

CITY CLERK'S OFFICE

DATE 5-5-11 TIME 11:30am

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Meeting of Energy Task Force  
Santa Fe County Building  
Legal Conference Room, 102 Grant Avenue  
May 12, 2011  
4:00 pm - 5:30 pm

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. APPROVAL OF MINUTES
  - A. Minutes of March 10, 2011
- IV. PETITIONS FROM THE PUBLIC
- V. MATTERS FROM STAFF
- VI. DISCUSSION ITEMS
  - a. Proposal from Santa Fe County
  - b. Continued Discussion on Strategic Plan
- VII. ACTION ITEMS
- VIII. MATTERS FROM THE ENERGY TASK FORCE
- IX. DATE AND TIME FOR NEXT ETF MEETING  
June 9, 2011
- IX. ADJOURNMENT



COUNTY OF SANTA FE )  
 STATE OF NEW MEXICO ) ss

ENERGY TASK FORCE MIN  
 PAGES: 7

I Hereby Certify That This Instrument Was Filed for  
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Deputy [Signature] Witness My Hand And Seal Of Office  
 Valerie Espinoza  
 County Clerk, Santa Fe, NM

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**MINUTES OF THE  
ENERGY TASK FORCE  
of the  
CITY OF SANTA FE / SANTA FE COUNTY  
REGIONAL PLANNING AUTHORITY**

**4 PM, Thursday, May 12, 2011  
Santa Fe, New Mexico**

The Regular Meeting of the Energy Task Force (ETF) of the City of Santa Fe / Santa Fe County Regional Planning Authority (RPA) was called to order by Vice Chair Kathy Holian at approximately 4:10 PM on the above-cited date in the County Manager's conference room at the Santa Fe County Administration Building.

**ROLL CALL**

**Members Present:**

Kathy Holian, Vice Chair  
Erik H. Aaboe  
David Griscom  
Craig O'Hare

**Members Excused:**

Chris Calvert, Chair  
Randy Grissom  
David Van Winkle

**Others Present:**

County of Santa Fe  
Duncan Sill, Economic Development Planner  
City of Santa Fe  
Nick Schiavo, Energy Planner

**APPROVAL OF AGENDA**

**Mr. Aaboe moved to approve the agenda, seconded by Mr. Griscom and approved unanimously.**

**APPROVAL OF MINUTES – March 10, 2011**

**Mr. Aaboe moved to approve the Minutes from the ETF meeting of March 10, 2011, seconded by Mr. Griscom and approved unanimously.**

**PETITIONS FROM THE PUBLIC**

No public was present.

**MATTERS FROM STAFF**

Mr. Sill reported that Senator Wirth introduced SB266 to establish the process of allocating Quality Energy Conservation Bonds (QECBs). The Senate and the House passed the bill that

was pocket vetoed by the Governor. Currently, the state does not have a process in place to allow local government units to gain access to the funds. Mr. Sill has been communicating with DOE to have the county find ways to have a direct method to access the allocations. He will also contact people he knows in the Senate Energy committee and have them do some research. The local government unit would issue the bond, and the state has a \$20 million allocation that can be used.

Mr. O'Hare said he has rapport with Brian Moore, deputy chief of staff, and will call him to find out if there is a rationale for the pocket veto. Mr. Sill said he will also try to find out what went on and if there is a way to take steps through an executive order. This is not something that would warrant a policy objection and is an economic financing tool.

Mr. Sill said he will forward further information to Mr. O'Hare and the other task force members.

## **DISCUSSION ITEMS**

- **Proposal from Santa Fe County**

Mr. O'Hare reported that he and Mr. Aaboe have been working at Santa Fe County for about four weeks as energy specialists in the Public Utilities Department. They are still sorting out their universe for energy for both county facilities and in the community. Mr. Aaboe is dealing with the lead-by-example matters with regard to capital, procurement, operations, energy efficiency, and renewable energy. Mr. O'Hare is dealing with community issues, residential, and taking chapter 7 of the Sustainable Growth Management Plan and turning it into reality.

