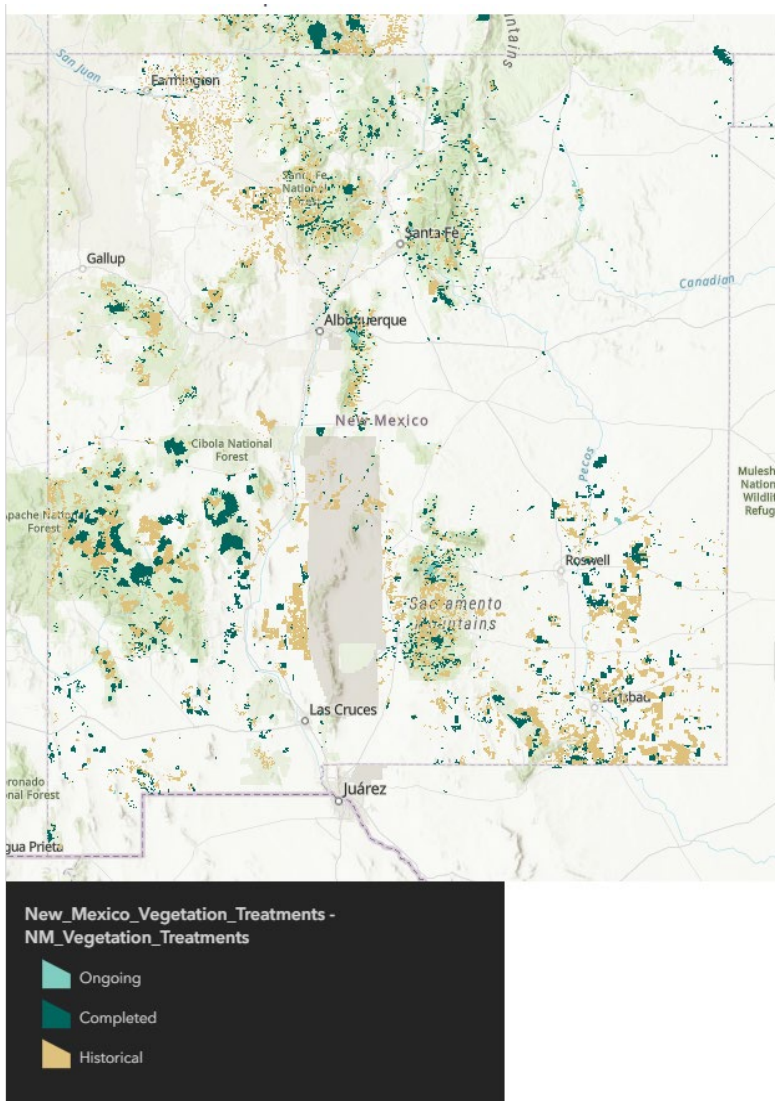


**ACTION PLAN**

Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	Yes

The Energy, Minerals and Natural Resources Department (EMNRD) received record levels of state and federal funding in FY24 as it increased activity across several divisions. The federal Infrastructure Investment and Jobs Act delivered \$25 million for orphaned well cleanup, \$960 thousand for the energy efficiency revolving loan program, \$2.4 million for abandoned mine remediation, and \$5 million for wildfire prevention, readiness, and firefighting equipment. The Hermits Peak-Calf Canyon area will undergo hazard tree thinning, thanks to a \$6 million U.S. Department of Agriculture grant. The agency continued to improve its performance across several divisions, notably State Forestry and State Parks. EMNRD met or exceeded performance targets for improving both revenue and visitation at State Parks.

**New Mexico Forest Vegetation Treatment Projects**



Source: Energy, Minerals and Natural Resources Department; New Mexico Forest and Watershed Restoration Institute

**State Forestry**

**Wildland Firefighter Training.** After a decline in training participation in FY22, the number of firefighters trained recovered in FY23 and appears to be trending positively in FY24. The State Forestry Division (SFD) suggests this turnaround may be due, in part, to individuals striving to be prepared to help their communities after witnessing New Mexico’s devastating 2022 wildfire season.

