



New Mexico Renewable Energy Transmission Authority

Water and Natural Resources Committee

October 2024



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RETA Beginnings

- The Renewable Energy Transmission Authority Act was passed by the NM legislature and signed by Governor Bill Richardson in 2007 to plan, finance, develop and acquire high voltage transmission lines and storage projects to promote economic development in New Mexico.
 - RETA is a “*public body, separate and apart from the state, constituting a governmental instrumentality for the performance of essential public functions.*”
- Six voting members on RETA Board, three appointed by the Governor, one appointed by the Speaker of the House, one appointed by the President Pro-tem of the Senate and the State Treasurer or designee. The Secretary of the Energy, Minerals and Natural Resources Department serves as a non-voting ex-officio member.

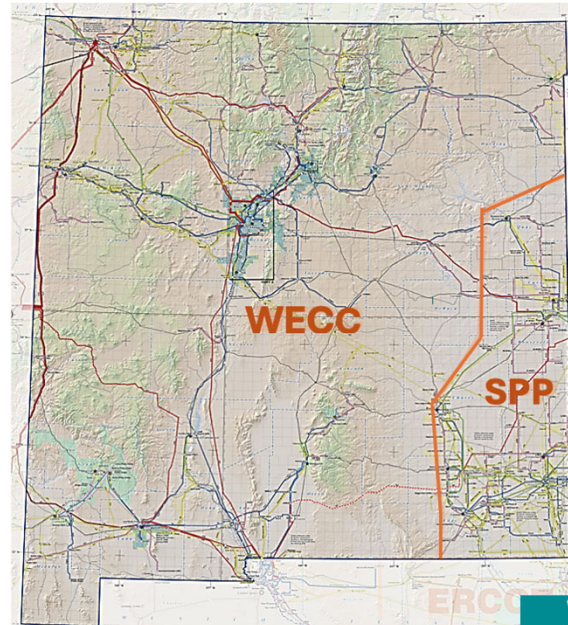


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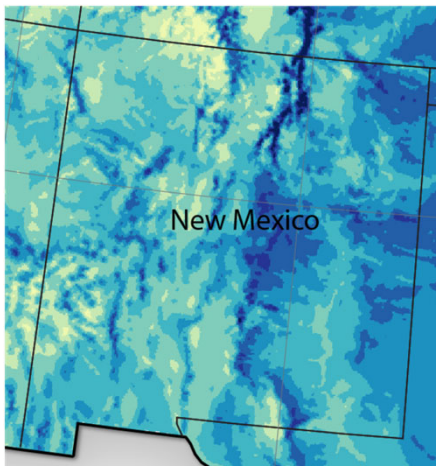
New Mexico's Grid

- Virtually unchanged since 1980s
- Borders the seam of Eastern and Western Interconnections (Western Electricity Coordinating Council – Southwest Power Pool)
- WECC portion primarily fed from 4-Corners coal plants both to export energy and to serve load throughout the state
- Grid is not configured to support economic development from expansion of renewable resources
- Compare this map to renewable resource potential on next slide

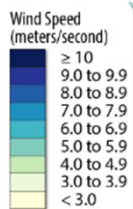


Wind Development Potential

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

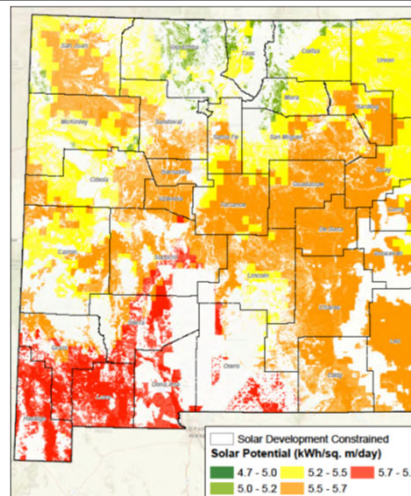


137,000 MW of highest quality wind potential on State Trust and private lands.

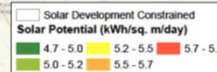


Solar Development Potential

- 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.



