



Filing Receipt

Filed Date - 2025-12-11 05:03:22 PM

Control Number - 58536

Item Number - 215

PUC DOCKET NO. 58536

JOINT REPORT AND APPLICATION OF	§	BEFORE THE
TEXAS-NEW MEXICO POWER	§	
COMPANY AND TROY PARENTCO LLC	§	PUBLIC UTILITY COMMISSION
FOR REGULATORY APPROVALS	§	
UNDER PURA §§ 14.101, 39.262, AND	§	OF TEXAS
39.915	§	

UNANIMOUS STIPULATION AND AGREEMENT

As of December 11, 2025, Texas New-Mexico Power Company (“TNMP”), Troy ParentCo LLC (“Troy”) and most parties to this proceeding, including the Staff of the Public Utility Commission of Texas (“Commission Staff”), Texas Industrial Energy Consumers (“TIEC”), Office of Public Utility Counsel (“OPUC”), Cities served by TNMP (“Cities”)¹, Walmart Inc. (“Walmart”), and Texas Energy Association for Marketers (“TEAM”) have reached a settlement of the issues raised in the *Joint Report and Application of Texas-New Mexico Power Company and Troy ParentCo LLC for Regulatory Approvals under PURA §§ 14.101, 39.262, and 39.915* filed in this docket (this “Stipulation”). The following parties join in this Stipulation resolving all issues in this proceeding: TNMP, Troy, Commission Staff, TIEC, OPUC, Cities, Walmart, and TEAM (collectively, the “Signatories”). The Signatories agree that a negotiated resolution of this proceeding on the basis set forth in this Stipulation is in the public interest, will conserve the Signatories’ resources, and will eliminate controversy in this proceeding. Accordingly, the Signatories request that the Public Utility Commission of Texas (the “Commission”) approve this Stipulation and enter an order consistent with its terms. Valero Refining-Texas L.P. does not oppose the Stipulation.

¹ For purposes of this proceeding, Cities is comprised of the following municipalities: Alvin, Dickinson, Friendswood, La Marque, and Texas City.

I.

By this Stipulation, the Signatories resolve all issues among them related to this proceeding, hereby stipulate and agree to the terms set forth below, and request that the Commission enter a final order approving such terms and the proposed Acquisition, as follows:

A. The Acquisition

1. In the Joint Report and Application filed in this docket, TNMP and Troy requested Commission approval to complete the proposed Acquisition. On May 18, 2025, TNMP's indirect parent company, TXNM Energy, Inc. ("TXNM"), entered into an Agreement and Plan of Merger ("Merger Agreement") with Troy and its subsidiary, Troy Merger Sub Inc. ("Merger Sub"). Under the terms of the Merger Agreement, Merger Sub will merge with and into TXNM, with TXNM surviving the merger as a direct subsidiary of Troy. Upon completion of the merger and satisfaction of all required regulatory approvals and closing conditions, the separate corporate existence of Merger Sub will cease, and TXNM will continue as the surviving corporation. As a result of the merger, all outstanding shares of TXNM common stock (other than certain excluded shares, such as those held by TXNM in treasury or by Troy or its affiliates) will be converted into the right to receive cash consideration as set forth in the Merger Agreement (these steps are referred to as the "Acquisition"). As part of the Acquisition, Troy proposes to have TXNM's subsidiary, TNP Enterprises, Inc. ("TNPE"), transfer its 100% ownership interest in TNMP to a newly created special purpose entity, TNPE 1, LLC ("TNPE 1"), that will be created by and wholly-owned by TNPE. As a result of such transfer, TNPE 1 will own 100% of the equity interests of TNMP.

