



Control Number: 35077



Item Number: 163

Addendum StartPage: 0

PUBLIC UTILITY COMMISSION OF TEXAS
Substantive Rule 25.195(e)

Project No. 35077

Interconnection Agreement

Dated as of February 19, 2010

Between

AEP Texas Central Company

and

South Texas Electric Cooperative, Inc.

March 19, 2010

TABLE OF CONTENTS

<u>SECTION</u>	<u>FILE NAME</u>	<u>Page</u>
Interconnection Agreement	No File	2-132

RECEIVED
MARCH 19 PM 2:02
PUBLIC UTILITY COMMISSION
FILINGS CLERK

American Electric Power
P.O. Box 201
Tulsa, OK 74102-0201
www.aep.com



March 12, 2010

VIA OVERNIGHT DELIVERY

Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Dear Secretary Bose:

Pursuant to Section 35.13 of the Commission's regulations, 18 CFR § 35.13, American Electric Power Service Corporation ("AEPSC"), as agent for AEP Texas Central Company (the "Company"), submits for filing an executed Restated and Amended Interconnection Agreement (this "Interconnection Agreement") between AEPTCC and South Texas Electric Cooperative, Inc. (the "Cooperative")(collectively the "Parties"). This Interconnection Agreement replaces in its entirety the previous interconnection agreement between the Company and the Cooperative that is on file with the Commission and designated as Service Agreement No. 341 under the Open Access Transmission Service Tariff of the American Electric Power System ("AEP OATT"). This Interconnection Agreement is being filed as a nonconforming service agreement under the AEP OATT.

Reason for the Filing

The purpose of this filing is to 1) restate and amend in its entirety the general terms and conditions of an earlier interconnection agreement dated September 2, 1998 between the Company and the Cooperative to recognize the many changes in the Texas wholesale electricity market that affect the interconnection arrangements between the Parties, 2) recognize that the Central Power and Light Company that entered into the former interconnection agreement with the Cooperative is now known as AEP Texas Central Company, and 3) provide for the consolidation and revision of the interconnection arrangements of several existing points of interconnection that are existing points of interconnection between the Company and the Cooperative.

The third reason above requires further explanation. Prior to this Interconnection Agreement, the Company's interconnection arrangements at the locations described in the Facility Schedules of this Interconnection Agreement were provided in three separate interconnection agreements. There were separate interconnection agreements between the Company and the Cooperative, between the Company and Medina Electric Cooperative, Inc. ("MEC"), and between the Company and Magic Valley Electric Cooperative, Inc. ("MVEC"). In 2005 MEC and MVEC sold certain transmission and substation assets

to the Cooperative. Among these were the transmission facilities interconnected to the Company as provided for in the separate interconnection agreements with MEC and MVEC. This Interconnection Agreement between the Company and the Cooperative now includes all of the interconnection arrangements that were previously between the Company and the Cooperative, between the Company and MEC, and between the Company and MVEC.

Requested Effective Date of this Interconnection Agreement and Termination of Previous Interconnection Agreements

AEPSC requests an effective date of February 19, 2010 for this Interconnection Agreement.

AEPSC also requests an effective date of February 19, 2010 for the cancellation of the Company's interconnection agreements with MEC and MVEC that are designated as Service Agreement No. 268 and Service Agreement No. 355 respectively under the AEP OATT.

Other Filing Requirements

AEPSC believes that the materials and information provided herewith are adequate to allow the Commission to accept this Interconnection Agreement for filing. This Interconnection Agreement does not provide for rates or charges so AEPSC is submitting no cost support. There are no specifically assigned facilities. To the extent that AEPSC has not complied with the technical requirements of the Commission's regulations applicable to this filing, AEPSC respectfully requests waiver of such regulations. AEPSC has served a copy of this filing on the Cooperative and the Public Utility Commission of Texas. A copy of this filing is available for public inspection in AEPSC's offices in Tulsa, Oklahoma and Austin, Texas. Correspondence and communication concerning this filing should be addressed as follows:

Kevin F. Duffy
Assistant General Counsel – Regulatory Services
American Electric Power Service Corporation
1 Riverside Plaza
Columbus, Ohio 43215
kfduffy@aep.com

Robert L. Pennybaker
Manager, Transmission and Interconnection Services
American Electric Power Service Corporation
P.O. Box 201
Tulsa, Oklahoma 74102
rlpennybaker@aep.com

This filing consists of an original and five (5) copies each of the following:

1. this transmittal letter;
2. Enclosure 1 contains this Interconnection Agreement (designated as First Revised Service Agreement No. 341 under the AEP OATT);
3. Enclosure 2 contains a revised sheet of Service Agreement No. 268 (designated as Original Service Agreement No. 268, First Revised Sheet No. 1 superseding Original Sheet No. 1) under the AEP OATT that effectively terminates the Interconnection Agreement between Central Power and Light Company and MEC dated November 29, 1999; and
4. Enclosure 3 contains a revised sheet of Service Agreement No. 355 (designated as First Revised Service Agreement No. 355 superseding Original Service Agreement No. 355) under the AEP OATT that effectively terminates the Interconnection Agreement between Central Power and Light Company and MVEC dated July 24, 2001.

Correspondence concerning this filing should be directed to me at (918) 599-2719 or at cashields@aep.com.

Respectfully submitted,



Chris A. Shields
Principal Regulatory Consultant

Enclosures

cc: Michael Packard – STEC
Pablo Vegas - AEP Texas
Robert Pennybaker – AEPSC

Kevin Duffy – AEPSC
Steven Beaty – AEPSC
Lauri White – AEPSC

ENCLOSURE 1

**RESTATED AND AMENDED INTERCONNECTION AGREEMENT
BETWEEN
AEP TEXAS CENTRAL COMPANY
AND
SOUTH TEXAS ELECTRIC COOPERATIVE, INC.**

DATED: February 19, 2010

**RESTATED AND AMENDED INTERCONNECTION AGREEMENT
BETWEEN
AEP TEXAS CENTRAL COMPANY
AND
SOUTH TEXAS ELECTRIC COOPERATIVE, INC.**

THIS INTERCONNECTION AGREEMENT (this "Agreement"), entered into this 19th day of February, 2010, by and between AEP Texas Central Company, a Texas corporation ("Company"), and South Texas Electric Cooperative, Inc., also a Texas corporation ("Cooperative"), each singularly referred to herein as "Party" and collectively referred to herein as "Parties".

WITNESSETH:

WHEREAS, this Agreement is restated and amended from an earlier interconnection agreement dated September 2, 1998 between Central Power and Light Company and Cooperative that was amended on June 9, 1999, October 9, 2000, July 19, 2001, April 30, 2002 and May 1, 2003 (the "1998 Agreement"); and

WHEREAS, Medina Electric Cooperative, Inc. and Central Power and Light Company entered into an interconnection agreement dated November 29, 1999 that was later amended on numerous occasions (the "1999 Agreement"); and

WHEREAS, Magic Valley Electric Cooperative, Inc. and Central Power and Light Company are interconnected under an interconnection agreement dated July 24, 2001 that was later amended on numerous occasions (the "2001 Agreement"); and

WHEREAS, the Central Power and Light Company that entered into the 1998 Agreement, 1999 Agreement and the 2001 Agreement is now known as AEP Texas Central Company; and

WHEREAS, Magic Valley Electric Cooperative, Inc. and Medina Electric Cooperative, Inc. joined Cooperative as distribution members in 2005 with certain transmission and substation assets transferred to Cooperative, including interconnection facilities; and

WHEREAS, the Parties desire to consolidate the 1998 Agreement, 1999 Agreement and the 2001 Agreement into one restated and amended interconnection agreement between Cooperative and Company; and

WHEREAS, the Parties agree that the 1999 Agreement and the 2001 Agreement shall be terminated upon execution of this Agreement; and

WHEREAS, the Parties recognize that the 1998 Interconnection Agreement does not reflect the changes in the Texas wholesale electricity market or other changes in the interconnection arrangements of the Parties that have occurred since the 1998 Agreement was entered into; and

WHEREAS, the Parties have recently established or shortly will establish several new interconnection facilities between their electrical systems; and

WHEREAS, the Parties desire to continue to provide for the interconnection of their respective transmission systems in the respects, and under the terms and conditions, set forth below;

NOW, THEREFORE, the parties agree to the following:

ARTICLE 1. EFFECTIVE DATE AND TERM

- 1.1 This Agreement and any subsequent addendum to this Agreement shall become effective on the date accepted by the Federal Energy Regulatory Commission ("FERC") and any other regulatory agency or agencies having jurisdiction and approved by the Administrator of the Rural Utilities Service, if such approval may be required. Company will request the FERC that this Agreement become effective on the date first written above. This Agreement and any subsequent addendum to this Agreement shall remain in effect for a period of ten (10) years from the effective date of this Agreement or the effective date of any subsequent addendum to this Agreement, which ever is later, and shall continue in effect thereafter, subject to cancellation by either Party upon three (3) years written notice to the other Party.

ARTICLE 2. SCOPE OF AGREEMENT

- 2.1 This Agreement shall apply to the construction, operation and maintenance of those facilities which are specifically identified and described in the Facility Schedules which are attached hereto and incorporated herein, to permit interchange of power and energy between the Parties.
- 2.2 This Agreement, including all attached Facility Schedules, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces the 1998 Agreement in its entirety. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement.

ARTICLE 3. DEFINITIONS

For purposes of this Agreement, the following definitions shall apply:

- 3.1 Agreement shall mean this Agreement with all exhibits, schedules, and attachments applying hereto, including any exhibits, schedules, attachments, and any amendments hereafter made.
- 3.2 ERCOT shall mean the Electric Reliability Council of Texas, Inc.
- 3.3 ERCOT Protocols shall mean the documents adopted by ERCOT, and approved by the PUCT, including any attachments or exhibits referenced in the ERCOT Protocols, as amended from time to time, that contain the scheduling, operating, planning, reliability, and settlement policies (including customer registration), rules, guidelines, procedures, standards, and criteria of ERCOT.
- 3.4 Facility Schedule(s) shall mean the addendum(s) to this Agreement that describe the agreement on ownership, installation, control, operation, and maintenance responsibilities of the Parties at the Point(s) of Interconnection and any additional terms and conditions of this Agreement that apply specifically to the Point(s) of Interconnection.
- 3.5 FERC shall mean the Federal Energy Regulatory Commission.
- 3.6 Good Utility Practice shall mean any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region. Good Utility Practice may include, but is not limited to, conformance with the applicable and consistently applied reliability criteria, standards, and operating guides of ERCOT and the North American Electric Reliability Council, or any successor organization(s).
- 3.7 Point(s) of Interconnection shall mean the former points of interconnection previously provided for by predecessors to this Agreement, additional points of interconnection established under this Agreement, subsequent points of interconnection that may be established under this Agreement at which the electrical systems of the Parties are or may be connected by the closure of normally open switches and metering points of delivery on a Party's system.
- 3.8 PUCT shall mean the Public Utility Commission of Texas.

