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ERCOT INTERCONNECTION §  
AGREEMENTS PURUSANT TO § OF TEXAS  
SUBST. R. §25.195(e) §

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**FIRST AMENDMENT TO THE ERCOT**  
**STANDARD GENERATION INTERCONNECTION AGREEMENT**  
**BETWEEN CROSS TEXAS TRANSMISSION, LLC**  
**AND PATTERN PANHANDLE WIND LLC**

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Cross Texas Transmission, LLC  
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February 8, 2013

**FIRST AMENDMENT TO THE  
ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT**

THIS FIRST AMENDMENT TO THE ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT (this "**First Amendment**") is made and entered into by and between CROSS TEXAS TRANSMISSION, LLC, a limited liability company organized under the laws of Delaware ("**TSP**") and PATTERN PANHANDLE WIND LLC, a Delaware limited liability company ("**Generator**") on this 31<sup>st</sup> day of January, 2013. Generator and TSP are sometimes referred to herein collectively as the "**Parties**" and individually as a "**Party**".

WITNESSETH:

WHEREAS, TSP and Generator are parties to that certain ERCOT Standard Generation Interconnection Agreement, dated as of December 19, 2012 (the "**Original Agreement**"); and

WHEREAS, TSP and Generator intend to amend the Original Agreement in accordance with the terms and conditions hereof.

NOW, THEREFORE, for and in consideration of the foregoing and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

AGREEMENT

1. Exhibit "B" of the Original Agreement is hereby replaced in its entirety with the terms and conditions set forth in Exhibit "B" of this First Amendment.
2. Exhibit "E" of the Original Agreement is hereby replaced in its entirety with the terms and conditions set forth in Exhibit "B" of this First Amendment.
3. Exhibit "E-1" of the Original Agreement is hereby replaced in its entirety with the terms and conditions set forth in Exhibit "E-1" of this First Amendment.
4. Exhibit "E-2" of the Original Agreement is hereby replaced in its entirety with the terms and conditions set forth in Exhibit "E-2" of this First Amendment.
5. The Parties agree that unless expressly referenced and modified herein, all of the remaining terms, provisions and conditions of the Original Agreement shall remain unchanged, in full force and effect and fully binding on the Parties.
6. This First Amendment shall in all respects be governed by and construed in accordance with the laws of the State of Texas, without giving effect to any choice of law principles thereof which may direct the application of the laws of another jurisdiction.
7. This First Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same

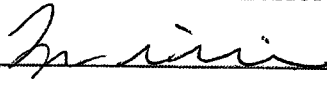
instrument. Delivery of an executed counterpart of a signature page of this First Amendment by facsimile or other electronic means will for all purposes be treated as the equivalent of delivery of a manually executed and delivered counterpart of this First Amendment.

*[signature pages follow]*

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this First Amendment on the date first written above.

"TSP"

CROSS TEXAS TRANSMISSION, LLC

By: 

Name: Lawrence Willick

Title: Senior Vice President

"Generator"

PATTERN PANHANDLE WIND LLC

By: 

Name: Blake Rasmussen

Title: Authorized Signatory

**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 and provide security, in the amount of \$300,000, as specified in Section 4.2, so that TSP may maintain schedule to meet the In-Service Date: **Due at time of execution of this Agreement.**

Date by which Generator must provide additional security in the amount of \$800,000 (for an aggregate of \$1,100,000 of security) for additional design and procurement, so that TSP may maintain schedule to meet the In-Service Date: **March 15, 2013**

Date by which Generator must provide additional security in the amount of \$3,200,000 (for an aggregate of \$4,300,000 of security) for additional procurement of equipment and construction planning, so that TSP may maintain schedule to meet the In-Service Date: **April 15, 2013**

Date by which Generator shall have either (i) assigned to the TSP an exclusive option to purchase the property on which the TIF will be located, or (ii) conveyed to the TSP the property on which the TIF will be located, so that TSP may maintain schedule to meet the In-Service Date: **May 15, 2013**

Date by which Generator must provide notice to commence construction and provide additional security, in the amount of \$4,000,000 (for an aggregate of \$8,300,000 of security), as specified in Section 4.3, so that TSP may maintain schedule to meet the In-Service Date: **May 15, 2013**

Date by which Generator must provide additional security in the amount of \$1,930,000 (for an aggregate of \$10,230,000 of security) to continue construction, so that TSP may maintain schedule to meet the In-Service Date: **August 1, 2013**

In - Service Date(s): **December 15, 2013**

(Notes: (1) In the event that it is not necessary for all facilities associated with the TIF to be completed on the same date, this entry may consist of multiple dates to reflect the staged completion of the TIF to meet those needs. (2) In-Service Date(s) can be expressed as either a specific date or expressed as a defined number of months after all conditions under Sections 4.2 and 4.3 have been satisfied.)

