

## **Right of Way Easement Agreement for the Installation of Transmission Line**

**WHEREAS**, this Right of Way Easement Agreement for the Installation of Transmission Line (the “Easement Agreement”) is entered into between Pinal County, a body politic and corporate and a political subdivision of the State of Arizona (hereinafter “Pinal County”), and SunZia Transmission, LLC (hereinafter “Grantee”); and

**WHEREAS**, Pinal County is authorized by A.R.S. section 11-251 to regulate and manage the public rights of way within its jurisdiction and to grant easements across county property for public purposes to a utility as defined in A.R.S. Section 40-491; and

**WHEREAS**, Grantee, a limited liability company, is a utility as defined in A.R.S. Section 40-491 and wishes to construct, install, own, operate, maintain, repair, and replace a private, high voltage transmission line, communication line, and related facilities (the “Transmission Line”) under, over and through certain fee-owned property within Pinal County as described and depicted in Exhibit A (the “Pinal County Property”) for public purposes; and

**WHEREAS**, Grantee desires an easement for the continued use and access across such Pinal County Property within Pinal County to install the Transmission Line for public purposes; and

**WHEREAS**, it being determined by the Board of Supervisors that the granting of this Easement is authorized by law and in the best interests of Pinal County and the inhabitants thereof;

**NOW, THEREFORE**, County and Grantee agree as follows:

### **Section 1: GRANT OF EASEMENT**

Grantee is hereby authorized and empowered, on a non-exclusive basis, and is here granted and conveyed an easement, to use a portion of Pinal County Property under the terms and conditions set forth herein, and as identified in Exhibit B which is attached to this Easement Agreement and incorporated herein by this reference, for the purpose of constructing, installing, owning, operating, repairing, replacing, and maintaining the Transmission Line, including the facilities within, along, and across the Pinal County Property, including the right to overhang (aerially) the Pinal County Property described in Exhibit “B” in compliance with the applicable standards in the National Electric Safety Code (NESC).

### **Section 2: TERM**

This Easement Agreement shall be effective as of the Effective Date (defined below) for an initial term of fifty (50) years (the “Initial Term”), and unless written notice of termination is given by Grantee to Pinal County at least six (6) months before the end of the Initial Term or any Renewal Term, the Term shall automatically renew for twenty-five (25) year renewal terms (each a “Renewal Term, and the Original Term and all Renewal Terms, the “Term”), unless otherwise terminated pursuant to the provisions of Section 24, Section 26, or Section 30.

### **Section 3: PAYMENT**

Within 30 days of the Effective Date of this Easement Agreement Grantee shall pay Pinal County Fourteen Thousand Six Hundred Seventy-Three and No/100 Dollars (\$14,673.00), for the Initial Term. The amount due for any Renewal Term shall be established by the Parties in advance of any Renewal Term. At least 6 months prior to the expiration of the Initial Term or any Renewal Term, SunZia will retain an independent appraiser licensed in Arizona from a list of approved appraisers provided by the County to appraise the market value of the twenty-five (25) year easement to be granted to SunZia hereunder for the Renewal Term (the "Appraised Value"). SunZia shall pay the cost of the appraisal. The payment for the Renewal Term shall be the Appraised Value as determined by the appraisal and shall be paid prior to the commencement of the Renewal Term (or within ten (10) days of the delivery of the appraisal if the tenth day is after the commencement of the Renewal Term).

### **Section 4: REGULATION OF PINAL COUNTY PROPERTY**

All rights hereunder are granted under the express condition that Pinal County shall have the power at any time to authorize the use of the Pinal County Property for other uses, subject to such uses not interfering with the rights and interests of Grantee hereunder. In the event Pinal County seeks to allow other uses of the Pinal County Property, Pinal County shall notify Grantee of such use and shall cooperate with Grantee in determining the plans and specifications of such other uses so as not to interfere with Grantee's rights and uses hereunder. If such use is to be made by another party (the "Third Party User"), Pinal County shall require that any such use by the Third Party User shall not cause or permit any damage, disturbance, or modification or alteration to the Transmission Line, including all of Grantee's facilities located in the Pinal County Property. If the Third Party User causes or permits any such damage, disturbance, or unnecessary alteration or modification, the Third Party User shall be responsible for all costs of Grantee to restore the damaged, disturbed, altered, or modified facilities to the condition in which they existed before being damaged, disturbed, modified or altered. The restoration of facilities shall be initiated promptly and completed expeditiously by Grantee, at Third Party Users expense. Third Party User shall, at its own cost and expense, obtain and maintain a policy of commercial general liability insurance with an insurance company authorized to do business in the State of Arizona insuring Grantee against loss or liability caused by Third Party User's activities on the Pinal County Property (including coverage for property damage and bodily injury), on a primary and non-contributory basis, in an amount not less Five Million Dollars (\$5,000,000) of liability coverage per occurrence and in the aggregate (which may be provided by a combination of primary and excess policies) and containing an obligation of the insurer to defend all named insureds in the event of any and all claims covered thereby without eroding the limits; provided, however, that such coverage may be provided as part of a blanket policy that also covers other properties. The insurer(s) selected by Third Party User shall have an A.M. Best rating of not lower than "A-VII", or if such ratings are no longer available, a comparable rating from a recognized insurance rating agency. The policies shall include Grantee as an additional insured thereunder and shall not be cancelable without at least thirty (30) days' prior written notice (except ten (10) days as respects nonpayment of premium) from the insurer to Third Party User. Third Party User will supply Grantee with a certificate of insurance that shows the insurance coverage provided under all such insurance policies.

