

Control Number: 35077



Item Number: 396

Addendum StartPage: 0



SOUTH TEXAS ELECTRIC COOPERATIVE, INC.

PO BOX 119 • 2849 FM 447 • NURSERY, TX 77976 • (361) 575-6491 • FAX (361) 576-1433

August 20, 2013

Filing Clerk
Public Utility Commission of Texas
1701 N Congress
PO Box 13326
Austin, Texas 78711-3326

RE: Project No. 35077 –South Texas Electric Cooperative's (STEC) Transmission Contract filing pursuant to Subst. Rule 25.195(e)

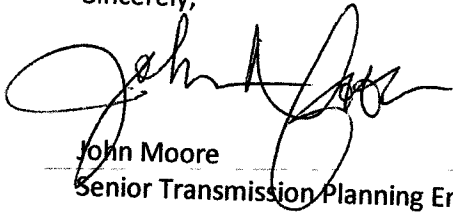
Please see attached the fully executed ERCOT Standard Generation Interconnection Agreement (the "SGIA") between Cameron Wind I, LLC (GIR 11INR0057) ("Generator") and South Texas Electric Cooperative ("STEC" or "Transmission Service Provider"), for filing at the Public Utility Commission pursuant to Subst. Rule 25.195(e). STEC hereby submits this notice to the Public Utilities Commission of Texas of the SGIA and the changes to the Standard Agreement, which are summarized below. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the SGIA.

1. Article 1 Definitions has been modified to include new definitions for "Affiliate," "Agreement," "Applicable Laws and Regulations" and "Regulatory Approvals."
2. Section 2.3 is amended to clarify that the GIF and the TIF will disconnect "in accordance with Good Utility Practice and all Applicable Laws and Regulations."
3. Section 4.1A is modified to use the defined terms "Applicable Laws" and "Regulations."
4. Section 6.1 is modified to state that "[e]ach Party shall use commercially reasonable efforts to minimize the frequency and duration of any outages."
5. Section 6.7 is modified to state that the Parties will "cooperate reasonably with each other" with respect to routine operational communications.
6. Exhibit "B" is modified to include a time schedule mutually agreed by the Parties and tailored to the specific requirements of Generator's facility.
7. Exhibit "C" is modified to include interconnection details mutually agreed by the Parties and tailored to the specific requirements of Generator's facility.
8. Exhibit "D" is modified to include notice information for the Parties.

396

9. Exhibit "E" is modified to include security arrangement details and the security milestone payment schedule as mutually agreed by the Parties and tailored to the specific requirements for Generator's facility.

Sincerely,

A handwritten signature in black ink, appearing to read "John Moore", is written over the printed name and title.

John Moore
Senior Transmission Planning Engineer
South Texas Electric Cooperative
PO Box 119
Nursery, TX 77976
361-485-6137

Cc: ERCOT via email to: GINR@ercot.com

Cameron Wind I, LLC via email to: legal@apexcleanenergy.com

**ERCOT STANDARD GENERATION
INTERCONNECTION AGREEMENT**

Between

Cameron Wind I, LLC

and

South Texas Electric Cooperative (STEC)

for

GINR 11INR0057

Cameron Wind

Date: 8-9-2013

TABLE OF CONTENTS

ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT 3

EXHIBIT 'A' - TERMS AND CONDITIONS OF THE ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT	
ARTICLE 1. DEFINITIONS.....	4
ARTICLE 2. TERMINATION.....	4
ARTICLE 3. REGULATORY FILINGS.....	6
ARTICLE 4. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION.....	7
ARTICLE 5. FACILITIES AND EQUIPMENT.....	8
ARTICLE 6. OPERATION AND MAINTENANCE.....	12
ARTICLE 7. DATA REQUIREMENTS.....	16
ARTICLE 8. PERFORMANCE OBLIGATION.....	19
ARTICLE 9. INSURANCE.....	20
ARTICLE 10. MISCELLANEOUS.....	21
EXHIBIT 'B' - TIME SCHEDULE.....	24
EXHIBIT 'C' - INTERCONNECTION DETAILS.....	33
EXHIBIT 'D' - NOTICE AND EFT INFORMATION.....	35
EXHIBIT 'E' - SECURITY ARRANGEMENT DETAILS.....	41
	43

ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT

This Standard Generation Interconnection Agreement is made and entered into this 27th day of August, 2013, between **SOUTH TEXAS ELECTRIC COOPERATIVE, INC.** ("Transmission Service Provider") and **Cameron Wind I, LLC** ("Generator"), hereinafter individually referred to as "Party," and collectively referred to as "Parties." In consideration of the mutual covenants and agreements herein contained, the Parties hereto agree as follows:

Transmission Service Provider represents that it owns and operates facilities for the transmission and distribution of electricity. Generator represents that it will own and operate the Plant. Pursuant to the terms and conditions of this Agreement, Transmission Service Provider shall interconnect Generator's Plant with Transmission Service Provider's System consistent with the Facilities Study Agreement executed between the Parties and effective as of November 3, 2009.

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

This Agreement shall become effective on 8/9/13, subject to Governmental Authority approval, if required, and shall continue in full force and effect until terminated in accordance with Exhibit "A".

This Agreement will be subject to the following, all of which are incorporated herein:

- A. The "Terms and Conditions of the ERCOT Standard Generation Interconnection Agreement" attached hereto as Exhibit "A";
- B. The ERCOT Requirements (unless expressly stated herein, where the ERCOT Requirements are in conflict with this Agreement, the ERCOT Requirements shall prevail);
- C. The PUCT Rules (where the PUCT Rules are in conflict with this Agreement, the PUCT Rules shall prevail);
- D. The Time Schedule attached hereto as Exhibit "B";
- E. The Interconnection Details attached hereto as Exhibit "C";
- F. The notice requirements attached hereto as Exhibit "D";
- G. The Security Arrangement Details attached hereto as Exhibit "E";

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

CAMERON WIND I, LLC

By: [Signature]

President, Apex Clean Energy

Title: Holdings, LLC, its Manager

Date: July 30, 2013

SOUTH TEXAS ELECTRIC COOPERATIVE, INC.

By: [Signature]

Title: GENERAL MANAGER

Date: 8/9/13

Exhibit "A"
Terms and Conditions of the ERCOT Standard Generation Interconnection Agreement

ARTICLE 1. DEFINITIONS

Capitalized terms shall have the meanings as set forth below, except as otherwise specified in the Agreement:

- 1.1 "Affiliate" shall mean any person of entity that controls, is controlled by or is under common control with the Party in question. For purposes of this definition, control shall mean direct or indirect ownership or control of a majority of the voting interests of an entity.
- 1.2 "Agreement" shall mean this Agreement, all Exhibits or Appendices attached, and all amendments thereto.
- 1.3 "Applicable Laws and Regulations" shall mean all applicable federal, state and local laws, ordinances, rules and regulations, and all duly promulgated orders and other duly authorized actions of any Governmental Authority having jurisdiction over the parties and/or their respective facilities. Notwithstanding the foregoing, each Party shall have the right at its sole expense to contest the application of any Applicable Laws and Regulations to such Part before the appropriate authorities.
- 1.4 "CCN" shall mean a Certificate of Convenience and Necessity issued by the PUCT.
- 1.5 "Commercial Operation" shall mean the date on which Generator declares that the construction of the Plant has been substantially completed, Trial Operation of the Plant has been completed, and the Plant is ready for dispatch.
- 1.6 "Control Area" shall have the meaning ascribed thereto in PUCT Rule 25.5(8) or its successor.
- 1.7 "ERCOT" shall mean the Electric Reliability Council of Texas, Inc.

