

Control Number: 35077



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PUBLIC UTILITY COMMISSION  
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**Sharyland Utilities, L.P.**  
600 Congress Ave., Suite 2000  
Austin, Texas 78701  
(512) 721-2661  
Fax: (512) 322-9233

February 6, 2019

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 Goodnight Wind Energy Project, LLC (Agreement)

Dear Ms. Reeves:

Please find attached Amendment No. 2 (Amendment) to the Generation Interconnection Agreement between Sharyland Utilities, L.P. (Sharyland) and Goodnight Wind Energy Project, LLC, for filing with the Public Utility Commission of Texas pursuant to 16 Tex. Admin. Code § 25.195(e). 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"**


- Exhibit B has been replaced in its entirety and is provided as Attachment A to the Amendment.

**Exhibit "D"**

- Exhibit D has been replaced in its entirety and is provided as Attachment B to the Amendment.

919

Sincerely,

 (By Permission SKM)

Kelly Frazier

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

Enclosure

Project No. 35077

Amendment No. 2

to the

ERCOT STANDARD GENERATION INTERCONNECTION AGREEMENT

Between

Sharyland Utilities, L.P.

and

FGE Goodnight, LLC

January 28, 2019

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

This Amendment No. 2 ("Amendment") to the ERCOT Standard Generation Interconnection Agreement between Sharyland Utilities, L.P. ("Transmission Service Provider" or "TSP") and FGE Goodnight, LLC "Generator" is entered into and dated effective as of January \_\_, 2019 (the "Effective Date"), by and between Transmission Service Provider, and 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 August 9, 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 change the Time Schedule as specified in Exhibit B herein, and the Transmission Service Provider has requested updates to the Interconnection Agreement as specified herein; 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.

II. AMENDMENT TO THE AGREEMENT

1. The terms of this Amendment shall become effective on the date first written above, 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 as Attachment A.
3. Exhibit D "Notice and EFT Information of the ERCOT Standard Generation Interconnection Agreement" to the Interconnection Agreement is hereby replaced in its entirety with Exhibit D attached hereto as Attachment B.

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. Each of the persons signing below represents and warrants that he or she is authorized to execute this Amendment on behalf of the Party indicated.

*[Signature page to follow]*

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Amendment effective as of the Effective Date, to be duly executed by the persons set forth below in their respective capacities.

**Sharyland Utilities, L.P.**

By: Greg Boggs  
Greg Boggs  
Sr. Vice President *WRF*

Date: 01/28/2019

**FGE Goodnight, LLC**

By: Emerson Farrell  
Name: Emerson Farrell  
Title: CEO and President

Date: 01/28/2019

Attachment A

**“Exhibit “B”  
Time Schedule**

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

Notwithstanding anything to the contrary in the Interconnection Agreement, as may be amended from time to time, the Parties agree as follows:

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. 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 A1 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 as set forth in Exhibit E (together with any replacement letter of credit) issued or confirmed by an Acceptable Bank. “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 TSP in its sole discretion.
    - i. The Letter of Credit shall initially be issued in the amount of USD \$500,000.00, which amount shall be increased in the amounts and according to the schedule set forth below under “TIF Milestones.”
    - ii. 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 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 TSP as security and applied in accordance with this Exhibit B and the Interconnection Agreement.
  - d. If, at any time, there is no Acceptable Credit Support, such failure shall constitute a Default under the Interconnection Agreement, and without limitation, TSP shall be relieved of its obligations hereunder and may exercise any and all remedies available hereunder and under applicable law.



