

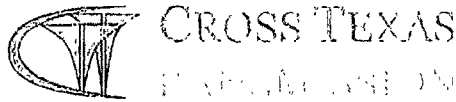


Control Number: 35077



Item Number: 1242

Addendum StartPage: 0



RECEIVED
CROSS TEXAS TRANSMISSION, LLC
2021 MAR 12 3:00 PM
Capital of Texas Hwy., Suite 100
Austin, Texas 78746
(512) 473-2700 Fax (512) 982-5712

March 12, 2021

Filing Clerk
Public Utility Commission of Texas
1701 Congress Ave.
Austin, TX 78711-3326

Re: Project No. 35077 – Informational Filing of ERCOT Interconnection Agreements
Pursuant to Subst. R. §25.195(e)/Cross Texas Transmission, LLC Generation
Interconnection Agreement

Dear Filing Clerk:

Please find attached the Generation Interconnection Agreement (the “Agreement”) between Cross Texas Transmission, LLC (“Cross Texas”) and CG Leon County II LLC, for filing with the Public Utility Commission of Texas pursuant to P.U.C. SUBST. R. 25.195(e). Pursuant to the rule, Cross Texas has prepared this letter describing the changes made by the parties to the Commission’s Standard Generation Interconnection Agreement.

Description of Changes for CG Leon County II LLC

Agreement:

- Agreement, Cover: Included title of the Agreement
- Agreement, p. 1: Added (“TSP”). The ultimate sentence of the second paragraph has been amended to read as follows: “Transmission Service Provider shall interconnect Generator’s Plant with Transmission Service Provider’s System consistent with the Facilities Study dated 01/20/2021, and pursuant to the ERCOT generation interconnection request 20INR0428.”
- Agreement, p.1: The first two terms from the alphabetized list have been removed from the list and incorporated into the Agreement as separate unalphabetized statements, and the remaining terms from the list have been realphabetized. Added Exhibits C1 and C2.

Exhibit "A":

- p. 5: Section 1.2 has been amended: “Commercial Operation” shall mean the date on which (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

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has approved the Generator's Resource Commissioning Date, and (v) the Generator notifies the TSP in writing that the requirements if the foregoing clauses (i) through (iv) have been achieved.

- P. 5: Corrected the rule reference in Section 1.3 to 25.5(19).
- P. 5: Substituted a new Section 1.5: "ERCOT-Polled Settlement (EPS) Meter" means any meter polled directly by ERCOT for use in the settlement of the ERCOT market. Numbering of remainder of section was conformed for this and all subsequent changes.
- P. 5: Added a new Section 1.6 by amending the old Section 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, including NERC Reliability Standards, ... (no change).
- P. 6: Section 1.7 rule correction to 25.198(d)
- P. 6: Section 1.8 has been modified: "Full Interconnection Study Agreement" shall mean an agreement executed by the Parties relating to the performance of the Full Interconnection Study, a suite of studies conducted by the TSP that included the Facilities Study.
- P. 6: Section 1.10: Corrected rule reference to 25.5(56).
- P. 6: The following definition for "NERC" added as Section 1.14: "NERC" shall mean the North American Electric Reliability Corporation."
- P. 6: Added new Section 1.15: "NERC Reliability Standards" shall mean the mandatory reliability standards established by NERC for the United States and subject to enforcement. Numbering of the remainder of the section was conformed.
- P. 6: Section 1.20: Corrected rule reference to 25.191(d)(3).
- P. 7: Added Section 1.21: "Resource Commissioning Date" is defined as set forth in the ERCOT Nodal Protocols.
- P. 7: Added Section 1.22: "Security Screening Study" shall have the meaning as described in PUCT Rule 25.198(c) or its successor.
- P. 8: Section 3.2: ISO changed to ERCOT.
- P. 9: Section 4.1(B)(i). ISO changed to ERCOT.
- P. 12: Section 4.2 A. Changed the word Facilities to Full Interconnection.
- P. 13. Section 4.5: Added to the end ", including a new service date."
- P. 14: The second sentence of Section 5.5(A) modified to read: "The specific ERCOT-Polled Settlement Meter facilities ("EPS Metering Facilities"), telemetry and communications equipment to be installed and data to be telemetered are described in Exhibit "C".
- P. 14: The words "the metering and telemetry equipment" in the first sentence of Section 5.5(B) changed to "the EPS Metering Facilities and telemetry equipment".

- P. 14: The words “calibration of the metering equipment” in the first sentence of Section 5.5(D) changed to “calibration of the EPS Metering Facilities”.
- P. 14: The words “proper functioning of all metering, telemetry and communications equipment” in the first sentence of Section 5.5(E) changed to “proper functioning of all EPS Metering Facilities, telemetry and communications equipment”.
- P. 15: The words “necessary to transmit data from the metering equipment” in the first sentence of Section 5.5(F) changed to “necessary to transmit data from the EPS Metering Facilities”.
- P. 15: The words “Any changes to the meters” at the beginning of the only sentence of Section 5.5(G) changed to “Any changes to the EPS Metering Facilities”.
- P. 15: The words “otherwise learns of any metering, telemetry or communications equipment” in the first sentence of Section 5.5(H) changed to “otherwise learns of any EPS Metering Facilities, telemetry or communications equipment”.
- P. 17: The word “ISO” in the second sentence of Section 6.1 changed to “ERCOT”.
- P. 17: The last sentence of Section 6.1 modified to read: “All testing of the Plant that affects the operation of the Point of Interconnection shall be coordinated between the TSP, ERCOT, and the Generator, and will be conducted in accordance with ERCOT Requirements.”
- P. 17: The language of Section 6.2 has been deleted in its entirety and the following language substituted in lieu thereof: “Control Area Notification. The Control Area within ERCOT is a single Control Area with ERCOT assuming authority as the Control Area operator in accordance with the ERCOT Protocols.”
- P. 17: The words “Terms and conditions addressing the rights of the TSP and the Generator” at the beginning of the first sentence of Section 6.3 changed to “Unless otherwise agreed by the Parties, the terms and conditions addressing the rights of the TSP and the Generator.”
- P. 18: The words “the ISO” in the second sentence of Section 6.8 changed to “ERCOT”.
- P. 19: The words “contained in the ISO’s Generation Interconnection Procedure” in the first sentence of Section 7.3 changed to “contained in ERCOT’s Generation Interconnection Procedure”.
- P. 19: The second sentence of Section 7.3 modified to read: “It shall also include any additional data provided to ERCOT for the Security Screening Study.”
- P. 19: The word “ISO” in the fourth sentence of Section 7.3 changed to “ERCOT”.
- P. 19: The word “ISO” in the fifth sentence of Section 7.3 changed to “ERCOT”.
- P. 20: The words “the ISO” in the last sentence of Section 7.4 changed to “ERCOT”.
- P. 21: The third sentence of Section 8.3 has been modified to read as follows: “Within five business days after the Plant achieves Commercial Operation, the TSP shall return the deposit or security to the Generator.”

- P. 21: The fifth and sixth sentences of Section 8.3 have been modified to read: “If the Plant has not achieved Commercial Operation within one year after the scheduled Commercial Operation date identified in Exhibit “B” or if the Generator terminates this Agreement in accordance with Section 2.1 and the TIF are not required, (i) 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, and (ii) within a reasonable period of time after the TSP has determined that it has drawn 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, the TSP shall release or return the remaining security to Generator. 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.”
- P. 25: The words “Facilities Study Agreement” in the last sentence of Section 10.3 changed to “Full Interconnection Study Agreement”.
- P. 25: The words “national emergency, or restraint by any Governmental Authority” at the end of the only sentence of Section 10.5(A) changed to “national emergency, pandemic, or restraint by any Governmental Authority”.
- P. 26: The words “Except as provided in Section 10.6.B, the defaulting Party” at the beginning of the fourth sentence of Section 10.6(A) changed to “Except as provided in Section 10.6.B and except as expressly provided in Exhibit “E”, the defaulting Party ...”.
- P. 29: Both references to “opinion of counsel” in the third sentence of Section 10.14 changed to “opinion of counsel or information”.
- P. 30: The following sentences have been added immediately after the second sentence of Section 10.17: “Notwithstanding anything to the contrary herein, however, the occurrence of a change in control of the Generator, whether direct or indirect, shall not require the consent of the TSP. Such a change in control will not constitute an assignment of this Agreement under this Section.”
- P. 31: The words “the ISO” in the first sentence of Section 10.21(A) changed to “ERCOT”.