- 1.8 "ERCOT Requirements" means the ERCOT Operating Guides, ISO Generation Interconnection Procedures as well as any other documents adopted by the ISO or ERCOT relating to the interconnection and operation of generators and transmission systems in ERCOT as amended from time to time, and any successors thereto. Any requirement in the foregoing documents imposed upon generation entities or generation facilities shall become the responsibility of the Generator, and any requirements imposed on transmission providers or transmission facilities shall become the responsibility of the TSP.
- 1.9 "Facilities Study" shall have the meaning as described in PUCT Rule 25.198(g) or its successor.
- 1.10 "Facilities Study Agreement" shall mean an agreement executed by the Parties relating to the performance of the Facilities Study.
- 1.11 "GIF" shall mean Generator's interconnection facilities as described in Exhibit "C."
- 1.12 "Good Utility Practice" shall have the meaning described in PUCT Rule 25.5(23) or its successor.
- 1.13 "Governmental Authority(ies)" shall mean any federal, state, local or municipal body having jurisdiction over a Party.
- 1.14 "In-Service Date" shall be the date, as reflected in Exhibit "B," that the TIF will be ready to connect to the GIF.
- 1.15 "ISO" shall mean the ERCOT Independent System Operator.
- 1.16 "Plant" shall mean the electric generation facility owned and operated by the Generator, as specified in Exhibit "C."
- 1.17 "Point of Interconnection" shall mean the location(s) where the GIF connects to the TIF as negotiated and defined by the Parties and as shown on Exhibit "C" of this Agreement.

- 1.18 "PUCT" shall mean the Public Utility Commission of Texas.
- 1.19 "PUCT Rules" shall mean the Substantive Rules of the PUCT.
- 1.20 "Reasonable Efforts" shall mean the use of Good Utility Practice and the exercise of due diligence (pursuant to PUCT Rule 25.196(e)).
- 1.21 "Regulatory Approvals" shall mean all consents, approvals, certifications, filings or orders that may be required by Applicable Laws and Regulations.
- 1.22 "System Protection Equipment" shall mean those facilities located within the TIF and the GIF as described in Section 5.6 and Exhibit "C."
- 1.19 "System Security Study" shall have the meaning as described in PUCT Rule 25.198(f) or its successor.
- 1.23 "TCOS" shall mean the TSP's transmission cost of service as allowed by the applicable Governmental Authority.
- 1.24 "TIF" shall mean the TSP's interconnection facilities as described in Exhibit "C" to this Agreement.
- 1.25 "Trial Operation" shall mean the process by which the Generator is engaged in on-site test operations and commissioning of the Plant prior to Commercial Operation.
- 1.26 "TSP" shall mean the Transmission Service Provider.
- 1.27 "TSP System" shall mean the electric transmission facilities, including the TIF, and all associated equipment and facilities owned and/or operated by the TSP.

ARTICLE 2. TERMINATION

- 2.1 Termination Procedures. This Agreement may be terminated as follows:

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

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

C. either Party may terminate this Agreement in accordance with Section 10.6.

2.2 Termination Costs. If a Party elects to terminate the Agreement pursuant to Section 2.1 above, the Generator shall pay all costs incurred (or committed to be incurred) by TSP, as of the date of the other Party's receipt of such notice of termination, that are the responsibility of the Generator under this Agreement. In the event of termination by either Party, both Parties shall use commercially reasonable efforts to mitigate the damages and charges that they may incur as a consequence of termination. The provisions of the Sections 2.2 and 2.3 shall survive termination of the Agreement.

2.3 Disconnection. Upon termination of this Agreement, the Parties will disconnect the GIF from the TIF in accordance with Good Utility Practice and all Applicable Laws and Regulations.

ARTICLE 3. REGULATORY FILINGS

3.1 Filing. The TSP shall file this executed Agreement with the appropriate Governmental Authority, if required. Any portions of this Agreement asserted by Generator to contain competitively sensitive commercial or financial information shall be filed by the TSP identified as "confidential" under seal stating, for the TSP's showing of good cause, that Generator asserts such information is confidential information and has requested such filing under seal. If requested by the TSP, Generator shall provide the TSP, in writing, with the Generator's basis for asserting that the information referred to in this Section 3.1 is competitively sensitive information, and the TSP may disclose such writing to the appropriate Governmental Authority.

3.2 Regulatory Approvals. Unless exempt, the TSP shall timely request ISO and all regulatory approvals necessary for it to carry out its responsibilities under this Agreement. Such approvals shall include any CCN required for the construction of the TIF.

**ARTICLE 4. INTERCONNECTION FACILITIES ENGINEERING,
PROCUREMENT, AND CONSTRUCTION**

4.1 Options. The Generator shall select one of the following options (subsection A or subsection B) and include the selected option in Exhibit "B" for completion of the TIF:

A. The TSP shall design, procure, and construct the TIF, using Reasonable Efforts to complete the TIF by the In-Service Date reflected in Exhibit "B." The TSP will utilize its own resources and will contract for additional resources, as reasonably necessary, to meet the In-Service Date. Such resources shall include, as the TSP believes is reasonable, use of other contractors, other equipment suppliers, other material suppliers, additional contract personnel, additional payments to contractors for expedited work, and premiums paid to equipment and material suppliers for expedited delivery. The TSP shall not be required to undertake any initiative which is inconsistent with its standard safety practices, its material and equipment specifications, its design criteria and construction procedures, its labor agreements, Applicable Laws and Regulations, and ERCOT Requirements. In the event the TSP reasonably expects that it will not be able to complete the TIF by the In-Service Date, the TSP will promptly provide written notice to the Generator and will undertake Reasonable Efforts to meet the earliest date thereafter.

B. (i) The TSP shall design, procure, and construct the TIF by the In-Service Date reflected in Exhibit "B." The Parties acknowledge that the In-Service Date was either agreed upon through good faith negotiations or designated by the Generator upon failure of the Parties to

agree. In the process of negotiating the In-Service Date, Generator will request a date upon which it reasonably expects it will be ready to begin use of the TIF and upon which it reasonably expects to begin doing so. Any date designated by the Generator shall in no event be less than fifteen months from the date that all conditions of Sections 4.2 and 4.3 have been satisfied. The designated In-Service Date will be extended day for day for each day that the ISO refuses to grant clearances to install equipment. If the TSP fails to complete the TIF by the In-Service Date reflected in Exhibit "B," the TSP shall pay the Generator liquidated damages in accordance with this Section 4.1.B.

(ii) The Parties agree that actual damages to the Generator, in the event the TIF are not completed by the In-Service Date, may include Generator's fixed operation and maintenance costs and lost opportunity costs. Such actual damages are uncertain and impossible to determine at this time. The Parties agree that, because of such uncertainty, any liquidated damages paid by the TSP to the Generator shall be an amount equal to $\frac{1}{2}$ of 1% of the actual cost of the TIF, per day. However, in no event shall the total liquidated damages exceed 20% of the actual cost of the TIF. The Parties agree that such liquidated damages are less than the Generator's actual damages. The Parties agree that the foregoing payments will be made by the TSP to the Generator as just compensation for the damages caused to the Generator, which actual damages are uncertain and impossible to determine at this time, and as reasonable liquidated damages, but not as a penalty or a method to secure performance of this Agreement.

