

**NOTICE OF FUNDING OPPORTUNITY FOR  
GRID MODERNIZATION PROJECTS  
ISSUED BY THE  
STATE OF NEW MEXICO,  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT,  
ENERGY CONSERVATION AND MANAGEMENT DIVISION**

**I. PURPOSE OF THIS NOTICE OF FUNDING OPPORTUNITY**

The State of New Mexico, Energy, Minerals and Natural Resources Department (EMNRD) Energy Conservation and Management Division (ECAM) is requesting applications pursuant to 17.9.588 New Mexico Administrative Code (<https://www.srca.nm.gov/parts/title17/17.009.0588.html>), Grid Modernization Grant Program (Program), from government entities for grid modernization projects to assist New Mexico in developing a modern electric grid that transitions the state to 100-percent zero-carbon electricity resources. Grid modernization projects are those that make improvements to electric distribution or transmission infrastructure to accommodate or facilitate the integration of renewable electric generation resources with the electric distribution grid or otherwise enhance electric distribution or transmission grid reliability, grid security, demand response capability, customer service or energy efficiency or conservation.

Projects will serve one or more operational or functional goals of a modern grid, including:

- facilitating the adoption of clean energy generation resources;
- accommodating the integration of distributed energy resources;
- enabling customers with data and real-time usage information;
- maintaining or enhancing electric distribution or transmission grid reliability, resiliency and grid security;
- improving system efficiency;
- helping to optimize existing assets and;
- adapting to a changing load, including changes to peak load and demand due to the electrification of buildings and transportation.

Projects must fit within one of three types.

**Type 1** projects are original research projects that advance the state's understanding and appreciation of grid function, reliability, resilience, security and operation as it relates to the integration of renewable and zero-carbon resources, including impacts on customer behavior, operations and maintenance costs or the value of specific grid technologies;

**Type 2** projects consist of pre-construction or design activities to support grid modernization construction/installation projects;

**Type 3** projects involve construction, installation, operation and verification of a grid

modernization technology at a project site.

ECAM may fund all three types of projects proposed by one entity.

Type 1 and Type 2 Projects shall be completable within two years after the date of the fully executed contract.

Type 3 projects must be completed within 4 years after the fully executed contract.

Prospective applicants may seek feedback from ECAM about preliminary project ideas prior to the application deadlines. Feedback will be provided to those projects that are severely lacking for future application cycles. Applicants must demonstrate that the project will meet all the criteria listed in Section IX below to be funded.

## **II. ELIGIBILITY**

Eligible Applicants include municipalities and county governments; state agencies; state universities; public schools; post-secondary education institutions; and Indian nations, tribes, and pueblos. All projects must take place within New Mexico.

Project costs eligible for reimbursement may include: the costs of project development, engineering design, environmental and regulatory assessments, equipment, supplies, construction, inspection, and initial monitoring of the clean energy technology performance.

Ineligible project costs include (but are not limited to): the costs of water rights, land easements, right-of-way acquisition, and legal costs.

## **III. BACKGROUND INFORMATION**

A modern electric grid is required for New Mexico to achieve decarbonization, for utilities, households, and businesses to take advantage of New Mexico's abundant renewable resources, to spur economic growth, and to improve the lives of New Mexicans.

In 2020 the Energy, Minerals and Natural Resources Department (EMNRD) drafted a roadmap for grid modernization (Roadmap) (<https://www.emnrd.nm.gov/ecmd/grid-modernization/>) as instructed in New Mexico's Energy Grid Modernization Roadmap Act of 2020 (Act). The primary purpose of the roadmap is to guide stakeholders in New Mexico's electricity grid through the state's transition to a zero-carbon electricity grid. In addition to the Roadmap, the Act instructed ECAM to establish a grid modernization grant program. In response, ECAM developed the Grid Modernization Grant Program Rule establishing requirements and procedures for applying for a grid modernization grant through EMNRD. Section 17.9.588 NMAC establishes requirements and procedures for applying for a grid modernization grant and outlines the following

Program goals:

(1) helping to improve electrical system efficiency, reliability, resilience and security; lowering operations and maintenance costs; and meeting energy demands through a flexible, diversified and distributed energy portfolio consistent with New Mexico's energy goals;

(2) incorporating a new technology or a new or innovative application of an existing technology that will provide useful information to the state, utilities, and the general public related to grid modernization

(3) having broad applicability to the state or other utility service territories within New Mexico;

(4) fostering the public's, students', or a specific government or industry sector's overall understanding and appreciation of grid modernization;

(5) demonstrating the ability to stimulate in-state economic development, including the creation of jobs and apprenticeships and

(6) the extent to which the project complements or coordinates with the resource planning of a public utility as required by the Public Utility Act, NMSA 1978, Section 62-13-1.

