



LCRA TRANSMISSION SERVICES CORPORATION

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January 31, 2020

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Public Utility Commission of Texas  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, TX 78711-3326

RE: Project No. 35077 – LCRA Transmission Services Corporation's Transmission contract Filing Pursuant to Subst. Rule 25.195(e)

To whom it may concern:

Enclosed is a copy of the ERCOT Standard Generation Interconnection Agreement (the "Agreement") between LCRA Transmission Services Corporation ("LCRA TSC"), 225DD 8ME LLC, and 224WB 8ME LLC for filing at the Public Utility Commission of Texas pursuant to Substantive Rule 25.195(e). Because the filed agreement contains slight deviations from the Commission-approved standard generation interconnection agreement ("SGIA"), LCRA TSC has prepared this letter explaining the changes and requests that it be filed with the aforementioned interconnection agreement.

- The following exhibits have been added to the list of exhibits in the Table of Contents:

*Exhibit "C1" - Point of Interconnection Details*

*Exhibit "C2" - One Line Diagram – TSP Interconnection Facilities, Generation Interconnection Facilities and the Plant*

*Exhibit "C3"*

- The second paragraph of the recital has been revised as follows:

*Transmission Service Provider represents that it is a public utility that owns and operates facilities for the transmission of electricity. Generators represents that they will own and operate the Plants as defined below.*

- The third paragraph of the recital has been revised as follows:

*This Agreement applies only to the Plants and the Parties' interconnection facilities as identified in Exhibit "C."*

- The tenth paragraph of the recital has been revised as follows:

*This Agreement shall become effective on the date first written above, subject to Governmental Authority approval, if required, and shall continue in full force and effect until terminated in accordance with Exhibit "A."*

- Item E. of the eleventh paragraph of the recital has been revised as follows:  
*E. The Interconnection Details attached hereto as Exhibits "C", "C1-C3";*

- The "ERCOT Requirements" definition in Section 1.2 of Article 1. Definitions of the Agreement has been revised as follows:

*1.2 "Commercial Operation" for each Generator shall mean the stage of completion where (i) the construction of the Plant has been substantially completed, (ii) Trial Operation of the Plant has been completed, (iii) the Plant is ready for dispatch, (iv) ERCOT has fully approved the Generator for participation in ERCOT market operations, and (v) Generator notifies TSP that requirements (i) through (iv) have been achieved.*

- The "ERCOT Requirements" definition in Section 1.5 of Article 1. Definitions of the Agreement has been revised as follows:

*1.5 "ERCOT Requirements" means the ERCOT Nodal Operating Guides, ERCOT Generation Interconnection Procedures, ERCOT Nodal Protocols as well as any other documents adopted by the ISO or ERCOT relating to the interconnection and operation of generators and transmission systems in ERCOT as amended from time to time, and any successors thereto. Any requirement in the foregoing documents imposed upon generation entities or generation facilities shall become the responsibility of each Generator with respect to its Plant and GIF, and any requirements imposed on transmission providers or transmission facilities shall become the responsibility of the TSP.*

- The following definition in Section 1.7 of Article 1. Definitions of the Agreement have been revised:

*1.7 "Full Interconnection Study Agreement" shall mean an agreement executed by the Parties relating to the performance of the Full Interconnection Study, a set of studies conducted by the TSP that includes the Facilities Study.*

- The following definition in Section 1.8 of Article 1. Definitions of the Agreement have been revised:

*1.8 "GIF" shall mean a Generator's interconnection facilities as described in Exhibit "C.", including the Shared Facilities as defined below.*

- The following definition in Section 1.14 of Article 1. Definitions of the Agreement have been revised:

*1.14 "Point of Interconnection" shall mean the location(s) where the GIFs, through the Shared Facilities, connect to the TIF as negotiated and defined by the Parties and as shown on Exhibit "C" of this Agreement.*

- The following definition in Section 1.18 of Article 1. Definitions of the Agreement have been added:

*1.18 "Shared Facilities" shall mean those facilities owned jointly by the Generators and identified in Exhibit "C" Item 7. B).*

- The "ERCOT Requirements" definition in Section 1.20 of Article 1. Definitions of the Agreement has been revised as follows:

*1.20 "System Security Study" shall have the meaning as described in PUCT Rule 25.198(c) or its successor.*

- The following definition in Section 1.22 of Article 1. Definitions of the Agreement have been revised:

*1.22 "TIF" shall mean the TSP's interconnection facilities as described in Exhibit "C" to this Agreement. Any reference to the design, procurement or construction of the TIF shall include any upgrades to the TIF necessary to interconnect a Plant under this Agreement.*

- Section 2.1(A) of Article 2. Termination has been revised as follows:

*A. A Generator may terminate this Agreement with respect to that Generator after giving the TSP thirty (30) days advance written notice;*

- Section 2.1(B) of Article 2. Termination has been revised as follows:

*B. The TSP may terminate this Agreement with respect to an individual Generator (subject to Governmental Authority approval, if required) on written notice if that Generator's Plant...*

- Section 2.2 of Article 2. Termination Cost has been revised as follows:

*...the respective Generator whose interest is terminated shall pay all costs incurred (or committed to be incurred) by TSP, as of the date of the other Party's receipt of such notice of termination, that are the responsibility of such Generator under this Agreement.*

- Section 2.3 of Article 2. Disconnection has been revised as follows:

*A. Upon termination of this Agreement with respect to a Generator, such Generator will open its connection with the Shared Facilities and maintain such open connection. If*

*such Generator fails, within five (5) calendar days after TSP's provision of written notice to all Generators, to open its connection with the Shared Facilities or maintain such open connection, TSP shall have the right to disconnect the TIF from the Shared Facilities until such Generator opens its connection with the Shared Facilities and maintains such open connection.*

*B. Upon termination of this Agreement with respect to all Generators, the Parties will disconnect all GIFs from the TIF.*

- Section 3.1 of Article 3. Regulatory Filings has been revised as follows:

*Any portions of this Agreement asserted by any Generator to contain competitively sensitive commercial or financial information shall be filed by the TSP identified as "confidential" under seal stating, for the TSP's showing of good cause, that the relevant Generator asserts such information is confidential information and has requested such filing under seal. If requested by the TSP, the relevant Generator...*

- Section 4.1 of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*4.1 Options. Each Generator shall select one of the following options (subsection A or subsection B) and include the selected option in Exhibit "B" for that Generator for completion of the TIF:*

*A. The TSP shall design, procure, and construct the TIF, using Reasonable Efforts to complete the TIF by the In-Service Date reflected in Exhibit "B" for the respective Generator...*

- The first two sentences of Section 4.1(B) (i) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*B. (i) The TSP shall design, procure, and construct the TIF by the In-Service Date reflected in Exhibit "B" for the respective Generator. The TSP and respective Generator acknowledge that the In-Service Date was either agreed upon through good faith negotiations or designated by the respective Generator upon failure of the TSP and respective Generator to agree.*

- The first paragraph of Section 4.1(B) (ii) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*B. (ii) The TSP and respective Generator agree that actual damages to the respective Generator, in the event the TIF are not completed by the In-Service Date, may include the Generators' fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. The TSP and respective Generator agree that, because of such uncertainty, any liquidated damages paid by the TSP to the respective Generator shall be an amount equal to ½ of 1% of the*

*actual cost of the TIF necessary to connect the respective Generator, per day. However, in no event shall the total liquidated damages exceed 20% of the actual cost of the TIF. The TSP and respective Generator agree that such liquidated damages are less than such Generator's actual damages. The TSP and respective Generator...*

- The second sentence of Section 4.1(B) (iii) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*...the respective Generator shall reimburse the TSP ...*

- The first sentence of Section 4.1(B) (v) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*(v) If the In-Service Date has been designated by a Generator upon a failure of the TSP and respective Generator to agree on the In-Service Date...*

- Section 4.2(A) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*The TSP has completed the Facilities Study pursuant to the Full Interconnection Study Agreement;*

- Section 4.2(B) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*B. The TSP has received written authorization to proceed with design and procurement from a Generator by the date specified in Exhibit "B" for the respective Generator; and*

- Section 4.2(C) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*The TSP has received written authorization to proceed with construction from a Generator by the date specified in Exhibit "B" for the respective Generator; and*

- Section 4.3(C) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*C. The TSP has received written authorization to proceed with construction from a Generator by the date specified in Exhibit "B" for the respective Generator; and*

- Section 4.3(D) of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*D. A Generator has provided security to the TSP in accordance with Section 8.3 by the dates specified in Exhibit "B" for the respective Generator.*

- The second sentence of Section 4.4 of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*If, at any time, a Generator becomes aware that the completion of the TIF will not be required until after the specified In-Service Date in Exhibit "B" for the respective Generator, the Generator...*

- Section 4.5 of Article 4. Interconnection Facilities Engineering, Procurement, and Construction has been revised as follows:

*To the extent this Agreement incorporates a specified In-Service Date and any Generator fails to satisfy conditions precedent under Sections 4.2 and 4.3 so that the TSP may meet the In-Service Date, the TSP and respective Generator will negotiate in good faith to establish a new schedule for completion of the TIF, including a new In-Service Date.*

- Section 5.2 of Article 5. Facilities and Equipment has been revised as follows:

*Generators agree to cause the additional GIF built to support the respective Plant(s) in Exhibit "B" and as defined in Exhibit "C," Section 7, to be designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction. Generators agree that the GIFs built to support the Plants which have met Commercial Operation have been designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction. Upon written request by the TSP after, no fewer than 120 days after Commercial Operation, the Generators shall deliver to the TSP the following "as-built" drawings, information and documents for each GIF: a one-line diagram, a site plan showing the Plants and the GIFs, plan and elevation drawings showing the layout of the GIFs, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Generators' main-power transformers, the facilities connecting the Plants to the main power transformers and the GIFs, and the impedances (determined by factory tests) for the associated main power transformers and the generators and the impedance of any transmission voltage lines that are part of the GIFs.*

- Section 5.3 of Article 5. Facilities and Equipment has been revised as follows:

*The TSP agrees to cause the TIF built to support the respective Plant(s) in Exhibit "B" and as defined in Exhibit "C," Section 8, to be designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction. Generators agree that the TIF built to support the Plants which have met Commercial Operation have been designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction.*

- Section 5.4 of Article 5. Facilities and Equipment has been revised as follows:

*For facilities not described in Exhibit "C," if any Party makes equipment changes to a Plant, a GIF, the TIF or the TSP System which it knows will affect the operation or performance of the other Parties' interconnection facilities, the Parties agree to notify the other Parties, in writing, of such changes. Such changes shall be made in accordance with ERCOT Requirements and coordinated between the Parties.*

- The last sentence of Paragraph A. of Section 5.5 of Article 5. Facilities and Equipment has been revised as follows:

*The specific ERCOT-polled Metering Facilities, telemetry and communications equipment to be installed and data to be telemetered are described in Exhibit "C."*

- Paragraph B. of Section 5.5 of Article 5. Facilities and Equipment has been revised as follows:

*B. At the Point of Interconnection, the ERCOT-polled metering equipment shall be owned by the TSP. However, the TSP shall provide each Generator or its Qualified Scheduling Entity with access to metering values in accordance with ERCOT Requirements.*

- The first sentence of Paragraph C. of Section 5.5 of Article 5. Facilities and Equipment has been revised as follows:

*C. The TSP will notify each Generator at least five (5) working days in advance of any planned maintenance, inspection, testing, or calibration of the ERCOT-polled metering equipment, unless otherwise agreed to in writing. Each Generator, or their designated representative, shall have the right to be present for these activities and to receive copies of any documents related to the procedures and results.*

- The first sentence of Paragraph D. of Section 5.5 of Article 5. Facilities and Equipment has been revised as follows:

*D. Prior to the connection of a GIF to the TIF, acceptance tests will be performed by the owning Party to ensure the proper functioning of the ERCOT-polled metering, telemetry and communications equipment associated with the Point of Interconnection and the respective Parties' interconnection facilities, and to verify the accuracy of data being received by the TSP, ERCOT and each Generator.*

- Paragraph E. of Section 5.5 of Article 5. Facilities and Equipment has been revised as follows:

*E. The TSP shall, in accordance with Good Utility Practice and ERCOT Requirements, specify communications facilities, including those necessary to transmit data from the metering equipment to the TSP, that are necessary for the effective operation of the*

*respective Plants and GIFs with the TSP System. Such communication facilities shall be included in Exhibit "C." Each Generator shall make arrangements to procure and bear the cost for its respective communication facilities.*

- Paragraph F. of Section 5.5 of Article 5. Facilities and Equipment has been revised as follows:

*F. Any changes to the ERCOT-polled meters, telemetry equipment, voltage transformers, current transformers, and associated panels, hardware, conduit and cable, which will affect the data being received by the other Parties must be mutually agreed to by the Parties.*

- The first sentence of Paragraph G. of Section 5.5 of Article 5. Facilities and Equipment has been revised as follows:

*G. Each Party will promptly advise the other Parties if it detects or otherwise learns of any ERCOT-polled metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Parties.*

- Paragraph A. of Section 5.6 of Article 5. Facilities and Equipment has been revised as follows:

*A. Each Party's facilities shall be designed to isolate any fault, or to correct or isolate any abnormality, that would negatively affect the other Parties' system or other entities connected to the TSP System.*

- Paragraph B. of Section 5.6 of Article 5. Facilities and Equipment has been revised as follows:

*B. Each Generator shall be responsible for protection of its respective facilities consistent with ERCOT Requirements.*

