



Empowering New Mexico to Power the West

2025 Annual Report



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BACKGROUND

The Basics

- New Mexico has some of the most extensive and valuable wind and solar resources in the United States yet lacks sufficient transmission infrastructure to fully harness them.
- To address this, the New Mexico Renewable Energy Transmission Authority (RETA) was established by the New Mexico State Legislature in 2007 to help develop transmission and storage and cultivate this unique opportunity.
- RETA projects must transmit or store at least 30% of their power from renewable resources. Most of RETA's current projects are planned to carry 100% of their power from renewable resources.
- RETA is working with world-class developers to deliver clean electricity from wind and solar resources to both in-state and export markets.

Mission

The New Mexico Renewable Energy Transmission Authority (RETA) facilitates planning, financing, developing and acquiring high-voltage transmission lines and utility-scale storage projects to promote the expansion of carbon-free renewable energy use in local and regional markets and enhance economic development in New Mexico.

Board of Directors

Robert Busch, Board Chair

Mayane Chavez Barudin

Melanie Kenderdine, EMNRD Cabinet Secretary

Jeremy Lewis

Dr. James Miller

Laura M. Montoya, New Mexico State Treasurer

Phoebe Suina



2025 Year in Review

Project Milestones

SunZia Transmission Line

- The **SunZia** transmission line is a 3,000-MW high-voltage direct current (HVDC) transmission project being built by Pattern Energy. The partnership between Pattern Energy and RETA is to co-develop the New Mexico portion of this 550-mile project – approximately 350 miles.
- **The project is expected to be in commercial operation in 2026.**

Crossroads-Hobbs-Roadrunner

- The **Crossroads-Hobbs-Roadrunner** transmission line is a 1,500-MW high voltage alternating current transmission project being built by NextEra Energy Transmission (NEET). The line is a 137-mile double circuit 345-kV transmission line in Roosevelt and Lea Counties.
- **The construction phase of the project began in July 2025, and the project is expected to be in service by June 1, 2026.**

New Projects

Hidden Mountain Extension

- In June 2025, RETA entered into a new development lease agreement with Agua Fria, LLC (a subsidiary of SouthWestern Power Group) to co-develop the **Hidden Mountain Extension**.
- The project will be a 21-mile line interconnecting the **RioSol** transmission line at the planned Tom Ray substation to Public Service Company of New Mexico's ("PNM") new Hidden Mountain substation in Valencia County.

Eastern New Mexico Connector

- In April 2025, RETA entered into an MOU with the **Eastern New Mexico Connector**.
- It will be up to a 278-mile 500kV double-circuit line potentially connecting the Pajarito substation west of Albuquerque to the Blackwater DC tie on the eastern side of New Mexico. When complete, the project will carry up to 3,200 MW.



Engagement Activities

- Long Duration Energy Storage National Consortium
- West-Wide Governance Pathways Initiative
- Public Regulation Commission's Potential Rulemaking Pertaining to Investor-Owned Electric Utilities' Regional Market Activity
- Kirtland/Community Sustainability Committee
- PNM's Twenty-Year Transmission Planning Process
- Federal Permitting Improvement Steering Council
- CREPC Order 1920 Ad Hoc Committee
- NASEO-NARUC Comprehensive Energy Planning Initiative
- 2024 and 2025 New Mexico Energy Policy Symposium
- 2024 and 2025 Building an Advanced Energy Ecosystem Conference
- British Consulate Panel on Clean Energy Opportunities between the UK and NM
- NM Tech Geothermal Workshop
- Electrify New Mexico (Renewable Energy Industries Association of New Mexico)
- DOE Office of Electricity Energy Storage Program Annual Meeting and Peer Review
- Northwest & Intermountain Independent Power Producers Consortium Annual Meeting
- The Western Transmission Consortium

2025 Storage Workshop

RETA's 2025 Energy Storage & the Energy Transition Workshop brought together over 230 attendees from state regulators, utilities, Tribal leaders, national labs, and private developers. As New Mexico continues its transition to carbon-free electricity, energy storage will play an increasingly important role in balancing intermittent renewable generation, strengthening grid reliability, and maintaining affordable rates.

The event concluded with an insightful keynote from Sarah Cottrell Propst, who laid out an energy storage policy framework. Her remarks will be a steppingstone for RETA and how we formulate comprehensive energy storage legislation.

Attendees have unanimously praised the workshop for its collaborative tone, educational approach, and its focus on actionable next steps. Building on the momentum from this event, RETA is advancing policy initiatives to make energy storage a pillar of New Mexico's clean energy future.



2026 Action Plan

Comprehensive Energy Storage Legislation

In 2026, RETA plans to take a leading role in advancing comprehensive energy storage legislation to support New Mexico's transition to zero-carbon electricity by 2045. As electricity demand increases, renewable energy deployment must accelerate, and large-scale storage will be essential to ensure a reliable grid, as well as affordable rates for New Mexicans.

Community & Stakeholder Engagement

Effective policy implementation requires coordination across all levels of government, as well as meaningful community engagement. RETA facilitates this kind of collaboration by adhering to these **guiding principles**:

Policy Alignment Through Communication: RETA facilitates coordination among all levels of government to support effective policy in New Mexico.

Thoughtful Engagement with Local Communities: RETA works closely with local communities to address concerns and support responsible energy development.

Prudent Fiscal Policies: RETA advocates for tax policies that keep New Mexico competitive in attracting transmission and storage investments.

Attract Industry & Investment: RETA brings in billions of dollars in clean energy investments to bolster New Mexico's economy.

Planning for Rapid Demand Growth: RETA expands grid infrastructure to meet New Mexico's rapidly growing electricity demand.

