

A Report of the Economic Impact of the Lucky Corridor Project on Communities in Northern New Mexico

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Prepared for:

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Executive Summary

Purpose of this Report

This report presents the economic impact during the construction and operations of the Lucky Corridor project and additional revenues for the State of New Mexico and local taxing districts, including cities, counties, school districts and special taxing districts in which the project will be located.

The project -- an electrical transmission line -- will be located in four Northern New Mexico counties including Colfax, Union, Taos, and San Miguel.

The economic impact was calculated for the project over ten years -- (1) during construction, largely three years, 2nd quarter 2019 to 2nd quarter 2021 during which the transmission line will be constructed and (2) during the first seven years of operations beginning in 2021.

Some secondary impacts -- the economic impact of users of the line, proposed 880 megawatt wind farms -- were also calculated.

The Project

The Lucky Corridor project is the construction and operations of a 130 mile, 345kV extra high voltage electrical transmission line in Northern New Mexico -- replacing an old 115 kV line, currently between Farley, New Mexico, and a point near Chili, New Mexico.

The project will cost an estimated \$195 million and create an estimated 145 direct construction jobs during its construction.

When fully operating, the transmission line will have five employees and estimated annual revenues of \$31.3 million in its first year of full operations.

Economic Impact of the Transmission Line over the First Ten Years

The construction and operations of the transmission line will have the following economic impacts

Economic Impacts During Ten Years of Construction and Operations of the Transmission Line			
		Workers' Earnings <i>(In Millions of Jobs Dollars)</i>	Economic Output <i>(In Millions of Dollars)</i>
Economic Impacts during construction -- about three years:			
Direct	145	\$39	\$196
Indirect	86	\$20	\$127
Induced	29	\$7	\$42
Total	260	\$65	\$365
Economic impacts over the first six years of operations:			
Direct	5	\$2.67	\$253.23
Indirect	7	\$1.59	\$125.88
Induced	2	\$0.53	\$41.96
Total	14	\$4.79	\$421.08

Additional Revenues for the State of New Mexico and Local Taxing Districts Over the First Ten Years

The State of New Mexico and the cities, counties, school districts and special taxing districts in which the transmission line runs, will receive the following additional revenues over the first ten years of construction and operations:

Public Revenues Over the First 10 Years of Construction and Operations of the Transmission Line						
	State of New Mexico	Cities	Counties	School Districts	Special Taxing Districts	Total
Gross receipts taxes	\$29,699,636	\$1,901,501	\$5,432,860			\$37,033,997
Property taxes	\$546,882	\$92,648	\$4,916,312	\$4,535,907	\$2,232,165	\$12,323,915
State personal income taxes	\$1,858,987					\$1,858,987
State corporate income taxes	\$6,810,586					\$6,810,586
Total	\$38,916,091	\$1,994,149	\$10,349,172	\$4,535,907	\$2,232,165	\$58,027,485

In addition, landowners along the transmission line will receive annual lease payments from the company of about \$250,000.

Secondary Impacts

According to Lucky Corridor officials, by replacing the old 115 kV line, currently between Farley, New Mexico, and a point near Chili, New Mexico, with a new 345 kV, high voltage, AC line, this project will correct a weak link in the grid of the eleven western states, creating a reliability loop with the new transmission line installed to Farley in 2008 by Tri-State Generation and Transmission Association Inc.

By making New Mexico’s grid more reliable and robust, up to 880 megawatts of new wind power generation projects can be built in northern New Mexico, further enhancing the area’s tax base and jobs.

The secondary impact generated by the transmission line could include the construction and operations of 880 megawatts of wind farms costing an estimated \$1.6 billion.

A summary of the local economic impacts of the wind farms is shown below:

Summary Local Economic Impacts of the Wind Farms			
	Jobs	Workers' Earnings (Shown in Millions of Dollars)	Economic Output (Shown in Millions of Dollars)
During construction period:			
Direct Impacts	383	\$20.96	\$29.70
Onsite Construction Labor Only	59	\$4.54	
Onsite Construction Related Services	442	\$25.50	
Indirect Impacts	2008	\$103.57	\$313.30
Induced Impacts	790	\$33.55	\$103.80
Total Impacts (Direct, Indirect, Induced)	3239	\$162.62	\$446.80
During operating years (annual):			
Direct Impacts			
Onsite Plant Labor Only	40	\$2.32	\$2.32
Indirect Impacts	55	\$2.49	\$18.33
Induced Impacts	42	\$1.89	\$5.84
Total Impacts (Direct, Indirect, Induced)	137	\$6.69	\$26.49

The full report showing details of this economic impact study are on the following pages, beginning with an introduction.

