



Control Number: 35077



Item Number: 648

Addendum StartPage: 0

LONESTAR

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PUBLIC UTILITY COMMISSION

May 2, 2016

Ms. Lisa Clark
Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
Suite 8-100
Austin, Texas 78701

Re: *Project No. 35077; Information Filing of ERCOT Interconnection Agreements
Pursuant to Subst. R. §25.195(e)*

Dear Ms. Clark:

Pursuant to P.U.C. Substantive Rule 25.195(e), attached for filing please find an Interconnection Agreement between Lone Star Transmission, LLC ("Lone Star" or "TSP") and Shawnee Energy Center, LLC ("Shawnee" or "Generator") (individually referred to as "Party" or collectively, "Parties"). Because the filed Interconnection Agreement contains slight deviations from the Commission-approved Standard Generation Interconnection Agreement ("SGIA"), Lone Star has prepared this letter explaining the changes and requests that it be filed with the Interconnection Agreement.

Exhibit A

- In Article 1, the definition of "ERCOT Requirements" has been updated to reflect the current ERCOT Nodal Operating Guides, ERCOT Generation Interconnection Procedures, and ERCOT Nodal Protocols.
- Throughout the Interconnection Agreement, references to the Commission's Substantive Rules have been updated to reflect current sections and subsections.
- Non-substantive punctuation and capitalization corrections have been made throughout the Interconnection Agreement.
- In Article 1, the definition of "Facilities Study Agreement" has been deleted, and a definition for "Interconnection Study Agreement" has been added. Throughout the Interconnection Agreement, references to the "Facilities Study Agreement" have been replaced with the term "Interconnection Study Agreement."

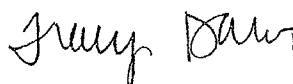
- In Article 1, the definition for "ISO" has been deleted from the Interconnection Agreement. All references to "ISO" have been replaced with "ERCOT" throughout the Interconnection Agreement.
- Section 2.2 has been revised as follows: "If a Party elects to terminate the Agreement pursuant to Section 2.1 above, then Generator shall promptly pay, or reimburse TSP for, all costs that are the responsibility of the Generator under this Agreement and 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 a either Party, both each Parties shall use commercially Reasonable Efforts to mitigate the damages and charges that they it may incur as a consequence of such termination. ~~The provisions of Sections 2.2 and 2.3 shall survive termination of the Agreement.~~"
- Section 2.3 has been revised to include the following sentence: "The provisions of Section 2.2 and Section 2.3 shall survive termination of the Agreement."
- Section 3.1 has been updated to reflect the Public Utility Commission of Texas as the appropriate governmental authority with which this Interconnection Agreement shall be filed and to require each Party to cooperate reasonably with each other in connection with such filings.
- Section 4.5 has been revised to indicate that, if Generator fails to satisfy conditions precedent under Section 4.2 and 4.3, the Parties agree to negotiate in good faith to establish a new schedule for completion of the Transmission Interconnection Facilities and the In-Service Date shall be extended accordingly.
- Section 5.2 has been revised to require Generator to deliver to TSP the impedance of any transmission voltage lines that are part of the Generator Interconnection Facilities, if applicable.
- Section 5.4 has been revised to provide that, if either Party makes equipment changes which it reasonably believes will affect performance or operation of the other Party's interconnection facilities, such Party agrees to notify the other Party, in writing, of such changes.
- Sections 5.5(D), (F), (G), and (H) have been revised to make minor wording changes.
- Section 5.6(B) has been revised to require Generator to be responsible for protection of its facilities "and the Plant" consistent with ERCOT Requirements.
- Section 6.1 has been revised to include the agreement of Generator to operate and maintain its system in accordance with the National Electrical Safety Code.

- Section 6.2 has been revised to state: "The Point of Interconnection shall be located within the ERCOT Control Area. The Control Area within ERCOT is a single Control Area, with ERCOT assuming authority as the Control Area operator in accordance with ERCOT Requirements."
- Section 7.2 has been revised as follows: "The initial data submission by the TSP shall occur ~~no later than 120 days~~ prior to Trial Operation. . . ."
- Section 8.3 has been revised to make certain clarifying wording changes around the notice from Generator that the Plant has achieved Commercial Operation, as follows: "The required security arrangements ~~shall be~~ are specified in Exhibit 'E.' Within five (5) business days after TSP has received notice from the Generator that the Plant has achieved Commercial Operation with respect to, and TSP has verified the same applicable Phase, the TSP shall return the deposit(s) or security to the Generator ~~relating to such Phase.~~"
- Section 9.1(E) has been revised to specify that each Party shall provide thirty (30) days' advance written notice to the Other Party Group prior to cancellation or any material change in coverage or condition.
- Section 10.17 has been revised to change the reference from "credit rating" to "credit quality."

Exhibits B, C, D, and E

- Project-specific details have been added throughout Exhibits, B, C, D, and E.