ARTICLE 4. ESTABLISHMENT OF POINTS OF INTERCONNECTION

- 4.1 The Parties agree to interconnect their facilities at the locations, and in accordance with the terms and conditions, specified in the attached Facility Schedules. All Points of Interconnection shall be specified in Exhibit A and the Facility Schedules

attached hereto and made a part hereof. The responsibilities of the Parties for the ownership and costs associated with the establishment of each such Point of Interconnection shall be specified on the Facility Schedule applicable to the Point of Interconnection.

- 4.2 It is understood that the Points of Interconnection described in Facility Schedules No. 1 through 21 were established under the 1998 Agreement and prior agreements.
- 4.3 It is understood that the Points of Interconnection described in Facility Schedules No. 22 through 33 were established under the 1999 Agreement and prior agreements of which the Cooperative was not a party.
- 4.4 It is understood that the Points of Interconnection described in Facility Schedules No. 34 through 46 were established under the 2001 Agreement and prior agreements of which the Cooperative was not a party.
- 4.5 From time to time, Points of Interconnection may be established, relocated, altered, or removed as mutually agreed by the Parties. Any such change shall be recorded in Exhibit A and a Facility Schedule shall be added, changed, or deleted in such a way that the numbering of the other Facility Schedules is not changed. All such changes shall be recorded in Exhibit A with additional or amended Facility Schedules separately executed and attached hereto.
- 4.6 Unless otherwise provided by the Facility Schedules, each Party shall, at each Point of Interconnection, at its own risk and expense, design, install, operate and maintain, or cause the design, installation, maintenance, and operation of its transmission and distribution system, including all apparatus and necessary protective devices on its side of the ownership change point, so as to reasonably minimize the likelihood of a disturbance, originating in the system of one Party, from affecting or impairing the system of the other Party, or other systems to which the Party is interconnected. The Parties agree that all Points of Interconnection will be established in conformance with the ERCOT operating and metering guidelines and the ERCOT Protocols, as the same may be amended hereafter. The Parties agree to cause their systems to be constructed in accordance with specifications at least equal to those provided by the National Electrical Safety Code, approved by the American National Standards Institute, and in effect at the time of construction. Each Party will be responsible for the equipment and facilities on its side of the Point of Interconnection.
- 4.7 Unless otherwise provided by the Facility Schedules, either Party shall have the right to disconnect from the other Party at any Point of Interconnection according to mutual agreement, but not to exceed three years from the time of written notice, unless an extension is agreed upon by both parties.

ARTICLE 5. OTHER SERVICES

- 5.1 This Agreement is applicable only to the interconnection of the facilities of the Parties at the Points of Interconnection and does not obligate Company or Cooperative to provide, or entitle either Party to receive, any service not expressly provided for herein. Each Party is responsible for making the arrangements necessary to receive any other service that either Party may desire from the other Party or any third party. Each Party shall be responsible for its compliance with the ERCOT Protocols.
- 5.2 All transmission, transformation, distribution, metering, operations, and maintenance services will be provided and charged under agreements separate from this Agreement.

ARTICLE 6. OPERATION AND MAINTENANCE OF INTERCONNECTION FACILITIES

- 6.1 Unless otherwise provided by the Facility Schedules, each Party will be responsible for the operation, maintenance and inspection of all facilities it owns now or hereafter may own associated with each Point of Interconnection.
- 6.2 Operational responsibility for facilities owned by one Party but installed in another Party's substation or transmission line will be identified in the Facility Schedules for that particular Point of Interconnection.
- 6.3 During the term of this Agreement, the Parties will, consistent with maintaining good operating practices, coordinate their operations to ensure maximum continuity of services to their respective customers. Maintenance by either Party that will cause a deviation from the normal power and energy flow at a Point of Interconnection will be scheduled at a mutually agreeable time. Parties will communicate with each other as soon as practical after any unplanned outage and immediately prior to any imminent operation of a switching device that will cause a deviation from the normal power and energy flow at a Point of Interconnection. No changes will be made in the normal operation of a Point of Interconnection without the mutual agreement of the Parties.
- 6.4 Each Party will coordinate with the other Party, the protective devices of the lines and facilities it owns and operates that are interconnected with the other Party's system.
- 6.5 During emergency conditions, with prior approval of the owning Party, each Party may operate equipment owned by the other Party in order to restore customer service. Such operations will be at no cost to the Party owning the equipment and shall be performed in a manner approved by the Party owning the equipment. Authorization will be prompt and not unreasonably withheld.

ARTICLE 7. RIGHT OF ACCESS, EQUIPMENT INSTALLATION AND REMOVAL

- 7.1 Each Party shall permit duly authorized representatives and employees of the other Party to enter upon its premises for the purpose of reading or checking meters, inspecting, testing, repairing, renewing or exchanging any or all of the equipment owned by the other Party located on such premises or for the purpose of performing any work necessary in the performance of this Agreement.
- 7.2 Each Party grants to the other permission to install, maintain and operate, or cause to be installed, maintained and operated, on its premises, the necessary equipment, apparatus and devices on its side of the ownership change point that are required for the performance of this Agreement. Any such installation, maintenance, and operation to be performed, except in the case of emergencies, shall be performed only after a schedule of such activity is submitted to the other Party.
- 7.3 Any and all equipment, apparatus, and devices placed or installed, or caused to be placed or installed by one Party on, or in, the premises of the other Party, shall be and remain the property of the Party owning and installing such equipment, apparatus, devices, or facilities, regardless of the mode and manner of annexation or attachment to real property. Upon the termination of any Point of Interconnection under this Agreement, the Party owning and installing such equipment, apparatus, devices or facilities, shall have the right to 1) sell such equipment, apparatus, devices or facilities to the other Party if the other Party wishes to purchase such equipment, apparatus, devices or facilities or 2) enter the premises of the other Party and, within a reasonable time, remove at their cost such equipment, apparatus, devices or facilities that are salvageable .
- 7.4 Each Party shall clearly mark their respective equipment, apparatus, devices or facilities with appropriate ownership identification.
- 7.5 Any future proposed design changes impacting the communications, capacity, or performance of an interconnection will be submitted to the other party for comment prior to commencement of installation. Any differences regarding design changes will be resolved in accordance with NESC requirements as a minimum.

ARTICLE 8. METERING AND COMMUNICATIONS

- 8.1 All metering, telemetering, and communication equipment required herein for the control and operation of a Party's transmission and distribution facilities shall be installed, operated and maintained by the owner in accordance with "Good Utility Practice", ERCOT guidelines or Protocols, whichever is applicable.
- 8.2 Metering equipment installed at Points of Interconnection shall be identified in the Facility Schedules. The non-owning Party of the Point of Interconnection shall be allowed by the owning Party to witness the testing and inspection of the meter equipment. The owning Party shall give reasonable advance notice of all tests and

inspections so that representatives of the other Party may be present. After proper notification to the other Party, the owner may proceed with the scheduled tests or inspections regardless of whether a witness is present.

- 8.3 If any test or inspection of a meter shows it to be inaccurate by more than allowed by the applicable ERCOT guidelines and protocols, the meter or other equipment found to be inaccurate or defective shall be promptly repaired, adjusted or replaced by the owner. Should metering equipment fail to register, the power and energy delivered and received shall be determined in accordance with ERCOT guidelines or Protocols, whichever is applicable.
- 8.4 The Party owning Point of Interconnection metering, telemetering, or communication facilities required by ERCOT guidelines or Protocols shall allow the other Party access to metering information by means of existing telemetering and communications facilities. The non-owning Party is responsible for any incremental costs incurred by the owning Party in providing this access to meter or SCADA data.
- 8.5 In the event that metering, telemetering, or communications facilities are no longer required by the ERCOT Protocols and the Party owning these facilities does not wish to continue to operate and maintain these facilities, the owning Party may remove these facilities three (3) months after it has notified in writing the other Party of its plans. If these facilities that are no longer required by the ERCOT Protocols fail to operate accurately and/or the owning Party does not wish to maintain these facilities, the other Party shall be allowed to purchase, replace, own, operate, and maintain these facilities at its cost.
- 8.6 Each Party shall maintain, in accordance with normal utility accounting procedures, complete books and records of their respective construction costs and expenses associated with the establishment of a Point of Interconnection. Each Party will make available to the other Party for inspection, through its employees, agents or independent public accountants, all records used to establish charges in accordance with this Agreement. All inspections will be performed at the inspecting Party's own expense during normal business hours in the offices of the Party in possession of such records.
- 8.7 Each Party agrees to provide the other Party access to unused communication circuits of its telecommunication systems, when such circuits are available, and also agrees to provide space on its communications towers and in its communications buildings for the purpose of installing and maintaining equipment necessary to access such available communications circuits, when such space is available, for its internal use. Such access to unused circuits and space will be considered on a case by case basis for each Point of Interconnection.
- 8.8 It is expressly understood that this section shall not obligate either Party to provide or construct additional towers, circuit capacity or building space not already available at their existing telecommunication installations. The use by one Party of the other Party's telecommunication systems pursuant to this paragraph must not unduly interfere with the existing or planned uses of each system by its owner. The

Parties intend that the agreement contained in this paragraph shall survive the termination of this contract and continue in effect until 90 days following the date upon which either Party gives written notice to the other Party of its desire to terminate the agreement contained in this section.

- 8.9 Each Party shall provide, at its own expense, the necessary communication and telemetering facilities needed for the control and operation of its transmission system.
- 8.10 All communication and telemetering facilities required herein shall be selected, installed, tested, operated and maintained by the Party owning such equipment in accordance with good utility practice, ERCOT operating and metering guidelines or ERCOT Protocols, whichever is applicable.

ARTICLE 9. INDEMNIFICATION

- 9.1 Each Party shall indemnify, defend and save harmless the other Party, its directors, officers and agents (including, but not limited to, directors, officers and employees of its affiliates and contractors) from any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from negligence or other fault in the design, construction or operation of their respective facilities during the performance of this Agreement, except in cases of negligence or intentional wrongdoing by the other Party.

ARTICLE 10. TECHNICAL COMMITTEE

- 10.1 For purposes of administrating this Agreement, a Technical Committee shall be created consisting of one representative from each Party. This Technical Committee shall meet as required, with either representative having the right to convene such a meeting upon reasonable notice to the other representative.
- 10.2 The Technical Committee shall also be directed to establish procedures by which an investigation of the feasibility of establishing another normally closed point of interconnection between the Parties' transmission systems that would benefit either Party. Assuming any such investigation results in a finding that the establishment and use of such interconnection would be beneficial to either Party would not impair the quality of the other Party's existing or planned services, and would not require the construction by the other Party of any new transmission facilities, or otherwise increase the cost to the other Party, the Parties agrees that, subject to agreement as to ownership, cost and operational responsibility, and scheduling, they will use their best efforts to cooperate with each other Party in establishing such interconnection.

