From:	Terri Cole
To:	NMOAI, NMENV; WasteRule, EMNRD, EMNRD
Subject:	[EXT] Proposed Methane Regulations Public Comment
Date:	Tuesday, September 15, 2020 11:01:51 AM
Attachments:	Methane Rules Letter 09.15.20.pdf

Good morning,

Please find attached a letter from the Greater Albuquerque Chamber of Commerce, which offers the Albuquerque business community's perspective on the proposed emissions and waste rules.

Thank you,
Terri

September 15, 2020

Dear Secretary Cottrell Propst and Secretary Kenney,

As New Mexicans, we share a deep love for the clean air, sprawling public lands, and rich natural beauty that makes our state the Land of Enchantment. As leaders in our business community, we believe that protecting our unique environment should always be among our state's top priorities. We also believe this important mission can be achieved alongside – and does not need to conflict with – the critical goal of developing a growing private sector and strong tax revenue base in New Mexico.

Today, we are writing in opposition to energy industry regulations that we believe – as currently written – are onerous, are in need of modification, and come at a time when the industry is poorly positioned to absorb their impact and the state's fiscal position is deeply concerning. We do not object to balanced and reasonable industry regulations, but the new proposed requirements give us great pause, particularly due to the absence of a formalized attempt to quantify the impact they could have on our state's economic welfare. We think it is reasonable to request that a fair and thorough economic impact study be conducted to determine the extent of harm these regulations would cause, given the outsized and critical role that oil and gas production plays in New Mexico's economy.

When Governor Michelle Lujan Grisham issued an executive order in January 2019 directing agencies to develop regulations to limit methane emissions from the oilfield, she could never have predicted where 2020 would take our state. The global COVID-19 pandemic and international disruptions to energy markets have been twin blows to our state economy and budget – challenges that make it painful to even contemplate adding new, burdensome requirements on energy production in New Mexico.

We understand your agencies are working to protect the health and beauty of our lands, but this can and should be achieved in a way that does not harm our state's economic health, which is heavily dependent on oil and gas production. Over a third of our state government's revenues come from the production of oil and gas; communities all over our state rely on education dollars and road funding generated by the industry. Any new regulations must be carefully crafted to guarantee they don't compromise our fiscal future, leading to tax increases, delays in or termination of services, or cuts to schools. New Mexicans cannot afford these consequences, and certainly not in the midst of a crisis.

As demand for global energy recovers, we expect our state's oil and gas production to recover as well. However, the timeline on which prices and production levels will rebound is largely unknown and unpredictable, like the course of the virus and other geopolitical events that have a sizable impact on the state's energy outlook. As our state continues to navigate this delicate environment that can change dramatically week by week, we ask that energy regulators not add to that uncertainty.

Like all New Mexicans, we value our environment and agree we should protect our state's natural beauty for generations to come. We also urge energy regulators to protect New Mexicans' immediate future as well, by carefully weighing input from experts on all sides and in the area of fiscal policy. Our state's way out of this crisis – and first, the way through it – hangs in the balance.

Sincerely,

Kyle Beasley
Chair, GACC Board of Directors
Senior Vice President, Bank of Albuquerque

Norm Becker
Chair-Elect, GACC Board of Directors
President and CEO, New Mexico Mutual

Terri Cole
President and CEO
Greater Albuquerque Chamber of Commerce

Sherman McCorkle
Advocacy Chair, GACC Board of Directors
CEO, SS&TP Development Corporation