



Thermal Energy for Forest Biomass and the Renewable Portfolio Standard

Full Cost of New Mexico Wildfires:

- Wildfires affected over 2 million acres of land in New Mexico from 2009 – 2012
- Estimated these wildfires are costing New Mexico a midpoint of \$1.5 Billion
- Future conditions for wildfires are projected to worsen
- Necessary to utilize forest-related materials from forest/watershed restoration treatments

Energy:

- 1/3 of US energy consumption is thermal energy
- Includes heating and cooling, water heating, and industrial process heat
- Use of thermal energy from renewable resources can provide not just heat, but also cooling and refrigeration with chillers
- Offsets use at peak demands for electricity

2013 Legislative Session – SB 204 Purpose:

- Defining thermal energy in the Renewable Portfolio Standard (RPS), and allowing the creation of Renewable Energy Certificates (REC) for useful thermal energy
- Creating an additional REC per unit energy for projects that utilize a majority of forest-related biomass
- Standardize the definition of biomass in the RPS with other State statutes (7-2-18.18, 7-2A-19, and 7-9-98) to provide more explicit definition and clarify uncertainty in the existing definition

Looking forward, what we can do now:

- Adding Thermal Energy with particular emphasis on incentivizing utilization of forest-related materials
- Clarify and standardize the definition of biomass in State statutes
- Other options...

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