

Performance Report Card
Energy, Minerals And Natural Resources Department
Second Quarter, Fiscal Year 2014

Performance Overview: The agency is on pace to meet FY14 targets despite challenges such as drought conditions, severe fire seasons, and increased production of oil and gas – a critical source of employment and income for New Mexico.

Renewable Energy and Energy Efficiency Program		Budget: \$3,451.1	FTE: 9	FY12 Actual	FY13 Actual	FY14 Target	Q1	Q2	Q3	Rating
1	Percent reduction in energy use in public facilities upgraded by clean energy projects			21.5%	16%	10%	10%	11%		Y
2	Number of Waste Isolation Pilot Plant (WIPP) related emergency responder and shipment inspection trainings and practice exercises conducted			new	80	45	9	8		Y
3	Number of inventoried clean energy projects evaluated annually			54	55	50	12	9		Y
4	Percent of applications for clean energy tax credits reviewed within thirty days of receipt			new	99%	60%	100%	100%		G
Program Rating				Y	G					Y

Comments: The baseline energy use (site electricity and natural gas) in state and local governments, school districts, higher education institutions, and tribal facilities where energy efficiency measures have been implemented is estimated to have been reduced by 11 percent. Program staff reviewed all 524 applications for the four clean energy tax credit programs received during the quarter within 30 days of receipt. Although most WIPP related emergency responder and shipment inspection trainings occur in the last quarter of the fiscal year, the agency may not be able to sustain the same level of activity as last year due to WIPP Coordinator vacancies at both the Department of Public Safety and the State Fire Marshalls Office.

Healthy Forests Program		Budget: \$14,048.0	FTE: 68	FY12 Actual	FY13 Actual	FY14 Target	Q1	Q2	Q3	Rating
5	Number of non-federal wildland firefighters provided professional and technical incident command system training*			1,474	1,687	600	27	261		G
6	Number of acres treated in New Mexico's forest and watersheds* (cumulative)			11,971	18,669	8,000	3,487	4,484		G
7	Number of at-risk communities or local fire departments provided funding for wildland firefighting equipment or training			new	89	60	2	70		G
Program Rating				G	G					G

Comments: State Forestry is on track to perform well on all of its measures. The majority of training takes place over the winter and spring months prior to fire season when fire activity is lowest. The program assists local fire departments with equipment purchases throughout the winter months to spend federal allocations. Between federal fiscal years 2011 and 2013, federal funding decreased 20.5 percent for state fire assistance. The U.S. Forest Service notified the agency that federal funding levels are expected to continue to decrease in the future. The 2014 General Appropriation Act included over \$900 thousand in general fund for 12 positions to establish firefighting crews comprising armed forces veterans. The initiative enables the agency to train and hire more New Mexicans to fight fires within the state during peak fire season. Although the number of acres treated in the state increased significantly, it is not sufficient – experts suggest 50 thousand to 100 thousand acres should be treated per year to proactively thin overgrown forests so they are more resilient to fire, drought, insects and disease. 2014 capital outlay appropriations to the agency included \$6.2 million for watershed restoration.

State Parks Program		Budget: \$29,718.9	FTE: 263	FY12 Actual	FY13 Actual	FY14 Target	Q1	Q2	Q3	Rating
8	Number of visitors to state parks*			4,101,098	3,785,332	4,000,000	1,575,754	469,989		Y
9	Self-generated revenue per visitor, in dollars*			\$1.05	\$0.97	\$1.05	\$0.85	\$0.90		R
10	Miles added to state parks trails and the Rio Grande Trail			31.11	8.2	10	7	0		Y
11	Number of persons that complete a certified New Mexico boating safety education course			625	772	800	250	53		Y

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12	Number of interpretive programs available to park visitors	3,962	2,566	2,800	568	404			R	
Program Rating		G	Y						Y	
Comments: State park visitation and self-generated revenue per visitor do not appear to be on pace to meet the annual targets because the program is facing challenges related to inclement weather including drought, fire, floods, high fuel prices, low water levels and lake closures throughout the state. The program should look for new ways of creating revenue opportunities and seek operating cost efficiencies.										
Mine Reclamation Program		Budget: \$8,262.7	FTE: 32	FY12 Actual	FY13 Actual	FY14 Target	Q1	Q2	Q3	Rating
13	Percent of permitted mines with approved reclamation plans and adequate financial assurance posted to cover the cost of reclamation			100%	100%	100%	99%	99%		G
14	Percent of required inspections conducted per year to ensure mining is being conducted in compliance with approved permits and regulations			100%	100%	100%	Annual			
Program Rating				G	G					G
Comments: All permitted mines must have financial assurance posted to cover the cost of reclamation, including coal and uranium mines. Ninety-six out of 97 mines are permitted with adequate financial assurance and approved reclamation plans. In the second quarter, the program determined the Eagle Mesa Mine was inadequately covered with financial assurance. The Eagle Mesa is a humate operation that expanded beyond the 10 acre limit and was issued a notice of violation since their financial assurance was inadequate for the amount of acreage disturbed.										
Oil and Gas Conservation Program		Budget: \$9,343.3	FTE: 61	FY12 Actual	FY13 Actual	FY14 Target	Q1	Q2	Q3	Rating
15	Number of inspections of oil and gas wells and associated facilities*			35,147	37,707	30,000	8,932	7,916		G
16	Number of abandoned oil and gas wells properly plugged using Reclamation Fund monies			new	57	25	10	16		G
Program Rating				G	G					G
Comments: The program appears to be performing its inspection responsibilities, despite the continued heavy workload for inspectors. However, the agency noted, it may not sustain the same level of inspections as reported in FY13 due to problems with recruitment and retention primarily stemming from competition in the private oil and gas sector in New Mexico. This has contributed to a vacancy rate of 23 percent for the first half of FY14. High exploration, drilling, and production activity in the Permian Basin demonstrate the need to enhance the level of service. The program is currently working with a group of contractors to properly plug a significant number of wells resulting from the business failure of the former Xeric Oil and Gas Corp. There are 45 such wells located southwest of Hobbs, 26 of which were plugged in the first and second quarters of FY14.										

* Denotes House Bill 2 measure