Mr. Aaboe said he is familiar with the requirements on federal energy efficiency block grants, and there are a couple of programs set up that are about to begin implementation. They will do energy audits on buildings and they are a week into an LED street light retrofit program. The GIS route optimization program is essentially to allow for a more efficient route when doing meter readings and assessor assignments. There are some projects through a grant from NMED that have funding support. He is also getting a sense of the county's use of electricity. PNM has no information on it, but Mr. Aaboe has been doing an inventory and found 190-200 county accounts of various sizes.

They are working on RFPs to do third party financing of photovoltaics. They have beat a fiscal year deadline and have a project awaiting legal review before proceeding. They are working on an umbrella RFP that will hammer out details with a selected contractor to find facilities such as the new judicial complex, public safety, and public works.

The two have complementary talents and expertise. They see real opportunities and challenges for municipalities, counties, and local governments, although there is not a lot of capital but a lot of need. They are working with the procurement department to get them to understand the potential for using third party contracting to get efficiency improvements and savings in utility costs.

Mr. O'Hare said he is pursuing a solar power purchase agreement with community services. The concern is that PNM is ratcheting down renewable energy certificate (REC) payments and when they are ready to go to PNM with the design, it will be gone. It is going quickly, but the PRC set a low cap. In the name of keeping consumer rates as low as possible, groups like the Attorney General (AG) have argued they are too expensive and put a burden on the ratepayer. The new PRC make up is more in line with that sentiment. He thinks they will see larger scale government and commercial projects stopping because there will not be renewable solar without the RECs. The concern is that six weeks might be too long. The way the regulatory régime is structured, it is in PNM's best interest to do utility scale renewable energy and to own it to capitalize on tax credits.

Mr. Schiavo added there is still junk bond status, and the bond money is cheaper if someone else does it.

Mr. O'Hare noted that the PRC does not recognize the potential role it should be playing in economic development and job creation. It has a focus on keeping rates low today and not on tomorrow. The AG's Office has the same myopic perspective on their role on the economic development aspect and the notion that the renewable energy facilities in the short term are in the consumer's interest in the long term.

Mr. Griscom stated that a series of workshops at the PRC have been proposed to rethink the reasonable concept going forward.

Ms. Holian asked if the county should have a presence in the workshops.

Mr. Griscom said he will find that out. There is the need to get the PRC to agree to the concept of having a workshop and then get the AG's Office to agree to send Jeff Taylor and for the right people to be at the table. They have been torpedoing renewable proposals because it would increase the cost to ratepayers. The workshops will likely be open to the public.

Mr. O'Hare suggested that it would be more effective if county commissioners are interested in weighing in on the issue that they do so directly with the PRC commissioners. If the BCC feels strongly that rooftop solar is an important part in the community, there are more effective ways than participating in a workshop process.

Ms. Holian suggested that the ETF could set its policy in a resolution and send it to the BCC.

Mr. Griscom agreed that it would not hurt to draft a resolution or at least send a letter to the BCC encouraging them to support the idea of the workshops to work through the issues.

Mr. O'Hare said that he and Mr. Aaboe could draft the letter but need to know more how the workshop will address the bottom line politics. Economic development and environmental concerns outweigh the impacts.

Mr. O'Hare said there are some energy efficiency opportunities in affordable housing. He feels that PNM has good incentives in energy efficiency that are going underutilized, both in

commercial and residential sectors. He sees his and Mr. Aaboe's roles as an opportunity to promote those incentives to the residential and commercial communities. PNM does not have a strong incentive to promote them. As an example of opportunities that businesses do not know about, convenience and liquor stores do not know that there are fans for walk-in coolers that are much more efficient and use at least half the watts. The payback is short term, about eight months.

Mr. Schiavo commented that PNM takes care of their larger customers and so he receives excellent service and surveys on line. He added that galleries know nothing about lighting retrofits. The county can be a neutral agent in informing small businesses.

Mr. O'Hare is working on the commercial PACE program and there is a need to look at an alternative to the residential PACE program, a property based financing approach. Mr. O'Hare and Ms. Holian met with LANB and came up with promising ideas. They strongly suggested going to the consumer loan approach and not property based financing. Appraisers have not caught onto the reality that energy efficiency is an asset that adds to the sales price of homes.

Mr. Schiavo said that Homewise still has some cash to loan out. When people come in to do a project, in most cases they are in a better position to refinance the entire home than pick up a small loan. LANB has a green friendly loan where a point is knocked off.