#### **IV. SCOPE OF WORK SPECIFIC TO TYPE 1, ORIGINAL RESEARCH PROJECTS**

Applications for Type 1 research projects made for grid modernization grant program funding shall describe a scope of work that includes:

- A. the proposed research question and methodology;
- B. a deliverables-based summary of the overall plan for the research; and
- C. results of any previous or preliminary research or expected results.

#### **V. SCOPE OF WORK SPECIFIC TO TYPE 2, PRE-CONSTRUCTION/DESIGN ACTIVITIES PROJECTS**

Applications for Type 2 pre-construction design projects shall describe a scope of work that includes:

- A. a deliverables-based summary of the plan for the design project, including proposed operational goals for the project;
- B. the proposed site with maps, diagrams or images;
- C. plans for achieving compliance with federal, state, and local construction requirements; and
- D. plan to obtaining funding to complete project construction and installation.

## VI. SCOPE OF WORK SPECIFIC TO TYPE 3, CONSTRUCTION, INSTALLATION, OPERATION AND VERIFICATION PROJECTS

Applications for Type 3 construction projects shall describe a scope of work that includes:

- A. a deliverables-based summary of the plan for the grid modernization installation project;
- B. a description of the grid modernization technology being deployed;
- C. a completed engineering/design study;
- D. a completed interconnection study demonstrating the project's feasibility and impact on the grid; and
- E. proof of compliance with applicable federal, state, and local construction requirements.

## VII. APPLICATION CONTENTS

Applicants are required to assemble and submit a package that includes the following items:

1. **Letter of Transmittal.** Applicants shall include a letter of transmittal that includes the name, title, telephone number and e-mail address for the person or persons authorized to negotiate a contract on applicant's behalf in the application. Applicants shall also include the names, titles, telephone numbers and e-mail addresses of persons to be contacted for clarification related to the contents of an application.
2. **Project Narrative.** Applicants shall include a narrative and materials related to the scope of work appropriate for the project type, as described in Sections IV-VI. In addition, the project must include a narrative description of the project's alignment with the Program's goals as specified in Section III, Background, above. Applicants shall describe in their application how the research will advance grid modernization in New Mexico by:
  - (a) helping to improve electrical system efficiency, reliability, resilience and security; lowering operations and maintenance costs; and meeting energy demands through a flexible, diversified and distributed energy portfolio consistent with New Mexico's energy goals;
  - (b) incorporating a new technology or a new or innovative application of an existing technology that will provide useful information to the state, utilities, and the public related to grid modernization;
  - (c) having broad applicability to the state or other utility service territories within New Mexico;
  - (d) fostering the public's, students', or a specific government or industry sector's overall understanding and appreciation of grid modernization;

- (e) demonstrating the ability to stimulate local economic development, including the creation of jobs and apprenticeships.
- 3. **Letter of Support from Utility.** Type 1 and 2 applicants shall include a letter of support from the utility or utilities providing service to the area(s) in which the project will take place. Applicants shall coordinate with the electric provider to ensure that the proposed project does not adversely impact electrical system efficiency, reliability, resilience, and security. Applicants will also describe the extent to which the project complements or coordinates with the resource planning of a public utility as required by the Public Utility Act. Type 3 applicants shall include a complete interconnection approval packet from the utility.
- 4. **Budget.** Applicants shall include a deliverables-based budget showing how work will be compensated, including a list of non-program or in-kind funding match resources, and how these resources will be applied to the project, if applicable.
- 5. **Timeline.** Applicants shall include a deliverables-based timeline showing how the project will be completed in 24 months or 48 months of the contract execution date depending on project type, including major milestones.
- 6. **Proof of technical capabilities.** Applications shall include at a minimum resumes/curriculum vitae for the individuals responsible for the success of the project. Other documentation demonstrating that the applicants and designated subcontractors are qualified to complete the project will also be considered.

## VIII. ADDITIONAL REQUIREMENTS

### A. General Reporting Requirements

All selected Applicants shall submit progress and expenditure reports, including a final report, in accordance with the requirements of their respective Governmental Services Agreement (Attachment 1). ECAM reserves the right to structure reporting requirements on a project-specific basis.

