

Control Number: 35077



Item Number: 829

Addendum StartPage: 0



Sharyland Utilities, L.P.  
600 Congress Ave., Suite 2000  
Dallas, Texas 78701  
Phone: (512) 721-2661  
Fax: (512) 322-9233

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2018 MAY 23 PM 2:38

PUBLIC UTILITY COMMISSION  
FILING CLERK

May 23, 2018

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

Re: Project No. 35077 – Amendment No. 1 to the Generation Interconnection Agreement  
between Sharyland Utilities, L.P. and with TX Nazareth Solar, LLC

Dear Ms. Clark,

Please find attached the Generation Interconnection Agreement (“Agreement”) between Sharyland Utilities, L.P. (“Sharyland”) and TX Nazareth Solar, LLC (“Generator”), for filing with the Public Utility Commission of Texas pursuant to P.U.C. SUBRST. R. 25.195 (e). The Agreement, dated May 15, 2015, was previously filed in this project. Because the Agreement contains slight deviations from the Standard Generation Interconnection Agreement, Sharyland has prepared this letter explaining the changes and requests that it be filed with the Agreement.

**Exhibit “B”**

- Exhibit B has been replaced in its entirety.

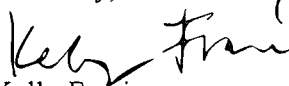
**Exhibit “D”**

- Exhibit D has been replaced in its entirety.

**Exhibit “E”**

- Exhibit E has been replaced in its entirety.

Sincerely,

 (By Permission SKM)  
Kelly Frazier  
Associate General Counsel for  
Sharyland Utilities, L.P.

Project No. 35077

Amendment No. 1

to the

ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT

Between

Sharyland Utilities, L.P.

and

TX Nazareth Solar, LLC

May 10, 2018

AMENDMENT NO. 1 TO THE  
ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT  
BETWEEN  
SHARYLAND UTILITIES, L.P.  
AND  
TX NAZARETH SOLAR, LLC

This Amendment No. 1 to the ERCOT Standard Generation Interconnection Agreement between Sharyland Utilities, L.P. and TX Nazareth Solar, LLC ("Amendment") is made and entered into on this \_\_\_ day of May, 2018 by and between Sharyland Utilities, L.P. ("Transmission Service Provider"), and TX Nazareth Solar, 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 15, 2015 (the "Original Interconnection Agreement");

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

WHEREAS, the Generator has requested and the Transmission Service Provider has agreed to amend Exhibit B to the Original Interconnection Agreement in order to change certain terms of the Exhibit B including without limitation the Scheduled Commercial Operation Data to change the Scheduled Commercial Operation Date and other dates in Exhibit "B" Time Schedule;

Whereas the Parties desire to amend Exhibit D to the Original Interconnection Agreement in order to update certain contact information contained therein; and

WHEREAS, the Parties have agreed to amend Exhibit E to the Original Agreement to remove the existing Exhibit E and have it replaced with the version of Exhibit E attached to this Amendment.

WHEREAS, the Parties have agreed to amend the Original Interconnection Agreement and certain of the Exhibits thereto 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 Original Interconnection Agreement.

II. AMENDMENT TO THE AGREEMENT

1. The terms of this Amendment shall become effective on the date first written above (and thereafter all references to the "Interconnection Agreement" shall be deemed to mean the Original Agreement as amended by this Amendment), subject to Governmental Authority approval, if required.
2. Exhibit "B" (Time Schedule) to the Interconnection Agreement is hereby replaced in its entirety with Exhibit "B" attached hereto.
3. Exhibit "D" (Notice and EFT Information) to the Interconnection Agreement is hereby replaced in its entirety with Exhibit "D" attached hereto.
4. Exhibit "E" (Security Arrangement Details) to the Interconnection Agreement is hereby replaced in its entirety with Exhibit "E" attached hereto.

III. RATIFICATION OF OTHER TERMS

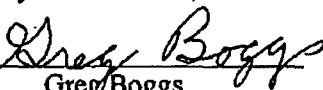
All other terms and conditions of the Interconnection Agreement that are not specifically amended by this Amendment, including the remaining Exhibits, shall remain unchanged and are hereby ratified by the Parties and shall continue to be in full force and effect.

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.


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

Sharyland Utilities, L.P.

