



## Filing Receipt

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**Sharyland Utilities, L.L.C.**  
**Dallas Corporate Office**  
1900 North Akard  
Dallas, Texas 75201  
Toll-free: (866) 354-3335

October 24, 2022

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

Re: Project No. 35077 – Sharyland Utilities, L.L.C. Generation Interconnection Agreement  
between Sharyland Utilities, L.L.C. and Madero Grid, LLC

To whom it may concern,

Please find attached Amendment No.3 to that certain Generation Interconnection Agreement (“Agreement”) between Sharyland Utilities, L.L.C. (“Sharyland”) and Madero Grid, LLC (“Generator”), for filing with the Public Utility Commission of Texas pursuant to 16 Tex. Admin. Code § 25.195(e). Because the Agreement contains deviations from the Standard Generation Interconnection Agreement, Sharyland has prepared this letter explaining the changes and requests that it be filed with the Agreement.

**Exhibits “B”**

- Exhibits B has an updated Commercial Date of Operation (COD) of November 30, 2022

Sincerely,

John M. Zerwas, Jr.  
Vice President, Regulatory Affairs  
Sharyland Utilities, L.L.C.

Docket No. 35077

Amendment No. 3

to the

ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT

Between

*Madero Grid, LLC*

and

*Sharyland Utilities, L.L.C.*

for

*Madero Grid*

*Project No. 211NR0244*

*October 21, 2022*

AMENDMENT NO. 3 TO THE  
ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT  
BETWEEN  
SHARYLAND UTILITIES, L.L.C.  
AND  
MADERO GRID, LLC

This Amendment No. 3 (“Amendment”) to the ERCOT Standard Generation Interconnection Agreement between Sharyland Utilities, L.L.C. (“Sharyland”) (“Transmission Service Provider” or “TSP”) and Madero Grid, LLC (“Generator”) is entered into and dated effective as of October 21, 2022 (the “Effective Date”), by and between Transmission Service Provider and Generator, hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.”

WITNESSETH

WHEREAS, Transmission Service Provider and Generator are parties to that certain ERCOT Standard Generation Interconnection Agreement, dated as of December 9, 2019 and amended on October 26, 2020 and on May 5, 2021 (the “Interconnection Agreement”);

WHEREAS, the Interconnection Agreement provides terms and conditions that allow for amendment of the Interconnection Agreement as mutually agreed by the Parties;

WHEREAS, Transmission Service Provider and Generator desire to modify the time schedule and financial security set forth in Exhibit “B” to the Interconnection Agreement;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants set forth herein, the Parties agree as follows:

I. CAPITALIZED TERMS

Unless expressly referenced and modified herein, capitalized terms used but not otherwise defined herein shall have the meanings specified in the Interconnection Agreement.

II. AMENDMENT TO THE AGREEMENT

1. The terms of this Amendment shall become effective on the Effective Date, subject to Governmental Authority (as defined in the Interconnection Agreement) approval, if required.

2. Exhibit B “Time Schedule” to the Interconnection Agreement is hereby replaced in its entirety as set forth on Attachment A hereto.

III. RATIFICATION OF OTHER TERMS

All other terms and conditions of the Interconnection Agreement that are not specifically amended by this Amendment, including the remaining Exhibits, shall remain unchanged and are hereby ratified by the Parties and shall continue to be in full force and effect.

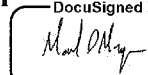

IV. MULTIPLE COUNTERPARTS

This Amendment may be executed in two or more counterparts, each of which is deemed an original, but all constitute one and the same instrument. Each of the persons signing below represents and warrants that he or she is authorized to execute this Amendment on behalf of the Party indicated.

*[Signature page to follow]*

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Amendment effective as of the Effective Date, to be duly executed by the persons set forth below in their respective capacities.

**Sharvland Utilities, L.L.C.**

By:     
174B2E8B424F480...

**Mac**

By:  \_\_\_\_\_

Manager

Attachment A**Exhibit "B"**  
**Time Schedule**

Interconnection Option chosen by Generator (check one):

  X   Section 4.1.A. or        Section 4.1.B

Notwithstanding anything to the contrary in the Interconnection Agreement, as may be amended from time to time, the Parties agree as follows:

1. Interconnection Option. The interconnection option chosen by Generator is Section 4.1.A of the Interconnection Agreement. None of the provisions of Section 4.1.B of the Interconnection Agreement shall have any force or effect and the Parties' respective rights and obligations shall be governed solely by Section 4.1.A thereof.
2. Acceptable Credit Support. Security provided by Generator shall be in the form of one of the following (each "Acceptable Credit Support").
  - a. "Cash" means cash denominated in United States dollars delivered by wire transfer to an account designated by Transmission Service Provider.
  - b. "Acceptable Guaranty" means a guaranty issued by an Acceptable Guarantor in a form reasonably acceptable to Transmission Service Provider. "Acceptable Guarantor" means a Person (other than an individual or a financial institution) with a corporate family rating at all times of at least A 1 by Moody's Investors Service, Inc., or any successor to its ratings business ("Moody's") with a stable outlook and with a corporate credit rating of at least A+ by Standard & Poor's Ratings Group, a division of McGraw-Hill, Inc., or any successor to its ratings business ("S&P") with a stable outlook.
  - c. "Letter of Credit" means a letter of credit as set forth in Exhibit E (together with any replacement letter of credit) issued or confirmed by an Acceptable Bank. Acceptable Bank means a commercial bank that (x) has a long-term credit rating of at least A2 by Moody's and A by S&P, (y) has a combined capital and surplus of at least \$1,000,000,000, and (z) is able to honor demands for payment at its offices in New York, NY or such other location as may be acceptable to TSP in its sole discretion.
    - i. The Letter of Credit shall initially be issued in an amount of USD \$3,723,000, which amount may be increased in accordance with the provisions of Section 3 below.
    - ii. The full amount of the Letter of Credit shall be drawable (1) upon any failure to renew (so long as the issuing bank continues to qualify as an Acceptable Bank) such Letter of Credit or replace such Letter of Credit with another letter of credit in the amount required hereby and issued by Acceptable Bank at least twenty (20) days prior to its renewal or expiration date, as the case may be, or (2) if the issuing bank no longer constitutes an Acceptable Bank and Generator has failed to replace

such Letter of Credit with a letter of credit in the amount required hereby and issued by an Acceptable Bank within twenty (20) days after Generator becomes aware of such issuer ceasing to be an Acceptable Bank. Any funds drawn pursuant to the preceding sentence shall be held by TSP as security and applied in accordance with this Exhibit B and the Interconnection Agreement.

- d. At any time when Generator has provided security in one form of Acceptable Credit Support, Generator may replace that form of security with another form of Acceptable Credit Support. If, at any time, there is no Acceptable Credit Support, such failure shall constitute a Default under the Interconnection Agreement, and without limitation, TSP shall be relieved of its obligations hereunder and may exercise any and all remedies available hereunder and under applicable law.
3. Adjustments to Letter of Credit Amount. Generator acknowledges that the amount required for the Letter of Credit is a good faith estimate based upon TSP's prior experience and general industry knowledge, and Generator further acknowledges such amount may need to increase as TSP performs the services below. Upon notice from TSP that the security provided will not be sufficient for the completion of the TIF, TSP shall be entitled to cease all work on the TIF until Generator has provided additional security that, in TSP's reasonable opinion, is sufficient to allow for the completion of the TIF.
  4. Scheduled Date(s):
    - a. In - Service Date(s): May 6, 2022
    - b. Scheduled Trial Operation Date: May 26, 2022
    - c. Scheduled Commercial Operation Date: November 30, 2022
  5. Covered Costs
    - a. Generator agrees to reimburse TSP for all Covered Costs (defined below) upon any of the following events: (i) the Generator elects to terminate the Interconnection Agreement pursuant to Section 2.1, or (ii) the Interconnection Agreement is otherwise terminated. "Covered Costs" include all costs and expenses incurred, or committed to be incurred by or on behalf of TSP in connection with its efforts to complete the TIF by the In-Service Date (defined below), including (but not limited to) costs associated related to planning, engineering, designing, acquiring rights-of-way, licensing, procuring equipment and materials (including any cancellation or termination fees), legal fees, financing fees, and other ancillary fees, whether such costs and expenses are internal costs of allocated personnel and resources, or external costs (contractors, third-party consultants, outside counsel, etc.), or both.
    - b. TSP has the right to demand payment under the Letter of Credit, or other security provided hereunder, for any amount payable under the Interconnection Agreement (including this Exhibit B). TSP shall have no obligation to seek payment from Generator for the Covered Costs prior to demanding payment under the Letter of Credit, or any other security provided to TSP by or on behalf of Generator.



- c. For the avoidance of doubt, (i) Section 10.5 (Force Majeure) of the Interconnection Agreement shall not apply to Generator's payment obligations with respect to the Covered Costs, or other payment obligations under the Interconnection Agreement; and (ii) Section 10.16 (Consequential Damages) of the Interconnection Agreement, shall not apply to TSP's right to collect, or Generator's obligation to reimburse Covered Costs.

Due to the nature of the subject of this Agreement, the Parties may mutually agree to change the date and time of this Exhibit B, including when actions and/or security is required.