2. The Signatories agree that, based on the requirements of this Stipulation, the Acquisition is in the public interest in accordance with PURA §§ 39.262(l)-(m) and 39.915. The Signatories specifically agree that the Acquisition will not adversely affect TNMP's reliability, availability, or cost of service.
3. The Signatories also agree that, based on the requirements of this Stipulation, the Acquisition is in the public interest in accordance with PURA § 14.101. The Signatories specifically agree that the Acquisition will not: (a) result in the transfer of jobs to workers outside of Texas; (b) adversely affect the health or safety of the utility's customers or employees; or (c) result in a decline in service. The Signatories also agree that the Acquisition will result in no TNMP property or other assets being sold, transferred, or otherwise affected.

B. Agreed Regulatory Commitments

The Signatories agree to the Regulatory Commitments set forth in Attachment 1 to this Stipulation. Unless expressly stated otherwise in Attachment 1, the Regulatory Commitments are effective as of the closing of the Acquisition and continue thereafter unless and until modified by Commission order.

II.

The Signatories agree that the terms of this Stipulation are fair, reasonable, and in the public interest. The Signatories further agree to take all reasonable efforts to obtain the Commission's prompt adoption of an order consistent with this Stipulation. The Signatories further agree to support and defend the terms of this Stipulation as set forth herein.

III.

This Stipulation has been drafted by all Signatories and is the result of negotiation, compromise, settlement, and accommodation. The provisions of this Stipulation, including Attachment 1, are interdependent and non-severable. If the Commission adopts this Stipulation with modifications or rejects any material provision, any Signatory adversely affected may withdraw from this Stipulation by providing written notice to the other Signatories and filing such notice in this docket within 20 calendar days after the Commission's order. Failure to provide such notice within the 20 days constitutes a waiver of the right to withdraw and acceptance of the order as entered.

IV.

This Stipulation is binding on each of the Signatories only for the purpose of settling the issues as set forth herein and for no other purposes. The matters resolved herein are resolved on the basis of a compromise and settlement. Except to the extent that this Stipulation expressly governs a Signatory's rights and obligations for future periods, this Stipulation shall not be binding or precedential on a Signatory outside of this proceeding except for a proceeding to enforce the terms of this Stipulation. The Signatories agree that a Signatory's support of the resolution of this proceeding in accordance with this Stipulation may differ from its position or testimony regarding contested issues of law, policy, or fact in other proceedings before the Commission or other forum. Because this is a Stipulation, a Signatory is under no obligation to take the same position as set out in this Stipulation in other proceedings not referenced in this Stipulation, regardless of whether those proceedings present the same or a different set of circumstances. Notwithstanding any other provision herein, a Signatory's agreement to entry of a final Commission order consistent with this Stipulation should not be regarded as an agreement to the appropriateness or correctness of any

assumptions, methodology, or legal or regulatory principle that may have been employed in reaching this Stipulation.

V.

This Stipulation contains the entire agreement among the Signatories. Moreover, this Stipulation supersedes all other written and oral exchanges or negotiations among the Signatories or their representatives with regard to the subjects contained herein.

VI.

This Stipulation may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Scanned or electronically signed counterparts shall be deemed original signatures for all purposes. Each person executing this Stipulation represents that he or she is authorized to sign this Stipulation on behalf of the party represented.

AGREED:

TEXAS-NEW MEXICO POWER COMPANY

By: /s/ Meghan Griffiths

TROY PARENTCO LLC

By: /s/ Ron Moss

STAFF OF THE PUBLIC UTILITY COMMISSION OF TEXAS

By: /s/ David Berlin

TEXAS INDUSTRIAL ENERGY CONSUMERS

By: /s/ Katie Coleman

OFFICE OF PUBLIC UTILITY COUNSEL

By: /s/ Kourtnee Jinks

CITIES SERVED BY TEXAS-NEW MEXICO POWER COMPANY

By: /s/ Jamie Mculdin

WALMART INC.