Scheduled Trial Operation Date: December 16, 2013

Scheduled Commercial Operation Date: February 15, 2014

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 fulfill in a timely fashion the conditions under Section 4.2 and Section 4.3 and fulfill the security posting requirements in accordance with the dates set forth in this Exhibit "B" (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; provided, that the TSP shall use commercially reasonable efforts to not adjust such dates by more than one day for each day of Generator's delay in fulfilling the conditions under Section 4.2 and Section 4.3 or posting the required security.

## **Exhibit "E"**

### **SECURITY ARRANGEMENT DETAILS**

1. As a condition to TSP's obligation to plan, license, engineer, design, procure, equipment and materials, and construct the TIF, Generator will provide financial security ("Security") in amounts indicated in Exhibit B as required pursuant to Section 8.3 of this Agreement, either as (a) a Corporate Guaranty (as defined below), (b) an LC (as defined below), (c) cash deposited into a segregated account held by TSP, or (d) another form of collateral security reasonably acceptable to TSP.

2. The Parties acknowledge and agree that the amount of the Security listed in Exhibit B was calculated based on the applicable information available as of the Effective Date. If TSP reasonably determines after the Effective Date that the actual costs to be incurred (or committed to be incurred) by TSP in planning, licensing, engineering, designing, procuring equipment and materials, and constructing the TIF will exceed the amount of the Security listed in Exhibit B (as the same may be amended or modified from time to time), TSP may notify Generator that additional Security is required. Together with such notice, TSP will provide Generator with relevant documentation supporting TSP's determinations regarding the need for additional Security. Generator shall provide such additional Security within thirty (30) days of Generator's receipt of such notice as a condition of TSP's further performance under this Agreement. If, after conducting preliminary engineering activities and prior to the second scheduled Security posting date, TSP reasonably determines that the actual costs to be incurred (or committed to be incurred) by TSP prior to the third scheduled Security posting date are expected to be materially less than anticipated, TSP will notify Generator and the parties may mutually agree to modify the amounts and/or dates for posting of Security.

3. "Corporate Guaranty" means a guaranty substantially in the form of Exhibit "E-1" hereto with such changes as shall be acceptable to TSP and Generator, issued by a creditworthy entity. Notwithstanding anything to the contrary set forth herein, depending upon the creditworthiness of Generator or the proposed guarantor, a Corporate Guaranty may or may not be acceptable Security as determined in the sole discretion of TSP. If the creditworthiness of an entity providing a Corporate Guaranty is downgraded or otherwise the subject of concern (as determined in TSP's reasonable discretion), then within fourteen (14) days after receiving written notice from TSP, Generator shall provide to TSP another form of Security reasonably acceptable to TSP in the amount of the Corporate Guaranty to be replaced and, upon TSP's receipt of such replacement Security, TSP shall promptly return the Corporate Guaranty. If Generator wishes to provide a Corporate Guaranty, it shall provide all financial reports and other information requested by TSP.

4. "LC" means one or more irrevocable, transferable standby letters of credit, substantially in the form of Exhibit "E-2" hereto with such changes as shall be acceptable to TSP and Generator, issued by a U.S. commercial bank or a foreign bank with a U.S.



branch that has a credit rating of at least A- from Standard and Poor's or an A3 credit rating from Moody's Investors Services, and Generator will maintain an LC with a bank having such credit rating for the entire period that the LC is in effect. If at any time the bank providing an LC hereunder shall cease to have a credit rating that meets the aforementioned criteria, TSP shall be entitled to draw upon such LC in any amount and shall consider such proceeds to be Security in the form of cash. TSP reserves the right to request multiple LC providers, depending on the amount of security required. The LC shall state that it is issued in favor of TSP. Costs of the LC shall be borne by the applicant for such LC. If (i) TSP has reason to believe any LC may not be renewed upon its expiration date, and (ii) Generator has not replaced such LC with another LC or other form of acceptable Security, TSP shall be entitled to draw upon such LC in any amount any time within thirty (30) days of such LC's expiration date, and shall consider such proceeds to be Security in the form of cash.

