - Power others
 - ... earning money selling renewable electricity
- .. thereby strengthening our rural and tribal communities

Example: Corona's wind farm

- 70 housing units
- Corona recreational facilities: basketball, pickleball courts, disc golf
- New deli grocery store
- New laundromat
- New hardware store
- Most residences renting out RV spots
- Caliche sales for roads
- Corona school:
 - now has 113 students
 - no longer needs special financial assistance from the state
 - entirely new school in process

1 What NM has to offer

2 How NM can benefit

3 *ECAM programs for rural and tribal communities*

Current Grant Programs – page 1 of 4

SEP Energy Efficiency Revolving Loan Fund - Federal

- EMNRD awards loans for energy efficiency audits, upgrades and retrofits to increase building efficiency and comfort in commercial buildings with a public purpose
- \$5.4m
- Who is eligible to receive funding from EMNRD: homeowners and building owners.

Current Grants – page 2 of 4

Energy Efficiency and Conservation Block Grant (EECBG) - Federal

- Funding for a large variety of energy efficiency improvement, including municipal projects, building code improvements, and renewable energy generation
- \$1,758,250
- Who is eligible to receive funding from EMNRD: city, county, state governments.

Geothermal Projects Development Fund – State

- Funds to advance geothermal projects (focus on advanced geothermal)
- \$12.5m
- Who is eligible to receive funding from EMNRD: entities, tribes, universities, political subdivisions

\$2.5m loan program too

Current Grants – page 3 of 4

First \$10m
committed

Community Energy Efficiency Development (CEED) - State

- Grants for residential energy efficiency improvements in underserved communities across NM
- \$10m, then \$5m and \$15m
- Who is eligible to receive funding from EMNRD: local governments, in partnership with community organizations

Preventing Outages While Enhancing Resilience (POWER) - Federal

- Grants to electric grid operators, electricity storage operators, electricity generators, transmission owners and operators, distribution providers and fuel suppliers
- \$14,369,462
- Program runs May 23, 2023 until April 30, 2028.

Current Grants – page 4 of 4

Home Efficiency Rebates (HER)

- Point-of-sale rebates to improve home efficiency
- \$43,999,070
- Estimated operational by Q3 2025
- Who is eligible to receive funding from EMNRD: low-income New Mexicans.

Home Electric Appliance Rebates (HEAR)

- Point-of-sale rebates to purchase electric appliances and electrify homes
- \$43,742,970
- Launched Sept 3, 2024. Until 2028.
- Who is eligible to receive funding from EMNRD: low-income New Mexicans.

*First state to apply for both programs
First state to launch HEAR retail!*

In-process Grant Programs – page 1 of 2

Solar For All - Federal

- Grants to build residential low-income solar, including single-family, multi-family and shared solar.
- \$156m (\$400k in-kind)
- Awarded; currently planning
- Currently in planning; estimated operational by late 2025
- Who is eligible: low-income New Mexicans and New Mexican communities.

Grid Modernization Fund – State

- Grants to cities, counties, tribes and muni's for grid modernization
- \$70m
- Program runs July 1, 2025 through June 30, 2028

*Summit
coming soon*

In-process Grants – page 2 of 2

Training for Residential Energy Contractors (TREC) formula – federal

- \$1,533,830
- Courses available starting around Q2 2025
- Who is eligible to receive funding from EMNRD: educational institutions, registered apprenticeship programs, unions and other.

Training for Residential Energy Contractors (TREC) competitive - \$2m – federal

Energy Auditor Training – federal

- \$2m
- Estimated operational by ??
- Who is eligible to receive funding from EMNRD: educational institutions, registered apprenticeship programs, unions and other.

In limbo re Trump administration

Currently Available Tax Incentives – page 1 of 5

New Solar Market Development Tax Credit – state

- Up to 10% of the equipment, materials, and labor costs of a solar system – residential or commercial.
- May not exceed \$6,000.
- Tax credit is refundable and transferrable.
- Tax credit fund is capped at \$30,000,000 per year.
- Supplemental \$20m approved by the legislature in 2024 for those systems, otherwise eligible, which were rejected in 2020 – 2023 due to the lower annual cap in those years.

Currently Available Tax Incentives – page 2 of 5

Sustainable Building Tax Credit – state

- Incentivizes cutting-edge sustainable building practices and energy-efficient products
- Two types of tax credits available:
 - Tax credits for the following energy conserving products in existing residences:
 - Energy Star heat pump installation
 - Energy Star heat pump water heater installation
 - Energy Star windows installation
 - Energy Star doors installation
 - Improvements in insulation levels
 - Making the home or building electric vehicle ready
 - Tax credits for commercial renovation and new construction projects

Currently Available Tax Incentives – page 3 of 5

Clean Car Income Tax Credit – state

- Tax credit to support the purchase or lease of clean vehicles (EVs, plug-in hybrids, and fuel cell vehicles). The vehicles can be new or used.
- Program runs from May 15, 2024 to December 31, 2033.
- No yearly aggregate cap on credits (individual credits vary in size depending on the vehicle and the year purchased).

