



# **Community Solar Senate Memorial 63 Working Group**

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**Indian Affairs Committee  
October 16, 2020**

**Senator Liz Stefanics  
Representative Patricia Roybal Caballero**

# Senate Memorial 63

**Sponsors: Senator Stefanics & Representative Roybal Caballero**

- Creates a **process for a working group** of stakeholders on community solar
- **Composition:** representatives from EMNRD, PRC, State Land Office; utility companies; rural electric cooperatives; renewable energy industry representatives; environmental organizations; Native American nations, tribes and pueblos; low-income service providers; local governments, cities, counties; and interested community members from throughout the state.
- **Inclusive** and open to those who wish to participate
- NM Legislative Council arranged for a **third-party facilitator** to convene Working Group, to review statewide community solar initiatives, and to develop recommendations for the implementation of those initiatives.
  - **Paul Biderman** was confirmed as the third-party facilitator.
- The working group will **report** its findings and recommendations to the appropriate interim legislative committees in Fall.

# Presenters

**Paul Biderman** – Facilitator of SM63 Working Group

**Pilar Thomas** – Partner; Quarles & Brady LLP

**Beth Beloff** – Executive Director; Coalition of Sustainable Communities New Mexico (CSCNM)

**Mayane Barudin** – Interior West Manger & Tribal Liaison; Vote Solar

# Agenda

- Overview of Senate Memorial 63
  - Working Group Goals & Objectives
  - Stakeholder categories
- SM63 Working Group Process
  - Underlying motivations & values in SM63 Working Group discussions
  - Overview of topics addressed
- What/why is community solar?
  - Statewide community solar programs
- Tribal Community Solar Task Force
  - Goals and objectives; schedule; key focuses
  - Tribal and other government models
  - Legal & regulatory considerations
  - Brief review of policy recommendations and current updates

# SM63 Working Group Goals & Objectives

To bring representatives from stakeholder groups together to resolve issues around community solar in advance of the development of a 2021 community solar bill.

- To find areas of common ground
- To identify the areas of disagreement in order to craft a bill
- Identify and try to minimize areas of concern

# Working Group Stakeholder Categories

- Citizens
- Consultant/Technical experts
- Investor Owned Utilities
- Rural Electric Cooperatives
- Government:
  - Legislators/Candidates, EMNRD, SLO, Governor's Office, Political Parties
  - Tribal Governance
- Renewable Industry
  - Coalition for Community Solar Access (CCSA), Renewable Energy Industry Association (REIA), Industry Members
- Low-to-Moderate Income (LMI) Housing
  - Housing Authorities
- LMI and Immigrant NGOs:
  - Prosperity Works
- Green NGOs:
  - 350.org, Conservation Voters New Mexico (CVNM), Sierra Club, Natural Resource Defense Council (NRDC), Western Resource Advocates (WRA), New Energy Economy (NEE), Environment NM, SF Green Chamber, Renewable Taos, etc.
- Tribal NGOs
  - Western Leaders, Native American Voters Alliance (NAVA), Five Pueblos Coalition, etc.
- Other NGOs:
  - Coalition of Sustainable Communities (CSCNM), Vote Solar, Earthcare

# Process for Working Group Meetings

- Look at big picture and how we will define success
- Where does everyone stand on interests?
- Where can we achieve consensus and what are various concerns?
- Framing:
  - How can we reach agreement and corresponding language?
  - Where there is disagreement, is compromise possible or do we agree to disagree?
  - Develop alternative approaches for legislators to consider
- Organize meetings by topics with sub-committees to go into more depth
- Report to Legislative Council and interim committees on what we recommend

# Working Group Schedule

Thursday, July 16 <sup>th</sup>	2-4 p.m.
Thursday, July 30 <sup>th</sup>	2-4 p.m.
Thursday, August 13 <sup>th</sup>	2-4 p.m.
Wednesday August 26 <sup>th</sup>	2-4 p.m.
Thursday, September 10 <sup>th</sup>	2-4 p.m.
Thursday, September 24 <sup>th</sup>	2-4 p.m.
Thursday, October 8 <sup>th</sup>	2-4 p.m.
Thursday, October 22 <sup>nd</sup>	2-4 p.m.
Thursday, November 5 <sup>th</sup>	2-4 p.m.
Thursday, November 19 <sup>th</sup>	2-4 p.m.

With supplemental subgroup meetings on bill crediting and low-income participation.



