NEW MEXICO

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Energy, Minerals and Natural Resources Department

Public Policy Forum

Grid Resilience and Transmission Build Out

February 11, 2026 | Farmington, NM | SJCC

Post Forum Report

OVERVIEW

The purpose of this report is to provide an overview of key discussion items from February 11, 2026, Comprehensive Energy Transition Strategy meeting public policy forum in Farmington, NM, titled Grid Resilience and Transmission Build Out. The three-hour forum was convened to capture a variety of viewpoints, recommendations and actions related to energy policy in New Mexico. Stakeholders represented a variety of areas including state government agencies, non-governmental organizations, academia, economic development representatives and industry. Fifty people registered for the event, with 43 in attendance. Registrants were asked to complete a pre-survey prior to attending the event. (See Appendix A for survey results.)

SUBJECT MATTER EXPERTS

Two area subject matter experts (SMEs) provided brief presentations at the beginning of the meeting. Lynn Mosteller, executive director of the New Mexico Renewable Energy Transmission Authority, and Dr. Ana Greif, Vice President for Workforce and Economic Development at San Juan College.

Key themes and information came out of the SME presentations, including the following:

- Both energy delivery infrastructure development, such as transmission lines, and the workforce to support all energy sectors, are falling behind the needs in this area to ensure a stable future.
- Transmission is critical for reliability, economic development, and stabilizing energy prices. Transmission also has economic impacts for communities including job creation, supply chain spending and ongoing revenues.
- The Renewable Energy Transmission Authority (RETA) was created in 2007 to plan, finance, develop, and acquire high voltage transmission lines and storage projects to promote economic development in New Mexico. RETA is involved in the development of nine transmission lines in New Mexico with a total capacity of 16,482 megawatts (MW).
- New Mexico has a very high potential for both wind and solar energy development.
- Western states lack organized regional transmission organizations (RTOs), leaving 38 different balancing authorities unable to coordinate regional transmission due to cost-sharing challenges, resulting in minimal regional infrastructure development.
- Transmission investments can position the Four Corners as an economic hub – enabling energy development, strengthening grid reliability, and supporting long-term regional economic growth.
- The closure of San Juan Generating Station had far-reaching impacts on northwest New Mexico, exacerbating pre-existing economic challenges in the San Juan Basin. The region lost 1,500 jobs with an average worker age of 46 and a salary of $86,000. There are a variety of efforts that are still ongoing to help these displaced workers find new jobs and/or retrain for new careers.
- The Department of Workforce Solutions has worked with more than 600 of these displaced workers providing them state funded stipends, connecting them with training opportunities for new jobs and careers.
- There are .8 unemployed New Mexicans for every job opening. New Mexico has a very low labor force participation rate. This points to there being opportunities for building a workforce in the energy industry.
- The San Juan County area has experienced a population decline due to job losses, people of working age moving to other areas, and lower birth rates.
- San Juan County has been identified as one of the counties in New Mexico that is the least economically diverse.
- Future job growth in New Mexico is anticipated to be 6.1%, more than 2x faster than other states; 19.4% of all energy jobs in New Mexico are in the clean energy sector including energy efficiency, renewable energy development, storage and grid installations and upgrades, and jobs associated with clean vehicles.
- San Juan College is playing a critical role in the region, retraining displaced workers, nearly half of whom are Native American in energy transition-related and renewable energy programs including Electrical, HVAC, Advanced Petroleum

Production Operations, CDS, Natural Gas Compression, Occupational Safety, Industrial Maintenance, and Energy Management.

FORUM CHALLENGE STATEMENT

The Four Corners region has been a major hub of energy production, serving as a producer of traditional energy (coal, natural gas) and now rapidly transitioning to clean energy, including solar, potential hydrogen production, and large-scale pumped hydro storage projects. The San Juan Basin is also a significant natural gas-producing region, historically known for conventional gas and particularly for its large coalbed methane resources.