## **Section 5: SUPERIOR RIGHTS**

The rights of Pinal County in and to the use of all Pinal County Property located within the boundaries of Pinal County are and forever shall be paramount and superior to the rights of Grantee, except as set forth in this Easement Agreement.

## **Section 6: ALTERATION OF PINAL COUNTY PROPERTY**

Nothing in this Easement Agreement shall be construed so as to prevent Pinal County from altering, improving, adjusting, repairing, or maintaining the Pinal County Facilities (as defined below) within the Pinal County Property, and for that purpose, if necessary, to require Grantee to adjust, remove, replace, or relocate Grantee's facilities (as provided in Section 8); provided that Pinal County will attempt to avoid requiring removal or relocation of any structures of the Grantee Transmission Line, once constructed. "Pinal County Facilities" shall mean any physical object or improvement owned, possessed, made, installed, maintained, or constructed by Pinal County or others at the request of Pinal County, including all paving, highway, transportation, flood control, or other Pinal County-owned structures located within Pinal County Property.

## **Section 7: NONEXCLUSIVE USE**

Nothing in this Easement Agreement shall be construed to grant Grantee an exclusive right to use the Pinal County Property. Pinal County acknowledges and agrees that the Grantee Transmission Line in the location shown on Exhibit "B" is an approved location. The location of Grantee's facilities in the Pinal County Property shall not create or establish a vested interest in the Pinal County Property.

## **Section 8: RELOCATION**

In the event that Pinal County determines in its reasonable discretion that no other suitable alternatives are available for the exercise of its public purposes than to require Grantee to adjust, remove, replace, or relocate the Transmission Line (a "Relocation"), Grantee will make such Relocation, as needed. If a Relocation is required, Pinal County shall use its best efforts, including the exercise of its power of eminent domain, to obtain land rights within, adjacent to, or in close proximity of the Pinal County Property and over which a valid easement across such land rights can be conveyed to Grantee by Pinal County that would allow for Grantee to make the Relocation and to construct, install, own, operate, maintain, repair, and replace such relocated Transmission Line (the "Relocated Facilities"). In addition, prior to requiring a Relocation, Pinal County shall allow Grantee the necessary time under the Activity Schedule (defined below) to (i) construct and install the Relocated Facilities, (ii) to transfer load from the existing Transmission Line to the Relocated Facilities as necessary to minimize the amount of time of any disruption of transmission of power along the Transmission Line, and (iii) obtain all permits required from any applicable jurisdiction for the Relocated Facilities. The Relocation by Grantee shall be conducted in accordance with an activity schedule determined by Pinal County and Grantee (the "Activity

Schedule”), prior to the scheduled activity start date. If the Activity Schedule is unacceptable to Grantee or if Grantee finds it necessary to plead financial hardship regarding the cost of relocating its facilities, Grantee may appeal to the Pinal County Board of Supervisors. Grantee hereby agrees to be liable for all costs incurred by Pinal County for the Relocation necessitated by Pinal County as set forth herein, including overhead and maintenance costs and an administrative surcharge in the amount of fifteen percent of the total cost attributed to the adjustment or relocation of Grantee’s facilities. In the event that Pinal County incurs such costs, Pinal County shall submit a bill to Grantee for the incurred costs, and Grantee shall pay Pinal County the invoiced amount within ninety (90) calendar days of receipt of the invoice. Grantee may contest the propriety of such invoices by filing a written appeal with the Pinal County Board of Supervisors, whose decision with respect thereto shall be final.

## **Section 9: UNDERGROUNDING**

The parties acknowledge that the Transmission Line will be above ground, except for foundations and grounding wires, and that during the Term, Pinal County will not require Grantee to place the Transmission Line underground.

## **Section 10: PERFORMANCE OF WORK**

Prior to beginning any activity in the Pinal County Property, Grantee shall obtain all required permits from Pinal County and any other applicable jurisdiction for construction of the Transmission Line on the Pinal County Property. The work required by Grantee to design, construct, reconstruct, pothole for, design, adjust, relocate, replace, or repair Grantee’s facilities shall be Grantee’s sole responsibility. The cost of any delay to Pinal County’s projects caused by Grantee’s failure to complete its work in accordance with Pinal County’s Activity Schedule shall be Grantee’s sole responsibility provided that Pinal County shall have provided Grantee with reasonable advance notice of the need to take such action and a reasonable amount of time allowed to perform the necessary activities. In the event Pinal County incurs such costs, Pinal County shall submit a bill to Grantee for the incurred costs, and Grantee shall pay Pinal County the invoiced amount within ninety (90) calendar days of receipt of the invoice. If the invoice is not paid by Grantee in a timely manner, all rights granted to Grantee under this Easement Agreement shall be suspended, and no permits will be issued to Grantee for any work within Pinal County Property until the invoiced costs are paid in full to Pinal County. Grantee may contest the propriety of such costs by filing a written appeal with the Pinal County Board of Supervisors, whose decision with respect thereto shall be final.

## **Section 11: LOCATION OF FACILITIES**

As a condition of this Easement Agreement, Grantee hereby agrees to have and maintain precise, up-to-date maps of Grantee’s facilities located in the Pinal County Property upon construction thereof, and to make this information available to Pinal County within thirty (30) calendar days of receiving a written request from Pinal County. Beginning on the Effective Date of this Easement Agreement, Grantee shall maintain precise and verifiable horizontal and vertical location information of the Pinal County Property tied to an accepted Pinal County datum and provide such information to Pinal County within thirty (30) calendar days of receiving written notice from Pinal

County. In the event Grantee is unable to provide the location information to Pinal County within the allotted time frame, Pinal County may, at its discretion, locate Grantee's facilities and Grantee shall be liable for Pinal County's costs incurred in locating Grantee's facilities.