By: /s/ Julie Clark

TEXAS ENERGY ASSOCIATION FOR MARKETERS

By: /s/ Catherine J. Webking

REGULATORY COMMITMENTS

The following Regulatory Commitments are hereby made by Troy ParentCo LLC (“Troy”), a Delaware limited liability company, and Texas-New Mexico Power Company (“TNMP”), a Texas corporation, and are also made by TXNM Energy, Inc. (“TXNM”) and Blackstone Infrastructure, to be adopted and made conditions of any Final Order issued by the Public Utility Commission of Texas (“the Commission”) approving the proposed transaction (the “Acquisition”) affecting the public utility holding company of TNMP.

Tangible and Quantifiable Benefits

1. **Rate Credit:** TNMP will provide a direct financial benefit to customers in the form of a rate credit of \$45.5 million to be paid over 48 months following the closing of the Acquisition. The rate credit amounts will be allocated across all functions and classes consistent with Staff witness Narvaez’s testimony.

Governance and Board Structure

2. **TNMP Board Composition:** TNMP will have a seven-member board of directors (“TNMP Board”), including (A) three disinterested directors (as defined below); and (B) the President and CEO of TNMP.
 - (a) **Disinterested Directors:** Disinterested directors must qualify as independent from TNMP, Blackstone Inc. (“Blackstone”) and their affiliates in all material respects in accordance with the rules and regulations of the New York Stock Exchange during the ten-year period prior to appointment.
 - (b) **Terms of Disinterested Directors:** All disinterested directors will have a term of three years, except the initial terms of the disinterested directors will be staggered, such that in each 12-month period no more than one of the terms of the disinterested directors will expire. A person appointed to fill a disinterested director position that is vacant due to death, resignation, removal or other reason other than expiration of the term of the position will serve for the remainder of that the applicable term or their earlier death, resignation, removal or such other reason.
 - (c) **Disinterested Director Appointment and Removal:** The initial disinterested directors shall be chosen by Troy from a slate of at least six candidates developed by a nationally recognized executive search firm such as Heidrick & Struggles, Spencer Stuart, Korn Ferry or Russell Reynolds. The initial disinterested directors will be identified in a compliance filing within 90 days after closing of the Acquisition. Subsequent disinterested directors shall be selected by the TNMP Board from a slate of candidates developed by the current disinterested directors,

which must include at least three candidates per open director position. Removal of a disinterested director prior to expiration of his or her term requires the affirmative vote of a majority of the TNMP Board and a majority of the remaining disinterested directors.

- (d) **Director Domicile:** At least two of the disinterested directors must be Texas residents.
 - (e) **Utility Executive:** At least one disinterested director will have utility executive experience.
- 3. **TNPE 1 Board Composition:** TNPE 1, LLC ("TNPE 1"), a special purpose entity for bankruptcy remote purposes under the state laws of Texas and direct subsidiary of TNP Enterprises, Inc., will have a board of directors ("TNPE 1 Board") with the same composition as the TNMP Board, except that the President and CEO of TNMP for purposes of the TNPE 1 Board will be replaced by a director chosen by Troy.
 - 4. **Best Interest of Utility:** The TNMP Board shall have the duty to act, subject to applicable Texas law, in the best interests of TNMP consistent with this order. The TNPE 1 Board, subject to applicable Texas law, shall have a duty to act in the best interests of TNMP consistent with this order.
 - 5. **Board Authority:** The TNMP Board will have decision-making authority over dividend policy, debt issuance, issuance of dividends or other distributions (other than tax distributions), capital expenditures, shared service fees, operation and maintenance expenditures, and appointment or removal of officers. These decisions made by the TNMP Board cannot be overruled by TNPE 1, TXNM, Troy, or any affiliate that controls Troy.
 - 6. **Dividend Restrictions:**
 - (a) Unless approved by the Commission, dividends or distributions (other than tax distributions) may only be paid if TNMP's credit rating is at least BBB at S&P and Baa2 at Moody's, and TNMP will limit its payment of dividends or distributions (other than tax distributions) to an amount not to exceed its net income as determined in accordance with GAAP.
 - (b) TNMP will notify the Commission promptly following any credit rating downgrade.
 - (c) A vote of the majority of the disinterested directors of the TNMP Board may prevent TNMP from making any dividends at any time during the first five years following the closing of the Acquisition if the TNMP Board reduces TNMP's capital expenditures below the current five-year plan based on limited equity financing availability.
 - (d) A vote of a majority of the TNMP Board, including an affirmative vote of a majority of the disinterested directors, will be required for any amendment, waiver or modification to TNMP's dividend policy.