Renewable Energy Transmission & Storage Study

In July of 2025, RETA issued an RFP to commission a new state-wide study that will provide a roadmap for energy transmission and storage infrastructure development for the next decade. **Quanta Technology, LLC was selected to conduct the study, and it is anticipated that the study and final report will be completed by June 2026.**

Please visit our website to review previously conducted studies on transmission and energy storage: <https://nmreta.com/nm-reta-transmission-study/>



RETA's 2026 Priorities

Infrastructure Development

- Expand development of transmission and energy storage infrastructure to support renewable energy growth in New Mexico
- Explore feasibility of establishing new export hub within the New Mexico transmission grid
- Streamline permitting processes to reduce unnecessary delays, while maintaining rigorous standards
- Plan and host 4th Energy Storage Workshop

Policy & Regional Planning

- Encourage New Mexico utilities to participate in a Regional Transmission Organization (RTO) to deliver power more efficiently and cost-effectively
- Monitor technological advancements in long-duration storage and microgrids, including active participation in the Long Duration Energy Storage National Consortium
- Study and engage in regional transmission market efforts, including:
 - CAISO's Extended Day-Ahead Market (EDAM)
 - Southwest Power Pool's (SPP) Markets +
 - West-Wide Governance Pathways Initiative
 - Development of Western RTO

Partnerships & Stakeholder Engagement

- Collaborate with private developers, utilities, electric cooperatives, and government agencies at the local, state, and regional levels
- Conduct outreach to the public and policymakers on recommendations from the Transmission & Storage Study
- Strengthen partnerships and establish new agreements with world-class developers in renewable energy and transmission
- Prioritize transmission corridors and streamline siting in collaboration with industry and community stakeholders
- Participate in key forums such as WestTEC and WestConnect to accelerate access to regional energy markets
- Work with state and federal agencies to create a predictable, efficient permitting environment for transmission development

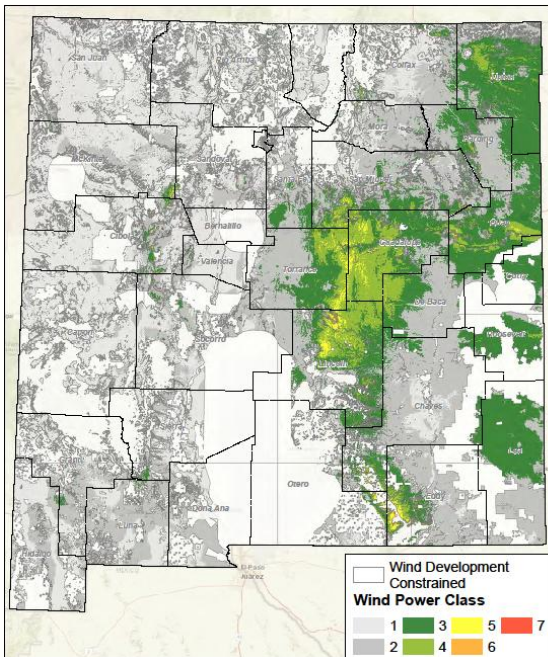


Renewable Energy in the West

Renewable energy development is surging across the Western United States. New Mexico has set ambitious clean energy targets, with the Energy Transition Act requiring 100% zero-carbon electricity by mid-century. Meeting these goals will demand major investments in transmission infrastructure, energy storage, and workforce development. Building out transmission lines is and will continue to be an economic development driver by unlocking billions in renewable energy investments and supporting thousands of local, high-paying jobs.

Wind Development Potential

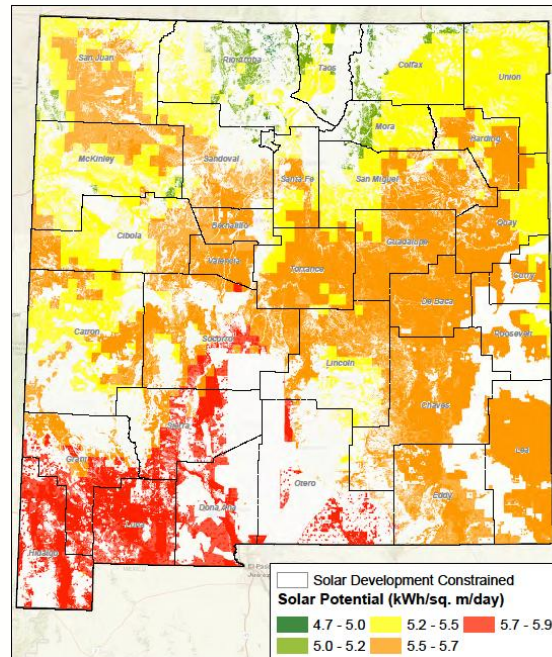
- Total developable land area for commercially viable wind equals 20,500 sq. mi.
- 18,500 sq. mi. on State Trust and private lands



137,000 MW of highest quality wind potential on State Trust and private lands

Solar Development Potential

- Total developable solar land area equals 68,000 sq. mi.
- 49,000 sq. mi. on State Trust and private lands
- Over 9,300 sq. mi. in highest output areas



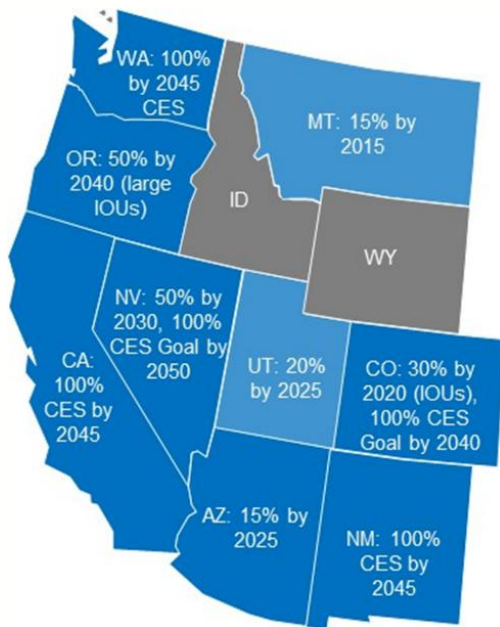
824,000 MW of highest quality solar potential on State Trust and private lands

Western Energy Policies Have Changed Rapidly

- RETA is an essential link in supporting New Mexico's Energy Transition Act (ETA), which requires 100% zero-carbon electricity sold by utilities by 2045 and rural electric cooperatives by 2050.
- The ETA drives the development of ~4 Gigawatts (GW)* of renewables by 2030, but renewable growth to 11.5 GW is possible by new transmission accessing export markets of Western states.
- Similar policies in the West drive development of ~100 GW renewables by 2035.
- New Mexico is experiencing rapid load growth due to the electrification of gas and oil production, the growth of data centers, and increases in the electric car market.

