New Mexico Comprehensive Energy Transition Strategy

Policy Memos - Policy Implementation

About CETS

The Comprehensive Energy Transition Strategy (CETS) is an initiative of the Energy, Minerals and Natural Resources Department (EMNRD) to develop New Mexico's first integrated roadmap for delivering reliable, affordable, safe, and sustainable energy. Launched in May 2025, the strategy will provide analysis and recommendations to guide near-, mid-, and long-term policy. These Draft Policy Memos form the CETS baseline analysis, combining research on existing policies and regulations with stakeholder engagement across the state legislature, agencies, industry, and advocacy organizations. Phase 2 (October 2025 - June 2026) will feature more extensive engagement and finalized recommendations.

Where New Mexico Stands Today

This context provides the foundation for the Phase I policy memos that follow.

Strong fiscal foundation
oil and gas revenues (currently about 40% of the general fund) and permanent funds that can support economic diversification.

Exceptional energy resources
including solar, wind, geothermal, and existing infrastructure with potential for regional transmission.

Community and workforce expertise
engaged Tribal and local communities, supportive policies, national laboratories, and skilled energy workforce.

Exposure to more extreme weather
increasing heat, droughts, and storms challenge grid resilience, energy reliability, and communities.

Phase 1: Policy Memos

New Mexico has made substantial progress in advancing its energy transition. Building on strong existing efforts, the policy memos in this phase identify strategic opportunities, implementation gaps, and enforcement challenges across nine critical areas:

1. **Innovation in Clean, Firm Power Generation**
Examines clean, firm power options—geothermal, nuclear, carbon capture, hydrogen, hydropower, and long-duration storage—to ensure reliability, affordability, and durable community support, advancing the energy transition.

2. **Grid Modernization**
Investigates how to align New Mexico's grid with its energy transition and economic growth goals and outlines targeted reforms to accelerate deployment and improve resilience.

3. **Electricity Transmission Capacity Expansion**
Examines the planning and permitting challenges that limit timely transmission deployment and outlines potential solutions to support transmission expansion to accelerate the clean energy transition.

4. **Decarbonization of the Building Sector**
Focuses on targeted reforms to strengthen the Sustainable Buildings Tax Credit, making it more equitable, transparent, and effective in driving building decarbonization statewide.

5. **Workforce Readiness and Equitable Opportunity**
Highlights opportunities to improve alignment between policy design and implementation, ensuring that New Mexico's clean energy investments deliver broad, equitable, and lasting economic benefits for its residents.

6. **Policy Implementation**
Examines how enhancing agency capacity, authority, tools, and resources can strengthen effective implementation of New Mexico's energy transition.

7. **Clear Subsurface Authorities and Definitions**
Explores how greater clarity for geologic hydrogen, geothermal, and methane can reduce uncertainty, attract investment, and advance New Mexico's energy transition.

8. **Energy Systems Data and Emissions Reporting**
Identifies data and governance gaps that limit New Mexico's ability to manage its energy transition effectively and outlines how to achieve close to real-time data visibility, evaluate policy impacts, and measure progress.

9. **Investing in the Future: Revenue Diversification**
Considers diversifying New Mexico's revenue base as the energy transition progresses into growing clean energy industries, reducing fiscal volatility, and stabilizing revenues.

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Memo #6: Policy Implementation: Empowering agencies with the authority, tools, and resources to effectively implement their mission

To: Secretary Melanie Kenderdine, New Mexico Energy, Minerals, and Natural Resources Department
From: The Comprehensive Energy Transition Strategy (CETS) team
Date: October 7, 2025
Subject: Policy Implementation: Empowering agencies with the authority, tools, and resources to effectively implement their mission

