

NM ENERGY TRANSITION ACT



New Mexico
Indian Affairs
Department



Secretary Ricky Serna, Department of Workforce Solutions

Secretary Lynn Trujillo, Deputy Nadine Padilla, Indian Affairs Department

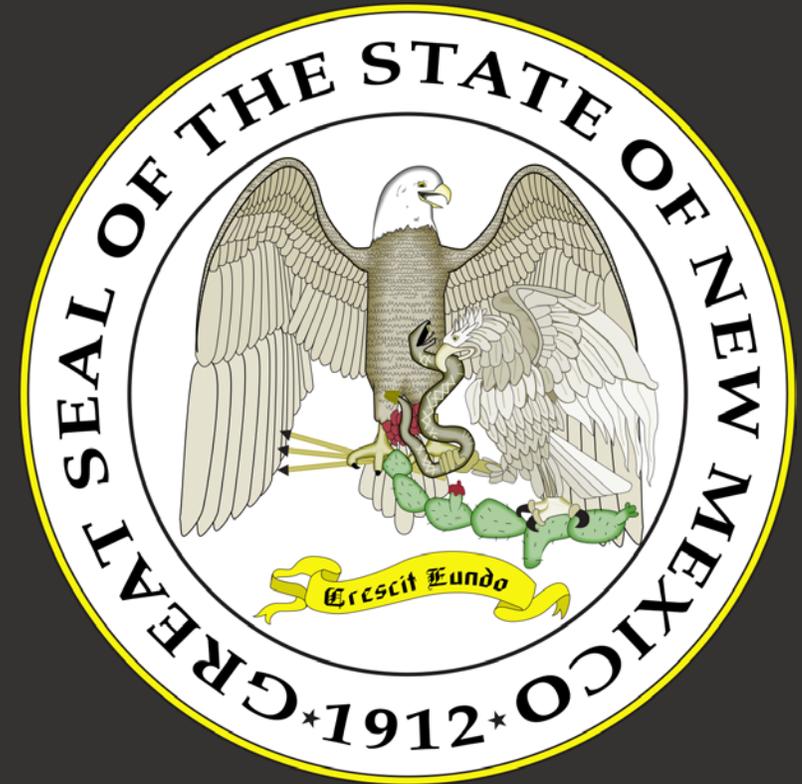
Jason Sandel, Energy Transition Act Commission Convener

Prepared for NM Indian Affairs Interim Committee

July 7, 2021 at Navajo Preparatory School

ETA REQUIREMENTS

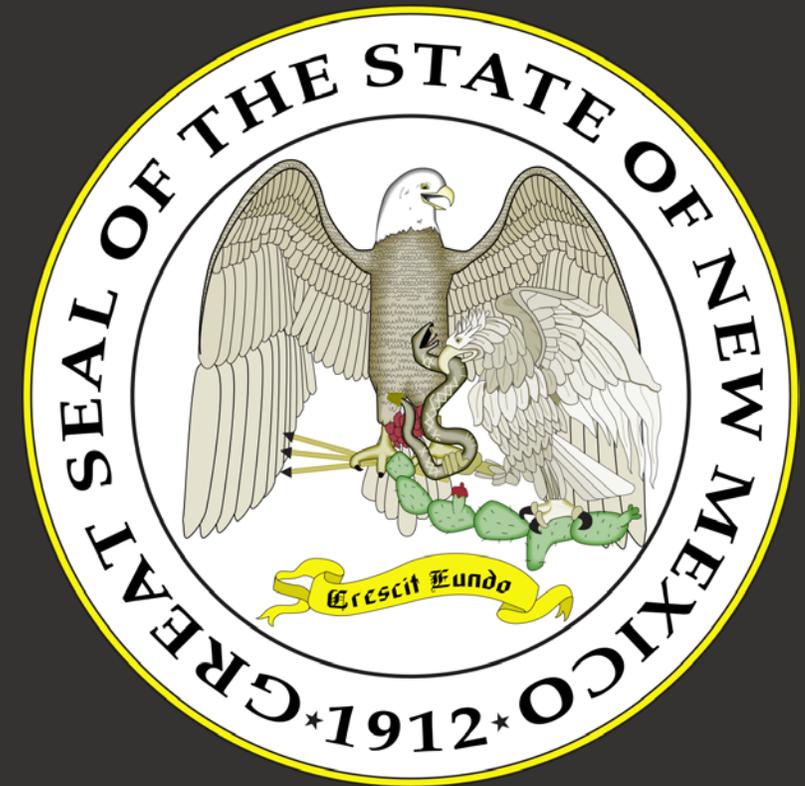
- 50% carbon-free electricity by 2030.
- 100% carbon-free electricity by 2050.
- Securitization for San Juan Generating Station closure.
- Replacement power to be in affected area – now determined to be solar.
- \$20 million earmarked for “affected area” assistance funds with specific purposes
 - \$12 Million to the Department of Workforce Solutions
 - \$2 Million to the Indian Affairs Department
 - \$6 Million the Economic Development Department



