# RESOLUTION 2026-006

RESOLUTION OF THE NEW MEXICO RENEWABLE ENERGY TRANSMISSION AUTHORITY APPROVING A SETTLEMENT AGREEMENT RESOLVING THE SOUTHWESTERN PUBLIC SERVICE CHALLENGE TO RETA'S PARTICIPATION IN THE CROSSROADS-HOBBS-ROADRUNNER 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 the development of eligible facilities (as defined in the Act) located entirely or in part within the State of New Mexico;

WHEREAS, the "Project" is the Crossroads-Hobbs-Roadrunner project to construct an electric transmission line; and,

WHEREAS, the Project was subject to a procurement process administered by the Southwestern Power Pool ("SPP") for which NextEra Energy Technology, LLC ("NEET") submitted a proposal in response to SPP's Request for Proposals; and,

WHEREAS, Southwestern Public Service Company ("SPS") had also submitted a proposal to construct the transmission line; and,

WHEREAS, SPP selected NEET as the successful proposer; and,

WHEREAS, NEET submitted an application to enter into a Memorandum of Understanding with RETA regarding the Project; and

WHEREAS, RETA, after proper investigation, approved entering into an MOU with NEET via Resolution 2023-008, on September 28, 2023; and

WHEREAS, RETA, after execution of the MOU, issued a statutorily required notice informing public utilities and the public that it was contemplating entering into the Project with NEET; and,

WHEREAS, SPS filed an administrative challenge in response to RETA's notice; and,

WHEREAS, SPS's challenge was heard and denied at the administrative level; and,

WHEREAS, SPS appealed the administrative decision to the First Judicial District Court, County of Santa Fe, State of New Mexico ("District Court"), Cause No. D-101-CV-2024-01009; and,

WHEREAS, the District Court affirmed the administrative decision; and,

WHEREAS, SPS timely filed a Petition for Writ of Certiorari in the New Mexico Court of Appeals ("NMCA"), Cause No. A-1-CA-42647, seeking review of the District Court's Decision; and,

WHEREAS, the NMCA granted the Petition and the appeal is pending; and,

WHEREAS, SPS and RETA desire to resolve all claims, disputes, and controversies among them arising out of or related to the Project, the procurement process for the Project, the administrative challenge, and the appeals, on the terms set forth in a negotiated Settlement Agreement, without any admission of liability or wrongdoing by any Party.

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

Section 1. Definitions. Capitalized terms used but not defined in this Resolution have the meanings given to them in the Settlement Agreement.

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 Settlement Agreement are hereby ratified, approved, and confirmed.

Section 3. Approval.

A. RETA approves the Settlement Agreement, including the proposed changes to RETA's Project Selection Policy that are a key component of the Settlement Agreement and attached to the Settlement Agreement as Exhibit A, in the form presented to the Governing Body, and authorizes the execution of the Settlement Agreement by Robert E. Busch, the Chair of RETA, or, in the absence of the Chairman, Jeremy Lewis, a member of the Governing Body of RETA, or James Miller, Vice Chair of RETA (each a "Proper Officer"), any one of whom may act without the joinder of any of the others and are hereby authorized, empowered and directed, in the name and on behalf of RETA, to execute and deliver the Settlement Agreement with such changes, insertions, and omissions as any such Proper Officer may deem necessary, appropriate, or advisable, the execution and delivery of the Settlement 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.

B. 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 Settlement Agreement.

Section 4. 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 5. 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 6. 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 7. 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 July 22, 2026.

Robert E. Busch
Chairman