Bottom Line Up Front

New Mexico has enacted some of the most ambitious clean energy laws in the nation and has invested heavily in building the capacity of its agencies to implement them. Comprising approximately 18,000 dedicated professionals across 68 executive state agencies, boards, and commissions, these dedicated public servants handle the day-to-day work of implementing policies, delivering essential services, and enforcing regulations that directly impact citizens' lives. Yet, the state's ability to deliver on its energy transition goals is constrained by understaffed regulatory agencies, legacy information technology (IT) platforms, limited digital monitoring tools, narrow interpretations of statutory authority, and unclear jurisdiction over emerging technologies. These challenges slow the implementation of the Energy Transition Act, weaken the enforcement of methane rules, and limit the oversight of utilities and clean energy projects. This memo identifies key barriers and proposes targeted solutions such as establishing stable, dedicated funding streams for regulatory agencies, adopting competitive pay scales and data modernization plans to strengthen enforcement and retention, codifying clear definitions and approval authorities in the Public Utilities Act, and designating lead agencies for oversight of emerging technologies like hydrogen, geothermal, and carbon capture and storage. Together, these reforms would align agency capacity and authority with the pace of the energy transition, ensuring New Mexico can meet its clean energy and climate commitments.

Issue Statement

New Mexico has enacted a series of ambitious policies to accelerate the energy transition and has made meaningful investments in building institutional capacity to implement them. Agencies such as the Public Regulation Commission (PRC), Energy, Minerals, and Natural Resources Department (EMNRD), and Oil Conservation Division (OCD) have expanded staffing and modernized internal processes in recent years. Recent legislative sessions have demonstrated strong support for agency expansion, with lawmakers

providing budget increases and backing requests for competitive salaries and additional positions. With potential federal disinvestment in renewable energy technologies creating uncertainty nationwide, New Mexico's sustained commitment to clean energy positions the state to lead in this transition, but only if it has the institutional capacity to execute its vision.

However, the scale and pace of New Mexico's energy transition far outpace these capacity improvements. As one stakeholder emphasized during interviews, “durability is really important”—the state must build institutional capacity that can sustain its energy transition commitments regardless of changing federal priorities or political shifts. New Mexico ranks as the nation's second-largest oil producer and third in natural gas production,[1] yet has fewer field inspectors than comparable states—fewer than 20 total compared to Oklahoma's 56, California's 76, or Texas’s 185.[23] The state's ambitious statutory mandates, including the Energy Transition Act (ETA)'s renewable energy targets, enhanced methane waste rules, and stricter air quality standards, have dramatically increased agency workloads, with regulatory responsibilities multiplying across offices.

These staffing shortfalls, compounded by outdated digital, data, and technological infrastructure systems, create gaps in monitoring compliance with methane regulations. Finalized in 2021, New Mexico’s Methane Waste Rule forms a central part of the state’s broader Methane Strategy alongside the New Mexico Environment Department (NMED) Ozone Precursor Rule. It requires upstream and midstream operators to capture 98% of natural gas by 2026, prohibits routine flaring and venting, and mandates detailed reporting of large events, monthly reports of all venting and flaring, annual gas capture performance, and management plans for new or recompleted wells, with limited exemptions.[4]

However, the OCD has the funds for just 14 field inspectors dedicated to monitoring more than 54,000 active wells statewide for violations of methane waste rules, with vacancies for two additional positions.[5,6] The New Mexico Environment Department's Air Quality Bureau has only six field inspectors responsible for enforcing air pollution rules across all industries, monitoring "everything from dry cleaners to electroplaters to all sorts of facilities" in addition to oil and gas operations.[7] This means twenty full-time, oil-and-gas-dedicated field monitors oversee compliance with methane regulations across over 54,000 oil and gas fields producing in the state.

In addition to being short-staffed on inspectors, state agencies often have little to no staff dedicated to data management. For example, at EMNRD, ECAM has no data managers despite handling large volumes of energy-transition data, and the IT office, primarily responsible for hardware and cybersecurity, can only provide data support when time allows. As a result, state agency and cross-agency data collection, reporting, and verification lag significantly and suffer from outdated technology infrastructure. Chronic retention problems compound these capacity constraints and undermine long-term institutional development needed to manage the transition effectively. State agencies regularly hire and train new staff, but comparatively low wages and prohibited

remote/hybrid work mean employees "may stay with you six months to a year, before they go and get picked up by the National Labs or by an oil and gas company."[8] This creates a costly cycle of turnover that prevents agencies from building the expertise needed to implement complex energy policies.