### B. Statement of Compliance

All selected Applicants shall provide a statement to demonstrate acknowledgement of compliance with all applicable federal, state and local environmental laws, including but not limited to the Cultural Properties Act, NMSA 1978, Sections 18-6-1 through 18-6-17, and the Endangered and Protected Species Act, NMSA 1978 Sections 17-1-14 through 17-5-21.

### C. Maintenance and Inspection of Public Records Act/Confidential Information

All information obtained regarding the project, including pre-applications,

applications for funding and reports are subject to disclosure, in response to requests received under provisions of the New Mexico Inspection of Public Records Act, NMSA 1978, Sections 14-2-1 to 14-2-12. Information that could reasonably be considered to be proprietary, privileged or confidential commercial or financial information must be identified as such. ECAM will maintain the confidentiality of that information only to the extent permitted by law.

**IX. FUNDING APPLICATION EVALUATION CRITERIA**

Project applications will be scored according to the rubric and placed in a queue from highest to lowest score. Applications must be complete and meet all criteria to be funded.

<b>Score</b>	
<b>-1</b>	Non-responsive
<b>1</b>	Responsive/meets minimum threshold
<b>2</b>	Strong case/outcomes likely but not demonstrated
<b>3</b>	Demonstrates proof of concept and expected results

<b>No.</b>	<b>Description of Evaluation Criterion</b>	<b>Points Available</b>
<b>1</b>	<b>Capability to meet the scope of work described.</b> ECAM will consider the project timeline, appropriateness of deliverables, qualifications of project team members including subcontractors, and the applicant’s financial ability to complete the project in the event of cost overrun.	<b>3</b>
<b>2</b>	<b>Alignment with state grid modernization goals.</b> ECAM will consider the project’s potential to innovatively advance grid reliability, resilience, security and cost effectiveness.	<b>3</b>
<b>3</b>	<b>Replicability and Broader Impact.</b> ECAM will consider the potential for widespread adoption of a grid technology (Types 2 and 3) or broader impact and applicability of any research findings (Type 1).	<b>3</b>
	<b>Application Completeness</b> ECAM will determine if the applicant submitted all the required application materials per Section VII of this NOFO.	<b>Pass/Fail</b>
<b>5</b>	<b>Educational value.</b> ECAM will consider the potential for fostering the public’s, students’ or industry’s overall understanding of grid modernization.	<b>3</b>
<b>6</b>	<b>Funding match.</b> ECAM will prioritize projects for which Applicants have secured non-state funding, including in-kind contributions.	<b>1</b>
<b>7</b>	<b>Applicant Category.</b> ECAM will prioritize projects from unrepresented Applicant categories. Categories include:	<b>Pass/Fail</b>

No.	Description of Evaluation Criterion	Points Available
	(a) an Indian nation, tribe or pueblo; (b) a rural community served by a rural electric cooperative; (c) a rural community served by an investor-owned public utility; (d) an urban or semi-urban municipality or county; and (e) an institution of higher education.	

ECAM will consider projects in light of available funding at the time of review and in consideration of other high-ranking applications.

**X. EVALUATION PROCESS**

The evaluation process will follow the steps listed below:

- A. The Program Manager will document the contents of competitive applications after the submittal deadline.
- B. The Evaluation Team will review applications for compliance with the mandatory requirements stated within this NOFO. Applications will be sorted according to project type and scored against like projects. Funding will be allocated to the highest scoring projects in all categories until the funding is fully allocated.
- C. The Evaluation Team will evaluate responsive applications based on completeness and the criteria in Section IX, Funding Application Evaluation Criteria.

**XI. AWARD**

ECAM may award multiple contracts under the terms of the attached draft GSA (Attachment 1) and this NOFO. Any GSA awarded because of this NOFO shall not be binding until approved by EMNRD and the funds encumbered by the Department of Finance and Administration.

**XII. CONTACT PERSON**

Questions concerning this NOFO, as well as applications, are to be submitted to:

Chadette Pfaff  
 EMNRD, ECAM  
 1220 South St. Francis Drive  
 Santa Fe, New Mexico 87505  
 Chadette.Pfaff@emnrd.nm.gov  
 (505) 629-2858

Applicants shall submit one application to the contact email listed above by 3 p.m. MDT on **August 15, 2026.**

A preproposal conference will be held June 15, 2026 at 11 a.m. MDT. On Microsoft Teams

Link: [Grid Modernization Preproposal Conference](#)

Dial in by phone

[+1 505-312-4308,650390501#](#) United States, Albuquerque

[Find a local number](#)

Phone conference ID: 650 390 501#

ECAM will only respond to written questions regarding this NOFO that are submitted no later than June 17, 2026. Written answers to those questions will be posted on ECAM's website on June 29, 2026.:

<https://www.emnrd.nm.gov/ECAM/grid-modernization-grant-program/>

### **XIII. NOTICES**

Award of agreements is contingent upon sufficient appropriations and authorization being made by the State of New Mexico.