Exhibit "B":

- P. 33: Additional milestones have been added to Exhibit "B" in order to reflect the agreement that Generator shall provide security in phases.
- P. 33: The ultimate sentence of this Exhibit has been modified to read as follows: “Due to the nature of the subject of this Agreement, the Parties may mutually agree to change the dates and times of this Exhibit “B.” The Parties acknowledge and agree that the Generator’s failure to meet the milestone dates set forth above (i) may cause the need for additional or revised studies to be performed or other reasonably related conditions or

obligations to be fulfilled, and (ii) will result in adjustments to the Scheduled Trial Operation Date, Scheduled Commercial Operation Date, and In-Service Date, which adjustments shall be determined by the TSP in its reasonable discretion.”

Exhibit “C”:

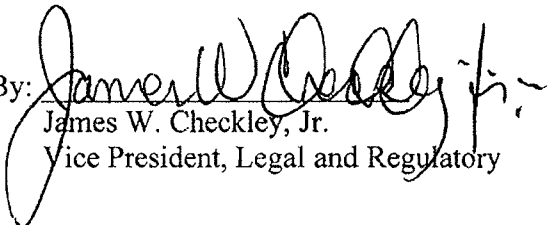
- P. 40: A conceptual drawing of the interconnection facilities added to this Exhibit as “Exhibit C-1”.
- P. 41: A map depicting the transmission line route of the interconnection facilities added to this Exhibit as “Exhibit C-2”.

Exhibit "D":

- P.42: Term "ERCOT Standard" removed from the title of the exhibit.

Very truly yours,

CROSS TEXAS TRANSMISSION, LLC

By: 
James W. Checkley, Jr.
Vice President, Legal and Regulatory

Enclosure

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**ERCOT STANDARD GENERATION
INTERCONNECTION AGREEMENT**

Between

CG LEON COUNTY II LLC

and

CROSS TEXAS TRANSMISSION, LLC

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ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT

26th ~~22nd~~ This Standard Generation Interconnection Agreement (this "Agreement") is made and entered into this 22nd day of February 2021, between Cross Texas Transmission, LLC, a Delaware limited liability company ("Transmission Service Provider") and CG Leon County II LLC, a Delaware limited liability company ("Generator"), hereinafter individually referred to as "Party," and collectively referred to as "Parties." In consideration of the mutual covenants and agreements herein contained, the Parties hereto agree as follows:

Transmission Service Provider ("TSP") represents that it is a public utility that owns and operates facilities for the transmission and distribution of electricity. Generator represents that it will own and operate the Plant. Pursuant to the terms and conditions of this Agreement, Transmission Service Provider shall interconnect Generator's Plant with Transmission Service Provider's System consistent with the Facilities Study dated 01/20/2021, and pursuant to the ERCOT generation interconnection request 20INR0428.

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

This Agreement shall become effective upon execution, 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:

The "Terms and Conditions of the ERCOT Standard Generation Interconnection Agreement" attached hereto as Exhibit "A";

The ERCOT Requirements (unless expressly stated herein, where the ERCOT Requirements are in conflict with this Agreement, the ERCOT Requirements shall prevail);

- A. The PUCT Rules (where the PUCT Rules are in conflict with this Agreement the PUCT Rules shall prevail);
- B. The Time Schedule attached hereto as Exhibit "B";
- C. The Interconnection Details attached hereto as Exhibit "C", "C1" and "C2";
- D. The notice requirements attached hereto as Exhibit "D"; and
- E. The Security Arrangement Details attached hereto as Exhibit "E".

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

CG LEON COUNTY II LLC

BY: [Signature]

NAME: Caton Fenz

TITLE: Chief Executive Officer

DATE: February 25, ~~201~~ 2021 *SL*
2021

CROSS TEXAS TRANSMISSION, LLC

BY: [Signature]

NAME: B. Cameron Fredkin

TITLE: Senior Vice President

DATE: February 26, 2021

**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" shall mean the date on which (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 approved the Generator's Resource Commissioning Date, and (v) the Generator notifies the TSP in writing that the requirements if the foregoing clauses (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-Polled Settlement (EPS) Meter" means any meter polled directly by ERCOT for use in the settlement of the ERCOT market.
- 1.6 "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, including NERC Reliability Standards, 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 the Generator, and any requirements imposed on transmission providers or transmission facilities shall become the responsibility of the TSP.

1.7 “Facilities Study” shall have the meaning as described in PUCT Rule 25.198(d) or its successor.

1.8 “Full Interconnection Study Agreement” shall mean an agreement executed by the Parties relating to the performance of the Full Interconnection Study, a suite of studies conducted by the TSP that includes the Facilities Study.

1.9 “GIF” shall mean Generator’s interconnection facilities as described in Exhibit “C”.

1.10 “Good Utility Practice” shall have the meaning described in PUCT Rule 25.5(56) or its successor.

1.11 “Governmental Authority(ies)” shall mean any federal, state, local or municipal body having jurisdiction over a Party.

1.12 “In-Service Date” shall be the date, as reflected in Exhibit “B”, that the TIF will be ready to connect to the GIF.

1.13 “ISO” shall mean the ERCOT Independent System Operator.

1.14 “NERC” shall mean the North American Electric Reliability Corporation.

1.15 “NERC Reliability Standards” shall mean the mandatory reliability standards established by NERC for the United States and subject to enforcement.

1.16 “Plant” shall mean the electric generation facility owned and operated by the Generator, as specified in Exhibit “C”.

1.17 “Point of Interconnection” shall mean the location(s) where the GIF connects to the TIF as negotiated and defined by the Parties and as shown on Exhibit “C” of this Agreement.

1.18 “PUCT” shall mean the Public Utility Commission of Texas.

1.19 “PUCT Rules” shall mean the Substantive Rules of the PUCT.

1.20 “Reasonable Efforts” shall mean the use of Good Utility Practice and the exercise of due diligence (pursuant to PUCT Rule 25.191(d)(3)).

1.21 “Resource Commissioning Date” is defined as set forth in the ERCOT Nodal Protocols.

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

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

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

1.25 “TIF” shall mean the TSP’s interconnection facilities as described in Exhibit “C” to this Agreement.

1.26 “Trial Operation” shall mean the process by which the Generator is engaged in on-site test operations and commissioning of the Plant prior to Commercial Operation.

1.27 “TSP” shall mean the Transmission Service Provider.

1.28 “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. the Generator may terminate this Agreement after giving the TSP thirty (30) days advance written notice; or

B. the TSP may terminate this Agreement (subject to Governmental Authority approval, if required) on written notice to the Generator if the Generator’s Plant has not achieved Commercial Operation within one year after the scheduled Commercial Operation date reflected in Exhibit “B”; or

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

2.3 Disconnection. Upon termination of this Agreement, the Parties will disconnect the GIF 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 the 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 Generator asserts such information is confidential information and has requested such filing under seal. If requested by the TSP, the 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 ERCOT 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. The Generator shall select one of the following options (subsection A or subsection B) and include the selected option in Exhibit "B" 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". 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 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". The Parties acknowledge that the In-Service Date was either agreed upon through good faith negotiations or designated by the Generator upon failure of the Parties to agree. In the process of negotiating the In-Service Date, 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 ERCOT 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 the Generator liquidated damages in accordance with this Section 4.1.B.

