



Annual Report



August 2023

Coalition of Sustainable Communities New Mexico
c/o Santa Fe Community Foundation
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SUMMARY

Dear Coalition Members:

We are now in our fifth year as a coalition and are joyful to welcome our newest member, Bernalillo County, to the Coalition family. We are so pleased to welcome the most populous local government in the state to our Coalition! We thank those members who contacted colleagues from other local governments to consider joining our Coalition. It takes effort from all of us to grow this organization; we have an important track record of results to share with prospective members.

The constituencies of our members now represent close to 50% of the population of the state. As we continue to witness extreme weather events across New Mexico and the globe, we have renewed our commitment to better understand how we can work together with partners to address the impacts of climate change.

This has been a year of tremendous growth as the Coalition continues to expand its focus on the development of solutions that reduce greenhouse gas emissions as well as inequities exposed during these times. Those inequities translate into extremely high energy burdens for our low-income populations and lack of meaningful access to those services that can reduce their energy burdens as well as make their households more livable as the heat index climbs. The Coalition has shown determination over this past year in ensuring the development of meaningful solutions through policy advocacy, knowledge development, and project work that creates solutions. And we have scaled up **the impacts of our work**.

We could not have accomplished the solutions highlighted here without robust **collaborations** on projects and in our advocacy work for legislation and rulemaking. Additionally, our **networking** within partnerships – in the American Green Bank Consortium and within the Urban Sustainability Directors Network (USDN) Partner Network – afforded CSCNM the opportunity to share and learn best practices and delve into issues important to our membership. Further, our Steering Committee meetings offer sharing of best practices by our Members.

Our **leadership** took many forms and strengthened the high profile we have achieved in our **advocacy role** at both the state legislature and at the PRC. Altogether, our advocacy promoted stronger action around sustainability, equity and climate change. Some highlights:

- In the legislative area, we refined our process for assisting members in the development of their legislative priority resolutions and keeping members informed about the status of priority bills. We recommended actions during legislative hearings by our members and were vocally supportive of key bills supported by our member communities. Our voice has become significant in advocating on behalf of our local governments.
- We developed and introduced SB169, the Climate Investment Center Act, for the state to help develop the Climate Investment Center as an independent nonprofit public corporation acting as a “green bank” for New Mexico and to position it to receive significant Federal funding from Greenhouse Gas Reduction Fund (GGRF), resulting from the Inflation Reduction Act.
- We continue our engagement in the evolution of New Mexico’s community solar program. We joined with other intervenors at the NM Supreme Court, opposing a last-ditch effort by the three investor-owned utilities to stay the community solar program. As the community solar program steams ahead, we are hopeful that the court case will be dismissed.
- We also continued our advocacy for serious climate action on the world stage at COP27 in Egypt, November 2022. As “Official Observers,” we enabled three young international climate activists to travel in our spots. Among them, they attended key US presentations, participated in sustainability panels, and engaged with other activists in demands for accelerated climate action on the part of nation states and leading companies.

Our equity-focused work centered on **solutions development** for economically struggling New Mexicans, exploring ways to begin reducing their energy burden and increasing livability through energy efficiency, electrification, home improvements, and increased opportunities for their participation in the use of solar energy, both through community solar and through onsite subsidized solar installations. We participated in contract work to further these developments, as well as in the development of scalable pilots.

- As continuing affirmation of our leadership role is the shepherding of the low-income set aside of the community solar program’s development, the Coalition entered in a contract with InClima, the Community Solar Program Administrator for the PRC, to be

the Low-Income Facilitators in the rollout of Community Solar. This role leveraged our prior work with the PRC to develop a comprehensive understanding of how to best access members of low-income communities through community-based organizations that are trusted by them.

- The Coalition partnered with Habitat for Humanity and YouthWorks to help run the City of Santa Fe's Solarize program. This is the second year that Santa Fe has run this program, which focuses on increasing access for low-and-moderate income households to rooftop solar and energy efficiency. The Coalition team continues to see the Solarize Program as a pilot that can be adopted by other cities and counties and could be supported by loan products and outreach by a statewide "green bank."
- When SB169 failed to pass the State Senate, the Coalition Team, with the concurrence of Coalition members, determined that it needed to create the New Mexico Climate Investment Center (NMCIC) as an independent nonprofit corporation "green bank" for it to be recognized in applying for GGRF awards. We have been engaged with EMNRD in developing a \$400 million proposal for GGRF's Solar for All program on behalf of the emerging NMCIC, .
- The Coalition applied for and received New Mexico nonprofit corporation status for the NMCIC and is in the process of developing the 501(c)3 application to the IRS. The Coalition is also seeking funding from Coalition members and others to continue the work of building the NMCIC's foundational framework.
- At the invitation of the Bezos Earth Fund, the Coalition, with the support of the Urban Sustainability Directors Network (USDN) as fiscal sponsor, was awarded a large grant and role in coordinating aspects of the Equitable Greening of American Cities (Equitable Greening) program with the City of Albuquerque and five non-profit organizations that will develop projects in their respective communities to meet the program criteria.

