

Cascabel Working Group
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Mr. Adrian Garcia, Project Manager
SunZia Southwest Transmission Project
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Dear Adrian:

Please consider this letter and attachment as comments on the SunZia Draft Environmental Impact Statement. I am herein submitting a compilation of original documents that demonstrate the inseparable connection between the SunZia Southwest Transmission Project and the SouthWestern Power Group's (SWPG's) Bowie, Arizona, power plant. This documentation has clear bearing on the stated purpose and need for SunZia and must be addressed in a revised or final environmental impact statement. These documents clearly show that SWPG's primary interest in proposing SunZia was to provide needed transmission capacity for its Bowie power plant. While several people have informed the BLM of this, the BLM has not yet acknowledged it and did not include SWPG's own purpose and need for SunZia in the DEIS or any publicity materials. This omission has become a central legal issue surrounding the project and will continue to be until the issue is resolved.

To provide some historical background on how SunZia became associated with the Bowie plant, in 2004 then-governor Bill Richardson of New Mexico requested that the Southwest Area Transmission Planning Group (SWAT) propose new 500-kV transmission lines to export wind-generated electricity from New Mexico. One of the hypothetical paths that SWAT proposed passed through the location of the SouthWestern Power Group's yet-to-be built Bowie Power Station. Seeing this as an opportunity to provide needed transmission capacity for the plant and to expand markets for the plant's power, SWPG proposed SunZia as a dual-purpose project, both to meet its own needs and to provide transmission capacity for renewable generation facilities. The latter was in keeping with Governor Richardson's directive to SWAT. SWPG would never have proposed SunZia had it not been for the transmission needs of its own power plant and the proposed location of SWAT's hypothetical line.

All of SunZia's presentations for nearly the first two years of the project (2006-2008) prominently featured the Bowie Power Station as a principal user of SunZia transmission capacity, and SWPG made no attempt to conceal this. Indeed, SWPG was very open about this with everyone concerned, SWAT and the Western Electricity Coordinating Council in particular. It was only when the project failed to attract investors and was expanded to central New Mexico did SWPG hide its intentions and attempt to portray SunZia as a pure renewable energy project.

SWPG's own need for this project did not cease merely because this project was expanded and lengthened.

The BLM is now complicit in concealing SWPG's motives and needs to be forthright about the company's purpose. While the use of SunZia by SWPG for the Bowie power plant will leave significant transmission capacity available for renewable generation facilities, SWPG yet intends to use SunZia to distribute Bowie power, and the SunZia Environmental Impact Statement must acknowledge this to avoid litigation.

When SunZia (read "the SouthWestern Power Group") submitted its first Petition for a Declaratory Order for SunZia to the Federal Energy Regulatory Commission (FERC) on January 29, 2010, SWPG made the unprecedented request to reserve for its own use an amount of transmission capacity equal to its percent interest in the project (see that attached pages from the petition). This amounted to 1,200 MW of capacity, 200 MW more than the full rated output of its Bowie power plant. SWPG has no plans to build any generation facilities other than the Bowie plant, making it the only generation facility that SWPG would use this transmission capacity with. Neither SWPG nor its parent company the MMR Group has any interest in renewable generation or plans to build any. This petition was a brazen attempt to secure the needed capacity for the Bowie plant, flagrantly violating open-access laws, and the FERC denied the request.

The attachment contains full links to all of the documents that support this case so that BLM staff can download and examine them. Some of these links may be broken in converting the Word document to pdf format, so parts of the URLs may have to be manually entered. The evidence is substantial and solid, and it will behoove the BLM to honor this information and incorporate it in the SunZia Environmental Impact Statement. This would help avoid potential litigation and additional project delays. I am sending this to other relevant people in the BLM so that they have this information and are pointedly and fully aware of it.

Sincerely,



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Attachment