(ii) The Parties agree that actual damages to the Generator, in the event the TIF are not completed by the In-Service Date, may include Generator's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. The Parties agree that, because of such uncertainty, any liquidated damages paid by the TSP to the Generator shall be an amount equal to $\frac{1}{2}$ of 1% of the actual cost of the TIF, per day. However, in no event shall the total liquidated damages exceed 20% of the actual cost of the TIF. The Parties agree that such liquidated damages are less than the Generator's actual damages. The Parties 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 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 Generator if the Generator is not ready to commence use of the TIF for the delivery of power to the 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 the Generator upon a failure of the Parties 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 the 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 the Generator by the date specified in Exhibit "B"; and

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

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 the Generator by the date specified in Exhibit "B"; and

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

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, the Generator becomes aware that the completion of the TIF will not be required until after the specified In-Service Date, 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 the Generator fails to satisfy conditions precedent under Sections 4.2 and 4.3 so that the TSP may meet the In-Service Date, the Parties 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 GIF to the TSP System.

5.2 GIF Construction. Generator agrees to cause the GIF 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. Within one-hundred and twenty (120) days after Commercial Operation, unless the Parties agree on another mutually acceptable deadline, the Generator shall deliver to the TSP the following "as-built" drawings, information and documents for the GIF: a one-line diagram, a site plan showing the Plant and the GIF, plan and elevation drawings showing the layout of the GIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Generator's main-power transformers, the facilities connecting the Generator to the main power transformers and the GIF, and the impedances (determined by factory tests) for the associated main power transformers and the generators.

5.3 TIF Construction. The TSP agrees to cause the TIF 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.

5.4 Equipment Changes. For facilities not described in Exhibit "C", if either Party makes equipment changes to the Plant, the GIF, the TIF or the TSP System which it knows will affect the operation or performance of the other Party's interconnection facilities, the Parties agree to notify the other Party, 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 Settlement Meter facilities ("EPS 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 EPS Metering Facilities and telemetry equipment shall be owned by the TSP. However, the TSP shall provide the Generator with metering and telemetry values in accordance with ERCOT Requirements.

C. A minimum set of inputs to the telemetry equipment are specified in Exhibit "C". Additional sets of inputs may be subsequently mutually agreed upon.

D. The TSP will notify the Generator at least five (5) working days in advance of any planned maintenance, inspection, testing, or calibration of the EPS Metering Facilities, unless otherwise agreed to in writing. The Generator, or its 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.

E. Prior to the connection of the GIF to the TIF, acceptance tests will be performed by the owning Party to ensure the proper functioning of all EPS Metering

Facilities, telemetry and communications equipment associated with the Point of Interconnection and both Parties' interconnection facilities, and to verify the accuracy of data being received by the TSP, the Control Area(s) in which the Plant and the TSP are located and the Generator. All acceptance tests will be performed consistent with ERCOT Requirements.

F. The TSP shall, in accordance with Good Utility Practice and ERCOT Requirements, specify communications facilities, including those necessary to transmit data from the EPS Metering Facilities to the TSP, that are necessary for the effective operation of the Plant and the GIF with the TSP System. Such communication facilities shall be included in Exhibit "C". The Generator shall make arrangements to procure and bear the cost of such facilities.

G. Any changes to the EPS Metering Facilities, telemetry equipment, voltage transformers, current transformers, and associated panels, hardware, conduit and cable, which will affect the data being received by the other Party must be mutually agreed to by the Parties.

H. Each Party will promptly advise the other Party if it detects or otherwise learns of any EPS Metering Facilities, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. 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 Party's system or other entities connected to the TSP System.

B. The Generator shall be responsible for protection of its 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 Generator's 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 Party of any testing of its System Protection Equipment allowing such other Party the opportunity to have representatives present during testing of its System Protection Equipment.

F. Prior to the In-Service Date, and again prior to Commercial Operation, 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 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 ERCOT approval, each Party shall provide necessary equipment outages to allow the other Party to perform periodic maintenance, repair or replacement of its 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 Plant that affects the operation of the Point of Interconnection shall be coordinated between the TSP, ERCOT, and the Generator, and will be conducted in accordance with ERCOT Requirements.

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

6.3 Land Rights and Easements. Unless otherwise agreed by the Parties, the terms and conditions addressing the rights of the TSP and the 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 Parties. Prior to Commercial Operation, the Parties will mutually 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 Plant under the conditions specified therein. The Generator will promptly disconnect the 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 the 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 the Plant shall be addressed in Exhibit "C".

6.6 Start-Up and Synchronization. Consistent with ERCOT Requirements and the Parties' mutually acceptable procedure, the Generator is responsible for the proper synchronization of the 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 the 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 ERCOT. Notwithstanding this section, the Generator is not required to have blackstart capability by virtue of this Agreement. If the 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. The Generator shall procure, install, maintain and operate power system stabilizers 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 Generator 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 Generator to select equipment and meet any system protection and stability requirements.

7.3 Initial Data Submission by Generator. The initial data submission by the Generator, including manufacturer data, shall occur no later than 90 days prior to the Trial Operation 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 Security Screening 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 the ERCOT standard models. If there is no compatible model, the Generator will work with an ERCOT designated consultant to develop and supply a standard model and associated data.

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 Generator shall provide the TSP any data changes due to equipment replacement, repair, or adjustment. The TSP shall provide the Generator 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 ERCOT concerning these facilities.

7.5 Data Exchange. Each Party shall furnish to the other Party 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 Plant 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 Generator will acquire, construct, operate, test, maintain and own the Plant and the GIF at its sole expense. In addition, the 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 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 shall be specified in Exhibit "E". Within five business days after the Plant achieves Commercial Operation, the TSP shall return the deposit or security to the 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 the Plant has not achieved Commercial Operation within one year after the scheduled Commercial Operation date identified in Exhibit "B" or if the Generator terminates this Agreement in accordance with Section 2.1 and the TIF are not required, (i) 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, and (ii) within a reasonable period of time after the TSP has determined that it has drawn 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, the TSP shall release or return the remaining security to Generator. 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 Party the following minimum insurance coverages, with insurers authorized to do business in Texas:

A. Employers Liability and Worker's Compensation Insurance 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 punitive damages to the extent normally available and a cross liability endorsement, 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.

C. Comprehensive Automobile Liability Insurance for coverage of owned, non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum combined single limit of One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.

D. Excess Public Liability Insurance over and above 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. The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance, and Excess Public Liability Insurance policies shall name 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 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.

F. The Commercial General Liability Insurance Comprehensive Automobile Liability Insurance and 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.

G. The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and 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.

H. 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.

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.

J. Notwithstanding the foregoing, each Party may self-insure 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. In the event that a Party is permitted to self-insure pursuant to this Section 9.1.J, it shall not be required to comply with the insurance requirements applicable to it under Sections 9.1.A through 9.1.I.

K. 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.

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 Plant to the TSP System at the Point of Interconnection and does not obligate either Party to provide, or entitle either 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 Party or any third party. This Agreement does not address

the sale or purchase of any electric energy, transmission service or ancillary services by either 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. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either 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. Except as otherwise provided in Exhibit "D", any formal notice, demand or request provided for in this Agreement shall be in writing 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 identified on Exhibit "D" attached to this Agreement. Either Party may change the notice information on Exhibit "D" by giving five business days written notice prior to the effective date of the change.

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, pandemic, or restraint by any Governmental Authority.

B. 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 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 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.

10.6 Default

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 the payment of 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 and except as expressly provided in Exhibit "E", 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 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.

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.

10.7 Intrastate Operation. The operation of the Plant by 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 GIF, until such interconnection has been disconnected. The Generator will not be prohibited by this Section from interconnecting the 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 the Generator shall not constitute a waiver of the 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 either Party. Neither Party shall 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 Party.

