



State of New Mexico

Office of the Governor

Bill Richardson
Governor

December 28, 2006
For Immediate Release

Contact: Marissa Stone, NMED
Telephone: (505) 827-0314 or (505) 231-0475

Governor Bill Richardson Signs Historic Climate Change Executive Order

(Santa Fe, NM) Governor Bill Richardson signed an executive order today that spells out emission reduction strategies to address climate change in New Mexico.

The Governor directed state agencies to follow many of the bold recommendations of the Climate Change Advisory Group, which produced a plan to reduce greenhouse gas emissions by the equivalent of 267 million metric tons and create a projected \$2 billion net economic savings for New Mexico's economy.

"Climate change is the major environmental issue of our time," Governor Bill Richardson said. "Nothing poses a bigger threat to our water, our livelihood and our quality of life than a warming climate. Today I am taking the first step toward implementing as many of these recommendations as are possible, feasible and effective."

The Governor's executive order creates a state government implementation team tasked with ensuring policies from the order are carried out. Those policies include:

- Creating a market-based greenhouse gas emissions registry and reduction program
- Advancing carbon capture and sequestration technology
- Promoting the use of manure from the dairy industry in power generation
- Developing an education and outreach program on green buildings for those private sector builders
- Creating new procurement rules that ensure state government offices have energy efficient appliances
- Mandating that state vehicles use mainly clean, renewable fuels

- Proposes a one-time tax credit of up to 40 percent for the purchase, construction or retrofitting of alternative fuel filling stations.

“The climate change advisory group’s process for developing strategies that are feasible for such diverse organizations as industry, environmental groups, government, academia and the national laboratories makes New Mexico’s process on combating global warming unique,” said New Mexico Environment Department Secretary Ron Curry. “The reason our state is accomplishing so much is that we know how to cooperate. We can now move forward rapidly with these recommendations.”

The government implementation team, which will make recommendations to the state’s Clean Energy Development Council, includes representatives from the state agencies of the Environment Department, Energy Minerals and Natural Resources Department, the New Mexico Department of Transportation, Regulations and Licensing Department, Department of Finance and Administration, Department of Taxation and Revenue, the General Services Department, Department of Agriculture, Office of the State Engineer and Office of the Governor. The team will also consult with representatives from the Public Regulation Commission.

Governor Richardson previously endorsed seeking regulations to sharply reduce greenhouse gas emissions of new cars and trucks sold in New Mexico and more than quadrupling New Mexico’s renewable energy use by mandating that 15 percent of the state’s electricity come from renewable sources by 2015 and working with utilities to achieve a 25 percent of that electricity by 2020. This year, New Mexico became the first state to join the Chicago Climate Exchange, a greenhouse gas emission reduction and trading program.

In spring 2005, Governor Richardson issued an executive order establishing greenhouse gas emission reduction goals for New Mexico and called for the creation of the advisory group to meet those goals. The state’s greenhouse gas reduction goals were targeted to meet year 2000 levels by 2012, 10 percent below 2000 levels by 2020 and 75 percent below 2000 levels by 2050. New Mexico, along with Arizona and California, is among a growing number of states to create climate change advisory groups.

New Mexico’s advisory group consisted of about 40 representatives from tribes, industry, agriculture, universities and our national labs and environmental nonprofit groups.

The Governor’s Climate Change Action Council, which is composed of cabinet secretaries, reviewed the group’s recommendations and offered its recommendation to the governor.

EXECUTIVE ORDER 2006-69

NEW MEXICO CLIMATE CHANGE ACTION

WHEREAS, the federal government has failed to take sufficient action to address global climate change through initiatives to reduce greenhouse gas emissions in the United States;

WHEREAS, Executive Order No. 2004-019 declared the State of New Mexico to be the “Clean Energy State” and established the Clean Energy Development Council;

WHEREAS, the State of New Mexico is committed to joining regionally and nationally with other states in assuming a leadership role in addressing the risks of climate change;

WHEREAS, Executive Order 05-033 set greenhouse gas reduction targets for the State of New Mexico at 2000 levels by the year 2012, 10 percent (10%) below 2000 levels by the year 2020, and 75 percent (75%) below 2000 levels by the year 2050;