The money made available to support any GSA entered into as a result of this NOFO must cover Gross Receipts Taxes as a component of the total GSA amount.

ECAM may cancel this NOFO and reject any and all applications when it is in the State of New Mexico's best interests.

ECAM may conduct discussions with Applicants who submit applications but may also accept applications without such discussions.

**ATTACHMENT 1**

**STATE OF NEW MEXICO  
GOVERNMENTAL SERVICES AGREEMENT  
BETWEEN THE  
STATE OF NEW MEXICO,  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
AND ENTITY**

**THIS GOVERNMENTAL SERVICES AGREEMENT** (Agreement) is made and entered into by and between the State of New Mexico, Energy, Minerals and Natural Resources Department (EMNRD), Energy Conservation and Management Division (ECAM), and [Name of Entity] (Entity).

**THE PARTIES MUTUALLY AGREE:**

1. **Scope of Work:** Entity shall:

Task 1: [Insert Scope of Work Include reference to (see, Application, Exhibit A)]

Task 2: Participate in a desktop monitoring check-in at least once per year (see, Monitoring checklist, Exhibit B) as well as host ECAM project manager for annual inspection tour and address any deficiencies identified by the project manager.

Task 3: Reporting

- a. Submit Quarterly Progress Reports on the attached Exhibit C no later than the end of each quarter. Every Quarterly Report shall include a summary of Project Management activities including for Entity's contractors, installation scheduling, coordination meetings, and site management
- b. Submit a final report on or before June 30, 2030.
- c. Deliver a final presentation to ECAM and peers at a grid modernization summit.

Task 4: Project Management

- a. Coordinate monthly meetings with ECAM staff to report significant work progress, project risks and planned future work.
- b. Entity shall review all invoices for reimbursement from subcontractors and verify that claimed expenditures are allowable costs. Entity shall maintain documentation adequate to support all claimed costs reported for reimbursement or Entity share.
- c. Prepare, review, certify, and submit reimbursement requests as outlined below, in the form and content specified by ECAM.

2. **Compensation:**

A. EMNRD shall pay Entity for services satisfactorily performed pursuant to the Scope of Work and as specified below. This amount shall not to exceed

dollars (\$ \_\_\_\_\_), including New Mexico governmental gross receipts taxes, and any travel, if necessary, pursuant to Paragraphs B and C of this Compensation Section. EMNRD shall make payment upon the satisfactory and timely completion of the work described in the Scope of Work and for no more than the maximum amount set forth below for each deliverable:

<b>Deliverable</b>	<b>Maximum Amount Not to Exceed</b>	<b>Invoice Due Date</b>
Submit reimbursement requests [Insert specific type of work e.g. for engineering and project management support related to project oversight, EMNRD reporting, procurement and compliance, coordination, quarterly and final reports ]	\$ [Insert amount]	Costs incurred during the fiscal year quarter shall be invoiced after the fiscal year quarter ends. Costs must be incurred during the term of this Agreement (see Section 3, TERM).
Submit reimbursement requests [Insert specific type of work e.g. related to the procurement and installation of equipment and associated components]	\$ [Insert amount]	Costs incurred during the fiscal year quarter shall be invoiced after the fiscal year quarter ends. Costs must be incurred during the term of this Agreement (see Section 3, TERM).
Submit reimbursement requests [Insert specific type of work e.g. for the development of integrated data platform and visualization dashboard]	\$ [Insert amount]	Costs incurred during the fiscal year quarter shall be invoiced after the fiscal year quarter ends. Costs must be incurred during the term of this Agreement (see Section 3, TERM).
Submit reimbursement requests [Insert specific type of work e.g. for project management and labor to conduct quality control tests of installed equipment ]	\$ [Insert amount]	Costs incurred during the fiscal year quarter shall be invoiced after the fiscal year quarter ends. Costs must be incurred during the term of this Agreement (see Section 3, TERM).
Submit reimbursement requests for [Insert specific type of work e.g. public demonstration events, community engagement, dissemination of open-access data and benefit summary report.]	\$ [Insert amount]	Costs incurred during the fiscal year quarter shall be invoiced after the fiscal year quarter ends. Costs must be incurred