Sincerely,



Tracy C. Davis
Attorney for Lone Star Transmission, LLC

**ERCOT STANDARD GENERATION
INTERCONNECTION AGREEMENT**

Between

Shawnee Energy Center, LLC

and

Lone Star Transmission, LLC

for

Shawnee Energy Center Project

Date: April 19, 2016

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ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT

This Standard Generation Interconnection Agreement is made and entered into this 19th day of April, 2016 ("Effective Date"), between **Lone Star Transmission, LLC** ("Transmission Service Provider") and **Shawnee Energy Center, 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 is a public utility that owns and operates facilities for the transmission and distribution of electricity. Generator will own, operate, and maintain the Plant (as defined in Exhibit "A"). 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 Interconnection Study Agreement executed between the Parties on November 18, 2014 and pursuant to the ERCOT generation interconnection request #18INR00004.

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

This Agreement shall become effective as of the Effective Date, 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"; and
- 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.

Lone Star Transmission, LLC

Shawnee Energy Center, LLC

By: Lincoln Clean Energy, LLC

Its: Sole Member

By: 

By: _____

Title: President

Title: _____

Date: 15 APR 2016

Date: _____

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.

Lone Star Transmission, LLC

By: _____

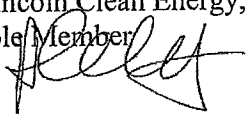
Title: _____

Date: _____

Shawnee Energy Center, LLC

By: Lincoln Clean Energy, LLC

Its: Sole Member

By:  _____

Title: Chief Executive Officer

Date: April 19, 2016

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 "CCN" shall mean a Certificate of Convenience and Necessity issued by the PUCT.
- 1.2 "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.
- 1.3 "Control Area" shall have the meaning ascribed thereto in PUCT Rule 25.5 or its successor.
- 1.4 "ERCOT" shall mean the Electric Reliability Council of Texas, Inc.
- 1.5 "ERCOT Requirements" means the ERCOT Nodal Operating Guides, ERCOT Generation Interconnection Procedures, and ERCOT Nodal Protocols, as well as any other documents adopted by 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.
- 1.6 "Facilities Study" shall have the meaning as described in PUCT Rule 25.198(d) or its successor.

- 1.7 “GIF” shall mean Generator’s interconnection facilities as described in Exhibit “C.”
- 1.8 “Good Utility Practice” shall have the meaning described in PUCT Rule 25.5 or its successor.
- 1.9 “Governmental Authority(ies)” shall mean any federal, state, local or municipal body having jurisdiction over a Party.
- 1.10 “In-Service Date” shall be the date, as reflected in Exhibit “B,” that the TIF will be ready to connect to the GIF.
- 1.11 “Interconnection Study Agreement” shall mean an agreement executed by the Parties relating to the performance of interconnection studies.
- 1.12 “Plant” shall mean the electric generation facility owned and operated by the Generator, as specified in Exhibit “C.”
- 1.13 “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.
- 1.14 “PUCT” shall mean the Public Utility Commission of Texas.
- 1.15 “PUCT Rules” shall mean the Substantive Rules of the PUCT.
- 1.16 “Reasonable Efforts” shall mean the use of Good Utility Practice and the exercise of due diligence pursuant to PUCT Rule 25.198(e) or its successor.
- 1.17 “System Protection Equipment” shall mean those facilities located within the TIF and the GIF as described in Section 5.6 and Exhibit “C.”
- 1.18 “System Security Study” shall have the meaning as described in PUCT Rule 25.198(c) or its successor.

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

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

1.21 “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.

1.22 “TSP” shall mean the Transmission Service Provider.

1.23 “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 (1) 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, then Generator shall promptly pay, or reimburse TSP for, all costs that are the responsibility of the Generator under this Agreement and incurred, or committed to be incurred, by TSP as of the date of the notice of termination. In the event of

termination by a Party, each Party shall use Reasonable Efforts to mitigate the damages and charges that it may incur as a consequence of such termination.

2.3 Disconnection. Upon termination of this Agreement, the Parties will disconnect the GIF from the TIF. The provisions of Section 2.2 and Section 2.3 shall survive termination of the Agreement.

ARTICLE 3. REGULATORY FILINGS

3.1 Filing. The TSP shall file this executed Agreement with the PUCT. Each Party will cooperate reasonably with each other in connection with such filings. Any portion 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 from ERCOT and any other Governmental Authority all regulatory approvals necessary for it to carry out its responsibilities under this Agreement. Such approvals shall include any CCN required for the construction of the TIF.

ARTICLE 4. INTERCONNECTION FACILITIES ENGINEERING, PROCUREMENT, AND CONSTRUCTION

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

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

B. (i) The TSP shall design, procure, and construct the TIF by the In-Service Date reflected in Exhibit "B". The Parties acknowledge that the In-Service Date was either agreed upon through good faith negotiations or designated by the Generator upon failure of the Parties to agree. In the process of negotiating the In-Service Date, Generator will request a date upon which it reasonably expects it will be ready to begin use of the TIF and upon which it reasonably expects to begin doing so. Any date designated by the Generator shall in no event be less than fifteen months from the date that all conditions of Sections 4.2 and 4.3 have been satisfied. The designated In-Service Date will be extended day for day for each day that ERCOT refuses to grant clearances to install equipment. If

the TSP fails to complete the TIF by the In-Service Date reflected in Exhibit "B", the TSP shall pay the Generator liquidated damages in accordance with this Section 4.1.B.

