NEW MEXICO

NEW MEXICO’S GREEN JOBS GROWTH OUTPACES NEIGHBORS

A new study by Headwaters Economics compares how Colorado, New Mexico, Montana, Utah and Wyoming—five states with vast traditional and clean energy resources—are taking advantage of clean energy opportunities to create green jobs.

New Mexico has increased its percentage of green jobs faster than the other Rocky Mountain Energy Producers. While the total number of jobs in New Mexico grew only 13 percent over the period analyzed, green jobs grew by 62 percent. Particularly remarkable is the job growth in the Clean Energy (152 percent) and Energy Efficiency (241 percent) sectors. New Mexico’s green economy has helped the state weather the recession, illustrated by Albuquerque’s stature as one of the best economic performers in the entire nation during the downturn and the best-performing metropolitan area in the Intermountain West.¹

Green Jobs by Segment, 2007

New Mexico’s success shows the importance of both policy and political leadership. While the state offers a suite of incentives—such as property tax breaks, bonding, and worker training—New Mexico also has made green job growth a priority at all levels of government, from county commissioner to United States Senator. The result has been an aggressive outreach program that has brought a number of new businesses to the state.

New Mexico is also a regional leader in Energy Efficiency. The electrical power, industrial, and transportation sectors are the largest energy consumers in the region, but New Mexico is one of only two states to mandate efficiency through Energy Efficiency Resource Standards aimed at utility companies. Increases in Energy Efficiency can encourage economic growth because as consumers spend less on energy, they spend more on other goods and services.

Summary

- New Mexico’s green economy jobs grew by 62 percent between 1995 and 2007.

- Southwestern New Mexico’s “Solar Valley” is one of the best places in the country for solar power generation. Eastern New Mexico is emerging as a center for wind power.

- New Mexico policymakers, from Governor to county commissioner, have made succeeding in the clean energy economy a public priority.

- The state’s strong policies and incentives, when combined with world-class research facilities such as Los Alamos and Sandia National Laboratories, give it a winning advantage to attract jobs.

WHAT’S BEHIND NEW MEXICO’S SUCCESS?

Aiming to Recreate New Mexico as the “Solar Valley.” The state has rich potential for wind and geothermal energy production, and New Mexico is at the center of the North American solar industry, branding itself the “Solar Valley.” Companies such as Signet Solar Inc., which is building the company’s first North American solar panel production facility in Belen, are set to bolster New Mexico’s manufacturing base. The Signet plant is projected to create 600 high wage jobs.

Proactive Political Leadership. New Mexico policymakers have made succeeding in the clean energy economy a public priority.

“New Mexico represents an ideal location for solar manufacturing thanks to the state’s skilled labor, advanced infrastructure, and commitment to solar energy. The close cooperation between state, city, local officials and developers demonstrated to SCHOTT the clear commitment that New Mexico has made to becoming a leading location for the renewable energy industry.” Dr. Gerald Fine, President & CEO Schott North America

World-Class Research Facilities. New Mexico’s cluster of federal and state research institutions (Los Alamos and Sandia National Laboratories for example) are strong forces in the state’s success. For example, New Mexico 9000, an alliance of the New Mexico Economic Development Department and Honeywell Federal Manufacturing & Technologies, that provides logistical and financial assistance for attaining ISO (International Organization for Standardization) compliance, which is key to selling products internationally.

Growth of Renewable Energy Production by State (Indexed to 1990)

Energy-Related Competitive and Contract ARRA Funds by State, with National Rankings

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<tr>
<th>State</th>
<th>Competitive Awards</th>
<th>Contracts</th>
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<tr>
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HOW NEW MEXICO CAN KEEP CREATING GREEN JOBS

Strategic Pairings of Incentives with Clear Policy Goals. Progress in clean energy production and energy efficiency depends on a smart mix of incentives and regulations. The renewable industry will thrive in states that provide the best incentives alongside the best access to established markets.

Capturing Large-Scale Investment. States that attract the most private investment and federal funds are those that have a complete package of serious policies, incentives, and proven record in developing technological expertise and a skilled workforce.

Cultivating a Well-Resourced Business Environment. Companies on the cutting edge of technological development benefit from skilled workers and access to world class research institutions. New Mexico has positioned itself at the heart of the North American Solar Industry, and the state provides ample financial, logistical, and political support for the renewable energy industry and takes advantage of the internationally-significant research facilities within its borders.

Consistent Leadership. Developers and manufacturers of clean energy and energy efficiency technologies operate in a highly competitive global environment. They need to see consistent leadership in order to commit to a state.

The governors of three states—Montana, New Mexico, and Colorado—all have made significant clean energy outreach efforts which have paid off with the successful recruitment of global corporations to each state and established their reputations as leaders, particularly for Colorado and New Mexico, within the clean technology sectors.

Linking Resource Availability with Infrastructure Capacity. Rocky Mountain Energy Producers must overcome an inadequate infrastructure; which includes an outdated, overstressed electrical grid as well as federal, state, and local governments that currently lack the capacity and the necessary plans to respond to permits for new construction (for new facilities and transmission lines).

Colorado and New Mexico were late (2007) to establish state infrastructure authorities, unlike neighboring Wyoming which, in 2004, was the first in the region to establish a state entity. The Wyoming Infrastructure Authority is directly responsible for encouraging new transmission generation, and the agency’s strong financial and staff capacity has attracted several new transmission companies to the state.