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HOUSE MEMORIAL 41

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

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A MEMORIAL

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

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

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

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1 WHEREAS, due to changes in global markets, less expensive
2 fuel stock and other factors, this region has been adversely
3 affected by industry dislocations, downsizing in production and
4 job loss; and

5 WHEREAS, the El Segundo and Lee Ranch mines, which supply
6 fuel to Tri-State generation and transmission association's
7 Escalante generating station, laid off nearly one-third of
8 their workers at the beginning of 2017; and

9 WHEREAS, the New Mexico energy policy and implementation
10 plan, finalized in 2015, recommends an all-of-the-above energy
11 approach for New Mexico as a means to build from the energy
12 assets and to grow the economy; and

13 WHEREAS, the federal economic development administration
14 has made significant investments through its national
15 partnerships for opportunity and workforce and economic
16 revitalization initiative in assisting the coal-impacted
17 communities of the northwest New Mexico region to develop a
18 plan to diversify their economy; and

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

23 WHEREAS, due to its proximity to the Escalante generating
24 station and the availability of excess steam for industrial
25 reuse, an international cardboard recycling company was

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1 recruited and attracted to co-locate on adjacent property;

2 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
3 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the economic
4 development department, the workforce solutions department and
5 the energy, minerals and natural resources department be
6 requested to conduct a study and develop a report analyzing:

7 A. the potential for co-generation and co-location
8 of base industries to build a cluster of economic activity that
9 benefits from the Escalante generating station and supports
10 infrastructure and the workforce;

11 B. technologies, research facilities and businesses
12 that can be supported by and benefit from this proximity;

13 C. best practices and other similar cluster
14 developments in other states;

15 D. workforce strategies for potential
16 implementation, including rapid response programs; and

17 E. the potential for the state and local
18 governments to enter into public-private partnerships to
19 incentivize these developments; and

20 BE IT FURTHER RESOLVED that the economic development
21 department, the workforce solutions department and the energy,
22 minerals and natural resources department, along with New
23 Mexico energy associations, the national rural electric
24 cooperative association, the Continental Divide electric
25 cooperative, local and regional economic development

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1 organizations and universities in the region, be consulted and
2 engaged in the development of the report and strategic planning
3 process; and

4 BE IT FURTHER RESOLVED that the economic development
5 department, the workforce solutions department and the energy,
6 minerals and natural resources department present their report
7 to the relevant interim legislative committees prior to
8 November 1, 2018; and

9 BE IT FURTHER RESOLVED that copies of this memorial be
10 transmitted to the secretary of economic development, the
11 secretary of workforce solutions, the secretary of energy,
12 minerals and natural resources and the chief executive officer
13 of the national rural electric cooperative association.