

SUNZIA, LLC
SunZia Southwest Transmission Project
Pre-Application Meeting Minutes

9:00 AM, October 2, 2007
Bureau of Land Management, Safford Field Office (SFO)
Safford, Arizona

Present: Adrian Garcia – BLM NM State Office (Santa Fe), Tom Schnell – BLM SFO Acting Field Manager, Dan McGraw – BLM SFO Archaeologist, Melissa Warren – BLM SFO Realty Specialist, Heidi Blasius – BLM SFO Fisheries Biologist, Martin Bailey – SunZia, Tom Wray – SunZia, Mark Etherton – SunZia, Mickey Siegel – EPG, Nancy Favour – EPG

Introductions

After introductions, A. Garcia explained that the NM State Office would be taking the lead for the project, with assistance from the field offices.

The SFO and Tucson FO are part of the Gila DO. The Gila DO is located in Sierra Vista. The Gila DO staff may have some involvement, but the FO staffs will provide resource expertise and review. A. Garcia will be the primary point of contact for SunZia representatives and third-party consultants, and will coordinate reviews and staffing needs.

1. Project Sponsor Background and Overview (Powerpoint presentation by SunZia)

T. Wray provided background about SWPG.

M. Etherton explained SWAT member roles and planning areas.

2. Feasibility Activities

SunZia may tap into either the future Willow Substation or future Bowie Substation.

T. Wray clarified that Bowie is not connected to SunZia. The two projects are complementary and Bowie will help SunZia, but neither project depends upon the other.

M. Etherton explained SunZia's connection to other transmission lines and between southwestern load areas.

A lot of new solar and wind generation is expected to come on line. The SunZia transmission project will provide a path to transport renewable energy to users.

3. Project Benefits/Purpose and Need

The projected growth of Phoenix and Tucson will stretch the capacity of existing electrical resources.

Currently Phoenix uses ~12,000 MW; Tucson ~2,500 MW. Projected annual growth is the equivalent of one power plant per year (and that is assuming that all existing power plants continue to operate).

Eastern New Mexico generation mostly serves the El Paso area.

4. Preliminary Environmental Screening

T. Wray – The proposed SunZia study corridor is shown as one-mile wide on the Preliminary Right-of-Way Application map.

T. Wray provided an overview of the permits that will need to be acquired. The project will likely cross 7 counties.

In Arizona, the five Corporation Commissioners are appointed. Currently, all five are from Maricopa County. In New Mexico, members of the Public Regulation Commission (PRC) are elected and represent unique geographic subdivisions of the state. The SunZia Project is within PRC member Sandie Jones' district.

Renewable Energy Transmission Authority (RETA) is a new NM commission tasked with facilitating transmission of renewable energy. At least 30% of a project's energy must be from renewable sources to qualify for RETA assistance. RETA will provide assistance in the form of low-cost financing. RETA can participate in project development and has statutory ability to use eminent domain.

The Safford FO designated utility corridors in the 1991 Resource Management Plan (RMP). The Safford FO is 2-3 years away from starting their amendment process. No designations have been added since 1991 in the Safford FO area.

5. SunZia Schedule and Phase 1 Development Targets

Scoping: January 2008

Permits: December 2011

6. Roles and Responsibilities

SunZia, LLC – Applicant

BLM – NM State Office – Lead agency. Field offices: Las Cruces, Safford, Tucson.

7. Next Steps

- BLM to review Right-of-Way Application
- BLM to review Preliminary Plan of Development
- Memorandum of Understanding and Interim Reimbursement Agreement – BLM/SunZia
- Identify Alternative Transmission Line Corridors

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Sign-In Sheet

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 Safford, Arizona

Name	Organization	Phone	E-mail
Nancy Favour	EPG	602-956-4370	nfavour@epgaz.com
Mickey Siegel	EPG	11	msiegel@epgaz.com
Martin Bailey	SunZia	602-808-2004	m Bailey@Southwesternpower.com
MELISSA WARREN	BLM	(928)348-4446	Melissa_Warren@BLM.gov
Mark Etterton	SunZia	602-809-0707	mark@PDSPLC.com
Adrian Garcia	BLM	(505) 438-7424	adrian_garcia@blm.gov
Adrian Garcia	BLM	(505) 438-7424	adrian_garcia@blm.gov
Tom Schnell	BLM	928-348-4420	tom.schnell@blm.gov
DAN MCGREW	BLM	928-348-4466	daniel_mcgrew@blm.gov
Heidi Blasius	BLM	928-348-4427	Heidi_Blasius@BLM.gov
TOM WRAY	SunZia	602-808-2004	twray@southwesternpower.co