

**Kevin Minor:** 0:02

Greetings Pulse takers and welcome to the NASPO Pulse. It's the podcast where we are monitoring issues in state procurement. I'm your host, Kevin Miner, and our guest today is Mark Hayden, State Purchasing Director for the State of New Mexico and man, this is a great episode. Today, Mark attended and presented at the 2021 United Nations Climate Change Conference, more commonly referred to as COP26, held in Glasgow, Scotland, last October. For you, professionals in the procurement sphere, as well as things that we as everyday individuals can do to contribute to sustainability and combat climate change, NASPO has sustainable purchasing resources of our own. Just head on over to naspo.org, click on the research and innovation tab and click sustainability. On that drop down menu, You're going to see NASPO recommendations sustainability. On that drop-down menu, You're going to see NASPO recommendations, examples of state initiatives, programs, policies and a whole bunch more. Make sure you subscribe to us on Apple Podcasts, Spotify, Google or wherever you get those sweet, sweet listeners, and make sure to check out the blog pulsenaspo.org. Let's take that pulse.

**Josh Descoteaux:** 1:22

Mark, how are you?

**Mark Hayden:** 1:23

I'm doing great today. Thanks for having me.

**Mark Hayden:** 1:31

Yeah, if you wanted to briefly just go over your background and how you became the State Purchasing Director of New Mexico. I came to New Mexico from my hometown of Chicago seven years ago and I've been in the State Purchasing Division now for seven years, with four of those as their attorney and three as the director. But what really drove me to pursue more of the environmental aspects of what I do is I was a Boy Scout when I was very young and I was one of the first Boy Scouts, running down the alleys with a radio flyer wagon, collecting newspapers and recycling. And then I did an expedition on a Voyager canoe up in Lake Superior from Two Harbors, Minnesota, to Thunder Bay, Canada, and I really appreciate the outdoors and wanted to protect it. So I became a lawyer.

**Josh Descoteaux:** 2:22

Oh, that's great. So you've always had a passion and a heart for the environment, from a very young age.

**Mark Hayden:** 2:28

I truly do. It runs to my core.

**Josh Descoteaux:** 2:30

And then now with being the state purchasing director, it's going to be interesting for you to talk about how that connects and how you're making a difference in your position.

**Mark Hayden:** 2:40

That's right, and I have a number of things that I'll go into as we go forward with the interview.

**Kevin Minor:** 2:46

Mark, how long have you been the state purchasing director?

**Mark Hayden:** 2:48

Three years now.

**Kevin Minor:** 2:49

Three years, excellent, and so I guess in that time you've and we're going to talk about this too, and this is a nice

segue into what we're going to talk about today but I know that New Mexico has really ramped up on some of its sustainability initiatives.

**Mark Hayden:** 3:03

It's a priority of our governor and she's asked that state purchasing make that one of our priorities, and so I've done what I can to implement that, and I've actually got a list of things that we've done.

**Kevin Minor:** 3:16

Mark, that actually segues really nice into what we have you here to talk about today. You went to Scotland for the United Nations Climate Change Conference. Can you explain what exactly that is?

**Mark Hayden:** 3:27

Yes, Kevin. Cop26 is the 26th conference of parties, also known as the 2021 World Climate Change Conference, with 197 countries and political attendees. You might be familiar with COP21's 2015 Paris Agreement and the prior 1997 Kyoto Protocol. The Paris Agreement has a mechanism in it to carry out a process called ratcheting, where every five years they try to improve on the national pledges. 2020 COP was delayed because of COVID-19, but they thought it most important enough to go ahead in Glasgow, and that's when they had the last conference, where the Glasgow Climate Pact moved to end local coal and power and fossil fuel subsidies, and it's the first climate agreement explicitly committing to reduce coal, along with some urgent greenhouse gas emission cuts and more climate adapting financing for developing countries.

**Kevin Minor:** 4:28

Sure, sure. So what are some of those experiences and what did you learn in Scotland, Kevin, I learned that the global scope of the problem and the solution.

