



New Mexico: Energy Efficiency Policy

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11/14/07 Announcement

Executive Order

- Governor Richardson announced statewide energy efficiency goals
 - 20% reduction in per capita energy use statewide from 2005 levels by 2020
 - Interim goal of 10% by 2012
 - All economic sectors
- Lead by Example goal for Executive Branch state agencies
 - State buildings ops: 20% below 2005 by 2015
 - State fleet and transpo: 20% below '05 by 2015

EE Actions

- 2008 Legislation
- Hired Lead by Example Coordinator
- SWEEP Policy Study
- State Gov't Implementation Plans
 - Transportation
 - Energy Use

2008 Legislation



Strengthening Efficient Use of Energy Act

- HB 305 (Lujan); signed by Governor
- Requires all elec and NG utilities to acquire “all cost-effective and achievable” EE
- Establishes “floors” for elec IOUs
 - 5% EE savings from 2005 sales by 2014
 - 10% by 2020
- Normal cost recovery + directs PRC to develop incentives that allow the opportunity to earn a profit on cost-effective energy efficiency that is financially more attractive than developing supply-side
- Authorizes EE programs targeting low-income

SWEEP Policy Options Study

- Examines 25 policy options and associated economic & emission benefits
- NM Climate Change Implementation Team ranked policy options
 - Bang for the buck
 - Do-ability
 - Near-term
 - Social reality

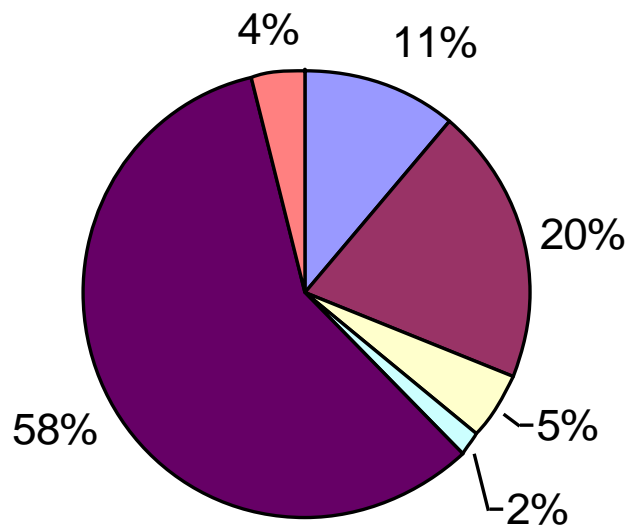
Primary Energy Savings by Option

Option	Savings Potential (trillion Btu/yr)		
	2012	2020	2025
Electricity demand side management	8.5	36.8	50.6
Building code upgrades	2.4	11.6	20.6
Lamp efficiency standards	2.5	14.0	17.3
Natural gas demand side management	2.0	9.9	13.8
Reduced driving	2.1	10.0	16.1
Industrial energy efficiency	2.0	8.8	13.5
Clean car and updated CAFE standards	2.1	16.4	26.8
Feebates	1.2	4.0	5.1
Local government and K-12 schools	0.8	2.7	4.2
Public education campaign	4.5	4.3	4.2
Combined heat and power	1.8	3.4	3.4
Low-income home retrofit	0.6	2.1	3.0
Residential energy conservation ordinance	0.5	2.1	2.7
Pay-as-you-drive insurance	1.0	4.4	4.6
Replacement tire efficiency standards	2.4	2.3	2.4
State government initiative	0.4	1.1	1.4
Better enforce speed limits	1.5	1.4	1.5
Building and HVAC tax credits	0.1	0.6	1.0
Innovative electricity rates	0.4	0.5	0.5
Accelerated vehicle retirement program	1.2	0.5	0.0
TOTAL	39.0	136.9	192.7

SWEEP Policy Options Study

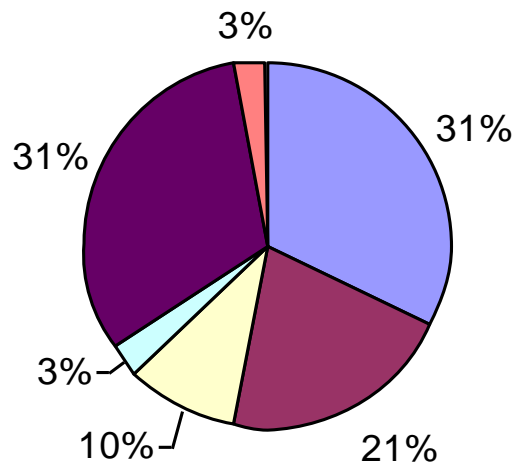
- Examples of policies recommended:
 - Low-income energy efficiency assistance
 - Energy efficiency requirements for state agencies
 - Stabilize VMT (new)
 - Energy efficiency for local gov'ts and schools
 - Building energy codes and code training/enforcement
 - Electric utility EE & natural gas programs
 - EE Public education campaign
 - Combined heat and power systems (new)
 - Industry challenge and recognition program (new)

Total Economic Benefit - \$7.2 billion



- DSM options
- Building and appliance options
- Industrial options
- Public sector options
- Transportation options
- Education options

Total CO2 Emissions Reduction in 2020 - 8.7 million metric tons per year



- DSM options
- Building and appliance options
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- Transportation options
- Education options

State Gov't -Transportation

- Lead by Example Coordinator drafted implementation plan to reduce fuel use 20% by 2015
 - Create (1) Fleet Management; (2) Transit; (3) Technical Solutions
 - Vehicle acquisition checklists
 - Incentives program to reduce VMT
 - Amend Alt Fuels acquisition act



State Gov't – Energy Use in Buildings

- Tracking of agency energy use
- Top six energy-consuming agencies designate staff person for energy use reductions
- Clean Energy Development Council to support Infrastructure Capital Improvement Plan requests
- State gov't outreach to build awareness

Complements Climate Plan



- Set state GHG reduction targets & established stakeholder group
 - 2000 levels by 2012
 - 10% below 2000 by 2020
 - 75% below 2000 by 2050
- Dec. 2006 Climate Change Action EO
- Western Climate Initiative

Thank You

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