(iii) The TSP shall apply to have the full costs of the TIF included in TCOS. If the PUCT issues a final, appealable order excluding from TCOS any portion of the TIF costs, including higher contractor and vendor costs due to liquidated damage provisions in those contracts and insurance costs to cover liquidated damages, which costs may have been

reasonably incurred but which the PUCT finds should not be recovered through TCOS, the Generator shall reimburse the TSP for such costs in an amount not to exceed the difference between the TSP's estimate of the cost of the TIF under section 4.1.A and the TSP's estimate of the cost of the TIF under Section 4.1.B as reflected in Exhibit "C." Such costs shall be estimated using Good Utility Practice.

(iv) No liquidated damages shall be paid to Generator if the Generator is not ready to commence use of the TIF for the delivery of power to the Plant for Trial Operation or export of power from the Plant on the In-Service Date, unless the Generator would have been able to commence use of the TIF for the delivery of power to the Plant for Trial Operation or export of power from the Plant but for TSP's delay.

(v) If the In-Service Date has been designated by the Generator upon a failure of the Parties to agree on the In-Service Date, the TSP may, at its option, require the Generator to subcontract with the TSP for all or part of the design, procurement and construction of the TIF in accordance with the TSP's standard subcontractor agreements. In such event, the TSP shall be subject to the payment of liquidated damages to the Generator only if the In-Service Date is not met solely due to the TSP's failure to complete the portion of the TIF for which the TSP has retained responsibility. It is the intent of this subsection to give the TSP full control of the contents and quality of the TIF. To the extent the Generator acts as a subcontractor to the TSP, the following will apply: 1) The Generator shall engineer, procure equipment, and construct the TIF (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the TSP; 2) In its engineering, procurement and construction of the TIF, the Generator shall comply with all requirements of law to which the TSP would be subject in the engineering, procurement or construction of the TIF; 3) The TSP shall review and approve

the engineering design, acceptance tests of equipment, and the construction of the TIF; 4) The TSP shall have the right to approve and accept for operation the TIF in accordance with the standards and specifications provided in advance by the TSP, such approval and acceptance shall not be unreasonably withheld, conditioned, or delayed; 5) Should any phase of the engineering, equipment procurement, or construction of the TIF, including selection of subcontractors, not meet the standards and specifications provided by the TSP, and therefore be deemed unacceptable, then the Generator shall be obligated to remedy that portion of the TIF or selection of subcontractors that is deemed unacceptable, the TSP's approval of the Generator's selection of subcontractors will not be unreasonably withheld, conditioned or delayed; and 6) Once the TIF is accepted for operation by the TSP, then the TSP shall reimburse the Generator for the reasonable and necessary costs incurred by the Generator to complete the TIF, not to exceed the amount specified in the subcontract. Such reimbursement shall be made within thirty days after receipt of the invoice, unless otherwise agreed to by the Parties.

4.2 Equipment Procurement. If responsibility for construction of the TIF is borne by the TSP, then the TSP shall commence design of the TIF and procure necessary equipment within a reasonable time after all of the following conditions are satisfied:

- A. The TSP has completed the Facilities Study pursuant to the Facilities Study Agreement;
- B. The TSP has received written authorization to proceed with design and procurement from the Generator by the dates specified in Exhibit "B"; and
- C. The Generator has provided security to the TSP in accordance with Section 8.3 by the dates specified in Exhibit "E."

4.3 Construction Commencement. The TSP shall commence construction of the TIF as soon

as practicable after the following additional conditions are satisfied:

- A. Approval of the appropriate Governmental Authority has been obtained for any facilities requiring regulatory approval;
- B. Necessary real property rights, if any, have been obtained;
- C. The TSP has received written authorization to proceed with construction from the Generator by the dates specified in Exhibit "B"; and
- D. The Generator has provided security to the TSP in accordance with Section 8.3 by the dates specified in Exhibit "E."

4.4 Work Progress. The Parties will keep each other advised periodically as to the progress of their respective design, procurement and construction efforts. If, at any time, the Generator becomes aware that the completion of the TIF will not be required until after the specified In-Service Date, the Generator will promptly provide written notice to the TSP of a new, later In-Service Date.

4.5 Conditions Precedent Delay. To the extent this Agreement incorporates a specified In-Service Date and the Generator fails to satisfy conditions precedent under Sections 4.2 and 4.3 so that the TSP may meet the In-Service Date, the Parties will negotiate in good faith to establish a new schedule for completion of the TIF.

ARTICLE 5. FACILITIES AND EQUIPMENT

5.1 Information Exchange. The Parties shall exchange information and mutually agree upon the design and compatibility of the Parties' interconnection facilities. The Parties shall work diligently and in good faith to make any necessary design changes to ensure compatibility of the GIF to the TSP System.

5.2 GIF Construction. Generator agrees to cause the GIF to be designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction. Within one-hundred and twenty (120) days after Commercial Operation, unless the Parties agree on another mutually acceptable deadline, the Generator shall deliver to the TSP the following “as-built” drawings, information and documents for the GIF: a one-line diagram, a site plan showing the Plant and the GIF, plan and elevation drawings showing the layout of the GIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams and relay settings for all facilities associated with the Generator’s main-power transformers, the facilities connecting the Plant to the main power transformers and the GIF, and the impedances (determined by factory tests) for the associated main power transformers and the generators.

5.3 TIF Construction. The TSP agrees to cause the TIF to be designed and constructed in accordance with Good Utility Practice, ERCOT Requirements and the National Electrical Safety Code in effect at the time of construction.

5.4 Equipment Changes. For facilities not described in Exhibit “C,” if either Party makes equipment changes to the Plant, the GIF, the TIF or the TSP System which it knows will affect the operation or performance of the other Party’s interconnection facilities, the Parties agree to notify the other Party, in writing, of such changes. Such changes shall be made in accordance with ERCOT Requirements and coordinated between the Parties.

5.5 Metering, Telemetry and Communications Requirements.

A. Metering and telemetry of data will be accomplished in accordance with ERCOT Requirements. The specific metering, telemetry and communications equipment to be installed and data to be telemetered are described in Exhibit “C.”

B. At the Point of Interconnection, the metering and telemetry equipment shall be owned by the TSP. However, the TSP shall provide the Generator with metering and telemetry values in accordance with ERCOT Requirements.

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

D. The TSP will notify the Generator at least five (5) working days in advance of any planned maintenance, inspection, testing, or calibration of the metering equipment, unless otherwise agreed to in writing. The Generator, or its designated representative, shall have the right to be present for these activities and to receive copies of any documents related to the procedures and results.

E. Prior to the connection of the GIF to the TIF, acceptance tests will be performed by the owning Party to ensure the proper functioning of all metering, telemetry and communications equipment associated with the Point of Interconnection and both Parties' interconnection facilities, and to verify the accuracy of data being received by the TSP, the Control Area(s) in which the Plant and the TSP are located and the Generator. All acceptance tests will be performed consistent with ERCOT Requirements.

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

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

H. Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment errors or malfunctions that require the attention and/or correction by the other Party. The Party owning such equipment shall correct such error or malfunction as soon as reasonably feasible in accordance with ERCOT Requirements.

5.6 System Protection and Other Controls Requirements.

A. Each Party's facilities shall be designed to isolate any fault, or to correct or isolate any abnormality, that would negatively affect the other Party's system or other entities connected to the TSP System.

