

New Mexico's clean energy success story

In just five years, solar, wind, and batteries overtook fossil fuels, keeping air conditioners running while slashing pollution.

by [Karin Kirk](#) July 31, 2026



Solar panels installed on the top level of the parking structure at the airport in Albuquerque, New Mexico. (City of Albuquerque via AP, File)

It's hot. Fans and air conditioners are humming in homes, offices, commercial buildings, and factories. July is the most [electricity-intensive](#) time of year in the U.S., and the grid is working hard to keep up.

In many places, high electricity demand equals high pollution. That used to be true in New Mexico, but the state's electricity supply flipped from majority climate-warming fossil fuels to majority renewables in just five years. Spurred by an ambitious clean energy law called the Energy Transition Act, utilities have been busy building solar panels, wind turbines, batteries, and transmission lines. A major coal plant was retired and demolished. Solar panels proliferated on homes, schools, and businesses.

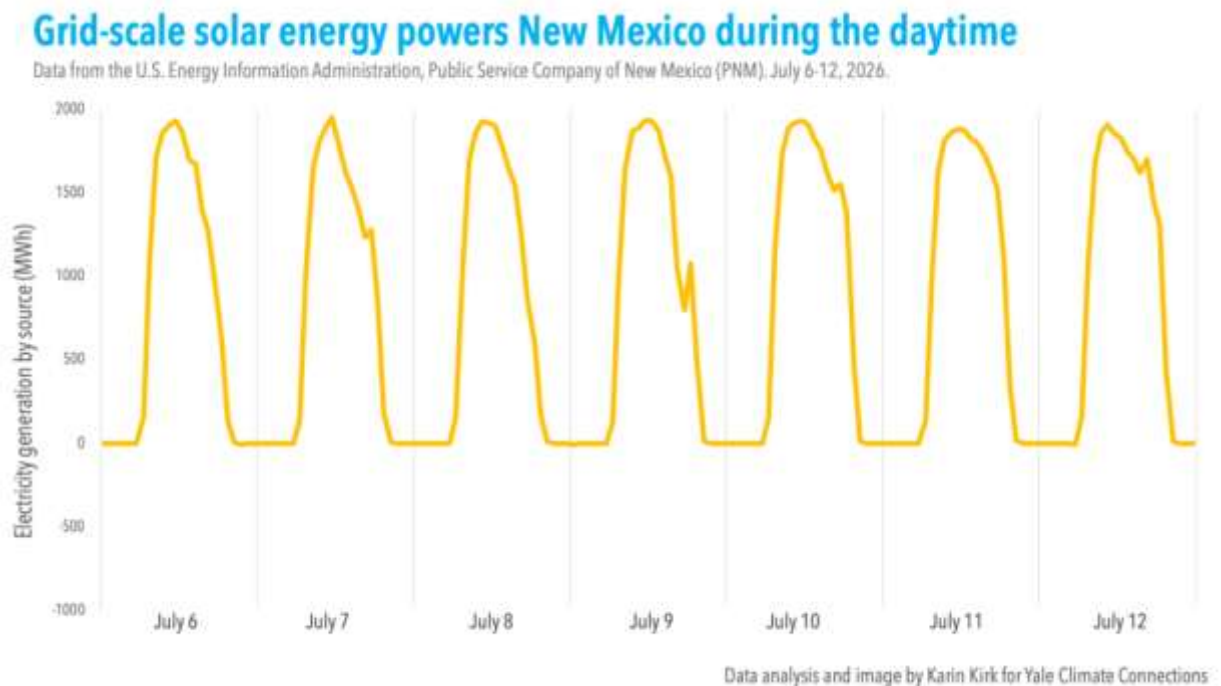
And even while New Mexico was building out its clean energy future, electricity prices remained cheaper than average.

A case study in cleaner electricity

New Mexico's largest utility is the Public Service Company of New Mexico, or PNM. Only five years ago, most of PNM's cooling needs were met by coal and gas, which made up 83% of its electricity generation in July 2021.

But the state's abundant sunshine now provides much of the region's electricity.

