

EAGA Business Builder

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Today's guest speaker was Ron Darnell



Mr. Darnell is SVP Public Policy at PNM Resources, however this morning he was speaking as Ron Darnell—Interested Person. He wanted to be clear that the comments and opinions discussed this morning were his own personal views, and not necessarily those of his current employer. As Hunter from TV says: "Works for me!". Mr. Darnell grew up in Lodi, California. Back in the day, that area of California was known for its peaches, cherries, and other fruit production. These days, the dominant fruit crop is wine grapes. Ron's father was WWII veteran and on returning from the war, opened a Studebaker garage (Yes, youngsters, there once was a pretty good car named the Studebaker). The younger Mr. Darnell would have been content working on cars too, but Dad was determined for his kids to get a college education. So Ron made a decision that he says he sometimes regrets. He went to college. Speeding through the 4 year program he received a Bachelors degree in only 6 years (apparently some extracurricular fun was involved too). Then on through life until 2008 when Ron decided to move his family to New Mexico where he intended find a job until a better opportunity came along, then he would go there. The 'move his family' plan was only partially successful. His wife and 12 year old daughter made the trip, but the older two children wanted no part of it. His son actually thought Dad to be a bit foolish—moving to New Mexico for a job when staying where they were and opening a pet hotel was obviously the smarter move. But even without some of the family for regular advice and inspiration, it appears that Ron found that 'better opportunity' right away. He has been with PNM for 14 years now. By the way, his son's idea has worked out too. He runs a family owned pet hotel. But the just discussed information about Mr. Darnell's history and his path to today don't really need a caution about personal versus employer views. Other portions of today's discussion might. The following summary of the rest of today's presentation is one observer's understanding of Mr. Darnell's comments and may or may not accurately represent Mr. Darnell's intended message, that, itself, doesn't necessarily represent the views of PNM. The general topic today concerned making sure that our country has reliable, affordable and sufficient energy in the future. There are two important aspects of that challenge: 1- Efforts to fulfill future energy requirements should be less concerned about the source and more concerned about the capacity of energy. 2- Elect better public officials, at all levels of government. Regarding the first aspect: Right now, the overwhelming message in the news, social media and throughout the political arena, is that all efforts should be directed toward replacing traditional energy sources like fossil fuels with 'renewable' energy sources like wind and solar. That is not the best approach for the long, or short, run. The plan of "clean air at any cost" does not properly consider the rather immediate deficiency in electrical capacity that would occur. Consumers must be able to have 100% confidence that energy will always be available when they need it. Energy is needed for almost everything. Not only do they need it for comfortable living and common every day personal uses like air conditioning, heating, lighting, security and transportation, but for industry as well, such as for production and delivery of food, manufacturing and transporting of goods and materials, and for many other important functions. Currently, about 82% of global energy production comes from fossil fuels...and demand for electricity continues to increase. Instead of concentrating on the sources of fuel, the primary focus should be on building a more resilient system for energy production and distribution. One that will generate and maintain a proper energy capacity while a gradual, and orderly, transition toward alternative energy sources can take place. Part of the equation needs to be a proper consideration of all the effects of producing the various components of 'renewable energy' systems. There are substantial, and quite often undesirable, residual results from manufacturing and building wind turbines; from mining materials used in the production of batteries, from the disposal of used up batteries, and from other construction and processes currently used to produce 'green energy'. Regarding the second aspect of our energy challenge: Listed second, but actually the more important of the two...Elect better public officials—at all levels of government. Most of the current officials are not properly focused on what really needs to happen for reliable, efficient and socially beneficial energy production that is capable of meeting reasonable needs, now and into the future. Most office holders are following political dialogue and agendas. Although there is a tremendous amount of spouting the 'science' of the subject, there has not yet been a comprehensive study to determine the cause and effect of global warming. The establishment of Regional Transmission Organizations (intended to promote economic efficiency, reliability, and non-discriminatory practices while reducing government oversight) hasn't become operational as planned. All states are having to deal with energy capacity issues. In some, the promoted narrative is put aside when convenient. California has so much need for electricity that they are transitioning back to using gas as a source. Their wind and solar production is not nearly sufficient enough. Other states have political entities that relish their power more than they are concerned for the public needs. Arizona's Salt River Power Project was established as a non-regulated entity in order to minimize political interference with it's operation. But it is a gas-powered plant, so does not match the desires of some of their politicians that want to completely do away with the use of fossil fuels. The Project apparently has the ability to provide a large energy capacity, but it has to connect to the state's grid. The grid connectivity is the only place that a governmental influence on the Project can take place. AZPRC has the authority to grant permits for that connection, but they won't. Texas deregulated the energy industry in order to encourage more wind power generation, but it did not include any good financial incentive for high quality installation and operation of the facilities. Wind farms have grown up all over the state and things worked adequately until last year's unusual cold snap. Wind still blows when it is cold, but most of the wind turbines failed because they were not built to withstand temperatures that low. Overall, if politicians were really concerned about global warming, and really concerned about providing proper energy capacity, they would promote nuclear power as a replacement for coal and gas-powered systems. The politicians are not doing that. Mr. Darnell noted that PNM's current plan is to transition to a system that uses increased solar and wind generation, combined with a large amount of battery storage, but that still includes having about 10% of their energy coming from natural gas. He suggests that anyone interested in this subject can find interesting and useful information in articles written by Holman W. Jenkins. Mr. Jenkins regularly writes for the Wall Street Journal. We very much appreciate Mr. Darnell sharing his opinions, insight and knowledge of the electric production and distribution world. It was a very interesting and informative presentation.

