

# NMFA Oversight Committee

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Jeremy Turner, Executive Director

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# NM RETA

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RETA was established by the NM legislature in 2007 to plan, finance, develop and acquire high voltage transmission lines and storage projects in order to promote economic development in New Mexico.

RETA is one of only eight state level transmission authorities in the United States and only the second to have issued Bonds. Along with its ability to issue debt, RETA has the power of eminent domain to insure project success. All of RETA sponsored projects must include 30% of its power from renewable resources.

# State Funding Since Inception

Legislative Session	Amount
2007	\$1,000,000
2008	\$500,000
2009	\$500,000
2010* - no request made	\$0
2011* - no request made	\$0
2012* - no request made	\$0
2013	\$250,000
<b>Total investment from NM Legislature</b>	<b>\$2,250,000</b>

\* RETA continued its operations from 2010 – 2012 with prior appropriations and project funds received from private sources

# Private Source Funding

Year	Source	Amount
2010	2010 HLM Bond Closing Fees	\$550,000
2011	2011 Reimbursable Expenses for the Central NM Collector System	\$77,174
2012	2012 Reimbursable Expenses for the Central NM Collector System	\$142,933
2013	2013 Reimbursable Expenses for the Central NM Collector System	<u>\$47,873</u>
	<b>Total Amt. from Project Fees</b>	<b>\$817,980</b>

# How Will RETA Achieve Self Sufficiency?

- By providing continued financial and support services to developers
  - High Lonesome Mesa (HLM)
    - 100 MW Wind Farm located in Torrance County
    - \$220 million investment in NM
    - HLM issued IRB's through Torrance County and Bonds through RETA
    - This project brought \$14 million in lieu of taxes to Torrance County & Estancia Schools and \$19 million in lease payments to Torrance County Landowners
  - Lucky Corridor, LLC
    - Transmission project from Gladstone to Taos
    - Memorandum Of Understanding (MOU) with RETA since 2009
    - July 2013, the MOU was revised to define RETA's potential participation in the project and now allows for a reimbursement of staff time spent on the project
    - RETA may issue a portion of the debt for the project

# How will RETA Achieve Self Sufficiency, Cont.

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- Western Spirit – Clean Line (Central NM Collector System)
  - Transmission project located in Central NM (Torrance, Santa Fe, Guadalupe and Sandoval Counties)
  - Project was originally being jointly developed by Goldman Sachs Infrastructure Partners II and RETA
  - In 2012, FERC denied a request to accelerate development of the project which resulted in GSIP selling its interest in the project to Clean Line Energy
  - Clean Line Energy is a company focused on the development of transmission lines to connect renewables to the market
  - Clean Line has four other projects under development in the United States
  - The Western Spirit Project is now projected to be in service by 2017/2018 instead of 2015 as discussed with the committee last year
  - Clean Line continued the lease with RETA which establishes RETA ownership and allows for a long term lease payment to cover RETA operations