The Full Report

Introduction

This report presents the economic impact during the construction and operations of the Lucky Corridor project and additional revenues for the State of New Mexico and local taxing districts, including cities, counties, school districts and special taxing districts in which the project will be located.

The project -- an electrical transmission line -- will be located in four Northern New Mexico counties including Colfax, Union, Taos, and San Miguel.

The economic impact was calculated for the project over ten years -- (1) during construction, largely three years, 2nd quarter 2019 to 2nd quarter 2021 during which the transmission line will be constructed and (2) during the first seven years of operations beginning in 2021.

Later in the report, the secondary impacts -- the economic impact of a large user of the line, 880 megawatt wind farms-- were also presented.

Description of the Construction and Operations of the Transmission Line

The Lucky Corridor project is the construction and operations of a 130 mile, 500 kV extra high voltage electrical transmission line in Northern New Mexico -- replacing an old 115 kV line, currently between Farley, New Mexico, and a point near Chili, New Mexico.

Some characteristics of the project are shown on the following page:

Some Characteristics of the Transmission Line Project		
Total project cost		\$195,750,000
Beginning and ending dates most construction activities		Q2 2019 to Q2 2021
Length of primary construction period, in months		24
Estimated construction labor costs		\$39,150,000
Estimated average number of construction workers on the project each year during the construction period:		Construction Workers
	Calendar Year	Each Year
Year 1	2019	174
Year 2	2020	218
Year 3	2021	44
Average number of worker on site		145
Estimated annual revenues of the transmission line during first full year of operations		\$31,300,000
Estimated number of permanent workers who will be operating and maintaining the transmission line		5
Average annual salaries of permanent workers		\$60,000

A discussion of the economic impacts to be generated in Northern New Mexico during the transmission line's construction is next.

Economic Impacts During Construction of the Transmission Line

Types of Economic Impacts Generated During Construction

The economic impacts of the project's construction may be characterized as direct, indirect and induced.

The direct economic impact during construction will come from the project's spending on construction and from construction workers and their salaries. From the direct construction spending and the spending of construction workers, indirect and induced benefits or spin-off benefits will be created and supported in the region.

Indirect sales, jobs and salaries will be supported in businesses and organizations in the region, such as equipment suppliers, concrete companies, subcontractors, etc. that supply goods and services to the firms constructing the project. In addition, induced sales, jobs and salaries will be supported in businesses or organizations in the region, such as restaurants, gas stations, banks, book stores, grocery stores, apartment complexes, convenience stores, computer stores, service companies, etc. that supply goods and services to construction workers and their families and, in turn, to workers in indirect jobs and their families.

To estimate the indirect and induced economic impact of the construction activities on the Northern New Mexico region, regional economic multipliers were used. Regional economic multipliers for New Mexico and areas of the state are included in the US Department of Commerce’s Regional Input-Output Modeling System (RIMS II).

Three types of regional economic multipliers were used in this analysis:

- An output multiplier,
- An employment multiplier and
- An earnings multiplier.

The multipliers show (1) the estimated sales or output in businesses or organizations in the region for each dollar of spent on construction of the project, (2) the number of indirect and induced jobs created for every one direct construction job, and (3) the amount of salaries paid to these workers for every dollar to be paid to a construction worker.

The following indirect multipliers for construction activities were used in this analysis:

Indirect and Induced Multipliers Used in this Analysis For Construction Activities	
Output multiplier	0.8668
Employment multiplier	0.7933
Earnings multiplier	0.6726

Economic Impacts During Construction

The project's construction activities will provide substantial economic impacts for Northern New Mexico, as shown below.

Economic Impacts During Construction			
	Jobs	Workers' Earnings (In Millions of Dollars)	Economic Output (In Millions of Dollars)
Direct	145	\$39	\$196
Indirect	86	\$20	\$127
Induced	29	\$7	\$42
Total	260	\$65	\$365

As shown above, the project's construction activities will generate \$365 million in economic output or revenues for businesses in the region, create and support an average of 260 jobs during the construction period and create and support \$65 million in salaries for workers in the region.