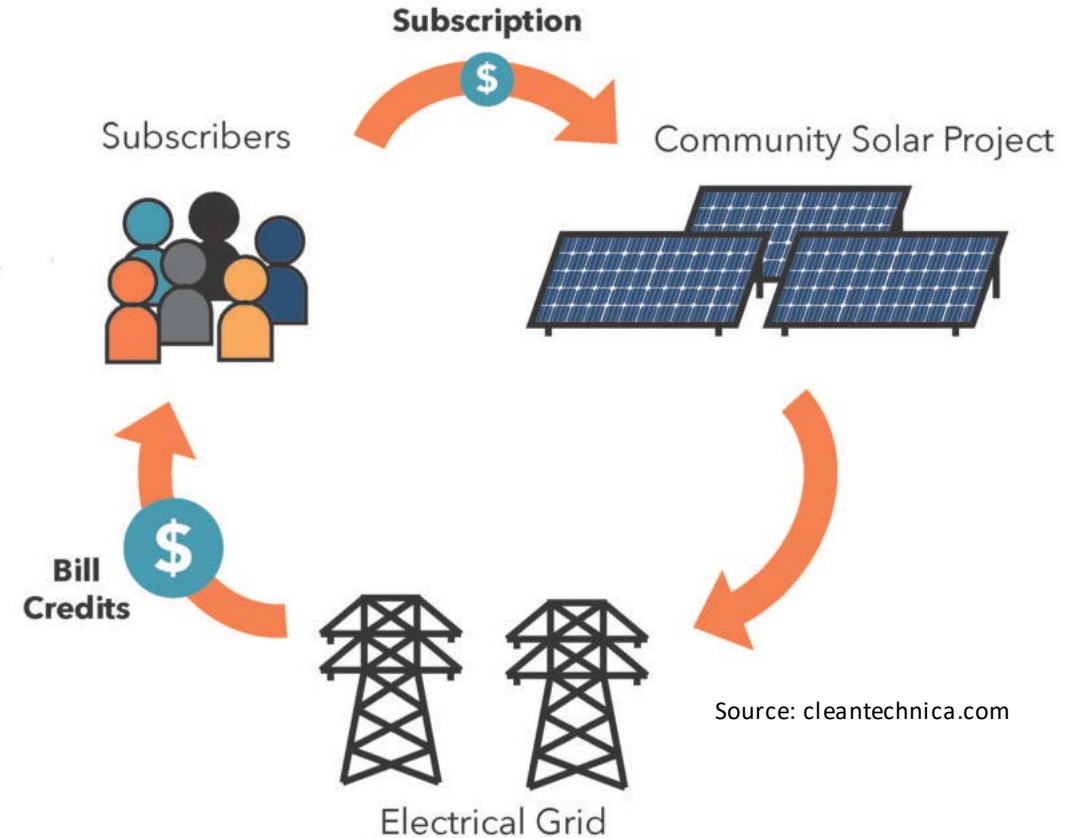
# Topics Covered by the Working Group

Issues addressed through the process:

