



Control Number: 35077



Item Number: 713

Addendum StartPage: 0

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PUBLIC UTILITY COMMISSION
FILING CLERK



February 27, 2017

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") and Golden Spread Electric Cooperative, Inc. ("Golden Spread") dated February 8, 2017. Please note this agreement replaces the Interconnection Agreement between Big Country Electric Cooperative, Inc. and Lone Star and Amendment No. 1 previously filed in this project.

Sincerely,

A handwritten signature in cursive script that reads "Tracy C. Davis".

Tracy C. Davis
Senior Attorney

INTERCONNECTION AGREEMENT

BETWEEN

**GOLDEN SPREAD
ELECTRIC COOPERATIVE, INC.**

AND

LONE STAR TRANSMISSION, LLC

DATED: February 8, 2017

**INTERCONNECTION AGREEMENT
BETWEEN
LONE STAR TRANSMISSION, LLC
AND
GOLDEN SPREAD ELECTRIC COOPERATIVE, INC.**

This Interconnection Agreement ("Agreement") is made and entered into as of February 8, 2017 (the "Effective Date"), by and between Golden Spread Electric Cooperative, Inc. ("GSEC") and Lone Star Transmission, LLC ("LST"), each sometimes hereinafter referred to individually as "Party," or both referred to collectively as "Parties."

WITNESSETH

WHEREAS, each Party is the owner and operator of transmission and/or distribution facilities and is engaged in the business of transmitting or distributing electric energy within the Electric Reliability Council of Texas, Inc. ("ERCOT"); and

WHEREAS, the Parties desire to interconnect their respective transmission and/or distribution systems pursuant to, and consistent with, the terms and conditions set forth below.

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

ARTICLE I – EFFECTIVE DATE AND TERM

1.1 This Agreement shall be effective as of the Effective Date and any subsequent addendum to this Agreement shall become effective as of the date of execution by both Parties. Unless otherwise mutually agreed, this Agreement shall continue in full force and effect for an initial period of thirty (30) years from the Effective Date (the "Initial Period"), and shall continue in effect thereafter for periods of five (5) years each (each a "Subsequent Period"), unless terminated (a) by mutual written agreement of the Parties, (b) after the Initial Period or any Subsequent Period, by either Party by providing written notice to the other Party at least thirty-six (36) months prior to the expiration of the Initial Period or any Subsequent Period, or (c) in a manner consistent with the terms herein. Upon termination of this Agreement, each Party shall discontinue the use of the facilities of the other and shall disconnect the Points of Interconnection.

ARTICLE II – OBJECTIVE AND SCOPE

2.1 This Agreement (a) sets forth the terms and conditions under which the transmission and/or distribution systems of the Parties will be interconnected, and (b) identifies the facilities and equipment provided by each Party to be located at the Points of Interconnection between the Parties' respective systems.

2.2 This Agreement applies to the ownership, construction, operation, and maintenance of the facilities specifically identified and described in the schedules (the “Facility Schedules”) attached hereto and incorporated herein.

2.3 This Agreement, including the Facility Schedules, constitutes the entire agreement and understanding between the Parties with regard to the electrical interconnection of the facilities at the Points of Interconnection (as expressly provided for in this Agreement). The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof if not set forth or provided for herein. This Agreement replaces all other agreements and undertakings, oral and written, between the Parties with regard to the subject matter hereof. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein; such agreements are unaffected by this Agreement.

ARTICLE III – DEFINITIONS

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

3.1 **Agreement** shall mean this Interconnection Agreement with all Facility Schedules and attachments applying hereto, including any Facility Schedules and attachments hereafter made and any amendments hereafter made.

3.2 **ERCOT** shall mean the Electric Reliability Council of Texas, Inc., or its successor in function.