3. 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. 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. Upon notice from TSP 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 Point of Interconnection site acquisition and provide security equivalent to \$500,000, of the TIF estimated cost of \$13,000,000 so that TSP may maintain schedule to meet the In-Service date: January 31, 2019 (or 15 months prior to the requested In-Service Date)
  - b. Date by which Generator must provide notice to proceed with engineering, design and early-stage procurement and provide security equivalent to \$1,000,000, of the TIF estimated cost of \$13,000,000, as specified in Section 4.1.A, so that TSP may maintain schedule to meet the In-Service date: February 28, 2019 (or 14 months prior to the requested In-Service Date)
  - c. Date by which Generator must provide notice to proceed with procurement and provide security, equivalent to \$5,000,000, of the TIF estimated cost of \$13,000,000, as specified in Section 4.2, so that TSP may maintain schedule to meet the In-Service Date: March 31, 2019 (or 13 months prior to the requested In-Service Date)
  - d. Date by which Generator must provide notice to commence construction, and provide security, equivalent to \$6,500,000, or the balance of the TIF estimated cost of \$13,000,000, as specified in Section 4.3, so that TSP may maintain schedule to meet the In-Service Date: May 15, 2019 (or 11.5 months prior to the requested In-Service Date)
4. In-Service Date(s).
- a. In - Service Date(s): April 30, 2020
  - b. Scheduled Trial Operation Date: \_\_\_\_\_
  - c. Scheduled Commercial Operation Date: \_\_\_\_\_
5. Covered Costs
- a. Generator agrees to reimburse TSP for all Covered Costs (defined below) upon any of the following events: (i) the Generator elects to terminate the Interconnection Agreement pursuant to Section 4(d)(i) of this Exhibit "B," or (ii) the Interconnection Agreement is otherwise terminated. "Covered Costs" include all costs and expenses incurred, or committed to be incurred 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) 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.
  - 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"

Attachment B

**Exhibit "D"**

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

<b>(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:</b>	
<b>If to</b> Company Name: FGE Goodnight, LLC Attn: CEO and President Address: 21 Waterway Ave, Suite 300 City, State, Zip: The Woodlands, TX 77380 24 Hour Telephone (281) 407-6206 Operational/Confirmation Fax (281) 407-6155 E-mail <a href="mailto:efarrell@fgepower.com">efarrell@fgepower.com</a>	<b>If to <i>Sharyland Utilities, L.P</i></b>  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 <u>(806) 467-3501</u> E-mail <a href="mailto:interconnections@sharyland.com">interconnections@sharyland.com</a>
<b>(b) Notices of an administrative nature:</b>	
<b>If to</b> Company Name: FGE Goodnight, LLC Attn: Senior Vice President Address: 21 Waterway Ave, Suite 300 City, State, Zip: The Woodlands, TX 77380 Phone: (281) 407-6206 Fax: (281) 407-6155 E-mail: <a href="mailto:bfarrell@fgepower.com">bfarrell@fgepower.com</a>	<b>If to <i>Sharyland Utilities, L.P</i></b>  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: <a href="mailto:administration@sharyland.com">administration@sharyland.com</a>
<b>(c) Notice for statement and billing purposes:</b>	
<b>If to</b> Company Name: FGE Goodnight, LLC Attn: Chief Financial Officer Address: 21 Waterway Ave, Suite 300 City, State, Zip: The Woodlands, TX 77380 Phone: (281) 407-6210 E-mail: <a href="mailto:dwarnick@fgepower.com">dwarnick@fgepower.com</a>	<b>If to <i>Sharyland Utilities, L.P</i></b>  Company Name: Sharyland Utilities, L.P Attn: Accounts Payable Address: <u>1900 N. Akard St.</u> City, State, Zip: <u>Dallas, TX 75201</u> Phone <u>(214) 978-8958</u> E-mail <a href="mailto:ap@sharyland.com">ap@sharyland.com</a>
<b>(d) Information concerning electronic funds transfers:</b>	
<b>If to</b> Bank Name: JPMorganChase City, State: Houston, Texas ABA No. 021000021 for credit to: FGE Goodnight, LLC Account No. 851856182	<b>If to</b>  Bank Name _____ City, State _____ ABA No. _____ for credit to: _____  Account No. _____