- The second sentence of Paragraph C. of Section 5.6 of Article 5. Facilities and Equipment has been revised as follows:

*The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and tripping the Generators' units.*

- Paragraph E. of Section 5.6 of Article 5. Facilities and Equipment has been revised as follows:

*E. Each Party will test, operate and maintain System Protection Equipment in accordance with ERCOT Requirements. Each Party will provide reasonable notice to the other Parties of any testing of its System Protection Equipment allowing such other*



*Parties the opportunity to have representatives present during testing of its System Protection Equipment.*

- The first sentence of Paragraph F. of Section 5.6 of Article 5. Facilities and Equipment has been revised as follows:

*F. Prior to an In-Service Date, each Party or its agent shall perform a complete calibration test and functional trip test of the System Protection Equipment.*

- Section 5.7 of Article of Article 5. Facilities and Equipment has been revised as follows:

*Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the respective Parties.*

- The second sentence of Section 6.1 of Article 6. Operation and Maintenance has been revised as follows:

*Subject to any necessary ISO approval, each Party shall provide necessary equipment outages to allow the other Parties to perform periodic maintenance, repair or replacement of their facilities.*

- The last sentence of Section 6.1 of Article 6. Operation and Maintenance has been revised as follows:
- *All testing of the Plants that affect the operation of the Point of Interconnection shall be coordinated between the TSP, ERCOT, and the Generators and will be conducted in accordance with ERCOT Requirements.*
- Section 6.2 of Article 6. Operation and Maintenance has been deleted in its entirety and replaced with the following:

*6.2 Control Area. The Control Area within ERCOT is a single Control Area with ERCOT assuming authority as the Control Area operator in accordance with ERCOT Requirements.*

- Section 6.3 of Article 6. Operation and Maintenance has been revised as follows:

*6.3 Land Rights and Easements. Terms and conditions addressing the rights of the TSP and a Generator regarding any facilities located on the other Party's property shall be addressed in a separate, duly executed and recorded easement agreement between the respective Parties. Prior to Commercial Operation, the respective Parties will agree upon procedures to govern access to each other's property as necessary for the Parties to fulfill their obligations hereunder.*

- Section 6.4 of Article 6. Operation and Maintenance has been revised as follows:

*6.3 Service Interruption. The Parties recognize that the interruption of service provisions of the PUCT Rules give TSP the right to disconnect the TSP System from the Plants under the conditions specified therein. Each Generator will promptly disconnect its respective Plant from the TSP System when required by and in accordance with the PUCT Rules and ERCOT Requirements.*

- Section 6.6 of Article 6. Operation and Maintenance has been revised as follows:

*6.6 Start-Up and Synchronization. Consistent with ERCOT Requirements and the TSP and respective Generator's mutually acceptable procedure, each Generator is responsible for the proper synchronization of its Plant to the TSP System.*

- Section 6.9 of Article 6. Operation and Maintenance has been revised as follows:

*6.9 Power System Stabilizers. Each Generator shall procure, install, maintain and operate power system stabilizers for its respective Plant if required to meet ERCOT Requirements and as described in Exhibit "C."*

- The reference to "Generator" in Section 7.1 of Article 7. Data Requirements has been replaced with "Generators".
- The reference to "Generator" in Section 7.2 of Article 7. Data Requirements has been replaced with "Generators".
- Section 7.3 of Article 7. Data Requirements has been revised as follows:

*7.3 Initial Data Submission by Generators. The initial data submission by the Generators, including manufacturer data, shall occur no later than 90 days prior to the Trial Operation of their respective Plants and shall include a completed copy of the following forms contained in ERCOT's Generation Interconnection Procedure: (1) Plant Description/Data and (2) Generation Stability Data. It shall also include any additional data provided to ERCOT for the System Security Study. Data in the initial submissions shall be the most current Plant design or expected performance data. Data submitted for stability models shall be compatible with ERCOT's standard models. If there is no compatible model, the Generators will work with an ISO designated consultant to develop and supply a standard model and associated data. The initial data has already been submitted for the Plants which have met Commercial Operation.*

- The reference to "ISO" in Section 7.3 of Article 7. Data Requirements has been replaced with "ERCOT".
- The reference to "Generator" in Section 7.4 of Article 7. Data Requirements has been replaced with "Generators".

- The first sentence of Section 7.5 of Article 7. Data Requirements has been revised as follows:

*Each Party shall furnish to the other Parties real-time and forecasted data as required by ERCOT Requirements.*

- The second sentence of Section 7.5 of Article 7. Data Requirements has been revised as follows:

*The Parties will cooperate with one another in the analysis of disturbances to either the Plants or the TSP's...*

- Section 8.1 of Article 8. Performance Obligation has been revised as follows:

*The Generators will acquire, construct, operate, test, maintain and own their respective Plant and GIF at their sole expense. In addition, each Generator may be required to make a contribution in aid of construction in the amount set out in and for the facilities described in Exhibit "C," if any, in accordance with PUCT Rules.*

- The first two sentences of Section 8.3 of Article 8. Performance Obligation has been revised as follows:

*The TSP may require each Generator to pay a reasonable deposit or provide another means of security, to cover the costs of planning, licensing, procuring equipment and materials, and constructing the TIF. The required security arrangements shall be specified in Exhibit "E." Within ten (10) business days after TSP has received notice from a Generator that its Plant has achieved Commercial Operation and TSP has verified the same, the TSP shall return the deposit(s) or security to the applicable Generator.*

- The fourth sentences of Section 8.3 of Article 8. Performance Obligation has been revised as follows:

*If a Plant has not achieved Commercial Operation within one year after the scheduled Commercial Operation date identified in Exhibit "B" or if a Generator terminates this Agreement in accordance with Section 2.1 and the TIF, or any upgrade to the TIF, is not required, the TSP may...*

- The first sentence of Section 9.1 of Article 9. Insurance has been revised as follows:

*Each Party shall, at its own expense, maintain in force throughout the period of this Agreement and until released by the other Parties the following minimum insurance coverages, with insurers authorized to do business in Texas:*

- Paragraph A. of Section 9.1 of Article 9. Insurance has been revised as follows:

*A. Employers Liability and Worker's Compensation Insurance to the extent Generator has employees (as defined in the Texas Workers Compensation Act) providing statutory benefits in accordance with the laws and regulations of the State of Texas.*

- Paragraph B. of Section 9.1 of Article 9. Insurance has been revised as follows:

*B. Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and a cross liability endorsement, including sudden and accidental pollution liability, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/Two Million Dollars (\$2,000,000) aggregate for personal injury, bodily injury, including death and property damage.*

- Paragraph C. of Section 9.1 of Article 9. Insurance has been revised as follows:

*C. Comprehensive or Commercial Automobile Liability Insurance for coverage of owned (to the extent Generator owns vehicles) or non-owned and hired vehicles, with a minimum combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage; for the TSP, automobile liability is limited by governmental immunity and the Texas Tort Claims Act to \$300,000 per accident, \$100,000 per person, \$100,000 property damage.*

- Paragraph D. of Section 9.1 of Article 9. Insurance has been revised as follows:

*D. Umbrella and/or Excess Public Liability Insurance over and above, and follows form of, the Employer's Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence/Twenty Million Dollars (\$20,000,000) aggregate.*

- Paragraph E. of Section 9.1 of Article 9. Insurance has been revised as follows:

*E. Professional Liability (Errors and Omissions) Insurance: This requirement applies when a Party is utilizing a professional designation or license and/or is providing professional services, which include, but are not limited to engineering services. This policy should provide coverage of no less than \$2,000,000 per occurrence and in the aggregate and shall be maintained by a Party to the extent it is engaged in the professional services. In addition, a Party will cause any of its contractors or subcontractors engaged in professional services to maintain the coverage required in this subsection.*

- Paragraph F. of Section 9.1 of Article 9. Insurance has been revised as follows:

*F. [reserved]*

- Paragraph G. of Section 9.1 of Article 9. Insurance has been revised as follows:

*G. The Commercial General Liability Insurance, Comprehensive or Commercial Automobile Liability Insurance, and Umbrella and/or Excess Public Liability Insurance policies shall include the other Parties, their parent, associated and affiliated companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group. Each Party shall provide no fewer than thirty (30) days advance written notice to Other Party Group prior to cancellation or any material change in coverage or condition except in the event of cancellation due to non-payment in which case ten (10) days advance written notice shall be given.*

- Paragraph H. of Section 9.1 of Article 9. Insurance has been revised as follows:

*H. The Commercial General Liability Insurance, Comprehensive or Commercial Automobile Liability Insurance, Environmental Liability, and Umbrella and/or Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.*

- Paragraph I. of Section 9.1 of Article 9. Insurance has been revised as follows:

*I. The Commercial General Liability Insurance, Comprehensive or Commercial Automobile Liability Insurance, Professional Liability Insurance, and Umbrella and/or Excess Public Liability Insurance policies, if written on a Claims First Made basis, shall be maintained in full force and effect for three (3) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties. The provisions of this subsection 9.1.I will survive termination of this Agreement.*

- Paragraph L. of Section 9.1 of Article 9. Insurance has been revised as follows:

*L. Notwithstanding the foregoing, each Party may self-insure for all or a portion of the above coverages and insurance requirements to the extent it maintains a self-insurance program; provided that, such Party's senior secured debt is rated at investment grade, or better, by Standard & Poor's. For any period of time that a Party's senior secured debt*

*is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under Sections 9.1.A through 9.1.I. The TSP will not be required to comply with Sections 9.1.G through 9.1.I to the extent it self-insures for the above coverages and insurance requirements.*

- Paragraph N. of Section 9.1 of Article 9. Insurance has been revised as follows:

*N. Each Party's contractors and subcontractors, if any, shall also provide and maintain during the term of their respective agreements similar insurance coverages specified herein (including Employers Liability and Worker's Compensation Insurance) with limits that are adequate in respects to the scope of work the contractors and subcontractors are performing on behalf of the Party..*

- Section 10.3 of Article 10. Miscellaneous has been revised as follows:

*...Agreement; specifically, the Galloway Solar Agreement is superseded and replaced by this Agreement with respect to 225DD 8me LLC. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this Agreement. Notwithstanding the other provisions of this Section, the Full Interconnection Study Agreement, if any, is unaffected by this Agreement.*

- Section 10.4 of Article 10. Miscellaneous has been revised as follows:

*Any formal notice, demand or request provided for in this Agreement shall be in writing to all Parties and shall be deemed properly served, given or made if delivered in person, or sent by either registered or certified mail, postage prepaid, overnight mail or fax to the address or number for all Parties identified in Exhibit "D" attached to this Agreement. Except as provided below in this Section, each Party may change its notice information on Exhibit "D" by giving five business days written notice to TSP prior to the effective date of the change. As a result of Generators' joint ownership of the Shared Facilities, it is expressly agreed that a single Generator may not change the notice information for the common Generator Dispatch Resource identified in section (a) of Exhibit "D", or for the single common person with whom TSP may communicate on matters not requiring dispatch center communications identified in section (b) of Exhibit "D", except by giving five business days written notice to TSP prior to the effective date of the change and the other Generators concur or otherwise acknowledge agreement with such change in notice information under the Agreement at the same time change of notice is provided by a Generator. It is further agreed that, unless otherwise provided at the time of execution of this Agreement, prior to the In-Service Date, Generators will revise Exhibit "D" in accordance with the provisions of this paragraph and provide the revised Exhibit "D" to TSP to reflect all missing telephone numbers, fax numbers and other required information. Except in the case of the communications to the common Generator Dispatch Resource or the single common person with whom TSP may*

*communicate on matters not requiring dispatch center communications, notice to one Generator does not constitute notice to all Generators.*

- Paragraph A. of Section 10.6 of Article 10. Miscellaneous has been revised as follows:

*A. The term "Default" shall mean the failure of a Party to perform any obligation in the time or manner provided in this Agreement. No Default shall exist where (i) such failure to discharge an obligation (other than the payment of money) by the TSP is the result of Force Majeure as defined in this Agreement or the result of an act or omission of a Generator, or (ii) such failure to discharge an obligation (other than the payment of money) by a Generator is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the TSP. Upon a Default, the non-defaulting Party or Parties shall give written notice of such Default to the defaulting Party or Parties; provided, however, that an event of Default will not be deemed to have occurred where a Generator or Generators are both the defaulting and non-defaulting Parties, and the Generators will resolve any disputes between each other under the Shared Facilities Agreement (as defined in Section 10.6.C, below). Provided further, that in the event of a Default by one or more Generators under this Agreement, TSP shall give written notice of such Default to all Generators, and in the event that TSP is unable to determine which Generator is responsible for the Default, TSP shall notify the Generators in such notice that it cannot determine the Generator responsible for the Default. The Generators shall have thirty (30) days from receipt of the notice to determine the Generator in Default and notify the TSP; provided, however, that such thirty (30) day period will not extend the cure periods specified below. If the Generators are unable to determine the Generator in Default, TSP shall have the right to deem each Generator as being the defaulting Party. Except as provided in Section 10.6.B, the defaulting Party shall have thirty (30) days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within thirty (30) days, the defaulting Party shall commence such cure within thirty (30) days after Default notice and continuously and diligently complete such cure within ninety (90) days from receipt of the Default notice; and, if cured within such time, the Default specified in such Default notice shall cease to exist; and further provided that any Generator shall have the right to cure the Default of another Generator.*

- Paragraph C. of Section 10.6. of Article 10. Miscellaneous has been added:

*C. Shared Facilities Agreement. The Generators shall enter into a shared facilities agreement to govern the ownership, operation and maintenance of the GIFs and Plants ("Shared Facilities Agreement").*