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

(iii) The TSP shall apply to have the full costs of the TIF included in TCOS. If the PUCT issues a final, appealable order excluding from TCOS any portion of the TIF costs, including higher contractor and vendor costs due to liquidated damage provisions in those contracts and insurance costs to cover liquidated damages, which costs may have been reasonably incurred but which the PUCT finds should not be recovered through TCOS, the Generator shall reimburse the TSP for such costs in an amount not to exceed the difference between the TSP's estimate of the cost of the TIF under section 4.1.A and the TSP's estimate of the cost of the TIF under Section 4.1.B as reflected in Exhibit "C". Such costs shall be estimated using Good Utility Practice.

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

(v) If the In-Service Date has been designated by the Generator upon a failure of the Parties to agree on the In-Service Date, the TSP may, at its option, require the Generator to subcontract with the TSP for all or part of the design, procurement and construction of the TIF in accordance with the TSP's standard subcontractor agreements. In such event, the TSP shall be subject to the payment of liquidated damages to the Generator only if the In-Service Date is not met solely due to the TSP's failure to complete the portion of the TIF for which the TSP has retained responsibility. It is the intent of this subsection to give the TSP full control of the contents and quality of the TIF. To the extent the Generator acts as a subcontractor to the TSP, the following will apply: 1) The Generator shall engineer, procure equipment, and construct the TIF (or portions thereof) using Good Utility Practice and using standards and specifications provided in advance by the TSP; 2) In its engineering, procurement and construction of the TIF, the Generator shall comply with all requirements of law to which the TSP would be subject in the engineering, procurement or construction of the TIF; 3) The TSP shall review and approve the engineering design, acceptance tests of equipment, and the construction of the TIF; 4) The TSP shall have the right to approve, and accept for operation, the TIF in accordance with the standards and specifications provided in advance by the TSP, such approval and acceptance shall not be unreasonably withheld,

conditioned, or delayed; 5) Should any phase of the engineering, equipment procurement, or construction of the TIF, including selection of subcontractors, not meet the standards and specifications provided by the TSP, and therefore be deemed unacceptable, then the Generator shall be obligated to remedy that portion of the TIF or selection of subcontractors that is deemed unacceptable, the TSP's approval of the Generator's selection of subcontractors will not be unreasonably withheld, conditioned or delayed; and 6) Once the TIF is accepted for operation by the TSP, then the TSP shall reimburse the Generator for the reasonable and necessary costs incurred by the Generator to complete the TIF, not to exceed the amount specified in the subcontract. Such reimbursement shall be made within thirty (30) 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 Interconnection Study Agreement;

B. The TSP has received written authorization to proceed with design and procurement from the Generator by the date specified in Exhibit "B"; and

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

4.3 Construction Commencement. The TSP shall commence construction of the TIF as soon as practicable after the following additional conditions are satisfied:

A. Approval of the appropriate Governmental Authority has been obtained

for any facilities requiring regulatory approval;

B. Necessary real property rights, if any, have been obtained;

C. The TSP has received written authorization to proceed with construction from the Generator by the date specified in Exhibit "B"; and

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

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

4.5 Conditions Precedent Delay. To the extent this Agreement incorporates a specified In-Service Date and the Generator fails to satisfy conditions precedent under Sections 4.2 and 4.3, the Parties agree to negotiate in good faith to establish a new schedule for completion of the TIF, and the In-Service Date shall be extended accordingly.

ARTICLE 5. FACILITIES AND EQUIPMENT

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

5.2 GIF Construction. Generator agrees to cause the GIF to be designed and constructed in accordance with Good Utility Practice, ERCOT Requirements, and the

National Electrical Safety Code in effect at the time of construction. Within one-hundred and twenty (120) days after Commercial Operation, unless the Parties agree on another mutually acceptable deadline, the Generator shall deliver to the TSP the following "as-built" drawings, information, and documents for the GIF: a one-line diagram, a site plan showing the Plant and the GIF, plan and elevation drawings showing the layout of the GIF, a relay functional diagram, relaying AC and DC schematic wiring diagrams, and relay settings for all facilities associated with the Generator's main-power transformers, the facilities connecting the Generator to the main power transformers and the GIF, and the impedances (determined by factory tests) for the associated main power transformers and the generators and, if applicable, the impedance of any transmission voltage lines that are part of the GIF.

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 reasonably believes will affect the operation or performance of the other Party's interconnection facilities, such Party agrees 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) business 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, ERCOT, 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 shall be responsible for the costs of such facilities.