7. **Director Independence from Competitive Affiliates:** No member of the TNMP Board may be an employee or board member of a competitive affiliate or have direct responsibility for management or strategy of a competitive affiliate.
8. **Director Compensation:** The compensation for being a TNMP director or officer employed by TNMP will not be tied to, reflect, or be related to the financial, operating, or other performance or social goals of any entity or interest other than TNMP. The TNMP Board shall have the power to set the compensation and benefits for being a TNMP director or officer employed by TNMP, in the form and manner it directs, subject to the approval of Troy and, solely in the case of compensation and benefits for the disinterested directors, approval by a majority of the disinterested directors. All officers responsible for utility planning and operations at TNMP shall be employees of TNMP. Officers responsible for accounting, legal, finance, and information technology and other support operations may be employed by a services organization that is a subsidiary of TXNM. Notwithstanding, the above, no officer of TNMP shall receive compensation related to the goals of any competitive affiliate.
9. **Director Eligibility:** To be eligible, a TNMP or TNPE 1 director must be a United States citizen.
10. **Approval of TNMP Budgets:** A majority of the TNMP directors and a majority of the disinterested directors must approve TNMP's capital and operations and maintenance budgets if the proposed budget is more than a 10% increase or decrease relative to the prior fiscal year. If a majority of the TNMP directors does not approve an annual budget for any year before the commencement of that year, then the annual budget from the immediately preceding year shall continue to apply, subject to an automatic annual increase of up to 10%, until a new annual budget is approved by a majority of the TNMP directors.
11. **Variances in Budget:** If TNMP management seeks approval of a capital project or a series of projects that would be in excess of the approved annual budget by more than 10%, such projects or series of projects shall be approved by a majority of the TNMP Board, including a majority of the disinterested directors. Any variance in excess of this threshold will also be identified in an annual report to the Commission and TNMP will provide the reasons for the variance in such annual report.

Financial Protections and Ring-Fencing

12. **Sole Authorized Purpose:** TNMP's sole purpose is to provide transmission and distribution utility service and the performance of activities reasonably necessary and appropriate thereto. TNPE 1 will exist only to directly own equity interests in TNMP and may not issue debt.
13. **Separate Name and Logo:** TNMP will maintain an identity, name, and logo that is separate and distinct from the identity, name, and logos associated with Blackstone and any current or former Texas competitive affiliate of TNMP; provided, that the Blackstone name and logo can be added to the TNMP name and logo for branding purposes but that if the Blackstone name or logo is added to the TNMP name and logo, no competitive affiliate

with operations in Texas will use the Blackstone or TNMP name, logo, or other brand-identifying features (or any combination thereof) for branding purposes. TNMP will not engage in joint marketing, advertising or promotional activities with any affiliate data center developer or competitive affiliate of TNMP (including retail electric providers, aggregators, and wholesale generation companies) operating in Texas in a manner that is inconsistent with the Public Utility Regulatory Act and the Commission's rules.