	during the term of this Agreement (see Section 3, TERM).
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This amount is a maximum and not a guarantee that the work assigned to be performed by Entity under this Agreement shall equal the amount stated herein or the amounts state per task. The parties do not intend for the Entity to continue to provide services without compensation when the total compensation amount is reached. Entity is responsible for notifying EMNRD when the services provided under this Agreement reach the total compensation amount. In no event shall the Entity be paid for services provided exceeding the total compensation amount without this Agreement being amended in writing prior to those services exceeding the total compensation amount being provided. EMNRD MUST receive all invoices no later than 10 days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date SHALL NOT BE PAID. Payments are also subject to compliance with the requirements of Section 26 of this Agreement, below.

B. EMNRD shall pay such travel expenses as may be incurred in, and that are necessary for, this Agreement’s performance at the rates established in the Per Diem and Mileage Act, NMSA 1978, Sections 10-8-1 *et seq.* as implemented by the current Department of Finance and Administration (DFA) rule and the current EMNRD travel policy.

C. Entity shall be responsible for paying New Mexico Governmental Gross Receipts taxes levied on amounts payable under this Agreement, if applicable.

D. Entity must submit detailed invoices accounting for all services performed, and expenses incurred. Invoices evidencing the propriety of each claim for payment must be supported by approved purchase order. When compensation is based on hourly rates, Entity shall also provide documentation of hours expended on the services provided. If EMNRD finds that the invoice services, or expenses are not acceptable, within 30 days of receipt of written notice from Entity that payment is requested for services received, EMNRD shall provide Entity a letter of exception explaining the defect or objection to the invoice, services, or expenses, and outlining steps Entity may take to provide remedial action. Upon certification by EMNRD that the invoice, services, or expenses have been received and accepted, EMNRD shall tender payment to Entity within 30 days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, EMNRD shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

3. **Term:** This Agreement becomes effective when executed by an authorized representative of Entity and of EMNRD and when DFA encumbers funds for this Agreement. It shall terminate on [Insert termination date determined by project type and expected completion timeline], unless earlier terminated pursuant to Section 4, Termination, or Section 5, Appropriations, below.

4. **Termination:** Either party may terminate this Agreement upon written notice delivered to the other at least 10 days prior to the intended termination date. By such termination, neither party may nullify or avoid any obligation required to have been performed prior to termination.

5. **Appropriations:** This Agreement’s terms are contingent upon the New Mexico State Legislature granting sufficient appropriation and authorization. If sufficient appropriation or authorization is not granted, EMNRD may terminate this Agreement, or in the alternative

suspend performance pending approval of sufficient appropriation or authorization, upon written notice from EMNRD to Entity. EMNRD's decision as to whether sufficient appropriations are available shall be at its sole and absolute discretion and shall be final, binding, and accepted by Entity.

***[Option: If Entity is another state agency, revise this section to reflect Entity is not an EMNRD employee.]***

6. **Status of Entity:** Entity and its agents and employees are independent contractors performing professional services for EMNRD and are not employees of the State of New Mexico. Entity and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this Agreement. Entity agrees not to purport to bind the State of New Mexico unless the Entity has express written authority to do so, and then only within the strict limits of that written authority.

7. **Assignment:** Entity shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without EMNRD's prior written approval.

8. **Subcontracting:** Entity shall not subcontract any portion of the services to be performed under this Agreement or obligate itself in any manner to any third party, with respect to any rights or responsibilities under this Agreement, without EMNRD's prior written approval. EMNRD may disallow costs incurred by the Entity in relation to a subcontract if Entity does not obtain prior written approval. If Entity proposed specific subcontractors in its application for the project, those subcontractors are considered approved.

A. Any contract shall include all provisions necessary to allow Entity to meet its obligations and requirements under this Agreement and all provisions required by law.

B. Travel expense reimbursement requested for subcontractors, if applicable, shall be reimbursed in accordance with rates established in the Per Diem and Mileage Act, NMSA 1978, Section 10-8-1 *et seq.*, as implemented by the current DFA Rule and EMNRD Travel Policy.

9. **Release:** Final payment of the amounts due under this Agreement shall operate as a release of EMNRD, its officers, and employees, and the State of New Mexico from all liabilities, claims, and obligations whatsoever arising from or under this Agreement.

