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## **SunZia Transmission Line Viability Tied to Demand for Wind and Solar Power** ***Independent Report Evaluates Proposed Transmission Line***

Tucson, ARIZONA— A new report on the proposed SunZia transmission line project indicates that the line's construction, as currently configured, depends on its ability to export renewable energy from New Mexico – especially wind and solar power – to markets in Arizona and California.

The SunZia proposal involves the construction of two high-voltage transmission lines extending from Lincoln County in central New Mexico, to Pinal County in south central Arizona, as well as up to four new substations that would allow power to be added to, or taken from, the transmission line.

The report, *Evaluating the SunZia Transmission Line Proposal*, was developed by the Sonoran Institute, based in Tucson, Arizona, in partnership with Headwaters Economics of Bozeman, Montana. The purpose of the report is to contribute an independent, unbiased analysis of the transmission line to better inform the perspectives of decision-makers and stakeholders evaluating the proposed project.

“SunZia’s success will depend on its ability to secure agreements with customers on the line which are likely to be wind generators and other smaller renewable energy facilities located in New Mexico,” said John Shepard, senior adviser for the Sonoran Institute and a co-author of the report. “The report describes the market and policy factors affecting the demand for the proposed SunZia transmission line project.”

In order for new generators to become customers on SunZia, they must be able to secure agreements from Arizona and California utilities to purchase their power.

“While the economy and policy developments have constrained these market opportunities in the past couple of years, the long-term prospects for exporting wind from New Mexico and developing other renewable energy resources remain strong,” said Julia Haggerty, of Headwaters Economics, also a co-author of the report.

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Additional key findings in the report include:

- The Bowie Power Plant, a fully permitted 1,000 Megawatt (MW) facility proposed for southeastern Arizona, is not dependent on the SunZia line in order to be built. The Bowie facility has access to other transmission lines which have the capacity to transmit power from Bowie to markets.
- There are less expensive ways for Arizona utilities to procure additional natural gas generation than by building new plants and moving power on the SunZia line. This includes acquiring power from existing plants operating below full capacity or through construction of new plants near load centers.

In May 2012, the U.S. Bureau of Land Management (BLM) issued a Draft Environmental Impact Statement (DEIS) for the SunZia project. A Final Environmental Impact Statement is expected later this winter.

Authors Shepard and Haggerty initiated the report in order to bring more clarity to discussions of the purpose and need for the SunZia project, but maintain that the report is completely independent of federal and state permitting processes. While the authors benefited from input and review from regional utility experts as well as the project developers, they take full responsibility for the report and its findings.

For more information about this report and the Sonoran Institute's work on renewable energy, visit: <http://www.sonoraninstitute.org/western-issues/renewable-energy-/renewable-energy-transmission.html>. For Headwaters Economics, visit <http://www.headwaterseconomics.org/energy>.

The Sonoran Institute inspires and enables community decisions and public policies that respect the land and people of western North America. The Institute is a nonprofit organization that is working to shape the future of the West. For more information, visit [www.sonoraninstitute.org](http://www.sonoraninstitute.org).

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