



Xcel Energy Media Relations
790 S. Buchanan St.
Amarillo, TX 79101
(806) 679-7773
www.xcelenergy.com

Xcel Energy starts work on Sagamore Wind Project

\$900 million wind farm, New Mexico's largest, to lower fuel costs for area customers

PORTALES, New Mexico (Dec. 16, 2019) – New Mexico leaders are joining Xcel Energy officials today in breaking ground on the 522-megawatt Sagamore Wind Project near Dora in Roosevelt County, New Mexico. When operational in the latter part of 2020, the wind energy facility will boost the area's power supply with clean, affordable wind energy and reduce fuel costs for Xcel Energy customers in both New Mexico and Texas.

"This is a historic investment for Roosevelt County, but its benefits reach far beyond," said David Hudson, president, Xcel Energy – New Mexico, Texas. "We'll see a significant economic boost to the New Mexico economy through increased jobs, royalty payments to landowners, and more revenue for county and school budgets. And for the next 25 years, Xcel Energy customers in both New Mexico and Texas will benefit from lower fuel costs since our fuel source is the free and abundant wind of eastern New Mexico."

Xcel Energy will invest close to \$900 million to erect 240 Vestas turbines capable of generating 522 megawatts of electricity, enough to power 194,000 typical homes annually. Upon completion in late 2020, it will be the single largest wind energy plant in New Mexico.

The fact that there will be no fuel costs associated with the operation of Sagamore, coupled with savings generated from the federal production tax credit, will make Sagamore one of the lowest-cost power plants on Xcel Energy's regional system, Hudson said. Additionally, Sagamore won't use water in its production of emissions-free electricity. Most area power generating facilities require groundwater to cool the steam cycle, supplies of which are becoming increasingly difficult to procure on the semi-arid plains of eastern New Mexico and West Texas.

Wanzek Construction will build out the site using the skills of an estimated 400 highly trained construction workers. Many New Mexico companies will also play leading roles both during the construction process and years afterward. Xcel Energy expects 20 to 30 full-time, permanent positions will be created to support the operation and maintenance of the wind energy plant once it is completed and on line.

The initial work at the site, which covers more than 100,000 acres, involves construction of roads and preparations to build the 240 foundations that will support the turbines. General inquiries concerning construction contracts and employment can be emailed to sagamorewind@xcelenergy.com.

- More -

Xcel Energy starts work on Sagamore Wind Project

- p. 2 of 2 -

Chicago-based Invenergy developed Sagamore before entering into an agreement with Xcel Energy in 2017 for Xcel Energy to acquire the project and erect the turbines. Sagamore is the largest and final component of a 1,230-megawatt expansion of wind energy on Xcel Energy's New Mexico-Texas system. The 478-megawatt Hale Wind Project near Plainview, Texas, was completed in June, on time and \$60 million under budget. Hale has already led to fuel cost reductions for Texas and New Mexico customers by displacing higher cost fossil fuel generation and earning production tax credits that have been passed along to customers.

As part of the wind energy expansion that brought about Hale and Sagamore, Xcel Energy also began purchasing 230 megawatts of wind energy from two wind farms in the region owned and operated by NextEra Energy Resources.

Xcel Energy has been purchasing wind energy for customers in New Mexico and Texas for almost 20 years, but before Hale and Sagamore, has never directly built or owned wind farms in this region. The decision to build Sagamore and Hale was based on the favorable economic and environmental benefits.

Xcel Energy has committed to an 80% reduction in carbon emissions by 2030 and aspires to provide 100% carbon-free electricity by 2050. In 2019, the state of New Mexico adopted the Energy Transition Act that mandates a 100% carbon-free electricity future by 2045. With the addition of Hale and Sagamore, Xcel Energy expects nearly half of its New Mexico and Texas electricity supply to be derived from carbon-free renewable electricity, primarily wind energy, by 2023.

About Xcel Energy

Xcel Energy (NASDAQ: 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](#).

###