



Office of the Governor
MICHELLE LUJAN GRISHAM

490 Old Santa Fe Trail Room 400
Santa Fe, NM 87501

Phone: (505) 476-2200

Fiscal Year 2021 STRATEGIC PLAN

STATE OF NEW MEXICO

AGENCY

Energy, Minerals and Natural Resources
Department

Leadership



Governor Michelle Lujan Grisham's priorities

- Transformative strategic investments in public education: My team will work hand-in-hand with educators, students, parents and communities to build both a pre-kindergarten and K-12 public education system that is equitable, well-funded and provides New Mexico schoolchildren with every single opportunity they need to succeed.
- Improved access to high-quality health care throughout the state: We will leverage additional federal funding for Medicaid-eligible clients while proactively reaching out to eligible New Mexicans across the state to ensure every family has access to the care they need when they need it.
- Comprehensive health and well-being services for children and families: We will make significant investments in protective services personnel and advanced screening and case management services while continuing to leverage federal funds to ensure the safety of our most vulnerable youth.
- In Building the 21st Century economy New Mexico deserves: My team will creatively and aggressively leverage core strengths and growth areas, establish long-term partnerships in the film and television industries and launch sustainable new economic areas like cybersecurity, aerospace, value-added agriculture and intelligent manufacturing.
- Sustainable investments in the workforce: After having boosted the minimum wage for the first time in a decade, we will expand our apprenticeship programs and invest in job training programs, financial aid and the College Affordability Act.
- Prudent fiscal management: We will safeguard taxpayer dollars and key investments by targeting healthy General Fund reserves and deploying tax stabilization tools.

*Note from EMNRD
Cabinet Secretary
Sarah Cottrell Propst*



EMNRD's new strategic plan will lead us to become the national model for an energy and natural resource agency with deep policy expertise, transparent processes, and a cohesive mission that balances conservation and development. This plan aligns with the governor's vision of a well-regulated oil and gas industry, a modernized state park system, creation of a new energy economy, and an open and transparent government.

Our plan is anchored by:

- Improved transparency
- Addressing climate change
- Diversifying New Mexico's economy



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Vision, Mission and Values

OUR VISION

To become the national model for an energy and natural resource agency with deep policy expertise, transparent processes, and a cohesive mission that balances conservation and development.

OUR MISSION

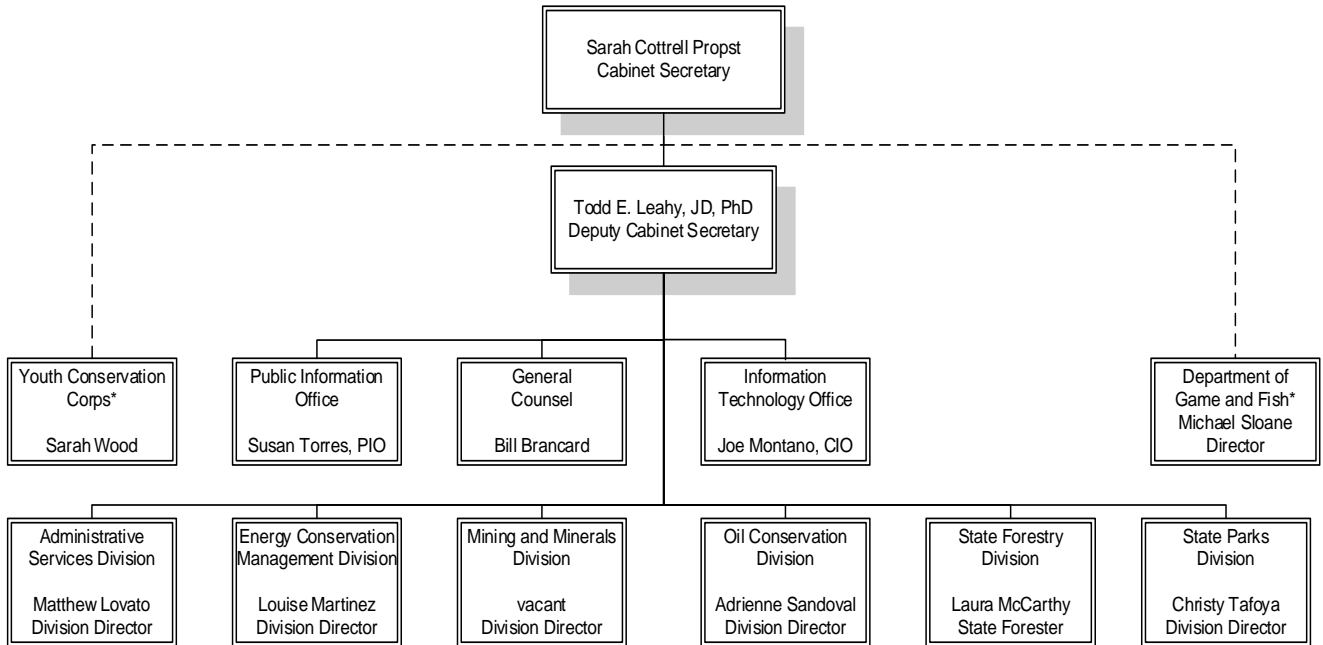
To position New Mexico as a national leader in the energy and natural resource areas for which the department is responsible.

