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Secretary Announces New Mexico Energy Efficiency Strategy Report *Measures Could Save Consumers and Businesses over \$7 Billion*

SANTA FE, NM – Energy, Minerals and Natural Resources Department Cabinet Secretary Joanna Prukop announced the release of a new report titled “*New Mexico Energy Efficiency Strategy: Policy Options.*” The report presents and analyzes 25 policy options that collectively can cut energy use per capita in New Mexico 20 percent by 2020.

“Energy efficiency is a priority in Governor Richardson’s administration. New Mexico’s Lead by Example initiative for state government is implementing no- and low-cost measures like computer power management to reduce energy use in state government, and earlier this year the Governor signed a bill that requires utilities to help their customers take advantage of cost-effective energy efficiency measures. This study shows us how we can move even further down the path toward greater energy efficiency,” said Secretary Prukop.

The 25 policies are grouped into several categories: utilities, public sector, building and appliances, industrial, transportation, and cross-cutting policies. By 2020 New Mexico could save large amounts of energy if it adopts the recommended policy options: electricity use would be reduced by 24 percent, natural gas use by nearly 20 percent, and gasoline use by 26 percent, compared to forecasted levels of energy use. These reductions will meet the Governor’s stated goal (Executive Order 2007-053) to cut overall energy use per capita 20 percent by 2020 (and by 2015 for state agencies). The study estimates that implementing all 25 options would result in \$7.2 billion in net economic savings for citizens and businesses in New Mexico. Implementing the options also would help the state meet its climate change goals by reducing greenhouse gas emissions by 8.7 million metric tons by 2020.

The report was prepared for the State by the Southwest Energy Efficiency Project (SWEET) with funding from New Mexico Energy, Minerals and Natural Resources Department, U.S. Department of Energy, and the Environmental Protection Agency.

“New Mexico has already taken important steps to improve energy efficiency and cut energy waste,” said Howard Geller, Executive Director of SWEET and lead author of the study. “This strategy shows how New Mexico can build on this foundation and achieve Governor Richardson’s ambitious energy efficiency goals. It also documents the substantial economic and environmental benefits that would result if the goals are met.”

The state aims to initially focus on:

- Low-income energy efficiency assistance;
- Energy efficiency requirements for state agencies;

- Stabilizing per capita vehicle miles traveled;
- Energy efficiency for local governments and schools;
- Greener building energy codes;
- Expanded electric utility and natural gas energy efficiency programs;
- Energy efficiency public education campaigns;
- Combined heat and power systems; and
- An industry challenge and recognition program.

Other measures called for by the report that may be considered include:

- Adoption of innovative electricity rates to stimulate greater energy conservation;
- Adoption of a residential energy conservation ordinance to spur energy efficiency at the time a home is sold;
- Increased energy efficiency in the oil and gas sector; energy savings requirements for local governments and public schools to meet in order to receive state funds;
- Incentives to stimulate purchase of more efficient cars;
- Pay-as-you-drive auto insurance; and
- Acceleration of retirement of inefficient cars.

Copies of the report with detailed explanations as to how each of the 25 measures contributes to the cumulative energy use reduction may be found at www.cleanenergynm.org (home page under Hot Topics) or by contacting Ken Hughes at khughes@state.nm.us.

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