



State of New Mexico

Office of the Governor

Bill Richardson
Governor

Statement of Support for the Concentrating Solar Power Global Market Initiative

29 June 2005

The State of New Mexico was blessed with enormous fossil fuel resources that have greatly contributed to the state's vibrant economy over the past century. We recognize, however, that these resources are finite, and therefore, will not be sustainable over the long term. Luckily, New Mexico is also blessed with world-class renewable energy resources, particularly solar and wind, which will allow the state to diversify and expand its energy-based economy. To that end, the state has adopted a number of aggressive policies to stimulate widespread deployment of renewable energy technologies.

With respect to Concentrating Solar Power (CSP), New Mexico has just completed a yearlong CSP project feasibility study to identify the technical, financing and public incentive components necessary to build a viable project. Our intent is to develop a CSP project, at least 50 MW in size, that could serve both in-state and out-of-state renewable power needs. New Mexico has an aggressive 10% Renewable Portfolio Standard (by 2011) and is one of only two states that has a one cent/kwh production tax credit as a critical incentive to CSP project developers. We are convinced that renewable energy economic development will produce economic gains in new jobs, increased investment within the state, increased tax revenues, and help promote national energy independence.

In addition to in-state efforts, New Mexico is actively involved in the Western Governors' Association's 1000 MW of CSP initiative. While not formally a component of the 5000 MW GMI initiative, the two efforts are obviously complementary.

Given New Mexico's commitment to develop its solar resources, New Mexico declares its support for the Global Market Initiative and states its intention to link the development of its own CSP capacity to similar efforts in other states and countries. It is clear that such an approach will best facilitate realizing the projected CSP cost reductions due to economies of scale, competition, and technical improvements as more facilities become operational.

A handwritten signature in black ink, appearing to read "Bill Richardson".

Bill Richardson,
Governor