



4141 N. 32nd Street, Suite 102
Phoenix, AZ 85018

SunZia Southwest TRANSMISSION PROJECT

NEWSLETTER 1

MAY 2009

Introduction

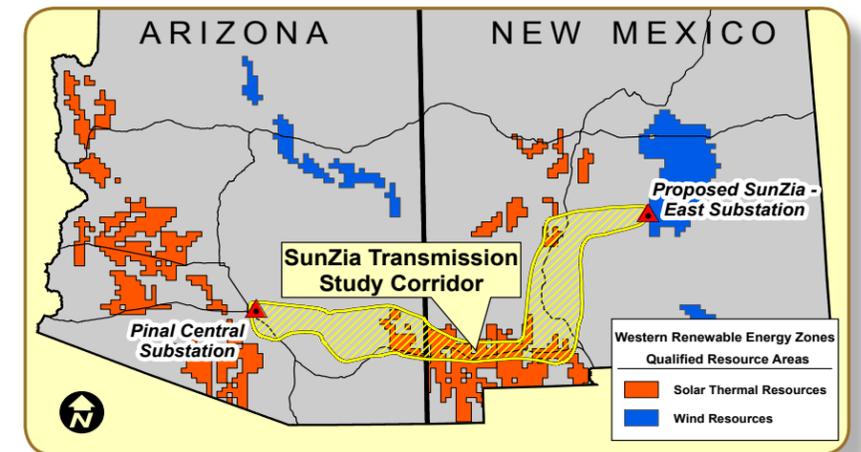
This is the first newsletter regarding the SunZia Southwest Transmission Project (SunZia Project), a proposed high-capacity 500 kilovolt (kV) transmission project planned between Arizona and New Mexico. SunZia Transmission, LLC has submitted a right-of-way application to the Bureau of Land Management (BLM) for the SunZia Project. The BLM will prepare an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act of 1969 for the SunZia Project. The EIS will provide a detailed analysis of the potential environmental impacts of the proposed action and a range of reasonable alternatives, including any necessary mitigation measures. Amendments to BLM land use plans may also be required.

As part of this process, the BLM will conduct public scoping meetings to request public input and identify possible issues and concerns that may result from the SunZia Project.

Participants

The BLM is the lead federal agency for the EIS. EPG, as the third-party consultant, will prepare the EIS under BLM direction. The SunZia Southwest Project proponents are SouthWestern Power Group, Energy Capital Partners, Salt River Project, Shell WindEnergy, and Tucson Electric Power.

Cooperating agencies will be invited to participate in the EIS and may include the Bureau of Reclamation, U.S.



SOLAR AND WIND POTENTIAL

Army Corps of Engineers, New Mexico State Land Office, and Arizona State Land Department. Other state and local governments will be invited to participate in the process, and consultation will occur with local, state, and tribal governments.

Project Description

The SunZia Project will consist of up to two 500kV transmission lines, with key interconnections to the existing extra high voltage grid in Arizona and New Mexico. Two configuration options are being considered: two alternating current (AC) 500kV transmission lines or one 500kV AC line and one direct current 500kV line. SunZia will provide an expected 3,000 megawatts or more of new transmission capacity, depending on the configuration option used.

The proposed route will traverse approximately 460 miles. The proposed western terminus is an interconnection to the planned Pinal Central Substation in Pinal County, Arizona.

ATTENTION: PUBLIC SCOPING MEETINGS IN YOUR AREA

All meetings are in an open house format from 5 p.m. - 8 p.m.