Stakeholders consistently identified this capacity mismatch as the primary barrier to effective implementation of New Mexico's energy transition policies. As one stakeholder observed, "It is not necessarily the regulations that are a problem, it's the lack of enough qualified staff to implement them." Or as another put it, "we don't lack vision — we lack the people and resources to carry it out." Without continued reforms to align agency capacity with statutory mandates, New Mexico risks being unable to execute its policy framework at the speed and scale the energy transition demands.

Supporting Analysis

This analysis draws on three primary sources: (1) review of relevant statutes, regulations, and policy frameworks; (2) semi-structured interviews with stakeholders across state agencies, industry, and advocacy groups; and (3) survey responses from over 60 stakeholders representing government, industry, community organizations, and research institutions. The triangulation of these methods reveals significant opportunities to strengthen New Mexico's energy transition implementation through enhanced agency capacity, modernized tools and agency governance, and clarified statutory authority. These findings are described in further detail below.

Strategic investments in agency staffing and competitive pay could generate significant returns through improved oversight and enforcement.

New Mexico has ambitious clean energy goals; its ability to deliver on its energy and climate commitments depends on whether agencies have the people and resources to carry them out. The legislature plays a central role in that equation—setting agency budgets, authorizing positions, and establishing pay scales. In recent years, lawmakers have shown growing recognition of these challenges and have supported targeted increases to stabilize key energy agencies. One interviewee described broad legislative support: "legislators were extremely supportive of our staffing and pay needs." In the 2025 legislative session, OCD alone received a 13.7% funding increase, much of which was allocated for pay increases to retain staff who are regularly recruited away by the oil and gas industry.[9] Stakeholders noted that "just in this last legislative session, we had overwhelming support … leadership at the legislature was very happy with the work [we have] been doing and there's a trust there that wasn't before."

Yet, structural constraints continue to slow progress. In addition to setting pay scales, the legislature must approve each agency's total number of authorized positions through the

annual appropriations process, which can delay staffing changes for years. As one official put it, “we make billions every year, but every new position still has to be approved by the legislature—we can’t just hire who we need.” Another described the situation as “spending a little money to make more money,” noting that requests for even a few additional staff often stall despite clear returns on investment. Leaders across departments emphasized that this rigid FTE cap, combined with low public-sector pay, forces agencies to operate well below capacity and lose experienced staff to the private sector. These structural limits slow permitting, compliance, and project delivery across the state. Without more flexible staffing authority, the scale of need will continue to outpace the gains in new resources.

The consequences are especially visible in enforcement. Across departments and offices, limited agency capacity has hindered efforts to ensure compliance with even well-designed rules. The methane rule illustrates this dynamic: it is sweeping and generates a huge volume of compliance data. One interviewee reported, “Right now, we basically have one person on the methane side, and that’s not enough for the scale of what the rules require.” With limited staffing and legal resources, the OCD is unable to routinely verify that data in the field is accurate or complete. Consequently, enforcement defaults to operator self-reporting of flaring and venting, which has been inconsistent across regions and companies, and makes it harder to confirm compliance, target inspections, and flag repeat violators.

These enforcement gaps reflect a broader, systemwide challenge. Despite major recent investments, New Mexico’s energy agencies still lack sufficient staff and the specialized skill sets needed to manage the state’s expanding energy responsibilities. As one interviewee noted about their agency: "last year we got a 7% increase … the renewable office used to be one person and now has three staff plus one vacancy, a total of four people in that office." Other, quasi-governmental entities like RETA similarly operate with only four staff members. A stakeholder observed, "Employees often switch agencies for minor pay increases; there's constant turnover, and no chance for institutional learning." Without competitive pay, meaningful raises possible within the same agency, hybrid and remote working options, stronger staffing pipelines, and an investment in the data and technological infrastructure, New Mexico cannot keep pace with the demands of the energy transition.