3.3 **ERCOT Requirements** shall mean the ERCOT Nodal Operating Guides, ERCOT Nodal Planning Guides, ERCOT Metering Guidelines, and ERCOT Nodal Protocols, adopted by ERCOT, and as may be approved by the PUCT, including any attachments or exhibits referenced in the ERCOT Nodal Protocols, as amended from time to time, that contain the scheduling, operating, planning, reliability, and settlement (including customer registration) policies, rules, guidelines, procedures, standards, and criteria of ERCOT.

3.4 **Facility Schedule(s)** shall mean the addendum(s) to this Agreement that identify the Point(s) of Interconnection and describe the agreement on ownership, control, operation, and maintenance responsibilities of the Parties at the Point(s) of Interconnection, and which are incorporated herein for all purposes.

3.5 **Force Majeure** shall be defined as set forth in Section 14.1, below.

3.6 **Good Utility Practice** shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region. Good Utility Practice may include,

but is not limited to, conformance with the applicable and consistently applied reliability criteria, standards and operating guides of ERCOT and the NERC, or successor organization(s).

3.7 NERC shall mean the North American Electric Reliability Corporation or its successor in function.

3.8 NERC Reliability Standards shall mean the mandatory electric reliability standards enforced by NERC.

3.9 Point(s) of Interconnection shall mean the points where the electrical systems of the Parties are connected or may, by the closure of normally open switches, be connected.

3.10 PUCT shall mean the Public Utility Commission of Texas or its successor in function.

ARTICLE IV – ESTABLISHMENT AND TERMINATION OF POINTS OF INTERCONNECTION

4.1 The Parties agree to comply with applicable ERCOT Requirements and applicable NERC Reliability Standards as they relate to the interconnection of their facilities at the locations identified and described in the Facility Schedules.

4.2 The Parties agree to interconnect their facilities at the locations, and in accordance with the terms and conditions, specified in the Facility Schedule(s). All Points of Interconnection shall be specified in Exhibit A and the Facility Schedule(s). The Facility Schedule(s) shall specify the responsibilities of the Parties with respect to installation, ownership, control, operation, and maintenance of the interconnection facilities.

4.3 Unless otherwise provided in a Facility Schedule, each Party shall, at each Point of Interconnection, at its own risk and expense, design, install, or cause the design and installation of the facilities (including all apparatus and necessary protective devices) on its side of the Point of Interconnection, so as to reasonably minimize the likelihood of voltage and frequency abnormalities, originating in the system of one Party, from affecting or impairing the system of the other Party, or other systems to which the system of such Party is interconnected. The Parties agree that all Points of Interconnection will be established in conformance with the ERCOT Requirements. The Parties agree to cause their systems to be constructed in accordance with specifications at least equal to those provided by the National Electrical Safety Code, approved by the American National Standards Institute, in effect at the time of construction. Except as otherwise provided in the Facility Schedules, each Party will be responsible for the equipment and facilities it owns on its side of the Point of Interconnection.

4.4 From time to time, a Point of Interconnection may be added, changed, modified, or deleted from this Agreement as mutually agreed by the Parties (such agreement not to be unreasonably withheld, conditioned, or delayed), and/or as ordered by a regulatory authority having jurisdiction thereof. Any such change, addition, or deletion shall be recorded in Exhibit A and a Facility Schedule in such a way that the numbering of the other Facility Schedules is not changed. Upon termination of a Point of Interconnection, each Party shall discontinue the use of the facilities of the other associated with the use of that Point of Interconnection and shall

disconnect from that Point of Interconnection. Each Party agrees to use reasonable efforts to coordinate the termination of a Point of Interconnection to minimize any disruption in service by either Party.

4.5 If a Party desires to establish a new Point of Interconnection, such Party shall notify the other Party in writing of (a) the need for a new Point of Interconnection, (b) the desired location of the new Point of Interconnection, (c) the designation of the new Point of Interconnection, and (d) the date desired for commencement of service. Written notification of a request for a new Point of Interconnection shall be given to the other Party at least twelve (12) months prior to the date on which commencement of service at such Point of Interconnection is desired; however, the other Party may, at its sole discretion, waive all or part of the twelve (12) month written notification requirement. The other Party will use commercially reasonable efforts to provide an additional Point of Interconnection on the date desired; however, the Parties recognize that completion of the Point of Interconnection by the desired in-service date is contingent upon the other Party's ability to acquire the necessary permits, regulatory approvals, property rights, rights-of-way, material and equipment sufficiently in advance of the desired date for the construction and installation of facilities necessary to provide such service.