In addition to the economic impact from the construction activities, the economic activities created by the operations of the transmission line once completed, permanent jobs created and salaries to be generated for local workers, will also generate substantial economic impacts for the region. These impacts are discussed next.

Economic Impacts that the Operations of the Transmission Line Will Provide

The operations of the transmission line will create substantial economic benefits for the Northern New Mexico region.

These economic impacts include the following:

- Revenues of the transmission line and other businesses in the region,
- Taxable gross receipts generated by the transmission line,
- Permanent jobs,
- Worker salaries or personal income,
- Workers spending, and
- New property added to property tax rolls.

Types of Economic Impacts that the Operations of the Transmission will Provide

As with construction impacts, the economic impacts of the operations of the transmission line may be characterized as direct, indirect and induced.

The direct economic impact will come from the operations of the transmission line and its employees. From the revenues and spending of the transmission line and the spending of its employees, indirect induced benefits or spin-off benefits will generated and supported in the region.

Indirect sales, jobs and salaries will be supported in businesses and organizations in the region, such service firms and materials and equipment supply companies, that supply goods and services to operate and maintain the transmission line. In addition, induced sales, jobs and salaries will be created and supported in businesses or organizations in the region, such as restaurants, gas stations, stores, grocery stores, apartment complexes, convenience stores, computer stores, service companies, banks, etc. that supply goods and services to the company's employees and families and, in turn, to workers in indirect jobs and their families.

The following indirect multipliers for the transmission line's operations were used in this analysis:

Indirect and Induced Multipliers Used in this Analysis For Operations of the Transmission Line	
Output multiplier	0.6628
Employment multiplier	1.8724
Earnings multiplier	0.7951

The multipliers show (1) the estimated sales or output in businesses or organizations in the region for each dollar revenue generated by the project, (2) the number of indirect and induced jobs created for every one direct job at project and (3) the amount of salaries paid to these workers for every dollar to be paid to direct job employee of the project.

The annual economic impact of operations of the transmission line is discussed next.

The Annual Direct, Indirect and Induced Economic Impact of Operations of the Transmission Line

As discussed above, the transmission line will generate additional revenues or economic output in the region, more jobs and additional salaries.

These operations will generate the following annual direct and indirect economic activity in the region during the first year of full operations

Total Annual Economic Output, Jobs, and Annual Salaries During the First Year of Operations			
	Annual Economic Output	Jobs	Annual Salaries
Direct	\$31,300,000	5	\$300,000
Indirect and induced	\$20,745,640	9	\$238,530
Total	\$52,045,640	14	\$538,530

As shown above, the direct economic impact of the annual operations of the transmission line during its first full year of operations will be \$31million. The direct revenues of the operations of the line and its spending will generate another \$20 million in annual indirect sales or economic output in businesses and other organizations in the region. In total, the annual economic impact of the operations of the line, when full operational, will be \$52 million. This will be the increase in gross regional product, equivalent on a local level to our nation's gross domestic product.

While the transmission line will employ 5 workers, the spending of the transmission line will support 9 jobs in the region. In total, the line's operations will support 14 jobs in the region.

Similarly, while the annual salaries workers on the transmission line will total \$300,000, the line's spending will support another \$238,530 in salaries for workers in related spin-off jobs supported in the region. Therefore, total annual salaries created and supported by the transmission line's operations will total \$538,530 a year.

The economic impact of the operations of transmission line over first seven years of operations is discussed next.

Estimated Economic Impact of the Operations of Transmission Line over the First Seven Years

The transmission line will have the following economic impact on the Northern New Mexico region over the first seven years of its operations:

Economic Impact over the First Seven Years of Operations	
Economic output (increase in gross regional product):	
Direct	\$253,232,979
Indirect	\$167,842,819
Total	\$421,075,798
Total number of permanent jobs to be created:	
Direct	5
Indirect	9
Total	14
Salaries to be paid workers:	
Direct	\$2,667,701
Indirect	\$2,121,089
Total	\$4,788,790
Additional taxable gross receipts expected in the region	\$191,160,185
Value of commercial property added to local tax rolls	\$146,812,500

How the economic activity generated during the transmission line's construction and operations translates into additional revenues for the State of New Mexico and local taxing districts in which the transmission line is located is discussed next.

