

# FILED IN OFFICE OF

NOV 1 9 2018

NM PUBLIC REGULATION COMM RECORDS MANAGEMENT BUREAU

November 19, 2018

Melanie Sandoval Record Bureau Chief New Mexico Public Regulation Commission 1120 Paseo de Peralta Santa Fe, NM 87501 8-00353-U508.848.1850 Fax: 505.848.9710 joand@modrall.com

Re:

In the Matter of the Application of Pacific Wind Development LLC for Approval of the Location of the La Joya Wind Project and 345 KV Gen-Tie Line in Torrance County, New Mexico pursuant to NMSA § 62-9-3; and Right of Way Width Determination pursuant to NMSA § 62-9-3.2

Dear Ms. Sandoval:

Please find enclosed for filing an original and five copies of Pacific Wind Development LLC's Application, supporting testimonies and exhibits, and the filing fee of \$25. Please file stamp the sixth copy and return it to our courier. Please contact me with any questions. Thank you.

Sincerely,

Joan E. Drake

Enclosures

Modrali Sperling Roehl Harris & Sisk P.A.

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# BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

| IN THE MATTER OF THE APPLICATION OF PACIFIC WIND DEVELOPMENT LLC |   |
|--|---|
| FOR APPROVAL OF THE LOCATION OF THE LA JOYA WIND PROJECT AND     | )<br>) Case No. 18- <u>00353</u> -UT                |
| 345 KV GEN-TIE LINE IN<br>TORRANCE COUNTY, NEW MEXICO            | ) FILED IN OFFICE OF                                |
| PURSUANT TO NMSA § 62-9-3; AND RIGHT OF WAY WIDTH DETERMINATION  | ) NOV 1 9 2018                                      |
| PURSUANT TO NMSA § 62-9-3.2                                      | NM PUBLIC REGULATION COMM RECORDS MANAGEMENT BUREAU |

# APPLICATION OF PACIFIC WIND DEVELOPMENT LLC FOR LOCATION APPROVAL AND RIGHT OF WAY DETERMINATION

Pacific Wind Development LLC hereby submits its Application and supporting testimonies and exhibits to the New Mexico Public Regulation Commission ("PRC" or "Commission") for the following: (1) pursuant to NMSA 1978, §62-9-3, approval to locate up to 500 megawatts ("MW") of wind energy generation known as the La Joya Wind Project, to be built in phases in Torrance County, New Mexico; (2) pursuant to NMSA 1978, §62-9-3, approval to locate an approximately 18-mile 345 kV generation tie transmission line ("Gen-Tie Line") and associated La Joya Substation and Torrance Switching Station (collectively with the Gen-Tie Line the "Gen-Tie Facilities") in Torrance County, New Mexico to connect the La Joya Wind Project to the electric transmission grid; and (3) pursuant to NMSA 1978, § 62-9-3.2, a determination of right-of-way ("ROW") width of 150 feet for the Gen-Tie Line to the extent required by law. The locations for which approvals are requested for the La Joya Wind Project and the Gen-Tie Facilities are shown on Exhibits MS-2 and MS-6 attached to the Direct Testimony of Mark Stacy.

Concurrent with filing this Application, Pacific Wind Development LLC filed a Motion for Expedited Consideration. The Motion explains that Pacific Wind's pursuit of

off-takers of Project generation, in addition to the first phase to serve the Facebook data center, has very recently resulted in other potential build-out opportunities. These opportunities are developing simultaneously with the filing of Pacific Wind's Application and are time-sensitive, necessitating the request for expedited consideration.

This Application provides a summary below, along with further details in accompanying testimonies and exhibits, regarding the Applicant, the La Joya Wind Project generation facilities and the Gen-Tie Facilities (together, the "La Joya Project" or "Project"), the requirements of the location control and ROW width statutes, the La Joya Wind Project's compliance with the requirements of the location control statute, the Gen-Tie Facilities' compliance with the requirements of the location control statute, compliance with the ROW width statute, and other matters related to this Application.

## I. PROJECT BACKGROUND.

#### A. The Applicant.

1. Pacific Wind Development LLC (collectively with its successors and assigns, "Pacific Wind") is the Applicant for the requested location approval of the La Joya Wind Project, the requested location approval of the Gen-Tie Facilities, and the requested ROW width determination. Pacific Wind is a subsidiary of Avangrid Renewables, LLC ("Avangrid"). Avangrid is one of the leading providers of clean, renewable power in the United States with more than 6,000 Megawatts ("MW") of owned and controlled wind and solar power facilities in 19 states. Avangrid is part of the Iberdrola Group, an energy pioneer with one of the largest renewable asset base of any company in the world, with more than 14,000 MW of renewable energy spread across a dozen countries. Additional information is provided in the Direct Testimony of Mark Stacy.