# Budget

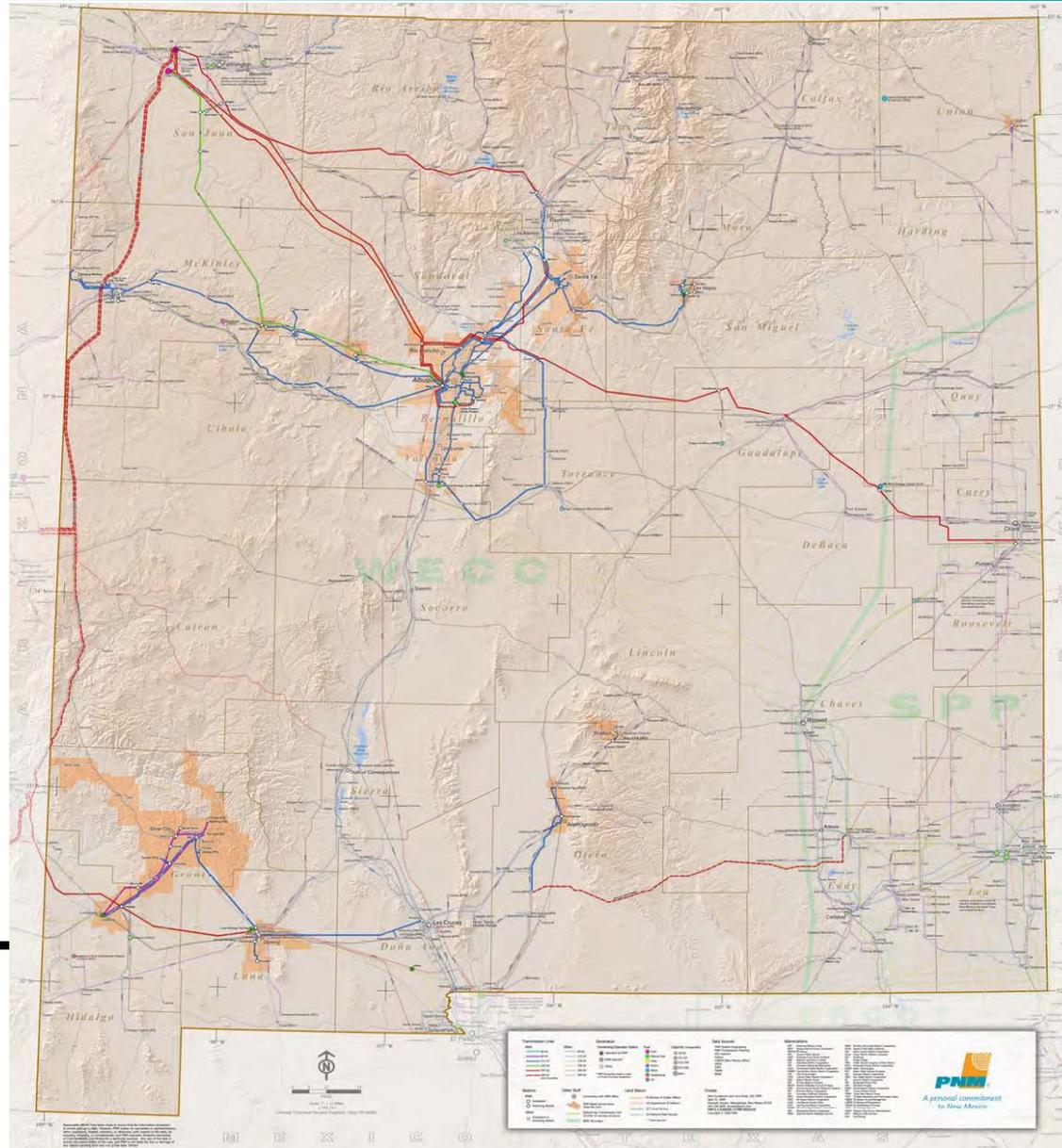
## NEW MEXICO RENEWABLE ENERGY TRANSMISSION AUTHORITY

### Operating Cash Flow Budget

Fiscal Years 2013 and 2014

	<u>FY 2013</u>	<u>FY 2014</u>
<b>Source of Funds</b>		
Opening Cash Balance	\$ 454,423	\$ 111,044
Interest Income	400	200
Project Fees	64,524	
General Fund Appropriation		250,000
<b>Total Sources</b>	<b>\$ 519,347</b>	<b>\$ 361,244</b>
<b>Use of Funds</b>		
Salary and Tax Expenses	\$ 327,543	\$ 272,238
Travel Expenses	3,765	6,500
Office Supplies	3,000	5,000
Contractual Services	36,950	44,600
Operating Costs	37,045	32,800
<b>Total Uses</b>	<b>\$ 408,303</b>	<b>\$ 361,138</b>
<b>Ending Cash Balance</b>	<b>\$ 111,044</b>	<b>\$ 106</b>

