

# North American Development Bank

## SUMMARY OF PROJECT IMPLEMENTATION ACTIVITIES

### ACTIVE PROJECTS

June 30, 2020

The North American Development Bank (NADB) provides financing and other support for infrastructure projects that enhance the environmental condition of the U.S.-Mexico border region. NADB works closely with border communities, state agencies and other entities to develop and finance affordable, self-sustaining projects with broad community support. Each project must pass through a public participation and certification process to be eligible for financing from NADB.

During the second quarter of 2020, NADB had **40** active projects in various stages of project implementation.<sup>1</sup> A total of **US\$587.8 million** in loans and grants has been contracted to help finance those projects, and approximately 78% of those funds have already been disbursed to project sponsors. A breakdown of NADB financing by program for the active projects is shown in the table below.

**NADB Funding by Program for Active Projects**  
(U.S. Dollars)

Funding Programs	Active Projects per Program*	Financing Contracted for Active Projects	Pending Disbursement
Loan Program	15	\$ 523,654,951	\$ 106,575,121
NADB-funded grant programs**	11	5,289,832	2,162,313
Border Environment Infrastructure Fund (BEIF)***	14	58,889,348	22,601,635
<b>TOTAL</b>		<b>\$ 587,834,131</b>	<b>\$ 131,339,069</b>

\* Some projects have both a loan and a grant. Likewise, a loan or grant may cover more than one project.

\*\* NADB-funded grant programs include the Community Assistance Program (CAP) and the Water Conservation Investment Fund (WCIF).

\*\*\* BEIF: EPA-funded grant program that offers financing for the implementation of municipal drinking water and wastewater infrastructure projects.

To date, NADB has contracted a cumulative total of approximately US\$3.3 billion in loans and grants to help finance 267 certified projects estimated to cost a total of US\$10.0 billion to implement. Of the financing contracted, 96% has been disbursed to project sponsors for the implementation of 258 projects. Of the 267 projects financed by the Bank, 226 have completed construction and financing activity (except for the amortization of loans) and/or have otherwise been closed.

The implementation status of NADB-funded active projects is presented in the following pages.

<sup>1</sup> Active projects are defined as those projects with NADB funding contracted that are in the process of being implemented and/or for which NADB financing is pending disbursement.

**PROJECT****Ahumada, Chihuahua, Mexico****Equipment for Sanitary Landfill Operations**

**Type:** Solid waste  
**Total Cost:** US \$292,000  
**Total NADB Funding:** US \$300,000  
**Certification Date:** 6 / 16 / 16  
**Residents to Benefit:** 11,457

**DESCRIPTION**

Acquisition of new equipment for landfill operations, including a mini-loader skid steer, water truck, 3.5 or 4-ton truck with hydraulic dump, vehicle scale, portable generator, portable welder and pressure washer.

**Community Benefits**

Improved landfill operations for the proper disposal of up to 10 metric tons of solid waste per day in compliance with applicable laws and regulations, reducing risks for soil and groundwater contamination, as well as the transmission of vector-related diseases.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the Community Assistance Program (CAP), which complements the landfill construction project funded jointly by the Municipality and the Mexican federal government. On June 16, 2016, the Bank approved a CAP grant for up to US\$300,000 to cover the equipment costs, including possible fluctuations in the exchange rate. The corresponding grant agreement was signed on December 12, 2016. The first disbursement occurred in June 2018.

**IMPLEMENTATION STATUS**

Bidding to procure the landfill equipment began in August 2017. Contracts for the purchase of a flatbed truck and water tank truck were awarded in October 2017, and the equipment was delivered in June 2018. A contract for the purchase of a skid steer was awarded in May 2018, and the equipment was delivered in October 2018.

Training in the proper operation and maintenance of the equipment has been delayed due to the COVID-19 pandemic and related restrictions. A virtual training session may be planned in coordination with the state government during the fourth quarter of 2020. Additionally, the two-year maintenance service package included with the equipment purchase is being funded and monitored by the Bank.

**Anthony, New Mexico, USA****Anthony Lift Station Replacement Project**

**Type:** Wastewater  
**Total Cost:** US \$4,542,241  
**Total NADB Funding:** US \$3,391,400  
**Certification Date:** 5 / 6 / 16  
**Residents to Benefit:** 8,700

Replacement of the Sonic Lift Station, including construction of a force main and gravity line, to convey wastewater to the Anthony Wastewater Treatment Plant.

**Community Benefits**

Elimination of the risk of sewage overflows in populated areas surrounding the existing lift station. Increased flow capacity and operational efficiency reducing energy consumption and operation and maintenance costs.

The Bank is a source of grant funds through the Border Environment Infrastructure Fund (BEIF). On February 29, 2016, EPA approved the Bank's recommendation to provide US\$2.81 million in BEIF construction assistance for this project. The corresponding grant agreement was signed on June 17, 2016. Disbursements began in October 2018. On December 31, 2019, EPA approved an additional US\$580,000 in BEIF funds to cover increased construction costs based on actual procurement results, bringing total BEIF participation in this project to US\$3.39 million. The grant agreement was amended to include the additional funding and was signed on March 6, 2020.

Bidding for construction of the lift station began in April 2017; however, the bids received exceeded available funding. A new bidding process began in March 2018, and the contract was awarded in July 2018. Construction of the force main was completed in November 2018. Construction of the gravity line was completed in December 2019.

Testing of the new lift station was completed in June 2020, thus completing the entire certified project.

**PROJECT****Benjamín Hill, Sonora, Mexico****Don Diego Solar Energy Project**

**Type:** Renewable energy  
**Total Cost:** Reserved  
**Total NADB Funding:** US \$100,000,000  
**Certification Date:** 11 / 14 / 19  
**Residents to Benefit:** 186,056

**DESCRIPTION**

Construction of a 125-MW solar park, using photovoltaic modules mounted on a single-axis tracker system on rural land.

**Community Benefits**

Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 169,443 metric tons/year of carbon dioxide (CO<sub>2</sub>) and 1,340 metric tons/year of sulfur dioxide (SO<sub>2</sub>), among other pollutants.

**NADB PARTICIPATION**

The Bank is a direct lender to the project company, *Infraestructura Energética Nova, S.A.B. de C.V.* (IEnova), which has signed power purchase agreements with subsidiaries of a Mexican retail company. On November 14, 2019, the Bank approved a market-rate loan for up to US\$100.00 million for construction of the project. The corresponding loan agreement was contracted on November 19, 2019, and the loan was fully disbursed on December 5, 2019.

**IMPLEMENTATION STATUS**

Construction of the solar park began in February 2019 and was completed in June 2020; however, commercial operations have not yet begun.

**Camargo, Tamaulipas, Mexico****Wastewater Collection and Treatment Project**

**Type:** Wastewater  
**Total Cost:** US \$3,428,333  
**Total NADB Funding:** US \$2,531,363  
**Certification Date:** 6 / 19 / 18  
**Residents to Benefit:** 8,819

Construction of a wastewater treatment plant (WWTP) with a capacity of 0.57 million gallons a day (mgd); replacement of a lift station, collector and sewer main; and expansion of the wastewater collection system to unserved areas of La Mision and El Sauz subdivisions, including the installation of residential connections and decommissioning of on-site disposal systems.

**Community Benefits**

Provision of first-time wastewater collection services to 347 homes, thus reducing the potential for groundwater contamination associated with the use of inadequate on-site disposal systems. Improved treatment facilities will produce better quality effluent that complies with federal standards for agricultural use.

The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On June 21, 2018, EPA approved the Bank's recommendation to provide US\$2.53 million in BEIF funds for construction of the project. The corresponding grant agreement was signed on February 27, 2019. The initial disbursement occurred in June 2019.

Construction of the sewer main, the lift station and force main in La Mision and the sewer systems in El Sauz and La Mision subdivisions, along with 186 residential connections in El Sauz, was completed with Mexican funding between April 2012 and February 2017.

Construction of the BEIF-funded components, including construction of the WWTP, replacement of a lift station and force main, and installation of hookups in the La Mision subdivision, began in June 2019 and is approximately 66% complete.