The golden line on the graph below shows grid-scale solar energy production in PNM's territory every day for a week. The sun generated 41% of the total electricity the week of July 6, when I did this analysis.



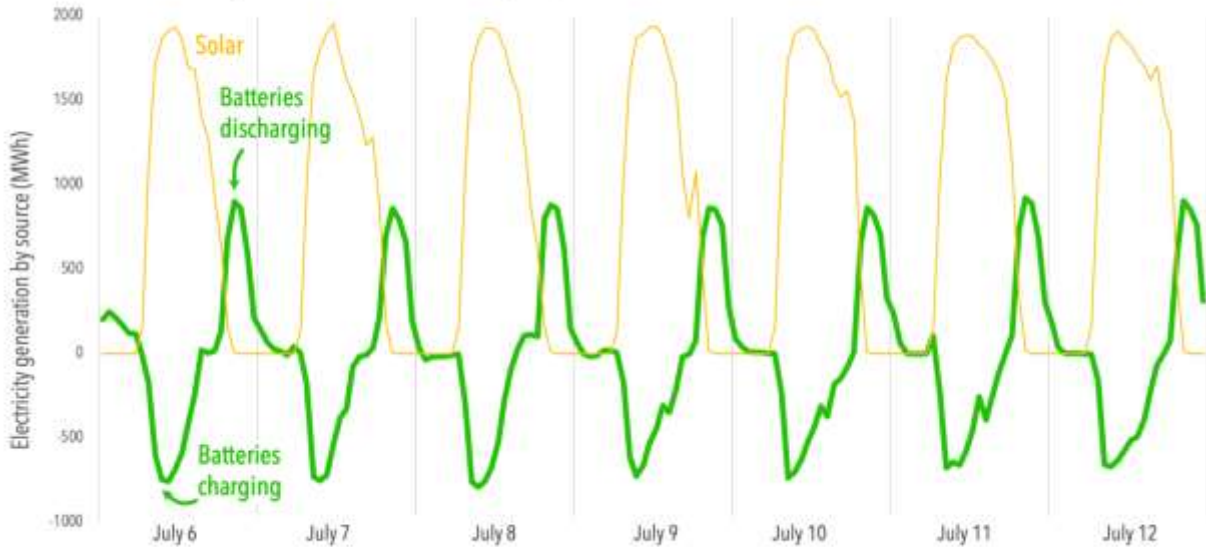
Batteries deliver stored sunshine in the evening

The next graph shows electricity stored and generated by utility-scale batteries. During the daytime, the line dips below zero when the batteries are pulling electricity off the grid to charge up.

In the Southwestern U.S., electricity is cheap during sunny days because everyone's solar panels are cranking out electrons at the same time. The utility could try to sell excess solar energy to other regions, but it's not worth much. It's far better to store it for later.

Batteries charge during the day, then add electricity to the grid in the evening

Data from the U.S. Energy Information Administration, July 6-12, 2026



Data analysis and image by Karin Kirk for Yale Climate Connections

Summer evenings are hot, even as the sun eases toward the horizon and solar production wanes. That's when PNM's battery fleet comes to life, delivering the solar energy stored a few hours earlier. The green line spikes upward as the batteries kick into gear.

By around midnight, the batteries are discharged. But metaphorically speaking, so are most people. Electricity demand drops off as everyone heads to bed and temperatures cool off for the night.

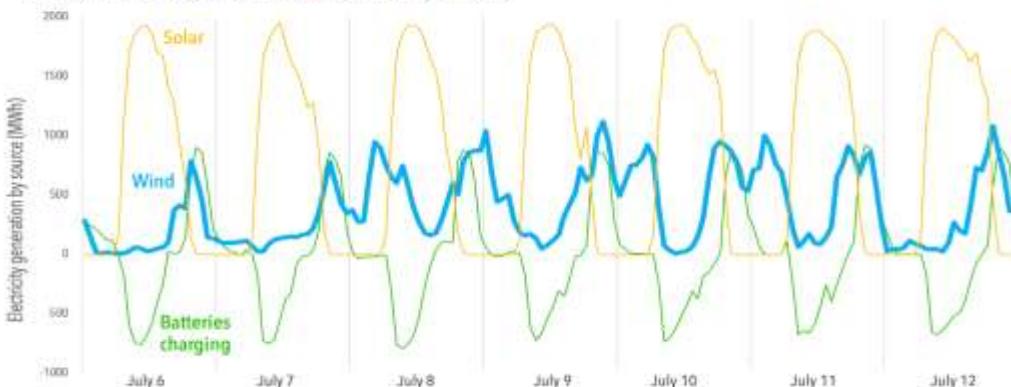
Learn more: [Find out which climate action best fits into your life.](#)

