

**TARIFF
FOR
WHOLESALE TRANSMISSION SERVICE**

SHARYLAND UTILITIES, L.P.



**SHARYLAND UTILITIES, L.P.
1807 Ross Avenue, Suite 460
Dallas, Texas 75201**

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE TRANSMISSION SERVICE (WTS) RATE

Applicability: Entire System

**Sheet No. 1
Effective Date: November 10, 2017
Revision: 14**

Availability

Wholesale Transmission Service is available on a non-discriminatory basis to any eligible Transmission Service Customer, as that term is defined in Public Utility Commission of Texas (PUC) Substantive Rules 25.191 – 25.203 (Transmission Rules), using any transmission facilities owned by Sharyland Utilities, L.P. (Sharyland) at all points where transmission facilities of adequate capacity and suitable voltage are available to provide service, in accordance with the Transmission Rules.

Applicability

This Wholesale Transmission Service Rate is applicable to all eligible Transmission Service Customers and to any entity scheduling the export of power from the Electric Reliability Council of Texas (ERCOT), and will not apply to entities engaging in wholesale storage as described in P.U.C. SUBST. R. 25.501(m).

Type of Service

Three phase, 60 hertz alternating current, delivered onto or received from Sharyland's transmission system at 60,000 volts or greater and on transmission facilities that have been prepared and made available for this service.

Transmission Service Requirements

As a condition to obtaining wholesale Transmission Service, the Transmission Service Customer shall comply with all requirements for initiating Transmission Service in accordance with the Transmission Rules, including the execution of an Interconnection Agreement with each Transmission Service Provider, and the Transmission Service Customer shall meet all ERCOT requirements as specified in the ERCOT Protocols and Operating Guides.

Conditions Precedent for Receiving Service

Subject to the terms and conditions hereof and of the Transmission Rules, Sharyland will provide Wholesale Transmission Service to any eligible Transmission Service Customer, provided that:

- (A) the eligible Transmission Service Customer has completed an Application for Wholesale Transmission Service, as provided under the Transmission Rules;
- (B) the eligible Transmission Service Customer and Sharyland, or a third party, have completed installation of all equipment specified under the Interconnection Agreement, consistent with North American Electric Reliability Corporation (NERC) and ERCOT guidelines as set forth in the Transmission Rules;
- (C) the Transmission Service Customer, if directly connected to Sharyland's transmission system, has an executed Interconnection Agreement for Wholesale Transmission Service under this tariff or, if necessary, requested in writing that Sharyland file a proposed unexecuted agreement with the PUC;

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE TRANSMISSION SERVICE (WTS) RATE

Applicability: Entire System

**Sheet No. 1
Effective Date: November 10, 2017
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- (D) the eligible Transmission Service Customer has arranged for Ancillary Services necessary for the transaction;
- (E) each wholesale load for which wholesale Transmission Service is requested maintains a power factor of 95% or greater at each point of interconnection;
- (F) the eligible Transmission Service Customer has constructed, maintains and operates the facilities on its side of each point of interconnection that are necessary to reliably interconnect and deliver power from a resource to Sharyland's transmission system and from Sharyland's transmission system to the Transmission Service Customer's loads;
- (G) to the extent that the Agreement for Transmission Service requires the addition of facilities or upgrades to the transmission system, such facilities have been placed in service; and
- (H) the eligible Transmission Customer has complied with all Transmission Rules.

Application Procedures

Sharyland and the Transmission Service Customer shall comply with the application procedures for Transmission Services set forth in the Transmission Rules, which shall govern such procedures.

Construction of New Facilities

Construction of transmission facilities needed to accommodate a request for Wholesale Transmission Service shall be in accordance with the procedures set forth in the Transmission Rules. Upon receipt of a request for Wholesale Transmission Service, ERCOT shall, if necessary, initiate a System Security Screening Study in accordance with the Transmission Rules. Based on the results of the System Security Screening Study, if additions or upgrades to the transmission system are needed to supply the Transmission Service Customer's forecasted transmission requirements, Sharyland will, upon the approval of the request, initiate a facilities study, in accordance with the Transmission Rules. An executed Facility Study Agreement with the Transmission Service Customer is required prior to Sharyland performing a facilities study. In the event that existing facilities are inadequate to support the requested Wholesale Transmission Service, the Transmission Service Customer may be required to provide a contribution in aid of construction, as provided in the Transmission Rules.

Load Shedding and Curtailment

Wholesale Transmission Service hereunder shall be subject to, and Sharyland and the Transmission Service Customer will comply with, the load shedding and curtailment procedures established under the Transmission Rules.

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE TRANSMISSION SERVICE (WTS) RATE

Applicability: Entire System

**Sheet No. 1
Effective Date: November 10, 2017
Revision: 14**

Pricing for Transmission Service Within ERCOT

Charges for Wholesale Transmission Service hereunder shall be in accordance with Texas Utilities Code § 35.004(d) and the Transmission Rules, and will not apply to entities engaging in wholesale storage as described in P.U.C. SUBST. R. 25.501(m). For Wholesale Transmission Service a Transmission Service Customer shall incur an access charge, as set forth below:

	<u>Access Charge</u>	
Annual Rate	\$3.828894	Per kW*
Monthly Rate	\$0.319075	Per kW*

* The kW will be adjusted annually in accordance with the Transmission Rules.

The above rate is being implemented in accordance with the Commission's interim transmission rate update provisions of P.U.C. SUBST. R. 25.192(h).