14. **No Pledging of or Reliance on Assets:** TNMP's assets, stock, or revenues will not be pledged for the benefit of any entity other than TNMP nor used as a guarantee or collateral against any debt issued or liability incurred by an entity other than TNMP.
15. **No Acquisition-Related Debt:** TNMP, TNPE 1, and TXNM will not take on any new debt in conjunction with the Acquisition; provided, that any increased costs due to refinancing of existing TNMP debt caused by the Acquisition will not be borne by customers.
16. **Third Party Preferred Equity Issuances:** If (a) TNMP management has recommended a capital project to the TNMP Board, (b) the TNMP Board has determined that approving such capital project is in keeping with good utility practice, (c) such capital project and a related capital call are approved by a majority of the TNMP Board (including unanimous consent of the disinterested directors), and (d) Troy does not fund such capital project within 18 months of the issuance of such capital call to Troy, TNMP is authorized to thereafter issue non-voting, redeemable preferred equity at then-prevailing market terms solely to secure the equity portion of such capital project so long as such preferred equity does not result in (i) a credit rating downgrade below BBB or its successor equivalent at S&P or Baa2 or its successor equivalent at Moody's or (ii) an equity ratio below the equity ratio required by the Commission; provided, that TNMP must not sell a primary issuance of such preferred equity to Troy or any of its affiliates.
17. **No Additional Intercompany Lending:** Aside from TNMP's arrangement with TXNM during the current term of that arrangement, TNMP will not engage in intercompany debt or lending with Troy or any affiliate that directly or indirectly controls Troy, nor guarantee the obligations or liabilities of TXNM or any of its affiliates or subsidiaries, unless authorized by the Commission. Notwithstanding the foregoing, TNMP may borrow from Troy or its affiliates on an arm's-length basis if approved by a majority of the disinterested directors of the TNMP Board; provided, that nothing herein obligates Troy or any of its affiliates to lend money to TNMP or any of its affiliates at any time.
18. **No Shared Credit Facilities:** TNMP and TNPE 1 will not share credit facilities with Troy, Blackstone Infrastructure, Blackstone, or any of their affiliates or subsidiaries, except for joint revolvers where liability is several, not joint, and there are no cross-default provisions applicable to any utility borrower.
19. **No Cross-Defaults:** TNMP's credit or debt agreements will not include cross-default provisions tied to any affiliates. Under no circumstances will debt of TNMP become due and payable or rendered in default because of any cross-default, financial covenants, rating agency triggers or similar provisions of any debt or other agreement of TNPE 1, TXNM, Troy, Blackstone Infrastructure, or any of their affiliates or subsidiaries. Further, TNMP's

ability to utilize its credit facility will not be contingent on the financial status, default, or credit rating of TXNM, Troy, Blackstone Infrastructure or any of their affiliates or subsidiaries.

20. **No Affiliate Asset Transfers:** TNMP will not transfer material assets (over \$1 million) to affiliates except at arm's length and consistent with the Commission's standards as they are applicable to TNMP, regardless of whether such affiliate standards would apply to a particular transaction.
21. **Separate Books and Records:** TNMP will maintain accurate, appropriate, and detailed books, financial records and accounts, including checking and other bank accounts, and custodial and other securities safekeeping accounts that are separate and distinct from those of any other entity.
22. **No Commingling of Funds:** TNMP will not commingle its funds, assets, or cash flows with those of affiliates, including TXNM, Troy, Blackstone Infrastructure, and any of their affiliates or subsidiaries, except as authorized by the Commission.
23. **Credit Ratings:** TNMP, TNPE 1, TXNM and Troy, and Blackstone Infrastructure will ensure that TNMP maintains standalone credit ratings from at least two major agencies, which must include two of S&P, Moody's or Fitch, and will take the actions necessary to ensure that these rating agencies are informed of the ring-fence provisions adopted by the PUCT in its relevant Order(s) in Docket No. 58536 in support of a stand-alone credit rating for TNMP.
24. **Non-Consolidation Opinion:** Troy will obtain a non-consolidation legal opinion that provides that, in the event of a bankruptcy of Troy or any affiliate (other than, for the avoidance of doubt, TNMP or its subsidiaries, if any) of Troy including Blackstone Infrastructure, a bankruptcy court will not consolidate the assets and liabilities of TNMP with Troy or any affiliate (other than, for the avoidance of doubt, TNMP or its subsidiaries, if any) of Troy.
25. **Debt-to-Equity Ratio:** TNMP will maintain a minimum equity ratio as set by the Commission in TNMP's general rate case filings based on a 13-month rolling monthly average.
26. **No Recovery of Affiliate REP Bad Debt:** To the extent that any retail electric provider is affiliated with TNMP, TNMP will not seek to recover from its customers any costs incurred as a result of a bankruptcy of any such affiliate.
27. **No Participation in Emissions Reduction Program:** TNMP shall not participate in any emissions reduction program or sustainability program of Blackstone or its subsidiaries and affiliates.