ARTICLE 11. NOTICES

- 11.1 Notices and communication made pursuant to this Agreement shall be deemed to be properly given if delivered in writing, postage paid, to the following:

If to Company:

Manager, Transmission and
Interconnection Services
American Electric Power Service
Corporation
212 E. 6th St
P.O. Box 201
Tulsa, OK 74102

If to Cooperative:

General Manager
South Texas Electric Cooperative,
Inc.
2849 FM 447
P.O. Box 119
Nursery, TX 77976

- 11.2 The herein listed names, titles, and/or addresses of either Party may be changed by written notification to the other Party.

ARTICLE 12. GOVERNING LAW AND REGULATORY AUTHORITY

- 12.1 This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to all valid applicable federal, state, and local laws, ordinances, and rules and regulations of duly constituted regulatory authorities having jurisdiction.
- 12.2 After execution by both Parties, Company will file this Agreement with the PUCT and with the FERC.
- 12.3 This Agreement is subject to the approval of any regulatory authority having jurisdiction over the Parties hereto. Both Parties hereby agree to support the approval of this Agreement before such regulatory authority and to provide such documents, information and opinions as may be reasonably required or requested by either Party in the course of approval proceedings. Except by mutual agreement, neither Party shall request any regulatory authority having jurisdiction to order a change in this Agreement.
- 12.4 In the event that a regulatory authority having jurisdiction over the Parties orders a change in the terms of this Agreement, the Parties agree to negotiate in good faith a replacement term that will most nearly accomplish the purpose and intent of the original term consistent with the regulatory order. If the Parties cannot reach an agreement over the new term and if the old term is an essential provision of this Agreement, either Party may elect to terminate this Agreement, by providing notice of such election to the other. An election to terminate under this provision shall not affect either Party's duty to perform prior to the effective date of termination.

ARTICLE 13. INVOICING AND PAYMENT

- 13.1 Invoices for sums due hereunder will be rendered by each Party to the other at the following address:

If to Company:

American Electric Power Service Corporation
Inc.
Attn: Accounts Payable
301 Cleveland Ave., S.W.
Canton, Ohio 44702

If to Cooperative:

South Texas Electric Cooperative,
Attn: Accounts Payable
2849 FM 447
P.O. Box 119
Nursery, Texas 77976

- 13.2 The herein listed addresses of either Party may be changed by written notification to the other Party.
- 13.3 Parties must receive payment by the 20th calendar day after the date of issuance of the invoice, unless the Parties agree on another mutually acceptable deadline, in accordance with PUCT Substantive Rules. Interest will accrue on any unpaid amount, calculated in accordance with applicable regulatory requirements. When payments are made by mail, invoices are considered as having been paid on the date of receipt by the Party.

ARTICLE 14. MISCELLANEOUS

- 14.1 Any undertaking by a Party to the other Party under this Agreement shall not constitute the dedication of the electrical system or any portion thereof of that Party to the public or to the other Party, and it is understood and agreed that any such undertaking shall cease upon the termination of this Agreement.
- 14.2 This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto. Cooperative, without the approval of Company, may assign, transfer, mortgage or pledge this Agreement to create a security interest for the benefit of the United States of America, acting through the Administrator of the Rural Utilities Service (the "Administrator"). Thereafter, the Administrator, without the approval of Company, may (i) cause this Agreement to be sold, assigned, transferred or otherwise disposed of to a third party pursuant to the terms governing such security interest, or (ii) if the Administrator first acquires this Agreement pursuant to 7 U.S.C. §907, sell, assign, transfer or otherwise dispose of this Agreement to a third party; provided, however, that in either case (a) Cooperative is in default of its obligations to the Administrator that are secured by such security interest and the Administrator has given Company notice of such default; and (b) the Administrator has given Company thirty (30) days prior notice

- of its intention to sell, assign, transfer or otherwise dispose of this Agreement indicating the identity of the intended third-party assignees or purchaser. No permitted sale, assignment, transfer or other disposition shall release or discharge Cooperative from its obligations under this Agreement.
- 14.3 Except as provided in subsection A above, neither Party shall assign its interest in the Agreement in whole or in part without the prior written consent of the other Party. Such consent shall not be unreasonably withheld.
- 14.4 The several provisions of this Agreement are not intended to and shall not create rights of any character in, nor be enforceable by, parties other than the signatories to this Agreement and their assigns.
- 14.5 No Party will be considered in default as to any obligation under this Agreement, other than an obligation to pay money, if prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations under this Agreement.
- 14.6 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of this Agreement will not be considered to waive the obligations, rights or duties imposed upon the Parties by this Agreement.
- 14.7 This Agreement shall not affect the obligations or rights of either Party with respect to other agreements. Both Parties to this Agreement represent that there is no agreement or other obligation binding upon it which, as such Party is presently aware, would limit the effectiveness or frustrate the purpose of this Agreement.
- 14.8 The Parties agree that it is their intent that performance under this Agreement will in no way jeopardize the tax-exempt status of Cooperative and the tax-exempt nature of Cooperative's property and use of facilities.
- 14.9 This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced in writing and executed by the Parties.
- 14.10 The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.
- 14.11 This Agreement will be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

EXHIBIT A

FACILITY SCHEDULE NO.	INTERCONNECTION NAME	INTERCONNECTION VOLTAGE (KV)	LAST DATE INCLUDED OR AMENDED IN EARLIER AGREEMENT*
1	Port Lavaca	69	December 14, 1990 February 19, 2010
2	Loyola	138	May 28, 1992 February 19, 2010
3	Casa Blanca	69	December 11, 1980 February 19, 2010
4	George West	138	December 11, 1980 February 19, 2010
5	Fannin	69	December 11, 1980 February 19, 2010
6	Midfield West Tie Line	69	December 11, 1980 February 19, 2010
7	Markham Tie Line	69	October 16, 1981 February 19, 2010
8	Blessing	138	August 25, 1980 February 19, 2010
9	Victoria	138	February 6, 1979 February 19, 2010
10	Orange Grove	138	September 28, 1989 February 19, 2010
11	Sigmor Tie Line	138	August 25, 1980 February 19, 2010
12	Calallen	69	February 6, 1979 February 19, 2010
13	San Miguel	138	June 29, 1981 February 19, 2010
14	Palacios	69	October 16, 1981 February 19, 2010
15	San Diego	69	October 16, 1981 February 19, 2010
16	City of Robstown	69	June 9, 1999 May 1, 2003 February 19, 2010
17	Pioneer (TXI)	NA	Terminated 2008
18	Pawnee	NA	Terminated 2004
19	Carbide	69	October 9, 2000 February 19, 2010

EXHIBIT A (continued)

FACILITY SCHEDULE NO.	INTERCONNECTION NAME	INTERCONNECTION VOLTAGE (KV)	LAST DATE INCLUDED OR AMENDED IN EARLIER AGREEMENT*
20	Warburton Road	138	October 9, 2000 April 30, 2002 February 19, 2010
21	Mathis	69	October 9, 2000 July 19, 2001 February 19, 2010
22	Batesville	138	February 6, 1979 February 19, 2010
23	Bruni	138	February 6, 1979 February 19, 2010
24	Devine	69	February 6, 1979 February 19, 2010
25	Dilley	138	February 6, 1979 February 19, 2010
26	Moore	138	February 6, 1979 February 19, 2010
27	Sabinal	69	February 6, 1979 February 19, 2010
28	Turtle Creek	69	November 29, 1999 August 30, 2000 February 19, 2010
29	Downie	138	November 29, 1999 November 1, 2002 February 19, 2010
30	Garza	138	October 1, 2001 February 19, 2010
31	Lopeno	138	October 1, 2001 February 19, 2010
32	University	138	October 1, 2001 February 19, 2010
33	Randado Tie	69	October 1, 2001 February 19, 2010
34	Union Carbide Brownsville	138	July 24, 2001 February 19, 2010
35	Las Milpas	138	July 24, 2001 February 19, 2010
36	North Edinburg 138	138	July 24, 2001 February 19, 2010

EXHIBIT A (continued)

FACILITY SCHEDULE NO.	INTERCONNECTION NAME	INTERCONNECTION VOLTAGE (KV)	LAST DATE INCLUDED OR AMENDED IN EARLIER AGREEMENT*
37	Pharr	138	July 24, 2001 February 19, 2010
38	North Edinburg 69	69	July 24, 2001 February 19, 2010
39	Raymondville No. 2	138	July 24, 2001 February 19, 2010
40	Port Mansfield Tie Line	12.47	July 24, 2001 February 19, 2010
41	Rangerville	138	July 24, 2001 February 19, 2010
42	Rio Hondo	138	July 24, 2001 February 19, 2010
43	Weslaco	138	July 24, 2001 June 26, 2002 February 19, 2010
44	Coffee Port	138	July 24, 2001 February 19, 2010
45	F. Yturria	138	July 24, 2001 February 19, 2010
46	Aderhold	138	June 26, 2002 February 19, 2010
47	Greta Tie Line	12.47	February 19, 2010
48	Capehart Tie Line	12.47	February 19, 2010
49	Hi-Line	138	February 19, 2010
50	Key	138	February 19, 2010
51	Laureles	138	February 19, 2010
52	North Laredo	138	February 19, 2010
53	Franklins Camp	NA	February 19, 2010

* These dates do not necessarily reflect the date that the Point of Interconnection was established or terminated.

FACILITY SCHEDULE NO. 1

1. Name: **Port Lavaca**
2. Facility Location: Cooperative's Port Lavaca Substation at 4577 State Hwy 35 South, Port Lavaca, Calhoun County
3. Delivery Voltage: 69 kV
4. Metered Voltage: 69 kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Cooperative owns all equipment at its Port Lavaca Substation and the approximately 0.5 mile 69kV line connected from this station to a tap point of Company's 69kV line between its Carbide to Port Lavaca substations.

