RESOLUTION 2021-012

RESOLUTION OF THE NEW MEXICO RENEWABLE ENERGY TRANSMISSION AUTHORITY APPROVING AND AUTHORIZING THE EXECUTION OF A SECOND LETTER AGREEMENT REGARDING DELAYED ASSIGNMENTS RELATED TO THE DEVELOPMENT, ACQUISITION, LEASE AND SUB-EASEMENT AGREEMENT RELATED TO THE SUNZIA SOUTHWEST TRANSMISSION PROJECT (AS AMENDED); RATIFYING PRIOR ACTIONS CONSISTENT WITH THIS RESOLUTION AND REPEALING PRIOR INCONSISTENT ACTION; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RELATED MATTERS.

Capitalized terms used in the following recitals have the meaning defined in the following recitals and have such meaning when used in this Resolution unless the context requires otherwise.

WHEREAS, the New Mexico Renewable Energy Transmission Authority ("RETA") is charged with implementing the New Mexico Renewable Energy Authority Transmission Act, NMSA 1978, § 62-16A-1, et seq. (the "Act"), and, in connection therewith, facilitating eligible facilities (as defined in the Act) located entirely or in part within the State of New Mexico;

WHEREAS, RETA has determined that it is in furtherance of its statutory purpose to develop with SunZia Transmission LLC, a Delaware limited liability company ("SunZia"), the SunZia Southwest Transmission Project which will consist of up to two (2) electric transmission lines and related facilities (the first transmission line, if built, "Line 1," and the second transmission line, if built, "Line 2," and either, a "Line," or collectively, the "Lines") configured as either a nominal 500 kV alternating current ("AC") facility or a nominal 525 kV direct current ("DC") facility, with the intent of locating both transmission lines within a single 200-foot right-of-way for Line 1 and a single 250-foot right-of-way for Line 2, where possible, or in certain and limited circumstances as a double circuit line of an either nominal 500 kV AC facility or nominal 525 kV DC facility for Line 1 and an either nominal 500 kV AC facility or nominal 525 kV DC facility for Line 2, which Lines will originate in the wind energy resource area near Corona, New Mexico at a new station called SunZia East and span 550 miles to its western terminus at the existing 500 kV station called Pinal Central near Coolidge, Arizona (the "Project");

WHEREAS, the "Project" refers to and is limited to the approximately 350-mile portions of Line 1, if constructed, and Line 2, if constructed, that traverse the State of New Mexico, through Torrance, Socorro, Valencia, Sierra, Grant, Luna, and Hidalgo counties;

WHEREAS, in connection with the development of the Project RETA and SunZia entered into a Development, Acquisition, Lease and Sub-Easement Agreement dated effective March 15, 20201 (the "Lease"); and

WHEREAS, RETA and SunZia previously agreed to extend the deadline of a certain number of assignments required by Section 4.01 of the Lease (as amended) as more specifically described in the Letter Agreement Regarding Delayed Assignments, dated November 1, 2021 (the "Second Letter Agreement").

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of RETA (the "Governing Body"), as follows:

Section 1. Ratification. All actions heretofore taken, not inconsistent with the provisions of this Resolution, by RETA, its Governing Body, officers, employees and agents, related to the Project are hereby ratified, approved and confirmed.

Section 2. Authorization and Execution of Letter Agreement. The execution and delivery of the Second Letter Agreement in substantially the form submitted to the Governing Body and the consummation of the transactions and the performance of RETA's obligations contemplated thereunder are hereby authorized and approved. The Chairman of RETA or, in the absence of the Chairman, Noah Long, a member of the Governing Body of RETA (each a "Proper Officer"), any one of whom may act without the joinder of any of the others, are hereby authorized, empowered and directed, in the name and on behalf of RETA, to execute and deliver the Second Letter Agreement with such changes, insertions and omissions as any such Proper Officer, may deem necessary, appropriate or advisable, the execution and delivery of the Second Letter Agreement by any such Proper Officer with any changes, insertions or omissions thereto to be conclusive evidence that such Proper Officer deemed such changes to meet such standard.

Section 3. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 4. No Recourse and Liability. All covenants, stipulations, obligations and agreements of RETA contained in this Resolution, and in the documents hereby authorized, shall be deemed to be the covenants, stipulations, obligations and agreements of RETA, and all such covenants, stipulations, obligations and agreements shall be binding upon RETA, and, except as otherwise provided in this Resolution and such documents, all rights, powers and privileges conferred, and duties and liabilities imposed, upon RETA by the provisions of this Resolution, and in the documents hereby approved, shall be exercised or performed by RETA; provided that no covenant, stipulation, obligation or agreement herein contained or contained in any document hereby approved and authorized for execution shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, director, member, agent or employee of RETA in his or her individual capacity, and neither the members of RETA nor any officials executing the Letter Agreement shall be liable personally under the Letter Agreement.

Section 5. Inconsistent Prior Resolution; Effective Date. All orders, resolutions, or proceedings in conflict with provisions of this Resolution shall be, and the same hereby are, repealed, rescinded, and set aside, but only to the extent of such conflict. This Resolution shall become effective immediately upon the adoption hereof.

Section 6. Section Headings. The headings or titles to the several sections hereof shall be solely for the convenience of reference and shall not affect the meaning or construction, interpretation or effect of this Resolution.

The foregoing Resolution of the Governing Body of RETA was adopted and approved by RETA on November 17, 2021.

Robert E. Busch
Chairman