- Section 10.15 of Article 10. Miscellaneous has been revised as follows:

*The indemnification and liability provisions of the PUCT Rule 25.202(b)(2) or its successor will not apply to this Agreement.*

- The first two sentences of Section 10.17 of Article 10. Miscellaneous has been revised as follows:

*10.17 Assignment. This Agreement may be assigned by a Party only with the written consent of the others; provided that a Party may assign this Agreement without the consent of the other Parties to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that a Generator shall have the right to assign this Agreement, without the consent of the TSP or the other Generators, for collateral security purposes to aid in providing financing for its respective Plant, provided that the Generator will require any secured party, trustee or mortgagee to notify the TSP and the other Generators of any such assignment. Any financing arrangement entered into by a Generator pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the TSP and the other Generators of the date and particulars of any such exercise of assignment right(s).*

- The third paragraph of Exhibit "B" Time Schedule has been revised as follows:

*Date by which Galloway Solar I must provide notice to proceed with design, as specified in Sections 4.2, so that TSP may maintain schedule to meet the In-Service Date(s):*

- The fourth paragraph of Exhibit "B" Time Schedule has been revised as follows:

*Date by which Galloway Solar I must provide notice to proceed with procurement, as specified in Sections and 4.2, so that TSP may maintain schedule to meet the In-Service Date(s):*

- The fifth paragraph of Exhibit "B" Time Schedule has been revised as follows:

*Date by which Galloway Solar I must provide notice to proceed with construction, as specified in Sections and 4.3, so that TSP may maintain schedule to meet the In-Service Date(s):*

- The eighth paragraph of Exhibit "B" Time Schedule has been revised added:

*Date by which Galloway Solar II must provide notice to proceed with design, as specified in Sections 4.2, so that TSP may maintain schedule to meet the In-Service Date(s):*

- The ninth paragraph of Exhibit "B" Time Schedule has been added:



*Date by which Galloway Solar II must provide notice to proceed with procurement, as specified in Sections and 4.2, so that TSP may maintain schedule to meet the In-Service Date(s):*

- The tenth paragraph of Exhibit "B" Time Schedule has been added:

*Date by which Galloway Solar II must provide notice to proceed with construction, as specified in Sections and 4.3, so that TSP may maintain schedule to meet the In-Service Date(s):*

Please feel free to contact me at [Sergio.Garza@lcra.org](mailto:Sergio.Garza@lcra.org) if there are any questions regarding this interconnection agreement.

Sincerely,

*Sergio Garza*

Sergio Garza, P.E.  
Vice President, LCRA Transmission Design and Protection

Enclosure



ERCOT STANDARD GENERATION  
INTERCONNECTION AGREEMENT

Between

LCRA Transmission Services Corporation,

225DD 8ME LLC, and

224WB 8ME LLC

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## **ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT**

This ERCOT Standard Generation Interconnection Agreement (“Agreement”) is made and entered into this 20th day of December, 2019, between LCRA Transmission Services Corporation (“Transmission Service Provider” or “TSP”) and 225DD 8me LLC (“Galloway Solar I”) and 224WB 8me LLC (“Galloway Solar II”), hereinafter individually referred to as “Party,” and collectively referred to as “Parties.” Except as expressly set forth herein, with respect to terms and conditions under this Agreement applicable to the construction, testing, maintenance, payment, and operation of the specific Plants, all references in this Agreement to “Generator” or “Generators” will mean the respective Plant owner. All other references in this Agreement to “Generator” or “Generators” will mean Galloway Solar I and Galloway Solar II. In consideration of the mutual covenants and agreements herein contained, the Parties hereto agree as follows:

Transmission Service Provider represents that it is a public utility that owns and operates facilities for the transmission of electricity. Generators represents that they will own and operate the Plants as defined below.

This Agreement applies only to the Plants and the Parties’ interconnection facilities as identified in Exhibit “C.”

**WHEREAS**, the Transmission Service Provider and 225DD 8me LLC (“Galloway Solar I”) entered into that certain ERCOT Standard Generation Interconnection Agreement dated March 28, 2018 (“Galloway Solar Agreement”);

**WHEREAS**, 224WB 8me LLC is currently developing, and will own and operate the separate Galloway Solar Plant II and will interconnect into the 224WB 8me LLC’s facilities, pursuant to studies completed by TSP in regards to 224WB 8me LLC’s ERCOT generation interconnection request 20INR0431;

**WHEREAS**, pursuant to Sections 4.2 of the Galloway Solar Agreement, Galloway Solar has provided TSP with written authorization and the necessary security to proceed with the design and material procurement of the TIF which includes the TSP’s 345-kV Amos Creek Switchyard;

**WHEREAS**, the Generators will utilize the same Point of Interconnection at the TSP’s Amos Creek Switchyard which is at the eastern termination point of the Generators’ 345-kV generator tie line;

**WHEREAS**, the Generators’ Plants cannot be separately metered by the TSP with individual ERCOT-pollled settlement (“EPS”) meters due to their utilization of the same Point of Interconnection and will instead be metered in aggregate at the TSP’s Amos Creek Switchyard;

**WHEREAS**, Generators will work with ERCOT to conform to the ERCOT Nodal Protocols, Section 10 requirements for Generation Resource Meter Splitting; however, compliance with ERCOT Nodal Protocols Section 10 shall be the obligation of each Generator for its respective Plant;

This Agreement shall become effective on the date first written above, subject to Governmental Authority approval, if required, and shall continue in full force and effect until terminated in accordance with Exhibit "A."

This Agreement will be subject to the following, all of which are incorporated herein:


- A. The "Terms and Conditions of the ERCOT Standard Generation Interconnection Agreement" attached hereto as Exhibit "A";
- B. The ERCOT Requirements (unless expressly stated herein, where the ERCOT Requirements are in conflict with this Agreement, the ERCOT Requirements shall prevail);
- C. The PUCT Rules (where the PUCT Rules are in conflict with this Agreement, the PUCT Rules shall prevail);
- D. The Time Schedule attached hereto as Exhibit "B";
- E. The Interconnection Details attached hereto as Exhibit "C", "C1-C3";
- F. The notice requirements attached hereto as Exhibit "D"; and
- G. The Security Arrangement Details attached hereto as Exhibit "E".

*[Signature page to follow]*

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple originals, each of which shall constitute and be an original effective Agreement between the Parties.

225DD 8me LLC

By: Thomas Buttgenbach


Signature: 

Title: President

Date: 12/20/2019

224WB 8me LLC

By: Thomas Buttgenbach

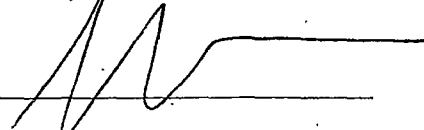
Signature: 

Title: President

Date: 12/20/2019

LCRA Transmission Services Corporation

By: Sergio Garza, P.E.

Signature: 

Title: Vice President, LCRA Transmission Design and Protection

Date: 12/20/2019



**Exhibit “A”**

**Terms and Conditions of the ERCOT  
Standard Generation Interconnection Agreement**

**ARTICLE 1. DEFINITIONS**

Capitalized terms shall have the meanings as set forth below, except as otherwise specified in the Agreement:

- 1.1 “CCN” shall mean a Certificate of Convenience and Necessity issued by the PUCT.
- 1.2 “Commercial Operation” for each Generator shall mean the stage of completion where (i) the construction of the Plant has been substantially completed, (ii) Trial Operation of the Plant has been completed, (iii) the Plant is ready for dispatch, (iv) ERCOT has fully approved the Generator for participation in ERCOT market operations, and (v) Generator notifies TSP that requirements (i) through (iv) have been achieved.
- 1.3 “Control Area” shall have the meaning ascribed thereto in PUCT Rule 25.5(19) or its successor.
- 1.4 “ERCOT” shall mean the Electric Reliability Council of Texas, Inc.
- 1.5 “ERCOT Requirements” means the ERCOT Nodal Operating Guides, ERCOT Generation Interconnection Procedures, ERCOT Nodal Protocols as well as any other documents adopted by the ISO or ERCOT relating to the interconnection and operation of generators and transmission systems in ERCOT as amended from time to time, and any successors thereto. Any requirement in the foregoing documents imposed upon generation entities or generation facilities shall become the responsibility of each Generator with respect to its Plant and GIF, and any requirements imposed on transmission providers or transmission facilities shall become the responsibility of the TSP.



- 1.6 “Facilities Study” shall have the meaning as described in PUCT Rule 25.198(d) or its successor.
- 1.7 “Full Interconnection Study Agreement” shall mean an agreement executed by a Generator and the TSP relating to the performance of the Full Interconnection Study, a suite of studies conducted by the TSP that includes the Facilities Study.
- 1.8 “GIF” shall mean a Generator’s interconnection facilities as described in Exhibit “C”, including the Shared Facilities as defined below.
- 1.9 “Good Utility Practice” shall have the meaning described in PUCT Rule 25.5(56) or its successor.
- 1.10 “Governmental Authority(ies)” shall mean any federal, state, local or municipal body having jurisdiction over a Party.
- 1.11 “In-Service Date” shall be the date, as reflected in Exhibit “B,” that the TIF will be ready to connect to a GIF.
- 1.12 “ISO” shall mean the ERCOT Independent System Operator.
- 1.13 “Plant” shall mean the electric generation facility owned and operated by each Generator respectively, as specified in Exhibit “C.”
- 1.14 “Point of Interconnection” shall mean the location(s) where the GIFs, through the Shared Facilities, connect to the TIF as negotiated and defined by the Parties and as shown on Exhibit “C” of this Agreement.
- 1.15 “PUCT” shall mean the Public Utility Commission of Texas.
- 1.16 “PUCT Rules” shall mean the Substantive Rules of the PUCT.
- 1.17 “Reasonable Efforts” shall mean the use of Good Utility Practice and the exercise of due diligence (pursuant to PUCT Rule 25.198(e)).

1.18 “Shared Facilities” shall mean those facilities owned jointly by the Generators and identified in Exhibit “C” Item 7. B).

1.19 “System Protection Equipment” shall mean those facilities located within the TIF and the GIFs as described in Section 5.6 and Exhibit “C.”

1.20 “System Security Study” shall have the meaning as described in PUCT Rule 25.198(c) or its successor.

1.21 “TCOS” shall mean the TSP’s transmission cost of service as allowed by the applicable Governmental Authority.

1.22 “TIF” shall mean the TSP’s interconnection facilities as described in Exhibit “C” to this Agreement. Any reference to the design, procurement or construction of the TIF shall include any upgrades to the TIF necessary to interconnect a Plant under this Agreement.

1.23 “Trial Operation” shall mean the process by which the Generators are engaged in on-site test operations and commissioning of their respective Plants prior to Commercial Operation.

1.24 “TSP” shall mean the Transmission Service Provider.

1.25 “TSP System” shall mean the electric transmission facilities, including the TIF, and all associated equipment and facilities owned and/or operated by the TSP.

## **ARTICLE 2. TERMINATION**

2.1 Termination Procedures. This Agreement may be terminated as follows:

A. A Generator may terminate this Agreement with respect to that Generator after giving the TSP thirty (30) days advance written notice;

B. The TSP may terminate this Agreement with respect to an individual Generator (subject to Governmental Authority approval, if required) on written notice if that Generator’s Plant has not achieved Commercial Operation within one year after the scheduled Commercial

Operation date reflected in Exhibit “B”; or

C. any Party may terminate this Agreement in accordance with Section 10.6.

2.2 Termination Costs. If a Party elects to terminate the Agreement pursuant to Section 2.1 above, the respective Generator whose interest is terminated shall pay all costs incurred (or committed to be incurred) by TSP, as of the date of the other Party’s receipt of such notice of termination, that are the responsibility of such Generator under this Agreement. In the event of termination by any Party, all Parties shall use commercially reasonable efforts to mitigate the damages and charges that they may incur as a consequence of termination. The provisions of the Sections 2.2 and 2.3 shall survive termination of the Agreement.

2.3 Disconnection.

A. Upon termination of this Agreement with respect to a Generator, such Generator will open its connection with the Shared Facilities and maintain such open connection. If such Generator fails, within five (5) calendar days after TSP's provision of written notice to all Generators, to open its connection with the Shared Facilities or maintain such open connection, TSP shall have the right to disconnect the TIF from the Shared Facilities until such Generator opens its connection with the Shared Facilities and maintains such open connection.

B. Upon termination of this Agreement with respect to all Generators, the Parties will disconnect all GIFs from the TIF.

### **ARTICLE 3. REGULATORY FILINGS**

3.1 Filing. The TSP shall file this executed Agreement with the appropriate Governmental Authority, if required. Any portions of this Agreement asserted by any Generator to contain competitively sensitive commercial or financial information shall be filed by the TSP identified as “confidential” under seal stating, for the TSP’s showing of good cause, that the relevant Generator

asserts such information is confidential information and has requested such filing under seal. If requested by the TSP, the relevant Generator shall provide the TSP, in writing, with the Generator's basis for asserting that the information referred to in this Section 3.1 is competitively sensitive information, and the TSP may disclose such writing to the appropriate Governmental Authority.

3.2 Regulatory Approvals. Unless exempt, the TSP shall timely request ISO and all regulatory approvals necessary for it to carry out its responsibilities under this Agreement. Such approvals shall include any CCN required for the construction of the TIF.