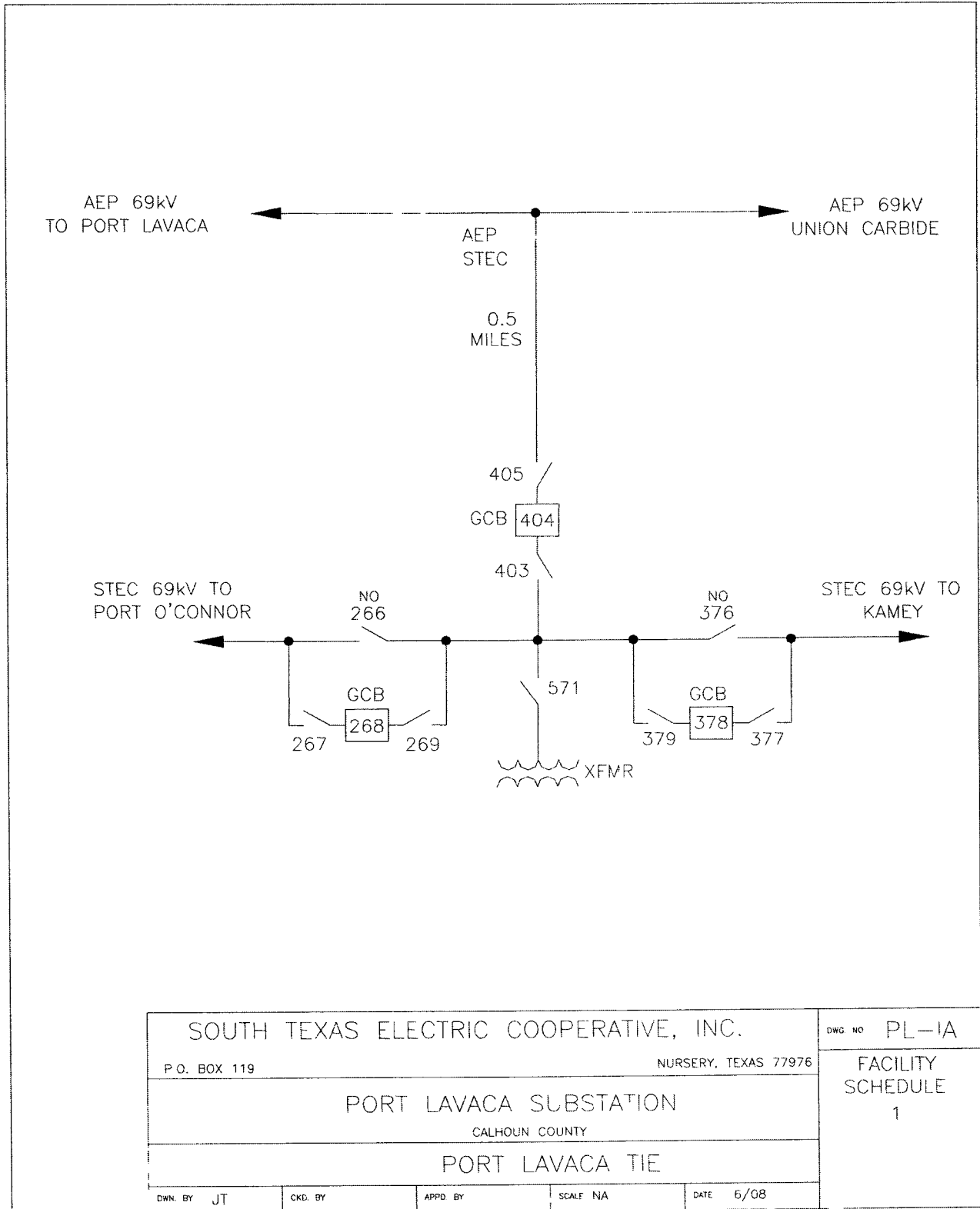
Company owns the 69kV transmission line between the Company Union Carbide station and the Company Port Lavaca substation.
9. Operational Responsibilities of Each Party:

Cooperative operates circuit breaker #404 at its Port Lavaca substation and associated protective relaying equipment that compliments Company's protective relaying equipment installed on Company's Carbide to Port Lavaca line.

Company operates the equipment installed by Company.
10. Maintenance Responsibilities of Each Party:

Cooperative will maintain all of the circuit breaker(s), metering equipment, bus and associated protective equipment, communication equipment and control house at the Cooperative's Port Lavaca substation and the approximately 0.5 mile tap.

Company will maintain its transmission facilities associated with the above described interconnection.
11. Other Terms and Conditions:
None -



FACILITY SCHEDULE NO. 2

1. Name: **Loyola**
2. Facility Location: Cooperative's Loyola Station at 360 East County Road
2290, Riviera, Kleberg County
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Cooperative owns all equipment in the station with the exception of the Company's RTU.

Company owns the transmission lines from Raymondville #2 and Kleberg that terminate at the substation. Company owns an RTU in the control house.
9. Operational Responsibilities of Each Party:

Company operates and controls 138kV breaker #90 and associated switches and relaying; 138kV breaker #10 and associated switches and relaying; switch #268; an RTU and associated communication equipment; the potential transformers connected to the 138kV bus; and the carrier equipment connected to the 138kV lines.

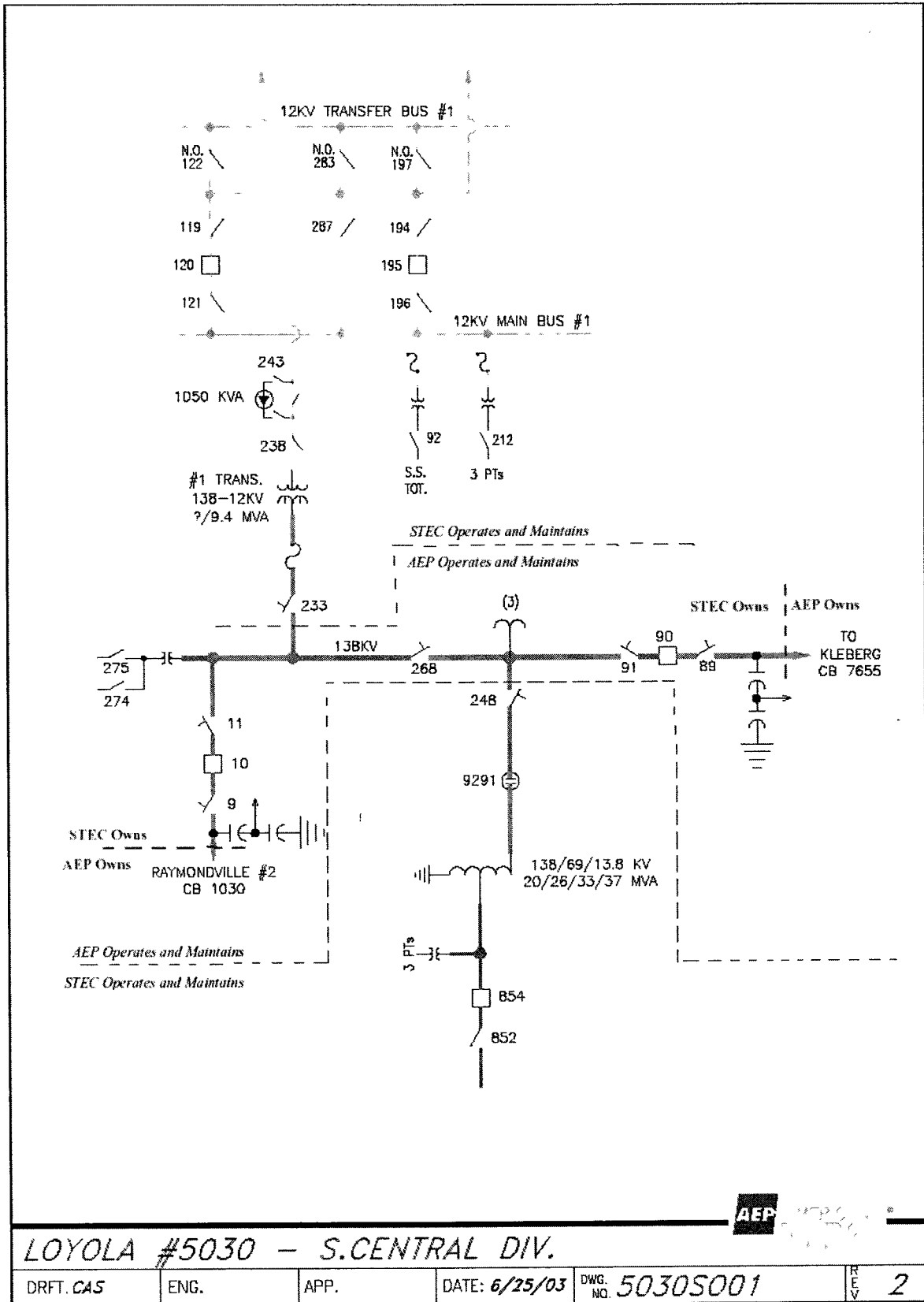
Cooperative operates all other equipment at the Loyola Substation.
10. Maintenance Responsibilities of Each Party:

Company maintains the equipment it owns at their expense.

Cooperative maintains the equipment it owns at their expense with the exception that Company maintains the 138kV circuit breakers and associated switches and carrier equipment at Cooperative's expense.
11. Other Terms and Conditions:

Either Party may operate the 138kV air disconnect switches within ERCOT guidelines and protocols.

Company has station access with a lock in the station gate.



FACILITY SCHEDULE NO. 3

1. Name: **Casa Blanca**
2. Facility Location: Company's Casa Blanca Substation located 3.5 miles northeast of Orange Grove on State Highway 359 at the intersection of Jim Well County Rd. 308
3. Delivery Voltage: 69 kV
4. Metered Voltage: 12 kV from Company's 12 kV bus PT's and CT's
5. Loss Adjustment Due To Meter Location: Yes
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

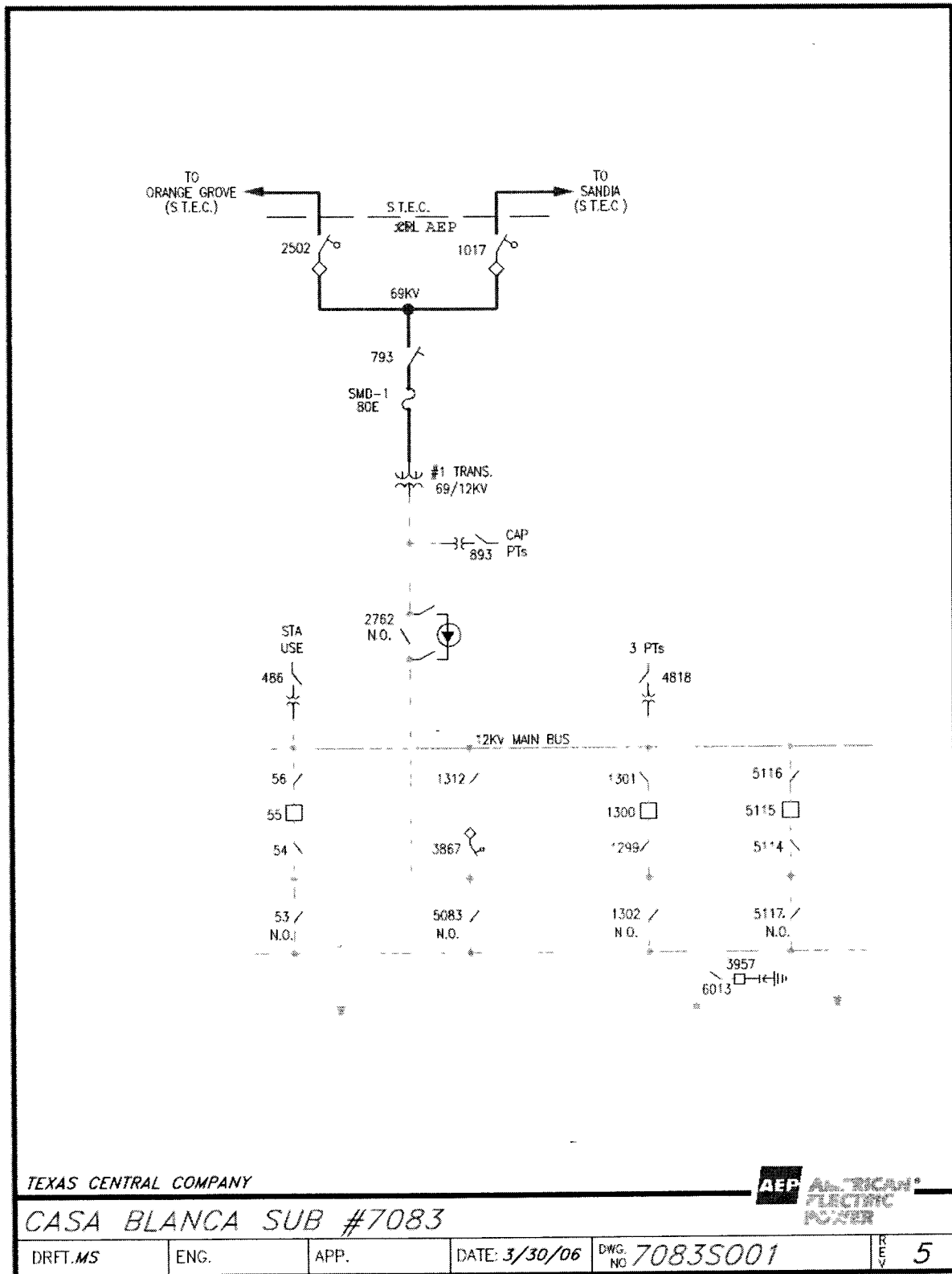
Company owns all equipment installed in this substation required for its operation, including the metering equipment necessary for metering deliveries to this substation, and any protective equipment reasonably required by Cooperative to protect Cooperative's system.

