



Fundamentals of New Mexico's Community Solar Program

Training presented by
The Coalition of Sustainable Communities New Mexico



Overview of Slide Deck

- What is Community Solar?
 - How it works
 - Financial benefits
 - Environmental Benefits
- Community Solar in New Mexico
 - Participating utilities/projects/locations
 - Timeline
- Low-income participation
- Consumer protections
- Challenges & Opportunities
- Questions and Answers
- Feedback from attendees



Community Solar Basics

What is Community Solar?

Community solar is also known as *shared solar*, *solar gardens* or *solar farms*.

- allows customers of investor-owned utilities to get credit for power created by a large, offsite solar array
- participants receive benefits from their participation – primarily lower cost electricity



How is Community Solar different from Rooftop Solar?

Community Solar

Community Solar is an offsite solar array that provides power to a wider community, rather than one individual home.



Rooftop Solar

Rooftop solar panels are installed on roofs and generate power for that building only.

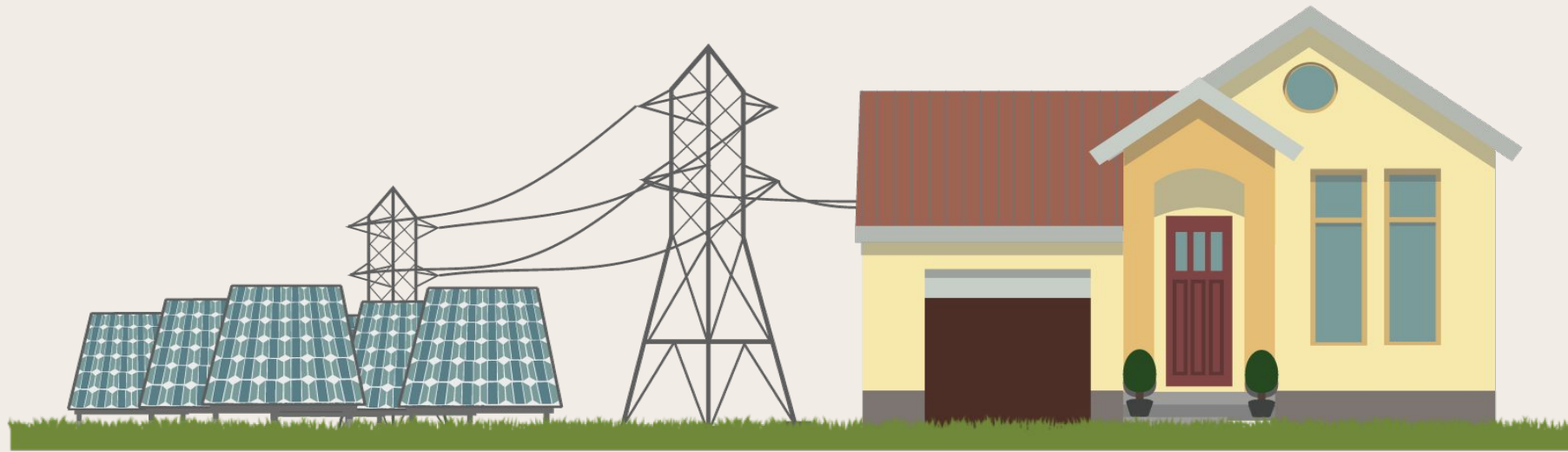


What can we expect at this point?

- Bill savings off monthly electric bill (PNM, SPS, or EPE) for both low-income and non-low-income households
- For low-income households:
 - Deeper discounts
 - No upfront costs
 - No credit checks
 - Cancel at any time



How does it work?



1

POWER GENERATED

Customers sign up to receive credit for a portion of the power generated by a large off-site solar array.