* A Gigawatt is a unit of power equal to one billion watts and is enough energy to power about 750,000 homes.

Renewable Energy Demand Will Grow in the West



Clean Energy Goals by State

Many Western U.S. states have aggressive clean energy goals

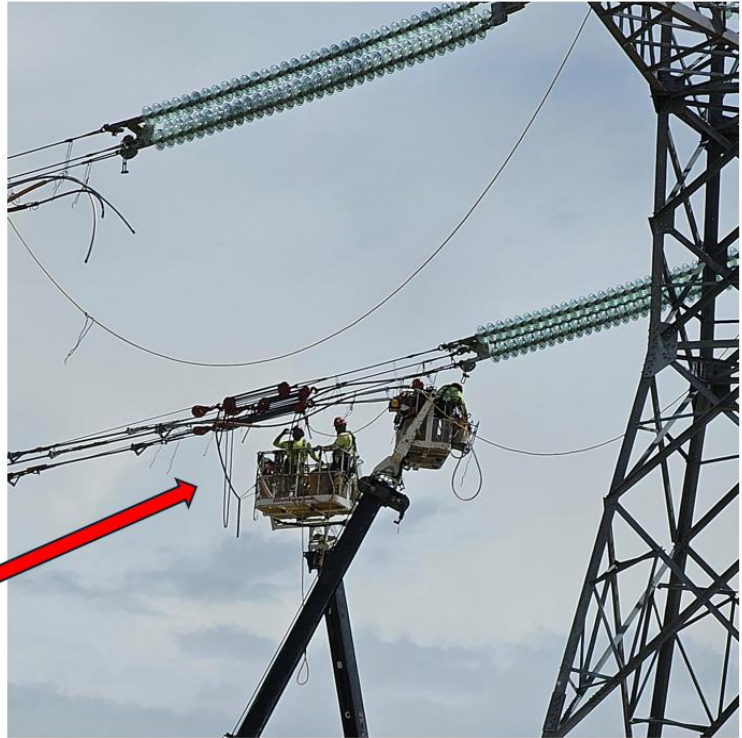
- New Mexico, California and Washington require 100% clean-energy supply or zero -carbon resources by 2045.
- Nevada and Oregon require 50% renewable supply by 2030 and 2040, respectively. Nevada further aims to reach 100% clean energy by 2050.
- Colorado has implemented a 30% Renewable Portfolio Standard (RPS) by 2030, with a goal of 100% clean energy by 2040.
- Voluntary standards exist in Utah.
- High renewable energy deployment will require 14 GW of new energy storage across the West.



Building Transmission Lines in New Mexico Builds Our Workforce

Billions of dollars of transmission projects and thousands of jobs are some of the benefits of completed projects and others in development. RETA is the essential link in allowing our state to make renewables work and upgrading our transmission grid. RETA transmission projects are supporting renewable energy development that will help meet the requirements of the Energy Transition Act.

- Accountants
- Administrative Staff
- Attorneys
- Carpenters
- Concrete Workers
- Cooks
- Drivers
- Engineers
- Environmental Scientists
- Geologists
- GIS Technicians
- Heavy Equipment Operators
- Mechanics
- Meteorologists
- Office Managers
- Retail Employees
- Supervisors
- Teachers
- Technicians
- Waitstaff
- Welders
- and these folks



An economic impact report completed for the **RioSol** transmission line showed:

- Project development began in 2008; **development expenditures** are anticipated to exceed **\$244 million** through 2025.
- **Project construction** is estimated to begin in 2026 and continue through 2027 with total construction costs exceeding **\$1.75 billion**.
- **Operations and maintenance expenditures** create economic and fiscal impacts of nearly **\$12.3 million per year**.
- These direct and induced expenditures do not include the estimated **\$8.6 billion** investment in the renewables unlocked by the construction of RioSol.