COMMUNITY ADVISORY CMTE.

<https://www.dws.state.nm.us/ETA>

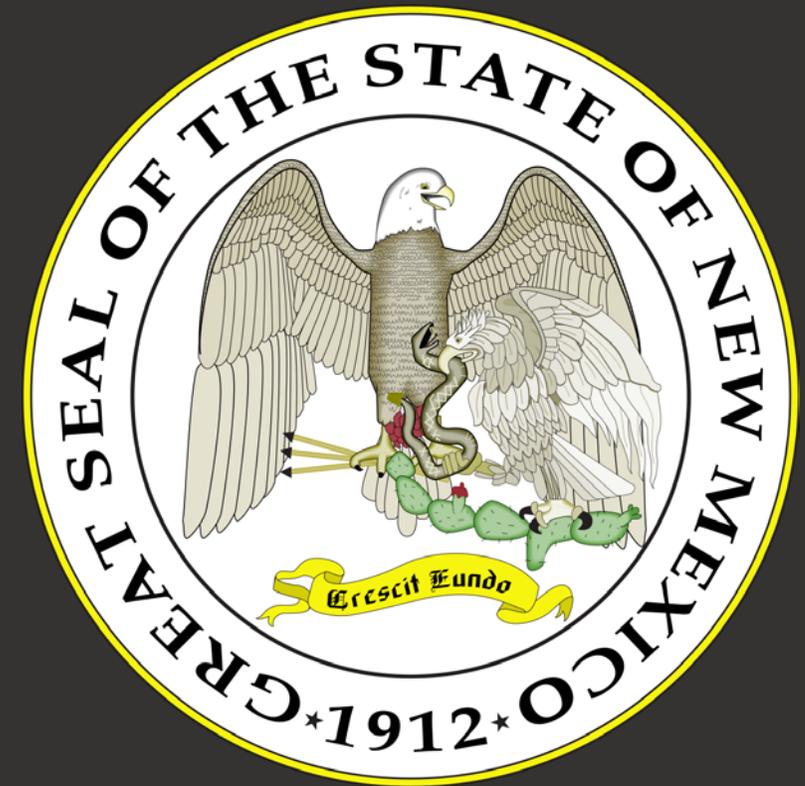
- Three conveners selected and collaboratively worked to build a unified community advisory committee.
 - DWS / Jason Sandel
 - IAD / Commissioner GloJean Todacheene
 - EDD / Former State Rep. Tom Taylor
- Governor & Legislature recognized and prioritized the unique economic landscape of NWNM
 - Impact on tax impact to local school district
 - Natural gas commodity price decline since 2008
 - Intergovernmental relationships with Navajo Nation & other tribal entities.
- Transparency and inclusion are critical in an effort to build broad based support from the community up.



COMMUNITY OUTREACH

<https://www.dws.state.nm.us/ETA>

- Community/Chapter presentations
 - Presentations at each chapter within impacted area, Fall 2019
- Agency Presentations
 - Northern Agency
 - Eastern Agency
- Updates to NGOs and community partners
- Tribal Government Outreach
- Two public hearings
 - 1st ETA meeting was on October 29, 2019 in Farmington, NM.
 - 2nd meeting was held virtually on December 17, 2020

