

1 SENATE BILL 456

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO PUBLIC UTILITIES; CREATING AN ENERGY STORAGE
12 DEVELOPMENT TARGET; REQUIRING ENERGY STORAGE PROCUREMENT AND
13 DEPLOYMENT TO BE ADDRESSED AS PART OF INTEGRATED RESOURCE
14 PLANNING.
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16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. A new section of the Public Utility Act is
18 enacted to read:

19 "[NEW MATERIAL] ENERGY STORAGE DEPLOYMENT TARGET.--

20 A. New Mexico shall adopt a target for energy
21 storage deployment brought to commercial operation after
22 December 31, 2022 in New Mexico as follows:

23 (1) by December 31, 2028, one thousand
24 megawatts of new energy storage capacity capable of
25 cumulatively delivering more than four thousand megawatt-hours

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1 of electricity; and

2 (2) by December 31, 2033, an additional one
3 thousand megawatts for a total of two thousand megawatts of new
4 energy storage capacity capable of cumulatively delivering more
5 than eight thousand megawatt-hours of electricity.

6 B. The amount of energy storage capacity that an
7 individual qualifying utility may be required to procure or
8 deploy by the commission, as part of the statewide energy
9 storage target set forth in Subsection A of this section, shall
10 be determined by the commission.

11 C. The commission shall require qualifying
12 utilities to incorporate the amount of energy storage capacity
13 that an individual qualifying utility may be required to
14 procure or deploy by the commission into integrated resource
15 plans pursuant to the Efficient Use of Energy Act starting with
16 planning cycles commencing after October 1, 2023.

17 D. Each qualifying utility shall petition the
18 commission for necessary approvals to construct or acquire the
19 energy storage systems to achieve its required procurement or
20 deployment of energy storage capacity.

21 E. Any type of energy storage system installed and
22 operational in New Mexico after July 1, 2023 shall qualify
23 toward the targets set forth in this section.

24 F. As used in this section:

25 (1) "deploy" or "deployment" means to bring an

1 energy storage system to commercial operation or to establish a
2 contractual right to use the energy from, or the capacity of,
3 an energy storage system;

4 (2) "energy storage capacity" means the
5 nameplate capacity of an energy storage system or systems,
6 measured as the maximum rate or amount of energy that can be
7 stored or delivered, in megawatts or kilowatts;

8 (3) "energy storage system" means commercially
9 available technology that is capable of retaining energy,
10 storing the energy for a period of time and delivering the
11 energy after storage by chemical, thermal, mechanical or other
12 means;

13 (4) "procure" or "procurement" means to
14 acquire by ownership or by a contractual right to use the
15 energy from, or the capacity of, an energy storage system; and

16 (5) "qualifying utility" means an investor-
17 owned electric public utility certified by the commission to
18 provide retail electric service in New Mexico pursuant to the
19 Public Utility Act."

20 SECTION 2. EFFECTIVE DATE.--The effective date of the
21 provisions of this act is July 1, 2023.