**PROJECT****DESCRIPTION****NADB PARTICIPATION****IMPLEMENTATION STATUS****Cameron County Irrigation District  
No. 6, Texas, USA****Replacement of the River Pump Station**

**Type:** Water conservation  
**Total Cost:** US \$1,979,663  
**Total NADB Funding:** US \$989,832  
**Certification Date:** 12 / 16 / 08  
**Residents to Benefit:**

Installation of two supplemental pumps and motors in the District's river pump station and construction of a pipeline to connect the pumps to the canal system.

**Community Benefits**

Increased water conveyance efficiency, thereby reducing water losses from seepage and evaporation, as well as reduced energy and maintenance requirements. Annual water savings are estimated at 13,385 acre-feet/year, and energy savings at 832,030 kwh/yr.

The Bank is a source of grant funds through the WCIF to complement funding provided by the irrigation district. On December 16, 2008, the Bank approved a US\$989,832 WCIF grant to be applied towards the purchase of the equipment. The corresponding grant agreement was signed on April 16, 2009. The first disbursement was made in November 2014.

Construction began in September 2014, and the pump station was completed and went into operation in June 2016. However, the station was underperforming because of problems with the pumps. Work to modify the pumps to improve their performance will be completed in July 2020.

**Chihuahua, Chihuahua, Mexico****Rehabilitation and Upgrade of the North and South Wastewater Treatment Plants**

**Type:** Wastewater  
**Total Cost:** US \$14,693,467  
**Total NADB Funding:** US \$11,226,131  
**Certification Date:** 11 / 14 / 19  
**Residents to Benefit:** 809 232

Rehabilitation and upgrade of the North and South Wastewater Treatment Plants (WWTPs), as well as designing, installing and operating a cogeneration facility in the South WWTP.

**Community Benefits**

Improvements to the treatment processes will help ensure that the WWTPs continue to comply with federal standards, as well as produce 33% less sludge, reducing the volume from approximately 85,932 yds<sup>3</sup>/year to approximately 57,288 yds<sup>3</sup>/year. The quality of the effluent produced by the plants will also be more consistent and reliable, which will support increased demand for treated water for reuse for irrigation and industrial purposes. By using the biogas from the sludge to generate electricity, the utility expects to supply close to 71% of the electricity required to operate the South WWTP, which will offset energy consumed from the public grid and thus help prevent the emission of 9,583 metric tons/year of carbon dioxide (CO<sub>2</sub>), among other pollutants. Additionally, replacing the disinfection systems in both plants will eliminate the risk associated with handling chlorine gas.

The Bank is a direct lender to complement equity contributions from *Aguas de Reúso y Energía Renovable, S.A. de C.V. (ARERSA)*, the private concessionaire under a build-operate-transfer (BOT) agreement. On November 14, 2019, the Bank approved a peso-denominated, market-rate loan for US\$11.26 million to cover approximately 76% of the project costs. The corresponding loan agreement was signed with ARERSA on December 16, 2019.

The project is being constructed under a BOT agreement. Construction began in March 2020 and is approximately 5% complete; however, work has been temporarily suspended until August 2020 due to the COVID-19 pandemic.

**PROJECT****DESCRIPTION****NADB PARTICIPATION****IMPLEMENTATION STATUS****Ciudad Acuña, Coahuila, Mexico****Storm Water Infrastructure Improvements**

**Type:** Storm water  
**Total Cost:** US \$631,492  
**Total NADB Funding:** US \$500,000  
**Certification Date:** 11 / 14 / 19  
**Residents to Benefit:** 8,120

Improvements to the Santa Martha and La Misión storm water channels.

**Community Benefits**

Improved capacity of the storm water channels to withstand storm events with a 100-year and 200-year return periods, respectively, reducing the risk of flooding and stagnant water, thus protecting the environment and human health in the community and surrounding areas. The project will also protect a critical sewer force main, which due to erosion in both channels, is vulnerable to collapse, thereby reducing the risk of direct discharges of approximately 11.4 million gallons a day of untreated wastewater into the Rio Grande River.

The Bank is a source of grant funds through the CAP, which complements funding from the Municipality of Acuña. On November 14, 2019, the Bank approved a CAP grant for up to US\$500,000 to support project implementation. The corresponding grant agreement was signed on April 22, 2020.

Bidding for construction of the storm water infrastructure improvements is expected to begin in July 2020.

**Douglas, Arizona, USA****Bay Acres Wastewater Collection System and Wastewater Treatment Plant Expansion**

**Type:** Wastewater  
**Total Cost:** US \$19,843,403  
**Total NADB Funding:** US \$7,590,697  
**Certification Date:** 11 / 17 / 16  
**Residents to Benefit:** 17,378

Construction of a new wastewater collection system, including the installation of residential connections and the decommissioning of septic tanks, as well as upgrades to and expansion of the wastewater treatment plant from 2.0 million to 2.6 million gallons a day (gpd).

**Community Benefits**

Provision of first-time wastewater collection and treatment services for the entire neighborhood. Reduction of environmental and health hazards associated with inadequate on-site wastewater treatment systems, thus providing a cleaner, healthier environment for local residents. Specifically, an estimated 96,000 gpd of sewage will be collected and treated through the new system.

The Bank is a source of grant funds through the BEIF, to complement a loan from the Water Infrastructure Finance Authority of Arizona (WIFA) and a grant from the U.S. Department of Agriculture Rural Development (USDA-RD). On November 17, 2016, EPA approved the Bank's recommendation to provide US\$7.48 million in BEIF construction assistance for the project. The corresponding grant agreement was signed on April 19, 2017. The first BEIF disbursement occurred in June 2018. On May 18, 2020, EPA approved an additional US\$115,000 in BEIF funds to cover increased costs related to the WWTP, bringing total BEIF participation in this project to US\$7.59 million. The amended grant agreement was signed on June 18, 2020.

Bidding for wastewater treatment plant upgrades began in September 2017. The bids received exceeded available funding, so the City obtained additional funding from WIFA.

Construction of the treatment plant upgrades began in April 2018 and is substantially complete. The plant is in the testing phase. Construction of the Bay Acres wastewater collection system began in March 2020, and work is 50% complete.

**PROJECT****El Paso County, Texas, USA****Vista del Este Water System Replacement Project**

**Type:** Water  
**Total Cost:** US \$1,564,000  
**Total NADB Funding:** US \$500,000  
**Certification Date:** 11 / 17 / 16  
**Residents to Benefit:** 1,068

**DESCRIPTION**

Replacement of the water distribution system and service connections in the *colonia* Vista del Este.

**Community Benefits**

Provision of safe and reliable drinking water services for 340 households, eliminating service disruptions and reducing water losses from line breaks by approximately 5 million gallons annually.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the CAP, to complement funding from El Paso County, TX. On November 17, 2016, the Bank approved a CAP grant for up to US\$500,000 to cover approximately 32% of the project costs. The corresponding grant agreement was signed on May 25, 2017. The first disbursement occurred in January 2020, and the final disbursement was made on April 28, 2020.

**IMPLEMENTATION STATUS**

Construction of the water system began in November 2019 and is approximately 78% complete.

**Escondido, California, USA****Don Lee Energy Storage Project**

**Type:** Energy efficiency  
**Total Cost:** Reserved  
**Total NADB Funding:** US \$6,800,000  
**Certification Date:** 3 / 2 / 20  
**Residents to Benefit:**

Design, construction and operation of a 6.5-megawatt alternating current (MW<sub>AC</sub>) energy storage system in an existing warehouse.

**Community Benefits**

Increased energy storage will reduce the use of ramp-up/ramp-down fossil-fuel power plants to meet electricity demand, as well as facilitate the integration of intermittent renewable energy sources, such as solar and wind. With the capacity to store and deliver up to 7,782 megawatt-hours (MWh) of energy a year, the project will displace approximately 2,866 metric tons/year of CO<sub>2</sub>. Increased operational efficiency and reliability of power grid by minimizing power disruptions and reducing energy losses resulting from mismatches in supply and demand.

The Bank is a direct lender to esFaraday, LLC, a subsidiary of the project sponsor esVolta, LP, which has signed an energy storage agreement with San Diego Gas & Electric (SDG&E). On March 2, 2020, the Bank approved a market-rate loan for up to US\$6.8 million for the construction of the project. A US\$5.0 million loan agreement was signed on March 20, 2020, and the first disbursement occurred the same month.

