

PRC greenlights PNM purchase of transmission line

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The 165-mile Western Spirit transmission line project took a huge leap forward this week when state regulators approved Public Service Company of New Mexico's request to acquire the line once operational in 2021.

Energy company Pattern Development is building the \$360 million Western Spirit line in cooperation with the state's Renewable Energy Transmission Authority, a quasi-governmental entity that the Legislature created in 2007 to help finance and build transmission systems to carry wind-generated electricity from central and eastern New Mexico. RETA, which owns the rights to the Western Spirit project, agreed last May to sell the transmission line to PNM for \$285 million once it's fully constructed.

The state Public Regulation Commission approved that acquisition Wednesday, eliminating the last major regulatory hurdle for Western Spirit's construction to move forward, because the project already has all needed federal approvals, said Pattern's vice president for development in North America, Cary Kottler.

\$1B in wind farms

And that, in turn, paves the way for Pattern to begin building \$1 billion in planned wind farms in the Estancia Valley in central New Mexico near Corona that will generate more than 800 megawatts of electricity for transport on the Western Spirit line.

"We already have Federal Energy Regulatory Commission approval, and now we have the needed state approval from the PRC to construct the transmission line, put it into service, and transfer it to PNM," Kottler said. "... Full construction activities will start in the first half of next year to get the transmission line up and running in 2021. We'll construct the Western Spirit line and our wind farms simultaneously so that they come online together."

Although no more regulatory hurdles remain, Pattern and RETA must finish negotiating right-of-way agreements with landowners along the transmission line route, which will run in a U-shape that begins at PNM's existing main line near Clines Corners in Torrance County. From there, it runs south toward Corona,

then west to the Rio Grande, and finally back north again to PNM's Pajarito substation on the West Mesa, west of Albuquerque.

Remaining objections

About 10 miles of line will cross the northwestern corner of Socorro County, where local officials and landowners strongly oppose the project because of potential environmental impacts, including disruption of pristine landscapes and dangers to migratory birds along the Rio Grande that generate local tourism revenue.

The Socorro County Commission voted 5-0 on Sept. 24 to oppose the project, directing Commission Chairwoman Martha Salas to explain the county's "staunch opposition" in a letter to RETA's board of directors.

"Your proposed transmission line with its substantial right of way will arguably bring irreparable and permanent harm by despoiling the natural beauty and vistas of its crossing path," Salas told RETA.

She said it could also endanger the flight paths of two private airplane landing strips, reduce tourism and lower property values, "seriously degrading the preferred rural quality of life enjoyed and preferred by those affected."

The county fears RETA may exercise its power of eminent domain to procure rights of way, the letter said.

Also opposed SunZia

For similar reasons, Socorro county officials, landowners and environmentalists have also strongly opposed the SunZia Southwest Transmission Project, a separate, 520-mile line that another company is developing to carry wind energy from central New Mexico to Arizona. In that case, however, the proposed line would cross the Rio Grande in between two wildlife refuges for migrating birds.

In contrast, Western Spirit would cross the river at Bosque in Valencia County, far north of the wildlife refuges affected by SunZia.

But Salas said Western Spirit will still run near the Ladd S. Gordon Waterfowl Complex, north of Bosque, potentially affecting birds there and at a nearby 600-acre farm that grows corn to feed migrating avian flocks.

"That farm feeds about 2,500 birds per day during the migrating period," Salas told the Journal.

RETA Chairman Robert Busch said that RETA and Pattern are working to address the concerns and that the opposition is generally limited to a minority of

landowners and local officials. Easement agreements are already in place, or are being completed, with three-fourths of the roughly 340 landowners along the Western Spirit route.

“We have had some people upset about the line’s construction,” Busch told the Journal. “I’m not surprised. With 340 property owners, a few are bound to be upset.”

Negotiations continue

Busch said it’s too soon to say whether RETA might resort to eminent domain with some landowners, but the agency considers that a last resort after all negotiations fail.

“There’s always the possibility ... but we’re still negotiating, and hopefully we’ll find solutions that people will be happy with,” Busch said.

Kottler said Pattern Development is working with communities to resolve problems.

“We’ll remain engaged with them to build the transmission line in a responsible way,” he said.

With regulatory hurdles resolved, Pattern is conducting pre-construction surveys of the transmission route, and it’s on track to put shovels in the ground early next year, Kottler said.

Renewable line

Western Spirit would be the first major new line to carry renewable energy from wind farms in central and eastern New Mexico. A number of projects are in the works, because PNM’s current transmission capacity is filled up.

“This project enables some major new wind projects to move forward,” said Todd Fridley, PNM vice president for New Mexico operations. “It provides more capacity and reliability to the grid, and it allows for more renewable (energy) and economic development.”

Pattern is at the forefront of much of the wind development in the works. It invested about \$2 billion in three wind farms near Clovis that together provide about 544 megawatts of wind generation, making it the largest wind complex operating in the state. That includes the 221-megawatt Grady Wind Farm that Pattern brought online in September.

It's also the anchor tenant for the SunZia project, with plans to build another 2,200 megawatts of wind farms near Corona for transport over SunZia to Western markets.

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