NEW MEXICO

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Energy, Minerals and Natural Resources Department

Public Policy Forum

Energy Efficiency and Incentives

March 25, 2026

Albuquerque, NM | National Hispanic Cultural Center

Post Forum Report

OVERVIEW

The purpose of this report is to provide an overview of key discussion items from March 25, 2026, public policy forum in Albuquerque, NM, titled Energy Efficiency and Incentives. The three-hour forum was convened to capture a variety of viewpoints, recommendations and actions related to New Mexico's energy transition. Stakeholders represented a variety of areas including local government, transportation planning agencies, state government agencies, non-governmental organizations, academia, and industry including electric utilities. Fifty-five people attended. Registrants were asked to complete a pre-survey prior to attending the event. See Appendix A for survey results.

OPENING REMARKS BY SUBJECT MATTER EXPERT

Rebecca "Puck" Stair, Director of the EMNRD Energy Conservation and Management Division, opened the forum with the following information:

- Energy efficiency plays a significant role in the clean energy transition, providing the most cost-effective and immediate means to reduce greenhouse gas emissions, lower energy demand, and reduce infrastructure demand.
- Statistics related to New Mexico residences and businesses and the need for energy efficiency, and the role energy efficiency plays in job creation and economic development. See Problem Statement on page 3.
- Programs and tools administered by the State of New Mexico including the Community Energy Efficiency Development (CEED) program, the Sustainable Building Tax Credit and a new one-stop shop program for free energy coaching to support and simplify the process of identifying incentives, completing applications and planning energy upgrades. See Resources in Appendix B, starting on page 19.

SUBJECT MATTER EXPERT PANELISTS

- Five subject matter experts served on the panel for the meeting, including Harold Trujillo, Engineer, EMNRD; Tammy Fiebelkorn, Government Affairs Manager, Western Resource Advocates; Alaric Babej, Director, Customer Energy Solutions, PNM; Alyssa Latuchie, Principal, Franklin Energy; Jalal Rastegary, Engineer, NMSU Energy Efficiency and Pollution Prevention Program.
- Since 2005, New Mexico has seen investor-owned utilities develop robust programs, significant improvements made in programs for low-income households, passage of the Sustainable Building Tax Credit, Community Energy Efficiency Development Block Grant, and energy efficiency recognized as a resource in utility planning. New Mexico is now considered a regional leader in energy efficiency due to legislative decisions that established the current framework and momentum.

Investor-Owned Utility Programming

- The Efficient Use of Energy Act, originally passed into statute in 2005, required Investor-owned utilities (IOUs) to provide energy efficiency programs and established savings goals for those programs. The Act has been amended several times. Decoupling, a regulatory mechanism that separates an electric utility's revenue from its volumetric energy sales, enabling utilities to support energy efficiency without losing revenue, was included in the Act but has not yet been used successfully in New Mexico. All New Mexico residents and businesses pay an energy efficiency rider on utility bills that funds investor-owned utility energy efficiency programs under the Efficient Use of Energy Act. Programs have saved customers millions of dollars in energy savings and helped to reduce emissions and create jobs. https://www.swenergy.org/wp-content/uploads/New-Mexico-utility-EE-fact-sheet-Dec-2020.pdf
- Utilities appear to have given up on decoupling proposals after being turned down multiple times. However, advocates would support a strong proposal, which could enable better future planning and grid investments while maintaining energy efficiency programs. (FYI, decoupling is a regulatory mechanism in the utility industry that separates a utility's

revenue from its sales volume. It adjusts rates to ensure utilities collect authorized revenue—no more and no less—regardless of whether customers use more or less energy, removing the disincentive to promote efficiency.)

- PNM's annual energy savings grew from 35 gigawatt hours in 2008 to 87 gigawatt hours in 2024, with 2025 projected to hit approximately 87-88 GWh again, demonstrating significant program expansion under the Efficient Use of Energy Act framework. Current residential programs include home energy checkups with direct installation, school education programs, and low-income kits while business programs range from HVAC retrofits to the Strategic Energy Management program for large industrial customers focusing on building controls optimization.

- PNM is filing their next triennial energy efficiency plan to the New Mexico Public Regulation Commission (NMPRC) on April 15, 2026, continuing to offer programs across all customer segments (residential through commercial and industrial) with innovations developed through stakeholder processes.

- A new donation program connects business energy efficiency rebates to the PNM Good Neighbor Fund, allowing commercial customers to donate portions of their rebate checks to help low-income customers. Over 800 households received assistance in 2025 from a single large donor.

Obstacles to Energy Efficiency Implementation

- The biggest misconception related to energy efficiency is lack of public awareness, but the more foundational issue is accessibility - programs are designed in ways that make participation difficult despite strong customer interest in participating.

- A major barrier is that people don't understand how to access programs or lower energy costs, it's not top of mind when they have many other concerns. Programs need to hold customers' hands through the entire process.

- Major participation barriers include lack of trust in seeing actual savings, difficult navigation processes, funding gaps customers can't afford, and the need for structural repairs or basic remediation before efficiency upgrades make sense. Confusing applications and the substantial time commitment (including multiple contractor visits) create significant barriers particularly for low-income households where time constraints are more pressing. Programs need to be designed for the realities people are living in rather than idealized scenarios with accessibility as the core design principle.

- Residents encounter barriers to heat pump adoption when multiple contractors will quote upwards of $20,000 for heat pump installation versus $4,000 for furnace replacement.

- PNM is proposing a clean heat pilot for low-income customers in their next triennial plan targeting those with high energy burden from inefficient baseboard heat or propane. The program would work with third-party financers, potentially buying down interest rates for heat pump installations.

- The HER (Home Energy Rebate) program faces challenges requiring homes to be brought up to code before efficiency upgrades, and many eligible participants are behind on electric bills, making it hard to find funding for code compliance work.

- The availability and timeline challenges remain significant barriers—contractors offered one-month wait times for heat pump installation versus next-day furnace replacement, making the less efficient option the only viable choice during emergencies.