OUR GUIDING VALUES

By using technology, elevating our partnerships, and basing our practices on the best science available, EMNRD can be a leader in natural resource management.

Organizational Structure

Energy, Minerals and Natural Resources Department



* Administratively attached with no direct budget support from EMNRD.

The New Mexico Energy, Minerals and Natural Resources Department (EMNRD) was created in 1987 through a merger between the Natural Resources Department and the Energy and Minerals Department. The individual administrative pieces of the department have been around much longer. The State Parks Commission was established in 1933, followed by the Oil Conservation Commission in 1935. The Department of State Forestry was created in 1957. The Coal Surface Commission was formed in 1972. The New Mexico Youth Conservation Corps was established and administratively attached to EMNRD in 1992. The following year (1993) marked the creation of the Mining Commission. Finally, the New Mexico Department of Game and Fish is attached to EMNRD for administrative support purposes only.

The present-day Energy, Minerals and Natural Resources Department consists of six divisions: the Energy Conservation and Management Division (ECMD) responsible for renewable energy and energy efficiency; the Mining and Minerals Division (MMD) responsible for hard rock mine regulation, mine reclamation, and abandoned mine lands; the Oil Conservation Division (OCD) responsible for the oversight of New Mexico's oil and gas industry; the State Forestry Division (SFD) responsible for forest health and wildland fire management; the State Parks Division (SPD) and the Administrative Support Division (ASD). The Office of the Secretary contains the Public Information Office, the Office of the General Counsel, and the Information Technology Office. EMNRD employs approximately 488 people at 48 different work sites across the state.



Oil and Gas Oversight

Purpose

To work towards diversification of New Mexico’s energy economy by addressing climate change and overseeing responsible development of oil and gas resources.

Stakeholders

Governor, Lieutenant Governor, Legislature, Oil and Gas industry, Public, Non-Governmental Organizations, Local governments, Federal government, Tribal Governments.

Benefits to New Mexicans

- Increased state revenue
- Protect public health and the environment
- Increased collaboration between industry and environmental community
- Increased transparency and public confidence with oil and gas development
- Increased enforcement to ensure responsible industry actions

2020 Budget and FTEs

	FTEs	Budget
EMNRD (Overall)	488	\$69,443,500
Oil Conservation Division	70	\$11,660,600



Oil and Gas Oversight

Program Goals and Objectives

- Develop a penalty rule, pursuant to 2019 House Bill 546, to ensure responsible development by oil and gas operators in New Mexico
- Increase compliance and enforcement oversight
- Reduce the amount of waste in the oil and gas industry, including (with NM Environment Department) a comprehensive rule for the reduction in methane released into the atmosphere
- Increase the number of retired wells plugged using the oil reclamation fund
- Develop seismic protections related to the reinjection of produced water from oil and gas production
- Develop a program to increase the reclamation and remediation of retired drill sites
- Develop a more robust technological and data infrastructure
- Develop rules for produced water recycling, and encourage use of recycled water over fresh water
- Develop a professional workforce through division reorganization, morale boosting, cross training, and professional development

Strategic Actions

- Active recruiting to reduce vacancy rates
- Reorganize the Oil Conservation Division to ensure consistency among division offices
- Increase the number of field inspections
- Oversee transparent and collaborative rulemaking process
- Improve reclamation and remediation of drilling sites
- Develop seismic monitoring system
- Increase transparency through public access to oil and gas production data

Performance Measures

Number of inspections of oil and gas wells and associated facilities
Percent of inspections of oil and gas wells and facilities showing compliance with regulations
Number of requested hearings and continuances relative to number of permits processed
Volume of vented gas and produced water injected
Average number of days to process an application drill permits



Supporting the Outdoor Recreation Economy: New Mexico State Parks

Purpose

Support diversification of New Mexico’s economy by strengthening our state parks system and collaborating across state government to grow the outdoor recreation industry in New Mexico.