### B. The La Joya Wind Project.

- 2. The La Joya Wind Project is an up to 500 MW wind energy generation facility encompassing about 51,000 acres located about ten miles west of Encino, south of Highway 60 in Torrance County, New Mexico. The La Joya Wind Project will be located within the area ("Wind Project Area") shown on the map included as Exhibit MS-2 attached to the Direct Testimony of Mark Stacy. A legal description of the Wind Project Area is provided in Exhibit MS-3 to the Direct Testimony of Mark Stacy.
- 3. The La Joya Wind Project will be built in phases. The first phase of the La Joya Wind Project will supply Public Service Company of New Mexico ("PNM") with 166 MW of wind energy to serve Facebook's data center in Los Lunas, New Mexico. The Commission approved the Power Purchase Agreement ("PPA") between PNM and Facebook in Case No. 18-00009-UT. Construction of the first phase of the La Joya Wind Project is expected to begin in the third or fourth quarter of 2019 and to be completed by December 2020.
- 4. Avangrid is pursuing additional market opportunities for later phases, and thus is seeking location approval for up to 500 MW of wind generation for the La Joya Wind Project as a whole. This size is determined by the limits of Avangrid's Large Generator Interconnection Agreement ("LGIA") with PNM and takes into account the need for operational flexibility of the generating plant. Later phases would be constructed and put into operation in response to market opportunities and arrangements with off-takers. Accordingly, the phase sizes in generation capability (in MW) and actual locations may shift to accommodate such arrangements, but the total for all phases of the La Joya Wind Project will not exceed the requested 500 MW and all phases will be located within the

Wind Project Area shown on Exhibit MS-2. Due to recent development of time-sensitive market opportunities, Pacific Wind is requesting expedited consideration of this Application. Further details regarding the generation facilities are provided in the Direct Testimony of Mark Stacy.

- 5. Pacific Wind has already obtained all necessary land rights for the La Joya Wind Project with four private landowners for use of about 25,000 acres of private land, and with the State Land Office for use of about 19,000 acres of state trust land. Pacific Wind has filed application with the State Land Office to obtain rights to use an additional 7,000 acres of state trust land within the Wind Project Area in order to enhance siting and operational flexibility. Neither Avangrid nor Pacific Wind is a public utility as that term is defined in the Public Utility Act, NMSA 1978, Section 62-3-3.G, and neither has rights of eminent domain. The La Joya Project will be constructed only on land for which land rights have been obtained through voluntary agreements with landowners.
- 6. The Wind Project Area is located to the south of Avangrid's existing El Cabo Wind Project, shown on Exhibit MS-2. The La Joya Project is not related to the El Cabo Wind Project, which is an existing facility that supplies a different off-taker via a separate PNM transmission line under a separate LGIA.

### C. The Gen-Tie Facilities.

7. To provide transmission service for all phases of the La Joya Wind Project, Pacific Wind proposes to construct the 345 kV Gen-Tie Line of about 18 miles to connect the La Joya wind generation to PNM's grid, along with the La Joya Substation and the Torrance Switching Station. The Gen-Tie Line would first extend about six miles from the proposed La Joya Substation located within the Wind Project Area to the vicinity of the

existing El Cabo gen-tie line, then would parallel the El Cabo gen-tie line for about 12 miles, and would terminate at the proposed Torrance Switching Station. Transmission of electricity from the La Joya Wind Project would then proceed on the existing El Cabo gentie line from the proposed Torrance Substation to PNM's existing Clines Corners Switching Station, and then on PNM's proposed BB2 transmission line. Pacific Wind understands that PNM has applied to the Commission for location and CCN approval for the BB2 line in a separate proceeding, Case No. 18-00243-UT.

- 8. The proposed location of the Gen-Tie Facilities is shown in Exhibits MS-2 and MS-6. For site evaluation and micro-siting purposes, Pacific Wind has identified a 1,000-foot wide, 18-mile long corridor (the "Gen-Tie Corridor") within which the 150-foor ROW for the Gen-Tie Line would be located, and within or adjacent to which the La Joya Substation and Torrance Switching Station would be located, as shown on Exhibit MS-6.
- 9. The Gen-Tie Corridor consists of about 2,200 acres of land for which Pacific Wind has obtained all land rights necessary to construct and operate the Gen-Tie Facilities. The 150-foot ROW for the Gen-Tie Line would involve about 327 acres of land within the Gen-Tie Corridor, 300 acres of which is private land and 27 acres of which is state trust land. The La Joya Substation and the Torrance Switching Station would each involve about ten acres or less of private land within or adjacent to the Gen-Tie Corridor at either end of the Corridor.

### D. ROW Width

10. Pacific Wind proposes a 150-foot ROW width for its approximately 18-mile long Gen-Tie Line. This width is required for compliance with electric and safety codes, for construction and maintenance logistics, and to accommodate paralleling the existing El

Cabo line. Pacific Wind requests the Commission's ROW width determination pursuant to NMSA 1978, §62-9-3.2 for the 150-foot ROW width.

# II. LOCATION CONTROL AND ROW WIDTH STATUTORY REQUIREMENTS.

# A. Location Control Requirements

- 11. New Mexico's location control statute requires prior approval by the Commission for construction within New Mexico of the following by any person:
  - (1) any plant designed for or capable of operation at a capacity of 300 MW or more for the generation of electricity for sale to the public within or without New Mexico, whether to not owned or operated by a public utility; and
  - (2) transmission lines and associated facilities designed for or capable of operations at a nominal voltage of 230 kV or more to be constructed in connection with and to transmit electricity from a new plant for which approval is required. This requirement applies to public utilities, independent transmission developers, and merchant generators.