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

H. Each Party will promptly advise the other Party if it detects or is otherwise aware 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 practical 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 and the Plant 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. In addition, Generator agrees to operate and maintain its system in accordance with the National Electrical Safety Code. Subject to any necessary ERCOT approval, each Party shall provide necessary equipment outages to allow the other Party to perform periodic maintenance, repair, or replacement of its facilities. Such outages shall be scheduled at mutually agreeable times, unless conditions exist which a Party believes, in accordance with Good Utility Practice, may endanger persons or property. No changes will be made in the normal operation of the Point of Interconnection without the mutual agreement of the Parties, except as otherwise provided herein. All testing of the Plant that affects the operation of the Point of Interconnection shall be coordinated between the TSP, ERCOT, and the Generator and will be conducted in accordance with ERCOT Requirements.

6.2 Control Area. The Point of Interconnection shall be located within the ERCOT Control Area. The Control Area within ERCOT is a single Control Area, with ERCOT assuming authority as the Control Area operator in accordance with ERCOT Requirements.

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.

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

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

ARTICLE 7. DATA REQUIREMENTS

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

7.2 Initial Data Submission by TSP. The initial data submission by the TSP shall occur 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 ninety (90) days prior to the Trial Operation and shall include a completed copy of the following forms contained in the ERCOT Generation Interconnection Procedure: (1) Plant Description/Data; and (2) Generation Stability Data. It shall also include any additional data provided to ERCOT 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 ERCOT standard models. If there is no compatible model, the

Generator will work with an ERCOT-designated consultant to develop and supply a standard model and associated data.

7.4 Data Supplementation. Prior to Commercial Operation, the Parties shall supplement their initial data submissions with any and all “as-built” Plant data or “as-tested” performance data which differs from the initial submissions or, alternatively, written confirmation that no such differences exist. Subsequent to Commercial Operation, the Generator shall provide the TSP any data changes due to equipment replacement, repair, or adjustment. The TSP shall provide the Generator any data changes due to equipment replacement, repair, or adjustment in the directly connected substation or any adjacent TSP-owned substation that may affect the GIF equipment ratings, protection or operating requirements. The Parties shall provide such data no later than thirty (30) days after the date of the actual change in equipment characteristics. Also, the Parties shall provide to each other a copy of any additional data later required by ERCOT concerning these facilities.

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

ARTICLE 8. PERFORMANCE OBLIGATION

8.1 Generator’s Cost Responsibility. The Generator will acquire, construct, operate, test, maintain, and own the Plant and the GIF at its sole expense. In addition, the

Generator may be required to make a contribution in aid of construction in the amount set out in and for the facilities described in Exhibit "C," if any, in accordance with PUCT Rules.

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

8.3 Financial Security Arrangements. The TSP may require the Generator to pay a reasonable deposit or provide another means of security, to cover the costs of planning, licensing, procuring equipment and materials, and constructing the TIF. The required security arrangements are specified in Exhibit "E." Within five (5) business days after TSP has received notice from the Generator that the Plant has achieved Commercial Operation, and TSP has verified the same, the TSP shall return the deposit(s) or security to the Generator. However, the TSP may retain an amount to cover the incremental difference between the TSP's actual out of pocket costs associated with the choice of Section 4.1.B over Section 4.1.A, pending a final PUCT Order as contemplated in Section 4.1.B(iii). If the Plant has not achieved Commercial Operation within one (1) 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. Each Party shall provide thirty (30) days' advance written notice to Other Party Group prior to cancellation or any material change in coverage or condition.

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

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

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

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

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

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

ARTICLE 10. MISCELLANEOUS

10.1 Governing Law and Applicable Tariffs.

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

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

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

10.2 No Other Services. This Agreement is applicable only to the interconnection of the Plant to the TSP System at the Point of Interconnection and does not obligate either Party to provide, or entitle either Party to receive, any service not expressly provided for herein. Each Party is responsible for making the arrangements necessary for it to receive any other service that it may desire from the other Party or any third party. This Agreement does not address the sale or purchase of any electric energy, transmission service, or ancillary services by either Party, either before or after Commercial Operation.

10.3 Entire Agreement. This Agreement, including all Exhibits, Attachments, and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous

understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement. Notwithstanding the other provisions of this Section, the Interconnection Study Agreement, if any, is unaffected by this Agreement.

10.4 Notices. Except as otherwise provided in Exhibit "D," any formal notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person, or sent by either registered or certified mail, postage prepaid, overnight mail or fax to the address or number identified on Exhibit "D" attached to this Agreement. Either Party may change the notice information on Exhibit "D" by giving five (5) 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 thirty (30) days, the defaulting Party shall commence such cure within thirty (30) days after notice and continuously and diligently complete such cure within ninety (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 Comisión 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 quality 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 in an Exhibit "E" attached hereto), invoicing and payment rights and obligations under this Agreement shall be governed by PUCT Rules or applicable Governmental Authority. Invoices shall be rendered to the paying Party at the address specified on, and payments shall be made in accordance with the requirements of, Exhibit "D."

