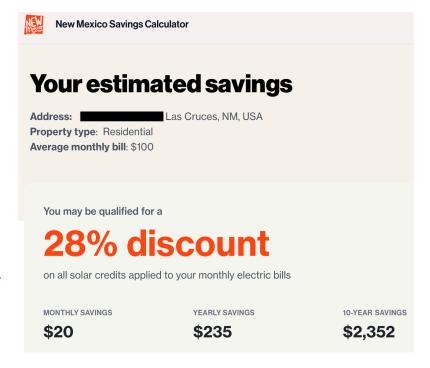
Community Solar Doña Ana County

What's in the works?

- There are currently six community solar projects in the El Paso Electric Service area in Doña Ana County.
 - o Chaparral 1 Solar (5 MW) Sunvest Solar, OE Solar, Chaparral.
 - Lower Rio Grande Solar (5 MW) CVE North America, Vado.
 - o SLT Las Cruces (5 MW)- Pluma Construction, Las Cruces.
 - WLC Solar (5 MW) Affordable Solar Group, Las Cruces.
 - Bent Bow Solar (4.98 MW) Energy Management, Inc., Salem.
 - USS Jornada Solar (4.995MW) Los Ebanistas, Inc., Las Cruces
- The six sites are all slated to provide around 5MW each when completed, bringing a total of 30MW of renewable energy to the area.

How does Community Solar benefit our community?

- The need for affordable housing and affordable energy in Doña Ana County is a major priority:
 - DAC is the second most populated county but ranked 22nd in per capita income for New Mexico Counties.
- Community Solar can save DAC residents around 28% through their solar credits..
 - Equates to nearly 1.5% of DAC average per capital income annually, over three times APY of average savings account in the US.



When coupled with other programs like CEED that can help residents save on what they're already using, community solar offers another level of savings.

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What's at stake?

- Federal cuts, new budget, and policy interpretations may leave New Mexico Community Solar stranded.
- Specifically, the US Treasury's interpretation of the Investment Tax Credit (ITC)
 Guidance on Community Solar leaves developers without promised funding for existing and future solar projects.
- The EPA's withdrawal of IRA grants, specifically the Solar for All resulted in billions of lost dollars nationally, with over \$156 Million of proposed funding for solar projects in New Mexico now gone.
- The state does have mechanisms in place to provide some stopgap measures..
 - Community Benefits Fund
 - New Mexico Match Fund
 - Energy Conservation Management Division of EMNRD
- Additionally, New Mexico's Climate and Investment Center as well as People's Solar Energy Fund offer non-governmental avenues to help keep Community Solar in New Mexico alive.

What can we do to try and fix the Community Solar Act under current federal limitations?

Recommendation 1 — Revise the way the community solar bill credit is calculated.

Section 7 B. (8) provide a community solar bill credit rate mechanism for subscribers derived from the qualifying utility's total aggregate retail rate on a per-customer-class basis, less the commission-approved distribution cost components, and identify all proposed rules, fees and charges; provided that non-subscribers shall not subsidize costs attributable to subscribers; and provided further that if the commission determines that it is in the public interest for non-subscribers to subsidize subscribers, non-subscribers shall not be charged more than three percent of the non-subscribers' aggregate retail rate on an annual basis to subsidize subscribers;

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The current wording of the Community Solar Act has the distribution cost component approved by the PRC through a variety of variables, but without the ITC this mechanism devalues the bill credit by 40%. That language should be removed from NM's Community Solar Act.

Recommendation 2: Allow larger Community Solar projects based on distribution capacity.

Section 3 A. (1). have a nameplate capacity rating of five megawatts alternating current or less;

New Mexico could revise the Community Solar Act to increase the maximum size for CS projects. There really doesn't need to be a limit. Recommendation to shift language calling for the size of the project to fit within allowable distribution capacity. Larger projects would decrease need for more, different funding streams while still providing needed capacity.

Recommendation 3: Revise the language intending to provide resident and veteran business preferences

4) establish a process for the selection of community solar facility projects and allocation of the statewide capacity program cap, consistent with Section 13-1-21 NMSA 1978 regarding resident business and resident veteran business preferences;

Remove the 13-1-21 NMSA 1978 language and replace with "provide additional capacity consistent with Section 13-1-21 NMS A1978 regarding resident business and resident veteran business preferences." 13-1-21 does not align well with market program as the rule was intended for public solicitations. Overly complicates the CS program and there are other ways to ensure local preference.