B. The Generator shall be responsible for protection of its facilities consistent with ERCOT Requirements.

C. Each Party's protective relay design shall incorporate the necessary test switches to perform the tests required in Section 5.6.F. The required test switches will be placed such that they allow operation of lockout relays while preventing breaker failure schemes from operating and causing unnecessary breaker operations and tripping the Generator's units.

D. Recording equipment shall be installed to analyze all system disturbances in accordance with ERCOT Requirements.

E. Each Party will test, operate and maintain System Protection Equipment in accordance with ERCOT Requirements. Each Party will provide reasonable notice to the other

Party of any testing of its System Protection Equipment allowing such other Party the opportunity to have representatives present during testing of its System Protection Equipment.

F. Prior to the In-Service Date, and again prior to Commercial Operation, each Party or its agent shall perform a complete calibration test and functional trip test of the System Protection Equipment. At intervals suggested by Good Utility Practice or at intervals described in the ERCOT Requirements if so defined therein, and following any apparent malfunction of the System Protection Equipment, each Party shall perform both calibration and functional trip tests of its System Protection Equipment. These tests do not require the tripping of any in-service generation unit. These tests do, however, require that all protective relays and lockout contacts be activated.

5.7 No Annexation. Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed by the Parties.

ARTICLE 6. OPERATION AND MAINTENANCE

6.1 Operation and Maintenance of Interconnection Facilities. The Parties agree to operate and maintain their systems in accordance with Good Utility Practice, National Electrical Safety Code, the ERCOT Requirements, PUCT Rules and all Applicable Laws and Regulations. Subject to any necessary ISO approval, each Party shall provide necessary equipment outages to allow the other Party to perform periodic maintenance, repair or replacement of its facilities. Such outages shall be scheduled at mutually agreeable times, unless conditions exist which a Party believes, in accordance with Good Utility Practice, may endanger persons or property. Each Party shall use commercially reasonable efforts to minimize the frequency and duration of any outages. No changes will be made in the normal operation of the Point of Interconnection

without the mutual agreement of the Parties except as otherwise provided herein. All testing of the Plant that affects the operation of the Point of Interconnection shall be coordinated between the TSP, the Control Area(s) in which the Plant and the TSP are located, and the Generator, and will be conducted in accordance with ERCOT Requirements.

6.2 Control Area Notification. At least six months before Trial Operation, the Generator shall notify the TSP in writing of the Control Area in which it will be located. If the Generator elects to be located in a Control Area other than the Control Area in which the TSP is located, all necessary agreements, including but not limited to remote control area generator interchange agreements, if applicable, and appropriate measures under such agreements, shall be executed and implemented prior to the placement of the Plant in the other Control Area. The Parties will diligently cooperate with one another to enable such agreements to be executed and implemented on a schedule necessary to meet the Trial Operation date specified in Exhibit "B."

6.3 Land Rights and Easements. Terms and conditions addressing the rights of the TSP and the Generator regarding any facilities located on the other Party's property shall be addressed in a separate, duly executed and recorded easement agreement between the Parties. Prior to Commercial Operation, the Parties will mutually agree upon procedures to govern access to each other's property as necessary for the Parties to fulfill their obligations hereunder.

6.4 Service Interruption. The Parties recognize that the interruption of service provisions of the PUCT Rules give TSP the right to disconnect the TSP System from the Plant under the conditions specified therein. The Generator will promptly disconnect the Plant from the TSP System when required by and in accordance with the PUCT Rules and ERCOT Requirements.

6.5 Switching and Clearance.

A. Any switching or clearances needed on the TIF or the GIF will be done in accordance with ERCOT Requirements.

B. Any switching and clearance procedure necessary to comply with Good Utility Practice or ERCOT Requirements that may have specific application to the Plant shall be addressed in Exhibit "C."

6.6 Start-Up and Synchronization. Consistent with ERCOT Requirements and the Parties' mutually acceptable procedure, the Generator is responsible for the proper synchronization of the Plant to the TSP System.

6.7 Routine Operational Communications. On a timely basis, the Parties shall exchange all information necessary to comply with ERCOT Requirements and shall otherwise cooperate reasonably with each other.

6.8 Blackstart Operations. If the Plant is capable of blackstart operations, Generator will coordinate individual Plant start-up procedures consistent with ERCOT Requirements. Any blackstart operations shall be conducted in accordance with the blackstart criteria included in the ERCOT Requirements and the TSP Blackstart Plan on file with the ISO. Notwithstanding this section, the Generator is not required to have blackstart capability by virtue of this Agreement. If the Generator will have blackstart capability, then Generator shall provide and maintain an emergency communication system that will interface with the TSP during a blackstart condition.

6.9 Power System Stabilizers. The Generator shall procure, install, maintain and operate power system stabilizers if required to meet ERCOT Requirements and as described in Exhibit "C."

ARTICLE 7. DATA REQUIREMENTS

7.1 Data Acquisition. The acquisition of data to realistically simulate the electrical behavior of system components is a fundamental requirement for the development of a reliable interconnected transmission system. Therefore, the TSP and the Generator shall be required to submit specific information regarding the electrical characteristics of their respective facilities to each other as described below in accordance with ERCOT Requirements.

7.2 Initial Data Submission by TSP. The initial data submission by the TSP shall occur no later than 120 days prior to Trial Operation and shall include transmission system data necessary to allow the Generator to select equipment and meet any system protection and stability requirements.

7.3 Initial Data Submission by Generator. The initial data submission by the Generator, including manufacturer data, shall occur no later than 90 days prior to the Trial Operation and shall include a completed copy of the following forms contained in the ISO's Generation Interconnection Procedure: (1) Plant Description/Data and (2) Generation Stability Data. It shall also include any additional data provided to the ISO for the System Security Study. Data in the initial submissions shall be the most current Plant design or expected performance data. Data submitted for stability models shall be compatible with the ISO standard models. If there is no compatible model, the Generator will work with an ISO designated consultant to develop and supply a standard model and associated data.

7.4 Data Supplementation. Prior to Commercial Operation, the Parties shall supplement their initial data submissions with any and all "as-built" Plant data or "as-tested" performance data which differs from the initial submissions or, alternatively, written confirmation that no such differences exist. Subsequent to Commercial Operation, the Generator shall provide the TSP any

data changes due to equipment replacement, repair, or adjustment. The TSP shall provide the Generator any data changes due to equipment replacement, repair, or adjustment in the directly connected substation or any adjacent TSP-owned substation that may affect the GIF equipment ratings, protection or operating requirements. The Parties shall provide such data no later than 30 days after the date of the actual change in equipment characteristics. Also, the Parties shall provide to each other a copy of any additional data later required by the ISO concerning these facilities.

7.5 Data Exchange. Each Party shall furnish to the other Party real-time and forecasted data as required by ERCOT Requirements. The Parties will cooperate with one another in the analysis of disturbances to either the Plant or the TSP's System by gathering and providing access to any information relating to any disturbance, including information from oscillography, protective relay targets, breaker operations and sequence of events records.

ARTICLE 8. PERFORMANCE OBLIGATION

8.1 Generator's Cost Responsibility. The Generator will acquire, construct, operate, test, maintain and own the Plant and the GIF at its sole expense. In addition, the Generator may be required to make a contribution in aid of construction in the amount set out in and for the facilities described in Exhibit "C," if any, in accordance with PUCT Rules.

8.2 TSP's Cost Responsibility. The TSP will acquire, own, operate, test, and maintain the TIF at its sole expense, subject to the provisions of Section 4.1.B and the contribution in aid of construction provisions of Section 8.1 of this Agreement.

