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Strategic Plan

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New Mexico Public Regulation Commission (NMPRC) Strategic Plan 2023-2026

Introduction

A recent constitutional amendment has restructured the NMPRC: the Commission is now led by three appointed Commissioners rather than five elected ones. This has led to significant changes in the NMPRC's operations and vision.

The NMPRC's Leadership has recognized that a new strategic plan would allow the Commission to take advantage of the opportunities created by these changes. The NMPRC hired an experienced planning consultant who advised the Chief of Staff on a deliberative, participatory process to engage and unify the leadership and develop a comprehensive plan.

Description of the Process

Two planning teams developed the elements of the strategic plan: a core planning team (“CPT”) with primary responsibility for formulating the plan and a review team (“RT”) that provided feedback to the CPT.

The CPT consisted of the three Commissioners: Patrick O’Connell; Gabriel Aguilera; and James Ellison, the Chief of Staff, Cholla Khoury, Scott Cameron, Arthur O’Donnell, Patrick Rodrigues, Miranda Mascarenas, Collin Gillespie, Anthony Medeiros, David Martinez, Ed Rilkoﬀ, Jesse Montoya, Bradford Borman, and Jordan Gutierrez. They met six times for a total of seventeen hours.

The RT consisted of Melanie Sandoval, Jason Montoya, Judith Amer, McLee Kerolle, Cynthia Enriquez, Elisha Leyba-Tercero, Jennifer, Baca, John Bogatko, Mary Jane Parks, Miguel Lujan, Erika Stephanz, Elizabeth Hurst, Christopher Dunn, Rene Kepler, Mike Ripperger, and Elizabeth Jeffreys. This team met three times for a total of eight hours.

Before the CPT began its work, the consultant designed two online, anonymous surveys with questions to gather important perspectives from all NMPRC staff and a cross-section of public stakeholders with knowledge of the NMPRC’s work and operations. The questions in both surveys were identical, except for Question 6.

1. What are the most important organizational strengths that the NMPRC has that can be leveraged to increase its effectiveness?
2. What are the most critical weaknesses the NMPRC has that limit the organization’s ability to be effective?
3. What are the most important opportunities the NMPRC should pursue to become more effective?
4. What are the most significant challenges the NMPRC must overcome to more effectively serve the residents of New Mexico?
5. NMPRC 3 Year Vision: What do the successful results from this plan look like on July 31, 2026?
6. How can the NMPRC more effectively engage its (staff) (stakeholders)?
7. What other comments, questions, or concerns should the NMPRC planning group consider to prepare an effective plan?

The consultant compiled the results of the surveys. Both the CPT and the RT reviewed the actual surveys. They identified a list of significant issues that characterized the NMPRC’s strategic situation based on their perspectives. The CPT used this combined list in its deliberations.

In a series of six virtual meetings, CPT members reviewed this input and developed a comprehensive strategic plan with the following elements:

- a brief, compelling mission statement,
- a set of core values supported by implementing action principles,
- a vision that raises the bar for NMPRC's future,
- four major strategic goals supported by implementing objectives,
- a set of success indicators to measure progress, and
- a first-year action plan that provides assignments of responsibility, deadlines, and a set of trackable indicators that will be reviewed by the NMPRC's leaders and managers on a regular schedule and reported to the Commissioners.

All CPT members received notes from every meeting and had opportunities to provide comments throughout the process.

The comprehensive plan includes three documents:

- The Blueprint: a one-page summary of the basic elements of the plan.
- The Plan Narrative: a description of the process used to develop the plan, the strategic situation of the organization, and the reasoning behind the plan elements (Mission, Vision, Values, Goals, and Objectives).
- The Action Plan: a description of the steps the NMPRC must take to move toward its major goals and vision.

The NMPRC'S Strategic Situation

Recent and significant changes to the NMPRC have created great opportunities to grow and set new standards of excellence as the agency rises to these challenges. Regulatory caseload continues to grow, as does the need for the NMPRC to engage in regional and national conversations. At the end of the 2023 fiscal year, the agency will be losing its Transportation Division, as those duties are transferred to the New Mexico Department of Transportation. Yet, despite these challenges, there is great anticipation and excitement within the agency as it works toward fulfilling New Mexico's climate promises while protecting its people and ensuring appropriate regulatory oversight.