By:   
Greg Boggs  
SR Sr. Vice President

Date: 05/10/2018

TX Nazareth Solar, LLC

By:   
Craig Carson  
Authorized Representative

Date: 5-10-18

**Exhibit "B"**  
**Time Schedule**

The Parties agree that Exhibit B to the Original Interconnection Agreement is hereby replaced with this updated version of Exhibit B"

1. Interconnection Option. The interconnection option chosen by Generator is Section 4.1.A of the Interconnection Agreement. None of the provisions of Section 4.1.B of the Interconnection Agreement shall have any force or effect and the Parties' respective rights and obligations shall be governed solely by Section 4.1.A thereof.
2. TIF Milestones. To meet the design specifications set forth in Exhibit C upon the Generator's requested in-service date, on the following dates, Generator must deliver the respective notice and applicable security amount and the failure to deliver such notices and applicable security amounts on the applicable dates may result in the in-service date being delayed. Generator acknowledges such amounts are good faith estimates based upon TSP's prior experience and general industry knowledge, and Generator further acknowledges such amounts may need to increase as TSP performs the services below. In the event that such amounts may need to be increased, then TSP shall provide written notice thereof to Generator as soon as TSP reasonably determines such increase is needed and such notice shall indicate the date by which such additional amounts need to be provided by Generator, which date shall in no event be earlier than 30 days after TSP provides notice to Generator that the security provided will not be sufficient for the completion of any of the TIF milestones set forth in this Section 2. TSP will cease all work related to such milestone until Generator has provided additional security that, in TSP's reasonable opinion, is sufficient to allow for the completion of such milestone
  - a. Date by which Generator must provide notice to proceed with engineering and procurement and provide security, equivalent to 40% (\$1,100,000) of the TIF estimated cost (\$2,750,000), as specified in Section 4.2 so that TSP may maintain schedule to meet the In-Service Date:

October 1, 2018:	\$1,100,000
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  - b. Date by which Generator must provide notice to commence construction and provide security, equivalent to 60% (\$1,650,000) of the TIF estimated cost (\$2,750,000), as specified in Section 4.3, so that TSP may maintain schedule to meet the In-Service Date:

January 1, 2019:	\$1,650,000
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  - c. This Agreement is being executed by the Parties prior to completion of the full construction engineering and design for the Plant, which will incorporate the to-be-determined bay location for interconnection. The completed construction engineering and design may reveal that additional TIF and/or GIF not anticipated in the FIS Facilities Study will be required to be installed in conjunction with the interconnection of the Plant. If such construction engineering and design reasonably determines that any additional TIF and/or GIF is required for the

interconnection of the Plant, the Parties agree that this Agreement will be amended to include (i) such additional facilities, and (ii) additional security requirements to secure the reasonable cost of the TSP to procure and construct such additional TIF, if applicable. Generator will provide any such additional reasonable security requirements in accordance with this Agreement to reflect the cost of any such additional TSP facilities, within thirty (30) days following the execution by the Parties of such amendment.

3. In-Service Date(s).

- a. In - Service Date(s): October 1, 2019
- b. Scheduled Trial Operation Date: October 15, 2019
- c. Scheduled Commercial Operation Date: December 1, 2019

4. Covered Costs

- a. Generator agrees to reimburse TSP for all Covered Costs (defined below) upon any of the following events: (i) the Generator does not provide TSP with either the notice to proceed or the additional security requirements, or (ii) the Interconnection Agreement is otherwise terminated by TSP in accordance with Section 10.6 of the Interconnection Agreement. "Covered Costs" include all costs and expenses incurred as of the termination date, or committed to be incurred as of the termination date by or on behalf of TSP in connection with its efforts to complete the TIF by the In-Service Date (defined below), including (but not limited to) reasonable costs associated related to planning, engineering, designing, acquiring rights-of-way, licensing, procuring equipment and materials (including any cancellation or termination fees), 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. TSP shall use commercially reasonable efforts to mitigate the costs and expenses that they may incur as a consequence of termination.
- b. TSP has the right to demand payment under the Letter of Credit, or other security provided hereunder, for any amount payable under the Interconnection Agreement (including this Exhibit B), including the reimbursement of Covered Costs pursuant to Section 5(a) above. TSP shall have no obligation to seek payment from Generator for the Covered Costs prior to demanding payment under the Letter of Credit, or any other security provided to TSP by or on behalf of Generator.
- c. For the avoidance of doubt, (i) Section 10.5 (Force Majeure) of the Interconnection Agreement shall not apply to Generator's payment obligations with respect to the Covered Costs, or other payment obligations under the Interconnection Agreement; and (ii) Section 10.16 (Consequential Damages) of the Interconnection Agreement, shall not apply to TSP's right to collect, or Generator's obligation to reimburse Covered Costs.