WHEREAS, Executive Order 05-033 established the Climate Change Action Council, and the New Mexico Climate Change Advisory Group which has met over the past year and a half to deliberate on New Mexico's potential greenhouse gas emissions reductions to meet these emission reduction targets;

WHEREAS, the New Mexico Climate Change Advisory Group has forwarded sixty-nine (69) recommendations covering the sectors of energy supply; residential, commercial and industrial energy use; agriculture and forestry; and transportation and land use to the Climate Change Action Council and the Governor of the State of New Mexico;

WHEREAS, the New Mexico Climate Change Advisory Group included in its recommendations the development of a registry for reporting greenhouse gas emissions that will ensure that businesses in New Mexico may enjoy any benefits, credits, or “baseline protections” that may be available under national programs and plans;

WHEREAS, the impact of implementing these recommendations is expected to result in net savings of \$2 billion to our state’s economy while reducing the equivalent of 267 million metric tons of carbon dioxide through the year 2020;

WHEREAS, this reduction in greenhouse gas emissions would go beyond the reduction goals set forth for the state in Executive Order 05-033;

WHEREAS, Executive Order 05-056 directed all cabinet-level departments, boards, and commissions involved in environmental quality and public health matters to implement Environmental Justice programs and policies, and established an Environmental Justice Task Force;

WHEREAS, Executive Order 06-01 directed all Executive Branch state agencies to adopt the U.S. Green Building Council’s LEED™ rating system for certain new

construction and renovation projects, as well as established the Public Schools Clean Energy Task Force.

WHEREAS, the State of New Mexico, in implementing these progressive recommendations, will continue its national leadership role in addressing the immediate risk of climate change to the world's economy, environment and human health and join other states and countries by acting immediately to reduce greenhouse gas emissions while ensuring a robust state economy and high-wage job creation; and

WHEREAS, the reduction of greenhouse gases and increases in energy efficiency will save New Mexicans millions of dollars while significantly improving our state air quality and protecting our state's valued scenic vistas.

NOW, THEREFORE, I, Bill Richardson, Governor of the State of New Mexico, by virtue of the authority vested in me by the Constitution and the laws of the State of New Mexico, do hereby **ORDER** and **DIRECT** the following:

I. Consistency with Prior Executive Orders: This Administration has passed prior Executive Orders that have addressed issues of clean and renewable energy, reduction of greenhouse gas emissions, and related matters. For purposes of continuity and consistency, the following modifications to these prior Executive Orders shall apply:

1. Executive Order No. 04-19, entitled "Declaring New Mexico the 'Clean Energy State,'" established the Clean Energy Development Council. The membership to that Council is the Secretaries of Energy, Minerals, and Natural Resources Department, Environment Department, Economic Development Department, the Department of Transportation, the Department of Agriculture, the General Services Department, and the State Engineer, with staff support from the Office of the Governor. The membership to this Council shall remain the same except for the addition of the following new members: the Regulation and Licensing Department, the Tax and Revenue Department, the Department of Finance and Administration, and the Governor's Advisor on Energy and Environment shall serve in the Governor's staff position. The Clean Energy Development Council shall continue to implement the directives set forth in Executive Order No. 04-19, including an annual report to the Governor on its recommendations and activities, as well as assume new responsibilities as set forth in this Order.

2. Executive Order No. 05-33 entitled "Climate Change and Greenhouse Gas Reduction." The Climate Change Action Council, the Climate Change Advisory Group, and the technical state agency working group established under Executive Order No. 05-33 are hereby abolished. Other provisions of this Order remain in effect or are modified as indicated below.

3. Executive Order No. 05-49 entitled “Requiring the Increased Use of Renewable Fuels in New Mexico State Government.” The provisions in Executive Order No. 05-49 shall remain in effect and are supplemented with further direction and initiatives set forth in this Order.

4. Executive Order No. 06-01 entitled “State of New Mexico Energy Efficient Green Building Standards for State Buildings.” The provisions in Executive Order No. 06-01 shall remain in effect and are supplemented with further direction and initiatives set forth in this Order.