The region has experienced some economic downturns since the closing of the San Juan Generating Station and the San Juan Mine in 2022 and the Four Corners Power Plant is expected to close in 2038. Many workers and businesses have been impacted by these changes, especially those on the Navajo Nation.

In addition to energy production opportunities, the region serves as a critical location for electricity delivery with its robust existing transmission infrastructure, crucial for connecting energy production to consumers across the West. Building out energy delivery systems and modernizing the electric grid, focusing on both transmission development and distribution upgrades, is critical to serving growing energy needs in New Mexico and other Southwestern states. Buildouts of these delivery systems can also help to increase the access of electricity by people in the region and help create new job opportunities, especially in trades occupations.

SUMMARIES OF FEEDBACK FROM PARTICIPANTS (See Pages 3 – 6)

See Appendix B for Available Resources Surfaced in Forum.

REGIONAL VISION FOR THIS CHALLENGE IN THE NEXT 10 TO 15 YEARS

- Focus should be on 10 years; 5 years is too short to plan for potential energy projects.
- Utilities will be balancing the challenges of keeping rates low and/or competitive with meeting system growth.
- The Farmington will be accessing new generation sources for new loads.
- Concerns expressed that the Clear Horizons Act will make energy planning and development much more challenging.
- There are opportunities for tribes to add power generation projects on tribal lands.
- People need to be aware of how large the region is. It spans a 100-mile radius including 17 counties, 26 communities and four states, despite being disconnected from state capitals and large population centers.
- The Kinetic Power project, the Carrizo Four Corners Pumped Storage Hydropower Center Project on the Navajo Nation, is now in a planning stage. If successful, it will be constructed and operational in the future. .
- The area's future highly depends on state regulations related to oil and gas, energy generation and delivery benefit the region
- What is the role of government going to be in the region going forward? Will funding opportunities be available?
- The area has a lot of potential for solar but must also address storage challenges for renewable energy.
- Natural gas needs to have a role at the state and federal level.
- Area industry needs consistency in policy and regulations. New Mexico can be viewed seen as not energy industry friendly.

- The future of the energy industry could be tied to hedge investment funds, such as the proposed Blackstone acquisition of PNM. This will significantly change the energy landscape.
- Capital drives projects, not policymakers. Policy makers in Santa Fe are not talking enough about capital investment, and don't demonstrate a grasp on reality in the region.
- The energy transition is already happening in the area with proposed new transmission lines and the addition of natural gas liners on existing infrastructure.
- Artificial Intelligence (AI) will find ways to help meet new energy demands.
- The Navajo Nation needs a leadership vision for its role in energy development in the future.
- More people will have access to electricity in the region, especially those that live on the Navajo Nation.
- There needs to be time for a clean energy transition to occur.
- The Mancos Shale offers tremendous opportunity for generating tribal revenue and creating good paying and consistent jobs. (A presentation on the Mancos Shale occurred in Farmington the day before the forum.) Forty percent of Navajos work in the basin, and a proposed gas line across northern Navajo territory would secure these jobs, provide natural gas to residents, and create a steady income stream for the nation over decades.