## NMSA § 63-9-3.B.

- 12. The statute provides that the Commission shall approve an application for location of a generating plant unless the Commission finds that the operations of the facilities will not be in compliance with "all applicable air and water pollution control standards existing;" provided that the Commission "shall not require compliance with performance standards other than those established by the agency of this state having jurisdiction over a particular pollution source." NMSA § 62-9-3.E. The New Mexico agency which has jurisdiction over air and water pollution is the New Mexico Environment Department ("NMED").
- 13. The statute provides that the Commission shall approve an application for location of transmission lines unless the Commission finds that the location will unduly

impair important environmental values. NMSA § 62-9-3.F. In making that determination, the Commission may consider the following factors:

- (1) existing plans of the state, local government and private entities for other developments at or in the vicinity of the proposed location;
- (2) fish, wildlife and plant life;
- (3) noise emission levels and interference with communication signals;
- (4) the proposed availability of the location to the public for recreational purposes, consistent with safety considerations and regulations;
- (5) existing scenic areas, historic, cultural, or religious sites and structures or archeological sites at or in the vicinity of the proposed location; and
- (6) additional factors that require consideration under applicable federal and state laws pertaining to the location.

### NMSA § 62-9-3(M).

- 14. The location statute also provides the Commission shall not approve a location control application that violates an existing state, county or municipal land use statutory or administrative regulation unless the Commission finds that the regulation is unreasonably restrictive. NMSA § 62-9-3.I.
- or denying a location application within six months from the date the application is filed. NMSA § 62-9-3.K. Failure to issue its order within six months is deemed to be approval of the application; provided that the Commission may extend the time for granting approval for a transmission line for up to an additional nine months upon finding that additional time is necessary to determine if the proposed location will unduly impair important environmental values. NMSA 62-9-3.L.
- 16. The location statute provides the Commission shall act upon an application "after a public hearing and upon notice as the commission *may* prescribe." NMSA 62-9-3.C (emphasis added). The statute also provides that the Commission may approve an

application without a formal hearing if no protest is filed within sixty days of the date that notice is given. NMSA § 62-9-3.K. A proposed form of notice is attached as Exhibit 1 to this Application. Pacific Wind requests the Commission proceed to an expedited decision without a hearing if no protest is filed within sixty days of the date of publication of notice.

### B. ROW Width Requirements

17. New Mexico's ROW width statute provides:

Unless otherwise agreed to by the parties, no person shall begin the construction of any transmission line requiring a width for right of way of greater than one hundred feet without first obtaining from the commission a determination of the necessary right-of-way width to construct and maintain the transmission line. Construction does not include acquisition of rights of way, preparation of surveys or ordering of equipment

NMSA 1978, § 62-9-3.2.A.

- 18. The ROW width statute requires applications to contain, in writing, all information required for the Commission to make its determination, and to set forth the facts involved. NMSA 1978, § 62-9-3.2.C. The statute also requires the applicant to cause notice of the time and place of hearing on the application to be given to any owner of "property to be taken" and to any person in actual occupancy of such property. Notice shall be given by first class mail at least 20 days before the time set for hearing, and the applicant shall file proof of notice on or before the hearing. NMSA 1978, § 62-9-3.2.D. The statute further provides the Commission shall act upon the application, after public hearing, within six months of the date the application was filed, and failure to do so is deemed to be approval of the application. NMSA 1978, §§ 62-9-3.2.E and F.
- 19. The Gen-Tie Facilities will be located on lands for which Pacific Wind has obtained land rights, therefore all underlying landowners agree to the ROW and no land

will be "taken" without landowner agreement. Nevertheless, to the extent required by law, Pacific Wind requests the Commission's approval of the requested ROW width pursuant to NMSA 1978, § 62-9-3.2.

- III. THE LA JOYA WIND PROJECT AND THE GEN-TIE FACILITIES SATISFY ALL OF THE REQUIREMENTS FOR THE REQUESTED APPROVALS.
- 20. As explained more fully below and in the testimonies and exhibits that support this Application, the La Joya Wind Project will comply with all applicable air and water pollution control standards and regulations established by the NMED; the Wind Project and the Gen-Tie Facilities will not violate any existing state, county, or municipal land use statutory or administrative regulation; the Gen-Tie Facilities will not unduly impair important environmental values; and the 150-foot ROW width is necessary for the Gen-Tie Line to connect the La Joya Wind Project to PNM's electric transmission grid.
  - A. The La Joya Wind Project Will Comply with All Applicable Air and Water Pollution Control Standards and Regulations Established by the New Mexico Environment Department.
- 21. The La Joya Wind Project will comply with all applicable air and water pollution control standards and regulations. As explained below and in the Direct Testimony of Mark Stacy, the only permits required are for construction activities, and are typically received shortly before the start of construction.
- 22. Each of the phases of the La Joya Wind Project may require a general construction permit pursuant to the New Mexico Air Quality Control Act for one or more concrete batch plants for wind turbine pad foundations, fugitive dust suppression during construction, and for aggregate crushing for use in road construction, if such crushing would occur at the Project site. See NMSA 1978, §§ 74-2-1 et seq. These are routine

permits that are typically applied for and received immediately prior to construction by the construction company that will be selected in the future to build each phase of the Project. Pacific Wind has consulted with NMED's Air Quality Bureau (see Exhibit MS-10); these permits will be acquired prior to the start of construction.

