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Mickey Moon2120 JUN 23PM 12: Oikiana, Suite 4600Assistant General CounselHouston, Texas 77002FILING LL: Fax:(713) 207-7231FILING LL: Fax:(713) 454-7197mickey.moon@centerpointenergy.com

June 23, 2020

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

## RE: Project No. 35077, Amendment to ERCOT Standard Generation Interconnection Agreement between CenterPoint Energy Houston Electric, LLC and Old 300 Solar Center, LLC

To whom it may concern:

Enclosed for filing in Project No. 35077 is the Amendment to the ERCOT Standard Generation Interconnection Agreement (SGIA) dated April 16, 2020 between CenterPoint Energy Houston Electric, LLC and Old 300 Solar Center, LLC. This filing is made pursuant to 16 Tex. Admin. Code § 25.195(e).

Respectfully submitted,

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Mickey Moon Assistant General Counsel CenterPoint Energy Houston Electric, LLC

Enclosures: Executed SGIA Amendment Provisions

## AGREEMENT TO ADOPT SGIA AMENDMENT PROVISIONS

This Agreement to Adopt SGIA Amendment Provisions (this "Agreement") is made as of this 16<sup>th</sup> day of April, 2020 between CenterPoint Energy Houston Electric, LLC ("CenterPoint Energy") and Old 300 Solar Center, LLC ("Generator").

CenterPoint Energy and Generator are parties to that certain ERCOT Standard Generation Interconnection Agreement dated April 16, 2020 (the "SGIA").

The SGIA is based on the form standard generation interconnection agreement approved by the Public Utility Commission of Texas (the "Commission") on May 16, 2000 in Docket No. 22052 and is the required form of agreement to be used between transmission service providers ("TSPs") and power generation companies "for the interconnection of new generating facilities" with a TSP's transmission facilities pursuant to Section 25.195(a) of the Commission's rules.

Section 25.195(a) of the Commission's rules authorizes the parties to modify the terms of the SGIA.

CenterPoint Energy and Generator desire to modify Exhibit A of the SGIA ("Exhibit A"), which contains the general terms and conditions of the SGIA, by adopting the amendment provisions set forth in this Agreement (the "Amendment Provisions") and to file this Agreement in Project No. 35077.

CenterPoint Energy and Generator, therefore, agree to adopt the following Amendment Provisions as amendments to Exhibit A:

#### **ARTICLE 1 AMENDMENT PROVISIONS**

<u>Section 1.2</u>. Section 1.2 of Exhibit A is amended to change the defined term to "Commercial Operation Date" and to replace the words "Generator declares" with the words "Generator notifies TSP."

Section 1.3. Section 1.3 of Exhibit A is amended to change the Commission rule reference to 25.5(19).

Section 1.9. Section 1.9 of Exhibit A is amended to change the Commission rule reference to 25.5(56).

<u>Section 1.17</u>. Section 1.17 of Exhibit A is amended to change the Commission rule reference to 25.191(d)(3).

<u>Section 1.19</u>. Section 1.19 of Exhibit A is amended to change the defined term to "System Security Screening Study" and to change the Commission rule reference to 25.198(c).

## ARTICLE 2 AMENDMENT PROVISIONS

Section 2.1. Subsections B and C of Section 2.1 of Exhibit A are amended and restated as follows:

B. the TSP may terminate this Agreement (subject to Governmental Authority approval, if required) immediately upon\_written notice to the Generator if (i) all of the conditions precedent listed in Section 4.3 are not satisfied, and a new In-Service Date is not established pursuant to Section 4.5, within 12 months after the "Scheduled Start

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Date" specified in Exhibit "B" or (ii) the Commercial Operation Date does not, or the Generator notifies or otherwise informs the TSP that the Commercial Operation Date will not, occur within one year after the scheduled Commercial Operation Date\_reflected in Exhibit "B"; or

C. either Party may terminate this Agreement for a Default of the other Party in accordance with Section 10.6.

Section 2.2. Section 2.2 of Exhibit A is amended and restated as follows:

<u>Termination Costs</u>. If a Party elects to terminate this Agreement pursuant to Section 2.1 above, the Generator shall promptly pay all costs incurred (or committed to be incurred) by TSP for performance under this Agreement (including costs for the design, planning, licensing, procurement and construction of the TIF and for any upgrades to the TSP System to meet the requirements of the Plant), as of the date of the other Party's receipt of such notice of termination. The TSP may immediately exercise its rights under Section 8.3 and Exhibit "E" to recover such costs through the Security described therein; provided, however, if the Security is insufficient to cover such costs, then the Generator shall reimburse the TSP for any remaining amounts. In the event of termination by either Party, both Parties shall use commercially reasonable efforts to mitigate the damages and charges that they may incur as a consequence of termination. The provisions of Sections 2.2 and 2.3 shall survive termination of this Agreement.

#### **ARTICLE 4 AMENDMENT PROVISIONS**

<u>Section 4.2</u>. Section 4.2 of Exhibit A is deleted in its entirety (excluding the section number) and intentionally left blank to preserve the section numbering in Article 4.