8.3 Financial Security Arrangements. The TSP may require the Generator to pay a reasonable deposit or provide another means of security, to cover the costs of planning, licensing, procuring equipment and materials, and constructing the TIF. The required security

arrangements shall be specified in Exhibit "E." Within five business days after the Plant achieves Commercial Operation with respect to each phase (if applicable), the TSP shall return the deposit or security to the Generator relating to such phase. However, the TSP may retain an amount to cover the incremental difference between the TSP's actual out of pocket costs associated with the choice of Section 4.1.B over Section 4.1.A, pending a final PUCT Order as contemplated in Section 4.1.B(iii). If the Plant has not achieved Commercial Operation within one year after the scheduled Commercial Operation date identified in Exhibit "B" or if the Generator terminates this Agreement in accordance with Section 2.1 and the TIF are not required, the TSP may, subject to the provisions of Section 2.2, retain as much of the deposit or security as is required to cover the costs it incurred in planning, licensing, procuring equipment and materials, and constructing the TIF. If a cash deposit is made pursuant to Exhibit "E," any repayment of such cash deposit shall include interest at a rate applicable to customer deposits as established from time to time by the PUCT or other Governmental Authority.

ARTICLE 9. INSURANCE

9.1 Each Party shall, at its own expense, maintain in force throughout the period of this Agreement and until released by the other Party the following minimum insurance coverages, with insurers authorized to do business in Texas:

A. Employers Liability and Worker's Compensation Insurance providing statutory benefits in accordance with the laws and regulations of the State of Texas. The minimum limits for the Employer's Liability insurance shall be One Million Dollars (\$1,000,000) each accident bodily injury by accident, One Million Dollars (\$1,000,000) each employee bodily injury by disease, and One Million Dollars (\$1,000,000) policy limit bodily injury by disease.

B. Commercial General Liability Insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification) products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of One Million Dollars (\$1,000,000) per occurrence/One Million Dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

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

D. Excess Public Liability Insurance over and above the Employer's Liability, Commercial General Liability and Comprehensive Automobile Liability Insurance coverage, with a minimum combined single limit of Twenty Million Dollars (\$20,000,000) per occurrence/Twenty Million Dollars (\$20,000,000) aggregate.

E. The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance, and Excess Public Liability Insurance policies shall name the other Party, its parent, associated and affiliated companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) days advance written

notice to Other Party Group prior to the anniversary date of cancellation or any material change in coverage or condition.

F. The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Each Party shall be responsible for its respective deductibles or retentions.

G. The Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance and Excess Public Liability Insurance policies, if written on a Claims First Made basis, shall be maintained in full force and effect for two (2) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by the Parties.

H. The requirements contained herein as to the types and limits of all insurance to be maintained by the Parties are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by the Parties under this Agreement.

I. Within ten (10) days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, each Party shall provide certification of all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.

J. Notwithstanding the foregoing, each Party may self-insure to the extent it maintains a self-insurance program; provided that, such Party's senior secured debt is rated at investment grade, or better, by a rating agency acceptable to TSP (i.e., Standard & Poor's, Moody's, Fitch). For any period of time that a Party's senior secured debt is unrated or is rated at less than investment grade, such Party shall comply with the insurance requirements applicable to it under Sections 9.1.A through 9.1.I. In the event that a Party is permitted to self-insure pursuant to this Section 9.1.J, it shall not be required to comply with the insurance requirements applicable to it under Sections 9.1.A through 9.1.I.

K. The Parties agree to report to each other in writing as soon as practical all accidents or occurrences resulting in injuries to any person, including death, and any property damage arising out of this Agreement.

ARTICLE 10. MISCELLANEOUS

10.1 Governing Law and Applicable Tariffs.

A. This Agreement for all purposes shall be construed in accordance with and governed by the laws of the State of Texas, excluding conflicts of law principles that would refer to the laws of another jurisdiction. The Parties submit to the jurisdiction of the federal and state courts in the State of Texas.

B. This Agreement is subject to all valid, applicable rules, regulations and orders of, and tariffs approved by, duly constituted Governmental Authorities.

C. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

10.2 **No Other Services.** This Agreement is applicable only to the interconnection of the Plant to the TSP System at the Point of Interconnection and does not obligate either Party to provide,

or entitle either Party to receive, any service not expressly provided for herein. Each Party is responsible for making the arrangements necessary for it to receive any other service that it may desire from the other Party or any third party. This Agreement does not address the sale or purchase of any electric energy, transmission service or ancillary services by either Party, either before or after Commercial Operation.

10.3 Entire Agreement. This Agreement, including all Exhibits, Attachments and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement. Notwithstanding the other provisions of this Section, the Facilities Study Agreement, if any, is unaffected by this Agreement.

10.4 Notices. Except as otherwise provided in Exhibit "D," any formal notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person, or sent by either registered or certified mail, postage prepaid, overnight mail or fax to the address or number identified on Exhibit "D" attached to this Agreement. Either Party may change the notice information on Exhibit "D" by giving five business days written notice prior to the effective date of the change.

10.5 Force Majeure.

A. The term "Force Majeure" as used herein shall mean any cause beyond the reasonable control of the Party claiming Force Majeure, and without the fault or negligence of such Party, which materially prevents or impairs the performance of such Party's obligations

hereunder, including but not limited to, storm, flood, lightning, earthquake, fire, explosion, failure or imminent threat of failure of facilities, civil disturbance, strike or other labor disturbance, sabotage, war, national emergency, or restraint by any Governmental Authority.

B. Neither Party shall be considered to be in Default (as hereinafter defined) with respect to any obligation hereunder (including obligations under Article 4), other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing or by telephone as soon as reasonably possible after the occurrence of the cause relied upon. Telephone notices given pursuant to this Section shall be confirmed in writing as soon as reasonably possible and shall specifically state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

10.6 Default

A. The term "Default" shall mean the failure of either Party to perform any obligation in the time or manner provided in this Agreement. No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of Force Majeure as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party shall give written notice of such Default to the defaulting Party. Except as provided in Section 10.6.B, the defaulting Party shall have thirty (30) days from

receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within 30 days, the defaulting Party shall commence such cure within 30 days after notice and continuously and diligently complete such cure within 90 days from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

B. If a Default is not cured as provided in this Section, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this Section will survive termination of this Agreement.

10.7 Intrastate Operation. The operation of the Plant by Generator shall not cause there to be a synchronous or an asynchronous interconnection between ERCOT and any other transmission facilities operated outside of ERCOT unless ordered by the Federal Energy Regulatory Commission under Section 210 of the Federal Power Act. The Parties recognize and agree that any such interconnection will constitute an adverse condition giving the TSP the right to immediately disconnect the TIF from the GIF, until such interconnection has been disconnected. The Generator will not be prohibited by this Section from interconnecting the Plant with facilities operated by the Comision Federal de Electricidad of Mexico, unless such interconnection would cause ERCOT utilities that are not "public utilities" under the Federal Power Act to become subject to the plenary jurisdiction of the Federal Energy Regulatory Commission.

