



January 28, 2021

Secretary James Kenney  
NM Environment Department  
P.O. Box 5469  
Santa Fe, NM 87502-5469

[James.Kenney@state.nm.us](mailto:James.Kenney@state.nm.us) and the members of all three committees (including conservation

**RE: Senate Bill 11, New Mexico Clean Fuel Standard SUPPORT**

Dear Secretary Kenney,

California-based Oberon Fuels (Oberon) is an innovative company that has focused for the past ten years on dimethyl ether (DME) transportation fuel, a powerful molecule that can be used to decarbonize transportation in three ways: 1) as a diesel fuel replacement, 2) as a blend with propane to reduce its carbon intensity, and 3) as a hydrogen carrier to power fuel-cell electric vehicles. Oberon wishes to indicate its strong support for Senate Bill 11.

With initial DME production coming online in 2013, Oberon produced the first fuel-grade DME in North America and supplied DME for global vehicle demonstrations with partners such as Volvo Trucks, Mack Trucks, and Ford. As part of a \$2.9 million grant awarded to Oberon in 2019 by the California Energy Commission (CEC), Oberon is currently upgrading its pilot DME fuel production facility, located in Brawley, California, to demonstration scale, ramping up a target DME production capacity in early 2021 to approximately 1.56 million gallons of DME per year (the equivalent to 830,000 gallons of diesel per year). Oberon will also be testing a new renewable feedstock and will produce the first renewable DME in the US in the Spring of 2021. DME produced under this CEC grant will be used to blend with propane to reduce its carbon intensity in transportation applications.

In addition to introducing a new renewable fuel, this CEC-funded project has already resulted in the creation of 12 full-time jobs and likely up to 30 indirect jobs, mostly in the Imperial Valley region of California. In ramping up under the project, we hired nine additional onsite personnel in the summer of 2021 in the Imperial Valley region when the area was experiencing 27% unemployment due to the COVID-19 pandemic. Even in the best of times, Imperial Valley suffers from economic challenges, likely many agricultural regions, and its residents could greatly benefit from the good-paying jobs this project will provide.

As Oberon continues to build DME production capacity and to create market demand, the company is looking beyond California for opportunities to convert local waste streams,



such as dairy manure, to low-carbon or carbon-negative DME and create local, head-of-household, clean energy jobs. Because of New Mexico's significant dairy industry, the company has begun evaluating DME production in New Mexico. Despite Oberon's production model of local feedstock, local production, and local consumption, New Mexico's lack of a Clean Fuel Standard or other incentive structure make it difficult to justify in-state consumption of the end-product. We were excited to learn about the introduction of SB 11 as its passing would positively impact the project opportunities in New Mexico and enable the regions where the feedstock is located to benefit from the emissions reductions of local DME consumption as well as the creation of local, head-of-household, clean energy jobs.

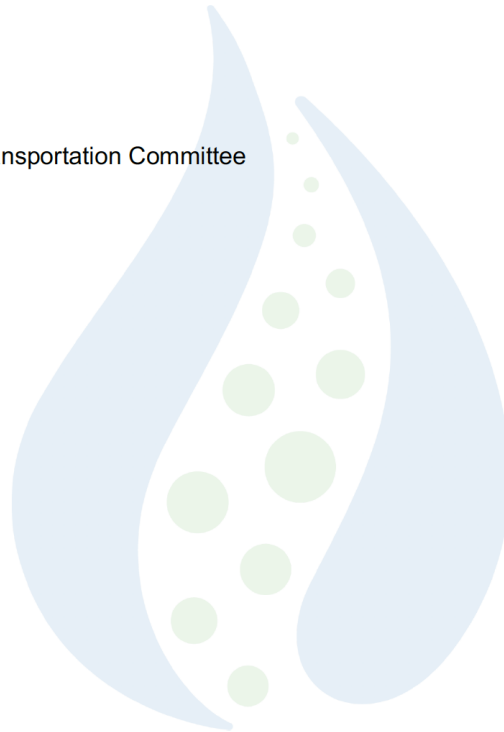
We wholeheartedly support Senate Bill 11 and look forward to continuing to work with the state of New Mexico and its local entities to evaluate the opportunity to reduce emissions, create low-carbon or carbon-negative fuels, and create good-paying jobs.

Sincerely,

A handwritten signature in blue ink that reads "Rebecca Boudreaux". The signature is fluid and cursive, written in a professional style.

Rebecca Boudreaux, Ph.D.  
President and CEO, Oberon Fuels

CC: Senate Conservation Committee  
Senate Finance Committee  
Senate Taxation, Business, and Transportation Committee





January 28, 2021

New Mexico State Legislature  
490 Old Santa Fe Trail  
Santa Fe, NM 87501

RE: Senate Bill 11, Enacting a Clean Fuel Standard for Transportation Fuels

Dear Members of the New Mexico Legislature,

As a leading electric vehicle (EV) charging station network operator and EV charging solution provider in North America, we write to express our support for Senate Bill 11 (Sen. Stewart and Rep. Small) to enact a New Mexico Clean Fuel Standard (CFS). This policy will directly drive private investment in clean transportation fuels and infrastructure in New Mexico and reduce greenhouse gas (GHG) emissions and criteria air pollution from one of the highest emitting sectors in the state.

Clean fuels standards have proven to accelerate transportation electrification by increasing investment in EV charging infrastructure and supporting EV adoption. These programs work by sending a clear and effective market signal to prospective EV charging station operators that improves the business case for charging infrastructure, thereby expanding the private sector commercialization of EV charging. Clean fuels standards in existence today are also influencing fleet operators to transition their fleets from higher polluting combustion vehicles towards cleaner EVs.

In addition to cutting down on air pollution, a CFS will stimulate local economic and job growth through higher investment in clean technologies. EV charging station deployments specifically require site planning and development, construction, engineering, and electrician services, all of which lead to local jobs in local economies. Encouraging transportation electrification will also lead to consumer savings from reduced fossil fuel and traditional vehicle maintenance costs.