- 23. Because the La Joya Wind Project will be renewable energy generation, it will have no long-term adverse impacts to air quality.
- 24. The Application and accompanying testimonies and exhibits demonstrate that the La Joya Wind Project will comply with all applicable air pollution standards and regulations.
- 25. Each of the phases of the La Joya Wind Project will require a National Pollution Discharge Elimination System ("NPDES") permit from the U.S. Environmental Protection Agency ("EPA") pursuant to Section 402 of the Clean Water Act, 33 U.S.C. § 1342. This construction-phase permit requires the control of storm water discharge from the Project site during construction, including implementation of standard erosion control measures and best management practices. Coverage under the NPDES Construction General Permit is typically obtained just prior to the start of construction by the construction company that will be selected in the future to build the Project. Pacific Wind has consulted with NMED Water Quality Bureau (see Exhibit MS-12); NPDES authorization will be obtained under the Construction General Permit prior to construction.
- 26. Pacific Wind intends to use water from a nearby well, for which it has obtained a permit from the State Engineer. Pacific Wind does not intend to adversely affect surface water at the Project site.

- 27. Pacific Wind understands that the Project Area lies within a closed basin with isolated interior drainages that do not connect to Waters of the U.S. Therefore, Pacific Wind does not anticipate needing authorization under Section 404 of the Clean Water Act. In the event that any jurisdictional Waters of the U.S. are identified within the Project Area, Pacific Wind will site facilities to avoid jurisdictional waters, and to directional drill under or bridge over any jurisdictional waters to the extent practicable if crossings are needed. In the unlikely event that fill in Waters of the U.S. is unavoidable, Pacific Wind will seek Nationwide Permit authorization.
- 28. The Application and accompanying testimonies and exhibits demonstrate that the La Joya Wind Project will comply with all applicable water pollution control standards and regulations.
  - B. The La Joya Wind Project and the Gen-Tie Facilities Will Not Violate Existing State, County, or Municipal Land Use Statutory or Administrative Regulations.
- 29. The La Joya Project is located in Torrance County, New Mexico. The La Joya Wind Project encompasses about 51,000 acres, 25,000 acres of which are on privately owned land and 26,000 acres of which are state trust land, 19,000 of which are under active lease by Pacific Wind. Pacific Wind has obtained landowner leases with four private landowners and expects to obtain land rights with at least one remaining private landowner in the near future. Pacific Wind has also applied for use of approximately 7,000 additional acres of state trust land for siting flexibility, and expects approval in 2019.
- 30. Pacific Wind has obtained all land rights necessary to construct and operate the Gen-Tie Facilities. The 150-foot ROW for the Gen-Tie Line would involve about 327 acres of land within the Gen-Tie Corridor, 300 acres of which is private land and 27 acres

of which is state trust land. The La Joya Substation and the Torrance Switching Station would each involve about ten acres or less of private land within or adjacent to the Gen-Tie Corridor at either end of the Corridor.

- 31. Pacific Wind will comply with the State Land Office's business leasing regulations, 19.2.9 NMAC, which apply to the leasing of state trust lands.
- 32. In 2011 and 2017, Torrance County approved Special Use permits and established Special Use Zone Districts that cover the Wind Project Area and Gen-Tie Corridor. See Exhibit MS-16. The County found the renewable energy use to be consistent with the County's Land Use Policy and in compliance with the County's Zoning Ordinance.
  - 33. No federal land will be used for the La Joya Project.
  - C. The Gen-Tie Facilities Will Not Unduly Impair Important Environment Values.
- 34. Pacific Wind has reviewed the factors provided in NMSA 1978, § 62-9-3.M, which include existing plans for development of the proposed location; fish, wildlife, and plant life; noise levels; interference with communication signals; availability for recreational purposes; scenic, historic, cultural or religious sites and structures or archeological sites; and additional factors raised in the Commission's Rule 17.9.592.10 NMAC and by Commission Staff. As demonstrated in the Direct Testimonies of Mark Stacy, Krista Dearing, Dr. Julia Garvin, and Dr. Barbara Montgomery, and their accompanying exhibits, the Gen-Tie Facilities will not unduly impair important environmental values. In addition, the La Joya Project will not unduly impair important environmental values and will result in reduced emissions of air and water pollutants as well as environmental and socioeconomic benefits.

- D. The Requested 150-Foot ROW Width for the Gen-Tie Line Is Necessary to Connect the La Joya Wind Project to the PNM's Electric Transmission Grid, and All Necessary Land Rights Have Been Obtained.
- 35. The ROW width statute, NMSA 1978, Section 62-9-3.2, requires Commission approval of ROW widths greater than 100 feet "unless otherwise agreed to by the parties." As explained in the Direct Testimony of Mark Stacy, the Gen-Tie Line will be located entirely on private and state land for which Pacific Wind has obtained necessary land rights. Pacific Wind's Application and the Direct Testimony of Aaron White, and accompanying Exhibit AW-2, demonstrate that a ROW width of 150 feet is necessary to provide sufficient space for variation in design while addressing electrical safety code requirements and construction and operational considerations according to industry standard practice, and to accommodate paralleling the existing El Cabo transmission line.

# IV. PROJECT BENEFITS AND PUBLIC OUTREACH.

36. The La Joya Project will provide substantial benefits to local communities, Torrance County, and the State. The La Joya Project will avoid and minimize environmental impacts to the extent practicable and will provide long-term environmental benefits, including reduction in air pollution emissions and conservation of water resources. The Direct Testimony of Matt Dadswell explains the economic benefits the Project will provide. Community support for the Project is demonstrated by the letters of support contained in Exhibit MS-27.

