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**TRANSPORTATION AND LAND USE TWG CALL #5  
JANUARY 10, 2006, 3:00 – 5:00 PM**

Attendance:

1. TWG members:
  - Charles Bensinger, Sunbelt Biofuels
  - Neal Butt, Albuquerque Environmental Health Program
  - Bob Czerniak, New Mexico State University (for Mike Martin)
  - Richard (Skip) Dunn, Los Alamos Sustainability Group
  - Judith Espinosa, University of New Mexico
  - Patricia Hoffman, New Mexico State University
  - Ken Hughes, Department of Finance Administration
  - JW Madison, New Mexico Rails
  - Kent Salazar, National Wildlife Federation
  - Eva Thaddeus, Sierra Club
2. NMED staff: Mary Uhl
3. CCS staff: Karl Hausker, Maureen Mullen
4. Other attendees:
  - Cynthia Hall

Background documents:

*(unless noted, all posted at [http://www.nmclimatechange.us/documents.cfm#Docs\\_TLU](http://www.nmclimatechange.us/documents.cfm#Docs_TLU))*

1. Meeting Notice and Agenda
2. Powerpoint Presentation for Call #5
3. Draft Summary of TLU TWG Call #4
4. Summary of TLU TWG Subgroup Calls (held during December)
5. Matrix of GHG Reduction Policy Options in the Transportation and Land Use (TLU) Sector
6. List of Priorities for Analysis and Volunteers, with Example of Draft Policy Option
7. Policy Template

**Discussion items and key issues:**

1. The draft summary of the TLU TWG Call #4 was approved.
2. The outcomes of the subgroup calls that took place in December were reviewed. The Alternative Fuels subgroup proposed adding two options.
  - a. The first is support for the national adoption of UN/European Union standards (tougher than CA standards). This is not a recommendation for a state action but a recommendation to propose a different federal standard. It could also be adopted as an incentive for consumers choosing vehicles meeting UN/European Union standards. The group briefly discussed incentives for retirement of older vehicles. Due to current Federal law only allowing CA standards or national standards, the EU standards could be proposed in one of three ways: 1) incentivize; 2) recommend federal law be changed to allow state flexibility or strengthen federal fuel economy requirements; or 3) When federal law changes, recommend that NM adopt EU standards. The group agreed that developing incentives should be prioritized. The group discussed what priority should be given to changing federal law. It was suggested that we work with our governor and congressional delegation to accomplish this. The group decided to make this a high priority, also.
  - b. The second option proposed by the Alternative Fuels subgroup was for a revenue-neutral tax for high GHG fuels and subsidies for low GHG fuels. The group also agreed to give consideration to renewable hydrogen fuels for the next call.
3. At Karl's request, Bob Czerniak and Ken Hughes presented information about the Governor's Task Force on Our Communities, Our Future (on which Bob is a task force member). Bob outlined the work of this task force and how it relates to policy options being developed by the TLU TWG. The Task Force produced a livability report to promote redevelopment of communities using tax planning and incentives. The Task Force has been reauthorized and the Governor has signed an executive order to address location issues that will lead to a reduction in the need to drive and promotion of alternative transportation. The group will meet in February, May, September and November and will finish work by April 2007. Karl asked Ken Hughes whether this work would provide a foundation for this group. Ken has already been developing the draft policy templates for the infield/brownfield redevelopment, SMART growth and transit-oriented development policy options. The task force was looking at redevelopment for a number of reasons, not just greenhouse gas emissions reduction. The legislative agenda recommendations from this task force include: 1) tax increment financing; 2) \$2 million development grant for ½ mile radius around transit sites (transit oriented development); 3) \$1 million for planning by regions in New Mexico. Karl indicated that the mission of the Task Force meshes with the mission of our land use bundle—to drive VMT down—and asked the group if they would like to integrate the TLU TWG agenda with the Task Force agenda. Ken will put the TLU TWG on the

agenda of the Governor's Task Force to inform that group about the TLU TWG work and to ensure that information will be freely shared between the TLU TWG and the Governor's Task Force.

4. Karl asked each subgroup to summarize options for bundles
  - a. Alternative fuels subgroup: Charles indicated that producing biofuels in the State could save \$450 million per year if 30 cents cheaper than other fuels. In NM, biodiesel is produced from dryland sorghum. Ethanol could be made from cow manure, wood chips, MSW (already existing waste materials). This could drive economic development and reduce GHG emissions by 20%. Is there enough waste products in the state to achieve this? Richard thinks 400 million gallons is possible, wood chip category is questionable. Is there a restriction to using waste materials from other states? Yes, possibly. Cotton growers have waste that may be used. Would it be more efficient to just combust the waste to produce energy rather than converting to biofuels? Ben Luce mentioned biomass energy production is a hot topic in the ES TWG. What is the most valuable use of the biomass? Biomass to electricity vs. Biomass to biofuels—return on investment is 3 times greater for converting biomass to biofuels. There is an option to sequester carbon if you use biomass to generate electricity.
  - b. Multi-modal transport subgroup: Use of alternative types of transport and vehicles used by high school students should be considered. How can alternatives to this be incentivized? Incentives group should look at this.
  - c. Land use subgroup: Ken has drafted 3 policy options. Karl will distribute in the near future for the TWG's review.
5. Karl requested volunteers to flesh out policy options. The volunteers will fill out the top sections of the policy template. All of the draft policy options will then be reviewed by the full TLU TWG. This will be done in small groups via conference calls and by circulating e-mail drafts of policy templates. These will not be formal calls, but calls organized around a draft policy that conforms to the policy template and facilitated by CCS. Volunteers are listed on the attached updated list of priorities.
6. Minutes will be posted in near future and Maureen and Karl will communicate with the volunteers/nominees to ensure these assignments are ok.
7. We now need to reach out to other NM agencies, including DOT (prepared the New Mexico 2025 Statewide Multimodal Transportation Plan) and EMNRD (for alternative fuels information), to find ways to get them involved. We will likely need inputs from these agencies in developing the policy templates. Judith talked to Secretary Faught and they are aware of the TWG. We may want to send a letter to DOT asking for data. The NMDOT has attended CCAG meetings and Action Council meetings.

8. At CCAG meeting on January 11, Eva will present information on our discussions on CA Cars and the Incentives/Disincentives bundle; Charles will present information on alternative fuels; and Judith will present information on multi-modal transportation and land use/location efficiency.

Next steps and agreements:

1. CCS will post meeting summary shortly after call.
2. CCS will send out guidance on what's expected of the volunteer groups and how these groups should proceed.
3. CCS will update short list of options with volunteers proposed or agreed on today's call.
4. CCS will contact TLU TWG members who were proposed as volunteers but not on the call.
5. Next TWG call: A date has not yet been set for the next TWG call. It will likely be late February or March to give the volunteers time to fill out policy options.