Local Control and Management

28. **Minimum Capital Spending Commitment:** TNMP will continue to make minimum capital expenditures at a level equal to its current five-year budget ending December 31,

2029. TNMP may reduce capital spending if necessary due to factors outside its control, such as siting delays, project cancellations by third parties, weaker than expected economic conditions, or if a particular expenditure would not be prudent. Any such reductions over 10% will be reported annually to the Commission.
29. **Headquarters:** TNMP's headquarters will remain in Texas within its service territory as long as Troy or its affiliates own TNMP.
30. **TNMP Management Control:** TNMP's President and CEO and officers will have day-to-day control over operations.
31. **Workforce Protections:** For at least three years post-closing, TNMP will not implement involuntary workforce reductions or reduce wages or benefits, except for cause or performance. In addition, TNMP will continue to honor its existing labor contracts with International Brotherhood of Electrical Workers Local 66.
32. **Continued Ownership:** Troy, through TNPE 1, will maintain a controlling interest in TNMP for at least 10 years after the closing of the Acquisition.
33. **Account Representative:** Within 60 days of the entry of the Final Order in Docket No. 58536, electric customers who have at least 3 MW of aggregate load from TNMP may request that TNMP provide them with a dedicated account representative, and within 60 days of the consummation of the Acquisition, TNMP shall assign a dedicated account representative to qualifying consumers that timely made such a request.

Accounting and Ratemaking

34. **No Goodwill Recovery:** TNMP will not seek to recover any transaction-related goodwill or acquisition premium in rates, rate base, cost of capital, or operating expenses. Goodwill write-downs will not be included in the calculation of net income for dividend purposes or other distribution payment purposes.
35. **No Pushdown Accounting:** Neither TNPE 1 nor TXNM nor any of their affiliates will elect to apply pushdown accounting for the Acquisition (*i.e.*, the Acquisition will have no accounting impact on TNMP's assets). Furthermore, no incremental goodwill will be allocated to or recognized in TNMP's financial statements.
36. **No Recovery of Transaction or Transition Costs:** TNMP will not seek recovery of transaction or transition costs related to the Acquisition from customers in TNMP's rates; provided, that the transition costs shall not include employee time and labor. Transaction costs are those incremental costs paid to advance or consummate the Acquisition. Transaction costs do not include TNMP employee time but must include any form of incentive compensation associated with the Acquisition, regardless of whether Blackstone Infrastructure, Troy, TXNM, or their affiliates and subsidiaries internally refer to it as incentive compensation. Transition costs are those costs necessary to integrate TNMP into the holding of Troy, whether incurred before or after closing of the Acquisition, including one-time transition costs being incurred whether directly or indirectly through affiliate

charges, to transition TNMP to new ownership and to integrate TNMP's operations and systems with those of Troy.

