



HUNT INSTITUTE

FOR GLOBAL COMPETITIVENESS

THE SANTA TERESA, NEW MEXICO REGION
FULL REPORT
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THE SANTA TERESA, NEW MEXICO REGION: FULL REPORT

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INTRODUCTORY NOTE

The Santa Teresa region lies at the heart of the Paso del Norte, a storied passageway that has for centuries been vital to the economic well-being of the communities in New Mexico, Texas, and Chihuahua, long held together by historical and familial bonds. Here, through these communities, significant binational and transcontinental trade routes converge, the same trade routes that brought the Spanish northward to Santa Fe in 1610, and that brought the eastern railroads to the Pacific in 1881.

Yet, as the years have progressed, and as movement and trade have accelerated through these corridors, especially in recent decades, what was once familiar and recognizable across the region's communities has now become uncertain and difficult to access.

Strategic decisions, market expansion, and economic and social development all require clear, systematic, and actionable descriptions of recent and current conditions. Such descriptions, though, while difficult to produce in any circumstance, are even more so in cross-border regions like the Paso del Norte, where the customs, laws, and systems of so many states and countries simultaneously diverge. In order for the region's communities to seize common opportunities, as well as mitigate common challenges, mutual understanding is essential.

The purpose of this report, then, as is the purpose of all of the Hunt Institute's work, is to provide the region's communities clear, systematic, and actionable descriptions of all that is happening in the Paso del Norte, including the Santa Teresa region, as the growing pressures—and emerging opportunities—brought on by international and binational trade directly impact all of those who live in New Mexico, Texas, and Chihuahua.

By systematically and inclusively describing the development of this critical binational and transcontinental region, using only primary, official data from federal, state, and county databases, this report, for the first time ever, provides the communities of the Paso del Norte a comprehensive view of present conditions and likely outcomes.

With such a view, the communities of New Mexico, Texas, and Chihuahua may not only know one another again with more certainty, but also with a common frame of reference that can strengthen bonds across boundaries and distances to enhance economic and social well-being on a state, regional, and binational level.

KEY FINDINGS

LAND, COMMUNITY, AND BUSINESS

- ◆ **Governance:** The Santa Teresa region is an unincorporated area in Doña Ana County with no municipal government. The U.S. Census Bureau applies a Census Designated Place (CDP) to the region only for purposes of recording data (Map 1).
- ◆ **Land:** The Santa Teresa region is surrounded by federal and state land to the west, the City of Sunland Park, New Mexico, to the east, and the Republic of Mexico to the south. Private land ownership is concentrated in a few companies (Map 1)(Table 1).
- ◆ **Population:** The Santa Teresa (CDP) had 4,388 inhabitants in 2016, no significant increase since 2009 (4,339). The population of regional cities in 2016: Sunland Park 15,588; Las Cruces, 101,459; Albuquerque, 556,859; and, El Paso, 678,058 (Table 2).
- ◆ **Home Ownership:** Ownership has been decreasing and rentals increasing (Figure 1).
- ◆ **Education:** School Proficiency Evaluations are low, with Middle and High Schools scoring between 60% and 84% Non-Proficient in Reading, Mathematics, and Science (Tables 5-9). Wages for higher educated workers in the Santa Teresa CDP have decreased (Graphs 5-9).
- ◆ **Incomes:** Annual Per-Capita, Mean Household, and Median Household Incomes have declined in the Santa Teresa CDP, while those of Sunland Park, Las Cruces, Albuquerque, and El Paso have been increasing (Graph 11).
- ◆ **Labor Force:** The Civilian Labor Force of regional cities in 2016 saw Sunland Park at 7,095; Las Cruces at 48,445; Albuquerque at 282,478; and, El Paso at 302,715 (Table 10). The Santa Teresa CDP Civilian Labor Force was 1,865 in 2016. The top two Employment Sectors are Educational, Health Care, and Social Assistance Sector (488) and the Retail Trade Sector (288) (Table 11).
- ◆ **Manufacturing Output:** Gross Receipts Tax revenue in 2017 for Manufacturing in all Unincorporated Areas of Doña Ana County, including the Santa Teresa community and others, increased to \$584 million, declined to \$140 million in Las Cruces, and rose to \$2.1 billion in Albuquerque (Graph 15). Manufacturing GDP for the Las Cruces MSA, which includes the Santa Teresa CDP, has been decreasing to \$269 million in 2016, as has the share of GDP for the manufacture of computer related goods, now at \$54 million (Graph 16). Manufacturing GDP for Albuquerque is \$1.9 billion, and has been declining in recent years.
- ◆ **Tax Deductions, Credits, and Fee Waivers:** Several tax programs apply to the Santa Teresa region, such as the Non-Resident Manufacturing Tax Credit, which allows out of state workers to claim income earned in New Mexico in their home state. Others allow a Trip and Weight/Distance Tax Exemption, a Border-Crossing Special Fuel User Permit, and a Trade Support Company Gross Receipts Tax Deduction.
- ◆ **Job Training Incentive Program (JTIP) and Local Economic Development Act (LEDA) Funding:** Since 2008, \$2.2 million has been spent on JTIP programs for businesses operating in the Santa Teresa region, on 372 employees, with an average hourly wage of \$13.51 (Table 13). Between 2015 and 2018, four companies, and one non-profit, received LEDA funding totaling \$5.71 million, with promised creation of 549 jobs (Table 14).

WATER, ENERGY, AND TELECOMMUNICATIONS

- ◆ **Water:** The Camino Real Regional Utility Authority (CRRUA) provides water to Sunland Park and the Santa Teresa region. Residential and Industrial consumption has increased since 2014, while Commercial consumption has decreased (Graph 18). Because of high amounts of Total Dissolved Solids in the groundwater, contaminants are a challenge.
- ◆ **Energy:** The New Mexico Natural Gas Company and El Paso Electric provide service to the Santa Teresa region.
- ◆ **Telecommunications:** The most extensive of broadband service in the Santa Teresa region is Digital Subscriber Line (DSL).

INFRASTRUCTURE, TRADE, AND COMMODITY FLOWS

- ◆ **Highway:** The Santa Teresa region, as part of the Paso del Norte region, is located next to significant east-west and north-south Interstate corridors, specifically I-10 and I-25. Commodity flows along these highways have been growing. Value of eastward flows exceeds westward flows. Top commodities, by value, 2015:

- Los Angeles to El Paso: Electronics, \$2.5 billion.
- El Paso to Los Angeles: Electronics, \$227 million.
- Houston to El Paso: Electronics, \$2.8 billion.
- El Paso to Houston: Electronics, \$4.1 billion.
- Chicago to El Paso: Electronics, \$204 million.
- El Paso to Chicago: Electronics, \$514 million.
- New Mexico to El Paso: Metallic Ores, \$559 million.
- El Paso to New Mexico: Fuel Oils, \$373 million.

Rail: The Union Pacific Sunset Route has long passed through the Santa Teresa region, and in 2014 inaugurated a new intermodal facility to expand a previous facility in El Paso. The efforts of Union Pacific to complete double tracking along this route in the near future will allow even more commodity flows to pass through the region. Top commodities, by value, 2015:

- Los Angeles to El Paso: Other Foodstuffs, \$36 million.
- El Paso to Los Angeles: Motorized Vehicles, \$858 million.
- Houston to El Paso: Plastics and Rubber, \$378 million.
- El Paso to Houston: Motorized Vehicles, \$294 million.
- Chicago to El Paso: Alcoholic Beverages, \$229 million.
- El Paso to Chicago: Cereal Grains, \$77 million.
- New Mexico to El Paso: Fuel Oils, \$156 million.
- El Paso to New Mexico: Motorized Vehicles, \$2.3 million.

- ◆ **Doña Ana County International Jetport:** The Jetport opened in 1984, with arriving and departing flights increasing to 1,100 and 1,184, respectively, in 2016. Austin Bergstrom International, Dallas Love Field, and San Antonio International Airports were the top three origins for arriving flights between 2008 and 2016.
- ◆ **The Santa Teresa Port of Entry:** The Port of Entry was first opened in 1992 to take advantage of increasing northbound flows centering on the El Paso Ports of Entry. As of 2017 it had increased to 2,109,920 Northbound Non-Commercial Crossings, compared to 41,754,945 through the El Paso Ports of Entry (Table 20). In 2017, the Santa Teresa Port of Entry had 250,355 Northbound Commercial Crossings, compared to 1,806,722 through the El Paso Ports of Entry (Table 21).
- ◆ **Binational Trade:** Trade through the Santa Teresa Port of Entry has increased significantly since 2009 after the arrival of the Foxconn maquiladora across the border in San Jerónimo, Chihuahua, which produces computer goods for Dell, Inc. In 2008, trade through the Santa Teresa Port of Entry was \$1.1 billion of imports and \$405 million of exports. In 2017, the port handled \$12 billion in imports and \$10 billion in exports (Graph 47). In 2017, the El Paso Port of Entry handled \$45.7 billion worth of imports, and \$29 billion worth of exports (Graph 49).
 - In 2017, 91% (\$9.2 billion) of all export value through the Santa Teresa Port of Entry were Computer-Related Machinery and Parts (Figure 30).
 - In 2017, 84% (\$9.7 billion) of all import value through the Santa Teresa Port of Entry were Computer-Related Machinery and Parts (Figure 31).

Map 1. General Overview of the Santa Teresa, New Mexico Region

Map 1. General Overview of the Santa Teresa, New Mexico Region



Source: Own map with information from U.S. Census Bureau.

I. Community and Business Profile

As part of the Paso del Norte, the Santa Teresa region occupies a geographically and commercially strategic area on the southern border of New Mexico, just to the west of Sunland Park, New Mexico, and El Paso, Texas, and to the north of Ciudad Juárez and San Jerónimo, Chihuahua. Due to this location, at the heart of trade corridors connecting the Gulf and Atlantic Coasts with the Pacific Coast, the Santa Teresa region has been the focus of ever-increasing flows along the roads and railroads that now pass through the region (Map 1).

The Santa Teresa region has no municipal government, but is instead part of the unincorporated land area within Doña Ana County, New Mexico.

A. Land Ownership

Land ownership in the Santa Teresa region contains large tracts of federal land, managed by the U.S. Bureau of Land Management (BLM), and New Mexico state land, managed by the New Mexico State Land Commission (NMSLC) (Map 2). In addition to these federal and state landholders, private land ownership in the Santa Teresa region is concentrated in one company, namely the Santa Teresa Land, L.L.C. In the land area analyzed in Map 2, the Santa Teresa Land, L.L.C. owns 28.2%. Paseo del Norte, L.L.C., Santa Teresa Capital, L.L.C., Mesilla Bolson Properties, L.L.C., and IHR Holdings, are the other principal landowners in the region.

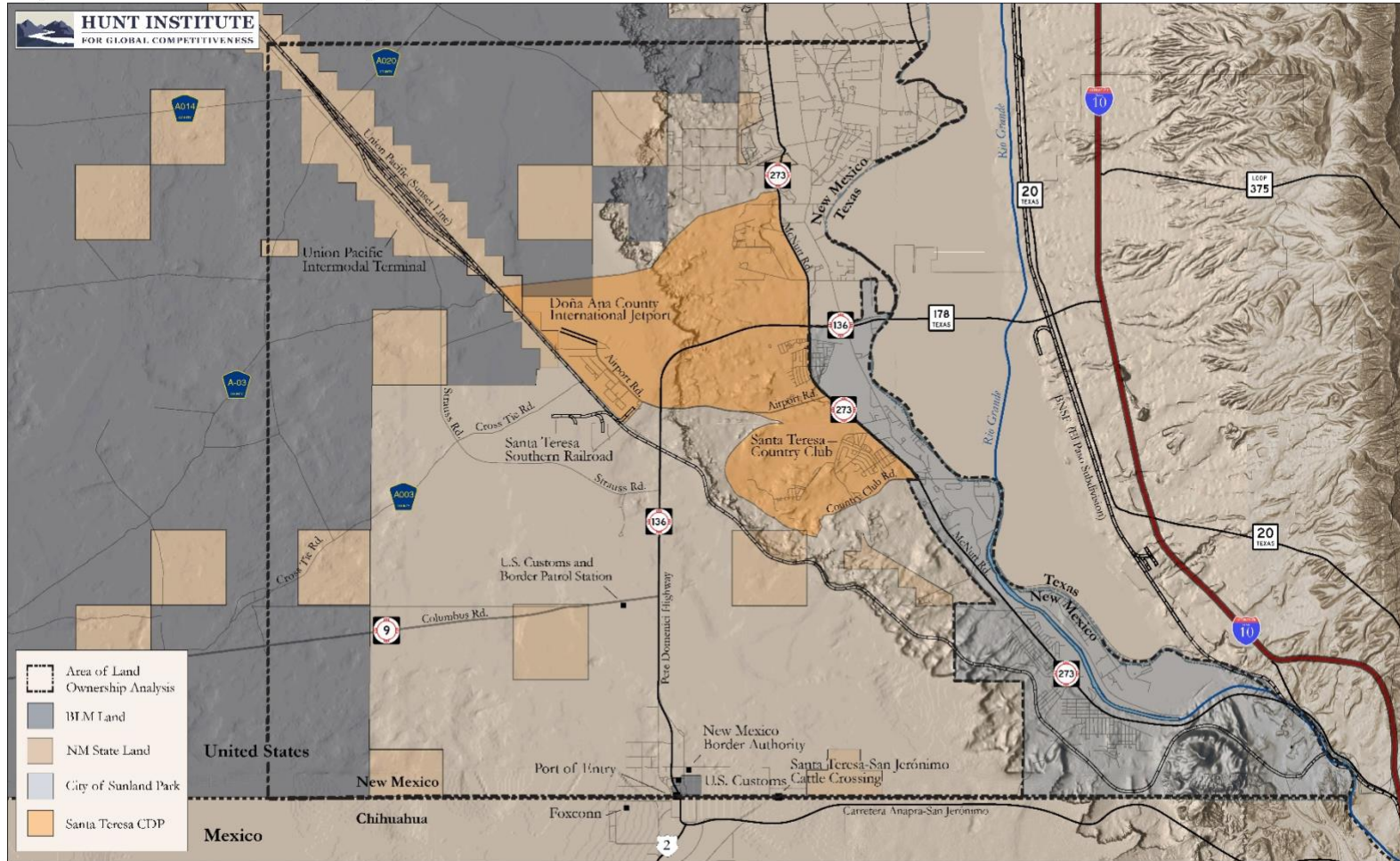
Table 1. Top Five Land Owners in the Santa Teresa Region

Land Owner	Acres In Land Area Analyzed	Percentage of Area Identified	Principal In Care of: Name and Address
Santa Teresa Land, L.L.C.	14,673	28.2%	Scott B. Retzloff and Assoc., San Antonio, TX
Paseo del Norte, L.L.C.	1,980	3.8%	Scott B. Retzloff and Assoc., San Antonio, TX
Santa Teresa Capital, L.L.C.	1,850	3.6%	Santa Teresa Capital, El Paso, TX
Mesilla Bolson Properties, L.L.C.	1,369	2.6%	Mesilla Bolson Properties L.L.C., El Paso, TX
IHR Holdings, L.L.C.	1,110	2.1%	IHR Holdings, L.L.C., O'Fallon, IL

Source: *Doña Ana County Assessor's Office.*

Map 2. Santa Teresa Land Ownership

Map 2. Santa Teresa Land Ownership



Source: Own map with information from the U.S. Census Bureau and the U.S. Department of the Interior - Bureau of Land Management.

B. Community Profile

Because the Santa Teresa region has no municipal government or boundaries, the U.S. Census Bureau applies the Census Designated Place (CDP) criteria, which allows for the generation of data for settled concentrations of population that are identifiable by name, but are not legally incorporated under the laws of the state in which they are located.

Population

The Santa Teresa CDP currently has a population of 4,388 people. While the population of the Santa Teresa CDP increased from 2,607 to 4,339 between 2000-2009, only 49 more people lived in the CDP in 2016 than in 2009. The population of the Santa Teresa region is small compared to surrounding cities, and even to other unincorporated areas in the Paso del Norte region. The population of Santa Teresa CDP is but 4% of the population in Las Cruces, New Mexico (101,459), and less than 1% of the population of El Paso, Texas (678,058) (Table 2).

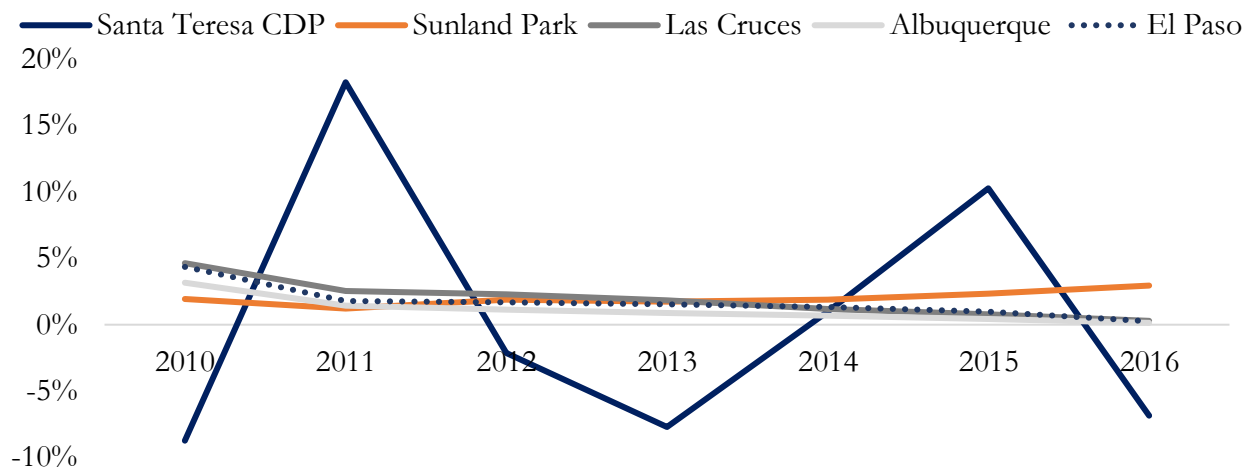
Table 2. Regional Population Profile

Year	Santa Teresa CDP	Sunland Park	Las Cruces	Albuquerque	El Paso
2000	2,607	13,309	74,267	448,607	563,662
2009	4,339	13,570	88,782	515,107	602,672
2010	3,960	13,832	92,897	531,403	628,923
2011	4,683	14,000	95,233	539,000	640,066
2012	4,584	14,267	97,393	545,083	650,778
2013	4,230	14,517	99,186	549,812	660,795
2014	4,271	14,794	100,360	553,576	669,771
2015	4,710	15,142	101,164	556,092	676,325
2016	4,388	15,588	101,459	556,859	678,058

Source: U.S. Census Bureau.

The population growth rate of larger cities in New Mexico and the Paso el Norte region has been relatively lower at times than that of the Santa Teresa CDP, but steadier (Graph 1).

Graph 1. Regional Population Annual Growth Rates



Source: U.S. Census Bureau.

The Median Age in the Santa Teresa CDP has moved from 36 to 31 (Table 3). At the same time, the largest single Age Cohort in 2000 was 35-44 years old, and in 2015 it was 45-54 years old.

Table 3. Santa Teresa CDP Age and Gender Cohorts

Age and Gender Cohorts	2000	2010	2015
Male	1,269	1,851	2,334
Female	1,338	2,109	2,376
Under 5 years	226	495	353
5 to 9 years	210	400	349
10 to 14 years	183	360	414
15 to 19 years	158	230	306
20 to 24 years	104	206	612
25 to 34 years	372	511	575
35 to 44 years	457	535	405
45 to 54 years	354	527	683
55 to 59 years	148	154	245
60 to 64 years	86	194	349
65 to 74 years	192	154	268
75 to 84 years	91	150	146
85 years and over	26	36	9
Median Age	36	30	31
Total Population	2,607	3,960	4,710

Source: U.S. Census Bureau.

Housing

The Santa Teresa CDP had 1,454 Occupied Housing Units in 2016, an almost 12% increase since 2010 (Table 4). From a regional perspective, and in absolute terms, the Santa Teresa CDP has the fewest number of Occupied Housing Units, less than the 221,550 in the neighboring City of El Paso, Texas, and also fewer than the City of Sunland Park, with 4,476, and the City of Las Cruces with 39,086.

Table 4. Regional Occupied Housing Units

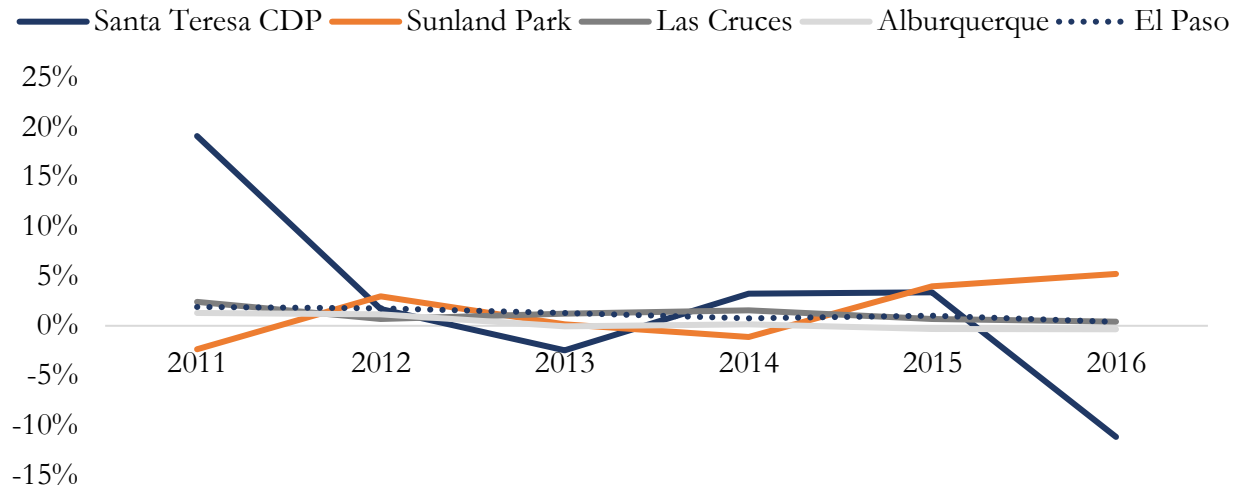
Year	Santa Teresa CDP	Sunland Park	Las Cruces	Albuquerque	El Paso
2010	1,299	4,109	36,477	217,256	206,428
2011	1,547	4,012	37,355	220,060	210,348
2012	1,573	4,131	37,603	222,584	214,083
2013	1,534	4,138	38,068	222,491	216,908
2014	1,584	4,092	38,670	222,868	218,490
2015	1,637	4,254	38,925	222,098	220,682
2016	1,454	4,476	39,086	221,320	221,550

Source: U.S. Census Bureau.

The Occupied Housing Units Annual Growth Rates in the Santa Teresa CDP and the cities in the Paso del Norte region mirror the Population Growth Rates displayed above. The Occupied Housing Units growth rates in the Santa Teresa CDP have fluctuated more than those of its

neighboring cities between 2010 and 2016, which in that year show a contraction of 11% (Graph 2). Occupied Housing Units growth rates in Albuquerque, Las Cruces, and El Paso, while smaller, have generally remained positive. Sunland Park, though, as with population growth rates, has seen a steady rise since 2014.

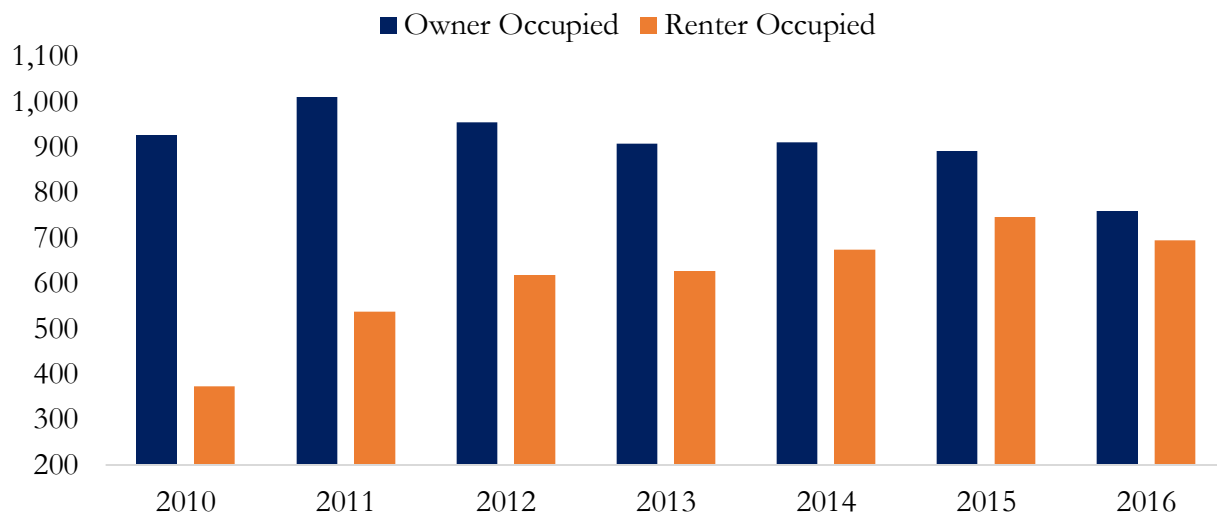
Graph 2. Regional Occupied Housing Units Annual Growth Rates



Source: U.S. Census Bureau.

In the Santa Teresa CDP, Owner-Occupied Housing Units have decreased from a peak of 1,010 in 2011 to 759 in 2016 while Renter-Occupied Housing Units have almost doubled since 2010 (Figure 1). In 2010, Owner-Occupied Housing Units made up 71.3% of the total, while Renter-Occupied Housing Units were 28.7% of the total. In 2016, Owner-Occupied Housing Units constituted 52.2%, while Renter-Occupied Housing Units constituted 47.8%.

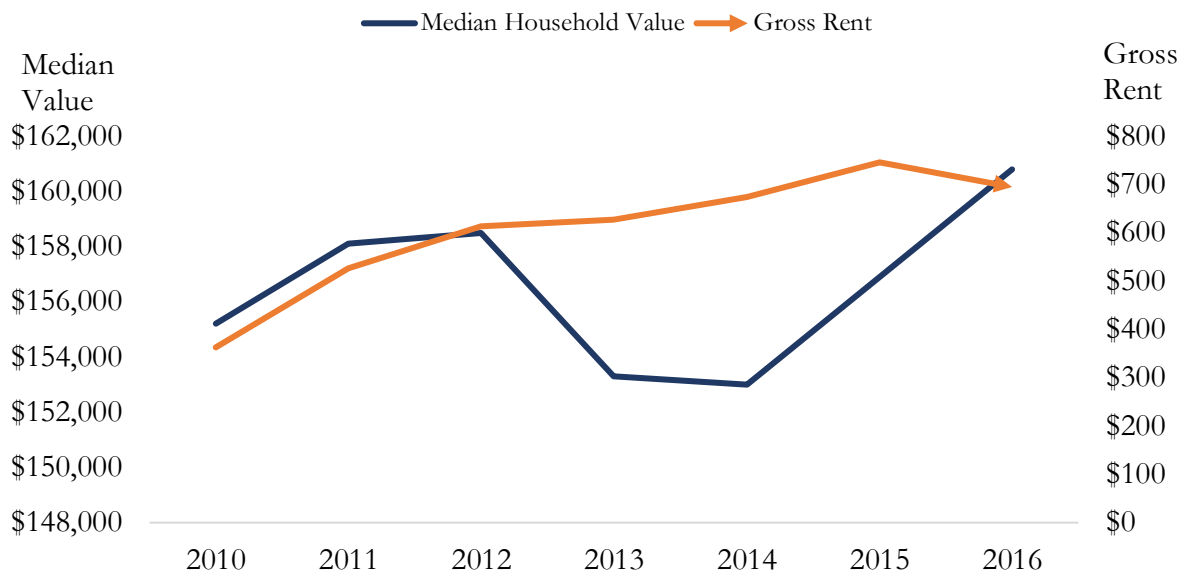
Figure 1. Santa Teresa CDP Housing Tenure



Source: U.S. Census Bureau.

The Median Value of Owner Occupied Housing Units in the Santa Teresa CDP has recovered from a low of \$153,000 in 2014 to a high of \$160,800 in 2016. Meanwhile, Gross Rent declined from a high of \$746 in 2015 to \$695 in 2016 (Graph 3).

Graph 3. Santa Teresa CDP Median Value of Owner-Occupied Housing Units and Gross Rent



Source: U.S. Census Bureau.

Education

The Santa Teresa region’s public schools, an Elementary, Middle, and High School, are governed by the New Mexico Public Education Department (NMPED) and the Gadsden Independent School District (GISD), which also governs the public schools in Sunland Park, Canutillo, Anthony, and Chaparral, New Mexico. The Santa Teresa region has no four-year universities, nor any community colleges. The closest universities are the University of Texas at El Paso (UTEP) in El Paso and New Mexico State University (NMSU) in Las Cruces. The Doña Ana County Community College (DACC) does operate a nearby campus at the Sunland Park Center.

In the Santa Teresa CDP, there were a total of 1,479 students (of all types) enrolled in 2016, a small increase from the 2010 enrollment of 1,417 (Table 5). In 2010, 114 children were enrolled in Nursery and Preschool and 18 were in 2016. Children in Kindergarten to 12th Grade increased by 92 between 2010 and 2016.

Table 5. Santa Teresa CDP School Enrollment

School Enrollment	2010	2011	2012	2013	2014	2015	2016
Nursery School, Preschool	114	97	27	7	9	18	18
Kindergarten to 12th Grade	944	1,080	1,230	1,115	1,002	983	1,036
Kindergarten	89	114	89	76	63	90	83
Elementary (Grade 1 to 4)	335	351	483	380	334	308	247
Elementary (Grade 5 to 8)	229	300	333	365	340	315	291
High School (Grade 9 to 12)	291	315	325	294	265	270	415
College and Undergraduate	281	335	264	235	268	381	331
Graduate and Professional School	78	74	63	95	82	58	94
Total	1,417	1,586	1,584	1,452	1,361	1,440	1,479

Source: U.S. Census Bureau.

Each year, the New Mexico Public Education Department provides overall grades for every public school, including those in the Gadsden School District and the Elementary, Middle, and High Schools in the Santa Teresa region. The Overall School Grade for the Santa Teresa Middle School has been the highest, receiving an ‘A’ most consistently. The Elementary School has earned the second-best grades, while the High School records one year above a ‘C’ grade, in 2014 (Table 6).

Table 6. Santa Teresa Overall School Grades

Year	Elementary School	Middle School	High School
2012	C	B	C
2013	N/A	N/A	N/A
2014	B	A	B
2015	C	A	C
2016	A	A	C
2017	B	B	C

Source: New Mexico Public Education Department.

In addition to the Overall School Grades, the NMPED provides Proficiency evaluations for the Santa Teresa Elementary, Middle, and High Schools. Elementary School students lacking proficiency in Reading were between 41% and 74% Not Proficient in the years measured between 2014 and 2017 (Table 7). Elementary School students have scored the most Proficient in Science, only once falling below 50% in 2015. As of 2017, though, 54% of students are Proficient in Reading, 34% are Proficient in Mathematics, and 59% are Proficient in Science.

Table 7. Santa Teresa Elementary School Proficiency

Year	Reading		Mathematics		Science	
	Proficient	Not Proficient	Proficient	Not Proficient	Proficient	Not Proficient
2014	59%	41%	64%	37%	60%	40%
2015	26%	74%	27%	74%	49%	51%
2016	39%	61%	43%	57%	54%	46%
2017	54%	46%	34%	66%	59%	41%

Source: New Mexico Public Education Department.

The Santa Teresa Middle School proficiency levels for Reading, Mathematics, and Science demonstrate a similar scenario, with low proficiency levels, but with slight increases in the years between 2015 and 2017. The percentage of students in the Middle School Proficient in Reading dropped from 71% in 2014 to 37% in 2017 (Table 8). Likewise, the percentage of Proficient in Math dropped from 59% to 27% in the same interval. As of 2017, 40% of students scored Proficient in Science.

Table 8. Santa Teresa Middle School Proficiency

Year	Reading		Mathematics		Science	
	Proficient	Not Proficient	Proficient	Not Proficient	Proficient	Not Proficient
2014	71%	29%	59%	42%	40%	60%
2015	30%	70%	25%	75%	27%	73%
2016	34%	66%	30%	70%	32%	68%
2017	37%	63%	27%	73%	40%	60%

Source: *New Mexico Public Education Department.*

With respect to Proficiency, the Santa Teresa High School percentages are the lowest and all declined between 2014 and 2017. In 2017, 65% of students were Non-Proficient in Reading, 84% were Non-Proficient in Mathematics, and 66% were Non-Proficient in Science (Table 9).

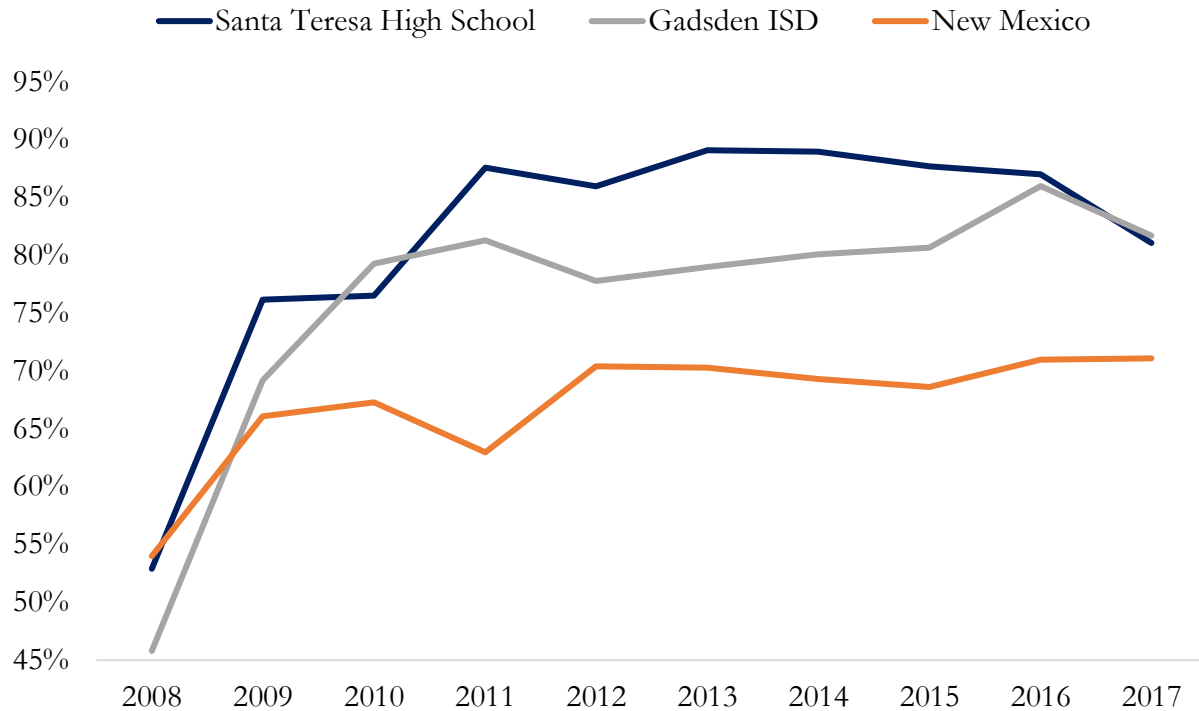
Table 9. Santa Teresa High School Proficiency

Year	Reading		Mathematics		Science	
	Proficient	Not Proficient	Proficient	Not Proficient	Proficient	Not Proficient
2014	41%	60%	38%	63%	34%	66%
2015	35%	65%	11%	89%	32%	68%
2016	37%	63%	14%	86%	33%	67%
2017	35%	65%	16%	84%	34%	66%

Source: *New Mexico Public Education Department.*

Despite these low proficiency levels in Reading, Math, and Science in the Elementary, Middle and High Schools, the Santa Teresa CDP had an 87% Graduation Rate in 2016, above the State of New Mexico average of 71% (Graph 4). The Santa Teresa High School Graduation Rate rose sharply from 52% in 2008 and has since 2011 remained over 80%.

Graph 4. Santa Teresa High School and New Mexico Graduation Rates

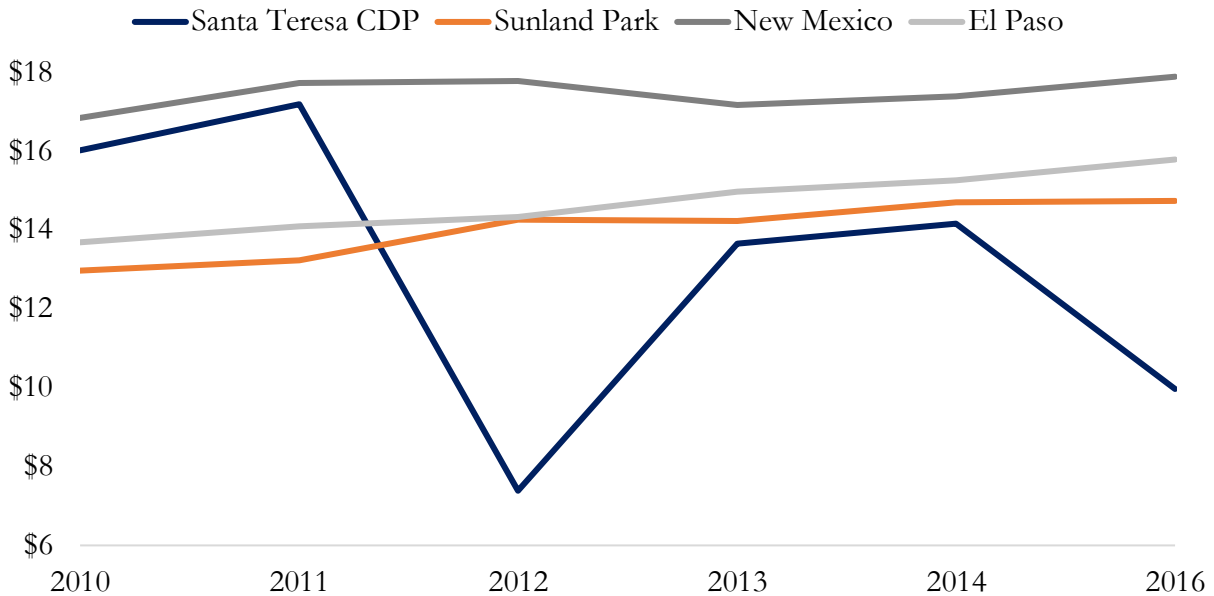


Source: *New Mexico Department of Education.*

Earnings by Educational Attainment

Median Annual Earnings data show varying scenarios for different levels of educational attainment in the Santa Teresa region. For those workers who did not graduate from high school in the Santa Teresa CDP, their Median Annual Earnings have seen steep drops in the period between 2010 and 2016, to \$9,962 from a high of \$17,188 (Graph 5). Also, these fluctuations in Median Annual Earnings in the Santa Teresa CDP stand in contrast to the neighboring cities whose wages for the same workers have risen steadily. In Sunland Park, Median Annual Earnings for these workers were, as of 2016, \$14,736, in El Paso \$15,786, and \$17,886 for the State of New Mexico average.

Graph 5. Median Annual Earnings for Less than High School Graduates (USD Thousand)

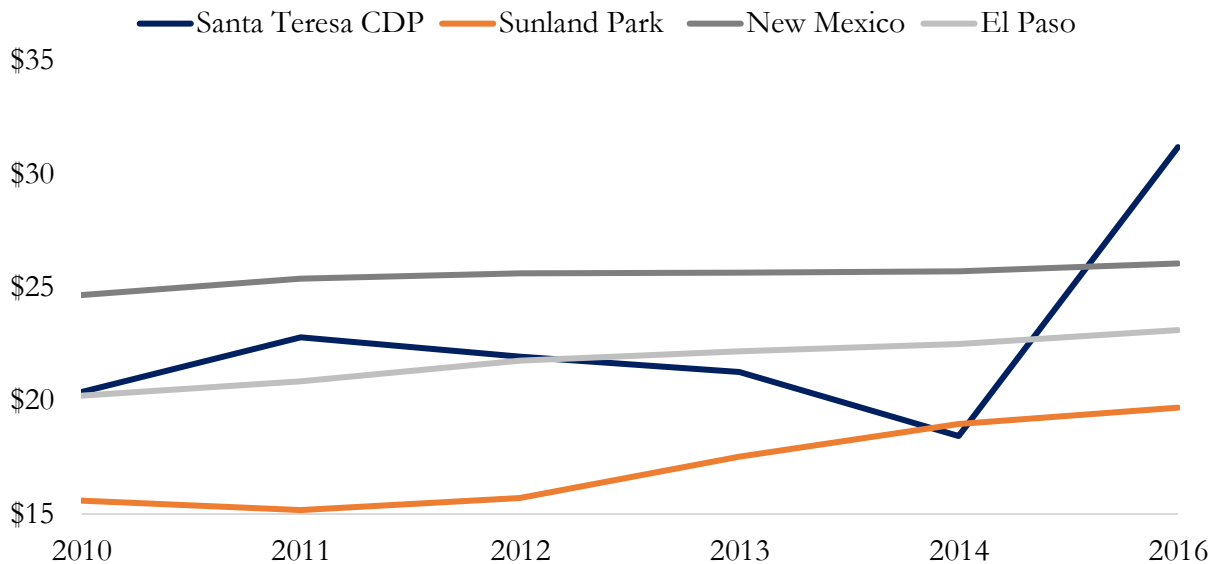


Note: U.S. Census Bureau does not provide 2015 data for Santa Teresa CDP and Sunland Park.

Source: U.S. Census Bureau.

Median Annual Earnings for High School Graduates in the Santa Teresa CDP, while having declined slightly between 2010 and 2014, have now surpassed the Median Annual Earnings of those workers in Sunland Park, El Paso, and the State of New Mexico average, rising to \$31,182 in 2016, after years between a low of \$18,438 and a high of \$22,778 (Graph 6).

Graph 6. Median Annual Earnings for High School Graduates (USD Thousand)

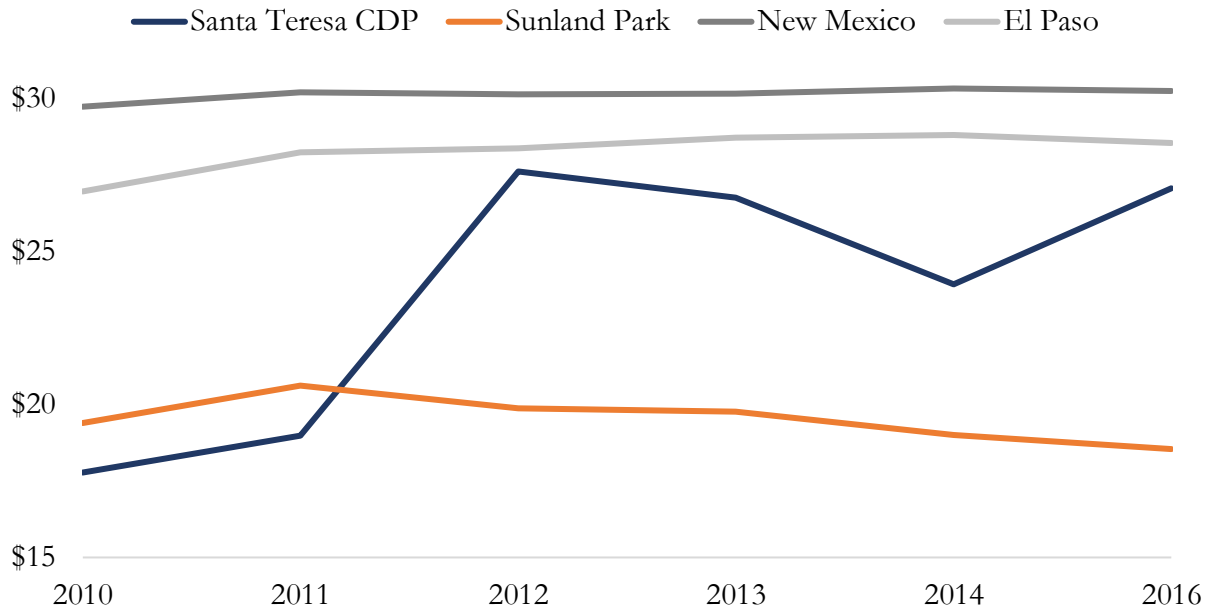


Note: U.S. Census Bureau does not provide 2015 data for Santa Teresa CDP and Sunland Park.

Source: U.S. Census Bureau.

Median Annual Earnings for those workers in the Santa Teresa CDP with Some College or an Associate’s Degree, while generally increasing from 2010 to 2016, reached \$27,050 in 2016, slightly off the high of \$27,604 in 2012 (Graph 7). But, as of 2016, Median Annual Earnings for individuals with Some College or an Associate’s Degree were less than that of High School Graduates, whose median earnings were \$31,182. Additionally, and in spite of this increase over time, Median Annual Earnings for those with Some College or an Associate’s Degree have not reached the same levels as El Paso or the State of New Mexico average, which was \$30,233 in 2016.

Graph 7. Median Annual Earnings for Some College or Associate’s Degree (USD Thousand)

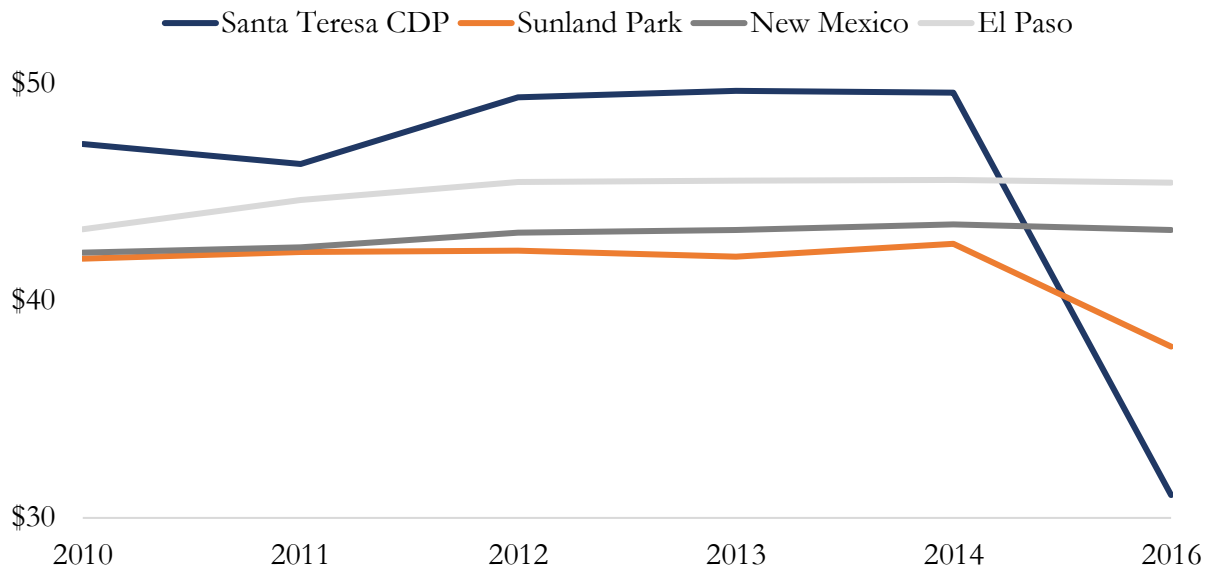


Note: U.S. Census Bureau does not provide 2015 data for Santa Teresa CDP and Sunland Park.

Source: U.S. Census Bureau.

For those with a Bachelor’s Degree in the Santa Teresa CDP, their Median Annual Earnings have, between 2010 and 2014, remained between \$46,000 and \$49,000, higher than those in Sunland Park, El Paso, and the State of New Mexico average (Graph 8). But, in 2016, Median Annual Earnings for these individuals were \$31,051, less than the Median Annual Earnings for High School Graduates in the Santa Teresa CDP, who earned \$31,182 in 2016. Median Annual Earnings for those with a Bachelor’s Degree also decreased for the City of Sunland Park, but not as much, to \$37,882 in 2016.

Graph 8. Median Annual Earnings for Bachelor's Degree (USD Thousand)

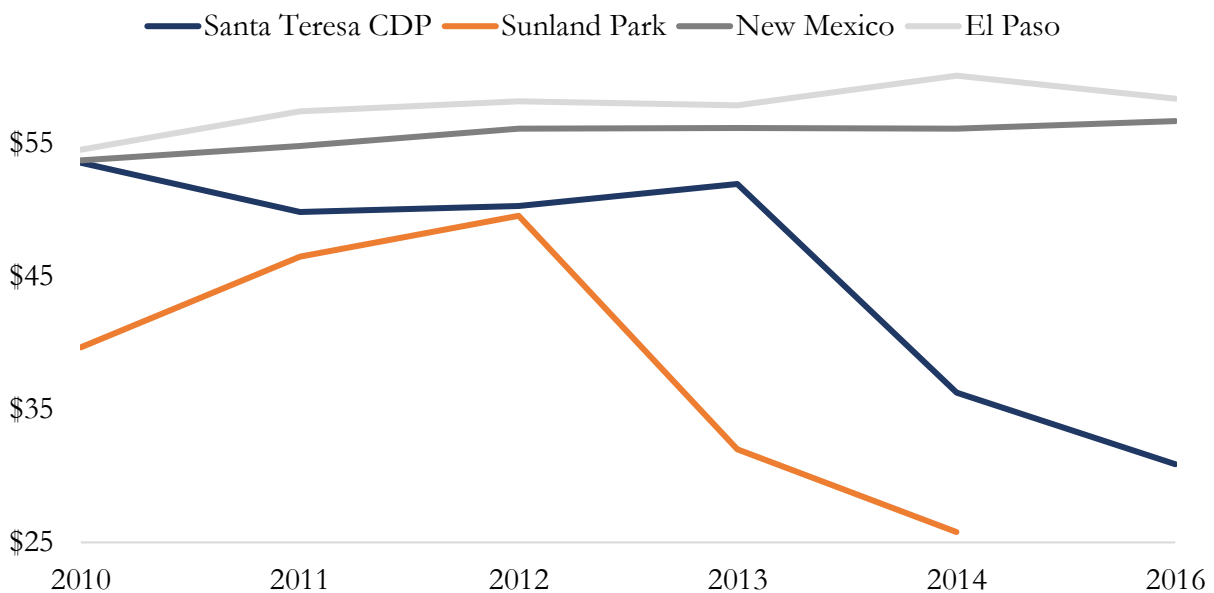


Note: U.S. Census Bureau does not provide 2015 data for Santa Teresa CDP and Sunland Park.

Source: U.S. Census Bureau.

The same Median Annual Earnings trend exists for those Bachelor's Degree in the Santa Teresa CDP as for those who finish Graduate or Professional School, where they have decreased from over \$50,000 in 2010 to just above \$30,000 in 2016 (Graph 9). This trend for Median Annual Earnings is the same in Sunland Park, but contrasts to that of El Paso, Texas, and the State of New Mexico, where individuals that finish Graduate or Professional School earn between \$56,000 and \$58,000.

Graph 9. Median Annual Earnings for Graduate and Professional Degree (USD Thousand)



Note: U.S. Census Bureau does not provide 2015 data for Santa Teresa CDP and Sunland Park.

Source: U.S. Census Bureau.

Labor and Employment Profile

The Civilian Labor Force in the Santa Teresa CDP, as of 2016, had 1,865 workers, an increase of 127 since 2010 (Table 10). Compared to Las Cruces, Albuquerque, and El Paso, the Santa Teresa CDP has a small labor force. In 2016, Sunland Park had a Civilian Labor Force of 7,095, Las Cruces 48,445, Albuquerque 282,478, and El Paso 302,715.

Table 10. Regional Civilian Labor Force

Year	Santa Teresa CDP	Sunland Park	Las Cruces	Albuquerque	El Paso
2010	1,738	5,675	44,497	279,739	273,585
2011	2,010	6,023	45,897	281,358	278,207
2012	1,925	6,497	47,165	283,336	284,270
2013	1,899	6,685	47,357	284,808	290,124
2014	1,956	6,821	48,393	284,133	293,971
2015	2,186	7,020	48,636	282,836	299,233
2016	1,865	7,095	48,445	282,478	302,715

Source: *U.S. Census Bureau.*

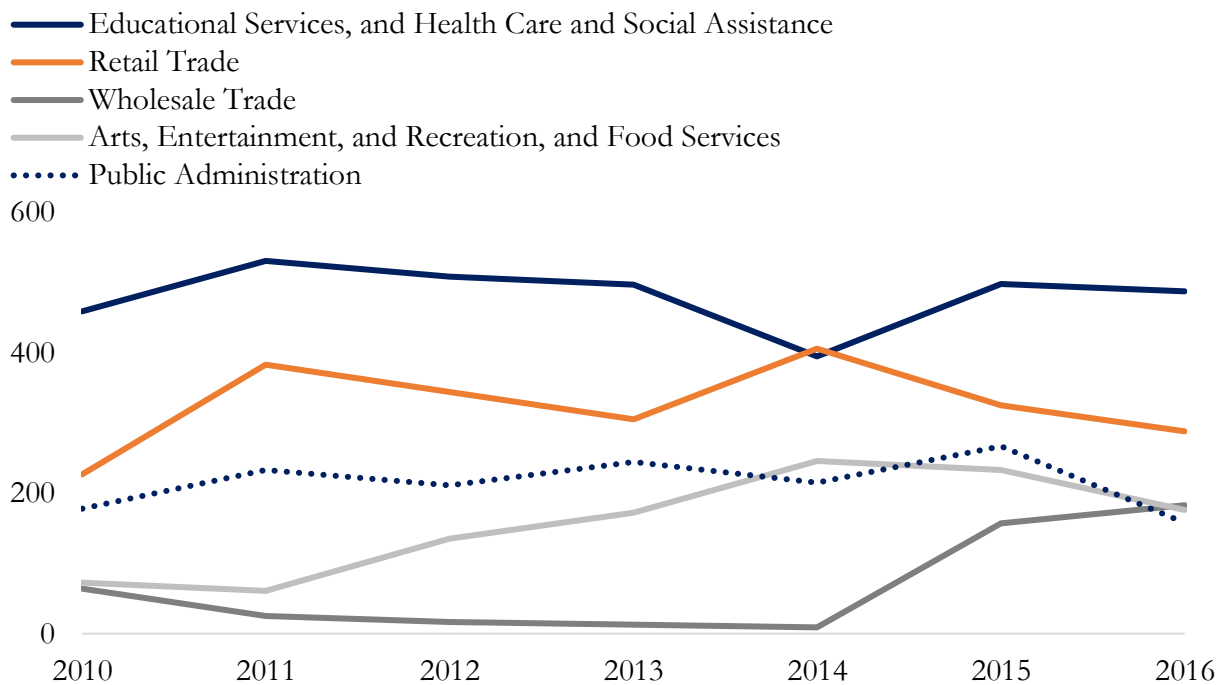
Employment by Industry Sector in the Santa Teresa CDP sees most employees are engaged in the Educational, Health Care and Social Assistance Sector (488 in 2016) and the Retail Trade Sector (288 in 2016) (Table 11 and Graph 10). Most of the Industry Sector categories had approximately the same number of employees between 2010 and 2016, but some notable exceptions can be seen in Manufacturing, Transportation and Warehousing, Wholesale Trade, and Arts, Entertainment, and Recreation, and Food Services sectors. While these last two sectors registered gains in the Santa Teresa CDP employment, the number of Manufacturing employees decreased from 138 in 2010 to 35 in 2016. Likewise, Transportation and Warehousing employees have gone from 76 to 0. The Manufacturing Sector employed almost the fewest number of workers in the Santa Teresa CDP of all Industry Sectors except the Construction and Information Sectors.

Table 11. Santa Teresa CDP Employment by Industry

Industry	2010	2011	2012	2013	2014	2015	2016
Educational Services, and Health Care and Social Assistance	459	531	509	497	395	498	488
Retail Trade	227	383	344	305	406	325	288
Wholesale Trade	64	25	17	13	9	157	183
Arts, Entertainment, and Recreation, and Accommodation and Food Services	73	61	135	172	246	233	176
Public Administration	178	233	211	245	215	267	158
Finance and Insurance, and Real Estate and Rental and Leasing	158	156	112	112	119	81	146
Professional, Scientific, and Management and Administrative	95	109	142	86	92	158	100
Other Services, Except Public Administration	90	53	54	43	40	50	45
Agriculture, Forestry, Fishing and Hunting, and Mining	0	0	0	16	27	28	38
Manufacturing	138	97	96	68	73	32	35
Construction	25	66	62	56	69	31	34
Information	49	27	27	23	52	24	31
Transportation and Warehousing, and Utilities	76	110	66	71	67	59	0
Total	1,632	1,851	1,775	1,707	1,810	1,943	1,722

Source: U.S. Census Bureau.

Graph 10. Santa Teresa CDP Top Five Industries by Employment, 2016

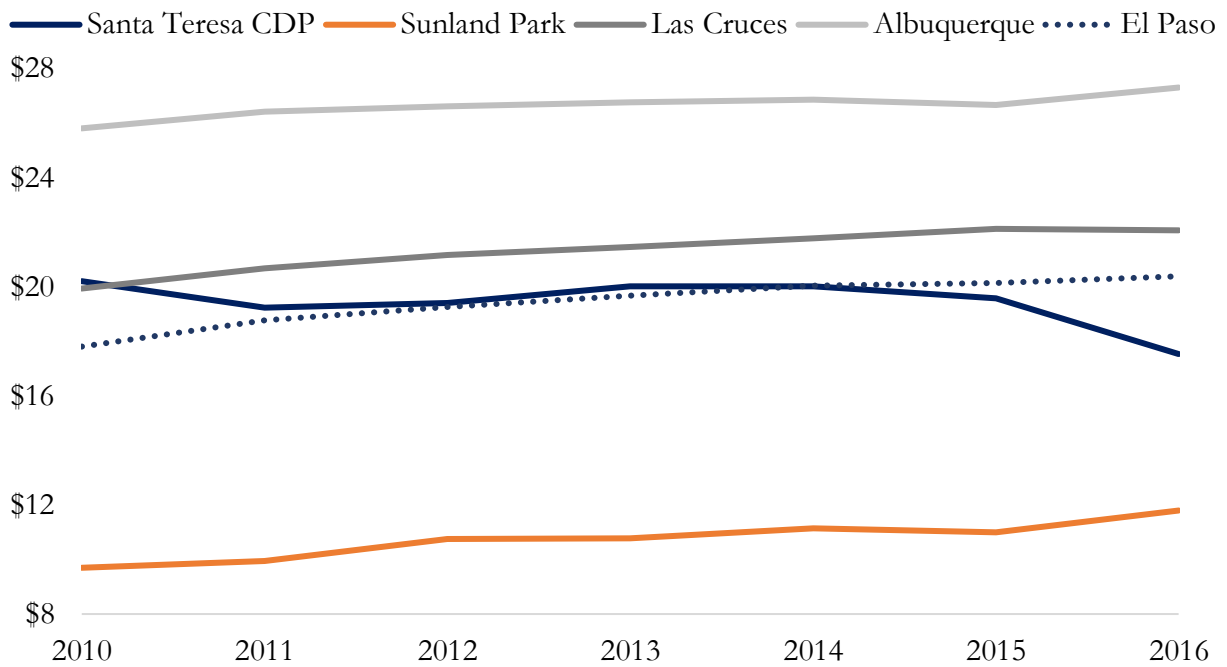


Source: U.S. Census Bureau.

Income Levels

Annual Per-Capita Income levels in the Santa Teresa CDP fall below those of all regional cities such as Las Cruces, Albuquerque, and El Paso, except Sunland Park. Also, Annual Per-Capita Income levels continue to decrease while the same income levels in peer communities have been increasing. While Annual Per-Capita Income in the Santa Teresa CDP has fallen steadily from \$20,212 in 2010 to \$17,500 in 2016, it has consistently increased in Sunland Park (to \$11,798), Las Cruces (to \$22,070), Albuquerque (to \$27,317), and El Paso (to \$20,391) (Graph 11).

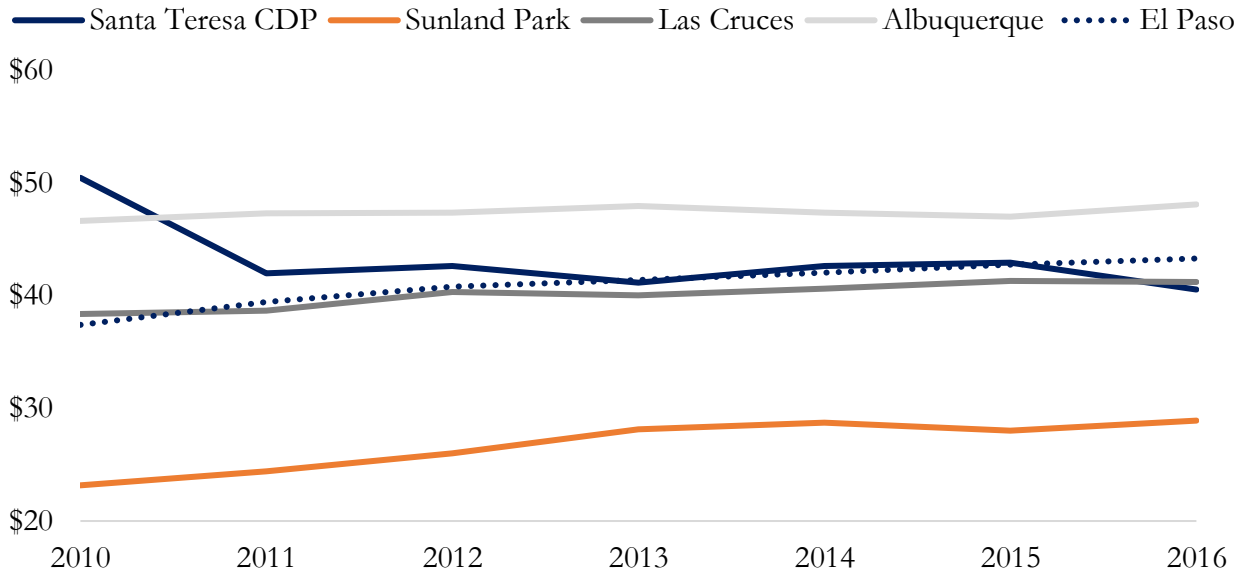
Graph 11. Regional Annual Per-Capita Income (USD Thousand)



Source: U.S. Census Bureau.

Changes in Median Annual Household Income across the same cities exhibit similar trends to regional Per-Capita Annual Income movements. In the Santa Teresa CDP, while the Median Annual Household Income has tracked with its peer cities, it has declined from approximately \$50,491 in 2010 to \$40,563 in 2016 (Graph 12). Meanwhile, these same income indicators in neighboring cities have all risen, to \$28,920 in Sunland Park, \$41,215 in Las Cruces, \$43,322 in El Paso, and \$48,127 in Albuquerque.

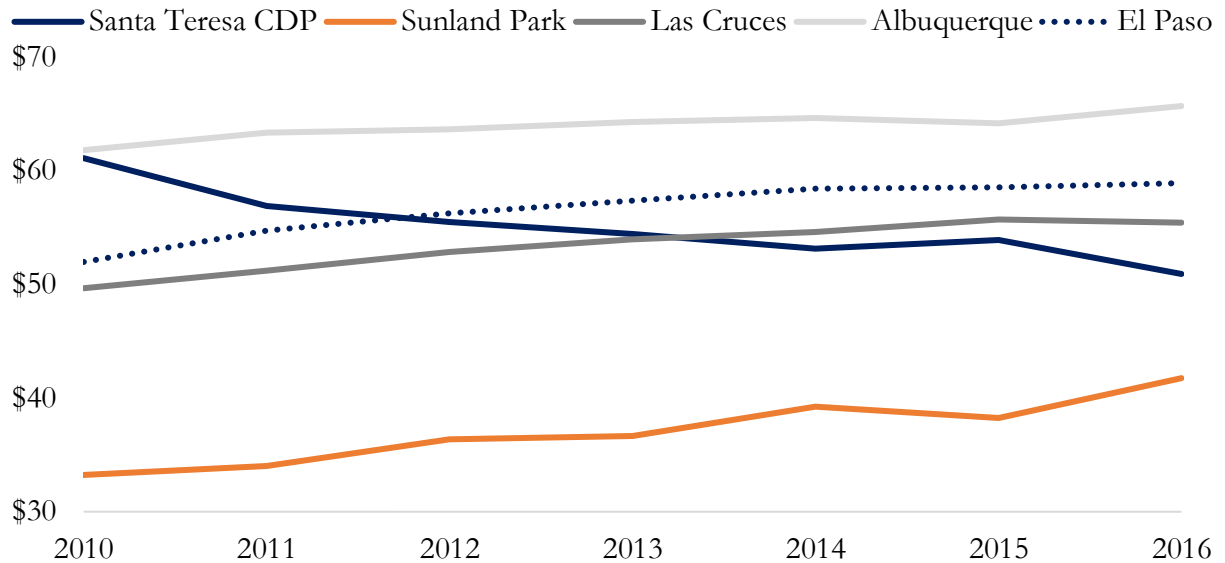
Graph 12. Regional Median Annual Household Income (USD Thousand)



Source: U.S. Census Bureau.

Mean Annual Household Income trends in the Santa Teresa CDP and the region’s major cities reflects the trends observed in Annual Per-Capita and Median Annual Household Incomes. The Mean Annual Household Income in Santa Teresa CDP has declined from \$61,101 in 2010 to \$50,914 in 2016 (Graph 13). All other cities in the Paso del Norte region, Sunland Park, Las Cruces, Albuquerque, and El Paso, registered increases in Mean Annual Household Income during the same interval. Albuquerque leads the region’s cities with a Mean Annual Household Income of \$65,684, followed by El Paso at \$58,902, Las Cruces at \$55,448, and then Sunland Park at \$41,750, which marked the greatest increase of all cities in absolute terms.

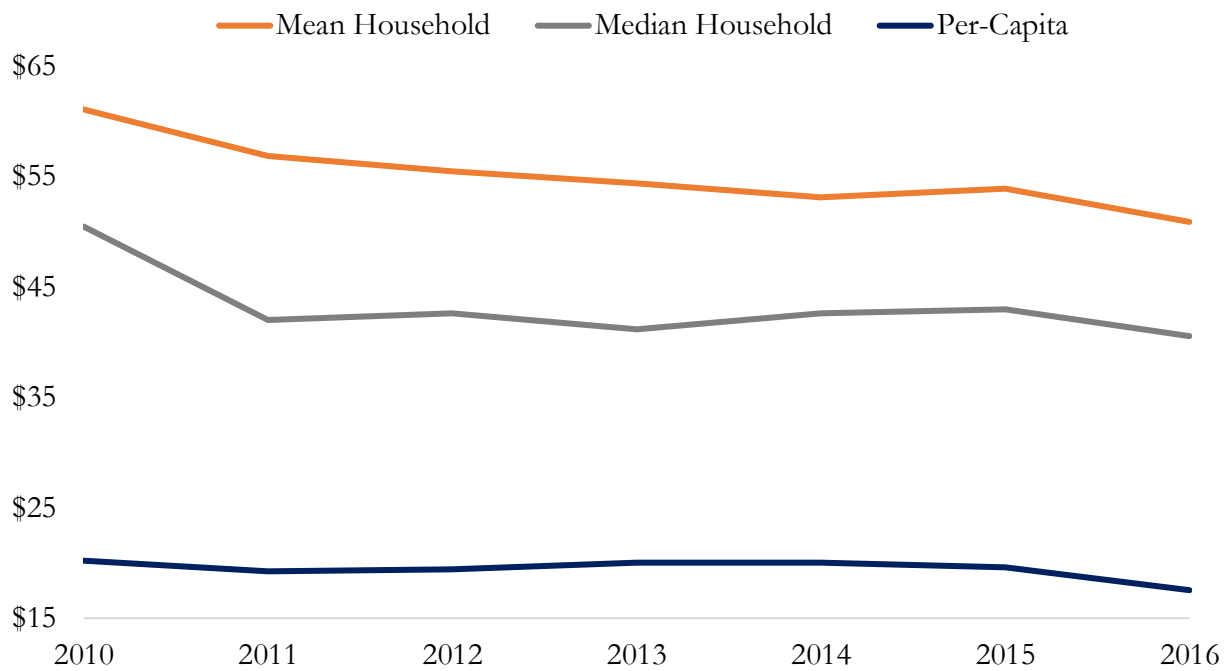
Graph 13. Regional Mean Annual Household Income (USD Thousand)



Source: U.S. Census Bureau.

These data for these same indicators, Annual Per-Capita, Median, and Mean Household Incomes, within the Santa Teresa CDP, reflect the regional trends internally. When comparing Annual Per-Capita, Mean and Median Household Income indicators, all have declined between 2010 and 2016. Specifically, Mean and Median Annual Household Incomes have both dropped from over \$61,101 to \$50,914, and from \$50,491 to \$40,563, respectively (Graph 14). Annual Per-Capita Income within the Santa Teresa CDP has fallen from \$21,212 to \$17,539 in the same time period, 2010 to 2016.

Graph 14. Santa Teresa CDP Annual Incomes (USD Thousand)



Source: U.S. Census Bureau.

C. Business Profile and Manufacturing Output

In recent years, owing to its strategic position along transcontinental and binational trade corridors, the Santa Teresa region has seen population and business growth as overall trade has grown between the U.S., Asia, and Mexico.

Business Profile

In the Santa Teresa CDP, Manufacturing, Transportation and Warehousing, and Wholesale Sectors had a total of 36 firms, 44% of the total as of 2012 (Table 12). The Health Care and Social Assistance Industry Sector has had a relatively large number of firms in the Santa Teresa CDP, with 15 firms in 2012.

Table 12. Santa Teresa CDP Firms by Industry, Economic Survey, 2012

NAICS Codes	Industry	Number of Firms
31-33	Manufacturing	17
62	Health Care and Social Assistance	15
48-49	Transportation and Warehousing	12
42	Wholesale	7
81	Other Services (except Public Administration)	6
56	Administrative and Support and Waste Management and Remediation Services	5
52	Finance and Insurance	4
54	Professional, Scientific, and Technical Services	4
44-45	Retail Trade	3
53	Real Estate and Rental and Leasing	3
61	Educational Services	2
71	Arts, Entertainment, and Recreation	2
22	Utilities	1
Total	13	81

Note: Release date April 19, 2018

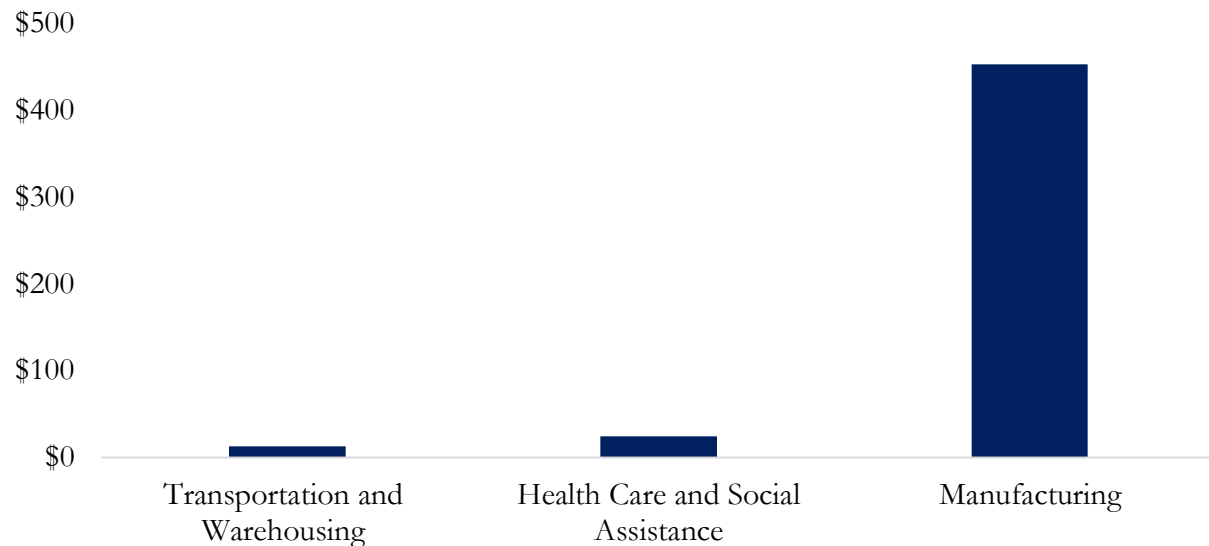
Source: U.S. Census Bureau.

Manufacturing Output

Determining the precise type and value of Manufacturing Output in the Santa Teresa CDP and region is difficult due to its small size as well as its unincorporated status. Still, certain indicators help describe these output characteristics.

One way of measuring Manufacturing Output uses data from the U.S. Census Bureau. Sales, Shipments, and Business Revenue data provide a description of the type and size of business output. The Value of Sales, Shipments, and Business Revenue for the Manufacturing Sector in Santa Teresa CDP was \$453 million in 2012 (Figure 2). The Health Care and Social Assistance Sector was second, with \$24.8 million, and the Transportation and Warehousing sector was third, with a total of \$12.5 million.

Figure 2. Santa Teresa CDP Value of Sales, Shipments, and Business Revenue, Economic Survey, 2012 (USD Million)

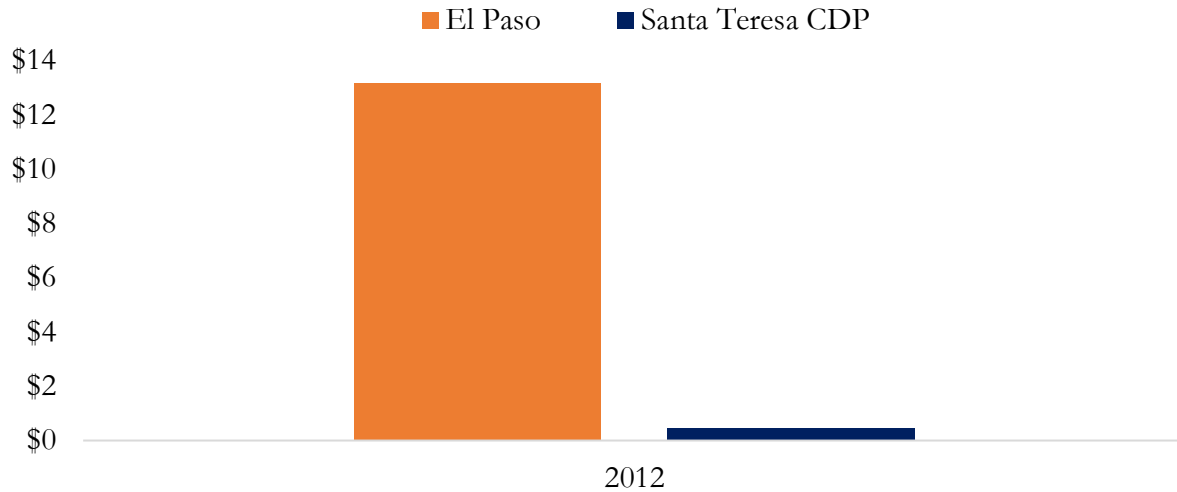


Note: Data released April 19, 2018.

Source: U.S. Census Bureau.

The Value of Sales, Shipments, and Business Revenue in the Santa Teresa CDP was a fraction of the same Revenue in that year in El Paso, which reached \$13.1 billion (Figure 3). The total Value of Sales, Shipments, and Business Revenue for the Manufacturing Sector in Albuquerque, should be similar to that of El Paso, but was not made known by the U.S. Census Bureau due to confidentiality rules. Albuquerque has almost the same Number of Establishments and Employees as El Paso in the Manufacturing Sector, but with an even greater Annual Payroll.

Figure 3. Santa Teresa CDP and El Paso Value of Manufacturing Sales, Shipments, and Business Revenue, Economic Survey, 2012 (USD Billion)

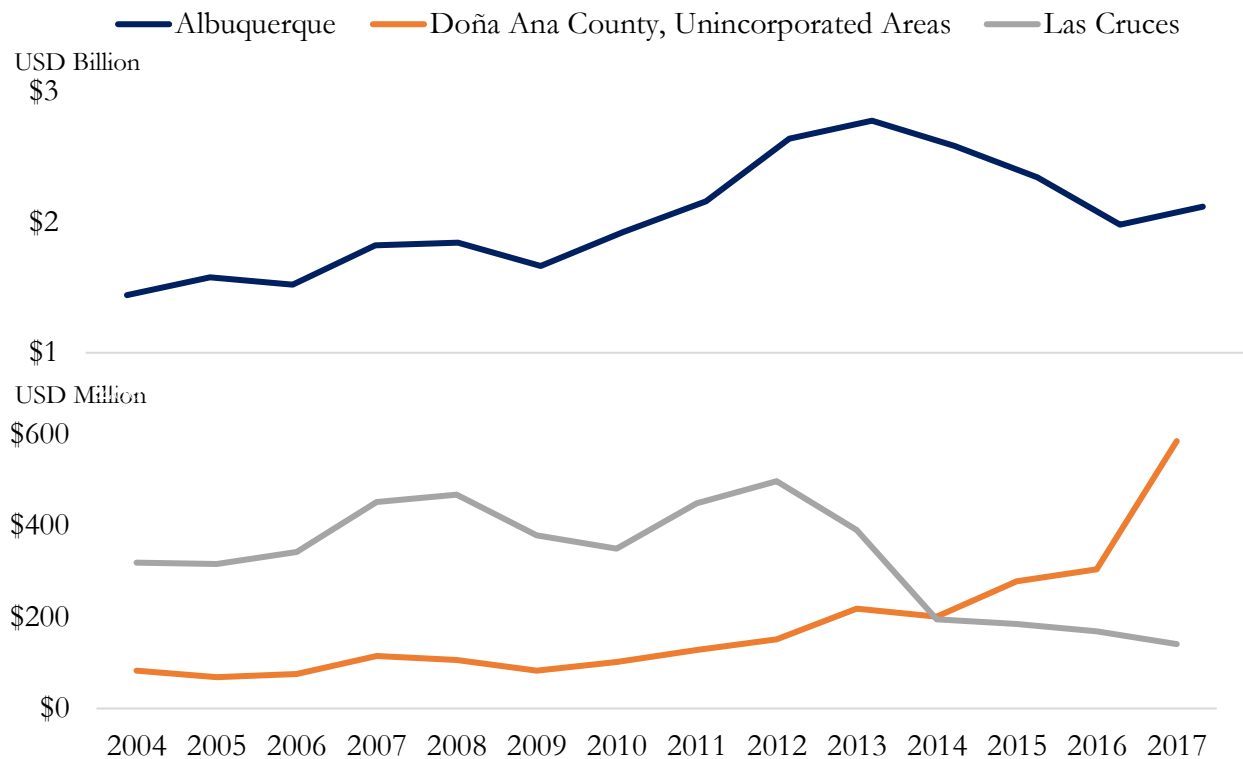


Note: Data released April 9, 2018.

Source: U.S. Census Bureau.

Another way of measuring Manufacturing Output in the Santa Teresa region uses State of New Mexico Gross Receipts Tax (GRT) data collected by the New Mexico Taxation and Revenue Department (NMTRD). The New Mexico Taxation and Revenue Department collects the total tax revenue data that businesses in the state generate by sector, such as manufacturing, and also by city, county, and for the aggregate of activity in Unincorporated Areas. Total GRT revenue for Manufacturing Output in the Unincorporated Areas of Doña Ana County, which includes the Santa Teresa region and other communities, has grown steadily since 2004, seeing a noticeable increase since 2014, to \$584 million (Graph 15). In the same time frame, GRT revenue for Manufacturing Output in Las Cruces, which began higher than the unincorporated areas of the Doña Ana County, at \$318 million, has now declined to \$140 million, with a marked decrease since 2012. The GRT revenue for manufacturing in Albuquerque far exceeds those of both Las Cruces and the unincorporated regions of Doña Ana County, at \$2.1 billion in 2017.

Graph 15. Regional Manufacturing Gross Receipts Tax (GRT) in the State of New Mexico

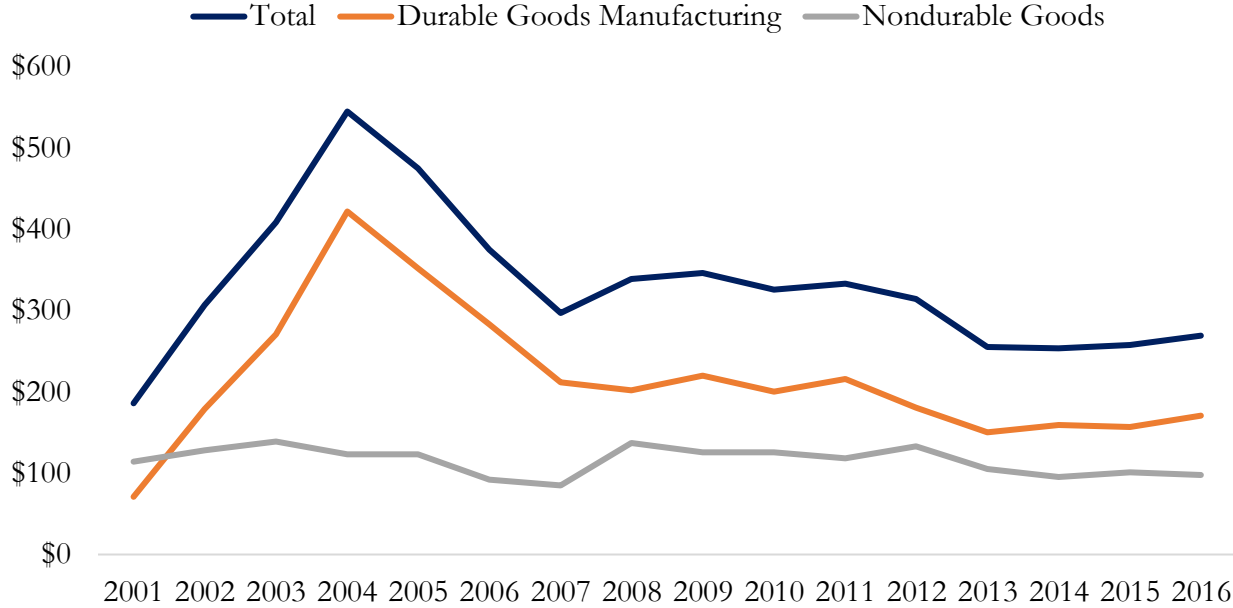


Note: Unincorporated Areas do not include Hatch, Mesilla, Sunland Park, and Anthony.

Source: *The New Mexico Taxation and Revenue Department.*

The U.S. Bureau of Economic Analysis (BEA) provides the share of Gross Domestic Product (GDP) by Industry Sector for the Las Cruces Metropolitan Statistical Area (MSA), which encompasses Doña Ana County, including the Santa Teresa region. The share of GDP which constituted manufacturing activity in the Las Cruces MSA was \$269 million as of 2016 (Graph 16). While this is higher than the value recorded in 2001 of \$186 million, it is down markedly from a high of \$545 million in 2004, and it has been declining since then. This trend is reflected in the share of GDP for the manufacture of Durable Goods, goods that yield value and utility over time. The share of GDP for Nondurable Goods, goods that depreciate or are consumed quickly, though, has not fluctuated in a similar fashion, and stands as of 2016 at \$98 million, down from \$114 million in 2001.

Graph 16. Las Cruces Manufacturing MSA Gross Domestic Product (GDP) (USD Million)

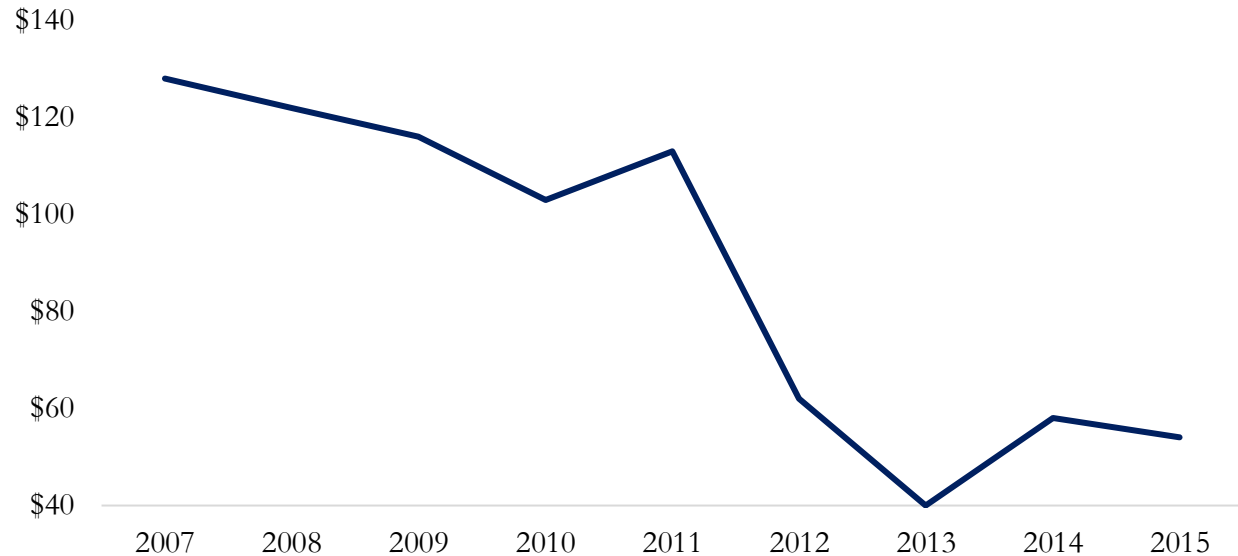


Note: The Las Cruces MSA includes all of Doña Ana County.

Source: U.S. Bureau of Economic Analysis.

Within the Las Cruces MSA, the Computer and Electronic Products Manufacturing Industry Sector in particular has constituted a significantly decreasing share of its GDP, from \$122 million in 2007 to \$54 million in 2015 (Graph 17). This decrease in the share of GDP for these goods stands in stark contrast against the increase in value of these types of exports and imports through the Santa Teresa Port of Entry.

Graph 17. Las Cruces MSA Computer and Electronic Product Manufacturing GDP (USD Million)



Note: The Las Cruces MSA includes all of Doña Ana County.

Source: U.S. Bureau of Economic Analysis.

The export through the Santa Teresa Port of Entry of Computer Related Machinery and Parts, such as printed circuit assemblies and memory modules, rose from \$65 million in 2008 to \$9.6 billion in 2016 (Graph 51). In this same time period, the value of Computer Related Machinery and Parts exports have dominated other export commodities through the Santa Teresa Port of Entry, and was at 91% of all exported value in 2017 (Figure 30). The same commodity as an import into the Santa Teresa Port of Entry grew in value from \$223 million in 2008 to a high of \$10.1 billion in 2012 before declining to \$9.7 billion in 2017 (Graph 52). Here, as with exports from Santa Teresa, Computer Related Machinery dominates import values with 84% of all imported commodity value (Figure 31).

D. Economic Development

In order to stimulate economic development, the State of New Mexico provides a variety of general and specific tax deductions, incentives, and fee waivers, as well as grant and bond funding to businesses throughout the state, including the Santa Teresa region in particular. The New Mexico Taxation and Revenue Department (NMTRD) manages tax incentives and fee waivers while the New Mexico Economic Development Department (NMEDD), together with local governments, such as Doña Ana County, manages grant programs. The Doña Ana County government manages funding to businesses through its Industrial Revenue Bond (IRB) program. Additionally, the New Mexico Border Authority (NMBA) is another state institution that has the ability to generate and disperse funds to promote the economic development of the entire New Mexico border region.

General Tax Deductions, Credits, and Fee Waivers

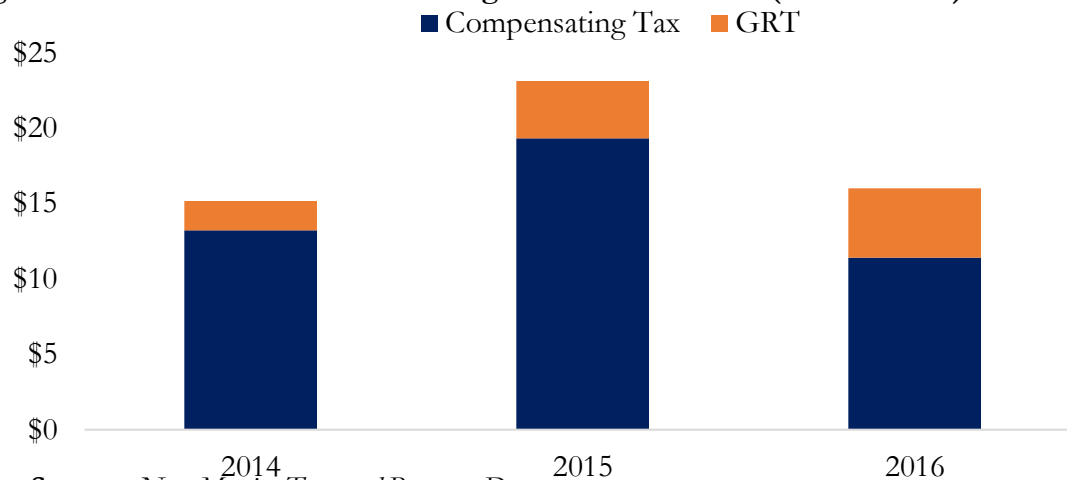
The State of New Mexico has many Tax Deductions, Credits, and Fee Waivers to offer to businesses that operate throughout the state. Some of these have particular importance to New Mexico's border region with Mexico, but are not exclusively available in this zone.

Locomotive Engine Fuel Goss Receipts Tax and Compensating Tax Deduction: This tax deduction, which came into effect in 2013, allows (1) for the receipts from the sale of fuel to a common carrier to be loaded or used in a locomotive engine to be deductible from gross receipts, or (2) for the value of fuel to be loaded or used by a common carrier in a locomotive engine to be deductible when computing the compensating tax due.

Because of strategic transcontinental corridors that cross through New Mexico, from Chicago to Albuquerque to Los Angeles, and from Houston to El Paso to Los Angeles, this tax deduction provides a major benefit to the railroad companies that operate in these corridors, namely Burlington Northern Santa Fe (BNSF) and Union Pacific (UP).

The Union Pacific Santa Teresa Intermodal Ramp (STIR) in the Santa Teresa region, in addition to offering intermodal service, also provides critical refueling stations for its trains. Data from the NMTRD shows that this deduction has cost the state \$19.3 million in Compensating Tax revenue in 2015, and \$3.8 million in GRT revenue in the same year, an increase from previous years (Figure 4).

Figure 4. New Mexico Locomotive Engine Fuel Deduction (USD Million)

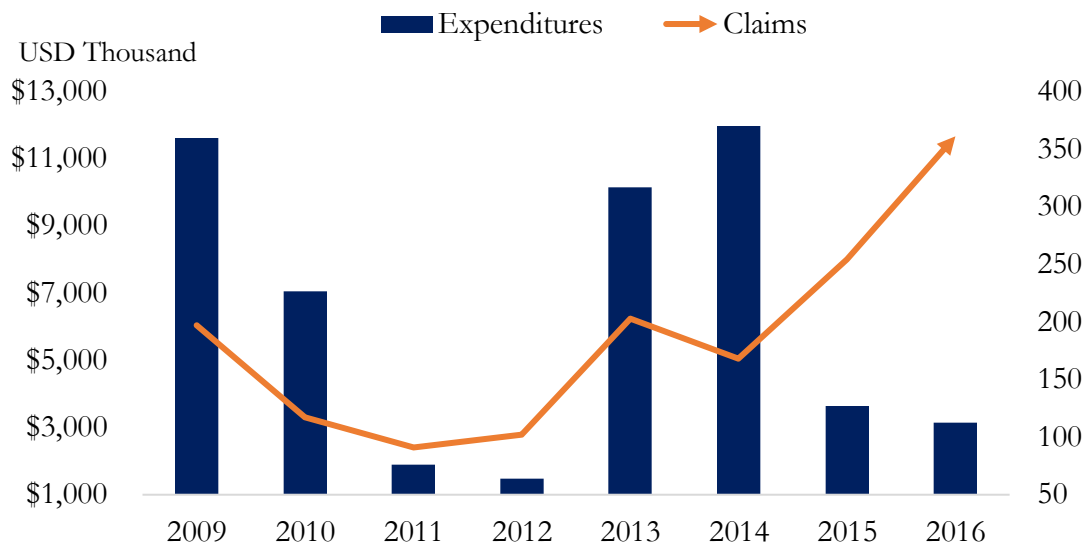


Source: *New Mexico Tax and Revenue Department.*

Manufacturing Investment Tax Credit: The tax credit provides a credit equal to 5.125% of the value of certain equipment purchased or brought into New Mexico in connection with a manufacturing operation. The credit may be applied against a maximum of 85% of a taxpayer’s gross receipts, compensating, and withholding tax liability, but may not be taken against any municipal or county GRT. To be eligible for the credit, until June 30, 2020, the taxpayer must employ one full-time equivalent employee for every \$500,000 of qualified equipment claimed (up to maximum of \$30 million) and one full-time equivalent employee every \$1 million of qualified equipment claimed (over \$30 million). After June 30, 2020, the taxpayer must employ one FTE for every \$100,000 of qualified equipment claimed.

This tax credit, statewide, has seen the number of Claims rise sharply in recent years to 361 in 2016, after having falling to 91 in 2011. Revenues that the state has foregone due to this credit have also fluctuated widely between 2009 and 2016, from highs of close to \$12 million in 2009 and 2014, to lows around \$1.5 million in 2011 and 2012. As of 2015 and 2016, this tax credit cost the state \$3.6 and \$3.1 million, respectively.

Figure 5. Investment Tax Credit



Source: *New Mexico Tax and Revenue Department.*

Services on Manufactured Products Deduction from Gross Receipts Tax: This tax deduction allows for manufacturers to deduct their receipts generated from the selling of the service of combining or processing components or materials to a manufacturer.

Manufacturer’s Gross Receipts Tax Exemption on Consumables: This tax deduction allows a manufacturer to deduct a percentage (20%) of the GRT paid on consumables used in the manufacturing process.

Single Sales Factor Corporate Income Tax Apportionment: This apportionment structure allows a taxpayer whose principal business activity is manufacturing to elect to have its corporate income tax apportioned, as of 2018, wholly (100%) on the taxpayer’s sales in New Mexico rather than on the taxpayer’s property or payroll. This tax apportionment favors manufactures who produce in New Mexico, but sell outside of the state, thereby lowering the amount of taxable income.

Border Region Tax Deductions, Credits, and Fee Waivers

The State of New Mexico has also created several tax and fee deductions for individuals and businesses in the border, that because of the way they are written, apply almost exclusively to the Santa Teresa region.

Non-Resident Manufacturing Employee Personal Income Tax Credit: This personal income tax credit allows an individual to claim her or his home state income tax if the compensation earned for activities, labor or services performed in New Mexico for a business in the manufacturing industry is located within twenty miles of an international border, has a minimum of five full-time employees who are New Mexico residents, and is not otherwise receiving development training funds. This tax credit effectively applies only to Southern Doña Ana County and to employees coming from the El Paso, Texas, metropolitan area.

Trip and Weight Distance Tax Exemption: This tax exemption allows commercial motor carrier vehicles operating exclusively within ten miles of a border with Mexico, in conjunction with crossing the border with Mexico, to forego payment of the trip tax otherwise imposed on such carriers. This tax exemption effectively only applies to the Santa Teresa region, as the state's other border crossings, at Columbus and Antelope Wells, possess little commercial or manufacturing activity that would generate sufficient motor vehicle traffic crossing into Mexico.

Figure 6. Commercial Motor Vehicles Operating Exclusively within 10 Miles of Mexico Border Exemption (USD Million)



Source: *New Mexico Tax and Revenue Department.*

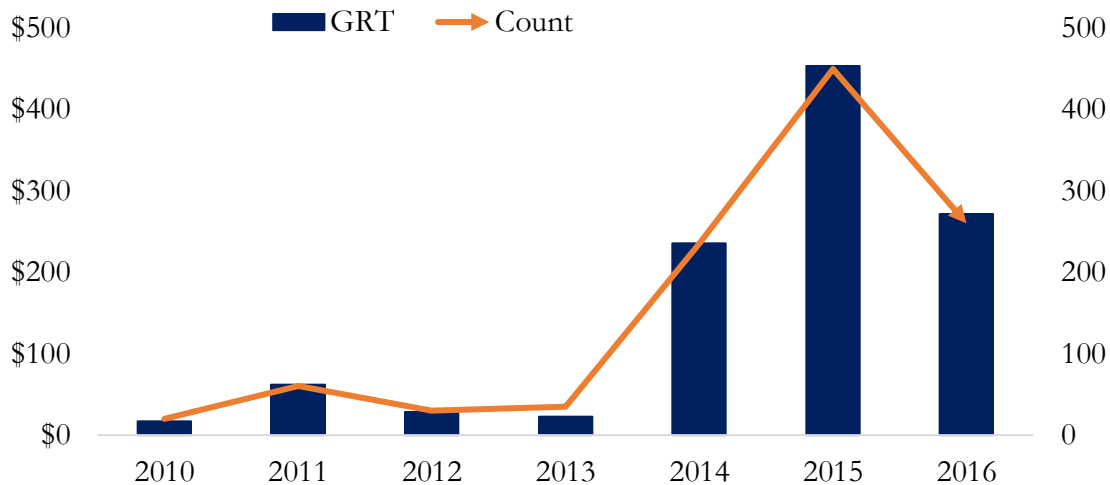
Border-Crossing Special Fuel User Permit: A special fuel (i.e., diesel fuel) user who operates a commercial motor carrier vehicle registered or titled in Mexico, who is engaged primarily in movement across the New Mexico-Mexico border and into or from an international border commercial zone and whose exclusive use of New Mexico highways is limited to an area within ten miles of the New Mexico-Mexico border may apply for, on a form approved by the New Mexico Department of Transportation (NMDOT), a quarterly (\$125), semi-annual (\$200), or

annual (\$350) border crossing special fuel user permit. This special permit and its fees again effectively apply only to the Santa Teresa region, as the other New Mexico-Mexico border crossings of Columbus and Antelope Wells do not sustain sufficient commercial, manufacturing, or trade activity to support many special fuel users. All of the trade, though, that occurs between the Foxconn manufacturing plant and the United States uses special fuel users (motor carriers using diesel fuel) to cross the imports and exports into and out of Mexico.

Border-Zone Trade Support Company Gross Receipts Tax Deduction: This tax deduction allows a customs brokerage firm or a freight forwarder located within twenty miles of a port of entry on New Mexico-Mexico border, and employing at least two New Mexico employees, to deduct their receipts from their GRT liability if the company establishes a presence after July 1, 2016, but before January 1, 2021. In order to qualify the company has to relocate on or after January 1, 2016 but before January 1, 2021. The trade-support company must employ at least two employees in New Mexico. This tax deduction also effectively only applies to the Santa Teresa region, as the commercial and trade activity on the Mexican side of Columbus and Antelope Wells would support little freight forwarding and customs brokering.

Both the claims for this tax deduction and the amount claimed has increased markedly in recent years. In 2010, 20 claims were made for \$16,800. In 2015, 450 claims were made for \$453,000.

Figure 7. Border-Zone Trade Support Company Deduction (USD Thousand)



Source: *New Mexico Tax and Revenue Department.*

Incentives, Grants, and other Economic Development Funding

The New Mexico Economic Development Department offers funding to businesses through the Job Training Incentive Program (JTIP) and Local Economic Development Act (LEDA) grant. The Job Training Incentive Program funds up to six months of classroom and workplace training for newly-hired employees as part of a business expansion or relocation, reimbursing up to 75% of employee wages, while LEDA grants allow the state and local governments to support economic development projects.

The New Mexico Border Authority (NMBA) is a critical state agency and part of the NMEDD that, in addition to other duties, works to foster economic development opportunities along the New Mexico-Chihuahua border region by recruiting industries. It may also provide funding for economic development and trade enhancement projects in the border and Santa Teresa region through the issuing revenue bonds and via the Border Development Fund.

Job Training Incentive Program

The State of New Mexico, through the Job Training Incentive Program (JTIP), funds up to six months of classroom and workplace training for newly-created jobs, either as part of a business expansion or relocation, by reimbursing between 50% and 75% of employee wages. To be eligible, the businesses must produce or manufacture a product in New Mexico, provide non-retail services, 50% of whose revenues must arise from out-of-state sales, or be engaged in a particular green industry. Additionally, all businesses must be financially sound to receive JTIP funds. Also, the eligible jobs must be full time (32 hours/week), year-round, and be directly related to manufacturing (such as production workers or engineers) or providing services (such as a customer service representatives). Eligible trainees, in general, must be New Mexico residents with at least one year of residency, the exception being for certain high-wage jobs. The businesses are reimbursed for the wages foregone during training after the training is completed.

Since 2008, a total of \$2,220,912 in JTIP funding has been received by businesses operation in the Santa Teresa region. The largest single funding, \$537,626, went to CN Wire Corporation, a subsidiary of parent company, Elektrolitik Bakir Mamulleri A.S., headquartered in Turkey (Table 13). In addition, CN Wire Corporation received the largest total of JTIP funding in the last ten years in the Santa Teresa region, with three disbursements totaling \$986,335. Two recipients, Universal Sheets, L.L.C., and Visual Impact Preprint, L.L.C., are two subsidiaries of the same company, Corrugated Synergies International, based in Renton, Washington, and received over \$650,000 in 2018.

Other recipients include: Southwest Steel Coil, a subsidiary of Calstrip Industries, based in Los Angeles, California; Monarch Litho Inc., based in Montebello, California; D.A. Inc., based in Charlestown, Indiana; MCS Industries, Inc., based in Easton, Pennsylvania; Northwire, Inc., based in Osceola, Wisconsin; and Menlo Logistics, Inc., based in San Francisco, California, acquired in 2015 by XPO Logistics, based in Greenwich, Connecticut.

Table 13. Job Training Incentive Program Results

Year	Company	Approved Budget	Trainees	Avg. Wage/Hr.
2008	Monarch Litho, Inc.	\$57,041	18	\$9.56
2008	Northwire, Inc.	\$70,833	13	\$12.30
2008	D.A., Inc.	\$156,471	31	\$12.76
2008	MCS Industries, Inc.	\$46,155	15	\$9.03
2008	Menlo Logistics, Inc.	\$173,030	43	\$12.58
2014	Southwest Steel Coil	\$54,000	N/A	N/A
2014	CN Wire Corp.	\$537,626	79	\$14.47
2015	CN Wire Corp.	\$298,465	68	\$12.07
2015	CN Wire Corp.	\$150,244	34	\$12.71
2018	Universal Sheets, L.L.C.	\$373,550	44	\$16.11
2018	Visual Impact Preprint, L.L.C.	\$303,497	27	\$19.09
Total	11	\$2,220,912	372	\$13.51

Note: Average Wage per Hour is the Weighted Average.

Source: *The New Mexico Economic Development Department.*

Local Economic Development Act (LEDA)

Under the Local Economic Development Act (LEDA), the New Mexico Economic Development Department (NMEDD) is authorized to administer grants to local governments (both County and Municipal—provided they have enacted a local LEDA ordinance) to promote economic development in their communities by providing funding to private businesses, while preventing the direct allocation of public money to private businesses in accordance with the Anti-Donation Clause of the New Mexico Constitution. In 2009, Doña Ana County adopted, by ordinance, an Economic Development Plan, allowing the county to participate in this state grant program.

Under the Doña Ana County ordinance, and consistent with the state LEDA, a Qualifying Entity, who wishes to receive assistance under this program, must present and have its **Economic Development Project** approved by the county. A **Qualifying Entity** is, according to state law:

A corporation, limited liability company, partnership, joint venture, syndicate, association or other person that is one or a combination of two or more of the following:

- (1) **An Industry** for the manufacturing, processing or assembling of agricultural or manufactured products;
- (2) **A Commercial Enterprise** for storing, warehousing, distributing or selling products of agriculture, mining or industry, but, other than as provided in Paragraph (5), (6) or (9) of this subsection, not including any enterprise for sale of goods or commodities at retail or for distribution to the public of electricity, gas, water or telephone or other services commonly classified as public utilities;
- (3) **A Business**, including a restaurant or lodging establishment, in which all or part of the activities of the business involves the supplying of services to the general public or to governmental agencies or to a specific industry or customer, but, other than as provided in Paragraph (5) or (9) of this subsection, not including businesses primarily engaged in the sale of goods or commodities at retail;
- (4) **An Indian Nation**, tribe or pueblo or a federally chartered tribal corporation;
- (5) **A Telecommunications Sales Enterprise** that makes the majority of its sales to persons outside New Mexico;
- (6) **A Facility for the Direct sales by Growers of Agricultural Products**, commonly known as farmers' markets;
- (7) **A Business that is the Developer of a Metropolitan Redevelopment Project**;
- (8) **A Cultural Facility**; and
- (9) **A Retail Business**.

The **Qualifying Entity's Economic Development Project** applies for assistance from the county for:

Direct or indirect assistance to the **Qualifying Entity** by a local or regional government and includes:

- (1) The purchase, lease, grant, construction, reconstruction, improvement or other acquisition or conveyance of land, buildings or other infrastructure;

- (2) Rights-of-way infrastructure, including trenching and conduit, for the placement of new broadband telecommunications network facilities;
- (3) Public works improvements essential to the location or expansion of a qualifying entity;
- (4) Payments for professional services contracts necessary for local or regional governments to implement a plan or project;
- (5) The provision of direct loans or grants for land, buildings or infrastructure; technical assistance to cultural facilities;
- (6) Loan guarantees securing the cost of land, buildings or infrastructure in an amount not to exceed the revenue that may be derived from the municipal infrastructure gross receipts tax or the county infrastructure gross receipts tax;
- (7) Grants for public works infrastructure improvements essential to the location or expansion of a qualifying entity;
- (8) Grants or subsidies to cultural facilities;
- (9) Purchase of land for a publicly held industrial park or a publicly owned cultural facility; and,
- (10) The construction of a building for use by a qualifying entity.

Doña Ana County requires the **Qualifying Entity's** project proposal to describe the proposed project, including the names and addresses of persons with an interest in the project, the number and types of jobs to be created, wages and benefits associated with the jobs to be created, the type and amount of assistance sought from the County, and all other information requested by the County. According to state law, and **Economic Development Project**, if approved, must be done so by ordinance.

If the Doña Ana County Commission approves the **Economic Development Project**, it will enter into a **Project Participation Agreement (PPA)**, which outlines the rights and obligations of the county and the **Qualifying Entity**, specifically:

- (1) The **Contributions** to be made by each party to the participation agreement;
- (2) The **Security** provided to each governmental entity that provides public support for an economic development project by the qualifying entity in the form of a lien, mortgage or other indenture and the pledge of the qualifying business's financial or material participation and cooperation to guarantee the qualifying entity's performance pursuant to the project participation agreement;
- (3) A **Schedule** for project development and completion, including measurable goals and time limits for those goals; and
- (4) **Provisions for Performance Review** and actions to be taken upon a determination that project performance is unsatisfactory.

As the LEDA requires, the direct or indirect assistance provided by Doña Ana County for an **Economic Development Project** shall be in exchange for a substantive contribution from the **Qualifying Entity**. The contribution shall be of value and may be paid in money, in-kind services, jobs, expanded tax base, property or other thing or service of value for the expansion of the economy. The state is not a direct party in any agreements with the company.

Finally, if the **Qualifying Entity** fails to perform its substantive contribution, Doña Ana County shall enforce the **Project Participation Agreement** to recover that portion of the public support for which the qualifying entity failed to provide a substantive contribution. The recovery, detailed in what is known as a **Clawback Provision** in the agreement, shall be proportional to the failed performance of the substantive contribution and shall take into account all previous substantive contributions for

the economic development project performed by the qualifying entity. The LEDA also requires that the local or regional government provide an **Annual Independent Audit** in accordance with the Audit Act of each special fund and project account. The LEDA also states that the audit shall be submitted to the local or regional government and that the audit is a public record.

Since 2014, Doña Ana County has approved five **Economic Development Projects** by ordinance in the Santa Teresa region, each with its own **Project Participation Agreements** (Table 14), for a total of \$5.7 million.

In 2014, the county approved a project application from CN Wire Corporation, a Turkish company, for \$2,750,000 to purchase 15.8 acres of land and renovate a copper wire manufacturing facility, with an anticipated project contribution of \$38,000,000 and a commitment to create 195 jobs by 2017. In 2015, the county approved a project application from MCS Industries, a Pennsylvania company, which was granted \$125,000 to purchase 14 acres of land and construct a manufacturing and distribution facility, with an anticipated project contribution of \$10,760,000 and a commitment to create 40 jobs.

In 2016, the county approved two LEDA projects. First, it approved a project application from W. Silver Recycling, Inc., a Texas company, which was granted \$30,000 to extend a rail line from its property to the Santa Teresa Short Railroad, with an anticipated project contribution of \$175,000 and a commitment to create 4 jobs.

Secondly, that same year, the county approved its second largest project for the Border Industrial Association, a New Mexico non-profit advocacy group. It was granted \$1,800,000 to construct a replacement water supply well, control building, disinfection system, and approximately 6,700 feet of well collector line, with an anticipated project contribution of \$1,950,000 and a commitment to create 200 jobs. In 2018, Corrugated Synergies, Inc., received \$1,005,000 with the proposal to create 110 jobs by 2023.

Table 14. Local Economic Development Act Grants through Doña Ana County

Year Began	Year End	Company	LEDA Allocated Amount	Proposed Job Creation
2015	2017	CN Wire Corp.	\$2,750,000	195
2015	2018	MCS Industries	\$125,000	40
2016	2017	W. Silver Recycling, Inc.	\$30,000	4
2016	2018	Border Industrial Association	\$1,800,000	200
2018	2023	Corrugated Synergies, Inc.	\$1,005,000	110
Total		5	\$5,710,000	549

Source: *Doña Ana County Ordinances.*

Industrial Revenue Bond—Doña Ana County

Property, Compensating, and Gross Receipts Tax exemptions for manufacturing or processing companies, as well as companies involved in warehousing, storage, and distribution, can occur through the use of an Industrial Revenue Bond (IRB). An Industrial Revenue Bond is a loan from the bond purchaser to a company where the loan proceeds and repayment flows through a governmental issuer, in this case Doña Ana County. Instead of purchasing a facility directly, companies can enter into a lease with the issuer, provided the company will lease the facility from the issuer and at the end of lease, purchase the facility from the issuer for a nominal amount. The Doña Ana County Commission must approve an IRB by vote. The applicant must submit an application and pay a \$20,000 fee to the county. The information in the application may be subject to public review under state law. In 2018, two IRBs were approved for Corrugated Synergies Inc., operating in the Santa Teresa region.

II. Water, Energy, and Telecommunications

The community in the Santa Teresa region relies on the Camino Real Regional Utility Authority (CRRUA), a public utility created through a Joint Powers Agreement (JPA) between Doña Ana County and the City of Sunland Park, for water and wastewater services. For energy, the community relies on the New Mexico Natural Gas Company for natural gas, and on El Paso Electric for electricity. A variety of traditional telephone, cellular telephone, cable, and internet telecommunications infrastructure are also available in the region.

A. Water

The Santa Teresa region relies on groundwater drawn from the Mesilla Bolsón. The Camino Real Regional Utility Authority (CRRUA), managed jointly by the City of Sunland Park and Doña Ana County, provides water and waste water services to residential and industrial customers in both the City of Sunland Park and the unincorporated part of Doña Ana County that includes the Santa Teresa region. In 2009, the Sunland Park and County Doña Ana County signed a JPA, creating an independent governing body, the Camino Real Regional Utility Authority (CRRUA).

The Camino Real Regional Utility Authority can issue revenue bonds, establish an extraterritorial planning and zoning commission, and appoint members to its governing board. It must also establish an Extraterritorial Planning and Zoning Commission, and appoint its members, to assist with the administration of the subdivision, zoning, planning and platting regulations. The Camino Real Regional Utility Authority sets rates, bills customers, collects fees for services, and imposes conditions on the use of facilities. The pricing structure for CRRUA involves a base rate and two graduated tiers of price per use, in Residential, Commercial, and Industrial categories.

The management and maintenance of the water and waste water systems of the Camino Real Regional Utility Authority are divided into 4 service areas: The City of Sunland Park; The Santa Teresa Community; The Santa Teresa Industrial Park; and, The Santa Teresa Border Area.

The Camino Real Regional Utility Authority recently updated its rate schedule for 2018, in which industrial customers have the highest base rate, but the lowest graduated rates (Table 15). Since 2014, the base rates (first 7,000 gallons) have risen for both Residential and Industrial consumers, while Commercial rates have stayed the same.

Table 15. Camino Real Regional Utility Authority Water Rates

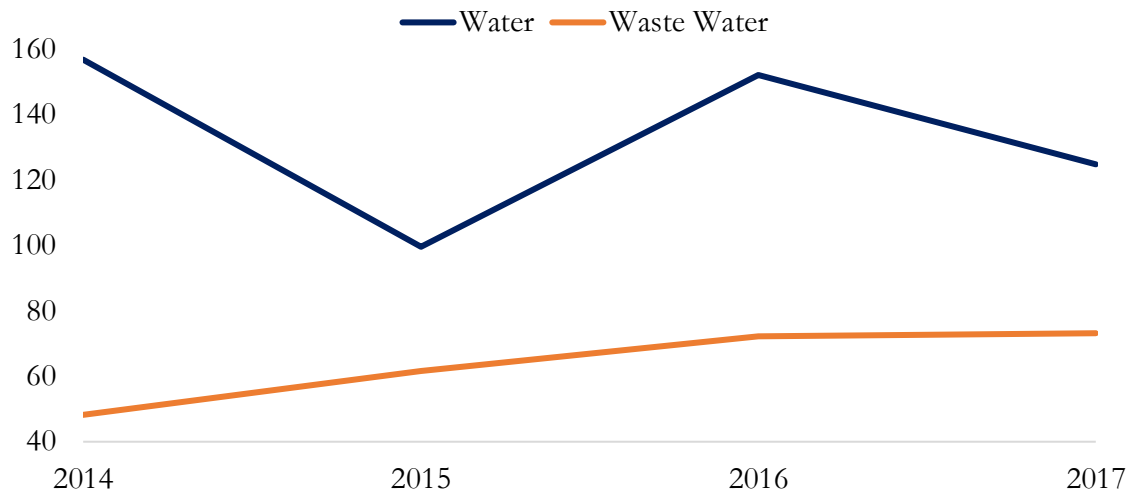
Type	Description	2014	2015	2016	2017
Residential	First 7,000 Gallons	\$17.41	\$18.11	\$18.83	\$19.58
	Next 4,000 Gallons (POG*)	\$1.66	\$1.66	\$1.66	\$1.66
	Next 4,000 Gallons (POG*)	\$1.81	\$1.81	\$1.81	\$1.81
	Per 1,000 Gallons thereafter	\$2.01	\$2.01	\$2.01	\$2.01
Commercial	First 7,000 Gallons	\$25.00	\$25.00	\$25.00	\$25.00
	Next 4,000 Gallons (POG*)	\$1.35	\$1.35	\$1.35	\$1.35
	Next 4,000 Gallons (POG*)	\$1.73	\$1.73	\$1.73	\$1.73
Industrial	First 7,000 Gallons	\$33.53	\$34.87	\$36.26	\$37.71
	Next 4,000 Gallons (POG*)	\$1.34	\$1.34	\$1.34	\$1.34
	Per 1,000 Gallons thereafter	\$1.66	\$1.67	\$1.67	\$1.67

* POG refers to Per 1,000 Gallons

Source: Camino Real Regional Utility Authority.

Total Water Consumption in the CRRUA service area, which includes the City of Sunland Park and the Santa Teresa region, has fallen and risen in the years between 2014 and 2017, standing at 124 million gallons in 2017 (Graph 18). Total Waste Water Consumption has steadily risen since 2014, standing at 73,196 million gallons in 2017.

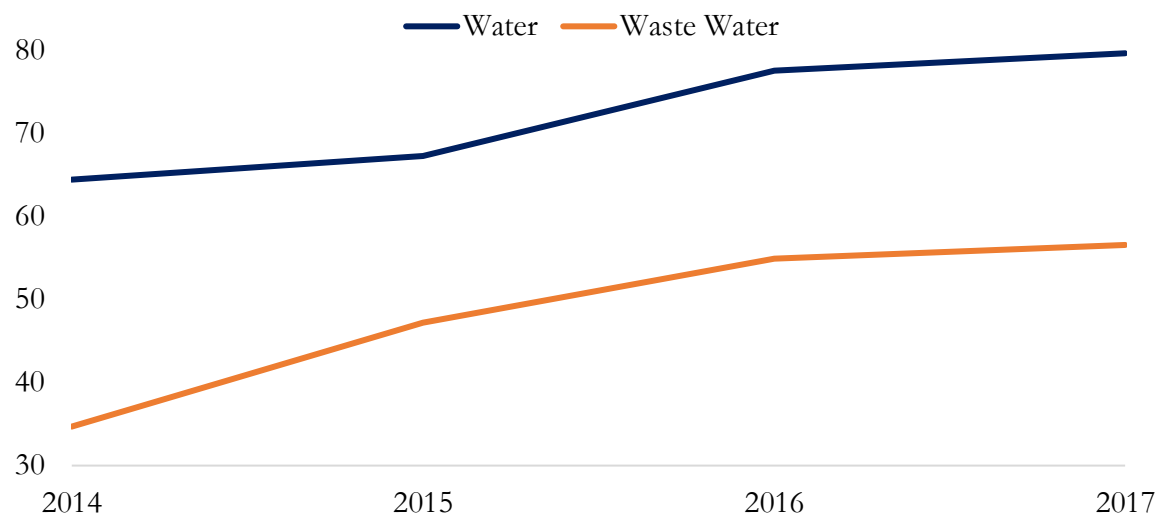
Graph 18. CRRUA, Total Water Consumption (Millions of Gallons)



Source: *Camino Real Regional Utility Authority.*

Both Residential Water and Waste Water Consumption have both increased since 2014. In 2017, total Residential Water use stood at 79 million gallons, an increase of approximately 15 million gallons since 2014 (Graph 19). Total Residential Waste Water Consumption has increased from 34 million gallons in 2014 to 56 million gallons in 2017.

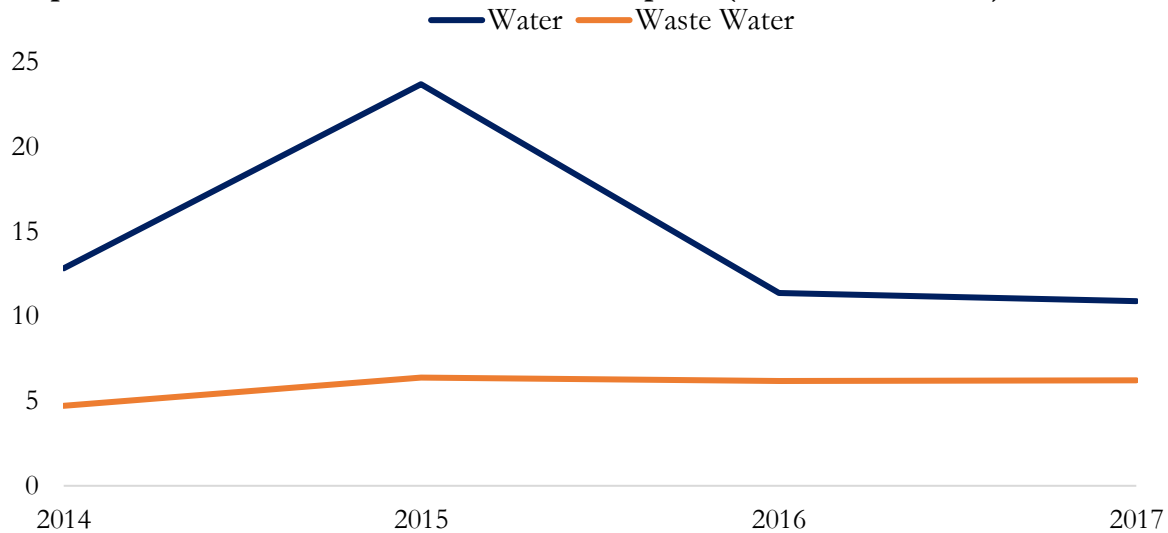
Graph 19. CRRUA, Residential Water Consumption (Millions of Gallons)



Source: *Camino Real Regional Utility Authority.*

Total Commercial Water Consumption, on the other hand, has decreased since 2014, despite a spike in 2015. As of 2017, it stands at 10 million gallons, down from 12 million in 2014 (Graph 20). Commercial Waste Water Consumption increased very little in four years, just over 1.5 million gallons, to 6 million gallons in 2017.

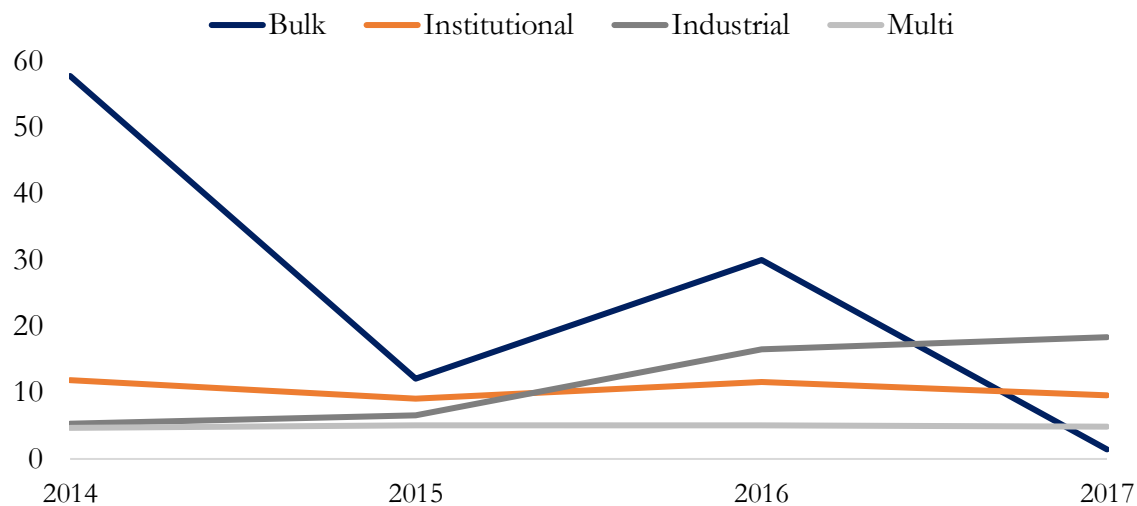
Graph 20. CRRUA, Commercial Water Consumption (Millions of Gallons)



Source: *Camino Real Regional Utility Authority.*

Between 2014 and 2017, Industrial Water Consumption increased from 5 million gallons to 18 million gallons (Graph 21).

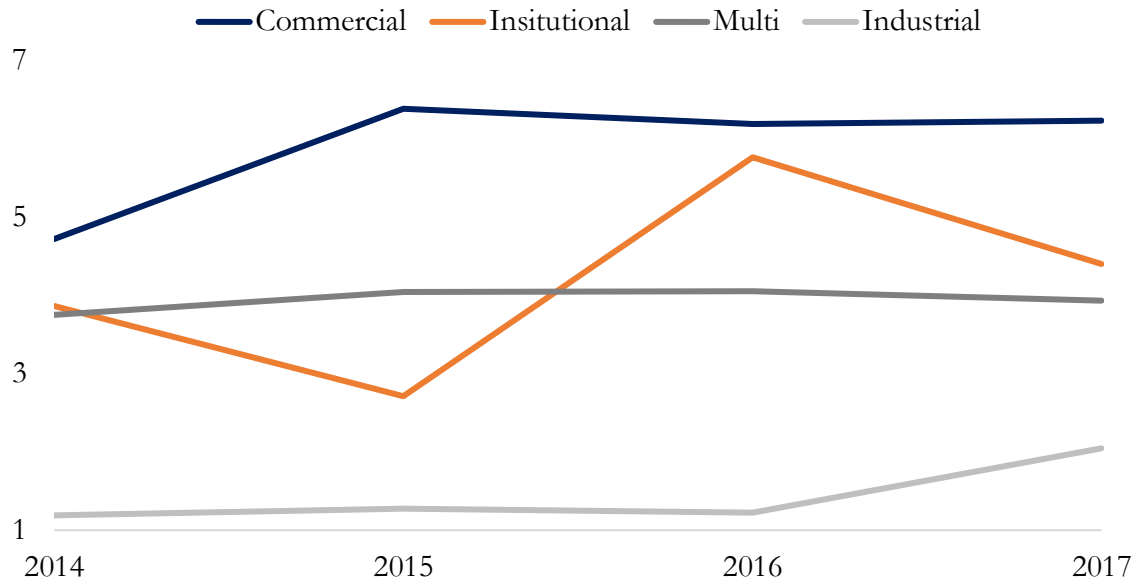
Graph 21. CRRUA, Industrial Water Consumption (Millions of Gallons)



Source: *Camino Real Regional Utility Authority.*

Between 2014 and 2017, Industrial Waste Water Consumption increased from 1.2 million gallons, until 2017, when it increased to 2 million gallons (Graph 22).

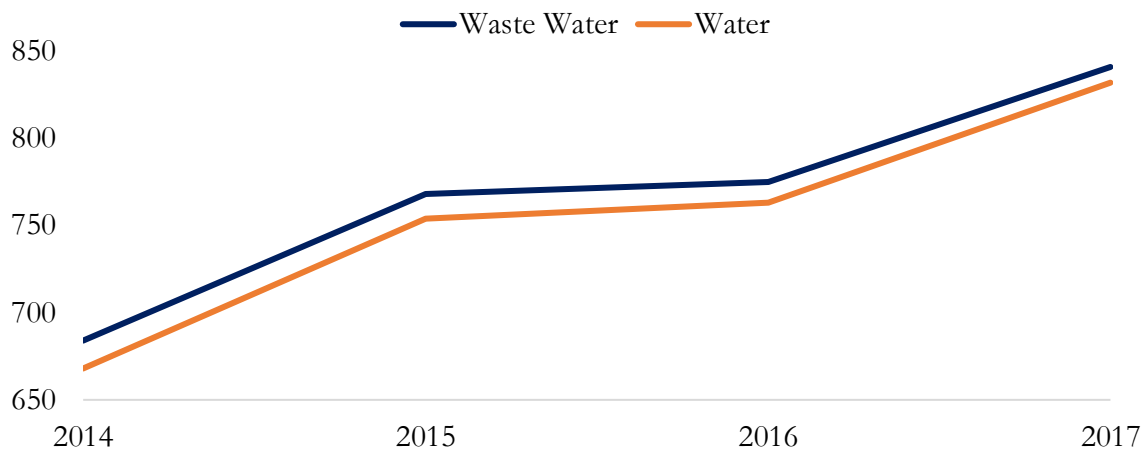
Graph 22. CRRUA, Industrial Waste Water Consumption (Millions of Gallons)



Source: Camino Real Regional Utility Authority.

Residential Water Accounts have increase from 668 in 2014 to 832 in 2017 (Graph 23). Meanwhile, Waste Water Accounts have similarly increased, from 684 in 2014 to 841 in 2017.

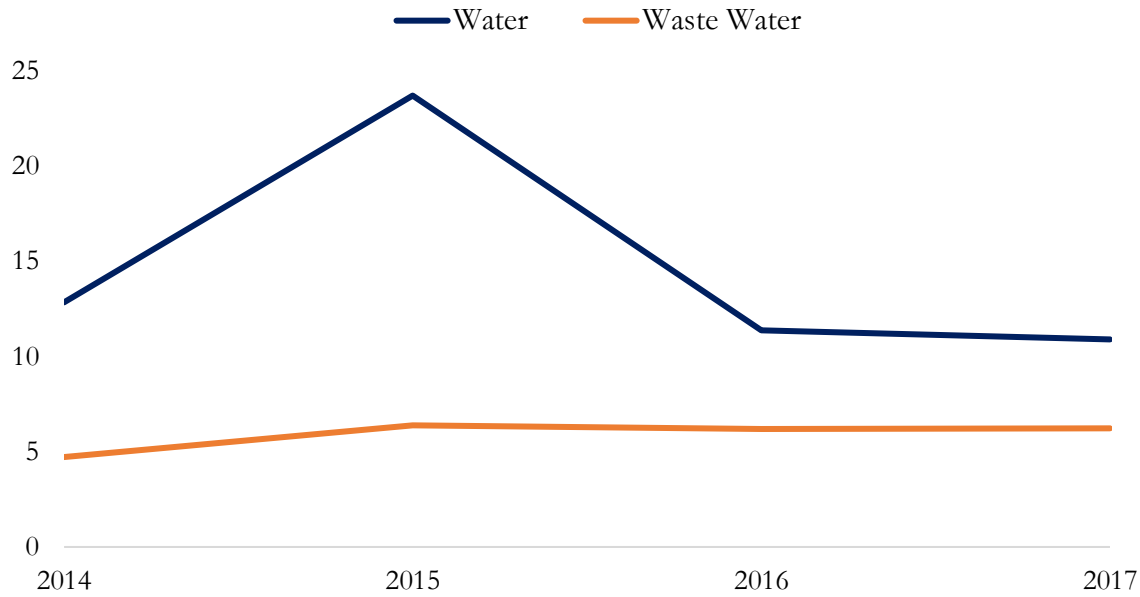
Graph 23. CRRUA, Total Residential Water and Waste Water Accounts



Source: Camino Real Regional Utility Authority.

Between 2014 and 2017, Commercial Water Accounts decreased slightly from 29 to 22, while Waste Water Accounts remained stable with 4 (Graph 24).

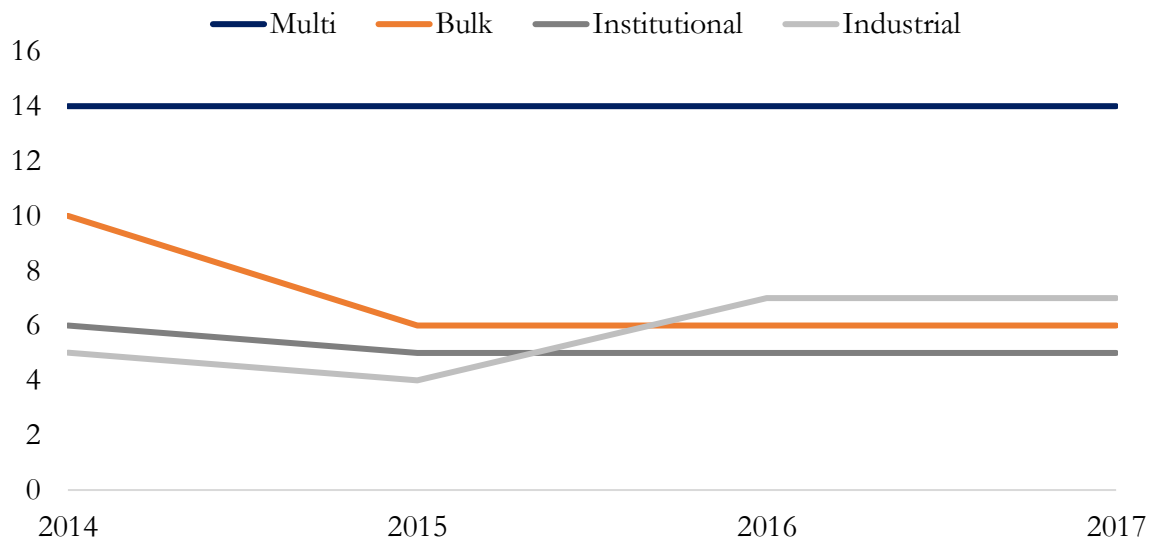
Graph 24. CRRUA Total Commercial Water and Waste Water Accounts



Source: *Camino Real Regional Utility Authority.*

The Water Accounts for Industrial users moved little in the years from 2014 to 2017, from 5 to 7 (Graph 25).

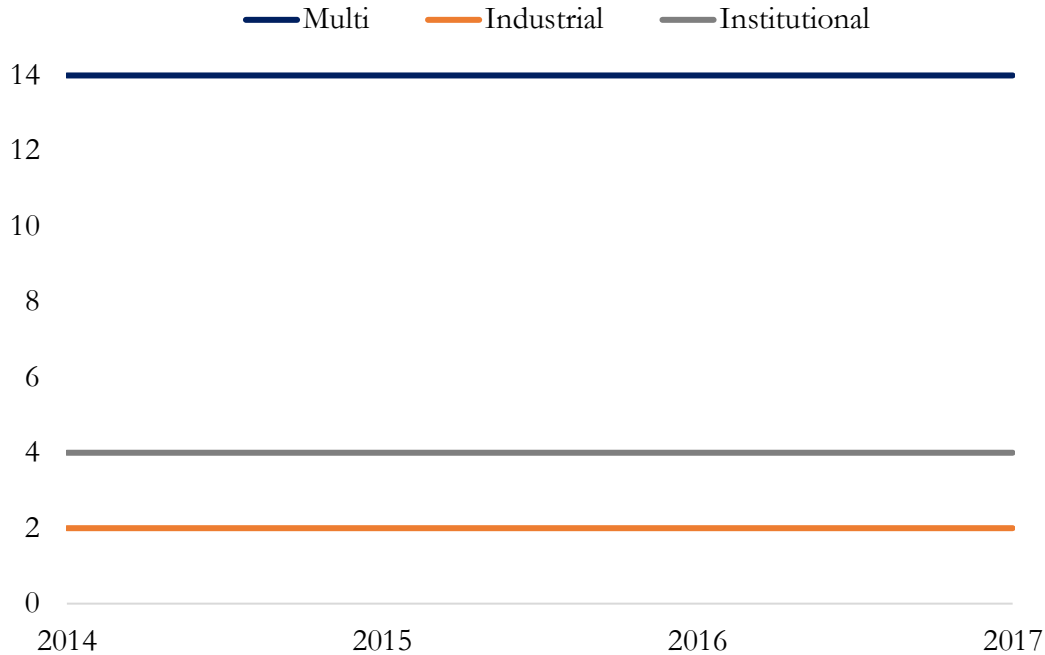
Graph 25. CRRUA, Total Industrial Water Accounts



Source: *Camino Real Regional Utility Authority.*

Between 2014 and 2017, Industrial Waste Water Accounts have remained stable (Graph 26).

Graph 26. CRRUA, Total Industrial Waste Water Accounts

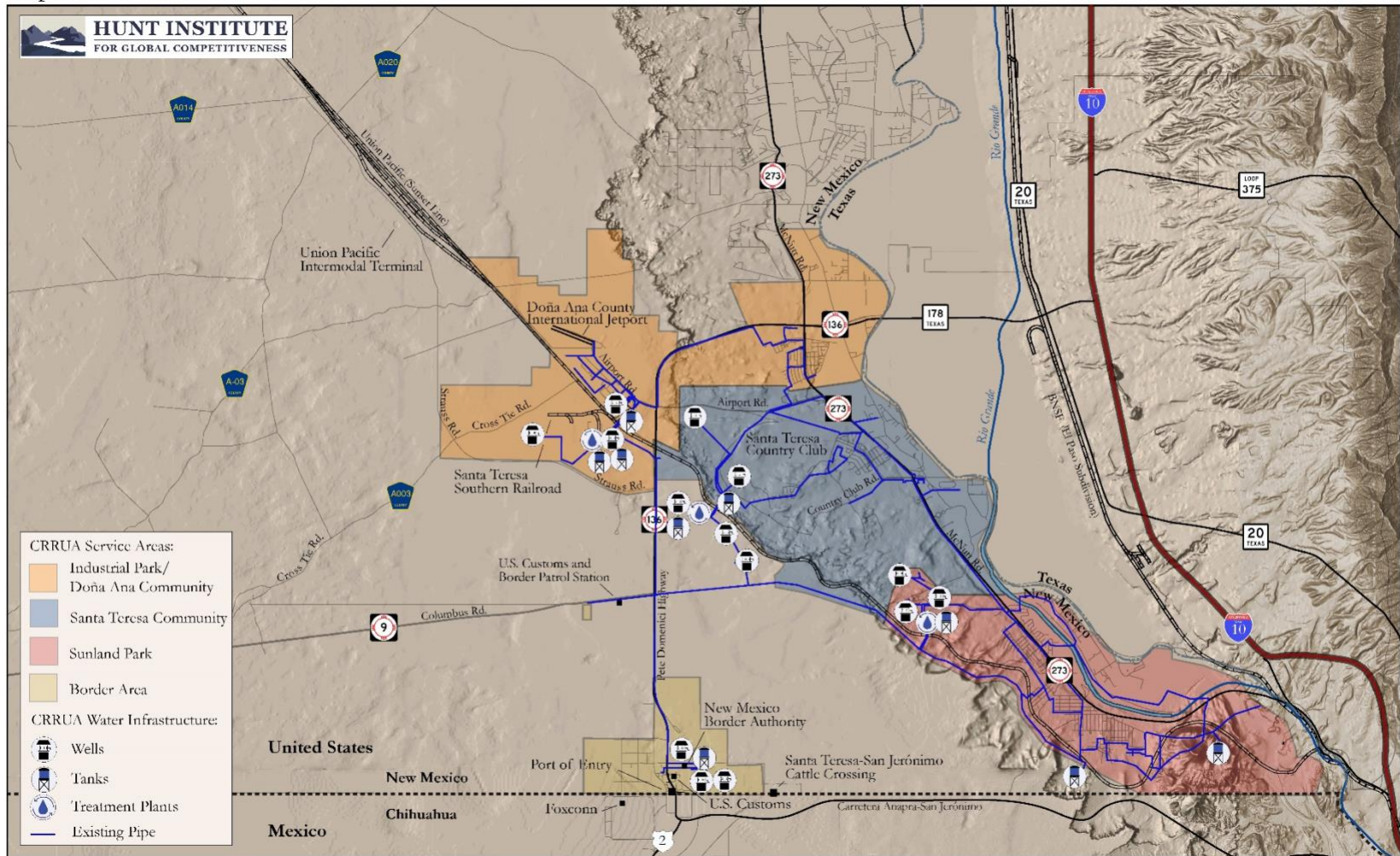


Source: *Camino Real Regional Utility Authority.*

The Mesilla Bolsón, which provides the water for the Santa Teresa has high concentrations of total dissolved solids (TDS). This creates challenges regarding certain contaminants, such as Arsenic and even Uranium. In 2014, the Camino Real Regional Utility Authority registered four Arsenic water quality violations. Water samples showed that the amount of contaminant levels in the drinking water was above its standard, or maximum contaminant level (MCL). The New Mexico Office of the State Engineer (NMOSE) is responsible, through the Drinking Water Bureau, for enforcing water quality standards stipulated in the Environmental Improvement Act and its regulations.

Map 3. Santa Teresa Water Assets

Map 3. Santa Teresa Water Assets



Source: Own map with information from the Camino Real Regional Utility Authority (CRRUA).

B. Energy

Natural Gas

The Santa Teresa region has no significant crude oil or natural gas reserves, nor extractive or refinement operations. Natural gas service is provided to the New Mexico and the Santa Teresa region by New Mexico Gas Company, Inc. (New Mexico Gas), a Delaware registered corporation with headquarters in Albuquerque and a wholly-owned subsidiary New Mexico Gas Intermediate, Inc. In turn, New Mexico Gas Intermediate, Inc., is itself a holding company, which is a wholly-owned subsidiary of TECO Energy, Inc., an energy holding company and Florida corporation providing electricity service to the Tampa, Florida, region, and natural gas service throughout the State of Florida. TECO is in turn wholly-owned by Emera, Inc., a Canadian company publically traded on the Toronto Stock Exchange, headquartered in Halifax Nova Scotia.

New Mexico Gas service is regulated by the New Mexico Public Regulation Commission (NMPRC) and operates two mainlines in the Santa Teresa region: the Chamberino Mainline, with a 6" and 12" pipe size, and the Sunland Park Mainline with 2" and 4" pipe size. The New Mexico Public Regulation Commission also governs the natural gas transportation service rates that New Mexico Gas has a service agreement and rate to provide gas to San Jerónimo, Chihuahua, just across from the Santa Teresa region, via Compañía de Autoabastecedores de Gas Natural de San Jerónimo, S.A. de C. V. (Gas Natural de San Jerónimo), through a transportation agreement with West Texas Gas Marketing. Gas Natural de San Jerónimo is operated by Gas Natural Industrial S.A. de C. V., with headquarters in Torreón, Coahuila, a subsidiary of Grupo Simsa, S.A. de C.V.

New Mexico Gas has four available rates for the Santa Teresa region, Residential, Small Commercial, Medium Commercial, and Industrial (Table 16).

Table 16. Santa Teresa Natural Gas Utility Rates, Current as of 2018

Type	Costs	New Mexico Gas
Residential	Access Fee (per month)	\$11.50
	Distribution Cost (per CCF)	\$0.1722457
	Transmission Cost (per CCF)	\$0.0657458
	Additional Cost	Cost of Gas Component*
Small (Commercial)	Access Fee (per month)	\$20.00
	Distribution Cost (per CCF)	\$0.0817156
	Transmission Cost (per CCF)	\$0.0733159
	Additional Cost	Cost of Gas Component*
Medium (Commercial)	Access Fee (per month)	\$80.00
	Distribution Cost (per CCF)	\$0.0531981
	Transmission Cost (per CCF)	\$0.0531981
	Additional Cost	Cost of Gas Component*
Industrial	Access Fee (per month)	\$1,200.00
	Distribution Cost (per CCF)	\$0.0503982
	Transmission Cost (per CCF)	\$0.0503982
	Additional Cost	Cost of Gas Component*

* The basic charges for cost of service set forth above shall be increased or reduced, as appropriate, by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Rider No. 4.

Source: New Mexico Public Regulation Commission and New Mexico Gas Company.

Electricity

Electricity to the Santa Teresa region, and to Doña Ana, Luna, and Otero Counties, is provided by the El Paso Electric Company, an investor owned, publicly traded utility, headquarter in El Paso, Texas. El Paso Electric generates, procures, transmits, and distributes electricity to approximately 300,000 customers in Texas and 94,000 customers in New Mexico, which account for 2.6% of total customers in Texas and 9.3% of total customers in New Mexico. Consequently, El Paso Electric is subject to both the jurisdiction of the Public Utility Commission of Texas (PUCT), and the New Mexico Public Regulation Commission, with respect to setting rates and other matters.

In 2016, the energy sources of electricity generation for El Paso Electric were 47% nuclear, 40% natural gas, and 13% purchased renewable energy, mainly from solar and wind generation facilities. The closest power station to Santa Teresa is the El Paso Electric Power Plant in Sunland Park, which uses natural gas, having a capacity to generate 340 MW of electricity. El Paso Electric also purchases 20 MW of electricity generated by the Roadrunner Solar generating facility in Santa Teresa, owned by NRG Solar, which produces a maximum of 20 MW. Additionally, El Paso Electric has a cross-border interconnection with Ciudad Juárez just east of the Port of Entry, though rarely used.

El Paso Electric has rate structures for both residential and non-residential consumers. Also, the electric utility has, as of 2017, an Economic Development rate, which requires, at minimum, a permanent increase of two new employees for every 100 kW of new load demand.

Table 17. Residential Electricity Service Rates in Santa Teresa, 2018

Standard Service	Monthly Rate
Customer Charge (per meter per month)	\$7.00
Energy Charges (per kWh)	
Summer: 0 - 600 kWh*	\$0.075280
Summer: All Other kWh*	\$0.093380
Winter: All kWh	\$0.065280
FPPCAC** (per kWh)	\$0.025025
Optimal Time of Use (TOU) Monthly Rate	Monthly Rate
Customer Charge (per meter per month)	\$7.00
Energy Charges (per kWh)	
On-Peak	\$0.145140
Off-Peak	\$0.058180

* *May through October*

** *Fuel and Purchasing Power Cost Adjustment Clause*

Source: *El Paso Electric.*

Table 18. Small General Service Rates in Santa Teresa, 2018

Standard Service Monthly Rate	Summer*	Winter**
Customer Charge (per meter per month)	\$14.00	\$14.00
Demand Charge per billing kW	\$17.36	\$15.11
Energy Charge (per kWh)	\$0.03553	\$0.02543
Alternative Service Monthly Rate	Summer*	Winter**
Customer Charge (per meter per month)	\$14.00	\$14.00
Energy Charge (per kWh)	\$0.10089	\$0.09079
Optimal Time of Use (TOU) Monthly Rate	Summer*	Winter**
Customer Charge (per meter per month)	\$14.00	\$14.00
Demand Charge per billing kW	\$12.51	\$10.89
Energy Charges (per kWh)		
On-Peak	\$0.10060	N/A
Off-Peak	\$0.04339	\$0.04339

* *May through October*

** *November through April*

Source: *El Paso Electric.*

Table 19. General Service Rates in Santa Teresa, 2018

Standard Service Monthly Rate	Summer*	Winter**
Customer Charge (per meter per month)	\$26.00	\$26.00
<u>Secondary Voltage</u>		
Demand Charge Per Billing kW	\$19.19	\$16.44
FPPCAC***	\$0.025025	\$0.025025
Energy Charge (Per kWh)	\$0.019330	\$0.012330
<u>Primary Voltage</u>		
Demand Charge Per Billing kW	\$18.06	\$15.31
FPPCAC***	\$0.024443	\$0.024443
Energy Charge (Per kWh)	\$0.019330	\$0.012330
<u>Transmission Voltage</u>		
Demand Charge Per Billing kW	\$13.31	\$10.56
FPPCAC***	\$0.023844	\$0.023844
Energy Charge (Per kWh)	\$0.019330	\$0.012330
Optimal Time of Use (TOU) Monthly Rate	Summer*	Winter**
Customer Charge (per meter per month)	\$26.00	\$26.00
<u>Secondary Voltage</u>		
Demand Charge Per Billing kW	\$18.24	\$15.62
FPPCAC***	\$0.025025	\$0.025025
Energy Charge (Per kWh)		
On-Peak	\$0.091580	N/A
Off-Peak	\$0.011770	\$0.011770
<u>Primary Voltage</u>		
Demand Charge Per Billing kW	\$17.16	\$14.55
FPPCAC***	\$0.024443	\$0.024443
Energy Charge (Per kWh)		
On-Peak	\$0.091580	N/A
Off-Peak	\$0.011770	\$0.011770
<u>Transmission Voltage</u>		
Demand Charge Per Billing kW	\$13.31	\$10.56
FPPCAC***	\$0.023844	\$0.023844
Energy Charge (Per kWh)		
On-Peak	\$0.091580	N/A
Off-Peak	\$0.011770	\$0.011770

* *May through October*

** *November through April*

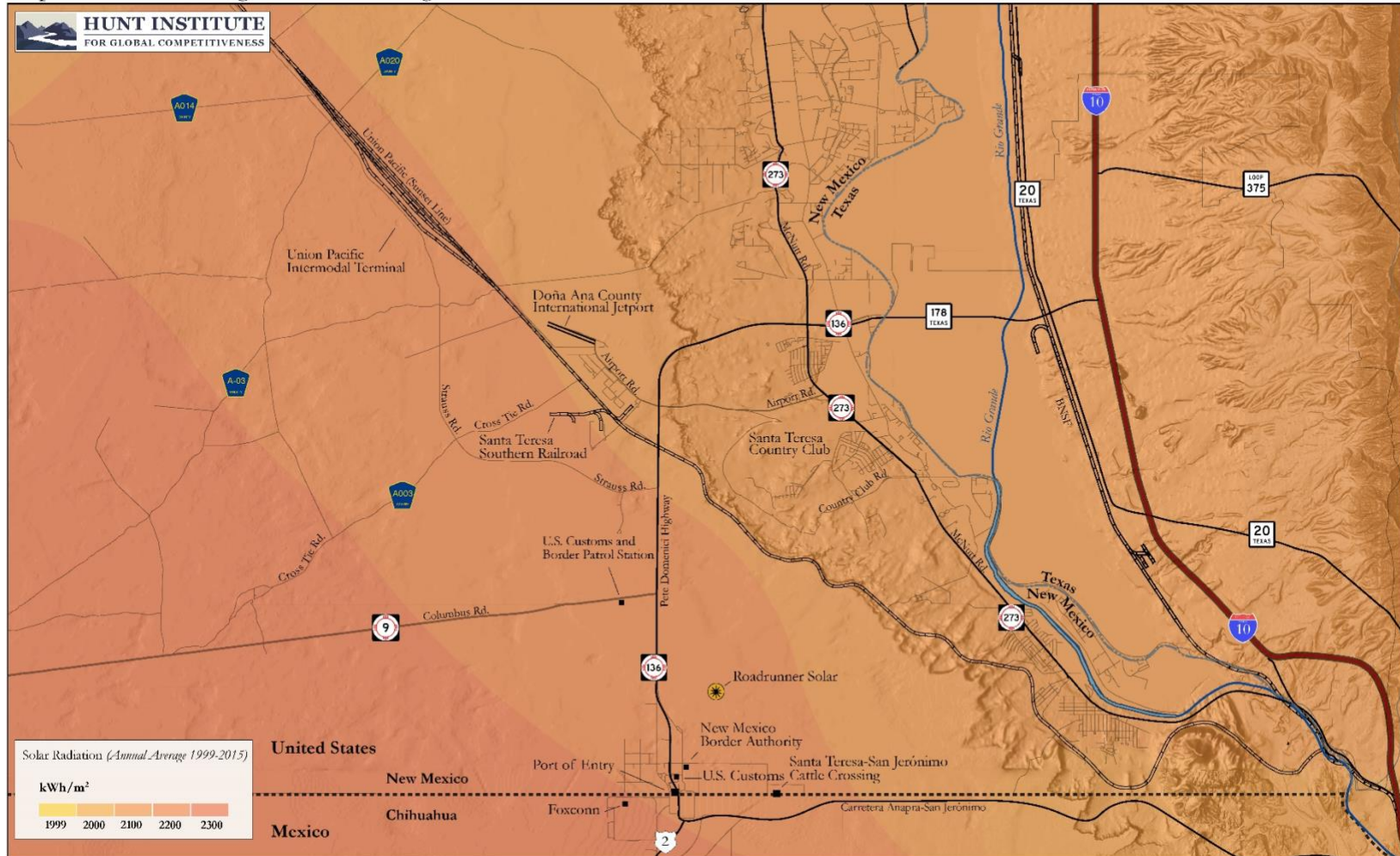
*** *Fuel and Purchasing Power Cost Adjustment Clause*

Source: *El Paso Electric.*

The Santa Teresa region, like much of New Mexico, possesses abundant renewable energy resources, particularly solar, geothermal, and wind energy (Maps 4-6). Nevertheless, only one renewable energy generating facility is located in the Santa Teresa region, the Roadrunner Solar Generating Facility, a 20 MW facility operated by NRG Solar, a subsidiary of NRG Energy, Inc., headquartered in Princeton, New Jersey, and Houston, Texas (Map 7).

Map 4. Santa Teresa Region Annual Average Solar Radiation

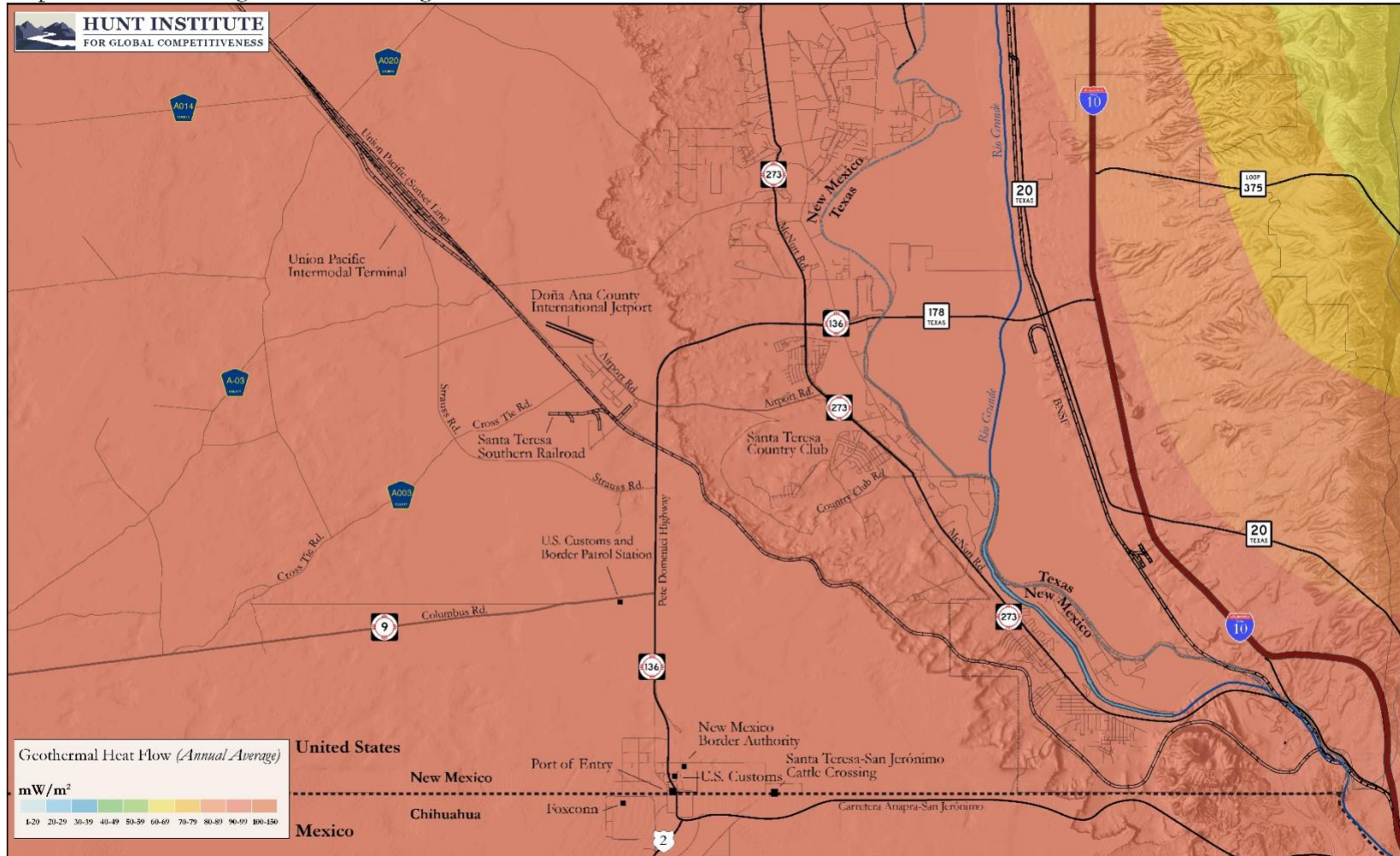
Map 4. Santa Teresa Region Annual Average Solar Radiation



Source: Own map with information from the National Renewable Energy Laboratory.

Map 5. Santa Teresa Region Annual Average Geothermal Resources

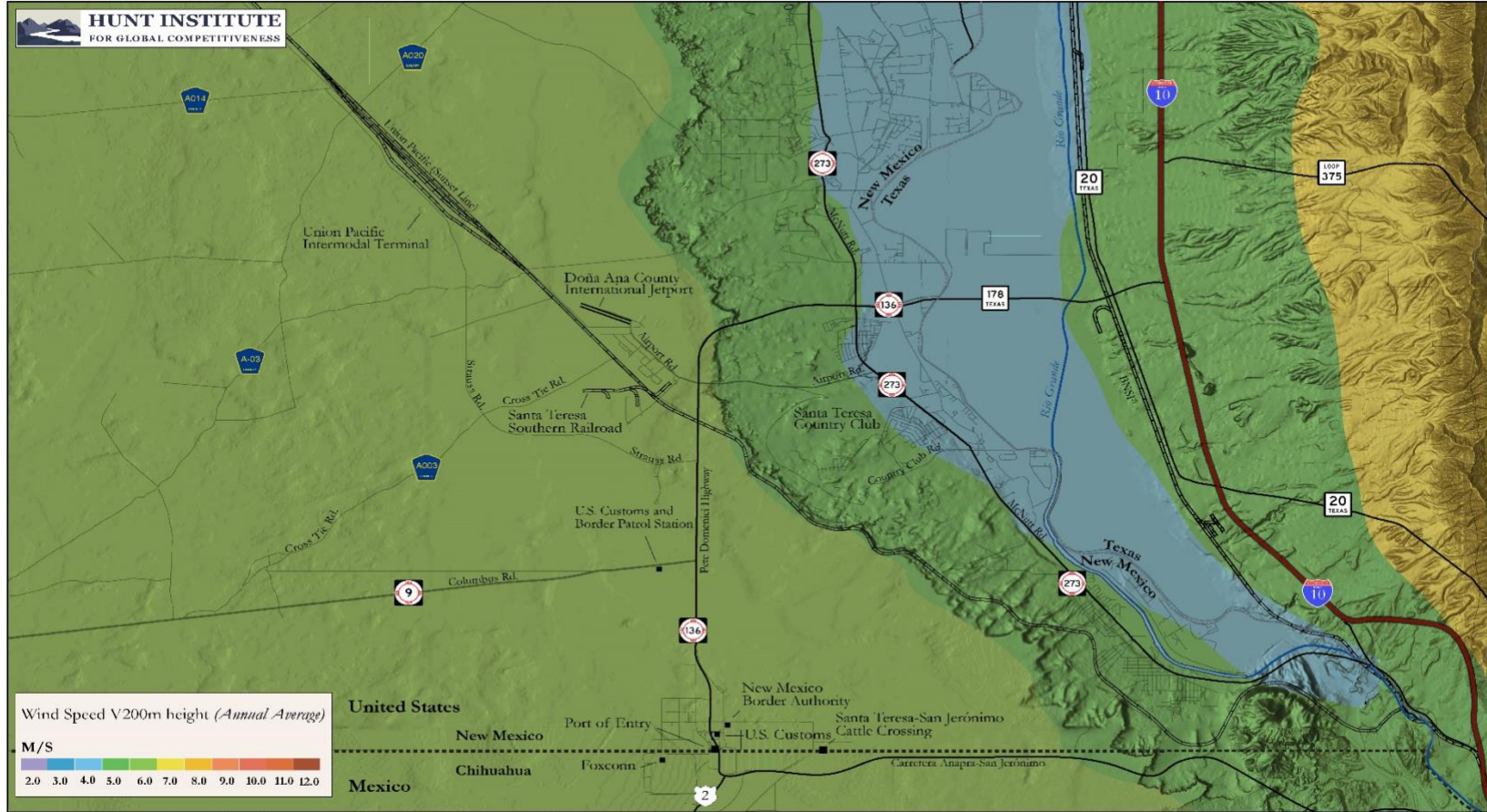
Map 5. Santa Teresa Region Annual Average Geothermal Resources



Source: Own map with information from the National Renewable Energy Laboratory.

Map 6. Santa Teresa Region Annual Wind Speed

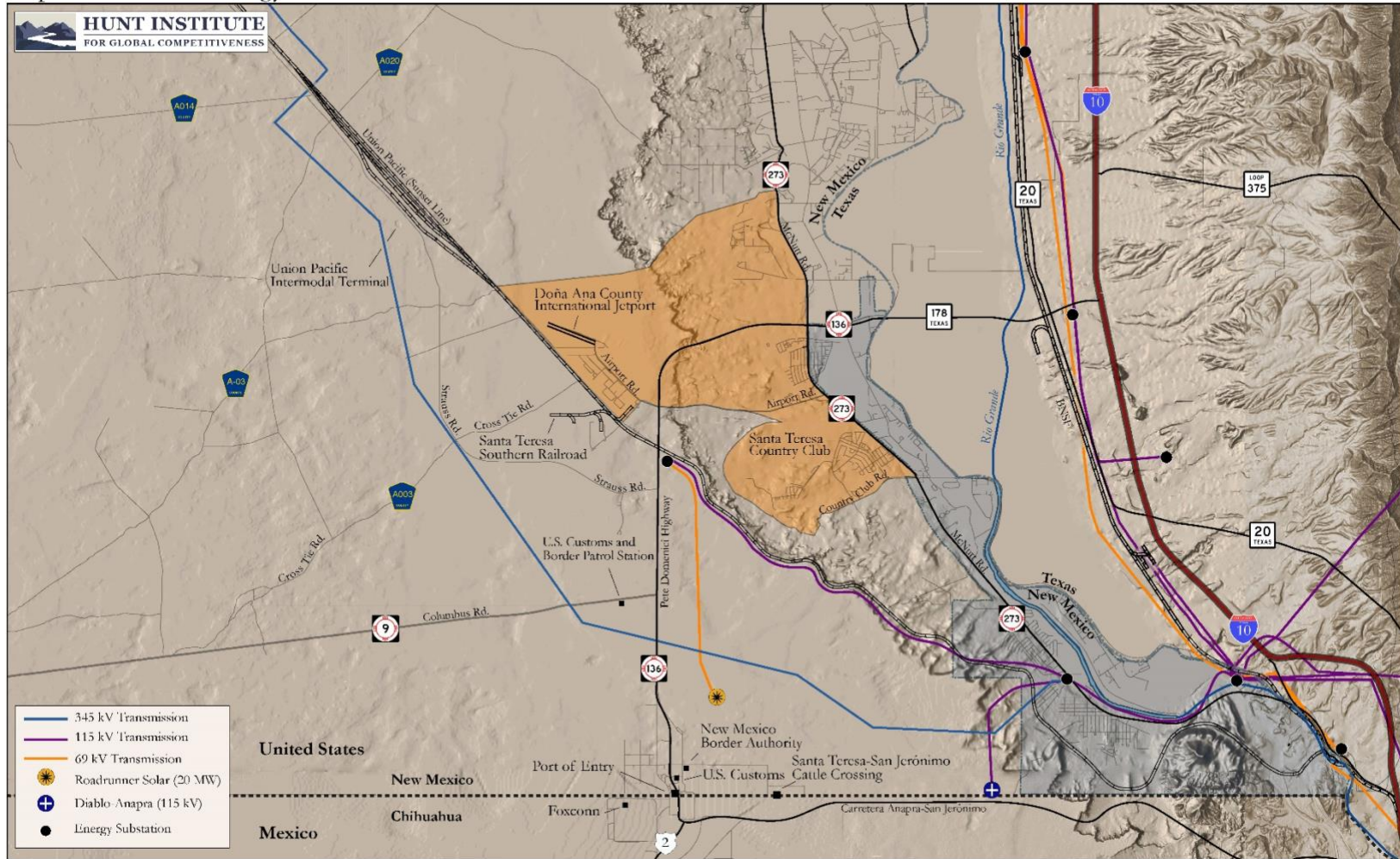
Map 6. Santa Teresa Region Annual Wind Speed



Source: Own map with information from the International Renewable Energy Agency.

Map 7. Santa Teresa Region Energy Infrastructure

Map 7. Santa Teresa Energy Infrastructure



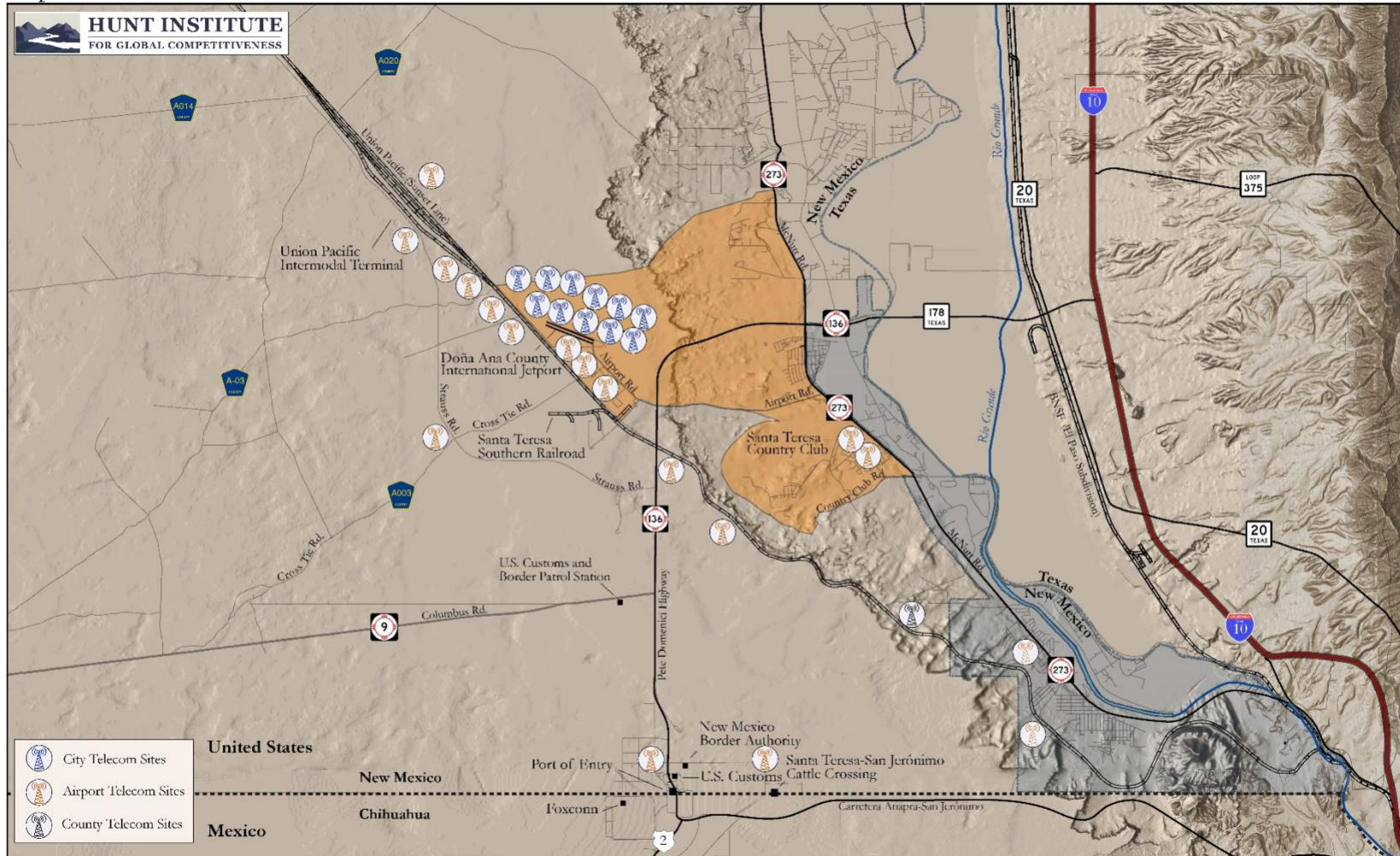
Source: Own map with information from the El Paso Electric Company.

C. Telecommunications

The Santa Teresa region enjoys access to a variety of Telecommunications infrastructure, particularly traditional telephone, cellular telephone, cable, and internet (DSL and Fiber). The following maps demonstrate the presence of Telecom Sites (Map 8), Fixed Wireless coverage (Map 9), DSL (Map 10), Fiber Optic (Map 11), and Other Copper Wireline (Map 12).

Map 8. Santa Teresa Other Telecom Sites

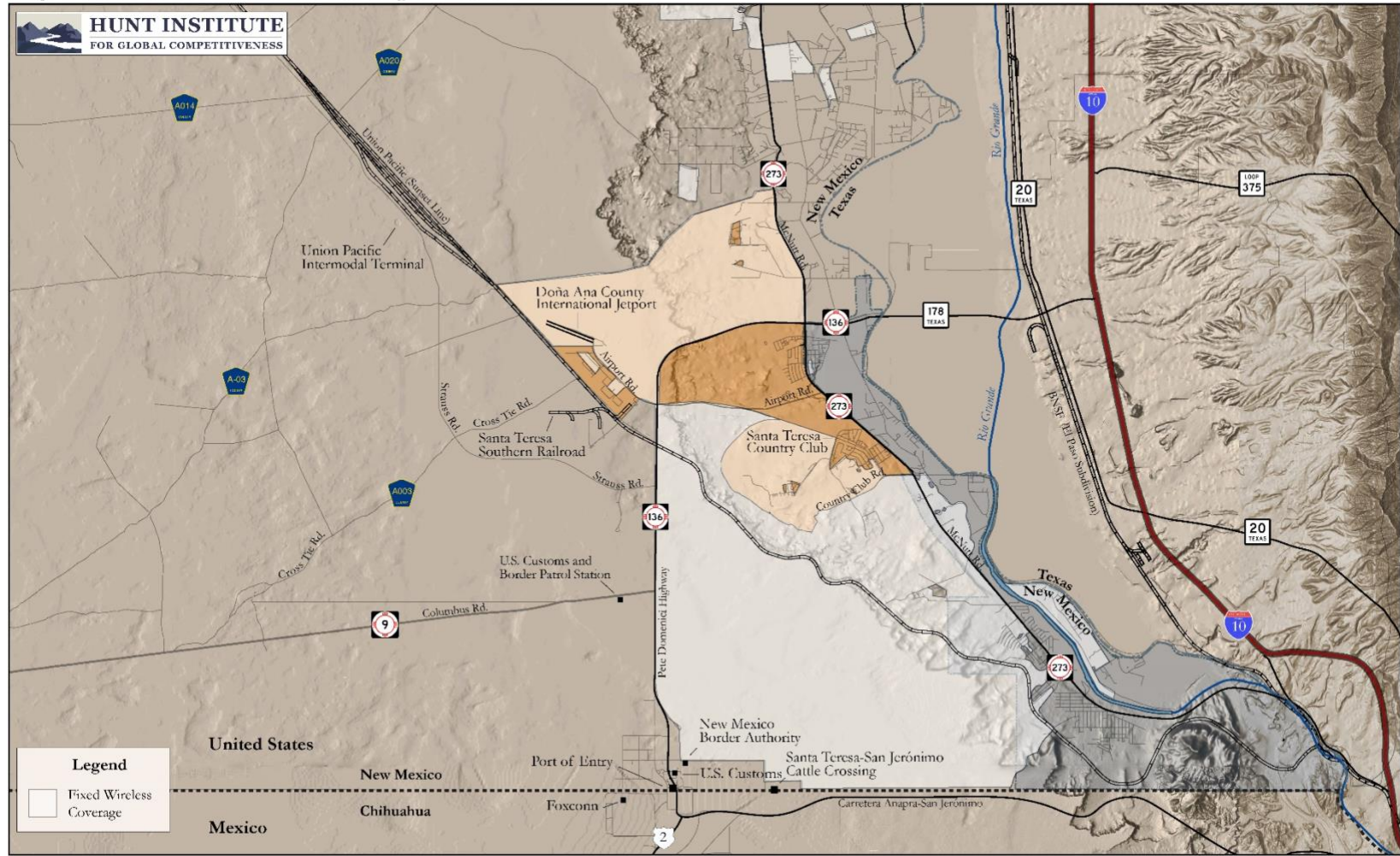
Map 8. Santa Teresa Other Telecom Sites



Source: Own map with information from the Office of Broadband and Geospatial Initiatives, NM.

Map 9. Santa Teresa Broadband Coverage: Fixed Wireless

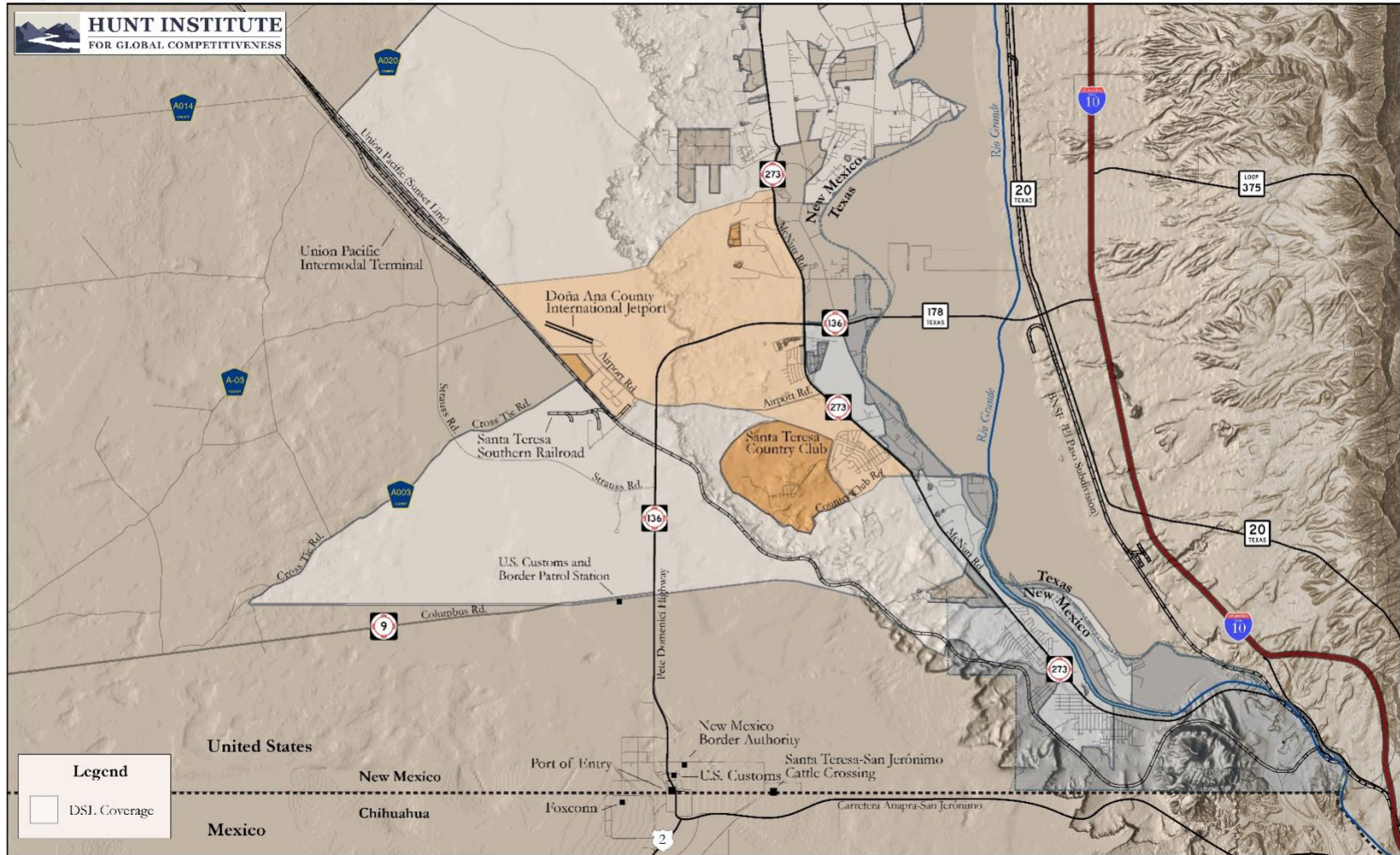
Map 9. Santa Teresa Broadband Coverage: Fixed Wireless



Source: Own map with information from the Office of Broadband and Geospatial Initiatives, NM.

Map 10. Santa Teresa Broadband Coverage: DSL

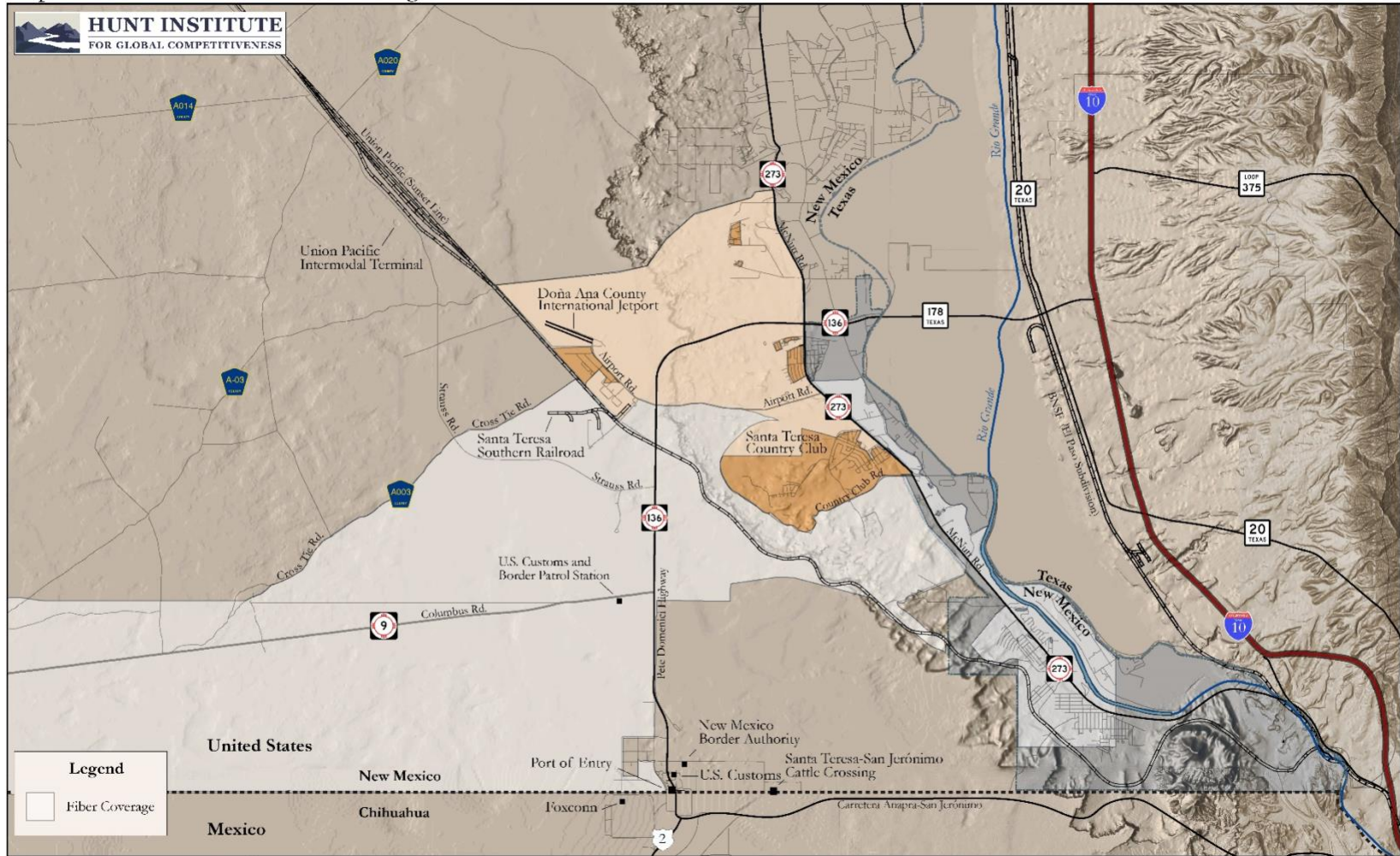
Map 10. Santa Teresa Broadband Coverage: DSL



Source: Own map with information from the Office of Broadband and Geospatial Initiatives, NM.

Map 11. Santa Teresa Broadband Coverage: Fiber

Map 11. Santa Teresa Broadband Coverage: Fiber



Source: Own map with information from the Office of Broadband and Geospatial Initiatives, NM.

III. Infrastructure, Trade, and Commodity Flows

The Santa Teresa region, as part of the Paso del Norte region, is located along a critical east-west trade corridor between the Atlantic and Pacific, while also along a north-south trade corridor between the U.S. and Mexico. In order to take advantage of this position, the State of New Mexico provided for the construction of the Santa Teresa Port of Entry in 1992. Prior to that year, New Mexico's primary border crossing was at the Columbus Port of Entry. In order to manage New Mexico's Ports of Entry, and to manage infrastructure, trade, and economic development, the state created the New Mexico Border Authority (NMBA). Due to its position on the border and possessing a Port of Entry, Doña Ana County also benefits from its participation in the U.S. Customs and Border Protection Foreign Trade Zone (FTZ) program.

These entities are surrounded by the highway and rail networks that carry significant volumes of commodities across the U.S., as well as into Mexico. For example, Interstate 10 and Interstate 25, close to the Santa Teresa region, carry goods between the Atlantic and Pacific Coasts, into New Mexico, and northward toward Canada. The Mexican Federal Highway 45 heads south from Ciudad Juárez, through Chihuahua, Durango, Zacatecas, to Hidalgo, Mexico, just north of Mexico City.

The east-west rail network, owned and operated by Union Pacific serves to connect the Ports of Los Angeles and Long Beach to El Paso, Texas. Burlington Northern Santa Fe (BNSF), operates rail lines that extend northward from El Paso to Albuquerque, and Kansas City, and Chicago, as well as southward from El Paso connecting with Ferromex (FXE), terminating in Guanajuato, Mexico, north of Mexico City. The Santa Teresa region also has an airport, the Doña Ana County International Jetport, that provides service for both passenger and cargo service.

A. The New Mexico Border Authority

The New Mexico Border Authority (NMBA), a state agency located physically in the Santa Teresa region and administratively within the New Mexico Economic Development Department (NMEDD), is a critical player in the coordination and development of New Mexico's trade and logistical infrastructure as well as the economic development of the entire Paso del Norte region. The New Mexico Border Authority is governed by seven voting members, six of whom are appointed by the Governor of New Mexico, who must be citizens of the state and who serve for terms of four years. The seventh member shall be the Secretary of Economic Development or the Secretary's designee.

The obligations and powers of the NMBA are broad and diverse. In particular, the obligations of the NMBA according to the New Mexico law are to:

- (1) Advise the governor and the New Mexico Finance Authority oversight committee on methods, proposals, programs and initiatives involving the New Mexico-Chihuahua border area that may further stimulate the border economy and provide additional employment opportunities for New Mexico citizens;
- (2) Subject to the provisions of the Border Development Act, initiate, develop, acquire, own, construct and maintain border development projects;

- (3) Create programs to expand economic opportunities beyond the New Mexico-Chihuahua border area to other areas of the state;
- (4) Create avenues of communication between New Mexico and Chihuahua and the Republic of Mexico concerning economic development, trade and commerce, transportation and industrial affairs;
- (5) Promote legislation that will further the goals of the authority and development of the border region;
- (6) Produce or cause to have produced promotional literature related to explanation and fulfillment of the authority's goals;
- (7) Actively recruit industries and establish programs that will result in the location and relocation of new industries in the state;
- (8) Coordinate and expedite the involvement of the executive department's border area efforts;
- (9) Perform or cause to be performed environmental, transportation, communication, land use and other technical studies necessary or advisable for projects or programs or to secure port-of-entry approval by the United States and the Mexican governments and other appropriate governmental agencies; and
- (10) Administer the Border Project Fund and projects financed with expenditures from that fund pursuant to Section 58-27-25.1 of New Mexico Statutes Annotated, 1978.

In addition to these statutory obligations, the NMBA may:

- (1) Solicit and accept federal, state, local and private grants of funds, property or financial or other aid in any form for the purpose of carrying out the provisions of the Border Development Act;
- (2) Adopt rules governing the manner in which its business is transacted and the manner in which the powers of the authority are exercised and its duties performed;
- (3) Act as an applicant for and operator of port-of-entry facilities and, as the applicant, carry out all tasks and functions, including acquisition by purchase or gift of any real property necessary for port-of-entry facilities, acquisition by purchase, gift or construction of any facilities or other real or personal property necessary for a port of entry and filing all necessary documents and follow-up of such filings with appropriate agencies;
- (4) As part of a port of entry, give or transfer real property, facilities and improvements owned by the authority to the United States government;

- (5) Acquire by construction, purchase, gift or lease projects that shall be located within the state;
- (6) Sell, lease or otherwise dispose of a project upon terms and conditions acceptable to the authority and in the best interests of the state;
- (7) Enter into agreements with the federal government for the operation, improvement and expansion of federal border facilities;
- (8) Enter into joint ventures, partnerships or other business relationships with qualified entities and private persons for the joint funding and operation of projects;
- (9) Issue revenue bonds and borrow money for the purpose of defraying the cost of acquiring a project by purchase or construction and to secure the payment of the bonds or repayment of a loan;
- (10) Expend funds or incur debt for the improvement, maintenance, repair or addition to property owned by the authority, the state or the United States government; and
- (11) Refinance a project.

The Border Project Fund, mentioned above, is composed of funds generated by NMBA projects, money appropriated from the legislature, as well as other sources such as tolls and fees. The purpose of the fund is to:

- (1) Provide financial assistance to qualified entities for projects;
- (2) Offset costs incurred in the operation of a port of entry or related project pursuant to a joint powers agreement entered into with the federal government; or offset costs incurred in the joint funding or operation of a project as part of a joint venture, partnership or other business relationship with a qualified entity or private person.

B. Foreign Trade Zone in Doña Ana County

Foreign-Trade Zones (FTZ), known internationally as Free Trade Zones, are secure areas under U.S. Customs and Border Patrol Protection (CBP) supervision that are technically deemed to be outside CBP territory. Generally, Foreign-Trade Zones are located near (or in) CBP Ports of Entry. The policy principle behind the FTZ program is to create and maintain employment through the incentivizing of operations in the U.S. that, for customs or tariff reasons, might otherwise take place in another country.

Specifically, because the usual entry procedures and payment of duties is not required on the foreign merchandise unless and until it enters the U.S. for domestic consumption, the importer, by using a FTZ, has a choice of paying duties either on the original foreign material or the finished product. Foreign and domestic merchandise may be moved into zones for processing and manufacturing, including storage, exhibition, and assembly. All zone activity is subject to public interest review and are subject to the laws and regulations of the United States as well as those of

the states and communities in which they are located. Doña Ana County has an ordinance, entitled Foreign Trade Zones, that helps to regulate these entities.

Authority for establishing these facilities is granted by the Foreign-Trade Zones Board under the Foreign-Trade Zones Act of 1934. Recently, a program known as the Alternative Site Framework (ASF) was created to make FTZs more geographically flexible. Currently, the entirety of Doña Ana County participates in the ASF program. The one user of the FTZ in the Santa Teresa region is Continental Corporation AG, an automotive supply company with headquarters in Hannover, Germany.

C. Highway, Rail, and Airport Infrastructure

Southern New Mexico, as part of the Paso del Norte region, possesses vital transcontinental and binational trade corridors for both highway and rail. Interstate 10 (I-10), which passes just to the north of the Santa Teresa region, connects Santa Monica, California, with Houston, Texas, and New Orleans, Louisiana, on the Gulf Coast, with Jacksonville, Florida, on the Atlantic. New Mexico State Highway 136 connects the Santa Teresa Port of Entry on the Mexico border to this Interstate. At the same time, Union Pacific operates a rail line (known as the Stormy Route, or the Sunset Route) connecting the Ports of Los Angeles and Long Beach with El Paso, Texas. It also owns and operates the Santa Teresa Intermodal Ramp (STIR), which provides refueling and intermodal services. The Santa Teresa region also has an airport, the Doña Ana International Jetport, that receives passengers and air shipments, with CBP officials and facilities to manage international arrivals.

Interstate Infrastructure

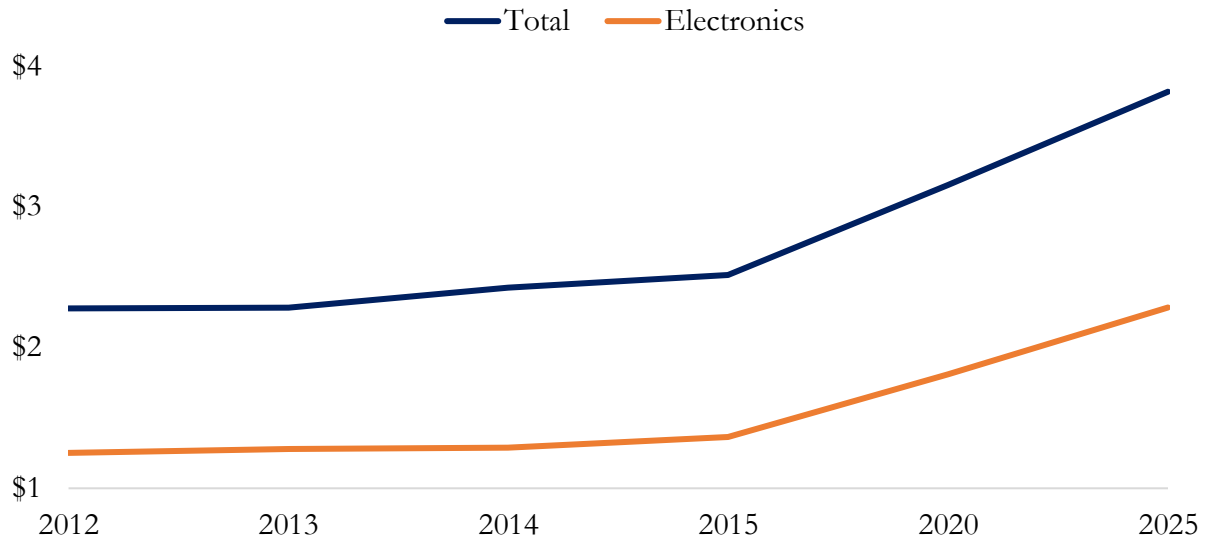
Interstate 10 is a major trade corridor for the United States, supporting export and import flows from the Pacific to Atlantic and Gulf Ports. The Paso del Norte region, which includes the Santa Teresa region, serves as a critical nexus of highway and rail infrastructure from markets on the East and West Coast markets, and in the Midwest as well. Through New Mexico, Interstate 10 connects with Los Angeles, Houston, and Chicago. Also, Interstate 25 in New Mexico connects to El Paso, allowing for further transshipment of commodity flows.

The Santa Teresa Port of Entry connects to the transcontinental Interstate 10 via New Mexico State Highway 136. Known as the Pete V. Domenici Highway, it extends for 30-miles-long along four-lanes, connecting the Port of Entry with the Union Pacific Intermodal Facility, the Doña Ana County International Jetport, and the Santa Teresa Industrial Parks.

This highway is overseen by the New Mexico Department of Transportation (NMDOT), District 1 Engineer, who administers, coordinates, and supervises highway maintenance, and directs project inspection of contractors' work for compliance with plans, specification, and contract documents.

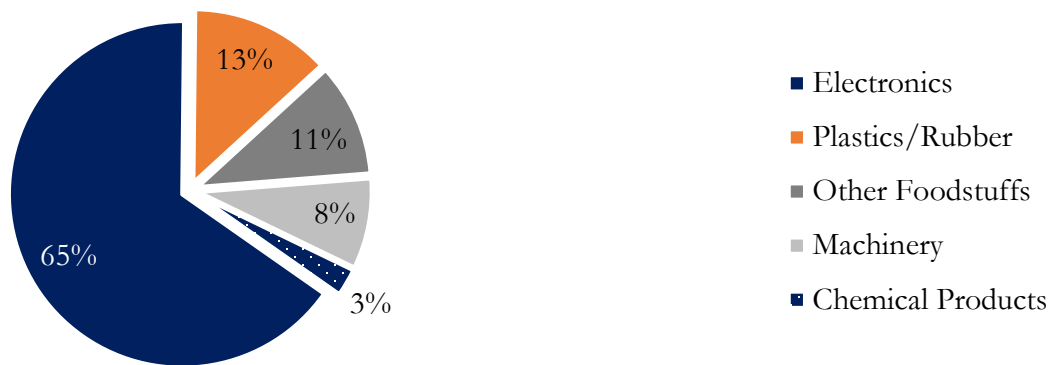
In 2015, an Overweight Cargo Zone was extended, where a vehicle or combination of vehicles with reducible loads. Commercial traffic can now carry up to 96,000-pound loads gross vehicle weight (GVW), with a special permit, within twelve miles of a port of entry on the border with Mexico. The New Mexico Department of Transportation issues Overweight Zone Permits for single or multiple use and are obtainable through the New Mexico Motor Transportation Division, Permit Office, in Santa Fe. The permit applies to a single truck, giving companies the flexibility to pay for the trucks that will travel in the zone rather than paying for their entire fleet.

Graph 27. Top Commodity from Los Angeles to El Paso by Truck (USD Billion)



Source: *U.S. Bureau of Transportation Statistics Freight Analysis Framework.*

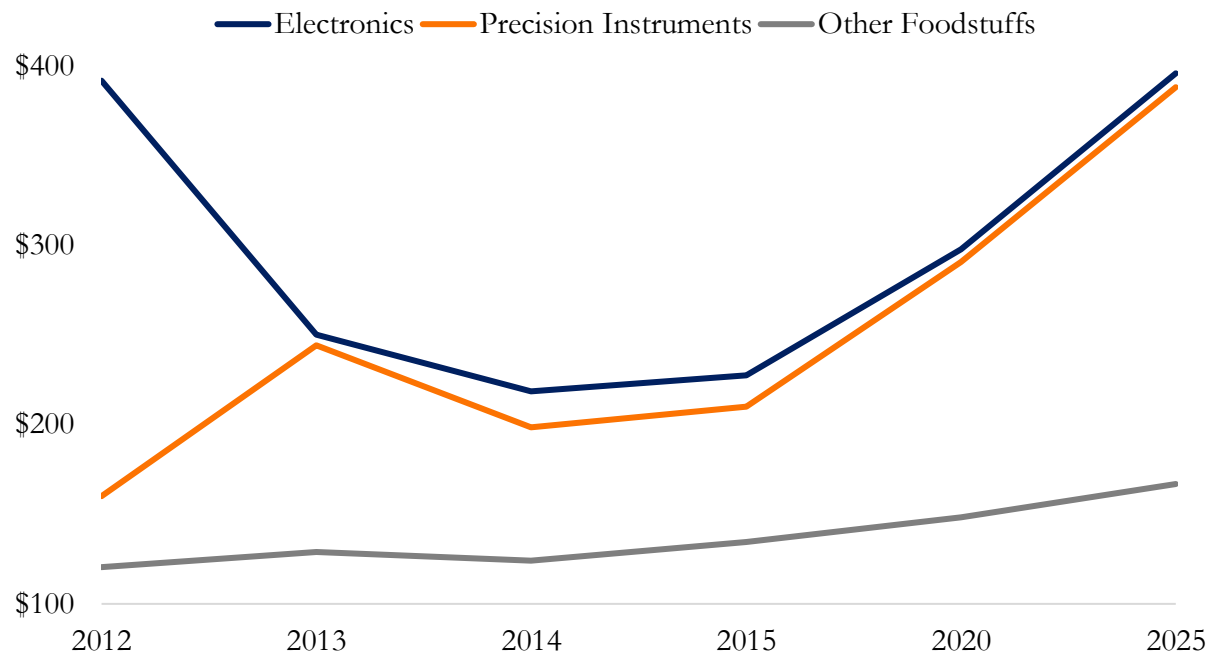
Figure 8. Top Commodities from Los Angeles to El Paso by Truck, 2020 Estimates



Value of Truck Shipments will be \$3.2 Billion in 2020.

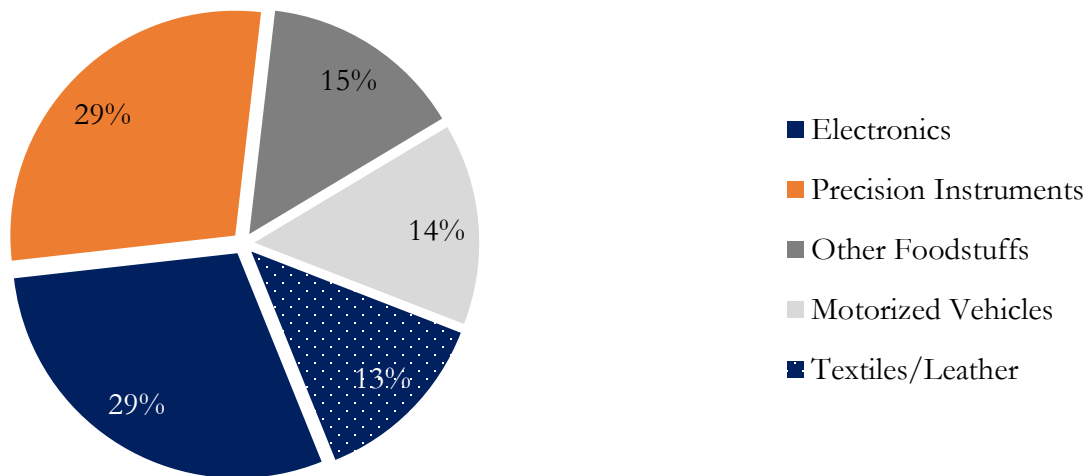
Source: *U.S. Bureau of Transportation Statistics Freight Analysis Framework.*

Graph 28. Top Commodities from El Paso to Los Angeles by Truck (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

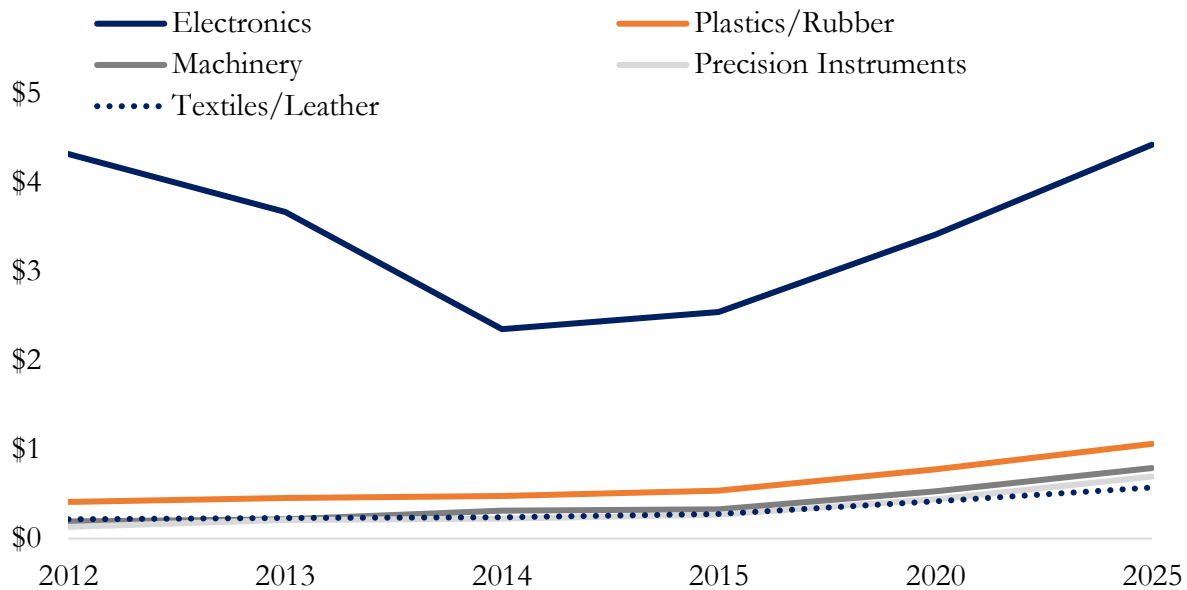
Figure 9. El Paso to Los Angeles Top Commodities by Truck, 2020 Estimates



Value of Truck Shipments will be \$1.3 Billion in 2020.

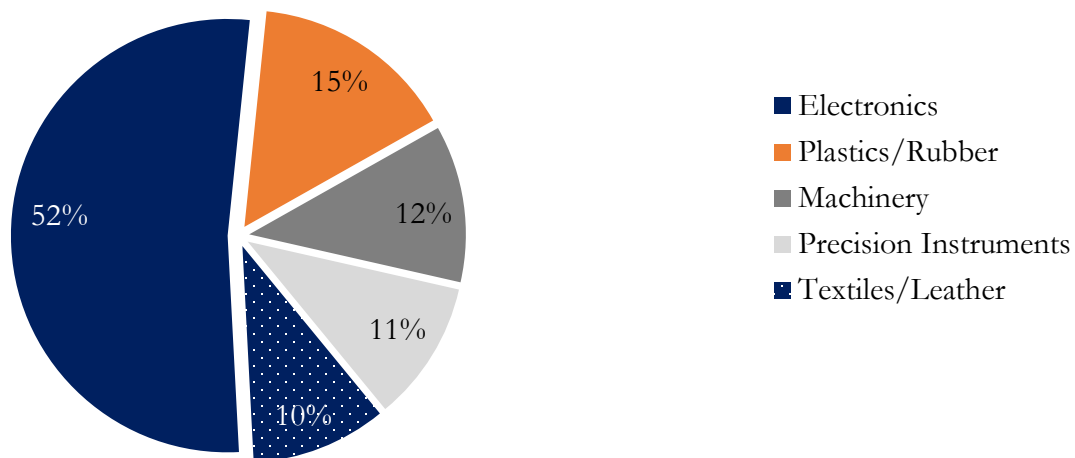
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 29. Top Commodities from Houston to El Paso by Truck (USD Billion)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

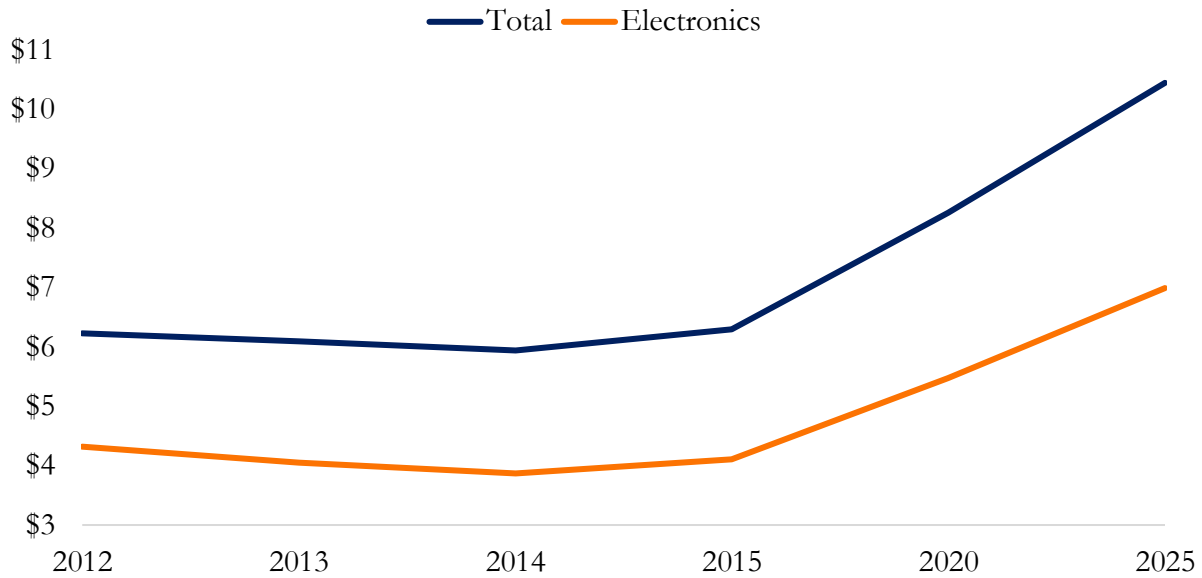
Figure 10. Houston to El Paso Top Commodities by Truck, 2020 Estimates



Value of Truck Shipments will be \$9.8 Billion in 2020.

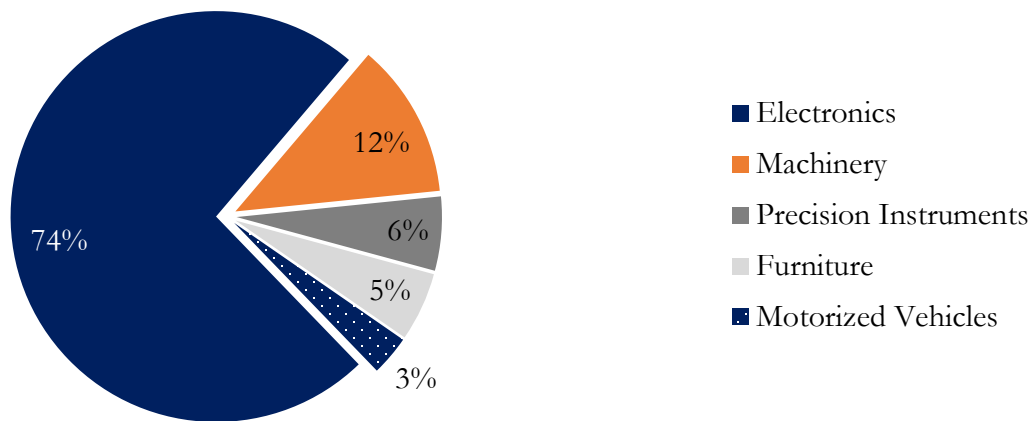
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 30. Top Commodity from El Paso to Houston by Truck (USD Billion)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

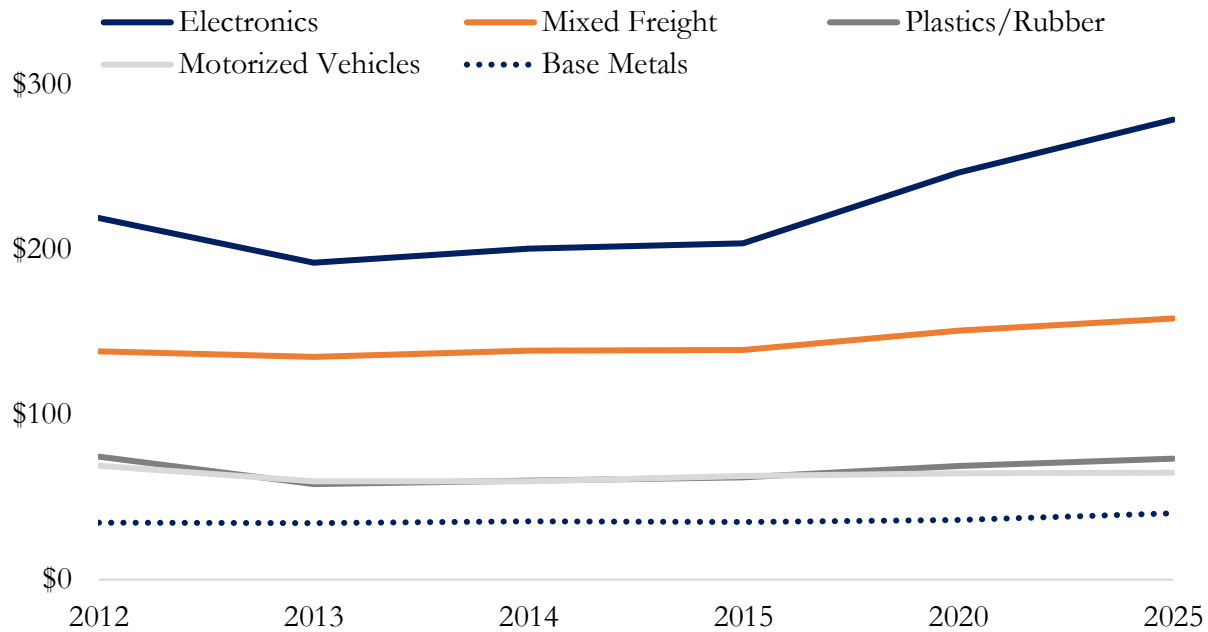
Figure 11. El Paso to Houston Top Commodities by Truck, 2020 Estimates



Value of Truck Shipments will be \$8.3 Billion in 2020.

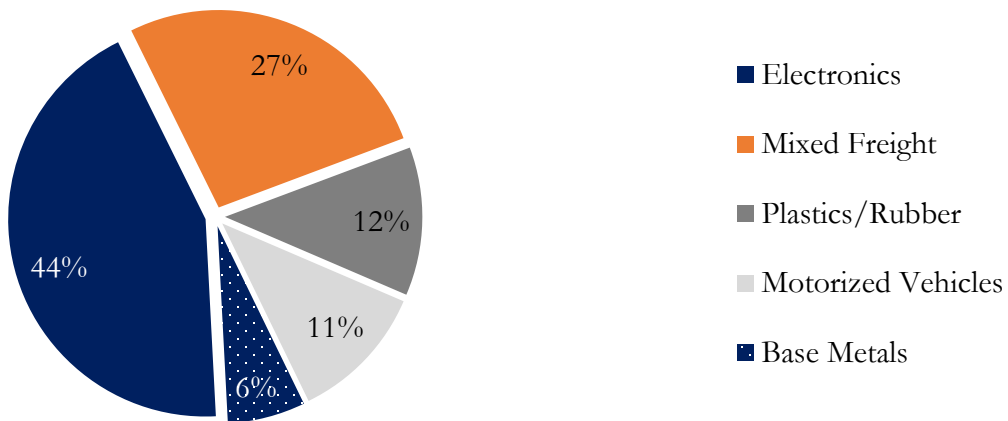
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 31. Top Commodities from Chicago to El Paso by Truck (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

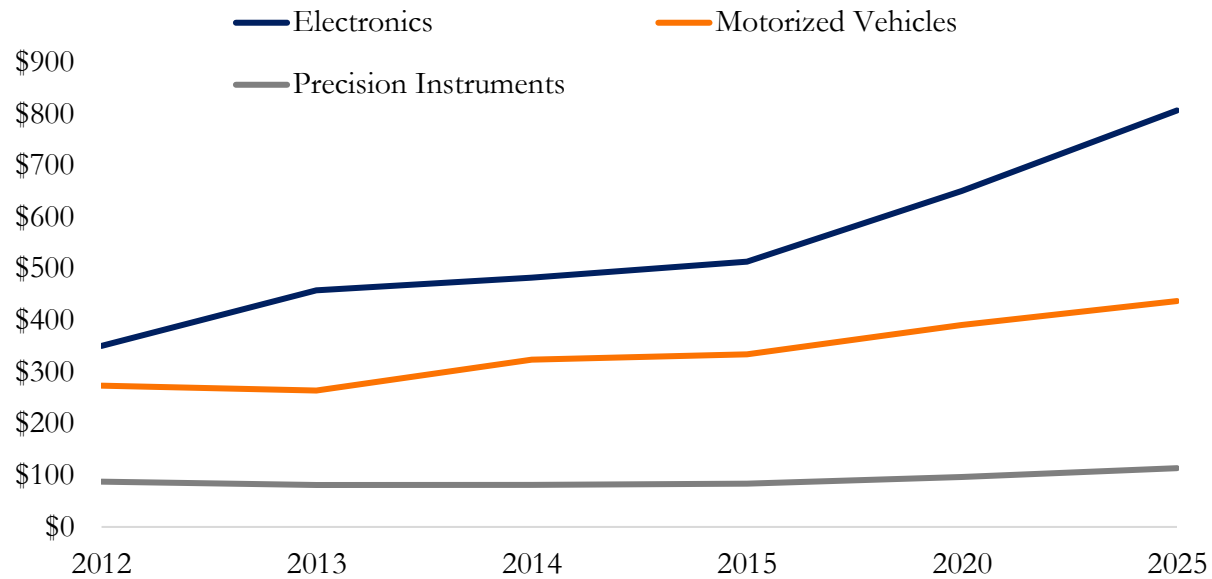
Figure 12. Chicago to El Paso Top Commodities by Truck, 2020 Estimates



Value of Truck Shipments will be \$687 Million in 2020.

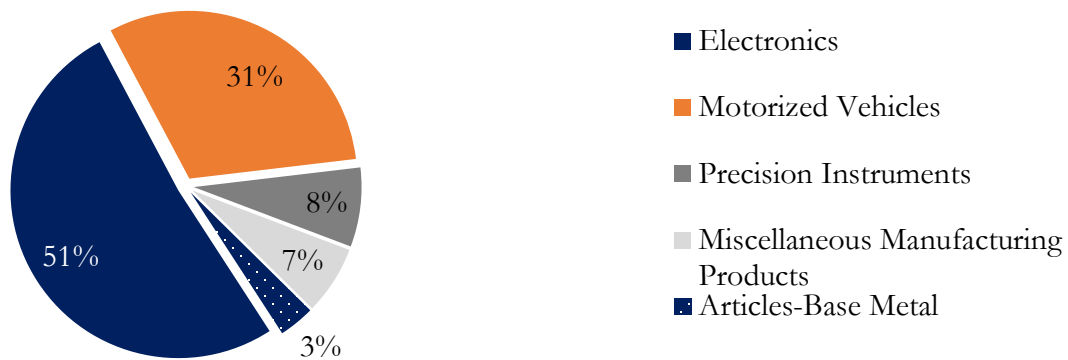
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 32. Top Commodity from El Paso to Chicago by Truck (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

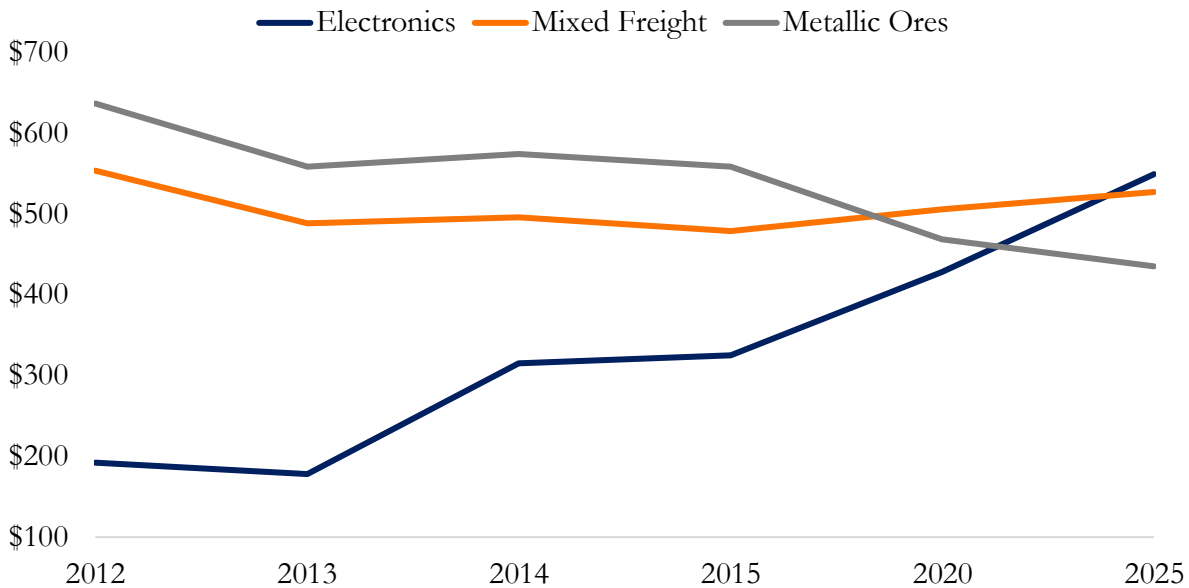
Figure 13. El Paso to Chicago Top Commodities by Truck, 2020 Estimates



Value of Truck Shipments will be \$1.5 Billion in 2020.

Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 33. Top Commodities from New Mexico to El Paso by Truck (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

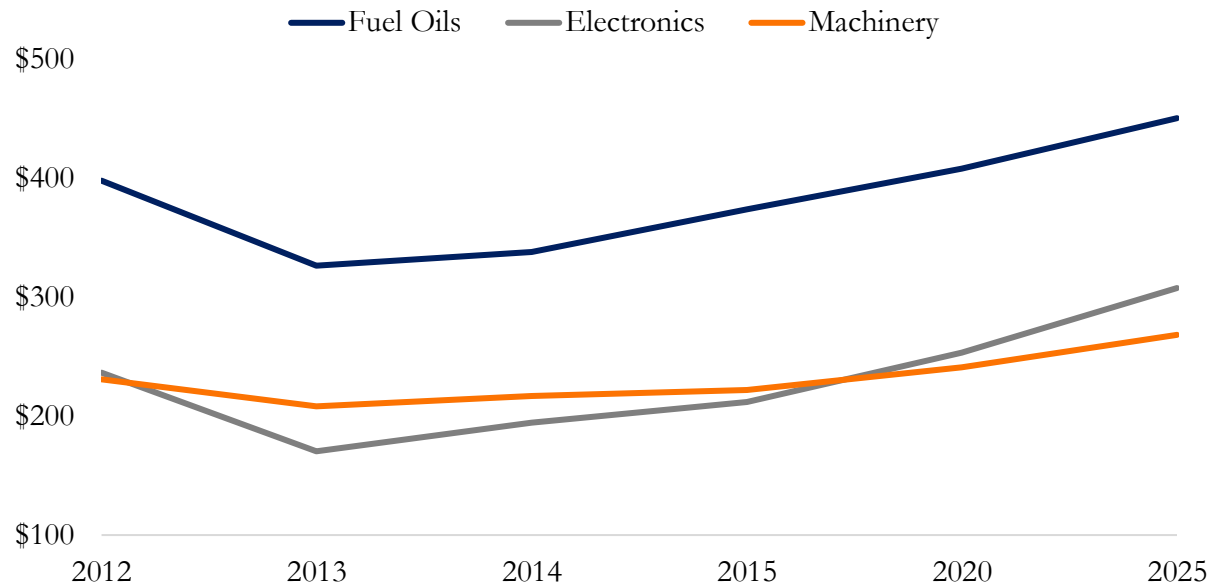
Figure 14. Top Commodities New Mexico to El Paso by Truck, 2020 Estimates



Value of Truck Shipments will be \$2.7 Billion by 2020.

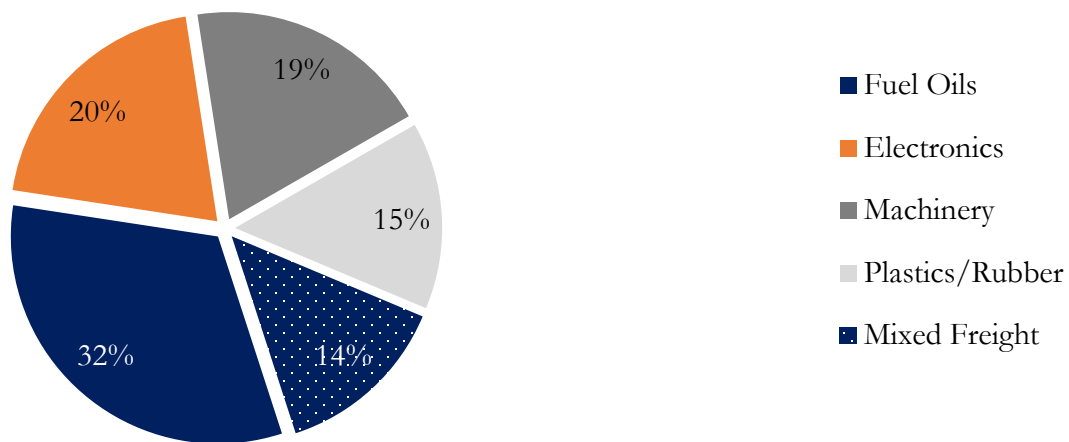
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 34. Top Commodities from El Paso to New Mexico by Truck (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Figure 15. El Paso to New Mexico Top Commodities by Truck, 2020 Estimates



Value of Truck Shipments will be \$2 Billion in 2020.

Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Rail Infrastructure

The Paso del Norte region, through its rail corridors, much like through its Interstate corridors, connects Los Angeles with several major eastern markets, including Chicago and Houston. In particular, Union Pacific Railroad, based in Omaha, Nebraska, is the principal operator of rail infrastructure in the Santa Teresa region, operating the 760-mile, almost wholly double-tracked Sunset Route that connects Los Angeles to El Paso.

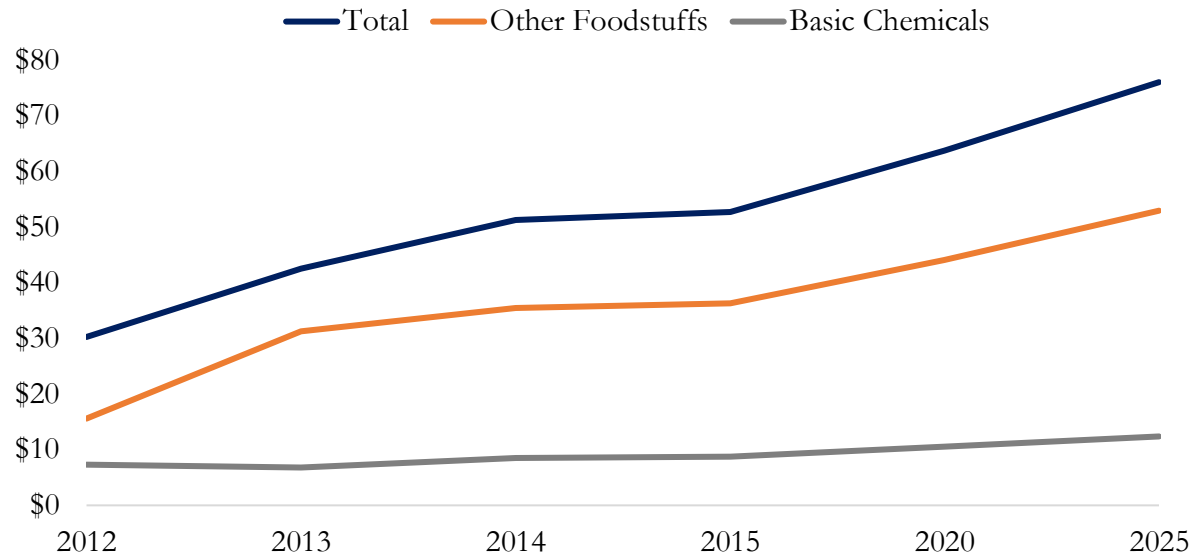
Union Pacific Railroad is a Class I railroad, and the largest railroad in North America. Union Pacific operates 32,084 route miles in the western U.S. The Paso del Norte region, where El Paso and Santa Teresa are located, provides strategic access to east and west rail lines. The Lordsburg Subdivision extends from Tucson, Arizona to El Paso, Texas, and is approximately 311 miles long. The Carrizozo Subdivision, extends from El Paso, Texas, to Vaughn, New Mexico, where the line connects with the Tucumcari Subdivision, which ultimately leads to Kansas City, and then to Chicago. Finally, the Valentine Subdivision runs between El Paso and Alpine and is approximately 216 miles in length.

Because of double-tracking, the number of trains a day on the Sunset Route has increased significantly, from 40 in the mid-2000s to 55 in 2015. Double-tracking has also allowed extended the average length of intermodal trains, as they are now not constrained by the need to fit on siding track to let other trains on the same line to pass. According to the company, when the double tracking is completed along the Sunset line, it intends to run 90 trains a day.

One of the principal elements of trade infrastructure in the Santa Teresa region is the Santa Teresa Intermodal Ramp (STIR), a 300 acre, 11.5-mile long facility, that opened in 2014 in order to find land to expand its facilities in El Paso, Texas. The Santa Teresa Intermodal Ramp is a state of the art intermodal facility that provides six refueling service stations and lift, gate, and trailer parking facilities, where shippers and receivers can accommodate their shipping needs. In 2015, the Union Pacific estimates that truck operations (the travel of a truck into or out of the facility) at the STIR ranged from 118,000 to 125,000 containers for the period from May to December, 2014. Union Pacific also estimates that in the near future it will generate 250,000 operations per day, with an eventual, ultimate capacity to be able to accommodate 700,000 containers annually.

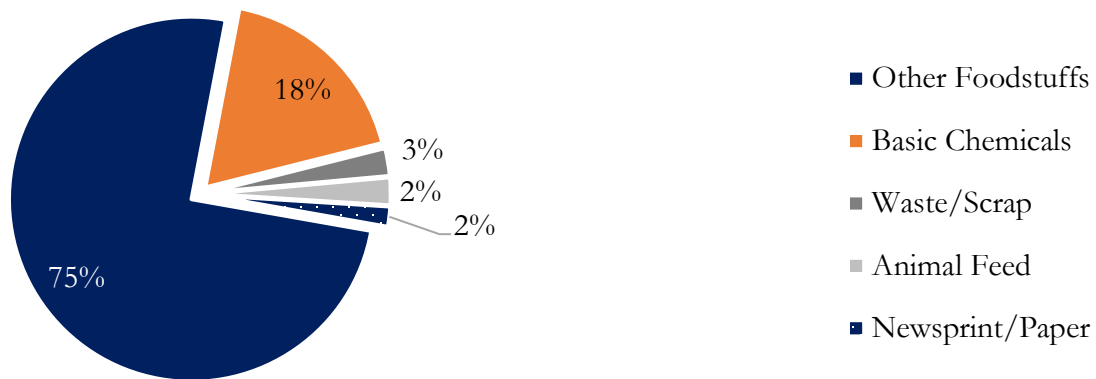
Union Pacific is also assisted by the Santa Teresa Southern Railroad (STSR), L.L.C., a short-line handling carrier that is a subsidiary of Ironhorse Resources, Inc., headquartered in O'Fallon, Illinois.

Graph 35. Top Commodities for Rail Shipments from Los Angeles to El Paso (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Figure 16. Top Commodities from Los Angeles to El Paso by Rail, 2020 Estimates

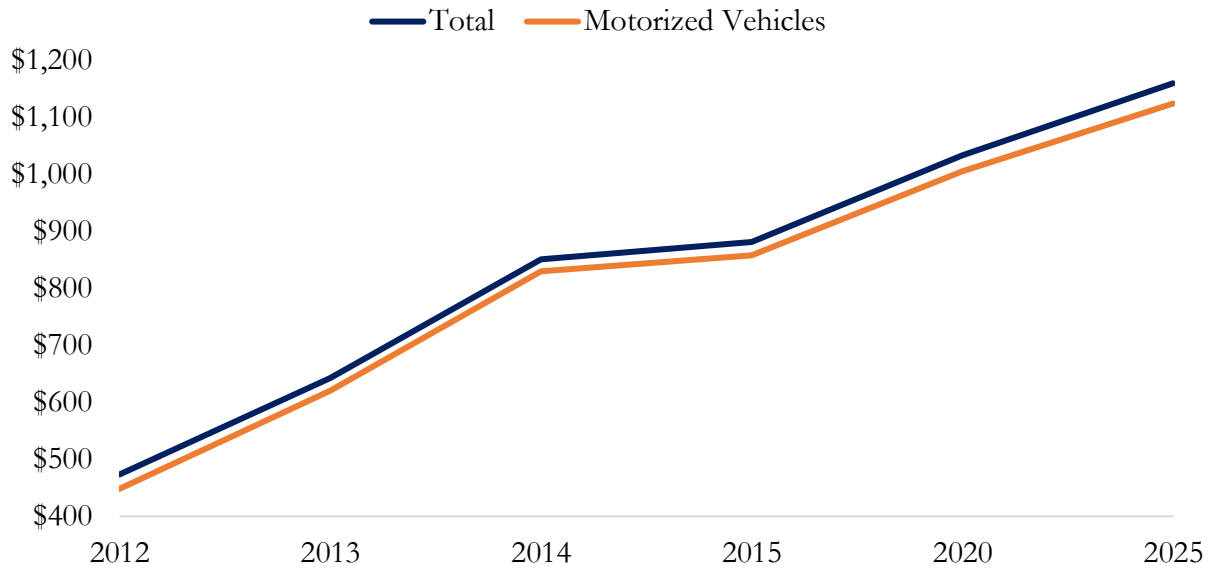


Value of Rail Shipments will be \$63.7 Million in 2020.

Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

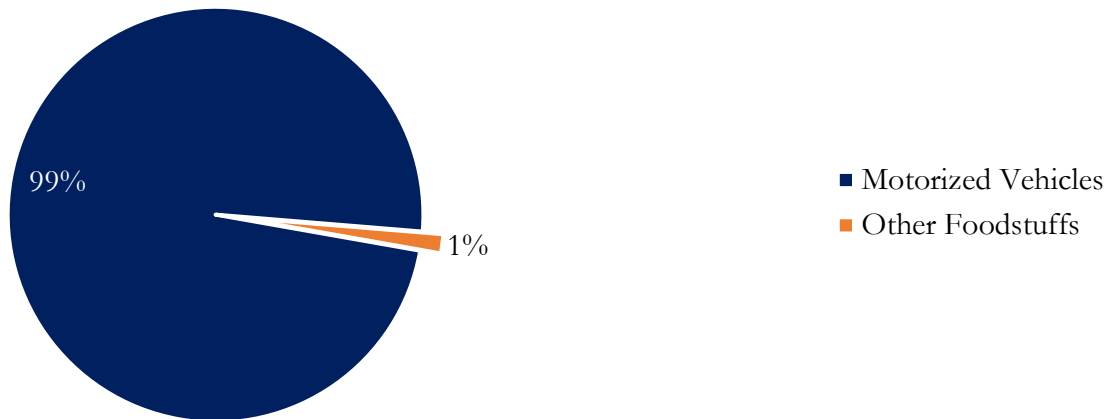
El Paso–Los Angeles Commodities by Rail

Graph 36. Top Commodity for Rail Shipments from El Paso to Los Angeles (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

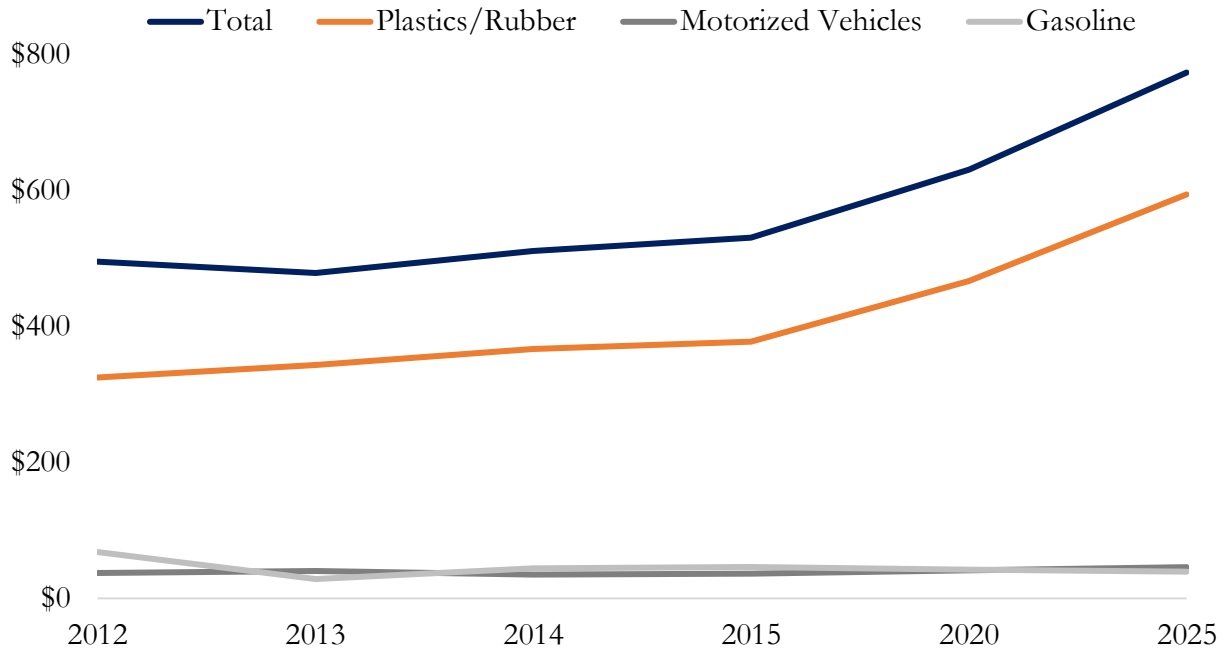
Figure 17. El Paso to Los Angeles Rail Shipments by Commodity Value, 2020 Estimates



Value of Rail Shipments will be \$1 Billion in 2020.

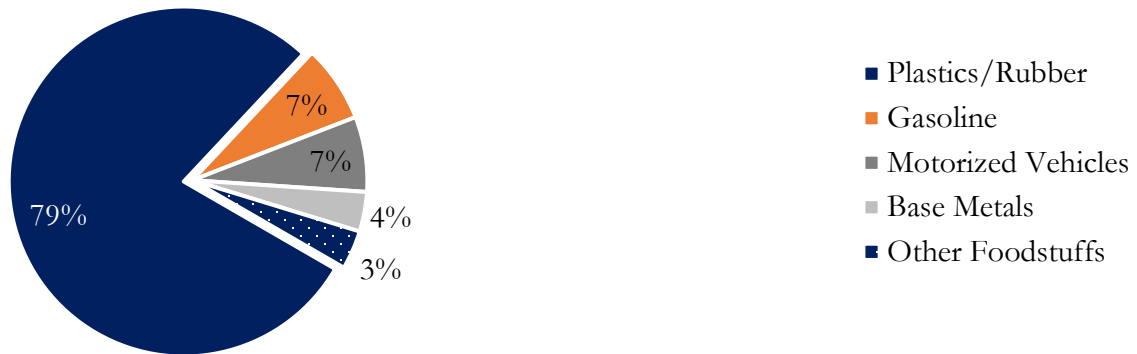
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 37. Top Commodities from Houston to El Paso by Rail (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

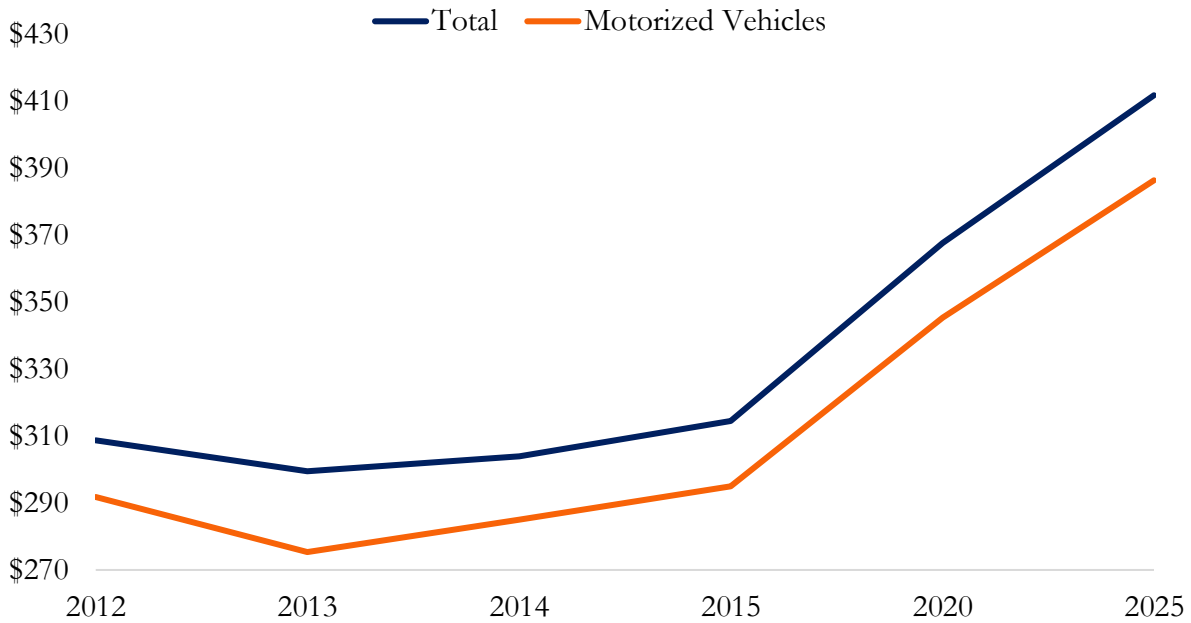
Figure 18. Houston to El Paso Rail Shipments by Commodity Value, 2020 Estimates



Value of Rail Shipments will be \$631 Million in 2020.

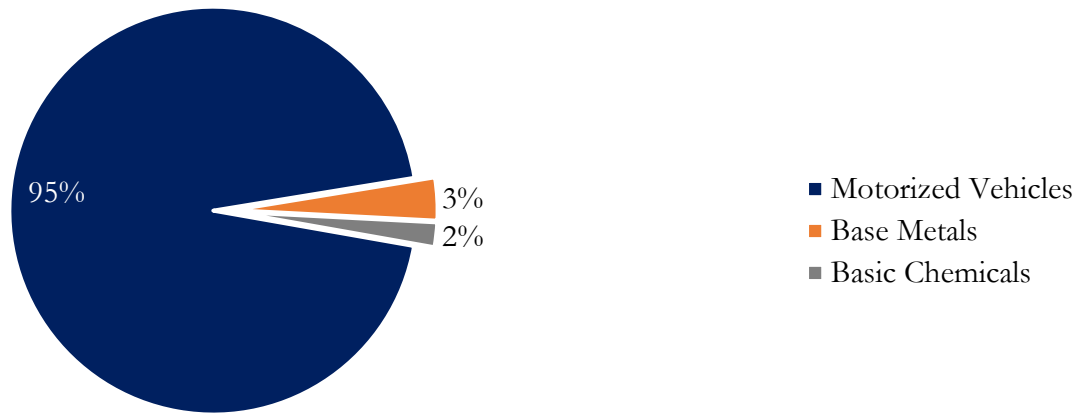
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 38. Top Commodity from El Paso to Houston by Rail (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Figure 19. El Paso to Houston Rail Shipments by Commodity Value

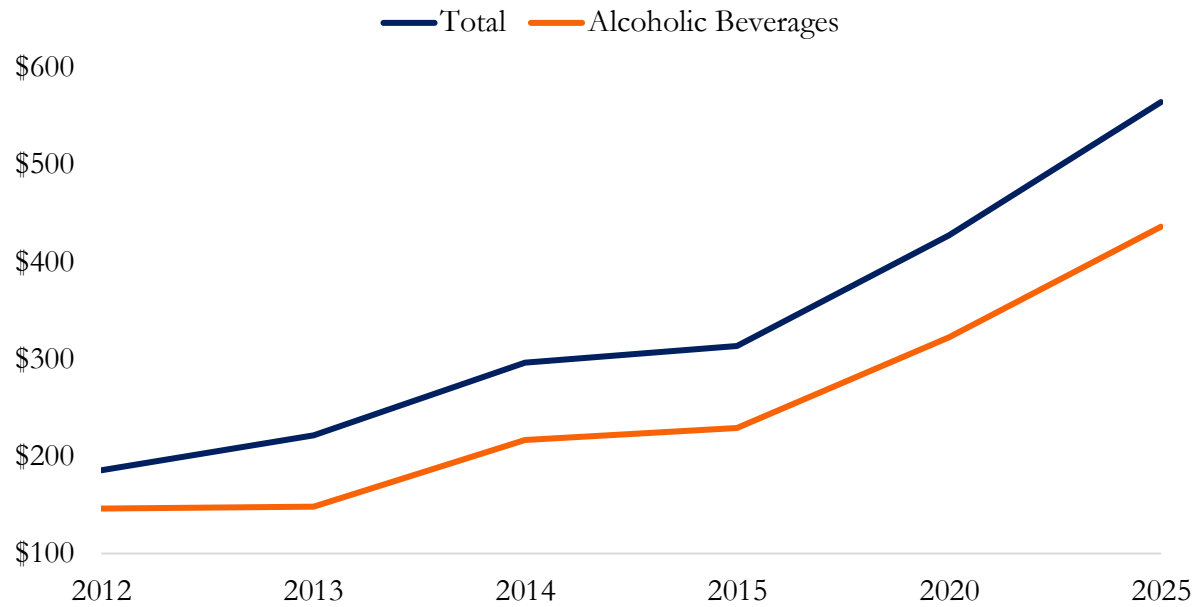


Value of Rail Shipments will be \$367 Million in 2020.

Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

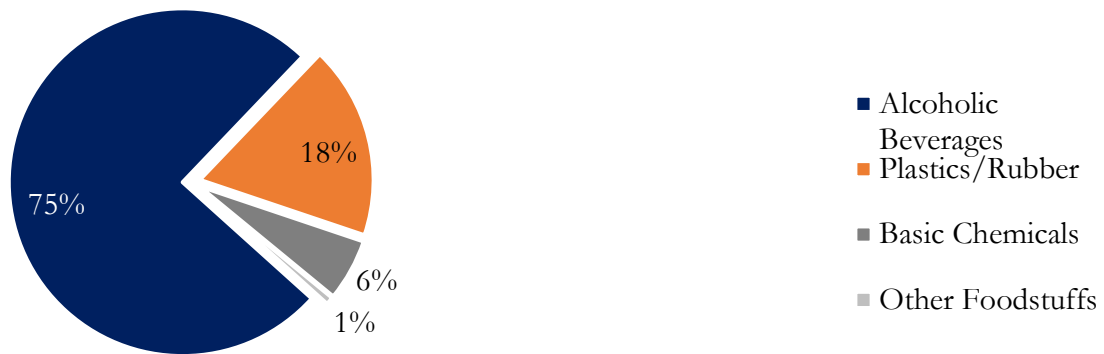
Chicago–El Paso Commodities by Rail

Graph 39. Top Commodity from Chicago to El Paso by Rail (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

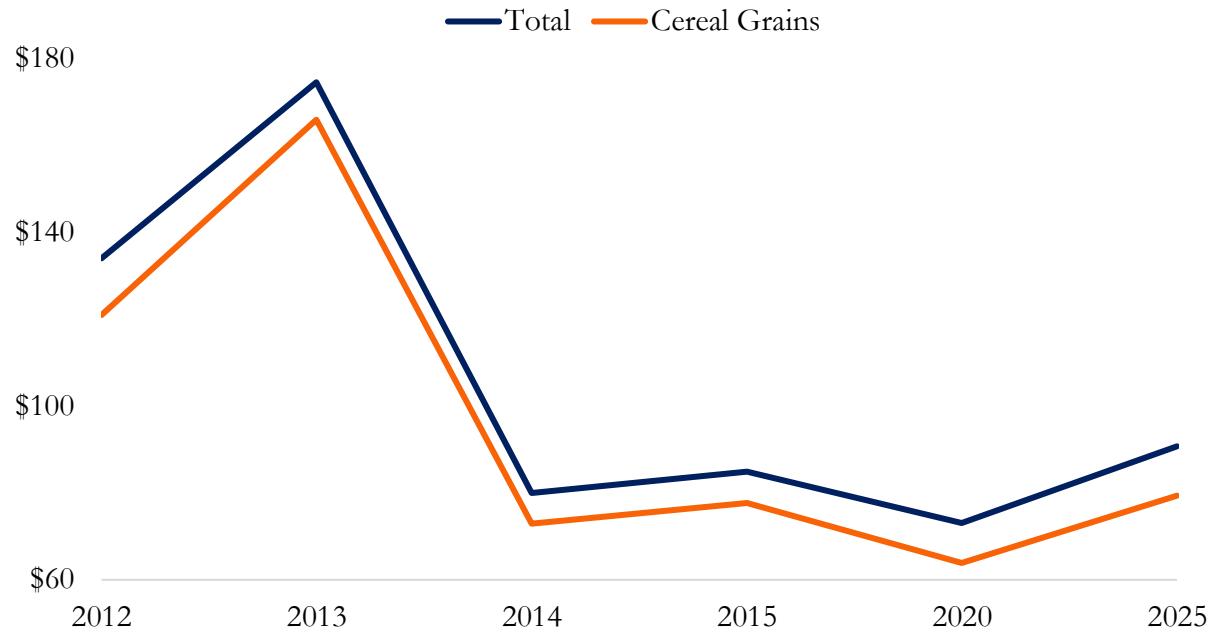
Figure 20. Chicago to El Paso Rail Shipments by Commodity Value, 2020 Estimates



Value of Rail Shipments will be \$427 Million in 2020.

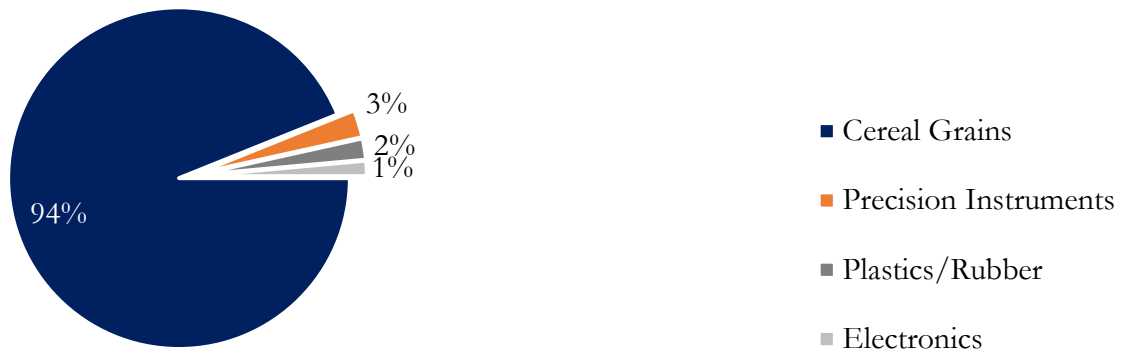
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 40. Top Commodity from El Paso to Chicago by Rail (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

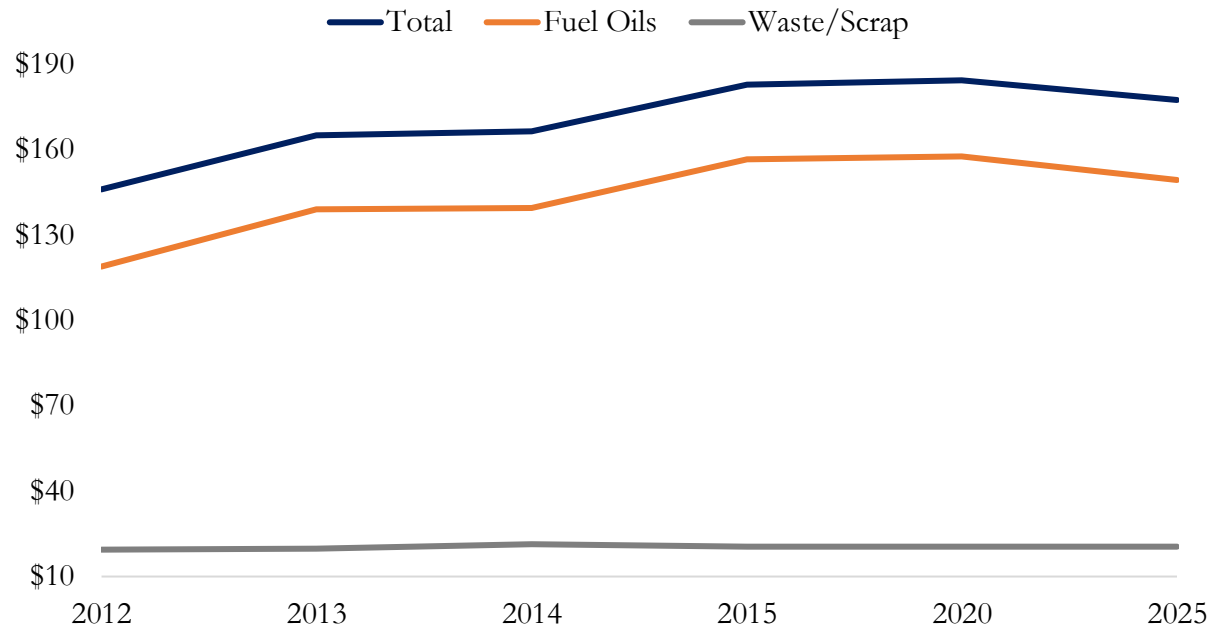
Figure 21. El Paso to Chicago Rail Shipments by Commodity Value, 2020 Estimates



Value of Rail Shipments will be \$73 Million in 2020.

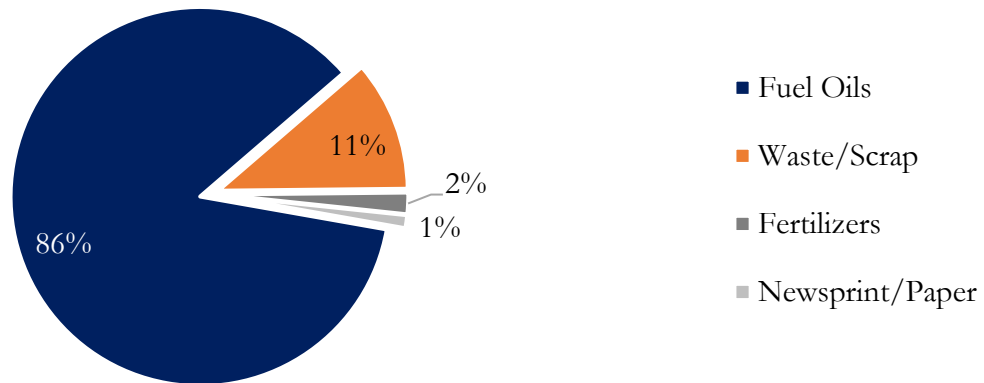
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 41. Top Commodity from New Mexico to El Paso by Rail (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

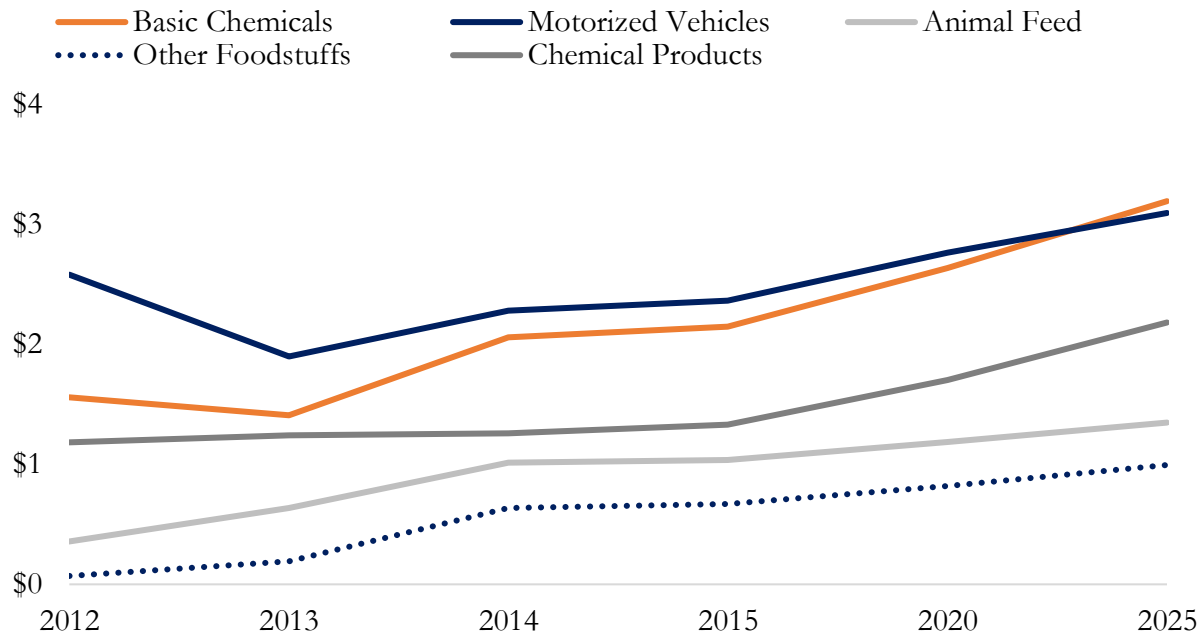
Figure 22. New Mexico to El Paso Rail Shipments by Commodity Value, 2020 Estimates



The value of Rail Shipments will be \$184.4 Million in 2020.

Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Graph 42. Top Commodities from El Paso to New Mexico by Rail (USD Million)



Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Figure 23. El Paso to New Mexico Rail Shipments by Commodity Value, 2020 Estimates



Value of Rail Shipments will be \$9.3 Million in 2020.

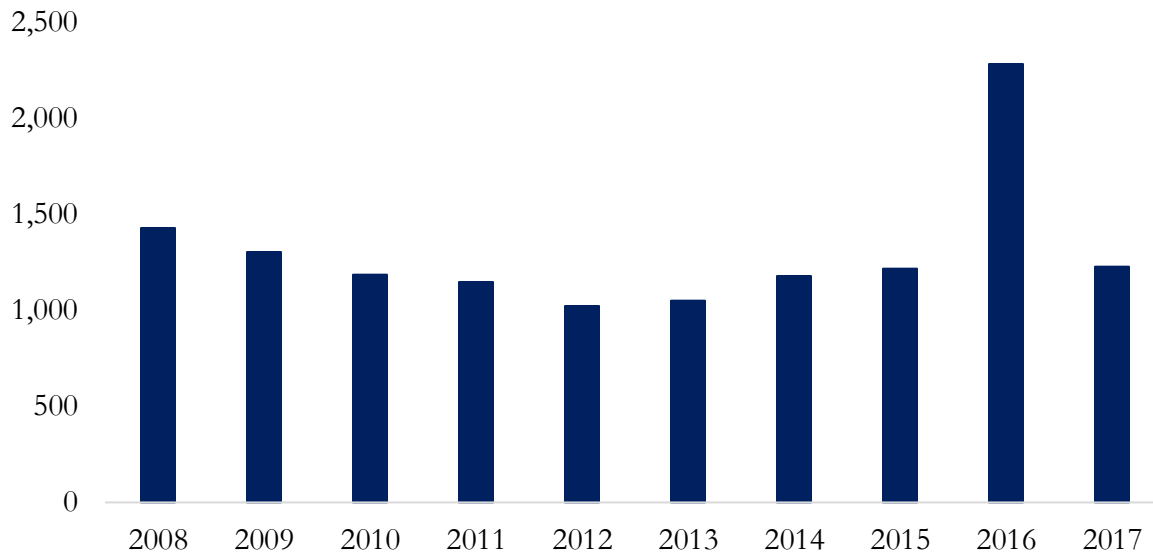
Source: U.S. Bureau of Transportation Statistics Freight Analysis Framework.

Air Transportation Infrastructure

The Doña Ana County International Jetport (DACIJ) has served the Santa Teresa region since 1984. It is a full-service airport that supports corporate jets, cargo aircraft, and private general aviation aircrafts. The Federal Aviation Administration (FAA) classifies the DACIJ as general aviation within its National Plan of Integrated Airport Systems (NPIAS). This airport has two runways, Runway 10 and Runway 28, with a length of 9,550 feet, and a width of 100 feet. The Doña Ana County International Jetport has Hangar Spaces, Apron Spaces, and a Terminal. Airport operations such as Air Route Traffic Control Center (ARTCC) and Flight Service Station (FSS) services are provided by the Albuquerque ARTCC and the Albuquerque FSS, respectively, as the DACIJ does not have a control tower. The Doña Ana County International Jetport is an international port of entry and the U.S. Customs and Border Protection (CBP) provides passenger and cargo screening. The Jetport is close to other airports in the region, namely the Las Cruces International Airport, the El Paso International Airport, and the Aeropuerto Internacional de Ciudad Juárez.

In 2016, the Doña Ana County International Jetport had the greatest number of operations since 2008. In 2016, there were 2,284 incoming and outgoing IFR flights (Figure 24).

Figure 24. Doña Ana International Jetport Total IFR Flights

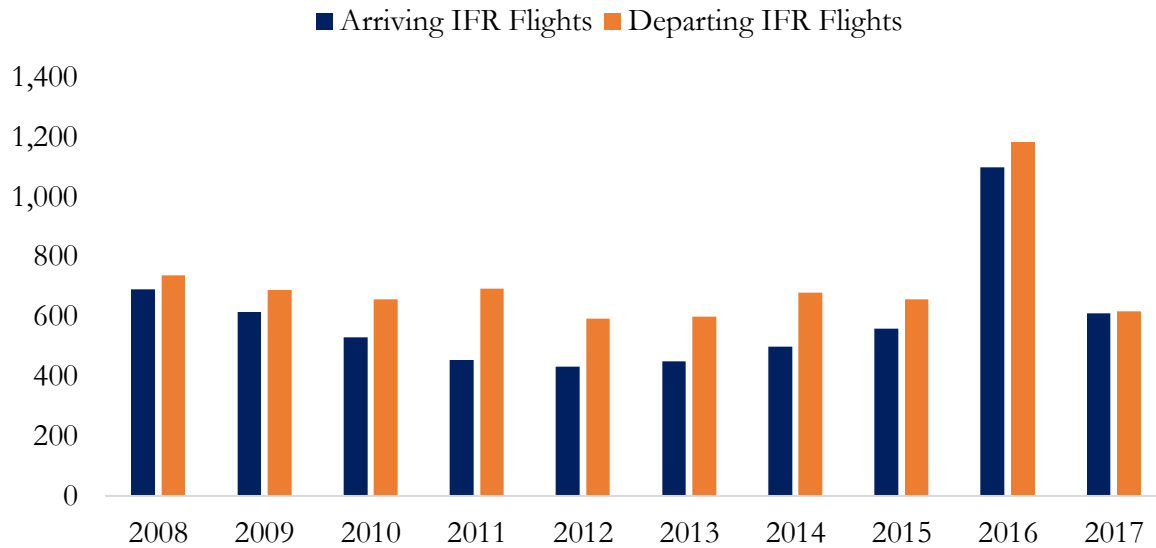


Note: Data for 2017 available through November only

Source: New Mexico Department of Transportation Aviation Division.

In the years between 2008 and 2016, departing flights have exceeded arriving flights at the DACIJ (Figure 25). The greatest divergence was in 2011 and 2012, but has decreased as of 2016 and 2017.

Figure 25. Doña Ana International Jetport Total Arriving and Departing IFR Flights

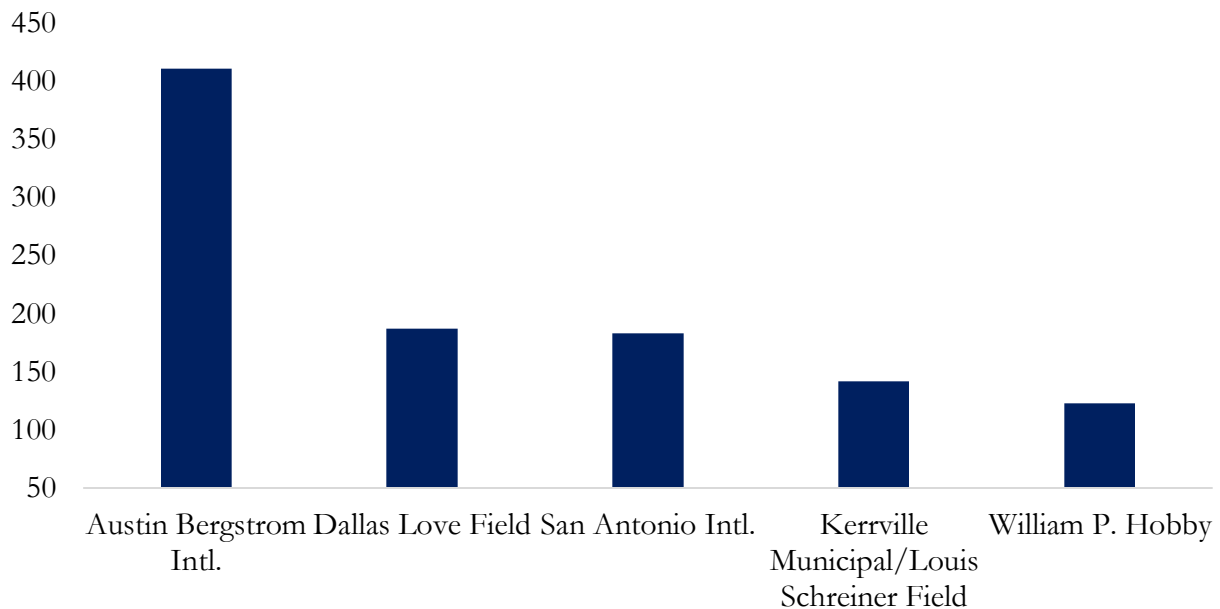


Note: Data for 2017 available through November only

Source: New Mexico Department of Transportation Aviation Division.

Most flights also arrive from Austin, Dallas, San Antonio, and Houston, Texas (Figure 26).

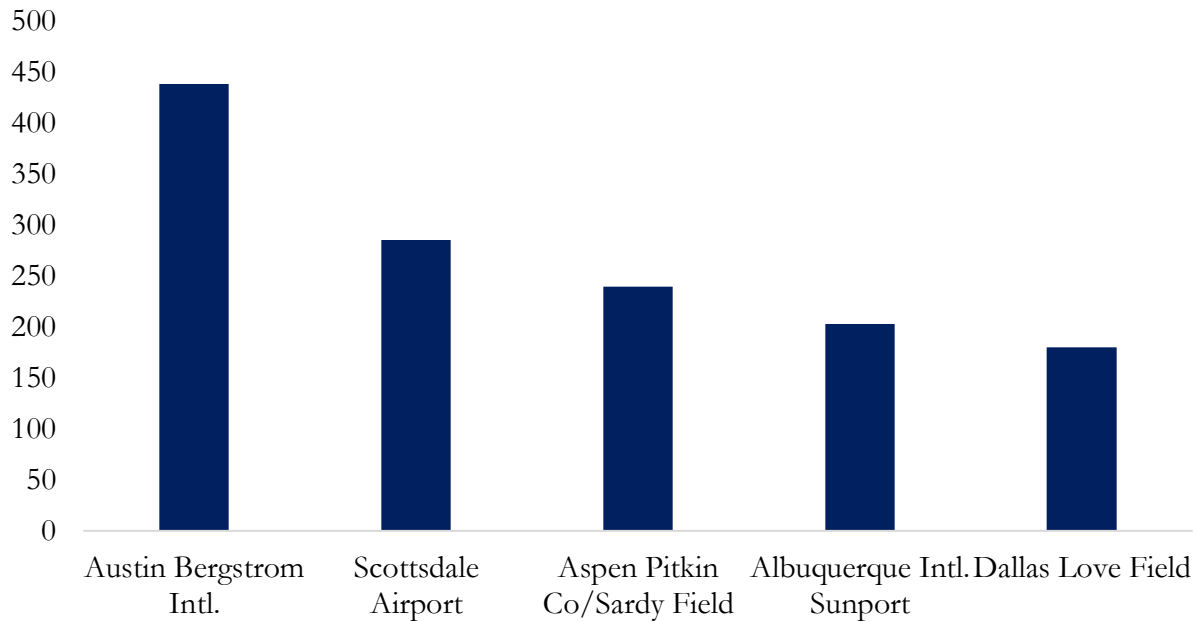
Figure 26. Doña Ana International Jetport Top Five Arriving IFR Flights 2008 – 2016



Source: New Mexico Department of Transportation Aviation Division.

During the 2008–2016 period, the top five departing flights from the DACIJ flew to Austin, Scottsdale, Aspen, Albuquerque, and Dallas (Figure 27).