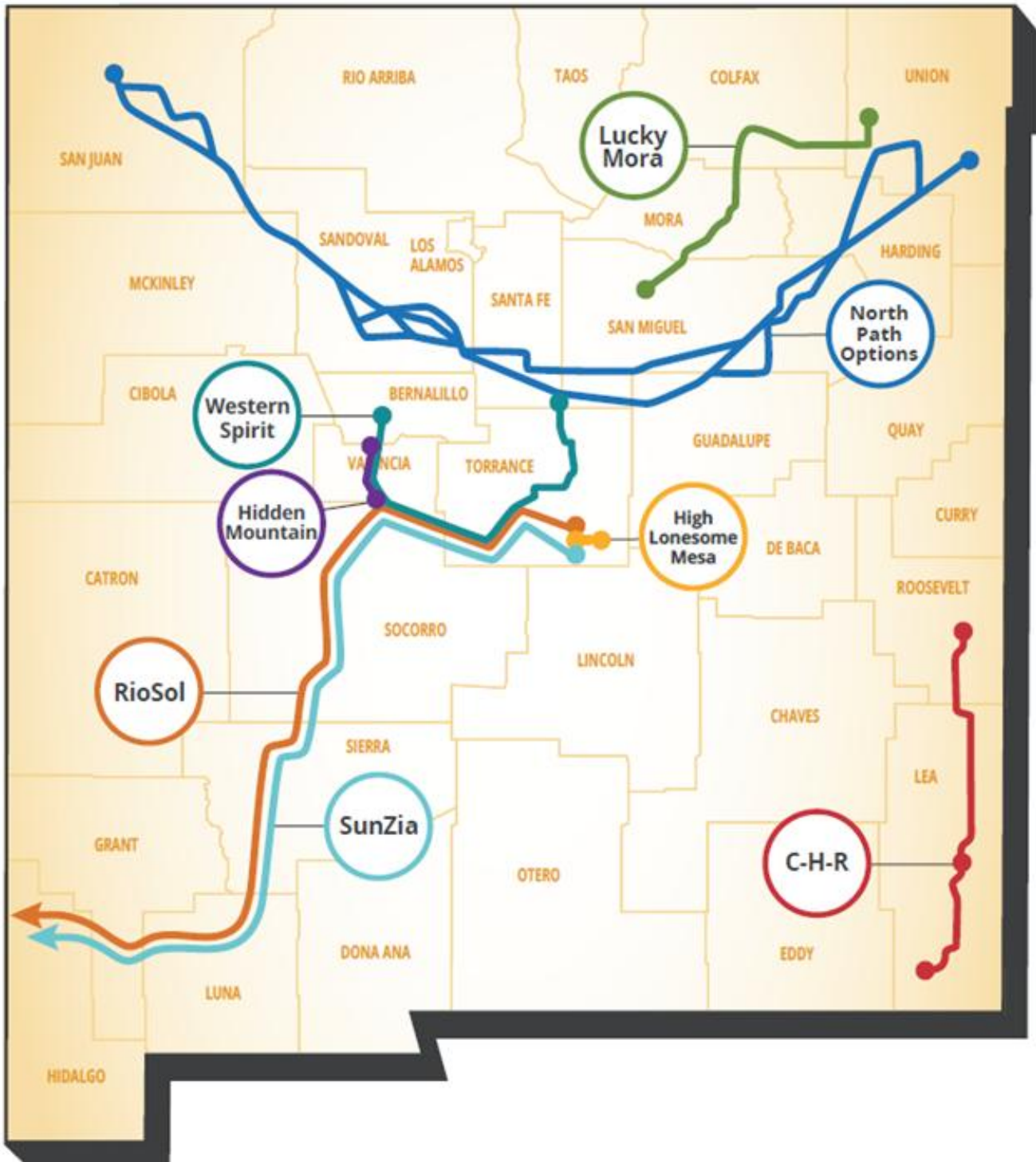


Projects – An Overview

- **Western Spirit Transmission Project:** Western Spirit, a project co-developed with Pattern Energy, achieved commercial operation at the end of 2021. PNM purchased this line at no cost to ratepayers.
- **SunZia Transmission Project:** SunZia is a 3,000MW, HVDC 550-mile transmission line project in New Mexico and Arizona, with 350 miles located within New Mexico. RETA is co-developing this project with Pattern Energy.
- **Crossroads-Hobbs-Roadrunner Transmission Project:** RETA entered into a development and lease agreement with NextEra Energy Transmission Southwest to co-develop the Crossroads-Hobbs-Roadrunner project. Construction on this 140-mile transmission line began in July 2025.
- **RioSol Transmission Project:** RioSol is a 1,500MW, high voltage alternating current transmission line that runs parallel to SunZia. RETA is co-developing this project with SouthWestern Power Group.
- **Hidden Mountain Extension Project:** RETA has entered into a development and lease agreement with Agua Fria Energy to co-develop the 21-mile Hidden Mountain Extension Project to connect the RioSol transmission line with PNM’s grid at their Hidden Mountain substation in Valencia County.
- **Mora Transmission Project:** RETA has entered into a development and lease agreement with Lucky/Mora Transmission, LLC (acquired by Ameren) for a project targeting the northeastern part of the state, which has tremendous renewable resources.
- **North Path Transmission Project:** RETA has entered into a development and lease agreement with Invenergy for co-development of North Path, which offers 400 miles of an HVDC transmission line rated to carry 4,000 MW of renewable energy.
- **Southline Transmission Project (Phase 2):** RETA has entered into an MOU with Grid United, LLC for possible development of Phase 2 of the Southline project, which starts from a substation south of Phoenix, Arizona, and heads east along the New Mexico border.
- **Eastern New Mexico Connector Project:** Most recently, RETA entered into an MOU with SouthWestern Power Group II (“SWPGII”) for possible development of the Eastern New Mexico Connector Project (“ENMC”). ENMC is a five-phase project proposed to interconnect PNM’s Blackwater, Taiban Mesa, Hidden Mountain, and Pajarito substations and SWPGII’s anticipated Tom Wray and RioSol East substations.

