RESOLUTION 2024- 007

RESOLUTION OF THE NEW MEXICO RENEWABLE ENERGY TRANSMISSION AUTHORITY APPROVING SUBMISSION OF AN APPLICATION FOR A FEDERAL GRANT THROUGH THE GRID INNOVATION PROGRAM FOR PHASE 2 OF THE SOUTHLINE TRANSMISSION PROJECT AND AUTHORIZING EXECUTION OF ANY NECESSARY DOCUMENTS REQUIRED FOR SUCH APPLICATION; 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; and

WHEREAS, Southline Transmission, L.L.C., a Delaware limited liability company ("SLT") proposes to construct the Southline Transmission Project, an approximately 283-mile 345kV electric transmission line traversing west-east from Pima County, Arizona to Dona Ana County, New Mexico (the "Project"), of which Phase 2 is comprised of the approximately 108-mile 345kV electric transmission line traversing from Hidalgo County, New Mexico to Dona Ana County, New Mexico ("Phase 2"); and

WHEREAS, RETA has determined that it is in furtherance of its statutory purpose to enter into a Memorandum of Understanding (the "MOU") with SLT, for Phase 2 of the Project; and

WHEREAS, in connection with the development of Phase 2 of the Project, RETA and SLT are considering entering into a Development, Acquisition, Lease and Sub-Easement Agreement to address the ownership, rights, interests, and obligations of SLT and RETA with respect to Phase 2 of the Project; and

WHEREAS, also in connection with the development of Phase 2 of the Project, SLT wishes to apply for a federal grant through the United States Department of Energy Grid Innovation Program (GRIP") for Phase 2 of the Project ("Grant Application");

WHEREAS, RETA wants to support the Grant Application, up to and including serving as the "eligible entity" as defined by GRIP; and

WHEREAS, the Governor of the State of New Mexico (the "Governor") has authorized RETA to act as the eligible entity and to take such actions as are required or desirable to complete the Grant Application.

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

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

Section 2. Authorization of Staff Assistance and Execution of Documents. RETA staff is authorized to provide technical and administrative assistance to SLT related to and in support of the Grant Application, up to and including serving as the eligible entity. Such assistance will be provided under the terms of the MOU and pursuant to the authorization of the Governor. In addition, the Chairman, Member Jeremy Lewis, or the Financial Director of RETA is hereby authorized to execute and deliver the Grant Application and any other documents required in support of the Grant Application.

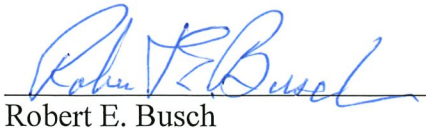
Section 3. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

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 Real Estate Documents shall be liable personally under the Real Estate Documents.

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 Board of RETA was adopted and approved by RETA on April 11, 2024.



Robert E. Busch
Chairman

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