## **Section 12: WORK IN THE RIGHTS-OF-WAY**

12.1 *Permits required.* Prior to performing any work within the Pinal County Property, Grantee shall obtain a permit from Pinal County in accordance with Title 7 of the Pinal County Development Services Code.

12.2 *Damage to other facilities.* In the construction, adjustment, removal, relocation, repair, operation, and maintenance of its facilities, Grantee shall avoid causing or permitting any damage, disturbance, or unnecessary modification or alteration to Pinal County Facilities including pavement, or to the facilities of others located in Pinal County Property. If Grantee causes or permits any such damage, disturbance, or unnecessary alteration or modification, Grantee, at its sole expense and in a manner approved by the Pinal County Engineer, shall restore the damaged, disturbed, altered, or modified facilities to the condition in which they existed before being damaged, disturbed, modified, or altered. Grantee also shall be liable to owners of said facilities for any other losses or expenses that may accrue because of said damage, disturbance, modification, or alteration. The restoration of facilities shall be initiated promptly and completed expeditiously by Grantee, who shall give priority to the restoration, repair, or replacement of such facilities over all non-emergency activities of Grantee.

12.3 *Damage to vegetation.* In the construction, adjustment, removal, relocation, repair, operation, and maintenance of its facilities, Grantee shall use all necessary care to avoid any unnecessary damage to or disturbance of existing vegetation in the Pinal County Property. If Grantee causes or permits any damage or disturbance to vegetation, Grantee shall re-vegetate the Pinal County Property at its sole expense and in accordance with all Pinal County regulations then in effect.

12.4 *Adjacent properties.* Grantee shall provide prior written notice to the owners or residents of adjoining properties of any activity of Grantee which may temporarily interfere with access to said adjoining property. Grantee shall maintain access or provide alternate access (if due to safety concerns) to adjoining properties during all construction activities or other operations, unless the requirement of access is waived in writing by the owners and residents of the affected properties. If an emergency requires activity without written notice, Grantee shall use its best efforts to provide timely actual notice to the owners and residents of adjoining properties.

## **Section 13: DESIGN AND LOCATION OF FACILITIES**

13.1 *Injury to persons and property.* Grantee shall use reasonable care at all times to avoid damage or injury to persons and property during the construction, adjustment, removal, relocation, repair, operation, and maintenance of Grantee's facilities.

*13.2 Location and construction of facilities.* The location and construction of Grantee's facilities in Pinal County Property shall conform to Pinal County standards and guidelines then in effect and provided to Grantee, in order not to interfere with a planned future use of the Pinal County Property by Pinal County. Grantee agrees to work with Pinal County regarding the placement of facilities within the easement and the need for guardrails or other safety measures.

*13.3 Interference with other uses.* Grantee's facilities shall be located in a manner designed to cause the least amount of interference with the public's existing or future use (as provided by Pinal County to Grantee) of roads, streets, alleys, or Pinal County Property, and in such a way as will minimize interference with the rights of access to adjacent property owners.

*13.4 Neighboring property owners.* Grantee shall be responsible for notifying owners or residents of adjoining properties in writing about permanent or temporary above- or below-ground facilities to be constructed in Pinal County Property. Grantee shall make every commercially reasonable effort to resolve the concerns of property owners and residents regarding the construction of Grantee's facilities and access to owners or residents of adjoining properties.

#### **Section 14: CONSTRUCTION SAFETY**

Any opening or obstruction in the Pinal County Property then in use caused by Grantee during the course of Grantee's activities in the Pinal County Property shall be guarded and protected at all times by safety barriers erected by Grantee, which safety barriers shall be designated clearly by warning lights during periods of dusk and darkness. Any work performed by Grantee in or adjacent to a public roadway then open for travel shall be signed and marked properly by Grantee with warning and directional devices in accordance with all applicable state and local traffic regulations, and in accordance with the Arizona Department of Transportation's Traffic Control Manual for Highway Construction and Maintenance and the Manual on Uniform Traffic Control Devices for Streets and Highways.

#### **Section 15: DRAINAGE**

During construction or excavation in the Pinal County Property Grantee shall provide proper drainage so that the Pinal County Property will be free from standing surface water and adequately drained so as not to cause flood or erosion damage to the facilities of Grantee or surrounding property. Grantee will provide to Pinal County the storm water pollution prevention plan that Grantee will follow on the Pinal County Property for Pinal County's review and comment. For projects with a material impact upon local drainage patterns, Grantee may be required by Pinal County to submit drainage engineering data and design plans to Pinal County for review and approval prior to the issuance of any Rights-of-Way Use Permit by Pinal County.

#### **Section 16: ISSUANCE OF PERMIT NOT APPROVAL OF VIOLATION**

Pinal County's review, approval, or acceptance of plans or specifications or issuance of a permit

for the installation, construction, or location of a facility by Grantee shall not be construed to be an authorization for or approval of a violation of any federal, state, or local law or regulation, or of any industry standard, pertaining to the location or construction of a utility facility in public Pinal County Property.

#### **Section 17: COUNTY INSPECTION**

Pinal County, if it deems necessary, has the right to inspect any work by Grantee in the Pinal County Property or other county roads being crossed by the Transmission Line to ensure proper performance of the terms of this Easement Agreement and conformance with any applicable federal, state, or local laws, ordinances, and regulations. Pinal County may require Grantee to pay a reasonable and uniform fee to cover the actual costs of inspections performed by Pinal County or its contractor under this provision.

