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Xcel Energy completes major interstate power line

Westward extension of 345-kilovolt transmission service boosts Texas-New Mexico grid

ROSWELL, N.M. (June 16, 2020) – Completion of Xcel Energy’s three-year-long effort to build a 240-mile superhighway for high-voltage electricity transmission between West Texas and southeastern New Mexico is a major achievement of Xcel Energy’s Power for the Plains grid enhancement initiative, transporting a more reliable, abundant and affordable electricity supply to boost economic prospects in both states.

Known as the TUCO-to-China Draw project, the new 345-kilovolt transmission line runs between the TUCO Substation north of Abernathy, Texas, in the heart of the South Plains agriculture and oil industries, and the China Draw Substation southeast of Carlsbad, New Mexico, in one of the nation’s richest oil and gas producing areas. Xcel Energy brought the project in at 9% under budget, delivering even more long-term savings to customers.

“The TUCO-China Draw project is part of a decade-long transmission build-out that is powering the expansion of the region’s core industries while delivering savings to all our customers in the form of lower energy costs,” said David Hudson, president, Xcel Energy – New Mexico, Texas. “It is a historic achievement for our employees and contractors that benefits our communities and customers for decades with an ample supply of low-cost electricity.”

Xcel Energy’s regional transmission network is comprised of more than 7,000 miles of high-voltage lines that cover the Panhandle and South Plains regions in Texas and portions of eastern and southeastern New Mexico. The network also reaches into the Oklahoma Panhandle and southwestern Kansas.

While Xcel Energy’s investment involved new and improved lines within this region, a significant amount of the Power for the Plains effort has focused on strengthening connections to the Southwest Power Pool, a wider power market taking in portions of 14 states across the central United States. This has enabled Xcel Energy to tap abundant and economical sources of electricity that have lowered purchased power costs by as much as \$60 million annually.

The TUCO-China Draw line is the western extension of another 345-kilovolt transmission line built in 2014 from TUCO Substation eastward to a major power hub near Woodward, Oklahoma. In addition to greater access to more affordable power supplies, Xcel Energy’s investments in new connections to the wider market quadrupled the company’s electricity import capabilities, boosting the region’s power supply during peak demand months.

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“Xcel Energy is committing a large amount of capital as a sign of our faith in the economies of eastern New Mexico and West Texas,” Hudson said. “We are focusing resources on projects that will not only provide our communities the safe, clean, abundant and affordable power they require for development but also keep the cost of electricity at or below the rate of inflation. The Power for the Plains transmission enhancement program is a foundational aspect of that strategy.”

Affordable and reliable power has long been one of the regional economy’s primary strengths, Hudson said, and Xcel Energy has worked in partnership with area leaders to build long-term value in the communities the company serves in Texas and New Mexico.

Missi Currier, president and CEO of the Economic Development Corporation of Lea County, said Xcel Energy’s grid investments are bringing economic opportunities to southeastern New Mexico and improving the area’s quality of life.

“Not only are they a great partner from the economic side, but Xcel Energy is a wonderful community partner and we're very grateful to have them in the region and glad that they're here to stay,” Currier said.

In total, Xcel Energy has invested more than \$3 billion in grid and power generating enhancements in Texas and New Mexico since 2011, including a historic expansion of wind energy resources that will put the company on track for an 80% reduction in carbon emissions by 2030, with an aspiration to provide 100% carbon-free electricity by 2050.

Information about the TUCO-China Draw project and other regional transmission improvements can be found at www.powerfortheplains.com.

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About Xcel Energy

Xcel Energy (NYSE: XEL) provides the energy that powers millions of homes and businesses across eight Western and Midwestern states. Headquartered in Minneapolis, the company is an industry leader in responsibly reducing carbon emissions and producing and delivering clean energy solutions from a variety of renewable sources at competitive prices. For more information, visit xcelenergy.com or follow us on [Twitter](#) and [Facebook](#).