IN THE MATTER OF THE CORONA WIND)
COMPANIES' JOINT APPLICATION FOR THE)
LOCATION OF THE CORONA WIND PROJECTS)
AND THE CORONA GEN-TIE SYSTEM IN)
LINCOLN, TORRANCE AND GUADALUPE) Case No. 18
COUNTIES PURSUANT TO THE PUBLIC UTILITY)
ACT, NMSA 1978, §62-9-3	
)
ANCHO WIND LLC, COWBOY MESA LLC, DURAN)
MESA LLC, RED CLOUD WIND LLC, TECOLOTE)
WIND LLC, VIENTO LOCO LLC,)
)
)
JOINT APPLICANTS.)

DIRECT TESTIMONY OF

WARD MARSHALL

IN THE MATTER OF THE CORONA WIND COMPANIES' JOINT APPLICATION FOR THE LOCATION OF THE CORONA WIND PROJECTS AND THE CORONA GEN-TIE SYSTEM IN LINCOLN, TORRANCE AND GUADALUPE COUNTIES PURSUANT TO THE PUBLIC UTILITY ACT, NMSA 1978, §62-9-3)))) Case No. 18- <u>000los-UT</u>)
ANCHO WIND LLC, COWBOY MESA LLC, DURAN MESA LLC, RED CLOUD WIND LLC, TECOLOTE WIND LLC, VIENTO LOCO LLC,))))
JOINT APPLICANTS.)

DIRECT TESTIMONY OF

WARD MARSHALL

ON BEHALF OF THE CORONA WIND COMPANIES

Case No. 18 - _____ - UT Before the New Mexico Public Regulation Commission Direct Testimony of Ward Marshall

on Behalf of the Corona Wind Companies

- 1 Q. PLEASE STATE YOUR NAME, JOB TITLE, EMPLOYER AND BUSINESS ADDRESS.
- 2 A. My name is Ward Marshall, Director of Business Development for Pattern Energy Group
- 3 LP (together with Pattern Energy Group 2 LP, "Pattern Development"). My business
- 4 address is 1201 Louisiana St, #3200, Houston, TX 77002.
- 5 Q. PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND, EXPERIENCE AND EDUCATION.
- 6 A. I oversee all aspects of renewable energy project development for Pattern Development in
- North America, including site identification and acquisition, the securing of
- 8 interconnection and transmission rights, land lease negotiations, permitting, technology
- 9 selection and contracting. Throughout my career I have developed and placed into service
- over 1,400 megawatts ("MW") of wind energy in British Columbia, Illinois, Texas,
- Wisconsin and New Mexico, including the 324 MW Broadview Wind project in Curry
- 12 County, New Mexico, which was placed in service in 2017. I have also served as a
- President of the American Wind Energy Association and of the Wind Coalition, a non-
- profit organization created to promote the development of wind energy resources in the
- south-central region of the United States. Prior to joining Pattern Development in 2009, I
- was a Senior Developer at Babcock & Brown where I was responsible for wind project
- development in North America, and Senior Vice President for wind project development
- at G3 Energy. I was also Regional Sales Manager at GE Energy for the wind energy
- platform product line. I hold Bachelor of Science in Civil Engineering from the University
- of Texas at Austin.
- Q. ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?
- 22 A. I am testifying on behalf of Ancho Wind LLC, Cowboy Mesa LLC, Duran Mesa LLC,

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Red Cloud Wind LLC, Tecolote Wind LLC, and Viento Loco LLC (collectively, the "Corona Wind Companies" or the "Joint Applicants") regarding the proposed 2200 MW of wind generation of the Joint Applicants' wind energy facilities ("Corona Wind Projects") and associated 345-kilovolt ("kV") transmission system and associated transmission facilities, including a 180-righ-of-way located within a 1-mile-wide corridor ("Corona Gen-Tie System" or "Gen-Tie System"). The Corona Gen-Tie System represents approximately 80 miles of wind generation tie-in transmission lines linking the Corona Wind Projects' substations to the Eastern terminus to one of SunZia Transmission LLC's two 500-kV alternative current transmission lines.

10 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

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12 I will provide an overview of the long-term benefits that the Corona Wind Projects can
12 bring to New Mexico and other power markets throughout the Southwestern region in the
13 United States, as well as the state of the wind industry and the strong commercial case for
14 the Corona Wind Projects. In addition, I will describe the public outreach and engagement
15 we have undertaken with local landowners, stakeholders, environmental organizations,
16 public officials, and businesses, and the strong community support enjoyed by the Corona
17 Wind Projects and Gen-Tie System.

18 Q. WILL THE CORONA WIND PROJECTS AND GEN-TIE SYSTEM BRING BENEFIT TO THE

STATE OF NEW MEXICO?