Finally, once operational, a CFS will come at little to no cost to the state budget, while delivering significant stimulus for clean transportation and infrastructure projects. To date, clean fuels standards in the US have generated more than \$1.3 billion for transportation electrification alone in the last decade, and a substantial share of those funds have been invested in disadvantaged communities.

ChargePoint supports the passage of Senate Bill 11 in New Mexico and looks forward to working with legislators on this issue.

Sincerely,

Justin Wilson  
Regional Policy Director  
ChargePoint

**From:** Tom Dower <[tom.dower@lanzatech.com](mailto:tom.dower@lanzatech.com)>

**Subject: Support for SB11 "Clean Fuel Standard Act"**

**Date:** January 26, 2021 at 11:51:40 AM MST

**To:** Tom Dower <[tom.dower@lanzatech.com](mailto:tom.dower@lanzatech.com)>

Dear Madam Chair, Madam Vice Chair and members of the Senate Conservation Committee,

Thank you for this opportunity to provide support for Senate Bill 11, the "Clean Fuel Standard Act." I am Tom Dower, Vice President, Public Policy for carbon recycling company LanzaTech.

Our technology takes carbon from industrial and other waste streams, and uses a novel bacteria-based fermentation process to convert that carbon into sustainable ethanol, jet fuel, chemicals and other products. Suitable inputs to our technology include municipal wastes, agricultural and forestry residues, and industrial emissions. Our technology platform provides just one illustration of the diversity of materials that can be used to produce low-carbon fuels and therefore the importance of technology-neutral policies. This clean fuel standard would provide a market-based approach to lowering New Mexico's carbon emissions while attracting investment from companies which can create jobs and provide the sustainable transportation fuels of today and the future.

Thank you, again, and we urge prompt enactment of this legislation.

Best,

Tom

**Tom Dower | LanzaTech**

Vice President, Public Policy

+1 (847) 324-2490 voicemail | [tom.dower@lanzatech.com](mailto:tom.dower@lanzatech.com)

8045 Lamon Ave. Suite 400 | Skokie, IL | 60077

<http://www.lanzatech.com>

# News

## [LCFC APPLAUDS NEW MEXICO'S PROPOSED CLEAN FUEL STANDARD ACT LEGISLATION](#)

**Sacramento, CA, (January 21, 2021)** -- The Low Carbon Fuels Coalition is applauding yesterday's announcement by Governor Michelle Lujan Grisham (D-NM) of the state's proposed Clean Fuel Standard Act that would help diversify New Mexico's economy while decreasing greenhouse gas emissions. The Coalition is playing a leading role in helping shape clean fuel policy at the state and national level.

The legislation, Senate Bill 11, sponsored by New Mexico Representative Nathan Small and Senator Mimi Stewart is supported by state agencies including New Mexico Environment, New Mexico Economic Development, New Mexico Energy, Minerals and Natural Resources, and New Mexico Agriculture. It is an important next step in reducing greenhouse gas pollutants after Governor Lujan Grisham directed an Executive Order "On Addressing Climate Change and Energy Waste Prevention" in early 2019.

"This proposed legislation aligns with the Coalition's mission to support market-based clean fuel policies in the United States," said Graham Noyes, Executive Director of the Low Carbon Fuels Coalition. "New Mexico Senate Bill 11 is exemplary of the kind of solid policy that will drive innovation and economic development in low carbon fuels, while improving air quality and reducing waste streams. We look forward to working with the Governor on this important legislation."

Adelante Consulting, Inc., a New Mexico-based firm with expertise in market-based trading programs and a member of the Low Carbon Fuels Coalition, identified the adoption of a low carbon fuel standard in New Mexico as a key policy prerequisite to attract bio-based industry to the state in a feasibility study for Sandoval County, NM in 2020. "SB11 is a win for New Mexico's environment and economy," said Amy Brown, Chief Operating Officer for Adelante Consulting and a member of the Low Carbon Fuels Coalition's Board of Directors.

If enacted, the Clean Fuel Standard Act will establish a market-based approach to cut greenhouse gas emissions from transportation fuels, requiring fuel producers and importers to reduce the amount of carbon in fuels used in New Mexico — a 10% reduction by 2030 and a 20% reduction by 2040. Fuel producers and importers can meet a lower carbon fuel standard by purchasing credits if they are not able to produce fuels that meet the carbon standard. Credits may be generated from any business in any sector of our economy – including the agriculture, chemical, dairy, energy, film, forestry, manufacturing, mining, oil and gas, waste management and wastewater treatment industries. The Clean Fuel Standard Act does not apply to retailers of transportation fuels, like gas stations. The proposed Standard will now make its way through the 60-day New Mexico legislative session.

**For more information, view the Governor's announcement [HERE](#).**



## **BTR Energy**

BTR Energy  
1015 15th Street NW, Suite 1025  
Washington, D.C. 20005

January 26, 2021

**RE: Letter of Support for the New Mexico Clean Fuel Standard Act, Senate Bill 11**

Dear Legislator:

I am writing on behalf of BTR Energy, a member of the Low Carbon Fuels Coalition, in support of Senate Bill 11 to establish a Clean Fuel Standard in New Mexico.

Our company works with electric vehicle manufacturers, EV fleet operators and renewable energy producers to manage data collection, reporting, and credit generation in similar state programs, such as the California Low Carbon Fuel Standard (LCFS).

These programs support electric transportation by incentivizing the production of renewable electricity used as a fuel for electric vehicle (EV) charging. They also help accelerate the adoption of EVs through expanded EV charging infrastructure, point of sale rebates, and education programs to inform the public of the benefits of electric transportation.

In California, the LCFS has also driven market investment towards dozens of new renewable sources of grid-connected electricity that have a lower carbon intensity than the State's electric grid, such as solar, wind and even biogas facilities at dairy farms. For example, Straus Family Creamery collaborated with BTR Energy and BMW North America on a first-of-its-kind partnership to connect electric vehicles to electricity generated by an on-farm dairy digester system.<sup>1</sup> The project actively mitigates methane emissions, generating additional revenue to the farm which helps recover the cost of the new anaerobic digester system.