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 Party 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 the 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 the Generator under a proposed loan agreement. The TSP will use commercially reasonable efforts to obtain any opinion of counsel or information reasonably requested by 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 or information that will satisfy any potential lender to the Generator. Specifically, upon the written request of one Party, the other Party 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 shall govern this Agreement.

10.16 Consequential Damages. OTHER THAN THE LIQUIDATED DAMAGES HERETOFORE DESCRIBED, IN NO EVENT SHALL EITHER 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 THE OTHER 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 either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party 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 the Generator shall have the right to assign this Agreement, without the consent of the TSP, for collateral security purposes to aid in providing financing for the Plant, provided that the Generator will require any secured party, trustee or mortgagee to notify the TSP of any such assignment. Any financing arrangement entered into by the 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 of the date and particulars of any such exercise of assignment right(s). Notwithstanding anything to the contrary herein, however, the occurrence of a change in control of the Generator, whether direct or indirect, shall not require the consent of the TSP. Such a change in control will not constitute an assignment of this Agreement under this Section. 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 the 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 Party to any person not employed or retained by the other Party, 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 ERCOT. The Party asserting confidentiality shall notify the other Party 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 Generator (check one): X Section 4.1.A. or Section 4.1.B

If Section 4.1.B is chosen by Generator, 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 Generator must provide notice to proceed with design and procurement, as specified in Section 4.2 of Exhibit "A", so that TSP may maintain schedule to meet the In-Service Date: **02/26/2021**

Date by which Generator must provide notice to proceed with construction, as specified in Section 4.3 of Exhibit "A", so that TSP may maintain schedule to meet the In-Service Date: **05/01/2021**

Dates by which Generator must provide applicable security, so that TSP may maintain schedule to meet the In-Service Date: **as specified in Exhibit "E"**

In-Service Date(s): **03/15/2022**

Scheduled Trial Operation Date: **03/25/2022**

Scheduled Commercial Operation Date: **06/30/2022**

Date by which deed or easement(s) referenced in Exhibit "C", Section 13(b), is expected to be conveyed by Generator (or another third-party at Generator's direction) to TSP so that TSP may maintain schedule to meet the In-Service Date: **04/30/2021**

Date by which Generator will provide to TSP site drawings showing the proposed routes of all transmission lines, distribution lines, and roads planned to be constructed by Generator: **07/09/2021**

Date by which Generator's dead-end structure at the Point of Interconnection will be installed and ready for TSP's transmission line termination: **12/31/2021**

Due to the nature of the subject of this Agreement, the Parties may mutually agree to change the dates and times of this Exhibit "B." The Parties acknowledge and agree that the Generator's failure to meet the milestone dates set forth above (i) may cause the need for additional or revised studies to be performed or other reasonably related conditions or obligations to be fulfilled, and (ii) will result in adjustments to the Scheduled Trial Operation Date, Scheduled Commercial Operation Date, and In-Service Date, which adjustments shall be determined by the TSP in its reasonable discretion.

EXHIBIT "C"
INTERCONNECTION DETAILS

1. Name: Nabatoto Solar North (Pecan Prairie North)
2. Point of Interconnection Location: The Point of Interconnection will be located in Leon County, TX in the approximate location shown in Exhibit "C2". The Point of Interconnection shall be defined as the point where the Generator's 345kV transmission line, originating from the Generator's substation, terminates the phase conductors and associated equipment on the TSP's dead-end structure located at the TSP's station.
3. Delivery Voltage: 345 kV
4. Number and size of Generating Units: 400 MW at Point of Interconnection (136 x 3.15 MVA = 428.4 MVA)
5. Type of Generating Unit: Solar Plant (PV Inverter Type: Sungrow SG3150U)
6. EPS Metering Facilities and Telemetry Equipment:
 - A). The TSP shall, in accordance with ERCOT Requirements and Good Utility Practices, furnish, install, own, operate, inspect, test, calibrate, and maintain ERCOT polled settlement ("EPS") primary and backup metering located at the Transmission Interconnection Facility ("TIF"). The TSP shall use metering accuracy, 345 kV extended range current transformers and 345 kV metering accuracy voltage transformers to accurately measure the generation energy and power delivered to the grid and the auxiliary energy and power consumed through the Point of Interconnection. An EPS metering panel containing the primary and backup EPS meters shall be furnished by the TSP and will be located in a suitable space in the control building at the TIF. The TSP will be responsible for design, installation, maintenance and testing pursuant to ERCOT Requirements.
 - B). Generator Remote Terminal Units ("RTUs") shall be furnished by the Generator as part of the GIF and will have dedicated communication port(s) available to provide breaker status, energy and other telemetry data to ERCOT as required by the ERCOT Nodal Operating Guides. In addition, the Generator will provide a dedicated communication port to provide breaker status and other telemetry data to TSP utilizing fiber optic cable installed between the GIF and TIF as listed in Section 11 of this Exhibit "C". The Generator is responsible for determining and providing all of its RTU communications needs.
7. Generator Interconnection Facilities:

The Generator will provide, at a minimum, the following major equipment for the GIF:

 - A) One 345 kV radial circuit of a rating sufficient to supply the Generator's output with necessary material to dead-end and connect to TIF's interconnecting structure at the Point of Interconnection;

- B) Generator's interconnection substation including control building, 345kV step-up transformer(s) configured wye-delta-wye, transformer protection package(s), 345 kV circuit breaker(s), 345 kV line disconnect switch, 34.5 kV circuit breakers and power factor correction capacitor banks, as required;
- C) RTU and communication to provide breaker/switch status, telemetry and energy data from the GIF to ERCOT;
- D) Associated structures, bus work, conductor, connectors, grounding, conduit control cable, foundation work, perimeter fencing, grading/dirt work and any appurtenances necessary for the construction and operation of the GIF.

8. Transmission Service Provider Interconnection Facilities:

The TSP will provide, at a minimum, the following major equipment for the TIF:

- A) One 345 kV switching station with sufficient terminals to accommodate interconnections with the Generator and tapping of the 345 kV transmission line;
- B) 345 kV circuit breaker(s), 345 kV disconnect switch(es), EPS Metering, RTU, associated structures, bus work, conductor, connectors, grounding, conduit control cable, foundation work, perimeter fencing, grading/dirt work and any appurtenances necessary for the construction and operation of the TIF;
- C) Optical Ground Wire (OPGW) with 24-pair, single-mode fiber optic cable between the TSP and the GIF interconnecting A-frame structure in the GIF Substation complete with cable splice boxes for utilization by both Generator and TSP.

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

9. Communications Facilities:

The Generator shall, in accordance with ERCOT Requirements and Good Utility Practices, provide communications facilities that are, or may in the future be, necessary for effective interconnected operation of the Plant and Generator Interconnection Facilities with the transmission system. The Generator shall own, and be responsible for the installation, operation, and maintenance of:

- A) One dedicated telephone circuit whereby the TSP's Austin, Texas dispatch center can communicate with the Generator's on-site control room or the Generator's off-site dispatch center twenty-four (24) hours per day and seven (7) days per week.
- B) Any other facilities, equipment or communications facilities necessary to transmit information/data from or to the TSP which may be reasonably required or requested by the TSP.

