



JOINT CCPG-SSPG-SWAT Meeting

Jeremy Turner, Executive Director
Westminster, Colorado
August 17, 2011



Overview

- Overview of RETA
- 2011 Legislative Update
- Los Alamos National Labs Study
- RETA/GSIP Project

State Level Authorities – RETA

- Eight state-level authorities:
 - Wyoming Infrastructure Authority (2004)
 - Idaho Energy Resources Authority (2005)
 - Kansas Electric Transmission Authority (2005)
 - North Dakota Transmission Authority (2005)
 - South Dakota Energy Infrastructure Authority (2005)
 - Colorado Clean Energy Development Authority (2007)
 - *New Mexico Renewable Energy Transmission Authority (2007)*
 - Utah Generated Renewable Energy Electricity Network (2010)
- RETA was Statutorily Created in 2007 by the NM Legislature
 - Can plan, finance, acquire, and own transmission and storage facilities
 - 30% of the power on a RETA project has to be from renewable sources
 - Has the power of eminent domain



Organizational Chart

NMFA Legislative Oversight Committee

Steve Elliott – Senate Pro Tem Appointee

Vacant – Speaker of the House Appointee

Michael Emerson – Governor Appointee

Chairman Robert E. Busch – Governor Appointee

Beatriz Rivera – Governor Appointee

Mark Valdez – Deputy State Treasurer

Jodi Porter – EMNRD Ex-Officio Member

Jeremy Turner – Executive Director

Angela Gonzales – Project Coordinator

Joan Munsell – Administrative Manager



2011 Legislative Update

Bill	Name	Sponsor
SB 60	Renewable Energy Transmission Bond	Senator Harden & Representative Stapleton
SJM 8	Transmission Line Program Coordination	Senator Ulibarri
SB 82	Remove State Investment Officer from Boards	Senator Sapien
HM 51	Request Clean Energy Innovation Zones	Representative O,Neill
HM 36	Renewable Energy Resource Development	Representative Martinez
SB 549	Renewable Energy Utility and Customer Costs	Senator Sanchez

Senate Bill 60

- Moved RETA's bonding and operational funds from the State Treasurer's Office to within RETA itself.
- Allowed for the creation of separate accounts within its Bonding Fund
- Allowed bonds to be issued "above, below, or at par."
- Allowed RETA to hold proprietary, technical or business information confidential and not subject to the inspection of public records act.
 - The only material that will be held confidential will be information that could potentially harm the developer if shared with the public such as: power purchase agreements, costs of production, costs of transmission, transmission service agreements, credit reviews, detailed power models and financing statements.

Senate Joint Memorial 8

- SJM 8 Requires RETA and EMNRD work in collaboration with White Sands Missile Range and other military installations
 - When developing renewable energy programs; and
 - Corridors for transmission lines.

- A report of this collaboration is due by October 2011 and should be presented to:
 - Interim military and veterans affairs committee
 - NMFA Oversight Committee

- Copies of the Report must be given to:
 - EMNRD Secretary
 - RETA Chairman of the Board

Senate Bill 82

- Removed the State Investment Officer from membership on the following boards:
 - The New Mexico Finance Authority – NMFA
 - The Small Business Investment Corporation – SBIC
 - The New Mexico Renewable Energy Transmission Authority – RETA
 - The Education Trust Board – ETB

House Memorial 51

- HM 51 Requires the Office of the State Engineer, Economic Development Dept. & EMNRD collaborate with interested business & community leaders to develop the parameters of a process to establish clean energy innovation zones
 - New Mexico is poised to benefit from emerging clean energy economies due to its abundance of resources and renewable energy assets; and
 - Creation of clean energy zones would spur new economic activity and job growth in both rural and urban areas.
 - A Report of its findings is due to the appropriate interim legislative committees no later than September 1, 2011

House Memorial 36

- The Economic Development Department (EDD) is requested to:
 - Identify the benefits and barriers to developing renewable energy resources; and
 - Make recommendations to promote the development and use of renewable energy resources and associated transmission of electricity in NM.
- EDD must consult with: PRC, RETA, EMNRD, Military base planning commission, State Land Office, US bureau of land management, electric utilities, Independent transmission companies, US Military installations, conservation & environmental organizations, renewable energy generator companies
- A report of its findings and recommendations of the EDD must be presented to the appropriate interim legislative committee by October 2010