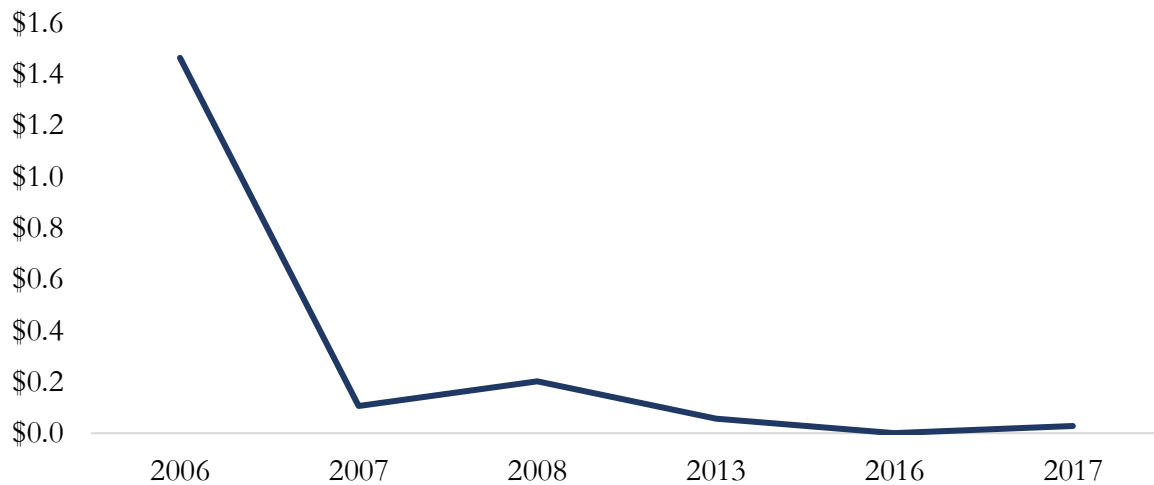
Figure 27. Doña Ana International Jetport Top Five Departing IFR Flights 2008 – 2016



Source: *New Mexico Department of Transportation Aviation Division.*

U.S. Customs and Border Protection (CBP) has an office at the DACIJ and inspects shipments exported through the airport. Exports from the DACIJ have declined sharply since 2006 (Graph 43).

Graph 43. Exports from the Doña Ana International Jetport (USD Million)



Source: *U.S. Customs and Border Protection.*

D. The Santa Teresa Port of Entry and Binational Trade

Santa Teresa Port of Entry

Before the Santa Teresa Port of Entry opened in 1992, New Mexico-Chihuahua trade primarily passed through the Columbus Port of Entry, in Luna County. Just to the west of El Paso, the Santa Teresa Port of Entry is positioned to leverage growing trade flow traffic from the several Ports of Entry in El Paso. Also, the Santa Teresa Port of Entry does provide an overland crossing that allows for heavier loads that the bridges between El Paso and Ciudad Juárez cannot accommodate. Currently, the total number of northbound crossings through the Santa Teresa Port of Entry make up less than 5% of northbound border crossings at the Ports of Entry in El Paso. The U.S. Customs and Border Protection (CBP) Field Operation Office that governs the Santa Teresa Port of Entry is located in El Paso, Texas. A U.S. Customs and Border Protection Santa Teresa Station, which performs line watch activities and desert patrols, was opened in 1995 due to increases in undocumented alien crossings and narcotics trafficking.

In 2015 and 2016, the southbound hours of operation, respectively, were extended from 8 p.m. until midnight during weekdays under the CBP's Reimbursable Services Program, which allows CBP to create partnerships with private sector and government partner entities. For the expanded southbound hours of operation, Dell, Inc., headquartered in Round Rock, Texas, provided funding as the partner entity.

In November of 2017, a CBP Cargo Preinspection Facility opened within the Foxconn maquila in San Jerónimo, Chihuahua, where cargo is inspected and cleared in Mexico before heading northbound to the Santa Teresa Port of Entry in a dedicated lane.

Northbound Non-Commercial Crossings

Non-Commercial Border Crossings include all pedestrian, personal vehicle and bus passengers that cross the New Mexico–Chihuahua border through the Santa Teresa Port of Entry. According to the U.S. Bureau of Transportation, there were 2.1 million Non-Commercial Border Crossings through the Santa Teresa Port of Entry in 2017, 1.4 million in Columbus, and 41 million in El Paso (Table 20).

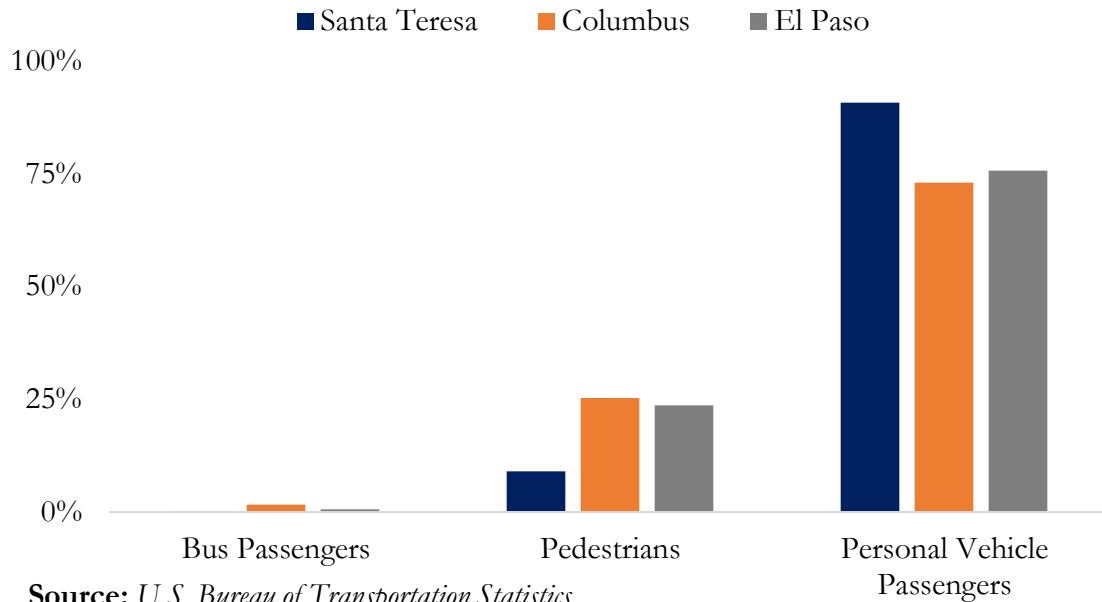
Table 20. Northbound Non-Commercial Border Crossings, 2017

Measure	Santa Teresa	Columbus	El Paso
Bus Passengers	2,710	16,955	193,419
Buses	269	1,377	15,898
Pedestrians	134,458	257,998	6,883,755
Personal Vehicle Passengers	1,358,085	746,789	22,046,772
Personal Vehicles	614,398	380,308	12,615,101
Total	2,109,920	1,403,427	41,754,945

Source: U.S. Bureau of Transportation Statistics.

Of the individuals that cross as bus passengers, pedestrians, or personal vehicle passengers through the Santa Teresa, Columbus, and El Paso Ports of Entry, Santa Teresa has a higher percentage that cross by car (Figure 28).

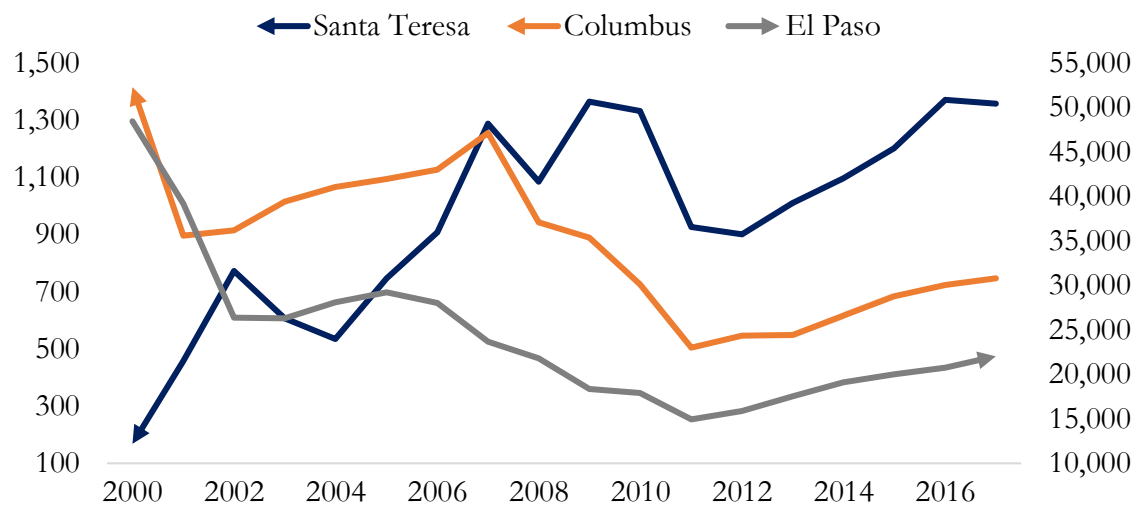
Figure 28. Northbound Non-Commercial Border Crossings, Percentage Individuals, 2017



Source: U.S. Bureau of Transportation Statistics.

Personal Vehicle Passengers make up the greater share of Non-Commercial Border Crossings for individuals for all ports. And, while this decreased for all ports after 2008, Vehicle Passengers crossing the border through the Santa Teresa port increased significantly after 2011, reaching 1,358,008 in 2017, though still far below El Paso, which receives 22,046,772 in 2017 (Graph 44).

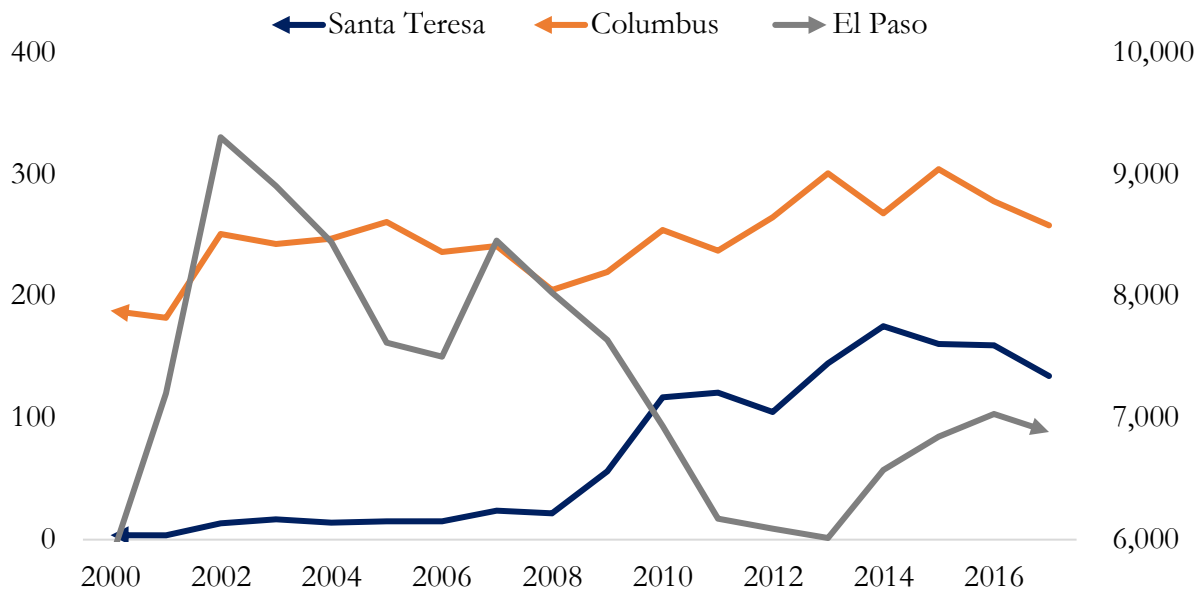
Graph 44. International Personal Vehicle Passenger Border Crossings (Thousand)



Source: U.S. Bureau of Transportation Statistics.

Crossing the border on foot is also very common through the Santa Teresa, Columbus, and El Paso Ports of Entry. Due to the cross-border communities of El Paso-Ciudad Juárez and Columbus-Palomas, these Ports of Entry see far more Pedestrian Border Crossings than Santa Teresa. Specifically, El Paso far exceeds these ports with 6,883,755 annually in 2017 (Graph 45). This number is still far smaller than the peak in 2002 of more than 9 million Pedestrians. The Columbus Port of Entry has 257,998 annually in 2017, and the Santa Teresa Port of Entry has 134,458 in the same year, but falling since 2014.

Graph 45. Northbound Pedestrian Border Crossings (Thousand)



Source: U.S. Bureau of Transportation Statistics.

Northbound Commercial Border Crossings

The U.S. Department of Transportation Bureau of Transportation Statistics provides international northbound commercial border crossing data through the El Paso, Columbus, and Santa Teresa Ports of Entry since 1996. In 2017, 779,410 trucks crossed the border through all three El Paso Ports of Entry. In Columbus, 14,114 trucks cross the border, and 114,876 through the Santa Teresa Port of Entry (Table 21). In 1996, commercial international border crossings through the Santa Teresa Port of Entry made up only 3.3% of commercial traffic through the El Paso and Columbus Ports of Entry. In 2017, this was 12.6% and commercial traffic through the Santa Teresa Port of Entry has increased steadily since 2009. Trains do not cross the border at the Santa Teresa or the Columbus Ports of Entry.

The amount of trucks that cross the border through Santa Teresa Port of Entry has nearly doubled in the past decade, growing by 185% since 2007. In 2009, Foxconn, the world’s largest contract electronic manufacturer, opened its computer manufacturing plant across the border in San Jerónimo, Chihuahua, with Dell, Inc., as its principal client, minutes away from the Santa Teresa Port of Entry. The amount of trucks heading north bound through the Santa Teresa port of entry grew by 37.40% in 2010, one year after the facility opened. In 2017, 114,876 trucks crossed the border through the Santa Teresa Port of Entry, a 100% increase since 2009 in commercial traffic.

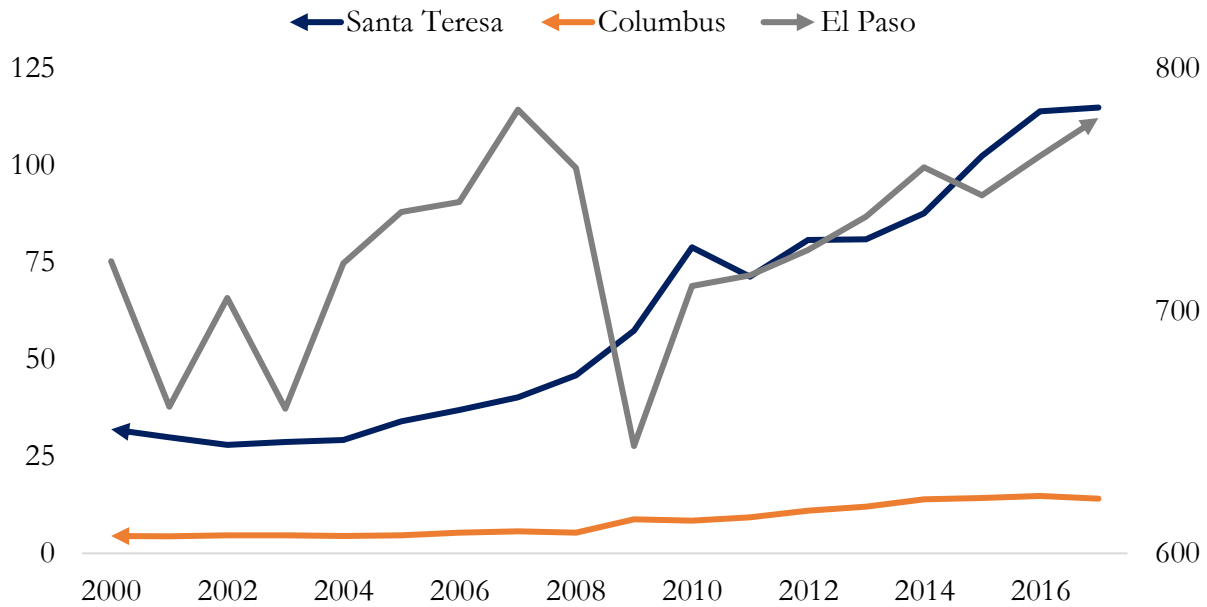
Table 21. Northbound Commercial Border Crossings, 2017

Measure	Santa Teresa	Columbus	El Paso
Rail Containers Empty	N/A	N/A	60,083
Rail Containers Full	N/A	N/A	49,032
Trains	N/A	N/A	1,498
Truck Containers Empty	56,023	1,472	386,092
Truck Containers Full	79,456	13,249	530,607
Trucks	114,876	14,114	779,410
Total	250,355	28,835	1,806,722

Source: U.S. Bureau of Transportation Statistics.

Historically, the El Paso Ports of Entry have made up the greater share of northbound commercial traffic. After the 2008 recession, northbound truck crossings in the El Paso Ports of Entry dropped sharply, unlike the Santa Teresa Port of Entry Traffic, but have since increased again (Graph 45).

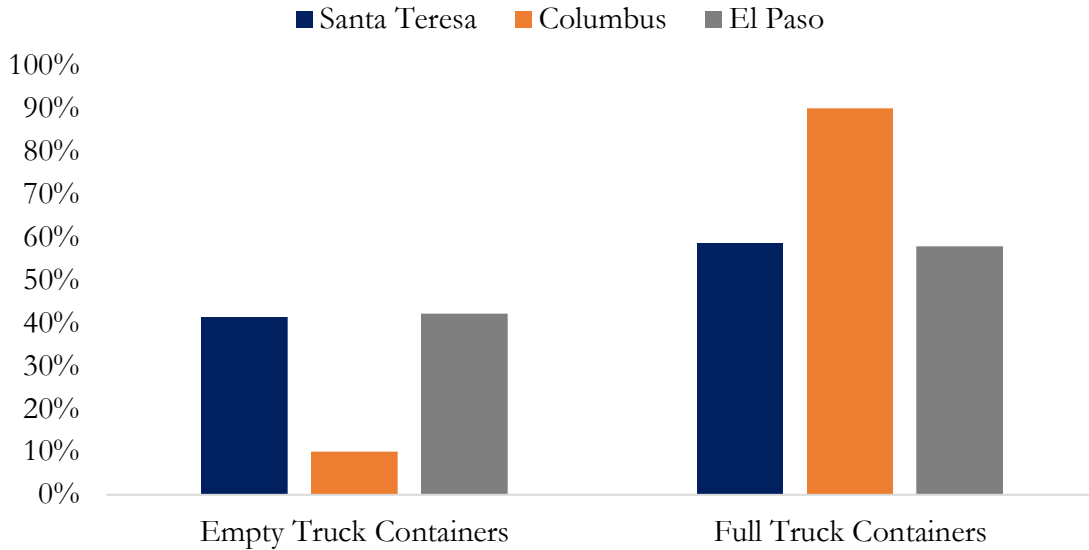
Graph 45. International Truck Border Crossings (Thousand)



Source: U.S. Bureau of Transportation Statistics.

In 2017, close to 60% of trucks carried full truck containers rather than empty containers through the Santa Teresa Port of Entry (Figure 29). The amount of empty and full truck containers is balanced for El Paso and Santa Teresa Ports of Entry, with the exception of Columbus where the majority of truck containers crossing the border there were with full containers.

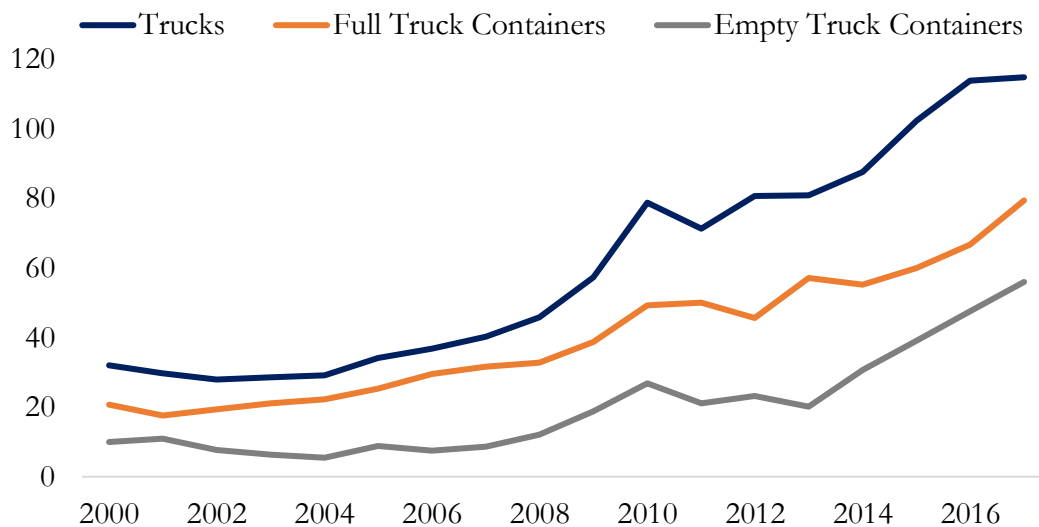
Figure 29. Empty and Full Truck Containers, 2017



Source: U.S. Bureau of Transportation Statistics.

In the interval from 2000 to 2016, Truck Crossings grew at the Santa Teresa Port of Entry dramatically, especially so after the 2008 recession (Graph 46).

Graph 46. Santa Teresa International Commercial Traffic (Thousand)

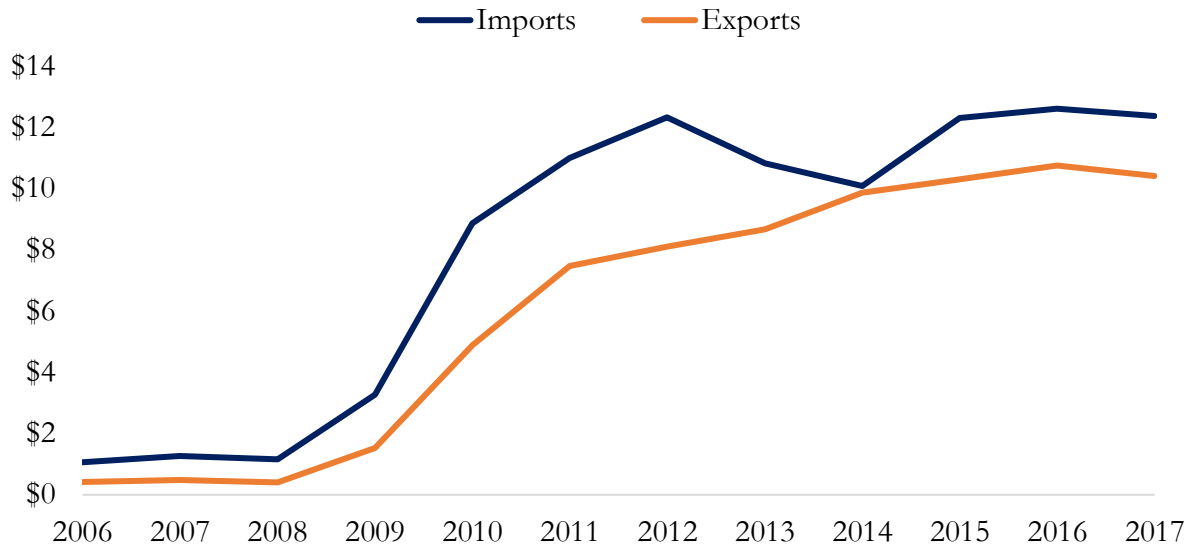


Source: U.S. Bureau of Transportation Statistics.

Binational Trade

The value of goods shipped through the Santa Teresa Port of Entry has increased dramatically in the last decade, since the arrival of the Foxconn maquila. In 2008, the Santa Teresa Port of Entry handled \$1.1 billion of imports and \$405 million of exports (Graph 47). In 2017, the port handled \$12 billion in imports and \$10 billion in exports, for a total trade of \$22 billion.

Graph 47. Santa Teresa Port of Entry Total Trade (USD Billion)

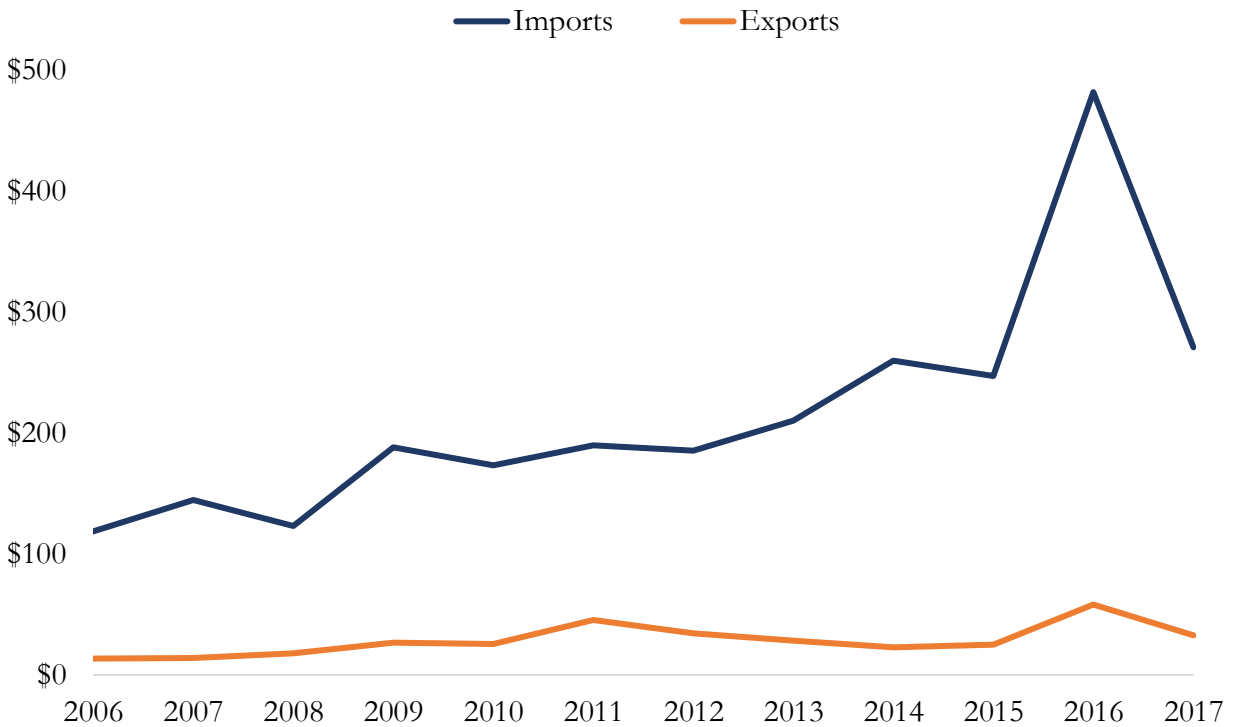


Note: Data includes trade through Air, Imports into Foreign Trade Zones, Rail, and Truck Modes.

Source: U.S. Bureau of Transportation Statistics.

The Columbus Port of Entry has also seen growth in binational trade as has the Santa Teresa Port of Entry, though not as dramatically, with import growth rising faster than export growth.

Graph 48. Columbus Port of Entry Total Trade (USD Million)

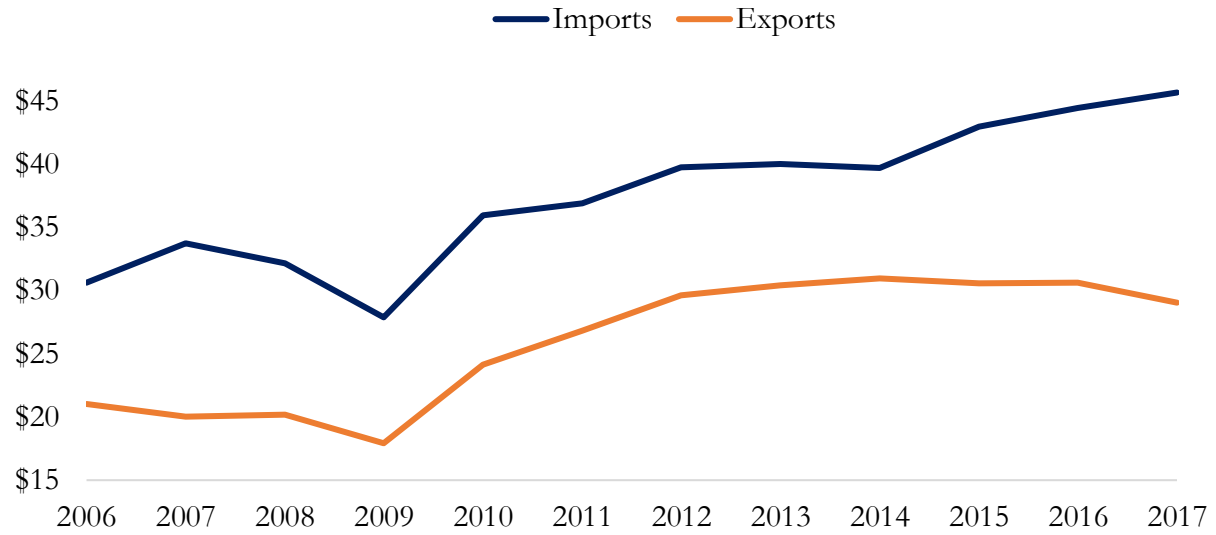


Note: Data includes trade through Air, Imports into Foreign Trade Zones, Rail, and Truck Modes.

Source: U.S. Bureau of Transportation Statistics.

The El Paso Ports of Entry have seen significant increases in export and import growth since 2006, recovering from the decreases after the 2008 recession. In 2017, the El Paso Port of Entry handled \$45.7 billion worth of imports, and \$29 billion worth of exports (Graph 49).

Graph 49. El Paso Ports of Entry Total Trade (USD Billion)



Note: Data includes trade through Air, Imports into Foreign Trade Zones, Rail, and Truck Modes.

Source: U.S. Bureau of Transportation Statistics.

Imports at the Albuquerque Sun Port, the city's only export facility, have decreased in recent years (Graph 50). Nevertheless, since 2015, exports have been increasing.

Graph 50. Albuquerque Port of Entry Total Trade (USD Thousand)



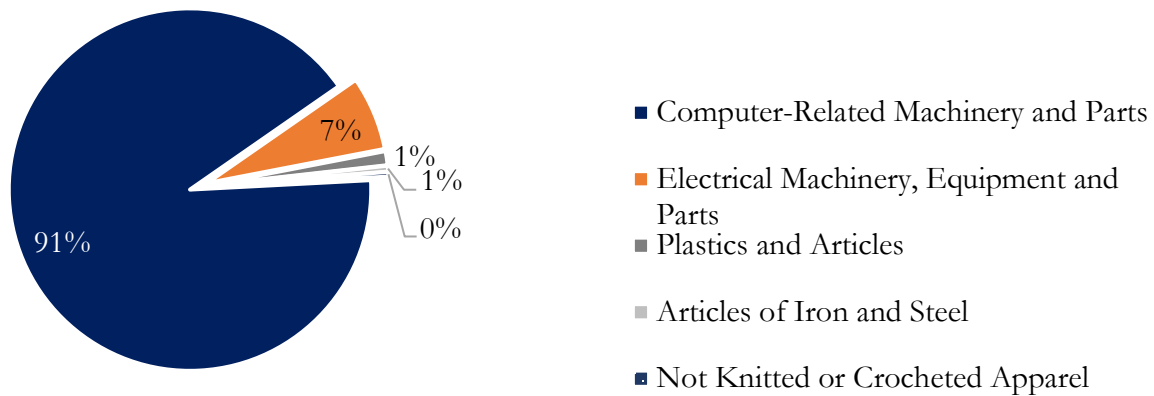
Note: Data includes trade through Air, Imports into Foreign Trade Zones, Rail, and Truck Modes.

Source: U.S. Bureau of Transportation Statistics.

Export and Import Flows by Type

Computer-Related Machinery and Parts are by far the most dominant commodity by value imported and exported through the Santa Teresa Port of Entry. This commodity class includes computers, computer peripherals, communications equipment, and similar electronic products. In 2017, \$10.4 billion in exports crossed the border through the Santa Teresa Port of Entry, of which 91% was Computer-Related Machinery and Parts (Figure 30).

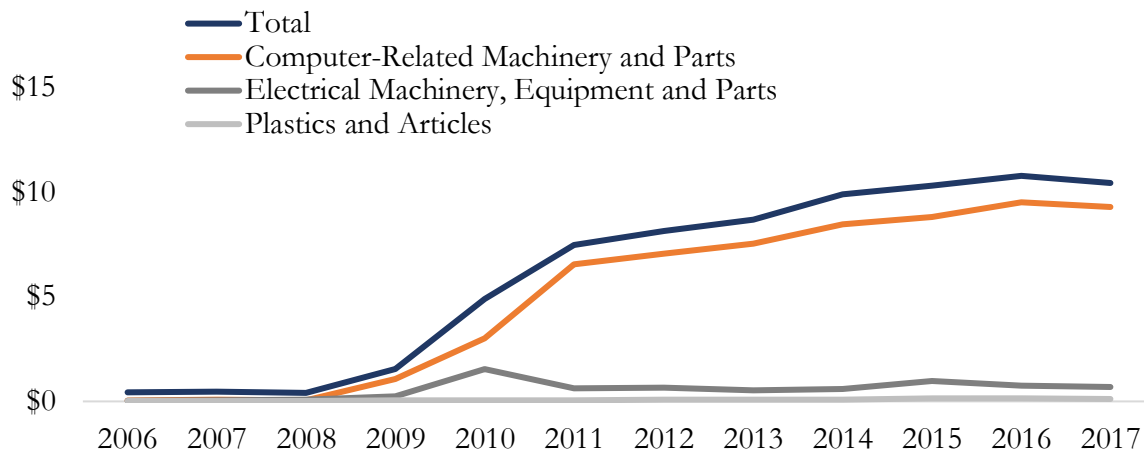
Figure 30. Top Five Export Commodities through the Santa Teresa Port of Entry, 2017



Exports totaled \$10.4 Billion in 2017.

Source: U.S. Bureau of Transportation Statistics.

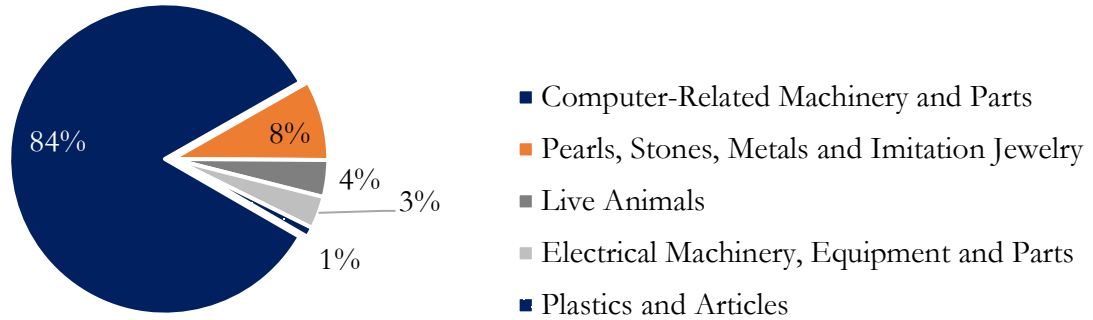
Graph 51. Top Three Export Commodities through the Santa Teresa Port of Entry (USD Billion)



Note: Data includes trade through Air, Imports into Foreign Trade Zones, Rail, and Truck Modes.

In 2017, \$12.3 billion in imports crossed the border through the Santa Teresa Port of Entry, of which 84% was Computer-Related Machinery and Parts (Figure 31).

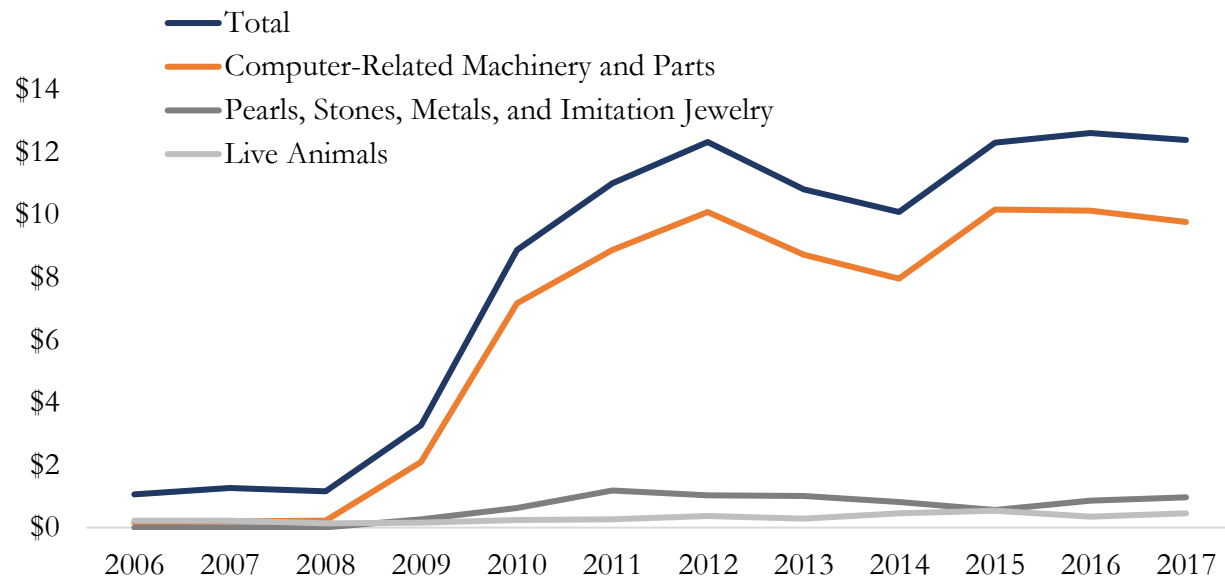
Figure 31. Top Five Import Commodities through the Santa Teresa Port of Entry, 2017



Imports totaled \$12.3 Billion in 2017.

Source: U.S. Bureau of Transportation Statistics.

Graph 52. Top Three Import Commodities through the Santa Teresa Port of Entry (USD Billion)



Note: Data includes trade through Air, Imports into Foreign Trade Zones, Rail, and Truck Modes.

Source: U.S. Bureau of Transportation Statistics.