4.6 Subject to any requisite regulatory approval, unless mutually agreed, neither Party shall have the right to disconnect from the other Party at any Point of Interconnection specified on Exhibit A and in a Facility Schedule, except for reason of a Default hereunder and provided such defaulting Party has been given an opportunity to cure such Default (as provided for in Section 15.1, herein).

4.7 With respect to (a) facilities not specified in the Facility Schedules, or (b) if either Party makes equipment changes or additions at a Point of Interconnection, which, in each case, may affect the operation or performance of the other Party's interconnection facilities, then each such Party agrees to notify the other Party, in writing, of such facilities or equipment changes or additions. Such facilities, changes, or additions shall be made in accordance with Good Utility Practice, ERCOT Requirements, the National Electrical Safety Code, other applicable codes, and standards in effect at the time of construction, and coordinated between the Parties.

4.8 Each Party agrees to provide, upon request, current available as-built drawings to the other Party of the facilities owned by that Party at each Point of Interconnection within a reasonable time after such facilities are placed in service. Upon request, GSEC shall provide promptly to LST engineering information regarding plans, practices, and conditions of operation and equipment as is necessary to enable LST to adequately plan, design, and install, for practical and efficient operation, its facilities and equipment pertaining to the establishment of a Point of Interconnection.

4.9 The Parties agree to coordinate and cooperate on assessments of the reliability impacts to the interconnected transmission system for new facilities requesting connection to their respective facilities, in accordance with the ERCOT Requirements and the applicable NERC Reliability Standards.

4.10 Big Country Electric Cooperative (BCEC) is responsible for reporting annual load data requests to ERCOT as required by the ERCOT Protocols. GSEC coordinates with BCEC in

development and submittal of the ERCOT annual load data request. The Parties agree to coordinate and cooperate on submitting this report. The Parties further agree to coordinate and cooperate on assessments of the reliability impacts to the interconnected transmission system for new facilities requesting connection to their distribution or transmission facilities, in accordance with the NERC Reliability Standards.

4.11 Except as otherwise provided in a Facilities Schedule, each Party will pay for its own interconnection facilities and recover such costs pursuant to such Party's transmission and/or distribution service tariff(s).

ARTICLE V – OTHER SERVICES

5.1 This Agreement (a) is applicable only to the electrical interconnection of the facilities of the Parties at the Points of Interconnection, and (b) does not obligate either Party to provide, or entitle either Party to receive, services not expressly provided for herein. Each Party is responsible for making the arrangements necessary to receive any other service that either Party may desire from the other Party or any third party.

5.2 All transmission, telecommunication, transformation, distribution, metering, operations and maintenance, engineering, billing or other miscellaneous services will be provided and charged under agreements separate from this Agreement.

ARTICLE VI – SYSTEM OPERATION AND MAINTENANCE

6.1 Unless otherwise provided for in the Facility Schedules, each Party at each Point of Interconnection, at its own risk and expense, shall operate and maintain or cause to operate and maintain the facilities (including all apparatus and necessary protective devices) it owns or hereafter may own, so as to reasonably minimize the likelihood of voltage and frequency abnormalities, originating in the system of one Party, from affecting or impairing the system of the other Party, or other systems to which the Party is interconnected. The Parties agree that all Points of Interconnection will be operated and maintained in conformance with applicable NERC and ERCOT Requirements.

6.2 Operational responsibility for facilities owned by one Party, but installed in another Party's substation or transmission line, will be identified in the Facility Schedule for that particular Point of Interconnection.

