

Testimony of Arlo Corwin for New Mexico Finance Authority Oversight Committee in support of RETA

December 30, 2012

Thank you for the opportunity to testify this morning. My name is Arlo Corwin and I am the President of Power Network New Mexico and the Project Manager for the Central New Mexico Collector System, a 200-mile, \$350M proposed high-voltage transmission line in eastern and central New Mexico. Our company is one of four that has partnered with RETA to develop a Project.

I'm here to express my support for NM RETA.

Included in your materials is a letter from a group of landowners, County and City officials, and local businesses that explain why transmission is good for economic development. It's not just good – it's great. I have witnessed this first hand. Prior to moving with my family to New Mexico to work on our Project, I spent 8 years developing wind projects in Oregon and Washington. I could tell you stories of counties like Sherman on the verge of bankruptcy now looking at paying dividends to county residents, hardware stores, restaurants, and hotels that hadn't seen as much business since the Columbia River dams and US Highways were built. Families whose sons and daughters came home to work at the local wind farms after leaving when the saw mills closed – in one 100 MW project in Union County, Oregon, 90% of new hires at the wind farm were from the local community.

I want to focus my testimony today, however, on the other part of the story – I'd like to state in simple terms how supporting RETA will bring transmission and economic development to rural New Mexico.

Our company, Power Network New Mexico, a transmission development company, opened an operation in New Mexico for 2 reasons – 1) access to tremendous renewable resources in the form of wind and solar, and, 2) RETA, a state-supported authority whose sole mission is to help get transmission built.

Transmission is complicated. There are innumerable stakeholders. Let me provide a few concrete examples where RETA has proven thus far invaluable in developing our Project:

- Public Service of New Mexico (PNM): Without PNM's support, this Project would not be possible- it's in their backyard and our Project has to compliment what they do, not compete with it. RETA has an outstanding relationship with PNM and is facilitating the relationship with PNM to ensure that this Project fits in with their overall plans.
- Pueblos: Our Project needs to cross at least 2 Native American Pueblos. RETA made those introductions via government-to-government relations, is in fact leading those conversations, and has made sure all stakeholders are treated equitably ensuring the highest likelihood of success.

- Affected Communities: RETA regularly presents at county commission meetings, city meetings, and meets with individual landowners and landowner associations to ensure that the local communities remain well informed.

The list goes on and on, including facilitating conversations with environmental stakeholders from NM Game & Fish to NGOs like the Nature Conservancy. My understanding is that RETA is also looking at a mechanism to encourage local hiring to be sure that the jobs created in New Mexico go to local New Mexicans.

I know these are challenging times. But the relatively small investment of less than \$400K in New Mexico’s future has the opportunity to create literally billions of dollars in new infrastructure in New Mexico’s rural areas, create jobs – both construction and full time—create local spending, and add substantially to the property tax base.

I’ll end with a personal example. Although just the tip of the iceberg, my colleagues and I are now in New Mexico, paying taxes and part of the local community. Our competitors – the other projects that are partnered with RETA – are doing or planning to do the same thing. We’re all here because of RETA and we need RETA if we are going to be successful in developing our Projects and bringing this investment to New Mexico.

Arlo Corwin
 mobile: (505) 919-9924
arlo.corwin@powernetworknm.com

THE ROLE RETA PLAYS IN THE DEVELOPMENT OF RENEWABLE ENERGY