The Coalition advanced its work in ***knowledge development*** through various means:

- Experts weighed in during six roundtables and webinars that were presented between August 2022 and June 2023 on topics of importance. All video recordings and PowerPoint materials of these virtual presentations can be found on our [website](#).
- Presentations by CSCNM team members.
- As there were no Coalition elected officials or staff who were able to attend COP27 in Egypt, we used our three "Official Observer" quotas to support young adult climate

activists from around the world. They shared the knowledge that they gained with the Coalition.

The Coalition continues to operate on a small **budget** with a team of four - with the Executive Director serving pro bono. We accomplished much within our budget and ended the year in the black, though the need to grow our team with paid personnel continues as we expand our work.

In conclusion, we feel that we made a significant contribution as a collective voice in ***advocacy*** that was clearly stronger than what single voices could be; in so doing, we placed the Coalition in a ***leadership*** role in the legislative, administrative, and agency arenas. We filled some gaps in the social equity area through our ***solutions development*** work in areas of rooftop and community solar, and we initiated the launch of the New Mexico Climate Investment Center. We found areas in which to deepen ***knowledge*** through our presentations, roundtables and webinars as well as our representation at the COP meetings. Our membership survey indicated that you, our members, feel that our work is of value. We look forward to furthering the value of our service to you in expanded ways in the coming years in support of *your* leadership!

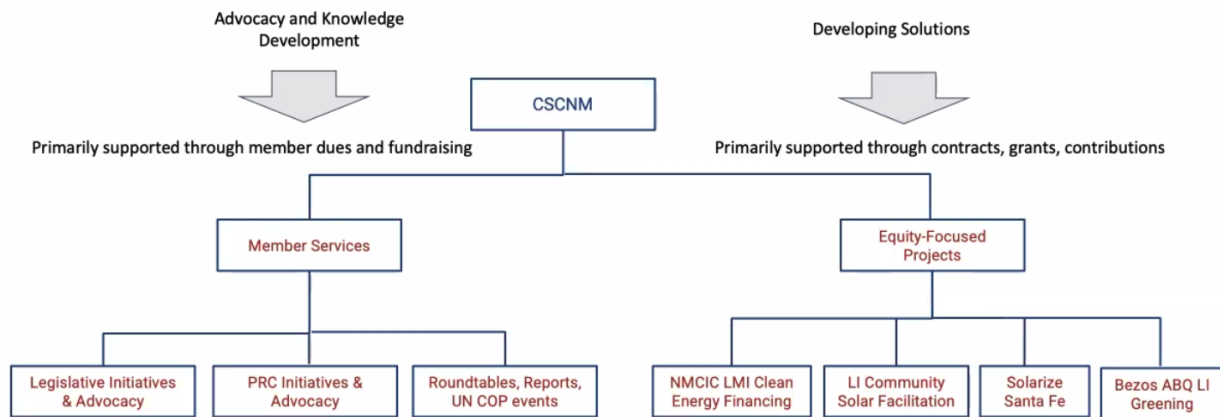
Sincerely,

A handwritten signature in black ink that reads "Beth Beloff". The signature is written in a cursive, flowing style.

Beth Beloff, Executive Director

COALITION WORK SECTORS

The Coalition's work is focused on creating resilient, equitable, and sustainable communities, and can be roughly divided into two sectors, as shown in the figure below.



The left sector involves leadership and collaboration in advocacy and aims at supporting our member governments in priority areas of legislation, state and local regulatory issues, and education through webinars, roundtables, reports, and participation in UN COP (Conference of Parties) meetings. This work is primarily supported through Member dues. The right sector is focused on leadership and collaboration on developing and implementing equity-focused solutions to energy and climate challenges faced by some of our most vulnerable communities. This work has recently focused on ways of making solar energy and energy efficiency more widely accessible. This work is primarily funded through contracts and grants.

ADVOCACY

In FY2023, the Coalition continued to express a clear collective voice advocating for legislation, regulations, and administrative actions for energy choice, resource conservation, equity, and greater climate action at the state and local level.