## EXHIBIT "E-1" FORM OF CORPORATE GUARANTY

### GUARANTY

THIS GUARANTY is executed as of the \_\_\_\_\_ day of \_\_\_\_\_, by \_\_\_\_\_, a \_\_\_\_\_ (the "Guarantor"), at the request of Pattern Panhandle Wind LLC, a Delaware limited liability company (the "Company"), for the benefit of Cross Texas Transmission, LLC, a Delaware limited liability company (the "Beneficiary").

### RECITALS

[Describe relationship between Guarantor and the Company]

Company and the Beneficiary have entered into a Generation Interconnection Agreement, dated December 19, 2012 (as amended, supplemented, or otherwise modified from time to time, the "Agreement"). As an inducement to the Beneficiary to perform certain activities under the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor covenants and agrees as follows:

1. Guaranty of Payment. The Guarantor hereby irrevocably and unconditionally guarantees the punctual and full payment of any and all obligations of the Company to the Beneficiary now or hereafter due pursuant to the Agreement (the "Guaranteed Obligation"), subject to the limits set forth herein. Upon any failure by the Company to pay any of the Guaranteed Obligation, the Guarantor agrees that it will forthwith on demand pay any amounts which the Company has failed to pay the Beneficiary, at the place and in the manner specified in the Agreement. This guaranty is a guaranty of payment and not merely a guaranty of collection. The Guarantor agrees that the Beneficiary may resort to the Guarantor for payment of any of the Guaranteed Obligation, whether or not the Beneficiary shall have resorted to any collateral security, or shall have proceeded against any other obligor principally or secondarily obligated with respect to any of the Guaranteed Obligation. Guarantor reserves the right to assert defenses which the Company may have to payment of any Guaranteed Obligation, other than defenses arising from the bankruptcy, insolvency, or similar proceeding of the Company and other defenses expressly waived hereby. Multiple demands for payment may be made under this guaranty.

2. Guaranty Unconditional and Absolute. The obligations of the Guarantor hereunder shall be unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, or otherwise affected by:

- i) any extension, renewal, settlement, compromise, waiver, discharge, or release in respect of any Guaranteed Obligation of the Company;

- ii) the existence, or extent of any release, exchange, surrender, non-perfection, or invalidity of any direct or indirect security for any of the Guaranteed Obligation;
- iii) any modification, amendment, waiver, extension of, or supplement to the Agreement or any of the Guaranteed Obligation agreed to from time to time by the Company and the Beneficiary;
- iv) any change in the corporate existence (including its constitution, laws, rules, regulations, or powers), structure, or ownership of the Company or the Guarantor, or any insolvency, bankruptcy, reorganization, or other similar proceeding affecting the Company or its assets, the Guarantor, or any other guarantor of any of the Guaranteed Obligation; or
- v) the existence of any claim, set-off, or other rights which the Guarantor may have at any time against the Company, the Beneficiary, or any other corporation or person, whether in connection herewith or in connection with any unrelated transaction; provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim if such claim, set off, or other right arose in connection with the Guaranteed Obligation.

3. Term: Reinstatement in Certain Circumstances. This Guaranty shall be a continuing obligation and shall remain in full force and effect from the date hereof until the date on which the Guaranteed Obligation has been fully discharged or performed in accordance with the terms and conditions of the Agreement, at which time this Guaranty shall terminate. Such termination shall not release Guarantor from liability for any Guaranteed Obligation arising prior to the effective date of such termination. If at any time any payment of any of the Guaranteed Obligation is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy, or reorganization of the Company, the Guarantor's obligations hereunder with respect to such payment shall be reinstated at such time as though such payment had not been made.

4. Waiver by the Guarantor. The Guarantor irrevocably waives notice of acceptance hereof, notice of the creation or existence of any Guaranteed Obligation, diligence, presentment, demand, protest, notice of dishonor, notice of any sale of collateral, and any notice not provided for herein, and any requirement that at any time any person exhaust any right to take any action against the Company or its assets or any other guarantor or person.

5. Subrogation. Upon making any payment hereunder, the Guarantor shall be subrogated to the rights of the Beneficiary against the Company with respect to such payment; provided that the Guarantor shall not enforce any right or receive any payment by way of subrogation until all of the Guaranteed Obligation then due shall have been paid in full, and Beneficiary agrees to take at Guarantor's expense such

steps as the Guarantor may reasonably request to implement such subrogation.

