Coalition of Sustainable Communities New Mexico
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INTRODUCTION

Dear Coalition Members:

During the pandemic lockdown and through our re-emergence, the Coalition has sought to focus attention on the inequities exposed during that most difficult time period. Not only were economic disparities and basic needs in our communities starkly revealed, but also the dramatic changes to the climate provided an ever-growing awareness of the vulnerability of our communities to the ravages from those changes. It is with that backdrop that the Coalition undertook its mandates with an urgency to show leadership and be proactive in considering equitable solutions.

Coalition leadership took many forms and has resulted in a higher profile for the Coalition in our advocacy role for stronger action around sustainability and climate change:

Our leadership in legislative advocacy in the last legislative session yielded many victories in the passage of bills important to our Member communities. We not only helped Members in the development of their legislative priority resolutions and kept them informed about the status of priority bills, but we also recommended actions during the hearings and were vocally in support of our prime bills at the legislative hearings. The Coalition became an important advocate in those hearings, speaking on behalf of local governments representing 43% of our state’s population.

The Coalition engaged in cooperative leadership with a coalition of kindred organizations who have supported community solar for the last three years. Together we helped organize and develop the Community Solar Working Group that was mandated by Senate Memorial 63 and resulted in majority opinion regarding much that then went into SB84, The Community Solar Act. The Coalition had a central role in drafting the bill, strategizing the legislative push, pushing supporters to lobby legislators and the Governor. The legislative result was a hard fought victory. The Community Solar Act passed and was signed into law by the Governor. The Coalition is now active in the rule-making process at the PRC. We have engaged with many of our Members not only on the details of the bill, but also the various ways in which their local governments can be directly involved in the development of community solar facilities.
We applied to the UN as a nonprofit organization to the COP26 Climate Summit in Glasgow in November. On July 23 the Coalition staff was notified that the United Nations had granted the Santa Fe Community Foundation (and its climate action arm, the Coalition) “provisional admittance” to participate as an “official observer” organization in COP 26. COP 26 is the most important international climate conference since the Paris Agreement was reached at COP21 in 2015. With the UN invitation, this postures the Coalition to play a leadership role in coordinating the engagement of representatives from New Mexico (governmental or NGO) before and during the conference.

With respect to social equity, we focused attention on our low-income population, exploring ways to begin reducing their energy burden through energy efficiency and increasing the opportunities for solar energy. Community solar offers considerable advantages to households that cannot afford or otherwise utilize rooftop solar.

For low-income households, energy efficiency upgrades as well as home improvements to support livability and energy efficiency is important. We not only hosted four webinars featuring experts on energy efficiency for low-income households, but we also hosted roundtables with expert presentations on green financing and best practices for energy efficiency financing. In one, we featured the innovative CONNECT program of Santa Fe City and County which provides a community health model that connects households in crisis to supportive services. We are now engaged in discussions that may help to expand CONNECT to include energy efficiency services - contract work and financing.

After years of hearing from Members about the significance and power of USDN (US Sustainability Directors Network), and after many conversations with USDN to seek a way to partner with them, we were invited to join the USDN Partner Network Program. This offers a vehicle to test some of our ideas and learn best practices nationally in collective action to advance sustainability locally.

It is one thing to advocate for new policies at the state level and develop means of sharing knowledge of issues important to our Members; it is another to actually collaboratively develop solutions or support the development of actual pilots to test new ideas and programs through prototype developments. The green financing and energy efficiency financing roundtables led directly to efforts to consider new solutions here in New Mexico to ensure financing for low income households to reduce their energy burdens. The “green bank” is one instrument that can fund low interest loans in support of energy efficiency upgrades, community solar facilities development with meaningful discounts to low-income households, and much more.
Other pilots under development in which we have played a role in larger collaborations are 1) Solarize Santa Fe Pilot to provide energy efficiency and solar energy to employees of the Santa Fe Public Schools, 2) an EV car-sharing program for low-income households, and 3) BCarbon, an innovative carbon soil sequestration certification program for New Mexico ranchers and farmers. It was through participation in the development of the Solarize Santa Fe pilot with Neal Denton in the lead that we recognized the need to find a way to expand financing of a more robust and multi-faceted set of programs to support low-income households reduce their energy costs. The “green bank” may be one such way.

This was a COVID year to retrench from the safety of our homes in reaching out to our existing Members, working with them in responding to strained budgets that the pandemic brought. We reduced membership dues to accommodate our Members, as needed. We also reduced our budget in terms of staff time and salaries, as well as by eliminating travel to meet with potential new members. Instead, we relied on some of our Members to help reach out to other municipalities and counties to promote membership. We also made a number of virtual presentations on the value of the Coalition. Seeds were planted that we hope will yield fruit as COVID lifts and our outreach can be more personal. We are so pleased to welcome Los Alamos County as a new Member of our Coalition, increasing to 43% of our share of the NM population represented.