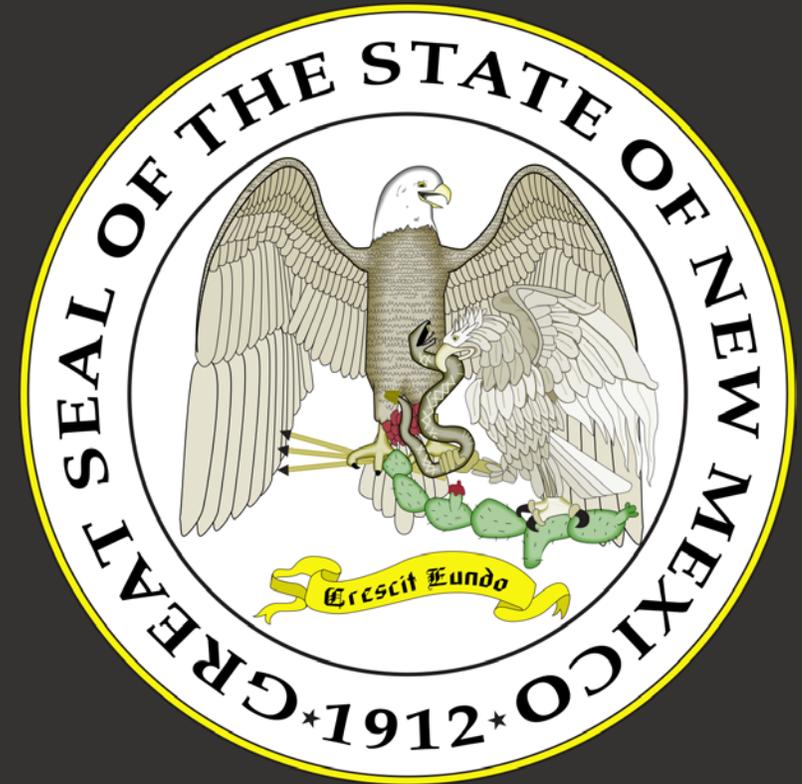


RFI: HOW & WHY

<https://www.dws.state.nm.us/ETA>

RFI

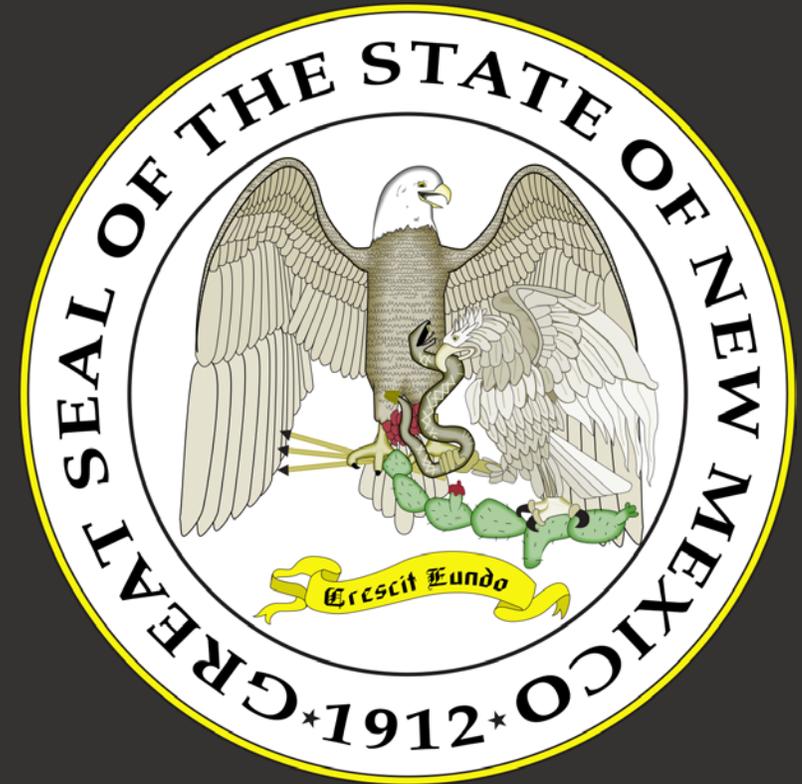
- Effort to restart the process of engaging and listening to affected communities and people
- Seeking information to inform the development of each department's expenditure plans.
- The RFI has generated significant interest from a variety of people and industries. (28 responses)
- A comprehensive listing of all proposals can be found at: <https://www.dws.state.nm.us/ETA>



HIGHLIGHTING RFI RESPONSES

<https://www.dws.state.nm.us/ETA>

The Conveners have built a plan for the money to be disbursed based upon the responses that we received through the RFI process. Conveners suggest to form up three major programmatic groupings for consideration by the full Council and ultimately investment by the departments.