Cooperative owns the transmission lines from Orange Grove and Sandia that terminate at this substation.
9. Operational Responsibilities of Each Party:

Company operates and controls all equipment in this substation except Cooperative may operate switches 1017 and 2502.
10. Maintenance Responsibilities of Each Party:

Company maintains all equipment in this substation.
11. Other Terms and Conditions:

Cooperative has station access with a lock in the station gate.



FACILITY SCHEDULE NO. 4

1. Name: **George West**
2. Facility Location: Company's George West Substation located 1.0 miles southwest of George West on Highway 59 Live Oak County
3. Delivery Voltage: 138 kV
4. Metered Voltage: 12 kV from Company's 12 kV bus PT's and CT's
5. Loss Adjustment Due To Meter Location: Yes.
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

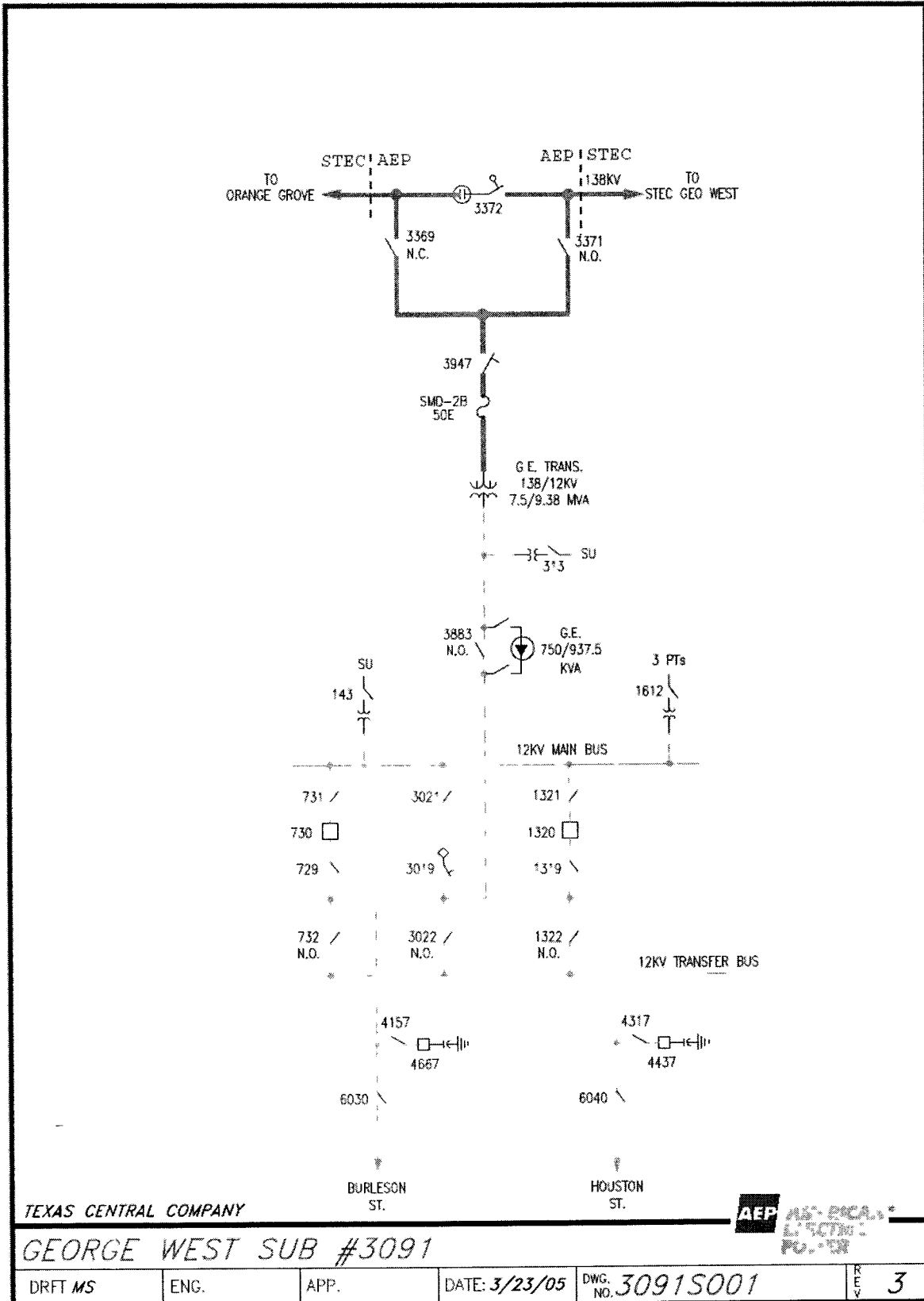
Company installed in this substation all facilities required for its operation, including the metering equipment necessary for metering deliveries to this substation, and any protective equipment reasonably required by Cooperative to protect Cooperative's system.

Cooperative owns the 138kV transmission lines from Cooperative's Orange Grove and George West stations which terminate at this substation.
9. Operational Responsibilities of Each Party:

Company and Cooperative may operate switches 3369 and 3371 and circuit switcher 3372 according to Cooperative dispatch instructions. Company operates the remaining equipment in this substation.
10. Maintenance Responsibilities of Each Party:

Company maintains all equipment in this substation.
11. Other Terms and Conditions:

Cooperative has station access with lock at the station gate.



TEXAS CENTRAL COMPANY

GEORGE WEST SUB #3091

DRFT MS

ENG.

APP.

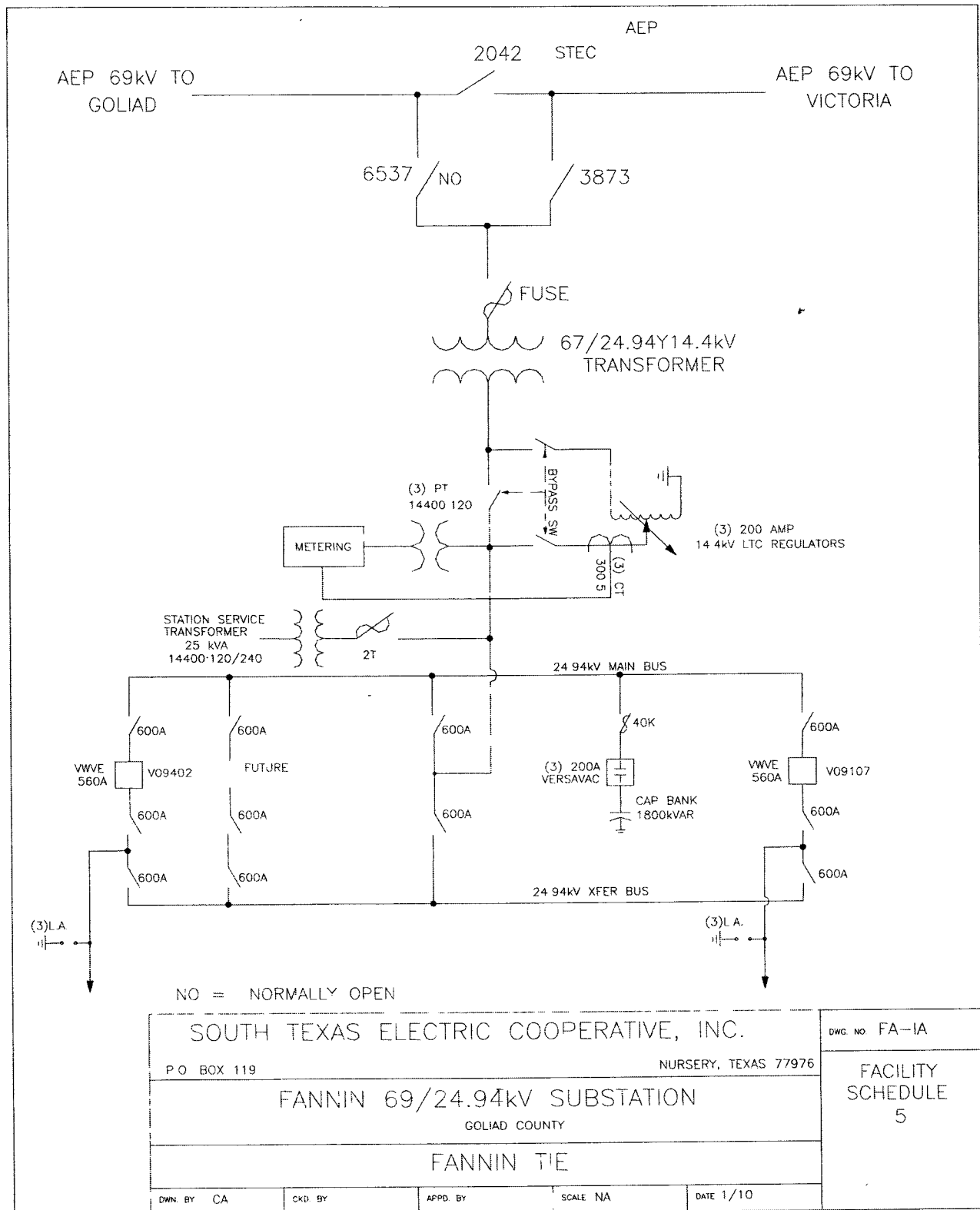
DATE: 3/23/05

DWG. NO. 3091S001

REV 3

FACILITY SCHEDULE NO. 5

1. Name: **Fannin**
2. Facility Location: Cooperative's Fannin Substation at 399 FM 2506, Fannin, Goliad County
3. Delivery Voltage: 69 kV
4. Metered Voltage: 24.94kV
5. Loss Adjustment Due To Meter Location: Yes.
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:
Cooperative owns all equipment in this station.
Company owns the transmission lines from Goliad and Victoria that terminate at this substation.
9. Operational Responsibilities of Each Party:
Cooperative and Company both have the ability to operate the 69kV air switches #2042, #6537, and #3873 according to Company dispatch instructions. Cooperative operates the remaining equipment in this substation.
10. Maintenance Responsibilities of Each Party:
Cooperative maintains all equipment in this substation.
Company maintains the transmission lines that terminate at this substation.
11. Other Terms and Conditions:
Company has access to the station with a lock in the security fence gate.