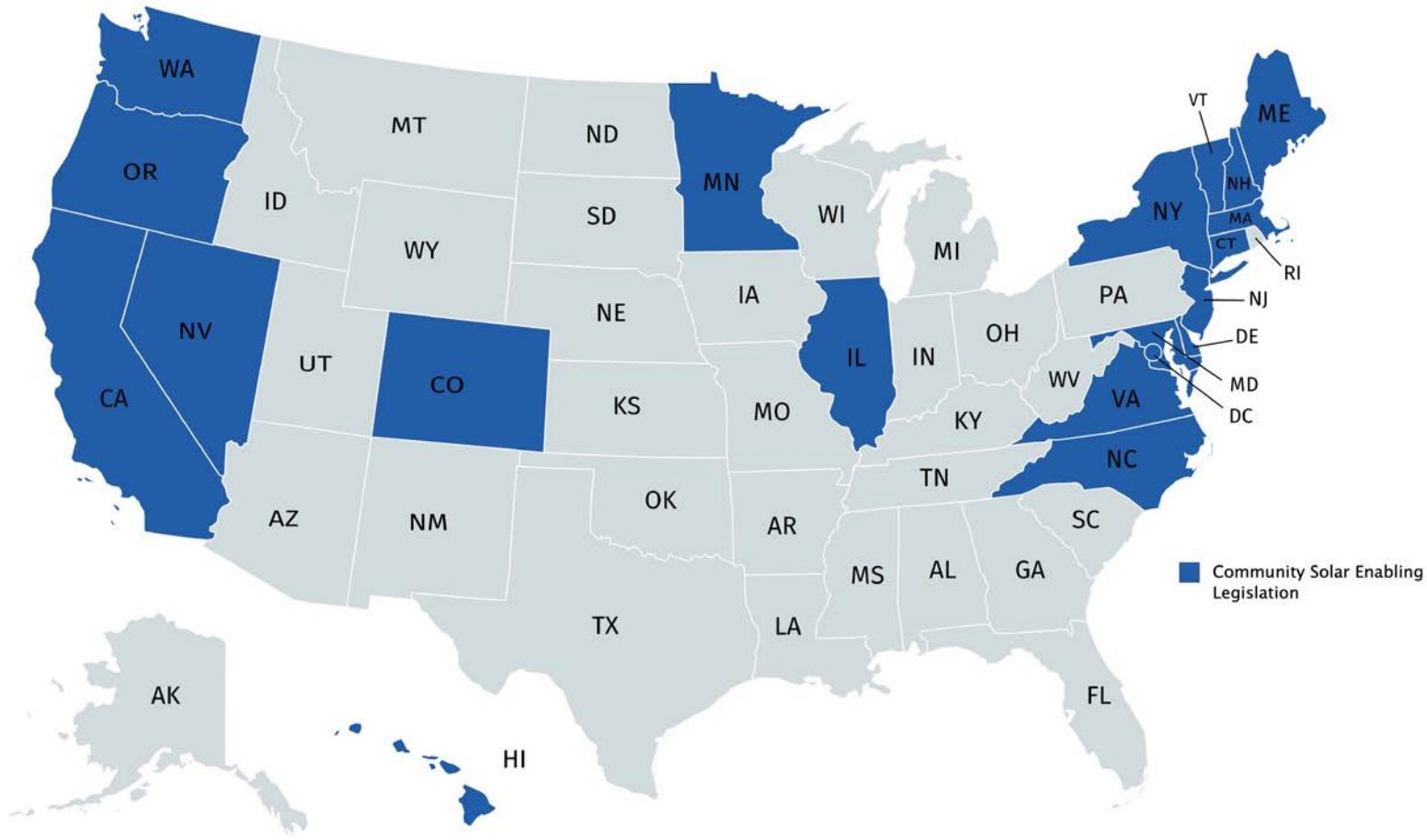
- Facility siting
- Annual/system-wide capacity cap
- Project size
- Bill crediting and concerns of cross-subsidization
- REC ownership
- Co-location of storage
- Low-income participation
- Rural electric coop participation
- Tribal participation

# What is Community Solar?

Community solar refers to local solar arrays shared by individual community members who receive credits on their electricity bills for their portion of the power produced.



# Statewide Community Solar Programs



20 states and Washington D.C. have passed some form of legislation enabling community solar, either through statewide programs or the authorization of a limited number of pilot projects.

These programs vary in scope, but they generally all allow for some form of virtual net metering so that subscribers can benefit from their community solar subscriptions.

# Jobs and Economic Development

New Mexico can expect the following benefits from 200 MW of distributed community solar installed between 2021 – 2023:

## Economic Benefits



200 MW of community would **serve approximately 11,700 customers**, bringing access to solar for those without rooftops or building ownership.



A **34% increase in solar jobs, 728 sustained full-time jobs** during the near-term construction of community solar facilities in the first phase of the state's community solar program.



**\$115.5 million** in earnings for those employed across the solar supply chain.

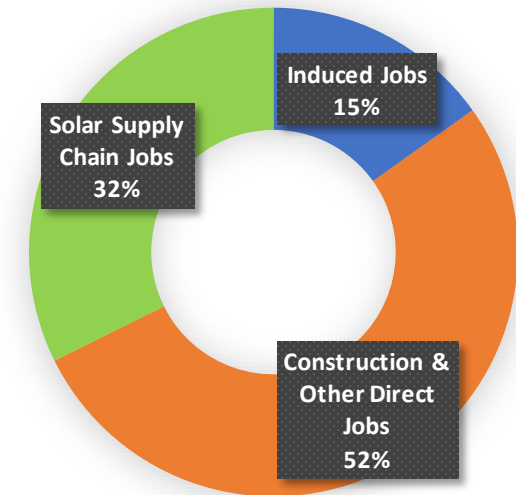


**\$240 million** in local economic benefits for the state, excluding local tax revenues.



The above statistics yield an average of **\$15 million/year** of economic benefit *each year* during the 25-year minimum life of the solar projects.