External Impacts

Recent legislation has created new and unprecedented demands on the NMPRC. New Mexico's Energy Transition Act passed in 2019 requires the state's electric utilities to be carbon-free by 2045 and provides targets along the way for utilities Renewable Portfolio Standards. Additionally, the Energy Grid Modernization Roadmap Act of 2020 has resulted in grid modernization cases filed by utilities seeking commission approval of costs associated with their respective grid modernization plans. In 2021, the Commission was charged with implementing the State's Community Solar program, which required not just a new docketed case, but the implementation of new rules and the administration of a whole new program. These new demands come on top of a very large workload. Combined with the Commission's recovering reputation within the state, the pandemic, and high vacancy rates, agency staff have faced intense pressure and seen little relief in the form of raises, opportunities, or recognition.

External Opportunities

The state, region, and nation are waiting to see how the new Commission will lead. Already, the Commission's transparent and professional conduct has garnered respect within the state and with stakeholders. Commissioner participation in regional and national conversations provides forums from which agency staff can benefit. The

agency will be seeking to leverage these opportunities to increase stakeholder collaboration, staff engagement, and public participation. The NMPRC will be working with our sister agencies more closely to ensure that the Agency becomes a resource for state leaders. The Commission is developing relationships with other regulatory bodies to leverage best practices and become a leading regulatory agency in the nation.

Internal Impacts

Due to space limitations, much of the agency is still working remotely. While that presents challenges to some aspects of building an inclusive and high-functioning team, remote and hybrid work arrangements offer us a competitive advantage over many other state agencies. Remote and hybrid work arrangements have allowed this agency to aggressively fill vacancies in positions that have traditionally been hard to fill. Even with nearly full staffing numbers, the workload remains much too high, risking significant burnout and impacting agency culture. The NMPRC is structuring its budget requests to expand staffing and provide more resources to streamline and create efficiencies in processes with the goal of creating a manageable workload within the agency. Remote and hybrid work also affects communication and morale within the agency. Agency leadership is exploring opportunities for increased team building as well as creating systems to ensure timely and accurate communication.

Internal Opportunities

The NMPRC is fortunate to have very talented staff dedicated to serving New Mexico. Our staff members are our biggest asset and hold the most potential for the agency's future success. Agency leadership is focused on building an agency where staff feel connected to the agency's mission, its goals, and its leadership. We strive to create an environment where all members of our team can contribute ideas and feel heard and valued. We also strive to provide staff with the continuing training and education needed to stay current in these technically complex areas. The agency is working to modernize its processes and systems to provide staff the ability to perform work in a professional and efficient manner. Lastly, we strive to provide a workplace and workload where staff can create a work-life balance.

Strategic Themes Identified in Surveys of Staff and Stakeholders

In the responses to the survey questions, four major themes emerged. This combined list provides additional clarity about possible goals and objectives in NMPRC's strategic situation.

(Blue) –Core Group

(Orange) – Review Group

(*)–Overlap from both groups

(!)–Mentioned more than 3 times

Staff Issues (internal communication and staff engagement)

- Short-staffed *!
- Technical advisory staff available to Commissioners is limited.
- Staff is overloaded/overworked.!
- Staff turnover *!

- Communication from leadership to rest of staff *
- Information sharing within agency *!
- Organization perceived as a safe place to ask questions?
- More opportunities for staff to be involved in decision making (strategic planning)
- Silo issues (communication within the organization can be improved)
- More frequent staff gatherings *
- Ex-Parte Rule-Advisory and Advocacy staff can't talk to each other in cases where staff is participating as a party and this may be a roadblock
- Training (initial training, continued training, lack of budget)
- Staff needs feedback on the testimony it has provided to the Commissioners; regular performance reviews and feedback sessions can help staff understand what is expected of them and how they can improve.
- Rewarding and recognizing the efforts of staff in ways that aren't limited to pay/salary.
- Staff opportunities for advancement

External Communication Issues (engagement with stakeholders)

- Outreach to stakeholders on specific issues that solicit public comment *
- Better engagement with stakeholders (workshops, opportunities to interact with commission) *!
- Public mistrust and media bias *!
- Public image and reputation *!
- Public awareness and knowledge of what the PRC does !
- Improve public engagement from public facing employees.

Core Mission Issues

- Transparency to the ratepayer
- Balance grid modernization desires with the ability to pay.
- Manage resource to handle the increasingly demanding, complex, and difficult workload for the agency in an ever-changing environment.