- 10.8 No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- 10.9 No Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of obligations, rights, or duties imposed upon the Parties. Termination or Default of this Agreement for any reason by the Generator shall not constitute a waiver of the Generator's legal rights to obtain an interconnection from the TSP under a new interconnection agreement.
- 10.10 Headings. The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 10.11 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 10.12 Amendment. This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.
- 10.13 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

10.14 Further Assurances. The Parties agree to (i) furnish upon request to each other such further information, (ii) execute and deliver to each other such other documents, and (iii) do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement. Without limiting the generality of the foregoing, the TSP shall, at the Generator's expense, when reasonably requested to do so by the Generator at any time after the execution of this Agreement, prepare and provide such information in connection with this Agreement (including, if available, resolutions, certificates, opinions of counsel or other documents relating to the TSP's corporate authorization to enter into this Agreement and to undertake the obligations set out herein) as may be reasonably required by any potential lender to the Generator under a proposed loan agreement. The TSP will use commercially reasonable efforts to obtain any opinion of counsel reasonably requested by Generator, but the TSP shall not be in Default of any obligation under this Agreement if the TSP is unable to provide an opinion of counsel that will satisfy any potential lender to the Generator. Specifically, upon the written request of one Party, the other Party shall provide the requesting Party with a letter stating whether or not, up to the date of the letter, that Party is satisfied with the performance of the requesting Party under this Agreement.

10.15 Indemnification and Liability. The indemnification and liability provisions of the PUCT Rule 25.202(b)(2) or its successor shall govern this Agreement.

10.16 Consequential Damages. OTHER THAN THE LIQUIDATED DAMAGES HERETOFORE DESCRIBED, IN NO EVENT SHALL EITHER PARTY BE LIABLE UNDER ANY PROVISION OF THIS AGREEMENT FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT OR

REVENUE, LOSS OF THE USE OF EQUIPMENT, COST OF CAPITAL, COST OF TEMPORARY EQUIPMENT OR SERVICES, WHETHER BASED IN WHOLE OR IN PART IN CONTRACT, IN TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY OF LIABILITY; PROVIDED, HOWEVER, THAT DAMAGES FOR WHICH A PARTY MAY BE LIABLE TO THE OTHER PARTY UNDER ANOTHER AGREEMENT WILL NOT BE CONSIDERED TO BE SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES HEREUNDER.

10.17 Assignment. This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that the Generator shall have the right to assign this Agreement, without the consent of the TSP, for collateral security purposes to aid in providing financing for the Plant, provided that the Generator will require any secured party, trustee or mortgagee to notify the TSP of any such assignment. Any financing arrangement entered into by the Generator pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify the TSP of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

10.18 Severability. If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement; provided that if the Generator (or any third-party, but only if such third-party is not acting at the direction of the TSP) seeks and obtains such a final determination with respect to any provision of Section 4.1.B, then none of the provisions of Section 4.1.B. shall thereafter have any force or effect and the Parties' rights and obligations shall be governed solely by Section 4.1.A.

10.19 Comparability. The Parties will comply with all applicable comparability and code of conduct laws, rules and regulations, as amended from time to time.

10.20 Invoicing and Payment. Unless the Parties otherwise agree (in a manner permitted by applicable PUCT Rules and as specified in writing), invoicing and payment rights and obligations under this Agreement shall be governed by PUCT Rules or applicable Governmental Authority. Invoices shall be rendered to the paying Party at the address specified on, and payments shall be made in accordance with the requirements of, Exhibit "D."

10.21 Confidentiality.

A. Subject to the exception in Section 10.21.B, any information that a Party claims is competitively sensitive, commercial or financial information under this Agreement ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement or as a transmission service provider or a

Control Area operator including disclosing the Confidential Information to the ISO. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subsection, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subsection, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

B. This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a breach of this provision).

Exhibit "B"
Time Schedule

Interconnection Option chosen by Generator (check one): X Section 4.1.A. or Section 4.1.B

If Section 4.1.B is chosen by Generator, the In-Service Date(s) was determined by (check one):
(1) good faith negotiations, or (2) designated by Generator upon failure to agree.

Date by which Generator must provide notice to proceed with design (as specified in Section 4.2) so that TSP may maintain schedule to meet the In-Service Date for Cameron Wind Switching Station and the In-Service Date for System Upgrades): **March 8, 2013**, as was provided in the letter from Generator to TSP received on March 8, 2013, authorizing TSP to proceed with design related to the Cameron Wind Switching Station and System Upgrades described in Exhibit "C".

Dates by which Generator must provide notice to proceed with procurement for System Upgrades, as specified in Section 4.2, so that TSP may maintain schedule to meet the In-Service Date for System Upgrades (defined below): **September 1, 2013**

Dates by which Generator must provide notice to proceed with procurement for Cameron Wind Switching Station, as specified in Section 4.2, so that TSP may maintain schedule to meet the In-Service Date for Cameron Wind Switching Station (defined below): **December 1, 2013**

Dates by which Generator must provide notice to commence construction for System Upgrades, as specified in Section 4.3, so that TSP may maintain schedule to meet the In-Service Date for System Upgrades: **October 1, 2013**

Dates by which Generator must provide notice to commence construction for Cameron Wind Switching Station, as specified in Section 4.3, so that TSP may maintain schedule to meet the In-Service Date for Cameron Wind Switching Station: **January 1, 2014**

In-Service Date(s):

[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.]

In-Service Date for Cameron Wind Switching Station (described in Exhibit "C", Paragraph 8(a)): **September 25, 2014**

In-Service Date for System Upgrades (described in Exhibit "C", Paragraph 8(b)): **December 20, 2014**

Scheduled Trial Operation Date: **September 30, 2014**

Scheduled Commercial Operation Date: **December 20, 2014**

Due to the nature of the subject of this Agreement, the Parties may mutually agree to change the dates and times specified in this Exhibit B.

Exhibit "C"
Interconnection Details

- 1) Name: Cameron Wind I
- 2) Point of Interconnection Location: Cameron Wind Switching Station on the Central Avenue to E. Rio Honda transmission line
- 3) Delivery Voltage: 138 kV
- 4) Number and Size of Generating Units: Nominal approximately 165 MW capacity comprised of approximately 82 2.0 MW Vestas units.
- 5) Type of Generating Unit:
Generator's Plant will be an approximately one hundred sixty-five MW wind energy generation facility comprised of approximately 82 2.0 MW Vestas wind turbine generators, to be constructed in a single phase with a Commercial Operation Date as specified in Exhibit "B".
- 6) Metering and Telemetry Equipment:
TSP shall install settlement metering, including necessary associated instrument transformers, panels, conduit, wiring, and wiring devices, in compliance with ERCOT Polled Settlement metering requirements in protocols and guides at the Point of Interconnection listed above to measure the demand and energy from Generator's facilities entering the ERCOT grid through the Point of Interconnection. TSP shall install the communications devices necessary to remotely access interval and realtime information from the metering equipment. TSP shall install only one (1) settlement metering point.

TSP will furnish, install and maintain a remote terminal unit ("RTU") and dedicated communications paths to remotely access breaker status, telemetry, and control interfaces of the TIF. This RTU will have a port available to the Generator, through Generator's communications path(s), for read only purposes.