Don Lee is part of a portfolio of 9 energy storage facilities. Two of those facilities have been completed and are in operation. Another two projects are currently under construction but have run into some delays related to the COVID-19 pandemic. Construction of the Don Lee facility is scheduled to begin during the second quarter of 2021.

**PROJECT****Galeana, Chihuahua, Mexico****Santa Maria Solar Park Project**

<b>Type:</b>	Renewable energy
<b>Total Cost:</b>	Reserved
<b>Total NADB Funding:</b>	US \$30,000,000
<b>Certification Date:</b>	6 / 22 / 17
<b>Residents to Benefit:</b>	195,340

**DESCRIPTION**

Construction of a 141.3-MW solar park using photovoltaic modules mounted on a single-axis tracker system in a rural area in the municipality of Galeana, about 30 miles southeast of Nuevo Casas Grandes.

**Community Benefits**

Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 161,881 metric tons/year of carbon dioxide (CO<sub>2</sub>) and 565 metric tons/year of nitrogen oxides (NO<sub>x</sub>), as well as other pollutants.

**NADB PARTICIPATION**

The Bank is a direct lender to the project company, Fistera Energy Santa María 1, S.A.P.I. de C.V., which has signed power purchase agreement with a subsidiary of the Mexican federal electricity utility, Comisión Federal de Electricidad (CFE). On June 22, 2017, the Bank approved a market-rate loan for up to US\$55.50 million for construction of the project. A loan agreement for US\$30.0 million was contracted on September 18, 2017, and disbursements began the same month. With project construction almost complete, NADB cancelled the unsigned portion of its loan commitment for this project, which totaled US\$25.50 million, reducing its participation in the project to US\$30.0 million. The loan is in amortization.

**IMPLEMENTATION STATUS**

Construction of the solar park began in September 2017 and was substantially complete in April 2019. Commercial operations began on February 28, 2019.

**Güémez, Tamaulipas, Mexico****Vicente Guerrero Wind Energy Project**

<b>Type:</b>	Renewable energy
<b>Total Cost:</b>	Reserved
<b>Total NADB Funding:</b>	US \$30,000,000
<b>Certification Date:</b>	2 / 8 / 17
<b>Residents to Benefit:</b>	224,287

Construction of a 117.3-MW wind farm with 34 wind turbines, as well as a substation and transmission line, in a rural area located east of Ciudad Victoria.

**Community Benefits**

Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 177,716 metric tons/year of carbon dioxide (CO<sub>2</sub>) and 620 metric tons/year of nitrogen oxides (NO<sub>x</sub>), as well as other pollutants.

The Bank is a direct lender to the project company, *Compañía Eólica Vicente Guerrero, S.A. de C.V.*, which has signed power purchase agreement with the retailer Grupo Soriana under a self-supply scheme. On February 8, 2017, the Bank approved a market-rate loan for up to US\$30 million for construction of the project. The corresponding loan agreement was contracted in Mexican pesos on September 14, 2017. The loan was fully disbursed on January 22, 2018. The loan is in amortization.

Construction of the wind farm began in December 2017 and was substantially complete in March 31, 2019. Commercial operations began on April 1, 2019.

**PROJECT****DESCRIPTION****NADB PARTICIPATION****IMPLEMENTATION STATUS****Gustavo Diaz Ordaz, Tamaulipas, Mexico****Wastewater Collection and Treatment Project**

**Type:** Wastewater  
**Total Cost:** US \$8,550,000  
**Total NADB Funding:** US \$4,510,000  
**Certification Date:** 5 / 30 / 19  
**Residents to Benefit:** 12,354

Expansion and rehabilitation of the wastewater collection and treatment system, including construction of a wastewater treatment plant (WWTP) and decommissioning of the existing lagoon treatment system and residential on-site wastewater disposal systems.

**Community Benefits**

System improvements and provision of first-time wastewater collection services to 2,644 homes will reduce the potential for groundwater contamination and the risk of waterborne diseases. Specifically, the project will eliminate an estimated 570,672 gallons per day of wastewater.

The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On May 29, 2019, EPA approved the Bank's recommendation to provide up to US\$4.51 million in BEIF funding for construction and construction management services. The corresponding grant agreement was signed on December 12, 2019. BEIF disbursements began in May 2020.

Work to expand the wastewater system with Mexican funds began in 2017 and is ongoing. A contract for construction of the Bank-funded components, including the WWTP, a force main, a lift station and residential hookups, was awarded in June 2020, and work is expected to begin in July.

**Hermosillo, Sonora, Mexico****Orejana Solar Park Project**

**Type:** Renewable energy  
**Total Cost:** Reserved  
**Total NADB Funding:** US \$26,750,000  
**Certification Date:** 7 / 7 / 17  
**Residents to Benefit:** 175,417

Construction of a 125-MW solar park using photovoltaic modules mounted on a single-axis tracker system in a rural area west of the city of Hermosillo.

**Community Benefits**

Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 163,808 metric tons/year of carbon dioxide (CO<sub>2</sub>) and 571 metric tons/year of nitrogen oxides (NO<sub>x</sub>), as well as other pollutants.

The Bank is a direct lender to the project company, *Fisterra Energy Orejana S.R.L. de C.V.*, which has signed power purchase agreement with a subsidiary of the Mexican federal electricity utility, *Comision Federal de Electricidad (CFE)*. On July 7, 2017, the Bank approved a market-rate loan for up to US\$50.00 million for construction of the project. A loan agreement for US\$26.75 million was contracted on September 18, 2017, and disbursements began the same month. With project construction almost complete, NADB cancelled the unsigned portion of its loan commitment for this project, which totaled US\$23.25 million, reducing its participation in the project to US\$26.75 million.

Construction of the solar park began in September 2017 and was substantially complete in April 2019. Commercial operations began on April 16, 2019.



**PROJECT****DESCRIPTION****NADB PARTICIPATION****IMPLEMENTATION STATUS****Loma Blanca, Chihuahua, Mexico****Wastewater Collection Project**

**Type:** Wastewater  
**Total Cost:** US \$1,740,000  
**Total NADB Funding:** US \$630,000  
**Certification Date:** 11 / 9 / 17  
**Residents to Benefit:** 4,993

Construction of two collectors and installation of a sewer system, including residential connections and the decommissioning of existing on-site wastewater disposal systems.

**Community Benefits**

Provision of first-time wastewater collection and treatment services to 100% of the community, which is expected to collect approximately 205,440 gallons per day of wastewater and thus reduce the health risks associated with uncontrolled wastewater discharges and inadequate on-site wastewater disposal systems.

The Bank is a source of grant funds through the BEIF, to complement state and federal funding. On November 7, 2017, EPA approved the Bank's recommendation to provide up to US\$630,000 in BEIF funding for construction and construction management services. On November 12, 2018, the Bank signed a grant agreement with the project sponsor for US\$512,000 for construction of the project. On June 3, 2019, the Bank signed a construction management agreement for US\$69,000. The initial BEIF disbursement occurred in August 2019. On January 31, 2020, the construction management agreement was amended to include an additional US\$48,992, for a total of US\$630,000 in BEIF funds contracted.

Construction on the sewer system began with Mexican funds in 2013. Both collectors and 92% of the wastewater collection system were completed with Mexican funds.

Construction of the remaining sewer system infrastructure and 635 residential sewer connections funded by the Bank, began in September 2019 and was completed in June 2020, thus completing the entire certified project.

**Madera, Chihuahua, Mexico****Equipment for Sanitary Landfill Operations**

**Type:** Solid waste  
**Total Cost:** US \$292,000  
**Total NADB Funding:** US \$300,000  
**Certification Date:** 6 / 16 / 16  
**Residents to Benefit:** 17,050

Acquisition of new equipment for landfill operations, including a mini-loader skid steer, water truck, 3.5 or 4-ton truck with hydraulic dump, vehicle scale, portable generator, portable welder and pressure washer.

**Community Benefits**

Improved landfill operations for the proper disposal of up to 17 metric tons of solid waste per day in compliance with applicable laws and regulations, reducing risks for soil and groundwater contamination, as well as the transmission of vector-related diseases.

The Bank is a source of grant funds through the CAP, which complements the landfill construction project funded jointly by the Municipality and the Mexican federal government. On June 16, 2016, the Bank approved a CAP grant for up to US\$300,000 to cover the equipment costs, including possible fluctuations in the exchange rate. The corresponding grant agreement was signed on December 12, 2016. The first disbursement occurred in April 2018.

