

# HB12 - THE "ADVANCED" ENERGY TECHNOLOGY ACT GAMBLES UNLIMITED PUBLIC FUNDS AND SACRIFICES OUR FUTURE FOR THE BENEFIT OF PRIVATE CORPORATIONS

HB12 doubles down on the use of New Mexicans and New Mexico as a sacrifice zone. It gambles our land, air and water and the health of the New Mexican people for the profit of private industry, and offers unlimited public funds to facilitate the development of so called "advanced" energy technologies that are in fact either proven harmful (nuclear and fossil fueled hydrogen) or unproven and risky (carbon capture and sequestration).

This bill will perpetuate our dependence on fossil fuels, cause the proliferation of false climate solutions that delay the transition we need, and disempower the people through violations of transparency, democratic oversight, and a continued failure to consult in meaningful ways with Indigenous Peoples and other frontline communities that stand to be most harmed.

## HB 12 SACRIFICES NEW MEXICO LAND, AIR, WATER AND PEOPLE ON THE ALTAR OF FOSSIL FUEL PROFITS

- HB 12 is designed to finance an energy economy based on fossil fueled hydrogen, nuclear, and carbon capture & sequestration with public funds to benefits private corporations.
- Enshrines a neo-liberal market based approach to emissions reductions that has been proven counter-productive and ineffective, serving only to enrich corporations.
- Invests the funds that should be used for proven technologies like solar, wind and battery storage into unproven and dangerous pipe dreams that prolong the extraction economy.

## THE SO-CALLED "ADVANCED" TECHNOLOGIES

**FOSSIL FUELED HYDROGEN INCREASES EXTRACTION AND EMISSIONS, PROLONGING OUR DEPENDENCE ON OIL & GAS**  
99% of hydrogen comes from Steam Methane Reforming of methane gas and results in more dangerous emissions than burning natural gas for heat. (1) It does not actually facilitate a transition AWAY from extractive industry, but actually increases dependency on it. The federal funding available for hydrogen development is not a good enough reason to destroy our future.

**NUCLEAR ENERGY IS DANGEROUS, CAUSES DEADLY WASTE AND LASTING HARMS & IS TOO SLOW TO PREVENT CLIMATE CHANGE**  
Nuclear energy, nuclear powered hydrogen and nuclear waste result in intergenerational harms through every phase of production, from uranium mining to the danger of nuclear meltdown to the still unsolved problem of nuclear waste storage. Even the modular reactors currently being promoted take up to ten years to permit and build, and do not resolve the issues of safety and waste disposal. (2,3)

**CARBON CAPTURE AND SEQUESTRATION IS BEING PROMOTED AS AN EXCUSE TO CONTINUE EXTRACTION AND COMBUSTION**  
Carbon capture has failed to come close to the 95 percent capture rates promised in commercial facilities, and is being used as an excuse to continue fossil fuel extraction, implement fossil fueled hydrogen projects and otherwise greenwash extractive industries with the unrealistic dream of capturing and permanently storing the emissions being produced.(4) We must focus on reducing CO2, not trying to stuff it underground after the fact.

**CODIFIES INADEQUATE AND LIMITED EMISSIONS REDUCTION GOALS AND THE USE OF OFFSETS AND NET-ZERO GOALS**  
Net-zero is not real zero, and shuffling emissions from place to place is not the answer. The sooner we face the necessity of ending the fossil fuel economy, the better.

## HB 12 FACILITATES AN UNLIMITED AND UNDEMOCRATIC TRANSFER OF PUBLIC FUNDS TO PRIVATE CORPORATIONS

- HB12 allows the state to take over failed projects from private companies and pay them for their failure. It offers incentives to invest in risky projects such as hydrogen, carbon capture and nuclear reactors that will result in stranded assets and losses.
- Creates mechanisms to transfer unlimited public funding to private industry through public/private partnerships.
- Creates an enormous exception to state procurement rules, effectively eliminating requirements for competitive procurement (comparison between bids with selection being based on cost-effectiveness and other criteria).
- Allows exemptions to the Inspection of Public Records Act (IPRA) to permit closed-door industry preference, and self-dealing that is free from oversight and public scrutiny.

