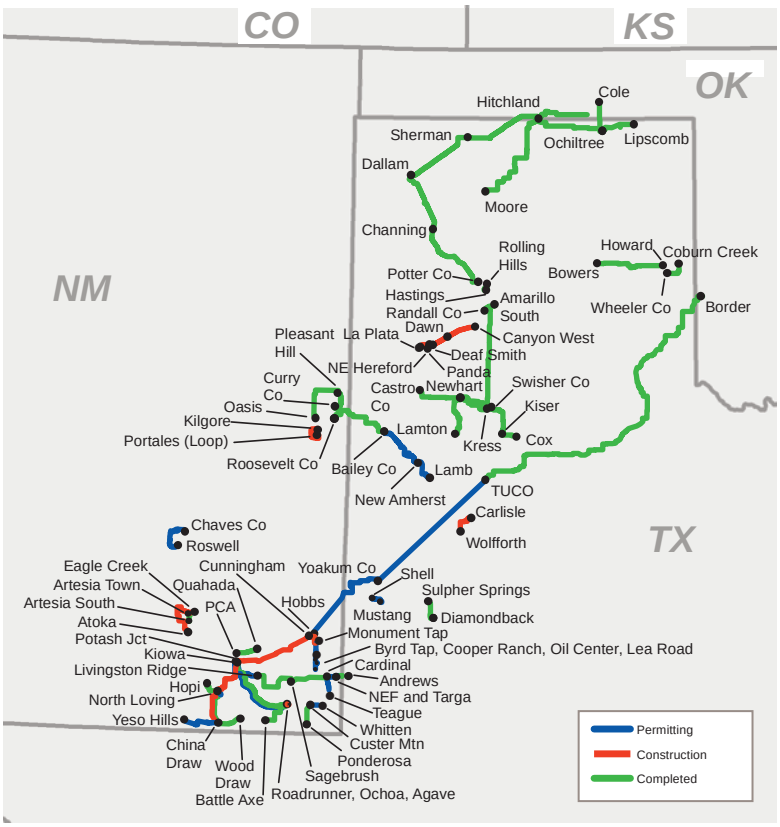
Xcel Energy®

POWER FOR THE PLAINS PROGRESS

Xcel Energy's Power for the Plains transmission expansion in New Mexico and Texas is moving forward, with more than 50 miles of new transmission already completed this year, and construction under way on another 300 miles in the two states. The Power for the Plains initiative is a series of projects aimed at expanding and updating the electric grid to improve electric reliability and meet growing demand for the delivery of new generation, including renewable energy.

"As part of Our Energy Future, Xcel Energy is committed to building a long-term energy future that delivers value to our customers and our communities," said David Hudson, president, Xcel Energy – New Mexico. "New Mexico is the fastest growing region across Xcel Energy's eight-state territory, and in the last year and a half, we have invested in new and upgraded lines and equipment to improve the long-term reliability our customers need to sustain that growth. These enhancements provide the basis for job creation and community development across the territory that Xcel Energy has served for more than 100 years."



CONSTRUCTION HIGHLIGHTS

Construction is in full swing on the Hobbs-China Draw 345-kV transmission line. Crews work on clipping conductor on the line.

SOUTHEAST NEW MEXICO

Construction is taking place on five projects in the New Mexico area. Work on the 90-mile 345-kilovolt Hobbs-China Draw transmission line project in New Mexico began in April 2017. The project links the Hobbs Plant Substation, located about 11 miles northwest of Hobbs, with the new China Draw Substation located about 22 miles south of Carlsbad. The project, which is estimated to cost $163 million, will be complete by June of 2018.

SOUTHEAST NEW MEXICO

Work on the Livingston Ridge- Sage Brush-Cardinal 115-kilovolt transmission line is finishing up this month. The project, which includes nearly 50 miles of new transmission line and two substations, in Lea and Eddy Counties, will provide additional transmission capacity and increase reliability.