II. Establishment of a Climate Change Action Implementation Team

1. Creation. There is hereby established the Climate Change Action Implementation Team (“Team”).

2. Purpose. The purpose of this Team shall be to serve as a staff-level group that shall be responsible for ensuring that the directives in this Executive Order are implemented. The Team shall be under the direction of the Clean Energy Development Council, as created by Executive Order No. 2004-019, regarding the implementation of this Executive Order, including directives regarding the Climate Change Advisory Group’s recommendations, as well as directives regarding any other authorized initiatives. The Team shall ensure that all applicable state agencies are implementing climate change action in accordance with these directives, and shall also be responsible for providing periodic updates and reports to the Clean Energy Development Council and the Governor, as set forth in further detail below.

3. Advisory nature. The Team shall be advisory in nature and shall not make any final policymaking decisions.

4. Membership. The Governor shall appoint members of the Team who shall be comprised of staff representatives from the following agencies:

- a. Department of Environment,
- b. Department of Transportation,
- c. Energy Minerals and Natural Resources Department,
- d. Regulations and Licensing Department,
- e. Department of Finance and Administration,
- f. Department of Taxation and Revenue,
- g. General Services Department,
- h. Department of Agriculture,
- i. Economic Development Department,
- j. Office of the State Engineer; and
- k. Office of the Governor.

5. Consultation. The Team shall consult with representatives of the Public Regulation Commission. The Team shall also consult with other governmental entities, including state agencies and local governments, as needed to implement this Order.

6. Leadership. The Department of Environment shall serve as the lead agency with the staff representative serving as the Chairperson of the Team. The Department of Environment shall provide administrative support and staffing for the Team.

7. Duties:

a. The Team shall serve as the primary point of contact in each of their respective agencies regarding the implementation of this Order.

b. The Team shall be responsible for ensuring that each applicable agency is implementing this Order in accordance with its terms and conditions, including the achievement of the targeted goals and levels in a timely and adequate fashion.

c. The Team shall quantify anticipated greenhouse gas emission reductions that are expected to result from implementation of the climate change actions that arise from the Advisory Group's recommendations and any other authorized initiatives.

d. The Team shall submit a written progress report to the Clean Energy Development Council and the Governor summarizing the implementation of this Order, including any Climate Change Advisory Group's recommendations or other authorized initiatives, by July 1 of each year, beginning in 2007.

e. The Team is strongly encouraged to provide more frequent reporting and updates as is deemed necessary in addition to the annual report.

f. The Team shall meet no less than four (4) times per year. The Team shall also be required to present to the Clean Energy Development Council, upon request.

g. The Team shall carry out this Order as part of their official duties and shall receive per diem and travel reimbursement to the extent permitted under law or policy.

III. Implementation of Climate Change Actions. The following actions shall be implemented under the time frames indicated; however, these actions may be supplemented with additional directives from the Clean Energy Development Council.

1. Department of Environment (“NMED”): NMED shall implement and abide by the following directives, subject to the prior approval and direction of the Clean Energy Development Council and in accordance with the duties of the Team as set forth above.

a. Executive Order No. 05-033. This prior Executive Order contained various directives that specifically applied to NMED that are hereby modified or superseded by this Executive Order as follows:

i. This Executive Order hereby supersedes paragraph 3 of EO No. 05-33.

ii. This Executive Order hereby supersedes paragraph 5 of EO No. 05-33;

iii. Paragraph 6 in EO No. 05-33 shall remain in effect, but is further revised to require NMED to develop a greenhouse gas emissions inventory and forecast every four years, starting in 2008.

iv. Paragraph 7 in EO No. 05-33 shall remain in effect.

b. NMED shall submit to the Environmental Improvement Board (“EIB”) a proposal to implement a state clean car standard consistent with clean car standards adopted by other states no later than January 1, 2008. This initiative shall supplement the existing initiatives under Executive Order 05-049.

