



Control Number: 35077



Item Number: 787

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Sharyland Utilities, L.P.
600 Congress Ave., Suite 2000
2017 DEC 22 AM 11:11 Austin, Texas 78701
PUBLIC UTILITY COMMISSION (512) 721-2661
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December 22, 2017

Lisa Clark, Filing Clerk
Public Utility Commission of Texas
1701 Congress Avenue
P.O. Box 13326
Austin, TX 78711-3326

Re: Project No. 35077 - Sharyland Utilities, L.P. Generation Interconnection Agreement with Canadian Breaks LLC

Dear Ms. Clark:

Please find attached Amendment No. 1 to the Generation Interconnection Agreement ("Agreement") between Sharyland Utilities, L.P. ("Sharyland") and Canadian Breaks LLC, for filing with the Public Utility Commission of Texas pursuant to P.U.C. SUBST. R. 25.195(e).

Exhibit "A"

- Article 10 – Section 10.17 and Section 10.22 have been amended.

Exhibit "B"

- Please refer to Exhibit B for amendments.

Exhibit "C"

- Please refer to Exhibit C for amendments.

Exhibit "E"

- Please refer to Exhibit E for amendments.

Sincerely,

Kelly Frazier By Permission PKM

Kelly Frazier
*Associate General Counsel for Sharyland Utilities,
L.P.*

Enclosure

Project No. 35077

Amendment No. 1

to the

ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT

Between

Sharyland Utilities, L.P.

and

Canadian Breaks LLC

December 1, 2017

AMENDMENT NO. 1 TO THE
ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT
BETWEEN
SHARYLAND UTILITIES, L.P.
AND
CANADIAN BREAKS LLC

This Amendment No. 1 to the ERCOT Standard Generation Interconnection Agreement (this "Amendment") is made and entered into on this 1st day of December, 2017 (the "Effective Date") by and between Sharyland Utilities, L.P ("Transmission Service Provider"), and Canadian Breaks LLC ("Generator"), hereinafter sometimes referred to individually as "Party" and collectively as "Parties."

WITNESSETH

WHEREAS, Transmission Service Provider and Generator are parties to that certain ERCOT Standard Generation Interconnection Agreement, dated as of May 20, 2016 (the "Interconnection Agreement");

WHEREAS, the Interconnection Agreement provides terms and conditions that allow for amendment of the Interconnection Agreement as mutually agreed by the Parties;

WHEREAS, the Generator has requested to make certain amendments to the Interconnection Agreement and Transmission Service Provider has agreed to the changes reflected in this Amendment; and

WHEREAS, the Parties intend to amend the Interconnection Agreement in accordance with the terms and conditions provided herein.

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

I. CAPITALIZED TERMS

Unless expressly referenced and modified herein, capitalized terms used but not otherwise defined herein shall have the meanings specified in the Interconnection Agreement, as hereby amended.

II. AMENDMENT TO THE AGREEMENT

1. The terms of this Amendment shall become effective on the Effective Date, subject to Governmental Authority approval, if required.
2. The first sentence of Section 10.17 of the Interconnection Agreement is hereby replaced in its entirety with the following sentence:

This Agreement may be assigned by either party only with the written consent of the other; provided that either Party may assign this Agreement, in whole or in part, without the consent of the other Party to an affiliate of the assigning Party with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that each of Generator and Transmission Service Provider shall have the right to assign this Agreement, in whole or in part, without the consent of the other Party, for collateral security purposes to aid in providing financing for the Plant, or the TIF,

respectively, provided that each such assigning Party will require any secured party, trustee or mortgagee to notify the other Party of any such assignment; and further provided that Transmission Service Provider shall have the right to assign this Agreement and/or its rights to any associated security provided by Generator or on behalf of Generator or any guarantor of Generator's obligations hereunder ("Guarantor"), in whole or in part, without the consent of Generator or Guarantor, to an affiliate of Transmission Service Provider or any other entity controlled by one or more members of the Ray L. Hunt family created to finance and develop the facilities specified in Exhibit C of this Agreement.

3. Article 10 of the Interconnection Agreement is hereby amended to add as a new Section 10.22, the following:

Order of Precedence. In the event any provision of this Agreement conflicts with a provision in the Exhibits hereto, the provision in such Exhibits shall control, so long as such provision does not violate any law, rule, ordinance, order, or regulation of any Governmental Authority or Good Utility Practice.