Stakeholders

Governor, Lieutenant Governor, Legislature, Public, Local governments, Other State government agencies, Non-Governmental Organizations, Tribal Governments, Federal government, Outdoor Industry.

Benefits to New Mexicans

- Increase economic diversification
- Increase outdoor recreation opportunities across the state
- Increase education opportunities at State Parks including outdoor classroom
- Improve State Parks visitor experience

Budget and FTE

	FTEs	Budget
EMNRD (Overall)	488	\$69,443,500
State Parks Division	241	\$27,635,500



Building the Outdoor Recreation Economy

Program Goals and Objectives

- Help develop a more diverse New Mexico economy by highlighting outdoor recreation
- Modernize and upgrade State Parks infrastructure to improve the visitor experience
- Create new State Parks opportunities and programs for the public
- Increase State Parks partnerships by expanding Friends groups, and exploring public/private partnerships
- Recruit and retain professional State Parks staff
- Develop law enforcement initiatives to ensure visitor safety at State Parks
- Develop partnerships and regulations to ensure safe boating practices on State Parks lakes

Strategic Actions

- Evaluate State Parks fees structure
- Provide Wi-Fi in Parks to improve payment opportunities and online reservations
- Renewable energy projects to power State Parks
- Upgrade water and wastewater systems
- Create more water access projects (i.e. docks and boat ramps)
- Provide bilingual educational opportunities
- Explore public/private partnerships
- Develop partnerships with gateway communities

Performance Measures

Number of visitors to New Mexico State Parks
Amount of self-generated revenue per visitor, in dollars
Number of persons who complete a certified New Mexico boating safety education course
Number of interpretive programs available to park visitors
Number of Rio Grande Trail miles completed



Transparency and Accountability

Purpose

To develop and provide streamlined fiscal, technical, legal, and administrative processes to make EMNRD more efficient, effective, trustworthy, and professional.

Stakeholders

Governor, Lieutenant Governor, Legislature, Judiciary, Public, Media, EMNRD regulated industries

Benefits to New Mexicans

- High-functioning, open government
- Increased public engagement with EMNRD processes
- Ease of permitting requests by moving the processes online
- Ensure fiscal responsibility

Budget and FTE

	FTEs	Budget
EMNRD (Overall)	488	\$69,443,500
Program Support (including ASD)	50	\$5,011,300



Transparency and Accountability

Program Goals and Objectives

- Streamline internal EMNRD processes to ensure effective completion of tasks
- Improve communication both internally and externally
- Clear and effective internal policy development
- Website updates to ensure ease of public use
- IT and data systems improvements
- Rebuild the core of the agency
- Financial systems and processes improvements

Strategic Actions

- Continue high-quality legal support and add attorneys to support agency functions
- Modernize and standardize IT equipment and operating systems
- Build new, user-friendly website
- Provide guidance to EMNRD employees through step-by-step processes guides
- Improve Human Resources document submission with fewer errors
- Improve process time for all EMNRD transactions
- Improve employee efficiency and understanding of the financial process

Performance Measures

Number of prior year financial audit findings
Improved staff capacity
Increased public awareness of EMNRD initiatives
Decreased number of IPRA requests
Increased website traffic



Addressing Climate Change

Purpose

To lead in the development of New Mexico’s clean energy future through renewable energy, energy efficiency, alternative fuels, responsible mining and mine reclamation, and resilient forests.

Stakeholders

Governor, Lieutenant Governor, Legislature, Public, Local governments, Non-Governmental Organizations, Tribal Governments, federal government, Soil and Water Conservation Districts, EMNRD regulated industries, Governor’s Climate Change Task Force.