1) How green is blue hydrogen? <https://doi.org/10.1002/ese3.956>

2) Small modular reactors will not save the day. The US can get to 100% clean power without new nuclear. <https://www.utilitydive.com/news/small-modular-reactor-smr-wind-solar-battery-100-percent-clean-power-electricity/637372/>

3) Water, molten salt, and sodium-cooled SMR designs will increase the volume of nuclear waste in need of management and disposal by factors of 2 to 30. Nuclear waste from small modular reactors. <https://www.pnas.org/doi/10.1073/pnas.2111833119>

4) Oil and Gas's Pivot to Blue Hydrogen Is Falling Through. <https://theintercept.com/2022/07/30/blue-hydrogen-climate-oil-and-gas/>

# FAILURE OF OVERSIGHT AND UNFETTERED INDUSTRY INFLUENCE

## EXTRACTIVES INDUSTRIES ALREADY HOLD UNDUE INFLUENCE OVER NEW MEXICO LEADERSHIP

It's no surprise that bills like HB12 - which pave the way for a whole new fossil fuel economy based on "advanced" technologies. The same communities will be sacrificed but it'll be a new era for industry wealth. Campaign money received by key Democrats from energy special interests since June of 2021:

- Governor Michelle Lujan Grisham's inauguration fund - \$89,000 in contributions from extractive industries groups and oil companies including Chevron, Exxon Mobil and ConocoPhillips that actively drill in New Mexico
- Javier Martinez's Campaign: \$73,650
- The Speaker's Fund: \$150,937
- Nathan Small's Campaign: \$45,650
- Reena Szczepanski's Campaign: \$18,600
- Patricia Lundstrom's Campaign: \$88,850
- Brian Egolf's Campaign: \$20,200
- Doreen Yvonne Gallegos Campaign: \$43,100
- Harry Garcia Campaign: \$21,300
- Antonio Maestas Campaign: \$28,350

We should all be deeply concerned about the influence of O&G companies over public policy. Oil companies not only spend extraordinary sums of money on advertisements – by they also make investments in lobbying, making their influence known through trade associations, dark money groups and campaign donations, and unfortunately this gaslighting by our "Democratic" leadership is the result.

<https://www.abqjournal.com/2574939/governors-inaugural-committee-releases-report-showing-more-than-757000-in-contributions.html>, <https://thecandlepublishing.com/democratic-house-leaders-saddle-up-for-another-hydrogen-hub-session-taking-more-than-494637-of-energy-interest-campaign-cash/>,

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## INDUSTRY INFLUENCE ALREADY ENSURES LACK OF OVERSIGHT AND ENFORCEMENT OF REGULATIONS

The massive spending by energy interests has already led to essentially zero oversight, monitoring or enforcement over "regular" O&G activities. Adding a whole new regime of "advanced" extraction industries will overwhelm our already outmatched and underfunded regulatory agencies. In the words of the New Mexico Environment Department itself (<https://twitter.com/NMEnvDep>):

- Although NM adopted some of the strongest oil and gas regulations in the country this year, it would take 6.5 years for the 22 permitting and enforcement staff to inspect all permittees.
- In the Petroleum Storage Tank Bureau two staff oversee 4346 storage tanks. It would take 3 years to inspect all tanks in NM.
- In the Ground Water Quality Bureau, 8 filled permitting and enforcement staff spend about 10% of their time on inspections. It would take 2.5 years to inspect all permittees.
- The Surface Water Quality Bureau oversees 6,698 miles of perennial streams and all lakes, with only the equivalent of one staff person responsible for developing water quality standards and six staff persons collecting all water quality data.
- Since Governor Grisham has been in office XTO has poisoned the water or earth at a rate of approximately 5 toxic waste discharges per day with no punishment. Chevron - 686 spills, the equivalent of a spill every other day. Conoco Phillips - 936 spills, the equivalent of a spill almost every day. These spills are self-reported and do not result in fines or other consequences. (<https://wwwapps.emnrd.nm.gov/ocd/ocdpermitting/Data/Spills/SpillSearchResults.aspx>)

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## HB 12 ATTEMPTS TO GREENWASH AND GASLIGHT THE PEOPLE OF NEW MEXICO BY WRAPPING ITSELF IN THE LANGUAGE OF DECARBONIZATION AND HOLDING IMPACTED COMMUNITIES HOSTAGE TO ITS PASSAGE

At the start of the legislative session the Governor announced that emissions reduction targets would be codified in legislation. Those emissions reductions (inadequate and limited as they are) have been wrapped into this dangerous bill, forcing New Mexicans who care about a livable future for their children to make an agonizing choice between support for neoliberal corporate welfare and another lost year in the urgent necessity of climate action.

Similarly, frontline communities that are dependent on extractive industries have worked tirelessly to advocate a Just Transition that supports workers, communities and families impacted by the energy transition. Funding for a Just Transition Office, previously included in a standalone bill, was folded into HB12 without consultation or agreement with sponsors and advocates.

This cynical ploy to co-opt the language, goals, and needs of New Mexicans demanding climate action cannot be allowed to succeed.

**NEW MEXICAN LANDS AND NEW MEXICAN LIVES MUST NOT BE SACRIFICED FOR PRIVATE PROFIT!**