10. **Confidentiality:** Any confidential information provided to Entity in the performance of this Agreement shall be kept confidential and shall not be made available by Entity to any individual or organization without EMNRD's prior written approval.

11. **Conflict of Interest; Governmental Conduct Act:** Entity warrants that it presently has no interest and that it shall not acquire any interest, direct or indirect, which would conflict in any manner with performance or other services required under this Agreement. Entity certifies that all applicable provisions of the requirements of the Governmental Conduct Act, NMSA 1978, Sections 10-16-1 through -18, including provisions related to contracting with, or employing, public officers, legislators, state employees, or former state employees, have been followed.

12. **Amendment:** This Agreement shall not be altered, changed, or amended except by

written instrument executed and approved by the parties hereto.

13. **Merger**: This Agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written Agreement. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless as embodied in this Agreement.

14. **Penalties for Violation of Law**: The Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

15. **Equal Opportunity Compliance**: Entity agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Entity assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation, or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Entity is found not to be in compliance with these requirements during the life of this Agreement, Entity agrees to take appropriate steps to correct these deficiencies.

16. **Applicable Law**: The laws of the State of New Mexico shall govern this Agreement, without giving effect to New Mexico's choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, Section 38-3-1(G). By execution of this Agreement, Entity acknowledges and agrees to the exclusive jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

17. **Records and Audit**:

A. Entity shall maintain detailed time and expenditure records that indicate the date, time, nature, and cost of services rendered during the Agreement's term and effect and retain them until six years after the termination date specified in Section 3, Term. These records shall be maintained and available within the State of New Mexico. During this time, such records shall be subject to inspection by EMNRD, DFA, and the State Auditor. Entity further agrees to include in all subcontracts hereunder the same right of inspection and audit against all subcontractors. EMNRD shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose EMNRD's right to recover excessive or illegal payments. The periods of inspection and audit may be extended for records, which relate to litigation or settlement of claims arising out of performance of this Agreement or any authorized representative and shall continue until all potential litigation, appeals, claims, or exceptions have expired or been resolved.

18. **Liability**: Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred with this Agreement is subject to the immunities and limitations of the Tort Claims Act, NMSA 1978, Sections 41-4-1 *et seq.*, as amended.

19. **Procurement, Utilization, and Disposition of Property**: Entity shall report acquisition

of any capital property (property with an expected life of at least one year) to EMNRD within one month following the acquisition. If upon termination of this Agreement Entity has any property in its possession belonging to EMNRD, Entity shall account for the property and dispose of it as EMNRD directs.

20. **Invalid Term or Condition:** If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

21. **Enforcement of Agreement:** A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict performance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no waiver of a specified right by a party shall be effective to waive any other rights.

22. **Notice:** Except as otherwise specified herein, all notices hereunder shall be in writing) and shall be given to the relevant party at its address set forth below, or such other address as such party may hereafter specify by notice to the other given by courier, by United States certified or registered mail, or by telecommunication device capable of creating a written record of such notice and its receipt.

To EMNRD:

Chadette Pfaff -Program Manager  
EMNRD – ECMD  
1220 S. St Francis Drive  
Santa Fe, NM 87505

General Counsel

EMNRD – Office of the Secretary  
1220 S. St Francis Drive  
Santa Fe, NM 87505

To Entity:

[Insert contact information]

To Risk Management Division:

Risk Management Division  
General Services Department  
P.O. Drawer 26100  
Santa Fe, NM 87502

23. **Authority:** If Entity is other than a natural person, the individual(s) signing this Agreement on behalf of Entity represent and warrant that the individual has the power and authority to bind Entity, and that no further action, resolution, or approval from Entity or any other entity is necessary to enter a binding contract.

24. **Acknowledgment:** Entity shall acknowledge EMNRD as a co-sponsor and funding source in all news releases, programs, proceedings, and related publicity/publications for the project.

25. **Minimum Wage Rate:** If applicable, Entity shall comply with minimum wage rates as

established by the New Mexico Department of Workforce Solutions, Labor Relations Division, and with all other applicable requirements of that Department, including posting of the wage rates in a prominent location on the site for hiring and performing of this Agreement.

26. **Compliance with Law and Funding Source Conditions:**

A. Entity shall comply with all applicable state and federal statutes, regulations, or rules, including without limitation those imposed as a consequence of funding pursuant to this Agreement.