Bidding to procure the landfill equipment began in August 2017. A contract for the purchase of a water tank truck was awarded in October 2017, and the truck was delivered in April 2018. Contracts for the purchase of a flatbed truck and a mini-loader skid steer were awarded in July 2018, and the equipment was delivered in October 2018.

Training in the proper operation and maintenance of the equipment has been delayed due to the COVID-19 pandemic and related restrictions. A virtual training session may be planned in coordination with the state government during the fourth quarter of 2020. Additionally, the two-year maintenance service package included with the equipment purchase is being funded and monitored by the Bank.

**PROJECT****Magdalena de Kino, Sonora, Mexico****Drinking Water System Improvements**

**Type:** Water

**Total Cost:** US \$3,203,844

**Total NADB Funding:** US \$500,000

**Certification Date:** 11 / 4 / 19

**Residents to Benefit:** 12,187

**DESCRIPTION**

Creation of three hydrometric sectors in the areas known as San Isidro, Fátima and El Polvorín, including construction of three transmission lines, replacement of distribution lines and connections and installation of meters.

**Community Benefits**

Elimination of leaks in the distribution system and more reliable water service by regulating pressure and introducing redundancy in the system. These improvements are expected to reduce water losses, saving approximately 264 million gallons per year, as well as help prevent the risk of cross-contamination from leaks and stagnant water in the lines, thereby improving health conditions for residents in the San Isidro, Fátima and El Polvorín sectors of the city.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the CAP, which complements federal and state grants. On November 14, 2019, the Bank approved a CAP grant for up to US\$500,000 to support project implementation. The corresponding grant agreement was signed on April 15, 2020.

**IMPLEMENTATION STATUS**

Construction was divided into two phases. Construction of phase 1 components financed with Mexican funds, including the replacement of distribution lines and connections in all three sectors, as well as installation of a portion of the residential meters, began in September 2019 and was completed in May 2020.

Bidding for Phase 2 works financed with Mexican funds, which covers the three transmission lines, is underway. Procurement for system improvements supported by NADB funds, which includes the purchase of equipment and the installation of macrometers, residential meters and telemetry systems, is expected to begin in August 2020.

**Marathon, Texas, USA****Wastewater Infrastructure Project**

**Type:** Wastewater

**Total Cost:** US \$2,201,500

**Total NADB Funding:** US \$2,201,500

**Certification Date:** 11 / 9 / 17

**Residents to Benefit:** 546

Replacement of a portion of the collector main that conveys wastewater to the treatment plant, as well as decommissioning of a lift station and installation of nine sewer connections.

**Community Benefits**

Prevention of line breaks, wastewater spills and sewage backups, reducing the risk of water pollution and waterborne diseases. Provision of first-time wastewater collection and treatment services to nine homes, which will collect an estimated 2,000 gpd of wastewater.

The Bank is a source of grant funds through the BEIF. On November 7, 2018, EPA approved the Bank's recommendation to provide US\$1.55 million in BEIF construction assistance for the project. The corresponding grant agreement was signed on May 21, 2018. The initial disbursement occurred in January 2019. On October 3, 2019, EPA approved an additional US\$650,000 in BEIF funds to cover increased costs based on actual procurement results, bringing total BEIF participation in this project to US\$2.20 million. The amended grant agreement was signed on November 18, 2019.

Bidding for construction of the collector main began in June 2018; however, the bids received exceeded available funding. Working with the lowest evaluated responsive bidder, the sponsor has made slight modifications to the scope of work to reduce costs and also obtained additional BEIF funds from EPA. Construction began in November 2018 and was completed in June 2020.

**PROJECT****Mexican Border Region****Border-wide Public Transportation Improvement Program in Mexico (Pilot)**

**Type:** Public transportation  
**Total Cost:** US \$13,546,264  
**Total NADB Funding:** US \$13,161,892  
**Certification Date:** 6 / 24 / 14  
**Residents to Benefit:**

**DESCRIPTION**

Financing program to support the purchase or lease of low-emission buses manufactured by DINA Camiones, S.A. de C.V. (Dina) within the 300-km border region in Mexico, in which the Bank operates.

**Community Benefits**

Use of new diesel buses that at a minimum comply with EPA 2004 standards will lower nitrogen oxides (NOx) and hydrocarbons (HC) emissions by approx. 50% and will achieve nearly 24% lower carbon dioxide (CO<sub>2</sub>) emissions. The reduction in criteria pollutant emissions is even higher for compressed natural gas-fueled vehicles that comply with EPA 2013 emission standards.

**NADB PARTICIPATION**

The Bank is participating as a direct lender to Mercader Financiam, S.A., SOFOM, E.R., a captive finance company and affiliate of Dina. On June 24, 2014, the Bank approved a market-rate loan in the form of a revolving line of credit for up to \$120 million pesos to cover approximately 80% of the financing costs. The corresponding loan agreement was signed on September 30, 2014, and the first disbursement occurred in October 2015. The initial \$120.0 million pesos were fully disbursed as of April 2016, for the equivalent of US\$7.04 million. However, due to the revolving nature of the line of credit, Mercader can make monthly payments and have those funds available for draw down again when certain conditions are met during the disbursement period, which ends in October 2025. To date, a total of US\$10.91 million has been disbursed through the credit line.

**IMPLEMENTATION STATUS**

During the last quarter of 2015, a total of 33 buses were financed through the program by two public transportation companies. A company in Hermosillo, Sonora obtained 30 diesel buses to replace part of its existing fleet, while another company in Tijuana, Baja California, purchased three diesel buses to expand its fleet. In April 2016, a company in Ciudad Juarez, Chihuahua obtained 25 buses fueled by compressed natural gas (CNG) to replace part of its existing fleet. In November 2017, two companies in Guadalupe, Nuevo Leon obtained 10 CNG buses and 8 diesel buses. In August 2018, a total of 21 diesel buses were financed by a public transportation company in Guadalupe, N.L. In March 2019, a total of 10 diesel buses were financed by two public transportation companies in two municipalities in the metropolitan area of Monterrey, N.L. To date, a total of 107 buses have been financed through the program.

**Mexican Border Region****Border-wide Program for the Purchase of Low-Emission Vehicles in Mexico**

**Type:** Public transportation  
**Total Cost:** US \$76,017,161  
**Total NADB Funding:** US \$69,840,256  
**Certification Date:** 9 / 13 / 16  
**Residents to Benefit:**

Financing program to support the purchase or lease of low-emission buses manufactured by DINA Camiones, S.A. de C.V. within the 300-km border region in Mexico, in which the Bank operates.

**Community Benefits**

Improved air quality as the new vehicles produce less greenhouse gases than older models. Under the amended loan agreement, diesel vehicles shall comply with the emission limits established under Mexican Standard NOM-044-SEMARNAT-2017, specifically those identified as 1AA (equivalent to EPA 2007 standards) for buses financed through the end of 2019 and 1B (equivalent to EPA 2010 standards) for buses financed beginning in January 2020; and CNG-fueled vehicles shall comply with emission limits equivalent to EPA 2016 standards. Diesel vehicles that comply with the EPA 2007 emission limits can reduce nitrogen oxides (NOx) by 70%, hydrocarbons (HC) by 70% and particulate matter (PM<sub>2.5</sub>) by 77%, compared to EPA-1998 diesel technologies.

The Bank is participating as a direct lender to Mercader Financiam, S.A., SOFOM, E.R., a captive finance company and affiliate of Dina. On September 13, 2016, the Bank approved a market-rate loan in the form of a revolving line of credit for up to \$500 million pesos to cover approximately 80% of the cost of new vehicles. The corresponding loan agreement was signed on September 22, 2016, and the first disbursement occurred the same month. The initial \$500.0 million pesos were fully disbursed as of November 2016, for the equivalent of US\$25.80 million. On November 5, 2018, the Bank approved a loan increase for \$380 million pesos (estimated at US\$20.13 million). An amended loan agreement was signed on November 15, 2018. Due to the revolving nature of the line of credit, Mercader can make monthly payments and have those funds available for draw down again when certain conditions are met during the disbursement period, which ends in November 2028. To date, a total of US\$58.78 million has been disbursed through the credit line.

