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 $avers 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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