FACILITY SCHEDULE NO. 6

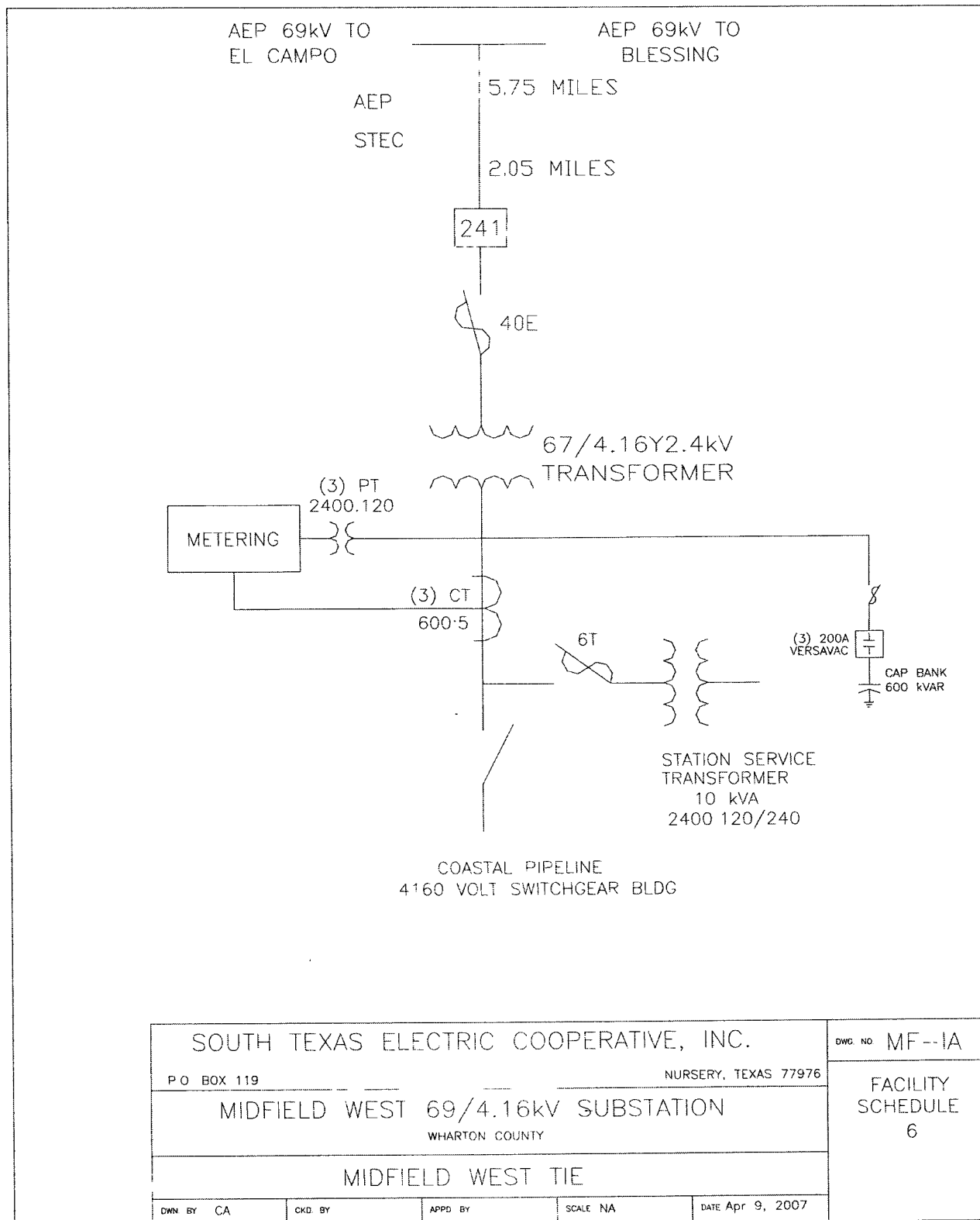
1. Name: **Midfield West Tie Line**
2. Facility Location: Cooperative's Midfield West Substation at 112 County Road 434, Wharton County
3. Delivery Voltage: 69 kV
4. Metered Voltage: 4.16kV
5. Loss Adjustment Due To Meter Location: Yes.
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Cooperative installed and owns all facilities in the Midfield West Substation. Cooperative installed and owns 2.05 miles of 69kV transmission line from the Midfield West Substation to a point where ownership changes to Company.

Company owns the El Campo to Blessing 69kV transmission line and 5.75 miles of the 69kV tap line to the ownership change point.
9. Operational Responsibilities of Each Party:

The Parties operate the equipment they own.
10. Maintenance Responsibilities of Each Party:

The Parties maintain the equipment they own.
11. Other Terms and Conditions : None.



SOUTH TEXAS ELECTRIC COOPERATIVE, INC.				DWC NO. MF--IA	
P.O. BOX 119		NURSERY, TEXAS 77976			
MIDFIELD WEST 69/4.16kV SUBSTATION				FACILITY SCHEDULE 6	
WHARTON COUNTY					
MIDFIELD WEST TIE					
DWN BY CA	CKD BY	APPD BY	SCALE NA	DATE Apr 9, 2007	

FACILITY SCHEDULE NO. 7

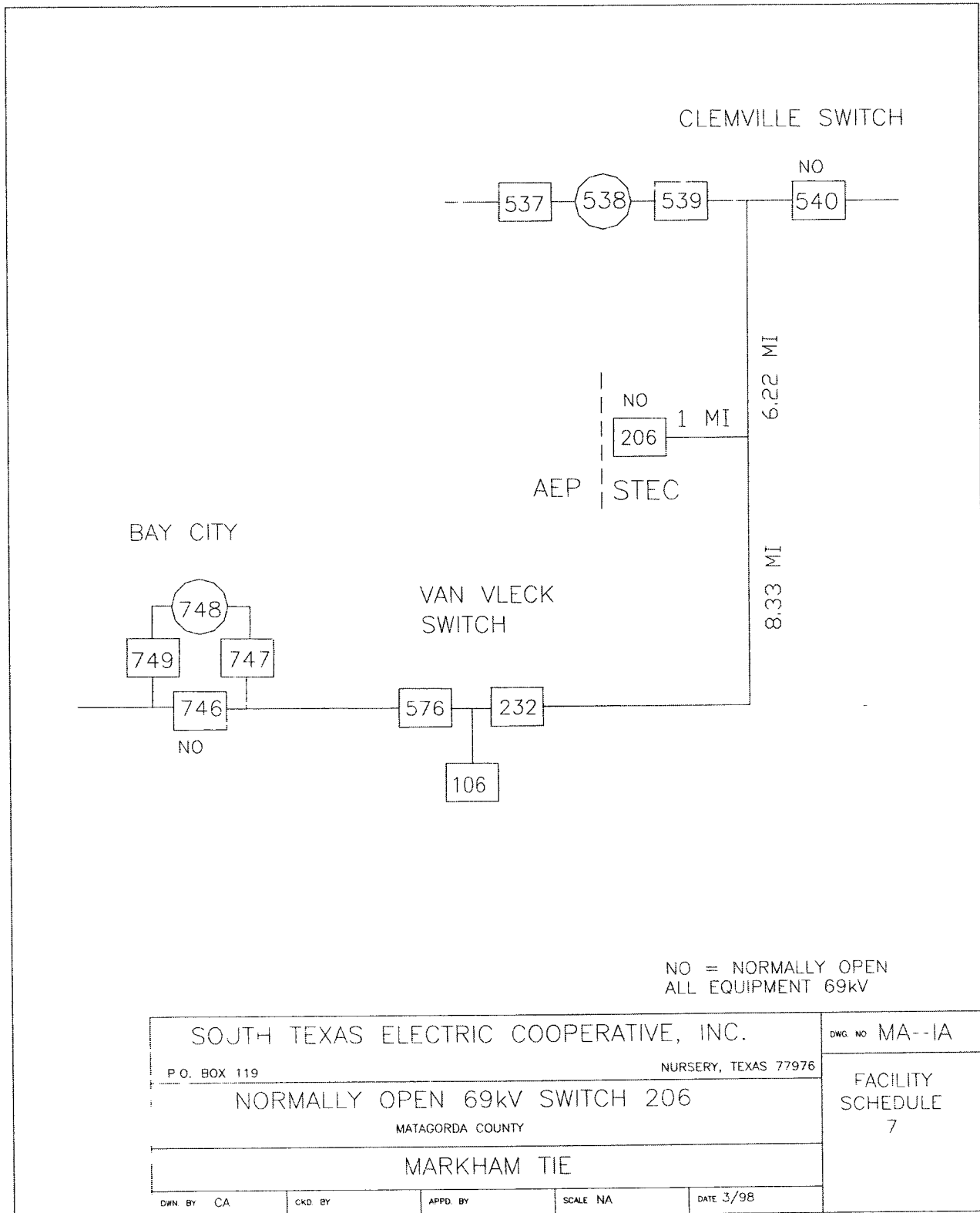
1. Name: **Markham Tie Line**
2. Facility Location: Approx. 1.5 miles on County Road 408 from Hwy 35
Markham, Matagorda County
3. Delivery Voltage: 69 kV
4. Metered Voltage: None
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Open
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Cooperative installed and owns the air switch and approximately one (1) mile of 69kV transmission line connecting the air switch to the Cooperative's Clemville Switch to Van Vleck Switch 69kV line.