<p>June 22, 2009 Santa Cruz Valley Union High School - Cafeteria 900 North Main Street Eloy, Arizona</p>	<p>June 23, 2009 Oracle Community Center 685 East American Avenue Oracle, Arizona</p>	<p>June 24, 2009 Manor House Convention Center 415 East Highway 70 Safford, Arizona</p>
<p>June 29, 2009 Valley Telephone Company Community Room 752 East Maley Willcox, Arizona</p>	<p>June 30, 2009 Special Events Center 504 2nd Street Lordsburg, New Mexico</p>	<p>July 1, 2009 Mimbres Valley Special Events Center 2300 East Pine Street Deming, New Mexico</p>
<p>July 7, 2009 New Mexico Institute of Mining and Technology Fidel Center Atrium 801 Leroy Place Socorro, New Mexico</p>	<p>July 8, 2009 Carrizozo Municipal Schools 800 D Avenue Carrizozo, New Mexico</p>	<p>July 9, 2009 Elephant Butte Inn Banquet Room 401 Highway 195 Elephant Butte, New Mexico</p>

SunZia Southwest TRANSMISSION PROJECT



Project Contact

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(505) 438-7424
NMSunZiaProject@blm.gov



Comment Submittal

Opportunities to submit written public comments during the 45-day public scoping period are available by:

- **Attending a public scoping meeting and registering comments in person** (See the Public Scoping Meeting Schedule on back cover)
- **Emailing comments to:** NMSunZiaProject@blm.gov
- **Mailing comments to:** Bureau of Land Management
New Mexico State Office
SunZia Southwest
Transmission Project
P.O. Box 27115
Santa Fe, New Mexico 87502-0115
- **Courier/Hand Delivery:** Bureau of Land Management
SunZia Southwest
Transmission Project
1474 Rodeo Road
Santa Fe, New Mexico 87502

The proposed eastern terminus, the SunZia-East Substation, will be in either Socorro County or Lincoln County, New Mexico. Intermediate substations may be constructed in Graham County, Arizona and Luna County, New Mexico. Right(s)-of-way of up to 1,000 feet in width with a lease-term of 50 years will be required to construct, operate, and maintain the transmission lines, structures, and appurtenances. Once constructed, the project would be in operation year-round, transporting electrical power to major substation hubs in Arizona and New Mexico.

Purpose and Need

The purpose of the SunZia Project is to transport electricity generated by power generation resources, including primarily renewable resources, to western power markets and load centers. The Southwest Area Transmission Group, a regional transmission planning organization, has identified the need for a new 500kV transmission line between Arizona and New Mexico. The SunZia Project would enable the development of renewable energy resources, including wind, solar, and geothermal generation, by creating access to the interstate power grid in the Desert Southwest and providing increased transfer capacity. This would enable several states to meet their Renewable Energy Standards (RES [see table]). The SunZia Project would also increase power reliability across the southwestern United States, allowing

RENEWABLE ENERGY STANDARDS

The percentage of a regulated utility's retail sales that must be generated by renewable energy sources. The RES must be met by a certain year.

State	RES	Year
AZ	15%	2025
CA	33%	2020
NM	20%	2020
NV	20%	2015

communities in southern Arizona and southern New Mexico to economically access energy generated from renewable sources, while providing power to help meet growing demand in the western United States and enhance domestic energy security.

Public Comments Sought for Environmental Analysis

The EIS will address the construction, operation, and maintenance of the SunZia Project's proposed high-voltage transmission lines, new substations, access roads, and related facilities. Additional studies undertaken as part of this EIS process will determine the final configuration and route of the transmission lines and final location of the proposed substations. Potential environmental issues to be addressed in the EIS analysis include:

- Land use and recreation resources
- Visual resources
- Biological resources, including special status species
- Cultural and historical resources
- Air, soil, and water resources
- Floodplains and wetlands