#### **ARTICLE 4. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION**

4.1 Options. Each Generator shall select one of the following options (subsection A or subsection B) and include the selected option in Exhibit "B" for that Generator for completion of the TIF:

A. The TSP shall design, procure, and construct the TIF, using Reasonable Efforts to complete the TIF by the In-Service Date reflected in Exhibit "B" for the respective Generator. The TSP will utilize its own resources and will contract for additional resources, as reasonably necessary, to meet the In-Service Date. Such resources shall include, as the TSP believes is reasonable, use of other contractors, other equipment suppliers, other material suppliers, additional contract personnel, additional payments to contractors for expedited work, and premiums paid to equipment and material suppliers for expedited delivery. The TSP shall not be required to undertake any initiative which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, applicable laws and regulations, and ERCOT Requirements. In the event the TSP reasonably expects that it will not be able to complete the TIF by the In-Service Date, the TSP will promptly

provide written notice to the respective Generator and will undertake Reasonable Efforts to meet the earliest date thereafter.

B. (i) The TSP shall design, procure, and construct the TIF by the In-Service Date reflected in Exhibit "B" for the respective Generator. The TSP and respective Generator acknowledge that the In-Service Date was either agreed upon through good faith negotiations or designated by the respective Generator upon failure of the TSP and respective Generator to agree. In the process of negotiating the In-Service Date, the Generator will request a date upon which it reasonably expects it will be ready to begin use of the TIF and upon which it reasonably expects to begin doing so. Any date designated by the Generator shall in no event be less than fifteen months from the date that all conditions of Sections 4.2 and 4.3 have been satisfied. The designated In-Service Date will be extended day for day for each day that the ISO refuses to grant clearances to install equipment. If the TSP fails to complete the TIF by the In-Service Date reflected in Exhibit "B," the TSP shall pay such Generator liquidated damages in accordance with this Section 4.1.B.

(ii) The TSP and respective Generator agree that actual damages to the respective Generator, in the event the TIF are not completed by the In-Service Date, may include the Generators' fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. The TSP and respective Generator agree that, because of such uncertainty, any liquidated damages paid by the TSP to the respective Generator shall be an amount equal to  $\frac{1}{2}$  of 1% of the actual cost of the TIF necessary to connect the respective Generator, per day. However, in no event shall the total liquidated damages exceed 20% of the actual cost of the TIF. The TSP and respective Generator agree that such liquidated damages are less than such Generator's actual damages. The TSP and respective Generator agree that the foregoing payments will be made by the TSP to the Generator as just compensation for

the damages caused to the Generator, which actual damages are uncertain and impossible to determine at this time, and as reasonable liquidated damages, but not as a penalty or a method to secure performance of this Agreement.

(iii) The TSP shall apply to have the full costs of the TIF included in TCOS. If the PUCT issues a final, appealable order excluding from TCOS any portion of the TIF costs, including higher contractor and vendor costs due to liquidated damage provisions in those contracts and insurance costs to cover liquidated damages, which costs may have been reasonably incurred but which the PUCT finds should not be recovered through TCOS, the respective Generator shall reimburse the TSP for such costs in an amount not to exceed the difference between the TSP's estimate of the cost of the TIF under section 4.1.A and the TSP's estimate of the cost of the TIF under Section 4.1.B as reflected in Exhibit "C." Such costs shall be estimated using Good Utility Practice.

(iv) No liquidated damages shall be paid to a Generator if such Generator is not ready to commence use of the TIF for the delivery of power to its Plant for Trial Operation or export of power from the Plant on the In-Service Date, unless the Generator would have been able to commence use of the TIF for the delivery of power to the Plant for Trial Operation or export of power from the Plant but for TSP's delay.

(v) If the In-Service Date has been designated by a Generator upon a failure of the TSP and respective Generator to agree on the In-Service Date, the TSP may, at its option, require the Generator to subcontract with the TSP for all or part of the design, procurement and construction of the TIF in accordance with the TSP's standard subcontractor agreements. In such event, the TSP shall be subject to the payment of liquidated damages to the Generator only if the In-Service Date is not met solely due to the TSP's failure to complete the portion of the TIF for which the

TSP has retained responsibility. It is the intent of this subsection to give the TSP full control of the contents and quality of the TIF. To the extent a Generator acts as a subcontractor to the TSP, the following will apply: 1) The Generator shall engineer, procure equipment, and construct the TIF (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the TSP; 2) In its engineering, procurement and construction of the TIF, the Generator shall comply with all requirements of law to which the TSP would be subject in the engineering, procurement or construction of the TIF; 3) The TSP shall review and approve the engineering design, acceptance tests of equipment, and the construction of the TIF; 4) The TSP shall have the right to approve and accept for operation the TIF in accordance with the standards and specifications provided in advance by the TSP, such approval and acceptance shall not be unreasonably withheld, conditioned, or delayed; 5) Should any phase of the engineering, equipment procurement, or construction of the TIF, including selection of subcontractors, not meet the standards and specifications provided by the TSP, and therefore be deemed unacceptable, then the Generator shall be obligated to remedy that portion of the TIF or selection of subcontractors that is deemed unacceptable, the TSP's approval of the Generator's selection of subcontractors will not be unreasonably withheld, conditioned or delayed; and 6) Once the TIF is accepted for operation by the TSP, then the TSP shall reimburse the Generator for the reasonable and necessary costs incurred by the Generator to complete the TIF, not to exceed the amount specified in the subcontract. Such reimbursement shall be made within thirty days after receipt of the invoice, unless otherwise agreed to by the Parties.

4.2 Equipment Procurement. If responsibility for construction of the TIF is borne by the TSP, then the TSP shall commence design of the TIF and procure necessary equipment within a reasonable time after all of the following conditions are satisfied:

A. The TSP has completed the Facilities Study pursuant to the Full Interconnection Study Agreement;

B. The TSP has received written authorization to proceed with design and procurement from a Generator by the date specified in Exhibit "B" for the respective Generator; and

C. A Generator has provided security to the TSP in accordance with Section 8.3 by the dates specified in Exhibit "B" for the respective Generator.

4.3 Construction Commencement. The TSP shall commence construction of the TIF as soon as practicable after the following additional conditions are satisfied:

A. Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;

B. Necessary real property rights, if any, have been obtained;

C. The TSP has received written authorization to proceed with construction from a Generator by the date specified in Exhibit "B" for the respective Generator; and

D. A Generators has provided security to the TSP in accordance with Section 8.3 by the dates specified in Exhibit "B" for the respective Generator.

4.4 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. If, at any time, a Generator becomes aware that the completion of the TIF will not be required until after the specified In-Service Date in Exhibit "B" for the respective Generator, the Generator will promptly provide written notice to the TSP of a new, later In-Service Date.

4.5 Conditions Precedent Delay. To the extent this Agreement incorporates a specified In-Service Date and any Generator fails to satisfy conditions precedent under Sections 4.2 and 4.3 so



that the TSP may meet the In-Service Date, the TSP and respective Generator will negotiate in good faith to establish a new schedule for completion of the TIF, including a new In-Service Date.

## **ARTICLE 5. FACILITIES AND EQUIPMENT**

5.1 Information Exchange. The Parties shall exchange information and mutually agree upon the design and compatibility of the Parties' interconnection facilities. The Parties shall work diligently and in good faith to make any necessary design changes to ensure compatibility of the GIFs to the TSP System.

5.2 GIF Construction. Generators agree to cause the additional GIF built to support the respective Plant(s) in Exhibit "B" and as defined in Exhibit "C," Section 7, to be designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction. Generators agree that the GIFs built to support the Plants which have met Commercial Operation have been designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction. Upon written request by the TSP after, no fewer than 120 days after Commercial Operation, the Generators shall deliver to the TSP the following "as-built" drawings, information and documents for each GIF: a one-line diagram, a site plan showing the Plants and the GIFs, plan and elevation drawings showing the layout of the GIFs, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Generators' main-power transformers, the facilities connecting the Plants to the main power transformers and the GIFs, and the impedances (determined by factory tests) for the associated main power transformers and the generators and the impedance of any transmission voltage lines that are part of the GIFs.

5.3 TIF Construction. The TSP agrees to cause the TIF built to support the respective Plant(s) in Exhibit “B” and as defined in Exhibit “C,” Section 8, to be designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction. Generators agree that the TIF built to support the Plants which have met Commercial Operation have been designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction.

5.4 Equipment Changes. For facilities not described in Exhibit “C,” if any Party makes equipment changes to a Plant, a GIF, the TIF or the TSP System which it knows will affect the operation or performance of the other Parties’ interconnection facilities, the Parties agree to notify the other Parties, in writing, of such changes. Such changes shall be made in accordance with ERCOT Requirements and coordinated between the Parties.

5.5 Metering, Telemetry and Communications Requirements.

A. Metering and telemetry of data will be accomplished in accordance with ERCOT Requirements. The specific ERCOT-polled Metering Facilities, telemetry and communications equipment to be installed and data to be telemetered are described in Exhibit “C.”

B. At the Point of Interconnection, the ERCOT-polled metering equipment shall be owned by the TSP. However, the TSP shall provide each Generator or its Qualified Scheduling Entity with access to metering values in accordance with ERCOT Requirements.

C. The TSP will notify each Generator at least five (5) working days in advance of any planned maintenance, inspection, testing, or calibration of the ERCOT-polled metering equipment, unless otherwise agreed to in writing. Each Generator, or their designated representative, shall

have the right to be present for these activities and to receive copies of any documents related to the procedures and results.

D. Prior to the connection of a GIF to the TIF, acceptance tests will be performed by the owning Party to ensure the proper functioning of the ERCOT-polled metering, telemetry and communications equipment associated with the Point of Interconnection and the respective Parties' interconnection facilities, and to verify the accuracy of data being received by the TSP, ERCOT and each Generator. All acceptance tests will be performed consistent with ERCOT Requirements.

E. The TSP shall, in accordance with Good Utility Practice and ERCOT Requirements, specify communications facilities, including those necessary to transmit data from the metering equipment to the TSP, that are necessary for the effective operation of the respective Plants and GIFs with the TSP System. Such communication facilities shall be included in Exhibit "C." Each Generator shall make arrangements to procure and bear the cost for its respective communication facilities.

F. Any changes to the ERCOT-polled meters, telemetry equipment, voltage transformers, current transformers, and associated panels, hardware, conduit and cable, which will affect the data being received by the other Parties must be mutually agreed to by the Parties.

G. Each Party will promptly advise the other Parties if it detects or otherwise learns of any ERCOT-polled metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Parties. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible in accordance with ERCOT Requirements.

#### 5.6 System Protection and Other Controls Requirements.

A. Each Party's facilities shall be designed to isolate any fault, or to correct or isolate any abnormality, that would negatively affect the other Parties' system or other entities connected to the TSP System.

B. Each Generator shall be responsible for protection of its respective facilities consistent with ERCOT Requirements.

C. Each Party's protective relay design shall incorporate the necessary test switches to perform the tests required in Section 5.6.F. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and tripping the Generators' units.

D. Recording equipment shall be installed to analyze all system disturbances in accordance with ERCOT Requirements.

E. Each Party will test, operate and maintain System Protection Equipment in accordance with ERCOT Requirements. Each Party will provide reasonable notice to the other Parties of any testing of its System Protection Equipment allowing such other Parties the opportunity to have representatives present during testing of its System Protection Equipment.

F. Prior to an In-Service Date, each Party or its agent shall perform a complete calibration test and functional trip test of the System Protection Equipment. At intervals suggested by Good Utility Practice or at intervals described in the ERCOT Requirements if so defined therein, and following any apparent malfunction of the System Protection Equipment, each Party shall perform both calibration and functional trip tests of its System Protection Equipment. These tests do not require the tripping of any in-service generation unit. These tests do, however, require that all protective relays and lockout contacts be activated.

5.7 No Annexation. Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the respective Parties.

## **ARTICLE 6. OPERATION AND MAINTENANCE**

6.1 Operation and Maintenance of Interconnection Facilities. The Parties agree to operate and maintain their systems in accordance with Good Utility Practice, National Electrical Safety Code, the ERCOT Requirements, PUCT Rules and all applicable laws and regulations. Subject to any necessary ISO approval, each Party shall provide necessary equipment outages to allow the other Parties to perform periodic maintenance, repair or replacement of their facilities. Such outages shall be scheduled at mutually agreeable times, unless conditions exist which a Party believes, in accordance with Good Utility Practice, may endanger persons or property. No changes will be made in the normal operation of the Point of Interconnection without the mutual agreement of the Parties except as otherwise provided herein. All testing of the Plants that affect the operation of the Point of Interconnection shall be coordinated between the TSP, ERCOT, and the Generators and will be conducted in accordance with ERCOT Requirements.

6.2 Control Area. The Control Area within ERCOT is a single Control Area with ERCOT assuming authority as the Control Area operator in accordance with ERCOT Requirements.

6.3 Land Rights and Easements. Terms and conditions addressing the rights of the TSP and a Generator regarding any facilities located on the other Party's property shall be addressed in a separate, duly executed and recorded easement agreement between the respective Parties. Prior to Commercial Operation, the respective Parties will agree upon procedures to govern access to each other's property as necessary for the Parties to fulfill their obligations hereunder.

6.4 Service Interruption. The Parties recognize that the interruption of service provisions of the PUCT Rules give TSP the right to disconnect the TSP System from the Plants under the conditions specified therein. Each Generator will promptly disconnect its respective Plant from the TSP System when required by and in accordance with the PUCT Rules and ERCOT Requirements.