Company owns the 69kV transmission line between the Company's Markham to Bay City Pump #1 69kV line and the equipment connecting their line to the air switch #206.
9. Operational Responsibilities of Each Party:

Air switch #206 is dispatched by Cooperative and operated by Company or Cooperative through appropriate switching order.
10. Maintenance Responsibilities of Each Party:

Cooperative maintains the one mile of 69 kV line and switch 206.
11. Other Terms and Conditions : None



FACILITY SCHEDULE NO. 8

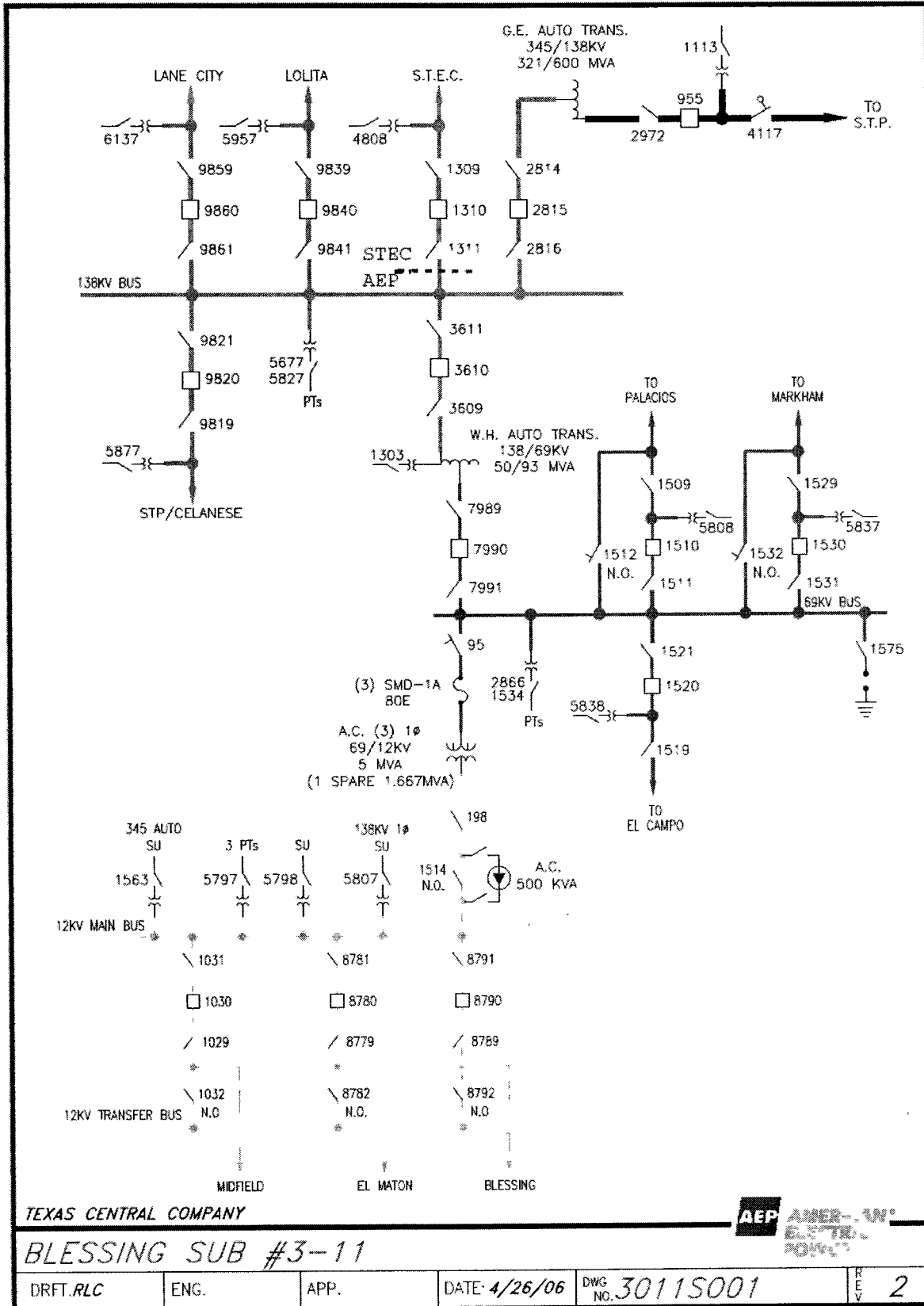
1. Name: **Blessing**
2. Facility Location: Company's Blessing 345/138/69 kV Station near Blessing, Matagorda County
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138 kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Cooperative furnished and owns the circuit breaker and associated equipment (including devices 1309, 1310, 1311) required at this substation for this interconnection point including the transmission line between Danevang and Blessing. The necessary interchange metering required for the point of interchange is located at the STEC Danevang 138kV Station and was installed and is owned and operated by Cooperative. Company installed and owns all other equipment in its Blessing station
9. Operational Responsibilities of Each Party:

Company operates all equipment in its Blessing Substation.
10. Maintenance Responsibilities of Each Party:

Maintenance is the responsibility of the equipment owner. If mutually agreeable, Company may perform and bill Cooperative for maintenance of Cooperative owned equipment at Company's Blessing Substation.
11. Other Terms and Conditions :

None.



FACILITY SCHEDULE NO. 9

1. Name: **Victoria**
2. Facility Location: Company's Victoria Power Station in Victoria County
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138kV at the Cooperative's Loop 463 Substation
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Cooperative furnished and owns the 138kV circuit breaker and associated equipment (including devices 7434, 7435, 7436) required at this substation to terminate the Cooperative 138kV transmission line from the Cooperative's Loop 463 Substation to this interconnection point. Company owns all other equipment at the Victoria Power Station.

Cooperative installed and owns the 138kV transmission line between the Cooperative's Loop 463 Substation and the Company's Victoria Power Station.
9. Operational Responsibilities of Each Party:

Company operates all equipment at the Victoria Power Station.
10. Maintenance Responsibilities of Each Party:

Maintenance is the responsibility of the equipment owner. If mutually agreeable, Company may perform and bill Cooperative for maintenance of Cooperative equipment.
11. Other Terms and Conditions :

None.

FACILITY SCHEDULE NO. 10

- 1 Name: **Orange Grove**
2. Facility Location: Cooperative's Orange Grove 138 kV Station at 134 County Road 308, approximately two miles south of Orange Grove on Hwy 359, Jim Wells County
3. Delivery Voltage: 138 kV
4. Metered Voltage: From the 138 kV bus PT's and free standing CT's on the line
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

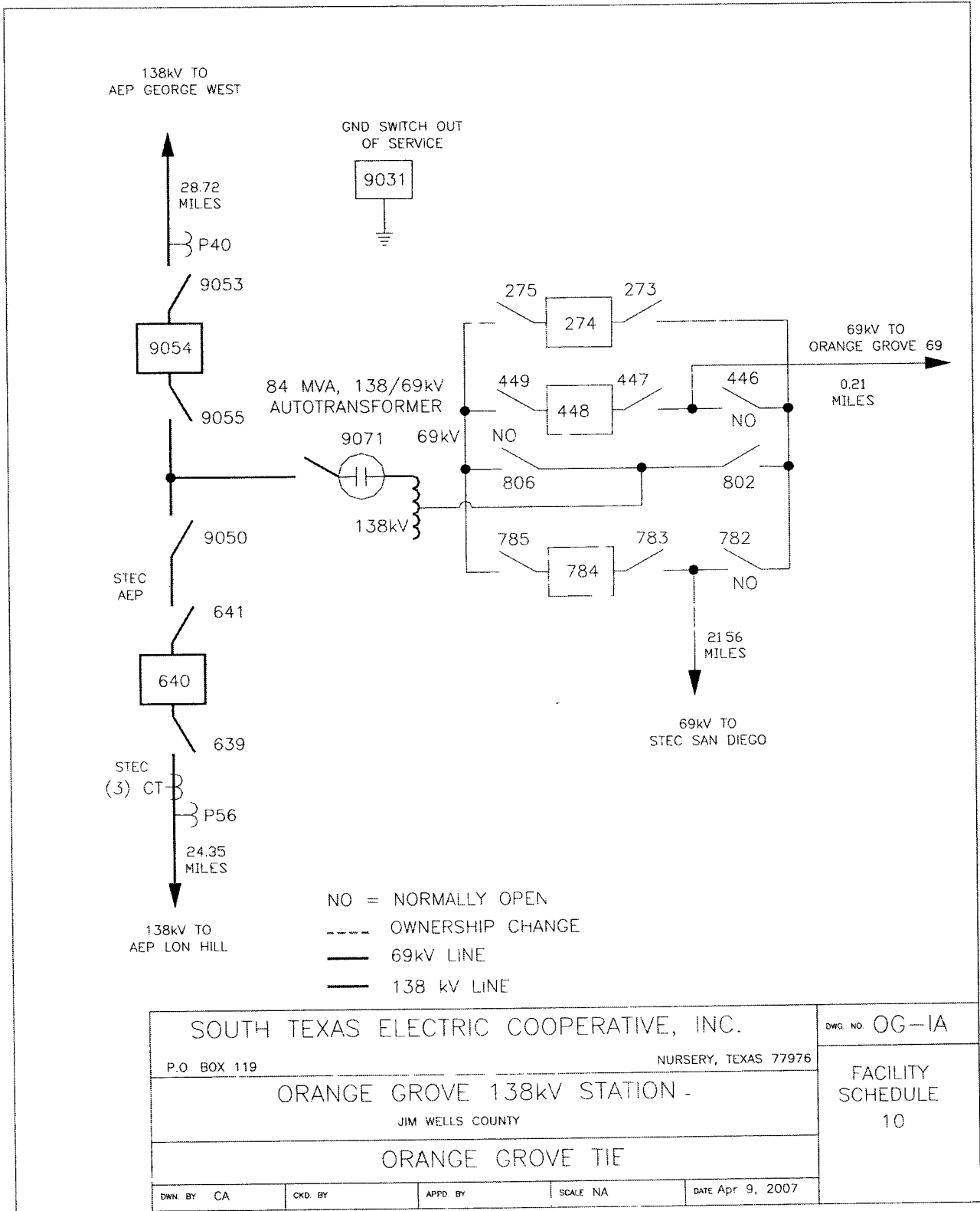
Company owns the 138 kV line constructed from the Company's Lon Hill Power Plant to this station, a Supervisory Remote Terminal Unit (RTU) for status indication and telemetry in the Orange Grove 138kV station control house, and 138kV circuit breaker 640 and associated switches 639 and 641.

Cooperative owns all other equipment at this station including metering equipment, CTs, and PTs.
9. Operational Responsibilities of Each Party:

Operations shall be through authorization of the Cooperative.
10. Maintenance Responsibilities of Each Party:

Maintenance is the responsibility of the equipment owner. If mutually agreeable, Cooperative may perform and bill Company for maintenance of Company equipment.
11. Other Terms and Conditions:

None.

