



WWW.NMCLIMATECHANGE.US

**Residential Commercial and Industrial (RCI)
Summary of Technical Working Group (TWG) Call #9
July 26, 2006, 8:30am – 10:00am**

Attendance:

1. Technical Working Group members:
 - Jeff Burks, Public Service Company of New Mexico
 - Susie Marbury, Energy, Minerals, and Natural Resources Department
 - Tom Singer, Natural Resources Defense Council
 - Steven Michel, NM Industrial Energy Consumers
 - Frank Gallegos, Intel Corporation
 - Isreal Tavarez, City of Albuquerque
 - Howard Kaplan, Wilson and Company
2. NMED staff:
 - Erik Aaboe
3. Center for Climate Strategies (CCS) staff:
 - David Von Hippel, Michael Lazarus
4. Other Attendees:
 - None

Background documents:

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

1. Meeting Notice and Agenda
2. Meeting Summary from Call#8, April 25, 2006
3. Powerpoint presentation for meeting
4. RCI List of Priorities for Analysis and Policy Option Descriptions (including preliminary results of analyses of costs and benefits done thus far)

Discussion items and key issues:

1. **Review of 8th RCI Call Summary:** The results of the 8th RCI call (4/25/06), and the decisions taken during that call, were reviewed briefly and accepted by the TWG.
2. **Review of TWG and CCAG Revisions to Draft RCI Policy Options Descriptions, and Discussion of Quantitative Analysis To-Date of RCI Policies.** David Von Hippel

began a review of the work done during the last TWG meeting by TWG members and CCS facilitators on elaborating and modifying RCI Policy Options identified as high priority by the TWG, and accepted for quantitative analysis by the CCAG at its meeting of 4/26/06. Also included in the document reviewed by the TWG (document 4, above) in this discussion were modifications recommended by the CCAG during its meeting of 4/26. At the request of the TWG, the TWG concurrently received summaries and reviewed drafts of the quantitative analyses of RCI options undertaken by CCS staff. Options RCI-1 through RCI-4 were reviewed in the process of the meeting under the leadership of Michael Lazarus. Major conclusions of the TWG discussions were as follows:

- Given the interim results of RCI-1, the TWG decided to “collapse” the “Medium” and “High” scenarios of DSM spending evaluated to a single “Medium-High” scenario, where spending would be 2.8 percent of revenues by 2012. Related discussions included a justification of the cost of DSM used, and the impact of DSM savings on supply (power plant) development schedules.
 - A concern about the impact of mercury in compact fluorescent light (CFL) bulbs, if improperly disposed of, was raised. This issue, and the need to develop programs for collection and recycling/proper disposal of used CFLs, will be noted in the “Contributing Issues” element of the Policy Description for RCI-1.
 - For RCI-2, the gas DSM option, there was discussion of the impact of fluctuating gas demand on the savings from gas energy efficiency measures, including measures that are undertaken by consumers in response to high gas prices. The TWG decided to evaluate a single scenario, with spending of 0.7% of utility revenues on DSM (beyond the current 1.5%) by 2012, ramping up from current levels starting in 2010.
 - The TWG found the approach to analysis of RCI-3 (Regional Market Transformation Alliance) to be reasonable.
 - After a discussion of which types of appliances and equipment are included in the analysis of costs and benefits, the TWG found the approach to analysis of RCI-4 (State Appliance Standards) to be reasonable.
3. The TWG asked about and commented on the goals for the upcoming CCAG meeting (8/8/06). All of the Technical Working Group members who expressed opinions stated that the CCAG agenda must allow time for thoughtful review by the larger group..
 4. **Comments from the Public.** No (non-TWG) members of the public were present.

Next steps and agreements:

1. CCS team will update Policy Descriptions, and continue/revise work on quantitative analysis of RCI Policies.
2. CCS team will send an e-mail to TWG members seeking TWG input on how to reflect the recent trend toward refrigeration-type (or direct) air conditioning, and away from

(less electricity-consumptive) evaporative cooling. This issue was on the agenda for Call #9, but not discussed in depth.

3. **Next TWG meeting (in person in Santa Fe, for those able to attend, and by teleconference): August 7, 3:00 to 5:00 PM.**