#### **Section 18: ABANDONMENT OF FACILITIES**

Abandonment in place of any of Grantee's facilities located within Pinal County Property may occur only upon written approval from Pinal County.

#### **Section 19: LIABILITY AND INDEMNITY**

Grantee acknowledges its sole responsibility for any of its facilities and/or equipment installed in the Pinal County Property, and for any liability arising from any activities Grantee performs within the Pinal County Property. Grantee agrees to indemnify, hold harmless, and defend Pinal County and its officials, agents, servants, and employees against any and all claims for injuries to persons or damage to property, whether intentional, negligent, or otherwise, arising out of Grantee's work in the Pinal County Property, or due to the existence of Grantee's facilities and/or equipment in the Pinal County Property, or in any way related to Grantee's exercise of its rights under this Easement Agreement. Neither the issuance of a Pinal County permit for installation or location of a facility or equipment, nor Pinal County approval of such installation or location, nor the failure of Pinal County to direct Grantee to take any precautions, to make any changes, or to refrain from doing anything shall excuse Grantee of its responsibilities hereunder to Pinal County or others in the case of any injury to persons or damage to property.

If Pinal County is sued in any court by any person, firm, association, or corporation to recover damages for injuries to person or property on account of the installation, repair, operation, and/or maintenance of Grantee's facilities or equipment, Grantee shall defend such suits and pay any resulting judgments, and shall, at the option of Pinal County be made a party to any such court proceeding.

#### **Section 20: PINAL COUNTY PARTICIPATION IN LEGAL ACTIONS**

Pinal County shall have the rights at all times to take part in any suit or action instituted by or against Pinal County in which any judgment or decree can be rendered, which might result in the foreclosure of any lien on any Grantee property situated within Pinal County Property, or which could affect the rights, powers, or duties of Grantee to do or not do anything that this Easement

Agreement might require Grantee to do or not to do, and also to take such steps as Pinal County may deem appropriate to protect the interests of Pinal County or the public. Pinal County shall have the right to intervene in, and shall cooperate with Grantee in, any suit, action, or proceeding by any person or persons, firm, or corporation seeking to enjoin, restrain, or in any manner interfere with Grantee in the performance or observance by it of any of the terms or conditions of this Easement Agreement, or of any regulation, notice, or direction of Pinal County in such connection, or which involves or might involve the constitutionality, validity, or enforcement of this Easement Agreement. Pinal County also may move for, and cooperate with Grantee in moving for, dissolution of any such injunction or restraining order or take any other appropriate step, in any such suit, action or proceeding that it may deem necessary or advisable in order to protect its interests.

## **Section 21: COMPLIANCE WITH EASEMENT AGREEMENT CONDITIONS AND ORDINANCES**

Grantee agrees to conform to, abide by, and perform all the conditions, provisions, requirements, and limitations in this Easement Agreement. Grantee shall be subject to all Pinal County ordinances now in force or hereafter lawfully adopted (to the extent not in contravention of the rights of Grantee hereunder), including all ordinances relating to the use of Pinal County Property by utilities. Grantee agrees that it will not assert any claim against Pinal County that the provisions of this Easement Agreement or any applicable Pinal County ordinance or regulation in force at the time of execution of this Easement Agreement are unreasonable, arbitrary, or void.

## **Section 22: RESERVED.**

## **Section 23: ASSIGNMENT**

Grantee may assign, convey, transfer, divide, or partition all or any portion of this Easement Agreement to one or more persons or entities with respect to any portion of its interests under this Easement Agreement, and may sell, assign, lease or transfer all or any part of any Transmission Line facilities that it may install on the Pinal County Property (each an "Assignment"), only after Pinal County's written consent, which shall not be unreasonably withheld, delayed or denied, provided the assignee agrees in writing (in form satisfactory to Pinal County acting reasonably) to be bound by the terms and conditions of this Easement Agreement and, in addition, Grantee certifies in favor of Pinal County that such assignee is (i) a utility that has substantially similar experience as Grantee, but in no event fewer than five (5) years' experience, in the development, maintenance and operation of high voltage electrical transmission line facilities and has substantially similar creditworthiness as Grantee, but in no event less than Fifty Million Dollars (\$50 million) in net liquidity as demonstrated by audited financial statements provided to Pinal County (a "Qualified Assignee"). Grantee shall provide to Pinal County, subject to a confidentiality and non-disclosure agreement between the bidders seeking the Assignment (the "Bidders," whether one or more) and Pinal County (if such an agreement is required by the Bidders) in form and substance acceptable to the Bidders and Pinal County, the identity of the Bidders, evidence of the aforementioned experience of the Bidders and such audited financial statements of the Bidders at least ninety (90) days in advance of any desired Assignment. Upon an assignment by Grantee, the Qualified Assignee shall be entitled to all rights and benefits and be



subject to all obligations and responsibilities, pursuant to this Easement Agreement, and Grantee's interest in, and any future liability under the Easement Agreement, shall terminate with respect to the rights assigned, except for liabilities accruing prior to the date of such assignment, or unless the certification provided by Grantee with respect to the Qualified Assignee proves to be false in any material respect as of the date given. Grantee, any assignee, co-tenant, or any holder of a sub-easement or license hereof (herein, an "Obligor") may at any time mortgage or pledge to any entity (herein, a "Lender") all or any part of the Obligor's interest under this Easement Agreement or such sub-easement or license without the consent of Pinal County, and, upon foreclosure by a Lender (or receipt of a deed in lieu of foreclosure or other conveyance), such Lender will succeed to all of the rights and interests of such Obligor hereunder. Should an Obligor mortgage any of its interest as provided in this Section 23, Obligor and Pinal County expressly agree between themselves and for the benefit of any Lenders who have notified Pinal County in writing of their name and address (herein a "Notifying Lender") as follows:

A. They will not amend or modify, or take any action causing, consenting to, or accepting the amendment or modification of this Easement Agreement, if such amendment or modification would reduce the rights or remedies of any Notifying Lender hereunder or impair or reduce the security for any lien held by such Notifying Lender.