Currently Available Tax Incentives – page 4 of 5

Advanced Energy Manufacturing Tax Credit – state

- Credit for capital costs to support the production of advanced energy products in New Mexico.
- Program runs from January 1, 2025 to December 31, 2032.
- Annual aggregate amount available is \$25 million per year.

Elective (or direct) pay – federal

- Tax credit for a wide range of energy efficiency and renewable measures
- Available for entities which don't typically pay taxes:
 - Tribes
 - Governments
 - 501(c)
- Transferable; refundable.
- 10% - 70% of project cost

Currently available Tax Incentives – 5 of 5

Geothermal Ground-coupled Heat Pump Tax Credit – state

- Provides a credit for 30% of the purchase and installation costs of a geothermal heat pump system.
- Program runs from January 1, 2024 to December 31, 2033.
- Annual aggregate amount available is \$4 million per year.

Geothermal Electricity Tax Credit – state

- Credit for geothermal electricity generation of one and one-half cents (\$0.015) per Kwh generated.
- EMNRD is currently preparing the administrative rules for the program.
- Program runs from January 1, 2025 to December 31, 2031.
- Annual aggregate amount available is \$5 million per year.

Other financing – 1 of 2

ESCO program – Energy Services Contracting

- For government- and tribal-owned buildings
- Amortizes cost for the upfront costs of installing renewables and energy efficiency
- We have overseen over \$770m in ESCO projects in NM

SEFI – State Energy Financing Institution

- SEFI can partner with private entities and go together to US DOE Loan Program Office to seek green energy loans of \$100 million and up, at favorable rates.
- Currently evaluating about a dozen proposals from first round of RFI

Green finance partner

- Entity partnering alongside ECAM on green financial support.
- Offer low-interest loans, interest rate buydowns, loan loss reserve, “fronting” for federal grants and other needed green financing.

Other financing – 2 of 2

Innovation in State Government Fund

- For state agencies to create master plans and increase agency capacity to implement climate change policy
- \$2.5m for EMNRD (\$13.5m across nine agencies)

Local Solar Access Fund

- Grants to plan, design, construct, purchase, install and equip solar energy systems
- \$20m, managed by NMFA
- Who is eligible: counties, municipalities, school districts, land grants-merced, or Indian nations, tribes, pueblos

Includes “providing technical support”

CleanEnergy.nm.gov



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Additional slides

Strategies

- 1 Outreach/marketing – now “ECAM”
- 2 Energy coaches
- 3 Clearinghouse website – CleanEnergy.nm.gov

Strategies – website

OUR PROGRAMS ABOUT ECAM PUBLIC NOTICES CONTACT US

ECAM
ENERGY CONSERVATION
AND MANAGEMENT

Energy Products What Do I Qualify For? Create Account or Login

Save on Energy Costs for Your Home or Business in New Mexico

Looking to save money while making your home or business more energy efficient?
Discover a range of tax incentives and rebates available for energy-efficient programs and products.

What do I qualify for? Available Products Sign Up for Notifications

Partners

Agencies

IAD

DWS

EDD

MFA

HSD

NMED

Dept of Justice

NMDOT

DFA

Non-government

Unions (IBEW, Local 412, etc)

