



Business Practice: Site Control Requirements for Generation Interconnections

1. Purpose

This Business Practice establishes the Site Control requirements for Generation Interconnection Requests submitted to Public Service Company of New Mexico (PNM). The purpose of these requirements is to ensure that Interconnection Customers possess sufficient and exclusive rights to property necessary to develop, construct, operate, and maintain proposed Generating Facilities and related interconnection facilities throughout the interconnection process.

Site Control requirements are intended to:

- Prevent speculative queue positions.
- Ensure proposed facilities are technically feasible.
- Preserve transmission system study integrity.
- Promote efficient use of transmission planning resources.
- Ensure requested generating capacity can reasonably be accommodated on the identified site.

2. Definition of Site Control

Site Control means the exclusive land right to develop, construct, operate, and maintain a Generating Facility and associated facilities on a site sufficient to support the requested project capacity.

Site Control may be demonstrated through:

1. Ownership of the site
2. A leasehold interest in the site
3. An option to purchase the site
4. An option to lease the site
5. Easements or rights-of-way necessary to support the Generating Facility
6. Other documentation acceptable to PNM that clearly demonstrates exclusive development rights

3. Site Control Requirement



Business Practice: Site Control Requirements for Generation Interconnections

An Interconnection Request is not considered complete unless the Interconnection Customer provides acceptable evidence of Site Control.

The Interconnection Customer must maintain Site Control throughout the interconnection process. Failure to maintain Site Control may result in the Interconnection Request being deemed deficient, suspended, or withdrawn as detailed in PNM's OATT.

4. Required Elements of Site Control

Documentation submitted to establish Site Control must demonstrate:

A. Conveyance

The documentation must grant or provide the right to obtain the land necessary for the project.

Acceptable examples include:

- Deed
- Lease
- Option to Lease
- Option to Purchase
- Easement
- Right-of-Way Agreement

The following generally do not constitute Site Control:

- Letter of Intent (LOI)
- Memorandum of Understanding (MOU)
- Active Negotiation Agreements
- Non-binding Term Sheets
- Purchase Agreements without property rights
- Landowner support letters without conveyance rights

B. Exclusivity

The documentation must demonstrate that the Interconnection Customer possesses exclusive rights to develop the project on the identified site.



Business Practice: Site Control Requirements for Generation Interconnections

The landowner must acknowledge that the identified property cannot be made available to another generating project developer for the same rights being granted to the Interconnection Customer during the applicable term.

C. Term

The Site Control documentation must remain effective long enough to support project development and completion of the interconnection process.

For initial queue submission, PNM requires documentation showing enforceable site rights extending at least:

- Three (3) years beyond the proposed Commercial Operation Date for Large Generating Facilities (> 20 MW) and Small Generating Facilities (< 20 MW).

Options or extensions must be fully executed and in force at the time Site Control is submitted. Future unexercised extension rights alone are insufficient.

5. Entity Name Requirements

Site Control documentation must be in the same legal name as the Interconnection Customer identified in the Interconnection Request.

If the Site Control holder differs from the requesting entity, the Interconnection Customer must provide documentation establishing the relationship between the entities, including:

- Parent/Subsidiary relationships
- Affiliate relationships
- Special Purpose Entity structures
- Development agreements

PNM reserves the right to reject documentation when ownership or control relationships cannot be adequately demonstrated.

6. Site Identification Requirements

The Interconnection Customer must clearly identify the proposed project site.

The submission shall include:



Business Practice: Site Control Requirements for Generation Interconnections

- Legal description(s)
- Parcel identification number(s)
- County and state location
- A Google Earth Site Plan Map in .kmz format
- Site boundaries
- Proposed tie-line requested Point of Interconnection (optional)
- Total project acreage

Sites may consist of:

- Single parcels
- Multiple parcels
- Non-contiguous parcels

For non-contiguous sites, the Interconnection Customer must demonstrate how all portions of the project are connected and function as a single Generating Facility.

7. Minimum Acreage Requirements

PNM will use the following acreage standards to evaluate whether a project site is reasonably sized for the proposed generation technology.

Resource Type	Minimum Acreage Requirement
Battery Energy Storage	0.05 acre per MW
Solar Generation	5 acres per MW
Wind Generation	50 acres per MW
Conventional Thermal Generation	10 acres per facility

Hybrid facilities shall be evaluated using the sum of acreage requirements applicable to each technology component.



Business Practice: Site Control Requirements for Generation Interconnections

Example

A 200 MW Hybrid Project consisting of:

- 150 MW Solar
- 50 MW Battery Storage

Required acreage:

- Solar: $150 \text{ MW} \times 5 \text{ acres/MW} = 750 \text{ acres}$
- Battery: $50 \text{ MW} \times 0.05 \text{ acres/MW} = 2.5 \text{ acres}$
- Minimum acreage requirement = **752.5 acres**

8. Usable Acreage

Only usable acreage may be counted toward acreage requirements.

PNM may exclude:

- Public roads
- Water bodies
- Utility corridors
- Existing easements granted to third parties
- Environmentally restricted areas
- Areas unsuitable for facility construction

PNM may request additional information to determine usable acreage.

9. Site Plan Requirements

Each Interconnection Request must include a conceptual site plan sufficient to demonstrate that the requested project can reasonably be developed on the identified site.

The site plan should include:

- Project boundary
- Major generating equipment



Business Practice: Site Control Requirements for Generation Interconnections

- Collector systems
- Inverters
- Battery locations
- Substation location
- Point of Interconnection
- Access roads
- Setbacks

PNM may determine an Interconnection Request deficient if the proposed site is clearly insufficient to support the requested generating capacity.

10. Acreage Disputes

If a project does not meet the acreage screening criteria listed in Section 7, the Interconnection Customer may submit a detailed engineering demonstration showing the project can fit within the available acreage.

Such demonstration shall include:

- Professional Engineer (PE) stamped site plan.
- Equipment layout.
- Equipment spacing.
- Access roads.
- Topographic considerations.
- Manufacturer equipment specifications.
- Acreage calculations.

PNM will review the submission and determine whether sufficient land exists to support the proposed Generating Facility. The burden of proof rests with the Interconnection Customer.

11. Shared Sites and Co-Located Facilities

Multiple Interconnection Requests may utilize the same property provided:



Business Practice: Site Control Requirements for Generation Interconnections

- Adequate acreage exists for all projects.
- The rights granted under Site Control documentation support all proposed facilities.
- A co-location agreement or equivalent documentation is provided when applicable.
- Site plans clearly identify the layout allocated to each project.

PNM may require additional documentation to confirm that overlapping Site Control claims do not impair project viability.

12. Deficiencies

PNM may issue a Site Control deficiency notice when:

- Documentation is incomplete.
- Exclusive rights are not demonstrated.
- Acreage requirements are not met.
- Site plans are insufficient.
- Legal ownership is unclear.
- Site Control has expired.

Failure to cure deficiencies within the period established by PNM may result in withdrawal of the Interconnection Request.

13. Confidentiality

PNM will treat Site Control documentation as confidential to the extent permitted by applicable tariffs, regulations, and law. Interconnection Customers may redact commercially sensitive terms, including purchase prices and lease payment amounts, provided the redactions do not prevent PNM from verifying Site Control.



Business Practice: Site Control Requirements for Generation Interconnections

Version	Effective Date	Change Tracking
Original	07/10/26	Original