These staffing and retention challenges are especially visible at the State Investment Council (SIC). SIC demonstrates how severe understaffing has become across state agencies managing energy transition resources. SIC's assets have more than tripled in the past decade to over $60 billion, with projections to exceed $100 billion, yet just 14 investment staff manage $4.1 billion each — more than twice the peer median.[10] As one official explained, they're "managing a $60 billion portfolio on systems and staffing levels designed for a fraction of that; it's not sustainable." Under-resourcing could cost the state over $300 million annually in lost performance, while right-sizing the team could yield more than $3 billion in long-term gains.[11]

The importance of SIC staffing extends beyond investment performance. SIC distributions already fund over a quarter of K–12 education and half of early childhood programs, and are projected to surpass oil and gas revenues as the largest source of General Fund revenue by 2039.[12] Although the SIC recently adopted significant pay increases for staff — including new pay bands and raises of up to 39 percent[13] — stakeholders note that even these adjustments may be insufficient given the rapid growth of assets under management and the scale of investment responsibilities projected in the coming decade.

Potential Solutions

EMNRD could implement step-raise mechanisms for technical staff, modeled on federal pay grades, to reduce churn and strengthen institutional learning. Transparent career ladders would help retain engineers, economists, and compliance specialists while creating pipelines to recruit early-career professionals. Over time, these measures would improve continuity across agencies such as the PRC and OCD, reducing inefficiencies created by constant turnover.

The Legislature could authorize multi-year hiring authority to replace the slow, annual FTE approval process, enabling faster staffing responses. A multi-year hiring authority could enable agencies to anticipate long-term workforce needs, fill vacancies faster, and attract candidates with specialized skills. This could also enable strategic planning of staffing pipelines in coordination with universities and training programs, rather than reactive hiring during budget cycles. While recent legislative pay increases and staff expansions reflect growing support, structural changes to the hiring processes are essential to ensure that new funding translates into sustained capacity.

The Legislature could provide funding for OCD to conduct a cost-benefit analysis to determine how many field staff are needed to strengthen inspection coverage and identify repeat methane rule violations. Such a study could compare risk-based inspection scenarios, like the Bureau of Land Management's model of inspecting all high-priority wells annually and a portion of lower-risk wells, to establish an optimal wells-per-inspector ratio. The analysis could weigh staffing, travel, and technology costs against benefits such as methane abatement (e.g., tons CH_4 avoided), product recovery and revenue, and risk reduction, using metrics like dollars per ton of methane avoided, percentage of high-risk sites inspected, and target inspector/well ratios. Stable, dedicated funding for enforcement, whether through higher fees, penalties, or legislative appropriations, would then enable the state to act on these findings by more strategically conducting field inspections.

EMNRD could modernize technology to extend limited staff capacity by deploying advanced monitoring and inspection platforms, such as digital monitoring, reporting and verification (MRV) systems with AI-integrated reporting and continuous emissions tracking. These tools would allow staff to focus on high-risk sites and enforcement rather

than manual data entry, improve compliance oversight, and accelerate the development of publicly available datasets that align with best practices in energy governance.

Modern technological systems and interagency governance are needed to replace fragmented, slow processes.

Outdated technology systems compound staffing shortages by making basic tasks inefficient and time-consuming. Agencies are operating on antiquated technology platforms that make even routine functions slow or inefficient. As one investment official explained, "some of the tech we are using, others stopped using in the late 80s… we just had our first ever CRM system go into place in the last few weeks." Additionally, state staff are severely restricted in using artificial intelligence (AI) to assist with tasks, and all tech- or digital-related procurement goes through a separate, very lengthy process, taking a year or more to build a simple website and then months to make updates to it. The result is that staff spend disproportionate time compensating for outdated systems rather than focusing on proactive planning, investment, and oversight; and that state permitting and regulatory platforms – from oil to geothermal – are slow and antiquated, slowing developers.

Technology constraints also undermine the implementation of the methane rule. The absence of routine independent verification of industry reports has drawn public criticism, and the lack of a publicly accessible database of complaints, inspections, and enforcement actions restricts transparency. Instead, external stakeholders rely on public records requests, adding to the administrative burden on already limited staff. Additionally, there are no policies or guidelines regarding timelines for responding to or investigating complaints. Stakeholders emphasized that securing stable funding for enforcement is a top priority, particularly to improve data quality, strengthen report verification, and support investigations into permit exceedances.