# V. PACIFIC WIND'S APPLICATION PROVIDES THE INFORMATION REQUIRED BY THE LOCATION RULE.

37. The Commission's Location Rule, 17.9.592 NMAC, specifies the contents of an application for location approval pursuant to the Location Control Statute, NMSA

- 1978, § 62-9-3. Pacific Wind's Application and supporting testimonies and exhibits provide all the required information for Commission review.
- 38. The Location Rule, 17.9.592.9 NMAC, provides that the applicant must file an application, which is supported by written direct testimony and supporting exhibits, that contain the following for *generating plants* for which location approval is required:
  - A. a description of the large capacity plant, including, but not limited to:
    - (1) a legal description of the property upon which the large capacity plant will be located;
    - (2) the size of the large capacity plant;
    - (3) fuel specifications including, but not limited to, the type of fuel to be used; and
    - (4) a map showing the location of the large capacity plant;
  - B. identification of all applicable land use statutes and administrative regulations and proof of compliance or a statement of noncompliance with each;
  - C. identification of all applicable air and water pollution control standards and regulations and proof of compliance or a statement of noncompliance with each;
  - D. all written air and water quality authorizations necessary to begin construction of the large capacity plant;
  - E. all written air and water quality authorizations necessary to begin operation of the large capacity plant; if any such authorization cannot be obtained until after construction of the large capacity plant, proof of application for such authorization;
  - F. the expected date that the large capacity plant will be online;
  - G. proof that the application has been served on all local authorities in each county and township where the large capacity plant will be located, the New Mexico attorney general, the New Mexico environment department, and the New Mexico state engineer;
  - H. any other information, including photographs, which the applicant wishes to submit in support of the application.
- 39. The Location Rule, 17.9.592.10 NMAC, provides the applicant must file an application, which is supported by written direct testimony and supporting exhibits that contain the following for *transmission lines* for which location approval is required:

- A. a description of the transmission line including, but not limited to:
  - (1) the location of the transmission line;
  - (2) identification of the ownership of the land (such as private, bureau of land management, U.S. forest service, state trust, etc.) the transmission line will cross and the number of feet the transmission line will cross over each owner's land;
  - (3) the total length of each transmission line in feet;
  - (4) a description of interconnection facilities;
  - (5) a map showing the location of the transmission line; and
  - (6) a schematic diagram showing the transmission line and the interconnection of the transmission line to the transmission grid;
  - B. identification of all applicable land use statutes and administrative regulations and proof of compliance or statement of noncompliance with each:
  - C. if required under NEPA, an environmental assessment prepared in connection with the transmission line;
  - D. if required under NEPA, an environmental impact statement and record of decision or a finding of no significant impact, prepared in connection with the transmission line;
  - E. if preparation of a federal environmental assessment or environmental impact statement is not required under NEPA in connection with the transmission line, then a report, comparable to an environmental impact statement, in the format prescribed in 40 C.F.R. Section 1502.10;
  - F. all written federal, state, and local environmental authorizations necessary to begin construction of the transmission line;
  - G. all written federal, state, and local environmental authorizations necessary to begin operation of the transmission line; if any such authorization cannot be obtained until after construction of the transmission line, proof of application for such authorization;
  - H. testimony demonstrating that the transmission line will not unduly impair important environmental values; important environmental values include, but are not limited to, preservation of air and water quality, land uses, soils, flora and fauna, and water, mineral, socioeconomic, cultural, historic, religious, visual, geologic and geographic resources;
  - I. the expected date that the transmission line will be online;
  - J. proof that the application has been served on all local authorities in each county and township where the transmission line will be located, the New Mexico attorney general, the New Mexico environment department, and the New Mexico state engineer; and
  - K. any other information, including photographs, which the applicant wishes to submit in support of the application.
- 40. Pacific Wind's Application and supporting testimonies and exhibits provide the information that is required by the Location Rule and is necessary for the Commission's

evaluation. The Application and the Direct Testimony of Mark Stacy describe the proposed Wind Project and Gen-Tie Facilities, including the legal descriptions contained in Exhibit MS-3, the location maps contained in Exhibits MS-2 and MS-6, and descriptions that include the size of the generating plant, a preliminary project layout, the type of land ownership, the proposed Gen-Tie Line, a description of potential interconnection facilities, and the representative schematic diagrams contained in Exhibits MS-7 and MS-8, all in compliance with 17.9.592.9.A and 10.A NMAC. The Application and the Direct Testimony of Mark Stacy explain that the Project has obtained Torrance County approval for use of private land and State Land Office approval for use of state trust land, in compliance with 17.9.592.9.B and 10.B NMAC. The Application and the Direct Testimony of Mark Stacy identify the air and water quality authorizations necessary to begin construction and operation of the generation facilities and explain that all of these are typically obtained just prior to start of construction by the construction company that will be selected to build phases of the Project, and will be obtained prior to construction, in compliance with 17.9.592.9.C, D and E NMAC. The Application and the Direct Testimony of Mark Stacy explain that Pacific Wind intends to build the renewable generation facility in phases, with the first 166 MW phase expected to be in operation by December 2020, and verifies that the Application and supporting materials have been served on all local authorities in Torrance County, the New Mexico Attorney General, the New Mexico Environment Department, and the New Mexico State Engineer, in compliance with 17.9.592.9.F and G, and 10.I and J NMAC. The Application and the Direct Testimony of Mark Stacy explain that there are no other federal, state or local environmental authorizations necessary to begin construction or operation of the Gen-Tie