- Many New Mexico businesses operate in older buildings with outdated HVAC systems and inefficient lighting, combined with envelope issues, causing unnecessarily high energy costs that could be reduced through infrastructure optimization. Fluctuating utility bills particularly impact small businesses in rural areas operating on tight budgets, where unexpected bill increases can affect monthly operations.

- Most businesses lack energy efficiency specialists on their teams, causing energy efficiency to become a back-burner issue despite significant savings potential, as staff don't have capacity to analyze bills or identify waste. Businesses also often lack baseline data for energy programs because they don't know how to read bills or conduct assessments,

making it difficult to follow up or implement improvements - areas where New Mexico State University programs can provide assessment and incentive navigation assistance.

Strategies for Increased Awareness

PNM has one of the highest energy efficiency awareness rates in the country at approximately 60% (ranked 3rd among investor-owned utilities), but that still means 40% of customers are unaware programs exist. Marketing strategies include leveraging community partnerships on the residential side and engaging with chambers of commerce for businesses.

- Word of mouth through business council meetings and presentations is heavily relied upon, along with using case studies and success stories to attract risk-averse small businesses.

- The CEED program (Community Energy Efficiency Development Block Grant) is funded at around $10 million annually and works through local governments with trusted community partners who go door-to-door in low-income areas offering free efficiency upgrades without requiring applications or surveys first. One-on-one assistance programs like CEED and energy audits that do the work for residents are the only way to maximize energy efficiency. Few people have time to figure out how heat pumps work, complete rebate forms, and navigate all the options, especially low-income households.

- The CEED program would require approximately $700 million to adequately serve New Mexico's low-income households (42% of all households statewide). Current funding of $10 million annually represents only a fraction of the need.

- The Public Facilities Energy Efficiency and Water Conservation Act now includes a third-party reviewer coaching process (approved 10 years ago) that guides entities through the process, reviews energy audits, conducts site inspections, and performs monitoring and verification.

Alternative Program Administration Models

- Alternative models like independent energy efficiency utilities (Efficiency Vermont, Energy Trust of Oregon) operate as separate entities receiving utility rider funds, providing a single point of contact that can reduce barriers, confusion, and trust issues while enabling more consistent outreach and equitable access. These models reduce confusion and simplify enrollment by having one entity coordinate outreach instead of multiple utility programs contacting households separately.

Workforce Issues and Need for Contractor/Vendor Training

Incentivizing midstream markets (contractors and retailers) to offer and install efficient equipment is essential. Without this, people in crisis situations will default to less efficient options when their old equipment fails.

- Contractor training is critical because contractors can drive program participation. However, contractors sometimes overpromise unavailable rebates or lack knowledge about program timelines, making it essential they understand the sequence of events and don't erode customer trust.

- Workforce development is a fundamental problem—New Mexico has lost 13% of construction workers since 2008 (partly due to COVID retirements). Few HVAC professionals are EPA certified and trained to properly install heat pumps, which require refrigeration system certification.

- New Mexico State University has a workforce training program using NM Grow money (state funding) for non-credit courses and has received U.S Department of Energy grants for training contractors, though funding is limited to 48 participants in New Mexico. The university is working with their HVAC program to add heat pump training components, targeting students going through HVAC certification to also gain heat pump installation skills for both water heaters and heating systems. A proposed home retrofit class would pair homeowners willing to convert their homes with workforce trainees, providing hands-on, project-based experiential learning rather than just informational sessions, potentially including energy audits.

FORUM CHALLENGE STATEMENT

Problem Statement and Why
Energy efficiency plays a significant role in the clean energy transition, providing the most cost-effective and immediate means to reduce greenhouse gas emissions, lower energy demand, and accelerate the shift away from fossil fuels by reducing infrastructure demand. Efficiency measures also decrease utility bills and reduce the energy burden on households. According to the E2 Economy and Environment America Jobs report, energy efficiency initiatives create significant employment, with the sector employing over 2.3 million Americans as of 2024, representing the largest share of the U.S. clean energy workforce. A recent report by E2 also indicated that energy efficiency is New Mexico's largest clean energy sector, with 6,988 workers. The sector grew 7.7 percent in 2024, the fastest growing energy efficiency workforce in the nation.

An ongoing challenge for all New Mexico utilities has been the number of low- to moderate-income customers served. U.S. Census data indicates that New Mexico has one of the highest poverty rates in the nation, with over 328,000 low-income households (i.e., those earning less than 80% of the area-median income). According to the New Mexico Housing Needs Assessment, 42% of the total housing stock is occupied by families that fall below 80% area median income. Low-income households continuously struggle to pay their energy bills and are much more likely to occupy less efficient homes and apartments, adding even more to their average energy costs.

Small businesses and nonprofits also experience many of these challenges. According to the U.S. Small Business Administration, New Mexico's more than 150,000 small businesses make up 99% of the total businesses in New Mexico, and the U.S. Internal Revenue Service indicates that there are approximately 10,800 nonprofit organizations in the state. While these businesses and nonprofits employ the majority of New Mexicans and serve as the economic backbone of the state, they often reside in older, inefficient buildings (often owned by landlords), struggling with access to cash and capital to help reduce energy costs.

SUMMARIES OF FEEDBACK FROM PARTICIPANTS See Pages 3 to 10

See Appendix B for Available Resources Surfaced in Forum.

REGIONAL VISION FOR THIS CHALLENGE IN THE NEXT 10 YEARS

- Contracts and suppliers throughout New Mexico will be on board with offering energy efficiency services and products.
- State energy codes will reflect building science.
- Smart meter technology will be installed throughout the state.
- Contractors in rural areas will be educated and trained to offer energy efficiency services.
- There will be a broad-based understanding that energy efficiency reduces costs, preserves aging housing stock and enhances safety and comfort.
- Rate design will ensure that fixed costs are getting covered.
- Rural, frontier and tribal communities will be prioritized in energy efficiency programs and incentives.
- The Community Energy Efficiency Development (CEED) program application will be more easily accessible.
- Demand charges will be addressed. (Demand charges, fees based on the highest amount of electricity (kilowatts - kW) used during a single short interval in a billing cycle, rather than total energy consumption over the month, can add significant costs to the implementation of some projects such as electric vehicle fast charging stations. Demand charges are currently part of rate cases filed with the New Mexico Public Regulation Commission.)
- Counties will be working together to partner on CEED initiatives.
- Homes will be energy efficient after receiving upgrades.
- Utilities are helping customers who are facing disconnection by providing them with long-term solutions.
- Maintenance personnel at commercial buildings have awareness of energy savings and energy efficiency practice, and knowledge of building control systems, ultimately saving their employers money.