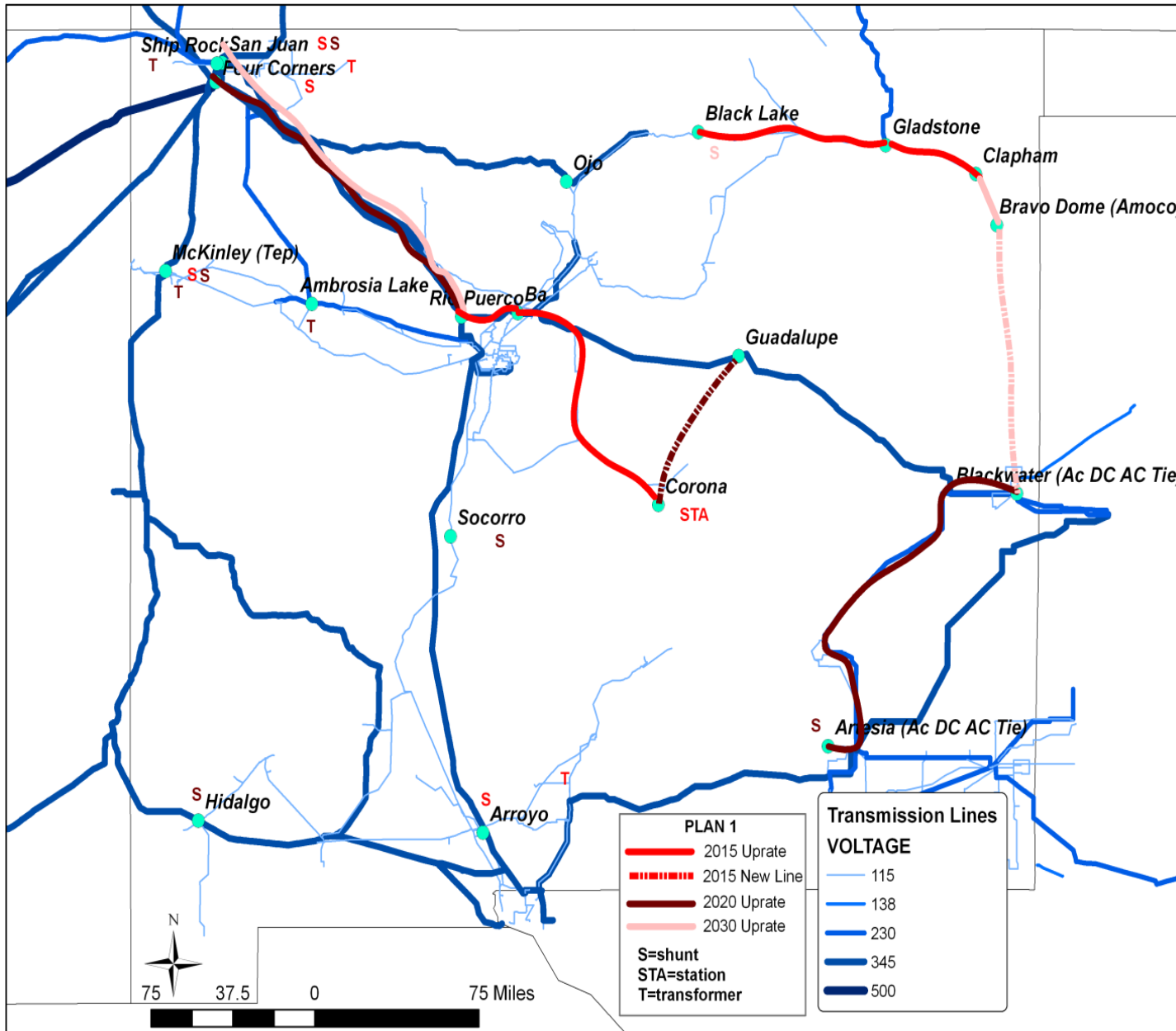
Senate Bill 549

- Amends the Renewable Energy Act to clarify that the definition of “reasonable cost threshold” includes all costs reasonably associated with the procurement of renewable energy
- The bill would allow public investor-owned utilities to recover reasonable costs, including costs that are reasonably associated with procurement of renewable energy as part of their cost of service
- The bill also removes procurement language specified that has expired & clarifies that compliance with the RPS for each customer will not exceed 2% of the customers annual electric charges or \$99k

Los Alamos National Labs Report

- Commissioned Los Alamos National Labs to complete an independent study to evaluate statewide transmission concepts, economic benefits and cost allocation methodology
- The Study 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 implications of each plan
 - Energy tax required to support each potential system
- RETA has entered into two MOU's that directly advance the build-out of the system identified by this study (Lucky Corridor & GS Global Infrastructure Partners II, L.P.)

