

Commission unanimous in Tres Amigas bond approval June 21, 2013

By Kevin Wilson
CNJ STAFF WRITER
kwilson@cnjonline.com

The Clovis City Commission unanimously approved plugging in Tres Amigas, LLC, to a \$1.655 billion industrial revenue bond –the third-highest in New Mexico history – Thursday night in what commissioners and other local officials called a major step forward for the city and the power industry as a whole.

When the company draws on its bonds, a 30-year tax abatement, it will have 120 months to build all three phases of a power superstation on 14,400 acres of Curry County land that would merge together the country's three largest power grids and allow for power transfer between them.

Tres Amigas officials plan an August groundbreaking for the superstation, which would allow a state such as New Mexico, which has opportunities for solar and wind power, to move that energy to other states that don't have those opportunities but have mandates to use a certain percentage of renewable energy.

The construction is set to take place over an eight-year timeframe in three phases, with 24 months added for leeway. The first phase will cost an estimated \$429 million and create 49 permanent jobs, the second \$436 million with 30 permanent jobs and the third phase \$793 million with 25 permanent jobs.

Mayor David Lansford, who helped move the process of the bonds and facilitated the discussion on dividing the payment in lieu of taxes over the 30 years, said the Clovis Industrial Development Corp. and Executive Director Chase Gentry worked hard for four years to make the project get to Thursday's vote.

"You don't just leapfrog from Day One to Year Four," Lansford said. "It's been a day-in, day-out process that requires a level of intelligence we've never had to produce in our community."

Lee Malloy, chairman of the CIDC, said he and other members expect to see a large ripple effect in the local economy, but said that because Tres Amigas is a unique project it's hard to tell what companies will spring up to take advantage and drive the energy market.

"It's folks like Tres Amigas that put us on the map. I applaud you in finding common ground for a win-win for Tres Amigas."

The PILT money equals about \$43.85 million over 30 years – 30 percent of what Tres Amigas would pay in property taxes. Clovis Municipal Schools receives about a third of that money.