2

POWER FED TO DISTRIBUTION GRID

Generated power associated with your purchase is tracked using meters at the Community Solar Facility

3

CREDIT APPLIED TO YOUR ACCOUNT

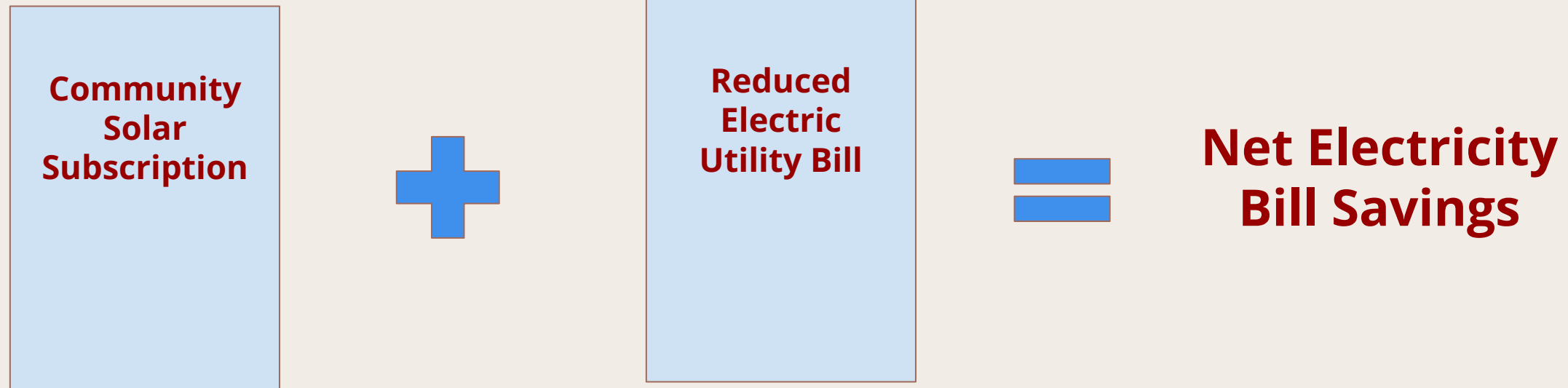
Power generated will produce bill credits that will be applied to your utility bill as a discount, resulting in a net savings

Community solar subscriptions

- A household or organization subscribes to receive credit for energy produced by a portion of the community solar facility



How do I save money?



You will pay the subscriber organization for your subscription and receive bill credits for a portion of the energy produced by the community solar project


You will still receive your electric utility bill, but it will be reduced with credits from the electricity produced by the community solar project.

Subscribers may see a 10% decrease in the expenditures on electricity. Low Income subscribers may see over 20% savings.

Example:

BEFORE Community Solar

YOU SAVE \$0

Your Utility Bill 

Energy charge \$150

Your Energy Bill \$150


Based on a \$150 monthly electric bill.

Total Energy Costs **\$150**

VS

AFTER Community Solar

YOU SAVE \$20


Your Utility Bill 

Energy charge \$150

Solar bill credits (\$100)

Your Utility Bill with Solar Bill Credits \$50

+

 **Clearway Bill**

Solar bill credits value \$100

20% savings discount (\$20)

Your Cost for Solar Bill Credits \$80

Same utility bill, but with monthly solar bill credits applied.

NEW Total Energy Costs \$130

Note that the energy charge on your bill is only a portion of the total bill - you have a customer charge, taxes, riders, etc.

For illustrative purposes only. Savings guarantee may vary per market. Please see Clearway Customer Agreement to determine your savings rate.

<https://www.clearwaycommunitysolar.com/blog/understanding-community-solar/how-does-community-solar-billing-work/>

10



Any questions on your mind?

Do you have a relevant story you would like to share?

Environmental Benefits of Community Solar

- Allows renters and households with non-qualified roofs to access clean energy
- The increase in solar participation means less need for fossil fuels
- Less fossil fuels means less pollution, stabler climate, and cleaner and healthier communities



What are the climate benefits?



5 MW Solar Facility



Avoids the equivalent amount of CO₂ produced by 800 gasoline cars in 1 yr



3,800 metric tons of CO₂ would be avoided in 1 year with a 5 MW solar facility on PNM's grid in 2022

Calculation based upon assumption that average NM grid emission is 0.43 tCO₂/MWh, and 4.6 tCO₂ emission/year per car

Why community solar is important

- 328,000 low-income households in NM
- 150,000 households in NM spend up to 15% of their annual income on utilities.
- Middle income families spend 2-3% annually.
- When we can lower energy costs for families, we bring critical resources back home.



