

# **New Mexico Renewable Energy Transmission Authority**

**Minutes of Board Meeting  
December 18, 2020  
9:00 a.m.**

## **ZOOM MEETING**

### **Present**

Robert (Bob) Busch, Chairman  
Louise Martinez, Designee for EMNRD Cabinet Secretary  
Diana Rosales-Ortiz, Designee for State Treasurer Tim Eichenberg  
Megan Anderson, Member  
Noah Long, Member  
Richard Jackson, Member  
Douglas Howe, Member

### **RETA Staff**

Fernando Martinez, Executive Director  
Brian Johnson, Clean Energy Engineer  
Lynn Mostoller, General Counsel, Sutin Thayer & Browne  
Ginny Selvin, Manager of Finance  
Gloria Castillo, Administrative Assistant

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

Chairman Busch called the meeting to order at 9:00 a.m. A quorum was present for the meeting.

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

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

#### **3. Approval of November 5, 2020 Board Meeting Minutes**

Member Rosales-Ortiz made a motion to accept the November 5, 2020 Board Meeting Minutes as presented. Member Long seconded the motion. There being no additional discussion, corrections, additions or updates to the minutes, Chairman Busch called for a rollcall vote and the motion passed with a 5-0-1 vote (Member Howe abstained).

#### **4. Public Comments (written public comments received by Thursday, December 17, 2020 at 3:00 p.m.)**

No written public comments were received by the deadline date of Thursday, December 17, 2020 at 3:00 p.m.

## **5. Report of the Chairman**

Chairman Busch reported that the Western Spirit project continues to make good progress. This item will be discussed further on the Agenda during the Western Spirit Project update.

## **6. Report of the Executive Director**

Executive Director Fernando Martinez reported on the following:

- Follow-up on RETA's submission of the FY2022 Special Appropriation Request to the Department of Finance & Administration (DFA) and Legislative Finance Committee (LFC) requesting \$350,000 for RETA's Operational Budget. Mr. Martinez noted that RETA will be working on this during the Legislative Session. If approved by the Legislature, the funds will be used for RETA's daily operational expenses, Board travel expenses, and RETA's direct legal and accounting expenses. The funds will not be used for work on any projects.
- RETA submitted its Annual Report to the Governor's Office, Legislative Council, and NM Finance Authority Oversight Committee. Copies were also provided to DFA and LFC.
- RETA continues work on the Grid Modernization Advisory Group. Mr. Martinez reported that the major work of this Advisory Group is complete and now in its final phases. Members are now reviewing and providing comments on the latest drafts of White Papers.
- RETA continues to work in compliance with the Governor's stay-at-home requirement, except for signing checks and regularly tending to the office.

## **7. FY2020 Audit**

Ms. Selvin introduced Armando Sanchez, SJT Group, LLC, who oversaw the work on RETA's FY2020 Audit and Financial Statement preparation. She reported that the FY2020 Audit Report was presented to the Audit Committee in August and accepted by the Committee. It was then forwarded to the Office of the State Auditor and approved, as submitted, in late October, all in accordance with the State Audit rules.

Mr. Sanchez provided an overview of the FY2020 Audit Report and commended Ms. Selvin for her assistance and quick turnaround on any information the SJT Group requested. He explained management responsibilities and internal controls. Mr. Sanchez noted that SJT did not have any issues with the financial statements and did not have to do any audit adjustments. He proceeded to explain the financial statements and SJT's Opinion on the report noting that RETA received a clean audit report, with no material findings, audit adjustments, or disagreements or difficulties with management.

Mr. Sanchez concluded with a summary of the Exit Interview and its attendees.

Chairman Busch thanked Mr. Sanchez for his presentation.

## **8. Review and Consider Approval of Draft Financial Statements for the Period Ending November 30, 2020 – Ginny Selvin**

Ms. Selvin reported on the Financial Statements for the period ending November 30, 2020. She noted a minor error in the draft, which inadvertently omitted \$300,000 in General Revenues and the associated \$300,000 in the Budget. Ms. Selvin noted that the ending amount did not change, nor did any other amounts.