INDUSTRY AND ECONOMIC DEVELOPMENT CHALLENGES

- The lack of transparency in the transmission interconnection process with the Federal Energy Regulatory Commission and the investor-owned utilities and state inconsistencies.
- Large companies and developers need the elimination of hurdles to development and the creation of pathways and incentives.
- New Mexico municipal utilities and rural electric cooperatives are struggling to find companies that will develop smaller generation projects at reasonable costs.
- Natural gas plants can serve an important role in meeting demand and backing up renewable energy. There are also opportunities for carbon capture with these fossil fuel plants.
- The four-state hydrogen hub project was an important economic development opportunity for the region. It unfortunately stalled when the Western Interstate Hydrogen Hub was not selected by the U.S. Department of Energy as a regional clean hydrogen hub.
- Tribal rights of way and private landowner agreements can take a long time and be very challenging. Diné people do not want to give up their land for energy projects.
- There is a need for a solid definition of "clean power." Fossil fuels still present many challenges and associated externalities.
- Investor-owned utilities have the resources to extend dockets and cases at the NMPRC for a long time, which often prevents projects and other initiatives from moving forward.
- There needs to be a serious discussion about the externalities associated with clean energy, such as battery storage.
- Industry doesn't have a problem with reducing carbon emissions but does not like the continuously changing rules at the state and federal level that prevent a positive return on investment.
- Concerns expressed about policies like those in Las Cruces are promoting electrification of new buildings with no natural gas. A major residential developer announced they will only construct housing with electrification. These policies are imported from Colorado.
- The region has always been a boom or bust economy and this may continue.

REGIONAL CHALLENGES AND OPPORTUNITIES TO PROVIDE COMMUNITIES WITH ACCESS TO ELECTRICITY

- New Mexico building codes are being enforced strictly on the definition of "EV ready" in new homes and commercial buildings. This is adding time and costs to construction.

WORKFORCE CHALLENGES AND OPPORTUNITIES

- There are efforts in the area to help previous coal plant and coal mine workers to apply their skills in new jobs or retrain for new careers. Some of the workers also chose to retire after the closures and some left the region.
- Both young people and adults of working age appear to be unaware of job opportunities in the area and in energy. There are high paying jobs still available in the area.
- The Department of Workforce Solutions has worked with more than 600 of the displaced workers from San Juan Generation Station and San Juan Mine, providing them state funded stipends, connecting them with training opportunities for new jobs and careers.
- The New Mexico Workforce Connection is also continuing to work with people impacted by the Energy Transition Act, helping them to connect with new training and work opportunities that have comparable pay.
- The workforce in the energy industry appears to becoming more "fluid" where workers keep their homes and then temporarily travel and stay in communities to construct energy projects or work in the gas and oil fields. These can be good paying jobs while also not always being permanent, such as building a solar plant. This fluid workforce also has some negative impacts on the local economy.
- There is a significant need in many industries, including energy, for professions such as welding and electrical work.
- San Juan College plays an important part in workforce training and retraining in the region. As the energy sector has evolved, the College is focusing on broadly based skills that can be used in many industries and ensuring that they don't pigeonhole students into one narrow career path. The College is also seeing that young people want to leave the area after their post-secondary education, primarily wanting to vary their life experiences.
- There are 250,000 Navajos who live off of the Navajo Nation.
- Pay in the region has decreased since the closing of San Juan Generating Station.
- Energy sources in general are requiring less labor force. Renewable energy costs are down partly due to not requiring ongoing operations labor.
- The community needs to get ahead of AI and what its impacts and opportunities are related to workforce development.
- Future jobs are expected to shift toward technical spaces focused on energy efficiency design, with younger generations adapting to work remotely from anywhere, potentially redefining what constitutes rural areas. New positions in IT automation and programming will be created to support these systems.

POLICY AND OTHER SOLUTIONS TO HELP ADDRESS REGIONAL ENERGY CHALLENGES

- Utilities need to be doing distribution-level capacity studies that will help further clean energy and electrification efforts.
- Address clean energy cost sharing issues such as the ongoing issues with the "last user" on a distribution line having to fully pay for distribution upgrades.
- The State should focus on low carbon energy vs. zero carbon energy.
- New Mexico Public Regulation Commission processes drag on too long, especially with the investor-owned utilities. Multiple parties often intervene, providing extensive testimony, which adds complexity and time to the review process.
- Given the important location of the region related to energy delivery, there are opportunities for the region to be a hub for storage. Storage placement on brownfields is one of those opportunities.
- The Bureau of Indian Affairs should exercise imminent domain authority.
- There are opportunities to develop Virtual Power Plants, which aggregate behind the meter storage and solar to provide energy during emergencies and/or peak times.
- There are opportunities to build natural gas generation to deliver on the grid during this energy transition.
- There are still easy, quick wins to reduce emissions such as energy efficiency.
- Energy storage is still very costly. Subsidization of energy projects plays an important role and is needed. This is a role that the State of New Mexico could play.
- The State Land Office is getting a lot of requests for available state land for large-scale storage projects.
- Capital hates uncertainty and risk, making stable, predictable policy vital for billion-dollar decisions on transmission, storage, and carbon sequestration.

