

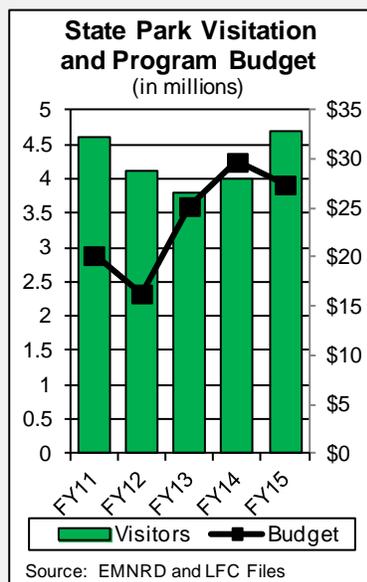
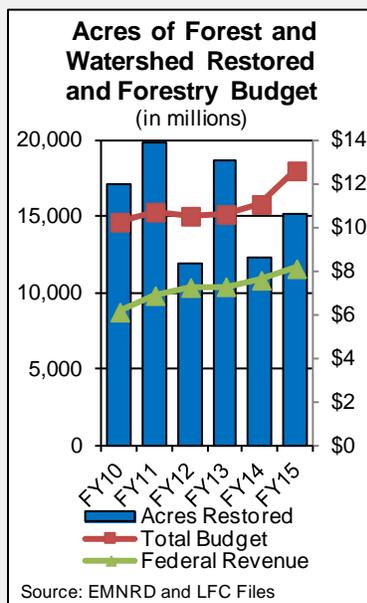
# PERFORMANCE: Energy, Minerals and Natural Resources Department

## KEY ISSUES

As shown in the charts below, the number and volume of oil spills increased dramatically in FY15. While oil production also rose, the increases were disproportionate. Production grew by 21 percent but the number and volume of spills increased by 43 percent and 61 percent, respectively.

## AGENCY IMPROVEMENT PLANS

Submitted by agency? Yes  
 Timeline assigned by agency? Yes  
 Responsibility assigned by agency? Yes



The Energy, Minerals and Natural Resources Department (EMNRD) missed many key performance targets in FY15. Other data sources, like the growing number and volume of oil and gas spills, indicate reduced success in the agency's regulatory efforts.

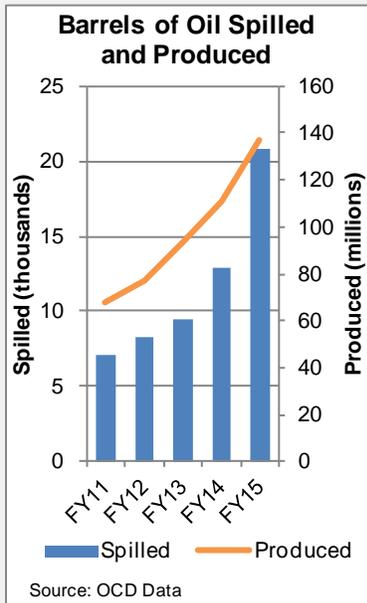
**Healthy Forests.** Although the program's forest thinning and watershed restoration efforts improved in FY15, the number of acres treated fell well short of the performance target. Although EMNRD's direct federal revenue increased from FY10 to FY15, the agency cites a 29 percent decrease in federal funding for state fire assistance during that period and expiration of American Recovery and Reinvestment Act funding as causes of the decline in acres treated and requested future performance targets consider this reduction in resources. The Legislature appropriated \$9.1 million for wildfire mitigation and watershed restoration in FY14 and FY15, and the program has worked to quickly put this funding to use.