6.3 Unless otherwise provided by the Facility Schedules, each Party will be responsible for the operation, maintenance and inspection of all facilities it owns now or hereafter may own associated with each Point of Interconnection.

6.4 During the term of this Agreement, the Parties will, consistent with Good Utility Practice, coordinate their operations to maintain continuity of services to their respective customers to the extent practicable. Planned facility maintenance by either Party that will cause a deviation from the normal power and energy flow at a Point of Interconnection will be scheduled at a mutually agreeable time. Except as otherwise permitted by the terms of this Agreement, no changes will be made in the normal operation of a Point of Interconnection without the mutual agreement of the Parties. The Parties will, to the extent necessary to support

continuity of operations, coordinate the operation of protective devices on the facilities they operate in the proximity of the Points of Interconnection that might reasonably be expected to affect the operation of facilities on the other Party's system.

6.5 Each Party will provide the reactive requirements for its own system in accordance with the operating guides as established from time to time by ERCOT or its successor. Each Party will provide the reactive requirements to its own system so as not to impose a burden on the other system.

6.6 Each Party will establish and maintain emergency contacts twenty four (24) hours per day, seven (7) days per week, with personnel capable of making operating decisions and possessing the ability to effect control of its facilities at each Point of Interconnection (or make appropriate arrangements for a third party to establish and maintain such emergency contacts on its behalf). For purposes of voice communications between the Parties' transmission control centers, phone numbers will be exchanged, and each Party will be notified of changes in such contact information as soon as reasonably practical.

6.7 Each Party will coordinate outages for their respective facilities as reasonably necessary and in accordance with the ERCOT Requirements.

ARTICLE VII – RIGHTS OF ACCESS, EQUIPMENT INSTALLATION, AND REMOVAL

7.1 Except as otherwise provided in the Facility Schedules, each Party shall permit duly authorized representatives and employees of the other Party to enter upon its premises for the purpose of inspecting, testing, repairing, renewing, or exchanging any or all of the equipment owned by such other Party that is located on such premises or for the purpose of performing any work necessary in the performance of this Agreement.

7.2 Except as otherwise provided in the Facility Schedules, each Party grants to the other Party permission to install, remove, maintain, and/or operate, or cause to be installed, removed, maintained, and/or operated, on its premises, the necessary equipment, apparatus, and devices required for the performance of this Agreement. When any planned activity would affect both Parties, such planned activities shall be performed only after a schedule of such activity has been submitted and agreed upon by the Parties.

7.3 Any and all equipment, apparatus, and devices placed or installed, or caused to be placed or installed by one Party on, or in, the premises of the other Party, shall be and remain the property of the Party owning and installing such equipment, apparatus, devices, or facilities, regardless of the mode and manner of annexation or attachment to real property. Upon the termination of any Point of Interconnection under this Agreement, the Party owning and installing such equipment, apparatus, devices, or facilities on the property of the other Party, shall have the right (a) to sell such equipment, apparatus, devices, or facilities to the other Party if the other Party wishes to purchase such equipment, apparatus, devices, or facilities, or (b) to enter the premises of the other Party and, within a reasonable time, remove such equipment, apparatus, devices, or facilities, at no cost to the owner of the premises. If, upon the termination of any Point of Interconnection under this Agreement, equipment of a Party that is installed on

the premises of the other Party is either not sold to the other Party or removed by the owning Party within a reasonable time, it shall be considered abandoned by the owning Party and may be disposed of by the other Party in the manner it shall determine appropriate; provided, however, that any net cost incurred by the disposing Party shall be reimbursed by the abandoning Party.

7.4 Each Party shall clearly mark their respective equipment, apparatus, devices, or facilities with appropriate ownership identification.