B. Any Notifying Lender shall have the right to do any act or thing required to be performed by Obligor under this Easement Agreement, and any such act or thing performed by a Notifying Lender shall be as effective to prevent a default under this Easement Agreement and/or a forfeiture of any of Obligor's rights under this Easement Agreement as if done by Obligor itself.

C. The right of a Lender to receive notices and to cure Obligor's defaults pursuant to the provisions of this Section 23 shall be available only to the Notifying Lenders. No default which requires the giving of notice to Obligor shall be effective unless a like notice is given to all Notifying Lenders. If Pinal County becomes entitled to terminate this Easement Agreement due to an uncured default by Obligor, Pinal County will not terminate this Easement Agreement unless it has first given written notice of such uncured default and of its intent to terminate this Easement Agreement to each Notifying Lender and has given each Notifying Lender at least thirty (30) days after the expiration of the cure period which this Easement Agreement provides to Obligor for curing such default, to cure the default to prevent such termination of this Easement Agreement. Furthermore, if within such thirty (30) day period a Notifying Lender notifies Pinal County that it must foreclose on Obligor's interest or otherwise take possession of Obligor's interest under this Easement Agreement in order to cure the default, Pinal County shall not terminate this Easement Agreement and shall permit such Notifying Lender a reasonable period of time as may be necessary for such Notifying Lender, with the exercise of due diligence, to foreclose or acquire Obligor's interest under this Easement Agreement and to perform or cause to be performed all of the covenants and agreements to be performed and observed by Obligor, but in no event shall such period be longer than one hundred and eighty (180) days. In the event a Notifying Lender shall elect to exercise its rights hereunder, such Notifying Lender shall have no personal liability to Pinal County, and the sole recourse of the Pinal County in seeking enforcement of its obligations under this Easement Agreement or any new

easement entered into pursuant to clause (D) below shall be to such Notifying Lender's interest in this Easement Agreement and the Pinal County Property. Upon the sale or other transfer of any interest in the rights granted hereunder by any Notifying Lender, which shall be subject to the same limitations on sale or assignment imposed on Grantee, its successors and assigns, such Notifying Lender shall have no further duties or obligations hereunder.

D. In case of the termination of this Easement Agreement as a result of any default or the bankruptcy, insolvency, or appointment of a receiver in bankruptcy for Obligor, Pinal County shall give prompt notice (the "Insolvency Notice") to the Notifying Lenders. Pinal County shall, upon written request of the first priority Notifying Lender, made within forty-five (45) days after receipt by the Notifying Lender of the Insolvency Notice, enter into a new easement agreement with such Notifying Lender, or its designee, within twenty (20) days after the receipt of such request from the Notifying Lender. Such new easement agreement shall be effective as of the date of the termination of this Easement Agreement by reason of default by Obligor and shall be on the same terms, covenants and conditions as contained in this Easement Agreement. Upon the execution of any such new easement agreement, the Notifying Lender shall (i) pay Pinal County any unpaid amounts under this Easement Agreement which are due Pinal County from Obligor as of the date of termination, and (ii) pay Pinal County any and all amounts due under the new easement agreement from the effective date thereof to the date of execution and delivery of the new easement agreement.

E. Pinal County shall, at Grantee's or a Notifying Lender's request, provide to Grantee and such Notifying Lender confirmation that such Notifying Lender is a "Notifying Lender" for purposes of this Easement Agreement, a consent to or acknowledgment of the Notifying Lender's mortgage or other lien, and estoppel certificates as Grantee or the Notifying Lender may reasonably request. Pinal County shall duly execute and return same to Grantee and/or Notifying Lender within thirty (30) days after receipt of such request, and Grantee shall reimburse Pinal County for its costs and expenses (including without limitation reasonable attorneys' fees) associated with same.

Except as otherwise permitted above, Grantee agrees that neither this Easement Agreement nor any of Grantee's facilities in Pinal County Property shall be sold, assigned, or transferred without the prior written approval of the Pinal County Board of Supervisors. Except as otherwise permitted above, the decision to approve or deny such a sale, assignment, or transfer of this Easement Agreement shall be within the sole discretion of the Pinal County Board of Supervisors, and the Board may deny Grantee's request to sell, assign or transfer the Easement Agreement if such denial is in the best interests of Pinal County.