Training courses are held throughout the state primarily from October to April each year at a variety of volunteer, county, and municipal fire departments, as well as state and local agency locations. An extended fire season delayed training until the second quarter, and SFD has 48 more courses scheduled for quarter three.

**Forest and Watershed Treatment.** SFD reports the average per-acre cost of forest and watershed restoration has risen due to increased contractor wage rates and supply costs. The ongoing support from the irrigation works construction fund and the land of enchantment legacy fund aims to enhance funding predictability, signaling a lasting commitment to statewide forest and watershed treatments in New Mexico.

In the second quarter, SFD more than doubled the number of acres in high-risk watersheds and priority landscapes under notice to proceed, from 9,000 to 20.7 thousand. The number of acres treated increased significantly as well. With the help of federal funding, such as a \$6 million grant for hazard tree thinning on private lands in the Hermits Peak-Calf Canyon burn area, SFD expects to meet its FY24 treatment acres target.

<b>Budget:</b> \$28,828.2 <b>FTE:</b> 92	<b>FY22 Actual</b>	<b>FY23 Actual</b>	<b>FY24 Target</b>	<b>FY24 Q1</b>	<b>FY24 Q2</b>	<b>Rating</b>
Number of nonfederal wildland firefighters provided professional and technical incident command system training.	883	1,554	1,500	0	668	<b>Y</b>
Number of acres treated in New Mexico's forest and watersheds.	14,020	15,735	14,500	1,023	4,945	<b>G</b>
<b>Program Rating</b>	<b>Y</b>	<b>G</b>				<b>Y</b>

**Energy, Conservation and Management Division**

As of the conclusion of the second quarter, the Energy, Conservation and Management Division (ECMD) had received 1,337 applications for the solar market development tax credit. Of these, 63 applications were returned due to incompleteness, while 1,273 were successfully approved for processing. ECMD also received 18 applications for the energy conserving products credit and 280 applications for the sustainable building tax credit. The division is working with EMNRD IT staff to make improvements to its online application portal.

In late 2022, ECMD applied for grid modernization grant funding from the federal government under the Infrastructure Investment and Jobs Act. This grant is expected to bring in more than \$35 million to New Mexico over a five-year period, and ECMD was awarded \$14.4 million for the program's first two years (FY22-23). The funds will be used to fortify vulnerable electric systems and upgrade the grid, particularly as utilities make the shift towards renewable energy resources. The grant requires a 15 percent state match, which the Legislature appropriated funds for in both FY24 and FY25.

**Scheduled State Park Improvements FY24 (in thousands)**

Project Location	Cost
FY21 Statewide Water & Wastewater Infrastructure	\$1,000
Bluewater Lake State Park	\$20
Eagle Nest Lagoon Decommission	\$600
Navajo Lake State Park	\$525
Conchas Lake State Park	\$70
Fenton Lake State Park	\$20
Elephant Butte Lake State Park	\$25
FY23 Statewide Water & Wastewater Infrastructure	\$468
FY24 Statewide Water & Wastewater Infrastructure	\$1,600
<b>Total</b>	<b>\$4,328</b>

<b>Budget:</b> \$5,716.8 <b>FTE:</b> 27	<b>FY22 Actual</b>	<b>FY23 Actual</b>	<b>FY24 Target</b>	<b>FY24 Q1</b>	<b>FY24 Q2</b>	<b>Rating</b>
Percent of completed applications for clean energy tax credits reviewed within 30 days of receipt	92%	99%	90%	100%	100%	<b>G</b>
<b>Program Rating</b>	<b>G</b>	<b>G</b>				<b>G</b>

**State Parks**

Visitation to state parks is typically low in the cold months of the second quarter. The State Parks Division (SPD) has initiated marketing and outreach initiatives to attract both residents and nonresidents to visit during peak season. SPD continued to reduce its vacancy rate and is working to recruit both permanent and temporary staff to ensure state parks remain a significant draw, supporting New Mexico's outdoor recreation economy.