B. Entity shall comply with all applicable federal, state and local environmental and cultural resources laws.

***[Option: If agreement is with a state agency do not include the following provision because all state agencies are covered by Risk Management Division. Remove this Section (and this instruction) and renumber successive sections accordingly. If agreement is with a county, municipality, state university, or public school, determine whether it has insurance coverage. If it does, keep the following. If the county, municipality, state university, or public school does not have coverage, discuss the situation with legal as to how it should be addressed. Remove these instructions.]***

27. **Insurance Coverage:** Entity shall provide EMNRD a statement indicating that the activities described in the Scope of Work are covered by insurance as set forth below, secured in accordance with any method allowed by applicable law, including self-insurance, pooling of self-insured reserves, or insurance provided by a third party, prior to commencing work under this Agreement. Entity shall maintain continuous coverage of the activities described in the Scope of Work, so long as this Agreement is in effect. Failure to maintain such coverage is reason for immediate termination of this Agreement. Entity shall notify EMNRD prior to cancellation or expiration of any insurance required under this Agreement.

A. Worker's Compensation protection that complies with the requirements of the Worker's Compensation Act, NMSA 1978, Sections 52-1-1 *et seq.*, if applicable. If the Entity fails to comply with the Workers Compensation Act and applicable rules when required to do so, EMNRD may terminate this Agreement.

B. Comprehensive public liability protection covering property damage and personal injury liability that may arise under this Agreement and any amendments hereto, in amounts equal or greater than liability limits set forth in NMSA 1978, Sections 41-4-19, as it may be amended from time to time.

*[This space intentionally left blank]*

**IN WITNESS WHEREOF**, the parties hereto have herein below executed this Agreement.

**STATE OF NEW MEXICO, ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Cabinet Secretary or Designee

**[ENTITY NAME]**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Authorized Representative Signature

\_\_\_\_\_  
Printed Name and Title

Exhibit A Application

[Insert application here]

## Exhibit B Monitoring Checklist



Energy Conservation and Management Division of the  
New Mexico Energy, Minerals and Natural Resources Department  
Project and Funding Recipient Desktop Monitoring Checklist

Monitoring Date/Fiscal Year:	_____
ECAM Reviewer:	_____
Program/Project Name:	_____
Funding Recipient Name:	_____
Recipient Agreement No.:	_____
Funding Amount:	_____
Match Amount:	_____
Agreement Start/End Date:	_____
Pre-Award Risk Assessment Rating:	_____
Last Monitoring Review:	_____
Contact Person:	_____
Contact Email:	_____
Contact Phone #:	_____

Budget Summary & YTD Expenditures:				
Deliverable/Project Milestone	Status	Budgeted Amount	YTD Amount	Remaining Amount
Total		\$0.00	\$0.00	\$0.00

Indicator	Review Result	Monitoring Guidance/Observations/Comments <small>(Describe Basis for Conclusion)</small>
<b>General Documents/Policies to Review</b>		
Most recently submitted Return of Organization Exempt from Income Tax (Form 990)	Select	
Most recently submitted Single Audit or financial statements, if no Single Audit	Select	
Organizational Chart	Select	
Description of the accounting systems and Chart of Accounts	Select	
Cash Management Policy and Procedures	Select	
Cost Allowability Policy and Procedures	Select	
Conflict of Interest Policy and Procedures	Select	
Procurement Procedures	Select	
Employee Benefits Policy and Procedures	Select	
Travel Policy and Procedures	Select	
Equipment/Materials Inventory Policy(ies)	Select	

