RESOLUTION 2023-001

RESOLUTION OF THE NEW MEXICO RENEWABLE ENERGY TRANSMISSION AUTHORITY APPROVING AND AUTHORIZING THE EXECUTION OF A DEVELOPMENT, ACQUISITION, LEASE AND SUB-EASEMENT AGREEMENT AND ADDITIONAL DOCUMENTS RELATED TO THE NORTH PATH TRANSMISSION PROJECT; 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 was and is in furtherance of its statutory purpose to develop with North Path Transmission LLC, a Delaware limited liability company ("North Path"), a project known as the North Path Transmission Project, which will consist of a single electric transmission line and related facilities configured as a high voltage, direct current (HVDC) transmission line intended to be located within a 200-foot right-of-way that originates in the wind energy resource area in Union County, New Mexico, and spans approximately 400 miles to the western terminus at the existing Four Corners 345-kV substation in northwestern New Mexico (the "Project");

WHEREAS, in connection with the development of the Project RETA and North Path entered into a certain Memorandum of Understanding dated February 4, 2021, and an Amended and Restated Memorandum of Understanding dated August 12, 2021 (collectively, the "MOU");

WHEREAS, RETA supports the development of the Project and RETA and North Path are entering into a certain Development, Acquisition, Lease and Sub-Easement Agreement to address the ownership, rights, interests, and obligations of North Path and RETA with respect to the Project ("Lease Agreement"); and

WHEREAS, the Lease Agreement supersedes and replaces the MOU.

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of RETA, as follows:

Section 1. Definitions. In addition to the terms defined in the recitals to this Resolution, the following terms have the meanings given below:

"Additional Documents" means all documents constituting exhibits and annexes to the Lease Agreement and all updates and modifications of such documents as the Proper Officers deem necessary or appropriate and all other documents required to be executed pursuant

to the Lease Agreement or otherwise related or incidental to the transactions contemplated thereby.

"Documents" means, collectively, the Lease Agreement and the Additional Documents.

"Governing Body" means the Board of Directors of RETA.

Section 2. 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 3. Findings. RETA declares that it has considered all relevant information and makes the following findings:

A. The Project is an "eligible facility" within the meaning of § 62-16A-2D NMSA 1978 of the Renewable Energy Transmission Act (the "Act").

B. The Project is needed to access New Mexico wind energy resources.

C. The Project will transmit at least thirty (30%) percent renewable energy generated by wind power.

D. The Project is in the public interest.

Section 4. Approval of Lease Agreement; Authorization and Execution of Documents.

A. The acquisition and development of the Project and the leasing of the Project to North Path on the terms provided in the Lease Agreement are hereby approved. RETA hereby authorizes, empowers and directs each of the directors, officers and employees of RETA, and its counsel and advisors, to carry out or cause to be carried out, and to perform, such obligations of RETA and such other actions as they, in consultation with RETA's counsel and advisors, shall consider necessary or advisable in connection with the Project and the transactions described in the Documents

B. The execution and delivery of the Documents 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 other, are hereby authorized, empowered and directed, in the name and on behalf of RETA, to execute and deliver the Documents with such changes, insertions and omissions as any such Proper Officer, may deem necessary, appropriate or advisable, the execution and delivery of the Documents 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 5. 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 6. 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 Documents shall be liable personally under the Documents.

Section 7. 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 8. 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 January 12, 2022.

Robert E. Busch
Chairman