



State of New Mexico

Office of the Governor

Bill Richardson
Governor

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Governor Bill Richardson Proposes Far-Reaching Actions on Energy/Environmental Issues

Renewable Fuels, Green Buildings and Climate Change Part of Legislative Proposals

SANTA FE -- Governor Bill Richardson today announced his legislative agenda in the areas of clean energy and a clean environment. The Governor's agenda is designed to invest in the tax incentives, biofuels and green buildings that will continue to make New Mexico the nation's Clean Energy State. It includes a **\$23 million** investment in energy efficiency and green buildings, a recurring investment (**\$9.6 million** this year) for land, wildlife, and clean energy projects, and **\$3 million** in tax incentives for biofuels, energy efficient appliances and renewable energy manufacturers.

"Everyone, from the big newspaper columnists, to the average commuter, knows that clean, green, energy independence is the major issue of our time," said Governor Richardson. "As the New York Times' Tom Friedman said recently 'green is the new red, white and blue -- and the next great American national security project.' That's why today I am announcing our next steps toward a cleaner, more secure, energy future."

Green Buildings

Governor Richardson's agenda includes increasing the funding available for public school facilities by four percent to help build green public schools across the state. School projects that achieve a minimum rating of "LEED™ Silver" and can show a 50 percent increase in energy efficiency will be eligible for this funding.

The Governor's announcement was held at Santa Fe Prep's recently opened library, a certified energy efficient, water saving, "green" building in Santa Fe.

"Green buildings pay for themselves over time, but they do cost more initially," said Governor Richardson. "I think every New Mexico student should have the opportunity to learn in a beautiful, energy efficient building like this," said Governor Richardson.

The Governor will also propose a tax credit to promote green offices and homes. This credit will be scaled both by the square footage of the facility and the level of environmental standards met. He will direct the state Construction Industries Division to work with builders on dramatically improving our building codes for energy and water consumption. And he will endorse a program suggested by the Lt. Governor to invest **\$2.5 million** in an Energy Savers program to help low and moderate income New Mexicans increase energy efficiency in their homes.

Governor Richardson will also propose a tax cut for certified Energy Star appliances. On efficient large appliances like refrigerators, clothes washers, dishwashers and water heaters, the Governor will propose a one month tax holiday for New Mexico consumers. And he will seek an income tax credit for purchasers of Energy Star Certified central heating and cooling systems.

Renewable Fuels

To help break our addiction to foreign oil, keep our air clean and create jobs, Governor Richardson today proposed tax credits for the use and distribution of biofuels like biodiesel. Under the Governor's proposal, biodiesel distributors will receive a six cent per gallon tax credit for every gallon of B5 biodiesel blend delivered beginning in 2007, and biodiesel facilities will be eligible for a one time tax credit of 30% of the cost of equipment and installation to allow for the sale of biodiesel blended fuels. He also announced biofuel standards that will mean by 2012, five percent of every gallon of diesel sold in New Mexico will come from agricultural sources, and a 20 percent biodiesel standard by 2020. This plan will save the equivalent of half-a-million barrels of oil per year by 2012, rising to 2.2 million barrels of oil saved annually by 2020.

“Our nation uses over 20 million barrels of oil every day—more than half of which are imported. And we send billions of petro-dollars overseas every year, much of it to unstable, unfriendly governments in the Middle East,” said Governor Richardson. “These actions will help keep these energy dollars at home to increase national security, limit greenhouse gas emissions and create thousands of jobs.”

Climate Change

To continue the progress the Richardson Administration has made on addressing global climate change – becoming the first state to join the Chicago Climate Exchange and mandating some of the toughest greenhouse gas emission reduction goals in the nation – Governor Richardson today announced that he will seek regulations through the State Environmental Improvement Board to dramatically reduce the greenhouse gas emissions of new cars and trucks sold in New Mexico by approximately 22% by 2012 and 30% by 2016. This will keep an estimated 10.5 million metric tons of carbon dioxide pollution from being released into New Mexico's air. Eleven states including New York and California have adopted similar standards.

The Governor also announced that he will increase the percentage of electricity New Mexico utilities are required to generate from renewable sources (the Renewable Portfolio Standard or RPS) to 15% by 2015, and work with our utility partners in the state to achieve 25% by 2020. The state's current RPS, signed into law by Governor Richardson, mandates that 5% of New Mexico's electricity come from renewable sources by 2006, increasing to 10% by 2011.

“We met our goal for this year, and now it's time to take the next step,” said Governor Richardson. “By more than quadrupling our renewable energy use, we will reduce our greenhouse gas emissions by 15 million metric tons and help combat global climate change.”

Governor Richardson will also work to establish a Renewable Energy Transmission Authority here in New Mexico to both develop our clean resources and help market it to other states. And he will propose tax credits for renewable energy factories like Advent Solar, which plans to create as many as 1,000 good jobs in Albuquerque.

Finally, Governor Richardson will propose a land conservation fund with a portion of the proceeds from the existing Oil Conservation Tax –about **\$9.6 million** this year. This funding will support land, wildlife, and clean energy projects such as help ranchers looking to diversify into wind energy production, fund local communities looking to create trails and provide a resource for hunters and anglers who want to protect wildlife habitat. And a **\$10 million** investment to create an Energy Innovation Fund -- modeled on New Mexico's successful Water Innovation Fund -- will go a long way toward developing new technologies and effective clean energy projects.

“It’s a big agenda, but I believe energy independence and climate change are two issues that require big, bold thinking,” said Governor Richardson. “We have made tremendous progress in the last four years and I am very proud of what we have accomplished -- the Governor, the legislature and the environmental community -- working together. This agenda will see that this progress continues.”

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