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## STATE OF NEW MEXICO INDIAN AFFAIRS DEPARTMENT

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James R. Mountain  
*Cabinet Secretary  
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Lashawna Tso  
*Deputy Secretary*

April 7, 2023

Dear Honorable Tribal Leader,

In coordination with the NM Environment Department (NMENV), Energy, Minerals and Natural Resources Department (EMNRD), and NM Economic Development Department (NMEDD) the Indian Affairs Department (IAD) is providing tribal leadership with a second update on the State's work pursuant to Executive Order 2022-13 (the "Hydrogen E.O.") and as part of the Western Interstate Hydrogen Hub ("WISHH") effort to support the development of a hydrogen economy in the intermountain west. We have reached a point where it is necessary to provide another status update.

### **Update**

On April 7, 2023, the Western Interstate Hydrogen Hub LLC ("WIH2") submitted its application for a \$1.25 billion funding grant from the U.S. Department of Energy (DOE) to advance the new clean hydrogen economy in New Mexico, Colorado, Utah, and Wyoming. This application was submitted in response to a DOE Funding Opportunity Announcement issued to implement the \$8 billion hydrogen hub initiative established under the Bipartisan Infrastructure Law. If awarded, this application would allocate \$355 million in funding for projects.

Colorado, New Mexico, Utah, and Wyoming selected eight projects for the hub. Universities, national laboratories, as well as private-sector developers, and technology providers and the states all worked together to pull together our project coalition, which is led by WIH2, a wholly owned subsidiary of Atkins Global.

### **What is included in the application?**

In February 2022, governors of the four states signed a [Memorandum of Understanding](#) tasking their state energy offices with identifying qualified projects, developing the H2Hubs proposal, and submitting it to DOE. With support from [Atkins Global](#) the states have been supporting seven project partners in developing the billion-dollar+ proposal. The four states worked in a concerted and collaborative way over the past several months to development a framework capable of meeting DOE's requirements to address workforce, economic development, and sustainability as well as the [Justice40 Initiative](#) and [energy equity and environmental justice \(EEEJ\)](#) goals as outlined in the in DOE's FOA. Following the DOE's review of the WIH2 application, we anticipate that projects will be invited to pre-selection interviews this summer, with selection notifications and award negotiations later in the year.

Due to the proprietary nature of the technologies employed by the eight private projects, the application is not available for distribution at this time.

**What projects are proposed in NM in the application?**

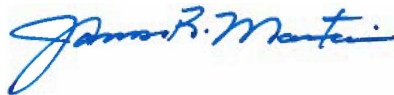
New Mexico-based projects in the Western Interstate Hydrogen Hub application are:

- Avangrid Renewables’ plan to produce hydrogen on the Navajo Nation and in San Juan County, with plans to develop wind farms in Tarrant County in future phases.
- Libertad Power’s plan to produce hydrogen to serve off-takers, primarily in the transportation sector, in and around San Juan and Lea Counties.
- Navajo Agricultural Product Industries (NAPI), a 275,000-acre Navajo Nation-owned commercial farm, will make hydrogen on-site and use it to become an energy self-sufficient farm, supporting its operations to raise produce for sale and Tribal members on the Navajo Nation and in San Juan County.
- Tallgrass MLP Operations Escalante (eH2) will produce hydrogen from natural gas and generate up to 265 MW of zero-carbon electrical power for distribution.

As with our previous communication, the goal of this communication is to keep you informed of the latest developments in New Mexico’s hydrogen initiative. All the projects will be subject to further permitting review and approvals, which will be independent of any DOE funding discussion. In fact, DOE will condition funding at the appropriate phases on obtaining all necessary state and local approvals, including engaging in robust tribal consultation.

As the State’s hydrogen efforts proceed, we will continue to provide tribal leadership with periodic updates. If you have any questions, please do not hesitate to reach out to any of the cabinet departments involved in this initiative.

With respect,



James R. Mountain, Secretary-Designate  
New Mexico Indian Affairs Department



Sarah Cottrell Propst, Secretary  
New Mexico Energy, Minerals and  
Natural Resources Department



James C. Kenney, Secretary  
New Mexico Environment Department



Alicia J. Keyes, Secretary  
New Mexico Economic Development  
Department