7.5 Either Party may request the other Party to upgrade or modify its terminal facilities at a Point of Interconnection in accordance with the other Party's standard design of equipment, provided that the upgrade or modification is consistent with Good Utility Practice and, if applicable, is approved by ERCOT. The requesting Party shall provide the responsive Party a minimum of twenty-four (24) months' notice of the requested upgrade or modification of the other Party's terminal facilities at a Point of Interconnection, absent mutual acceptance of a shorter notice period. The Parties agree to use reasonable efforts to coordinate the upgrade or modification of terminal facilities at a Point of Interconnection to minimize any disruption in service by either Party.

ARTICLE VIII – METERING AND RECORDS

8.1 All metering equipment required herein shall be selected, installed, tested, operated, and maintained by the Party owning such metering equipment in accordance with Good Utility Practice and the ERCOT Requirements.

8.2 The Party that does not own the metering equipment shall be permitted to witness any testing, inspection, maintenance, or alteration of such metering equipment owned by the other Party. The owner of such equipment shall give reasonable advance notice of all tests and inspections so that representatives of the other Party may be present. After proper notification to the other Party, the owning Party may proceed with the scheduled tests or inspections regardless of whether a witness is present.

8.3 If any test or inspection of metering equipment shows that it does not meet the accuracy requirements established by the ERCOT Requirements, the meter or other equipment found to be inaccurate or defective shall be promptly repaired, adjusted, or replaced by the owning Party. Should metering equipment fail to register, the power and energy delivered and received shall be determined by the use of (in order of preference) any available secondary devices at the delivery point, historical SCADA data at the delivery point, or estimated in accordance with the ERCOT Requirements.

8.4 As long as metering, telemetering, or communications facilities are required by the ERCOT Requirements and are operated and maintained in accordance with ERCOT Requirements, the Party owning these facilities shall allow the other Party to read the meter by means of the existing telemetering and communications facilities. The other Party shall be responsible for any incremental costs incurred by the owning Party to provide any meter reading capability over and above that which is required by the owning Party.

ARTICLE IX – COMMUNICATION AND TELEMETERING FACILITIES

9.1 Each Party shall provide, at its own expense, the necessary communication and telemetering facilities needed for the control and operation of its system, except as otherwise provided in the Facility Schedules.

9.2 All communication and telemetering facilities required herein shall be selected, installed, tested, operated, and maintained by the Party owning such equipment in accordance with Good Utility Practice, the ERCOT Requirements, and the Facility Schedules.

ARTICLE X – INDEMNIFICATION

10.1 EACH PARTY SHALL ASSUME ALL LIABILITY FOR AND SHALL INDEMNIFY, DEFEND, AND SAVE HARMLESS THE OTHER PARTY, ITS DIRECTORS, OFFICERS, AND AGENTS, (INCLUDING, BUT NOT LIMITED TO, DIRECTORS, OFFICERS, AND EMPLOYEES OF ITS AFFILIATES AND CONTRACTORS FROM ANY AND ALL DAMAGES, LOSSES, CLAIMS, INCLUDING CLAIMS AND ACTIONS RELATING TO INJURY OR DEATH OF ANY PERSON (INCLUDING THE EMPLOYEES OF THE INDEMNIFIED PARTY) OR DAMAGE TO PROPERTY (INCLUDING PROPERTY OF THE INDEMNIFIED PARTY) DEMANDS, SUITS, RECOVERIES, COSTS AND EXPENSES, COURT COSTS, ATTORNEYS' FEES AND ALL OTHER OBLIGATIONS BY OR TO THIRD PARTIES, ARISING OUT OF OR RESULTING FROM NEGLIGENCE OR OTHER FAULT IN THE DESIGN, CONSTRUCTION, OR OPERATION OF THEIR RESPECTIVE FACILITIES, DURING THE PERFORMANCE OF THIS AGREEMENT AND TO THE EXTENT PERMITTED BY LAW, EXCEPT TO THE EXTENT CAUSED BY THE NEGLIGENCE OR INTENTIONAL WRONGDOING OF THE INDEMNIFIED PARTY.