More broadly, the lack of an internal data collection system has created gaps and fragmented coordination, undermining effective climate planning. While New Mexico has made progress in collecting and managing climate data, the state still relies heavily on external studies, periodic inventories, and federal datasets that are updated on a 12- to 18-month lag and lack the sub-county detail needed for real-time planning. As one stakeholder explained, “the reality is it takes a lot of people a lot of time to crunch the numbers and follow up with compliance and prod people to provide the data they're supposed to.” Another estimated that 2 to 4 full-time employees would be needed just to implement comprehensive GHG reporting. Survey respondents emphasized that these gaps reduce the state’s ability to target emissions reductions and undermine public trust. As one put it, “Lack of strong GHG reporting regulation makes GHG tracking difficult and inhibits policies like cap-and-trade from being established.”

Stakeholders also highlighted persistent challenges in agency coordination and data interoperability. While NMED, EMNRD, and the Economic Development Department (EDD)

share overarching climate goals, they operate largely in silos, which limits their ability to connect emissions data with broader, long-term energy, economic, and equity planning. As seen in the state's Methane Rule, overlapping jurisdiction between the OCD and NMED has created duplication of reporting, conflicting datasets, and uncertainty for both regulators and operators.

Survey respondents reinforced these concerns: 59% identified gaps in coordination across agencies, departments, or levels of government that undermine the effectiveness of energy-related planning and implementation. As one stakeholder put it, "from the GHG emissions standpoint, lack of coordination between agencies is the biggest barrier. Everyone is operating in silos." These coordination gaps also affect local governments, Tribal Nations, and private developers. Because information is often inconsistent or spread across multiple agencies, it can be difficult for these groups to know which data to use or how to meet reporting requirements.

Potential Solutions

The Legislature could establish a centralized office within NMED, jointly governed by EMNRD, PRC, and EDD, to consolidate greenhouse gas and energy data into a single interoperable system. This office would develop shared data standards, integrate reporting across agencies, and modernize legacy systems to enable near real-time, sub-county emissions tracking. By combining state, federal, and operator datasets into a single platform, agencies can eliminate duplication, reduce reporting burdens, and produce consistent datasets for planning and enforcement. Dedicated funding for 2–4 full-time data analysts and engineers would ensure continuous validation and timely updates, while a standing interagency working group, including local and Tribal partners, would oversee quality control and coordination. Together, these reforms could transform New Mexico's fragmented, lagging data landscape into a unified, transparent system that strengthens climate planning, improves public trust, and enables evidence-based decision-making across sectors.

Legislative updates to agency authorities and compliance and enforcement mechanisms may improve policy reach and better equip them to advance the energy transition.

Agencies interpret their existing authority narrowly when statutes do not clearly define key terms or establish priorities, which slows progress on Energy Transition Act goals. Many laws surrounding or within the ETA include equity provisions, climate goals, and affordability requirements that the PRC must implement, but the Public Utilities Act that governs the PRC does not give it explicit authority to consider these factors. Instead, the PRC focuses on cost and reliability, which can create a misalignment between energy transition policy goals and regulatory implementation.

For example, programs like the Efficient Use of Energy Act and Community Solar Act emphasize affordability and equity, but the PUA does not define terms such as "public interest" and "affordability." This leads to varying definitions of terms for distinct programs and makes unified implementation more difficult—"low-income" eligibility differs from program to program. As one stakeholder observed, "The PRC doesn't have clear guidance on what it should prioritize, so decisions drag out and no one is satisfied with the outcome." RETA faces similar constraints. While mandated to consider in-state projects when possible, its primary directive to pursue economically advantageous projects has resulted in a focus on export-oriented transmission rather than infrastructure that could expand renewable energy use within New Mexico.

Some statutes establish goals for agencies but do not provide the enforcement tools necessary to ensure compliance or meet deadlines. The Public Utilities Act (PUA) limits the PRC's authority to formally approve or reject integrated resource plans, which prevents the state from ensuring that long-term utility investments align with renewable and emissions-reduction targets. The Community Solar Act provides the PRC with rulemaking authority but does not include explicit power to penalize utilities that miss deadlines, which reduces incentives for timely interconnection. Similarly, the PRC's limited authority over cooperative retail rates and capital decisions makes enforcement of Renewable Portfolio Standard (RPS) compliance uneven, with several stakeholders emphasizing that "compliance is more negotiated than enforced." The Energy Transition Act likewise sets ambitious emissions standards and funding mechanisms but does not create its own penalty structure, instead relying on the PRC's general authority to issue regulatory sanctions for noncompliance. These enforcement gaps extend to emergency planning, where the Energy Security Plan does not clearly allocate roles between the Governor's emergency powers and agency responsibilities, ultimately creating confusion about which entities have authority during energy crises.

