

SunZia line earns Obama recognition, still waits for EIS

SNL

By JP Finlay
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The federal government's decision Oct. 5 to include the proposed SunZia transmission line in Arizona and New Mexico among a group of seven projects placed on a regulatory fast track has encouraged the line's developers.

The seven projects were selected to be reviewed by a newly created Rapid Response Team for Transmission based on reliability needs, geographic diversity and the potential to provide capacity for new large scale renewable generation from throughout the country. The SunZia line would connect remote renewable energy sources throughout the Southwest to the regional transmission grid.

"We were excited about the announcement. For us it confirms what we've been saying all along. We've been pursuing the objective of increasing transmission capacity in the West and accessing stranded renewable resources," SunZia media representative Ian Calkins said Oct. 6. "It's confirmation that what we're doing is good for economic development."

The SunZia project accomplishes two of the Obama administration's goals by connecting regions with high potential for wind energy in New Mexico and geothermal and solar potential in Arizona and New Mexico while also increasing transmission capacity in the western United States. Developers of the line, described by the federal government as 500 miles to 550 miles long but stated on the project's website as 460 miles, include Energy Capital Partners LLC subsidiary ECP SunZia LLC; Tucson Electric Power Co., a subsidiary of UniSource Energy Corp.; the Salt River Project; Tri-State Generation & Transmission Association Inc.; and Royal Dutch Shell plc subsidiary Shell WindEnergy Inc. The 500-kV line will run from the Pinal Central Substation near Coolidge, Ariz., to a new substation near Ancho, N.M.

The SunZia line started the permitting process in 2008. "We're nearing the end of the federal NEPA [National Environmental Policy Act] process. We've been deep in the NEPA process for the past three years," Calkins said. "We anticipate that the Bureau of Land Management will release a draft environmental impact study sometime before the end of the year. We're almost over a big hurdle. Once the draft EIS comes out there's still another year of consideration.

We're excited; it will be a huge milestone for the project to see the draft EIS."

Calkins stressed that the SunZia line already enjoys good relationships with officials at the U.S. Bureau of Land Management and the Interior Department.

"It's all positive to the extent more attention is paid to projects like SunZia and if we can streamline the regulatory process and make sure it's not duplicative is all good news for us," he said. "While we're excited about the announcement, we have a great relationship in place."

In a blog post, the Natural Resources Defense Council's director of western energy, Carl Zichella, said that expedited permitting will be advantageous for renewable energy growth if permitting is still done correctly. Zichella did not mention the SunZia line directly, though the line intends to connect renewable resources.

"If the implementation of this plan is done right, it can be a real boon for renewable energy, by helping close the time gap between project development and access to transmission," Zichella said. "Some of the best renewable energy sources on the planet are separated from the consumers that need it by hundreds to a thousand or more miles."

Calkins noted that the line will run through renewable zones.

"If you look at the geographic location of where the project originates, it is dead center in the middle of high-value wind resources," Calkins said. "It is indeed a renewable energy project."

Expeditious movement on federal permitting may not have an impact on state permitting, and the SunZia line will need permits from the Arizona Corporation Commission and the New Mexico Public Regulation Commission. According to Calkins, SunZia will apply with state regulators once a draft EIS is available from federal authorities.

"We're very focused on the federal permitting, but I think it's very important we recognize while the federal government has its own permitting process the state level is equally important. We anticipate a very stringent review process on the state level," Calkins said. "We do ask that regulatory authorities not require duplicative activities, but we would never suggest that one authority supersede the other. Both have their place. States are more in tune with local needs and sensitivities."

In July the SunZia line received clearance from the Defense Department. The line may travel near military installations, including the White Sands Missile Range, though the Defense Department clearance said the line should not interfere with military operations.