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MEDIA & PRESS CONTACT

Carlos A. Padilla

Public Information Officer

Office: 505-827-4446

Mobile: 505-467-9116

carlos.padilla2@state.nm.us

1120 Paseo de Peralta

Suite 423

Santa Fe, NM 87504

CHIEF OF STAFF

ERNEST D. ARCHULETA, P.E.

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NEWS RELEASE

Commission Unanimously Approves Amending Rule to Include Energy Storage

SANTA FE – After receiving public comments in a May 31, 2017 hearing, the New Mexico Public Regulation Commission (NMPRC) on Wednesday, August 2, voted unanimously to amend the Commission Rule governing Integrated Resource Plans for Electric Utilities (the “IRP Rule”). The amendment includes energy storage as a resource for utility planning purposes.

The NMPRC adopted the IRP Rule in 2007 in order to implement the 2005 Efficient Use of Energy Act (EUEA). The Commission’s IRP Rule states that investor-owned electric and natural gas utilities must engage in a resource planning process that evaluates all feasible energy resources. Energy storage was not available as a commercially feasible energy resource at the time the Commission’s IRP Rule was adopted.

A decade later, energy storage has become a commercially viable technology shown to improve the overall use and economics of the electric grid. Energy generated during low-cost, off-peak periods can be stored in batteries or by other means to serve load demands during peak, expensive, periods.

“All of the participants in this rulemaking case, including our three investor-owned utilities, supported this amendment to the IRP rule, a consensus reflecting that energy storage should be considered as a resource in New Mexico’s utilities’ long-term planning,” Commission Vice Chair Cynthia Hall stated. “Storage technologies provide the opportunity to lower electricity bills and more efficiently integrate renewable energy onto the grid. New Mexicans will benefit from this

forward-looking change, which I am proud to have helped bring about. Senator Martin Heinrich's office initiated the request to my office regarding the IRP Rule, and I certainly appreciate working with his office to further our ability to implement the use of renewable energy through this promising technology."

"I am proud that New Mexico is leading the country in adopting practical policies to make sure storage is considered on the same footing with other energy technologies," said U.S. Senator Martin Heinrich. "The adoption of energy storage will help bring more renewables online and help power companies more efficiently use grid resources."

The order amending the IRP Rule went into effect August 2, 2017.

About the NMPRC

The NMPRC regulates public utilities, telecommunications companies and motor carriers operating in the State of New Mexico. It also administers the State Fire Marshal's Office, the New Mexico Firefighters Training Academy in Socorro, N.M., and the Pipeline Safety Bureau.

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