Additional Revenues for the State of New Mexico and Local Taxing Districts Over the First Ten Years of the Project's Construction and Operations

The State of New Mexico and cities, counties, school districts and special taxing districts in which the transmission line runs through will receive the following additional revenues over the first ten years of line's construction and operations:

Public Revenues Over the First 10 Years of Construction and Operations of the Transmission Line						
	State of New Mexico	Cities	Counties	School Districts	Special Taxing Districts	Total
Gross receipts taxes	\$29,699,636	\$1,901,501	\$5,432,860			\$37,033,997
Property taxes	\$546,882	\$92,648	\$4,916,312	\$4,535,907	\$2,232,165	\$12,323,915
State personal income taxes	\$1,858,987					\$1,858,987
State corporate income taxes	\$6,810,586					\$6,810,586
Total	\$38,916,091	\$1,994,149	\$10,349,172	\$4,535,907	\$2,232,165	\$58,027,485

Discussion of Secondary Impacts

According to Lucky Corridor officials, by replacing the old 115 kV line, currently between Farley, New Mexico, and a point near Chili, New Mexico, with a new 500 kV, high voltage, AC line, this project will correct a weak link in the grid of the eleven western states, creating a reliability loop with the new transmission line installed to Farley in 2008 by Tri-State Generation and Transmission Association Inc.

By making New Mexico's grid more reliable and robust, up to 880 megawatts of new power generation projects, including wind, can be built in northern New Mexico, further enhancing the area's tax base and jobs.

This analysis assumes that the secondary impact generated by the transmission line will include the construction and operations of 880 megawatts of wind farms. Some characteristics of each plant are discussed below.

Some Characteristics of the Wind Farms

The wind farms will have the following characteristics:

Total project cost	\$1.6 billion
Annual operational expenses	\$266 million
Number of direct jobs created by the plant's operations	40
Annual salaries	\$2.32 million

Economic Impacts

Costs, other characteristics and economic impact of the wind farms were determined using the National Renewable Energy Laboratory's Job and Economic Development Impact Model (JEDI). These costs, characteristics and economic impacts are shown below.

Summary of Project Data for Wind Farms	
Project Location	NEW MEXICO
Year of Construction	2022
Total Project Size - Nameplate	880
Number of Projects (included in total)	1
Turbine Size (KW)	2000
Number of Turbines	440
Installed Project Cost (\$/KW)	\$1,846
Annual O&M Cost (\$/KW)	\$20.84
Money Value (Dollar Year)	2013
Installed Project Cost	\$1,624,463,304
Local Spending	\$354,300,432
Total Annual Operational Expenses	\$266,498,169
Direct Operating and Maintenance Costs	\$18,335,387
Local Spending	\$4,900,588
Other Annual Costs	\$248,162,782
Local Spending	\$12,309,147
Debt payments with IRBs will be paid through Union and other New Mexico Counties	To be determined
Property Taxes	\$8,933,760
Land Lease	\$2,640,000

A summary of the local economic impacts for wind farms is shown below:

Summary Local Economic Impacts of Wind Farms			
	Jobs	Earnings (Shown in Millions of Dollars)	Output (Shown in Millions of Dollars)
During construction period:			
Direct Impacts	383	\$20.96	\$29.70
Onsite Construction and Interconnection Labor	59	\$4.54	
Onsite Construction Related Services	442	\$25.50	
Indirect Impacts	2008	\$103.57	\$313.30
Induced Impacts	790	\$33.55	\$103.80
Total Impacts (Direct, Indirect, Induced)	3239	\$162.62	\$446.80
During operating years (annual)			
Direct Impacts			
Onsite Wind Farm Labor Only	40	\$2.32	\$2.32
Indirect Impacts	55	\$2.49	\$18.33
Induced Impacts	42	\$1.89	\$5.84
Total Impacts (Direct, Indirect, Induced)	137	\$6.69	\$26.49

Notes: Earnings and Output values are millions of dollars in year 2013 dollars. Construction and operating jobs are full-time equivalent for a period of one year (1 FTE = 2,080 hours). Wind farm workers includes field technicians, administration and management. Economic impacts "During operating years" represent impacts that occur from wind farm operations/expenditures. The analysis does not include impacts associated with spending of wind farm "profits" and assumes no tax abatement unless noted. Totals may not add up due to independent rounding. Results are based on model default values.

