



**New Mexico
Clean Fuels Coalition**

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BILL TO BE INTRODUCED AT LEGISLATIVE SESSION WILL REVITALIZE NEW MEXICO'S ENERGY SECTOR

CLEAN TRANSPORTATION FUELS STANDARD NEXT STEP IN LOWERING AIR POLLUTION AND PROMOTING ECONOMIC GROWTH

SANTA FE, N.M. – A bill has been introduced in the House to incentivize the production and use of cleaner fuels, drafted as a signature opportunity to bring clean fuel investments and jobs to New Mexico. The bill is a priority for the Governor, legislators, industry stakeholders, and local environmental and other advocacy groups.

The Clean Transportation Fuels Standard (CTFS) has been introduced as HB 41 by Rep. Kristina Ortez.

The CTFS would require a reduction in carbon intensity (the amount of carbon emitted) of fuels used for transportation in New Mexico. It would lower carbon intensity by 20% in 2030 and 30% by 2040.

“This is an idea whose time has come,” said Rep. Ortez. “We literally cannot afford to continue the status quo, where consumer wallets are subject to the whims of the global oil market. This bill promotes market competition, as well as ensuring that our transportation sector does its part to reduce pollution and combat climate change.”

A primary advantage of the CTFS would be to incentivize cleaner options at the pump, said Robin Vercruse, executive director of the Low Carbon Fuels Coalition.

“This policy is already proven in other states,” said Vercruse. “Experience shows that the CTFS will result in lower-priced fueling options for consumers when gasoline prices rise due to the latest geopolitical drama, demand spike or supply crunch in the oil market.”

Companies already doing business in New Mexico are supporting the legislation.

“A Clean Transportation Fuels Standard will increase biodiesel availability throughout the state, offering New Mexicans the benefit of price competition and reduced air pollution,” said Jed Smith, COO of Rio Valley Biofuels which supplies biodiesel and other renewable fuels to customers in Texas and New Mexico. “Making renewable fuels more readily available lets drivers use cleaner fuels in their existing vehicles, which will be great for the state of New Mexico and the environment.”

With fuels made from renewable sources like corn, waste products like manure and used cooking oil, or vehicles powered by renewable electricity, consumers will have broader access to cleaner and more sustainable fuels that are independent of the volatile crude oil market.

Travis Kellerman, Chief Commercial Officer of Somos Solar, a Santa Fe-based renewable energy company, sees the passage of the CTFS as an opportunity to accelerate electrification and beyond.

“This legislation is vital in propelling our state to a clean energy future,” said Kellerman. “It will make cleaner fuels more readily available for current vehicles, accelerate the long-term transition to electric vehicles, and support decarbonization in industries like mining and long-haul transportation, where EVs alone are not yet the solution. Somos is working on multiple pilot projects to produce verified green hydrogen in smaller New Mexican communities. Green hydrogen produced with clean solar power and minimal water impact makes local, sustainable economic development possible in many underserved parts of our state.”

The CTFS provides strong encouragement for electric charging stations across New Mexico, including new EV charging infrastructure in rural areas. This will significantly expand the number of households that can opt for electric vehicles.

“The transition to electric vehicles is limited by the availability of electric charging stations. This bill will go a long way to support investments in EV chargers across the state,” said Rep. Ortez.

According to the Low Carbon Fuels Coalition, the bill has three major benefits for New Mexico, based on similar policies in other states. One, it will clean up the fuels used in vehicles on the road today and those of tomorrow, leading to reduced air pollution and greenhouse gas emissions. Two, it will spur investments in production of low-carbon fuels to boost New Mexico’s economy. And three, it will provide drivers with alternative fueling options that can provide price competition for gasoline and diesel, and relief at the pump when gas prices rise.

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