ARTICLE XI – NOTICES

11.1 Notices of an administrative nature, including but not limited to a notice of termination, notice of default, request for amendment, change to a Point of Interconnection, or request for a new Point of Interconnection, shall be forwarded to the designees listed below for each Party and shall be deemed properly given if delivered in writing to the following:

If to GSEC :

Golden Spread Electric Cooperative, Inc.
President and Chief Executive Officer
Mark Schwartz
P.O. Box 9898
Amarillo, TX 79105-5898
Telephone: (806)337-1284
Fax: (806) 374-2922
mschwartz@gsec.coop

If to LST:

Lone Star Transmission, LLC
Director of Operations (Acting President)
David Turner
5920 West William Cannon Drive
Building 2
Austin, Texas 78749
Telephone: (512) 236-3146
Fax: (512) 236-0484
david.turner@lonestar-transmission.com

11.2 The above listed names, titles, and addresses of either Party may be changed upon written notification to the other Party.

ARTICLE XII – SUCCESSORS AND ASSIGNS

12.1 Subject to the provisions of Section 12.2 below, this Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the respective Parties.

12.2 Neither Party shall assign its interest in this Agreement in whole or in part without the prior written consent of the other Party. Such consent shall not be unreasonably withheld, conditioned, or delayed; provided that neither Party will be required to consent to any assignment which would, in its sole judgment and among other reasons, subject it to additional federal or state regulation, result in the imposition of additional costs of administration which the Party requesting consent to assignment does not agree to reimburse, or in any way diminish the reliability of its system, enlarge its obligations or otherwise create or maintain an unacceptable condition. The respective obligations of the Parties under this Agreement may not be changed, modified, amended, or enlarged, in whole or in part, by reason of the sale, merger, or other business combination of either Party with any other person or entity. Notwithstanding the foregoing, a Party may assign, without the consent of the other Party, its interest in this Agreement, in whole or in part, to a successor to all or a substantial portion of the Party's transmission business; to any affiliate of the assigning Party with an equal or greater credit rating; to any transmission service provider with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; or for collateral security purposes in connection with any financing or financial arrangements.

12.3 The several provisions of this Agreement are not intended to and shall not create rights of any character whatsoever in favor of any persons, corporations, or associations other than the Parties to this Agreement, and the obligations herein assumed are solely for the use and benefit of the Parties to this Agreement.

ARTICLE XIII – GOVERNING LAW AND REGULATION

13.1 This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof except as to matters exclusively controlled by the Constitution and statutes of the United States of

America. This Agreement is subject to all valid applicable federal, state, and local laws, ordinances, rules, and regulations of duly constituted regulatory authorities having jurisdiction. The exclusive jurisdiction and venue for any action arising out of or relating to the subject matter of this Agreement shall be the United States District Court for the Northern District of Texas, located in Dallas, Texas, and the Parties hereby submit to the personal jurisdiction of such court; provided, however, in the event such court refused to exercise jurisdiction, the Texas state courts located in the City of Dallas, Texas shall have exclusive jurisdiction. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

13.2 This Agreement and all obligations hereunder, are expressly conditioned upon obtaining approval or authorization or acceptance for filing by any regulatory authority whose approval, authorization, or acceptance for filing is required by law. Both Parties hereby agree to support the approval of this Agreement before such regulatory authorities and to provide such documents, information, and opinions as may be reasonably required or requested by either Party in the course of approval proceedings. The Parties hereby agree to support the approval of this Agreement before such regulatory authorities and to provide such documents, information, and opinions as may be reasonably required or requested by either Party in the course of approval proceedings

13.3 In the event that a regulatory authority having jurisdiction over the Parties orders a change in the terms of this Agreement, the Parties agree to negotiate in good faith a replacement term that will most nearly accomplish the purpose and intent of the original term consistent with the regulatory order. If the Parties cannot reach an agreement on the replacement term, and if the original term is an essential provision of this Agreement, either Party may elect to terminate this Agreement by providing sixty (60) days' advance written notice of such election to the other Party. An election to terminate under this provision shall not affect either Party's duty to perform prior to the effective date of termination.