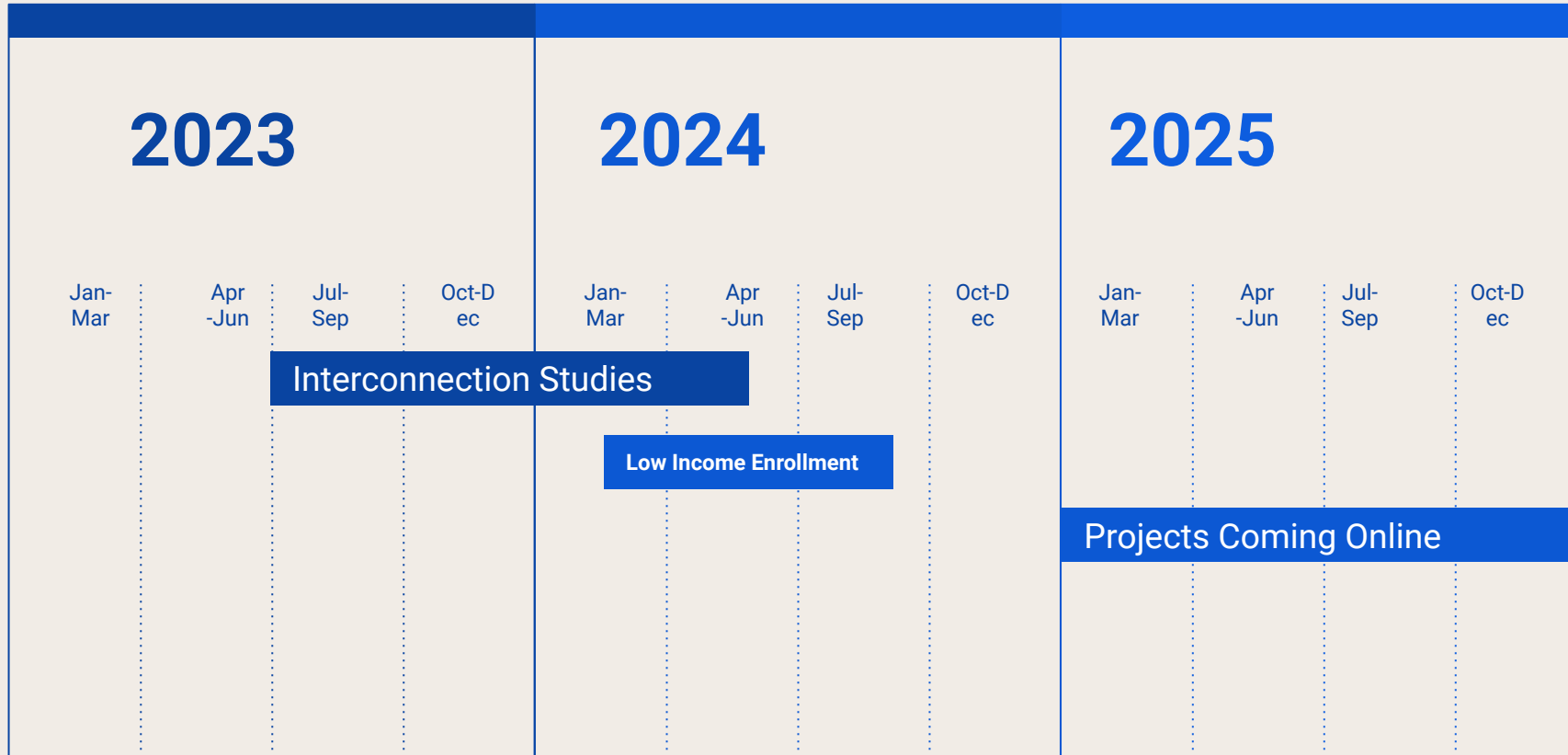


Community Solar in New Mexico

Community Solar in New Mexico

- The Community Solar Act of 2021 created an initial statewide program of 200 MW in the 3 Investor Owned Utility (IOU) service territories;
- Each project can be a maximum of 5 MW;
- 45 projects will be built:
 - 6 projects in EPE (El Paso Electric)
 - 10 projects in SPS (Southwestern Public Service Co)
 - 29 projects in PNM (Public Service Co of NM)