Business Operation Issues (processes, infrastructure, tech, quality control, etc.)

- Slow processing of cases *!
- Funding issues (poor budget) *!
- Lack of training *!
- Work overload *!
- E-Docket functionality *!
- Not adequate office space
- Internal collaboration/inter-agency relationships *
- No suggestion box
- Length of case proceedings for certain cases
- Review and reasonable modification of quorum statute/rules for Commissioners to allow more effective communication among Commissioners.!
- Using NMPRC's website more effectively as a tool for public communication, access, and interaction
- Commission and management commitment to the implementation of the Strategic Plan

Elements of the Strategic Plan

Mission – Our mission is the reason that the PRC exists. Along with our guiding values and principles, it forms the foundation for this strategic plan.

The Public Regulation Commission serves New Mexico by ensuring safe operations and reliable utility services at fair, just, and reasonable rates consistent with the State’s legal, economic, environmental, and social policies.

Strategic Reasoning –The Commission exists to serve the public interest by regulating natural monopolies. Residents of New Mexico are the beneficiaries of everything we do. The services and rates we regulate and oversee are deeply interwoven with the fabric and quality of daily life in our State. Therefore, we must always act respectfully, prudently, and in step with the State’s values.

Values and Principles – Standards that we want to always guide our work together and the way we engage with our stakeholders. We are committed to:

Public Service

- **We serve the public interest by working to improve New Mexico.**
- **We are good stewards of the public resources and confidence entrusted to us.**

Integrity and Impartiality

- **We apply independent judgment, and we base each decision on its merits.**
- **We are fair, honest, and transparent, and we follow through on our commitments.**

Openness and Inclusivity

- **We respect and support each other, and value the contributions of each person.**
- **We listen to the point of view of all who engage with us.**

Excellence

- **We consistently put forth our personal and professional best.**
- **We constantly seek to improve our work.**

Strategic Reasoning – A clear commitment to key values and principled actions allows all leaders, managers, and staff to act with one mission and one purpose as one agency. Becoming a healthy, unified agency will allow the Commission to serve the public interest more effectively. It will enable the Commission to earn the trust of our stakeholders and maintain credibility. Too often, values statements are weak because they stop with big words. These important words become more useful and powerful when they are clearly defined by

commitments to act. Then, we must be proactive to integrate them into our operations: making and communicating key decisions with integrity; hiring and promoting people who share these values; correcting anyone whose behavior detracts from these commitments; and onboarding and orienting new employees to recognize, from Day One, that we aspire to live these values.

Vision – Images of success at the end of the plan on December 31, 2026

The Public Regulation Commission will be nationally recognized for its culture of excellence, innovation, and forward-looking policies that advance New Mexico’s regulatory, energy and environmental goals.

As our highest purpose, the Commission and staff serve the Public Interest with equity, fairness, and objectivity.

Strategic Reasoning – A shared vision is fundamental to any strategic plan. The vision provides an image of the desired destination at the end of the plan. Good plans always “begin with the end in mind.” (Stephen Covey, leadership expert) For the NMPRC, it is not possible to boil this down to a fixed point. We have a permanent vision that lies ahead, shaped by New Mexico’s vision of a carbon-neutral world as expressed in the Energy Transition Act. We also envision progress in the way we conduct our activities to demonstrate public service and consistent, positive engagement with our stakeholders. This vision pulls us together to collaborate, increase the quality of our work, and earn the respect and trust of our stakeholders.

Strategic Goals (Our major priorities) **with Supporting Objectives** (critical accomplishments necessary to reach the goal)

1. Create a mission-driven agency with a culture of teamwork and excellence

Objective 1.1 – Provide more opportunities for training, development, recognition, and advancement.

- Increase exposure of our experts to industry and regulatory community
- Find creative ways to enhance and improve agency expertise.

Objective 1.2 – Structure budget requests to:

- Emphasize training and time for training.
- Increase the number of staff members to fulfill our mission.
- Increase availability of necessary technological tools.

Objective 1.3 – Increase human interactions without sacrificing the flexibility and efficiency gained by remote work.

- Maximize benefits of hybrid hearings, meetings, and workshops.
- Develop a dedicated physical hearing space.
- Schedule periodic division in-person meetings that establish rapport and build relationships, with periodic participation by the Chief of Staff

Objective 1.4 – Improve communications within the agency.