- The state has made progress in energy conservation, as well as energy efficiency.
- All 33 higher education institutions are working together to train the workforce and plan for the workforce of the future.
- Renters will be receiving energy efficiency services.
- Public schools will be actively engaged with the NM Public School Finance Authority in energy efficiency retrofits of school buildings.

POLICY AND OTHER SOLUTIONS TO HELP ADDRESS FUTURE REGIONAL ENERGY EFFICIENCY CHALLENGES AND OPPORTUNITIES

Workplace and Contractors

- We don't have enough energy efficiency workers now. Workforce should be a priority; without properly trained workers how could we implement all these great energy efficient ideas?
- Expand building trades workforce development able to deploy energy efficiency initiatives.
- Educate contractors on the importance of green/energy efficient building practices and how to communicate that to the public.
- Universities and community colleges could partner with high schools to train interested seniors and community members in renewable energy, similar to the dual credit program, which allows high school students to earn college and high school credits simultaneously for free, covering tuition and required textbooks, in rural communities.
- Increase trades workforce development in high schools.
- Encourage higher wages and salary/benefits for maintenance staff at large institutions and businesses to encourage employee tenure and create competition for these critical jobs in energy efficiency. Also provide continuing education for these workers.
- Make New Mexico Grow workforce funding permanent with no break in funding and expand the program services.
- Create partnerships with CEED for deployment of pre-apprentices and apprenticeships for energy audits and home improvement. MFA's weatherization program should be included.
- Develop partnerships between non-profit organizations, utilities and higher education to create job opportunities.
- Provide new funding to train HVAC and other tradespeople through programs in higher education.
- Providing wraparound services—personalized, team-based, holistic support that addresses the complex needs of individuals and families—is critical to effective workforce recruitment and training.
- There is a need for more contractors to offer whole-home efficiency audits and retrofits.
- Statewide adoption of energy efficiency workforce training as part of school curriculum.
- Educate contractors on green building codes and enforce them.
- Have more school-to-job trade pipelines guidance for students and include trade organizations for seamless job pathways. Provide them with wraparound programming support and workforce awareness.
- Conduct outreach training to solar companies and other contractors to offer energy efficiency products and services.
- Provide incentive program for contractors and suppliers of electric heat pumps and heat pump water heaters.

Education and Awareness

- Place billboards that encourage young people to enter into training programs related to energy and energy efficiency in both English and Spanish in areas where we have low-income populations.
- Increase partnerships with trusted local entities and people to communicate existing energy efficiency programs and the benefits of implementing them individually.
- Invite industry including HVAC and building construction to energy policy forums.
- Increase consumer education on energy efficiency rebates. Create partnerships with retailers and service providers to make the rebate opportunities available at the point of sale.

- Engage utilities in energy efficiency programs from the local cooperative level, mimicking the investor-owned utility program structures.
- Develop an app that educates people on energy use and energy efficiency.
- Pilot an online education program for New Mexico energy consumers.
- Implement a certified Home Energy Rater (HERS) program that assesses the energy efficiency of a home, assigning it a relative performance score. The lower the number, the more energy efficient the home. A typical home built in 2006 with energy efficiency standards scores 100 on the HERS® Index. *Note: New Mexico has an active Home Energy Rating System (HERS) program, with the state adopting the HERS Index as a compliance option for energy codes.*
- Increase education in conservation, increase peak pricing awareness.
- Build an organization dedicated to making New Mexicans more aware of energy efficiency programs and their impacts. Use this organization to do outreach campaigns.

Funding

- Heavily incentivize energy efficiency retrofits of housing including mobile homes and older existing homes.
- Expand CEED funding program to rural electric cooperatives.
- Achieve reoccurring funding for the CEED program.
- There is a need for stronger customer subsidies. Many New Mexicans don't have the upfront money to make energy efficiency investments.
- Increase rebate and incentive amounts. They are not high enough for low- to middle-income consumers.
- Increase funding for school retrofits.
- Create increased and consistent program funding streams for the referenced programs from the New Mexico legislature.
- Subsidize energy efficiency equipment and renovations for frontier communities.
- Fully fund CEED so that more low-income New Mexicans have energy efficient homes.
- Create funds to provide electricity to tribal communities and colonias that still do not have access to electricity.

Other Policy/Regulation/Programming Initiatives

- Pass "Power Up New Mexico" style legislation that requires beneficial electrification, virtual power plants and distribution system plans. *Note: the NM Public Regulation Commission just required Investor-Owned Utilities to develop distribution system plans.*
- Implement a virtual power plant program through the New Mexico Public Regulation Commission or the legislature could mandate it through statute.
- Apply a strategic approach to electric rates, incentives, and price signals where small-scale tests can be developed and improved before broad implementation. Test can be conducted on 100 to 1,000 customers risk-free over three years.
- Lower barriers in the CEED program funding for small municipalities.
- Create new rebate programs, add more community solar, and incentivize virtual power plants through new legislation.
- More data is needed to establish strong baselines for programs. The electric utilities are rolling out their smart meters over the next several years. This will provide critical data that is needed to for energy efficiency programs and will also allow for the creation of time of use rates so that customers are aware of their electricity costs.
- Need for more performance-based energy efficiency programs, such as those in France. https://build-up.ec.europa.eu/en/news-and-events/news/understanding-energy-performance-certificates-france
- Utilities need consistency in policy and rules including frequent rate increases to cover infrastructure costs and not just operations costs.
- The cost test required in the Efficient Use of Energy Act is making it challenging for utilities to offer some programs. Some efficiency programs are subsidizing other programs. A possible revision to the ACT would add more flexibility to the test for implementing programs.
- New Mexico must take a forward-looking approach when updating building codes to incorporate new technologies and methods.
- Need for incentive-based regulation to reward performance in energy efficiency.
- Implement energy codes that require building science knowledge in new construction and major renovation.
- Allow decoupling in statute. (FYI, decoupling is a regulatory mechanism in the utility industry that separates a utility's revenue from its sales volume. It adjusts rates to ensure utilities collect authorized revenue—no more and no less—regardless of whether customers use more or less energy, removing the disincentive to promote efficiency. decoupling

has been in place via statute for years in New Mexico. Several utilities have asked for decoupling in cases filed with the NM Public Regulation Commission.)