Benefits to New Mexicans

- Clean energy-powered economy
- Sustainable environment
- Resilient water supply
- Flora/fauna biodiversity
- Fire-adapted communities
- Protection from physical and environmental hazards from abandoned mines
- Mine lands returned to beneficial use
- Lower Greenhouse Gas emissions

Budget and FTE

	FTEs	Budget
EMNRD (Overall)	488	\$69,443,500
Energy Conservation and Mangement Division (ECMD)	17	\$3,503,400
Mining and Minerals Division (MMD)	32	\$8,253,900
State Forestry Division (SFD)	78	\$13,828,800



Addressing Climate Change

Program Goals and Objectives

- Reduce statewide greenhouse gas emissions
- Ensure resilient forests statewide for future generations
- Ensure responsible mine reclamation to bring lands back to a beneficial use
- Develop proactive wildland fire programs and provide for the mitigation of impacts post-fire
- Support modernization of New Mexico’s electric grid and ensure transmission of renewable energy
- Explore regional electricity markets for New Mexico renewable energy
- Encourage energy efficiency initiatives including: building codes, combined heat and power, clean energy performance financing, and clean energy incentives programs
- Support electrification in the transportation sector including electric vehicles, charging stations/infrastructure
- Implement the Climate Executive Order through the Climate Change task force
- Implement the Energy Transition Act

Strategic Actions

- Increase forest and watershed restoration projects
- Develop proactive fire management techniques
- Use prescribed fire as a forest health tool
- Develop water source protection planning
- Develop regional partnerships on clean energy and electric vehicles
- Provide technical assistance on renewable energy development
- Develop proactive mining and mine reclamation initiatives to ensure safeguarding of mine sites

Performance Measures

Percentage of permitted mines with approved reclamation plans & adequate financial assurance to cover cost of reclamation
Percentage of forest and watershed restoration accomplished within medium/high risk areas
Number of clean energy projects to which technical assistance was provided
Percentage of wildland firefighting equipment and training provided to local communities and fire departments



Building EMNRD’s Professional Capacity

Purpose

To better serve the citizens of New Mexico through a well-staffed agency consisting of technical and policy experts.

Stakeholders

Governor, Lieutenant Governor, Legislature, EMNRD senior leadership, Public, Local governments, other state agencies, Tribal Governments, higher education institutions, EMNRD regulated industries.

Benefits to New Mexicans

- High-functioning, responsive state government
- Clear agency points of contact
- Increased opportunity for public engagement
- Clear understanding both internally and externally of agency roles and responsibilities
- Consistent and quality regulation from professional staff guided by the best science and technology

Budget and FTE

	FTEs	Budget
EMNRD (Overall)	488	\$69,443,500
Energy Conservation and Mangement Division (ECMD)	17	\$3,503,400
Mining and Minerals Division (MMD)	32	\$8,253,900
State Forestry Division (SFD)	78	\$13,828,800
Oil Conservation Division (OCD)	70	\$11,660,600
Program Support	50	\$5,011,300



Building EMNRD’s Professional Capacity

Program Goals and Objectives

- Consistent and effective EMNRD staff training
- Increased opportunities for professional development
- Aggressive recruitment in key areas to ensure consistent staffing
- Develop a path to a career in state government to help improve staff retention
- Communicate agency successes both internally and externally

Strategic Actions

- Lower EMNRD vacancy rate Increase employee retention rate
- Develop aggressive recruiting strategies
- Decrease disciplinary actions agency-wide
- Increase professional recognition of EMNRD staff
- Develop paths for career advancement in EMNRD
- Ensure training in latest science and technological advances and bring them to bear on EMNRD actions

Performance Measures

Number of EMNRD vacancies
Number of years staff remains employed by EMNRD
Number of personnel disciplinary actions
Number of employees recognized by external bodies for excellence in their field
Number of employees reporting overall job satisfaction



Appendix I: Statutory Authorities by Division

EMNRD created by §9-5A-1 through 9-5A-7 NMSA 1978

- **Mining and Minerals Division**

- Surface Mining Act, 69-25A-1 to 69-25A-36
- NM Mining Act, 69-36-1 to 69-36-20
- Abandoned Mine Lands Reclamation Act, 69-25B-1 to 69-25B-12;
- Mine Registration and Reporting 69-5-7; 69-11-1 to 69-11-3; 69-26-1 to 69-26-3; 69-27-3
- Consolidation of small tracts for mineral development 69-9-1 to 69-9-10

