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## Energy Supply TWG Call #11 Summary April 25, 2006

### Attendance:

#### 1. TWG Members & Alternates:

Eric Ames, Western Environmental Law Center  
Jeff Burks, PNM  
Josh Epel, Duke Energy Field Services  
Gregory Green, National Environmental Trust  
David Griscom, Regional Development Corporation  
Jack Ihle, Excel Energy  
Ben Luce, Coalition for Clean Affordable Energy  
Dave Melton, Sacred Power  
Steve Michel, NM Industrial Energy Consumers  
Jim Ramakka, BLM – Farmington  
Tom Singer, NRDC

#### 2. NMED/EMNRD staff:

Sandra Ely, NMED  
Mark Fesmire, EMNRD OCD  
Jim Norton, NMED  
Craig O'Hare, EMNRD  
Lany Weaver, NMED

#### 3. CCS staff:

Ken Colburn  
Tom Peterson  
Eric Williams

#### 4. Other attendees:

James Behnken

### Background documents:

(unless noted, all posted at <http://www.nmclimatechange.us/documents.cfm>, click on Energy Supply)

1. Notice and Agenda for Call #11
2. Summary for TWG Call #10

3. Powerpoint presentation for Call #11
4. Straw Proposals for Priority Policy Options

**Discussion items and key issues:**

1. The ES TWG met in two sessions. In the first session, the ES and RCI TWGs met jointly in order to consider GHG cap and trade policy options, because such a program could apply to both power sector and industrial or other facilities. The TWGs heard a presentation by Tom Peterson concerning issues and options associated with cap and trade programs. The two TWGs also discussed other joint and closely related policy options and issues, both to update each other, and to ensure that on an overall basis, there is as little overlap as possible in order to avoid double counting.
2. After the joint session, the ES TWG launched into discussion of the policy option straw proposals that it planned to bring before the CCAG the following day. Although substantial consideration had preceded this meeting via earlier TWG calls and small group development of straw proposals, there were still differences of opinion on several policy options and votes had to be taken regarding their characterization. Several policy options were also changed from “Not Quantifiable” to “To be Quantified” because while the option as a whole couldn’t be quantified, some smaller subset of it could be.
3. David Griscom also brought five new proposed policy options to the table for the TWG’s consideration as possible additional priority policy options to be analyzed. Several TWG members expressed concern about the late entry of additional options, but in the end, the TWG voted to add two of the options proposed: consideration of a Generation Performance Standard (GPS), and Regulatory Reform for Cooperatives.
4. The TWG was also to discuss “contributing issues” associated with policy options (reflecting aspects of policies beyond financial costs and GHG reductions), details of how approved policy options would subsequently be quantified, and target GHG reduction levels as compared to the GHG inventory and forecast.

**Next steps:**

1. CCS will revise the straw proposals for ES policy options reflecting the changes made by the TWG on April 25 (to the extent approved by the CCAG on April 26).
2. With the assistance of the experts on the TWG, CCS will develop preliminary quantification analyses of the costs (or cost savings) and GHG reductions for each quantifiable policy option approved by the CCAG, and report results back to the TWG at its next meeting.