6.5 Switching and Clearance.

A. Any switching or clearances needed on the TIF or a GIF will be done in accordance with ERCOT Requirements.

B. Any switching and clearance procedure necessary to comply with Good Utility Practice or ERCOT Requirements that may have specific application to any Plant shall be addressed in Exhibit “C.”

6.6 Start-Up and Synchronization. Consistent with ERCOT Requirements and the TSP and respective Generator’s mutually acceptable procedure, each Generator is responsible for the proper synchronization of its Plant to the TSP System.

6.7 Routine Operational Communications. On a timely basis, the Parties shall exchange all information necessary to comply with ERCOT Requirements.

6.8 Blackstart Operations. If a Plant is capable of blackstart operations, Generator will coordinate individual Plant start-up procedures consistent with ERCOT Requirements. Any blackstart operations shall be conducted in accordance with the blackstart criteria included in the ERCOT Requirements and the TSP Blackstart Plan on file with the ISO. Notwithstanding this section, the Generators are not required to have blackstart capability by virtue of this Agreement. If a Generator will have blackstart capability, then Generator shall provide and maintain an emergency communication system that will interface with the TSP during a blackstart condition.

6.9 Power System Stabilizers. Each Generator shall procure, install, maintain and operate power system stabilizers for its respective Plant if required to meet ERCOT Requirements and as described in Exhibit "C."

## **ARTICLE 7. DATA REQUIREMENTS**

7.1 Data Acquisition. The acquisition of data to realistically simulate the electrical behavior of system components is a fundamental requirement for the development of a reliable interconnected transmission system. Therefore, the TSP and the Generators shall be required to submit specific information regarding the electrical characteristics of their respective facilities to each other as described below in accordance with ERCOT Requirements.

7.2 Initial Data Submission by TSP. The initial data submission by the TSP shall occur no later than 120 days prior to Trial Operation and shall include transmission system data necessary to allow the Generators to select equipment and meet any system protection and stability requirements.

7.3 Initial Data Submission by Generators. The initial data submission by the Generators, including manufacturer data, shall occur no later than 90 days prior to the Trial Operation of their respective Plants and shall include a completed copy of the following forms contained in ERCOT's Generation Interconnection Procedure: (1) Plant Description/Data and (2) Generation Stability Data. It shall also include any additional data provided to ERCOT for the System Security Study. Data in the initial submissions shall be the most current Plant design or expected performance data. Data submitted for stability models shall be compatible with ERCOT's standard models. If there is no compatible model, the Generators will work with an ISO designated consultant to develop and supply a standard model and associated data. The initial data has already been submitted for the Plants which have met Commercial Operation.

7.4 Data Supplementation. Prior to Commercial Operation, the Parties shall supplement their initial data submissions with any and all “as-built” Plant data or “as-tested” performance data which differs from the initial submissions or, alternatively, written confirmation that no such differences exist. Subsequent to Commercial Operation, the Generators shall provide the TSP any data changes due to equipment replacement, repair, or adjustment. The TSP shall provide the Generators any data changes due to equipment replacement, repair, or adjustment in the directly connected substation or any adjacent TSP-owned substation that may affect the GIF equipment ratings, protection or operating requirements. The Parties shall provide such data no later than 30 days after the date of the actual change in equipment characteristics. Also, the Parties shall provide to each other a copy of any additional data later required by the ISO concerning these facilities.

7.5 Data Exchange. Each Party shall furnish to the other Parties real-time and forecasted data as required by ERCOT Requirements. The Parties will cooperate with one another in the analysis of disturbances to either the Plants or the TSP’s System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records.

## **ARTICLE 8. PERFORMANCE OBLIGATION**

8.1 Generator’s Cost Responsibility. The Generators will acquire, construct, operate, test, maintain and own their respective Plant and GIF at their sole expense. In addition, each Generator may be required to make a contribution in aid of construction in the amount set out in and for the facilities described in Exhibit “C,” if any, in accordance with PUCT Rules.

8.2 TSP’s Cost Responsibility. The TSP will acquire, own, operate, test, and maintain the TIF at its sole expense, subject to the provisions of Section 4.1.B and the contribution in aid of construction provisions of Section 8.1 of this Agreement.



8.3 Financial Security Arrangements. The TSP may require each Generator to pay a reasonable deposit or provide another means of security, to cover the costs of planning, licensing, procuring equipment and materials, and constructing the TIF. The required security arrangements shall be specified in Exhibit "E." Within ten (10) business days after TSP has received notice from a Generator that its Plant has achieved Commercial Operation and TSP has verified the same, the TSP shall return the deposit(s) or security to the applicable Generator. However, the TSP may retain an amount to cover the incremental difference between the TSP's actual out of pocket costs associated with the choice of Section 4.1.B over Section 4.1.A, pending a final PUCT Order as contemplated in Section 4.1.B(iii). If a Plant has not achieved Commercial Operation within one year after the scheduled Commercial Operation date identified in Exhibit "B" or if a Generator terminates this Agreement in accordance with Section 2.1 and the TIF, or any upgrade to the TIF, is not required, the TSP may, subject to the provisions of Section 2.2, retain as much of the deposit or security as is required to cover the costs it incurred in planning, licensing, procuring equipment and materials, and constructing the TIF. If a cash deposit is made pursuant to Exhibit "E," any repayment of such cash deposit shall include interest at a rate applicable to customer deposits as established from time to time by the PUCT or other Governmental Authority.

## **ARTICLE 9. INSURANCE**

9.1 Each Party shall, at its own expense, maintain in force throughout the period of this Agreement and until released by the other Parties the following minimum insurance coverages, with insurers authorized to do business in Texas:

A. Employers Liability and Worker's Compensation Insurance to the extent Generator has employees (as defined in the Texas Workers Compensation Act) providing statutory benefits in accordance with the laws and regulations of the State of Texas. The minimum limits for the

Employer's Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

B. Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and a cross liability endorsement, including sudden and accidental pollution liability, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/Two Million Dollars (\$2,000,000) aggregate for personal injury, bodily injury, including death and property damage.

C. Comprehensive or Commercial Automobile Liability Insurance for coverage of owned (to the extent Generator owns vehicles) or non-owned and hired vehicles, with a minimum combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage; for the TSP, automobile liability is limited by governmental immunity and the Texas Tort Claims Act to \$300,000 per accident, \$100,000 per person, \$100,000 property damage.

D. Umbrella and/or Excess Public Liability Insurance over and above, and follows form of, the Employer's Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence/Twenty Million Dollars (\$20,000,000) aggregate.

E. Professional Liability (Errors and Omissions) Insurance: This requirement applies when a Party is utilizing a professional designation or license and/or is providing professional

services, which include, but are not limited to engineering services. This policy should provide coverage of no less than \$2,000,000 per occurrence and in the aggregate and shall be maintained by a Party to the extent it is engaged in the professional services. In addition, a Party will cause any of its contractors or subcontractors engaged in professional services to maintain the coverage required in this subsection.

F. [reserved]

G. The Commercial General Liability Insurance, Comprehensive or Commercial Automobile Liability Insurance, and Umbrella and/or Excess Public Liability Insurance policies shall include the other Parties, their parent, associated and affiliated companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group. Each Party shall provide no fewer than thirty (30) days advance written notice to Other Party Group prior to cancellation or any material change in coverage or condition except in the event of cancellation due to non-payment in which case ten (10) days advance written notice shall be given.

H. The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Umbrella and/or Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

I. The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Umbrella and/or Excess Public Liability Insurance policies, if written on a Claims First Made basis, shall be maintained in full force and effect for two (2) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties. The provisions of this subsection 9.1.G will survive termination of this Agreement.

J. The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

K. Within ten (10) days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, each Party shall provide certification of all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.

L. Notwithstanding the foregoing, each Party may self-insure for all or a portion of the above coverages and insurance requirements to the extent it maintains a self-insurance program; provided that, such Party's senior secured debt is rated at investment grade, or better, by Standard & Poor's or A.M. Best. For any period of time that a Party's senior secured debt is unrated by Standard & Poor's or A.M. Best or is rated at less than investment grade by Standard & Poor's or A.M. Best, such Party shall comply with the insurance requirements applicable to it under Sections 9.1.A through 9.1.K. The TSP will not be required to comply with Sections 9.1.G through 9.1.I to the extent it self-insures for the above coverages and insurance requirements.

M. The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

N. Each Party's contractors and subcontractors, if any, shall also provide and maintain during the term of their respective agreements similar insurance coverages specified herein (including Employers Liability and Worker's Compensation Insurance) with limits that are adequate in respects to the scope of work the contractors and subcontractors are performing on behalf of the Party.

#### **ARTICLE 10. MISCELLANEOUS**

##### **10.1 Governing Law and Applicable Tariffs.**

A. This Agreement for all purposes shall be construed in accordance with and governed by the laws of the State of Texas, excluding conflicts of law principles that would refer to the laws of another jurisdiction. The Parties submit to the jurisdiction of the federal and state courts in the State of Texas.

B. This Agreement is subject to all valid, applicable rules, regulations and orders of, and tariffs approved by, duly constituted Governmental Authorities.

C. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

10.2 **No Other Services.** This Agreement is applicable only to the interconnection of the Plants to the TSP System at the Point of Interconnection and does not obligate any Party to provide, or entitle any Party to receive, any service not expressly provided for herein. Each Party is responsible for making the arrangements necessary for it to receive any other service that it may desire from the other Parties or any third party. This Agreement does not address the sale or

purchase of any electric energy, transmission service or ancillary services by any Party, either before or after Commercial Operation.

10.3 Entire Agreement. This Agreement, including all Exhibits, Attachments and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement; specifically, the Galloway Solar Agreement is superseded and replaced by this Agreement with respect to 225DD 8me LLC. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, a Party's compliance with its obligations under this Agreement. Notwithstanding the other provisions of this Section, the Full Interconnection Study Agreement, if any, is unaffected by this Agreement.

10.4 Notices. Any formal notice, demand or request provided for in this Agreement shall be in writing to all Parties and shall be deemed properly served, given or made if delivered in person, or sent by either registered or certified mail, postage prepaid, overnight mail or fax to the address or number for all Parties identified in Exhibit "D" attached to this Agreement. Except as provided below in this Section, each Party may change its notice information on Exhibit "D" by giving five business days written notice to TSP prior to the effective date of the change. As a result of Generators' joint ownership of the Shared Facilities, it is expressly agreed that a single Generator may not change the notice information for the common Generator Dispatch Resource identified in section (a) of Exhibit "D", or for the single common person with whom TSP may communicate on matters not requiring dispatch center communications identified in section (b) of Exhibit "D", except by giving five business days written notice to TSP prior to the effective date of the change and the other Generators concur or otherwise acknowledge agreement with such change in notice

information under the Agreement at the same time change of notice is provided by a Generator. It is further agreed that, unless otherwise provided at the time of execution of this Agreement, prior to the In-Service Date, Generators will revise Exhibit "D" in accordance with the provisions of this paragraph and provide the revised Exhibit "D" to TSP to reflect all missing telephone numbers, fax numbers and other required information. Except in the case of the communications to the common Generator Dispatch Resource or the single common person with whom TSP may communicate on matters not requiring dispatch center communications, notice to one Generator does not constitute notice to all Generators.

#### 10.5 Force Majeure.

A. The term "Force Majeure" as used herein shall mean any cause beyond the reasonable control of the Party claiming Force Majeure, and without the fault or negligence of such Party, which materially prevents or impairs the performance of such Party's obligations hereunder, including but not limited to, storm, flood, lightning, earthquake, fire, explosion, failure or imminent threat of failure of facilities, civil disturbance, strike or other labor disturbance, sabotage, war, national emergency, or restraint by any Governmental Authority.

B. A Party shall not be considered to be in Default (as hereinafter defined) with respect to any obligation hereunder (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Parties in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Section shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the

time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

#### 10.6 Default

A. The term “Default” shall mean the failure of a Party to perform any obligation in the time or manner provided in this Agreement. No Default shall exist where (i) such failure to discharge an obligation (other than the payment of money) by the TSP is the result of Force Majeure as defined in this Agreement or the result of an act or omission of a Generator, or (ii) such failure to discharge an obligation (other than the payment of money) by a Generator is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the TSP. Upon a Default, the non-defaulting Party or Parties shall give written notice of such Default to the defaulting Party or Parties; provided, however, that an event of Default will not be deemed to have occurred where a Generator or Generators are both the defaulting and non-defaulting Parties, and the Generators will resolve any disputes between each other under the Shared Facilities Agreement (as defined in Section 10.6.C, below). Provided further, that in the event of a Default by one or more Generators under this Agreement, TSP shall give written notice of such Default to all Generators, and in the event that TSP is unable to determine which Generator is responsible for the Default, TSP shall notify the Generators in such notice that it cannot determine the Generator responsible for the Default. The Generators shall have thirty (30) days from receipt of the notice to determine the Generator in Default and notify the TSP; provided, however, that such thirty (30) day period will not extend the cure periods specified below. If the Generators are unable to determine the Generator in Default, TSP shall have the right to deem each Generator as being the



defaulting Party. Except as provided in Section 10.6.B, the defaulting Party shall have thirty (30) days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within thirty (30) days, the defaulting Party shall commence such cure within thirty (30) days after Default notice and continuously and diligently complete such cure within ninety (90) days from receipt of the Default notice; and, if cured within such time, the Default specified in such Default notice shall cease to exist; and further provided that any Generator shall have the right to cure the Default of another Generator.

B. If a Default is not cured as provided in this Section, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this Section will survive termination of this Agreement.

C. Shared Facilities Agreement. The Generators shall enter into a shared facilities agreement to govern the ownership, operation and maintenance of the GIFs and Plants (“Shared Facilities Agreement”).