Conduct of This Analysis

This analysis was conducted by Impact DataSource, an Austin, Texas economic consulting, research and analysis firm.

This analysis uses some Impact DataSource estimates and assumptions, as well as tax rates and other data obtained from state financial and tax data reports and data supplied on the project. Data used in this analysis is shown in the Some Tax and Other Rates Used in This Analysis section that follows.

Using this data, the economic impact of the project's construction and operations and additional revenues for the State of New Mexico and cities, counties, school districts and special taxing district in the path of the transmission line were calculated for the first ten years.

Information and rates used in this analysis follow on the next page. In addition, schedules of the results of economic impact calculations are also attached, along with schedules showing the results of calculations of additional revenues for the State of New Mexico and local taxing districts.

Impact DataSource is a 22-year-old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in New Mexico and 39 other states. In addition, the firm has developed economic impact analysis computer programs for several clients, including the New Mexico Economic Development Department.

The firm's principal, Jerry Walker, performed this economic impact analysis. He is an economist and has Bachelor of Science and Master of Business Administration degrees in accounting and economics from Nicholls State University, Thibodaux, Louisiana.

Some Tax and Other Rates Used in this Analysis

State of New Mexico Tax and Other Rates

Property tax rate for state debt service:	State's gross receipts tax rate	5.13%
Residential	1.360	
Nonresidential	1.360	
	State's compensating tax rate	5.00%
Maximum NM corporate income tax rate:		
	Up to \$500,000: 4.8% of net taxable income	
	\$500,000-\$1 mil.: \$24,000+6.4% over \$500,000	
	\$1 million plus: \$56,000+7.6% over \$1 million	
NM personal income tax rate for employees of this facility, estimated as a percent of gross income		2.65%

City Information and Rates

City property tax rate:	City gross receipts tax rate:	0.9375%
Residential	11.4690	
Nonresidential	11.5200	
<i>(Per \$1,000 of taxable value)</i>		

County Information and Rates

County property tax rate:	County's share of gross receipts tax	0.938%
Residential	8.7210	
Nonresidential	12.2260	

School District Tax Rates

Property tax rate:	
Residential	10.531
Nonresidential	11.280

Combined Rates for Special Taxing Districts, If Any

Property tax rate:	
Residential	10.567
Nonresidential	11.102

Other Community Rates

Inflation rate	3.00%
Number of work hours per year by a typical employee of the facility	2,080
Percent of the gross salary of a typical worker spends on taxable goods and services	35%
Taxable value of property as a percent of assessed value	33%

Schedules of Some Economic Impacts During Construction of the Transmission Line

Construction costs:

Year	Costs
1	\$78,300,000
2	\$97,875,000
3	\$19,575,000
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$195,750,000

Estimated value of property added to tax rolls:

Estimated construction costs	\$195,750,000
Percent of construction costs added to tax rolls	75%

Year	Added Each Year	Cumulative Values on Tax Rolls
1		0
2	\$58,725,000	\$58,725,000
3	\$73,406,250	\$132,131,250
4	\$14,681,250	\$146,812,500
5	\$0	\$146,812,500
6	\$0	\$146,812,500
7	\$0	\$146,812,500
8	\$0	\$146,812,500
9	\$0	\$146,812,500
10	\$0	\$146,812,500
Total	\$146,812,500	

Direct and indirect construction salaries:

Year	Direct	Indirect	Total
1	\$15,660,000	\$10,532,916	\$26,192,916
2	\$19,575,000	\$13,166,145	\$32,741,145
3	\$3,915,000	\$2,633,229	\$6,548,229
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$39,150,000	\$26,332,290	\$65,482,290

Taxable spending of direct and indirect construction workers in the region:

Year	Direct	Indirect	Total
1	\$5,481,000	\$3,686,521	\$9,167,521
2	\$6,851,250	\$4,608,151	\$11,459,401
3	\$1,370,250	\$921,630	\$2,291,880
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$13,702,500	\$9,216,302	\$22,918,802

Estimated revenues of construction companies that will be subject to NM gross receipts taxes:

Year	Direct	Indirect	Total
1	\$78,300,000	\$67,870,440	\$146,170,440
2	\$97,875,000	\$84,838,050	\$182,713,050
3	\$19,575,000	\$16,967,610	\$36,542,610
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$195,750,000	\$169,676,100	\$365,426,100