New Mexico has significant sources of renewable electricity from solar and wind, and also significant potential from biogas produced at farms, landfills, wastewater facilities and food waste digesters.<sup>2</sup> For example, the U.S. EPA AgSTAR program has identified more than 100 dairy farms that could generate electricity with biogas from anaerobic digestion of manure.<sup>3</sup>

For these reasons, we believe a Clean Fuel Standard in New Mexico is a complementary policy to agriculture and electric transportation initiatives underway in the state, such as nutrient runoff mitigation and EV adoption. Senate Bill 11 would allow for dairy, agriculture and other energy facilities to generate credits for transportation fuel.

We encourage your support for a clean fuels program by supporting Senate Bill 11.

Sincerely,

Ashley P. Beatty  
Vice President, Partnerships & Public Policy  
BTR Energy

<sup>1</sup> <https://www.globenewswire.com/news-release/2019/11/20/1950308/0/en/Organic-Dairy-Pioneer-Albert-Straus-BMW-Group-Collaborate-to-Make-Renewable-Energy-Create-New-Revenue-Opportunities-for-California-Farmers.html>

<sup>2</sup> <https://americanbiogascouncil.org/wp-content/uploads/2020/06/ABC-2020-State-Profiles-31.pdf>

<sup>3</sup> <https://www.epa.gov/sites/production/files/2018-06/documents/epa430r18006agstarmarketreport2018.pdf>

<https://www.bayotech.us/news/bayotech-supports-new-mexico-clean-fuel-standard>



# BayoTech Supports New Mexico Clean Fuel Standard Act

Jan 28

**ALBUQUERQUE, N.M. (January 28, 2021)** — Sen. Mimi Stewart and Rep. Nathan Small filed the New Mexico Clean Fuel Standard Act (Senate Bill 11), a Governor’s priority bill that would bring an estimated \$47 million in economic investments annually to the state while significantly reducing greenhouse gas emissions from the transportation sector. The transportation sector is the second-largest source of greenhouse gas emissions in New Mexico behind the oil and gas industry.

The Clean Fuel Standard Act will establish a market-based approach to cut greenhouse gas emissions from transportation fuels, requiring fuel producers and importers to reduce the amount of carbon in fuels used in New Mexico — a 10% reduction by 2030 and a 20% reduction by 2040. This bill aims to help New Mexico reduce carbon emissions and protect air quality while creating new jobs and opening up the state to economic investment in low-carbon fuels, like hydrogen.

BayoTech President and Chief Executive Officer, Mo Vargas, commented:

*“BayoTech fully supports the Clean Fuel Standard Act. New Mexico has long been considered an oil and gas state and clean fuels, like hydrogen, represent an opportunity to transition to clean energy while supporting job growth and attracting economic investment. We are committed to working together with the government and people of New Mexico to support this transition and make the state a leader in low to zero carbon fuel production”.*

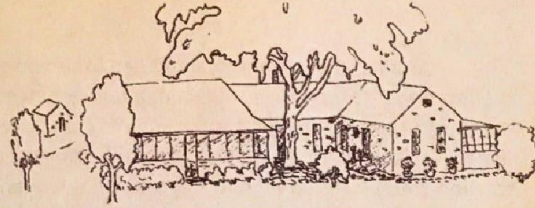
BayoTech Chief Commercial Officer, Stewart Stewart, added:

*“The Clean Fuel Standard is an important step on the pathway to economic development and carbon reduction in the state of New Mexico. BayoTech is proud to support this legislation, which will attract high-value partnerships in the transportation sector and advance our goal of making New Mexico a hydrogen hub for the United States”.*

If enacted, New Mexico would join two other states, Oregon and California, which already have their own CFS programs. The State of California has had a CFS program in place since 2011 and the State of Washington is currently presenting a legislative proposal to begin a CFS program. New Mexicans are encouraged to contact their legislators and ask that they support the Clean Fuel Standard Act.

## TRIGG RANCH

P.O. Box 128  
Mosquero, NM 87733  
575.487.2430  
[caitlinholmes@gmail.com](mailto:caitlinholmes@gmail.com)



January 27, 2021

Secretary James Kenny  
NM Environment Department  
P.O. Box 5469  
Santa Fe, NM 87502-5469

### RE: SUPPORT OF SB11

Dear Secretary Kenny,

The Steve and Bess Trigg family has ranched in northeastern New Mexico since 1918. We are a 5<sup>th</sup> generation Angus cow-calf operation. In 2003, the family began a major change in grazing management, from year-round grazing to a more intensive rotational grazing system, sometimes known as Holistic Management. At the same time, we began an annual land health monitoring program at 12 permanent sites scattered around our 50,000-acre ranch.

We write in enthusiastic support of the Clean Fuels Standard Act, SB11. We take our role as caretakers of the land seriously. We applaud the Governor and all in her administration in addressing the reduction of greenhouse gases and climate change.

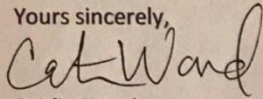
Because implementing a clean fuel standard will not only lower NM's carbon dioxide footprint, it will also require establishing an open market exchange whereby those who can reduce or sequester carbon dioxide can sell offset credits to those who are unable to meet their reduction requirements. Selling carbon credits will potentially offer a new source of income to those NM ranchers and farmers using best land health practices.

We have some experience in this area because, in 2009, Trigg Ranch did sell carbon offset credits on the Chicago Climate Exchange, CCX. That exchange was established in 2003. In 2007, the CCX set up protocols for those in the ranching industry whose grazing management practices sequestered additional carbon in their soil, above the amount sequestered by common grazing practices. Since we had made these changes to our grazing management and documented the effects through extensive monitoring, we made it through a rigorous verification process and were successfully certified by a third-party verifier in 2009. In addition to fee lands, Trigg Cattle leases state lands for grazing, and throughout this whole process, we worked in partnership with the State Land Office. In the late summer of 2009, Trigg Ranch sold the equivalent of almost 3,500 tons of carbon credits. The State Land Office, under an agreement we made with the Commissioner, received 1/3rd of the net proceeds attributable to our state leased land. Unfortunately, the CCX closed in 2010. At that time, there were no state or federal reduction standards for greenhouse gases.