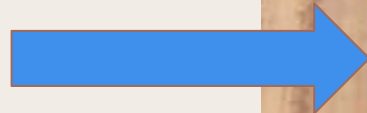
Evolving Program Timeline



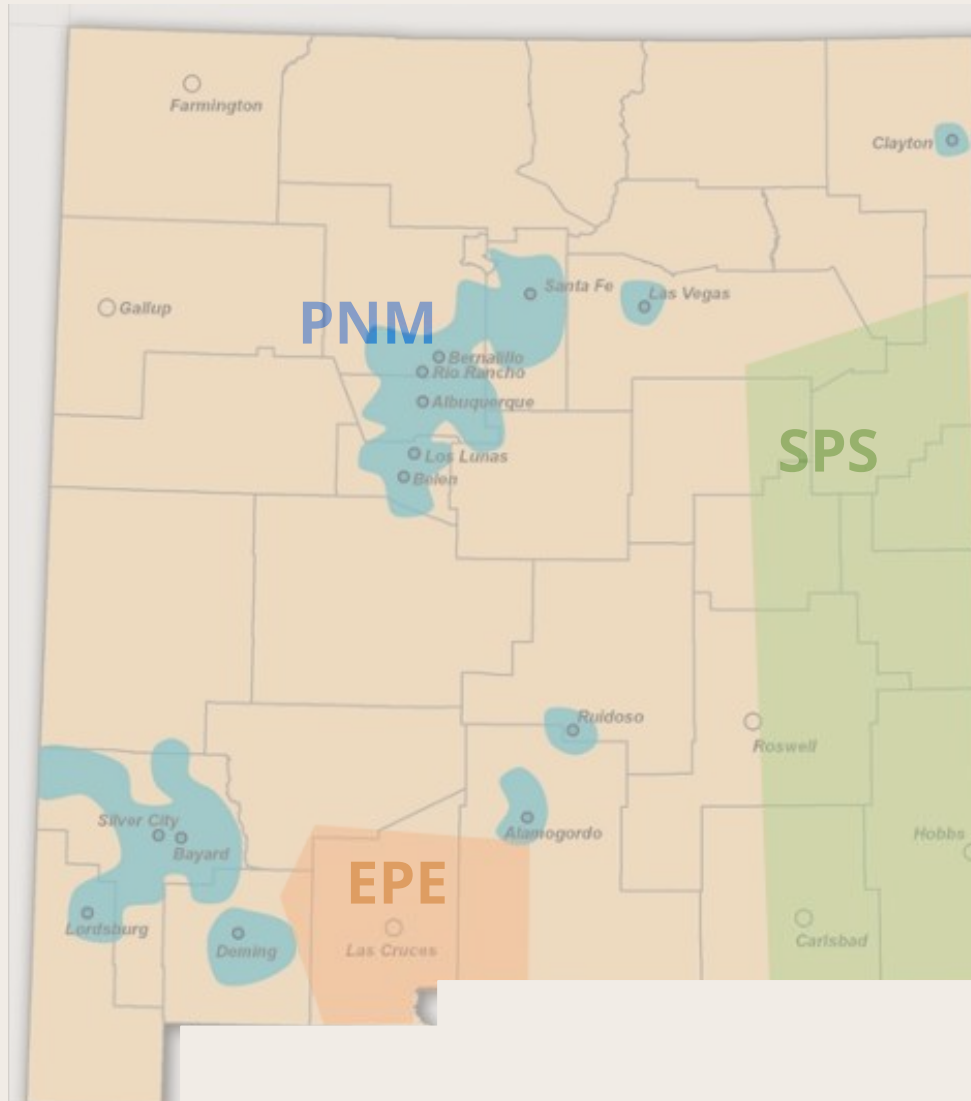
- Low-income subscriptions must be filled by Aug 2024
- Projects won't begin construction until complete interconnection studies with IOUs. May not be complete until May 2024.
- Fastest projects can be built in 6 mo, but likely will take 12-18 mo following interconnection study.