- Serve low income, rural, and tribal communities with energy efficiency using the right partners and messengers, training of local contractors, and removing administrative barriers for local entities and contractors, and engaging legislators in rural communities to host meetings.
- Pass a Frontier Communities Equity Act. (FYI, a Frontier Communities Act or initiative generally refers to legislation or programs aimed at supporting, funding, and improving infrastructure for extremely rural, sparsely populated areas (typically six or fewer people per square mile).
- Develop a baseline assessment to understand where we currently are in terms of energy use and efficiency. Then develop key performance indicators or technical targets for what quantitative improvement is needed to achieve the stated goals. Then determine what options New Mexico currently has to meet the goals, how much do they cost, what their anticipated impact would be and timelines for implementation. Prioritize all these options and rank order them, then execute.
- Provide more energy efficiency rebates at the point of sale.
- Split incentives between contractors and customers.
- Rural and tribal adoption of energy efficiency programs.
- Make all energy efficiency programs easier to quality for and apply for.
- Create a statewide push for contractor education on energy efficiency incentives.
- Remove barriers for low-income residents to receive energy efficiency services.
- Require every state program or project, including tax incentives, LEDA and other private sector development to have an energy efficiency requirement based on current science.
- Revision to Home Electrification Appliance Rebates so that this funding could be used with LEED more easily.
- Secure long-term funding to develop an energy efficiency workforce pipeline.
- Rewrite the cost test that is used with energy efficiency to allow other measures to qualify. There are some important changes that would help homes that currently don't qualify.
- Additional funding for upgrades to houses related to codes would be helpful. (FYI, items like outdated electric panels challenge energy efficiency projects by lacking the capacity to support high-efficiency, electric upgrades (like heat pumps or EV chargers), causing frequent circuit overloads. Often programs do not provide the resources to help with these kinds of upgrades required by code.)

Partnerships

- There is a need for more partnerships between higher education and private industry.
- Work with appliance retailers to educate salespeople on rebates and other programs.
- Work with car dealerships to share information about electric vehicle incentives to create more informed customers.
- Emphasize local job creation with the Department of Workforce Solutions, counties, municipalities, labor organizations and educational institutions.

CONCLUSION

New Mexico's 10-year vision for energy efficiency focuses on building a coordinated, statewide system that expands access to energy-efficient technologies, strengthens workforce development, and prioritizes underserved communities. The plan emphasizes modernizing building codes, deploying smart technologies, and increasing public awareness of the cost-saving and safety benefits of energy efficiency. To achieve this, feedback in the meeting called for major investments in training programs, stronger partnerships between education, industry, and government, and stable, long-term funding—especially for programs like CEED. It also highlights the need for policy and regulatory reforms to improve program access, incentivize performance, and address financial barriers, particularly for low-income, rural, and tribal populations. Overall, helping homes and businesses manage and lower their energy costs depends on aligning workforce, funding, policy, and outreach efforts to create an equitable, efficient, and sustainable energy future for the state.

APPENDIX A: SURVEY RESULTS

New Mexico Energy Efficiency and Incentives

POLICY SURVEY REPORT

Stakeholder Perspectives on Programs, Barriers, and Priorities

April 2026 | N = 28 Respondents

Executive Summary

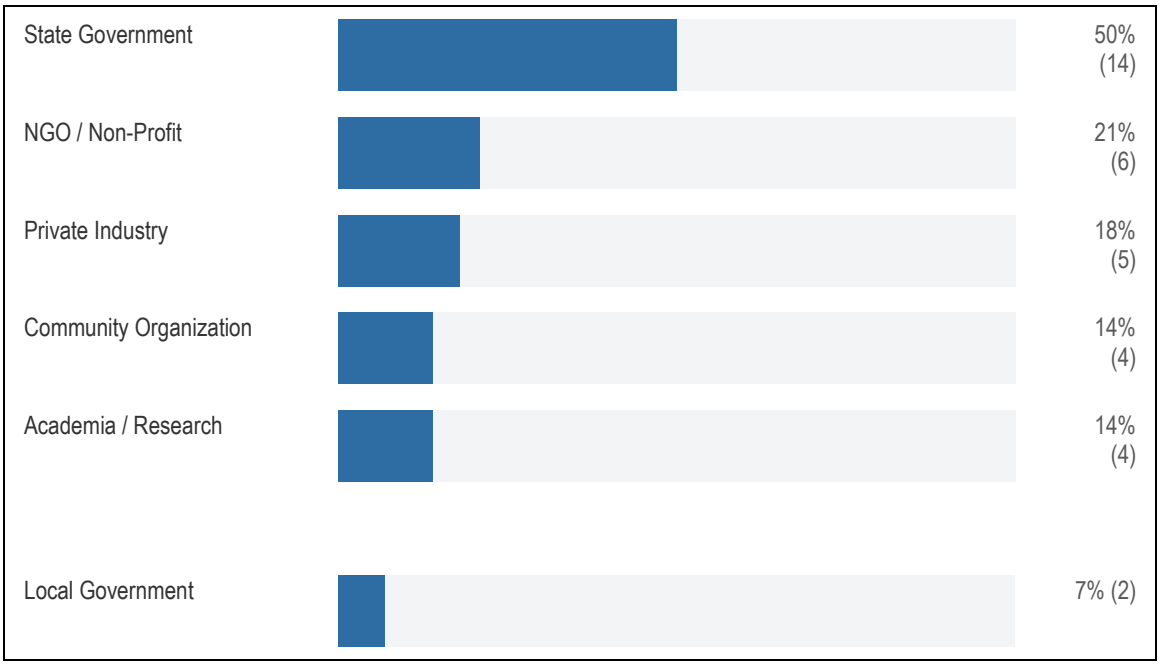
This report summarizes findings from a stakeholder survey on energy efficiency policy in New Mexico. Twenty-eight respondents representing academia, state and local government, NGOs/nonprofits, community organizations, and private industry completed the survey, offering perspectives on policy strategies, investment priorities, workforce development, utility engagement, and the populations most underserved by current programs.