HIGHLIGHTING RFI RESPONSES

<https://www.dws.state.nm.us/ETA>

Proposed groupings of projects below. A comprehensive listing of all proposals can be found at:

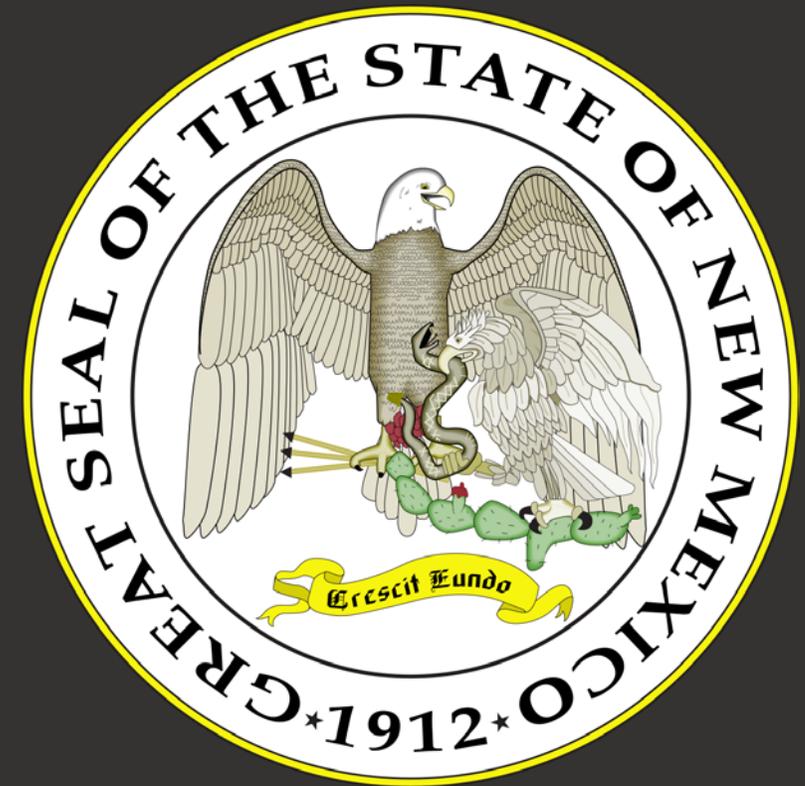
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1. Food sustainability

- CDCRE / SJCHE — Food Sovereignty Initiative
- Dine' Introspective
- Shiprock Traditional Farmers Coop
- The Street Food Institute

2. Energy Transformation

- Big Navajo Hydrogen for Auto Fuel
- Kinetic Power Pump Hydro Facility
- Libertad Power Utility Scale Hydrogen Power Generation
- Native Renewables