Mr. Schiavo said that the city has their RFP out and selected Positive Energy. This is an umbrella RFP that will select a number of city projects, such as Buckman and SWaMA.

Mr. O'Hare read a resolution that contained ideas for what the ETF might look like. He stated that Chair Calvert thought it needed to have more energy efficiency emphasis. There is a question if it would be effective to go the route of setting up a whole other task force with commitments to meet monthly, out of concern for staff time. He said that the mission is to get substantive things done, both by the end of the calendar year and certainly the new fiscal year.

Mr. Schiavo suggested creating mirror resolutions to take separately to the BCC and City Council.

Mr. O'Hare stated that the ETF would have an aggressive outreach to the finance community and that staff under the guidance of the ETF would get substantive things into implementation and adopted by the governing bodies. The ETF would be kept under the RPA as being the sounding board, and staff would come and report. He added that an issue on the city side is that Mr. Schiavo is now wearing two hats.

Mr. Schiavo commented that is why he is excited to work with Messrs. O'Hare and Aaboe and said he will do as much as he can. He wants to go to Santa Fe Alliance and the Chamber of Commerce to give presentations and make the three of them available to different businesses.

Mr. O'Hare asked about sensitivity to being county employees and spending time with businesses in the incorporated area. Ms. Holian replied there would be no problem with that.

Mr. O'Hare will reword the document and bring it back to the ETF.

Ms. Holian stated that her goal is for the county to adopt exactly the same building code as the city has and for them to work together to create a joint code enforcement department. If it is done right, the department would pay for itself, or at least be revenue neutral. Since the county is rewriting its code, she said this seems to be the perfect time to implement this. The ETF has an important role to make the recommendation to the county and give them the data.

Mr. Schiavo said he will talk to Katherine Mortimer who has a green building code for historic and commercial buildings that was stalled because of the push back in finances.

Mr. Griscom asked how this document will be incorporated into the draft outline for the strategic plan.

Mr. Schiavo noted that the strategic plan is a pathway for ending up with this directive for working on this particular plan.

Ms. Holian suggested that this be brought back to the next ETF meeting for a vote on how to go forward and how much time should be spent on the plan.

Mr. O'Hare stated that the majority of such a full blown energy plan would fall into his and Mr. Aaboe's bailiwick, and they may need to go to the county manager to find out if it is an acceptable use of their time.

Ms. Holian said it might be possible to put out an RFP for \$10-\$20,000 for someone to bring the data together if it is necessary.

Mr. Aaboe suggested this be framed as an initial pilot plan that the ETF believes in and feels it is a good approach without a huge investment. Mr. Schiavo added it could read that the ETF understands there may be other things missing, but the ETF would like to move forward with this to see how it would work.

Mr. Griscom commented this is the resolution to create an implementation plan that could include specific action items and programs. He suggested nailing down the costs for each specific program and the outcome, rather than talking about goals and strategies. What is missing is specific action items.

Ms. Holian said specific action items would not be a part of the resolution, but is the procedure that comes from the resolution.

Ms. Holian said she will discuss the outreach and the proposal with Chair Calvert.

- **Continued Discussion on Strategic Plan**

Since Chair Calvert was not in attendance, this discussion was delayed to the next meeting.

**ACTION ITEMS**

There were no Action Items.

**MATTERS FROM THE ENERGY TASK FORCE**

There were no further matters from the task force members.

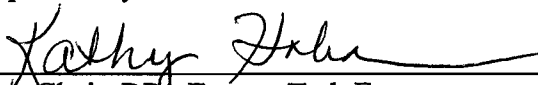
**DATE AND TIME FOR NEXT ETF MEETING**

The next meeting of the ETF is scheduled for Thursday, June 9, 2011. Mr. Schiavo will work with the members to be sure there will be a quorum.

**ADJOURNMENT**


There being no further business to come before the ETF, this Regular Meeting was adjourned at approximately 5:35 PM.

Approved by:

  
\_\_\_\_\_  
Vice Chair, RPA Energy Task Force  
Kathy Holian, Commissioner of Santa Fe County

*Drafted by Kay Carlson*

Attest by:

  
\_\_\_\_\_  
Valerie Espinoza  
Santa Fe County Clerk