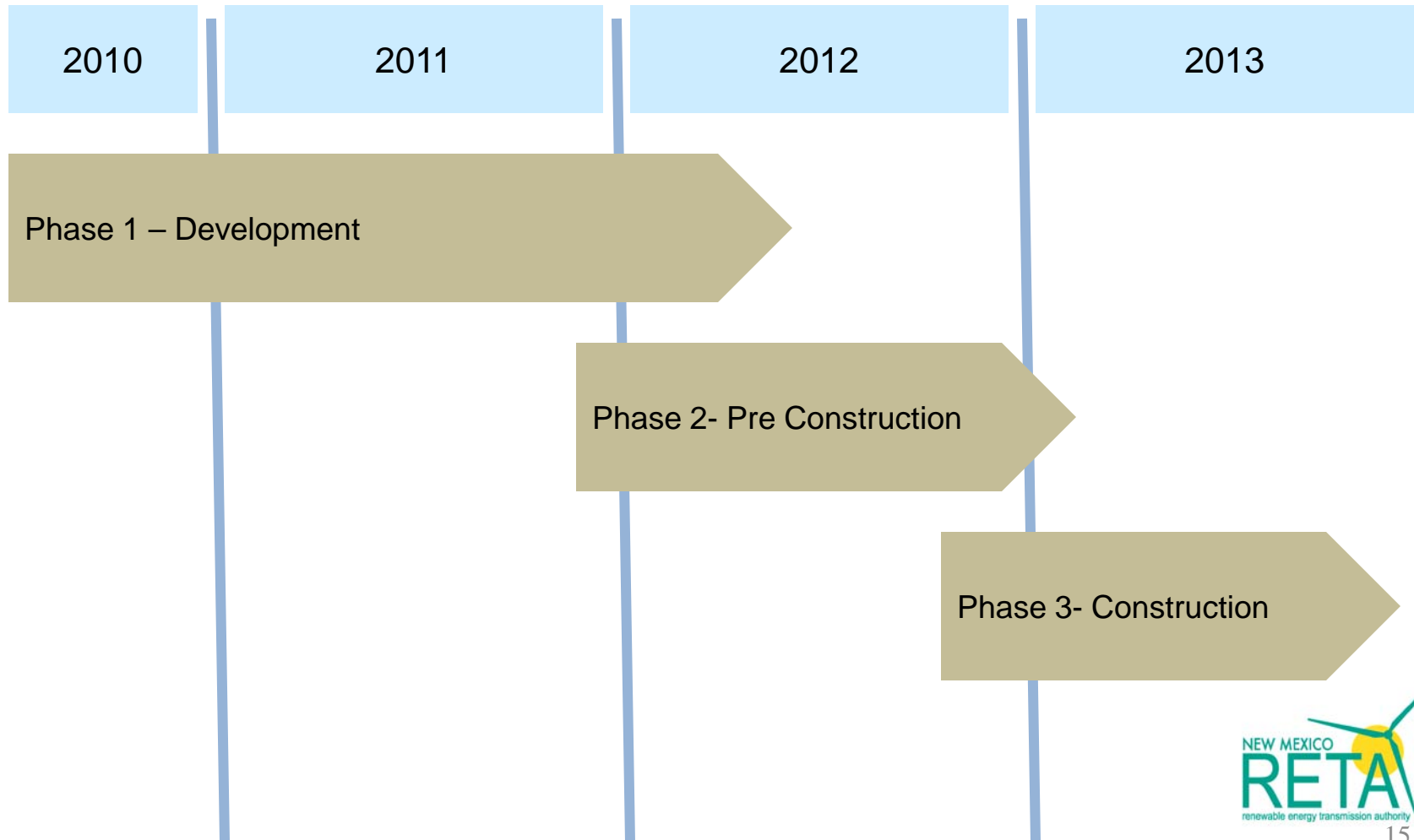
LANL Study – Collector System Plan 1



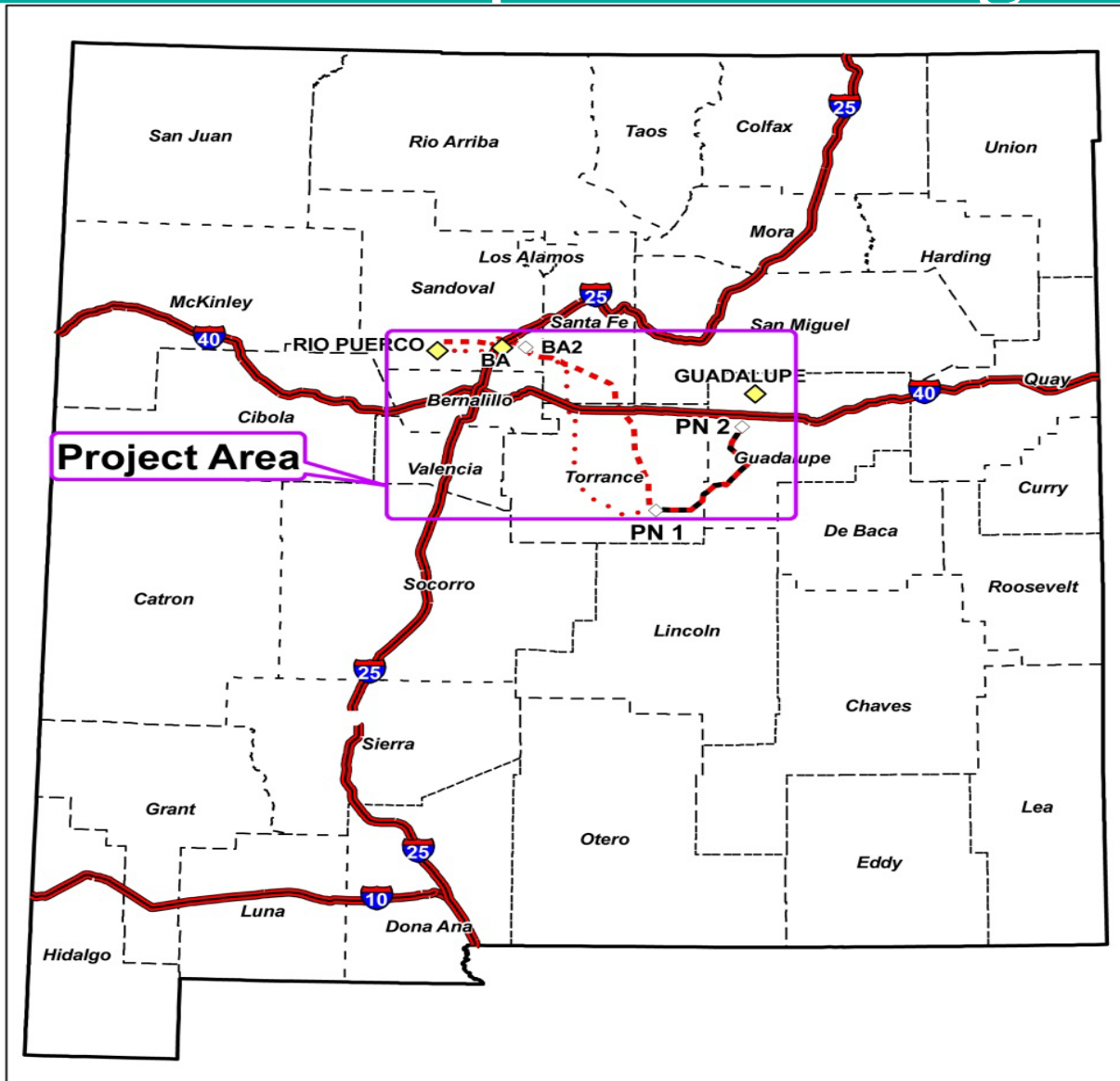
Power Network NM

- RETA entered into a Memorandum of Understanding with GS Global Infrastructure Partners II (GSIP) to jointly develop a collector system in Central NM
- GSIP created Power Network New Mexico LLC
 - Specific Focus on developing the NM Collector System Project
 - Jointly controlled by GSIP and RETA
- NM Collector System Project Details:
 - Approximately 200 mile long line
 - 345 kV line with an initial carrying capacity of 1,500 MW
 - 2-year construction period with approximately 200 construction jobs (to be determined when construction takes place)
 - Financing will be secured by transmission agreements
 - Renewable development has the potential to exceed \$1.8 billion

NM Collector System Timeline



Conceptual Routing



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