4. Exhibit "B" (Time Schedule) to the Interconnection Agreement is hereby replaced in its entirety with Exhibit "B" (Time Schedule) attached hereto.
5. Exhibit "C" (Interconnection Details) to the Interconnection Agreement is hereby replaced in its entirety with Exhibit "C" (Interconnection Details) attached hereto.
6. Exhibit "E" (Security Arrangement Details) to the Interconnection Agreement is hereby replaced in its entirety with Exhibit "E" (Security Arrangement Details) attached hereto.

III. RATIFICATION OF OTHER TERMS; ENTIRE AGREEMENT

All other terms and conditions of the Interconnection Agreement that are not specifically amended by this Amendment, including the remaining Exhibits, shall remain unchanged and are hereby ratified by the Parties and shall continue to be in full force and effect. The Interconnection Agreement, as modified by this Amendment, constitutes the entire agreement between the Parties with respect 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 the Interconnection Agreement and this Amendment. 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 the Interconnection Agreement or this Amendment.

IV. MULTIPLE COUNTERPARTS

This Amendment may be executed in two or more counterparts, each of which is deemed an original, but all constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Amendment.

Sharyland Utilities, L.P.

By: Greg Boggs
KRF Greg Boggs
Sr. Vice President

Date: 12-01-2017

Canadian Breaks LLC

By: Thomas Houle
Thomas Houle
President

Date: 12/1/2017

By: Chris Calavitta
Chris Calavitta
Authorized Signatory

Date: 12/1/17

Exhibit "B"
Time Schedule

- 1) Interconnection Option. The interconnection option chosen by Generator is (check one): Section 4.1.A. or Section 4.1.B of the Interconnection Agreement. None of the provisions of the Section of the Interconnection Agreement not chosen shall have any force or effect.
- 2) Credit Support. The security provided by or on behalf of Generator referenced in this Exhibit B shall be of the type designated in and subject to the terms of Exhibit E.
- 3) Milestones.
 - A) Date on which Transmission Service Provider shall proceed with engineering and design so that Transmission Service Provider may maintain schedule to meet the In-Service Date: January 31, 2018 (i.e., 13 months before ISD). The amount of security to be provided by Generator on or before this milestone is equivalent to 7% (\$922,600.00) of the TIF estimated cost (\$13,180,000.00), as specified in Section 4.2 of the Interconnection Agreement.
 - B) Date on which Transmission Service Provider shall proceed with procurement so that Transmission Service Provider may maintain schedule to meet the In-Service Date: March 16, 2018 (i.e., 11.5 months before ISD). The amount of security to be provided by Generator on or before this milestone is equivalent to 53% (\$6,985,400.00), without duplication of any other security provided, of the TIF estimated cost (\$13,180,000.00), as specified in Section 4.2 of the Interconnection Agreement.
 - C) Date on which Transmission Service Provider shall commence construction so that Transmission Service Provider may maintain schedule to meet the In-Service Date: May 18, 2018 (i.e., 9.5 months before ISD). The amount of security to be provided by Generator on or before this milestone is equivalent to 40% (\$5,272,000.00), without duplication of any other security provided, of the TIF estimated cost (\$13,180,000.00) for a total amount of security of \$13,180,000.00, as specified in Section 4.3 of the Interconnection Agreement.
 - D) In-Service Date (ISD): March 1, 2019
 - E) Scheduled Trial Operation Date: March 8, 2019
 - F) Scheduled Commercial Operation Date: April 15, 2019
 - G) Due to the nature of the subject of the Interconnection Agreement, the Parties may mutually agree to change the dates by which action and/or security is required as set forth in this Section 3 of this Exhibit B.
 - H) If, prior to January 31, 2018, Generator notifies Transmission Service Provider in writing that it elects to delay the start of engineering and design, then the date set forth above for engineering and design shall be extended, and the other dates set forth in this Section 3 of this Exhibit B shall be extended on a day-for-day basis, until Generator provides further written notice to proceed with engineering and design; provided, however, that if Generator does not elect to proceed with engineering and design prior to 12 months following the Effective Date, Transmission Service Provider may terminate this Agreement.
 - I) Notwithstanding anything to the contrary in the Interconnection Agreement, Transmission Service Provider shall have the absolute right to suspend performance of all activities in furtherance of the development and construction of the TIF, including incurring any expenditures, at any time the applicable security, as defined herein, has not been provided to Transmission Service Provider.

4) Adjustment of Amount of Security.