- **Oil Conservation Division**

- Oil and Gas Act 70-2-1 to 70-2-39
- Statutory Unitization Act 70-7-1 to 70-7-21
- Produced Water Act 70-13-1 to 70-13-5
- Water Quality Act (constituent agency) 74-6-1 to 74-6-17
- Office of Interstate Natural Gas Markets 70-11-1 to 70-11-8
- Tax: Distribution to oil and gas reclamation fund 7-1-6.21; Oil and Gas Severance Tax Act 7-29-1 to 7-29-23; Enhanced Oil Recovery Act 7-29A-1 to 7-29A-5; Natural Gas and Crude Oil Production Incentive Act 7-29B-1 to 7-29B-6; Oil and Gas Emergency School Tax Act 7-31-1 to 7-31-27

- **Energy Conservation and Management Division**

- Tax Credits: Solar Market Development 7-2-18.14; Renewable Energy Production 7-2-18.18 and 7-2A-19; Sustainable building 7-2-18.24 and 7-2A-21; Geothermal ground coupled heat pumps 7-2-18.29 and 7-2A-26; Agricultural biomass 7-2-18.29 and 7-2A-26; New sustainable building 7-2-18.29 and 7-2A-28; Biodiesel blending facility 7-9-79.2
- Energy Efficiency and Renewable Energy Bonding Act, 6-21D-1 to 6-21D-10
- Public Facility Energy Efficiency 6-23-1 to 6-23-10
- Alternative Fuels Acquisition Act 13-1B-1 to 13-1B-7 and 9-5A-9
- Solar Collector Standards Act 71-6-6 to 71-6-10
- Geothermal Resources Development Act 71-9-1 to 71-9-11
- Advanced Energy Technologies Economic Development Act 71-7-1 to 71-7-7



Appendix I: Statutory Authorities by Division

EMNRD created by §9-5A-1 through 9-5A-7 NMSA 1978

- **State Forestry Division**
 - Forest Conservation Act 68-2-1 to 68-2-28
 - Forest Re-Leaf Act 68-2-29 to 68-2-33
 - Timber Act 68-1-1 to 68-1-5
 - Natural Lands Protection Act 75-5-1 to 75-5-6
 - Natural Heritage Conservation Act 75-10-1 to 75-10-9
 - Land Conservation Incentives Act 75-9-1 to 75-9-6; tax credits 7-2-18.10 and 7-2A-8.9
 - Watershed Restoration Act 9-5A-10

- **State Parks Division**
 - State Parks Division 16-2-2 to 16-2-33
 - State Trails System Act 16-3-1 to 16-3-9
 - Outdoor Recreation Act 16-1-1 to 16-1-4
 - Boating Act 66-12-1 to 66-12-23
 - Boating While Intoxicated Act 66-13-1 to 66-13-13
 - Rio Grande Trail Commission 9-5C-1



Appendix II: Activities by Division

- **Administrative Services Division (ASD)**
 - provides program support to the employees in every division of the Energy, Minerals and Natural Resources Department. The division supports the department and its employees in all aspects of budget, financial reporting and compliance, purchasing, fixed assets, loss control, assignment of rights to purchase EMNRD vehicle gas and services, and oversight of building lease requirements
- **Energy Conservation and Management Division (ECMD)**
 - provides the Renewable Energy and Energy Efficiency Program of EMNRD. The Division oversee Statewide energy conservation efforts including the use of alternative fuels. These fuels include solar, wind, geothermal, and biomass resources. This is accomplished via partnerships with private businesses, higher education universities, and research laboratories to invest in clean energy.
 - The Division serves as the United States Department of Energy state administering agency for federal energy grants.
- **State Forestry (SFD)**
 - is responsible for the protection of all State Forests. The division is also responsible for statewide fire management and suppression activities as well as overall tree health. Finally the division oversees all forest and watershed restoration efforts.
- **Mining and Minerals Division (MMD)**
 - MMD enforces and administers laws and regulations relating to mine safety, coal surface mine reclamation and abandoned mine lands reclamation.
 - And, MMD collects information regarding production and value of production, persons employed, mining equipment and methods and any other information as may be reasonably required
- **Oil Conservation Division (OCD)**
 - oversees all oil and gas drilling operations in the State. This is accomplished by issuing permits to drilling companies, inspecting drilling operations, protecting mineral rights, and preventing fresh water contamination.
- **State Parks (SPD)**
 - oversees the operations of 34 State Parks across the State. These State Parks are designed to protect and preserve the State's natural environment.