RETA's Benefits for Developers are Critical

- Tax incentives:
 - Property, gross receipts, and compensating tax.
- Assistance with permitting and siting:
 - Government-level relationships with State Land Office, Dept. of Transportation, Middle Rio Grande Conservancy District, other state and local agencies
 - Streamline permitting, but not skirting environmental requirements.
 - Powers of eminent domain
- Bond financing:
 - Available for developers needing financing support (not often used)
- Reduced regulatory burden



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RETA Project Relationships

- Project selection process outlined in regulation - 17.8.2 NMAC (12/15/2011)
 - Relationship levels – all beyond NDA require Board approval
 - Non-Disclosure Agreement
 - Letter of Support
 - Memorandum of Understanding (this step triggers notice provisions to utilities, Public Regulation Commission and public)
 - Development Lease Agreement
 - Enables tax, eminent domain, and regulatory benefits for project
- RETA projects must transmit or store at least 30% of their energy from renewable resources. Almost all of RETA's current projects are planned to have 100% of their energy originate from renewable resources.



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One Project Completed, One Under Construction, Four More in Development

- **Western Spirit** (Pattern Energy) – Sold to Public Service Company of New Mexico (PNM) – 155 miles, 345 kV AC, 800 MW capacity, 2021 Commercial Operation Date
- **SunZia** (Pattern Energy) – under construction, central NM to south central AZ
 - 550 miles, 525 kV HVDC – 3,000 MW capacity, 2026 estimated completion date
- **RioSol** (Southwestern Power Group) – in development, parallel to SunZia
 - 550 miles, 500kV AC – 1,500MW, 2028 estimated completion date
- **North Path** (Invenergy Transmission) – in development, northeast to northwest New Mexico
 - 400 miles, 525 kV HVDC – 4,000 MW, 2032 estimated completion date
- **Mora Line** (Ameren Transmission) – in development, northeast New Mexico
 - 114 miles, 345 and 115 kV, 182 MW, 2025 estimated completion date
- **Crossroads/Hobbs/Roadrunner** – (NextEra Energy Transmission) in development, southeast New Mexico
 - 135 miles, double circuit 345 kV, 1,500 MW, 2026 estimated completion date



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Project Capacity Summary

➤ Western Spirit (Pattern Energy) –	800 MW
➤ SunZia (Pattern Energy) –	3,000 MW
➤ RioSol (Southwestern Power Group) –	1,500 MW
➤ North Path (Invenergy) –	4,000 MW
➤ Mora Line (Ameren) –	182 MW
➤ Crossroads-Hobbs-Roadrunner (NextEra) -	<u>1,500 MW</u>
RETA transmission capacity total	10,982 MW

(Compare to New Mexico's peak load of less than 4,000 MW)

