



New Mexico: Energy & Climate Policy

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To Cover Today:

- Energy Resources in NM
- Current Energy Policy in NM
- Current Climate Change Policy in NM
- Legislative & Policy Initiatives for 2007+

Energy Resources in NM

- Significant oil & gas production
- Significant coal reserves
- Electricity exporter (~50%)
- ...and now Governor Richardson has declared NM the “Clean Energy State”
 - Solar
 - Wind
 - Biomass
 - Efficiency
 - Other renewables

Richardson Energy Policy

- **Renewable Portfolio Standard**
 - 10% by 2011, large utilities only
 - Solar counts 3:1, Biomass 2:1
 - 2% rate cap – 15 cents/kwh PV cap, 10 cents/kwh CSP and Biomass cap
 - 400+ MW of wind installed in response
- **RE Production Tax Credit**
 - 1 cent/kwh up to max. of \$4 million/yr/facility for 10 years (one of only two states with RE PTC)
- **Solar Energy PTC**
- **Efficient Use of Energy Act**
 - \$20mn+/yr for utility EE programs



Richardson Initiatives ctd.

- Spearheaded WGA Renewable Energy Initiative (with Gov. Schwarzenegger)
- Established Clean Energy Development Council for agencies to “lead by example”
- Net metering – supports going to 1 MW. PRC rulemaking underway to increase to 100 kW+ (currently at 10 kW)
- Issued Executive Orders on alternative transportation fuels use and green buildings

Richardson on Climate Change



- Set state GHG reduction targets & established stakeholder group
 - 2000 levels by 2012
 - 10% below 2000 by 2020
 - 75% below 2000 by 2050
- First state government to join CCX
- WGA resolution co-sponsor
- Southwest Climate Initiative (w/ AZ)

Policy Initiatives for '07

- **RPS Increase**
 - 15% by 2015, 25% by 2020 for IOUs
 - 5% by 2015, 10% by 2020 for co-ops et al.
- **Renewable Energy Transmission Authority**
 - Provides for planning, construction, financing, and operation of transmission infrastructure
 - Requires minimum 30% renewable energy
- **Land, Wildlife, & Clean Energy Act**
- **\$10 mn Energy Innovation Fund**
- **Amendments to Renewable Energy PTC**
 - Increase to 2 cents/kWh for solar
 - Decrease minimum production capacity requirement to 1 MW

Policy Initiatives '07 ctd.

- **Green Buildings**
 - LEED + EE tax incentives
 - Tax holiday for Energy Star appliances
 - Income Tax Credit for Energy Star Central Heating and Cooling
 - Building Code Improvements
 - Green Building in Public Schools
 - Energy Savers program
- **Biofuels**
 - Targets for NM
 - Tax Incentives
- **Clean Car Standards**
- **Climate Change Advisory Group** recommendations due Dec. 1, 2006

Thank You

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