#### **Section 24: DEFAULT BY GRANTEE**

If Grantee defaults under this Easement Agreement, after thirty (30) days' Notice and the defaulting Party's failure to cure, the non-defaulting Party shall have all rights and remedies available at law, in equity, pursuant to this Easement Agreement or otherwise, including but not limited to the right to recover damages, the right of specific performance, and the right to obtain

an injunction; provided, however, that Pinal County shall not have the right to terminate this Easement Agreement, except as follows: (i) in the event of a default in the payment of any amount hereunder, and the failure of Grantee to cure such default within thirty (30) days of written notice of default from Pinal County to Grantee, or (ii) the failure or omission by Grantee to observe, keep or perform any of the other terms, agreements or conditions set forth in this Easement Agreement, and such failure or omission has continued for thirty (30) days after Pinal County has delivered a written notice of default to Grantee (or such longer period required to cure such failure or omission, not to exceed one hundred eighty (180) days, if such failure or omission cannot reasonably be cured within such thirty (30) day period, provided that Grantee commences its efforts to cure within such 30-day period and diligently continues such efforts until failure or omission is cured). If Pinal County becomes entitled to terminate this Easement Agreement due to an uncured default by Grantee, Pinal County will not terminate this Easement Agreement unless it has first given written notice of such uncured default and of its intent to terminate this Easement Agreement to a Notifying Lender as set forth above. Upon the occurrence of a default under this Easement Agreement, Grantee shall be liable to Pinal County for all costs and expenses including but not limited to attorneys' fees incurred by the non-defaulting Party as a result of the default. In the event of Pinal County's termination of the Easement Agreement following an uncured default by Grantee as permitted above, within thirty (30) days following the effective date of such termination Grantee shall commence removal of all equipment, supplies and improvements from the Pinal County Property, and shall restore the Pinal County Property to the condition it was in as of the Effective Date, subject to the reasonable satisfaction of Pinal County.

#### **Section 25: DEFAULT BY PINAL COUNTY**

If Pinal County defaults under this Easement Agreement, after thirty (30) days' written notice and Pinal County's failure to cure, Grantee shall have all rights and remedies permitted by law, including but not limited to, if permitted by law, specific performance, and the right to obtain an injunction.

#### **Section 26: ABANDONMENT BY GRANTEE**

If after completion of the Transmission Line, subject to Force Majeure (and any such period of Force Majeure will not be counted in the period specified herein), Grantee ceases to use the Transmission Line for transmission of electricity for a continuous and consecutive period of twenty-four (24) months, Pinal County shall have the right to provide written notice to Grantee of intention to terminate the Easement Agreement, and if Grantee does not commence use of the Transmission Line for the transmission of electricity within ninety (90) days after such written notice, the Easement Agreement shall terminate, and Grantee shall commence removal of all equipment, supplies and improvements from the Pinal County Property within thirty (30) days following the effective date of such termination, and shall restore the Pinal County Property to the condition it was in as of the Effective Date, subject to the reasonable satisfaction of Pinal County.

#### **Section 27: FORCE MAJEURE**

Notwithstanding any other provision of this Easement Agreement, if either Party's performance of this Easement Agreement or of any obligation hereunder is interfered with, delayed, restricted

or prevented, in whole or in part, by reason of an event of Force Majeure, such Party shall, upon giving notice to the other Party, be excused from such performance to the extent and for the duration of such interference, delay, restriction or prevention, and the term of this Easement Agreement and any other time periods set forth herein shall continue and be extended for a like period of time. "Force Majeure" means any act or condition beyond the reasonable control of the affected Party, whether or not similar to the matters or conditions herein specifically enumerated, and includes: acts of God or the elements (including fire, earthquake, explosion, flood, tornado, high wind, ice, pandemic, epidemic or any other casualty or accident); strikes, lock outs or other labor disputes; unforeseeable delays in transportation; an unforeseeable inability to secure labor or materials in the open market; or war, terrorism, sabotage, civil strife or other violence; actions or failures to act by the other Party.

#### **Section 28: CONTRACT INFORMATION**

All notices or correspondence concerning this Easement Agreement shall be provided in writing to:

<b>If to Company:</b>  SunZia Transmission, LLC Attn: General Counsel 1088 Sansome Street San Francisco, CA 94111	<b>If to Pinal County:</b>  Pinal County Public Works P.O. Box 727 Florence, Arizona 85132 (520) 866-6419
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Any change in any of the foregoing contact information for either party shall be made in writing to the other party.

#### **Section 29: EFFECTIVE DATE**

This Easement Agreement shall be effective upon the recording of a fully executed original hereof with the Pinal County Recorder's Office (the "Effective Date").

#### **Section 30: TERMINATION BY GRANTEE**

This Easement Agreement may be terminated by Grantee upon one hundred and eighty (180) day's written notice to Pinal County, and within thirty (30) days following the effective date of such termination, Grantee shall commence removal of all equipment, supplies and improvements from the Pinal County Property, and shall restore the Pinal County Property to the condition it was in as of the Effective Date, subject to the reasonable satisfaction of Pinal County.

#### **Section 31: COMPLIANCE WITH LAWS**

The parties shall comply with all applicable federal, state, and local laws, rules, regulations, standards, and executive orders, without limitation to those designated within this Easement Agreement.

**Section 32: A.R.S. § 38-511**

This Easement Agreement may be cancelled pursuant to the provisions of A.R.S. § 38-511, if applicable, subject to the protections for a Lender as set forth in Section 23 of this Easement Agreement and A.R.S 37-289, if applicable.

**[SIGNATURES ON FOLLOWING PAGES]**

IN WITNESS WHEREOF, Grantee has caused this Easement Agreement to be executed by its Chief Financial Officer, and Pinal County has caused this Easement Agreement to be executed by the Chair of its Board of Supervisors and attested to by its Clerk.