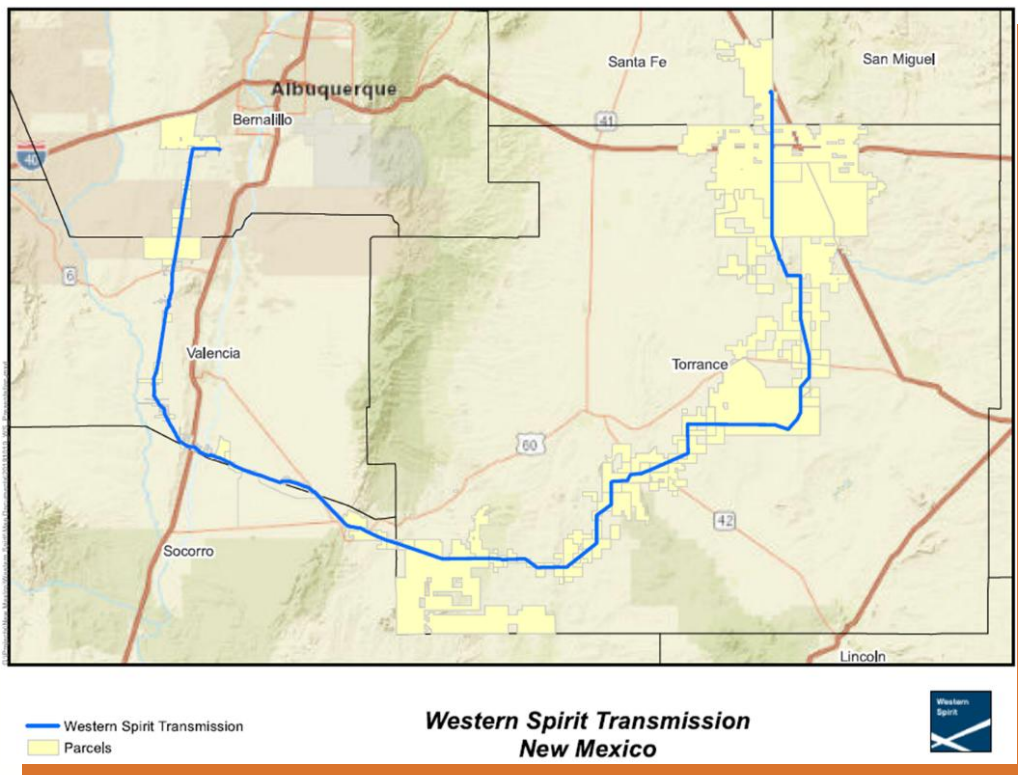


Projects - Map



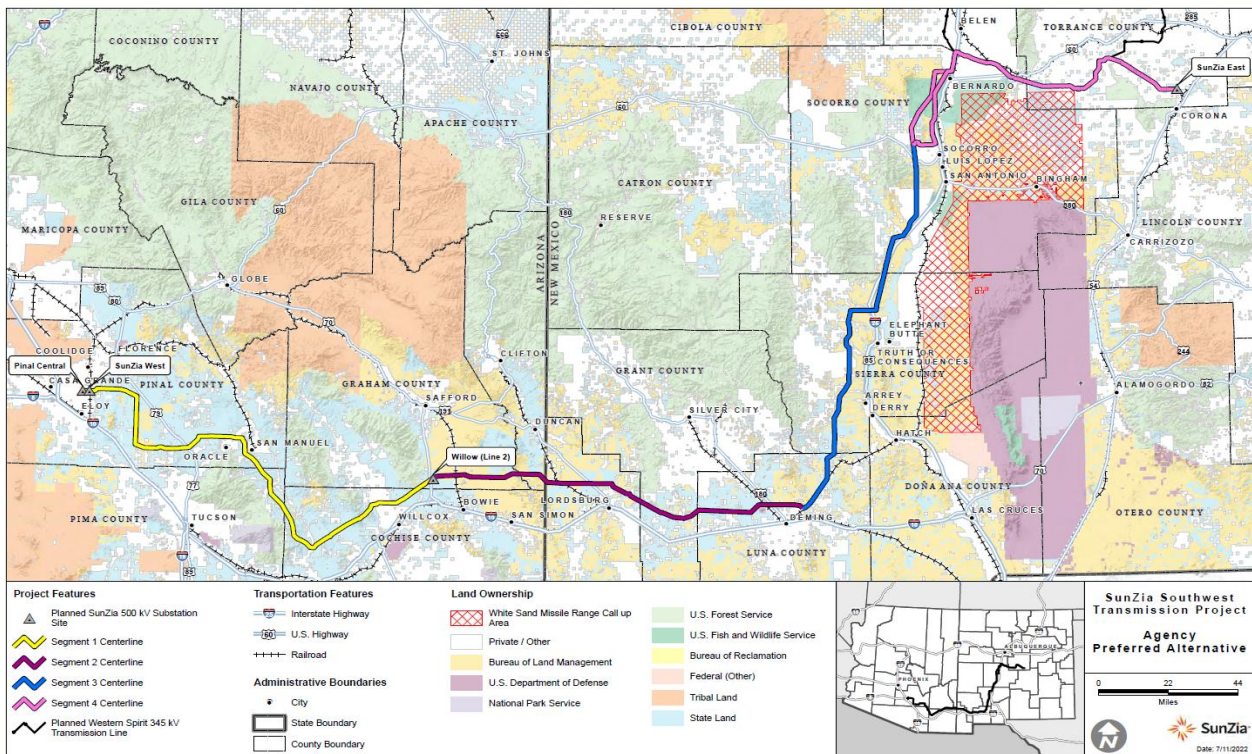
Western Spirit Transmission Project

- Western Spirit is a 150-mile, 345-kV AC transmission line that is the first of its kind public-private partnership between RETA and Pattern Energy.
- RETA began development of Western Spirit in 2010 after its need was identified in a New Mexico transmission system study conducted by Los Alamos National Laboratories.
- Commercial operation started in late 2021; the line was then sold to PNM and added to their existing grid. This purchase did not impact New Mexico rate payers; 100% of the cost is borne by the wind farms that transmit electricity along the line.
- 100% of the power comes from renewable resources located in central New Mexico (800MW of new wind). More than 590,000 homes are powered by the clean, renewable energy generated by this project.
- Western Spirit made possible billions of dollars of investment in renewable power projects that could not otherwise be built due to limitations of the existing electric transmission grid. The project generated nearly two billion dollars in net economic impact.