10. System Protection Equipment:

- A) TSP shall coordinate modifications to the existing protective relay package and relay settings at Limestone and Gibbons Creek 345kV stations;
- B) Generator shall provide a line differential panel to include an SEL 411L primary line differential relay and an SEL 311L backup line differential relay for protection of the Generator's 345 kV line at the GIF/TIF Point of Interconnection (see Item 10-I);
 - 1. Generator shall provide a Direct Transfer Trip (DTT) signal to the TIF in the event of a 345 kV breaker failure at the GIF.
 - 2. TSP shall provide DTT signal to the GIF in the event of a 345 kV breaker failure at the TIF.
 - 3. Fiber Optic cables in the OPGW will be used for communication between the GIF and TIF line differential relays.
- C) Generator shall be responsible for the proper synchronization of its facilities with the TSP transmission system, in accordance with ERCOT guidelines;
- D) The Plant and the GIF shall be designed to isolate any fault, or to disconnect from or isolate any abnormality that would negatively affect the ERCOT system as set forth in the applicable ERCOT Requirements and NERC Reliability Standards. Generator shall be responsible for protection of its facilities. In particular, Generator shall provide relays, circuit breakers, and all other devices necessary to promptly remove 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 GIF. Generator shall be responsible, to the extent required by the applicable ERCOT Requirements and NERC Reliability Standards, 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 utility system faults;
- E) The Plant and the GIF shall have protective relaying that is consistent with the protective relaying criteria described in the ERCOT Requirements and NERC Reliability Standards. If reasonably requested by the TSP, Generator shall at Generator's expense provide corrections or additions to existing control and protective equipment required to protect the ERCOT system to the extent required by the ERCOT Requirements and NERC Reliability Standards;
- F) The Generator's 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. Generator shall also incorporate isolation to prevent inadvertent operation of the DTT scheme to TIF in the form of test switches or relay logic;

- G) Generator 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 Direct Current (DC) logic in the relay control scheme to analyze a system disturbance. The disturbance and fault monitoring for both Generator and TSP shall be consistent with the disturbance monitoring requirements described in the ERCOT Nodal Operating Guides and NERC standards;
- H) Prior to modifying any relay protection system design or relay setting involving the connecting facilities between the two Parties, Generator shall submit the proposed changes to the TSP and ERCOT for review and approval. Review and approval shall be for the limited purpose of determining whether such proposed changes are compatible with the ERCOT transmission system;
- I) 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. Generator shall have the right to review and comment on the necessary protection requirements, and such comments shall not be unreasonably refused or declined by TSP when determining such requirements. The TSP shall coordinate the relay system protection between Generator and the ERCOT system;
- J) The Generator shall provide in PSSE (version acceptable to ERCOT) and Aspen One-Liner format the load flow, stability, and short circuit model for the Generator Interconnection Facilities, the generators, and collector facilities prior to the protective relays settings being calculated and in no case later than 60 days prior to the initial actual in-service date. Generator data submitted in accordance with Section 7.3 of Exhibit "A" shall include, but not limited to:
 - 1. A detailed one-line diagram (including relaying one-line diagrams) of the proposed Plant and Generator Interconnection Facilities 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 generators to be served by each collector bus,
 - 4. The size, make and model of each generator,
 - 5. Capacitor bank sizes, electrical locations and control settings,
 - 6. Impedance and rating data of each transmission voltage line, Generator Step Up and/or autotransformer that will be installed to get power from the Plant and onto the transmission grid.

11. Inputs to Telemetry Equipment:

- A) GIF 345 kV line disconnect position status
- B) GIF 345 kV line protection/relay status
- C) GIF 345 kV line MW, MVAR
- D) GIF 345 kV line three-phase kV

- E) GIF 345 kV line three-phase amperes
- F) GIF 345 kV GIF circuit breaker(s) position(s)
- G) GIF 34.5 kV GIF capacitor breaker(s) position(s), if installed

12. No Retail Sale of Electricity to Generator by TSP: The energy and power that the Plant and GIF may from time to time consume from the 345 kV ERCOT grid through the Point of Interconnection may constitute a retail transaction, and the TSP does not intend to be the provider of such retail service unless authorized by law to do so. Generator shall make the necessary arrangements with an appropriate retail supplier for the energy and power that the Plant and GIF consume as auxiliary load.

13. Supplemental Terms and Conditions, if any:

The following terms and conditions shall be met unless there is a conflict between these terms and conditions and ERCOT Requirements, in which case the ERCOT Requirements shall prevail.

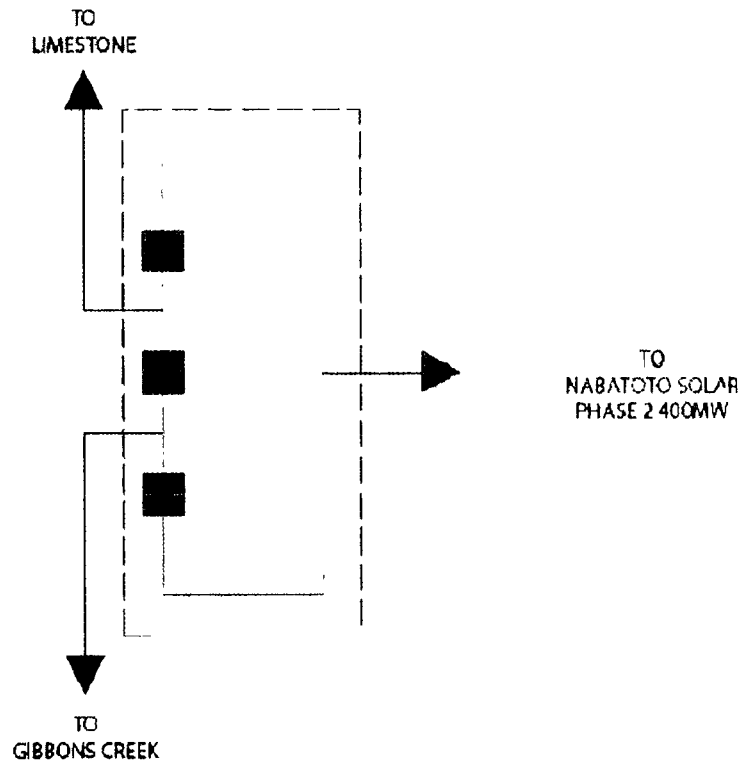
- a. Exhibit "D" - Prior to TSP completing the TIF and placing such facilities into service, Generator will revise Exhibit "D" and provide same to TSP to reflect the fax number and TSP off-premise exchange telephone number which TSP's dispatch center will be able to use for communications with Generator's dispatch center. Generator's dispatch center 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 Plant and GIF.
- b. Property Rights – If Generator will not own the land in fee upon which TSP will construct the TIF but has obtained certain land rights from the fee owner of such land, Generator will (i) enter into good faith negotiations with the fee owner of such land to assist TSP in obtaining a deed and associated easement(s), in form and substance reasonably satisfactory to TSP, for such land or land rights needed for the TIF, by the date specified in Exhibit "B" and (ii) cooperate with TSP and the fee owner of such land in the development of legal documentation, reasonably satisfactory to TSP, which specifies that the land rights to be granted to TSP by the fee owner of such land will control in the event of conflict between such land rights and the aforementioned land rights held by Generator. If Generator will own the land in fee upon which TSP will construct the TIF, Generator will provide TSP with a deed and associated easement(s), in form and substance reasonably satisfactory to TSP, for such land or land rights needed for the TIF, by the date specified in Exhibit "B".
- c. Line Crossings - Generator will provide to TSP, by the date specified in Exhibit "B", a site plan in sufficient detail to reflect the proposed routes and locations of Generator's transmission lines, distribution lines, substations, transformers, and roads. If Generator desires to i) construct transmission lines, distribution lines, roads, or any other facilities, or ii) conduct any activities within any portion of TSP's right of way associated with TSP's transmission lines, Generator must submit its request to TSP using a form of request reasonably acceptable to TSP and obtain written authorization from TSP for such encroachment prior to Generator installing such facilities or

conducting such activities. The provision of the aforementioned site plan by Generator, as referenced in the first sentence of this Paragraph (c), shall not relieve Generator from the obligation to submit all encroachment requests in accordance with the preceding sentence.

Special Operating Conditions, if any:

- a. The difference between the estimated cost of the TIF under 4.1.A (\$) and the estimated cost of the TIF under 4.1.B (\$) is: N/A, if applicable.