In 2016, a total of 285 buses (178 diesel and 107 compressed natural gas (CNG) were financed by 12 public transportation companies to replace or expand their existing fleets in Ciudad Juarez, CHIH; Hermosillo, SON; Tijuana, B.C.; and five municipalities in the metropolitan area of Monterrey, N.L. In 2017, a total of 41 buses (39 diesel and 2 CNG) were financed by four public transportation companies in Ciudad Juarez, CHIH and four municipalities in the metropolitan area of Monterrey, N.L. In 2018, a total of 142 buses (59 diesel and 83 CNG) were financed by six public transportation companies in five municipalities in the metropolitan area of Monterrey, N.L. In 2019, a total of 147 buses (77 diesel and 70 CNG) were financed by five public transportation companies in four municipalities in the metropolitan area of Monterrey, N.L. To date, a total of 615 buses have been financed through the program.

**PROJECT****Mina, Nuevo Leon, Mexico****El Mezquite Wind Energy Project**

**Type:** Renewable energy  
**Total Cost:** Reserved  
**Total NADB Funding:** US \$74,100,000  
**Certification Date:** 6 / 27 / 17  
**Residents to Benefit:** 432,965

**DESCRIPTION**

Construction of a 250-MW wind farm with 100 wind turbines, as well as two substations and transmission line, on privately-owned rural land located about 37 miles northwest of the urban area of Monterrey.

**Community Benefits**

Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 428,787 metric tons/year of carbon dioxide (CO<sub>2</sub>) and 1,175 metric tons/year of nitrogen oxides (NO<sub>x</sub>), as well as other pollutants.

**NADB PARTICIPATION**

The Bank is a direct lender to the project company, *Parque Eólico El Mezquite, S.A.P.I. de C.V.*, which has signed power purchase agreements with a subsidiary of the Mexican federal electricity utility, *Comision Federal de Electricidad (CFE)*. On June 27, 2017, the Bank approved a market-rate loan for up to US\$105.00 million for construction of the project. A loan agreement for US\$74.10 million was contracted on September 1, 2017, and the initial disbursement occurred in October of the same year. With project construction almost complete, NADB cancelled the unsigned portion of its loan commitment for this project, which totaled US\$30.90 million, reducing its participation in the project to US\$74.10 million.

**IMPLEMENTATION STATUS**

Construction of the wind farm began in October 2017 and was substantially complete in June 2019. Commercial operations began on June 28, 2019.

**Nogales, Arizona, USA****Peña Blanca Wastewater System Improvements at Potrero Creek**

**Type:** Wastewater  
**Total Cost:** US \$500,000  
**Total NADB Funding:** US \$450,000  
**Certification Date:** 11 / 8 / 18  
**Residents to Benefit:** 1,262

Replacement of a section of a wastewater force main below Potrero Creek and pump station improvements.

**Community Benefits**

Elimination of the risk of line breaks, preventing approximately 84,000 gallons per day of untreated wastewater discharges to Potrero Creek. Better management of pumping equipment and energy efficiency, reducing operation and maintenance costs.

The Bank is a source of grant funds through the CAP, to complement funding from the City. On November 8, 2018, the Bank approved a CAP grant for up to US\$450,000 for project construction. The corresponding grant agreement was signed on July 10, 2019.

Construction of the force main began in May 2020 and is expected to take about four months to complete.

**PROJECT****Nogales, Sonora, Mexico****Expansion of the Water and Wastewater Systems to the Southwest Area of Nogales, Sonora**

**Type:** Water / wastewater  
**Total Cost:** US \$10,483,888  
**Total NADB Funding:** US \$5,259,444  
**Certification Date:** 11 / 17 / 16  
**Residents to Benefit:** 16,701

**DESCRIPTION**

Expansion of the water distribution and wastewater collection systems to unserved areas of the Flores Magón, Las Torres, Luis D. Colosio, El Rastro, Las Primavera, and Jardines de la Montaña subdivisions, including installation of residential connections.

**Community Benefits**

Provision of first-time wastewater collection and treatment services, reducing the potential for groundwater and surface water contamination by eliminating the use of cesspools and direct discharges of untreated sewage into yards and streets, thus providing a cleaner, healthier environment for local residents. Specifically, an estimated 0.93 million gallons a day of wastewater will be collected and treated. Provision of drinking water service for households currently not connected to the distribution system.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the BEIF to complement federal, state and municipal funding. On November 9, 2016, EPA approved the Bank's recommendation to provide US\$5.26 million in BEIF funds for the construction of the project, and the corresponding grant agreement was signed on July 10, 2017. The initial disbursement was made in February 2018.

**IMPLEMENTATION STATUS**

Phase 1 wastewater lines were completed with Mexican funding in December 2016. Construction of the Collector Tecnológico funded by the Bank was completed in August 2018.

Phase 2 and 3 wastewater lines were completed in April 2020. Procurement for Phase 4 wastewater lines and residential connections, as well as the remainder of the Phase 2 & 3 residential connections, is underway, with contract award expected in July 2020.

**Nuevo Casas Grandes, Chihuahua, Mexico****Equipment for Sanitary Landfill Operations**

**Type:** Solid waste  
**Total Cost:** US \$500,000  
**Total NADB Funding:** US \$500,000  
**Certification Date:** 6 / 16 / 16  
**Residents to Benefit:** 59,337

Acquisition of new equipment for landfill operations, including a bulldozer, backhoe, dump truck, water tank truck, 3.5 or 4-ton truck with hydraulic dump, vehicle scale, portable generator, portable welder and pressure washer.

**Community Benefits**

Improved landfill operations for the proper disposal of up to 55 metric tons of solid waste per day in compliance with applicable laws and regulations, reducing risks for soil and groundwater contamination, as well as the transmission of vector-related diseases.

The Bank is a source of grant funds through the CAP, which complements the landfill construction project funded jointly by the Municipality and the Mexican federal government. On June 16, 2016, the Bank approved a CAP grant for up to US\$500,000 to cover the equipment costs. The corresponding grant agreement was signed on December 12, 2016. Disbursements began in December 2017.

Bidding to procure the landfill equipment began in June 2017, but no fully responsive bids were received. A new bid process was carried out in September 2017, and contracts for the purchase of a dump truck, water tank truck, bulldozer, backhoe loader and 4-ton truck were awarded in November 2017. The equipment was delivered in February 2018, and training was provided to the operator of the solid waste landfill.

The remaining CAP funds are being applied towards the two-year maintenance service package included with the equipment purchase.

**PROJECT****Palmview, Texas, USA****Agua SUD Wastewater Collection and Treatment (East) Project**

<b>Type:</b>	Wastewater
<b>Total Cost:</b>	US \$48,200,000
<b>Total NADB Funding:</b>	US \$6,000,000
<b>Certification Date:</b>	5 / 8 / 14
<b>Residents to Benefit:</b>	8,183

**DESCRIPTION**

Construction of wastewater collection and conveyance infrastructure for the City of Palmview and adjoining areas, including installation of sewer hookups and decommissioning of septic tanks.

**Community Benefits**

Provision of first-time wastewater collection and treatment services to the community of Palmview and the surrounding area, reducing environmental and health hazards associated with the inadequate disposal of wastewater, thus providing a cleaner and healthier environment for local residents. Specifically, an estimated 900,000 gallons per day of wastewater will be collected and treated.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the BEIF to complement a state loan and grant. On March 18, 2020, EPA approved the Bank's recommendation to provide US\$6.00 million in BEIF funds for the installation of sewer hookups and the decommissioning of septic tanks. The corresponding grant agreement was signed on May 18, 2020.

**IMPLEMENTATION STATUS**

The wastewater collection system, five lift stations and the pressure main to connect the system to the Mission Wastewater Treatment Plant have been completed with state funds.

A contract for installation of residential hookups and decommissioning of septic tanks funded by the Bank was awarded in June 2020, and work is expected to begin in July.

**Pitiquito, Sonora, Mexico****Puerto Libertad Solar Park Project**

<b>Type:</b>	Renewable energy
<b>Total Cost:</b>	Reserved
<b>Total NADB Funding:</b>	US \$65,992,000
<b>Certification Date:</b>	3 / 8 / 18
<b>Residents to Benefit:</b>	477,196

Construction of a 317.5-MW solar park, using photovoltaic modules mounted on a single-axis tracker system in a rural area of the Sonora Desert.