# New Mexico's Grid



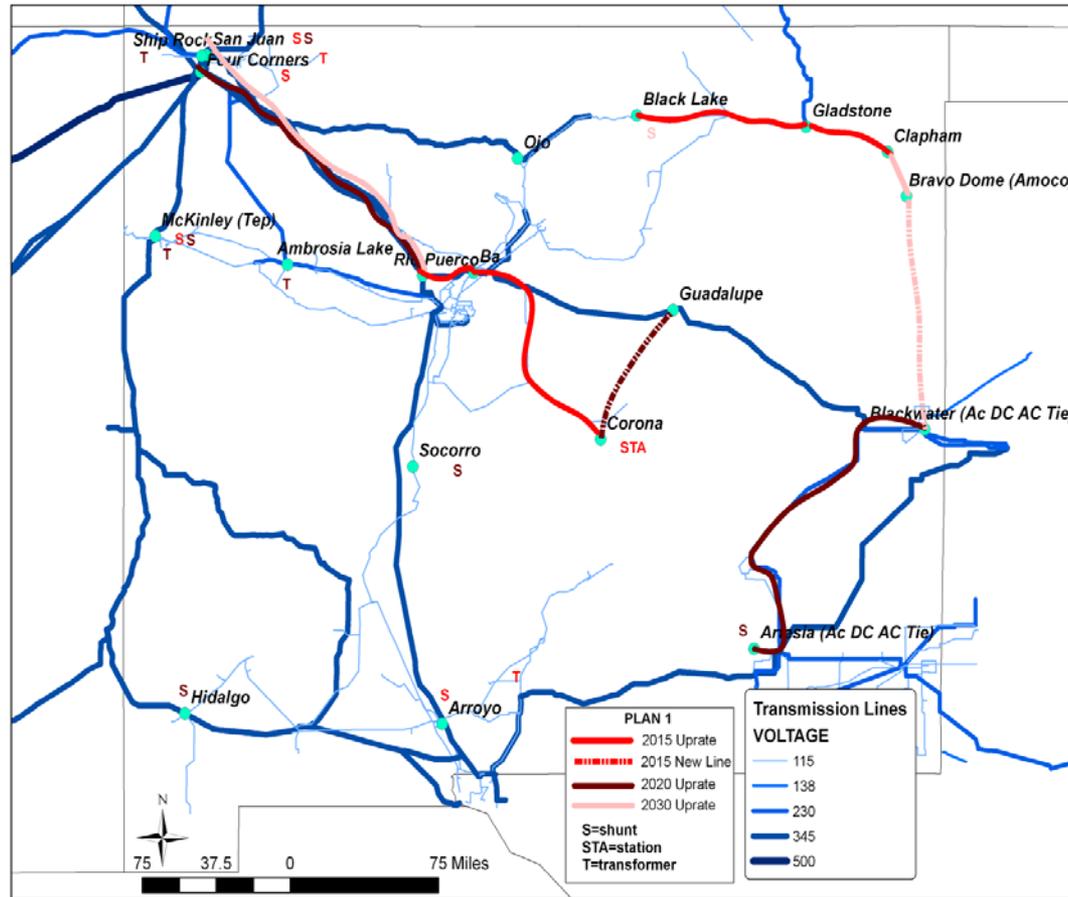
# RETA's Goal for the State

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- Commissioned Los Alamos National Laboratory to complete an independent study to evaluate statewide transmission concepts, economic benefits, and cost allocation methodology
- The Study was completed in 2010 and analyzed
  - Two potential systems, looped vs. radial line upgrades, necessary to export 5,200 MW of generation
  - Upgrades on a 5, 10, and 20 year planning cycle
  - Economic benefits and cost recovery options
    - Total direct and indirect jobs that will be created
    - Potential tax implication of each plan
    - Energy tax required to support each potential system
  - RETA MOU with Lucky Corridor, LLC and Joint Development with Clean Line directly advances the build-out of the system identified by this study

# RETA's Goal for the State

Suggested Grid Improvements:



# Contact Us

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## New Mexico Renewable Energy Transmission Authority