- A) If, subsequent to the date of this Amendment but prior to either the return of all security to the Generator provided under this Amendment or the time at which Transmission Service Provider retains all such security, in each case in accordance with Section 8.3 of the Interconnection Agreement, other generators enter into interconnection agreements with Transmission Service Provider to connect to the Plant's Point of Interconnection Location as defined in Exhibit C ("Additional Generators"), and such interconnection agreements entered into with any such Additional Generators contemplate expenditures related to interconnection facilities that are common with the TIF described in Exhibit C, as determined in good faith by Transmission Service Provider (the "Common TIF"), then the security required by this Amendment shall be modified as follows:
- 1) Transmission Service Provider shall estimate the cost of the Common TIF (the "Total Common TIF Amount").
 - 2) The amount of security to be provided by Generator applicable to the Common TIF (the "Generator Common TIF Amount") shall equal the product of the Total Common TIF Amount multiplied by a fraction, the numerator of which is one and the denominator of which is one plus the number of Additional Generators meeting the requirements set forth below; provided, that in no event shall the number of Additional Generators for purposes of calculating the denominator exceed two (i.e., the fraction used in this calculation shall never be less than 1/3).
 - 3) In the event of such an adjustment, (x) Transmission Service Provider shall calculate and return an amount of security to Generator equal to the difference between (1) the amount of costs associated with the Common TIF that were used to formulate the estimated costs set forth above in Section 3 of this Exhibit B, to the extent security for such costs had already been provided to Generator at such time, and (2) the Generator Common TIF Amount, and (y) Transmission Service Provider and Generator shall negotiate in good faith to amend the provisions of this Amendment concerning the security amounts to be provided pursuant to Section 3 of this Exhibit B in order to reduce Generator's security obligations to the Generator Common TIF Amount. All such calculations shall be done by Transmission Service Provider in good faith and shall be final and binding for all purposes under this Exhibit B absent manifest error.
 - 4) No modification to the security provided by Generator shall be made in respect of any Additional Generator until each of the following has occurred (i) the entry by each applicable Additional Generator into an interconnection agreement with the Transmission Service Provider on terms satisfactory to Transmission Service Provider in its sole discretion, (ii) the execution of applicable amendments, if any, to this Interconnection Agreement, and (iii) Transmission Service Provider's actual receipt of any associated security from each Additional Generator as contemplated by the applicable Interconnection Agreement. Transmission Service Provider and Generator agree to negotiate in good faith any amendments to the Interconnection Agreement that are necessary to effect the intent of this Section 4 of this Exhibit B.
- B) If, subsequent to the time of a reduction or return of Generator's security as contemplated by this Section 4 of this Exhibit B, Transmission Service Provider reasonably determines that it is undersecured with respect to the TIF, including any portion of the Common TIF (e.g., if security is returned to an Additional Generator pursuant to the terms of the applicable interconnection agreement), then Transmission Service Provider may reasonably request and Generator shall promptly provide security in such amounts as Transmission Service Provider may request; provided, that in no event shall Generator be obligated to provide security in amounts in excess of those contemplated by Section 3 of this Exhibit B on the date first set forth above.

Exhibit "C"
Interconnection Details

- 1) **Name:** Canadian Breaks Wind (13INR0026)
- 2) **Point of Interconnection Location:** The point at which the GIF interfaces with Transmission Service Provider's To Be Named interconnection substation TIF. The TIF substation will be located in Deaf Smith County in the east half of the south half of Block K-5, Section 3 and/or in the east half of the north half of Block K-5, Section 2, approximately 11 miles southeast of the City of Vega (the "Preferred Location"); provided that, Generator will use commercially reasonable efforts to obtain a transmission easement for the transmission line connecting the project to the Preferred Location, and if Generator is not able to obtain such transmission easement, then the TIF substation will be located in Deaf Smith County on Block 8, Section 23, approximately 10 miles southeast of the City of Vega. Such point will be the location at which the jumpers from the TIF connect to the GIF at the deadend tower.
- 3) **Delivery Voltage:** 345kV
- 4) **Number and Size of Generating Units:**
Nominal 210.105 MW total Plant capacity comprised of 87 wind turbines rated at 2.415 MW each.
- 5) **Type of Generating Unit:** Siemens 2.3-108 with power boost (2.415MW) Wind Turbines
- 6) **Metering and Telemetry Equipment:**
 - A) Transmission Service Provider shall, in accordance with ERCOT Requirements and Good Utility Practice, install, own, & operate, inspect, test, calibrate, and maintain 345kV metering accuracy potential and current transformers and associated metering and telemetry equipment (including remote terminal units "RTU") located in the TIF
 - B) Generator's interconnection with Transmission Service Provider facilities shall not interfere with Transmission Service Provider's metering and telemetry operations
 - C) Metering to include 345kV rated meters, with dual secondary windings for relaying and revenue metering
 - D) Facilities shall meet the following Transmission Service Provider requirements in addition to ERCOT Requirements. If there is a conflict between the Transmission Service Provider requirements below and ERCOT Requirements, the ERCOT Requirements shall prevail
 - E) All other metering & telemetry requirements shall be finalized at a later date, upon completing design requirements and coordination efforts with Generator
- 7) **Generator Interconnection Facilities:**
GIF includes, but is not limited to, a 345kV collection system substation (345kV/34.5kV Transformer) and approximately 5.5 miles of 345kV transmission line to Transmission Service Provider's TIF substation at the Preferred Location (or approximately 3.5 miles of 345kV transmission line to Transmission Service Provider's TIF substation on Block 8, Section 23 in Deaf Smith County if Generator is not able to obtain the necessary transmission easement to the Preferred Location). The GIF shall be installed, owned and operated by the Generator, at the Generator's expense.
- 8) **Transmission Service Provider Interconnection Facilities:**
The Transmission Service Provider Interconnection Facilities shall, at a minimum, include the following facilities:

- i. Substation
 - (i) 345kV 3000A, 63kA Circuit Breaker
 - (ii) Motor Operated Air Break Switches
 - (iii) 345kV Metering Units, with individual CCVTs and Current transformers
 - (iv) 345kV, 212kV MCOV Surge Arresters
 - (v) Station Post Insulators
 - (vi) Galvanized Steel Structures, Equipment Foundations, and Associated Bus-Work, Conductor, Connectors, Grounding, etc.
 - (vii) Dead-end structure within the Sharyland 345 kV Station property for terminating GIF
 - ii. Relaying
 - (i) Circuit Breaker Control Panel
 - (ii) Motor Operated Disconnect Switch Control Panel
 - (iii) Circuit Breaker Failure Protection Panel
 - (iv) Line Current Differential & Distance Protection Panel
 - iii. All other Transmission Service Provider Interconnecting Facility requirements shall be finalized at a later date, upon completing design requirements and coordination efforts with Generator
- 9) **Communications Facilities:**
- A) The communications facilities described below will be paid for, owned, and installed by Generator.
 - i. one (1) dedicated voice dispatch circuit between Transmission Service Provider's Amarillo, TX dispatch office and Generator's control center, including associated interface equipment at Generator's control center
 - ii. one (1) RTU communications circuit between the Substation and Transmission Service Provider's master SCADA system at Transmission Service Provider's Amarillo, TX dispatch office
 - iii. one (1) telephone company interface box (demarcation equipment) at the Substation for demarcation of telephone company circuits
 - iv. high voltage isolation equipment for all telephone company circuits at the Substation
 - B) The communications facilities described below will be paid for, owned, and installed by Transmission Service Provider
 - v. one (1) dial-up circuit including associated interface equipment at the location of the EPS meter facilities
 - vi. All communication facilities shall meet the Transmission Service Provider's requirements in addition to ERCOT Requirements. If there is a conflict between the Transmission Service Provider requirements below and ERCOT Requirements, the ERCOT Requirements shall prevail
 - C) All other Transmission Service Provider Communications Facility requirements shall be finalized at a later date, upon completing design requirements and coordination efforts with Generator
- 10) **System Protection Equipment:**
- A) Protection of each Party's system shall meet the Transmission Service Provider's requirements in addition to ERCOT Requirements. If there is a conflict between the Transmission Service Provider requirements and ERCOT Requirements, the ERCOT Requirements shall prevail
 - B) All other Transmission Service Provider System Protection Equipment requirements shall be finalized at a later date, upon completing design requirements and coordination efforts with Generator

11) Inputs to Telemetry Equipment:

- A) A generation-specific RTU is required at the Plant or GIF for Transmission Service Provider's generation-specific SCADA. A specific RTU points list will be developed by Transmission Service Provider as a part of each generation project based upon the project's electrical configuration. For such purpose, Generator shall be responsible for providing Transmission Service Provider with metering and relaying one-line diagrams of the generation and Substation facilities. Generator shall provide Transmission Service Provider with a station communications drawing which is to include RTU point sources (IEDs and contacts supplying required data), interface devices, and connections to the RTU
- B) All other Inputs to Telemetry Equipment requirements shall be finalized at a later date, upon completing design requirements and coordination efforts with Generator

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

All other Supplemental Terms and Conditions shall be finalized at a later date, upon completing design requirements and coordination efforts with Generator