Example of a 5 MW Community Solar Facility

It would take up about 30 acres (or 30 soccer fields)



Areas covered by Community Solar



Areas shaded are covered by the three IOUs where customers will be able to access community solar through this program

- PNM serves 540,000 customers
 - 125 MW of community solar
- EPE serves 100,000 customers
 - 30 MW of community solar
- SPS serves 115,000 customers
 - 45 MW of community solar

Tribes and Rural Electric Cooperatives



“Native Community Solar Projects” remain exempt from:

- Facility, subscriber, and subscription size limitations: Can be larger than 5MW without constraint on the number of subscribers or size of subscriptions
- Anchor tenant limitations: Are not limited by the 40% anchor tenant-carve out per facility and can serve any variety of commercial or residential customers upon their discretion
- Annual capacity cap: Not included in the 200MW cap on the program
- Subscription-based models: Not limited by subscription-based models and can use other financial models, such as virtual and aggregate net-metering
- Transferring Renewable Energy Credits (RECs) to the utilities: Able to keep the RECs generated from their community solar facilities

Rural Electric Cooperatives

- Not mandated to participate in the program but can opt-in on a per-project or service territory-wide basis, at the discretion of their board of directors.

Locations for 45 projects



PNM

- Alamogordo = 2
- Albuquerque = 1
- Belen = 2
- Clayton = 1
- Deming = 5
- Las Vegas = 1
- Lordsburg = 3
- Los Lunas = 4
- Rio Communities = 1
- Rio Rancho = 1
- Santa Fe = 1
- Silver City = 2
- Tularosa = 5

EPE

- Chaparral = 1
- Las Cruces = 3
- Mesilla Park = 2
- Salem = 1
- Santa Teresa = 1
- Vado = 1

SPS

- Carlsbad = 1
- Clovis = 4
- Loving = 1
- Portales = 2
- Roswell = 2



Low Income Participation

Low Income Participation

- Statute requires that 30% of each project will be reserved for **low income customers** and **low-income service organizations**
 - **LI customer** - annual household income at or below 80% of the area median income (AMI).
 - **LI service organization** - provides services, assistance or housing to low-income customers and may include a local or central tribal government, a chapter house or a tribally designated housing entity.

Low-Income Household Qualification

Automatic qualification:

- Medicaid;
- Supplemental Nutrition Assistance Program (SNAP);
- Low-Income Home Energy Assistance Program (LIHEAP);
- First-time homeowner programs and housing rehabilitation programs;
- Living in a low-income/affordable housing facility; or
- An entire multi-family affordable housing project may prequalify its entire load as a low-income subscriber.

Other ways to qualify:

- 80% of area median income with confirming documentation

Low Income Participation

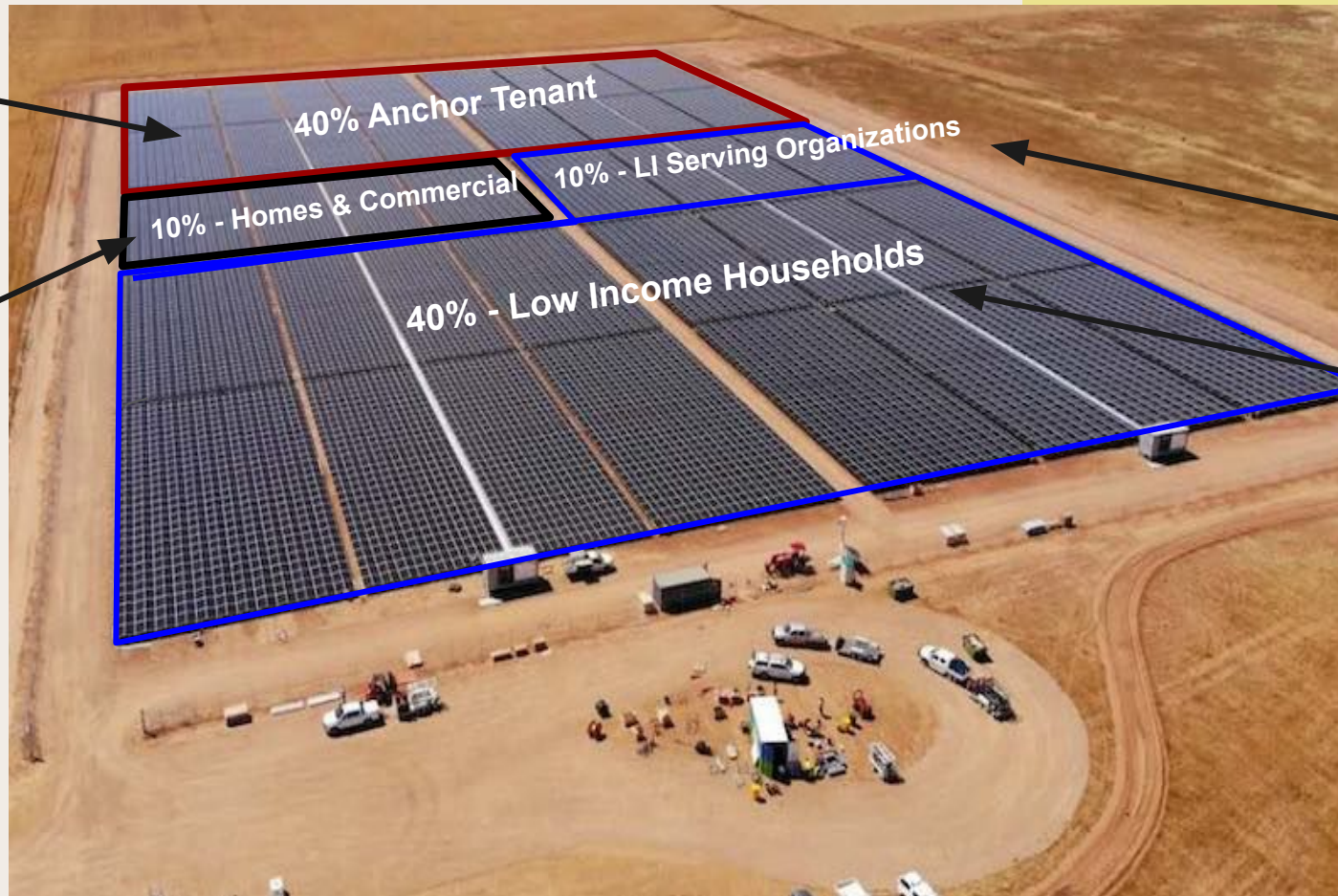
All 45 projects that were selected have committed to:

- Allocate at least 50% capacity to low-income subscribers.
- Forgo upfront costs, early termination fees, and credit checks for LI subscribers.
- Offer a supplementary community solar bill credit, ranging from 20% to 30%, for at least five years for LI subscribers.

Example of how subscriptions for 5 MW Community Solar Facility could be allocated

Up to 40% (2MW) can be a single anchor tenant, like a school or local government.

10% (0.5 MW) filled with non-low income households and small businesses or nonprofit organizations



50% (2.5 MW) could be for LI:

- 10% (0.5 MW) could be filled by LI serving orgs
- 40% (2 MW) could be filled by LI households (~500 houses)

What organizations are involved?

- **Subscriber Organizations (SOs) / Project developers:**
 - Sunvest, Forefront Power, EMI, Affordable Solar, ...
- SO's hire companies to enroll and manage subscribers: **subscriber managers (SMs)**
 - Solstice will be enrolling households for 24 projects
 - Arcadia will be enrolling households for ~13 projects
 - SunShare will likely be enrolling households for ~6 projects
- SMs may then hire sales companies to go door-to-door, set up at stores or farmers markets, etc.
- SMs may also form contracts with local organizations and non-profits to help with low-income subscriptions.