KEY FINDING: Across all sectors, stakeholders overwhelmingly favor expanding access for low-income households as the top priority, with upfront capital costs and administrative complexity identified as the most critical barriers to adoption.

28	6	8	40+
Total Respondents	Sectors Represented	Policy Areas Covered	Open-ended Responses

1. Respondent Profile

Respondents represented a broad cross-section of sectors engaged in energy efficiency work in New Mexico. Several respondents identified with multiple sectors simultaneously.



2. Policy Strategy Priorities

Respondents rated eight potential policy strategies on a five-point importance scale. The table below shows the distribution of ratings across all 28 respondents. (n = 28)

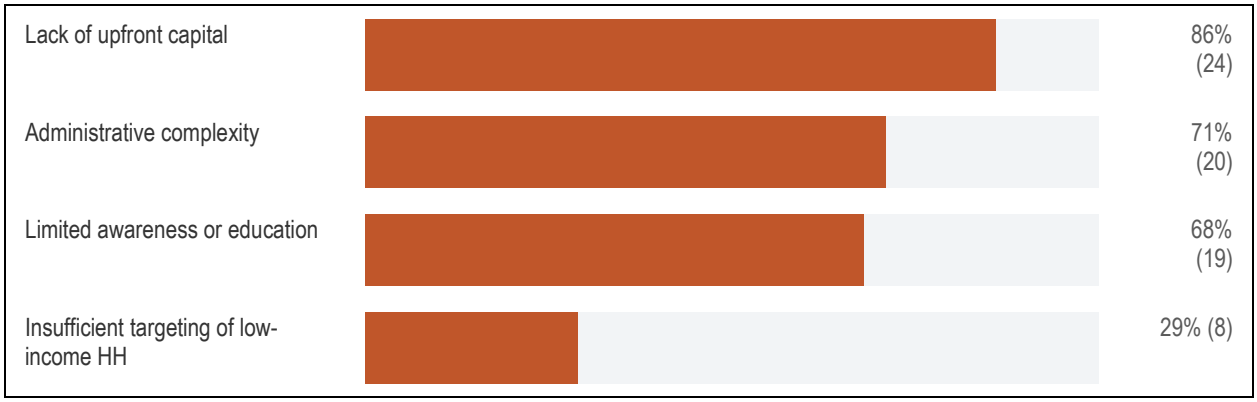
Strategy	Very Imp.	Imp.	Mod. Imp.	Sl. Imp.	Not Imp.
Expanding energy efficiency programs for low- and moderate-income households	**20**	6	2	0	0
Strengthening implementation of the Efficient Use of Energy Act	**16**	9	2	1	0
Increasing resources for businesses & nonprofits in older buildings	**17**	8	2	1	0
Expanding Sustainable Building Tax Credit access	**17**	7	3	1	0
Scaling the CEED Program	**15**	9	3	1	1
Requiring stronger utility investment in EE education & outreach	**15**	9	4	1	1
Create a statewide EE utility operated by state government	12	7	5	1	4

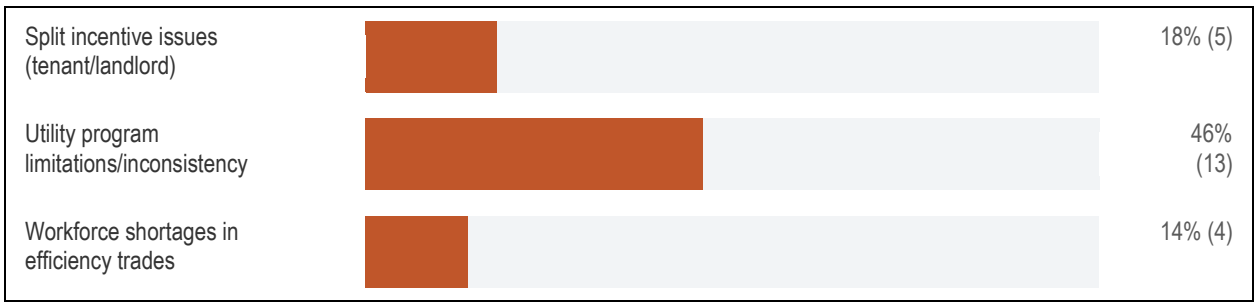
Among the seven strategies, expanding programs for low- and moderate-income (LMI) households received the highest "Very Important" rating (20 of 28 respondents). A statewide government-operated utility was the most contentious option, receiving both the highest share of "Not Important" ratings and meaningful support.

> *"No public funding should be available that does not have a tie to significant energy savings. Pass an updated version of the low carbon materials act."*
> — NGO/Non-Profit respondent

3. Barriers to Adoption

Respondents selected up to three barriers preventing households, small businesses, and nonprofits from adopting energy efficiency measures. The chart below reflects total mentions across all respondents.





Lack of upfront capital was by far the most frequently cited barrier, mentioned by 86% of respondents. Administrative complexity and limited awareness ranked second and third. Together, these three barriers paint a picture of programs that are hard to find, hard to apply for, and financially inaccessible without assistance.