6. Stay of Acceleration Ineffective with Respect to Guarantor. In the event that acceleration of the time for payment of any amount payable by the Company under the Agreement is stayed upon the insolvency, bankruptcy, or reorganization of the Company, all such amounts otherwise subject to acceleration or required to be paid upon an early termination pursuant to the terms of the Agreement shall nonetheless be payable by the Guarantor hereunder forthwith on demand by the Beneficiary.

7. Assignment, Successors and Assigns. Neither the Guarantor nor the Beneficiary may assign its rights or obligations under this Guaranty without the prior written consent of the other, which consent may not be unreasonably withheld or delayed, except that the Beneficiary may, upon thirty (30) days prior written notice, make such an assignment without such consent if in conjunction with any assignment of the Agreement by the Beneficiary permitted under the Agreement. Any purported assignment in violation of this Section 7 shall be void and without effect.

8. Amendments and Waivers. No provision of this Guaranty may be amended, supplemented, or modified, nor any of the terms and conditions hereof waived, except by a written instrument executed by the Guarantor and the Beneficiary.

9. Remedies Cumulative. The rights, powers, remedies, and privileges provided in this Guaranty are cumulative and not exclusive of any rights, powers, remedies, and privileges provided by law and any other agreement.

10. Limitation. Notwithstanding anything in this Guaranty to the contrary, Guarantor's liability under this Guaranty and the Beneficiary's right of recovery under the same shall be limited to an aggregate amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_). Guarantor's liability hereunder shall be and is specifically limited to payments expressly required to be made under the Agreement (even if such payments are deemed to be damages); and in no event shall Guarantor be subject hereunder to consequential, exemplary, equitable, loss of profits, punitive, or any other damages, except to the extent specifically provided in the Agreement to be due from Company. In the event Beneficiary engages in litigation to enforce this Guaranty, Guarantor agrees to pay, in addition to any amounts of Company which Guarantor has otherwise guaranteed to pay hereunder, any and all costs and expenses incurred by Beneficiary (including reasonable attorneys' fees) in enforcing this Guaranty.

11. Waiver of Jury Trial. THE GUARANTOR AND THE BENEFICIARY, THROUGH ACCEPTANCE OF THIS GUARANTY, WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OR RELATING TO THIS GUARANTY.

12. Representations and Warranties.

- i) The Guarantor is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its incorporation and has full corporate power to execute, deliver, and perform this Guaranty.
- ii) The execution, delivery, and performance of the Guaranty have been and remain duly authorized by all necessary corporate action and do not contravene any provision of law or of the Guarantor's constituent documents or any contractual restriction binding on the Guarantor or its assets.
- iii) All consents, authorizations, and approvals of, and registrations and declarations with, any governmental authority necessary for the due execution, delivery, and performance of this Guaranty have been obtained and remain in full force and effect and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any governmental authority is required in connection with the execution, delivery, or Performance of this Guaranty.
- iv) This Guaranty constitutes the legal, valid, and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, and other laws of general applicability relating to or affecting creditors' rights and to general equity principles.
- v) The value of the consideration received and to be received by Guarantor as a result of Guarantor executing and delivering this Guaranty is reasonably worth at least as much as the liabilities and obligations of Guarantor hereunder, and such liabilities and obligations have benefited and may reasonably be expected to benefit Guarantor directly or indirectly.
- vi) Guarantor has, independently and without reliance upon Beneficiary and based upon such documents and information as Guarantor has deemed appropriate, made its own analysis and decision to enter into this guaranty.

13. Creditworthiness. Guarantor agrees to provide financial reports and any other information as may be reasonably requested by Beneficiary to evaluate the creditworthiness of Guarantor. If Guarantor has its corporate credit rating, issuer rating or the rating of its senior unsecured debt obligations, unsupported by any credit enhancement, downgraded by either of Moody's Investors Service or Standard & Poor's, or if there is any insolvency, bankruptcy, reorganization or other similar proceeding affecting Guarantor or its assets, Guarantor shall provide notice to Beneficiary of such change in status as soon as practicable, and in any event within five (5) business days following such event.

14. Notices. All notices or communications to the other party may be faxed and shall be followed in writing by registered or certified mail, or overnight delivery service to:

**To Guarantor:**

**To Beneficiary:**

or such other address as each party shall from time to time specify. Notice shall be deemed given (i) when received, as evidenced by signed receipt, if sent by hand delivery, overnight courier, or registered mail, or (ii) when received, as evidenced by transmission confirmation report, if sent by facsimile and received on or before 4:00 p.m. local time of recipient, or (iii) the next business day, as evidenced by transmission confirmation report, if sent by facsimile and received after 4:00p.m.local time of recipient.