Line. The Direct Testimonies of Mark Stacy, Krista Dearing, Dr. Julia Garvin, and Dr. Barbara Montgomery, and accompanying exhibits, demonstrate that the Gen-Tie Facilities will not unduly impair important environmental values, including air and water quality, land uses, soils, flora, fauna, and water, mineral, socioeconomic, cultural, historic, religious, visual, geologic, and geographic resources, in compliance with 17.9.592.10.H NMAC. The supporting testimonies and exhibits include additional information that may assist the Commission.

41. The Project does not require any federal permitting that triggers the need to prepare either an Environmental Assessment ("EA") or an Environmental Impact Statement ("EIS") under the National Environmental Policy Act ("NEPA"). Therefore, in accordance with Commission Rule 17.9.592.10.E, Pacific Wind prepared an environmental report in the format prescribed in 40 C.F.R. Section 1502.10. The environmental report is contained in Exhibit KD-2 attached to the Direct Testimony of Krista Dearing.

## VI. NOTICE AND PROCEDURAL MATTERS

- 42. As required by Commission rule 17.9.592.10.J, and 17.9.592.13 NMAC, copies of this Application and supporting testimonies and exhibits have been served on all local authorities in Torrance County, the New Mexico Attorney General, NMED, and the New Mexico State Engineer, and have been provided and are available in the public library in Estancia, which is the county seat of Torrance County. *See* Direct Testimony of Mark Stacy and the attached Certificate of Service. Pacific Wind will provide notice of hearing to underlying landowners as required by NMSA 1978, § 62-9-3.2.D.
- 43. In addition, attached to this Application as Exhibit 1 is a Proposed Form of Notice that Pacific Wind proposes, upon order of the Commission, to publish in a

newspaper of general circulation in Torrance County, and mail to owners and occupants of the lands underlying the ROW. Pacific Wind will fill in the dates approved by the Commission following a ruling on Pacific Wind's Motion for Expedited Consideration, and requests the Commission adopt the procedural schedule proposed in the Motion.

### VII. TESTIMONIES

44. In support of its Application, Pacific Wind accompanies its Application with the following testimonies and attached exhibits:

| Witness                | Subjects   |
|------------------------|--|
| Mark Stacy             | Overview of Project and Applicant, introduction of witnesses, summary of compliance with application requirements provided in applicable laws and regulations. |
| Krista Dearing         | Environmental report.  |
| Dr. Julia Garvin       | Biological resources.  |
| Dr. Barbara Montgomery | Cultural, historic, and archeological resources.   |
| Aaron White            | ROW width.   |
| Matt Dadswell          | Economic benefits.   |

# VIII. CONCLUSION

45. This Application and supporting materials demonstrate that the La Joya Wind Project and the Gen-Tie Facilities meet all applicable requirements for location approval pursuant to NMSA 1978, § 62-9-3 and ROW width determination pursuant to NMSA 1978, § 62-9-3.2. The La Joya Wind Project will be in compliance with all applicable existing air and water pollution control standards and regulations; the location of the Gen-Tie Facilities will not unduly impair important environmental values; the

location of the La Joya Wind Project and the Gen-Tie Facilities will not violate any existing state, county, or municipal land use statutory or administrative regulation; and the 150-foot ROW width is necessary for the Gen-Tie Line to connect the La Joya Wind Project generation to PNM's electric transmission grid. The Project will provide environmental and economic benefits, and has the support of landowners, local communities, and business leaders.

WHEREFORE, for the foregoing reasons, Pacific Wind respectfully requests the Commission grant this Application for location approval pursuant to NMSA 1978, § 62-9-3; grant the requested ROW width determination to the extent required by law; proceed to an expedited decision without a hearing if no protest is filed within 60 days of the date of publication of notice; and grant such other relief as may be deemed necessary and appropriate.

DATED November 19, 2018.

Respectfully submitted,

MODRALL, SPERLING, ROEHL,

HARRIS & SISK, P.A.

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Attorneys for Pacific Wind Development LLC

#### Attachment 1

#### BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

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| )             |  |
| )             |  |
| ) Case No. 18 | -UT  |
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|               | )<br>)<br>)<br>Case No. 18<br>)<br>)<br>)<br>) |