Segregation of Duties Policy(ies) or additional safeguards	Select	
Grant Budgeting Procedure	Select	
Personnel Policies	Select	
Employee Handbook	Select	
Drug-Free Workplace Policy	Select	
Whistleblower Protection Policy	Select	
Cost Allocation Policy and Procedures	Select	
Records Retention Policy and Procedures	Select	
Certificate of Insurance or Fidelity Bond for construction projects	Select	
Proper documentation for the Indirect Cost Rate	Select	
Policy to prohibit political activity with the use of ECMD contract funds	Select	
Recipient maintains complete and up-to-date files that include the EMNRD contract and all subsequent amendments, original response to solicitation, financial supporting documentation, procurement bids for Subrecipients, personnel records, deliverables documentation and related invoicing documentation.	Select	
<b>General Contractual Agreements</b>		
Recipient maintains detailed time and expenditure records that indicate the date, time, nature, and cost of services rendered during the Agreement's term and effect and retains them until six years after the termination date specified in Section 3 of the contract. <u>Term</u> .	Select	
Recipient complies with applicable provisions of the National Environmental Policy Act (NEPA), Section 103 of the National Historic Preservation Act (NHPA), the Cultural Properties Act, NMSA 1978, Sections 18-6-1 through 18-6-17, the Endangered and Protected Species Act NMSA 1978, Sections 17-1-14 through 17-5-21, the Clean Air Act (42 U.S.C. 7401, et. Seq.) and Clean Water Act (33 U.S.C. 1251, et. seq.), as implemented by Executive Order 11738 [3 CFR, 1971-1975 Comp., p. 799] prior to the expenditure of Federal funds to alter any structure or sit.	Select	
Recipient can demonstrate compliance with federal and/or state prevailing wage requirements, as applicable.	Select	
<u>Recipient is attributing EMNRD and/or federal funder as specified in contract.</u>	Select	
Recipient complies with program-specific federal requirements, including the Build America, Buy America Act prior to the purchase or installation of construction materials and manufactured products, as applicable. (Approved waiver counts towards compliance.)	Select	
<b>Financial Management</b>		
Grant funding match/cost share is tracked.	Select	
Recipient organization uses Chart of Accounts and Accounting Manual.	Select	
Recipient organization uses a financial management system to provide prompt and timely recording and reporting of all financial transactions.	Select	
Accounting records are supported by source documentation.	Select	
<b>Cash Management and Contractor Invoice Management</b>		
Cash receipts function performed by someone other than the person who is responsible for signing checks, reconciling bank accounts, or maintaining non-cash accounting records (i.e. ledgers or journals).	Select	
Recipient organization has a process for paying project invoices.	Select	

Payment vouchers or supporting documents identified by grant number, date(s), and expense classification.	Select	
Disbursements are controlled by check registers, electronic, or alternate method.	Select	
Supporting documents support reimbursement requests.	Select	
Invoices or vouchers are approved in advance by authorized officials.	Select	
<b>Audit Requirements</b>		
Recipient had an independent financial audit within last 12 months that was conducted by CPA or Licensed Public Accountant.	Select	
Did the audit report contain any findings or questioned costs?	Select	
If yes, has someone been assigned the responsibility for resolving the findings or questioned costs?	Select	
Did the recipient submit a timely response to the audit, including a plan for correcting any conditions reported in sustained findings?	Select	
<b>Procurement Policy</b>		
Did recipient follow proper procurement, per local, state (New Mexico Procurement Code, §§ 13-1-21 to 13-1-199 NMSA 1978) and/or federal policy (2 CFR 200) when applicable?	Select	
Recipient provided request for bids that contained clear specifications and did not contain feature that unduly restrict competition. 2 CFR 200.320	Select	
Recipient routinely performs checks using System for Award Management (SAM) to ensure contractors are not debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regularity authority other than Executive Order 12549.	Select	
Recipient made positive efforts to select small and minority owned businesses as contractors. 2 CFR 200.321	Select	
<b>Property Inventory Recordkeeping</b>		
Recipient maintains property records on file for all items with a useful life of more than one year and a purchase price of \$200 or more that contain for each item: (1) Description, (2) Manufacturer's serial number or other identification number, (3) Acquisition date and cost, (4) Source of the property, (5) Percentage of federal funds used in acquiring the property, (6) Location, use and condition of the property, (7) Ultimate disposition date. (2 CFR 200.213)	Select	
Recipient takes physical inventory at least once every two years. (2 CFR 200.213)	Select	
Recipient has a control system in place to ensure adequate safeguards to prevent loss, damage, or theft of property? (2 CFR 200.213)	Select	
<b>Continuity and Communication</b>		
Are key staff the same as described in the proposal? If not, Recipient has updated key staff on these policies and procedures.	Select	
<b>Summary</b>		
Indicators Not Reviewed	0	
Indicators Not Applicable	0	

Indicators Not Reviewed	0	
Number of indicators with no response:	0	
Number of indicators with a partial response:	0	
Number of indicators with a satisfactory response:	0	

Exhibit C

Grid Modernization Program – Quarterly Progress Report	
Reporting Period:	
Entity Name:	
Grantee Contact Name:	
Grantee Contact Email:	
Grantee Contact Phone:	
Summarize and attached back-up documentation for work performed under each activity category below:	

Project Management:

Materials and Equipment Procurement:

Construction Activities:

Community Engagement Plans and Community outreach activities:

Educational activities:

Data Collection, Analysis, Visualization, and Demonstration:

Facility Tours and/or Presentations: