2022 TAG Meeting:
Transportation | Natural & Working Lands

April 6, 2022

All Sector-Specific Meetings will take place from 1:00 – 4:00 pm MT

Join by Zoom

https://cbuilding.zoom.us/j/95190047848 | Meeting ID: 951 9004 7848

Dial by your location

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Materials

- Climate Equity Guiding Principles
- RMI Slides from Kickoff Meeting
- CAT Slides from Kickoff Meetings
- Transportation Brief
- Natural & Working Lands Brief

Agenda

Part 1: Quick Review & Prioritize Discussions

1:00 Welcome, Opening

- Ground in Climate Equity Guiding Principles
- Announcements and Updates

1:10 Review: Sector Goals & Implementing Actions, ask questions

Claudia Borchert (Transportation); Jeremy Klass (Natural & Working Lands)

Part 2: Small Group Work

1:45 Small Group Work: In Depth Discussion of Oil and Gas Goals & Proposed Implementing Actions

Part 3: Debrief & Wrap UP

3:30 Report Back, Debrief

3:55 Wrap Up, Next Meeting

Transportation Sector Emission Reduction Goals

New Mexico Climate Change Task Force

Technical Advisory Group

Summary

The overarching goal for the Transportation Sector is to avoid and reduce transportation sourced emissions. The production and processing of fossil fuels that power transportation contribute to the formation of ground-level ozone, greenhouse gas emissions, fine particulate matter (PM2.5), and toxic diesel particulate matter. The public health benefits of reducing criteria and toxic pollutants include premature death in people with heart or lung disease, heart attacks, irregular heartbeat, aggravated asthma, decreased lung function, increased respiratory symptoms, and inflammation of airways. Harmful air pollutants often disproportionately impact overburdened communities who may live and work near sources.

Highlights

- The transportation sector represents the second-largest source of greenhouse gas (GHG) emissions in New Mexico[1] at about 14% (and 15.8 million metric tons of carbon dioxide equivalent). 78% of the emissions in the sector come from light-duty cars and trucks.
- Transitioning away from fossil fuels in the transportation sector has health and economic co-benefits.
- To improve the tailpipe emissions of new cars delivered for sale in New Mexico, New Mexico Environment Department (NMED) is proposing the adoption of California's clean car standards for New Mexico. The Environmental Improvement Board has agreed to consider the proposed Clean Car Rule, together with the Albuquerque Bernalillo County Air Quality Control Board on May 4 and May 5, 2022. One part of the rule requires that approximately 8% of new vehicles offered for sale in New Mexico are zero-emission vehicles, which have no tailpipe emissions. When compared to gasoline- and diesel-powered vehicles, they are two to five times more energy-efficient, reduce dependence on petroleum, and reduce GHG emissions substantially.
- Energy Minerals and Natural Resources Department, Department of Transportation and New Mexico Environment Department, and the Public Regulation Commission are working together to develop an electric vehicle infrastructure plan.
- Under the Transportation Electrification Plans (TEPs) filed with the Public Regulation Commission, the states' three investor-owned utilities have committed to spend $14.6 M to educate and incentivize their customers in decarbonizing transportation. Incentives include Level 2 and fast charging public infrastructure, home wiring rebates, low-income charging rates, optimizing EV charging times, and fleet advisory services.

Recommendations

Goal 1: Achieve a 20% reduction in fuel carbon intensity (CI) by 2030 via a Clean Fuel Standard (CFS).

Possible implementing actions:

a. Pass Clean Fuel Standard Act in the state legislature in 2023.

[1] New Mexico Greenhouse Gas Emissions Inventory and Forecast

b. Explore existing CFS rulemaking authority within the NM Air Quality Control Act.
c. Seek funding for 6 FTE team at NMED for rulemaking and implementation.
d. Complete CFS rulemaking by 2025.
e. Implement the CFS beginning in 2026.

Rationale: The single most impactful policy to reduce emissions from the transportation sector, while creating over 1,600 jobs by 2030 and bringing $470M of investment to New Mexico. The policy has the added benefit of requiring any electricity utility seeking credits to reinvest 50% of its credit revenues in projects that benefit transportation electrification projects in disproportionately impacted communities.

Caveats: The state legislature has considered a CFS in the 2021 and 2022 legislative sessions.

Recommended Resources:

- Clean Fuel Standard Fact Sheet
- Economic Benefits for New Mexico
- Performance of the Low Carbon Fuel Standard in California

Questions for the TAG to consider:

1. What types of transportation electrification projects support disproportionately impacted communities?
2. How can the investments created by a Clean Fuel standard be used to create well-paid jobs in overburdened communities?
3. How can we effectively plan ahead to counteract misinformation regarding gas prices?

Goal 2: Reduce light-duty vehicle miles (VMTs) traveled by 20% by 2030

Possible implementing actions:

a. NMDOT host bi-monthly VMT meetings to update the TCAT on DOT actions in this area and how funds are being used to promote reductions in VMT.
b. Identify and compare policies and best practices that will support multi-modal transit/VMT reduction.
c. Seek federal infrastructure funding for the expansion of transit and transit electrification
d. Implement incentive programs to increase the use of multi-modal transportation in NM
e. Use federal infrastructure funding to leverage multi-modal opportunities in local projects (e.g. Complete Streets, Anaheim electric buses)
f. Adopt and implement education programs in NM to increase multi-modal transportation use
g. Develop legislation to establish state planning programs and perhaps urban land-use reform.
h. Establish the electric bicycle and electric moped rebate program and subaccount to encourage the purchase and use of electric bicycles and electric mopeds
i. Adopt CO-like 2019 Transportation law requiring funding formula for multi-modal in all projects

Rationale: Changes in vehicle and fuel technologies will get the state a long way towards reaching the Governor's ambitious climate goals, but forecasts show that reductions in driving will also be necessary. Reducing VMTs has many social, economic, and health co-benefits.
Caveats: Many policies will need to be coordinated with local governments with land use jurisdiction.
Questions for the TAG to consider:

1. How can car-sharing, ride-sharing, electric bicycles, and electric mopeds increase mobility in underserved communities while reducing VMTs?
2. How can we encourage walking/riding bikes for errands that are within a 3-mile radius?
3. How can we improve pedestrian safety and let the public know we are committed to their safety?
4. How can we encourage increased public transit ridership and change driver behavior?

Goal 3: Reach 500,000 (~25% penetration) zero-emission light-duty vehicles on the road by 2030.
Possible implementing actions:

a. Use NMED's existing authority in the NM Air Quality Control Act to pass by 2023 and implement California's proposed additional clean car standards (Advanced Clean Car II)
b. With State tax credit/refund or other funding, incentivize the purchase of new and used alternative fuel vehicles, including EVs (e.g. SB21)
c. Create mandatory state executive branch fleet purchase requirements or GHG emission limits (e.g. Colorado Executive Order Concerning the Greening of State Government)
d. Launch a voluntary, lead-by-example Clean Car Challenge to spur governments, businesses, and other entities to decarbonize their light-duty fleet.
e. Conduct outreach and education programs for alternative-fuel, light-duty vehicles (EVs, fuel cells)

Rationale: This penetration rate is needed to achieve the necessary reductions in mobile sources and will not be achieved even if all the proposed climate actions are implemented.
Caveats: Assumes that the Environmental Improvement Board will approve the currently proposed Clean Car Rule (based on California's Advanced Clean Cars Program)
Questions for the TAG to consider:

1. What role can stakeholders (non-state) play in reaching these goals?
2. How can we ensure that older gas-powered vehicles are actually removed from NM roads and replaced by EVs (or alternative fuel like hydrogen) instead of simply adding to the number of vehicles in the state?

Goal 4: Reach 15,000 (~25% penetration) zero-emission medium- and heavy-duty trucks and buses on the road by 2030
Possible implementing actions:

a. Consider adopting California Advanced Clean Trucks (ACT) rule
b. Support federal Heavy Duty Engine and Vehicle Standards

c. Design and execute a clean hydrogen pilot refueling transportation hub, in partnership with the oil and gas industry
d. Establish a program to electrify school bus fleets
e. Conduct outreach, education programs, and pilot projects for electric, and fuel cell (hydrogen) heavy-duty vehicles
f. Voluntary lead-by-example government and non-government fleet targets

Rationale: The regulation includes a manufacturer sales requirement and a reporting requirement to accelerate a large-scale transition to zero-emission medium-and heavy-duty vehicles in Class 2b to Class 8 trucks.

Caveats: The ACT Rule did not pass in Oregon or Maine.

Questions for the TAG to consider: To accomplish this goal, what support is needed and how might it be garnered?

Goal 5: Reach 2,000 DC Fast Charger (DCFC) stations statewide by 2030

Possible implementing actions:

a. Continue to engage with REV West to increase EV awareness and coordinate EV charging station locations.
b. Develop a planning framework for tracking existing and siting new alternative fuel infrastructure to effectively deploy $38M from Infrastructure Investment and Jobs Act over the next five years, in accordance with USDOT requirements.
c. Coordinate with utilities to use TEP resources effectively.
d. Require new commercial and multifamily building codes to incorporate EV-ready infrastructure
e. Work with utilities to establish EV-friendly and grid use optimizing charging rates.

Rationale: 2,000 DCFS is sufficient to create a state-wide network along interstates and highways and allow access to all parts of the state.

Caveats: The $38 M from IIJA is insufficient to build the DCFC network in New Mexico

Recommended Resources: EV charging station maps through Alternative Fuels Data Center or PlugShare

Questions for the TAG to consider: How can the DCFS network be created to also create economic opportunities in underserved communities?

Goal 6: Replace or complement the gas tax with an alternative mechanism for funding road maintenance and construction by 2026

Possible implementing actions:

a. Continue participation and membership in RUC West
b. Conduct a Road-Usage Charge (RUC) study and pilot project.
c. Pass legislation to replace the gas tax with a RUC
d. Implement a RUC system

Rationale: As electric vehicle adoption increases, revenues for transportation system maintenance and operations decrease when reliant on state and federal gas taxes as a source.

Caveats: Public perceptions on how roads are paid for, and what they cost, may be difficult to explain within the context of mileage-based fees.

Questions for the TAG to consider: How can the TAG work with stakeholders to begin a public education campaign on alternatives to the fuel tax as a source of funding the transportation system?

Contact

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Natural and Working Lands Goals
New Mexico Climate Change Task Force
Technical Advisory Group

Natural and Working Lands Co-Chairs:

Julie Maitland, New Mexico Department of Agriculture, Division Director for Agricultural Programs and Resources.

Lindsey Quam, New Mexico Forestry Division, Deputy Director of Forests.

The Natural and Working Lands Climate Action Team Includes:

New Mexico Department of Agriculture
New Mexico Forestry Division
New Mexico State Land Office
New Mexico Mining and Minerals Division

Summary
The main overarching goals for the Natural and Working Lands (NWL) Climate Action Team (CAT) are to:

•Undertake landscape scale wildfire reduction and mitigation throughout high risk and high priority areas in forests and watersheds throughout New Mexico.

•Undertake prescribed burning on private land.

•Incorporate landscape-scale restoration that supports soil health improvements, carbon storage, and drought mitigation on natural and working lands (reforestation, burned area restoration, rangelands, and farmlands, mine reclamation and other land disturbance related reclamation).

•Support implementation of healthy soil practices and other best practices to improve long-term resilience on agricultural working lands

•Identify and implement strategies for the collection and use of C-sequestration and emission data from natural and working lands to inform improved land management practice outcomes and to contribute to the ability for NM landowners to contribute to 30x30 E.O. goals and participate in future carbon market opportunities.

IMPLEMENTATION

GOAL: Undertake landscape scale wildfire reduction and mitigation throughout high risk and high priority areas in forests and watersheds throughout New Mexico.

1. Landscape scale treatment of high priority, high risk areas of watersheds, urban interface areas and forests*

Action Items:

a) Establish shared-stewardship with federal agencies, State Land Office, Department of Game and Fish, tribal entities, counties, municipalities, non-profits, land grant communities, non-governmental organizations and other partner organizations and groups to implement fuel reduction and watershed restoration in high priority areas across multijurisdictional land-ownership boundaries. This includes the interdepartmental development of the Shared Stewardship Portal where georeferenced data and project descriptions can be shared. This launched in late 2021.
b) Prioritize and leverage the increases in funding sources as appropriated for FY22 to maximize treatments that integrate priority actions on natural and working lands for state-wide greenhouse gas mitigation planning efforts as established in the Forest Action Plan (FAP) updates which will also provide guidance on landscape scale efforts for state-wide forest and watershed health treatment and restoration strategies.
c) Establish planning and funding requirements from federal and state funding sources for land management objectives to comply with Forest Action Plan, Stewardship plans or similar plans that validate the prioritization of projects and funding which integrate climate mitigation and adaptation practices to bolster natural resource, forests and grassland resilience and carbon sequestration throughout the state.
d) Develop and implement collaborative, cross-jurisdictional plans for landscape scale treatment of high priority, high risk areas of watersheds, urban interface areas and forests.
e) Increase NMSLO capacity to evaluate and treat forested state trust lands:

    - Divide State Trust Lands into 2-4 forest districts with a designated SLO forester for each.
    - Develop district wide forest health and climate adaptation plans.
    - Set targets for acres treated/year.

2. Cross boundary/land ownership mitigation of fuels with utilization of biomass to support industry*

Action Items:

a) Evaluate project opportunities, funding, and collaboration of cross boundary landscape scale fuel reduction efforts to reduce catastrophic wildfire in high priority areas through

natural and working lands to create carbon sinks while eliminating carbon sources, balancing near and long-term sequestration objectives.

b) Establish policies to provide guidance of roles and responsibilities between state and private industry.
c) Set guidance paths establishing support levels for biomass utilization thresholds in terms of treatment and identify industry areas/locales for the types of products manufactured and the materials needed to support these businesses.
d) Track and monitor workforce levels, workforce development and training to improve forest and natural resource inventory.
e) Gather data in support of understanding how the land and natural resource management produce and absorb carbon, how land management methods can aid in the enhancement of carbon sequestration and carbon balancing between sources. This will enable project prioritization, adaptive management efforts to reduce or enhance carbon sources and sinks and allow for carbon monitoring/inventory methodologies to be developed for management planning.
f) Work with NM Industry organizations and other out of state collaboratives to bring new or progressive ideas and technologies to industry partners and agencies, providing opportunities for product development and biomass utilization. Tie utilization into State-wide climate impact/action plans as a mechanism for carbon offset/reduction and sequestration.

GOAL: Undertake prescribed burning on private land.

1. **Work to enact HB57, The Prescribed Burning Act, as the mechanism to provide private landowners the ability to conduct prescribed burning on private lands, with limited liability, training that provides a qualified prescribed burner network throughout the state***

Action Items:

a) The NM Forestry Department is currently working on the draft rule and creating a proficiency workbook for implementation that will provide training and qualification, including incident qualification cards, to private landowners and prescribed burn network organizations. NMFD is hiring a Prescribed Burning Manager that will manage the Rx Program and lead the implementation of said program to conduct or provide training to private landowners and authorize, develop, and maintain qualifications for prescribe burning operators on private lands, private landowners and organization conducting prescribed burning on private land.
b) Create and maintain a funding stream/mechanism with state support and policies for prescribed burning on private lands.