> *"We can mandate all we want but if folks can't afford it, you'll just limit their choices or make criminals out of them for non-compliance. If they are not front of mind in our policy discussions, then frankly, we are out of touch with reality."*
> — NGO/Non-Profit respondent

4. Workforce Development Pathways

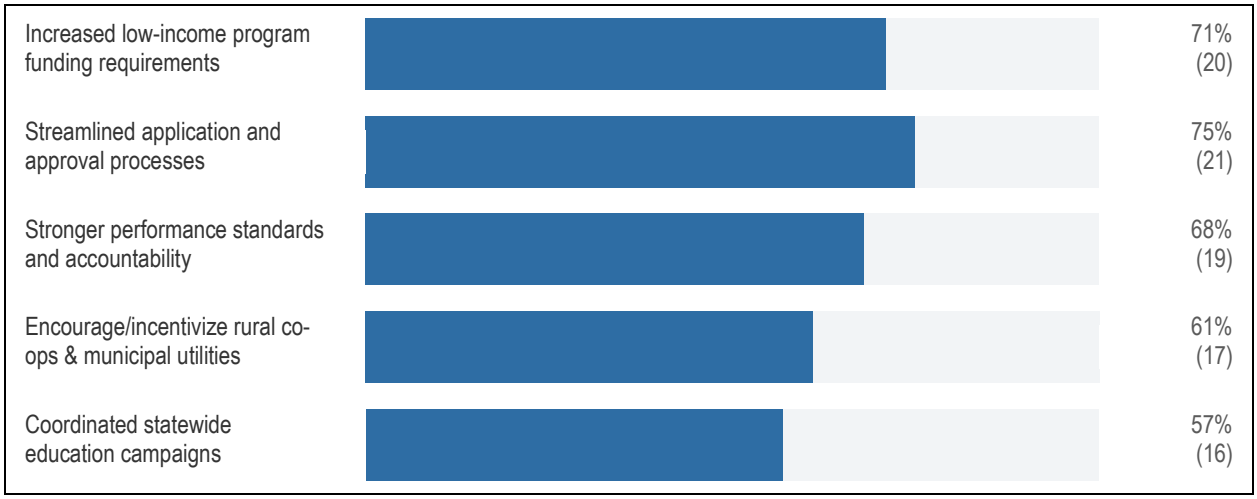
Respondents were asked to select three workforce development strategies with the greatest potential to support energy efficiency growth in New Mexico.

Trades training in HVAC, insulation, building performance, and retrofits was the most widely supported pathway, with 82% of respondents selecting it. Apprenticeships/certifications and community college partnerships tied for second. A consistent theme across written responses was the need for rural programming — several respondents noted that most training requires travel to larger communities, leaving rural New Mexico behind.

> *"Most programming requires a trip to a larger community to receive training. An emphasis on rural engagement in our class-be counties would pay dividends."*
> — NGO/Non-Profit respondent

5. Utility Engagement Strategies

Respondents ranked five strategies for better engaging utilities in advancing energy efficiency, with 1 = highest priority. The chart below shows the share of respondents rating each strategy as their top two priorities.



Streamlined applications, increased low-income funding and additional incentives for utilities were consistently ranked highest across sectors. Respondents from community organizations added that this is in the best interests of utilities because it could lower arrears and lessen disconnects, further incenting utility funding for energy efficiency programs for LMI households.

> *"Demonstrate their self interest in expanding EE particularly among LMI households. One is lower arrears and another is fewer disconnects."*
> — Community Organization/State Government respondent

6. Investment Priorities

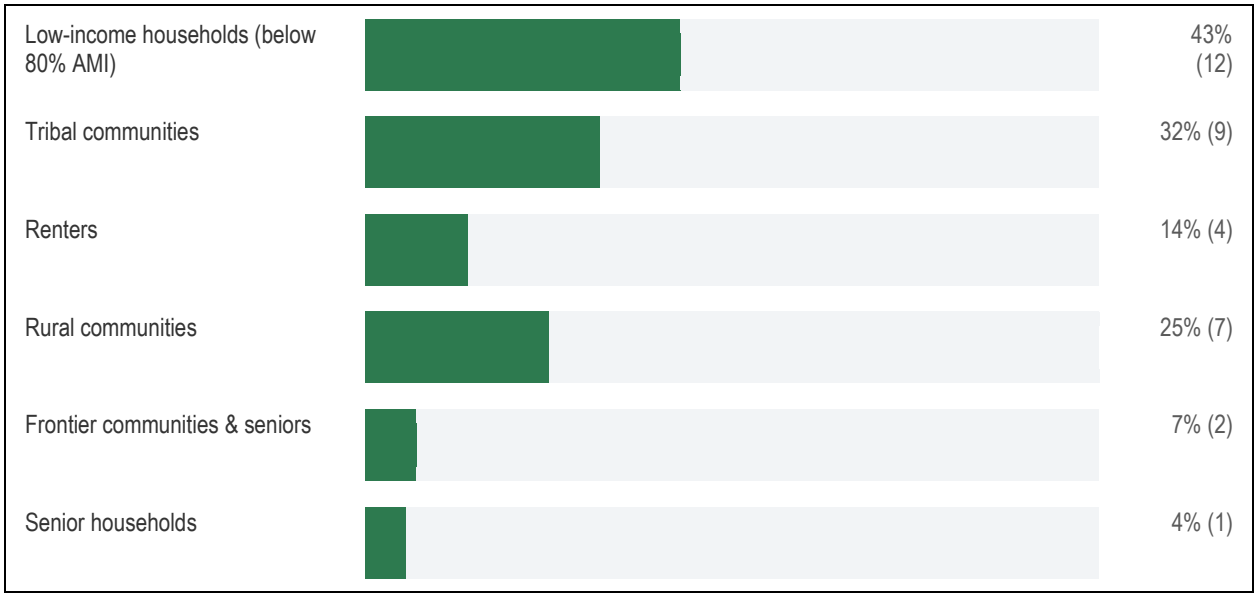
Respondents rated six investment areas on a five-point importance scale. The results show strong overall support for weatherization, building electrification, and public building retrofits. (n = 28)

Strategy	Very Imp.	Imp.	Mod. Imp.	Sl. Imp.	Not Imp.
Weatherization for low-income households	**22**	5	1	0	0
Workforce training and certification programs	**20**	7	1	0	0
Public building retrofits (schools, community centers)	**18**	7	2	1	0
Building electrification paired with efficiency	**17**	7	3	0	1
Energy retrofits for small businesses	**15**	10	3	0	0
Nonprofit facility upgrades	14	10	3	0	0

Weatherization for low-income households and workforce training programs topped investment priorities, each rated 'Very Important' by more than 70% of respondents. Public building retrofits and building electrification also garnered strong support.