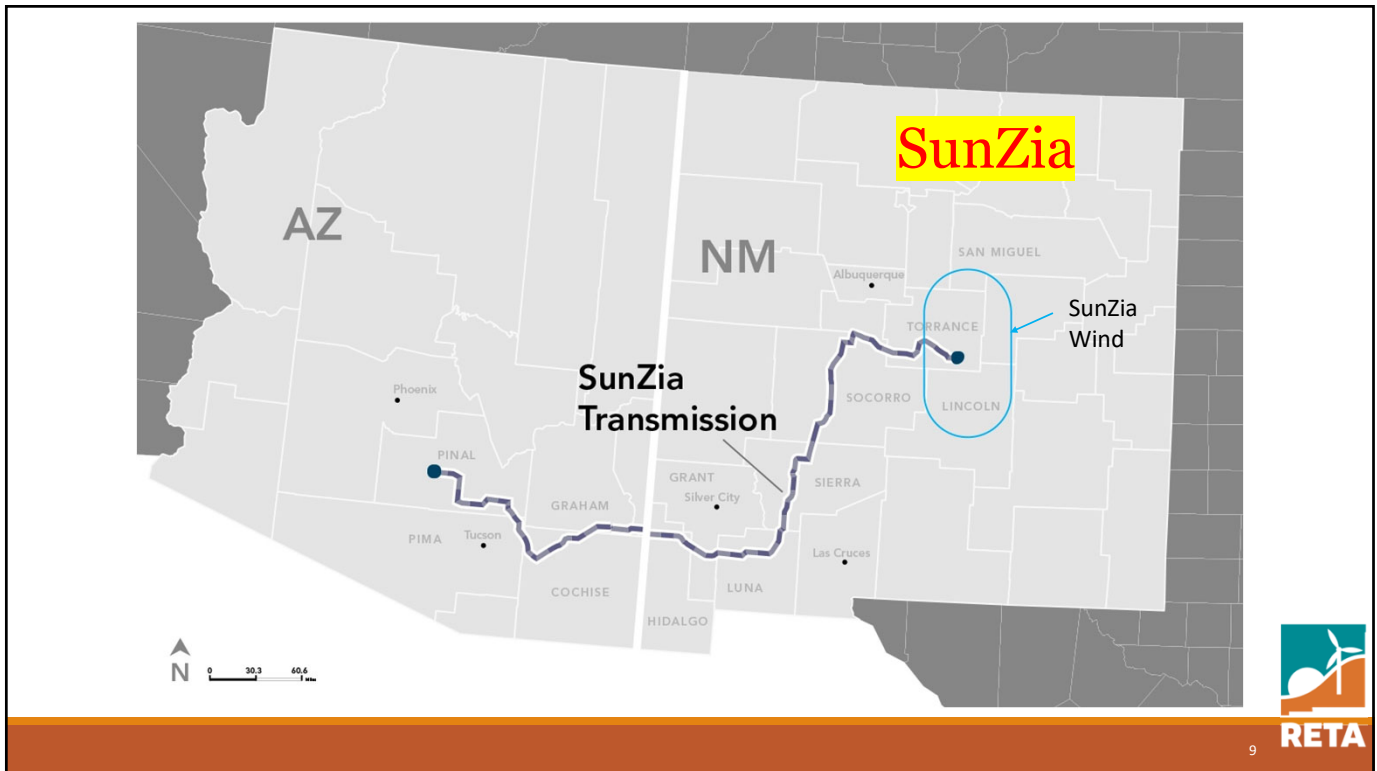


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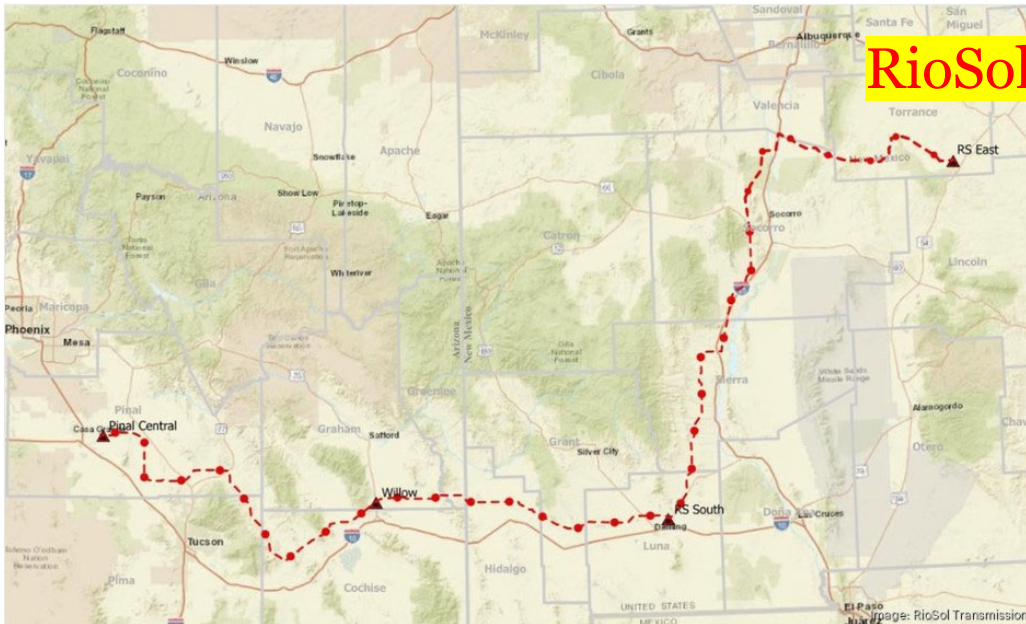
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RioSol Transmission Project In Depth