Regulatory Jurisdiction and Oversight

37. **Commission Jurisdiction:** TNMP will not build assets outside the Electric Reliability Council of Texas, Inc., or take actions that impair the Commission's jurisdiction without prior approval. Neither TNMP, TNPE 1, TXNM, Troy, Blackstone Infrastructure, Blackstone, nor their respective controlled affiliates will take any action intended to or that can be reasonably foreseen to subject ERCOT to the jurisdiction of the Federal Energy Regulatory Commission (FERC); provided, however, that it is understood that the FERC continues to have jurisdiction under sections 210, 211, and 212 of the Federal Power Act and may direct transmission and interconnection services over certain existing facilities outside of ERCOT; provided further that it is understood that the existing reliability and critical infrastructure standards administered by the North American Electric Reliability Corporation (NERC), through delegation of authority from the FERC, may affect the operations of assets that are deemed part of the bulk electric system. TXNM, Troy, and Blackstone Infrastructure further commit that they will affirmatively support the preservation of the status quo of the Commission's jurisdictional authority over the ERCOT power region, and will in good faith support the efforts of TNMP to preserve and maintain the current state of the Commission's jurisdiction over TNMP and the ERCOT power region.
38. **No FERC Preemption Claims:** TNMP, TXNM, Troy, Blackstone Infrastructure and their controlled affiliates will not assert before the Commission, FERC, or a federal or Texas court of competent jurisdiction that the Commission is preempted by the Federal Power Act from determining cost recovery of affiliate costs sought to be allocated to TNMP.
39. **Compliance Reporting:** TNMP will file annual compliance reports with the Commission for five years after the closing of the Acquisition regarding its compliance with the terms of a final Commission order in this proceeding (Docket No. 58536). All compliance filings shall be filed in searchable Optical Character Recognition (OCR) .pdf format and shall include, for any materials created in a format other than Microsoft Word, the native electronic spreadsheet files (e.g., Excel) with all formulas, calculations, and references intact.
40. **Access to Books and Records:** TNMP, TNPE 1, TXNM, Troy, and Blackstone Infrastructure will provide the Commission access to their books and records, as well as the books and records in possession of their relevant affiliates, as necessary to facilitate the Commission's audit or review of affiliate transactions, if any, between TNMP and TNPE 1 or between TNMP and TXNM or any affiliate or subsidiary of Troy or Blackstone Infrastructure.
41. **Amendments:** Applicants acknowledge the Commission's jurisdiction and authority to initiate or consider a future proceeding to modify any of the Regulatory Commitments adopted as part of a final Commission order in this proceeding (Docket No. 58536) and that any changes to these Regulatory Commitments require prior Commission approval.

Corporate Governance Documents

42. **Bylaws and LLC Agreements:** TNMP and TNPE 1 will amend their governing agreements and corporate bylaws within 90 days of closing to reflect these Regulatory Commitments and file the amendments with the Commission. Any future changes to these documents that will affect the Regulatory Commitments will require Commission approval.

Code of Conduct and Affiliate Standards

43. **Competitive Affiliate Commitment:** TNMP, including the TNMP Board, and Blackstone Infrastructure will comply with all the requirements of the Public Utility Regulatory Act and the Commission's rules governing aspects of any relationship and dealings between TNMP and all affiliates. TNMP, including the TNMP Board, and Blackstone Infrastructure will not share TNMP's confidential information as defined under 16 Tex. Admin. Code § 25.272(c)(3) with affiliates, except as allowed for corporate support services.
44. **Code of Conduct:** TNMP will file with the Commission for authority to amend and update its code of conduct to incorporate all applicable conditions and limitations on affiliate transactions required by these Regulatory Commitments. TNMP may not provide any affiliated Large Load (as defined by ERCOT) any preference over a non-affiliated Large Load. Transactions between TNMP and affiliated Large Loads shall be at arm's length, except that transactions governed by tariffs shall be in accordance with the applicable tariffs.
45. **Arm's-Length Transactions:** TNMP will maintain arm's-length relationships with all affiliates and comply with all Commission affiliate standards when negotiating and entering into contracts with affiliates.
46. **Option 1 REPs:** If a controlled affiliate of Blackstone Infrastructure seeks certification from the Commission to become an Option 1 REP, TNMP will provide notice of that certification Docket to the parties to this proceeding.