## Job Creation by Sector



Assumes the program serves 40% residential and small commercial customers and 60% large customers, with 11,429 small customers with a 7kW average subscription size and 240 large customers with an average subscription sizes of 500 kW.

Jobs and Economic Impact (JEDI) Model developed by the National Renewable Energy Laboratory (NREL) to reasonably estimate the employment, earnings and economic impacts from the construction and operation of these community solar energy facilities. NREL's Solar Photovoltaic JEDI model has been used extensively by decision makers to assess the expected impacts of solar energy projects, proposed programs and policy decisions.

# Underlying Motivations/Values

## *Cost of Electricity:*

- Provide **cost savings on utility bills** from the cheaper generation cost of solar;
- **Subsidize low income household access** to community solar and benefits of community solar;
- Does not place **unfair cost burdens** on non-participating ratepayers;
- Provide a **hedge against rising utility rates** over time;

## *Access to Solar and Consumer Choice:*

- Provide **equal access to the solar market** for everyone in New Mexico, including those who cannot utilize on-site solar: renters and those whose roofs cannot accommodate solar panels or who cannot afford to purchase them;
- Provide **consumer choice** in how they acquire renewable energy;

## *Resilience and Power Reliability:*

- Can create **more resilient electric grids** through distributed generation;
- Can support utility efforts to **maintain power reliability**, especially when co-located with energy storage;

### *Competition and Economic Development:*

- **Support competition in the marketplace** by allowing the private sector to participate in shared solar development;
- **Stimulate growth and economic development** in the New Mexico renewable energy market;
- Create more **clean energy jobs** developing and maintaining community solar facilities in New Mexico;
- Provide **opportunities for local solar developers** to participate in small to mid-scale projects;
- Provide **opportunities for Indian nations** to participate in the development of solar projects;
- Provide **economic stimulus** for farmers/landowners, rural communities and small towns by leasing land for shared solar facilities;

### *Reduce Greenhouse Gas Emissions:*

- **Reduce greenhouse gas emissions** by accelerating the introduction of solar power in place of fossil fuel generation.

### *Other...*

# Tribal Community Solar Task Force

- **Goals & Objectives:**
  - Serves as a subgroup of the state facilitated working group of SM 63
  - Develops **tribal consultation** and outreach processes to develop firm **policy recommendations** for the SM 63 Working Group and interim legislative committees
  - Continually prepares for and debriefs from larger SM 63 Working Group Meetings
- **Composed of designated Tribal representatives and Tribal members across New Mexico who have capacity to take responsibility of the education and policy details of community solar.**

# Task Force Schedule

Wednesday, August 19 <sup>th</sup>	2-3 p.m.
Wednesday, September 2 <sup>nd</sup>	2-3 p.m.
Wednesday, September 16 <sup>th</sup>	2-3 p.m.
Wednesday, September 30 <sup>th</sup>	2-3 p.m.
Wednesday, October 14 <sup>th</sup>	2-3 p.m.
Wednesday, October 28 <sup>th</sup>	2-3 p.m.
Wednesday, November 11 <sup>th</sup>	2-3 p.m.