**Community Benefits**

Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 440,390 metric tons/year of carbon dioxide equivalent (CO<sub>2e</sub>).

The Bank is a direct lender to the two project companies, AT Solar V, S. de R.L. de C.V., and Tuto Energy II, S.A.P.I. de C.V., which have signed power purchase agreements with two subsidiaries of the Mexican federal electricity utility, *Comision Federal de Electricidad* (CFE), as well as with a private off-taker. On March 8, 2018, the Bank approved a market-rate loan for up to US\$75.00 million for construction of the project. A loan agreement for US\$65.99 million was contracted on July 12, 2018, and disbursements began in August of the same year. With project construction almost complete, NADB cancelled the unsigned portion of its loan commitment for this project, which totaled US\$9.01 million, reducing its participation in the project to US\$65.99 million. The final loan disbursement was made on December 2, 2019.

Construction of the solar park began in January 2018 and was substantially complete in June 2019. Commercial operations began on June 5, 2019.

**PROJECT****Playas de Rosarito, Baja California, Mexico****Basic Urban Infrastructure Project**

<b>Type:</b>	Basic urban infrastructure
<b>Total Cost:</b>	US \$14,558,707
<b>Total NADB Funding:</b>	US \$13,650,811
<b>Certification Date:</b>	5 / 14 / 15
<b>Residents to Benefit:</b>	90,688

**DESCRIPTION**

Paving of approx. 34,518 m<sup>2</sup> of dirt roads, repaving of approx. 39,676 m<sup>2</sup> of roads and other roadway improvements, replacement of aging water and wastewater infrastructure, replacement of street lighting equipment and acquisition of maintenance equipment.

**Community Benefits**

Paving works will help improve air quality by reducing vehicular dust caused by traffic on unpaved roads and relieving traffic congestion at peak hours. Specifically, increased paving coverage is expected to prevent the emission of 32.8 metric tons/year of PM<sub>10</sub>, while better urban mobility will help reduce vehicle emissions, including an estimated 77.43 kg/year of volatile organic compounds, 491 kg/year of carbon monoxide, and 157.54 kg/years of nitrogen oxides. The project will also provide safer roadways for motorists and pedestrians, as well as allow faster access for emergency services. The replacement of streetlamps will help reduce energy consumption by approximately 9.6% a year, which will help prevent the emission of an estimated 33 metric tons/year of carbon dioxide (CO<sub>2</sub>). Additionally, the project will contribute to the provision of adequate water and wastewater services.

**NADB PARTICIPATION**

The Bank is a direct lender to complement federal funding in support of the new infrastructure and equipment (est. cost of US\$5.11 million), as well as to refinance an existing loan (est. cost of US\$12.0 million) to obtain a longer term and better financing conditions, allowing the Municipality to apply part of the savings toward investments in additional infrastructure needs. On May 14, 2015, the Bank approved a peso-denominated, market-rate loan for an estimated US\$16.25 million to refinance the existing loan and finance up to 80% of the cost of the new infrastructure works and equipment. On June 9, 2015, a loan agreement for up to US\$16.10 million was contracted with the Municipality. On September 1, 2015, the loan was fully disbursed for a total of US\$13.65 million: US\$9.98 to refinance the existing loan and US\$3.67 million to cover part of the cost of the new infrastructure works and equipment.

**IMPLEMENTATION STATUS**

The Municipality has already paved approximately 23,300 m<sup>2</sup> of roadways. A contract funded by NADB for asphalt street paving (approx. 32,600 m<sup>2</sup>), including replacement of sewer lines, was completed in June 2016. A second contract funded by NADB for urban revitalization, including concrete street paving (approx. 2,163 m<sup>2</sup>), sidewalks, public lighting, green areas and replacement of water and sewer lines, was completed in August 2016. A third paving contract (7,912 m<sup>2</sup>) funded by NADB was completed in September 2017.

The Municipality has decided to redirect the street lighting funds to make improvements to main street infrastructure aimed at alleviating traffic congestion during peak hours. A request for approval of this change has been sent to the State Congress.

**Presidio, Texas, USA****Water System Improvements Project**

<b>Type:</b>	Water
<b>Total Cost:</b>	US \$4,500,000
<b>Total NADB Funding:</b>	US \$3,800,000
<b>Certification Date:</b>	11 / 14 / 19
<b>Residents to Benefit:</b>	4,000

Extension of the water distribution system along Highway 67, including construction of a booster station and 50,000-gallon elevated water tank, as well as construction of a water tank transmission line.

**Community Benefits**

Improved system sustainability by reducing pressure in the distributions lines, thus eliminating line breaks that can lead to contamination of the water supply and preventing at least 80,000 gallons a day in water losses from the system. Provision of first-time access to drinking water services for 10 households.

The Bank is a source of grant funds through the BEIF, as well as a direct lender. On October 4, 2019, EPA approved the Bank's recommendation to provide US\$3 million in BEIF funding for the construction of the project. On November 14, 2019, the Bank approved a market-rate loan for up to US\$800,000 to complete the financial structure of the project. The BEIF grant agreement was signed on March 11, 2020.

Bidding for construction began in April 2020. The bids received exceeded available funding, so the City is seeking a loan increase from NADB to cover the additional costs. The construction contract is expected to be awarded in July 2020, and work is scheduled to begin in August.

**PROJECT****Región Cinco Manantiales, Coahuila, Mexico****Equipment for Sanitary Landfill Operations and Waste Collection**

<b>Type:</b>	Solid waste
<b>Total Cost:</b>	US \$551,950
<b>Total NADB Funding:</b>	US \$500,000
<b>Certification Date:</b>	6 / 16 / 16
<b>Residents to Benefit:</b>	77,800

**DESCRIPTION**

Acquisition of a backhoe and water tank truck for landfill operations, as well as five garbage collection trucks for the municipalities of Allende, Morelos, Nava, Villa Unión and Zaragoza.

**Community Benefits**

Improved landfill operations for the proper disposal of up to 75 metric tons of solid waste per day in compliance with applicable laws and regulations, reducing risks for soil and groundwater contamination, as well as the transmission of vector-related diseases. Improved collection services for an estimated 21,600 households.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the Community Assistance Program (CAP), to complement funding provided by the *Asociación Pro-limpieza de los Cinco Manantiales de Coahuila, A.C.* the non-profit organization that operates the regional sanitary landfill. On June 16, 2016, the Bank approved a CAP grant for up to US\$500,000 to cover up to 90% of the equipment costs. The corresponding grant agreement was signed on February 2, 2017, and disbursements began in December of the same year.

**IMPLEMENTATION STATUS**

Bidding to procure landfill and waste collection equipment began in August 2017. A contract for the purchase of two garbage collection trucks for the communities of Morelos and Villa Union was awarded in September 2017, and the two trucks were delivered in February 2018. A contract for the purchase of three garbage collection trucks was awarded in June 2018. Two trucks were delivered to the project sponsor in July, and the last truck was delivered in August 2018. In March 2019, operators from all five municipalities received training in the proper operation and maintenance of the equipment.

The equipment was purchased with a two-year service agreement that is being funded jointly by the sponsor and the Bank. Having ascertained the final cost of the five garbage trucks and as a result of savings deriving from foreign exchange fluctuations, the sponsor is evaluating whether there are sufficient funds to purchase a water tank truck.

**Reynosa, Tamaulipas, Mexico****Wastewater Collection and Treatment Project**

<b>Type:</b>	Wastewater
<b>Total Cost:</b>	US \$15,658,735
<b>Total NADB Funding:</b>	US \$7,080,512
<b>Certification Date:</b>	5 / 6 / 16
<b>Residents to Benefit:</b>	266,853

Expansion of the Wastewater Treatment Plant No. 2 (WWTP 2), to increase capacity from 5.7 mgd to 17.1 mgd, as well as construction of Lift Station No. 278, rehabilitation of Lift Station No. 1 and decommissioning of three lift stations.

**Community Benefits**

Expansion of wastewater treatment coverage, preventing untreated sewage discharges from entering the Rio Grande River, which will reduce environmental pollution and the risk of waterborne diseases, thus providing a safer and healthier source of water for the city, as well as for downstream users. Specifically, an estimated 9.0 mgd of wastewater will be collected and treated.