Potential Solutions

The Legislature could codify definitions of key terms such as *public interest*, *affordability*, and *zero carbon* within the PUA, which would reduce ambiguity and create a more consistent foundation for regulatory decision-making. At present, agencies and programs define these concepts differently, leading to fragmented implementation and stakeholder frustration. Statutory clarity would allow the PRC to balance cost, reliability, equity, and climate goals with greater consistency across proceedings. For example, a single definition of "affordability" could be applied across efficiency programs, solar credits, and rate cases, reducing confusion for both utilities and communities. By anchoring regulatory priorities in statute, the legislature would provide the PRC with the authority and guidance needed to operationalize energy transition policies.

The Legislature could strengthen statutory enforcement and coordination by granting agencies clear approval and penalty authority where it is now lacking. Amending the Efficient Use of Energy Act to allow the PRC to formally approve or reject integrated

resource plans could ensure utility investments align with renewable, emissions, and affordability targets. Currently, utilities can file long-term resource strategies without clear regulatory approval, limiting the state's ability to ensure consistency with renewable targets, emissions reductions, and affordability requirements. Formalizing PRC review and approval authority would bring New Mexico in line with best practices across other states, provide utilities with greater certainty around planning expectations, and reduce the drawn-out negotiations that often accompany contested projects. Clear approval powers would also empower the PRC to intervene earlier in the planning process, preventing costly misalignments before they are locked into utility capital expenditures. Additionally, clarifying roles and responsibilities under the Energy Security Plan, whether through statute or interagency agreement among EMNRD, the PRC, DHSEM, and the Governor's Office, could close gaps in emergency authority, ensuring clear leadership and faster coordination during energy crises.

Summary of Potential Solutions

Key
Solution may be pursued through:
Legislative Action
Administrative/Regulatory Action

Table 1. Feasible and Impactful Solutions

Gap	Feasible and Impactful Solutions
 Strategic investments in agency staffing and competitive pay could generate significant returns through improved oversight and enforcement.	**EMNRD could implement step-raise mechanisms for technical staff, modeled on federal pay grades, to reduce churn and strengthen institutional learning.** Transparent career ladders would help retain engineers, economists, and compliance specialists while creating pipelines to recruit early-career professionals. Over time, these measures would improve continuity across agencies such as the PRC and OCD, reducing inefficiencies created by constant turnover.
	The Legislature could authorize multi-year hiring authority to replace the slow, annual FTE approval process, enabling faster staffing responses. A multi-year hiring authority could enable agencies to anticipate long-term workforce needs, fill vacancies faster, and attract candidates with specialized skills. This could also enable strategic planning of staffing pipelines in coordination with universities and training programs, rather than reactive hiring during budget cycles. While recent legislative pay increases and staff expansions reflect growing support, structural changes to the hiring processes are essential to ensure that new funding translates into sustained capacity.