7. Underserved Populations

Respondents identified the population they believe is most underserved by current energy efficiency programming.



Low-income households below 80% AMI were most frequently identified as the most underserved population, followed by tribal communities and rural communities. Renters were also cited — a group facing split-incentive challenges that current programs largely fail to address. Several respondents noted that frontier ("Class B") counties are consistently overlooked in program design.

> *"Prioritizing Class B counties when creating programs. We never seem to think about them and then wonder why there's not adoption outside of the Rio Grande Corridor."*
> — NGO/Non-Profit respondent

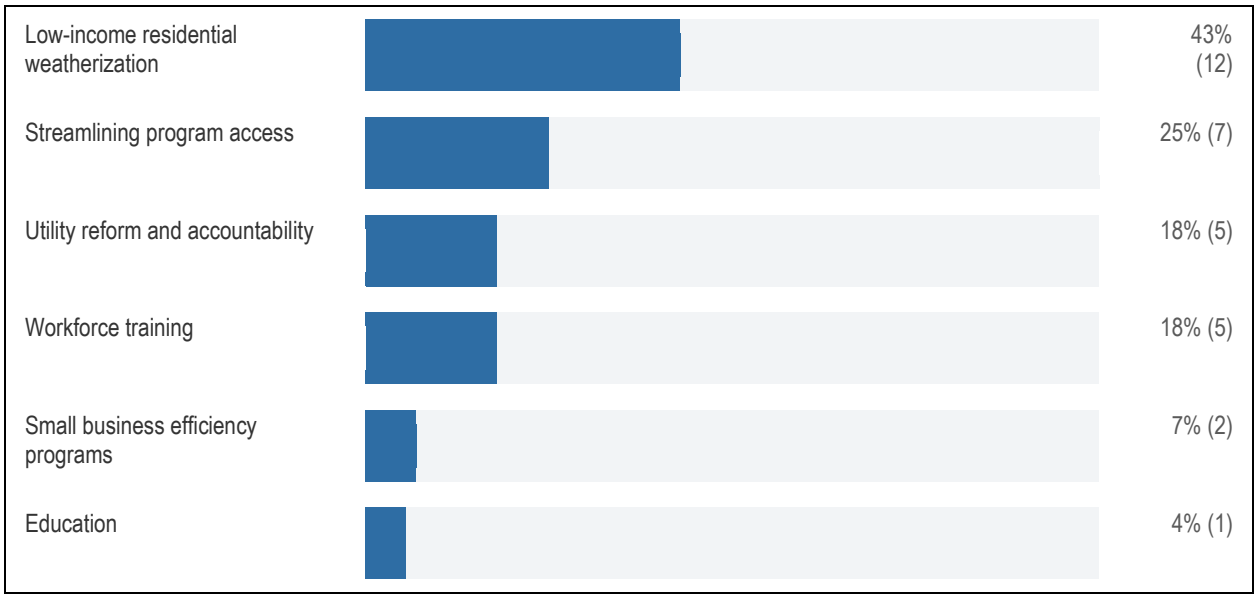
8. Near-Term Priorities (12–18 Months)

Respondents were asked: 'What is ONE barrier New Mexico can realistically fix within 12–18 months?' and 'Where should the state focus first?' The table below summarizes open-ended responses by theme.

8.1 Most Actionable Near-Term Fixes Identified

Theme	Representative Responses
Streamline program access	Simplify application processes; create rolling CEED applications; build 'how-to' guides for lay people; standardize program access across utility territories.
Education & outreach	Statewide campaign on available incentives; clear communication about what efficiency measures actually save money (e.g., most people believe windows are the top savings measure).
Utility reform & accountability	Implement stronger performance standards; increase low-income funding requirements; require public reporting on program outcomes.
Low-income weatherization	Prioritize and expand existing weatherization programs; ensure all public-dollar investments include energy efficiency requirements.
Workforce training	Expand trades training programs; incentivize in-state contractor development; focus on rural communities with mobile or local training.

8.2 Where Should the State Focus First?



9. Cross-Cutting Themes & Recommendations

Theme 1: Equity Must Be Central

Across every question, respondents returned to equity — specifically the needs of low-income households, tribal communities, and rural New Mexicans. Policy design that does not foreground affordability risks compliance without access.

Theme 2: Simplify to Succeed

Administrative complexity was the second most-cited barrier. Multiple respondents specifically called out CEED program application burdens. Streamlining should be a near-term deliverable: rolling applications, standardized forms, and 'how-to' resources for lay applicants.

Theme 3: Build the Workforce Locally

Workforce shortages were cited by 14% of respondents, but the preference for trades training, apprenticeships, and community college partnerships signals a desire for locally rooted pipelines. Rural mobile training and in-state contractor incentives received particular emphasis.

Theme 4: Hold Utilities Accountable

While utility-related strategies ranked somewhat lower than program strategies overall, respondents consistently ranked stronger performance standards and increased low-income program requirements as their top utility engagement priorities. Several respondents noted that utilities have financial incentives aligned with efficiency expansion that remain underutilized.

Theme 5: Public Dollars Should Drive Efficiency

Multiple respondents — especially from the NGO/nonprofit and community organization sectors — called for a policy requiring that all public funding for buildings, housing, or facilities include energy efficiency conditions. This represents a potentially high-leverage policy requiring no new programs.

Appendix: Survey Methodology

This survey was administered to energy efficiency stakeholders in Albuquerque, New Mexico, on March 25, 2026. The 28 respondents self-identified their sector affiliation; some respondents selected multiple sectors. Quantitative responses were tallied by count and percentage of total respondents. Open-ended responses were analyzed thematically and representative quotes were selected to illustrate key findings. All quotes are attributed to sector affiliation only to preserve respondent anonymity.