The Bank is a source of grant funds through the BEIF, to complement federal funding provided through the Mexican federal water agency, CONAGUA. On March 23, 2016, EPA approved the Bank's recommendation to provide US\$7.08 million in BEIF funding for the construction of this project. The corresponding grant agreement was signed on June 16, 2016. The initial disbursement occurred in May 2017.

Construction to expand WWTP 2 began in 2014 with Mexican funds and is expected to be completed by June 2021. Construction of Lift Stations 1 and 278 funded by the Bank began in May 2017. Work on Lift Station 1 was completed in May 2020. Construction of Lift Station 278 was temporarily suspended in order to replace the contractor. Work was reinitiated in February 2019 and is approximately 94% complete.



**PROJECT****Reynosa, Tamaulipas, Mexico****Delaro Wind Energy Project**

Type:	Renewable energy
Total Cost:	Reserved
Total NADB Funding:	US \$50,000,000
Certification Date:	11 / 14 / 19
Residents to Benefit:	226,219

**DESCRIPTION**

Construction of a 117-MW wind farm with 27 wind turbines, as well as a substation and transmission line, on privately-owned rural land located about 25 miles southwest of the city.

**Community Benefits**

Reduced demand for traditional fossil-fuel based energy generation resulting in less greenhouse gas emissions, thus improving air quality, while providing a safe and reliable energy alternative. Specifically, the project is expected to help prevent the emission of an estimated 195,326 metric tons/year of carbon dioxide (CO<sub>2</sub>) and 615 metric tons of sulfur dioxide (SO<sub>2</sub>), as well as other pollutants.

**NADB PARTICIPATION**

The Bank is a direct lender to the project company, *Delaro, S.A.P.I. de C.V.*, which has signed power purchase agreements with several private firms. On November 14, 2019, the Bank approved a market-rate loan for up to US\$50.00 million for construction of the project. A loan agreement for US\$32.00 million was contracted on December 16, 2019.

**IMPLEMENTATION STATUS**

Construction of the wind farm is expected to begin during the last quarter of 2020.

**San Quintín, Baja California, Mexico****Desalination Plant**

Type:	Water
Total Cost:	US \$ 48,202,093
Total NADB Funding:	US \$ 36,610,000
Certification Date:	3 / 8 / 18
Residents to Benefit:	86,414

Construction of a seawater desalination facility with the capacity to produce 5.7 mgd of drinking water for the San Quintín Valley in the municipality of Ensenada, B.C.

**Community Benefits**

Development of an additional water supply source to ensure sustainable and reliable drinking water services for residents of San Quintín Valley, contributing to the preservation of groundwater resources and human health.

The Bank is a direct lender to complement equity contributions from the private concessionaire, *Desaladora Kenton, S.A. de C.V.*, through a public-private partnership (PPP) with the state water agency. On March 8, 2018, the Bank approved a market-rate loan for up to US\$36.61 million to cover approximately 76% of the project costs. The corresponding loan agreement was signed on March 28, 2018; and the condition precedent for loan commitment was met on September 30, 2018.

The project is being implemented under a build-operate-transfer (BOT) agreement. Construction is on hold due to change in state and municipal administrations.

**Soto la Marina, Tamaulipas, Mexico****Drinking Water System for José Silva Sánchez**

Type:	Water
Total Cost:	US \$260,000
Total NADB Funding:	US \$250,000
Certification Date:	6 / 19 / 18
Residents to Benefit:	135

Construction of a drinking water system, including the installation of a water transmission line, storage tank and distribution system, as well as equipping an existing well with a new power connection, pumping equipment and disinfection system.

**Community Benefits**

Provision of first-time access to safe and reliable drinking water service for 33 homes, eliminating the health risks associated with hauling water for residential use.

The Bank is a source of grant funds through the CAP to complement funding provided by the local water utility and state water agency. On June 19, 2018, the Bank approved a CAP grant for up to US\$250,000 to cover up to 90% of the project costs, including possible fluctuations in the exchange rate and construction contingencies. The corresponding grant agreement was signed on March 7, 2019.

A contract for construction of the water system was awarded in May 2020, and work is expected to begin in July.

**PROJECT**

**Sunland Park and Santa Teresa,  
New Mexico, USA**

**Camino Real Regional Authority Wastewater  
Treatment Project**

**Type:** Wastewater  
**Total Cost:** US \$12,700,000  
**Total NADB Funding:** US \$9,000,000  
**Certification Date:** 4 / 23 / 15  
**Residents to Benefit:** 6,438

**DESCRIPTION**

Replacement of the 0.5-mgd North Wastewater Treatment Plant (WWTP) with a new 1.0-mgd package WWTP using extended aeration technology, and rehabilitation of the View Pointe Lift Station.

**Community Benefits**

Increased wastewater treatment capacity and improved effluent quality in compliance with current permit requirements, eliminating the risk of untreated or inadequately treated sewage discharges. Specifically, the new plant will treat 0.70 mgd of wastewater generated by the 1,981 residential connections currently served by the North WWTP, and has the capacity to be expanded to meet future demand.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the BEIF, to complement a grant from the State of New Mexico. On December 23, 2014, EPA approved the Bank's recommendation to provide US\$8.0 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on May 18, 2015. On May 8, 2017, EPA agreed to provide an additional US\$1.00 million in BEIF construction assistance to help cover increased costs based on actual procurement results, bringing total BEIF participation in this project to US\$9.00 million. The initial disbursement occurred in December 2017. The grant agreement was amended to include the additional funding and was signed on January 15, 2018.

**IMPLEMENTATION STATUS**

Construction of the new WWTP began in July 2017 and was completed in March 2019, along with the rehabilitation of the View Pointe Lift Station. The plant is in operation.

**PROJECT**

**Tijuana and Playas de Rosarito,  
Baja California, Mexico**

**Expansion of the Water and Wastewater Systems**

Type:	Water / wastewater
Total Cost:	US \$48,420,000
Total NADB Funding:	US \$29,457,459
Certification Date:	7 / 21 / 09
Residents to Benefit:	1,111,891

**DESCRIPTION**

Expansion of the water distribution and wastewater collection systems in Tijuana, expansion of the wastewater collection system in Playas de Rosarito, upgrades to the Rosarito I Wastewater Treatment Plant (WWTP) and completion of the La Morita WWTP and the Tecolote-La Gloria WWTP.

**Community Benefits**

Reduction of environmental and health hazards associated with inadequate sewage disposal, thus providing a cleaner, healthier environment for local residents. An estimated 3 mgd of wastewater will be collected and treated prior to being discharged into the Pacific Ocean. Provision of first-time water services to currently unserved areas.

**NADB PARTICIPATION**

The Bank is a direct lender to complement funding from the local water utility, CESPT. In addition, several components of this project are expected to receive BEIF grants, along with matching Mexican grants. On July 21, 2009, the Bank approved a market-rate loan for up to US\$27.96 million for the project. On July 17, 2009, EPA approved the Bank's recommendation to provide a total of US\$2.20 million in BEIF funds as follows: US\$1.36 million for the Rosarito I WWTP and US\$845,682 for the Aztlán, Independencia and Lomas de Rosarito sewer systems. The three sewer systems were completed with Mexican funds, so all of the BEIF funds will be used to fund the Rosarito I WWTP. On September 18, 2009, a US\$22.08-million loan agreement was signed for the first tranche of the loan and disbursements began in December of the same year. The utility determined that the remainder of the loan was unnecessary and decided not to contract the second tranche. As a result, on August 6, 2010, the unsigned portion of the loan was cancelled, reducing the Bank's participation in this project to US\$24.28 million. On February 1, 2011, two additional components were certified for funding under this loan: the La Morita WWTP and the Tecolote-La Gloria WWTP. On February 16, 2011, EPA approved the Bank's recommendation to provide a US\$1.50 million BEIF grant for expansion of the Ejido Plan Libertador sewer system in Playas de Rosarito and a US\$430,567 BEIF grant for expansion of the Alcatrazes sewer system in Tijuana. As a result, total Bank participation in this project comes to US\$26.21 million. On October 26, 2012, three additional components were certified for funding under this loan: the La Cuesta sewer system, the Farallon Collector and the SEDUE-SAAS force main. On December 3, 2014, additional sewer rehabilitation works in Tijuana were certified for partial funding under this loan, along with US\$3 million in BEIF funds, bringing Bank participation to US\$29.20 million. As of December 31, 2015, a total of US\$1.48 million in BEIF funds has been deobligated from four projects, reducing Bank participation to US\$29.46 million.