Member Jackson made a motion to approve the financial statements for the period ending November 30, 2020, as amended by Ms. Selvin. Member Long seconded the motion. There being no further discussion, Chairman Busch called for a rollcall vote and it passed unanimously.

**9. Review and Consider Approval of Amendment to Project Selection Policy – Noah Long**

As Chairman of the Projects Committee, Member Long presented the proposed Project Selection Policy amendment. He explained the Projects Committee's thoughts behind it, noting that the proposed amendment reflects how RETA will consider competition or the possibility of competition between projects at various stages of RETA's engagement with various projects.

Chairman Busch made a motion to approve the amendment to the Project Selection Policy. Member Anderson seconded the motion. There being no further discussion, Chairman Busch called for a rollcall vote and it passed unanimously.

**10. Update on the Western Spirit Project**

Ms. Mostoller provided the Board with a photo of a wind turbine that will connect to the Western Spirit Project transmission line and a photo of the transmission line construction site.

Mr. Cory Kottler, Pattern Energy, provided the Board with an update on the construction of the Western Spirit Project. He first described the status of construction at the wind farms that will use the Western Spirit Transmission Line. He described the photo of the first wind turbine that was erected two weeks ago. Mr. Kottler explained that wind farm construction is at the stage in the project where access roads have been constructed and foundations for turbines are being built at a couple of different windfarms. At the present time, turbine deliveries are happening, however, the teams will be taking a brief break during the holidays. In response to the size of the turbine, he noted that the wind turbines are each 2.82 MWs, and its hub height is around 90 meters in the air. The blades are 120 meters.

Mr. Kottler noted that Western Spirit has had no major safety incidents with regards to construction.

Mr. Kottler described the second photo regarding the transmission line. He noted that this is the first transmission line structure getting set in the ground and EC Source is the primary construction contractor for the transmission line. He explained that the work has started at the switch yard site where they have done all the grading and poured foundations. They have been building the access roads and started drilling foundations for the transmission line structures to be set along a few dozen miles of this section and are starting to erect the structures. Mr. Kottler concluded that the project is on schedule and they expect the Northern Leg (from Torrance County to Clines Corner) to be complete in the summer of 2021 and the Western Leg (from Torrance County toward the west and going up north near Albuquerque) to be completed in the fourth quarter of next year.

**11. Closed Session**

Chairman Busch noted that the Board would now go into Closed Session for: (a) Confidential discussion related to disposal of real estate property as it relates to financing status for Western Spirit Project, as permitted under NMSA 1978, § 10-15-1(H)(8) (meeting

for the discussion of the purchase, acquisition or disposal of real property or water rights by the public body); § 62-16A-16 (protecting the proprietary technical or business information obtained by the authority as confidential); *see also* NMAC § 17.8.2.9; (b) Confidential discussion of the acquisition of real property as it relates to the negotiation of an agreement with a commercial developer, as permitted under NMSA 1978, § 10-15-1(H)(8) (meeting for the discussion of the purchase, acquisition or disposal of real property or water rights by the public body); § 62-16A-16 (protecting the proprietary technical or business information obtained by the authority as confidential); *see also* NMAC § 17.8.2.9.

Chairman Busch called for a motion to go into closed session.

Member Long made a motion for the Board to go into closed session. Member Anderson seconded the motion. There being no further discussion or comments, Chairman Busch called for a rollcall vote and it passed unanimously.

The Board went into closed session at 10:10 a.m.

Chairman Busch called for a motion to come out of closed session. Member Howe made a motion to come out of closed session. Member Long seconded the motion. There being no further discussion or comments, Chairman Busch called for a rollcall vote and it passed unanimously. The Board returned to its regular meeting at 10:26 a.m.

The Chairman announced that there was no other discussion held during the Closed Session other than what was on the agenda.

## **12. Next Meeting**

The next RETA Board of Directors meeting is tentatively scheduled for Wednesday, January 13, 2021 at 10:30 a.m.

## **13. Adjournment**

Chairman Busch called for a motion to adjourn the Board meeting.

Member Anderson made a motion to adjourn the RETA Board of Directors meeting. Member Long seconded the motion. The Board voted unanimously to adjourn.

The RETA Board meeting adjourned at 10:30 a.m.