**Mark Hayden:** 4:38

I didn't fully understand it or understood it when I went there, but when I came back I felt somewhat enlightened when I was talking to leaders from various countries and what they're dealing with. Basically, we're running out of time to take action. The acceleration of CO2 emissions and the impact on global warming is alarming because the current rate will reach a tipping point in 10 to 15 years where we can no longer reverse the warming rate. Releasing CO2 and methane collectively, carbon makes our planet an ever-warming greenhouse. However, if we can control carbon in the atmosphere, we can keep the temperature under 1.5 degrees Celsius rise by 2035 and stabilize the change. Right now, we're trending towards 2.5 degree rise in 15 years.

**Kevin Minor:** 5:28

And that is significant. You'll have to help me out. Hold my hand here a little bit on this.

**Mark Hayden:** 5:36

Well, let me digress a little bit into some of my experiences. Nasa, for instance they have satellites that help us better visualize what we can't actually see, by using satellites to measure levels of CO2 on a global map and identify methane leakage hotspots excessive CO2 emissions that primarily exist in the northern hemisphere, where industrialized nations continue to use large amounts of energy through the combustion of fossil fuels. So you might ask what's the impact on our planet? Continue to use large amounts of energy through the combustion of fossil fuels, so you might ask what's the impact on our planet? Severe weather events are a good example. In December, an unprecedented tornado storm hit Kentucky, destroying various towns and killing over 74 people.

**Mark Hayden:** 6:23

Similarly, flooding in our southeast is reaching ever-increasing frequency, and I'd like to, if you want more examples, go into some other things, like the ice caps and the oceans. So the ice caps from 1941 to 2004. For example, Alaska's Muir Glacier melted about seven miles, while its thickness decreased by more than half a mile. Now

satellites give us a better view of how quickly the Earth's ice cover has changed in recent years. Ice melt accelerates as the melted water flow erodes the underside of the glaciers, while the warming planet melts the surface, so it gets a double whammy. The ice pack in the Arctic is now navigable, while ice chunks the size of entire states are breaking away from the Antarctic shelf. This ultimately contributes to global sea level rise. Also with the oceans, and the CO2 emissions are causing acidification and warming of the oceans that both result in coral reef destruction and loss of aquatic life. Reversal of this acidification is projected to take over 75,000 years. But the sea is our Earth's lungs, providing about 50% of our oxygen, and its currents regulate the Earth's temperature.

**Josh Descoteaux:** 7:39

Mark. What are the elements of the net zero emissions plan?

**Mark Hayden:** 7:43

Thanks, josh. The net zero emissions plan. Thanks, josh. I think that the big planks are energy transformation, transportation, energy conservation in the building sector and preservation of our forest and peat bogs. Energy transformation would include the end of the combustion engines by 2040. In California they've already committed to 2035. Install more windmills and solar panels for electric generation, switching to hydrogen fuel and away from methane, coal oil and fossil fuels, and transforming our transmission piping network by retrofitting natural gas and oil for hydrogen. In the transportation sector and I saw a lot of these out there we should be using electric and hydrogen trains, cars, buses, trucks, planes and factories.

**Mark Hayden:** 8:32

I rode an electric taxi, an electric bus and an electric train every day. I commuted from 50 miles outside of Glasgow. This can be done. They're already doing it in Europe. We need to catch up to what those standards are. We need to strategically install electric vehicle charging station nationwide so we get that fear of running out of electricity out of the mindset of the owners. We need to reuse buildings rather than tear down and replace so Europe's a master at this. We need to do transformer upgrades, window reflecting film, energy assessments in smart buildings with LED lighting conversion and switch to hydrogen for heating and cooking. There are a couple of pilot cities existing in Qatar and Scotland where everything from the water heat, the boiler, the stoves are all run on hydrogen. So it's being done as we speak.

**Kevin Minor:** 9:30

So at this point you're saying obviously you know as an individual, it's more in the hands of like the states, countries as a whole, nations and private business.

**Mark Hayden:** 9:42

Well, I would argue that the change starts at the local level, the state level, the city level, the things that are in control, actually, of the purchasing officers within each state. That's where you can start to make a difference. Collectively, with the 50 states and with all the different countries doing that same kind of mindset, you're going to make a collective difference. So national platforms and goals are important, but the implementation of everything is at the state level.