As a family, it is our goal to keep improving our rangelands for future generations. Operating a sustainable family ranch is a challenging goal, and finding new ways to supplement ranching income requires creativity and resourcefulness. Our one-time sale of carbon credits went a long way toward helping us achieve this goal. The opportunity for future carbon credit sales could not only add a new revenue stream for innovative ranchers and farmers, but it would incentivize the agricultural community to keep doing the hard (and often expensive) work of improving the land.

Yours sincerely,

A handwritten signature in black ink that reads "Caitlin Ward". The signature is written in a cursive, flowing style.

Caitlin Ward  
Assistant Ranch Manager

Nancy Ranney  
513 Walden Road  
Corrales, NM 87048

January 29, 2021

Secretary James Kenney  
New Mexico Environment Department

Dear Secretary Kenney,

I would like to register my support for NM SB 11 The Clean Fuel Standard Act. From 2002-2020, I managed my family's ranch—the Ranney Ranch—outside of Corona, NM. My experience ranching here, in semi-arid mesa/canyon rangeland at 6200', illustrates the potential for SB 11 to: 1. improve our rangelands by encouraging regenerative management practices 2. boost ranch income, now at best a marginal business and 3. revive local communities by creating new enterprises. (Sadly, this past September my family sold our ranch of 52 years.)

My father, George Ranney, managed our 18,000 acre ranch from 1968-2002 according to conventional range management practices including continuous grazing; our rangeland was typical of ranches in the region. In the spring of 2003, I began a rotational grazing management program (intensive grazing with long rest periods) under the guidance of HMI/rangeland advisor, Kirk Gadzia, Resource Management Services LLC, and witnessed stunning improvement in soil health and grassland biodiversity: our native grassland species (without any reseeding, fertilizer or irrigation) increased from a count of five in 2003 to over fifty in 2018, from seeds dormant in the soil for many decades under the practice of continuous grazing. We observed increased numbers of species of soil microorganisms, insects, butterflies, bats and grassland birds while at the same time greatly increasing water retention in our pastures. In 2017, this ecosystem diversity was recognized by Audubon when we were invited to be the pilot ranch here in NM for their Audubon Conservation Ranching Program. This recognition boosted our visibility as a regeneratively managed ranch in the region and contributed to the success of our Grassfed Beef program, begun in 2003, both within the state and across the country, improving the economic viability of the ranch. Ranch records for this period show increased beef sales, reduced feed and fuel costs, need for fewer bulls, increased herd size and improved animal health and yield.

While we began this new approach with the purpose of range improvement and increased productivity, soil testing in 2007 showed that our soil Carbon levels had increased

significantly. Subsequent soil testing in 2009-10 by Steve Apfelbaum of Applied Ecological Services, Inc. (AES) showed that carbon accrual improvements followed these vegetation changes and with the significant acreage multiplier, per acre gains of .3 to .5 tonnes C/ acre per year had translated into larger total quantities of accrued and salable carbon than from many other areas of the USA. Although we never entered the carbon market with this data, it was clear to us that the new management practices resulting in both increased soil fertility and carbon accrual were to our immediate and long-term benefit. We even hoped that we were contributing to the reduction of greenhouse gas emissions (GHG's) in the larger framework of climate improvement.

SB 11 would reward those ranchers who are practicing regenerative grazing practices and are able to document increased carbon sequestration on their rangelands. In turn, these practices would increase ranch profitability and potentially throw off new small businesses in surrounding rural communities, including new processing plants which are badly needed in New Mexico and marketing jobs for local residents. Recognition by nationally known outfits such as Audubon might not only increase sales but bring tourism to rural communities. (We sponsored several such landscape and birding tours.)

During this same period, we also increased our commitment to clearing juniper (*Juniperus monosperma*, a native species that beginning in the 1960's and '70's due to overgrazing, absence of regular fire and perhaps increased atmospheric carbon, had started to invade our lowlands.) Assisted by NRCS EQIP and CSP grants, we cleared over 2,000 acres of juniper in the years 2002-2020. Soil testing showed that this clearing was beneficial to the health of our soil, to the increased infiltration of water in ranch soils and to the increased sequestration of carbon. In 2009, working with the Corona Landowners Association which had come together to negotiate with wind developers and with the support of AES and The Earth Partners (TEP), we explored the feasibility of harvesting and shipping pelletized juniper from Corona via rail and then boat to a power plant in northern England (DRAX) seeking to meet EU renewable standards by 2020. When tested by TEP, our juniper was found to have high BTU, low moisture levels and low ash content, all good for biomass use. Unfortunately, although this project has materialized for some landowners in central Texas, Corona was too far inland to be economically viable. At that time, we also explored the feasibility of a pellet plant in Corona but could not pencil that out.

All these management practices cost money. Again, SB 11 would support and incentivize ranchers to practice good documentable management techniques as well as offering the potential for a new local revenue stream, of import to both ranchers and their local community. If biomass is viable and useful, how much better that it be consumed within the region that it is generated.

My experience is that offering financial credits for ecosystem services such as soil and habitat improvement, carbon accrual and biomass production, would incentivize ranchers and other landowners to manage their lands with regenerative practices; these could in turn encourage healthy range management, improve ranch profitability and stimulate local rural development, offering alternative income streams such as the sale of value-added meat products, processing plants, biomass sales and hunting and tourism possibilities.

I believe that NM SB 11 is a step in the right direction.

Sincerely,  
Nancy Ranney

**From:** Sarah Wentzel-Fisher

**Subject:** Support for SB11

**Date:** February 1, 2021 at 10:27:06 AM MST

**To:** [James.Kenney@state.nm.us](mailto:James.Kenney@state.nm.us)

January 29, 2021

Secretary James Kenney  
New Mexico Environment Department

Dear Secretary Kenney,

I would like to register my support for NM SB 11 The Clean Fuel Standard Act. Professionally, I direct the Quivira Coalition, but I write as a livestock producer, board member of the Southwest Grassfed Livestock Alliance, and citizen of New Mexico who cares deeply about our working lands. In the past three years, the Quivira Coalition has initiated work focused on improving soil health on working lands in New Mexico. My partner's farm, Polk's Folly, a diversified hog operation in the East Mountains, has actively engaged in projects to increase capture of farm waste products to create amendments to restore rangeland in the state. While not directly related to this bill, the way we approach climate change must be multi-sector and multi-faceted. I see a direct connection and benefit to the work we are doing here and SB11. The bill represents an opportunity to support and incentivize land management practices that not only will help address excess carbon in the atmosphere, but other essential ecosystems functions like biodiversity and clean water, as well as increase the economic viability of agricultural operations.