10.7 Intrastate Operation. The operation of any Plant by a Generator shall not cause there to be a synchronous or an asynchronous interconnection between ERCOT and any other transmission facilities operated outside of ERCOT unless ordered by the Federal Energy Regulatory Commission under Section 210 of the Federal Power Act. The Parties recognize and agree that any such interconnection will constitute an adverse condition giving the TSP the right to immediately disconnect the TIF from the GIFs, until such interconnection has been disconnected.

The Generators will not be prohibited by this Section from interconnecting their respective Plant with facilities operated by the Comision Federal de Electricidad of Mexico, unless such interconnection would cause ERCOT utilities that are not “public utilities” under the Federal Power Act to become subject to the plenary jurisdiction of the Federal Energy Regulatory Commission.

10.8 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

10.9 No Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of obligations, rights, or duties imposed upon the Parties. Termination or Default of this Agreement for any reason by a Generator shall not constitute a waiver of a Generator’s legal rights to obtain an interconnection from the TSP under a new interconnection agreement.

10.10 Headings. The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.

10.11 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

10.12 Amendment. This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

10.13 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any

partnership obligation or liability upon a Party. A Party shall not have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Parties.

10.14 Further Assurances. The Parties agree to (i) furnish upon request to each other such further information, (ii) execute and deliver to each other such other documents, and (iii) do such other acts and things, all as the other Parties may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement. Without limiting the generality of the foregoing, the TSP shall, at the Generator's expense, when reasonably requested to do so by a Generator at any time after the execution of this Agreement, prepare and provide such information in connection with this Agreement (including, if available, resolutions, certificates, opinions of counsel or other documents relating to the TSP's corporate authorization to enter into this Agreement and to undertake the obligations set out herein) as may be reasonably required by any potential lender to a Generator under a proposed loan agreement. The TSP will use commercially reasonable efforts to obtain any opinion of counsel reasonably requested by a Generator, but the TSP shall not be in Default of any obligation under this Agreement if the TSP is unable to provide an opinion of counsel that will satisfy any potential lender to a Generator. Specifically, upon the written request of one Party, the other Parties shall provide the requesting Party with a letter stating whether or not, up to the date of the letter, that Party is satisfied with the performance of the requesting Party under this Agreement.

10.15 Indemnification and Liability. The indemnification and liability provisions of the PUCT Rule 25.202(b)(2) or its successor will not apply to this Agreement.

10.16 Consequential Damages. OTHER THAN THE LIQUIDATED DAMAGES HERETOFORE DESCRIBED, IN NO EVENT SHALL ANY PARTY BE LIABLE UNDER

ANY PROVISION OF THIS AGREEMENT FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT OR REVENUE, LOSS OF THE USE OF EQUIPMENT, COST OF CAPITAL, COST OF TEMPORARY EQUIPMENT OR SERVICES, WHETHER BASED IN WHOLE OR IN PART IN CONTRACT, IN TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY OF LIABILITY; PROVIDED, HOWEVER, THAT DAMAGES FOR WHICH A PARTY MAY BE LIABLE TO ANOTHER PARTY UNDER ANOTHER AGREEMENT WILL NOT BE CONSIDERED TO BE SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES HEREUNDER.

10.17 Assignment. This Agreement may be assigned by a Party only with the written consent of the others; provided that a Party may assign this Agreement without the consent of the other Parties to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that a Generator shall have the right to assign this Agreement, without the consent of the TSP or the other Generators, for collateral security purposes to aid in providing financing for its respective Plant, provided that the Generator will require any secured party, trustee or mortgagee to notify the TSP and the other Generators of any such assignment. Any financing arrangement entered into by a Generator pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the TSP and the other Generators of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under

this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

10.18 Severability. If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement; provided that if a Generator (or any third-party, but only if such third-party is not acting at the direction of the TSP) seeks and obtains such a final determination with respect to any provision of Section 4.1.B, then none of the provisions of Section 4.1.B. shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by Section 4.1.A.

10.19 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

10.20 Invoicing and Payment. Unless the Parties otherwise agree (in a manner permitted by applicable PUCT Rules and as specified in writing in an Exhibit "E" attached hereto), invoicing and payment rights and obligations under this Agreement shall be governed by PUCT Rules or applicable Governmental Authority. Invoices shall be rendered to the paying Party at the address specified on, and payments shall be made in accordance with the requirements of, Exhibit "D."

10.21 Confidentiality.

A. Subject to the exception in Section 10.21.B, any information that a Party claims is competitively sensitive, commercial or financial information under this Agreement ("Confidential Information") shall not be disclosed by the other Parties to any person not employed or retained by the other Parties, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or

among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to the ISO. The Party asserting confidentiality shall notify the other Parties in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subsection, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subsection, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

B. This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a breach of this provision).

## **Exhibit "B"**

### **Time Schedule**

Interconnection Option chosen by Galloway Solar I (check one):   X   Section 4.1.A. or        Section 4.1.B

If Section 4.1.B is chosen by Galloway Solar I, the In-Service Date(s) was determined by (check one): (1)   N/A   good faith negotiations, or (2)   N/A   Designated by Generator upon failure to agree.

Date by which Galloway Solar I must provide notice to proceed with design, as specified in Sections 4.2, so that TSP may maintain schedule to meet the In-Service Date(s): [REDACTED]

Date by which Galloway Solar I must provide notice to proceed with procurement, as specified in Sections and 4.2, so that TSP may maintain schedule to meet the In-Service Date(s): [REDACTED]

Date by which Galloway Solar I must provide notice to proceed with construction, as specified in Sections and 4.3, so that TSP may maintain schedule to meet the In-Service Date(s): [REDACTED]

In - Service Date(s): [REDACTED]

Scheduled Trial Operation Date: [REDACTED]

Scheduled Commercial Operation Date: [REDACTED]

If Galloway Solar I: i) notifies TSP that it does not intend to complete the full build-out of its Plant to achieve Commercial Operation as set forth in this Exhibit "B"; or ii) fails to complete the Commercial Operation of its Plant by [REDACTED], then the Agreement shall be amended to define the Plant(s) in Exhibit "C" Item 4 to mean the Plants as then constructed and connected to the TIF and shall exclude any uncompleted portion of the Plant that remains to be built-out.

Interconnection Option chosen by Galloway Solar II (check one):   X   Section 4.1.A. or        Section 4.1.B

If Section 4.1.B is chosen by Galloway Solar II, the In-Service Date(s) was determined by (check one): (1)   N/A   good faith negotiations, or (2)   N/A   Designated by Generator upon failure to agree.

Date by which Galloway Solar II must provide notice to proceed with design, as specified in Sections 4.2, so that TSP may maintain schedule to meet the In-Service Date(s): [REDACTED]

Date by which Galloway Solar II must provide notice to proceed with procurement, as specified in Sections and 4.2, so that TSP may maintain schedule to meet the In-Service Date(s): [REDACTED]

Date by which Galloway Solar II must provide notice to proceed with construction, as specified in Sections and 4.3, so that TSP may maintain schedule to meet the In-Service Date(s): [REDACTED]

In - Service Date(s): [REDACTED]

Scheduled Trial Operation Date: [REDACTED]

Scheduled Commercial Operation Date: [REDACTED]

If Galloway Solar II: i) notifies TSP that it does not intend to complete the full build-out of its Plant to achieve Commercial Operation as set forth in this Exhibit "B"; or ii) fails to complete the Commercial Operation of its Plant by [REDACTED], then the Agreement shall be amended to define the Plant(s) in Exhibit "C" Item 4 to mean the Plants as then constructed and connected to the TIF and shall exclude any uncompleted portion of the Plant that remains to be built-out.

Due to the nature of the subject of this Agreement, Galloway Solar I or Galloway Solar II and TSP may mutually agree to change the dates and times of this Exhibit "B".



## Exhibit "C"

### Interconnection Details

1. Name: Galloway Solar 1; Galloway Solar 2
  
2. Point of Interconnection location: The Point of Interconnection will be at the eastern end of the new Generators' 345-kV Line. This Point of Interconnection will be at the LCRA TSC Amos Creek Switchyard Substation ("TSP Substation") which is connected to the TSP's 345-kV transmission line T551 located in Concho County, TX, at the approximate location shown in Exhibit "C3". The Point of Interconnection, shown on Exhibit "C1" and Exhibit "C2" shall be the physical point where the TSP's 345-kV transmission facilities are connected to the GIF. This point is more specifically defined as being located at the 4-hole pad terminals on the dead-end assembly where the Generators' 345-kV Line connects to TSP's jumpers on the LCRA TSC interconnecting dead-end structure of the Generators' 345-kV Line.
  
3. Delivery Voltage: 345-kV
  
4. Number and size of Generating Units ("The Plants"): The Plants are two solar generation facilities with one Point of Interconnection to the grid. The Plants combined rating will be approximately 360-MW of AC power (with a maximum rating of 360-MW) at the Point of Interconnection, and consists of the following inverters and their respective connections:
  
5. Type of Generating Unit:

Facility Name	IA MWs	# Inverters	Inverter	Inverter Mfg.	Inverter Model#
			Rating (MW)		
Galloway Solar 1	250	88			
Galloway Solar 2	110	39			
Total			360		

6. Metering and Telemetry Equipment:

A). TSP's EPS metering is located at the TSP Substation as part of the TIF. Three 345-kV extended range, metering current transformers are used to accurately read the generation energy and power delivered to the grid and the auxiliary energy and power consumed through the Point of Interconnection. Three 345-kV metering accuracy voltage transformers are also installed by the TSP for the ERCOT-pollled settlement metering. The EPS metering panel furnished by the TSP is located in the TSP Substation.

B). TSP will provide one EPS metering point at LCRA TSC's Amos Creek Switchyard to accommodate all Generators through a single Point of Interconnection. The single EPS meter located at the Point of Interconnection will measure all energy flows for the Plants. The allocation of the EPS meter data to each generating entity is the responsibility of each Generator and will be in accordance with Section 10 of the ERCOT Nodal Protocols, or its successor.

C). A remote terminal unit ("RTU") is furnished by the TSP at the TSP Substation as part of the TIF and will have a dedicated communication port available to provide applicable breaker status and other telemetry data to ERCOT as required by the ERCOT Nodal Operating Guides.

D). An RTU(s) will be furnished by each Generator at the Generator's interconnection substation(s) as part of the GIF and will have dedicated communication port(s) available to provide breaker status and other telemetered data to ERCOT as required by the ERCOT Nodal Operating Guides. Each Generator is responsible for determining and providing all their RTU communications needs.

7. Generator Interconnection Facilities: The GIF shall consist of the following major equipment, at a minimum:

A). Generator's facilities. The following facilities are owned by each respective Generator as part of each Generator's GIF:

1. Generator's interconnection substation(s) including control building(s), 345-kV step-up transformer(s), transformer protection package(s), and 345-kV circuit breaker(s);
2. Multi-ported RTU(s) and panels to provide breaker status, telemetry and energy data from the Generator's interconnection substation(s) to the Plant, Generator and ERCOT; and
3. Associated structures, bus-work, conductor, connectors, grounding, conduit, control cable, foundation work, perimeter fencing, grading/dirt work and any appurtenances necessary for construction and operation of the Generator's facilities.

B). Shared Facilities. The following facilities are owned and jointly used by the Generators and connected to the Point of Interconnection:

1. One 345-kV radial circuit consisting of bundled 795-kcmil ACSR phase conductors with necessary material to dead-end and connect to TSP's interconnecting dead-end structure at the Point of Interconnection;
2. Fiber optic cable (Corning SMF-28e or equivalent 48 fiber, single-mode, fiber optic OPGW) from Generators' interconnection substation control buildings to the TSP's

OPGW cable splice box on the TSP's interconnecting structure at the Point of Interconnection;

3. Generators' 345-kV line disconnect switch(es), and protective relaying panels for the Generators' 345-kV line that will coordinate with the TSP's line panels at the TSP Substation for the Generators' 345-kV line protection; and
4. Associated structures, bus-work, conductor, connectors, grounding, conduit, control cable, foundation work, perimeter fencing, grading/dirt work and any appurtenances necessary for construction and operation of the Shared Facilities.

8. Transmission Interconnection Facilities: The TIF shall consist of the following:

- A). Two (2) dead-end transmission structures for the line cut-in of T551;
- B). One (1) 345-kV Amos Creek Switchyard which will include the following:
  1. Three (3) substation A-frame structures within TSP Substation;
  2. 345-kV bus including bus supports and foundations;
  3. Ten (10) 345-kV surge arresters;
  4. Six (6) 345-kV Coupling Capacitor Voltage Transformers;
  5. Three (3) 345-kV Metering Accuracy Voltage Transformers;
  6. Three (3) 345-kV Metering Accuracy Current Transformers;
  7. One (1) 345-kV Power Voltage Transformer;
  8. Seven (7) 345-kV, 4000A, 63kAIC circuit breakers with foundations and protective relay panels;
  9. Ten (10) 345-kV, 3000A three-pole switches with tubular stands and foundations;
  10. One (1) control building;
  11. One (1) EPS metering panel;
  12. Two (2) EPS meters (one primary meter and one backup meter); and
  13. An RTU and panels to provide breaker status, telemetry and energy data to the TSP and ERCOT.

- C). 345-kV span of conductors, shield wire, and OPGW from the TSP's interconnecting dead-end structure to the TSP Substation A-frame structure along with the jumpers between the TSP conductors and the Shared Facilities line conductors at the TSP's interconnecting dead-end structure;

The above lists are not intended to be complete lists of all facilities that are part of the TIF.