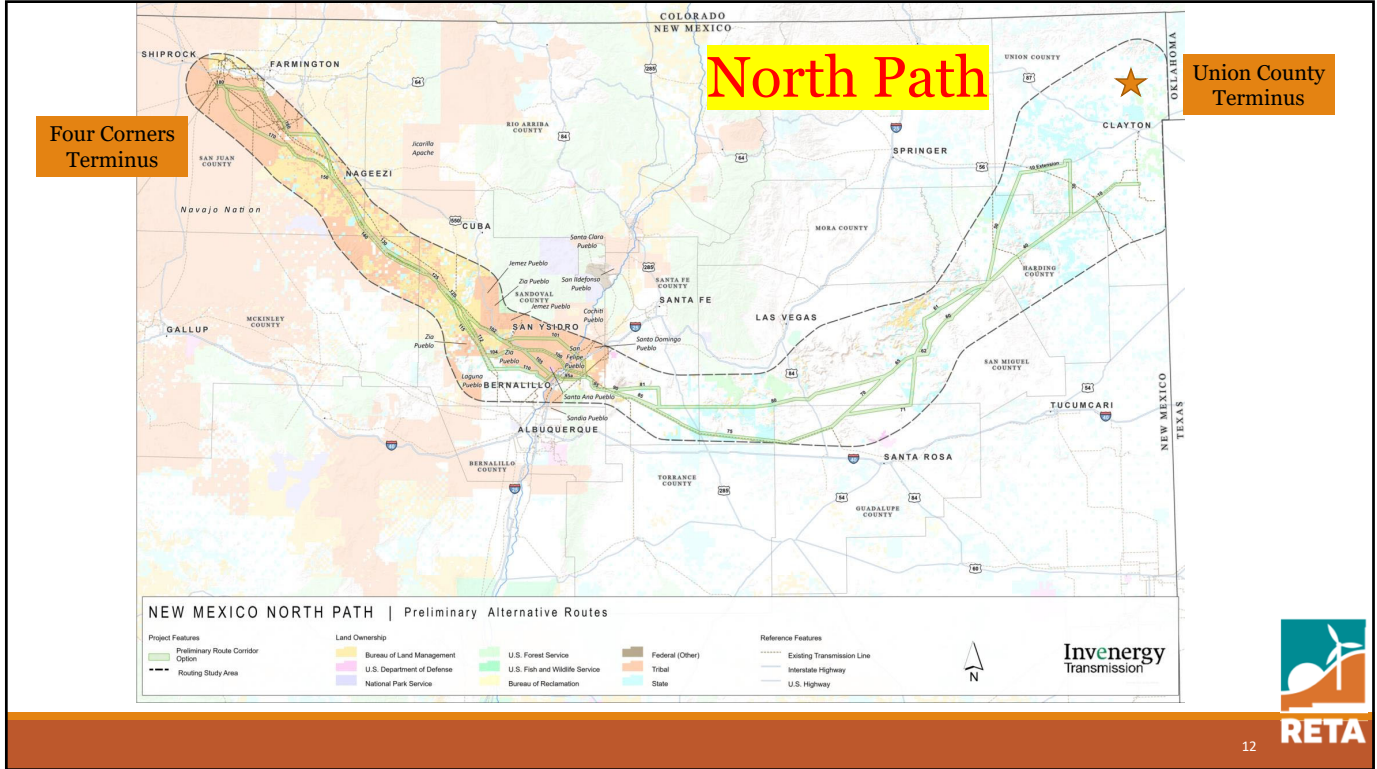
- Renewable energy from RioSol can power 500,000 homes
- \$244 million in development expenditures before any ground is broken on the project
- \$2.4 billion of private investment
- \$1.2 billion in economic benefit to NM and AZ over 30 years
- 2,600 construction and long-term jobs created
- Up to 11 planned substations to provide delivery to NM and AZ utilities
 - Developer in negotiations with utilities on interconnections and transmission architecture
 - Interconnections strengthen transmission grid reliability, resilience, and capacity
 - Could assist NM utilities with progress to the renewable energy mandates in the Energy Transition Act
- Construction start planned for 2026, completion by 2028