- Number of bills supported in the 2023 legislative session: **16**
- By area: **Energy (8), Environment (5), Governance (1), Finance (2)**
- Number of supported bills that passed and signed into law: **4**
- Number of formal comments submitted to PRC: **4**
- Number of PRC updates/strategy meetings with Coalition Members: **3**

Legislation

Despite the introduction of a host of climate action and sustainability bills by House and Senate members, only a limited number cleared both chambers and gained the Governor's signature.

While the overall outcome was modest in scope, important bills were signed into law in the 2023 session. These included SB9, which creates the Land of Enchantment Legacy Fund for state agency conservation projects, such as wildfire reduction, wildlife habitat, and enhanced recreation; HB228 Improvement Special District Act, which updates the state's property assessed clean energy law to make private sector funds more readily available for energy efficiency and solar upgrades to commercial and multifamily buildings; and HB95 Renewable Energy Office in State Land Office, creating a permanent office in SLO to advance the production and development of renewable energy on state trust land.

Rules and Regulations

The Coalition provided expert input to help shape rules and regulations at the state level impacting individual member communities.

PRC rulemaking for Community Solar: The Coalition continues to play an active role in advocating for the implementation of a community solar program that will bring meaningful financial and environmental benefits to all New Mexicans, especially those that are struggling financially.

The Coalition submitted a legal document to the NM Supreme Court opposing EPE's motion for a stay of the community solar program. EPE was later joined by SPS and PNM, and narrowed their arguments in their brief, challenging the solar bill credit calculation and reporting and operating requirements. Coalition for Community Solar Access (CCSA) and Renewable Energy Industry Association (REIA) wrote a consolidated answer brief, joined by the other intervenors: CSCNM, New Energy Economy (NEE), and Las Cruces.

Quarterly meetings were held to discuss ongoing PRC hearings, with emphasis on electric utilities in each of the three service territories. Members were informed of cases, hearing timetables, and opportunities for intervention or participation. Email updates are sent out periodically to Members.

KNOWLEDGE DEVELOPMENT

The Coalition supports networking, sharing of knowledge and best practices, as well as development of new policies and collaboration among Members and other stakeholders through the publication of papers and reports and the facilitation of roundtables tailored to meet Member priorities.

Virtual Roundtables and Webinars

The Coalition hosted a variety of roundtables and webinars over the past fiscal year. Most roundtables took the form of presentations by topic experts followed by questions from the participants. We had participation from local government, non-profits, nationals, and citizens. Recordings and presentations from roundtables and webinars can be found on our [website](#).

Roundtables offered to Coalition Members in FY2023:

- **Sustainable Water**, July 6, 2022
- **Climate Aligned Purchasing**, July 29, 2022
- **2023 Legislative Preview**, December 6, 2022
- **Extended Producer Responsibility**, February 3, 2023
- **Net Zero in Three Years**, April 20, 2023
- **Applying for EV Charging Funding**, April 27, 2023

USDN Partner Network Program

The Coalition continues to participate in the USDN Partner Network Program, which is a group of local governments throughout the nation that meet quarterly to share knowledge and best practices on topics of government sustainability policies and programs.

COP27 Participation

For the second year in a row, the Coalition used our Official Observer status (via the Santa Fe Community Foundation) to find ways to support climate action at the annual United Nations Climate Change Conference. The Conference of the Parties (COP) 27 was held in Sharm El Sheikh, Egypt from November 6-20.

As there were no Coalition elected officials or staff who were able to attend, we used our three quotas to support young adult climate activists from around the world. Jacob Wilentz, a Coalition intern and graduate student at Duke University, represented Coalition interests throughout the COP. Roseline Mansaray, founder of Fridays for Future Sierra Leone, traveled from Freetown to attend her first COP bringing activist energy to civil society gatherings during

this Africa-based conference. Sydney Males Muenala, an indigenous activist from Otavalo, Ecuador, represented Latinas for Climate and brought a strong voice to multiple panels on biodiversity, natural habits, and sustainability.

Awareness of and participation in the UN's climate change conferences provide insight and inspiration for the work we do here in New Mexico. "Sub-national" actors (our state, cities, and counties) are key to the worldwide effort to keep global temperature rise to 1.5 degrees C.

SOLUTIONS DEVELOPMENT

The Coalition engages in collaboration with Members and other stakeholders to develop equity-focused solutions to priority challenges, including developing policies, programs and pilot projects.

Community Solar

The Coalition continues to show leadership in the development of an equitable community solar program in New Mexico, which will provide meaningful financial savings to low-income households. This year the PRC hired InClimate as the Program Administrator. InClimate awarded a subcontract to the Coalition to support outreach and education for low-income participants in the program.