**IMPLEMENTATION STATUS**

Five water storage tanks totaling 11,000 m<sup>3</sup>, two pump stations, and waterlines in four subdivisions have been completed, as well as two wastewater force mains. Construction of the 9-km Matanuco collector was completed in July 2010. The La Morita plant has also been completed and began operations in August 2010. The La Cuesta sewer system in Tijuana was completed in January 2013. Rehabilitation of the SEDUE-SAAS force main was completed in April 2013. Expansion of the Rosarito I WWTP was completed in September 2013. Rehabilitation of the Farallón collector was completed in February 2014. The sewer lines in Ejido Plan Libertador in Playas de Rosarito and in Col. Alcatrazes in Tijuana, were completed in December 2013. Additional sewer connections related to these two projects were completed in September 2014. Rehabilitation of four wastewater collectors was completed in December 2015. Construction on the fourth phase of the Sanchez Taboada collector was completed in February 2016. Rehabilitation of two sections of the same collector funded by the Bank began in July 2015 and was completed in February 2016. Two contracts for residential hookups in Tijuana were completed in September 2016. The rehabilitation of three collectors began in September 2016, and the work was completed in May 2017. Rehabilitation of the wastewater collection system that discharges to the Las Américas Collector began in August 2017 and was completed in October 2018.

The Tecolote-La Gloria plant is approximately 55% complete; but construction is currently on hold due to a contractor dispute.

**PROJECT****DESCRIPTION****NADB PARTICIPATION****IMPLEMENTATION STATUS****Tijuana, Baja California, Mexico****Construction of the Tecolote-La Gloria Wastewater Treatment Plant**

**Type:** Wastewater  
**Total Cost:** US \$8,228,555  
**Total NADB Funding:** US \$4,129,079  
**Certification Date:** 2 / 1 / 11  
**Residents to Benefit:** 187,036

Construction of the 8.7 mgd Tecolote-La Gloria Wastewater Treatment Plant.

**Community Benefits**

Reduction of environmental and health hazards associated with untreated sewage discharges that affect local residents, as well as other communities along the Pacific coast, including California.

The Bank is providing loan funds to complete the financing for this project, which also includes funding from the local water utility, CESPT, as well as Mexican federal grants and a loan from the Japan Bank of International Cooperation (JBIC). On September 18, 2009, NADB and CESPT signed a US\$22.08 million loan agreement to finance several water and wastewater works. Approximately US\$4.13 million of that loan is allocated to the implementation of this project, but disbursement has been delayed since the project was put on hold.

The Tecolote-La Gloria plant is approximately 55% complete with Mexican funding. Construction is currently on hold due to a contractor dispute.

**Tijuana, Baja California, Mexico****Rehabilitation of the Collector Poniente**

**Type:** Wastewater  
**Total Cost:** US \$3,014,000  
**Total NADB Funding:** US \$1,524,360  
**Certification Date:** 11 / 9 / 17  
**Residents to Benefit:** 86,950

Rehabilitation of three segments of the Collector Poniente, along with the replacement of a few related sub-collectors.

**Community Benefits**

Reduced risk of line breaks and leaks, thereby preventing the potential contamination of surface and groundwater sources. Specifically, the project will prevent the potential discharge of approximately 4 mgd of untreated wastewater, which could affect the Tijuana River, a transboundary water body.

The Bank is a source of grant funds through the BEIF, to complement federal grants and equity investments made by the local utility, CESPT. On November 8, 2017, EPA approved the Bank's recommendation to provide US\$1.17 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on April 13, 2018. On June 8, 2018, EPA agreed to provide an additional US\$350,000 in BEIF construction assistance to cover increased costs based on actual procurement results, bringing total BEIF participation in this project to US\$1.52 million. Disbursements began in August 2018. The grant agreement was amended to include the additional funding and was signed on October 30, 2019.

Construction of a portion of Segment 2 was completed with Mexican funding in 2017. Work to replace the remaining portion of Segment 2 was completed in February 2019. Construction on Segments 1B and 3 was completed in June 2019, thus completing the entire project.

**Tijuana, Baja California, Mexico****Rehabilitation of Collector Poniente: Segment 1A**

**Type:** Wastewater  
**Total Cost:** US \$6,460,000  
**Total NADB Funding:** US \$2,420,000  
**Certification Date:** 5 / 30 / 19  
**Residents to Benefit:** 87,000

Rehabilitation of segment 1A of the Collector Poniente.

**Community Benefits**

Reduced risk of line breaks and leaks, thereby preventing the potential contamination of surface and groundwater sources. Specifically, the project will prevent the potential discharge of approximately 4 mgd of untreated wastewater, which could affect the Tijuana River, a transboundary water body.

The Bank is a source of grant funds through the BEIF, to complement federal, state and local funding. On May 3, 2019, EPA approved the Bank's recommendation to provide US\$2.42 million in BEIF funds for the construction of the project. The corresponding grant agreement was signed on June 6, 2019, and disbursements began in September of the same year.

Segment 1A has been divided into four sections. Construction on sections 1, 2 and 3 financed with Mexican funds, began in July 2019. Construction of section 4 funded by the Bank began in August 2019. Project construction is approximately 95% complete.

**PROJECT****Tornillo, Texas, USA****Arsenic Treatment and Wastewater Collection Project**

**Type:** Water / wastewater  
**Total Cost:** US \$ 3,750,072  
**Total NADB Funding:** US \$ 3,750,072  
**Certification Date:** 8 / 28 / 14  
**Residents to Benefit:** 3,500

**DESCRIPTION**

Construction of an arsenic treatment facility (ATF) for water wells No. 2 and 3, as well as 19 new residential wastewater connections that will be incorporated into the ATF waste line.

**Community Benefits**

Improved water quality by reducing arsenic concentrations to acceptable levels in compliance with current federal regulations, as well as removing iron and manganese ions. First-time sewer service for 19 households, eliminating approximately 5,600 gallons per day of inadequately treated and untreated wastewater.

**NADB PARTICIPATION**

The Bank is a source of grant funds through the BEIF. On May 8, 2014, EPA approved the Bank's recommendation to provide US\$3.25 million in BEIF construction assistance for this project. The corresponding grant agreement was signed on November 14, 2014. On May 4, 2016, EPA approved an additional US\$498,612 in BEIF funds to cover increased costs based on actual procurement results, bringing total BEIF participation in this project to US\$3.75 million. The amended grant agreement was signed on May 12, 2016, and disbursements began in September 2016.

**IMPLEMENTATION STATUS**

Construction of the arsenic treatment facility and related works began in June 2016. Work was substantially complete, and the ATF began operations in February 2017. The remaining work was completed in September 2017.

The project was completed under budget. The remaining funds will be used to provide additional training for system operators.

**Whetstone, Arizona, USA****Water Supply and Distribution System Improvements**

**Type:** Water  
**Total Cost:** US \$ 706,000  
**Total NADB Funding:** US \$ 500,000  
**Certification Date:** 6 / 19 / 18  
**Residents to Benefit:** 940

Construction of Well No. 3, installation of a redundant pipeline interconnection across Highway 90, and electrical and minor equipment upgrades at Wells No. 1 and 2.

**Community Benefits**

Improved access to sustainable drinking water service for 459 existing residential service connections by increasing water supply, service reliability and system redundancy, which will reduce incidents of low pressure and service interruptions, as well as health risks associated with waterborne diseases.

The Bank is a source of grant funds through the CAP to complement funding provided by the Whetstone Water Improvement District (WWID). On June 19, 2018, the Bank approved a CAP grant for up to US\$500,000 to cover about 71% of the project costs. The corresponding grant agreement was signed on November 14, 2018. The initial disbursement of CAP funds occurred in March 2020.

Work to install the pipeline and make upgrades to the wells began in January 2020 and is approximately 99% complete. Training on operating the new well is scheduled for July 2020.