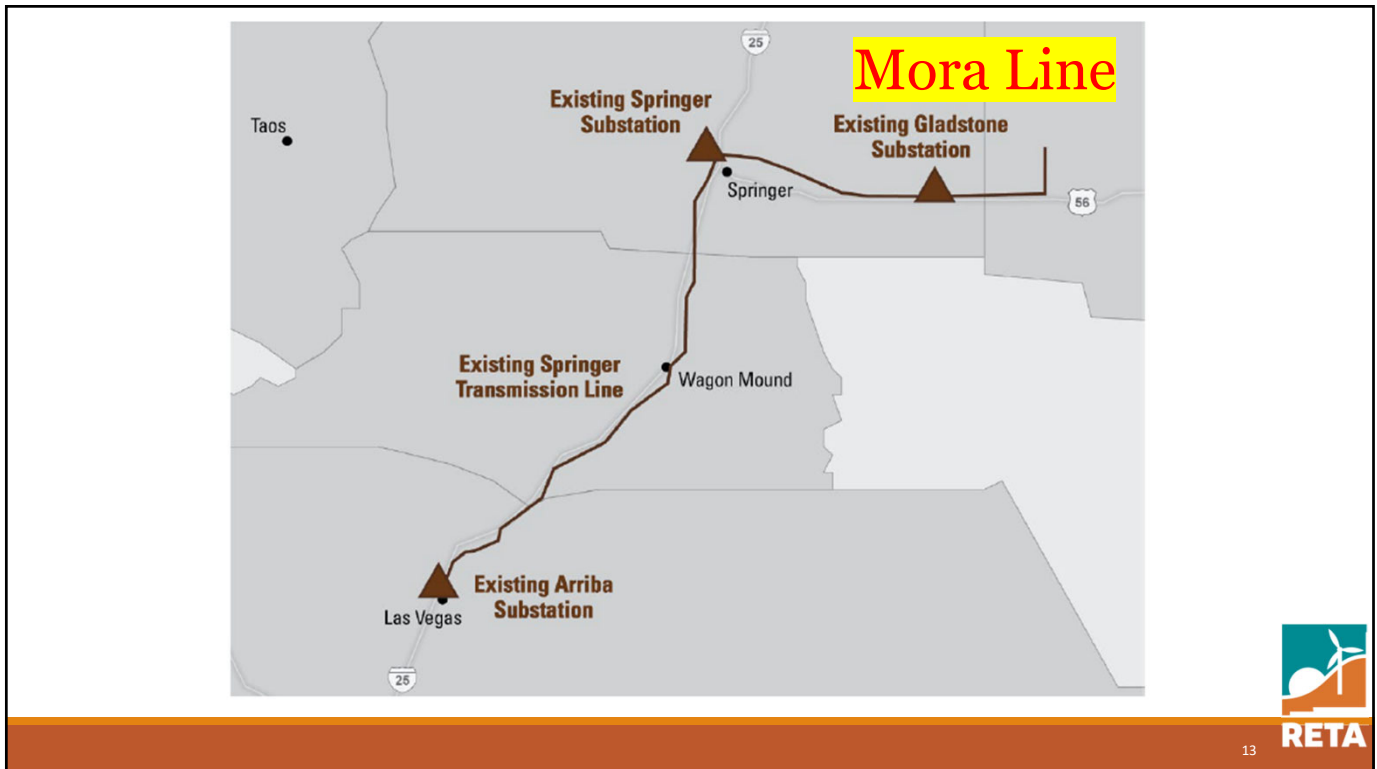
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Crossroads-Hobbs-Roadrunner



New Mexico's Benefits from Transmission Development are Exceptional and Exceed NM RETA Study Projections

- SunZia Project
 - ▣ Pattern
 - \$2B in transmission investment unlocks
 - \$9B in renewables investment
- RioSol Project
 - ▣ Southwestern Power Group
 - \$2.4B in transmission investment unlocks
 - \$8.6B in renewables investment
- North Path Project
 - ▣ Invenergy
 - \$2B in transmission investment unlocks
 - \$5B in renewables investment

...\$29+ BILLION total investments

➔ by 2032

➔ unlocks wind and solar renewable generation development



Current Construction



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Thank you



www.nmreta.com

505-699-0599



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