	The Legislature could provide funding for OCD to conduct a cost-benefit analysis to determine how many field staff are needed to strengthen inspection coverage and identify repeat methane rule violations. Such a study could compare risk-based inspection scenarios, like the Bureau of Land Management's model of inspecting all high-priority wells annually and a portion of lower-risk wells, to establish an optimal wells-per-inspector ratio. The analysis could weigh staffing, travel, and technology costs against benefits such as methane abatement (e.g., tons CH_4 avoided), product recovery and revenue, and risk reduction, using metrics like dollars per ton of methane avoided, percentage of high-risk sites inspected, and target inspector/well ratios. Stable, dedicated funding for enforcement, whether through higher fees, penalties, or legislative appropriations, would then enable the state to act on these findings by more strategically conducting field inspections.
	EMNRD could modernize technology to extend limited staff capacity by deploying advanced monitoring and inspection platforms, such as digital monitoring, reporting and verification (MRV) systems with AI-integrated reporting and continuous emissions tracking. These tools would allow staff to focus on high-risk sites and enforcement rather than manual data entry, improve compliance oversight, and accelerate the development of publicly available datasets that align with best practices in energy governance.
 Modern technological systems and interagency governance are needed to replace fragmented, slow processes.	**The Legislature could establish a centralized office within NMED, jointly governed by EMNRD, PRC, and EDD, to consolidate greenhouse gas and energy data into a single interoperable system**. This office would develop shared data standards, integrate reporting across agencies, and modernize legacy systems to enable real-time, sub-county emissions tracking. By combining state, federal, and operator datasets into a single platform, agencies can eliminate duplication, reduce reporting burdens, and produce consistent datasets for planning and enforcement. Dedicated funding for 2–4 full-time data analysts and engineers would ensure continuous validation and timely updates, while a standing interagency working group, including local and Tribal partners, would oversee quality control and coordination. Together, these reforms could transform New Mexico's fragmented, lagging data landscape into a unified, transparent system that strengthens climate planning, improves public trust, and enables evidence-based decision-making across sectors.
 Legislative updates to agency authorities and compliance and enforcement mechanisms	**The Legislature could codify definitions of key terms such as *public interest*, *affordability*, and *zero carbon* within the PUA, which would reduce ambiguity and create a more consistent foundation for regulatory decision-making.** At present, agencies and programs define these concepts differently, leading to fragmented implementation and stakeholder frustration. Statutory clarity would allow the PRC to balance cost, reliability, equity, and climate goals with greater consistency across proceedings. For example, a single definition of "affordability" could be applied across efficiency programs, solar credits, and rate cases, reducing confusion for both utilities and communities. By anchoring regulatory priorities in statute, the legislature would provide the PRC with the authority and guidance needed to operationalize energy transition policies.

may improve policy reach and better equip them to advance the energy transition.	**The Legislature could strengthen statutory enforcement and coordination by granting agencies clear approval and penalty authority where it is now lacking.** Amending the Efficient Use of Energy Act to allow the PRC to formally approve or reject integrated resource plans could ensure utility investments align with renewable, emissions, and affordability targets. Currently, utilities can file long-term resource strategies without clear regulatory approval, limiting the state's ability to ensure consistency with renewable targets, emissions reductions, and affordability requirements. Formalizing PRC review and approval authority would bring New Mexico in line with best practices across other states, provide utilities with greater certainty around planning expectations, and reduce the drawn-out negotiations that often accompany contested projects. Clear approval powers would also empower the PRC to intervene earlier in the planning process, preventing costly misalignments before they are locked into utility capital expenditures. Additionally, clarifying roles and responsibilities under the Energy Security Plan, whether through statute or interagency agreement among EMNRD, the PRC, DHSEM, and the Governor's Office, could close gaps in emergency authority, ensuring clear leadership and faster coordination during energy crises.

Stakeholder Overview

The following table and list highlight examples of legislative champions (lawmakers who have sponsored or supported policies relevant to implementation and capacity needs) and other stakeholders whose roles, expertise, or influence intersect with implementation issues in New Mexico.

Table 2. Potential Legislative Champions

Role	Name	District	Justification
Senator	George Muñoz	4	Advocate for increasing PRC authority and addressing implementation bottlenecks.
Rep	Nathan Small	36	Proponent of strengthening agency staffing and oversight of methane emissions.
Rep	Meredith Dixon	20	Supportive of regulatory modernization and industrial recruitment through energy policy reform; introduce the Geologic Carbon Dioxide Sequestration Act to advance NM primacy over CO2 storage permitting.

Preliminary List of Key Stakeholders

- **State Agencies**: Public Regulation Commission (PRC); Energy, Minerals and Natural Resources Department (EMNRD); Oil Conservation Division (OCD); New

Mexico Environment Department (NMED); State Investment Council (SIC); State Land Office (SLO)

- **Quasi-Governmental Entities**: Renewable Energy Transmission Authority (RETA)
- **Industry and Developers**: Renewable energy developers; utility companies; oil and gas operators; mining firms
- **Tribal Governments and Organizations**: Tribal governments; pueblos
- **Local Governments**: Municipal governments managing siting and permitting
- **Financial and Advocacy Organizations**: Economic diversification coalitions; clean energy advocates; workforce training institutions

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