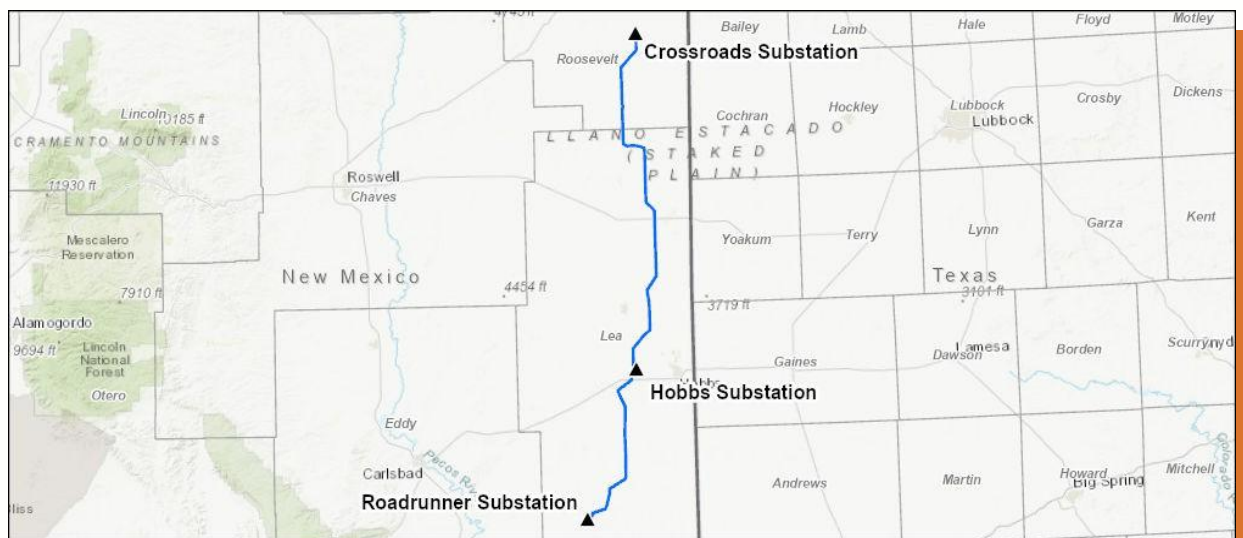
SunZia Transmission Project

- The SunZia transmission project is in late-stage construction. It stretches from central New Mexico to south-central Arizona and spans 550 miles, 350 miles of which is located in New Mexico.
- It is designed to bring high-quality renewable wind energy from New Mexico to Western utilities and power markets.
- The project consists of a 525-kV HVDC line providing up to 3,000 MW of transfer capacity.
- The SunZia transmission line will unlock the development of the SunZia wind project, a 3,500-MW wind farm with 950 turbines located in Torrance, San Miguel, and Lincoln counties in central New Mexico.
- The SunZia line and SunZia wind projects total \$11 billion of infrastructure investment. At peak construction, approximately 2,000 construction workers were in the field – 500 for the transmission line and 1,500 for the wind farms. Approximately 150 permanent jobs will be created.
- Commercial operation is targeted for 2026.



Crossroads-Hobbs-Roadrunner Transmission Project

- RETA signed a development and lease agreement with NextEra Energy Transmission Southwest for the Crossroads-Hobbs-Roadrunner transmission line.
- This proposed 140-mile 345-kV line will interconnect substations for resiliency on the eastern portion of the state. This project was awarded through an RFP process by Southwest Power Pool, the regional transmission organization in the mid-United States.
- The operation of this project will improve service and save money for utility customers in the area and unlock renewable energy constrained by insufficient transmission capacity. It will also assist with electrification of the Permian Basin.
- Construction on the project began in July 2025, and it is anticipated to be in commercial operation in the first half of 2026.



RioSol Transmission Project

- RioSol is a 500-kV AC transmission line that will deliver up to 1,500 MW of renewable energy to homes, offices and communities in New Mexico and Arizona.
- RioSol has been under development since 2008 and was originally part of the SunZia transmission line project. The second line of SunZia was renamed RioSol after Pattern Energy Group LP purchased the first line of SunZia from SouthWestern Power Group in 2022. RioSol will generally follow the same route as the SunZia transmission line.
- The project is in late-stage development, RioSol's construction may commence as early as 2026, and the line is anticipated to be in service by 2028. The projected in-service date provides western states the opportunity to tap into wind and solar power ahead of the renewable energy portfolio standard requirements that go into effect in 2030.
- As RioSol finalizes its interconnection plan, it is anticipated that New Mexico utilities will have the opportunity to connect with RioSol and access New Mexico wind energy.
- These interconnection opportunities would provide regional reliability and resiliency to the grid and potentially make New Mexico wind power available to New Mexico utilities.