Due to the nature of the subject of this Agreement, the Parties may mutually agree to change the date and time of this Exhibit B.

DATE: \_\_\_\_\_

**Exhibit "D"**

**Notice and EFT Information of the ERCOT Standard Generation Interconnection Agreement**

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

<p>If to</p> <p>Company Name: TX Nazareth Solar, LLC, c/o Lendlease Energy Development LLC Attn: Craig Carson Address: 909 Lake Carolyn Parkway, Suite 260 City, State, Zip: Irving, TX 75039 24 Hour Telephone: (972) 707-5217 Operational/Confirmation Fax E-mail: craig.carson@lendlease.com</p>	<p>If to</p> <p>Company Name: <u>Sharyland Utilities, L.P.</u> Attn: <u>Sr. Vice President</u> Address: <u>4909 Canyon Dr.</u> City, State, Zip: <u>Amarillo, TX 79110</u> 24 Hour Telephone: <u>(866) 354-3335</u> Operational/Confirmation Fax: (806) 467-3501 E-mail: <u>interconnections@sharyland.com</u></p>
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(b) Notices of an administrative nature:

<p>If to</p> <p>Company Name: TX Nazareth Solar, LLC, c/o Lendlease Energy Development LLC Attn: Craig Carson Address: 909 Lake Carolyn Parkway, Suite 260 City, State, Zip: Irving, TX 75039 Phone: (972) 707-5217 E-mail: craig.carson@lendlease.com</p> <p>With a copy sent simultaneously to"</p> <p>Company Name: TX Nazareth Solar, LLC, c/o Lend Lease Americas Inc. Attn: Kevin M. Davis Address: 200 Park Avenue, 9<sup>th</sup> Floor City, State, Zip: New York, NY 10166 Phone: (212) 592-6847 E-mail: kevin.davis@lendlease.com</p>	<p>If to</p> <p>Company Name <u>Sharyland Utilities, L.P</u> Attn: <u>President</u> Address: <u>1900 N. Akard St.</u> City, State, Zip <u>Dallas, TX 75201</u> Phone: <u>(214) 978-8958</u> Fax: <u>(214) 978-8810</u> E-mail: <u>administration@sharyland.com</u></p>
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<b>(c) Notice for statement and billing purposes:</b>	
<b>If to</b>  Company Name: TX Nazareth Solar, LLC, c/o Lendlease Energy Development LLC Address: 909 Lake Carolyn Parkway, Suite 260 City, State, Zip: Irving, TX 75039 Phone: (214) 773-9069 E-mail: <a href="mailto:ross.metersky@lendlease.com">ross.metersky@lendlease.com</a>	<b>If to</b>  Company Name: <u>Sharyland Utilities, L.P</u> Attn: <u>Accounts Payable</u> Address: <u>1900 N. Akard St.</u> City, State, Zip: <u>Dallas, TX 75201</u> Phone: (214) 978-8958 E-mail: <a href="mailto:ap@sharyland.com">ap@sharyland.com</a>
<b>(d) Information concerning electronic funds transfers:</b>	
<b>If to</b>  Lendlease (US) Public Partnerships LLC Bank Name: Bank of America City, State: Dallas, TX ABA No.: 111000012 for credit to: Account No. 4426605098	<b>If to</b>  Bank Name City, State ABA No. _____ for credit to: _____ Account No. _____

**Exhibit "E"**  
**Security Arrangement Details**

**FORM OF IRREVOCABLE STANDBY LETTER OF CREDIT**  
**EXHIBIT "E"**  
**SECURITY ARRANGEMENT DETAILS**

FORM OF IRREVOCABLE STANDBY LETTER OF CREDIT

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

RE: CREDIT NO. \_\_\_\_\_

EXPIRATION DATE: [\_\_\_\_], 201[\_\_\_\_]

AMOUNT: \$ \_\_\_\_\_ USD

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. XXXXXXXX IN FAVOR OF SHARYLAND UTILITIES, L.P. ("SHARYLAND") BY ORDER OF XXXX (THE "ACCOUNT PARTY") FOR AN AGGREGATE SUM NOT TO EXCEED USDXXXXXXXXX EFFECTIVE IMMEDIATELY AND EXPIRING AT OUR COUNTERS LOCATED AT [ADDRESS] ATTN: SDC UNIT WITH OUR CLOSE OF BUSINESS ON [\_\_\_\_], 201[\_\_\_\_].