### **PROPOSED FORM OF NOTICE**

### **NOTICE** is hereby given that:

- 1. In accordance with Sections 62-9-3 and 62-9-3.2 of the Public Utility Act and 17.9.592 NMAC, on November 19, 2018, Pacific Wind Development LLC ("Pacific Wind") filed an Application and supporting direct testimony and exhibits with the New Mexico Public Regulation Commission ("Commission") requesting that the Commission enter a Final Order that grants the following relief: (1) location approval for the proposed La Joya Wind Project; (2) location approval for the proposed La Joya generation tie transmission line ("Gen-Tie Line"); (3) determination to the extent required by law that a right-of-way width of 150 feet is necessary for the proposed Gen-Tie Line; and (4) any other Commission approvals and authorizations that may be legally required.
- 2. The La Joya Wind Project is an up to 500 MW wind facility encompassing about 51,000 acres located in Torrance County, approximately four miles west of Encino, New Mexico. The Wind Project will need a 345 kV Gen-Tie Line of about 18 miles between the proposed La Joya Substation in the Wind Project Area and the proposed Torrance Switching Station to connect to the existing El Cabo gen-tie line and deliver electricity to the PNM grid. The Gen-Tie Line will require a right-of-way ("ROW") width of about 150 feet that will be sited within a 1,000-foot wide

corridor (the "Gen-Tie Corridor"). The Wind Project will involve about 25,000 acres of private land, and about 26,000 acres of state trust land. The 18-mile long 150-foot wide ROW for the Gen-Tie Line will involve about 300 acres of private land and about 27 acres of state trust land. The La Joya Substation and the Torrance Switching Station will each involve about 10 acres or less of private land. No federal land is proposed to be involved in the Project. The Project is expected to be in operation by December 31, 2020.

|       | _        | •                     |                                   |                                  |
|-------|----------|-----------------------|-----------------------------------|----------------------------------|
|       | 3.       | The Commission has    | as assigned Case No. 18           | UT to this Application, and      |
| all c | orrespon | lence, pleadings, cor | omments, and other communic       | eations shall refer to that case |
| numt  | oer.     |                       |                                   |                                  |
|       | 4.       | The procedural schee  | edule established in this case is | as follows:                      |
|       |          | A. Pacific Wind       | d shall, at its sole expense, pu  | blish notice in a newspaper of   |
|       |          | general circul        | ulation in Torrance County on o   | or before                        |

- C. Commission's Utility Division Staff ("Staff") shall file a response to the Application by \_\_\_\_\_\_ advising the Commission on Staff's position as to the merits of the Application, and the need for a public hearing on the location application.
- D. The Commission Utility Division Staff shall, and Interveners may, file

  Direct Testimony by \_\_\_\_\_\_\_\_, 2019;
- E. Any rebuttal testimony shall be filed on or before \_\_\_\_\_\_\_,
  2019, and;

- F. If it is determined to be necessary, a public hearing will be held on \_\_\_\_\_\_\_, 2019, at \_\_\_\_\_\_\_\_\_.m. at the Commission's offices in the P.E.R.A. Building, 1120 Paseo de Peralta, Santa Fe, New Mexico, to hear and receive evidence, arguments, and any other appropriate matters pertaining to the case.
- 5. In accordance with PUA §62-9-3(K), the Commission may approve Pacific Wind's requests for location approval without formal hearing if no protest is filed within sixty (60) days after notice has been given that the Application has been filed.
- 6. The Application, together with supporting pre-filed direct testimony and any attachments and related papers, may be examined by an interested person at the following website: <a href="http://www.nmprc.state.nm.us/">www.avangridrenewables.us</a> or at the Commission's website (<a href="http://www.nmprc.state.nm.us/">http://www.nmprc.state.nm.us/</a>), or at the offices of Pacific Wind and the Commission at the following addresses:

Pacific Wind La Joya Project 1125 NW Couch Street Suite 700 Portland, OR 97209

New Mexico Public Regulation Commission P.E.R.A. Building 1120 Paseo de Peralta Santa Fe, NM 87504

7. Pursuant to 17.9.592.13 NMAC, the Application, supporting pre-filed direct testimony and attachments may also be examined by any interested person at:

Estancia Public Library 601 South Tenth Street Estancia, NM 87016

8. Any interested person may appear at the time and place of hearing and make a written or oral comment, pursuant to 17.1.2.26.6 NMAC without becoming an intervenor. Such comments will not be considered as evidence in this case.

- 9. The procedural dates and requirements provided herein are as provided in the Procedural Order issued in this case, and are subject to further order of the Commission or Hearing Examiner. Any interested person should contact the Commission for confirmation of the hearing date, time and place since hearings are occasionally rescheduled.
- 10. Anyone filing pleadings, documents or testimony shall serve copies thereof on all parties of record and the Utility Division Staff and the Hearing Examiner by (1) first class mail or hand-delivery and (2) by email as provided by the Procedural Order. Copies served on the Hearing Examiner shall include an electronic version of the filing in Word format. All filings shall be emailed on the date they are filed with the Commission. Any person whose testimony has been pre-filed will attend the hearing and submit to examination under oath.
- 11. The Commission's Rules of Procedure (1.2.2 NMAC) shall apply to this case except as modified by Order of the Commission or Hearing Examiner. A copy of the rules may be obtained from the Offices of the Commission or at <a href="https://www.nmprc.state.nm.us/nmcc/">www.nmprc.state.nm.us/nmcc/</a>.
- 12. All documents mailed to the Commission and its personnel shall be mailed to: New Mexico Public Regulation Commission, P.E.R.A. Building, P.O. Box 1269, Santa Fe, New Mexico 87504-1269. The following physical address of the Commission shall be used only for special or hand-deliveries: 1120 Paseo de Peralta, New Mexico 87501.
- 13. ANY PERSON WITH A DISABILITY REQUIRING SPECIAL ASSISTANCE IN ORDER TO PARTICIPATE IN THIS CASE SHOULD CONTACT THE COMMISSION AT LEAST 24 HOURS PRIOR TO THE COMMENCEMENT OF THE HEARING.

