Austin Anaya

Re: EIB 25-23(R) – Clean Transportation Fuel Program (CTFP)

Members of the Board,

I strongly support NMED's proposed CTFP. As a climate economist that recognizes New Mexico's need to diversify away from oil and gas, I favor market-based standards to achieve our economic transition goals because they cut pollution at the lowest overall cost. A declining carbon-intensity (CI) target with tradable credits lets firms choose the least-cost compliance pathway, drives private investment, and accelerates the shift to cleaner fuels without picking technology winners.

The rule also addresses common concerns about "indirect" emissions and food-fuel tradeoffs. New Mexico's proposal incorporates indirect land-use change (ILUC) into each pathway's CI score (e.g., for corn ethanol and other crop-based fuels). By internalizing ILUC, the program prices these risks directly and reduces incentives to source from high-ILUC feedstocks rather than relying on blunt volume caps.

On deforestation risks, I appreciate that palm-oil biodiesel is excluded and that palm-derived fuels would carry high ILUC penalties if proposed. To fully align with best practice, I recommend the Board explicitly make palm-derived renewable diesel ineligible—mirroring California's recent LCFS update, which also noted no historical palm volumes credited and now closes that door outright.

Adopting the CTFP will reduce greenhouse gases and harmful co-pollutants, improve public health, and diversify New Mexico's economy by rewarding cleaner transport energy—especially as electrification grows. Please adopt the rule and retain (and, where noted, strengthen) these safeguards.

Respectfully,
Austin Anaya