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**RESIDENTIAL COMMERCIAL AND INDUSTRIAL (RCI)
SUMMARY OF TECHNICAL WORKING GROUP (TWG) CALL #2
OCTOBER 4, 2005, 2:00PM – 3:30PM**

Attendance:

1. Technical Working Group members:
 - Bineshi Albert, Southwest Climate Council
 - Dave Bearden, Waste Management
 - Lucy Boulanger, Physicians for Social Responsibility
 - Jeff Burks, Public Service Company of New Mexico
 - John Curl, New Mexico Public Regulatory Commission
 - Frank Gallegos, Intel
 - Abbas Ghassemi, WERC
 - Howard Kaplan, Wilson and Company
 - Susie Marbury and Craig O'Hare, Energy, Minerals, and Natural Resources Department
 - Fabian Macias, City of Albuquerque
 - Ed Mazria, Mazria Inc. Odems Dzurec
 - Steve Michel, NM Industrial Energy Consumers
 - Tom Singer, Natural Resources Defense Council
 - Jack Mizner, Sandia National Labs
2. NMED staff:
 - Erik Aaboe
 - Lany Weaver
3. Center for Climate Strategies (CCS) staff:
 - Alison Bailie, Michael Lazarus, Tom Peterson, David von Hippel, Eric Williams
4. Other Attendees: Bill Althouse

Background documents:

(unless noted, all posted at <http://www.nmclimatechange.us/documents.cfm#DocsRCI>)

1. Meeting Notice and Agenda (distributed by e-mail)
2. Meeting summary from Call#1, September 20, 2005
3. Powerpoint presentation for meeting

4. Matrix of GHG Reduction Policy Options in the Residential, Commercial, and Industrial (RCI) Sector

Discussion items and key issues:

1. **Inventory and Reference Case:** It was noted that further inputs are awaited from NM utilities to verify the assumed growth rate of 2.5% per year, and from waste management staff on landfill emissions. Ed Mazria verbally presented another interpretation of emissions associated with buildings, suggesting a much higher contribution of energy use in buildings to the state's emissions, and noting potential implications for the building sector of the Governor's emission reduction targets, especially in the long term. Ed's inputs will be reviewed and circulated prior to the next meeting. Tom Singer suggested the consideration of how the impacts of the policies developed and passed during the 2005 Legislative session in New Mexico might be included in the inventory and reference case.
2. **Policy Matrix: General Discussion.** David von Hippel and Michael Lazarus walked through the matrix, summarizing the options, the comparison metrics, the suggested procedure for, and implications of, for assigning priorities, along with the upcoming analysis steps. Many participants noted the many overlaps among potential actions. David and Michael noted indeed many options are directed at similar emission reducing opportunities; e.g. improved building efficiency can be accomplished through most of the section 1 and 3 options, as well as several others.
3. **Policy Matrix: Suggested Additions and Changes.** An education strategy targeting higher education and professional training will be added as item 4.3 based on suggestions by Abbas Ghassemi and other members. Susie Marbury suggested more explicit coverage of cooling technologies, and Craig O'Hare suggested recasting of the "negative cost" cost-effectiveness label into a more positive term, such as "net benefit". Option 5.4 (time of use rates) will be expanded to "Rate Design" and will include other options such as increasing block rates (and seasonal use rates) per suggestions by John Curl and Craig O'Hare. Adopting a specific level of at least portions of the LEED (Leadership in Energy-efficiency Design) building requirements was suggested as one way of possibly combining options in the buildings sector. The addition of daylighting to building sector options, and the renaming of current option 6.5 ("White roofs...") was also suggested. Flaring of landfill gas will be added to the waste section per suggestion of Dave Beardon. An option will be added in the buildings category (3) along the lines of "Tools and options to select and promote low-embodied emissions materials" per comments by Ed Mazria. These and other changes will be incorporated into a revised matrix. The separate listing of demand-side management (DSM) programs for electric and gas/propane/oil utilities was suggested, as was the consideration of the impacts of the ongoing change in cooling modes from evaporative to direct cooling. Bill Althouse, a Public participant in the TWG call, suggested that the consideration of fuel-switching to biomass from fossil fuels (as included currently under item 8.1 in the matrix) should

factor in the impacts of volatile natural gas prices, as well as economic co-benefits such as re-spending effects related to using local non-fossil fuel supplies.

4. **Policy Matrix: Suggested Consolidation.** The number of items in the RCI list is relatively long, and some items may be readily consolidated. For example, as noted by Tom Singer, many options involve the same or similar end-use efficiency potential analysis (most of the Section 1-3 options). TWG members are encouraged to suggest specific consolidations.

Next steps and agreements:

1. In preparation for the third meeting, TWG participants are encouraged to closely review the revised matrix and be prepared to indicate where they feel the highest priorities lie.
2. In consultation with Ed Mazria and NMED staff, CCS/Tellus has prepared an initial (indicative) subsector/end-use breakdown of energy use and GHG emissions for the RCI sectors, based on available regional and national data. This breakdown has been distributed to all RCI members.
3. **Next TWG meeting**

Wednesday, Oct. 19, 2005, from 8:30 – 10:30 a.m.

For those who would prefer to meet in person instead of calling in, NMED staff will be at the Indian Pueblo Cultural Center, 2401 12th Street NW, Albuquerque, NM

ALL – Consider possibility of running until 10:30 if needed to complete initial prioritizations.