Generator shall provide an RTU port to the TSP and a communication path so that device status, telemetry, and control interface of the GIF that TSP requests is made available to the TSP.
- 7) Generator Interconnection Facilities: The GIF will consist of a 34.5 kV to 138 kV substation with one main power transformer which will be tied to the TIF described below. Design and substation orientation and layout will be determined later.
- 8) Transmission Service Provider Interconnection Facilities:
A new switching station (the "Cameron Wind Switching Station") and rebuilding/reconductoring of the E. Rio Hondo to Central Ave. 138kV transmission line (the "System Upgrades") are required to be complete in order to deliver the full Plant capacity

and energy output to the TSP system. The Cameron Wind Switching Station and the System Upgrades are described in more detail below:

- a) The Cameron Wind Switching Station shall include the following:
 - 1) Substation
 - (i) 138 kV Circuit Breakers (3)
 - (ii) Air Break Switches
 - (iii) 138 kV Metering Units,
 - (iv) 138 kV, Surge Arresters
 - (v) Station Post Insulators
 - (vi) Galvanized Steel Structures, Equipment Foundations, and Associated Bus-Work, Conductor, Connectors, Grounding, etc.
 - (vii) The station shall have three line terminals. with one terminal connecting the 138kV line going to Central Ave substation, one terminal going to the E. Rio Hondo substation and one terminal for use by the Cameron Wind generating station.
 - 2) Relaying
 - (i) Circuit Breaker Control Panels
 - (ii) Motor Operated Disconnect Switch Control Panel if applicable
 - (iii) Circuit Breaker Failure Protection Scheme
 - (iv) Line Protection Scheme
 - (v) Control building for housing panel and relays
 - 3) All other TSP Interconnecting Facility requirements shall be finalized at a later date, upon completing design requirements and coordination efforts with Generator
 - b) System Upgrades shall include the following:

The rebuilding/reconductoring of the E. Rio Hondo to Central Ave. 138 kV transmission line with at least 795 ACSR conductor to accommodate the generating capacity of 165 MW, to be delivered onto the 138 kV transmission line, in accordance with ERCOT transmission planning criteria.
- 9) Communications Facilities:
- (a) The communications facilities described below will be owned by Generator:
 - (i) 1- dedicated voice dispatch circuit from Generator's control center to TSP's Nursery, TX dispatch center;
 - (ii) 1 - 2 wire telecommunication dial-up line, including associated interface; equipment at the Generator Substation for the dynamic and fault recorder if applicable.
 - (iii) 1-4 wire RTU communication circuit between the Generator Substation and TSP's Master SCADA system at TSP's Nursery, TX dispatch center;
 - (iv) 1- telephone company interface box at the Generator Substation if applicable; and
 - (v) optical isolation equipment for the telephone communication circuits, if required by the local telephone company.
 - (b) The communications facilities described below are owned by TSP:
 - (i) 1- 2 wire telecommunication dial-up line or equivalent, including associated interface

equipment at the Cameron Wind Switching Station for the revenue billing meters. Generator shall have dial-up, read only access to the revenue billing meters.

(c) All communication facilities shall meet the following TSP requirements in addition to ERCOT Requirements. If there is a conflict between the TSP requirements below and the ERCOT Requirements, the ERCOT Requirements shall govern.

(i) Generator shall be responsible for confirming with TSP the project specific circuit requirements and requesting specific TSP addresses and TSP contact names in preparation for issuing communication circuit orders with Generator's telecommunication service provider of choice. These communication channel(s) may be leased telephone circuit, microwave, fiber optics or other media satisfactory to TSP. For telephone company circuits leased by Generator, Generator shall provide TSP and the communication provider with the necessary advanced authorization for communication circuit maintenance, allowing TSP to monitor circuits, report trouble and take corrective action with the communication provider, at Generator's expense.

(ii) The RTU communications circuit will be a dedicated lease circuit from the RTU to TSP's dispatch office; this circuit is to be ordered by Generator. One circuit is required for each RTU. This circuit will be a Bell type 4-wire (420) analog circuit or better.

(iii) The voice dispatch circuit will be a dedicated lease circuit from the Plant operators to TSP's dispatch office. If the Plant operator is not located on the Plant site, then the circuit must be terminated at the actual location of the Plant operators. This circuit is required of Generator where the total Plant generation capacity is equal to or greater than 50 MVA. This circuit is to be ordered by Generator. All telephone company services are subject to the local telephone company's installation requirements.

10) System Protection Equipment:

Protection of each Party's system shall meet the following TSP requirements in addition to ERCOT requirement. If there is a conflict between the TSP requirements below and the ERCOT requirements, the ERCOT requirements shall govern.

- i) TSP assumes no responsibility for the protection of the Plant and GIF for any or all operating conditions. Generator is solely responsible for protecting his equipment in such a manner that faults of other disturbances of the TSP system or other interconnected systems do not cause damage to the Plant and GIF.
- ii) It is the sole responsibility of the Generator to protect its Plant and GIF from excessive negative sequence currents.
- iii) Generator shall furnish, at a minimum, a manual disconnect switch with visual contacts and allowance for padlocking, to separate the Plant and GIF from TIF. The location of this switch will be determined by TSP, and be readily accessible to TSP at all times. The disconnect switch will be under the exclusive control of TSP and will be considered as part of TSP's switching arrangement. TSP reserves the right to open this disconnecting device, isolating the Plant and GIF for any of the following reasons:

- 1) The Plant or GIF, upon TSP's determination, causes objectionable interference with other customer's service or with the secure operation of the TSP System;
- 2) The Plant output as determined by TSP exceeds the operating boundaries outlined above; or
- 3) The Generator's control and protective equipment causes or contributes to a hazardous condition. TSP reserves the right to verify on demand all protective equipment including relays, circuit breaker, etc. at the inter-tie location. Verification may include the tripping of the tiebreaker by the protective relays.

TSP will attempt to notify Generator before disconnection, but notification may not be possible in emergency situations that require immediate action.

- iv) Automatic reclosing is normally applied to transmission and distribution circuits. When the TSP's source breakers trip and isolate the Plant and GIF, Generator shall insure that the Plant and GIF is disconnected from the TSP circuit prior to automatic reclosure by TSP. Automatic reclosing out-of-phase with the Plant may cause damage to Generator's equipment. The Generator is solely responsible for the protection of his equipment from automatic reclosing by TSP.
- v) Digital fault recorders will be an integral part of the protection relays. They will be paid for, owned and installed by TSP. . All digital fault recorders shall be equipped with time synchronizing equipment. The monitoring requirement of TSP does not reduce the Generator's obligation to meet all disturbance monitoring requirements of NERC.
- vi) Documentation of all protective device settings shall be provided. The setting documentation shall also include relay type, model/catalog number and setting range. If automatic transfer schemes or unique or special protective schemes are use, a description of their operations should be included and TSP must review and approve the setting of all protective devices and automatic control equipment which: (1) serve to protect the TSP System from hazardous currents and voltages originating from the Plant or (2) must coordinate with System Protection Equipment of control equipment located on the TSP System.

11) Inputs to Telemetry Equipment:

Generator shall comply with TSP's requested list of device status, alarms, control interface, and meter data to make available to the TSP RTU including such information for any Generator owned transmission terminal and generator step up (GSU) transformer.