c. NMED shall submit to the EIB a proposal to adopt a greenhouse gas emissions registry and reporting mechanism, after consultation with affected stakeholders, no later than January 1, 2008.

d. NMED shall conduct a study of voluntary and mandatory mechanisms for reducing greenhouse gas emissions from oil and gas processes by January 1, 2008 and shall submit such study to the Team, the Clean Energy Development Council, and the Governor by said date. Proposed mechanisms shall reduce methane emissions in oil and gas operations by 20% by 2020 and carbon dioxide emission from fuel combustion.

e. NMED shall work with other state agencies in analyzing financial incentives for clean vehicles, in a manner that supplements the initiatives in Executive Order 05-049. NMED shall submit a report summarizing its findings, including implementation strategies, to the Team, the Clean Energy Development Council, and the Governor by July 1, 2007.

f. NMED shall submit to the EIB a proposal to develop regulations and guidance for truck stop electrification for anti-idling capability by July 1, 2008.

g. NMED shall develop a State Climate Public Education and Outreach program by December 1, 2007, shall submit the plan to the Team, the Clean Energy Development Council, and Governor, and once proper authorization is received, commence implementation of this plan by July 1, 2008.

h. NMED, under the direction of the Governor's Energy & Environmental Policy Advisor, shall work with other states and the federal government, as appropriate, to evaluate the effectiveness and feasibility of a mandatory market-based emission reduction program with a regional or national scope.

2. The Department of Energy, Minerals and Natural Resources ("EMNRD"): EMNRD shall implement and abide by the following directives, subject to the prior approval and direction of the Clean Energy Development Council and in accordance with the duties of the Team as set forth above.

a. EMNRD shall convene a stakeholder group no later than March 31, 2007 to determine opportunities and barriers for reducing carbon dioxide emissions in oil and gas operations and power production. The group shall explore requirements needed to capture, transport, and geologically sequester significant amounts of anthropogenic carbon dioxide in the state, including but not limited to geologic surveys, infrastructure, and ownership of liabilities. The group may use the results of research conducted at New Mexico research institutions and others in the field of carbon dioxide sequestration in their considerations. In addition, EMNRD shall coordinate with the stakeholder group to develop and propose rules regarding carbon dioxide emission reduction and storage. EMNRD shall provide a report with findings and proposed rules to the Team, Clean Energy Development Council, and Governor no later than December 1, 2007.

b. EMNRD shall work with the appropriate governmental entities to implement demand side management programs for electricity, natural gas and other fuels; to adopt state appliance standards; to establish financial incentives for distributed and centralized renewable energy; and to create incentives and barrier reductions for combined heat and power. EMNRD shall submit a written report outlining these initiatives no later than December 31, 2007, to the Team, Clean Energy Development Council, and the Governor, and shall strive to implement said initiatives commencing January 1, 2008.

c. EMNRD shall work with stakeholders to create or participate with other states in a Regional Market Transformation Alliance. This Alliance shall pursue regional efforts by non-utility organizations to encourage greater uptake by consumers of cost-effective energy conservation practices on a voluntary basis. EMNRD shall finalize a report summarizing the work of the Alliance and submit it to the Team, Clean Energy Development Council, and the Governor each year during its participation.

3. General Services Department (“GSD”): GSD shall implement and abide by the following directives, subject to the prior approval and direction of the the Clean Energy Development Council and in accordance with the duties of the Team as set forth above.

a. Prior Executive Orders:

i. Executive Order 05-33: The duties of GSD in said Executive Order in paragraph 8 are hereby superseded by this Executive Order.

b. GSD shall establish state policies for green power purchasing, modify state procurement processes for state building performance standards, ensure low greenhouse gas emissions from state vehicles, and require mandatory recycling in state building leases and purchases by July 1, 2007. These initiatives shall supplement the existing initiatives under Executive Order 05-049 and Executive Order 06-01. GSD shall report annually to the Team, Clean Energy Development Council, and the Governor regarding implementation of these measures and the quantity of greenhouse gas emissions avoided or reduced.

c. GSD, in concert with Department of Transportation (“DOT”), shall develop and implement policies for procuring and operating the state fleet, consistent with Executive Order 2005-049, no later than July 1, 2007. Prior to implementation, GSD shall submit the proposed policies to the Team, the Clean Energy Development Council and Governor for review and approval.