- 9. Communications Facilities: The Generators shall, in accordance with ERCOT Requirements and Good Utility Practice, provide communications facilities that are, or may in the future be, necessary for effective interconnected operation of the Plant(s) and GIF(s) with the transmission system. The Generators shall own, and be responsible for installation, operation, and maintenance of fiber optic communication facilities between the Generators' interconnection substation and the TSP's interconnecting structure at the Point of Interconnection. Generators will complete the OPGW termination and dress out in a manner acceptable to TSP inside the TSP provided fiber splice box on TSP's interconnecting structure. TSP will provide the splicing of fibers within the splice box at the Point of Interconnection. The Generators shall provide the dedicated channels or fiber pairs for TSP's 345-kV line protective relaying and Remedial Action Scheme communications. Voice communications provided by the Generators shall at a minimum include one POTS (plain old telephone service) or equivalent voice circuit in the Generator switchyard and the Generators' interconnection substation control buildings.
- 10. System Protection Equipment:
  - A). Generators will provide line protection panel(s) for Generators' 345-kV line at each Generator's facility, which will coordinate with the LCRA TSC line panel(s) at the TSP Substation.
  - B). Generators will be responsible for the proper synchronization of their respective facilities with the LCRA TSC transmission system, in accordance with ERCOT guidelines.
  - C). The Plants and the GIFs shall be designed to isolate any fault, or to disconnect from or isolate any abnormality that would negatively affect the ERCOT system. The Generators shall be responsible for protection of their respective facilities. In particular, Generators shall provide relays, circuit breakers, and all other devices necessary to promptly remove any fault contribution of the generation equipment to any short circuit occurring on the TSP system. Such protective equipment shall include, without limitation, a disconnect device or switch with the appropriate interrupting capability to be located within the GIFs. In addition to faults within the Plants and the GIFs, Generators shall be responsible for protection of such facilities from such conditions as negative sequence currents, over or under frequency, sudden load rejection, over or under voltage, generator loss of field, inadvertent energization (reverse power) and uncleared transmission system faults.
  - D). The Plants and the GIFs shall have protective relaying that is consistent with the protective relaying criteria described in the ERCOT Requirements and NERC standards.

If requested by the TSP, Generators shall, at their expense, timely provide corrections or additions to existing control and protective equipment required to protect the ERCOT system or to comply with government, industry regulations, or standard changes.

E). The Generators' protective relay design shall incorporate the necessary test switches to enable complete functional testing. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and tripping generator units.

F). Generators shall install sufficient disturbance and fault monitoring equipment to thoroughly analyze all system disturbances of the generation system. This equipment shall monitor the voltages at major nodes of the system, current at major branches, breaker and switch positions, and enough of the dc logic in the relay control scheme to analyze a system disturbance. The TSP shall provide for disturbance and fault monitoring equipment in its TSP Substation. The disturbance and fault monitoring for Generators and TSP shall be consistent with the disturbance monitoring requirements described in the ERCOT Requirements and NERC standard.

G). Prior to modifying any relay protection system design or relay setting involving the connecting facilities between the Parties, Generators shall submit the proposed changes to the TSP for review and approval. TSP's review and approval shall be for the limited purpose of determining whether such proposed changes are compatible with the ERCOT transmission system.

H). In accordance with Good Utility Practice and ERCOT and NERC standards, the TSP shall determine requirements for protection of the Point of Interconnection and the zone of protection around the Point of Interconnection and shall specify and implement protection and control schemes as necessary to meet such requirements. Each Generator shall have the right to review and comment on the necessary protection requirements, and such comments shall not be unreasonably refused by the TSP when determining such requirements. The TSP shall coordinate the relay system protection between Generators and the ERCOT system.

I). The Generators shall provide in PSSE or Aspen One-Liner format the short circuit model for the GIFs, the generators and collector facilities prior to the protective relays settings being calculated and in no case later than 60 days prior to the In-Service Date. Generator data submitted in accordance with Section 7.3 of Exhibit "A" shall include, but not be limited to, (1) a detailed one-line diagram of the proposed Plants and GIFs showing the collector buses and their voltages, (2) conductor types and lengths of all lines connecting the collector buses to the TSP Substation, (3) the total number of wind turbines to be served by each collector bus, (4) size, make and model of wind turbines, (5) capacitor bank sizes, locations (electrical) and control settings, and (6) the impedance and rating data of each transmission voltage line, GSU and/or autotransformer that will be installed to get power from the Plants and onto the transmission grid.

11. Supplemental Terms and Conditions:

A). Device Numbers, Switching and Clearance:

(a) Generators shall obtain prior approval of the TSP before operating any transmission voltage circuit switching apparatus (e.g. switches, circuit breakers, etc.) at the GIFs, whether for testing or for operations of the Plants, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) The TSP shall coordinate switching at the Point of Interconnection. Each Party shall be responsible for operation of their respective facilities.

(c) In the event a Generator desires to have the ability to operate any directly connected TSP facilities for emergency operations switching, the TSP will provide transmission switching training to Generator personnel along with a copy of the TSP's transmission operations procedure manual ("Red Book") and any subsequent amendments thereto. Generator personnel or their designated agents that are to perform switching of the directly connected TSP facilities must be on the TSP authorized switching list. Generators and the TSP agree to conduct all switching operations of any directly connected TSP facilities in accordance with the Red Book, as it may be changed by the TSP from time to time.

(d) Generators and TSP will collaborate and reach mutual agreement on the establishment of: i) unique name(s) for the Generators' substations, unit main transformers and switching station(s) connected at transmission voltage; ii) device numbers for all transmission voltage switches and breakers which will be owned by Generator; and iii) unique names for Generators' generating units, in accordance with ERCOT Requirements. Generators will submit to TSP, within thirty (30) days after execution of this Agreement, its proposed name(s), as referenced in this paragraph. Generators will register the name(s) of the facilities specified in this paragraph and Generator-owned device numbers at ERCOT, in accordance with ERCOT Requirements, and such names and device numbers will be consistent with the names and numbers mutually agreed upon pursuant to this paragraph. Generators will not change any of the names or device numbers, established pursuant to this paragraph, without written approval of TSP. Generators will label the devices, referenced in item (ii) above, with the numbers assigned to such devices.

(e) Each Party will keep records of maintenance and switching operations of control and protective equipment associated with this interconnection and will allow the other Party reasonable access to inspect such records.

B). No Retail Sale of Electricity to Generator by TSP: TSP considers the energy and power that the Plants and GIFs may from time to time consume from the 345-kV ERCOT grid through the Point of Interconnection to be a retail transaction and as such, the TSP does not intend to be the provider of this retail service. Generators shall make necessary arrangements with the appropriate retail supplier(s) for the energy and power that the Plants and GIFs may consume from the 345-kV ERCOT grid through the Point of Interconnection.

C). Notification:

(a) Each Generator shall supply notification to the TSP identifying its Qualified Scheduling Entity ("QSE") 120 days prior to the In-Service Date and each Generator shall supply notification to the TSP 60 days prior to any changes in QSE, thereafter.

(b) Upon written request from TSP, each Generators shall supply notification to the TSP identifying its retail service provider 120 days prior to the In-Service Date and each Generators shall supply notification to the TSP 60 days prior to any changes in retail service provider, thereafter.

(c) In the event of any interruption of service, TSP shall provide prompt notice to the common point of contact (as noted below) for the Generators, of the cause of such interruption and an estimation of when the Plants may be re-connected to the TSP.

(d) As a result of Generators' joint use of portions of the GIF, it is expressly agreed that, to the extent any of the Generators desire to refer an operational matter to a QSE in accordance with the ERCOT Protocols, Generators must refer such communications to a single, common QSE for communication to TSP.

(e) Generator Dispatch Resource - Generators shall have a common point of contact for operational matters which shall be staffed 24 hours per day, 7 days per week by personnel capable of making operating decisions and possessing the ability to control the Plants, and the GIFs, including making voltage adjustments. TSP's dispatch center personnel will communicate with this common dispatch resource via the telephone and fax numbers shown in item (a) of Exhibit "D".

(f) Generators will designate a single common person with whom TSP may communicate on matters not requiring dispatch center communications. Such contact person is designated in item (b) of Exhibit "D".

D). Substation Land, Easements, Access Road and Site Access Provisions:

(a) The TSP Substation, as depicted in Exhibit "C3", is owned in fee simple by TSP and will be located at 1155 County Road 4508 in or near Paint Rock, Texas along LCRA TSC's T424/T551 345-kV double circuit transmission line. TSP shall install the dead-end structure described in item 7.B) above at a location coordinated with Generators, adjacent to the TSP Substation property.

(b) Generators shall, at no cost to TSP, convey to TSP, a separate stand-alone temporary construction transmission easement, in a form approved by TSP, including access rights for the portion of the TIF previously described in item 8. C) above and as generally depicted as the "Temporary Transmission Easement Area" in Exhibit "C3". Said easement shall be subject to TSP's reasonable review and acceptance of a field survey, plat, legal documentation, title review, archeological research, and an environmental assessment. In no event shall the easement property be subject to any lien or other encumbrance unacceptable to TSP.

(c) These necessary real property rights described in (a) and (b) above are required before TSP can commence construction, as contemplated in Exhibit A, Section 4.3. Therefore, if TSP does not accept the transmission easement or is unable to acquire the easement(s) or TSP Substation by **January 3, 2020**, TSP and the Generators will work toward finding a site that does meet TSP's approval and will amend this Agreement, including TSP's In-Service Date(s), as necessary.

(d) Generators, at no cost to TSP, agrees to prepare by **October 31, 2019** the surveys, per TSP surveying specifications, including plats and legal descriptions of the tracts necessary in (b) above.

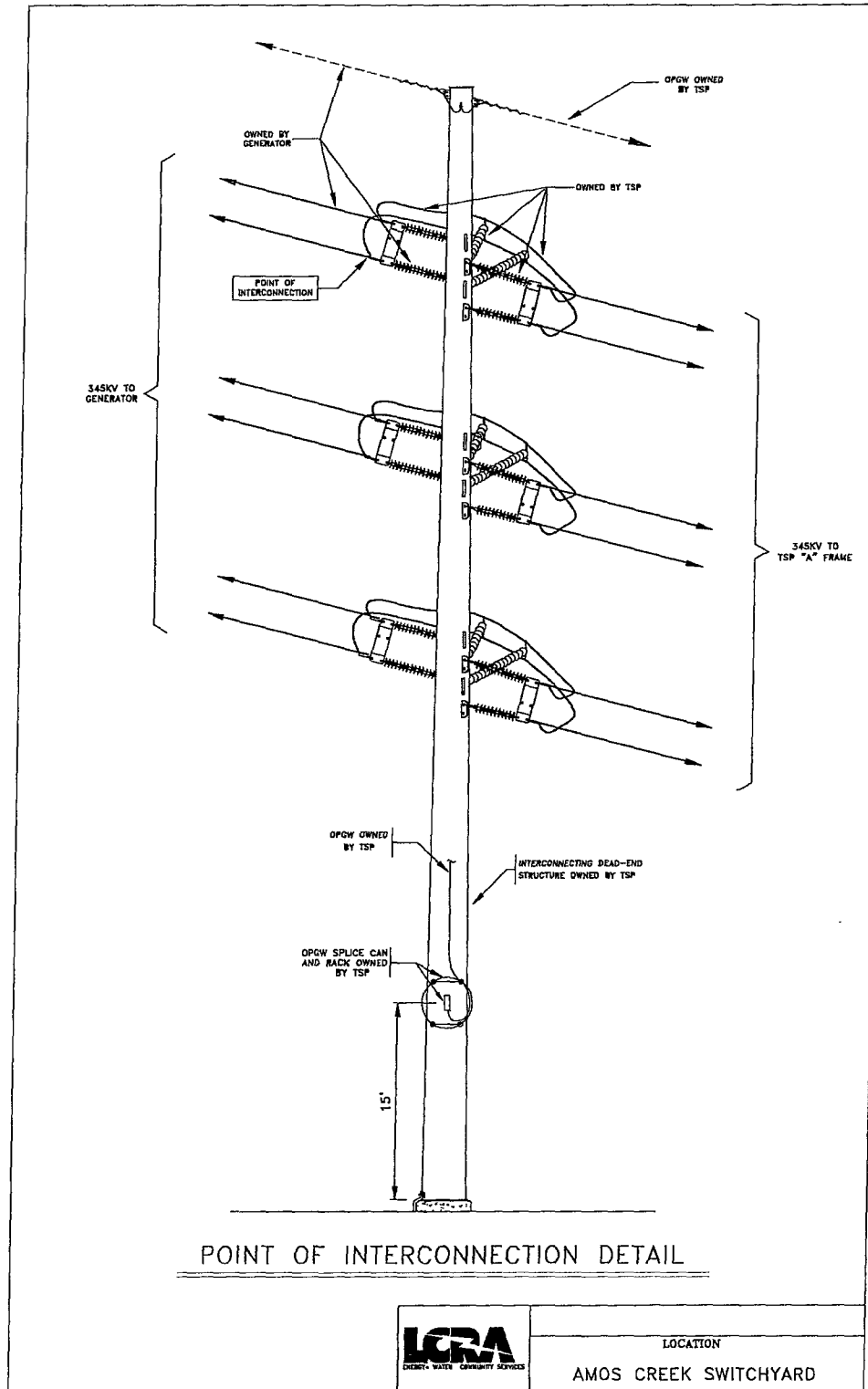
12. Special Operating Conditions:

- A). Quality of Power. Generators shall provide a quality of power into the TSP system consistent with the applicable ERCOT Requirements and NERC guidelines.
- B). Harmonics. The Generators' alternating current generating system must have a frequency of 60 Hz, be designed for balanced three-phase operation, not cause unreasonable imbalance on the ERCOT system or the TSP Substation equipment, and adhere to the recommendations in Institute of Electrical and Electronic Engineers Recommended Practices and Requirements for Harmonic Control in Electrical Power Systems (IEEE 519), or its successor.
- C). Voltage, Frequency and Reactive Support.
- (a) Generators shall have and maintain the reactive capability for their respective Plant as required in the ERCOT Requirements.
  - (b) Generators shall be able to remain online during voltage disturbances up to the time periods and associated voltage levels set forth in the ERCOT requirements for Voltage Ride Through (VRT) capability.
  - (c) The Generators shall be equipped with both frequency and voltage controls and shall be operated in synchronism with the TSP's system with such controls in service. Generators shall notify the TSP at any such time that such controls are out of service.
- D). ERCOT Operating Arrangements. A special ERCOT-approved operating arrangement such as a Remedial Action Plan or Remedial Action Scheme may be required either prior to, or after, Commercial Operation. The terms "Remedial Action Plan" and "Remedial Action Scheme" shall have the meanings as set forth in the ERCOT Requirements. TSP and ERCOT will examine the need and feasibility of these arrangements in cooperation with the Generators. In the event that ERCOT determines that such an arrangement is required, then TSP, ERCOT, and Generators will cooperate to design and install the necessary facilities, to be operational for the duration of the period where such Remedial Action Plan or Remedial Action Scheme may be necessary.
- E). Back-up Power during Point of Interconnection Outage. The Generators acknowledge that this Point of Interconnection may not always be available due to maintenance or other outage activities and at these times of unavailability the loss of both generator output and power delivery to the Generators will not be the responsibility of the TSP. Each Generator is responsible for providing any back-up power sources that it may require due to the unavailability of this Point of Interconnection for any period of time.

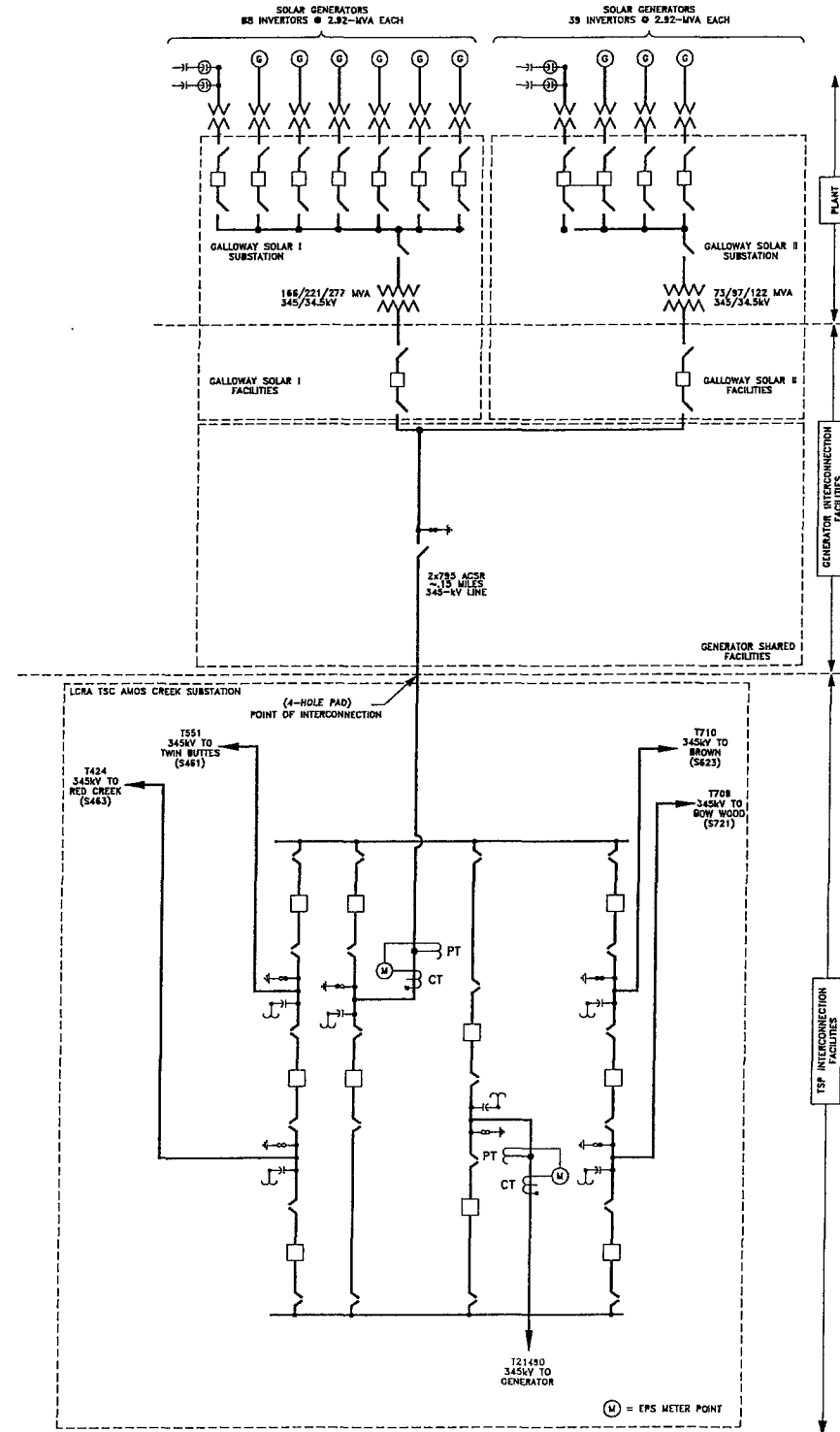


# Exhibit "C1"

## Point of Interconnection Details



**Exhibit "C2"**  
**One Line Diagram – TSP Interconnection Facilities, Generation**  
**Interconnection Facilities and the Plant**



**Exhibit "C3"**  
**TSP Substation Location – TSP Interconnection Facilities**



**Exhibit "D"**  
**Notice and EFT Information of the ERCOT Standard Generation  
Interconnection Agreement**

(a) Dispatch Center Communications:

All notices of an operational nature shall be in writing and/or may be sent between the Parties via electronic means including facsimile as follows:

If to Transmission Service Provider:

Operational/Confirmation Fax (512) 730-6311

24 Hour Telephone (800) 223-7622

If to Generators:

Operational/Confirmation Fax at Generator Dispatch  
Resource: (xxx) xxx-xxxx

24 Hour Telephone: (xxx) xxx-xxxx

(b) Routine Communications other than dispatch center communications:

If to Transmission Service Provider:

LCRA Transmission Services Corporation  
Attn: VP, Transmission System Operations  
Address: P.O. Box 220  
City, State, Zip: Austin, TX 78767  
Operational/Confirmation Fax (512) 730-6311  
24 Hour Telephone (800) 223-7622

E-mail: dan.smith@lcra.org

If to Generators:

██████████  
Attn: ██████████  
Address: ██████████  
City, State, Zip: ██████████  
Operational/Confirmation Fax: ██████████  
24 Hour Telephone: ██████████  
24 Hour Telephone (Backup): ██████████  
E-mail: ██████████

(c) Notices of an administrative nature:

If to Transmission Service Provider:

LCRA Transmission Services Corporation  
Attn: VP, LCRA Transmission Design & Protection  
Address: P.O. Box 220  
City, State, Zip: Austin, TX 78767  
Fax: (512) 578-4193  
Phone: (512) 578-4149  
E-mail: sergio.garza@lcra.org

If to 225DD 8me LLC:

██████████  
Attn: ██████████  
Address: ██████████  
City, State, Zip: ██████████  
Fax: ██████████  
Phone; alternative: ██████████  
E-mail: ██████████

If to 224WB 8ME LLC:

██████████  
Attn: ██████████  
Address: ██████████  
City, State, Zip: ██████████  
Fax: ██████████  
Phone: ██████████  
E-mail: ██████████

(d) Notice for statement and billing purposes:

If to Transmission Service Provider :

Company Name (Same as (b) above)

Attn:

Address

City, State, Zip

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

If to Generator:

225DD 8me LLC

Attn: [REDACTED]

Address: [REDACTED]

City, State, Zip: [REDACTED]

Phone: [REDACTED]

E-mail: [REDACTED]

If to Generator:

224WB 8ME LLC

Attn: [REDACTED]

Address: [REDACTED]

City, State, Zip: [REDACTED]

Phone: [REDACTED]

E-mail: [REDACTED]

(e) Information concerning Electronic Funds Transfers:

If to Transmission Service Provider :

Bank Information: - To be supplied later

City, State

ABA No

for credit to

Account Name:

Account No.

If to Generator:

Bank Information: - To be supplied later

City, State:

ABA No.

for credit to

Account Name:

Account No.

## Exhibit “E” Security Arrangement Details

In accordance with the dates in Exhibit “B”, the Generators shall cause to be established pursuant to Section 8.3 of Exhibit “A”, and shall at all times through the earlier of (i) ten (10) Business Days after the date upon which TSP receives written notification from the Generators that Commercial Operation has been achieved and TSP has verified the same or (ii) ninety (90) days after the termination of the Agreement in accordance with its terms (the earlier of which shall be the “Final Expiration Date”), cause to be maintained in full force and effect a cash deposit or other security reasonably acceptable to TSP (“Security Instrument”) for the benefit of TSP in a commercially acceptable form consistent with this Exhibit “E” and otherwise acceptable to TSP and the Generators, which acceptance shall not be unreasonably withheld, in the amounts and for the periods set forth below.

In accordance with Section 8.3 of Exhibit “A”, any repayment or return of such cash deposit shall include interest at a rate applicable to customer deposits as established from time to time by the PUCT.

Business Day means any day other than a Saturday, a Sunday, or a holiday on which national banking associations in the State of Texas are permitted or required to be closed.

Generators may replace a cash deposit with a Letter of Credit after review and acceptance of a Letter of Credit from a bank acceptable to TSP. TSP shall return the cash deposit to the Generators in exchange for the Letter of Credit once the Letter of Credit is fully acceptable to TSP.

Notwithstanding the Expiration Dates there shall be no obligation by the Generators to establish or maintain the Security Instrument after the Final Expiration Date and any Security Instrument outstanding as of the Final Expiration Date shall be immediately surrendered by TSP.

The maximum stated amounts, Effective Dates, and Expiration Dates of the Security Instrument(s) shall be as follows:

Maximum Stated Amount	Effective Date	Expiration Date
Initial amount of \$ [REDACTED] for Design and Material Procurement.	[REDACTED]	December 31, 2022
Additional amount of \$ [REDACTED] for Material Procurement	[REDACTED]	December 31, 2022
Additional Amount of \$ [REDACTED] for Construction	[REDACTED]	December 31, 2022
Additional Amount of \$ [REDACTED] for Construction to bring Total to \$ [REDACTED]	[REDACTED]	December 31, 2022

“Letter of Credit” shall mean an irrevocable, transferable letter of credit, issued by a the Generators’-selected and TSP-approved (which approval shall not be unreasonably withheld), major U.S. commercial bank or a major foreign commercial bank with a U.S. branch office with a credit rating of at least “A-” by Standard & Poor’s or “A3” by Moody’s Investor Service (“Bank”). A Bank approved by TSP for the initial Letter of Credit shall be deemed approved for a subsequent Letter of Credit absent any adverse change in credit rating between the initial Effective Date and the Effective Date for such subsequent Letter of Credit. An adverse change in credit rating shall be deemed to have occurred if the issuer of the then current Letter of Credit has a credit rating of less than “A-” by Standard & Poor’s or “A3” by Moody’s Investor Service. If the issuer of the current Letter of Credit suffers such adverse change in credit rating, it shall no longer be a TSP-approved Bank for purposes of issuing commercially acceptable security for this Agreement until its rating has been increased to at least “A-” by Standard & Poor’s or “A3” by Moody’s Investor Service.

TSP may, by written notice to the Generators, require the Generators to increase or replenish the Security Instrument from time to time if TSP determines in its reasonable discretion that the remaining Security Instrument amount is not adequate to cover the costs that TSP then reasonably estimates could become payable pursuant to this Agreement; provided, however, that TSP may not require additional Security Instrument amounts for costs that are caused by TSP’s failure to comply with its obligations under this Agreement. Generators will tender any such increase or replenishment of the Security Instrument(s) to TSP within fifteen (15) days of the date of TSP’s written notice to the Generators of a necessary increase or replenishment.

If at any time during the term of this Agreement, the TSP-approved bank which has issued the then current Letter of Credit suffers a credit rating reduction to less than “A-” by Standard & Poor’s or “A3” by Moody’s Investor Service, Generators will replace such Letter of Credit with a Security Instrument meeting the requirements of this Agreement. Generators will tender any such replacement of the Security Instrument(s) to TSP within fifteen (15) days of the date of the reduction in bank credit rating.

Failure to deliver, maintain, increase, replenish or replace Security Instrument(s) within the aforementioned time periods shall be deemed a Default under Section 10.6 of the Agreement, notwithstanding any cure period otherwise provided for in Section 10.6. No forbearance or delay on the part of TSP in requiring an increase, replenishment, or replacement of the Security Instrument will be considered a waiver of TSP’s right to do so.