CONCLUSION

The Comprehensive Energy Transition Strategy public policy forum in Farmington underscored both the challenges and opportunities of strengthening grid resilience and expanding transmission infrastructure in northwest New Mexico and the broader Four Corners region. Transmission development is foundational to reliability, economic competitiveness, and long-term regional growth. At the same time, the region is navigating significant economic disruption following the closure of the San Juan Generating Station and San Juan Mine, with additional changes anticipated as the Four Corners Power Plant approaches retirement.

The Four Corners can serve as a major energy hub for the Southwest. With significant solar, natural gas, carbon capture and storage potential — along with existing transmission assets — the region can play a central role in meeting growing energy demand. However, capital investment depends on stable and predictable policy frameworks at the state and federal level, improved transparency in interconnection processes, and clearer definitions and expectations related to clean and low-carbon energy development.

Workforce development emerged as equally critical. While the region has experienced job losses and population decline, there are meaningful opportunities to retrain displaced workers, expand technical and trades education, and prepare for emerging roles in clean energy, grid modernization, automation, and energy efficiency

The region's success will depend on balancing affordability, reliability, and sustainability while maintaining economic opportunity for local communities — including the Navajo Nation and other tribal partners. A thoughtful, phased transition that recognizes both the continued role of natural gas and the expansion of renewable energy and storage will be necessary.

APPENDIX A

Grid Resilience and Buildout Forum Pre-Survey Results

Respondents: ~20

Overview
Survey results show strong regional alignment around infrastructure modernization, workforce retraining, and energy storage deployment as foundational to economic recovery and long-term resilience in the Four Corners region.
While respondents differ on the pace and framing of energy transition away from oil and gas, there is broad consensus on the need for:

- Transmission expansion
- Workforce development
- Energy storage
- Economic diversification
- High-quality local job creation

Key Quantitative Findings

1. **Transmission Infrastructure (Top Priority)**
   80% — Very Important
   15% — Important
   5% — Moderate or lower

   Transmission modernization and 345kV build-out received the strongest consensus of any category. Respondents emphasized:
   - Expanding high-voltage capacity
   - Improving interconnection access
   - Grid automation and modernization
   - Repurposing existing transmission corridors
   - Open-access market reform

   Transmission is widely viewed as the economic backbone of regional competitiveness.

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2. **Energy Storage**
   75% — Very Important
   15% — Important
   10% — Moderate or lower

   Storage is seen as essential to reliability and growth. Key themes include:
   - Long-duration storage
   - Battery Energy Storage Systems (BESS)
   - Microgrids and resilience hubs
   - Pairing renewables with firm capacity
   - Potential for regional storage hub development

   Respondents repeatedly linked transmission + storage to economic stability.

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3. **Workforce Transition Programs**
   70% — Very Important
   20% — Important
   10% — Moderate or lower

Workforce investment is a unifying priority across perspectives.
Most frequently cited strategies:

- Retraining for grid operations and transmission construction
- Partnerships with community and tribal colleges
- Dual career pathways (oil & gas + emerging tech)
- Hydrogen, geothermal, CCS training programs
- Apprenticeships and technical certifications

Even respondents skeptical of "transition" framing supported workforce upskilling tied to infrastructure jobs.

Community Benefit Priorities
Most selected top three benefits:

1. New high-quality local employment opportunities
2. Workforce development and apprenticeship programs
3. Greater energy reliability and resilience
4. Investment in broadband, transportation, and water infrastructure
5. Cleaner air and reduced emissions

Job quality and reliability consistently outrank abstract policy goals.