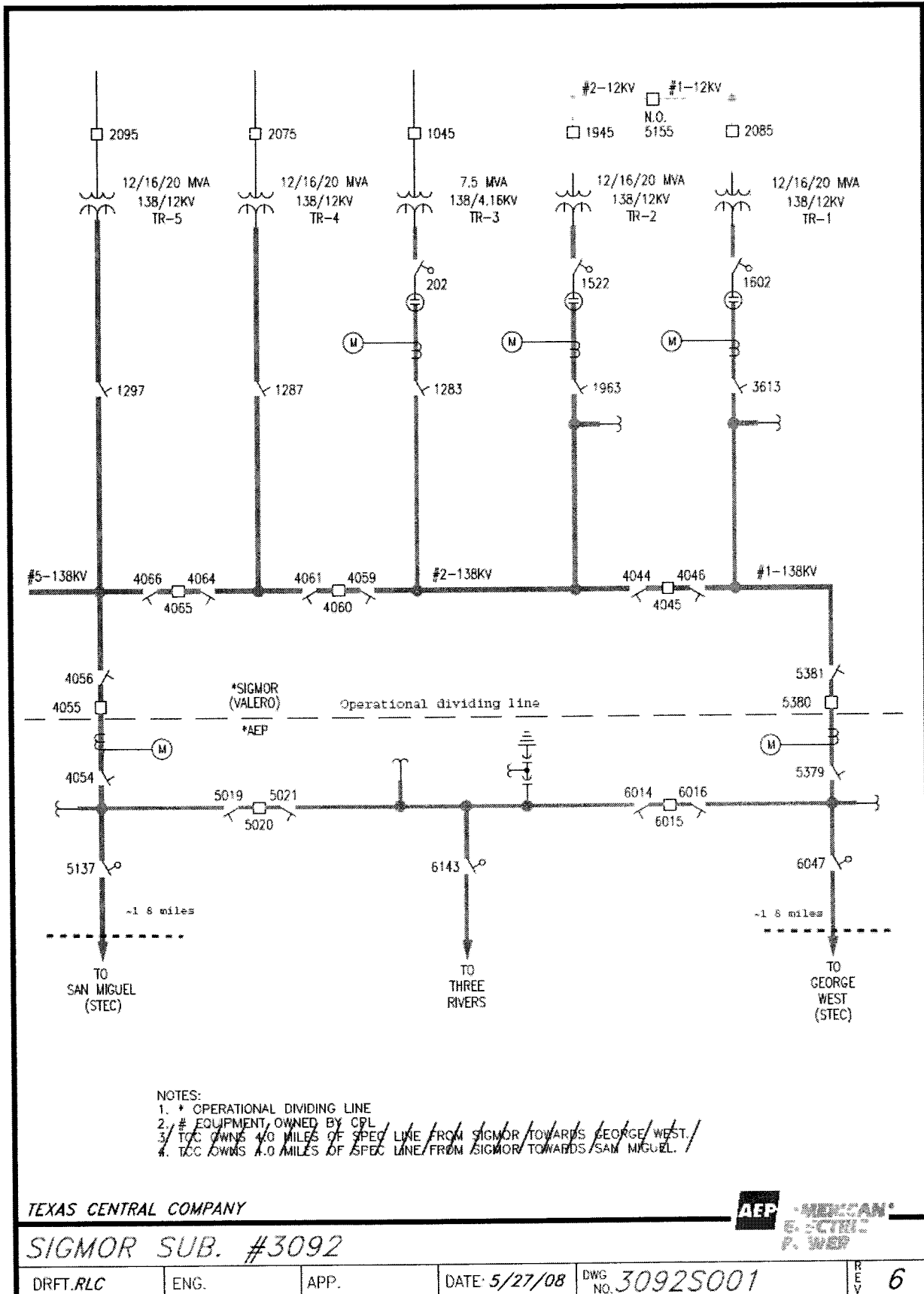


FACILITY SCHEDULE NO. 11

1. Name: **Sigmor Tie Line**
2. Facility Location: Two miles west of Three Rivers in Cooperative's San Miguel to George West 138 kV line in Live Oak County
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138 kV from the 138 kV bus PT's in the Company's Sigmor Station
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection : Closed
7. One-Line Diagram Attached : Yes
8. Description of Facilities Installed and Owned by Each Party:

Company owns a substation at the Sigmor Refinery in Three Rivers, Texas, and operates appropriate circuit breakers and required interchange metering at this substation. Company also owns approximately 3.6 miles of 138kV transmission line required to route the Cooperative's San Miguel Power Plant to George West 138kV line into and out of the Company's Sigmor Substation. Company also owns a 138,000 volt transmission line with associated terminals from the Company's Sigmor Substation to the Company's Three Rivers Substation.

Cooperative owns the 138kV transmission line between the STEC George West 138 and San Miguel stations.
9. Operational Responsibilities of Each Party:
Operations are the responsibility of the equipment owner.
10. Maintenance Responsibilities of Each Party:
Maintenance is the responsibility of the equipment owner.
11. Other Terms and Conditions :
None.



Issued by:
 Regulatory Services
 Issued on: March 12, 2010

FACILITY SCHEDULE NO. 12

1. Name: **Calallen**
2. Facility Location: Cooperative's Calallen Substation at 3501 County Road 69 (Hazel Bazemore Rd.) approximately ¾ mile south of FM 624 near Calallen in Nueces County
3. Delivery Voltage: 69 kV
4. Metered Voltage: 69 kV
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Cooperative owns all equipment in the Calallen substation with the exception of the Company communications equipment connected to the Cooperative provided communications port.

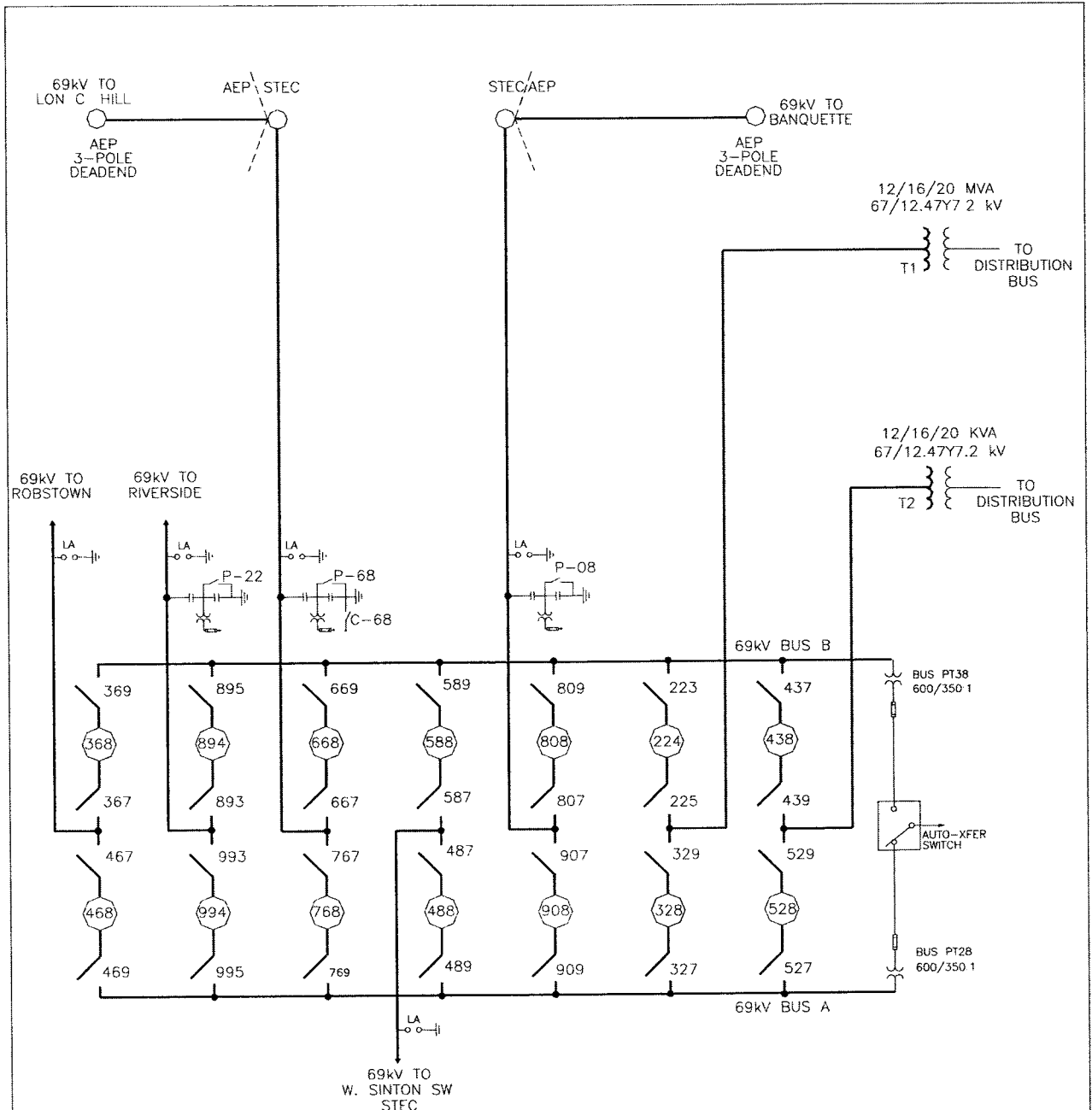
Company owns the 69kV transmission lines from Banquette and Lon C. Hill that terminate at this substation.
9. Operational Responsibilities of Each Party:

Cooperative and Company operate 69kV air switches 807, 907, 667, and 767 and the CCVT switches in the Lon Hill and Banquette 69kV line terminals as per Cooperative dispatch instructions.

Cooperative operates all other equipment in the Calallen substation.
10. Maintenance Responsibilities of Each Party:

Cooperative maintains all equipment in the Calallen substation with the exception of Company's communications equipment connected to the Cooperative provided communications port.
11. Other Terms and Conditions :

Company has access to the substation with a lock in the security fence gate.



SOUTH TEXAS ELECTRIC COOPERATIVE, INC.				DWG. NO CA-IA	
P. O. BOX 119		NURSERY, TEXAS 77976			
CALALLEN 69/12.47kV SUBSTATION					
NUECES COUNTY					
CALALLEN TIE					
DWN. BY CA	CKD BY	APPD BY	SCALE NA	DATE 1/04	
				FACILITY SCHEDULE 12	

FACILITY SCHEDULE NO. 13

1. Name: **San Miguel**
2. Facility Location: Cooperative's San Miguel 138/69kV Station at San Miguel Power Plant, Atascosa County
3. Delivery Voltage: 138 kV
4. Metered Voltage: 138 kV from the 138 kV bus PT's and free standing CT's in the Dilley 138kV line terminal
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Closed
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Company owns the 138 kV circuit breaker 9208 and associated equipment including switches 9207, 9209, 9010, and 9212 and the 138kV line constructed from the Company's Dilley Switching station to this station and a Supervisory Remote Terminal Unit (RTU) for status indication and telemetry. Company and Cooperative purchased the associated telecommunication equipment.

Cooperative owns all other equipment at the San Miguel 138/68kV station.
9. Operational Responsibilities of Each Party:

Cooperative operates all equipment in this station. Company and Cooperative operate air switch 9212 and ground switch 9010 as per Cooperative dispatch instructions.
10. Maintenance Responsibilities of Each Party:

Maintenance is the responsibility of the equipment owner.
11. Other Terms and Conditions:

Company must coordinate entry to the San Miguel Plant site with the Cooperative System Operator and San Miguel Electric Cooperative.

FACILITY SCHEDULE NO. 14

1. Name: **Palacios**
2. Facility Location: Company's Palacios Substation in Matagorda County
3. Delivery Voltage: 69 kV
4. Metered Voltage: None
5. Loss Adjustment Due To Meter Location: None
6. Normal Operation of Interconnection: Open
7. One-Line Diagram Attached: Yes
8. Description of Facilities Installed and Owned by Each Party:

Company owns the motor operated switch at the interconnection and all other equipment at the Company's Palacios substation.

Cooperative owns the 69kV transmission line connecting the Cooperative's Palacios substation to the Cooperative's Carancahua Substation which is tapped by this interconnection.
9. Operational Responsibilities of Each Party:

Switch 3833 is dispatched by Company and operated by Company or Cooperative through appropriate switching order.
10. Maintenance Responsibilities of Each Party:

Company maintains switch # 3833.
11. Other Terms and Conditions : None

