

January 25, 2022

The Honorable Mimi Stewart

RE: SB 14 (Stewart) – Clean Fuel Standard – SUPPORT

Dear President Pro Tempore Stewart,

The Coalition for Renewable Natural Gas (RNG Coalition) writes in strong <u>SUPPORT</u> of SB 14, which would require a reduction in the carbon intensity of fuels consumed in the state by a minimum of 20 percent below 2018 levels by 2030 and by a minimum of thirty percent below 2018 levels by 2040. We believe this legislation has the potential to provide the state of New Mexico with significant environmental and economic benefits by generating demand for clean, domestic, renewable fuels including renewable natural gas (RNG or Biomethane).

We represent and provide public policy advocacy and education for the RNG industry across North America. Our organization is comprised of over 350 members—cities, counties, airports, ports, municipalities, colleges, universities and leading companies operating in each sector of the industry—including producers of greater than 95% of all RNG produced in the United States and Canada.

We believe that the creation of a Clean Fuels Program would provide New Mexico with an excellent opportunity to reduce greenhouse gas emissions from transportation fuel sources while simultaneously improving public health, fostering the improved management of existing waste streams, diversifying fuel supply, and providing green jobs by generating demand for RNG and Renewable Hydrogen (RH2) derived from RNG. According to data from the California Air Resources Board, RNG is the lowest carbon fuel commercially available today. While conventional diesel and gasoline score at 100 and 90 grams of CO2 equivalent per megajoule of energy respectively, RNG scores as low as -500.¹ The increased utilization of RNG would also provide significant

¹ <u>https://www.arb.ca.gov/fuels/lcfs/fuelpathways/pathwaytable.htm</u>

public health benefits to New Mexicans. According to a 2017 study by the University of California - Riverside, ultra-low emission heavy-duty natural gas engines fueled by RNG test more than 99.8 percent clean.² This translates into significant reductions in respiratory ailments such as asthma and bronchitis, lung cancer, and premature death—particularly in our most vulnerable populations including children and those living with lung or cardiovascular disease.

The increased development of RNG can help New Mexico meet additional policy objectives by capturing and converting for productive, every-day use methane that would otherwise be flared (combusted and wasted) or escape into the atmosphere as a highly potent short-lived climate pollutant from dairies, wastewater treatment plants, landfills and anaerobic digestion facilities at municipal solid waste and livestock operations. The development of RNG production facilities foster improved management of existing organic waste streams thereby reducing any air, soil, and water impacts.

In addition to the environmental benefits, there are substantial economic benefits realized with the increased development of RNG. According to a study supported by analysis from Guide House, last year, the RNG industry contributed 22,600 Jobs and \$2.6B in GDP to the U.S. economy with RNG production facilities able to create up to an average of 343 jobs per project.

We are pleased to <u>SUPPORT SB 14</u> and look forward to continuing working with you to achieve the adoption of a Clean Fuels Program in New Mexico. Please feel free to contact me directly at 916-806-0788 with any questions or concerns.

Sincerely,

/s/

Patrick Henning Director of Legislative Advocacy Coalition for Renewable Natural Gas

² https://ucrtoday.ucr.edu/48342