

RENEWABLE PORTFOLIO STANDARD AND ZERO-CARBON RESOURCE STANDARD

New Mexico

Policy type

Renewable Portfolio Standard

Clean Energy Standard

Form of the standard

Energy-based RPS

% of renewable energy required

Energy-based CES

% of clean energy required

Targets

- **RPS:** All – 40% renewable by 2025, 50% by 2030; Public utilities – 80% renewable energy by 2040
- **CES:** Public utilities – 100% zero carbon resources by 2045; Rural electric cooperatives – 100% zero-carbon resources by 2050 (80% must be renewable)

Economy-wide goal: 45% reduction from 2005 levels by 2030

Point of regulation: Retail sales

Regulated entities: Investor-owned utilities and cooperatives

Percent of retail sales covered by RPS: 90%

Implementing agency: New Mexico Regulation Commission

Enforcement mechanisms: Each utility must file an annual report and procurement plan for the Commission's review and approval.

Compliance flexibility and cost containment: If the annual levelized cost of renewable energy is greater than \$60 per megawatt-hour then a distribution cooperative shall not be required to incur an excess cost, but compliance is not delayed for subsequent years. Exemption for New Mexico political subdivisions and education institutions serving more than 20,000 students. Public utilities may be exempt if the annual cost of renewable energy exceeds a reasonable cost threshold.

Carve-outs and incentives: Compliance multiplier of 3.0 for solar operational before 2012 by a distribution cooperative or through wholesale contract obligation of the wholesale supplier

Compliance tracking: [WREGIS](#)

Notable features: Eligible technologies under the CES are defined as zero-carbon resources that emit no carbon dioxide into the atmosphere, including nuclear. Fossil fuels are explicitly excluded from the standard.

Links to agency website and statutes/rules: [NMSA § 62-16-4](#) (public utilities); [NMSA § 62-15-34](#) (rural co-ops); [New Mexico Public Regulation Commission](#); [State of New Mexico Senate Bill 489](#); [Retail Electricity Sales](#); [EPA's REC Tracking Systems](#)

Eligible sources

RPS

Biogas

Biomass

Clean Hydrogen

Distributed
Generation

Geothermal

Hydropower

Solar

Wind

CES

Zero-Carbon
Resources

See [NMSA § 62-16-3](#) and [NMSA § 62-15-37](#) for definitions of eligible resources. See [17.9.572.10\(C\)](#) (3) NMAC for additional information on distributed generation. Certain limits may apply.