- Strengthen onboarding and exit processes.
- Improve frequency and channels of communication between staff and leadership.
- Develop better internal communication tools and interfaces.
- Provide a safe, secure, and respectful work environment.

Objective 1.5 – Create an agency where everyone owns the agency’s actions and reputation.

Success Indicators:

1. An increase in budget sufficient to meet objectives for training and staff.
2. Well-attended quarterly in-person meetings with leadership.
3. Everyone has their continuing education credits prior to December.
4. Suggestions on improvements are appropriately channeled and considered.
5. Staff assessment of intra-net utility and effectiveness.
6. Presence of senior staff to assist managers with individualized staff training and development.

Strategic Reasoning–Why is this a strategic goal? With its separate divisions with specialized functions and immense workload, it is possible to lose sight of the overall, shared purpose to serve the public and make New Mexico a better place to live, work, and grow. We believe that the NMPRC can become more effective when its functional parts relate well, communicate effectively, and take all available opportunities to collaborate. When our staff sees how their contributions add to the agency’s purpose and feel valued and engaged, they will naturally make full, creative contributions that lead to excellent performance that benefits New Mexico.

2. Optimize Internal Operations, Processes and Time Management

Objective 2.1 – Improve and modernize our technology and management tools to enhance the agency’s ability to manage multiple priorities.

Objective 2.2 – Adopt processes that encourage accountability, self-evaluation and continuous improvement.

- Divisions develop internal performance metrics.
- Create a process to provide feedback to learn from near misses and provide candid evaluation.
- Refine processes to eliminate reversals due to procedural error.
 - Better teamwork at the start of matters with regular review of work product as matter progresses.

Objective 2.3 – Streamline processing of cases.

- Create and track timeline targets for different types of matters within each division.

Objective 2.4 – Manage time and priorities in a manner that encourages productivity and employee wellness and prevents burnout.

- Identify and prioritize issues appropriately (being responsive and not reactive).
- Align (optimize/organize) staff and resources to achieve our mission and effectuate our values.

Success Indicators:

1. No reversals from Supreme Court based on procedural errors.

2. Successful implementation of new technology.
3. 80% of matters resolved within targeted time frame.
4. All divisions encourage feedback regarding performance.
5. A wellness survey that indicates employees report more respect for time; less overloaded and overworked.

Strategic Reasoning—Why is this a strategic goal? A mindset for excellence and improvement focuses on the range of operational issues that need to be addressed and seeks continuous improvement. We can remain positive and constructively dissatisfied with the status quo. The feedback from NMPRC staff and external stakeholders in the recent survey provides sufficient operational issues for us to work on for the next three years. Demonstrable improvement on identified concerns builds trust with those who provided feedback and earns credibility about our competence and commitment to our guiding values.

3. Provide leadership in regulation through implementing legislation and state policies, working with the industry and public to be a resource for the State

Objective 3.1 – Partner with legislature, the public, industry, and other experts to be a resource for the development of sound policy and legislation.

Objective 3.2 – Collaborate with communities across New Mexico to ensure access to utility services at fair, just and reasonable rates.

Objective 3.3 – Collaborate with national and regional interests to leverage New Mexico’s unique opportunities.

Objective 3.4 – Monitor our legislative implementation and compliance with statutory responsibilities.

- o Create a post-session implementation road map.
- o Continue exceptional compliance with Pipeline Safety Bureau’s federal obligations.
- o Continue exceptional compliance with Telecom Bureau’s oversight of the State Rural Universal Service Fund

Objective 3.5 – Leverage our expertise by participating in, and presenting, to industry forums.

Objective 3.6 – Provide clear guidance under areas of our jurisdiction.

Success Indicators:

1. Minimize “surprise” bills dropped by engaging with legislators, committees, and NGOs during the development stage of legislative drafting.
2. All statutes and orders that require rules have them.
3. The number of invitations the agency receives to speak increases.
4. Increase staff exposure to the legislative process.
5. All three commissioners appointed to leadership positions at national organizations.
6. Successful implementation of agency’s authority under ETA

Strategic Reasoning - Why is this a strategic goal? The NMPRC contains unique expertise within state government. We must diligently implement legislation and policies that affect areas under NMPRC

jurisdiction and demonstrate our expertise within our own agency to build trust among stakeholders. Earning the trust of state leaders, other agencies and the public will allow the agency to help build solutions and guide good future policy and legislation.