SB 11 would reward those ranchers who are practicing regenerative grazing and are able to document increased carbon sequestration on their rangelands. In turn, these practices would increase ranch profitability and positively impact small businesses in surrounding rural communities as a result, including new processing plants which are badly needed in New Mexico and marketing jobs for local residents.

The Quivira Coalition is currently working on a Collaborative Conservation Grant funded by the US Department of Agriculture to work with ranchers in New Mexico to create ranch plans focused on soil health and designed to help ranchers shift to climate resilient, regenerative grazing and land management practices. Part of our work revolves around not only looking to existing vehicles for financial support like NRCS EQIP programs, but also keeping a pulse on emerging carbon markets which help offset the costs of shifting a ranch to regenerative practices.

In this vein, SB 11 would support and incentivize ranchers to practice good documentable management techniques as well as offering the potential for a new local revenue stream, of import to both ranchers and their local community. Offering financial credits for ecosystem services such as soil and habitat improvement, carbon accrual and biomass production, would incentivize ranchers and other landowners to manage their lands with regenerative practices; these could in turn encourage healthy range management, improve ranch profitability and stimulate local rural development, offering alternative income streams such as the sale of value-added meat products, processing plants, biomass sales and hunting and tourism possibilities.

I believe that NM SB 11 is a step in the right direction.

Sincerely,

Sarah Wentzel-Fisher  
2515 Consuelo Ln NW  
Albuquerque, NM 87104



# Rocky Mountain Farmers Union

7900 E. Union Ave., Suite 200 • Denver CO 80237  
303.752.5800 • 1.800.373.7638 • [rmfu.org](http://rmfu.org)

February 2, 2021

Senator Mimi Stewart  
490 Old Santa Fe Trail  
Capitol Room 115A  
Santa Fe, NM 87501

SB 11

Dear Senator Stewart,

Rocky Mountain Farmers Union is a progressive, grassroots organization dedicated to achieving profitability for family farmers and ranchers while promoting stewardship of land and water resources. We strive to deliver safe, healthy food to consumers, and strengthening rural communities through education, legislation, and cooperation.

Rocky Mountain Farmers Union (RMFU) would like to go on record to support SB 11. Our members support all types of energy production and would like to think we have made an impact on ethanol production in several states. Although, corn is not a big commodity in New Mexico and likely will not have a large part in the overall reduction of carbon-based fuels for New Mexico. Knowing the rules developed will have an impact on agriculture, we would appreciate a seat at the table when the rules are adopted to assure the rules do not impact agriculture negatively. We would hope to provide producers some type of offsets for their losses with some type of advantage in carbon markets or some other additional offset. Farmers and ranchers will have numerous opportunities to take advantage of advanced carbon markets and models to offset the carbon they emit. Our members support all sources of energy, but our interest is growing to reduce fossil fuel production and increase alternative fuel sources.

We must lower our emissions, Clean Air and Clean Fuel Standards are a must do for our State—our Nation. Agriculture can play a big role in that reduction.

Sincerely,

*Bill Midcap*

Bill Midcap  
Senior Policy Advisor  
Rocky Mountain Farmers Union  
Santa Fe, NM

# Land of Enchantment

## Clean Cities Coalition

Secretary James Kenney  
NM Environment Department  
P.O. Box 5469  
Santa Fe, NM 87502-5469

[James.Kenney@state.nm.us](mailto:James.Kenney@state.nm.us) and members of NM Senate Tax, Business and Transportation Committee:

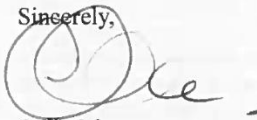
Senate Bill 11, Clean Fuel Standard SUPPORT

Dear Secretary Kenney:

Land of Enchantment Clean Cities Coalition was founded in 1994 to support the Energy Policy Act of 1992. Since, our Coalition has embraced not simply alternative fuels to reduce imported energy dependence but far more. Our overall mission is to promote efficient transportation while reducing criteria air pollutants and green-house gas emissions. We advance all forms of low-carbon transportation fuels through training, out-reach and fleet development, using resources from Departments of Energy, Transportation and EPA. Working for the Energy Minerals and Natural Resources Department, I drafted the rule for Agricultural Biomass Tax Credit and built woody-biomass projects and understand the benefits and challenges of harvesting and producing renewable energy. Despite these challenges, New Mexico is well-suited to lead in reducing methane, oxides of nitrogen and more through technology advancement and sound policy implementation.

Efforts to tackle GHG emissions and promote net-zero and low-carbon fuel sources are critical, and SB 11 is a strong and forward-thinking approach to achieving a zero-carbon future. Consequently, Land of Enchantment Clean Cities Coalition supports SB 11 and stands ready to work with your Department and other State Agencies to ensure this legislation is put into good practice.

Sincerely,



Colin Messer  
Executive Director Land of Enchantment Clean Cities Coalition

CC: NM Senate Tax, Business and Transportation Committee



February 17, 2021

The Honorable Mimi Stewart, 17<sup>th</sup> District  
490 Old Santa Fe Trail  
State Capitol, Room 120  
Santa Fe, NM 87501

**RE: SB 11 (Stewart) – Clean Fuel Standard - SUPPORT**

Dear Senator Stewart,

The Coalition for Renewable Natural Gas (RNG Coalition) writes in strong **SUPPORT** of **SB 11**, legislation you have introduced that would require a reduction in the carbon intensity of fuels consumed in the state by a minimum of 10 percent below 2018 levels by 2030 and by a minimum of twenty percent below 2018 levels by 2040. We believe this legislation has the potential to provide the state of New Mexico with significant environmental and economic benefits by generating demand for clean, domestic, renewable fuels including renewable natural gas (RNG or Biomethane).