**Josh Descoteaux:** 10:10

I think one of the things that you said, mark, that was really important was the collaboration or cooperation and you just touched on it with states in a local level and then on a global scale. If there's one country that is still utilizing coal very, very heavily and then all the other countries have agreed not to, they might be, you know, it might be an advantage for them to benefit from cheaper energy to be able to manufacture their goods, and all the other countries might be a little bit disadvantaged. So when you're talking with states and really trying to sell the collaboration and cooperation, what are some things that you can kind of steer, you know, not only sovereign nations but states and localities to buy in to that cooperation.

**Mark Hayden:** 10:52

I think the leaders in the future that we're creating will be the ones that jump on the hydrogen bandwagon earlier rather than later. Why play catch up? I think the smart money is going to be on. This is the way the future looks. How quickly can we get there and who's going to profit from it along the way? I mean, if you look at what the world is doing 130 countries agreed to cease or reverse harvesting trees by 2030 for 90 percent of the world's forests, including the US. Methane 100 countries agreed to a 30% reduction by 2030.

**Mark Hayden:** 11:28

Coal it's called the Powering Past Coal Alliance, where 25 countries already agreed to phase out coal and cease public financing of coal projects by the end of 2021, including New Mexico. Zero emissions by 2035. 38 countries and major manufacturers agreed to end the combustion engine and net zero pledges include 450 banks, insurers and pension funds managing \$130 trillion committed to net zero by 2050. Another example is two of the big three automakers, General Motors and Ford, signed the Glasgow Accord on Zero Emission Vehicles, where they'll only sell electric vehicles for zero emissions by 2040. Other international automakers have also signed on. Wow, wow.

**Kevin Minor:** 12:20

Yeah, you know I thought that was really cool. I remember I mean just even recently the Super Bowl. I saw more commercials for electric vehicles than I think I ever have seen commercials for electric vehicles in my life.

**Mark Hayden:** 12:34

Quite, frankly, they're fun to drive. The state of New Mexico has purchased 30 vehicles and we're replacing them more as the fleets age and they are quick and they are fun to drive.

**Josh Descoteaux:** 12:45

Oh, that's really cool. So, Mark, you talked about electric vehicles. What other steps is New Mexico doing to become a more sustainable state?

**Mark Hayden:** 12:53

Yes, New Mexico had a very impressive presence at COP26, attended by our governor and three cabinet secretaries, as well as the Coalition for Sustainable Communities. The goals that New Mexico announced, in coordination with the tendents, was reducing CO2 emissions by 50% by 2025, reducing methane emissions by 80% by 2030, promoting sustainable communities, implementing low carbon fuel standards and ensuring transition equity and shifting from fossil fuels. With the training component, such as, if we shut down the San Juan coal power plant, there's going to be some training for those displaced individuals in solar and wind installation. Solar and wind installation. We are also joining the United States Climate Alliance, along with governors from a few more states, such as Hawaii, Illinois, Oregon and Washington. We coordinated with the Environmental Defense Fund, White House National Climate Advisor, Gina McCarthy, special Presidential Envoy for Climate, John Kerry, and leaders from the UK.

**Mark Hayden:** 14:11

New Mexico's governor and several cabinet secretaries are committed to assisting the US in achieving its goals, and I'll give you an example of that, where the US is in process of adopting New Mexico's oil and gas regulations the strictest in the country as the national standard. New Mexico is also adopting California's clean air standards, which are the strictest in the country. In addition, New Mexico has installed solar panels on 19 buildings in Santa Fe, new windows on 26 buildings, high efficiency HVAC in 26 buildings, retrofitted devices for ultra water efficiency in 26 buildings, converted fluorescent and incandescent lighting to LEDs in 30 buildings. 22 buildings have new electric supply transformers and 26 buildings have new reflective window film.

**Kevin Minor:** 15:07

So, Mark, what would you tell other CPOs with regards to sustainable procurement? What could they do right?