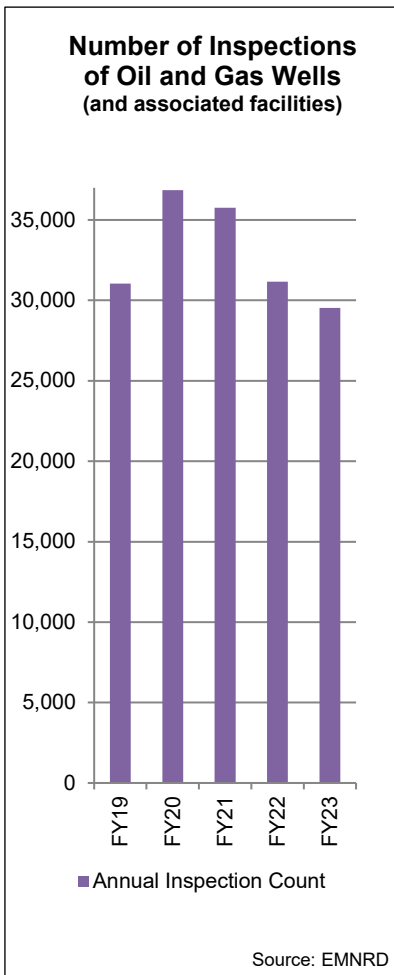
<b>Budget:</b> \$38,454.2 <b>FTE:</b> 239.66	<b>FY22 Actual</b>	<b>FY23 Actual</b>	<b>FY24 Target</b>	<b>FY24 Q1</b>	<b>FY24 Q2</b>	<b>Rating</b>
Number of visitors to state parks	5.2 million	4.78 million	4.8 million	2.1 million	775.4 thousand	<b>G</b>
Amount of self-generated revenue per visitor, in dollars	\$1.01	\$1.21	\$1.00	\$0.72	\$0.95	<b>Y</b>
<b>Program Rating</b>	<b>G</b>	<b>G</b>				<b>G</b>

## Mining and Minerals

The Coal and Mining Act programs require financial assurance for permitted mines. The coal program has six coal mines, all of which are 100 percent covered by financial assurance. The Mining Act Reclamation Program manages 60 mines, of which 59 have adequate financial assurance posted to cover the cost of reclamation. Together, the programs have a 99 percent compliance rate.

Budget: \$13,264.5	FTE: 34	FY22 Actual	FY23 Actual	FY24 Target	FY24 Q1	FY24 Q2	Rating
Percent of permitted mines with approved reclamation plans and adequate financial assurance posted to cover the cost of reclamation.		99%	99%	99%	99%	99%	G
<b>Program Rating</b>		G	G				G

## Oil Conservation



The Oil Conservation Division (OCD) issued 1,531 violations across the state's oil-producing basins during routine inspections in the second quarter of FY24. OCD increased its pace of inspections after three consecutive years of decline while also implementing a more rigorous inspection protocol. The division is aggressively hiring inspectors and field staff to increase inspections and compliance this fiscal year. In FY23, vehicle availability was impacted by supply chain issues. OCD is now actively upgrading its vehicle fleet to ensure field personnel have the equipment needed to increase and maintain the rate of inspections.

OCD has already surpassed its annual target for plugging abandoned wells. A group of five plugging rigs have been contracted and are working simultaneously. Plugging activity was able to increase due to funding from the federal Bipartisan Infrastructure Law and continued state support from the oil reclamation fund. Using the \$25 million in federal funds received in FY23, along with commitments by the federal government to continue funding in the future, OCD was able to secure long-term access to multiple plugging rigs and crews, which will increase both the number and rate of well-plugging projects moving forward. With 2,000 orphaned wells identified in New Mexico, the agency's ability to complete these plugging projects at an increasing pace will be critical to protecting public health and safety.

Budget: \$55,305.5	FTE: 80	FY22 Actual	FY23 Actual	FY24 Target	FY24 Q1	FY24 Q2	Rating
Number of inspections of oil and gas wells and associated facilities		35,757	29,522	31,000	8,855	8,368	Y
Number of abandoned wells properly plugged.		49	76	50	33	45	G
Number of violations issued with associated administrative penalties*		3,213	2,552	N/A	969	1,531	
<b>Program Rating</b>		Y	Y				Y

\*Measure is classified as explanatory and does not have a target.