20 A. Yes. The Direct Testimony from John Tysseling of Moss Adams and the Corona Fiscal 21 and Economic Impact Report attached as an exhibit thereto discusses in detail the 22 significant fiscal and economic benefits to the State of New Mexico associated with the

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on Behalf of the Corona Wind Companies

proposed Corona Wind Projects and Gen-Tie System. The economic benefit includes over 1,450 jobs, more than \$4.6 billion of direct and indirect economic benefits, and over \$72.6 million of additional state and local tax revenue that will result from the construction and operation of the Corona Wind Projects and Gen-Tie System. The Corona Wind Projects and Gen-Tie System bring direct benefits to the local communities through increased tax revenue, economic development, job creation, and contributions to local causes. Initially, the Corona Wind Projects and the Corona Gen-Tie System will have hundreds of workers on-site during construction and will ramp up to thousands of workers at the peak of on-site construction. In previous projects in New Mexico, we had success having our contractors hire qualified local subcontractors and workers and we encourage them to do so whenever possible. In addition, our presence brings significant indirect economic benefits to the region through increased revenues for service industries, such as local restaurants and hotels, and the purchase of goods and services during both development and construction. We also take great pride in getting to know the unique needs and aspirations of each local community so that we can support local organizations and initiatives that help the community achieve its goals. Lastly, as part of our commitment to environmental stewardship, we work closely with our local communities and regulators to understand their concerns about environmental impacts. We incorporate what we learn into our avoidance and mitigation measures, often collaborating with local officials and regulatory entities and strive to develop plans that exceed permitting requirements.

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on Behalf of the Corona Wind Companies

1	Q.	WILL THE CORONA WIND PROJECTS SERVE ELECTRIC UTILITY CUSTOMERS IN NEW
2		MEXICO?
3	A.	Potentially, depending on interest from New Mexico utilities. While our principal plan has
4		been and continues to be centered on delivering power to the Southwest region of the
5		United States via the SunZia Project, we continue to seek potential opportunities for in-
6		state sale and believe that there are potential transmission solutions for such sales.
7		The Corona Wind Projects will tap into some of the strongest, best wind in the United
8		States, and will be able to market that power throughout electricity markets in the
9		Southwest region of the United States, including New Mexico. Furthermore, power
10		contracts can be structured such that the actual delivery of wind energy occurs in alignment
11		with a given utility's demonstrated need. For instance, if a New Mexico utility plans to
12		retire an operating facility in the early 2020s and anticipates a need for replacement power,
13		the Corona Wind Projects will be in a highly competitive position to offer a portion of the
14		wind project at reliable, long-term, affordable pricing to New Mexico retail customers.
15		The entirety of the Corona Wind Projects is almost certainly more power than New Mexico
16		utilities will have an appetite to consume, but the economy of such a large wind project
17		means that, in the event that a commercially sensible opportunity to deliver power to
18		domestic consumers of electricity emerges, New Mexicans would benefit from the lower
19		overall pricing of a project that has shared offtake from other customers throughout the
20		Southwest, including those in Arizona and California.
21	Q.	WILL THE CORONA WIND PROJECTS BE ELIGIBLE FOR ANY FEDERAL TAX CREDITS?
22	A.	Yes. When the Corona Wind Projects are placed into service in 2020, they will collectively

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be one of the largest wind projects in the United States, as well as one of the last wind projects able to offer customers the historically low energy prices enabled by the Federal Production Tax Credit ("PTC"). The permanent phase out of the PTC began in 2016 and will end in 2020. It was implemented intentionally by bi-partisan lawmakers, in close coordination with the wind industry, because the long-term future of wind energy is now highly competitive with the lowest cost conventional generation and is not anticipated to be renewed or re-instated. However, to achieve a business-friendly transition to phase out the PTC, the federal government allowed provisions for wind projects to qualify for the PTC several years in advance of commercial operations, which created the long-term market certainty necessary for projects like the Corona Wind Projects to succeed. Pattern Development has taken those necessary steps to qualify the Corona Wind Projects for the PTC, which means that the they can still offer historically low prices to utility customers. WILL POWER OUTPUT FROM THE CORONA WIND PROJECTS BE COST COMPETITIVE WITH CONVENTIONAL ELECTRICITY GENERATION? Yes. The Corona Wind Projects will be one of the last and largest power plants in the United States eligible to deliver full value PTC wind to customers, at a time when the projected levelized cost of wind is already much lower than the levelized cost of conventional generation like nuclear and coal, and highly competitive with the projected levelized cost of both new and existing natural gas plants. HAVE THE CORONA WIND PROJECTS AND GEN-TIE SYSTEM RECEIVED ANY LETTERS OF

SUPPORT FROM COMMUNITY MEMBERS OR STAKEHOLDERS?

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Yes. The Direct Testimony from Crystal Coffman includes the numerous letters of support
we have received from landowners, business leaders, and local officials and shows how
Pattern Development has conducted significant community outreach activities in the due
course of developing the Corona Gen-Tie System and Corona Wind Projects.

Does this conclude your testimony at this time?

A. Yes, it does.

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JOINT APPLICANTS.	

AFFIDAVIT OF WARD MARSHALL

IN THE MATTER OF CORONA WILL COMPANIES' JOINT APPLICATIO THE LOCATION OF THE CORONA PROJECTS AND CORONA GEN-TI SYSTEM PURSUANT TO THE PUB UTILITY ACT, NMSA 1978, § 62-9-3 ANCHO WIND LLC, COWBOY ME DURAN MESA LLC, RED CLOUD V LLC, TECOLOTE WIND LLC, VIEN LOCO LLC,	N FOR) A WIND) E) Case No. 18UT LIC)
JOINT APPLICANTS)))
AFFIDAVI	Γ OF WARD MARSHALL
STATE OF TEXAS)	
COUNTY OF HAPPIS)	•
I have read the foregoing Direct	Testimony, and it is true and accurate based on my own
knowledge and belief.	Wc 5
SUBSCRIBED and sworn to before me t	his 5th day of March 2018. My March 2018. NOTARY PUBLIC
11-21-2020	AMANDA MARIE MARTINEZ
My Commission Expires	Notary Public, State of Texas Comm. Expires 11-21-2020 Notary ID 130908008