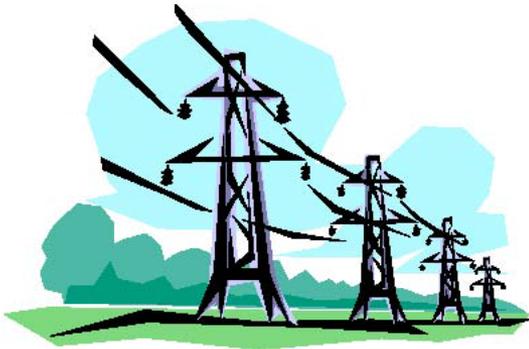
Jeremy Turner, Executive Director

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# Appendix – Maps

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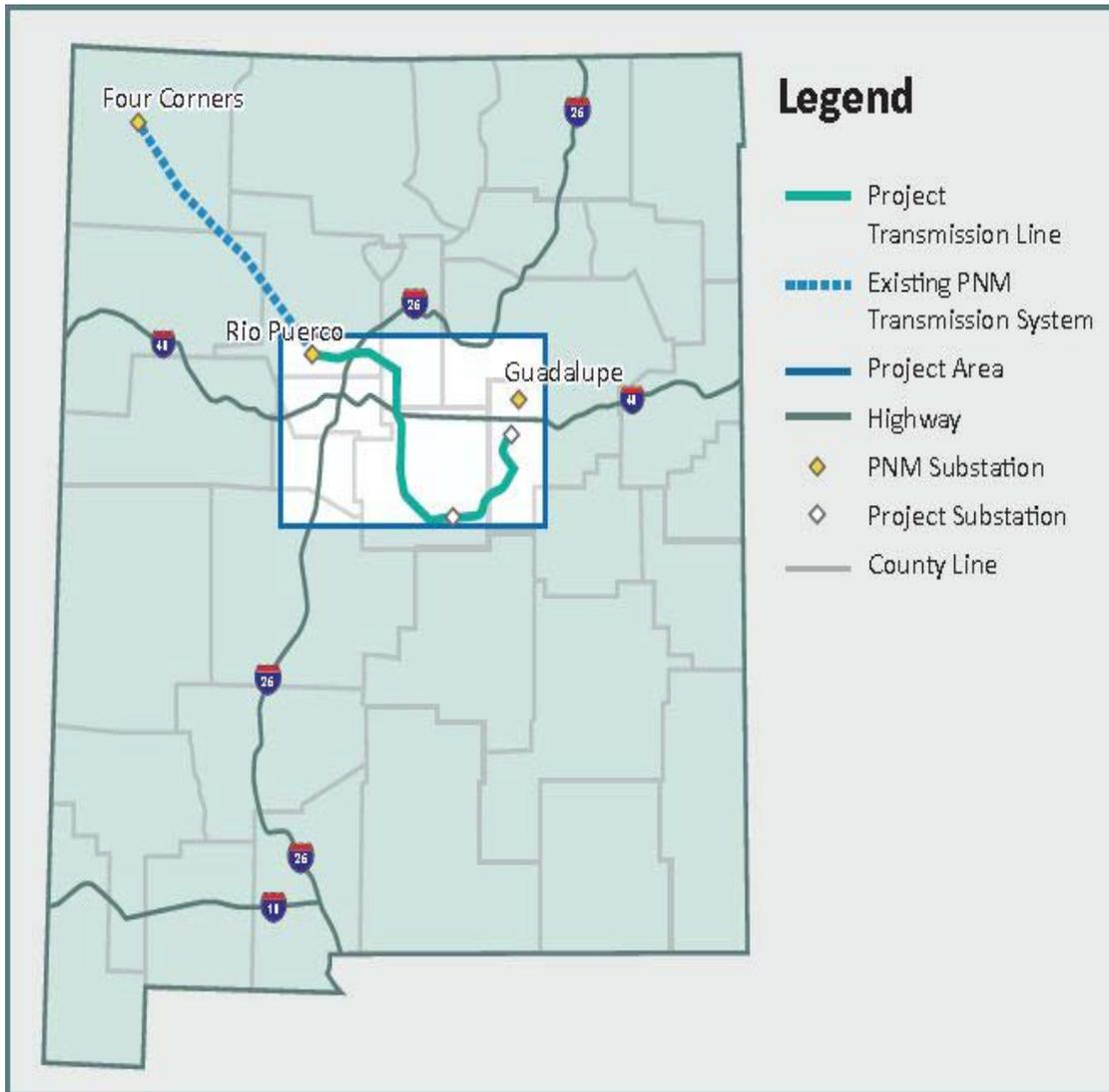
## **Projects Supported by RETA**

- Page 13: Western Spirit/Clean Line – Line located in Central NM
- Page 14: Clean Line Energy/Centennial West – Line from NM to CA
- Page 15: Lucky Corridor, LLC – Line between Taos & Farley NM
- Page 16: Blue Mesa Energy – Wind Farm in Eastern NM