Estimated net income of construction companies that will be subject to NM corporate income taxes:

Year	Direct	Indirect	Total
1	\$7,830,000	\$6,787,044	\$14,617,044
2	\$14,681,250	\$12,725,708	\$27,406,958
3	\$2,936,250	\$2,545,142	\$5,481,392
4	\$0	\$0	\$0
5	\$0	\$0	\$0
6	\$0	\$0	\$0
7	\$0	\$0	\$0
8	\$0	\$0	\$0
9	\$0	\$0	\$0
10	\$0	\$0	\$0
Total	\$25,447,500	\$22,057,893	\$47,505,393

Schedules of Some Economic Impacts During the Operations of the Transmission Line

Direct and indirect permanent salaries:

Year	Direct	Indirect	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$300,000	\$238,530	\$538,530
4	\$309,000	\$245,686	\$554,686
5	\$318,270	\$253,056	\$571,326
6	\$327,818	\$260,648	\$588,466
7	\$337,653	\$268,468	\$606,120
8	\$347,782	\$276,522	\$624,304
9	\$358,216	\$284,817	\$643,033
10	\$368,962	\$293,362	\$662,324
Total	\$2,667,701	\$2,121,089	\$4,788,790

Taxable spending of direct and indirect permanent workers in the region:

Year	Direct	Indirect	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$105,000	\$83,486	\$188,486
4	\$108,150	\$85,990	\$194,140
5	\$111,395	\$88,570	\$199,964
6	\$114,736	\$91,227	\$205,963
7	\$118,178	\$93,964	\$212,142
8	\$121,724	\$96,783	\$218,506
9	\$125,375	\$99,686	\$225,062
10	\$129,137	\$102,677	\$231,813
Total	\$933,695	\$742,381	\$1,676,076

Estimated revenues of the transmission line:

Year	Direct	Indirect	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$20,556,800	\$13,625,047	\$34,181,847
4	\$31,297,728	\$20,744,134	\$52,041,862
5	\$31,923,683	\$21,159,017	\$53,082,699
6	\$32,562,156	\$21,582,197	\$54,144,353
7	\$33,213,399	\$22,013,841	\$55,227,240
8	\$33,877,667	\$22,454,118	\$56,331,785
9	\$34,555,221	\$22,903,200	\$57,458,421
10	\$35,246,325	\$23,361,264	\$58,607,589
Total	\$253,232,979	\$167,842,819	\$421,075,798

Estimated revenues of the transmission line that will be subject to NM gross receipts taxes:

Year	Direct	Indirect	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$9,250,560	\$6,131,271	\$15,381,831
4	\$14,083,978	\$9,334,860	\$23,418,838
5	\$14,365,657	\$9,521,558	\$23,887,215
6	\$14,652,970	\$9,711,989	\$24,364,959
7	\$14,946,030	\$9,906,228	\$24,852,258
8	\$15,244,950	\$10,104,353	\$25,349,303
9	\$15,549,849	\$10,306,440	\$25,856,289
10	\$15,860,846	\$10,512,569	\$26,373,415
Total	\$113,954,841	\$75,529,268	\$189,484,109

Estimated net income of the transmission line that will be subject to NM corporate income taxes:

Year	Direct	Indirect	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$0	\$0	\$0
4	\$0	\$0	\$0
5	\$1,565,000	\$1,037,282	\$2,602,282
6	\$1,565,000	\$1,037,282	\$2,602,282
7	\$1,565,000	\$1,037,282	\$2,602,282
8	\$1,565,000	\$1,037,282	\$2,602,282
9	\$1,565,000	\$1,037,282	\$2,602,282
10	\$1,565,000	\$1,037,282	\$2,602,282
Total	\$9,390,000	\$6,223,692	\$15,613,692

**Schedules of Taxes to be Collected by the State and Local Taxing
Districts During the Construction and Operations of the
Transmission Line**

State of New Mexico:

Gross receipts tax collections:

Year	Taxable Gross Receipts			Gross Receipts Tax Collections
	During Construction	During Operations	Total	
1	\$155,337,961	\$0	\$155,337,961	\$7,961,070
2	\$194,172,451	\$0	\$194,172,451	\$9,951,338
3	\$38,834,490	\$15,570,317	\$54,404,807	\$2,788,246
4	\$0	\$23,612,978	\$23,612,978	\$1,210,165
5	\$0	\$24,087,179	\$24,087,179	\$1,234,468
6	\$0	\$24,570,922	\$24,570,922	\$1,259,260
7	\$0	\$25,064,400	\$25,064,400	\$1,284,551
8	\$0	\$25,567,810	\$25,567,810	\$1,310,350
9	\$0	\$26,081,351	\$26,081,351	\$1,336,669
10	\$0	\$26,605,229	\$26,605,229	\$1,363,518
Total	\$388,344,902	\$191,160,185	\$579,505,087	\$29,699,636

Personal income tax collections:

Year	Workers' Salaries			Personal Income Tax Collections
	During Construction	During Operations	Total	
1	\$26,192,916	\$0	\$26,192,916	\$692,921
2	\$32,741,145	\$0	\$32,741,145	\$866,151
3	\$6,548,229	\$538,530	\$7,086,759	\$187,477
4	\$0	\$554,686	\$554,686	\$14,674
5	\$0	\$571,326	\$571,326	\$15,114
6	\$0	\$588,466	\$588,466	\$15,568
7	\$0	\$606,120	\$606,120	\$16,035
8	\$0	\$624,304	\$624,304	\$16,516
9	\$0	\$643,033	\$643,033	\$17,011
10	\$0	\$662,324	\$662,324	\$17,521
Total	\$65,482,290	\$4,788,790	\$70,271,080	\$1,858,987

NM corporate income tax collections:

Year	Net Taxable Income of Companies			Corporate Income Tax Collections
	During Construction	During Operations	Total	
1	\$14,617,044	\$0	\$14,617,044	\$1,110,895
2	\$27,406,958	\$0	\$27,406,958	\$2,082,929
3	\$5,481,392	\$3,418,185	\$8,899,576	\$676,368
4	\$0	\$5,204,186	\$5,204,186	\$395,518
5	\$0	\$5,308,270	\$5,308,270	\$403,429
6	\$0	\$5,414,435	\$5,414,435	\$411,497
7	\$0	\$5,522,724	\$5,522,724	\$419,727
8	\$0	\$5,633,179	\$5,633,179	\$428,122
9	\$0	\$5,745,842	\$5,745,842	\$436,684
10	\$0	\$5,860,759	\$5,860,759	\$445,418
Total	\$47,505,393	\$42,107,580	\$89,612,973	\$6,810,586

Property tax collections:

Year	Value of Property on Tax Rolls	Property Tax Collections
1	\$0	\$0
2	\$58,725,000	\$26,356
3	\$132,131,250	\$59,301
4	\$146,812,500	\$65,889
5	\$146,812,500	\$65,889
6	\$146,812,500	\$65,889
7	\$146,812,500	\$65,889
8	\$146,812,500	\$65,889
9	\$146,812,500	\$65,889
10	\$146,812,500	\$65,889
Total		\$546,882

Total tax collections for the State of New Mexico:

Year	Annual Tax Collections	Cumulative Collections
1	\$9,764,887	\$9,764,887
2	\$12,926,774	\$22,691,660
3	\$3,711,391	\$26,403,052
4	\$1,686,247	\$28,089,298
5	\$1,718,900	\$29,808,198
6	\$1,752,214	\$31,560,412
7	\$1,786,202	\$33,346,614
8	\$1,820,877	\$35,167,491
9	\$1,856,254	\$37,023,745
10	\$1,892,347	\$38,916,091
Total	\$38,916,091	

Cities in the Region:

Gross receipts tax collections:

Year	Taxable Gross Receipts			Gross Receipts Tax Collections
	During Construction	During Operations	Total	
1	\$54,368,286	\$0	\$54,368,286	\$509,703
2	\$67,960,358	\$0	\$67,960,358	\$637,128
3	\$13,592,072	\$5,449,611	\$19,041,682	\$178,516
4	\$0	\$8,264,542	\$8,264,542	\$77,480
5	\$0	\$8,430,513	\$8,430,513	\$79,036
6	\$0	\$8,599,823	\$8,599,823	\$80,623
7	\$0	\$8,772,540	\$8,772,540	\$82,243
8	\$0	\$8,948,733	\$8,948,733	\$83,894
9	\$0	\$9,128,473	\$9,128,473	\$85,579
10	\$0	\$9,311,830	\$9,311,830	\$87,298
Total	\$135,920,716	\$66,906,065	\$202,826,780	\$1,901,501

