

NEWS RELEASE

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The Environment Department's mission is to protect and restore the environment and to foster a healthy and prosperous New Mexico for present and future generations.

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New Mexico Environment Department issues Request for Information to develop Strategic Water Supply

SANTA FE — Following Gov. Michelle Lujan Grisham's announcement at the 2023 United Nations Climate Change Conference in Dubai and as highlighted in the [2024 State of the State Address delivered earlier this week](#), the New Mexico Environment Department today released a [Request for Information \(RFI\)](#) related the strategic water supply.

“To meet the demands of communities now and in the future, to sustain our economic growth, and to meet this moment with a first-of-its-kind solution, the Strategic Water Supply will build a secure, resilient water future for our state,” said **Gov. Lujan Grisham**. “The Strategic Water Supply will preserve our freshwater and spur the private sector to turn an untapped resource into water that we can use without asking taxpayers to front the cost.”

The RFI is the first step in developing the strategic water supply. During this phase, NMED is seeking technical and economic information from individuals, businesses, academia, government agencies, and other stakeholders related to the sourcing, treatment, delivery, storage, and industrial uses of brackish water and produced water. The RFI closes on March 31, 2024. This summer, the state will publish a request for proposals and project-specific concept papers. NMED anticipates announcing the request for proposal and project-specific concept papers in summer 2024, with submissions due in fall 2024.

“This game-changing water initiative is essential to fueling the next generation of New Mexico's clean jobs, growing our economy, and conserving our freshwater sources,” said **Environment Cabinet Secretary James Kenney**. “New Mexico is meeting the urgency of the moment with this innovative climate and economic solution.”

The strategic water supply will support the nation's transition to renewable energy and advanced manufacturing by providing water-intensive processes an alternative to consuming the state's limited freshwater supplies. Such industries include green hydrogen, electric vehicle and battery manufacturing, critical minerals, microchips, solar panels, wind turbines, and more.

Through a \$500 million investment stemming from severance taxes collected by the state from extractive industries, New Mexico will make an advanced market commitment to purchase treated brackish and treated produced water through contracts later this year.

In this instance, the advanced market commitment model, used in other industries like healthcare for manufacturing vaccines, reduces the risk of private sector investment and spurs first movers to build otherwise costly infrastructure. Companies that are awarded an advanced market commitment contract can secure private capital to build and operate water treatment facilities with the assurance the State of New Mexico will purchase the water. Then, the state will

make the water available for creating green hydrogen; storing energy produced by wind and solar; manufacturing electric vehicles, microchips, solar panels, and wind turbines; and other uses as treatment and demand allow.

View the RFI [here](#). Additional information about the Strategic Water Supply is available [here](#).

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