Despite the difficult budget reductions in which we reduced expenses, we did a lot with less funds and ended the year in the black.

In conclusion, we feel that we made a significant contribution as a collective voice in advocacy that was clearly stronger than what single voices could be; in so doing, we placed the Coalition in a leadership role in the legislative arena. We looked to identify some gaps in social equity through our knowledge development mission, and found ways to connect the dots toward the development of possible solutions through development of pilots. We look forward to furthering our service to you in the coming years in support of your leadership!

Beth Beloff, Executive Director
ADVOCACY

The Coalition expressed a clear collective voice, advocating for legislation, regulations, and administrative actions for energy choice, resource conservation, equity, and greater climate action at the state and local level.

- Number of legislative bills supported: **18**
- By area: Energy (8), Environment (5), Governance (4), Finance
- Number of supported bills that were passed: **6**

Community Solar Act¹

- Community solar working group: **Up to 90 participants, 11 virtual meetings**
- Potential MW of community solar in investor-owned utilities over 3 years: **200 MW**
- Potential Number of Low Income households served by year 3: **15,000**
- Estimated annual bill savings to subscribers: **at least 10%**
- Economic development over 3-yrs for 200 MW (According to UNM Bureau of Business and Economic Research report): **4,512 jobs, $176M labor income, $621M industrial output**
- Potential GHG emissions reduced: **210,000 MT CO2 equivalents**
- Equivalent number of gasoline cars removed from the roads: **46,000**

Legislation

After years of focused work by the Coalition and allies, we celebrated the passage of **SB84, the Community Solar Act**, and its signing by Governor Michelle Lujan Grisham. Community solar will increase solar access and financial savings to many homeowners and renters who haven’t been able to participate in the rooftop solar market. The law also requires that 30% of all community solar projects be reserved for low income households. The Coalition will play an active role in the rulemaking process, which will determine how the program is implemented.

In advance of the session, the Coalition compiled and shared a list of climate action and sustainability bills moving to the legislature so our Members could match their individual goals with the proposed legislation and offer support via their Legislative Priorities Resolutions.

¹ Numbers assume 4 kW subscription per household, a NM grid with 12 million metric tons CO2-eq serving 24,000 GWh demand, 420,000 MWh/year produced by 200 MW solar, and a car emits 4.6 metric tons CO2-eq/yr. Economic numbers are derived from “The Potential Economic Impact of Community Solar in New Mexico” report by UNM.
Six bills supported by our Members and advocated for by the Coalition passed the legislature and were signed into law. These included SB84 - Community Solar Act, SB112 - Sustainable Economy Task Force, HB15 - Sustainable Building Tax Credit, SB8 - Local Government Air Quality Regulations; HB15 - Environmental Database, and HB89 - Healthy Soil Tax Rebate. We were disappointed that Public Banking, Clean Fuel Standard, Utility Affordability & Relief Act, and Climate Solutions Acts stalled in committee, but key features will be reintroduced in future sessions, and the Coalition will again work for their passage.

Regulations and Resolutions

- The Coalition testified before the Construction Industries Division in support of the State’s adoption of 2018 NM Residential and Commercial Energy Conservation codes. As stated in a [Coalition report](#) commissioned by Las Cruces, “jurisdictions should view the latest codes as a minimum standard. Las Cruces has an opportunity to increase the future benefits to its communities, especially lower income households, by considering going beyond the state codes, and providing incentives for builders to adopt advanced energy codes. Utility bill savings decrease energy burdens and increase disposable income for households that can then be spent within the local community. Stricter energy codes also increase the skills and knowledge of the local building industry, which could create opportunities beyond their local markets.”
- Coalition staff testified in favor of adoption by Santa Fe County of Ordinance no. 2021-02, amending the Sustainable Land Development Code to require compliance with 2018 NM Residential and Commercial Energy Conservation codes, and requiring residential codes to comply with the energy rating index approach, making it stricter than state codes.
- At the request of Commissioners of Santa Fe County, the Coalition advised individual Commissioners on proposed climate action and sustainability resolutions.

Administrative Actions

- Tracking of PRC hearings was provided to Coalition Members, with emphasis on electric utilities in each of the three service territories. Members were informed of cases, hearing timetables, intervenors and commenters, and interpretation of case relevance.
- PRC rulemaking for Community Solar: The PRC initiated rulemaking in June 2020 with a workshop on the central issues. Christian Casillas (Coalition team) led the Low-Income Participation panel, Beth Beloff (Coalition team) was a panelist on the Market Overview panel. Ken Hughes (Coalition team), Lisa LaRocque (Las Cruces), and Jane Yee (ABQ) also participated in the workshop. Coalition Members and staff continue to participate in the ongoing stakeholder meetings to help reach consensus on community solar rule-making.
KNOWLEDGE DEVELOPMENT

The Coalition supports networking, sharing of knowledge and best practices, as well as development of new policies and collaboration among Members and other stakeholders through the facilitation of roundtables tailored to meet Member priorities and the participation in working groups.