10.21 Confidentiality.

A. Subject to the exception in Section 10.21.B, any information that a Party claims is competitively sensitive, commercial, or financial information under this

Agreement ("Confidential Information") shall not be disclosed by the other Party to any person not employed or retained by the other Party, except to the extent disclosure is: (i) required by law; (ii) reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute; (iii) otherwise permitted by consent of the other Party, such consent not to be unreasonably withheld; or (iv) necessary to fulfill its obligations under this Agreement or as a transmission service provider or a Control Area operator including disclosing the Confidential Information to ERCOT. The Party asserting confidentiality shall notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this subsection, or if any third party or Governmental Authority makes any request or demand for any of the information described in this subsection, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures.

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

Exhibit "B"
Time Schedule

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

A. 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.

- 2) May 1, 2017 is the date ("NTP Need Date") by which Generator must provide a written Notice to Proceed with design, procurement, and construction of the TIF and provide security, as specified in Exhibit "A", Section 4.2 and 4.3, so that TSP may maintain schedule to meet the In-Service Date identified below. The NTP date shall be the date Generator provides written Notice to Proceed to TSP:

A. If Generator does not provide a written Notice to Proceed to TSP by the above NTP Need Date, the designated TIF In-Service Date, Scheduled Generation Trial Operation Date, and Scheduled Generation Commercial Operation Date, identified below, will each be extended day for each day after the NTP Need Date that the Notice to Proceed is delayed.

B. If Generator does not provide a written Notice to Proceed and provide security in accordance with Exhibit "E" to TSP by eighteen (18) months after the NTP Need Date ("NTP Deadline"), such non-provision of the Notice to Proceed shall constitute a Default, in accordance with Section 10.6.A of Exhibit "A", by the Generator and written notice of Default shall be deemed to have been given by TSP to Generator on the NTP Deadline. If such Default is not cured in accordance with Section 10.6 of Exhibit "A", then TSP may terminate this Agreement in accordance with the provisions of Section 10.6.B of Exhibit "A".

TIF In-Service Date: The later of:

- a) June 1, 2018; or
- b) Thirteen (13) months after the NTP Date.

Scheduled Generation Trial Operation Date: The later of:

- a) August 1, 2018; or
- b) Two (2) months after the TIF In-Service Date.

Scheduled Generation Commercial Operation Date: The later of:

- a) October 1, 2018; or
- b) Two (2) months after the TIF In-Service Date.

Nothing in the definitions of the dates above shall preclude either Party from taking measures or actions that allow the actual Generation Trial Operation Date

or the actual Generation Commercial Operation Date to be earlier than the scheduled dates above.

- 3) 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.

Exhibit "C"
Interconnection Details

- 1 Name: Shawnee Energy Center, LLC
- 2 Point of Interconnection Location: Point of Interconnection is located in Hill County, Texas at the Sam Switch 345 kV station. The Point of Interconnection between Generator and TSP facilities will be located at a new TSP-owned dead-end structure inside TSP's Sam Switch 345 kV station.
- 3 Delivery Voltage: 345 kV
- 4 Number and Size of Generating Units

Four (4) units with capacities of 232 MW each resulting in gross capacity of 928 MW
- 5 Type of Generating Unit

Unit 1: Siemens STG-6 PAC 5000F
Unit 2: Siemens STG-6 PAC 5000F
Unit 3: Siemens STG-6 PAC 5000F
Unit 4: Siemens STG-6 PAC 5000F

The Parties will amend this Exhibit "C" as necessary to reflect any changes Generator makes to the manufacturer, model, or type of generating units.

- 6 Metering and Telemetry Equipment: Metering (voltage, location, losses adjustment due to metering location and other), telemetry, and communications requirements shall be as follows:
 - 6.1 TSP shall, in accordance with ERCOT Requirements and Good Utility Practice, install, own, operate, inspect, test, calibrate, and maintain 345 kV metering accuracy potential and current transformer and associated metering and telemetry equipment (including communications and an RTU) located in the TIF. A one-line diagram showing TSP's ERCOT-polled settlement ("EPS") metering location is attached to this Exhibit "C" as **Attachment C-1**. If requested by Generator, and if available from the TSP RTU equipment, TSP will make Primary EPS metering data available to Generator via a communication link at Generator's expense. If such metering data are not available from TSP RTU equipment, they may be available by alternate means at Generator's expense. Such data, if provided to Generator, will be for Generator's informational purposes only. Generator shall not rely on such data, as the primary source, for the metering data addressed in Section 6.2 of this Exhibit "C" below, or for any other scheduling or operational purposes. TSP makes no guarantee of

the quality or availability of such data. The provision of Section 5.5(G) of Exhibit "A" shall not apply to TSP's RTU.

