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DEPARTMENT

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New Mexico Economic Development Department Finalizes Energy Transition Act Awards

Projects in Grants, Shiprock, Abiquí, Farmington to move forward with energy storage and renewable initiatives

FARMINGTON, N.M. – The New Mexico Economic Development Department (EDD) has finalized awards from the Energy Transition Economic Development Assistance Fund to four projects that will diversify the economy and create jobs unrelated to fossil fuel development or use.

The 2019 Energy Transition Act (ETA) established a statewide target for investor-owned utilities and rural electric cooperatives to achieve 50 percent renewable energy by 2030 and 80 percent by 2040, with accompanying targets for utilities and co-ops to reach zero-carbon resources by 2045 and 2050, respectively. The ETA also provided financial mechanisms to ease the impact of coal plant closures, creating a fund to provide workforce training and economic relief to affected communities—defined by the ETA as any community in a county that is within 100 miles of a qualifying facility closure—particularly the San Juan Generating Station.

The 2023 Legislature allocated \$5.9 million to EDD for economic development opportunities unrelated to fossil fuel development or use and today’s awards are part of that effort.

The finalists were selected out of 15 submissions as part of an RFP process that was announced on March 1, 2024. The evaluation committee was comprised of experts in economic development, renewable energy, climate change, and social equity, with representatives from state agencies and an Indigenous-led nonprofit. The evaluation process included Tribal consultation and strong collaboration between EDD and the Energy, Minerals, and Natural Resources Department (EMNRD).

“Ultimately, the final awards honor the objectives and intent of the ETA, providing support for renewable energy projects in low-income, rural, and Indigenous communities affected by coal plant closures and creating opportunities for New Mexico-based renewable energy companies,” said Acting EDD Cabinet Secretary Mark Roper, who announced the projects at Gov. Michelle Lujan Grisham’s *Cabinet in Your Community* event in Farmington on April 11.

The following projects received funding:

Northern New Mexico Indigenous Farmers Inc. Shiprock, N.M. - \$3,638,375

The award provides the majority of funds needed to replace the Hogback Water Pumping Station and a solar-powered pumping station with microgrid and energy storage capabilities.

The Hogback Pumping Station is downstream from the Hogback Diversion on the Hogback Canal which flows between Waterflow and Shiprock, N.M. The pumping station provides irrigation water to farmlands within the Hogback Chapter of the Navajo Nation. The lateral irrigation lines have not been updated since the 1960s; as a result, approximately 2,000 acres of farmland have been sitting idle for

years. At present, the pumping station does not provide adequate water consistently throughout the agricultural season. The result is farmers spending time, capacity, and resources, to sow their fields and lacking consistent water to harvest their crops.

The project is also funded in part through the Gold King Mine Spill Settlement, administered by the Office of Natural Resources Trustee, and State of New Mexico Severance Tax Bonds.

NNMIF is comprised of local farmers who have waited to get their idle land to production after experiencing the impacts of pandemic food shortages. Its members have been instrumental in the vision of seeing the irrigation waters flow again, hoping for bountiful harvests in the years ahead.

C&E Concrete, Grants, N.M. - \$977,465

The grant will facilitate the development of three photovoltaic (PV) systems across C&E Concrete's facilities in Grants, N.M. with a total capacity of 245 kW. One of the key projects supported by the grant includes the installation of a storage solution for heightened power resiliency at their headquarters. This system will not only enhance the company's operations but also serve as a cornerstone for a community disaster relief shelter, showcasing the dual benefits of infrastructure enhancement and improved community safety.

In addition to the disaster relief shelter, two grid-tied systems will be deployed at C&E Concrete's manufacturing facilities, delivering significant energy offsets. Notably, one of these systems will replace a diesel generator, aligning seamlessly with the department's environmental objectives by reducing reliance on fossil fuels and mitigating airborne emissions.

C&E Concrete, a stalwart of the regional economy, will leverage this funding to transition from its traditional role as a supplier of high-grade calcium carbonate limestone to the now-closed Escalante and San Juan Power Plants, towards a future centered on clean energy production. With a workforce of 146 employees, the company exemplifies resilience and adaptability in the face of evolving economic landscapes, traits that have undoubtedly contributed to its 50 years of success in the industry.

This groundbreaking project, made possible in part by the U.S. Department of Agriculture, signifies a progressive leap forward for C&E Concrete and underscores the state's strategic vision to bolster economic vitality through sustainable energy initiatives.

This investment underscores the state's dedication to fostering renewable energy solutions and driving economic growth, especially in regions adapting to changes in the energy sector. The low-income, rural region has significantly been impacted by the Escalante Power Plant closure.

City of Farmington, Farmington, N.M. - \$1,036,861

EDD has elected to make a partial award to the City of Farmington in support of its solar generation and battery storage proposal. With the addition of renewable generating and storage capacity to the Farmington Electric Utility System, the proposed project along with other grant resources will help lower the cost of electricity to all ratepayers within its system.

Purple Adobe Lavender Farm, Abiquiú, N.M. - \$187,298

The award supports a project with Positive Energy Solar for the installation of three separate solar arrays located at the [Purple Adobe Lavender Farm](#) in rural Abiquiú. Combined, the three solar arrays will reduce the farm's carbon footprint, making Purple Adobe Lavender Farm a community leader in green business practices and allowing for year-round operations.

The farm grows commercial lavender, sells lavender products in its shop, and offers community events and educational opportunities to practice organic farming. During the peak season, it has nine employees.

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EDD's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive. EDD's programs contribute directly to this mission by training our workforce, providing infrastructure that supports business growth, and helping every community create a thriving economy.
