



Energy, Minerals and Natural Resources Department

Energy Conservation & Management Newsletter

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COVID-19 RESPONSE

In an effort to reduce the spread of COVID-19 and as directed by the Governor, the Energy, Minerals and Natural Resource Department (EMNRD) has implemented many changes around the office. EMNRD, including the Energy, Conservation, and Management Division (ECMD) has shifted as many employees to telework as possible.

Access to EMNRD's Wendell Chino Building is by appointment only for limited circumstances when important business cannot be conducted remotely.

To contact ECMD directly, please call (505) 476-3310

State government remains dedicated to serving New Mexicans while ensuring the safety of our community.

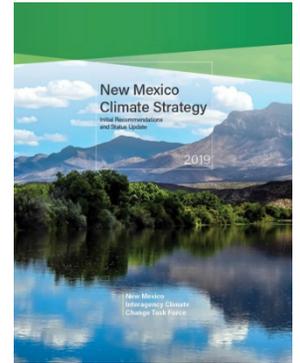
New Mexico health officials continue to urge New Mexicans to:

- Stay at home except for emergencies or essential outings through at least April 30
- Remain home if you are sick and call the Department of Health at 1-855-600-3453 if you are exhibiting any of the symptoms of COVID-10
- And continue taking precautionary steps to protect your individual health

Please visit <https://cv.nmhealth.org> for more details on how New Mexico is responding to COVID-19.

CLIMATE CHANGE TASK FORCE

ECMD's Sustainability and Resilience program delivers strategy and technical support to the Climate Change Task Force to meet the goals Governor Lujan Grisham set in [Executive Order 2019-003](#). We are fortunate our duties have not been significantly affected by COVID-19; to date we have continued our work using virtual meetings and calls to ensure Climate Change Task Force members have the support they need to continue planning and implementing our climate strategies as their responsibilities shift through these challenging times. We have launched several focused interagency Climate Action Teams to tackle each facet of this critical work.



Part of our role in this crisis is to think ahead and prepare for a time of recovery and rebuilding, even as our peers in sister agencies must brace for the height of COVID-19's impact on our state. We don't yet know when this shift will come, but we aim to be ready when that day arrives. The research we do today on how to build back better will support every agency in integrating climate mitigation and adaptation into their recovery strategies and evolving operations and programs. Climate strategies can enhance our state's resilience and response to New Mexicans' collective and individual needs through this difficult chapter.

Stay tuned for more information on safe and meaningful opportunities to connect with these teams: we will be reaching out to stakeholders and communities soon.

CLIMATE STRATEGY REPORT

The ambitious [2019 New Mexico Climate Strategy report](#), required by the governor in her third executive order, sets the state on a path to reduce greenhouse gas emissions by at least 45 percent by 2030 relative to 2005 levels. The Climate Change Task Force will release its 2020 report this fall.

ENERGY EFFICIENCY

The Climate Change Task Force has convened an Energy Efficiency Climate Action Team to bring together state agencies with roles to play in achieving and iterating on our energy efficiency goals. ECMD staff lead this team and are refining our plan and timeline for advancing six goals relating to energy efficiency, two of which are highlighted here.

First, we are working to adopt modern, energy efficient building codes across the state. Currently, NM uses the IECC 2009 building codes. National laboratory analysis estimates updating building codes to IECC 2018, can eliminate 25,000 tons of CO_{2e} statewide and save the average homebuyer almost \$6,400 over the life of the home despite slightly increased construction costs.

ECMD is also working toward creating a low and moderate income (LMI) program to expand energy efficiency offerings. This goal dovetails nicely with a federal grant ECMD secured last year, the Financial Resiliency through Energy Efficiency (FREE) grant. ECMD is using this grant to build an economic model of the state to evaluate the potential effects of various energy efficiency policies on a county by county basis. The results from the model will help us identify policies to maximize the impact of a new LMI program. [ACEEE](#) estimates that implementing energy efficiency efforts in LMI communities can reduce individuals' energy burdens by an average of 25%, resulting in average household savings of \$400 annually.

With these efforts, along with other initiatives we will outline in future newsletters, ECMD aims to provide a comprehensive energy efficiency program to the residents of New Mexico, to help achieve statewide energy goals and help residents along the way.

NEW SOLAR TAX CREDIT SIGNED INTO LAW!

Solar energy has become much more affordable for New Mexicans!

The New Solar Market Development Tax Credit **Senate Bill 29** sponsored by Senator Mimi Stewart and signed by the Governor on March 3, 2020 made solar tax credits available to homeowners and business owners, including agricultural enterprises, in New Mexico who file for personal income taxes. Such taxpayers are eligible for a 10% tax credit on solar system installation costs for qualified solar thermal and photovoltaic (PV) systems, up to a maximum of \$6,000 for systems purchased or installed on or after March 1, 2020 and before January 1, 2028.

EMNRD will work with the Tax and Revenue Department and the Regulation and Licensing Department to write rules and create a certification program by July 1, 2020. EMNRD is developing an online application process to accept applications by taxpayers. The tax credit certification program will need to be established by July 1, 2020 but solar system eligibility for purchase and installation begins on March 1, 2020.

This program will provide substantial monetary benefits to New Mexicans. For example:

- A \$6,667 solar domestic water heating system could be eligible for a \$1,733 federal tax credit and a \$667 state tax credit for a combined tax credit of \$2,400.
- Along with reducing utility bills, a \$30,000 PV system could be eligible for a combined total tax credit of \$10,800 (federal credit = \$7,800, state tax credit = \$3,000). This could reduce the payback period to less than 12 years.

The state credit will continue to support New Mexicans installing qualified solar systems through 2027.

In the last quarter, ECMD reviewed and processed for certification: **79** applications for the Geothermal Ground Source Heat Pump, Renewable Energy Production, and the Biodiesel Facility tax credit programs.



281 applications for the Sustainable Building Tax Credit Program.



In the 2020 Legislative Session, House Bill 146 reauthorized and extended the **Agricultural Biomass Tax Credit** to 2030.

ECMD CONTACT INFORMATION

For questions, including those about tax credits, see our distribution list: <http://www.emnrd.state.nm.us/ECMD/STAFF/contact.html>

To be added to, or removed from our newsletter contact list, please email Chrise Urioste at: cherise.urioste@state.nm.us