- Number of virtual roundtables/webinars: 7
- By topic: LMI Energy efficiency (4), Financing, Legislation, Building Codes
- Number of participants per event: 12 - 45
- Participant composition: local government, non-profits, utilities, citizens

Virtual Roundtables and Workshops

The Coalition hosted a variety of roundtables over the past fiscal year. Most roundtables took the form of presentations by topic experts followed by questions from the participants. Four roundtables focused on engaging Coalition Members and other stakeholders in better understanding and addressing the energy burden of low income households through the expansion of energy efficiency programs. Beyond our Coalition Members, participants in the conversation included NM Mortgage Finance Authority, gas and electric utilities, energy efficiency trainers and contractors, and community based non-profits. Content from the three webinars can be found on our website.

Roundtables offered to Coalition Members in FY2021:

- Building Energy Codes Roundtable, July 2020
- Green Financing, August 2020
- Equity-Focused Energy Efficiency Programs, November 2020
- Energy Efficiency for Low Income Workshop 1, April 2021
- Energy Efficiency for Low Income Workshop 2, April 2021
- Energy Efficiency for Low Income Workshop 3: CONNECT, June 2021

USDN Partner Network Program

The Coalition was invited to join the USDN Partner Network Program, which is a group of nation-wide organizations that meet quarterly to share knowledge and best practices on topics of government sustainability policies and programs.
SOLUTIONS DEVELOPMENT

The Coalition engages in collaboration with Members and other stakeholders to develop solutions to priority challenges, including developing policies, programs and pilot projects.

Community Solar Working Group

Coalition staff played leadership roles in advancing the work of the Community Solar Working Group created by Senate Memorial 63 during the 2020 regular session. Work commenced in July and concluded in November with over 90 participants from utilities, citizens, solar installers, non-profits, tribal representatives, electric coops, legislators, and government staff. The final Working Group report summarizes the group discussions across the most common community solar issues and offers the results from a participant survey on aspects of community solar legislation.

Ongoing efforts include participating in the PRC rulemaking process for the Community Solar Act. Our Coalition team members have active voices in several of the rulemaking working groups and will submit written comments on behalf of the Coalition.

Solarize Santa Fe

The City of Santa Fe is advancing the Solarize Santa Fe project, with the support of Coalition staff and partners at Santa Fe Public Schools, area credit unions, and the Sierra Club. The aim of the pilot project is to install solar paired with energy efficiency on at least 50 homes in and around Santa Fe, targeted at homeowners who normally would not qualify for favorable terms for solar financing.

Clean Energy Fund (Green Bank)

In an effort to leverage the lessons learned in this pilot and expand financing opportunities for low-income residents to obtain low-interest financing to reduce their energy burden through energy efficiency or solar, Coalition staff have been working with the Coalition for Green Capital to develop a model for and business plan to create a “Green Bank,” or Clean Energy Fund, in NM. Together with outreach to Senator Ben Ray Lujan, this should leverage Federal efforts to create financial support for the development of green banks throughout the nation and create a vehicle in New Mexico for receiving Federal funds if and when appropriated. Senator Lujan is actively working to help craft a Federal Clean Energy and Sustainability Accelerator bill supporting the funding of new green banks across the county, with emphasis on the development of new ones.
EV Car-sharing Program for LI Households

The Coalition was asked by the non-profit Forth Mobility to participate in a grant proposal to bring electric car mobility to residents of income-qualified housing projects. Forth Mobility has submitted the proposal to the US Department of Energy to fund electric cars and charging stations at three public housing sites in Santa Fe County and another set of cars and chargers at Albuquerque public housing. Should funding be forthcoming, the Coalition will share lessons learned from the pilot program with other Coalition Members to replicate the successful aspects of the program in their own communities.

BCarbon Program and New Mexico Pilot

In 2019, the Coalition was invited to join the Rice University Baker Institute’s working group to develop a national protocol for the capture of carbon in soil to significantly counter the impacts of climate change. The formal group is called BCarbon, a Texas nonprofit soil carbon storage certification entity. The focus of the protocol has been on landowners primarily in the agricultural sector - ranchers and farmers. The working group has advanced this process to now be at the point of piloting its processes and protocol. The purpose of the pilot is to assess carbon dioxide removed from the atmosphere and stored in the soil as well as to create and transfer credits for that removed and stored carbon. New Mexico is exploring the use of 2,000 acres of ranchland and farmland that has used no-till methods to be used in a BCarbon pilot. The State Land Office and NM Department of Agriculture, together with the Coalition, are in the process of developing such pilot projects.