EXHIBIT "C1"
INTERCONNECTION DETAILS



Legend

- Existing Infrastructure
- New Build

EXHIBIT "C2"
INTERCONNECTION DETAILS

[Transmission Line Route]



EXHIBIT "D"
NOTICE AND EFT INFORMATION OF THE GENERATION
INTERCONNECTION AGREEMENT

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

If to **Generator:**

Company Name: ConnectGen Services LLC
Attn: Deral Danis
Address: 1001 McKinney Street, Suite 700
City, State, Zip: Houston, TX 77002
Operational/Confirmation Fax
24-Hour Telephone: (312) 259-9989
Email: ddanis@connectgenllc.com

If to **Cross Texas Transmission, LLC:**

Company Name: Cross Texas Transmission, LLC
Attn: Operations Center
Address: 1122 South Capital of Texas Hwy, Suite 100
City, State, Zip: Austin, TX 78746
Operational/Confirmation Fax: 512-982-5714
24-Hour Telephone 512-982-5800
Email: dl_ett_systemops@lspower.com

- (b) Notices of an administrative nature:

If to **Generator:**

Company Name: ConnectGen Services LLC
Attn: Legal
Address: 1001 McKinney Street, Suite 700
City, State, Zip: Houston, TX 77002
Operational/Confirmation Fax
24-Hour Telephone (346)998-2020
Email: contractadmin@connectgenllc.com

If to **Cross Texas Transmission, LLC:**

Company Name Cross Texas Transmission, LLC
Attn: Senior Director, Transmission
Address: 1122 South Capital of Texas Hwy, Suite 100
City, State, Zip: Austin, TX 78746
Operational/Confirmation Fax _____
24-Hour Telephone 512.982.5710
Email tcook@lspower.com

- (c) Notice for statement and billing purposes:

If to **Generator:**

Company Name: CG Leon County LLC
Attn: Accounts Payable
Address: 1001 McKinney Street, Suite 700
City, State, Zip: Houston, TX 77002
Operational/Confirmation Fax
24-Hour Telephone (346)998-2020
Email: ap@connectgenllc.com

If to **Cross Texas Transmission, LLC:**

Company Name: Cross Texas Transmission, LLC
Attn: Accounts Payable
Address: 1122 South Capital of Texas Hwy, Suite 100
City, State, Zip: Austin, TX 78746
Operational/Confirmation Fax _____
24-Hour Telephone: 512.982.5710
Email: Accountspayable@crosstexas.com

- (d) Information concerning Electronic Funds Transfers:

If to **Generator:**

To be provided separately upon request

If to **Cross Texas Transmission, LLC:**

To be provided separately upon request

Exhibit "E"

Security Arrangement Details

"Bank" means a major U.S. commercial bank, or a U.S. branch office of a major foreign commercial bank, with a credit rating of at least "A-" by Standard & Poor's or "A3" by Moody's Investor Service.

"Business Days" 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.

"Final Expiration Date" means the earlier of (i) five (5) Business Days after the date upon which TSP receives written notification from Generator that Commercial Operation has been achieved or (ii) ninety (90) days after the termination of this Agreement in accordance with its terms.

"Letter of Credit" means an irrevocable, transferable standby letter of credit issued by a Bank in a form that is acceptable to TSP.

"Security" means one (1) or more Letters of Credit or a cash deposit, or a combination thereof, for the benefit of TSP.

"Security Effective Date" means the earlier to occur of (i) the date Generator provides TSP the required Security, or (ii) **February 26, 2021**.

As a condition to TSP's obligation to plan, license, engineer, design, procure equipment and material, and construct the TIF described in Exhibit "C", Generator shall provide Security in an amount totaling \$15,562,500, as required pursuant to Section 8.3 of Exhibit "A", according to the following schedule:

- Date by which Generator must provide TSP with Security in the amount of \$700,000: **February 26, 2021**
- Date by which Generator must provide TSP with additional Security in the amount of \$6,024,800 (for an aggregate of \$6,724,800 of Security): **April 1, 2021**
- Date by which Generator must provide TSP with additional Security in the amount of \$8,837,700 (for an aggregate of \$15,562,500 of Security): **May 1, 2021**

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.

From the Security Effective Date, Generator shall cause to be established and at all times through the Final Expiration Date cause to be maintained in full force and effect Security consistent with this Exhibit "E" and acceptable to TSP. Generator's failure to deliver or maintain the Security in the amount and within the time period set forth within this Agreement and Exhibit "E" shall be deemed a Default under Section 10.6 of this Agreement and this

Agreement may be terminated immediately if Generator fails to cure same within the cure period provided for in Section 10.6.

If at any time the credit rating of the Bank is reduced for any reason to less than "A-" by Standard & Poor's or "A3" by Moody's Investor Service, Generator shall replace the affected Letter of Credit with another Letter of Credit in a form acceptable to TSP of the same amount and with the same beneficiary from another Bank within fifteen (15) Business Days of the date of such event. If Generator fails to provide an acceptable substitute Letter of Credit within the time period specified above, TSP may draw upon the existing Letter of Credit and retain the proceeds as Security.

In the event a Letter of Credit is set to expire on a date prior to the Final Expiration Date and Generator has not provided to TSP a substitute Letter of Credit at least thirty (30) days in advance of such expiration, TSP shall have the right to draw upon the expiring Letter of Credit and retain as security the full amount of the expiring Letter of Credit. The substitute Letter of Credit shall be in a form acceptable to TSP of the same amount and with the same beneficiary.

TSP may by written notice to Generator require Generator to increase the Security from time to time if TSP determines in its reasonable discretion that the remaining Security is not adequate to cover the costs that TSP then reasonably estimates could become payable pursuant to this Agreement. Generator shall tender any such increase to TSP within thirty (30) days of such notice. Failure to deliver the increase in Security in the amount and within the period set forth within this Agreement and this Exhibit "E" shall be deemed a Default under Section 10.6 of this Agreement, and this Agreement may be terminated immediately if Generator fails to cure same within the cure period provided for in Section 10.6.

IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____

ISSUED: _____

ISSUING BANK:

CITIBANK, N.A

C/O ITS SERVICER CITICORP NORTH AMERICA INC.

3800 CITIBANK CENTER

BUILDING B, 1ST FLOOR,

TAMPA FL, 33610

ATTN: STANDBY UNIT

PH: 1-866-945-6284

BENEFICIARY:

CROSS TEXAS TRANSMISSION, LLC

C/O LS POWER

ONE TOWER CENTER BLVD., 21ST FLOOR

EAST BRUNSWICK, NJ 08816

ATTN: TREASURER

TEL: 732-867-5881

APPLICANT:

(INSERT FULL NAME AND ADDRESS)

EXPIRATION DATE AT OUR COUNTER: _____ SUBJECT TO AUTO RENEWAL

LADIES AND GENTLEMEN:

WE, CITIBANK, N.A. ("ISSUER") DO HEREBY ESTABLISH THIS IRREVOCABLE TRANSFERABLE STANDBY LETTER OF CREDIT NO. _____ ("LETTER OF CREDIT") BY ORDER OF, FOR THE ACCOUNT OF AND ON BEHALF OF APPLICANT AND IN FAVOR OF THE BENEFICIARY. THE TERM "BENEFICIARY" INCLUDES ANY SUCCESSOR BY OPERATION OF LAW OF THE NAMED BENEFICIARY INCLUDING WITHOUT LIMITATION ANY LIQUIDATOR, RECEIVER OR CONSERVATOR.