Measure	FY13 Actual	FY14 Actual	FY15 Target	FY15 Actual	Rating
Number of nonfederal wild land firefighters provided technical fire training appropriate to their incident command system	1,687	2,074	1,700	1,625	Y
Number of at-risk communities or local fire departments provided funding for wildland firefighting equipment or training.	89	133	90	112	G
Number of acres restored in New Mexico's forests and watersheds	18,669	12,277	20,000	15,142	R
<b>Program Rating</b>					<b>Y</b>

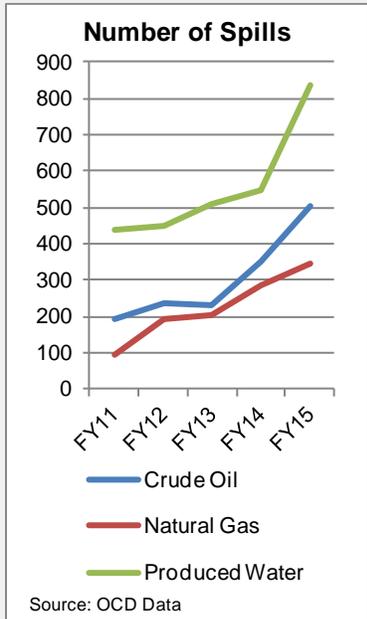
**State Parks.** Revenue per visitor fell by 9 percent, but overall revenue from visitors increased by \$860 thousand due to the highest level of visitation in the past decade. The agency points to the increased popularity of annual day use and camping passes as a possible cause of both the increased overall visitation and the reduced revenue per visitor.

Measure	FY13 Actual	FY14 Actual	FY15 Target	FY15 Actual	Rating
Number of visitors to state parks, in millions	3.8	4.0	3.8	4.7	G
Self-generated revenue per visitor	\$0.97	\$0.96	\$0.97	\$0.87	R
Number of interpretive programs available to park visitors	2,566	2,358	2,500	1,780	R
Number of people who complete a certified New Mexico boating safety education course	772	712	775	753	Y
<b>Program Rating</b>					<b>Y</b>

**Mine Reclamation.** The program continued to meet inspection



EMNRD identified two possible causes of the increase in oil spills. First, new drilling and production technology causes a higher volume of oil and associated waste to be present at the surface than in previous years, leading to a higher number of accidental discharges. Second, much of the aging infrastructure in New Mexico's oil fields, such as pipelines, storage tanks, and production facilities, is more susceptible to leaks and spills.



requirements and only one of 90 permitted mines does not have adequate financial assurance. EMNRD continues to report the mine without financial assurance is under application with a new owner and awaiting the conclusion of bankruptcy proceedings.

Measure	FY13 Actual	FY14 Actual	FY15 Target	FY15 Actual	Rating
Percent of permitted mines with approved reclamation plans and adequate financial assurance posted to cover the cost of reclamation	100%	99%	100%	99%	Y
Percent of required inspections conducted per year to ensure mining is being conducted in compliance with approved permits and regulations.	100%	100%	100%	100%	G
Program Rating					G

**Oil and Gas Conservation.** Oil, natural gas, and produced water spills continued an upward trend in FY15, even with a large increase in the number of inspections performed. This may indicate an ineffectiveness of the inspection efforts or, as the agency suggests, the increase in inspections causing more spills to be reported. The agency failed to meet the target for plugging abandoned oil and gas wells. Although there was a shortage of wells with plugging orders for most of FY15, it is the agency's responsibility to obtain such orders for abandoned wells. Over 200 plugging orders were issued in May 2015.

Measure	FY13 Actual	FY14 Actual	FY15 Target	FY15 Actual	Rating
Number of inspections of oil and gas wells and associated facilities	37,707	38,920	37,500	47,593	G
Number of abandoned oil and gas wells properly plugged using reclamation fund monies	57	32	50	31	R
Program Rating					Y

**Renewable Energy and Energy Efficiency.** The program fell short of important targets in FY15, including application review timeliness and energy use reduction which the agency attributes to reduced funding for efficiency improvements. To improve application reviews, the program made changes to the review process and hired temporary staff to help meet future goals.

Measure	FY13 Actual	FY14 Actual	FY15 Target	FY15 Actual	Rating
Percent of applications for clean energy tax credits reviewed within thirty days of receipt	99%	99%	90%	75%	R
Percent reduction in energy use in public facilities upgraded by clean energy projects	16%	11%	16%	14%	Y
Program Rating					Y