Areas of Broad Agreement

- Infrastructure-led economic recovery
- Storage-enabled reliability
- Workforce-centered strategy
- Strong role for state & federal grants
- Public-private partnerships
- Tribal-local collaboration

Areas of Tension

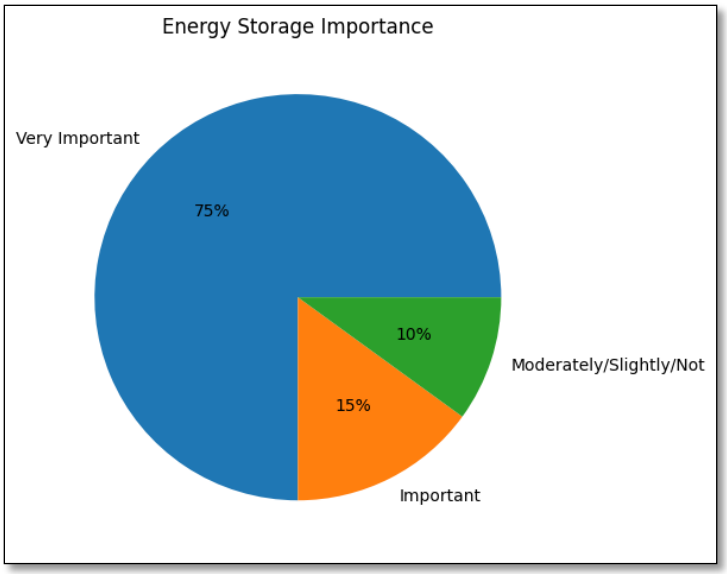
- Degree of reliance on subsidies
- Pace of oil & gas transition
- Regulatory reform vs. regulatory expansion
- Market access and interconnection barriers

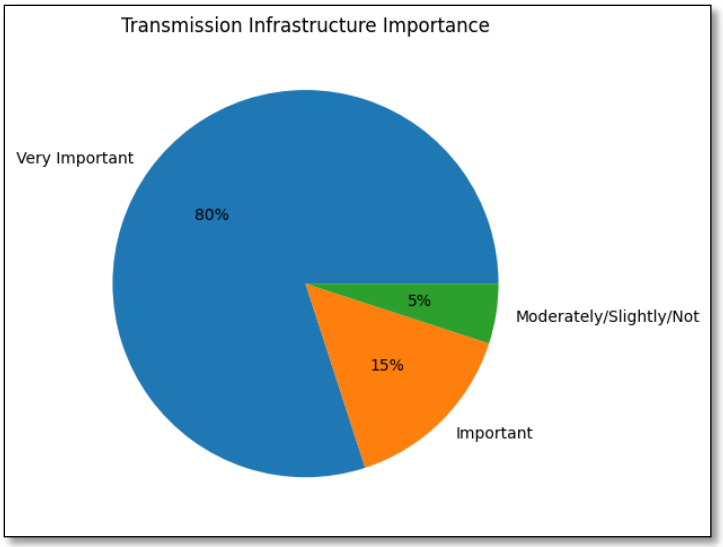
Importantly, disagreements are tactical — not about the importance of infrastructure and workforce investment.

Strategic Takeaway
The Four Corners region's path forward is widely viewed as:

- Transmission-driven
- Storage-enabled
- Workforce-centered
- Economically diversified
- Reliability-focused

Transmission build-out and workforce retraining represent the strongest points of consensus and should anchor policy strategy moving forward.


