



State of New Mexico

Office of the Governor

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Governor

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Governor Richardson Welcomes UK Renewable Energy Industry Leaders to New Mexico

SANTA FE –New Mexico Governor Bill Richardson today welcomed the United Kingdom Renewable Energy Technologies Mission to New Mexico. This group is made up of British government officials and representatives from several leading British renewable energy companies. The Governor spoke to this group at the Albuquerque Convention Center. Governor Richardson's remarks follow:

“Good morning and welcome to New Mexico. I am glad you have dropped in for a visit and I would like to convince you and your businesses to stick around. This is a business friendly state and we are not shy about encouraging good, clean businesses like yours from locating here.

I am proud to report that today, 50,000 more New Mexicans are working since I took office in 2003. New Mexico is surpassing the national average in job growth. Personal incomes have risen. Corporate revenue has risen. Small businesses are growing and we have balanced our budgets, creating a surplus with one of the largest cash reserves in the country.

Not bad - but that's not what we're here to talk about today. We are here to talk about the future of energy. A future that you are helping to create and a future that I am positioning New Mexico to capitalize on. A clean energy future.

We are in a crisis - the era of cheap oil is over. Light crude has been hovering just above \$65 per barrel in the past couple of weeks. With growing demand in India and China,

and supply disruptions from the Middle East to Nigeria, global markets are tight and getting tighter.

Gasoline and diesel are more expensive again – here in New Mexico, the average price for unleaded is around \$2.63 a gallon. This is too expensive. Working people need to get to work. Truckers need to get products to market. And farmers and ranchers need to fuel up their equipment. Our economy needs stable energy prices.

And it's nonsense to think we can drill our way out of this situation. The U.S. controls 3% of the world's resources, but uses 25%. The Bush Administration and the oil companies want to drill everything everywhere, but having more never cured an addiction. What we really need is leadership: alternative energy development, efficiency, and a new clean energy industry in the United States.

Oil companies need to become energy companies. Just last week, the new chairman of ExxonMobil said it again: his company will produce and bring oil to the United States from around the world. He said ExxonMobil is not an energy company – it's an oil and gas company. Until these huge companies think about our national interest, the global atmosphere, and energy alternatives, our addiction will not be solved.

We spend about \$250 billion a year for foreign oil. If we figured out how to spend even a fraction of that amount on domestic clean energy development, we would create competitive energy markets, reduce our addiction, and create as many as 3 million new jobs. And we would cut our ballooning trade deficit by about one-third.

The best way to do this is to establish tax credits for oil companies to invest in domestic clean energy development. These companies are making \$30 or \$40 billion a year; ExxonMobil had \$36 billion in profits last year, the most by any U.S. company in history, and it just beat out Wal-Mart for the top spot on the 2006 Fortune 500 list. They can afford to help create the Nation's new energy future.

This new clean energy economy will mean jobs, stable prices and it will help address climate change. You and I know that climate change is happening, possibly faster than we thought. The White House is in denial, but the fact is that we need incentives and market-based control mechanisms, such as cap-and-trade, to reduce energy use and protect the global climate.

Here in New Mexico, we are doing our part. I call this the Clean Energy State, because I think we are leading the Nation on clean and renewable energy policy. No other state has done as many things to address our energy problems in the past three years. From solar tax credits to renewable portfolio standards, we have adopted about two dozen new policies to encourage clean energy generation and manufacturing.

We are building a sustainable community including solar cell manufacturers like Advent Solar at Mesa del Sol just south of the Albuquerque airport. Part of the solution is to offer people affordable alternatives. That's what we are doing.

We are encouraging green building and energy efficiency. The state has committed to set 50% higher energy efficiency standards for state buildings. And for the first time our utilities are allowed to use energy efficiency as a resource.

We have joined the Chicago Climate Exchange to show our commitment to reducing greenhouse gas emissions. In the UK, this may seem quaint. But we are an oil and gas state – second leading producer of onshore natural gas, and fourth in oil production. So the decision to stand up and become the first state to join the Chicago Climate Exchange was not lightly taken. Until the federal government addresses global warming, this is the kind of state-level action that can make a difference.

We are also leading the region. With Governor Arnold Schwarzenegger in California (Have you heard of him?), I am pushing the 18 states in the Western Governors' Association to adopt new clean energy policies.

And I am promoting huge clean energy developments in New Mexico – including wind, solar, and coal gasification with carbon capture and sequestration. We are an energy exporter to the fast growing states of California, Arizona and Nevada. There is huge opportunity in New Mexico for energy companies like yours that want to help create a clean energy future and reap the profits of the coming clean energy economy.

This is only the start. The global energy crunch is sure to grow. New Mexico, the West, and the United States are going to become real leaders in clean and renewable energy, energy efficiency, and new technologies.

While Washington is in denial, New Mexico is leading the way by creating a robust clean energy economy. For instance, the solar energy industry is poised for explosive growth. This is a \$4 billion global industry currently, and estimates predict it will grow to \$27 billion by 2010.

That is why I will continue urging Congress, the White House, and other state officials to commit to a program that will truly break our dangerous and debilitating “addiction to oil.”

Thank you all for being here today in the Clean Energy State.”