- 6.2 Generator shall, in accordance with Good Utility Practice, install, own, operate, inspect, test, calibrate, and maintain the necessary metering potential and current transformers and associated metering and telemetry equipment in the GIF and/or Plant to satisfy the ERCOT Requirements for the provision of metering data by Generator's "Qualified Scheduling Entity".
- 6.3 Generator shall, in accordance with ERCOT Requirements and Good Utility Practice, install, own, operate, inspect, test, calibrate, and maintain the metering and telemetry equipment (including an RTU or other equipment acceptable to TSP) to supply all electrical parameters of the Plant and GIF, as specified in Section 11 to this Exhibit "C", to TSP at a location designated by TSP.
- 6.4 Prior to the In-Service Date, acceptance tests will be performed by TSP and Generator to ensure the proper functioning of all metering, telemetry, and communications equipment, and to verify the accuracy of data being received by TSP.
- 6.5 Following the Commercial Operation date, each Party shall test its metering, telemetry, and communications equipment in accordance with ERCOT Requirements and Good Utility Practice. Each Party shall give the other Party reasonable advance notice of such testing. Each Party shall have the right to observe testing performed by the other Party.
- 6.6 Any changes to Generator's metering, telemetry, and communication equipment, including meters, voltage transformers, current transformers, and associated RTU, panels, hardware, conduit and cable, that will affect the data being received by TSP hereunder must be mutually agreed to by the Parties.
- 6.7 Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry, or communications equipment or related situation that requires attention and/or correction by the other Party.

7 Generator Interconnection Facilities:

Generator Transmission Line

Generator will be responsible for the construction and ownership of the below:

- An estimated 0.3 miles of single-circuit transmission line from Generator's 345 kV Switchyard to the Point of Interconnection at Generator's structure that must be capable of supporting TSP's specified loads for all conductor and static attachments.

- Primary and redundant multi-fiber fiber optic cables, in separate conduits, with a minimum of 24 1300nm, 62.5 micron multi-mode fibers (12 fibers per tube), to be used for SCADA communications as well as line relaying from TSP's Sam Switch Station to the remote Generator station. Generator will route its cables to a TSP-owned splice box near the fence on the Sam Switch station.

Generator Switchyard

Generator will be responsible for the construction and ownership of a 345 kV Switchyard and all facilities within it.

The GIF also includes the communication facilities described in Section 9.1 below.

8 Transmission Service Provider Interconnection Facilities:

8.1 In order for TSP to interconnect the Generator at Sam Switch the following new equipment will be required to be in place prior to energization:

- One (1) HV pull-off structure and associated foundations
- Three (3) HV metering units. The potential transformer will require three (3) secondary windings, one (1) for metering and two (2) for line protection and current transformers will include extended range capabilities
- Four (4) 380 kV disconnect switches, 63kA, 5000A
- Two (2) 380 kV Circuit Breakers, 5000A, 63kA
- Three (3) 230 kV MCOV Surge Arresters
- One (1) Primary and Secondary protection and control equipment including GE L90 and SEL411L Relays
- One (1) Breaker failure panel protection panel with two (2) Schweitzer 451 relays and associated equipment
- One (1) KWH metering panel with two (2) (primary and backup) Jemstar, Ametek or equivalent high accuracy Revenue meters
- Supervisory equipment, SCADA RTU
- HV bus supports, aluminum tubing (bus), and conductor grounding, conduits and control cable

9 Communications Facilities:

9.1 Generator shall, in accordance with ERCOT Requirements and Good Utility Practice, provide communications facilities that are, or may in the future be, necessary for effective interconnected operation of the Generator's Plant with the transmission system.

9.2 Generator shall provide voice circuits from Generator's control center to TSP's Control Center in Austin, TX.

9.3 TSP will bear the costs of its communications facilities at Sam Switch.

10 System Protection Equipment:

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

- 10.1 Generator and TSP shall design, install, operate, maintain and test system protection equipment consistent with the applicable criteria as described in the ERCOT Requirements and any applicable requirements of Governmental Authorities, including NERC Reliability Standards. Generator shall, at its expense, provide modifications or additions to its control and protective equipment required to comply with changes in ERCOT Requirements or requirements of Governmental Authorities, including NERC Reliability Standards.
- 10.2 Generator, using Good Utility Practice, shall install sufficient digital fault recording equipment to thoroughly analyze all system disturbances occurring on the Plant and GIF to thoroughly analyze the Plant and GIF performance during system disturbances on the ERCOT system. This equipment shall monitor the voltages at major nodes, current at major branches, breaker and switch positions, and dc logic in the relay control scheme.
- 10.3 TSP assumes no responsibility for the protection of the Plant and GIF for any or all operating conditions. Generator is solely responsible for protecting its equipment in such a manner that faults, Sub-Synchronous Oscillations ("SSO"), or other disturbances on the TSP System or other interconnected system do not cause damage to the Plant and GIF.
- 10.4 It is the sole responsibility of the Generator to protect its Plant and GIF from excessive negative sequence currents.
- 10.5 TSP reserves the right to isolate the Plant and GIF for any of the following reasons:
 - i.) The Plant or GIF, upon TSP's determination, cause objectionable interference with other customers' service or with the secure operation of the TSP System.
 - ii.) The Plant output as determined by TSP exceeds the operating boundaries outlined above.
 - iii.) Generator's control and protective equipment causes or contributes to a hazardous condition. TSP reserves the right to verify all

protective equipment including, but not limited to including relays, circuit breakers, at the inter-tie location. Verification by TSP may include the tripping of the tiebreaker by the protective relays.