THIS LETTER OF CREDIT IS ISSUED, PRESENTABLE AND PAYABLE WITH CITIBANK, N.A. AND WE GUARANTY TO YOU THAT DRAFTS UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE HONORED ON PRESENTATION OF CERTAIN DOCUMENTS PURSUANT TO THE TERMS OF THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT IS AVAILABLE IN ONE OR MORE DRAFTS AND MAY BE DRAWN HEREUNDER AN AMOUNT OF UP TO AN AGGREGATE AMOUNT NOT EXCEEDING USD _____. FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE FOR PAYMENT TO YOU UPON PRESENTATION TO US OF A WRITTEN DEMAND: (I) SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE BENEFICIARY; (II) DATED THE DATE OF PRESENTATION; AND (III) THE FOLLOWING STATEMENT.

"THE UNDERSIGNED HEREBY CERTIFIES TO CITIBANK, N.A. ("ISSUER"), WITH REFERENCE TO ITS IRREVOCABLE LETTER OF CREDIT NO. _____, DATED _____, ISSUED ON BEHALF OF APPLICANT AND IN FAVOR OF BENEFICIARY, THAT AN EVENT PROMPTING A DRAW ON THIS LETTER OF CREDIT IN

ACCORDANCE WITH THE TERMS AND PROVISIONS OF THE GENERATION INTERCONNECTION AGREEMENT DATED (_____) BETWEEN CG LEON COUNTY II LLC AND CROSS TEXAS TRANSMISSION, LLC (AS THE SAME MAY BE AMENDED AND SUPPLEMENTED FROM TIME TO TIME, WHETHER NOW OR HEREAFTER EXECUTED AND ANY REPLACEMENTS OR SUBSTITUTIONS THEREFORE) HAS OCCURRED. THE BENEFICIARY HEREBY DRAWS UPON THE LETTER OF CREDIT IN AN AMOUNT EQUAL TO _____ USD (UNITED STATES DOLLARS)''

SUCH PRESENTATION MAY BE MADE TO THE ISSUING BANK (I) AT SIGHT AT CITIBANK, N.A. C/O ITS SERVICER, CITICORP NORTH AMERICA, INC., 3800 CITIBANK CENTER, BUILDING B, FIRST FLOOR, TAMPA, FL 33610, ATTN: STANDBY UNIT OR (II) BY FIRST CLASS CERTIFIED AND REGISTERED U.S. MAIL, OR BY OVERNIGHT MAIL.

WE HEREBY AGREE THAT UPON YOUR PRESENTATION TO US IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT ON OR BEFORE THE DATE OF EXPIRATION WE WILL HONOR THE PRESENTATION IF DOCUMENTS ARE PRESENTED PRIOR TO 12:00 PM EASTERN STANDARD TIME ON ANY DAY OTHER THAN A SATURDAY, A SUNDAY, OR A HOLIDAY ON WHICH NATIONAL BANKING ASSOCIATIONS IN THE STATE OF NEW YORK ARE PERMITTED OR REQUIRED TO BE CLOSED ("BUSINESS DAY"), WE WILL HONOR THE SAME IN FULL IN IMMEDIATELY AVAILABLE FUNDS ON THE NEXT BUSINESS DAY AND, IF SO PRESENTED AFTER 12:00 PM EASTERN STANDARD TIME ON ANY BUSINESS DAY, WE WILL HONOR THE SAME IN FULL IN IMMEDIATELY AVAILABLE FUNDS ON THE FOURTH BUSINESS DAY FOLLOWING PRESENTATION. WE AGREE THAT IF THIS LETTER OF CREDIT EXPIRES ON A DAY OTHER THAN A BUSINESS DAY THIS LETTER OF CREDIT WILL BE DULY HONORED IF THE DEMAND IS PRESENTED BY YOU WITHIN ONE (1) FULL BUSINESS DAY AFTER SUCH EXPIRATION

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE INITIAL EXPIRATION DATE HEREOF, OR ANY FUTURE EXPIRATION DATE SUBJECT TO THE FINAL EXPIRATION DATE HEREOF, UNLESS AT LEAST ONE HUNDRED TWENTY (120) DAYS PRIOR TO ANY EXPIRATION DATE WE SEND YOU WRITTEN NOTICE AT THE ABOVE ADDRESS BY REGISTERED MAIL OR OVERNIGHT COURIER SERVICE THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT EXTENDED FOR ANY SUCH PERIOD.

BENEFICIARY MUST NOTIFY US IN WRITING AT OUR OFFICE, SPECIFYING THIS STANDBY LETTER OF CREDIT BY REFERENCE NUMBER, PRIOR TO ANY CHANGE TO ITS ADDRESS FROM THAT STATED AT THE TOP OF THIS STANDBY LETTER OF CREDIT. UPON RECEIPT BY US OF ANY SUCH NOTICE, WE WILL PROMPTLY ADJUST OUR RECORDS ACCORDINGLY, PROVIDED THAT ANY NOTICE SENT BY US UNDER THIS STANDBY LETTER OF CREDIT PRIOR TO ANY SUCH ADJUSTMENT SHALL BE EFFECTIVE IF SENT TO THE ADDRESS FOR BENEFICIARY STATED AT THE TOP OF THIS STANDBY LETTER OF CREDIT OR, IF APPLICABLE, TO THE ADDRESS LAST NOTIFIED TO US BY BENEFICIARY AS PROVIDED ABOVE

THE STATED AMOUNT OF THIS LETTER OF CREDIT MAY BE INCREASED OR DECREASED, AND THE EXPIRATION DATE OF THIS LETTER OF CREDIT MAY BE EXTENDED (IF THE EXPIRATION DATE HAS NOT BEEN AUTOMATICALLY EXTENDED AS PROVIDED ABOVE), BY AN AMENDMENT TO THE LETTER OF CREDIT.

IT IS CONDITION OF THIS LETTER OF CREDIT THAT IT IS TRANSFERABLE AND MAY BE TRANSFERRED IN ITS ENTIRETY, BUT NOT IN PART, AND MAY BE SUCCESSIVELY TRANSFERRED BY YOU OR ANY TRANSFEREE HEREUNDER TO A SUCCESSOR TRANSFEREE(S). TRANSFER UNDER THIS LETTER OF CREDIT TO SUCH TRANSFEREE SHALL BE EFFECTED UPON PRESENTATION TO US OF THE ORIGINAL OF THIS LETTER OF CREDIT AND ANY AMENDMENTS HERETO ACCOMPANIED BY A REQUEST DESIGNATING THE TRANSFEREE

IN THE FORM OF EXHIBIT A, ATTACHED HERETO, APPROPRIATELY COMPLETED PAYMENT OF OUR TRANSFER FEE OF 1/4 OF 1PCT (MINIMUM USD 300.00) ON THE OUTSTANDING AMOUNT OF LETTER OF CREDIT, WHICH SHALL BE PAID BY THE APPLICANT.

DISBURSEMENTS UNDER THE LETTER OF CREDIT SHALL BE IN ACCORDANCE WITH THE FOLLOWING TERMS AND CONDITIONS:

1. THE AMOUNT, WHICH MAY BE DRAWN BY THE BENEFICIARY UNDER THIS LETTER OF CREDIT, MAY BE at the bank's discretion REINSTATED BY THE AMOUNT OF ANY DRAWINGS HEREUNDER VIA AMENDMENT.
2. ALL COMMISSIONS, CHARGES, FEES, AND OTHER COSTS ASSOCIATED WITH THE ISSUANCE OF AND DRAWING AGAINST THIS LETTER OF CREDIT WILL BE BORNE BY THE APPLICANT AND WILL NOT REDUCE THE AMOUNT PAYABLE TO BENEFICIARY UNDER THIS LETTER OF CREDIT.
3. THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE INTERNATIONAL STANDBY PRACTICES PUBLICATION NO. 590 OF THE INTERNATIONAL CHAMBER OF COMMERCE, (THE "ISP"), EXCEPT TO THE EXTENT THAT TERMS HEREOF ARE INCONSISTENT WITH THE PROVISIONS OF THE ISP, IN WHICH CASE THE TERMS OF THE LETTER OF CREDIT SHALL GOVERN THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK TO THE EXTENT THAT THE TERMS OF THE ISP ARE NOT APPLICABLE; PROVIDED THAT, IN THE EVENT OF ANY CONFLICT BETWEEN THE ISP AND SUCH NEW YORK LAWS, THE ISP SHALL CONTROL
4. THIS LETTER OF CREDIT MAY NOT BE AMENDED, CHANGED, OR MODIFIED WITHOUT THE EXPRESS WRITTEN CONSENT OF THE BENEFICIARY, THE APPLICANT AND THE ISSUER.
5. THE BENEFICIARY SHALL NOT BE DEEMED TO HAVE WAIVED ANY RIGHTS UNDER THIS LETTER OF CREDIT, UNLESS AN AUTHORIZED REPRESENTATIVE OF THE BENEFICIARY SHALL HAVE SIGNED A WRITTEN WAIVER. NO SUCH WAIVER, UNLESS EXPRESSLY SO STATED THEREIN, SHALL BE EFFECTIVE AS TO ANY TRANSACTION THAT OCCURS SUBSEQUENT TO THE DATE OF THE WAIVER, NOR AS TO ANY CONTINUANCE OF A BREACH AFTER THE WAIVER.
6. A FAILURE TO MAKE ANY PARTIAL DRAWING AT ANY TIME SHALL NOT IMPAIR OR REDUCE THE AVAILABILITY OF THIS LETTER OF CREDIT IN ANY SUBSEQUENT PERIOD OR OUR OBLIGATION TO HONOR YOUR SUBSEQUENT DEMANDS FOR PAYMENT MADE IN ACCORDANCE WITH THE TERMS OF THIS LETTER OF CREDIT
7. ALL PARTIES TO THIS LETTER OF CREDIT ARE ADVISED THAT THE U.S. GOVERNMENT HAS IN PLACE CERTAIN SANCTIONS AGAINST CERTAIN COUNTRIES, TERRITORIES, INDIVIDUALS, ENTITIES, AND VESSELS. CITIGROUP ENTITIES, INCLUDING BRANCHES AND, IN CERTAIN CIRCUMSTANCES, SUBSIDIARIES, ARE/WILL BE PROHIBITED FROM ENGAGING IN TRANSACTIONS OR OTHER ACTIVITIES WITHIN THE SCOPE OF APPLICABLE SANCTIONS.

YOURS TRULY,

53

(NAME OF ISSUING BANK)_____

BY _____

TITLE_____

DIRECT TELEPHONE NUMBER_____

EXHIBIT A

REQUEST FOR FULL TRANSFER
RELINQUISHING ALL RIGHTS AS BENEFICIARY

DATE. _____

CITIBANK, N.A.
C/O CITICORP NORTH AMERICA, INC.
3800 CITIBANK CENTER
BUILDING B, 1ST FLOOR
TAMPA, FL 33610

RE. STANDBY L/C NO. _____

ISSUED BY: CITIBANK, N.A.

RECEIPT IS ACKNOWLEDGED OF THE ORIGINAL STANDBY REFERRED TO ABOVE, ISSUED IN FAVOR OF OURSELVES AS THE ORIGINAL OR TRANSFEREE BENEFICIARY THEREOF. WE HEREBY REPRESENT AND WARRANT THAT: (I) WE HAVE NOT PRESENTED ANY DEMAND OR REQUEST FOR PAYMENT OR TRANSFER UNDER THE STANDBY AFFECTING THE RIGHTS TO BE TRANSFERRED, (II) THE TRANSFEREE'S NAME AND ADDRESS ARE CORRECT, AND (III) THE EXECUTION, DELIVERY, AND PERFORMANCE OF THIS TRANSFER (A) ARE WITHIN THE UNDERSIGNED'S POWERS, (B) HAVE BEEN DULY AUTHORIZED, (C) DO NOT CONTRAVENE ANY CHARTER PROVISION, BY-LAW, RESOLUTION, CONTRACT, OR OTHER UNDERTAKING BINDING ON OR AFFECTING US OR ANY OF OUR PROPERTIES, (D) DO NOT VIOLATE ANY APPLICABLE DOMESTIC OR FOREIGN LAW, RULE, OR REGULATION, AND (E) DO NOT REQUIRE ANY NOTICE, FILING, OR OTHER ACTION TO, WITH, OR BY ANY GOVERNMENTAL AUTHORITY. WE AGREE TO INDEMNIFY YOU AND HOLD YOU HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, AND EXPENSES (INCLUDING REASONABLE ATTORNEY'S FEES) IN ANY WAY RELATED TO OR ARISING OUT OF OR IN CONNECTION (I) WITH ANY BREACH BY US OF THE REPRESENTATIONS AND WARRANTIES HEREIN, AND (II) OUR FAILURE TO REMIT TO YOU, UPON DEMAND, FUNDS PAID TO US PURSUANT TO A DEMAND DATED AFTER THE DATE OF THIS TRANSFER FORM. WE HEREBY IRREVOCABLY TRANSFER ALL OF OUR RIGHTS TO DRAW UNDER THE STANDBY AND REQUEST YOU TO TRANSFER THE SAID STANDBY IN ITS ENTIRETY TO:

WHOSE ADDRESS IS _____

(THE 'TRANSFEREE')

(OPTIONAL) PLEASE ADVISE BENEFICIARY THROUGH THE BELOW-INDICATED ADVISING BANK:

WE ARE RETURNING THE ORIGINAL STANDBY, INCLUDING AMENDMENTS TO THIS DATE, TO YOU HEREWITH IN ORDER THAT YOU MAY DELIVER IT TO THE TRANSFEREE, TOGETHER WITH YOUR CUSTOMARY LETTER OF TRANSFER

IT IS UNDERSTOOD THAT ANY AMENDMENTS TO THE STANDBY WHICH YOU MAY ISSUE OR RECEIVE ARE TO BE ADVISED BY YOU DIRECTLY TO THE TRANSFEREE, AND THAT THE DRAFTS AND DOCUMENTS OF THE TRANSFEREE, IF PRESENTED IN ACCORDANCE WITH THE CONDITIONS OF THE STANDBY, ARE TO BE FORWARDED BY YOU DIRECTLY TO THE PARTY FOR WHOSE ACCOUNT THE STANDBY WAS ISSUED (OR ANY INTERMEDIARY) WITHOUT OUR INTERVENTION.

WE REQUEST THAT YOU NOTIFY THE TRANSFEREE OF THE TRANSFER OF THIS STANDBY IN SUCH FORM AND MANNER AS YOU DEEM APPROPRIATE AND THE EFFECTIVE DATE SHALL BE THE DATE ON WHICH YOU ACKNOWLEDGE THIS REQUEST AND GIVE NOTICE THEREOF TO THE TRANSFEREE.

SINCERELY YOURS,

(NAME OF FIRST BENEFICIARY OR SUBSEQUENT TRANSFEREE)

(TELEPHONE NUMBER)

(AUTHORIZED NAME AND TITLE)

(AUTHORIZED SIGNATURE)

(2ND AUTHORIZED NAME AND TITLE)
(IF APPLICABLE)

(2ND AUTHORIZED SIGNATURE)
(IF APPLICABLE)

SIGNATURE GUARANTEED
THE BENEFICIARY'S SIGNATURE(S) WITH
TITLE(S) CONFORMS TO THAT ON FILE
WITH US AND SUCH IS/ARE AUTHORIZED
FOR THE EXECUTION OF THIS INSTRUMENT.

(NAME OF BANK)

(BANK ADDRESS)

(CITY, STATE, ZIP CODE)

(TELEPHONE NUMBER)

(EMAIL ADDRESS)

(AUTHORIZED NAME AND TITLE)

(AUTHORIZED SIGNATURE)

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