## **Other Projects being Studied in NM**

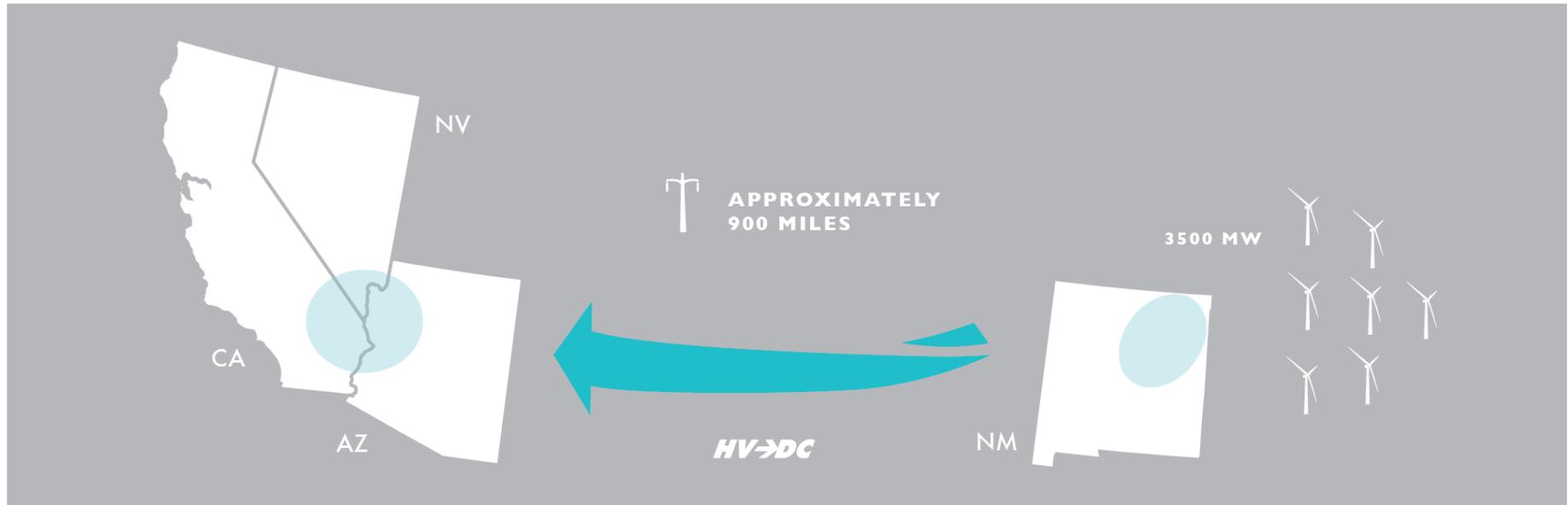
- Page 17: Southline – Line from NM to AZ
  - Page 18: SunZia – Line from NM to AZ
  - Page 19: High Plains Express – Line from WY to NM
  - Page 20: Tres Amigas Superstation – Interconnection of the three US Grids
  - Page 21: Project Websites
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# Western Spirit Clean Line



- 1,500 MW capacity
- \$350 million, Double-circuit 345 kV AC line
- Approximately 200 miles
- Project Participants
  - RETA
  - Clean Line Energy
- Approximately \$3 billion in renewable development
- Approximately 1,700 construction jobs
- Approximately 120 permanent jobs

# Clean Line Energy - Centennial West



## Project Info:

3,500 MW from NM to CA

Overhead HVDC line

Approx. 900 miles

Projected Cost: \$2.5 Billion

Project Began in 2008 with a planned in service date of 2018

MOU with RETA

# Lucky Corridor, LLC



## Project Info:

Approximately 1,100MW bi-directional capacity

Double circuit 230 kV - Expansion of Taos & Blacklake substations

Along existing 115kV transmission line (upgraded) between Taos & Farley

Projected Cost: \$360 million

Project Began in 2007 with a planned in service date of 2016

MOU with RETA

# Blue Mesa Energy – Wheatland Project



- Approximate 150 MW development with more than 40,000 acres under option.
- Adjacent to Cap Rock Wind project
- Meteorological tower up for approximately 5 years which reflects an average wind speed of 8 meters per second at a height of 50 meters.
- The Project property has a prospective transmission intertie located within the optioned boundaries

# Southline



## Project Info:

1,500 MW from NM to AZ, Double-circuit 345 kV AC

Improvements to approximately 120 miles of existing transmission lines between the Apache (AZ) and Saguario (AZ) substations