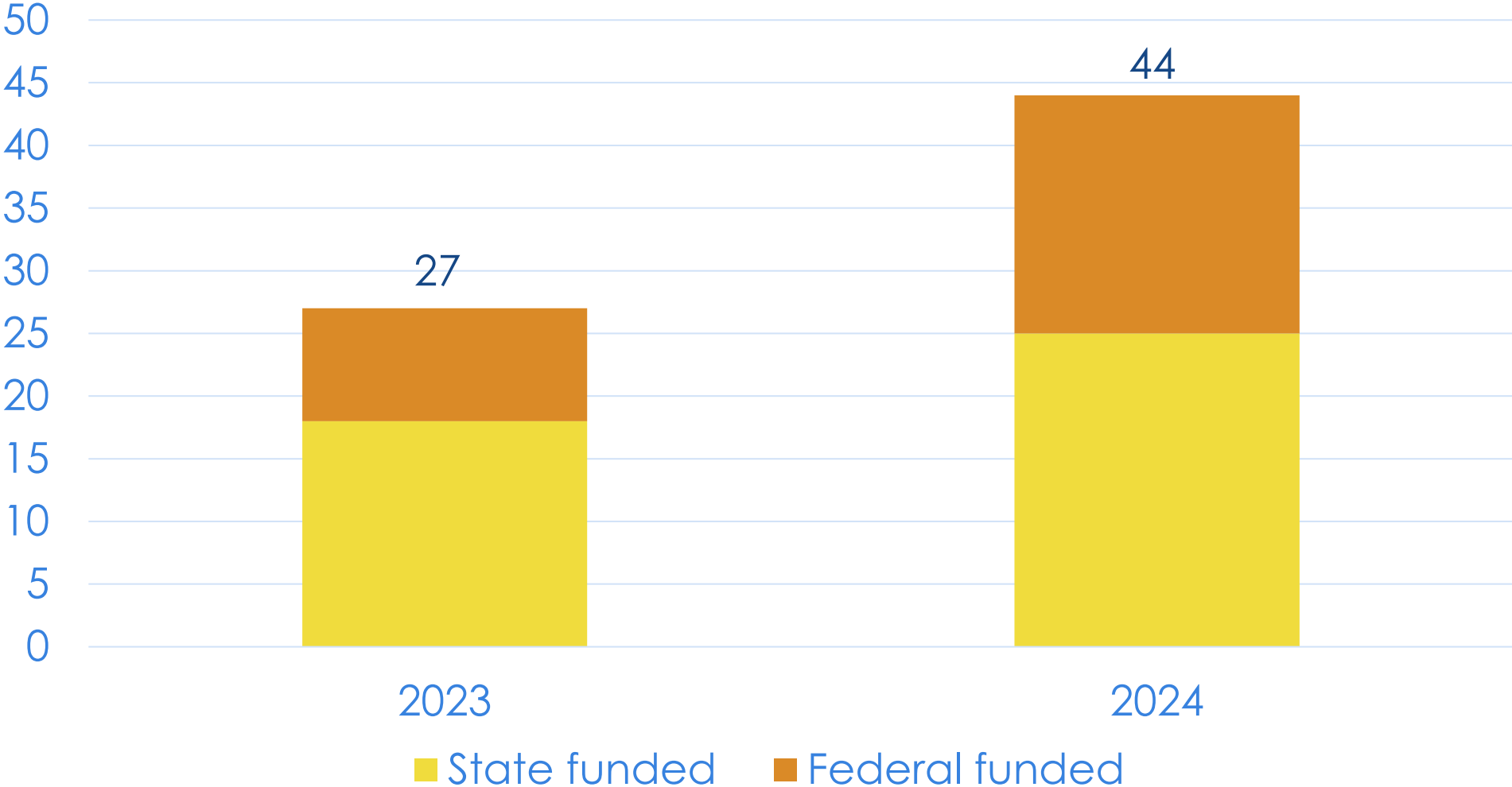
Contractors and industry orgs

Green banks and similar

Tribes, Nations and Pueblos

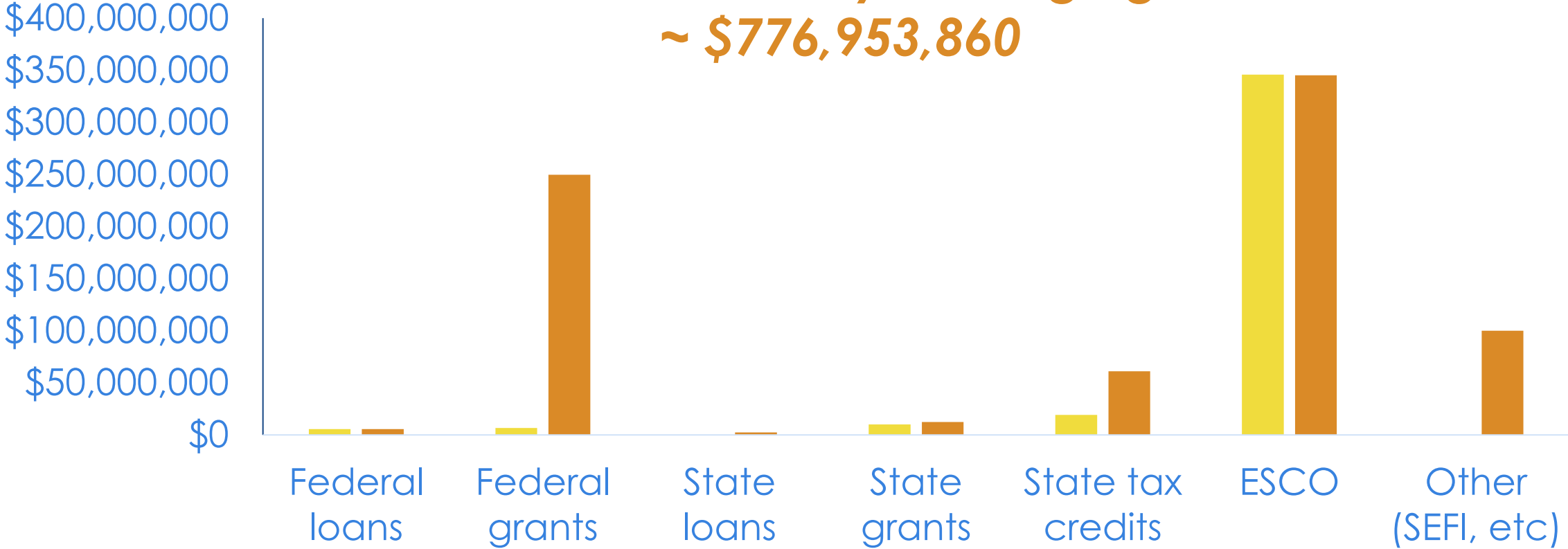
Community-based organizations & nonprofits

ECAM – staff



ECAM – Dollars under management

**Currently managing
~ \$776,953,860**



Challenges and possible remedies

Workforce – training

Interconnection / utility cooperation – PRC, relationships

Supply chain delays – going first, local manufacturing?

Bad actors – disseminating info