ISSUED at Santa Fe, New Mexico, this \_\_\_\_ day of \_\_\_\_\_, 2018.

**NEW MEXICO PUBLIC REGULATION COMMISSION** 

### **BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

| IN THE MATTER OF THE APPLICATION | )                               |
|----------------------------------|---------------------------------|
| OF PACIFIC WIND DEVELOPMENT LLC  | )                               |
| FOR APPROVAL OF THE LOCATION     | )                               |
| OF THE LA JOYA WIND PROJECT AND  | ) Case No. 18- <u>00353</u> -UT |
| 345 KV GEN-TIE LINE IN           | )                               |
| TORRANCE COUNTY, NEW MEXICO      | ) FILED IN OFFICE OF            |
| PURSUANT TO NMSA § 62-9-3; AND   | )                               |
| RIGHT OF WAY WIDTH DETERMINATION | NOV 1 9 2018                    |
| PURSUANT TO NMSA § 62-9-3.2      | )                               |
|                                  | NM PUBLIC REGULATION COMM       |
|                                  | RECORDS MANAGEMENT BUREAU       |

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that true and correct copies of Pacific Wind Development LLC's Application for Location Approval and Right-of-Way Width Determination and accompanying testimonies and exhibits were sent on this 19<sup>th</sup> day of November, 2018, as shown below to the following:

# By Email:

| Cydney Beadles | Cydney.beadles@state.nm.us | Michael C. Smith | Michaelc.smith@state.nm.us |
|----------------|----------------------------|------------------|----------------------------|
| Milo Chavez    | Milo.chavez@state.nm.us    | Joseph Yar       | jyar@nmag.gov              |
| Jack Sidler    | Jack.sidler@state.nm.us    | Dhiraj Solomon   | Dhiraj.Solomon@state.nm.us |
| John Reynolds  | John.reynolds@state.nm.us  | Mark Stacy       | Mark.Stacy@avangrid.com    |
| John Bogato    | John.bogato@state.nm.us    | Leif Bang        | Leif.Bang@avangrid.com     |
|                |                            | =                |                            |

## By U.S. Mail:

| Jim Frost Torrance County Commissioner 205 S. Ninth Street PO Box 48 Estancia, NM 87016                       | Julia DuCharme Torrance County Commissioner 205 S. Ninth Street PO Box 48 Estancia, NM 87016 | Javier Sanchez Torrance County Commissioner 205 S. Ninth Street PO Box 48 Estancia, NM 87016 |
|---|--|--|
| New Mexico Environment Department Harold Runnels Building 1190 St. Frances Dr. Suite N4050 Santa Fe, NM 87505 | New Mexico State Engineer<br>407 Galisteo St. #101<br>Santa Fe, NM 87501                     | New Mexico Attorney General<br>Joseph Yar, Esq.<br>408 Galisteo St.<br>Santa Fe, NM 87501    |
| New Mexico State Land Office<br>PO Box 1148<br>Santa Fe, NM 87504   | Nathan Dial<br>Mayor, City of Estancia<br>PO Box 166<br>Estancia, NM 87016                   | Estancia Public Library<br>PO Box 166<br>Estancia, NM 87016                                  |

Robert Chavez Mayor, City of Willard PO Box 204 Willard, NM 87063

Belinda Garland Torrance County Manager PO Box 48 Estancia, NM 87016 Leonard Lujan Torrance County Road Superintendent PO Box 48 Estancia, NM 87016

Roman Garcia Mayor, Town of Vaughn PO Box 278 Vaughn, NM 88353-0278 Boyd Herrington Mayor, Town of Encino PO Box 163 Encino, NM 88321-0163

Ted Hart Mayor, Town of Moriarty PO Box 130 Moriarty, NM 87035-0130

Dhiraj Solomon

Santa Fe, NM 87504

NM Public Regulation Commission

1120 Paseo De Peralta Rm. 365

Peter Nieto Mayor, Town of Mountainair PO Box 115 Mountainair, NM 87036-0115

### By Hand Delivery:

Cydney Beadles NM Public Regulation Commission 1120 Paseo De Peralta Rm. 553-E Santa Fe, NM 87504

Milo Chavez NM Public Regulation Commission 1120 Paseo De Peralta Rm. 302 Santa Fe, NM 87504

Jack Sidler NM Public Regulation Commission 1120 Paseo De Peralta Rm. 302-D Santa Fe, NM 87504 John Bogato NM Public Regulation Commission 1120 Paseo De Peralta Rm. 550-A Santa Fe, NM 87504

John Reynolds NM Public Regulation Commission 1120 Paseo De Peralta Rm. 302-C Santa Fe, NM 87504

Michael C. Smith NM Public Regulation Commission 1120 Paseo De Peralta Rm. 518 Santa Fe, NM 87504

Dated this 19th day of November, 2018.

MODRALL, SPERLING, ROEHL,

HARRIS & SISK, P.A.

By:

Joan E. Drake Zoe E. Lees P.O. Box 2168

Albuquerque, NM 87103-2168 Telephone: (505) 848-1800 Facsimile: (505) 848-9710 <u>jdrake@modrall.com</u> zel@modrall.com

Attorneys for Pacific Wind Development LLC