HIGHLIGHTING RFI RESPONSES

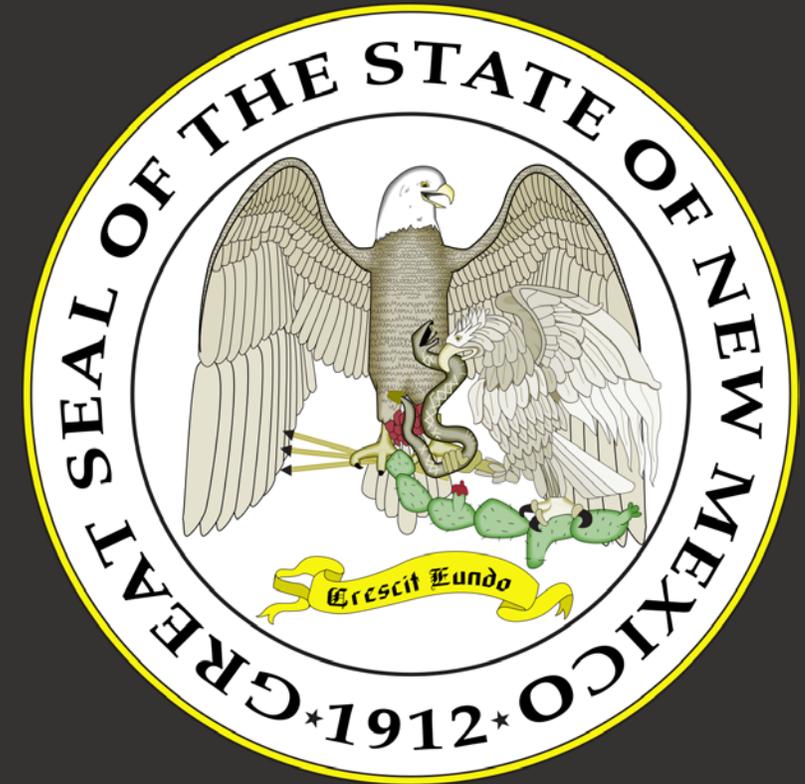
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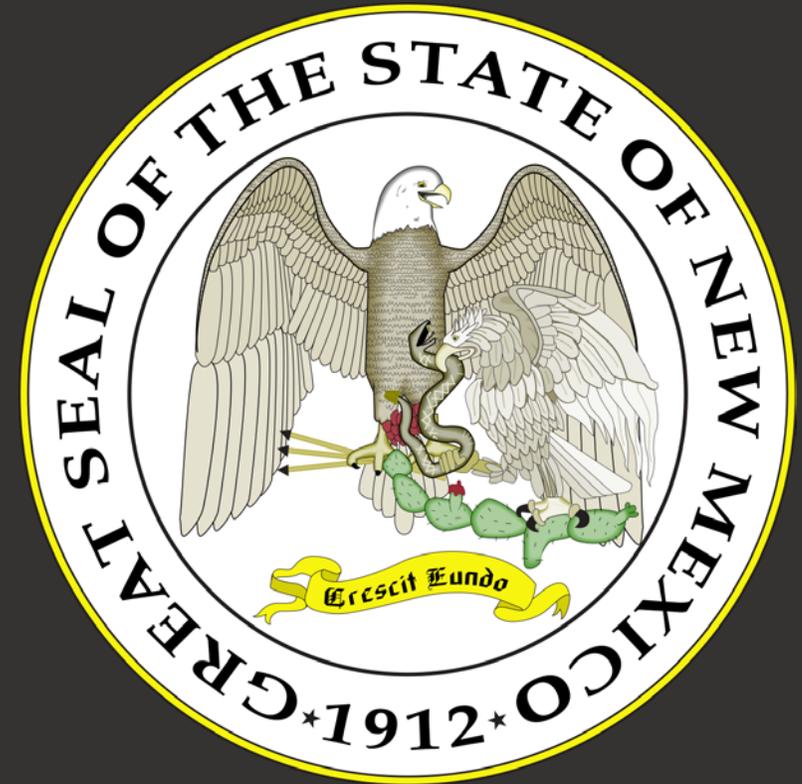
3. Workforce Training

- Bond Wilson Technical Center
- CCSD VO-TEC high growth high wage occupational program
- Film Four Corners / San Juan County
- Film industry technical training
- Navajo Technical University
- Advanced Manufacturing Workforce Transition
- NM Joint Apprenticeship Council
- Building Industry Consulting Service (IBEW) Electrical Trade training
- San Juan College
- Comprehensive Submission