# Focuses of Tribal Community Solar Task Force

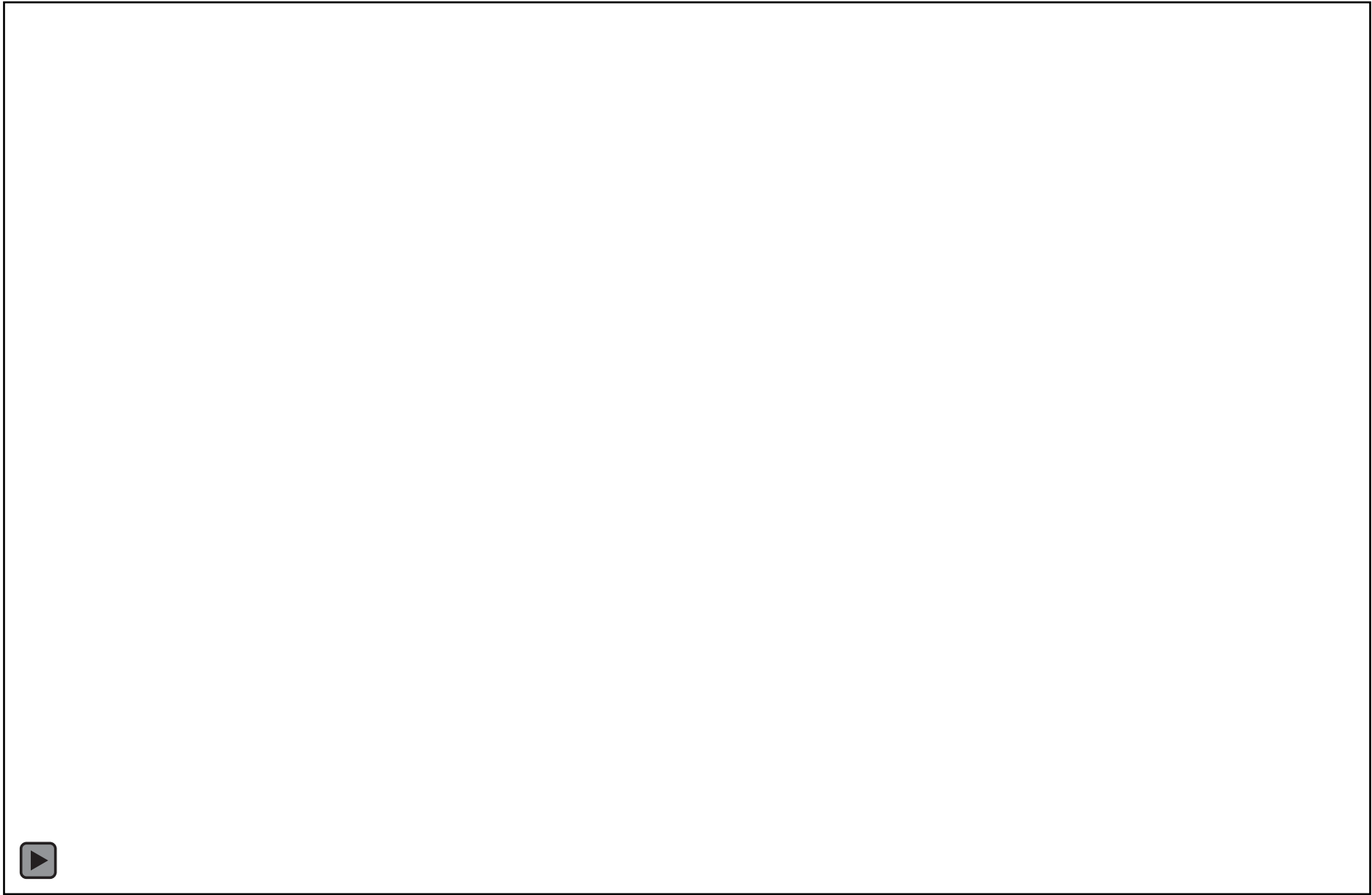
- **Education and outreach**
  - Understanding community solar
  - How will community solar benefit tribes?
  - What are underlying wants and needs for community solar development to serve Tribal Nations and native communities?
- **Developing policy recommendations**
  - Rural electric cooperative opt-in/opt-out
  - Tribal exemptions
  - Rulemaking process
  - Accessibility issues

# Legal/Regulatory Considerations

- **Federal Jurisdiction** – PURPA jurisdiction
  - Jurisdictional utilities required to interconnect and buy power from qualified facilities
    - < 80 MW alternative energy
- **Tribal Jurisdiction** – control over own development, use
  - Self-determination development authorities – HEARTH Act, TERAs
  - Unresolved authorities – state vs. tribal regulation of state regulated utilities
- **State jurisdiction** – regulated retail environments
  - Rate-setting, tariffs
    - Net metering – behind the meter; virtual/aggregate net metering
    - PURPA rules "avoided cost" tariffs
  - Community solar
  - Interconnection standards
  - Siting, off-reservation zoning

# Tribal & Other Government Models

- **Tribal-Owned Community-Scale Solar / Microgrids**
  - Pueblo of Picuris – 1 MW community-scale solar – net metering offset
  - Soboba Band / Rincon Band / Ramona Band – 1 MW community-scale solar – net metering offset
  - Blue Lake Rancheria – 2 microgrids – energy resiliency, net metering offset
- **Virtual / Aggregate Net Metering**
  - Virtual Net Metering – a tariff arrangement that allows for off-site renewable energy systems energy credits/production to be shared across, or allocated to, one or more meters
  - Aggregate Net Metering – a tariff arrangement that allows one or more ratepayers multiple meters to be aggregated then energy offset with an on or off-site renewable energy system



# Thank You

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