13) Special Operating Conditions, if any, attached:

To be defined and coordinated with the Generator at a later date

Exhibit "E"
Security Arrangement Details

- 1) Amount of Security. The total amount of security to be provided by the Generator for the TIF as described on Exhibit C shall equal \$13,180,000.00. Security in this amount will be provided as set forth in the Milestones in Section 3 of Exhibit B.
- 2) Acceptable Credit Support. Security provided by Generator shall be in the form of one of the following (each "Acceptable Credit Support"):
 - A) "Cash" means cash denominated in United States dollars delivered by wire transfer to an account designated by Transmission Service Provider.
 - B) "Acceptable Guaranty" means a guaranty issued by an Acceptable Guarantor in a form reasonably acceptable to Transmission Service Provider. "Acceptable Guarantor" means a Person (other than an individual or a financial institution) with a corporate family rating at all times of at least A3 by Moody's Investors Service, Inc., or any successor to its ratings business ("Moody's") with a stable outlook and with a corporate credit rating of at least A- by Standard & Poor's Ratings Group, a division of McGraw-Hill, Inc., or any successor to its ratings business ("S&P") with a stable outlook.
 - C) "Letter of Credit" means a letter of credit in a form reasonably acceptable to Transmission Service Provider that is issued or confirmed by an Acceptable Bank and has a term that extends at least until the Scheduled Commercial Operation Date (as such date may be extended pursuant to paragraph 3(H) of Exhibit B). "Acceptable Bank" means a commercial bank that (x) has a long-term credit rating of at least A2 by Moody's and A by S&P, (y) has a combined capital and surplus of at least \$1,000,000,000, and (z) is able to honor demands for payment at its offices in New York, NY or such other location as may be acceptable to Transmission Service Provider in its sole discretion. The full amount of the Letter of Credit shall be drawable (1) upon any failure to renew (so long as the issuing bank continues to qualify as an Acceptable Bank) such Letter of Credit or replace such Letter of Credit with another letter of credit in the amount required hereby and issued by an Acceptable Bank at least twenty (20) days prior to its renewal or expiration date, as the case may be, or (2) if the issuing bank no longer constitutes an Acceptable Bank and Generator has failed to replace such Letter of Credit with a letter of credit in the amount required hereby and issued by an Acceptable Bank within twenty (20) days after Generator becomes aware of such issuer ceasing to be an Acceptable Bank. Any funds drawn pursuant to the preceding sentence shall be held by Transmission Service Provider as security and applied in accordance with Exhibit B and the Interconnection Agreement, as amended.
 - D) At any time when Generator has provided security in one form of Acceptable Credit Support, Generator may replace that form of security with another form of Acceptable Credit Support.
 - E) If, at any time, there is no Acceptable Credit Support, such failure shall constitute a Default under the Interconnection Agreement, as amended, and, without limitation, Transmission Service Provider shall be relieved of its obligations hereunder and may exercise any and all remedies available hereunder and under applicable law.
- 3) Operation. Any costs incurred or committed to be incurred for which security is provided under the Interconnection Agreement are the responsibility of Generator in the event of any termination contemplated by Section 2.1 of the Interconnection Agreement and, for the avoidance of doubt,

(i) Section 10.5 (Force Majeure) of the Interconnection Agreement shall not apply with respect to such Generator responsibilities or other payment obligations under the Interconnection Agreement, and (ii) Section 10.16 (Consequential Damages) of the Interconnection Agreement shall not apply to Transmission Service Provider's right to collect, or Generator's obligation to reimburse such costs. Transmission Service Provider shall not be required to segregate any security provided from any other funds it holds, regardless of source. Transmission Service Provider has the right to demand payment under the Letter of Credit, Acceptable Credit Support or other security provided hereunder for any amount payable under the Interconnection Agreement (including Exhibit B), including the reimbursement of costs. Transmission Service Provider shall have no obligation to seek payment from Generator for such costs prior to demanding payment under the Letter of Credit, Acceptable Credit Support or any other security provided to Transmission Service Provider by or on behalf of Generator. The parties agree that the term "costs" includes all costs and expenses incurred, or committed to be incurred by Transmission Service Provider in connection with its efforts to complete the TIF by the In-Service Date (defined above), including (but not limited to) costs related to planning, engineering, designing, acquiring rights-of-way, licensing, procuring equipment and materials (including any cancellation or termination fees), construction, legal fees, financing fees, and other ancillary fees, whether such costs and expenses are internal costs of allocated personnel and resources, or external costs (contractors, third-party consultants, outside counsel, etc.), or both.