In Roswell, 24 miles of transmission line upgrades are expected to be complete by February of 2018. The Roswell Loop project is an effort to replace older 69-kilovolt lines with new 115-kilovolt lines to boost reliability. The project includes upgrades to four substations.

The last two structures set on the new Livingston Ridge-Sage Brush-Cardinal project in New Mexico are 80 feet tall.

Crews are setting structures and building foundations on the Hobbs-China Draw project.

CONSTRUCTION HIGHLIGHTS

TEXAS

In Texas, construction is taking place on another three projects. Construction on the first segment of a nearly 170-mile 345 kilovolt transmission line between Texas and New Mexico is also underway. The TUCO-Yoakum-Hobbs transmission line is being built in three segments. Work in Texas on the 27-mile section between the Yoakum Substation and the Texas/New Mexico border began this month. The Public Utility Commission of Texas has approved the 105-mile segment between Yoakum and TUCO substations. Approval on the final 36-mile segment in New Mexico between the state line and the Hobbs Substation is expected by the end of the year.

Transmission line construction is underway on a nearly 30-mile project between Canyon and Hereford. The existing 115-kilovolt transmission line is being rebuilt to increase capacity and overall network reliability.

Work on the 13-mile 230 kV Wolfforth-Carlisle transmission line in Lubbock County is expected to be complete by March 2018. In addition, to the new transmission line, the project includes upgrading two Xcel Energy substations.

Crews work on building a retaining wall in preparation for upgrades being made at Deaf Smith Substation in Hereford, Texas.

The Wolfforth Substation is being upgraded near Wolfforth, Texas.

CROSSING THE PECOS

One of the construction challenges on the Hobbs-China Draw project included building the transmission line across the Pecos River near Loving, New Mexico. Crews met the challenge using a unique construction technique which involved using a rope gun to project a small rope about 300 feet across the river. Once on the other side, crews attached larger ropes and brought them back across the river and up into stringing dollies to be able to pull the conductor (wire) across the river.

TRANSMISSION OPENS PATHWAYS FOR WIND

New transmission lines are creating electric highways to help deliver new generation, including renewable energy on the grid. Xcel Energy is proposing two major wind projects in Texas and New Mexico. Pending approval, the anticipated in-service date for the 478-megawatt Hale Wind project in Hale County, Texas is in 2019 and the 522-megawatt Sagamore Wind Project in Roosevelt County, N.M. is expected to be completed in 2020.

"The new transmission lines we are building are strengthening the grid and providing options for now and in the future," Hudson said. "The lines improve local reliability, while also adding capacity for new generation to enter the grid, including wind and solar. Transmission is a needed link for the tax revenue, royalty payments and new jobs created by adding wind power to the system."

The proposed Sagamore and Hale Wind Projects would also reduce carbon emissions substantially. By 2021, carbon emissions would be reduced nearly 50 percent (from 2005 levels) in the company's Texas and New Mexico generation fleet.

Xcel Energy is also seeking approval of a contract to purchase an additional 230 megawatts of wind energy from two facilities being developed in Texas by NextEra Energy Resources – one in Cochran County and the other in Crosby County.

1,000 MW OF XCEL ENERGY-OWNED WIND IN TEXAS AND NEW MEXICO WOULD:

POWER NEARLY **360,000 HOMES**

CREATE 600 CONSTRUCTION JOBS AND 40-50 FULL TIME JOBS

AVOID **64 M TONS OF CO_2** OVER THE 25-YEAR LIFE OF THE PROJECTS

GENERATE OVER **$2.6 M IN ANNUAL** LANDOWNER ROYALTY PAYMENTS IN NEW MEXICO AND **$1.9 M IN TEXAS**

GENERATE APPROXIMATELY **$132M IN LOCAL** PROPERTY TAX PAYMENTS IN NEW MEXICO AND **$22M IN TEXAS** OVER 25 YEARS