4. Demystify the regulatory processes, roles, and achievements of the PRC regarding utility services, telecommunications and pipeline safety

Objective 4.1 – Make communications with the community and stakeholders easier to understand and minimize the use of jargon.

Objective 4.2 – Clearly and promptly explain the impacts of Commission orders.

- Encourage applicants to provide clear summaries and impacts of their requests.

Objective 4.3 – Increase the number of workshops, public comment hearings, inquiries, and other ways for the public to interact with the Commission and for the Commission to provide full background of decisions to public.

Objective 4.4- Improve consumer-facing interfaces and highlight PRC accomplishments and significant decisions.

- Design and implement media strategy to highlight PRC accomplishments.
- Create agency-wide engagement with media strategy.

Success Indicators -

1. Hold 5 in-person meetings/hearings outside the Santa Fe/Albuquerque corridor.
2. Increasing frequency and quality of information posted to sites and tracking response levels (followers, engagement)
3. Use of assessment to determine readability/understandability of orders/posts/releases
4. Create form for “explainers” of orders.

Strategic Reasoning - Why is this a strategic goal? The NMPRC may be one of the least understood agencies in the State. Because the PRC oversees highly technical, jargon-heavy cases and matters, engagement by the public and other interested persons may be difficult. To maximize public input and increase feedback that helps inform the operations of the agency, we must first make our work more accessible. Providing insight into the technical aspect of the agency will help advance our place in state government and provide our staff with more access to resources as new opportunities arise from newly engaged stakeholders.

Accountability, Evaluation, and Reporting

A historic emphasis on output in planning (level of effort, budget, number of programs, etc.) has shifted to increase the focus on outcomes. There is increased insistence from funders and other stakeholders that governmental organizations like the NMPRC be accountable by demonstrating how they use public resources to achieve measurable results that fulfill the organization's mission. Multiple terms are used for accountability: metrics, benchmarks, performance measures, success indicators, outcome measures, key results, collective impact, etc.

In addition, the most common shortcomings in a planning process stem from inadequate review and follow-up. Without regular review, assessment, and necessary course correction, the day-to-day urgencies will inevitably disrupt the intention of this plan and may prevent its successful implementation. The urgent present will crowd out the important efforts to change over time. Vision and goals represent change and the status quo usually “resists” change. Therefore, we will integrate, track, and use a meaningful set of indicators that demonstrate accountability to others, and assess progress over time.

We recognize that the first 90-180 days is a critical time to build momentum. All our investment of time, energy, and money in the planning is at risk without prompt and effective follow-through. Moreover, without prompt action, the credibility and integrity of the leaders who convened the planning process could be questioned. Integrity requires that we keep the commitments we make. A plan becomes a set of promises about “what is important and what we will do.” Credibility means that what leaders say is believable. This strategic plan becomes a set of statements about what we are committed to doing. A failure to follow through may affect the credibility of leaders in the future when a leader makes statements about what is important.

We will use this process to follow through on the commitments in this plan.

Responsibilities. Individuals listed as responsible for each Objective and Action Step will provide the Chief of Staff with regular reports on the status and evaluation of results. This information should include success indicators when appropriate, any milestones achieved, challenges encountered, and diversions from the original plan. The Chief of Staff will use this information to update the last column headed Current Status and Evaluation.

Quarterly Review. At least quarterly, the Chief of Staff will update the plan and schedule a review meeting with all appropriate persons to discuss the updated plan and consider any modifications necessary to maintain or improve progress. The Chief of Staff will place the review of the plan on the agenda of the first public Commission meeting after the end of the quarter.

Staff Feedback. After this review meeting, the Chief of Staff will send the updated plan to all staff and schedule a virtual meeting to receive staff feedback, questions, and ideas. The scope of the meeting should include the progress of the plan and its impact on NMPRC as an organization, the work environment, and the services provided. After receiving staff input, the Chief of Staff will make additional revisions to the plan when necessary.

Annual Review. At the end of the plan year, the Chief of Staff will complete the quarterly report and review process. In addition to the updated status and evaluation of results, the Chief of Staff will schedule an all-staff meeting to report on the plan outcomes, receive staff input, and also conduct a “Lessons Learned” assessment of the strategic planning process to discover ways to improve the next round of strategic planning. This assessment should involve small and large group opportunities for staff to speak, contribute, and offer their recommendations to leadership, managers, and the Commission.