We represent and provide public policy advocacy and education for the RNG industry across North America. Our organization is comprised of 278 members – cities, counties, airports, ports, municipalities, colleges, universities and leading companies operating in each sector of the industry - including producers of greater than 95% of all RNG produced in the United States and Canada.

We believe that the creation of a Clean Fuels Program would provide New Mexico with an excellent opportunity to reduce greenhouse gas emissions from transportation fuel sources while simultaneously improving public health, fostering the improved management of existing waste streams, diversifying fuel supply and providing green jobs by generating demand for RNG and Renewable Hydrogen (RH<sub>2</sub>) derived from RNG. According to data from the California Air Resources Board, RNG is the lowest carbon fuel commercially available today. While conventional diesel and gasoline score at 100 and 90 grams of CO<sub>2</sub> equivalent per megajoule of energy respectively, RNG scores as low as -500.<sup>1</sup> The increased utilization of RNG would also provide significant public health benefits to New Mexicans. According to a 2017 study by the University of California - Riverside, ultra-low emission heavy-duty natural gas engines fueled by RNG test more than 99.8 percent clean.<sup>2</sup> This translates into significant reductions in respiratory ailments such as asthma and bronchitis, lung cancer and premature death particularly in our most vulnerable populations including children and those living with lung or cardiovascular disease.

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<sup>1</sup> <https://www.arb.ca.gov/fuels/lcfs/fuelpathways/pathwaytable.htm>

<sup>2</sup> <https://ucrtoday.ucr.edu/48342>



The increased development of RNG can help New Mexico meet additional policy objectives by capturing and converting for productive, every-day use methane that would otherwise be flared (combusted and wasted) or escape into the atmosphere as a highly potent short-lived climate pollutant from dairies, wastewater treatment plants, landfills and anaerobic digestion facilities at municipal solid waste and livestock operations. The development of RNG production facilities foster improved management of existing organic waste streams thereby reducing any air, soil, and water impacts.

In addition to the environmental benefits, there are substantial economic benefits realized with the increased development of RNG. According to a study conducted by ICF, RNG facilities attract between \$10-\$100 million in capital investment per project and the creation of up to 173 direct and indirect jobs per project.<sup>3</sup>

The Coalition for Renewable Natural Gas would like to acknowledge the hard work and due diligence you have demonstrated in authoring this legislation. We are pleased to **SUPPORT SB 11** and look forward to continuing working with you to achieve the adoption of a Clean Fuels Program in New Mexico. Please feel free to contact me directly at (916)550-3033 with any questions or concerns.

Sincerely,

/s/

Nina Kapoor Oliveira  
Director of State Government Affairs  
Coalition for Renewable Natural Gas

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<sup>3</sup>[https://static1.squarespace.com/static/53a09c47e4b050b5ad5bf4f5/t/59077544ebbd1ad192d13ff6/1493660998766/ICF\\_RNG+Jobs+Study\\_FINAL+with+infographic.pdf](https://static1.squarespace.com/static/53a09c47e4b050b5ad5bf4f5/t/59077544ebbd1ad192d13ff6/1493660998766/ICF_RNG+Jobs+Study_FINAL+with+infographic.pdf)

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# NGVAMERICA

Natural Gas Vehicles for America

400 North Capitol Street, N.W.  
Suite 450  
Washington, D.C. 20001  
ngvamerica.org

**Daniel Gage**  
President  
[dgage@ngvamerica.org](mailto:dgage@ngvamerica.org)  
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February 17, 2021

Secretary James Kenney  
New Mexico Environment Department  
Harold Runnels Building  
1190 St. Francis Dr., Suite N4050  
Santa Fe, NM 87505

Dear Secretary Kenney:

Natural Gas Vehicles for America (NGVAmerica), the national trade association for the natural gas vehicle industry, respectfully submits this letter to signify our support for New Mexico 2021 Senate Bill SB0011, the Clean Fuel Standard Act, that would enable additional revenue streams for New Mexico and clean jobs for New Mexicans, while reducing greenhouse gas and criteria pollutant emissions.

California has a very successful Clean Fuel Standard Program, as does Oregon. Many states are proposing a similar program including Washington, New York and Massachusetts, while several other states are in discussions and analysis to consider their own programs. NGVAmerica applauds New Mexico for its leadership for Clean Fuel Standards.

NGVAmerica is the national trade organization dedicated to the development of a growing, profitable, and sustainable market for vehicles and carriers powered by clean, affordable and abundant geologic or renewable natural gas (RNG). Our 200-plus member companies produce, distribute, and market natural gas and biomethane, manufacture and service natural gas vehicles, engines, and equipment, and operate fleets powered by clean-burning gaseous fuels across North America.


NGVAmerica endorses strategies that support the transition to low-carbon transportation fuels, including geologic natural gas and RNG. Converting your medium- and heavy-duty vehicle transportation network to natural gas provides a readily available, proven and cost-effective solution to accelerate the transition to a low-carbon transportation future. Further, Clean Fuel Standard Program resources dedicated to cleaner alternative fuel technologies that are available now would significantly and immediately benefit all communities by maximizing the displacement of older, higher emitting trucks and buses, including those higher emitting vehicles that operate in communities that are underserved by current transportation options and overburdened by urban pollution.

New Mexico has a history of supporting alternative fuel vehicles as the best path to building greater demand for New Mexico-produced clean fuel products, cleaning the environment by using lower emission vehicles in transportation, and providing economic benefit to the state and its constituents.

Advocating the increasing use of NGVs where they benefit most.  
For the economy. For the environment. For health. For security. **For America.**

NGVAmerica welcomes the opportunity to provide further information and analysis on the environmental and economic benefits of natural gas vehicles and fuels. Please contact Jeff Clarke, NGVAmerica General Counsel & Regulatory Affairs Director at 202.824.7364 ([jclarke@NGVAmerica.org](mailto:jclarke@NGVAmerica.org)), or Sherrie Merrow, NGVAmerica State Government Affairs Director at 303.883.5121 ([smerrow@NGVAmerica.org](mailto:smerrow@NGVAmerica.org)) to set up a meeting and for additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Gage', with a stylized flourish at the end.