15. GOVERNING LAW AND JURISDICTION. THIS GUARANTY WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO CHOICE OF LAW DOCTRINE. FURTHER, GUARANTOR (A) SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS LOCATED IN DALLAS COUNTY, TEXAS, (B) HEREBY WAIVES ANY OBJECTION TO VENUE IN THESE COURTS AND TO ANY OBJECTION BASED ON FORUM NON CONVENIENS AND (C) AGREES THAT ANY ACTION OR PROCEEDING BROUGHT BY GUARANTOR AGAINST COUNTERPARTY SHALL BE BROUGHT ONLY IN A COURT LOCATED IN DALLAS COUNTY, TEXAS.

16. Third Party Beneficiaries. This Guaranty shall not be construed to create any third party beneficiary relationship as to or with any person or entity other than the Beneficiary.

17. Entire Agreement. This Guaranty integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all oral negotiations and prior writings in respect to the subject matter hereof.

18. Headings. The headings of the various Sections of this Guaranty are for convenience of reference only and shall not modify, define or limit any of the terms or provisions hereof.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be duly executed as of the date first above written.

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT "E-2"**  
**FORM OF IRREVOCABLE STANDBY LETTER OF CREDIT**

DATE OF ISSUANCE: \_\_\_\_\_

[Address]

RE: Credit No. \_\_\_\_\_

We hereby establish our Irrevocable Standby Letter of Credit in favor of Cross Texas Transmission, LLC ("Beneficiary") for the account of \_\_\_\_\_ (the "Account Party"), for the aggregate amount not exceeding \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_), available to you for payment at sight upon demand at our counters at [Location] on or before the expiration hereof against presentation to us of the following document, dated and signed by a representative of the Beneficiary:

"Pursuant to that certain ERCOT Standard Generation Interconnection Agreement, dated December 19, 2012, between Cross Texas Transmission, LLC ("Beneficiary") and Pattern Panhandle Wind LLC ("Generator") (as amended, supplemented or otherwise modified from time to time, the "Generation Interconnection Agreement"), either (i) Generator is responsible for payment of the amount demanded hereunder and any applicable cure periods provided in the Generation Interconnection Agreement have expired, (ii) (a) Beneficiary has reason to believe that Irrevocable Standby Letter of Credit No. [ ] may not be renewed upon its expiration, which is scheduled to occur within thirty (30) days, and (b) Generator has not replaced such letter of credit with another form of acceptable security, or (iii) [NAME OF BANK] does not have the minimum credit rating required to provide a letter of credit under the Generation Interconnection Agreement. Accordingly, Cross Texas Transmission, LLC hereby demands payment of \$ \_\_\_\_\_. " [Amount shall not exceed the stated amount of the letter of credit.]

Partial and multiple drawings are permitted hereunder. We hereby agree with you that documents drawn under and in compliance with the terms of this Letter of Credit shall be duly honored upon presentation as specified. This Letter of Credit shall be governed by the Uniform Customs and Practice for Documentary Credits, 2007 Revision, International Chamber of Commerce Publication No. 600 (the "UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 14(b) and 36 of the UCP, in which case the terms of this Letter of Credit shall govern. With respect to Article 14(b) of the UCP, the Issuing Bank shall have a reasonable amount of time, not to exceed three (3) banking days following the date of its receipt of documents from the Beneficiary, to



examine the documents and determine whether to take up or refuse the documents and to inform the Beneficiary thereof accordingly.

In the event of an Act of God, riot, civil commotion, insurrection, war, or any other cause beyond our control that interrupts our business (collectively, an "Interruption Event") and causes the place for presentation of this Letter of Credit to be closed for business on the last day for presentation, the expiration date of this Letter of Credit will be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business.

It is a condition of this Letter of Credit that it will be automatically extended without amendment for one (1) year from the expiration date hereof or any future expiration date, unless at least ninety (90) days prior to any expiration date we notify you at the above address by registered mail or hand-delivered courier that we elect not to consider this Letter of Credit renewed for any such period.

All commissions, expenses and charges incurred with this Letter of Credit are for the account of the Account Party.

{Note: Must note the Expiration Date in the format}

[BANK SIGNATURE]