GRANTEE:

SunZia Transmission, LLC,  
a Delaware limited liability company

By: 

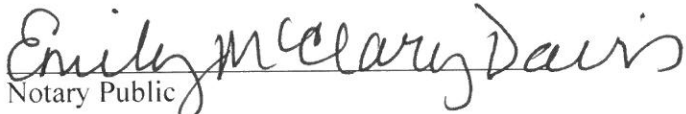
Name: Lauren Haller

Title: Authorized Signatory

State of

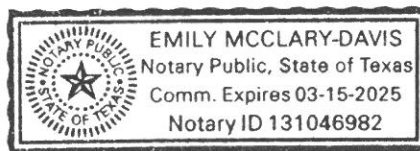
Texas  
County of Harris <sup>SS</sup> )

The foregoing instrument was acknowledged before me on the 23 day of February, 2023 by Lauren Haller, the Authorized Signatory for SunZia Transmission, LLC, a Delaware limited liability company, on behalf of said company.

  
Notary Public

My Commission Expires:

3-15-2025



**PINAL COUNTY**, a political subdivision of the State of Arizona

\_\_\_\_\_  
Chairman of the Board of Supervisors

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Clerk of the Board of Supervisors

APPROVED as to form:

\_\_\_\_\_  
Deputy County Attorney

## **EXHIBIT A**

All that portion of the right of way located in the West half of the West half of Section 26 AND that portion of the right of way located in the Southeast quarter of Section 27, all in Township 6 South, Range 8 East, of the Gila and Salt River Base and Meridian, Pinal County, Arizona, being described in Recording No. 2019-012472, records of Pinal County, Arizona.



## **EXHIBIT B**

### Description and Depiction of Transmission Line

## DESCRIPTION OF TRANSMISSION LINE EASEMENT AREA

### TRANSMISSION LINE EASEMENT:

A CENTERLINE DESCRIPTION FOR A 200 FEET WIDE PERMANENT TRANSMISSION LINE EASEMENT, BEING 100 FEET, AS MEASURED PERPENDICULAR, LEFT AND RIGHT OF SAID CENTERLINE SITUATED IN SECTIONS 26 AND 27, TOWNSHIP 6 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, STATE OF ARIZONA, AND ALSO BEING A PART OF THAT PARCEL OF LAND CONVEYED IN FEE NUMBER 2019-012472, IN THE RECORDS OF PINAL COUNTY, ARIZONA, SAID CENTERLINE BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCING (POC)** AT THE SOUTH 1/4 CORNER OF SAID SECTION 27, A FOUND IRON ROD WITH CAP, THENCE NORTH 58°52'04" EAST 2,742.76 FEET TO THE WESTERLY LINE OF SAID PARCEL AND **POINT OF BEGINNING (POB);**

THENCE SOUTH 90°00'00" EAST 300.21 FEET TO THE EASTERLY LINE OF SAID PARCEL AND THE **POINT OF TERMINUS (POT)**, FROM WHENCE THE SOUTHEAST CORNER OF SAID SECTION 27, A FOUND IRON ROD BEARS SOUTH 00°29'58" WEST 1,413.43 FEET.

THE SIDELINES OF SAID EASEMENT ARE SHORTENED OR LENGTHENED TO BEGIN AND TERMINATE AT THE PARCEL LIMITS OF THE ABOVE REFERENCED PARCEL. SAID PERMANENT TRANSMISSION LINE EASEMENT CONTAINS 60,045 SQUARE FEET (1.378 ACRES), MORE OR LESS.

BEARINGS, DISTANCES, AND AREA ARE ARIZONA COORDINATE SYSTEM, NAD83(2011), CENTRAL ZONE, GRID, INTERNATIONAL FEET.



EXPIRES 06/30/2025

LOCATED IN SECTIONS 26 AND 27, T. 6 S., R. 8 E. OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, ARIZONA



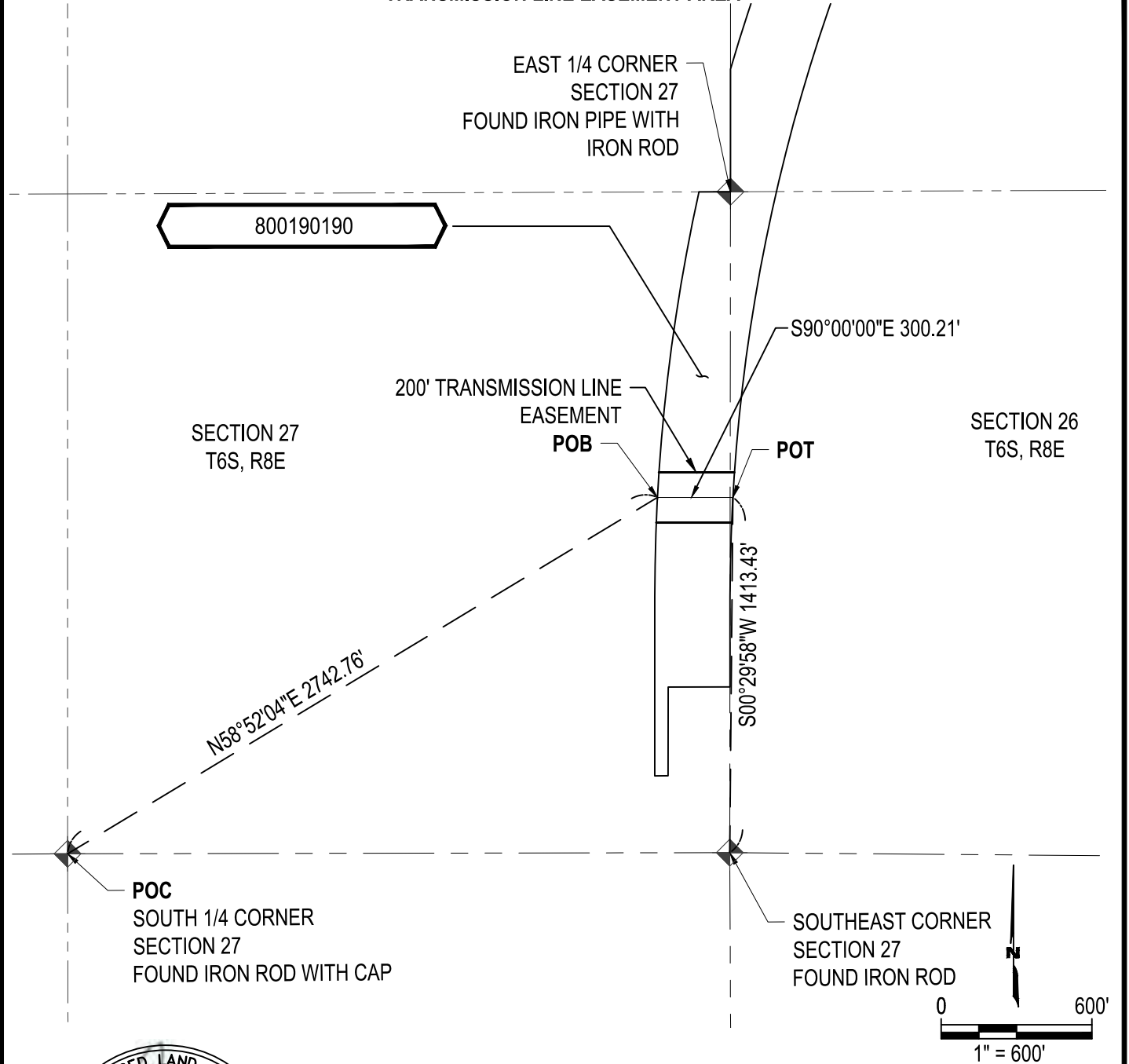
555 Zang St., Suite 210,  
Lakewood CO. 80228