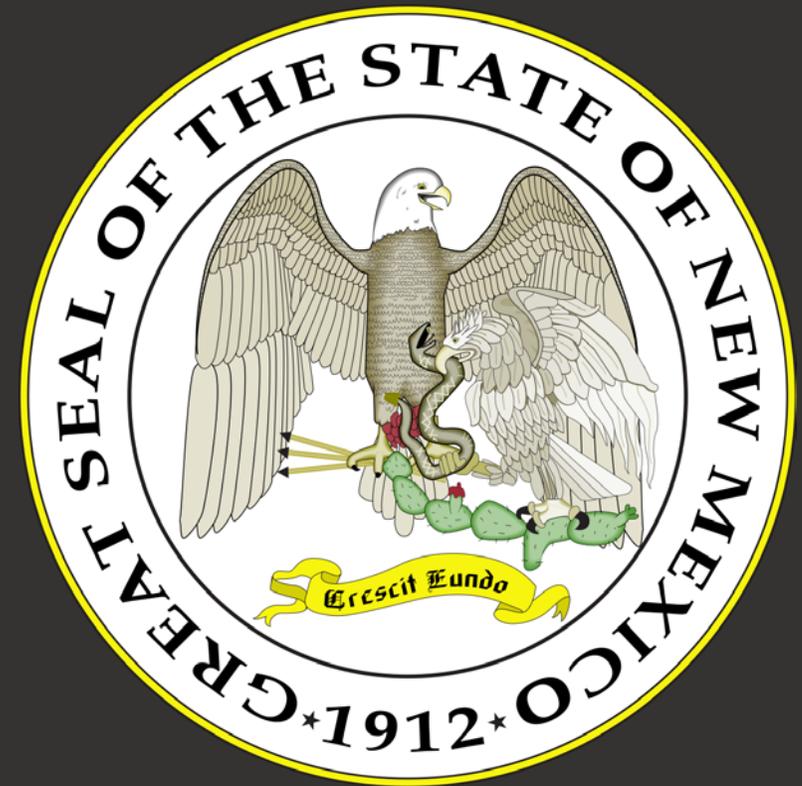
NEXT STEPS

- Conveners and Executive Departments will group submissions into similar interests
- Seek additional information as needed, and gauge desire for similar groups to work collaboratively
- Meeting of full committee to review submissions, obtain feedback and public input.
- Formal Tribal Consultation (DWS, EDD, IAD)



WHEN CAN WE EXPECT THE \$\$

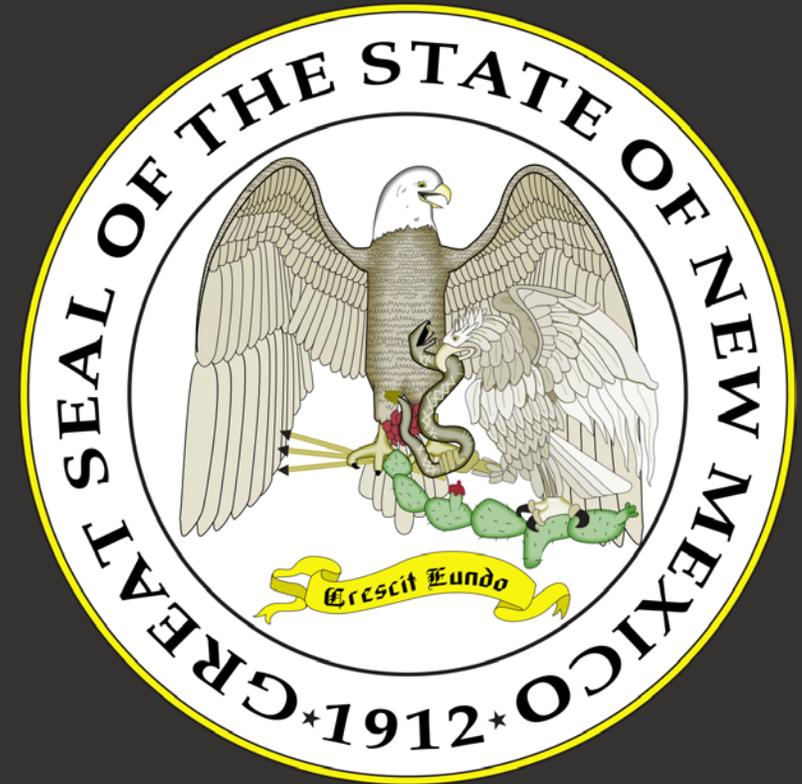
- Current litigation before the NM Supreme Court puts securitization in question
 - S-1-SC-38247 → 6/18/21: Case will be submitted to the Court without oral argument.
- 25% advance funding on hold due to the lack of surety.
- Estimated to receive full funding June 2022



LEARNINGS

HAVE THE AFFECTED COMMUNITY'S BEST INTEREST AT HEART RATHER THAN TRYING TO LIVE TO A SPECIFIC AGENDA PRECONCEIVED NOTION OR OBJECTIVE...REMEMBER CIVILITY.

- Be willing to listen
- Be willing to work together
- Be willing to work from inside the community rather than the state house
- Be willing to be flexible
- Be willing to be nimble
- Remember you are dealing with people's livelihoods who might not agree or believe in you, but you must believe in them.





“This is a really big deal. The Energy Transition Act fundamentally changes the dynamic in New Mexico. This legislation is a promise to future generations of New Mexicans, who will benefit from both a cleaner environment and a more robust energy economy with exciting career and job opportunities. Crucially, the Energy Transition Act does not leave affected workers and neighbors behind. We look out for each other. With this law, we seal that promise.”

Governor Michelle Lujan Grisham