- iv.) In TSP's opinion, continued parallel operation is hazardous to Generator, the TSP System or to the general public.
- v.) To provide TSP or TSP personnel the clearances for dead line or live line maintenance.

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

- 10.6 Prior to In-Service Date, Generator shall specify whether automatic reclosing should be applied to the Generator's transmission facilities in the GIF. Automatic reclosing is normally applied to transmission circuits. When TSP's source breakers trip and isolate the Plant and GIF, Generator shall insure the Plant and GIF are 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. Generator is solely responsible for the protection of his equipment from automatic reclosing by TSP.
- 10.7 TSP shall specify system protection and control schemes for the Point of Interconnection. Generator shall have the right to review and comment on such schemes and TSP shall consider Generator's comments when determining such schemes. Generator will install and maintain System Protection Equipment that is compatible with TSP's System Protection Equipment. TSP will work with the Generator to coordinate the establishment of the relay settings for System Protection Equipment owned by both Generator and TSP associated with the Point of Interconnection.
- 10.8 Documentation of all protective device settings shall be provided to TSP. 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 used, a description of their operation should be included. TSP must review and approve the settings of all protective devices and automatic control equipment which: i) serve to protect the TSP System from hazardous currents and voltages originating from the Plant; or ii) must coordinate with System Protection Equipment or control equipment located on the TSP System.

11 Inputs to Telemetry Equipment:

- 11.1 In addition to ERCOT Requirements, the following information shall be supplied to TSP by Generator, regardless of the size of the Substation

capacity, for each Point of Interconnection and connected to TSP's recording equipment and the transmission-specific RTU used for the transmission interconnection. If there is a conflict between the TSP requirements below and ERCOT Requirements, the ERCOT Requirements shall prevail. Inputs to the transmission-specific RTU shall be supplied from a TSP-approved interface device or hardwired. RTU inputs from a TSP-approved interface device shall be RS-232 (with optical isolation) or RS-485 using DNP 3.0 protocol.

- i.) Status Points
 - 1) Transmission line breaker status (required for each Generator-owned transmission line)
 - 2) Transmission line lockout relay operated (required for each Generator-owned transmission line)
 - 3) Transmission line lockout relay failure (required for each Generator-owned transmission line)
 - 4) IED communications failure (required for each IED sourcing a required point)
 - 5) Battery charger trouble (required for the battery powering the RTU)
 - 6) Battery charger AC power failure (required for the battery powering the RTU)
 - 7) Smoke alarm (required for the structure housing the RTU)
 - 8) Fire or high temperature alarm (required for the structure housing the RTU)
- ii.) Analog Points from each Generator-owned transmission line shall include MW, MVAR, MVA, HZ, distance-to-fault, voltage per phase and current per phase. Analog Points from each Generator-owned transmission line breaker shall include current per phase.
- iii.) Hourly Accumulation Points from each Generator-owned transmission line shall include MWh In, MWh Out, MVARh In, and MVARh Out.

11.2 For plants where the total generation capacity is equal to or greater than 5 MVA, a generation-specific RTU is required at the Plant or GIF for TSP's generation-specific SCADA. A specific RTU points list will be developed by TSP as a part of each generation project based upon the project's electrical configuration. For such purpose Generator shall be responsible for providing TSP with metering and relaying one-line diagrams of the generation and Substation facilities. Generator shall provide TSP with a station communications drawing which is to include RTU point sources (IEOs and contacts supplying required data), interface devices, and connections to the RTU. The following points list is a comprehensive list that is not intended to be the final point list that will be designed by TSP for the Plant:

- i.) Control Points – The following RTU inputs shall be hardwired:

- 1) Trip (required for one (1) or more breakers, that is, TSP-approved load-break devices, to provide TSP with the ability to trip all generation units during system emergencies).
- ii.) Status Points – Status inputs to the generation-specific RTU shall be supplied from a TSP-approved interface device or hardwired as specified below. Status point RTU inputs from a TSP-approved interface device shall be RS-232 (with optical isolation) or RS-485 using DNP 3.0 protocol.
- 1) Generation breaker status (hardwired for each breaker where trip control is required)
 - 2) Circuit switcher / line switch status (“a” and “b” contacts)
 - 3) Transformer high-side breaker status (hardwired for each breaker where trip control is required)
 - 4) Transformer high-side motor operated switch status (“a” and “b” contacts)
 - 5) Auxiliary breaker status
 - 6) Collection feeder breaker status
 - 7) Tiebreaker status
 - 8) Dynamic reactive controller (off/on)
 - 9) Dynamic reactive controller (manual/auto)
 - 10) Dynamic reactive controller (voltage/power factor)
 - 11) Shunt device (capacitor and reactor) breaker/switch status
 - 12) Supervisory cutoff (hardwired for each breaker where trip control is required)
 - 13) Breaker failure lockout status (hardwired for each breaker where trip control is required)
 - 14) Breaker critical alarm (required for each breaker where trip control is required, combine critical alarms for each breaker)
 - 15) Transformer critical alarm (combine critical alarms for each transformer)
 - 16) Transformer primary lockout relay operated
 - 17) Transformer primary lockout relay failure
 - 18) Transformer backup lockout relay operated
 - 19) Transformer backup lockout relay failure
 - 20) Generation unit automatic voltage regulator (“AVR”) status
 - 21) Blackstart availability
- iii.) Analog Points - Analog inputs to the generation-specific RTU shall be supplied from a TSP-approved interface device or hardwired. Analog point RTU inputs from a TSP-approved interface device shall be RS-232 (with optical isolation) or RS-485 using DNP 3.0 protocol.
- 1) Generation gross MW (required for each thermal-powered generation unit)
 - 2) Generation gross MVAR (bi-directional values required for each thermal-powered generation unit)

