



# **Presentation to NMFA Oversight Committee**

## **Local Solar Access Fund Update**

**Fernando Martinez, Deputy Director**

- ◆ In 2025, House Bill 128 amended the NMFA Act to create the Local Solar Access Fund. The Fund received a non-reverting appropriation of \$20 million.
- ◆ HB 128 directed NMFA to provide financial assistance in the form of grants for:
  - Project Grant:** To plan, design, construct, purchase, install and equip solar energy systems used to power buildings and infrastructure located within New Mexico
  - Technical Assistance Grant:** for technical assistance to apply for federal or other funding for a Local Solar Access Project
- ◆ HB 128 authorizes NMFA to pay its administrative costs incurred in implementing the Act from the Local Solar Access Fund.
- ◆ HB 128 requires NMFA to work with EMNRD to establish the following:
  - ❑ Criteria for evaluating proposed solar energy systems, including minimum standards;
  - ❑ Metrics to prioritize solar energy systems

A **Solar Energy System** is equipment used to generate, convert, store, manage and monitor solar energy for use as thermal energy or electricity, including:

- ❑ Energy storage systems (batteries capable of retaining, storing or delivering electric energy)
- ❑ Interconnection equipment to safely interconnect the system to the electrical grid

## **Local Solar Access Fund Mission Objectives**

- ◆ Increase deployment of solar energy systems in underserved and rural communities throughout NM
- ◆ Reduce energy burden for low-income households and community service providers
- ◆ Support local workforce development in the renewable energy sector
- ◆ Enhance community resilience through distributed solar and energy storage systems
- ◆ Leverage federal and other funding sources to maximize project impact

## **Local Solar Access Project Grant – Eligible Applicants**

- ◆ New Mexico Counties
- ◆ New Mexico Municipalities
- ◆ New Mexico School Districts
- ◆ New Mexico Land-Grant Mercededs
- ◆ Indian Nation, Tribes, or Pueblos located wholly or partially in New Mexico

## **Local Solar Access Technical Assistance Grant – Eligible Applicants**

- ◆ Applicants meeting the definition of eligible entity, or a NM Council of Governments

**Project Grant applications** must describe a scope of work that includes:

- ◆ A detailed project description of the project size, location, and goal for the Local Solar Energy System project;
- ◆ Completed stamped technical design with maps, diagrams or images;
- ◆ The community benefits expected from this project, including how this project will lead to increased community resilience; and
- ◆ Plans for achieving compliance with state and local construction and permitting requirements
- ◆ Community Impact Assessment
- ◆ Financial Analysis
- ◆ Implementation Plan
- ◆ Technical Specifications
- ◆ Organizational Documents
- ◆ Environmental Considerations

**Technical Assistance Grant applications** must describe a scope of work that includes:

- ◆ The goal of technical assistance (Local Solar Access Project Grant, state or federal funding application preparation; direct build); and
- ◆ The technical assistance needed or consultants to be secured (engineering, compliance, permitting).

**LSA Grants will be distributed to diverse communities throughout the state, using the following geographic and project diversification limitations:**

**Project Grants**

- ◆ Total funding awarded not to exceed \$16 million
- ◆ Project Grant sizes will be no more than \$4 million

**Technical Assistance Grants**

- ◆ Total funding awarded not to exceed \$2 million
- ◆ Technical Assistance Grant sizes will be no more than \$200,000

**Geographic limitations for the fund overall**

- ◆ At least 60% of the Local Solar Access Fund will be reserved for Rural Eligible Entities (serving an area with a population less than 60,000, excluding Class H counties).
- ◆ No more than 25% of the Local Solar Access Fund will go to Eligible Entities within any one County, including the County itself.

**Applications will be prioritized by EMNRD and NMFA according to the following metrics:**

- ◆ Capability of completing the scope of work described in the time allocated;
- ◆ Extent to which project will lead to community resilience;
- ◆ Geographic location (rural/non-rural); and
- ◆ Community Benefits:
  - ❑ impact on household energy burden (cost savings);
  - ❑ number of low-income households served by the project;
  - ❑ long-term energy cost reductions;
  - ❑ impact on local community service or emergency shelter providers;
  - ❑ energy storage integration; and
  - ❑ impact on local workforce

## Projected Timeline for the Local Solar Access Fund

**September 2025:** NMFA Oversight Committee to review draft program components

**September 2025:** NMFA Board to review and approve Local Solar Access rules

**September 2025:** EMNRD to provide feedback on draft Local Solar Access policies

**November 2025:** NMFA Oversight Committee to review and approve Local Solar Access rules

**December 2025:** NMFA Board to review and approve Local Solar Access policies

**December 2025:** NMFA staff to create application, systems for review, outreach campaign

**Early 2026:** Local Solar Access application opens