

# **New Mexico Renewable Energy Transmission Authority**

## **Minutes of Board Meeting**

**October 11, 2017**

**1:30 p.m.**

**NM State Capitol – Room 317**

490 Old Santa Fe Trail

Santa Fe, New Mexico, 87501

### **Present**

Bob Busch, Chairman

Dr. James Miller

Robert Apodaca (telephonically)

Tim Eichenberg

Jonathan Elms

Louise Martinez

### **Absent**

Brian Moore

### **RETA Staff**

Lynn Mostoller – General Counsel, Sutin Thayer & Browne

Ginny Selvin – Consultant

Angela Gonzales - Consultant

#### **1. Call to Order and Roll Call**

Chairman Busch called the meeting to order at 1:35 p.m. A quorum was present for the meeting.

#### **2. Approval of Agenda**

Member Elms made a motion to accept the agenda as presented. Member Miller seconded the motion. There being no further discussion, Chairman Busch called for a vote and it passed unanimously.

#### **3. Approval of May 3, 2017 Board Meeting Minutes**

Member Elms made a motion to approve the Board Meeting Minutes as presented. Member Martinez seconded the motion. Member Eichenberg abstained from the vote due to not attending the previous meeting. There being no other discussion, corrections, additions or updates to the minutes, Chairman Busch then called for a vote and it passed unanimously.

#### **4. Report of the Chairman**

Chairman Busch stated that RETA continues to operate efficiently. Chairman Busch informed the members that Mr. Sparks would provide an update on the Western Spirit Project in the next agenda item. Chairman Busch stated that the Memorandum of Understanding with SunZia has been signed and that SunZia is now contributing to

RETA's finances as outlined in the Developer Contribution Guidelines in the Project Selection Policies.

Ms. Selvin has been working on finalizing RETA's Audit and will discuss the process later in the agenda. Once approved by the Board the audit will be sent to the State Auditor for its review and approval process.

RETA is scheduled to make a presentation to the NMFA Legislative Oversight Committee at its upcoming meeting on November 1<sup>st</sup> in Portales, NM. RETA reports to this committee annually to update the committee members on RETA's progress. Chairman Busch stated that RETA has requested funding during previous legislative sessions and is contemplating doing so again during the upcoming 2018 Legislative Session.

#### **5. Update on Western Spirit Project**

Mr. Keith Sparks, Director of Development with Clean Line Energy Partners, provided an overview on the Western Spirit Project. Clean Line Energy is currently working with the Public Regulation Commission (PRC) and RETA to confirm reliability finding as required by the RETA statute. Mr. Sparks stated that the PRC will most likely rely on PNM's system impact study that has already been completed to make its findings.

Clean Line Energy has informed all 4 military installations located in NM of the Western Spirit Project and believes there will be no adverse impacts of the Project to these military installations.

Mr. Sparks provided an update on the status of the California market.

#### **6. Review and Consideration of Financial Statements for the Period ending September 30, 2017.**

Ms. Selvin called the Board's attention to the September 30, 2017, financial statements. Ms. Selvin explained that she changed the basic structure of the financials to make them easier to read. Ms. Selvin informed the Board that no budget adjustments are necessary at this time. Chairman Busch informed the Board that when funds are provided to RETA by any of the projects, there are guidelines in place that outline exactly how the funds can be used.

Member Miller made a motion to approve the financial statements for the period ending September 30, 2017. Member Elms seconded the motion. There being no further discussion, Chairman Busch called for a vote and it passed unanimously.

#### **7. Review and Consideration of Draft 2017 Audit.**

Ms. Selvin informed the Board that she has been working closely with the Loftis Group for several months on the preparation of the draft 2017 Audit. Ms. Selvin stated that the Audit Committee, comprised of Brian Moore Chair, Cindy Cordova and Robert Apodaca, have met with the auditor. The Loftis Group's Managing Principal, Armando Sanchez has reviewed the draft financial statements and all the accompanying notes. Ms. Selvin informed the Board that there were no difficulties encountered during the Audit, and no

audit adjustments were necessary. Loftis Group is issuing a clean opinion with no findings. Once the audit has been released by the State Auditor, the Audit will be posted on both the State Auditor's website and RETA's website.

Member Miller made a motion to submit the draft 2017 Audit to the Office of the State Auditor. Member Elms seconded the motion. There being no further discussion, Chairman Busch called for a vote and it passed unanimously.

**8. Public Comments**

Mr. Tom Lee representing his father's ranch, expressed concerns about the SunZia Project. Mr. Lee had several concerns about the SunZia Project being competitive in the market and its ability to have 30% of its energy derive from renewable resources.

Mr. John Ryan representing SunZia stated that SunZia has received an order from the Federal Energy Regulatory Commission allowing Pattern Energy to be the sole anchor tenant on Phase I of the SunZia Project.

**9. Next Meeting**

Chairman Busch stated that the next meeting will most likely be sometime in January unless a need arises for an earlier meeting date.

**10. Adjournment**

Chairman Busch requested a motion to adjourn the meeting. Member Elms so moved, and Member Miller seconded. The Board voted unanimously to adjourn.