

# [***Chevron seeks $30M in Eddy County bonds for solar farm south of Carlsbad***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:64BK-NJD1-F0YC-N540-00000-00&context=1516831)

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**Body**

Santa Fe: The New Mexico Oil & Gas Association has issued the following press release:

Mike Smith, Carlsbad Current-Argus December 14th, 2021Energy companies sought $30 million in industrial revenue bonds from Eddy County for a 20-megawatt solar project south of Carlsbad.

Chevron USA and Algonquin Power and Utilities planned for installation of 55,000 solar panels to supplement Chevron ’ s energy consumption and offset electricity costs, read a Chevron memo to Eddy County Manager Allen Davis.

Eddy County Board of County Commissioners received an overview of the project during the Commission's Dec. 7 meeting.

Davis said the project would be located near Whites City Road and Roadrunner Ridge Road, and be established on 300 acres of leased land.

Chevron and Algonquin announced in July 2020 projects to co-develop renewable power projects that provide electricity to assets across Chevron ’ s global portfolio, per the memo to Eddy County.

“Liberty Power, working under a framework agreement, with Chevron is proposing to construct the Hayhurst New Mexico Solar Energy Facility (Project) in Eddy County, New Mexico. The proposed project will be located on state trust land managed by the New Mexico State Land Office,” the memo stated.

Davis said the project would supply electricity to Chevron properties and provide power equivalent to that needed for 5,000 homes.

“It ’ s available for local use to extend their life of their properties,” he said at the County Commission meeting.

In the memo, Chevron said the $30 million bond with a 30 year term would not impact Eddy County.

Liberty Utilities and Liberty Power, Algonquin ’ s parent company, would pay an annual fixed Payment in Lieu of Taxes (PILT) owed in property taxes to the Carlsbad Municipal Schools over the term of the bond, the memo indicated.

“Chevron is seeking to supplement its power supply mix with renewable energy, reduce the operating expense of its Hayhurst Development Area activities and reduce its Scope 2 ***emissions***,' according to the memo.

Davis said work on the project was scheduled to start in 2022.

Commercial operation could start in early 2023 and the facility could employ two fulltime people, the memo stated.

In a June 2020 press release, Chevron and Algonquin announced projects in the Permian Basin of New Mexico and Texas and other parts of the world.

“Algonquin will lead the design, development and construction of the projects. Chevron will purchase electricity from the jointly owned projects through power purchase agreements,” the 2020 press release noted.

Davis said the industrial revenue bond resolution was to be presented to County Commissioners Dec. 21 and was likely to be voted on then.

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