- 3) Generation station use MW auxiliary (required for each auxiliary transformer)
- 4) Generation station use MVAR auxiliary (bi-directional values required for each auxiliary transformer)
- 5) Station frequency HZ (for those stations where a common bus does not exist between multiple generation units, individual unit frequency points will be required)
- 6) Voltage per phase for each winding of each transformer
- 7) Current per phase for each winding of each transformer
- 8) MW for each winding of each transformer
- 9) MVAR for each winding of each transformer (bi-directional values required)
- 10) MW for each circuit breaker/switcher in the station
- 11) MVAR for each circuit breaker/switcher in the station (bi-directional values required)
- 12) MW for each collection feeder
- 13) MVAR for each collection feeder (bi-directional values required)
- 14) Voltage per phase of each collection feeder
- 15) Voltage per phase of each shunt device (capacitor and reactor)
- 16) MVAR for each shunt device (capacitor and reactor) (bi-directional values required)
- 17) Tap position for each power transformer
- 18) Dynamic MVAR capability at the current MW generation amount (required for each dynamic reactive controller)
- 19) Voltage set point for each dynamic reactive controller
- 20) Power factor set point for each dynamic reactive controller

12 Supplemental Terms and Conditions:

- 12.1 Additional Studies – If it is necessary for TSP to perform any additional generation interconnection studies associated with the Plant in accordance with ERCOT Requirements, the Parties will enter an agreement, in form and substance reasonably acceptable to the Parties, to perform those studies and Generator shall pay TSP for the studies pursuant to that agreement.
- 12.2 Switching Procedures – Each Party will adopt formal switching procedures that govern safety related issues concerning the operation of its switches connected to these Points of Interconnection and will provide a copy of those procedures to the other Party prior to In-Service Date. Each Party will agree to comply with the aforementioned switching procedures of the other Party applicable to the Point of Interconnection and will notify the other Party in writing of any changes to its procedures relating to the Point of Interconnection.
- 12.3 Facility Connection Requirements – Generator will construct its facilities in accordance with the version of LST-FAC-001-PRO-

Facility_Connection_Requirements that is in effect at the time the Generator gives its notice to proceed with design and procurement, as referenced in Exhibit "B".

- 12.4 Generator shall submit drawings of the GIF to TSP for review. TSP will review only those portions of the drawings that affect the TSP System. Any changes required by TSP shall be made prior to final issue of drawings and TSP shall be provided with final copies of the revised drawings. TSP will review only those portions of the drawings which apply to protection, metering and monitoring of the TSP System. To aid Generator, TSP may make suggestions on other areas. TSP's review of Generator's drawings shall not be construed as confirming or endorsing the design or as any warranty of safety, durability, or reliability of the facility or equipment. Generator shall provide copies of the following:

- i.) one-line and three-line diagrams indicating the following:
 - 1. equipment names and/or numerical designations for all circuit breakers, contactors, air switches, transformers, generators, etc., associated with the generation as required by TSP to facilitate switching
 - 2. power transformers – nameplate or designation, nominal kVA, nominal primary, secondary, tertiary voltages, vector diagram showing winding connections, tap setting and transformer impedances (transformer test report showing the positive sequence, zero sequence, test voltages and MVA base for each winding)
 - 3. station service transformers – phase(s) connected and estimated kVA load
 - 4. instrument transformers – voltage and current, phase connections
 - 5. surge arresters/gas tubes/metal oxide varistors/avalanche diode/spill gaps/surge capacitors, etc. – type and ratings
 - 6. capacitor banks – kVAR rating and reactive (static and dynamic) device operation capability
 - 7. reactive device capability (required for wind generation only) – kVAR rating and reactive device operation capability for static and dynamic devices for each generation collection feeder
 - 8. disconnect switches – status if normally open (N.O.), manual or motor operated including switch voltage, continuous and interrupting ratings
 - 9. circuit breakers and/or contactors – interrupting rating, continuous rating, operating times
 - 10. generator(s) – nameplate, test report, type, connection, kVA, voltage, current, rpm, power factor, impedances, time constants, etc.
 - 11. Point of Interconnection and phase identification
 - 12. fuses – manufacturer, type, size, speed, and location