Leads & Business Information:

None submitted this week

- ◆ EAGA Board Members please note: There will be a Board meeting right after breakfast on Tuesday, August 9th.
- ◆ Congratulations to EAGA members recognized as recipients of this year's Albuquerque Journal Reader Choice Award: 1st Place winners in their category: Rocky Mountain Stone; TLC Plumbing; Peoples Flower Shops; Los Ranchos Gun Shop; John Thomas Jewelers. 2nd or 3rd place winners: Rich Ford; DRB Electric; Windsor Door Sales; A-TECH Security; Fat Tire Cycles and Taylor Smith Duffney, an attorney with Tom's firm—Briones Business Law Consulting.
- ◆ The 2022 Jim Fanning Memorial Trap Shoot is scheduled for September 23rd. It will start at 8:00am and finish around lunch time (then a few will probably reconvene at Rio Bravo for some refreshments and bragging). Please plan on attending the Trap Shoot. It is always a very fun event. Experience is definitely NOT a requirement. Loaner shotguns will be available if you need one. Signup sheets and more information will be available at breakfast later this month. Please contact Event Chairmen Jack Zipper or TJ Maloy if you have other questions.
- ◆ **HELP!!! Our speaker list is empty.** If you can speak at one of our upcoming meetings, *please contact Mario right away.* His information is in the box at the bottom of this page.

◆ A few questions to test your cognitive skills (thanks to Jack Zipper):

1. Before Mt. Everest was discovered, what was the highest mountain in the world?
2. How much dirt is there in a hole that measures two feet by three feet by four feet?
3. There is a clerk at the butcher shop, he is five feet ten inches tall and he wears size 13 sneakers. What does he weigh?
4. What was the President's name in 1975?
5. Johnny's mother had three children. The first child was named April. The second child was named May. What was the third child's name?
6. If a farmer has 5 haystacks in one field and 4 haystacks in the other field, how many haystacks would he have if he combined them all in another field?

Answers:

1-Johnny; 2-There is no dirt in a hole; 3-Meat; 4-It was still Joe Biden, he just wasn't president yet; 5-Johnny; 6-If he combined them all, there would be 1 stack.

Badge Board Greeters

- Aug 9th Mark Abramson—Los Ranchos Gun Shop
- Aug 16th Scott Lardner—Rocky Mountain Stone
- Aug 23rd Jason Rockwell—Rebel Road Hot Rod Garage
- Aug 30th Scott Peck—MP Group, Inc

Upcoming Speakers

- Aug 9th Ben Hoffman—Kinney Brick Company
- Aug 16th
- Aug 23rd
- Aug 30th

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