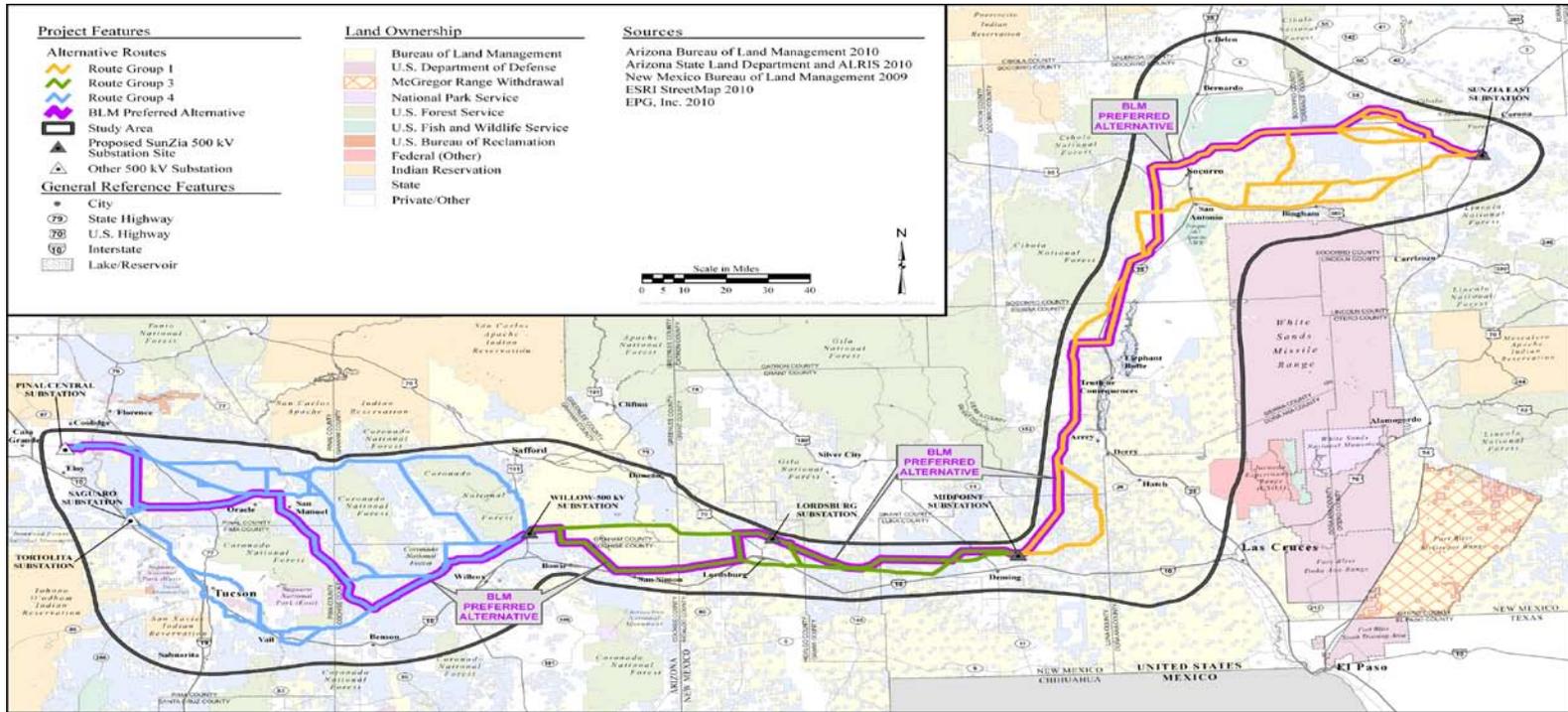
Approx. 240 miles

Projected Cost: \$550 million

Project Began in 2008 with a planned in service date of 2018

Project Owner – Southline/Hunt Trans

# SunZia



## Project Info:

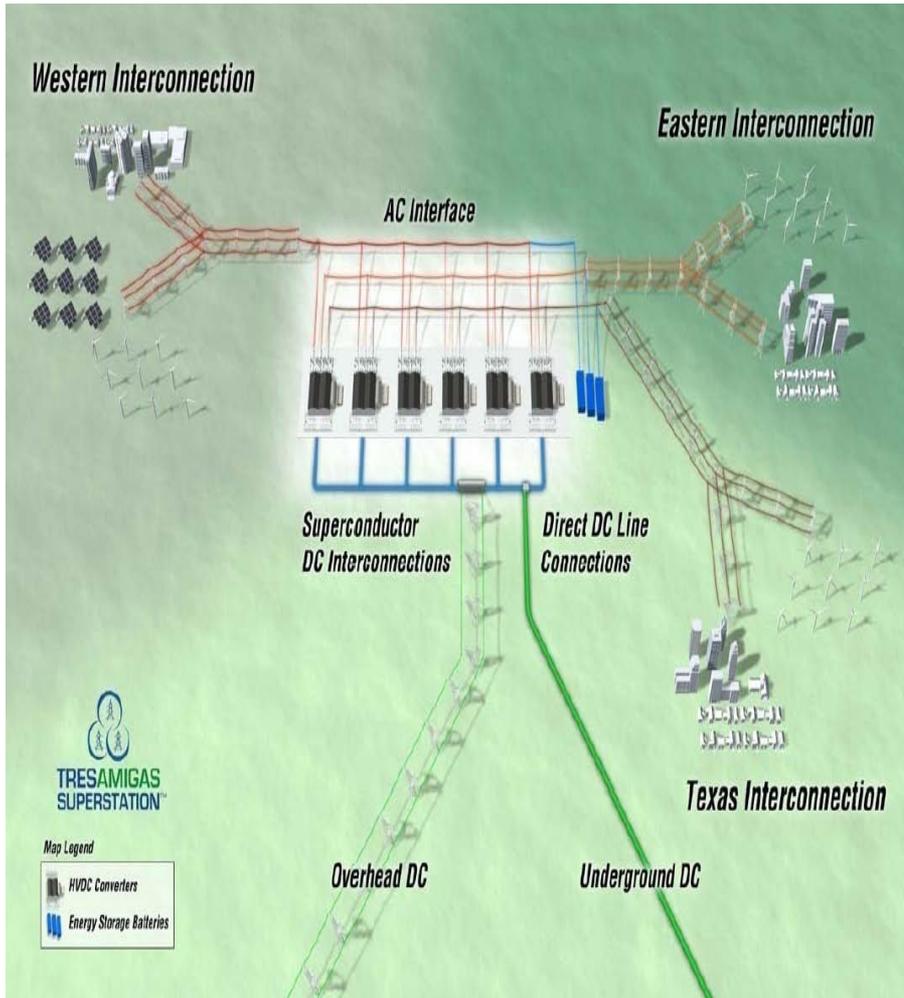
3,000-4,500 MW from NM to AZ	Double circuit 500 kV AC line or AC/DC hybrid configuration	Approx. 460 miles
Projected Cost: \$2.1 billion	Project Began in 2006 with a planned in service date of 2018	Several project participants

# High Plains Express



- 3,500 MW from WY to AZ
- Double-circuit 500 kV AC
- \$5 Billion
- Project participants
  - Black Hills Corp.
  - Colorado clean Energy Development Authority
  - LS Power
  - NextEra Energy Resources
  - Public Service Co. of NM
  - Salt River Project
  - Tri-State Generation & Transmission Assoc.
  - Western Area Power Administration
  - Wyoming Infrastructure Authority
  - XCEL Energy

# Tres Amigas



- 5,000 MW Superstation to interconnect the Nation's three grids
- Underground Superconductor cable
- Location – Eastern NM, near Clovis, NM
- Project Owner – Tres Amigas, LLC.

# Project Websites for Additional Info

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- Western Spirit /Clean Line – Line in Central NM
    - [www.nmreta.net](http://www.nmreta.net)
  - Centennial West/Clean Line – Line from NM to California
    - [www.cleanlineenergy.com](http://www.cleanlineenergy.com)
  - Lucky Corridor – Line in Northern New Mexico
    - [www.luckycorridor.com](http://www.luckycorridor.com)
  - Blue Mesa Energy – Wind Farm located in Eastern NM
    - [www.bluemesaenergy.com](http://www.bluemesaenergy.com)
  - SunZia – Line from New Mexico to Arizona
    - [www.sunzia.net](http://www.sunzia.net)
  - Southline – Line from New Mexico to Arizona
    - [www.blackforestpartners.com](http://www.blackforestpartners.com)
  - High Plains Express - Line from Wyoming to New Mexico
    - [www.highplainsexpress.com](http://www.highplainsexpress.com)
  - Tres Amigas Superstation – Interconnection of three Grids
    - [www.tresamigasllc.com](http://www.tresamigasllc.com)
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