Percentage figures throughout this report are rounded to the nearest whole number and may not sum to 100% due to multi-select question formats.

This report was prepared based on survey data collected from New Mexico energy efficiency stakeholders. Findings reflect respondent opinions and do not represent official state policy positions.

APPENDIX B: RESOURCES

- **The New Mexico Public School Finance Authority provides a variety of funding sources for public schools to invest in** energy efficiency initiatives and efficiently design new buildings. https://nmpsfa.org/

- **New Mexico Energy, Minerals and Natural Resources Department's** Energy Conservation and Management Division administers a variety of energy efficiency programs including the following:

  - **The Community Energy Efficiency Development** (CEED) grant program which provides block grants to local and tribal governments. The program enables partnerships with community organizations to implement targeted energy upgrades for low-income households. See https://www.emnrd.nm.gov/ecmd/tax-credit-programs/.

  - **The Sustainable Building Tax Credit** program to incentivize cutting-edge sustainable building practices, as well as the use of energy-efficient products. There are two types of tax credits available under the program—one for installation of certain energy-efficient products in existing residences and another for commercial renovation and new construction projects. https://www.emnrd.nm.gov/ecmd/tax-incentives/sustainable-building-tax-credit-sbtc/

  - The **Department's new website** https://clean.energy.nm.gov/ offers a range of tax incentives and rebates available for energy-efficient programs and products.

  - The **ESCO program** for public facilities includes a comprehensive facility energy audit and identifies options for capital improvements to save energy. The ESCO designs and completes the project. After completion, cost savings accrue to the facility owner. https://www.emnrd.nm.gov/ecmd/espc/

- **New Mexico utilities** offer energy efficiency programs.

  - **Xcel/SPS Energy**
    https://www.xcelenergy.com/programs_and_rebates
    https://ev.xcelenergy.com/ev-accelerate-at-home-nm
    https://ev.xcelenergy.com/optimize-your-charge-nm

  - **PNM**
    https://www.pnm.com/rebates-and-discounts

  - **El Paso Electric Company**
    https://www.epelectric.com/residential/save-money-and-energy

  - **New Mexico Gas** Company offers a variety of residential and commercial energy efficiency programs including a Native American energy efficiency program**.** https://www.nmgco.com/en/energy_efficiency

  - **Tri-State Generation and Transmission Association (rural electric cooperatives)**
    https://tristate.coop/programs

- **New Mexico State University** offers a no-fee business energy efficiency program with on-site energy efficiency assessments to businesses lower utility expenses and operate more efficiently. https://engrnm.nmsu.edu/eba/energy-efficiency.html.

- The **New Mexico Mortgage Finance Authority** administers the NM Energy $mart program offers weatherization services that help make homes more comfortable and energy efficient – at no cost to qualified homeowners. https://housingnm.org/programs/home-rehabilitation-and-weatherization/energymart-weatherization-assistance

- **The New Mexico Workforce Solutions Department** (NMDWS, https://www.dws.state.nm.us/en-us/) is engaged in a variety of workforce initiatives including the following:

  - The Department helps New Mexico veterans by giving tailored support for disabled and special-emphasis veterans, including Individual Employment Plans, in-depth assessments, and career coaching. The Department also works directly with employers to create job opportunities, organize job fairs, and facilitate job search workshops and provides job search assistance such as access to tools and workshops for veterans.

  - The **BeProud** program takes a Mobile Workshop experience to schools and community centers across the state as the largest – and coolest – mobile tour supporting workforce development. Be Pro Be Proud delivers a ground-breaking set of resources to help students explore, plan, and launch careers in today's technical roles. Students discover which skilled professions spark their interests as they dig, drive, and weld using custom developed, highly interactive Virtual Reality (VR) and Augmented Reality (AR) simulators. https://www.dws.state.nm.us/en-us/BeProBeProud

  - The **Community Benefit Fund (**CBF) invests $25 million (part of a larger $340M initiative) between 2026–2028 to train workers for clean energy jobs, modernize the electrical grid, and support industries that mitigate climate change. It focuses on economic transition, offering training for non-extractive industries and funding youth programs. https://www.dws.state.nm.us/en-us/Community-Benefit-Fund.

  - NMDWS launched the Rural **P20 initiative**, aimed at creating a seamless education-to-career pipeline from preschool through age 20. Funded by a $400,000 legislative grant, this 18-month project focuses on rural school districts to align education with regional workforce needs, particularly in high-demand fields like STEM and aerospace. https://www.dws.state.nm.us/News/Latest-News/new-mexico-launches-first-preschool-to-workforce-initiative-through-rural-education-workforce-collaborative

  - NMDWS, along with the New Mexico Department of Higher Education, offers the **Integrated Education & Training (IET) program** is a structured program where adult learners participate in contextualized adult education or literacy services at the same time as they are completing workforce training and workforce preparation activities aligned to a specific career or job goal. www.//hed.nm.gov/students-parents/adult_education/for-adult-students-and-families/workforce-preparation-career-pathways

- The **New Mexico Regulation and Licensing Bureau** administers building code programs and adopted the 2021 International Building Code (IBC) and 2021 International Residential Code (IRC), along with specialized, updated energy (IECC) https://www.rld.nm.gov/construction-industries/rules-laws-and-building-codes/

- The City of Albuquerque and Bernalillo County, in partnership with the Semilla Project, offer the **NextGen Program,** for young people wanting hands-on experience in careers related to outdoor recreation, eco-tourism, environmental sustainability and energy innovation that includes paid internships with employers. https://nextgen-nm.org/
- **The Santa Fe Community College has the Energy Smart Academy (ESA**), a nationally recognized, IREC-accredited center offering comprehensive training in residential and commercial energy/water efficiency. It provides specialized courses in building science, home energy auditing, and green job certifications. https://www.sfcc.edu/energy-smart-academy/
- The **New Mexico Gas and Oil Association** offers the Pathways to Success Program with resources and education for young people exploring career opportunities in the gas and oil field. https://pathways.nmoga.org/