13.4 In the event any part of this Agreement is declared invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect and shall constitute a binding agreement between the Parties provided, however, that if either Party determines, in its sole discretion, that there is a material change in this Agreement by reason of any provision or application being finally determined to be invalid, illegal, or unenforceable, that Party may terminate this Agreement upon sixty (60) days' advance written notice to the other Party. An election to terminate under this provision shall not affect either Party's duty to perform prior to the effective date of termination.

ARTICLE XIV – DEFAULT AND FORCE MAJEURE

14.1 Neither Party shall be considered in default with respect to any obligation hereunder, other than the payment of money, if prevented from fulfilling such obligations by reason of any cause beyond its reasonable control, including, but not limited to, an act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion,

breakage or accident to machinery or equipment, a curtailment, order, regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, or by the making of necessary repairs upon the property or equipment of either Party ("Force Majeure") and neither Party shall be liable to the other Party for damages that result from such a Force Majeure event. In the event of the occurrence of an event of Force Majeure; the affected Party shall notify the other Party of such Force Majeure as soon as reasonably possible after the determination that an event of Force Majeure has occurred. If performance by either Party has been prevented by such event, the affected Party shall promptly and diligently attempt to remove the cause of its failure to perform, except that neither Party shall be obligated to agree to any settlement of any strike or labor disturbance, that, in the affected Party's opinion, may be inadvisable or detrimental, or to appeal from any administrative or judicial ruling.

ARTICLE XV – TERMINATION ON DEFAULT

15.1 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 Default notice of such Default to the defaulting Party, which Default notice sets forth the nature of the Default. Except as provided in Section 15.2, 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 the Default 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 Default notice shall cease to exist.

15.2 If a Default is not cured as provided in this Article, 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 Article will survive termination of this Agreement.

15.3 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties by this Agreement.

ARTICLE XVI – MISCELLANEOUS PROVISIONS

16.1 Any undertaking by a Party to the other Party under this Agreement shall not constitute the dedication of the electrical system or any portion thereof of that Party to the public or to the other Party, and it is understood and agreed that any such undertaking shall cease upon the termination of this Agreement.

16.2 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, OR 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.

16.3 This Agreement shall not affect the obligations or rights of either Party with respect to other agreements. Both Parties to this Agreement represent that there is no agreement or other obligation binding upon it, which, as such Party is presently aware, would limit the effectiveness or frustrate the purpose of this Agreement.

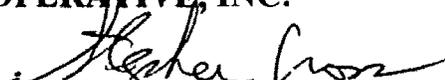
16.4 This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced in writing and executed by the Parties.

16.5 The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.

16.6 This Agreement will be executed in two (2) or more counterparts, each of which is deemed an original, but all constitute one and the same instrument.

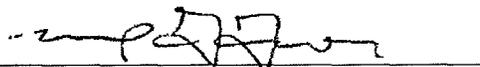
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by the undersigned authorized representatives.

**GOLDEN SPREAD ELECTRIC
COOPERATIVE, INC.**

By: 
Name: Stephen Cross
Title: VP Engineering

Date: 2/2/2017

LONE STAR TRANSMISSION, LLC

By: 
Name: Michael G. Grable
Title: President

Date: 8 Feb 2017

FACILITY SCHEDULE NO. 1

Amendment No. 2

1. **Name:** Wetsel Substation
2. **Facility Location:** The Wetsel Substation (the "Substation") is located near the intersection of Farm to Market Road 611 and County Road 448, in Fisher County, Texas.
3. **Points of Interconnection:** There is one (1) Point of Interconnection in the Substation generally described as:
 - The 138 kV electrical point of interconnection is at each Lone Star jumper attachment to Golden Spread's dead-end insulator assembly attached to the west side of Lone Star's corner structure, located immediately east of the Wetsel Substation. Golden Spread's wires, conductors and dead-end insulator assemblies will attach to the west side of Lone Star's corner structure.
4. **Transformation Services Provided by Lone Star:** No
5. **Metering Services Provided by Lone Star:** Yes
6. **Delivery Voltage:** 138 kV
7. **Metered Voltage and Location:** The metering voltage is 138 kV. The meter will be located on the 138 kV bus and equipment attached to the line that connects to the 138 kV circuit switcher on the high side of the transformer (the "Switcher").
8. **One-Line Diagram Attached:** Yes
9. **Description of Facilities Owned by Each Party:**

