From: corridoreiswebmaster@anl.gov

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CC:

Subject: Energy Corridor Programmatic EIS Comment 80027

Date: Wednesday, November 23, 2005 10:14:50 AM

Attachments: NM_comments_transmission_corridors_112205_80027.doc

Thank you for your comment, Joanna Prukop.

The comment tracking number that has been assigned to your comment is 80027. Please refer to the tracking number in all correspondence relating to this comment.

Comment Date: November 23, 2005 10:14:34AM CDT

Energy Corridor Programmatic EIS Scoping Comment: 80027

First Name: Joanna Last Name: Prukop

Organization: Energy, Minerals & Natural Resources Department

Address: 1220 S St Francis Dr

City: Santa Fe State: NM Zip: 87505 Country: USA

Email: joanna.prukop@state.nm.us

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Attachment: R:\OFS\Executive\ECMD\NM comments transmission corridors 112205.doc

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Statement of the New Mexico Energy, Minerals and Natural Resources Department on the West-wide Energy Corridor Programmatic Environmental Impact Statement Scoping Process

Joanna Prukop, Cabinet Secretary Santa Fe, New Mexico November 18, 2005

The New Mexico Energy, Minerals and Natural Resources Department (EMNRD) supports the federal agencies' efforts to designate energy corridors on federal lands. We thank you for opportunity to comment on the proposed action.

The purposes of my statement are to:

- Describe the energy initiatives and transmission policy EMNRD has developed to date that relate to the designation of energy corridors on federal lands;
- Outline potential priorities for the federal agencies; and
- Urge the agencies to engage the states throughout their corridor designation process.

EMNRD Renewable Energy Initiatives and Transmission Policy

Renewable Energy Initiatives: EMNRD is committed to the development of New Mexico's enormous renewable energy resources, and we believe it is vital that the transmission system develop the capability to deliver power from these newly developed resources to growing load centers in the Southwest. Our Wind Power Program has provided wind data that has been instrumental in assisting the development of utility scale wind power. EMNRD has provided investment-grade hourly wind data from eight sites for periods up to three years. Our latest wind monitoring station is a permanent 100-meter tower to provide the highest quality data for large-scale, future development. New Mexico has a Renewable Portfolio Standard and a Production Tax Credit of one cent per kilowatt-hour (kWh). At the end of 2005 there will be 407 megawatts (MW) of wind power plant capacity operating in New Mexico. Most of the wind energy resource is on the eastern plains and the total potential in the state is estimated to be 435 billion kWh per year--many

times the consumption within New Mexico. Large-scale solar electricity production also has enormous potential for future development when the technology becomes economically competitive.

Transmission Policy: Governor Richardson initiated an Electricity Transmission Task Force to study the feasibility of transmitting large amounts of renewable energy from New Mexico to load centers, especially in Southern California. The task force delivered a prefeasibility report in December 2004. The report identified three possible transmission corridors from New Mexico's eastern plains to Southern California (see map attached). New Mexico's wind resources are located primarily in a region where the electric transmission grid is weak and, therefore, future development of any magnitude will depend upon new transmission facilities between New Mexico and markets in other states. The Renewable Energy Transmission and Storage Act (HB748) was introduced in the 2005 session of the New Mexico legislature to establish a financing authority that would: issue bonds to facilitate the construction of new transmission facilities necessary for exporting electricity from renewable energy sources; establish corridors for the transmission of electricity within the state and investigate, plan, prioritize and negotiate with entities within and outside the state; and exercise the power of eminent domain for acquiring property or rights of way for public use if needed for project. HB748 proceeded well through committees but the legislative session ended without its passage. It will be reintroduced in the 2006 session.

Potential Priorities for the Federal Agencies

EMNRD urges the federal agencies to compile the best available data on the location and quality of all renewable energy resources, and use that in their deliberations. The energy corridors that may be designated as a result of the PEIS could greatly facilitate renewable energy development if done properly. In particular, we urge the federal agencies to designate the corridors shown on Attachment A as energy corridors.

EMNRD urges the federal agencies to apply the concept of corridor designation under this PEIS in a flexible manner and to have a long-term perspective in their evaluation and consider future needs. It is not possible to identify today all future needs for energy corridors. Therefore, while there are clear benefits to encouraging the location of new transmission and pipeline facilities in corridors, the agencies need to be flexible and responsive to needs that may fall outside designated corridors. Each proposed transmission project requiring new rights-of-way should be evaluated in a timely manner and stand on its own merits—and not penalized in any way because of its location outside a designated corridor.

State Participation in Corridor Designation

EMNRD urges the federal agencies to engage the states throughout their corridor designation process. State governments now play an important role in transmission siting and development. The State Energy Offices and Public Utility Commissions have much relevant experience and expertise in this area that should be tapped. We also encourage the federal agencies to work with subregional planning groups such as the Western Electricity Coordinating Council, Western Interstate Energy Board (WIEB) and the Western Governors' Association (WGA). In particular we encourage the agencies to take advantage of existing efforts underway in the West such as: WGA's *Clean and Diversified Energy for the West* initiative; WIEB's Committee on Regional Electric Power Cooperation; and WGA's policy resolutions that outline the western governors' collective positions on transmission siting and development, particularly #03-19—Western Energy Policy Roadmap and #05-02—Regional Electricity Policy Making. We thank you for this opportunity to present our views and look forward to working with you.