An RFP for bids for 200 MW of community solar projects was released this year, resulting in 411 project submissions. 45 projects were awarded for the 200 MW of capacity across the three investor-owned utilities' service territories. At the end of July the bid winners were given the green light to begin enrolling subscribers for their projects. One challenge that the projects will face is the requirement to fulfill their low-income enrollments within a year of the bid awards, even though it will take most projects 1-1.5 years in order to be built and operational. This may cause some confusion amongst subscribers, needing to subscribe to a project with such a long lead time before they will see their first bill and bill credit.

The Coalition has created a low-income working group composed of various organizations that work with low-income communities. The purpose of the working group is to provide a forum where the organizations can report back on how they are seeing the program unfold in their communities, ask questions to the Program Administrator, and provide feedback for modifications in the program. The Coalition will also provide online educational webinars to organizations so that they are well informed about the community solar program and can support their constituencies. The Coalition also plans to work with several low-income serving nonprofits to support community outreach and education at the household level.

Solarize Santa Fe

The Coalition partnered with Habitat for Humanity and YouthWorks to help run the City of Santa Fe's second year of Solarize Santa Fe, a program oriented towards increasing access to rooftop solar and energy efficiency. The program is built around group discounts and consumer protections on solar installations with vetted installers and subsidies for income qualified households. NM Gas also provided funding for free weatherization measures for 30 income qualified households. The Coalition collaborated with partners to perform outreach targeting income qualified households, resulting in 142 registrations for the program, 30% of whom were income qualified. The program ended up installing 29 systems, 20% of them on income qualified homes. 11 income qualified households signed up for the free energy efficiency measures. YouthWorks also matched a youth with a successful apprenticeship with one of the solar installers.

We hope that all of the documents, outreach materials and strategies, and technical and financial knowledge from helping administer this program can support other member cities and counties who might be considering programs to increase residential solar adoption, especially amongst low- and moderate-income households.

New Mexico Climate Investment Center (NMCIC)

Over the last three years, the Coalition has been actively exploring various strategies to finance climate action, focusing on understanding the role of "green banks", and is a member of the American Green Bank Consortium. Green banks (which are not deposit-taking banks) use public and private sector money to fill finance gaps for investments that reduce greenhouse gas emissions and other pollutants, and often have an emphasis on programs that provide economic development and savings opportunities to disadvantaged communities.

The Coalition has been pursuing the development of a state-wide green bank for New Mexico that addresses climate change and economic inequality. This was the purpose behind the development of SB169, the Climate Investment Act, which sought state support for the creation of the New Mexico Climate Investment Center (NMCIC) as an independent nonprofit public corporation.

The Inflation Reduction Act, which passed Congress a few months before NM's the 2023 Legislative Session, resulted in the creation of the EPA's Greenhouse Gas Reduction Fund (GGRF) which has created \$27 billion in competitive grants to mobilize capital to reduce GHG emissions while also delivering economic benefits to disadvantaged communities. The limited time

allowed to apply for these grants created the expedited timeline to pass legislation. Once the bill failed to pass out of the Senate, the Coalition team determined, with concurrence of its members and encouragement from the Governor's office, that it was important to quickly create the NMCIC to be positioned to receive substantial federal funding from the GGRF.

The Coalition has also sought State funding to initiate operations as quickly as possible, as well as funding from our members and other sources to support the legal fees and other expenses related to the creation of legal documents required for achieving independent 501(c)3 nonprofit status, developing the governance structure, strategic objectives, partnerships, and other relevant organizational elements. Additionally, the Coalition is developing strategies and proposals to fund its operations.

Currently, NMCIC has been granted New Mexico nonprofit status, is in the process of finalizing its application for 501(c)3 status with the IRS (which includes description of governance and requisite policies), has developed a logo and URL for NMCIC, and is actively engaged in developing proposals for the three grants offered through the GGRF: Solar for All, National Clean Investment Fund, and Community Development Investment Accelerator.

Bezos Earth Fund Greening of US Cities Project

The Urban Sustainability Directors Network's (USDN) Partner Network invited the Coalition to participate in a grant proposal to the Bezos Earth Fund to address greening strategies for low-income disadvantaged communities in five cities identified by the Bezos team, including Albuquerque. At the invitation of the Bezos Earth Fund, the Coalition, with the support of the Urban Sustainability Directors Network (USDN) as fiscal sponsor, was awarded a significant grant and role in coordinating some aspects of the Equitable Greening of American Cities (Equitable Greening) program with the City of Albuquerque and five non-profit organizations that will develop projects in their respective communities to meet the program criteria. The program will have a two-year development period, and the Coalition will play a role in assessing and evaluating program impacts, strategies implemented, and create feedback loops to amplify lessons learned on (1) collaborative governance models, (2) best practices for community and partner engagement, and (3) how to replicate the model in other communities within the Coalition and the Urban Sustainability Directors Network.