MEMBER FEEDBACK

Staff members and elected officials from Santa Fe, Santa Fe County, and Las Cruces completed a survey evaluating work completed over the past year, as well as providing input for future directions.

In terms of guiding values, respondents gave highest priority to work that provides benefits to disadvantaged communities, followed by greenhouse gas emission reductions, and then economic development.

Reviewing the Coalition’s work over the past year, the greatest support from all respondents was given for the Coalition’s legislative work, which included development and passage of community solar, legislative advocacy for bills, and supporting Members with the development of their legislative priorities. Most respondents also saw value in providing information and updates about PRC issues. Respondents also saw engagement in an EV car share program as
valuable, with a mix of views on the Coalition’s investigation of EV Group Buys and energy efficiency webinars.

In terms of focus areas for next year, feedback mirrored responses to the past year’s work, prioritizing legislative advocacy and PRC updates. In terms of specific areas, most respondents support the Coalition’s involvement in community solar rulemaking, legislation around energy efficiency for low income and solid waste policy improvements, and clean energy financing mechanisms. Many Members have interest in the low income EV car share pilot and branching into water conservation areas, with a mix of views (ranging from priority to no interest) on soil carbon sequestration.

MEMBERSHIP EXPANSION

- The Coalition recently increased its membership, adding Los Alamos County. We now cover jurisdictions encompassing 43 percent of the state’s population. Two new Ex Officio members have been invited to join the Coalition, pending approval by the Executive Committee: NM Environment Department and NM General Services Department.
- Outreach - local governments deemed likely interested in joining the Coalition have been approached directly by staff or with letters signed by Commissioner Hansen or Mayor Webber, including: Rio Arriba County, Dona Ana County, Mora County, Bernalillo County, San Miguel County, Taos County, Grant County, City of Espanola, Town of Taos, and City of Aztec.
- Post COVID - Staff intends to hit the road not only to aid current Coalition Members but to recruit new Members by explaining our work and the value we can add to their sustainability aspirations.

FINANCIAL SUMMARY

The Coalition does a lot with a little!
- Number of pro-bono hours: Beth (1250 hrs); Gary (600 hrs)
- Number of paid hours: Ken (430 hrs) and Christian (820 hrs)

Throughout FY2021 the Coalition operated under the budget approved by the Executive Committee in its August 2020 annual meeting. At that time, due to the COVID-19 impact on Member communities, leadership voted to suspend Governance Policies (and its dues structure) for one year. For FY2021, the Coalition operated with a carryover of $40,572, had revenue of $40,000, expenses of $59,655, and therefore projected a carryover to FY2022 of $28,910.
Carryover funds are important to cover operations at the beginning of the fiscal year and before full funding has occurred.

- **Revenue: $40,000***
  - City of Albuquerque: $5,000
  - City of Las Cruces: $15,000
  - City of Santa Fe: $10,000
  - Santa Fe County: $10,000

- **Cash On-Hand: $40,572**
- **Expenses: $59,665**
  - Staff and subcontractors
    - 2 part-time staff: $56,328
    - Subcontractor: $267
  - Miscellaneous: $1,931
  - Fiscal Agency Fee: $1,139

- **Carry Over to FY2022: $28,910**

*Revenue augmented by the pro bono contribution of staff hours at current staff rates (1,850 hours) equal to approximately $80,000.*

With the Santa Fe Community Foundation as the fiscal agent for the Coalition, the Coalition served as the “pass through” organization to pay contractors advancing climate action legislation.

- Received $6,000 from the NGO Conservation Voters New Mexico. Dispersed $6,000 to Paul Biderman for services as facilitator of the Community Solar Working Group called for in the 2020 Senate Memorial 63.
- Received $2,969 from the NGO Vote Solar. Dispersed $2,969 to the law firm Quarles & Grady for the services of Pilar Thomas as advisor and expert witness for the 2021 Senate Bill 84, the Community Solar Act.

**LOOKING TO THE FUTURE**

In the year ahead, the Coalition will continue to focus on its core mission of advancing climate action and sustainability for its Member communities and for New Mexico at large. Through leadership, advocacy, knowledge and solutions development, the Coalition moves into its fourth year of existence with clear purpose. Equitably expanding access to renewable energy, reducing the burden of energy on low and middle income citizens, emphasising energy efficiency opportunities, and more will guide the work. To those core activities will be added efforts to address water conservation, carbon sequestration, and financing for renewable energy projects.
And, in supporting our Members' emphasis on the importance of equity in the work we do, we believe it is imperative to create greater collaboration with the community-based organizations who best know the priorities of marginalized communities.

As the impact of the climate crisis grows more severe with each year, so does our resolve to act at the community and state level. Our participation in the COP26 Climate Summit will also allow the voice from New Mexico to be heard at the global level.