Bring on the wind

Sunshine and batteries aren't quite enough to power everything 24/7. The next big player is wind, shown with the blue line on the graph below. Note how the wind blows strongest in the evening – it's the perfect complement to solar in this region. Wind accounted for 20% of electricity generation during the week shown below.

Wind blows in during the evening

Data from the U.S. Energy Information Administration, July 6-12, 2026



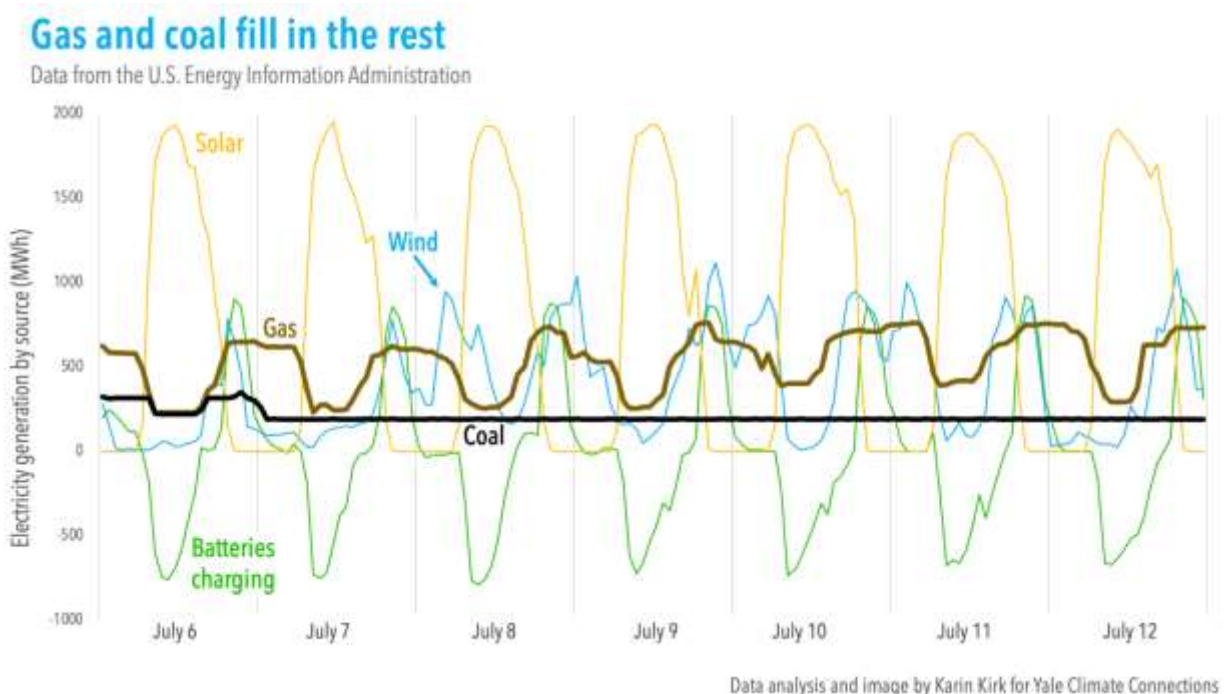
Data analysis and image by Karin Kirk for Yale Climate Connections

New Mexico's evening wind is also helping out Arizona and California as a result of the recently completed [SunZia](#) project. Located in central New Mexico, the project's 916 wind turbines generate electricity and a 550-mile, high-voltage transmission line carries it westward.

Still some fossil fuels – but a lot less

Only five years ago, fossil fuels were the main characters in PNM's electricity generation. Now they're the supporting cast.