MEMBER FEEDBACK

Six staff members, two elected officials, and one ex-officio completed our annual survey evaluating work completed over the past year, as well as providing input for future directions.

Reviewing the Coalition's work over the past year, the greatest support from all respondents was given for the Coalition's legislative advocacy for bills and supporting Members with the development of their legislative priorities. This was similar to the feedback from last year. Members also saw value in the Coalition's ongoing work on community solar and PRC updates.

In terms of focus areas for next year, respondents want to prioritize legislative advocacy, continued roundtables, and equity-focused pilot projects. In terms of specific areas, a statewide "green bank" received overwhelming support, followed by continued work on low-income community solar, and equity focused work around energy efficiency and clean transportation. Most Members support expansion into areas of water conservation.

MEMBERSHIP EXPANSION

New Members: The Coalition recently increased its membership to eight, adding Bernalillo County. We now cover jurisdictions encompassing 46 percent of the state's population. Ex Officio Members include the State Land Office, the State Environment Department, and UNM Sustainability Program.

Outreach: Local governments that may be interested in joining the Coalition have been approached directly by staff or with letters signed by Commissioner Hansen or Mayor Webber, including: Dona Ana County, Mora County, San Miguel County, Grant County, Town of Bernalillo, City of Bayard, and McKinley County.

FINANCIAL SUMMARY

The Coalition continues to do a lot with a little!

- Number of pro-bono hours: **Beth (1450 hrs); Gary (160 hrs)**
- Number of paid hours: **Ken (298 hrs), Christian (990 hrs), and Mikki (199)**

Throughout FY2023, the Coalition operated under the budget approved by the Executive Committee in its August 2022 annual meeting. During the year, revenue was \$103,012, carry over from FY2022 was \$37,979, with expenses of \$93,481. We enter FY2024 with a carryover of \$47,511. Carryover funds are important to cover operations at the beginning of the fiscal year and before membership dues are received.

	FY2023 Actual	FY2024 Proposed
Revenue		
<i>Membership Dues</i>	\$70,450	\$87,150 ¹
<i>Contract Services</i>	\$27,312	\$35,000 ² \$120,000 ³
<i>Donations</i>	\$5,250	\$100,000
<i>Prior Yr Carry-Over</i>	\$37,979	\$47,511
	<hr/>	<hr/>
	\$140,991	\$389,661
Expenses		
<i>Staff Hourly Wages</i>	\$65,540	\$230,000 ⁴
<i>Sub-Contractors</i>	\$9,887	\$25,000 ⁵
<i>Legal</i>	\$10,310	\$25,000
<i>Miscellaneous</i>	\$664	\$2,000
<i>Travel</i>	\$420	\$2,500
<i>8% Fiscal Agency Fee</i>	\$6,660	\$31,173
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	\$93,481	\$311,673

In FY 2024 we are budgeting for an expansion of project work and related expansion of the project team and outside consultants. We have enjoyed operating under the fiscal sponsorship of the Santa Fe Community Foundation, but as we grow we are looking to receive our own 501(c)3 status to be able to hire employees on salaries with benefits.

LOOKING TO THE FUTURE

In the year ahead, the Coalition will continue to focus on its core mission of advancing equity-focused climate action and sustainability for its member communities and for New

¹ Dues receipts may increase with continued membership growth.

² Continued funding for projects initiated in FY23.

³ Contract services may increase with work on NMCIC, Solarize Santa Fe, Community Solar.

⁴ Wages to include significant expansion of team with benefits and reduction of pro bono hours.

⁵ Sub-Contractor fees anticipated for strategic planning, contract administration, accounting.

Mexico at large. Through leadership, advocacy, knowledge and solutions development, the Coalition moves into its fifth year of existence with clear purpose. Equitably expanding access to renewable energy, reducing the cost burden of energy on low- and middle-income citizens, emphasizing energy efficiency opportunities, and more will guide the work. In supporting our members' emphasis on the importance of equity in the work we do, we believe it is imperative to create greater collaboration with the community-based organizations who best know the priorities of marginalized communities.

As the impact of the climate crisis grows more severe with each year, so does our resolve to act at the community and state level. Our participation in the COP28 Climate Summit in Dubai will also allow the voice from New Mexico to be heard at the global level.

In FY 2024 we look forward to expanding ways to serve our members, to increasing our membership reach across New Mexico, and to creating the New Mexico Climate Investment Center which will fill financing gaps in funding of climate solutions and climate equity needs across the state.