



Control Number: 35077



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Sharyland Utilities, L.P.  
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Austin, Texas 78701  
Phone: (512) 721-2661  
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PUBLIC UTILITY COMMISSION  
FILING CLERK

September 28, 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. 2 to the Generation Interconnection Agreement  
between Sharyland Utilities, L.P. and with Canadian Breaks LLC

Dear Ms. Reeves,

Please find attached the Generation Interconnection Agreement (“Agreement”) between Sharyland Utilities, L.P. (“Sharyland”) and Canadian Breaks 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 20, 2016, was previously filed in this project. Amendment No. 1 was filed in this project on December 22, 2017. Because the Agreement contains 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”**

- Paragraph 3 of Exhibit B “Time Schedule” has been replaced in its entirety.
- Paragraph 2 of Exhibit C “Interconnection Details” has been replaced in its entirety.
- Exhibit D “Notice and ETF Information” 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. 2

to the

ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT

Between

Sharyland Utilities, L.P.

and

Canadian Breaks LLC

May 9, 2018

AMENDMENT NO. 2 TO THE  
ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT  
BETWEEN  
SHARYLAND UTILITIES, L.P.  
AND  
CANADIAN BREAKS LLC

This Amendment No. 2 to the ERCOT Standard Generation Interconnection Agreement (this "Amendment") is made and entered into on this 9<sup>th</sup> day of May, 2018 (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, as amended, (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. Paragraph 3 of Exhibit B "Time Schedule" is hereby replaced in its entirety as follows:

3) Milestones.

- A) Date on which Transmission Service Provider shall proceed with the siting of the Point of Interconnection Location, including but not limited to, the performance of chain of title research, environmental testing and analysis, and if applicable, entry into an option to purchase real property ("Option Agreement") so that Transmission

Service Provider may maintain schedule to meet the In-Service Date: March 13, 2018. The amount of security to be provided by Generator on or before this milestone is approximately equivalent to 0.8% (\$100,000.00) of the TIF estimated cost (\$13,180,000.00), as specified in Section 4.2 of the Interconnection Agreement. It is acknowledged by the Parties that this milestone was achieved and Generator posted the security required prior to the date of this Amendment.

- B) 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: May 15, 2018 (i.e., 13 months before ISD). The amount of security to be provided by Generator on or before this milestone is approximately equivalent to 6.2% (\$822,600.00) 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 proceed with procurement so that Transmission Service Provider may maintain schedule to meet the In-Service Date: June 29, 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.
- D) Date on which Transmission Service Provider shall commence construction so that Transmission Service Provider may maintain schedule to meet the In-Service Date: August 31, 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 4.2 of the Interconnection Agreement.
- E) In-Service Date (ISD): June 14, 2019
- F) Scheduled Trial Operation Date: June 21, 2019
- G) Scheduled Commercial Operation Date: September 13, 2019
- H) 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.
- I) If, prior to May 15, 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 6 months following the

Effective Date, Transmission Service Provider may terminate this Agreement.

- J) 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.

3. Paragraph 2 of Exhibit C "Interconnection Details" is hereby replaced in its entirety with the following paragraph:

- 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 south half of the southeast quarter of Block K-5, Section 3 and/or in the north half of the northeast quarter of Block K-5, Section 2, approximately 11 miles southeast of the City of Vega (the "Interconnection Parcel") Such point will be the location at which the jumpers from the TIF connect to the GIF at the deadend tower. Once Transmission Service Provider has purchased the land needed for the TIF, completed all studies, and finalized the exact location of the TIF substation within the Interconnection Parcel, Generator hereby agrees to amend the transmission easement to which it is party across the Interconnection Parcel in order to reduce the blanket transmission easement to a 100-ft wide corridor centered on the transmission line to be built to interconnect the Plant to the TIF substation.

4. Exhibit D "Notice And ETF Information" is hereby replaced in its entirety as set forth in Attachment A 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  
Senior Vice President

Date: 05/10/2018

**Canadian Breaks LLC**

By:   
Thomas Houle  
President

Date: 5/10/2018

By:   
Jeff Muir  
Authorized Signatory

Date: 5/10/2018

## Attachment A

DATE: May 4<sup>th</sup>, 2018

### Exhibit "D"

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

<p>(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>	
<p>If to  Company Name: Canadian Breaks LLC  Attn: Thomas Houle  Address: 115 Wild Basin Road, Suite 301  City, State, Zip: Austin, TX 78476  24 Hour Telephone: (512) 712-1925  Operational/Confirmation Fax: (512) 712-1926  E-mail: thomas.houle@macquarie.com</p>	<p>If to  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>
<p>(b) Notices of an administrative nature:</p>	
<p>If to  Company Name: Canadian Breaks LLC  Attn: Thomas Houle  Address: 115 Wild Basin Road, Suite 301  City, State, Zip: Austin, TX 78746  Phone: (512) 712-1925  Fax: (512) 712-1926  E-mail: thomas.houle@macquarie.com</p>	<p>If to  Company Name: Sharyland Utilities, L.P.  Attn: President  Address: 1900 N. Akard St.  City, State, Zip: Dallas, TX 75201  Phone: (214) 978-8958  Fax: (214) 978-8810  E-mail: administration@sharyland.com</p>
<p>(c) Notice for statement and billing purposes:</p>	
<p>If to  Company Name: Canadian Breaks LLC  Attn: Thomas Houle  Address: 115 Wild Basin Road, Suite 301  City, State, Zip: Austin, TX 78746  Phone: (512) 712-1925  E-mail: thomas.houle@macquarie.com</p>	<p>If to  Company Name: Sharyland Utilities, L.P.  Attn: Accounts Payable  Address: 1900 N. Akard St.  City, State, Zip: Dallas, TX 75201  Phone: (214) 978-8958  E-mail: ap@sharyland.com</p>
<p>(d) Information concerning electronic funds transfers:</p>	
<p>If to  Bank Name:  City, State:  ABA No.  for credit to:   Account No. _____</p>	<p>If to  Bank Name:  City, State:  ABA No.  for credit to:   Account No. _____</p>