

Meeting with NGOs
November 13, 2015

Represented:

Western Resource Advocates (WRA)
Sierra Club (SC)
National Resources Defense Council (NRDC)
Coalition for Clean Affordable Energy (CCAEE)
Citizen's Climate Lobby (CCL)
NM Interfaith Power and Light (IPL)
Consultant to NGOs, Donna House

CPP Team:

Rita Bates, AQB
Kerwin Singleton, AQB
Cindy Hollenberg, AQB
Ed Merta, CABQ
Isreal Tavarez, CABQ

1. Introductions
2. Presentation (same as Utilities/Coops meeting)
3. Questions and Discussion

Do states know whether they will participate in trading? Will NM allow trading with the Navajo Nation (NN)?

(Not far enough down the road to know.)

Could the plan use the previous (repealed) cap and trade rule?

(We can't necessarily rule that out, but there may be other ways to do this.)

Could trading-ready be an advantage for NM if we exceed goals?

(NM is in good shape to meet the mass goal, so this is possible.)

Please consider public meetings in Gallup and also consider announcements via radio. These considerations would help a vulnerable population. (Donna asked for us to email slides to her.)

Why did you schedule meetings in Roswell and Las Cruces during the day? This is unfair as people have to work.

(We rarely get anyone showing up in those locations for evening meetings, but we will reconsider our options.)

Places NMED needs to educate:

Regional Haze (and facility shut-downs) vs. CPP requirements vs. ozone issues
NN territory vs. State (jurisdiction issues)

NMED: We can do a better plan than EPA can do for us. We plan to process what we hear, hold more meetings if needed, draft an initial plan, then have more stakeholder / public involvement.

Suggestion from WRA (but seconded by several organizations): Have a technical working group to process issues in a transparent way.

(Energy Strategies model will be available soon and will be web-based, which will help with transparency. It doesn't, however, include costs & reliability so we are also considering modeling.

NMED could consult with EPA on their IPM modeling (ICF & MJ Bradley model) and pull NM data. WRA is putting together spreadsheets but need more detail from utility IRP modeling results (need more detail to be available publicly, such as demand data). It would be helpful to have utilities and NGOs meet together. (Technical work group mentioned again.)

(The bottom line is that we all want a NM plan that works.)

Is NM planning to comment on proposed Federal Plan? For approval, EPA may end up comparing State Plans to the Federal Plan so we need it to be good.

(NMED has the same concern, so we do intend to comment and are working on this currently.)

There is also opportunity to comment on the CEIP (separately) by December 15. NMED should consider doing this. Also, should EE be included in the Federal Plan, especially since it will have already been implemented in the CEIP?

WRA: NMED should pursue the Emissions Standards approach (not State Measures). We need to think what we could learn from modeling before jumping into it. Also, some models might be able to show who benefits from trading. PG&E modeling shows that the lowest emissions occur in a national trading scenario, but modeling (at this point) can't take into account what various states will do. ERC liability is a big hurdle (referring to the fact that illegitimate ERCs sold to another entity become the liability of the purchasing entity).

What is the relationship between NMED work and legislative work?

(The Cabinet Secretary and other senior staff discuss issues with the legislature but legislative decisions could affect our ability to create a plan, so we need to follow legislative issues closely. The stringency clause could keep us from using the new source complement, but that is currently unclear.)

Perhaps use set-asides for the same purpose as the new source complement is supposed to be comparable to set-asides.

NRDC: I can't imagine that utilities don't want to use the new source complement. Otherwise new units, perhaps built by independents, would be competition.

Include a comment for the model rules regarding equivalency between the new source complement and set-asides for leakage. This would help with stringency issues if it were in writing.

Can PRC rules be part of the State Plan?

(We can't include them as federally enforceable. If we include them, it becomes a State Measures Plan.)

What hurdles must the State go through for final Plan approval?

(Final Plan approval requires a hearing for approval by the EIB and the ABQ Board. Our current thinking is that we may ask for a joint hearing.)

Who makes up the ABQ Board?

(4 are appointed by the City (mayor with City Council confirmation) and 3 are appointed by the County.)

We need to participate in the CEIP. It would help us with money for EE. If we keep a portion of the proceeds from their sale, we could reinvest it into RE, EE or directly back to low income communities.

(SWEET held a meeting yesterday and also met with us earlier today regarding that as well.)

Will the Federal Plan be finalized as rate-based or mass-based or both?

(Our understanding is that EPA will choose one or the other, but not both.)

What if unaffected units cross over the CPP applicability threshold?

(No specific answer, but Rita showed the Title V Emissions Inventory map on our web site and talked about how data can be pulled from it.)

The TSDs also have 2010-2012 data for documenting the output-based allocations.

NMED should highlight the benefits of the CEIP and EE. PNM requires replacement MWs (of renewable energy) which would be eligible for the CEIP.

If the State goes mass-based, flesh out the principles and guideposts before coming up with an allocation scheme. Look to CA and RGGI for ideas. What about allocations to units that retire? Also look to past schemes for insight. Look for value returned to customers

What do you hope to gain from listening sessions? Most people aren't going to know how to comment on what you've presented. It's too technical.

(We want to hear people's concerns. How can we do it better?)

NMED needs to educate the public. Consider a FAQ document. Don't use (or fully explain) all acronyms. Talk about statistics on affected facilities, the CPP process up to this point, the decision-making hierarchy and the spirit of what is happening. Consider contracting with translators to be able to speak to various communities. We also need more advance notice of public meetings.

(Thank you.)