



State of New Mexico

Office of the Governor

Bill Richardson
Governor

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Governor Richardson Announces Tesla Motors Assembly Facility for Albuquerque; 400 New High Wage Jobs

WhiteStar Cars are 100% Electric

SANTA FE – Governor Richardson announced today that Tesla Motors will build a new automobile assembly facility in Albuquerque, bringing 400 high wage jobs and a total capital investment of 35 million dollars. Construction on the 150,000 square foot plant will begin in April 2007, at the latest.

Tesla Motors, based out of San Carlos, CA, will use the plant to produce its “WhiteStar” car, a four door, five-passenger sports sedan which is 100% electric. The New Mexico plant will be the company’s first assembly facility in the United States. The plant will be built on the West Side of Albuquerque, at Cordera Mesa adjacent to the new Tempur-Pedic plant. The 400 new jobs will pay between \$24,000 and \$100,000 a year, plus excellent benefits and stock options.

“Today’s announcement is proof that New Mexico is a national leader when it comes to innovation, new technology and creating jobs,” said Governor Richardson. “Tesla is committed to clean energy and so is New Mexico. We’ve made New Mexico competitive, and we’ve committed ourselves to being the Clean Energy State.”

The Governor has directed the state's General Services Division, and other appropriate agencies, to investigate the purchase of 100 WhiteStar vehicles for the state fleet over a two year period as a demonstration of the state’s commitment to clean energy.

Governor Richardson has also invited Tesla Motors Chairman Elon Musk and Tesla Motors CEO Martin Eberhard to work with the state to develop a package of legislation for the 2008 session to encourage and incentivize the purchase of clean energy vehicles, including hybrid and electric vehicles.

“This is a major step toward making New Mexico a center for 'green' manufacturing,” U.S. Senator Jeff Bingaman said. “In my role as chairman of the Senate Energy and Natural Resources Committee, I will continue crafting policies at the federal level to ensure that the electric cars like those made by Tesla - and other companies specializing in cutting-edge renewable energy technologies - will eventually be commonplace. I commend Gov. Richardson, Secretary Homans, Gary Tonjes, Clark Krause and Mayor Chavez for working hard to recruit Tesla to our state.”

Several states, including Arizona and California, were in talks with Tesla over locating the "WhiteStar" assembly plant.

“We wanted to be in a state that is as committed as Tesla is to developing clean energy and addressing global climate change,” said Elon Musk, Chairman of Tesla Motors. “We found that leadership in New Mexico.”

“The state was very responsive, helping us solve workforce and logistical challenges,” said Martin Eberhard, CEO and Co-founder of Tesla Motors. “This is a state where we can look far into the future and for a partnership that will be good for Tesla and for the state of New Mexico.”

The first cars will roll off the assembly line in the fall of 2009, and Tesla will produce at least 10,000 cars each year. The vehicles will cost \$50,000 for the standard model or \$65,000 for a premium model with greater performance and range. Tesla begins production of its first vehicle, a zero-emission two seat Roadster, at a facility in England owned by Lotus Cars later this year.

Tesla Corporate Headquarters will continue to be located in San Carlos, CA, where Tesla employs more than 120 people. The 400 jobs created by the new assembly facility will be new jobs and not transfers from the San Carlos location. Tesla recently announced the opening of an R&D facility in Rochester Hills, Michigan, north of Detroit, where it expects to grow to a staff of 60 focused on design and engineering for the WhiteStar.

Tesla Motors will receive several incentives from the state, including the high wage job tax credit, the manufacturer's investment tax credit and assistance from the Job Training Incentive Program.

In addition, Governor Richardson has committed \$3.5 million in capital outlay from the 2007 legislative session, and another \$3.5 million in capital outlay from the 2008 legislative session. These funds will go to Bernalillo County and be used for building and infrastructure investment related to the facility.

“New Mexico has embraced innovation, adventure and next generation technology,” said Rick Homans, Cabinet Secretary of the New Mexico Economic Development Department. “This announcement sends the message loud and clear that we welcome entrepreneurs and we will provide the support they need.”

The state's Economic Development Department worked closely with the Albuquerque Economic Development Department and the New Mexico Economic Development Partnership to close the deal with Tesla Motors.

The city of Albuquerque and Bernalillo County have agreed to assist with development of infrastructure to the site. First Community Bank has agreed to participate as a local lender. SunCal, which recently acquired approximately 57,000 acres on Albuquerque's west side, pledged at no cost up to 75 acres of land abutting the initial site if the company undertakes a major expansion in the future.

"I am extremely pleased that Tesla has chosen our community for their new facility for a number of reasons," stated Mayor Martin Chávez of Albuquerque. "First, it fits in with Albuquerque's priority of sustainable economic development with its exciting use of alternative/renewable energy. Secondly, I see it as an opportunity to gain and grow a company that might be the next major manufacturer; Eclipse Aviation was an innovator in personal jet transportation - Tesla is a true innovator in the electric automobile industry. This will continue our policy of growing west side job opportunities to improve the jobs/housing balance, reduce the need for commuting, and further improve air quality. I'm absolutely delighted with this announcement, and I want to congratulate all of our private and public sector partners involved in this project, and welcome Tesla as our newest community member."

Bernalillo County Commission Chairman Alan Armijo said today, “The County continues its dedication to helping create great jobs through support to quality companies such as Tesla Motors. We’re proud of the role Bernalillo County played in their recruitment. The County is open for business and our work to strengthen the economy is paying dividends.”

“The Albuquerque region continues its emergence within the nation and world as a premier location for sophisticated companies,” said Albuquerque Economic Development Chairman of the Board Carolyn Monroe. “Along with Eclipse Aviation, Tesla’s decision helps to establish Albuquerque at the center of the personal transportation revolution. Tesla Motors is a perfect complement to Albuquerque and its aspirations.”

Tesla Motors is a privately owned company, formed in 2003 with the goal of manufacturing electric cars that exemplify the highest standards of automotive performance, efficiency and design. Chairman Elon Musk, a co-founder of the Pay-Pal online payment system and founder and CEO of SpaceX, led three rounds of venture financing that have raised \$60 million. Tesla employs more than 160 people at design, engineering and manufacturing facilities in California, Michigan, Taiwan and the United Kingdom.

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