Property tax collections:

Year	Value of Property on Tax Rolls	Property Tax Collections
1	\$0	\$0
2	\$1,174,500	\$4,465
3	\$2,642,625	\$10,046
4	\$2,936,250	\$11,162
5	\$2,936,250	\$11,162
6	\$2,936,250	\$11,162
7	\$2,936,250	\$11,162
8	\$2,936,250	\$11,162
9	\$2,936,250	\$11,162
10	\$2,936,250	\$11,162
Total		\$92,648

Total tax collections for cities in the region:

Year	Annual Tax Collections	Cumulative Collections
1	\$509,703	\$509,703
2	\$641,593	\$1,151,296
3	\$188,562	\$1,339,858
4	\$88,643	\$1,428,501
5	\$90,199	\$1,518,699
6	\$91,786	\$1,610,485
7	\$93,405	\$1,703,890
8	\$95,057	\$1,798,947
9	\$96,742	\$1,895,689
10	\$98,461	\$1,994,149
Total	\$1,994,149	

Counties in the Region:

Gross receipts tax collections:

Year	Taxable Gross Receipts			Gross Receipts Tax Collections
	During Construction	During Operations	Total	
1	\$155,337,961	\$0	\$155,337,961	\$1,456,293
2	\$194,172,451	\$0	\$194,172,451	\$1,820,367
3	\$38,834,490	\$15,570,317	\$54,404,807	\$510,045
4	\$0	\$23,612,978	\$23,612,978	\$221,372
5	\$0	\$24,087,179	\$24,087,179	\$225,817
6	\$0	\$24,570,922	\$24,570,922	\$230,352
7	\$0	\$25,064,400	\$25,064,400	\$234,979
8	\$0	\$25,567,810	\$25,567,810	\$239,698
9	\$0	\$26,081,351	\$26,081,351	\$244,513
10	\$0	\$26,605,229	\$26,605,229	\$249,424
Total	\$388,344,902	\$191,160,185	\$579,505,087	\$5,432,860

Property tax collections:

Year	Value of Property on Tax Rolls	Property Tax Collections
1	\$0	\$0
2	\$58,725,000	\$236,931
3	\$132,131,250	\$533,094
4	\$146,812,500	\$592,327
5	\$146,812,500	\$592,327
6	\$146,812,500	\$592,327
7	\$146,812,500	\$592,327
8	\$146,812,500	\$592,327
9	\$146,812,500	\$592,327
10	\$146,812,500	\$592,327
Total		\$4,916,312

Total tax collections for counties in the region:

Year	Annual Tax Collections	Cumulative Collections
1	\$1,456,293	\$1,456,293
2	\$2,057,297	\$3,513,591
3	\$1,043,139	\$4,556,730
4	\$813,698	\$5,370,428
5	\$818,144	\$6,188,573
6	\$822,679	\$7,011,252
7	\$827,306	\$7,838,557
8	\$832,025	\$8,670,582
9	\$836,839	\$9,507,422
10	\$841,751	\$10,349,172
Total	\$10,349,172	

Property tax collections for school districts in the region:

Year	Value of Property on Tax Rolls	Property Tax Collections
1	\$0	\$0
2	\$58,725,000	\$218,598
3	\$132,131,250	\$491,845
4	\$146,812,500	\$546,495
5	\$146,812,500	\$546,495
6	\$146,812,500	\$546,495
7	\$146,812,500	\$546,495
8	\$146,812,500	\$546,495
9	\$146,812,500	\$546,495
10	\$146,812,500	\$546,495
Total		\$4,535,907

Property tax collections for special taxing districts in the region:

Year	Value of Property on Tax Rolls	Property Tax Collections
1	\$0	\$0
2	\$58,725,000	\$107,574
3	\$132,131,250	\$242,042
4	\$146,812,500	\$268,936
5	\$146,812,500	\$268,936
6	\$146,812,500	\$268,936
7	\$146,812,500	\$268,936
8	\$146,812,500	\$268,936
9	\$146,812,500	\$268,936
10	\$146,812,500	\$268,936
Total		\$2,232,165