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Xcel Energy Media Relations  
600 S. Tyler St.  
Amarillo, TX 79101  
(806) 679-7773  
[www.xcelenergy.com](http://www.xcelenergy.com)

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## **Xcel Energy reaches milestone in New Mexico expansion**

*New line in Eddy and Lea counties first step toward new power backbone in southeast*

CARLSBAD, N.M. – Xcel Energy has completed the first link in a major expansion of a new bulk electricity transmission network in the southeastern corner of New Mexico that will help sustain a surge in industrial development and position the regional economy for continued growth.

Today, the company formally dedicated a new 230-kilovolt, 42-mile transmission line between the Potash Junction Substation east of Carlsbad in Eddy County and the new Roadrunner Substation in southern Lea County. At a later date, this new line will be upgraded to 345-kilovolt service and will be part of a major 345-kilovolt power backbone moving power from the eastern grid into southeast New Mexico. Additionally, Xcel Energy has completed and energized the 20-mile Battle Axe-to-Roadrunner 115-kilovolt transmission line project in southern Lea County.

The two projects, both completed on-time and on-budget, are part of a \$200 million-plus investment made by Xcel Energy in 2015 that includes more than 250 miles of transmission and distribution lines and seven new substations in southeast New Mexico, where oil and gas production and potash mining have recently expanded into remote areas with very little electrical infrastructure.

By 2020, Xcel Energy plans to link the new Potash Junction-Roadrunner line segment with roughly 250 miles of new lines that will complete a new, 345-kilovolt trunk line from the TUCO Substation north of Lubbock, Texas, to Roadrunner Substation and also to the new China Draw Substation 22 miles south of Carlsbad.

“This has been a historic undertaking for our company and the industries we serve,” said David Hudson, president of Southwestern Public Service Company, an Xcel Energy company. “We had to work closely together in order to move so quickly, and we’re pleased to reach this first major milestone that will enable regional industries to make a lasting contribution to job opportunities for decades to come,” he said.

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Hudson added that regional industries, especially the oil exploration industry, face stiff competition on world markets, and a reliable, reasonably priced power supply is key to helping them maintain their edge. Hundreds of wells already completed have relied on remote diesel generator power until new lines have reached them. And, despite lower oil prices, new wells continue to be drilled.

Community leaders mapping the region's economic future say the investments in infrastructure are critical to the region's success.

"The economic growth of Eddy County is tied to the capacity of our utilities," said John Waters, executive director for the Carlsbad Department of Development. "Whether it's potash mining, nuclear materials management or oil and gas production, all need a power utility that grows with their industries. Xcel Energy has made that commitment to grow with the area"

The eastern and southeastern counties of New Mexico also have seen strong growth in renewable energy development that wouldn't be possible without a growing transmission grid. Two new photovoltaic solar generation plants being developed in Chaves County by affiliates of NextEra Energy Resources, LLC, will tie into Xcel Energy's system when the solar facilities come on line at the end of 2016, and will be boosted by improvements that include a \$28 million capital project to complete a 115-kilovolt transmission loop around the city of Roswell.

Wind energy also is growing in New Mexico thanks to Xcel Energy's expanding power grid. The Roosevelt wind farm near Elida, N.M., came on line in October with 250 megawatts of wind energy that will supply Xcel Energy customers through a long-term power purchase contract.

"Transmission investments indirectly lead to more renewable energy development, and renewable energy is bringing great benefits by enhancing the regional tax base and providing low-cost energy capacity for Xcel Energy customers," Hudson said.

More information on this and other transmission projects can be found at [www.powerfortheplains.com](http://www.powerfortheplains.com), where Xcel Energy provides details on its major New Mexico and Texas capital investment projects.

Xcel Energy (NYSE: XEL) is a major U.S. electricity and natural gas company with regulated operations in eight Western and Midwestern states. Xcel Energy provides a comprehensive portfolio of energy-related products and services to 3.5 million electricity customers and 2 million natural gas customers through its regulated operating companies. Company headquarters are located in Minneapolis. More information is available at [www.xcelenergy.com](http://www.xcelenergy.com).