Daniel J. Gage  
President, NGVAmerica

## **Support SB 11 – New Mexico Clean Fuel Standard (CFS) Act**

Biotechnology Innovation Organization (BIO) is the world's largest biotechnology trade association, and includes members in the areas of agricultural, industrial, health care, and environmental biotechnology products.

**A New Mexico CFS will spur investments into clean fuels technology in the state, generating new businesses, creating jobs, and growing the state's economy.**

- → A recent report by Adelante Consulting finds that industries related to the in-state production of low-carbon fuels could see significant job growth in New Mexico and \$47 million in carbon-reduction investments if a CFS program is implemented.
- → Since its implementation, California's program has increased the value of the clean fuels market by an estimated \$2.8 billion.
- → Around the U.S., major oil companies and refineries are transitioning to clean fuels.

**The CFS would reinvigorate investment in the state's agriculture sector – especially dairy producers – and the forest product industry.**

- → The forest products industry has experienced declines in overall investment and revenue. A CFS in New Mexico will increase demand for woody biomass to use in biofuels, including Sustainable Aviation Fuels.

**The CFS in New Mexico will reduce the environmental impact of the state's transportation sector by reducing greenhouse gas emissions.**

- → The California CFS has prevented 38 million tons of carbon pollution since 2011, and the price of gas has gone from \$3.31 to \$3.03 per gallon.
- → In the first three years of the Oregon CFS, approximately 3.1 million tons of greenhouse gasses were reduced at a compliance cost of less than 3 cents per gallon of fuel.

**The CFS would improve New Mexico's public health by reducing premature deaths because of pollution.**

- → A New Mexico CFS will reduce harmful emissions in areas of state with the worst air quality caused by transportation emissions. Public health experts uniformly support adoption of a CFS.



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2050 W. Sam Houston Parkway South  
Houston, TX 77042

[www.nacero.co](http://www.nacero.co)

February 17, 2021

Secretary James Kenney  
NM Environment Department  
P.O. Box 5469  
Santa Fe, NM 87502-5469

RE: Senate Bill 11, New Mexico Clean Fuel Standard Act - SUPPORT

Dear Secretary Kenney and Members of the Legislature,

We are writing on behalf Nacero Inc. to express our support for Senate Bill 11, the Clean Fuel Standard Act.

We commend the drafters for including a requirement for full fuel lifecycle analysis which includes both direct and indirect emissions, such as land use changes and other such collateral impacts of clean fuel production. In addition, Nacero applauds the use of robust third-party certification and verification processes.

As a future importer and provider of motor vehicle transportation fuel for New Mexico, Nacero plans to be an active participant in the Clean Fuels market with both its lower carbon gasoline and hydrogen products.

Our state-of-the-art facility located in West Texas which is slated to enter construction by the end of 2021 will integrate 100% renewable power, carbon capture, and meaningful amounts of renewable natural gas which we plan to source in large part from New Mexico landfill and agricultural facilities.

Products from this facility will be a cost-efficient, drop-in solution for New Mexico's everyday drivers while at the same time helping New Mexico reach its medium and longer term climate objectives.

We will do whatever we can to assist in the adoption and implementation of this important measure.

Sincerely,

A handwritten signature in black ink that reads "Tom Tureen". The signature is written in a cursive style with a long horizontal stroke at the end.

Tom Tureen,  
Chairman

A handwritten signature in black ink that reads "Jay McKenna". The signature is written in a cursive style with a long horizontal stroke at the end.

Jay McKenna,  
CEO

Clean Energy Fuels  
Headquartered in California  
(949) 536-1962

[www.cleanenergyfuels.com](http://www.cleanenergyfuels.com)



Ryan Kenny  
Senior Public Policy and Regulatory Affairs Advisor – Western U.S.

The Honorable Benny Shendo Jr., Chair  
New Mexico Senate Committee on Tax, Business and Transportation  
490 Old Santa Fe Trail  
Santa Fe, NM 87501

February 22, 2021

**RE: SUPPORT: SB 11 (Stewart, Small)**

Dear Chair Shendo:

On behalf of Clean Energy, I would like to express support for SB 11, the Clean Fuel Standard Act. Our company was a foundation stakeholder in the California and Oregon clean fuel standard processes, respectively, since they were conceived. To summarize: both have been a success and we believe it will be in New Mexico as well.

As North America's largest provider of renewable natural gas (RNG) transportation fuel with over twenty-four years of leading industry experience, Clean Energy provides construction, operation and maintenance services for refueling stations nationwide. We have a deep understanding of the growing marketplace, as our portfolio includes 535 stations in 43 states. This includes a significant presence of 8 fueling stations in New Mexico.

Clean Energy's Business Footprint in New Mexico

We believe this bill will increase business and jobs in New Mexico, starting with our company's presence. Our 8 fueling stations in New Mexico serve refuse, transit and heavy-duty truck customers. This footprint, and that of the industry, should increase with the passage of SB 11.

Already used as a clean, low carbon source of energy around the world, RNG is proven to be a cost-saving alternative fuel to diesel and gasoline. RNG for transportation fuel strengthens our economy with lower fuel costs, increases our energy security, and significantly benefits our environment by reducing carbon emissions and smog-forming NOx emissions by up to 300% and 99%, respectively, relative to diesel fuel.

This bill is a critical tool not only to effectively meet carbon emissions reduction targets, but also as a mechanism that fosters technological innovation, supports a robust market for alternative fuels, provides long-term investment certainty and stimulates job creation and investment.

North America's leader in clean transportation

**FOR IMMEDIATE RELEASE: March 5, 2021**

Contact: Amy Brown, Adelante Consulting  
505-366-8250  
abrown@adelanteconsulting.com



## **NATIONAL AND LOCAL COMPANIES FORM NEW MEXICO CLEAN FUELS COALITION TO SUPPORT DIVERSIFICATION OF STATE'S ECONOMY**

**Albuquerque, NM (March 5, 2021)** – In response to New Mexico's proposed Clean Fuel Standard legislation, 21 national and New Mexico-based companies and organizations formed the New Mexico Clean Fuel Coalition to support the state's efforts to diversify New Mexico's economy while decreasing greenhouse gas emissions. The Coalition was formed in conjunction with the Low Carbon Fuels Coalition, a national organization that plays a leading role in helping shape clean fuel policy at state and national levels.