Energy Storage Importance
Very Important
75%
10%
Moderately/Slightly/Not
15%
Important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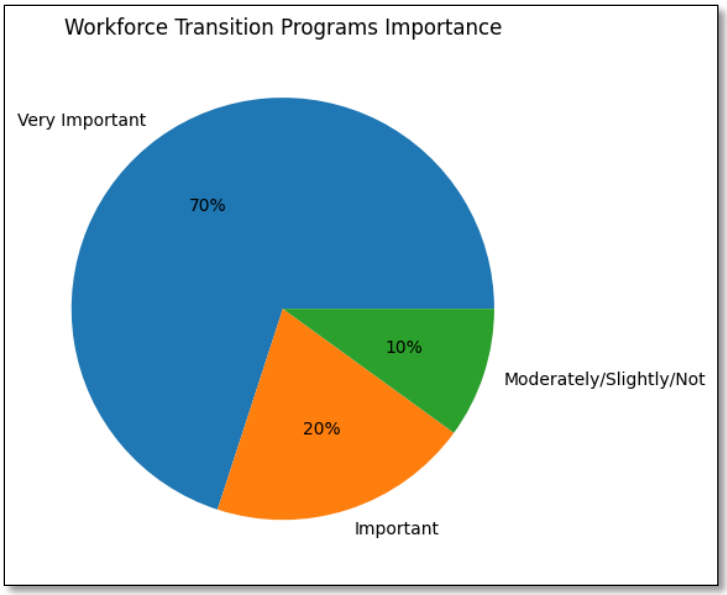
Important


Workforce Transition Programs Importance
Very Important
70%
10%
Moderately/Slightly/Not
20%
Important

APPENDIX B

- **The New Mexico Workforce Solutions Department** (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.

  - The New Mexico Department of Workforce Solutions (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

- **New Mexico Energy, Minerals and Natural Resources Department's** Energy Conservation and Management Division offers a variety of incentives for renewable energy, clean transportation and energy efficiency upgrades. See **https://www.emnrd.nm.gov/ecmd/tax-credit-programs/**.

- **The Western Transmission Expansion Coalition**, or WestTEC, is a West-wide effort to develop an actionable transmission study to support the needs of the future energy grid. The final deliverable will be a West-wide transmission needs study looking out over 10- and 20-year periods. **https://www.westernpowerpool.org/private-media/documents/WestTEC_10-year_Glance.pdf**.

- **San Juan College** offers a variety of short-term credential, industry-recognized academies, and certificate programs as well as associate and bachelor's degree programs. The College also works with industry to offer internships and apprenticeships. https://www.sanjuancollege.edu/.

- **Navajo Technical University (NTU)** plays a key role in electrifying the Navajo Nation by training a local workforce in electrical engineering and renewable energy. The university focuses on developing sustainable, clean energy solutions, such as solar farms, to provide electricity to homes. https://www.navajotech.edu/.

- **Four Corners Economic Development** works to building economically vibrant businesses and communities in the Four Corners Region through effective partnerships.
  https://www.4cornersed.com/.
  www.tricityrecordnm.com/articles/four-corners-economic-development-updated-san-juan-county-commission/.

- **Navajo Transitional Energy Company**
  NTEC's purpose is to promote the development of the Navajo Nation's resources and new sources of energy, power, and transmission.
  https://navenergy.com/.
  https://navenergy.com/navajo-transitional-energy-company-completes-home-solar-installations-on-the-navajo-nation-funded-by-the-u-s-department-of-energy/.

- **The Light Up Project** is an initiative of the Navajo Tribal Utility Authority, in coordination with the American Public Power Association, to help bring electricity to families in need in the Navajo Nation.
  https://www.publicpower.org/LightUpNavajo.

- **Native Renewables** installs off-grid solar with battery storage to provide power to families on the Navajo and Hopi Nations.
  https://www.nativerenewables.org/.

- **Kinetic Power** is developing a portfolio of ultra-long duration pumped-storage hydro (PSH) projects including one in the Four Corners region, the Carrizo Power Project.
  https://www.4cornersed.com/membership/our-members//p/item/17127/kinetic-power.
  https://carrizo.nmsu.edu/.