

1 A MEMORIAL

2 RECOGNIZING AN OPPORTUNITY FOR JOB GROWTH PRESENTED BY THE
3 ESCALANTE GENERATING STATION IN PREWITT, NEW MEXICO;
4 REQUESTING THE ECONOMIC DEVELOPMENT DEPARTMENT, THE WORKFORCE
5 SOLUTIONS DEPARTMENT AND THE ENERGY, MINERALS AND NATURAL
6 RESOURCES DEPARTMENT TO STUDY THIS POTENTIAL AND PROVIDE A
7 REPORT.

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9 WHEREAS, the northwest New Mexico region has a long
10 history with energy production, including natural gas, oil,
11 uranium and coal; and

12 WHEREAS, the energy sector, which includes coal and oil
13 and gas production, has been the region's top economic base
14 industry, responsible for generating upwards of forty percent
15 of taxable gross receipts for local governments and for
16 providing thousands of jobs and approximately twelve percent
17 of the wages in the region; and

18 WHEREAS, due to changes in global markets, less
19 expensive fuel stock and other factors, this region has been
20 adversely affected by industry dislocations, downsizing in
21 production and job loss; and

22 WHEREAS, the El Segundo and Lee Ranch mines that supply
23 fuel to Tri-State generation and transmission association's
24 Escalante generating station laid off nearly one-third of
25 their workers at the beginning of 2017; and

1 WHEREAS, the New Mexico energy policy and implementation
2 plan, finalized in 2015, recommends an all-of-the-above
3 energy approach for New Mexico, as a means to build from our
4 energy assets and to grow our economy; and

5 WHEREAS, the federal economic development administration
6 has made significant investments through its national
7 partnerships for opportunity and workforce and economic
8 revitalization initiative in assisting the coal-impacted
9 communities of the northwest New Mexico region to develop a
10 plan to diversify their economy; and

11 WHEREAS, the Escalante generating station employs more
12 than one hundred people, provides one million four hundred
13 thousand dollars (\$1,400,000) in property taxes per year and
14 is an economic anchor for both Cibola and McKinley counties;
15 and

16 WHEREAS, due to its proximity to the Escalante
17 generating station and the availability of excess steam for
18 industrial reuse, an international cardboard recycling
19 company was recruited and attracted to co-locate on adjacent
20 property;

21 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
22 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the economic
23 development department, the workforce solutions department
24 and the energy, minerals and natural resources department be
25 requested to conduct a study and develop a report analyzing:

1 A. the potential for co-generation and co-location
2 of base industries, to build a cluster of economic activity
3 that benefits from the Escalante generating station,
4 supporting infrastructure and workforce;

5 B. technologies, research facilities and
6 businesses that can be supported by and benefit from this
7 proximity;

8 C. best practices and other similar cluster
9 developments in other states;

10 D. workforce strategies for potential
11 implementation, including rapid response programs; and

12 E. the potential for the state and local
13 governments to enter into public-private partnerships to
14 incentivize these developments;

15 BE IT FURTHER RESOLVED that the economic development
16 department, the workforce solutions department and the
17 energy, minerals and natural resources department, along with
18 New Mexico energy associations, the national rural electric
19 cooperative association, the Continental Divide electric
20 cooperative, local and regional economic development
21 organizations and universities in the region, be consulted
22 and engaged in the development of the report and strategic
23 planning process; and

24 BE IT FURTHER RESOLVED that the economic development
25 department, the workforce solutions department and the

1 energy, minerals and natural resources department present
2 their report to the relevant interim legislative committees
3 prior to November 1, 2017; and

4 BE IT FURTHER RESOLVED that copies of this memorial be
5 transmitted to the secretary of economic development, the
6 secretary of workforce solutions, the secretary of energy,
7 minerals and natural resources and the managing director of
8 the national rural electric cooperative association.

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