**Mark Hayden:** 15:14

now? Well, I have a number of recommendations that New Mexico has already adopted. For instance, continue the work from home option wherever possible. Working from home saves thousands of commuting trips to the office. Video conference for bid openings and vendor meetings. Our bid openings and vendor procurement meetings are all conducted by video conference only, and it saves thousands of commuting mile trips with increased we found this increased participation by long distance vendors that didn't do that before.

**Mark Hayden:** 15:46

We've gone paperless. We've moved from paper submission of bids and proposals to 100% electronic. We no longer have a file room or pay for long-term file storage. E-signature is another improvement we made, where electronic signatures now reduce paper contract execution time from days to minutes. New Mexico rolled this tool out a couple years ago and it's now available for all state agencies to use, using our prototype model. Also, sustainable procurements New Mexico initiated our first sustainable procurement in 2020, and, based on reports from our vendors over the last year, we're already exceeding 10% of our supplies in sustainable categories, such as green, eco-friendly janitorial supplies and energy stark electronics. Solar installations In 2021, we built the largest solar carport installation of its kind in New Mexico, producing 1.6 megawatts of electricity to run three of our buildings, and the \$6.9 million green energy project supplies 40% of our annual power needs for those buildings, saving the state about \$300,000 a year in costs.

**Kevin Minor:** 17:05

Absolutely so. Why is it important that public procurement officials know about and can implement these changes? And along with that, you mentioned several resources. So and we'll talk about that in a minute but I want to know why it's important for public procurement officials to understand, at the core, some of these problems and you have, like, a lot of data to back it up, and you've done a lot of your own research and I feel like you wouldn't be able to talk about these if you didn't actually understand it. How does understanding these issues help procurement professionals make decisions and implement these kind of changes?

**Mark Hayden:** 17:43

Well, Kevin, while the national and global leaders set the framework for where we're going, the change happens at the local level states, counties, cities, towns, and each decision you make as a CPO in purchasing has a carbon footprint associated with it. Each of your decisions will either help or hurt the world climate, and the educational piece and the clear goals on where we want to get to are how those decisions are made. That's key.

**Kevin Minor:** 18:15

Mark's got all kinds of resources and we're going to make sure that we put links to those in the show notes and those will be accessible to anybody listening to this that wants to view those, and also we'll put Mark's contact info in there and I'm sure, Mark, you would be happy to talk to anybody anytime.

**Mark Hayden:** 18:31

I am passionate about this subject, Kevin and Josh, and anybody who wants to call. I'm glad to have a great conversation about it.

**Kevin Minor:** 18:39

Absolutely.

**Mark Hayden:** 18:39

That's great.

**Kevin Minor:** 18:39

Be careful, though. I might just call you on a random Tuesday. I don't know what the time difference is, but maybe I

just want to talk. Tuesdays are perfect.

**Josh Descoteaux:** 18:54

Tuesdays are perfect. Tuesdays are perfect Great. You hear that every. You hear that folks. Tuesdays are perfect, mark. We like to leave the listeners with something that you can give them in terms of advice. What advice do you have for our listeners?

**Mark Hayden:** 19:01

Every CPL in the country can make a difference. We know what the national goals and objectives are. You represent your state. You have decisions you make every day, make decisions for the greater whole.

**Kevin Minor:** 19:16

I appreciate what you guys do and if you have questions, call me on Tuesday or Wednesday or Thursday. Maybe Mark Hayden is the state purchasing director for the state of New Mexico. Mark, it has been a pleasure speaking with you today. Thank you so much.

**Kevin Minor:** 19:32

And thank you, Kevin and Josh. Okay, so what did we learn? Just because we may not suffer the consequences of this disaster in our lifetime, that doesn't mean the future generations won't be affected. And you know, I always thought that me as an individual had little to do with the climate change. Right Like I'm not the one pumping a thousand pounds of CO2 into the air with my factory. But that's just not the case. Mark said that change has to start at the ground level. This isn't a problem that's just going to go away. Like I said, naspo has sustainability resources as well, so make sure to use them, and we'll make sure to put the links to the resources Mark mentioned in the show notes and how you can get in contact. Give him a call. I'm Kevin Miner. Until next time you.