4. Regulation and Licensing Department (“RLD”): RLD shall implement and abide by the following directives, subject to the prior approval and direction of the Clean Energy Development Council and in accordance with the duties of the Team as set forth above.

a. RLD shall consult with interested stakeholders to develop low greenhouse gas emitting building codes. After submitting the proposed

codes to the Team, the Clean Energy Development Council, and Governor, RLD shall submit the proposed codes to the Construction Industries Commission (“CIC”) no later than January 1, 2008. These new codes shall include provisions for solar hot water systems for new buildings with substantial water heat demand. These new codes shall also be adopted consistent with the directives in Executive Order No. 06-01 regarding the updating and adoption of building codes to achieve energy efficiency.

b. RLD shall consult with interested stakeholders to develop regulations for new commercial refrigeration. After submitting the proposed regulations to the Team, the Clean Energy Development Council, and Governor, RLD shall submit the proposed regulations to the CIC.

c. RLD shall develop a project plan for an education and outreach program to inform and train building professionals on new building code requirements by July 1, 2008, and begin implementation of this plan by January 1, 2009. Similar initiatives in Executive Order No. 06-01 shall remain in effect.

5. Department of Taxation and Revenue (“TRD”): TRD shall implement and abide by the following directives, subject to the prior approval and direction of the the Clean Energy Development Council and in accordance with the duties of the Team as set forth above.

a. TRD shall develop financial incentives to reduce greenhouse gas emissions, as appropriate, in collaboration with other appropriate state entities.

6. Department of Finance and Administration (“DFA”): DFA shall implement and abide by the following directives, subject to the prior approval and direction of the Clean Energy Development Council and in accordance with the duties of the Team as set forth above.

a. DFA, in concert with DOT, shall develop a plan by July 1, 2007 to work with local governments to implement greenhouse gas emissions reduction programs throughout the state, shall submit the plan to the Team, the Clean Energy Development Council, and Governor, and shall begin implementation of this plan by January 1, 2008.

7. The Department of Agriculture (“Dept of Ag”): Dept of Ag shall implement and abide by the following directives, subject to the prior approval and direction of the Clean Energy Development Council and in accordance with the duties of the Team as set forth above.

a. Dept of Ag shall work with stakeholders to develop and promote manure energy utilization strategies that shall cover 15% of the state-wide dairy cattle by 2012 and 35% by 2020. These strategies shall reduce greenhouse emissions by offsetting fossil fuel consumption, as well as by direct reduction of methane emissions.

b. Dept of Ag shall work with stakeholders to develop specific implementation mechanisms that promote the utilization of 25% of agricultural by-products for electricity or steam generation by 2012 and 50% by 2020.

c. Dept of Ag shall enhance its efforts to increase the amount of acreage in conservation tillage and no-till production and to work with the appropriate state agencies to promote programs that support consumption of local grown food and “buy local” efforts.

IV. Agency Support

1. All state agencies shall assist, as appropriate, in implementing this Order and fulfilling its purpose. The actions mandated as a result of this Executive Order shall be accomplished within the bounds of, and consistent with, the relevant agency’s statutory and regulatory authority.

V. Lead Coordinator

1. The Governor’s Energy & Environmental Policy Advisor shall be the Lead Coordinator and in this capacity shall serve as the central point of contact for implementation of this Order, shall be authorized to obtain periodic progress reports from agencies regarding their compliance with this Order, and shall be authorized to give directives to agencies to ensure implementation of this Order.

VI. Disclaimer

Nothing in this Executive Order is intended to create a private right of action to enforce any provision of this Order or to mandate the undertaking of any particular action pursuant to this Order; nor is this Order intended to diminish or expand any existing legal rights or remedies.

THIS ORDER supersedes any other previous orders, proclamations, or directives in conflict. This Executive Order shall take effect immediately and shall remain in effect until such time as it is rescinded by the Governor.