12) Supplemental Terms and Conditions, if any, attached:

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

- a) If this Agreement is executed at Generator's request prior to ERCOT's approval of the TIF and ERCOT does not approve the TIF, Generator and TSP will work together to mitigate as much as possible the impact of such ERCOT decision.
- b) The Plant and GIF shall not cause objectionable interference with the electric service provided to other customers by TSP nor jeopardize the security of the ERCOT power

system. In order to minimize objectionable interference of the Plant and GIF, the Plant and GIF shall meet the following criteria:

- i) Voltage – The Plant and GIF shall not cause excessive voltage excursions. Generator shall operate its Plant and GIF in such manner that the voltage levels on the TSP System are in the same range as if the Plant and GIF were not connected to the TSP system. Generator shall provide an automatic method of disconnecting its Plant and GIF from the TIF to protect against excessive voltage excursions;
 - ii) Flicker – The Plant and GIF shall not cause excessive voltage flicker on the TSP System. Flicker is to be measured at the Point of Interconnection and shall not exceed 1.5% or the Borderline of Visibility Curve Voltage Flicker Chart of ANSI/IEEE Standard 141-1993, whichever is less;
 - iii) Frequency – The operating frequency of the Plant shall not deviate from the frequency of the TSP System. Plant under frequency relays shall be set the same as TSP's under frequency relays, so that the Plant will not separate from the TSP System during under frequency conditions until all of TSP's under frequency load shedding equipment has operated;
 - iv) Harmonics, Telephone Interference and Carrier Interference – The Plant and GIF shall not introduce excessive distortion of the TSP System waveforms; voltage and current; telephone interference; or carrier interference at the Point of Interconnections. IEEE Standard 519 shall be used as a guide;
 - v) Fault and Line Clearing – The Plant and GIF shall be disconnected from the TSP System on occurrence of an outage or fault on the TIF. Generator is responsible for the electrical stability of its Plant and providing adequate facilities so that critical fault clearing times are met; and
 - vi) Power Factor – The generator voltage-var schedule, voltage regulator, and transformer ratio settings will be jointly determined by TSP and Generator to ensure proper coordination of voltages and regulator action. The Plant must generate reactive requirements for the Plant and GIF. The power factor of induction generators of renewable resources will be limited by the design of the generator and the quantity of reactive power that the Plant will be required to supply will be limited to that which it can produce at its rated capability using procedures and criteria as described by ERCOT Requirements. Current ERCOT Requirements require induction generators shall operate at least 0.95 lag and 0.95 lead at the Point of Interconnection.
- c) Generator shall not energize a de-energized TIF circuit, unless under direction of TSP.
 - d) Generator will be responsible at its cost to perform analyses to determine any adverse effects of sub-synchronous resonance (SSR) and self excitation upon its Plant. TSP will provide Generator any necessary transmission system data not considered by ERCOT to be confidential. Generator is responsible, at its cost, to modify Plant's control system to mitigate any adverse effects discovered in its analyses. Generator agrees to hold TSP and its Affiliates harmless for any adverse effects upon the Plant that are discovered in either the Generator's, ERCOT's, or TSP's analyses.

13) Special Operating Conditions, if any, attached: TBD

14) The difference between the estimated cost of the TIF under 4.1.A (\$17,010,001) and the estimated cost of the TIF under 4.1.B (\$17,010,001) is: _\$0, if applicable.

Exhibit "D"

Notice and EFT Information of the ERCOT Standard Generation Interconnection Agreement

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

If to Cameron Wind I, LLC c/o Apex Clean Energy, Inc. Attn: Bill Pezalla, Transmission Manager 310 4 th Street, NE, Suite 200 Charlottesville, VA 22902 24 Hour Telephone (434) 996-9662 Operational/Confirmation Fax (434) 220-3712 E-mail bill.pezalla@apexcleanenergy.com	If to South Texas Electric Cooperative, Inc. Attn: System Operations 2849 FM 447 Nursery, TX, 77976 Phone: (361) 485-6301 Fax: (361) 575-6385 E-mail: sysop@stec.org
--	--

(b) Notices of an administrative nature:

If to Cameron Wind I, LLC c/o Apex Clean Energy, Inc. Attn: Helene Austin, Accounts Payable Coordinator 310 4 th Street, NE, Suite 200 Charlottesville, VA 22902 Phone: (434) 220-7582 Fax: (434) 220-3712 E-mail: accountspayable@apexcleanenergy.com	If to South Texas Electric Cooperative, Inc. Attn: Manager of Engineering 2849 FM 447 Nursery, TX, 77976 Phone: (361) 575-6491 Fax: (361) 576-1433
--	---

(c) Notice for statement and billing purposes:

If to Cameron Wind I, LLC c/o Apex Clean Energy, Inc. Attn: Helene Austin, Accounts Payable Coordinator 310 4 th Street, NE, Suite 200 Charlottesville, VA 22902 Phone: (434) 220-7582 Fax: (434) 220-3712 E-mail: accountspayable@apexcleanenergy.com	If to South Texas Electric Cooperative, Inc. Attn: Same as above
--	---

(d) Information concerning electronic funds transfers:

If to If to Generator:	If to South Texas Electric Cooperative, Inc. Attn: Accounting Department - Accounts Receivable Phone: (361) 575-6491
----------------------------------	--

Exhibit "E"

Security Arrangement Details

1. As a condition to TSP's obligation to plan, license, engineer, design, procure equipment and material, and construct the TIF described in Exhibit "C", Generator will provide a financial security (Security) either as a letter of credit (Letter of Credit), cash, or other form of collateral security acceptable to TSP in an amount totaling \$2.6 million (for the Cameron Wind Switching Station) and \$14.41 million (for System Upgrades), as required pursuant to Section 8.3 of this Agreement. Such Security will be provided in tranches according to the schedules set forth below.
2. Form of security provided by Generator must be approved by TSP. Generator will provide information requested by TSP so that TSP may determine whether the form of security is acceptable.
3. Letter of Credit means one or more irrevocable, transferable standby letters of credit issued by a U.S. commercial bank or a foreign bank with a U.S. branch with a credit rating of at least A- from Standard and Poor's or an A3 credit rating from Moody's Investor Services. It shall be in a form acceptable to TSP. Such Letter of Credit shall state that it is issued in favor of TSP. Costs of the Letter of Credit shall be borne by the applicant for such Letter of Credit.
4. Upon receipt of such Security, TSP shall continue the work required to meet the In-Service Date.
5. An acceptable letter of credit per this Exhibit "E" may be substituted at any time security is still required by the TSP for cash or other financial security.

**Security Milestone Payment Schedule for
Cameron Wind Switching Station**

1.1	Engineering and Design	\$100,000	3/15/2013
	Total Engineering and Design		
	Material Procurement		
2.1	Main Equipment and Enclosures		12/1/2013
2.2	Steel	\$272,500	
2.3	Insulators		
2.4	Structure Hardware	\$75,000	3/1/2014
2.5	Miscellaneous items		
	Total Procurement		
	Work Items		
3.1	Delivery of Materials		
	Below grade installations (incl conduits and foundations)	\$738,666	5/1/2014
3.2	Above grade installations (incl ring bus and steel erection)	\$860,130	6/1/2014
3.3	Install Equipment Enclosures		
3.4	Equipment Testing		
3.5	Energization of Substation	\$553,704	8/1/2014
3.6	Site Clean-Up & Demobilization		
3.7			
	Total Work Items		
Total Gross		\$2,600,000	

Security Milestone Payment Schedule for System Upgrades

1.1	Engineering and Design	\$200,000	3/15/2013
	Total Engineering and Design		
	Material Procurement		
2.1	Conductor & OHGW	\$2,543,888	9/1/2013
2.2	OPGW Fibre		
2.3	Poles & Insulators		
2.4	Structure Hardware	\$977,732	1/15/2014
2.5	Anchors, guying & Miscellaneous items		
	Total Procurement		
	Work Items		
3.1	Delivery of Materials	\$8,536,576	2/15/2014
3.2	Line Survey & Structure Staking		
3.3	Structure Installation & Framing		
3.4	Conductor & OHGW Stringing		
3.5	OPGW Stringing & splicing/ Testing	\$2,151,805	10/15/2014
3.6	Energization of Overhead line		
3.7	Site Clean-Up & Demobilization		
	Total Work Items		
Total Gross		\$14,410,001	