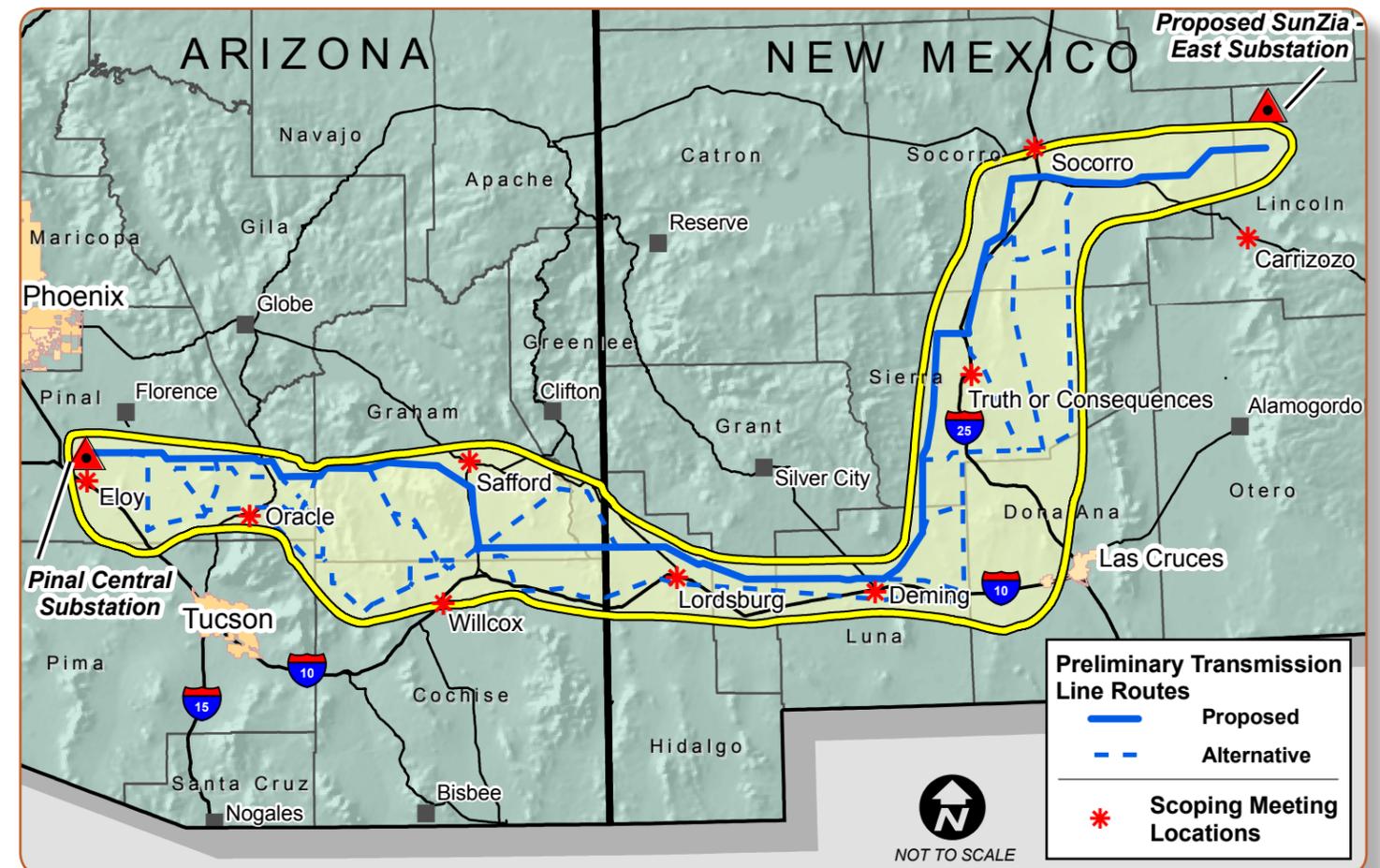
The BLM invites you to comment on specific issues and concerns relating to the proposed SunZia Project, alternative routes, and potentially affected resources, or suggest other topics that should be evaluated in the EIS.

See sidebar (left) for project contact and comment submittal information.

Project Mailing List and Newsletter

Throughout the course of the project, updates will be sent to individuals on the mailing list. To receive newsletters or request to be placed on the mailing list, forward your information to: NMSunZiaProject@blm.gov or submit via the project website at: http://www.blm.gov/nm/st/en/prog/more/lands_realty.html

SUNZIA SOUTHWEST TRANSMISSION STUDY AREA



PROJECT TIMELINE