Project Comparison Chart

VISIT: <https://www.coalitionscnm.org/communitysolarchart>

Subscriber Manager	Solstice
# of projects managed by this org	24
What utility customers can subscribe?	PNM, EPE, SPS
Anticipated discounts on energy portion of bill	27-30% for low-income 10% for non-low-income
Discount fixed for life of enrollment?	Yes for most projects - please inquire
Credit Checks for Low Income	No
Contract Length	1 yr contract with auto-renew
Options for Billing	Automatic payment not required. Payment only by Credit Card or ACH (automated bank withdrawal)
When will the projects come online?	May 2024 to June 2025
Who should I contact to subscribe?	(866) 826-1997 https://solstice.us/selfenrollment/

- ← The organization that is managing enrollment
- ← The number of different projects for which they are managing enrollment


← Contact information to enroll or get on their waitlist

Example of current sign-up opportunities:

Community Solar for New Mexico




Unlock the power of shared solar from the comfort of your home.
No installation or rooftop hassle!

When you connect to community solar, you cut your home energy costs all while supporting a sustainable future for New Mexico.



About New Mexico Community Solar

Quick Facts

- **Save up to 10-30%**
on electric costs
- **No cost to join**
No added fees - cancel anytime
- **100% Online**
No installation or rooftop required

Join the Waitlist

Enter your information to get early access to community solar in New Mexico

First Name Last Name

Email

Phone

Zip Code

- Select your electricity provider -

How hear about Solstice?
Select

Join the Waitlist



Any questions on your mind?

Do you have a relevant story you would like to share?

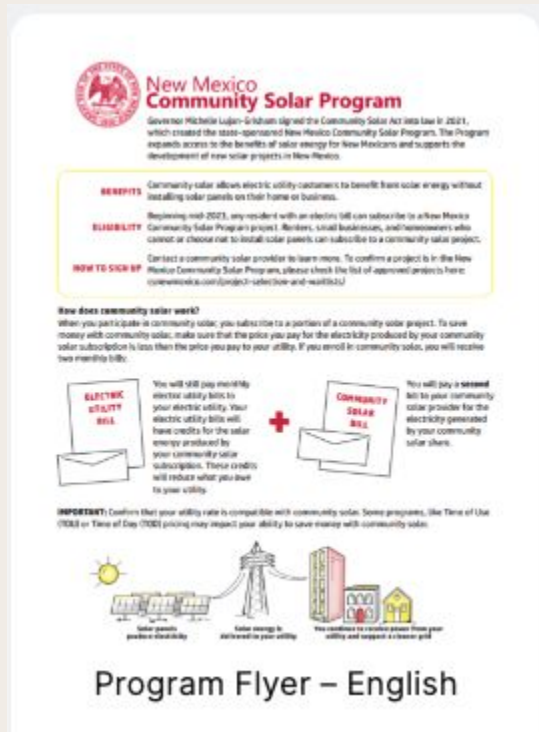


Consumer Protections

New Mexico Consumer Protections

Solar companies are required to provide each customer these three documents in English and Spanish:

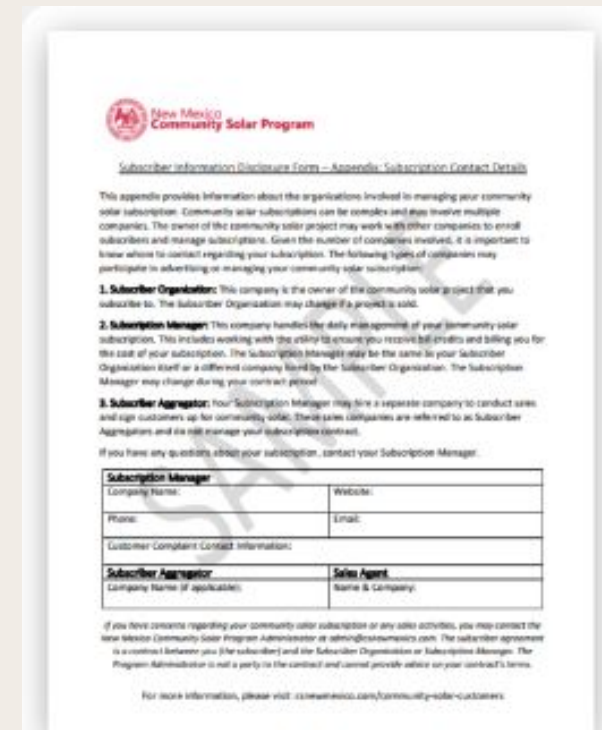
Program flyer



Disclosure Form




Disclosure Form Appendix



New Mexico Consumer Protections

Uniform disclosure form

- All projects are required to present a uniform disclosure form to the subscriber
- Ensures fair disclosure of future costs and benefits of subscriptions, key contract terms, security interests and other relevant information pertaining to the subscription, as well as grievance and enforcement procedures.



New Mexico Community Solar Program

New Mexico Community Solar Program: Subscriber Information Disclosure Form

The purpose of this form is to provide Community Solar project subscribers with a straight-forward, uniform and transparent resource to evaluate potential transactions under the New Mexico Community Solar program.

Community Solar subscribers do not directly purchase solar/renewable energy. Participants receive a portion of energy from Community Solar projects, and a Solar Bill Credit based on the value of utility electric generation being displaced by the subscription, which includes a value for the solar renewable attributes. The renewable energy certificates that embody that renewable value are awarded to the qualifying utility, as per the terms of the Community Solar Act of 2021 (NMSA 1978 62-16B-7(A)). [see Note on Page 2]

Subscriber Information	Subscriber Organization Information
Customer Name:	Company Name:
Name on Electric Bill (if different):	Street Address:
Street Address:	City, State, Zip:
City, State, Zip:	Consumer Contact Name:
Phone:	Direct Phone:
E-mail	E-mail

Community Solar Project Information
Community Solar Project Name:
Project Location (Utility Territory):
Project Nameplate Capacity (in kW AC)
Estimated Commercial Operation Date:

Consumer protection Tips



1. **Compare multiple quotes:** Ensure that you are receiving the best offer and working with a legitimate company. Beware of High-Pressure Sales Tactics.



2. **Understand the length and terms of your contract:**
 - a. How long is the contract and will it auto-renew?
 - b. How are savings calculated? Will your payment increase over time?
 - c. When will your first payment be due?
 - d. Can you cancel without any fees?



3. **Debunk Misinformation:**
 - a. Claims that your utility requires you to enroll
 - b. That you will eliminate your utility bill
 - c. Claims that they are part of your utility or are endorsed by the state or local government

New Mexico Consumer Protections

Concerns?

- Contact the NM Community Solar Program Administrator
 - (877) 794-0109
 - admin@csnewmexico.com



Any questions on your mind?

Do you have a relevant story you would like to share?



Challenges & Opportunities

Foreseeable Challenges for LI enrollment



Time lag after enrollment. Enrolling households 1 year before the project will come online. This needs to be explained clearly to households.

Receiving 2 bills. Most projects won't be able to enroll households without credit cards/bank accounts. Households may be resistant to receive another bill if they don't have automatic bill pay.

Too good to be true. Households unwilling to trust an unknown company asking them to sign up for a program that will save them money.

Documenting income. For households not enrolled in pre-qualified programs, they will have to show "verifying documentation" proving their income, which may bring up mistrust.



Roles for Community Based Organizations



- **Be Informed! Provide Education and Outreach**
 - Provide connection to web resources and flyers about community solar programs in region
 - Support outreach to low income individuals and communities
 - Identify community members who can benefit
 - Form a contract with an SO or SM to enroll customers
- **Inquire about being an Anchor Tenant or subscribing as a Low-Income Serving Organization**



Questions and Answers

Resources:

- <https://csnewmexico.com/>
- <https://www.coalitionscnm.org/community-solar>