The brown line on the graph below shows electricity generated from natural gas, a fossil fuel composed primarily of climate-warming methane. Little gas is needed during the day, thanks to solar energy. In the evening, gas generation picks up, though it's still generating less than batteries and wind.



The steady black line shows coal generation. Coal plants run best when operated at a constant pace, because frequent ramping up and down causes them to run [less efficiently](#) and can lead to more fatigue on aging equipment.

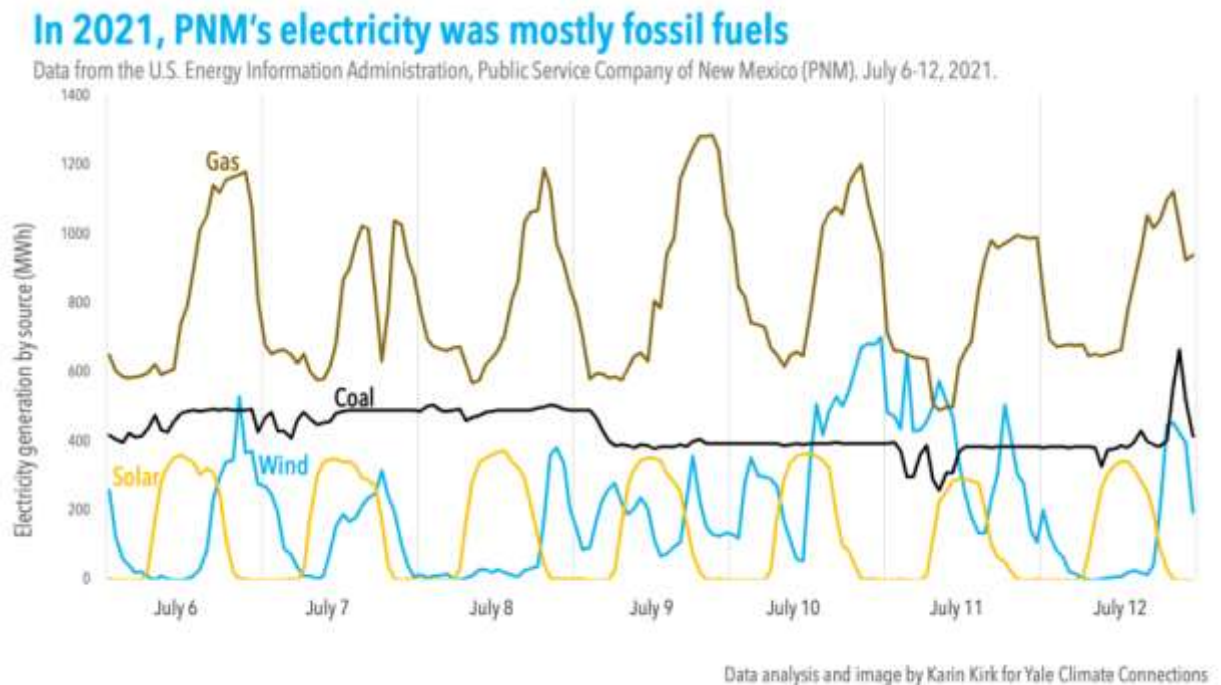
All told, coal and gas made up 38% of the electricity supply the week of July 6, with renewables generating 62%.

It's worth noting that July's heat drives the highest rates of fossil fuel use for PNM. About half the days in the past year saw renewables generating 70% or more of the daily electricity need, and in late spring of this year, renewables routinely met more than 80% of demand.

A transformation in just five years

Compare the chart above to the one below from 2021, when coal and gas power plants generated nearly 80% of the total electricity. Every day, the utility ramped up gas power plants

to meet the evening peak in electricity demand. Solar and wind were relatively small contributors, totaling just over 20% between them.



So how did this transformation happen? The answer is in part two of this story, coming Monday.

A note on data

The data comes from the Energy Information Administration's [Hourly Grid Monitor](#). Note that not all of the electricity shown in these graphs is used by PNM. Some of it is exported to other regions, and PNM also imports some electricity into its service territory. Nevertheless, the data paints a picture of how different sources of electricity generation blend together to provide power through the day and night.

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