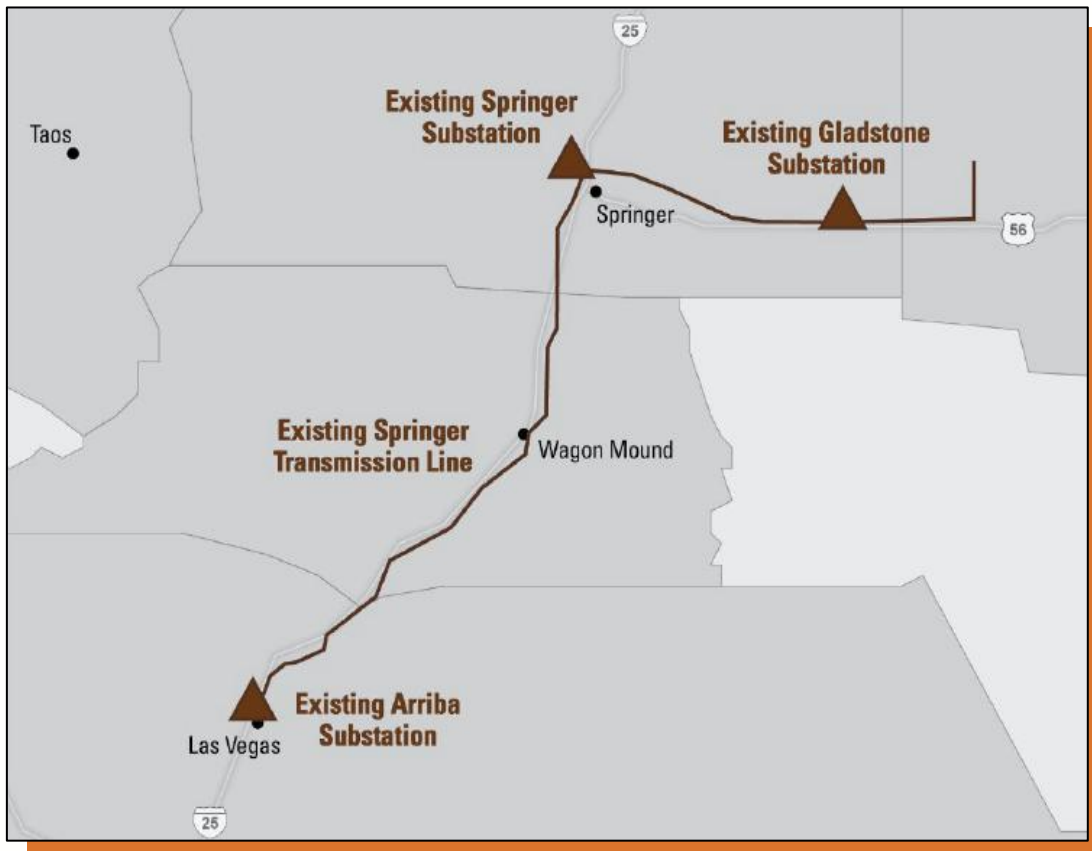
Hidden Mountain Extension

- RETA and Aqua Fria LLC entered into a development lease agreement in June 2025 for the Hidden Mountain Extension.
- The Hidden Mountain Extension will interconnect the RioSol Transmission Line with PNM's transmission system.
- This 21-mile, 345-kV extension will be located within Valencia County and will run parallel to a portion of the PNM Western Spirit transmission line.
- By enabling the transportation of up to 1000 MW of renewable energy, this project will help avoid an estimated 3.6 million metric tons of CO2 emissions annually.
- The project will generate between 20 and 30 construction jobs locally.
- The Hidden Mountain Extension is slated for completion by December 2028.



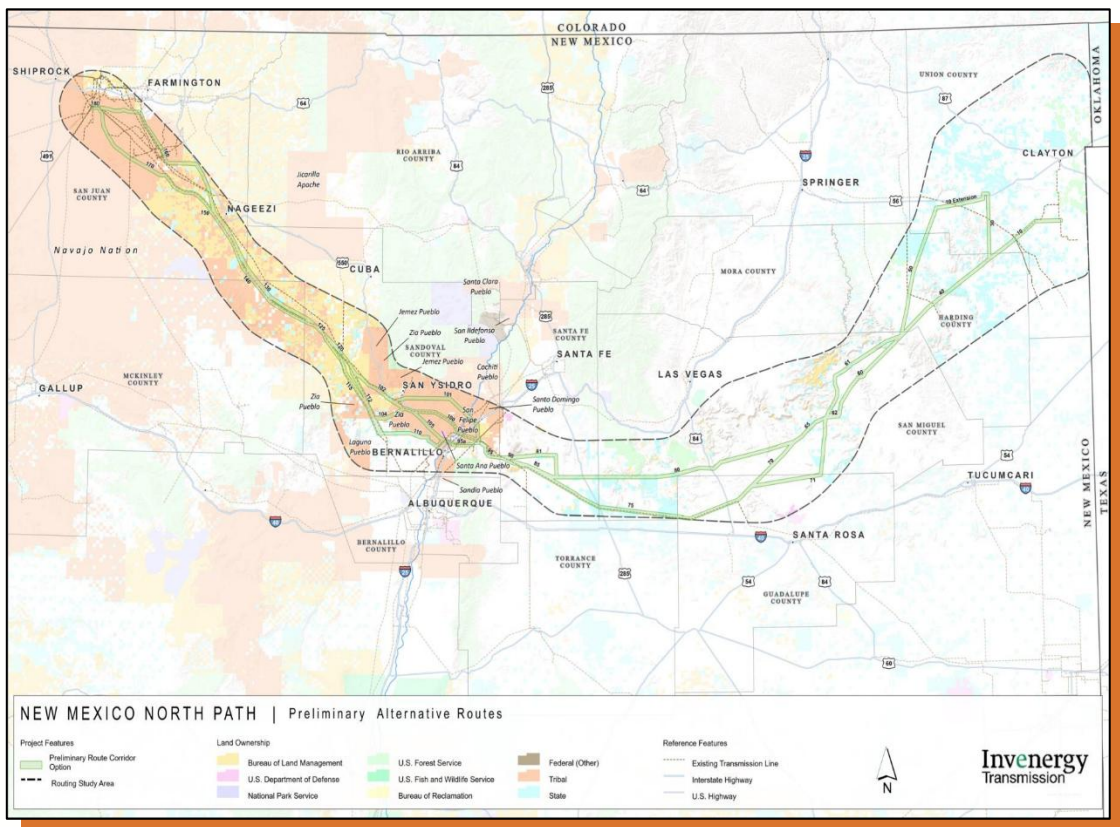
Lucky/Mora Transmission Project

- This proposed 116-mile transmission project starting in Union County will interconnect with the PNM Arriba Substation in San Miguel County.
 - The east-west segment is a 47-mile 345-kV AC line from the Don Carlos Wind Farm to the Tri-State Springer Substation.
 - The north-south segment is a 69-mile 115-kV AC line from the Springer Substation to the PNM Substation.
 - The project is a combination of a new route and co-location with existing transmission lines.
- The Lucky/Mora Transmission Project is designed to deliver high-quality wind-generated electricity from northeastern New Mexico to an interconnection with the New Mexico grid.
- The project team is currently securing real property site control and access.