If enacted, the Clean Fuel Standard Act, SB 11, would establish a market-based approach to cut greenhouse gas emissions from transportation fuels, requiring fuel producers and importers to reduce the amount of carbon in fuels used in New Mexico — a 10% reduction by 2030 and a 28% reduction by 2040. Fuel producers and importers can meet the reduction goals by purchasing credits if they are not able to produce sufficiently low-carbon fuels. Credits may be generated from any business in any sector of New Mexico's economy – including the agriculture, chemical, dairy, energy, forestry, manufacturing, mining, oil and gas, waste management and wastewater treatment industries.

"This proposed legislation aligns with the Coalition's mission to support market-based clean fuel policies in the United States," said Graham Noyes, Executive Director of the Low Carbon Fuels Coalition. "We are excited about this new business coalition forming in New Mexico and look forward to working with the Governor and her leadership team on this legislation and on future clean fuel policies."

Adelante Consulting, Inc., is coordinating efforts of the New Mexico Fuels Coalition. Adelante is a New Mexico-based firm with expertise in market-based trading programs and a member of the Low Carbon Fuels Coalition. Adelante Consulting identified the adoption of a low carbon fuel standard in New Mexico as a key policy prerequisite to attract bio-based industry to the state in a feasibility study for Sandoval County, NM.

Charter members of the Coalition represent a broad spectrum of companies and organizations including:





March 12, 2021

Secretary James Kenney  
NM Environmental Department  
PO Box 5469  
Santa Fe, NM 87502

Senator Mimi Stewart  
490 Old Santa Fe Trail  
Capitol Room 115A  
Santa Fe, NM 87501

**RE: Senate Bill 11, New Mexico Clean Fuel Standard SUPPORT**

Dear Secretary Kenney and Senator Stewart:

As the voice of the US biogas industry, we're writing today to express our strong support for New Mexico Senate Bill 11 to create a Clean Fuel Standard. We know, from experience in other states, that a CFS in New Mexico as designed in SB 11 will, just from the biogas and RNG industry, create millions of dollars in new investment and thousands of new jobs. The CFS will incentivize our industry to build new recycling infrastructure to turn the enormous volume of organic waste in New Mexico into renewable electricity, renewable hydrogen, or renewable natural gas (RNG) for vehicles plus valuable soil amendments. And because biogas is at worst a low carbon source of clean transportation fuel, and at best a carbon negative fuel, we can be sure that more biogas will help plummet state GHG emissions from one of the highest emitting sectors.

The American Biogas Council is the voice of the US biogas industry. We represent more than 240 companies and 2,700 individuals, including many in New Mexico and more interested in doing business in the state. The American Biogas Council is focused on making it easier to build more biogas systems through education and improving policy, and SB 11 will help.

Biogas systems protect our air, water and soil by recycling organic material, like food waste and manure, into renewable energy and soil products. For vehicles, the biogas can be converted to renewable electricity for BEVs, renewable hydrogen for FCEVs, and RNG for CNG vehicles.

The potential for producing renewable vehicle fuel and building new biogas systems in New Mexico is enormous because there is a lot of organic material that needs to be recycled. Specifically:

- 8.3 million tons/year of manure (mostly dairy manure and some swine);
- 650,000 tons/year of food waste; and
- 31 billion gallons/year of wastewater.

If New Mexico does NOT pass SB 11, what will the state do with all this organic material? It can't all be composted. Even if it were, you'd be wasting the huge potential to produce renewable fuel and displace fossil fuel from New Mexico's organic waste that's already sending global warming methane emissions into the air. We must harness this resource and incentivize our industry to build the infrastructure to do so. SB 11 will help do that.

New Mexico's biogas potential is almost untapped. The state currently has 12 operating biogas systems but the potential to build 135 more according to our [Biogas State Profile](#). These new biogas systems would:

- produce 3,599 construction jobs, 239 permanent jobs, and at least \$432 million in new capital investments;
- produce 178 million gallon equivalents of fuel, if all the biogas was used for vehicle fuel;
- reduce emissions equivalent to removing 1.3 million cars from the road; and
- produce numerous secondary benefits from waste management and odor reduction on farms, to soil health, air quality, and more.

And that's just from the biogas industry....

SB 11 will be a win-win for New Mexico for the economy and the environment.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Serfass".

Patrick Serfass  
Executive Director





Thomas M. Domme  
Vice President & General Counsel  
505-697-3834 (direct)  
505-250-1419 (cell)  
[tom.domme@nmgeo.com](mailto:tom.domme@nmgeo.com)

March 9, 2021

New Mexico Legislature  
490 Old Santa Fe Trail  
Santa Fe, NM 87501

**RE: Senate Bill 11 (Clean Fuel Standard Act)**

Members of the Legislature:

New Mexico Gas Company (NMGC) supports the adoption of SB 11, a Clean Fuel Standard Act.

The proposed legislation would create a market-based approach relating to the increased use of cleaner transportation fuels, which would assist the state in meeting its emissions-reduction objectives.

The principles underpinning this standard are consistent with efforts being made by NMGC to support adoption of lower-carbon fuels for transportation, including compressed natural gas.

NMGC is supporting initiatives related to the blending of hydrogen with natural gas on the Company's distribution system, including partnerships with local companies and research institutions; and increased use of renewable natural gas in the transportation sector but also for blending in the Company's distribution system. As well, NMGC is pursuing development of and investments in emerging technologies that contribute toward the overall reduction of greenhouse gas emissions in New Mexico.

Adoption of the standard would incent innovation and economic development, including from the purchase of credits generated from businesses in diverse sectors of the New Mexico economy, and merits positive consideration by the Legislature.

Very truly yours,

Thomas M. Domme