Section 4.3. Section 4.3 of Exhibit A is amended and restated as follows:

<u>Construction Commencement</u>. The TSP shall commence design, equipment procurement and construction of the TIF as soon as practicable after all of the following conditions precedent are satisfied:

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

B. Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval (including any required CCN approvals);

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

D. The TSP has received written notice to proceed with design, procurement and construction of the TIF (the "Notice to Proceed") from the Generator by the date specified in Exhibit "B";

E. The Generator has provided the Security to the TSP in accordance with Section 8.3 by the date specified in Exhibit "B"; and

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F. If a CIAC is specified in Exhibit "C," the Generator has provided the CIAC to the TSP in accordance with Section 8.1 by the date specified in Exhibit "B."

Section 4.5. Section 4.5 of Exhibit A is amended and restated as follows:

<u>Conditions Precedent Delay</u>. To the extent any of the conditions precedent under Section 4.3 is not or cannot be satisfied in time for the TSP to meet the In-Service Date using Good Utility Practice, the Parties will negotiate in good faith to amend the time schedule in Exhibit "B" to establish a new In-Service Date.

## **ARTICLE 6 AMENDMENT PROVISION**

Section 6.2. Section 6.2 of Exhibit A is amended and restated as follows:

<u>Control Area.</u> The Parties acknowledge and agree that the location of the TIF and GIF will be entirely within the ERCOT region and that the ERCOT region constitutes a single Control Area.

## ARTICLE 7 AMENDMENT PROVISION

<u>Section 7.3</u>. Section 7.3 of Exhibit A is amended by replacing the term "System Security Study" with "System Security Screening Study."

## **ARTICLE 8 AMENDMENT PROVISIONS**

Section 8.1. Section 8.1 of Exhibit A is amended and restated as follows:

<u>Generator's Cost Responsibility.</u> The Generator will acquire, construct, operate, test, maintain and own the Plant and the GIF at its sole expense. In addition, the Generator shall, by the date set out in Exhibit "B," make a contribution in aid of construction ("CIAC") in the amount set out in and for the TIF facilities described in Exhibit "C," if any, in accordance with PUCT Rules.

Section 8.2. Section 8.2 of Exhibit A is amended by replacing the phrase "Section 4.1.B" with "Sections 2.2 and 4.1.B."

Section 8.3. Section 8.3 of Exhibit A is amended and restated as follows:

<u>Financial Security Arrangements.</u> To secure the Generator's obligation to pay the termination costs described in Section 2.2 if this Agreement is terminated pursuant to Section 2.1, the TSP may require the 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 are specified in Exhibit "E." The Generator shall deliver the financial security called for in Exhibit "E" (the "Security") to the TSP by the date specified in Exhibit "B." Within five business days after the TSP receives notice of the Commercial Operation Date from the Generator, the TSP shall return the Security to the Generator. However, the TSP may retain an amount of the Security 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 the Commercial Operation Date for the Plant does not occur within one year after the scheduled Commercial Operation Date identified in Exhibit "B" or if this Agreement is terminated in accordance with Section 2.1 and the TIF are not required, the TSP may, in accordance with the provisions of Section 2.2, retain as much of the 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 provided as the Security 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. If ERCOT requires the TSP to update the Facilities Study or conduct a new facilities study for the TIF, whether due to a delay in the Commercial Operation Date or otherwise, the TSP may increase the Security amount required from the Generator to cover any increase in the estimated cost of the TIF identified in such updated or new facilities study.

#### **ARTICLE 9 AMENDMENT PROVISIONS**

<u>Section 9.1</u>. Subsections B, E and I of Section 9.1 of Exhibit A are amended and restated as follows:

B. <u>Commercial General Liability Insurance</u> including for premises and operations, providing personal injury coverage; broad form property damage coverage; 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; coverage for punitive damages to the extent normally available; and cross liability coverage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/One Million Dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

E. The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance, and Excess Public Liability Insurance policies shall cover the other Party, its 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, and each Party shall provide thirty (30) days advance written notice to Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.

I. 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, or a letter of self-insurance executed by the Party's authorized representative.

#### ARTICLE 10 AMENDMENT PROVISIONS

## Section 10.5. Subsection B of Section 10.5 of Exhibit A is amended and restated as follows:

Β. Neither Party shall 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 provide the Security or 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 provide the Security or pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party 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. The In-Service Date will be extended by one day for each day TIF construction is delayed due to Force Majeure.

Section 10.6. Subsection A of Section 10.6 of Exhibit A is amended and restated as follows:

A. The term "Default" shall mean the failure of either Party to perform any obligation in the time or manner provided in this Agreement. No Default shall exist where such failure to discharge an obligation (other than an obligation to provide the Security or to pay money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to 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 30 days, the defaulting Party shall commence such cure within 30 days after receipt of the Default notice and continuously and diligently complete such cure within 90 days from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

This Agreement and the Amendment Provisions herein are effective as of the effective date of the SGIA.

Ву:	DecaSegued by	By:		
Name:	John Somerhalder II	Name:	Declan Flanagan	
Title:	Interim Pres and CEO	Title:	CEO	_
Title:	Interim Pres and CEO	-	CEO	

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

#### Old 300 Solar Center, LLC