Golden Spread Electric Cooperative, Inc. ("GSEC") owns the following facilities ("GSEC Facilities"):

 - 138 kV/12.5 kV transformation equipment
 - All 12.5 kV distribution equipment
 - GSEC Control House
 - 138 kV Circuit Switcher

Lone Star Transmission, LLC ("Lone Star") owns the following facilities ("Lone Star Facilities"):

 - All 345 kV equipment and transmission line segments
 - 345/138 kV transformation equipment
 - All 138 kV equipment, excluding the 138 kV Switcher
 - Lone Star Control House with backup power supply
10. **Cost Responsibility:** Lone Star shall be responsible for all costs, fees, and expenses

associated with the design, construction, and operation of the Lone Star Facilities. GSEC shall be responsible for all costs, fees, and expenses associated with the design, construction, and operation of the GSEC Facilities.

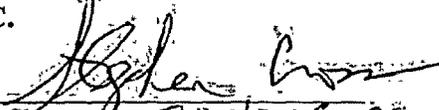
GSEC shall provide to Lone Star written notice three (3) days prior to the date on which GSEC commences distribution load service from the Substation. If, on that date one (1) year from the energization of the Substation (the "Commencement Date"), GSEC fails to commence serving distribution load from the Substation for any reason, including termination of the Agreement due to GSEC's default thereunder, then Lone Star shall provide to GSEC notice of such failure and GSEC shall pay to Lone Star all reasonable and documented costs, fees and expenses related to the Lone Star Facilities incurred (or committed to be incurred) by Lone Star as of the Commencement Date.

The provisions of this Section 10 shall survive termination of the Agreement and/or this Facility Schedule.

11. **Operational Responsibilities of Each Party:** Each Party is fully responsible for operating or contracting with a third party for the operation of the equipment it owns.
12. **Maintenance Responsibilities of Each Party:** Each Party is fully responsible for operating or contracting with a third party for the maintenance of the equipment it owns.
13. **Switching and Clearance:** Each Party has adopted formal switching procedures that govern safety related issues concerning the operation of its switches connected to this Point of Interconnection and will provide a copy of those procedures to the other Party. Each Party agrees to comply with the aforementioned switching procedures of the other Party and will notify the other Party in writing at least ten days prior to implementation of any changes to its procedures.
14. **Access and Notification Procedures:** Unless otherwise agreed between the Parties in writing, each Party shall have access only to their respective facilities at the Substation. In the event GSEC has questions regarding the Lone Star Facilities, GSEC shall direct such questions to the Lone Star Control Center.
15. **Standards:** The Parties agree to cause their facilities being newly constructed, as described in this Facility Schedule, to be designed and constructed in accordance with (a) Good Utility Practice, (b) applicable laws and regulations, (c) the applicable provisions of the NERC Reliability Standards and ERCOT Requirements, and (d) the applicable provisions of the following standards in effect at the time of construction of this Point of Interconnection: NESC, ANSI Standards, and IEEE Standards.

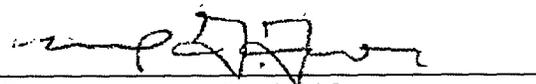
IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by the undersigned authorized representatives.

**GOLDEN SPREAD
ELECTRIC COOPERATIVE,
INC.**

By: 
Name: Stephen Cross
Title: VP Engineering

Date: 2/2/2017

LONE STAR TRANSMISSION, LLC

By: 
Name: Michael G. Grable
Title: President

Date: 28 Feb 2017

Point of Interconnection