THIS LETTER OF CREDIT IS AVAILABLE BY YOUR DRAFT(S) AT SIGHT DRAWN ON US MENTIONING OUR LETTER OF CREDIT NUMBER INDICATED ABOVE ACCOMPANIED BY:

(1) AN ORIGINAL OR PHOTOCOPY OF THIS LETTER OF CREDIT AND ANY EFFECTIVE AMENDMENTS TO THIS LETTER OF CREDIT, AND (2) SHARYLAND'S DEMAND DRAFT FOR PAYMENT, MARKED "DRAWN UNDER [ISSUING BANK] IRREVOCABLE STANDBY LETTER OF CREDIT NO. \_\_\_\_\_," INDICATING THE AMOUNT OF SUCH DEMAND (WHICH AMOUNT, TOGETHER WITH THE AMOUNTS OF ALL PREVIOUS DRAWS PRESENTED HEREUNDER, HOWEVER, SHALL NOT EXCEED THE FACE AMOUNT OF THIS LETTER OF CREDIT) AND ACCOMPANIED BY A STATEMENT SIGNED BY AN OFFICER OR OTHER AUTHORIZED REPRESENTATIVE OF SHARYLAND WITH THE FOLLOWING STATEMENT:

"PURSUANT TO THE ERCOT STANDARD INTERCONNECTION AGREEMENT BETWEEN SHARYLAND AND TX NAZARETH SOLAR, LLC, THE UNDERSIGNED BENEFICIARY IS ENTITLED TO DEMAND PAYMENT UNDER THIS LETTER OF CREDIT. THE UNDERSIGNED DOES HEREBY DEMAND PAYMENT UNDER THIS LETTER OF CREDIT NO. \_\_\_\_ OF \$ \_\_\_\_\_ USD."

DOCUMENTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT SHALL BE DULY HONORED UPON PRESENTATION AS SPECIFIED. PARTIAL AND MULTIPLE DRAWINGS ARE PERMITTED HEREUNDER. THE AMOUNTS THAT MAY BE DRAWN UNDER THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY REDUCED BY THE AMOUNT OF ANY PAYMENTS MADE THROUGH THE ISSUING BANK REFERENCING THIS LETTER OF CREDIT NO. \_\_\_\_.

THIS LETTER OF CREDIT MAY BE TRANSFERRED IN ITS ENTIRETY (BUT NOT IN PART) TO AN AFFILIATE OF SHARYLAND OR ANY OTHER ENTITY CONTROLLED BY ONE OR MORE MEMBERS OF THE RAY L. HUNT FAMILY. REQUESTS FOR TRANSFER OF THIS LETTER OF CREDIT TO ANY SUCH

TRANSFeree SHALL BE ACCOMPANIED BY A STATEMENT SIGNED BY AN OFFICER OR OTHER AUTHORIZED REPRESENTATIVE OF SHARYLAND WITH THE FOLLOWING STATEMENT:

"PURSUANT TO THE ERCOT STANDARD INTERCONNECTION AGREEMENT BETWEEN SHARYLAND AND TX NAZARETH SOLAR, LLC, THE UNDERSIGNED BENEFICIARY IS ENTITLED TO TRANSFER THIS LETTER OF CREDIT TO [\_\_\_\_]. THE UNDERSIGNED BENEFICIARY HEREBY IRREVOCABLY TRANSFERS TO [\_\_\_\_] ALL RIGHTS OF THE UNDERSIGNED BENEFICIARY TO DRAW UNDER THE ABOVE LETTER OF CREDIT IN ITS ENTIRETY."

IN ADDITION, WE SHALL NOT RECOGNIZE ANY TRANSFER OF THIS CREDIT UNTIL A TRANSFER REQUEST IN THE FORM OF EXHIBIT (A) ATTACHED HERETO IS FILED WITH US, AND OUR TRANSFER CHARGES HAVE BEEN PAID BY THE [APPLICANT/BENEFICIARY]. OUR TRANSFER FEE IS 0.25% ON THE AMOUNT OF THE TRANSFER; PROVIDED THAT THE TRANSFER FEE SHALL NOT BE LESS THAN \$300 OR EXCEED \$10,000. THE ORIGINAL LETTER OF CREDIT AND ANY ORIGINAL AMENDMENTS MUST ACCOMPANY THE TRANSFER FORM. THE SIGNATURE AND THE TITLE OF THE PERSON SIGNING THE TRANSFER FORM MUST BE VERIFIED BY YOUR BANK.

THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE INTERNATIONAL STANDBY PRACTICES (ISP98), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590, OR REVISION CURRENTLY IN EFFECT (THE "ISP"), EXCEPT TO THE EXTENT THAT THE TERMS HEREOF ARE INCONSISTENT WITH THE PROVISIONS OF THE ISP. AS TO MATTERS NOT GOVERNED BY THE ISP, THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, INCLUDING THE UNIFORM COMMERCIAL CODE.

ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS LETTER OF CREDIT SHALL BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK IN THE COUNTY OF NEW YORK OR THE UNITED STATES OF AMERICA IN THE SOUTHERN DISTRICT OF NEW YORK. SHARYLAND (BY ITS ACCEPTANCE HEREOF) AND THE ISSUING BANK IRREVOCABLY SUBMIT TO THE NONEXCLUSIVE JURISDICTION OF SUCH COURTS SOLELY FOR THE PURPOSES OF THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF THE ISSUING BANK'S UNDERTAKING, AND THIS UNDERTAKING SHALL NOT IN ANY WAY BE AMPLIFIED OR EXTENDED BY REFERENCE TO ANY OTHER DOCUMENT, INSTRUMENT OR AGREEMENT.

ALL COMMISSIONS, EXPENSES AND CHARGES INCURRED IN CONNECTION WITH THIS LETTER OF CREDIT ARE FOR THE ACCOUNT OF THE ACCOUNT PARTY.

IT IS A CONDITION OF THIS STANDBY LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED, WITHOUT AMENDMENT, FOR ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE HEREOF, UNLESS WE NOTIFY YOU IN WRITING VIA COURIER SERVICE NO LATER THAN 90 DAYS PRIOR TO THE THEN EXPIRATION DATE THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT EXTENDED FOR ANY SUCH ADDITIONAL PERIOD; PROVIDED THAT IN NO EVENT MAY THIS LETTER OF CREDIT BE EXTENDED BEYOND [DATE].

NOTWITHSTANDING THE FOREGOING, THE ISSUER HAS NO OBLIGATION TO MAKE PAYMENT UNDER THIS STANDBY LETTER OF CREDIT, DOCUMENTARY CREDIT, AND MAY REFUSE TO ASSIGN, TRANSFER, AMEND, RENEW, PAY OR EXTEND THIS STANDBY LETTER OF CREDIT, OR RETURN DOCUMENTS PRESENTED HEREUNDER IF TO DO SO MAY BE CONTRARY TO ANY DOMESTIC OR FOREIGN ANTI-BOYCOTT, COUNTER-TERRORISM, ANTI-MONEY LAUNDERING, SANCTION LAW OR REGULATION THAT APPLIES TO THE ISSUER, HSBC HOLDINGS PLC, ITS AFFILIATES OR SUBSIDIARIES (TOGETHER "HSBC GROUP") OR HSBC GROUP'S SERVICE PROVIDERS.

WITHOUT LIMITATION, SUCH LAWS AND REGULATIONS INCLUDE THE SANCTIONS ISSUED, ADMINISTERED OR ENFORCED BY THE US DEPARTMENT OF THE TREASURY'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC"), THE US DEPARTMENT OF STATE, THE UNITED NATIONS SECURITY COUNCIL, THE EUROPEAN UNION, AND THE UNITED KINGDOM (COLLECTIVELY, "SANCTIONS").

THE ISSUER WILL NOT BE LIABLE TO THE BENEFICIARY FOR ANY ACTION OR INACTION THE ISSUER TAKES IN COMPLIANCE WITH ANY OF THESE LAWS OR SANCTIONS, AND THE ISSUER'S OBLIGATIONS UNDER THIS STANDBY LETTER OF CREDIT ARE QUALIFIED ACCORDINGLY.

PLEASE SEND ALL CLAIMS AND CORRESPONDENCE AS PER SBDC TERMS AND CONDITIONS TO FOLLOWING ADDRESS:

HSBC BANK USA, N.A., GLOBAL TRADE AND RECEIVABLES FINANCE (GTRF)  
C/O WILLIAMS LEA TAG,  
1212 AVENUE OF THE AMERICAS, 17TH FLOOR  
NEW YORK, NY 10036, USA

SWIFT ADDRESS; MRMDUS33

FOR ANY QUERIES, PLEASE CONTACT OUR CLIENT SERVICES TEAM AT:  
GTRF.USCS@US.HSBC.COM OR PHONE NO. 1 866 327 0763  
OR FAX NO. 1 718 488 4909

[BANK SIGNATURE]