303-988-5852, SAM@SAM.BIZ

EASEMENT SURVEY

SHEET NO. 1 OF 3

# TRANSMISSION LINE EASEMENT AREA



## LEGEND

	EASEMENT BOUNDARY
	PARENT PARCEL BOUNDARY
	EASEMENT CENTERLINE
	EXISTING EASEMENT
	SECTION LINE
	QUARTER SECTION LINE
	SIXTEENTH/LOT LINE
	LEGACY LIMITS

LOCATED IN SECTIONS 26 AND 27, T. 6 S., R. 8 E. OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, ARIZONA



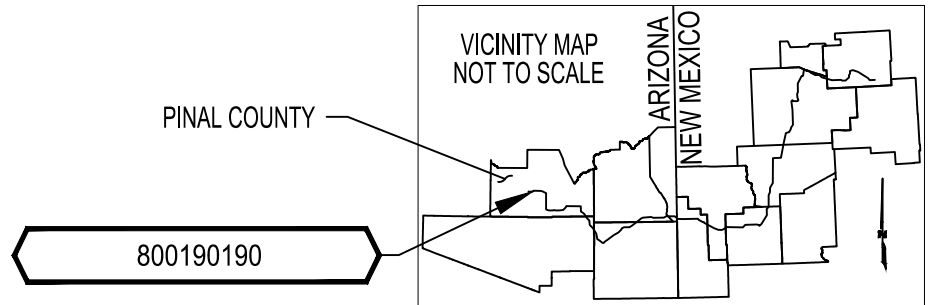
555 Zang St., Suite 210,  
Lakewood CO. 80228

303-988-5852, SAM@SAM.BIZ

EASEMENT SURVEY

SHEET NO. 2 OF 3

## EASEMENT SURVEY



OWNER: PINAL COUNTY

### NOTE:

1. THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED LAND SURVEY.
2. BEARINGS, DISTANCES, AND AREAS ARE ARIZONA COORDINATE SYSTEM, NAD83(2011), CENTRAL ZONE, GRID, INTERNATIONAL FEET.
3. SAM ACCEPTS NO LIABILITY WITH RESPECT TO THE ACCURACY OF THE RECORD INFORMATION PROVIDED BY OTHERS. EASEMENTS, RIGHTS OF WAY, AND RECORDED DEED REFERENCES SHOWN HEREON WERE PROVIDED BY THE CLIENT.

EASEMENT SUMMARY	TRANSMISSION	60,045 FEET <sup>2</sup>	1.378 ACRES
	ACCESS	0 FEET <sup>2</sup>	0.000 ACRES
	TEMPORARY CONSTRUCTION	0 FEET <sup>2</sup>	0.000 ACRES
	TEMPORARY ACCESS	0 FEET <sup>2</sup>	0.000 ACRES
	TEMPORARY DISTURBANCE	0 FEET <sup>2</sup>	0.000 ACRES

### CERTIFICATE OF SURVEYOR:

I, FRANK LEITZ III, HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF ARIZONA AND THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF ON THE DATE OF MY SIGNATURE, THIS EXHIBIT ACCURATELY REPRESENTS THE FACTS FOUND AT THE TIME OF SURVEY MADE UNDER MY RESPONSIBLE CHARGE, FOR AND ON BEHALF OF SAM, LLC.

FRANK LEITZ III, R.L.S. 73780



EXPIRES 06/30/2025

LOCATED IN SECTIONS 26 AND 27, T. 6 S., R. 8 E. OF THE GILA AND SALT RIVER BASELINE AND MERIDIAN, PINAL COUNTY, ARIZONA



555 Zang St., Suite 210,  
Lakewood CO. 80228

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EASEMENT SURVEY

SHEET NO. 3 OF 3