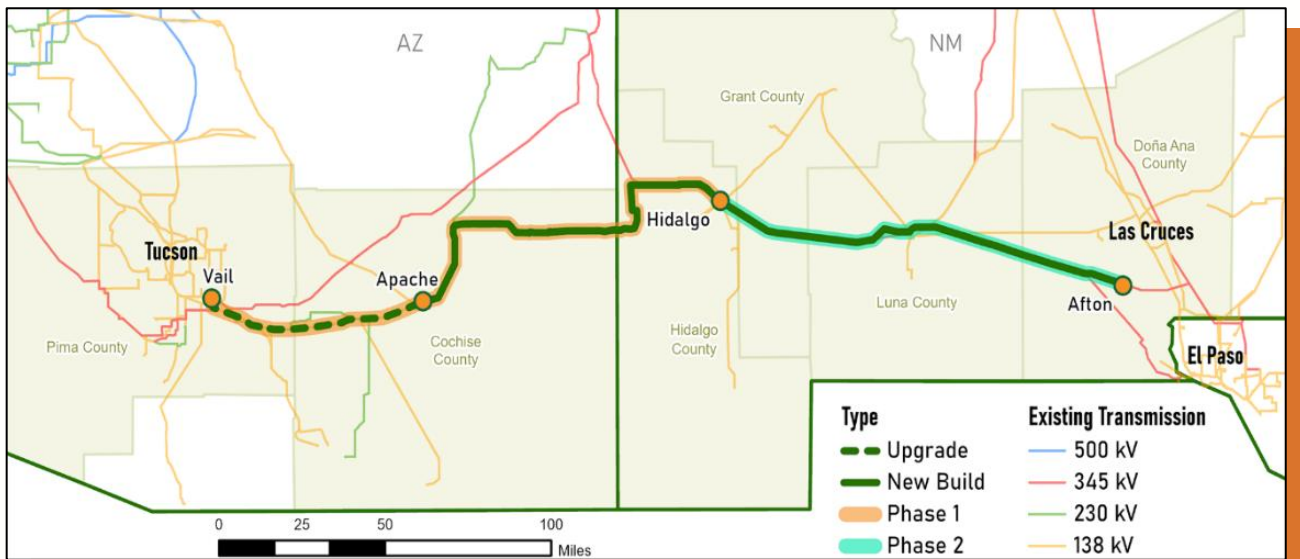
North Path Transmission Project

- The North Path transmission line is a proposed 400-mile, 525-kV HVDC project designed to carry 4,000 MW of renewable energy from northeastern New Mexico to interconnect to the Four Corners Substation in northwestern New Mexico.
- RETA entered into an agreement with Invenergy Transmission to develop the project which has an expected completion date of 2032.



Southline Transmission Project

- RETA signed a Memorandum of Understanding with Grid United for Phase 2 of the Southline transmission project, running from the Pima County, Arizona, Substation south of Phoenix, to just west of Las Cruces, New Mexico.
- The second phase of this transmission line starts in Hidalgo, New Mexico, running east to Afton Substation.



Eastern New Mexico Connector

- RETA signed a Memorandum of Understanding with SouthWestern Power Group II (SWPG II) for the five-phase Eastern New Mexico Connector Project (ENMC) to connect the following substations, starting with SWPG II's planned Tom Wray substation:
 - PNM's planned Hidden Mountain substation (in Valencia County)
 - PNM's Pajarito substation (in Bernalillo County)
 - SWPG's planned RioSol East substation (in Torrance County)
 - PNM's Taiban Mesa substation (in De Baca County)
 - PNM's Blackwater substation (in Roosevelt County)
- Once constructed, the Project will be able to transmit up to 3200 MW of renewable energy including wind, solar and battery storage to customers and markets in New Mexico and across the southwestern United States.
- The anticipated connection date of the new renewable energy sources is 2032.



FY25 Financial Statement

**New Mexico Renewable Energy
Transmission Authority**
Statement of Revenues, Expenditures and Change in Fund Balance-
Governmental Fund
For the Year Ended June 30, 2025
Audited

	General Fund
Revenues	
Project development	\$ 1,100,000
Developer payments	722,178
Interest income	76,611
Total Revenue	1,898,789
Expenditures	
Current	
Personnel	815,861
Contractual services	541,729
Telephone and internet	52,576
Benefits	28,309
Office	27,138
Travel and meetings	25,118
Insurance	21,332
Rent and Utilities	19,288
Other	9,894
Capital outlay	8,431
Debt service - building lease	
Principal	39,084
Interest	3,224
Total Expenditures	1,591,984
Excess of revenues over expenditures	306,805
Net change in fund balance	306,805
Fund balance, beginning of year	1,759,330
Fund balance, end of year	\$ 2,066,135



Conclusion

- The RETA Legislation is accomplishing what New Mexico set out to do in 2007.
- With the passage of the Energy Transition Act, New Mexico is becoming a national leader in generation and transmission of renewable energy.
- The Western energy market is demanding enormous amounts of renewable energy.
- The transition to renewable energy will require a tremendous amount of new transmission and energy storage infrastructure.
- RETA is the essential link for our state to upgrade our transmission grid and access renewable resources. Thus, continuing RETA's work is critical to New Mexico's future.

New Mexico Renewable Energy Transmission Authority

1400 S. St. Francis St, Ste. C

Santa Fe, NM 87505

www.nmreta.com

Lynn E. Mostoller, Executive Director

lynn@nmreta.net

505-699-0651