Pricing for Transmission Service for Exports from ERCOT

Charges for Wholesale Transmission Service for exports from ERCOT shall be in accordance with Texas Utilities Code § 35.004(d) and the Transmission Rules. Transmission Service Customers exporting power from ERCOT will be assessed an access charge based on the amount of power actually exported and the duration of the service requested and shall be calculated using the charges set forth below:

	<u>Access Charge</u>	
Monthly On-Peak Rate*	\$0.957224	Per kW
Monthly Off-Peak Rate	\$0.319075	Per kW
Weekly On-Peak Rate*	\$0.219691	Per kW
Weekly Off-Peak Rate	\$0.073633	Per kW
Daily On-Peak Rate*	\$0.031384	Per kW
Daily Off-Peak Rate	\$0.010490	Per kW
Hourly On-Peak Rate*	\$0.001308	Per kW
Hourly Off-Peak Rate	\$0.000437	Per kW

*On-Peak months include June, July, August, and September.

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE TRANSMISSION SERVICE (WTS) RATE

Applicability: Entire System

**Sheet No. 1
Effective Date: November 10, 2017
Revision: 14**

Charges for use of the ERCOT transmission system for export purposes on a monthly basis shall not exceed the annual transmission charge for the transaction. Wholesale exports from ERCOT are subject to the satisfaction of applicable requirements necessary to provide export service.

The above rate is being implemented in accordance with the Commission's interim transmission rate update provisions of P.U.C. SUBST. R. 25.192(h).

Losses

Losses shall be calculated by the Independent System Operator (ISO) in accordance with the method set forth in the ERCOT Protocols.

Voltage Support

Sharyland will provide all devices necessary to maintain proper operating voltages on the transmission system in accordance with Good Utility Practice for voltage support and in accordance with the requirements of the ERCOT ISO, or its successor.

Reliability Guidelines

To maintain reliability of the ERCOT transmission grid, Sharyland shall operate its transmission system in accordance with ERCOT Protocols, ERCOT Operating Guides, NERC guidelines, and any other guidelines of the ISO that may apply to Sharyland's transmission system.

Sharyland reserves the right, consistent with Good Utility Practice and on a non-discriminatory basis, to interrupt Wholesale Transmission Service without liability on Sharyland's part for the purpose of making necessary adjustments to, changes in, or repairs to its lines, substations and other facilities, or where the continuance of Wholesale Transmission Service would endanger persons or property. In the event of any adverse condition or disturbance on Sharyland's system or any other system directly or indirectly interconnected with Sharyland's system, Sharyland, consistent with Good Utility Practice, also may interrupt Wholesale Transmission Service on a non-discriminatory basis in order to limit the extent or damage of the adverse condition or disturbance, to prevent damage to generating or transmission facilities, or to expedite restoration of service.

Sharyland will give the Transmission Service Customer as much advance notice as is practicable in the event of such interruption, and shall restore service with due diligence.

The Transmission Service Customer's failure to respond to established emergency load shedding and curtailment procedures to relieve emergencies on Sharyland's transmission system may result in the Transmission Service Customer being deemed by Sharyland to be in default and may result in the termination of Wholesale Transmission Service.

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE TRANSMISSION SERVICE (WTS) RATE

Applicability: Entire System

**Sheet No. 1
Effective Date: November 10, 2017
Revision: 14**

Payment

Any charges due to Sharyland under this rate schedule shall be billed in accordance with the Transmission Rules. The Transmission Service Customer shall make payment to Sharyland in a manner consistent with the procedures and deadlines set forth in the Transmission Rules. Any late payments by customers or customer defaults shall be handled in accordance with the Transmission Rules.

Agreement

An agreement for Wholesale Transmission Service containing terms and provisions consistent with the Transmission Rules is required prior to commencement of such service.

Definitions

Capitalized terms shall have the meanings set forth in P.U.C. SUBST. R. 25.5 and the Transmission Rules.

Amendments to Rules

In the event the Transmission Rules are amended or if a new rule is adopted governing the subject matter of this tariff, this tariff shall, nevertheless, remain effective until the new tariff(s) filed pursuant to any such amendment(s) or such new rules are approved, unless the amendment(s) or new rules or an agreement of the parties provide otherwise.

Notice

This rate is subject to Sharyland's Tariff and Applicable Legal Authorities.

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE TRANSMISSION SERVICE (WTS) RATE

Applicability: Entire System

**Sheet No. 1.1
Effective Date: August 15, 2017
Revision: 1**

RATE CASE EXPENSE (RCE) RIDER

Availability

The RCE Rider is designed to recover the rate case expenses deemed reasonable and recoverable by the Public Utility Commission in PUC Docket No. 41723.

RCE Rate

Each Transmission Service Customer shall pay a monthly rate of \$0.000000 per kW of 2013 coincident peak demand through the end of the billing month that the approved amount has been billed (which is estimated to be 36 months from the effective date).

Notice

This rate schedule is subject to Sharyland Utilities, L.P.'s WTS Tariff and all Applicable Legal Authorities.

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE DISTRIBUTION SUBSTATION SERVICE (WDSS) RATE

Applicability: Entire System

**Sheet No. 1.2
Effective Date: May 6, 2015
Revision: Original**

Application

Applicable to all ERCOT wholesale electricity market participants for transformation of electric power and energy from or to one of Sharyland's standard transmission voltages to or from one of Sharyland's standard voltages below 60 kV, for delivery of electric power and energy from resources to loads while maintaining reliable operation of Sharyland's delivery systems in accordance with good utility practice and Commission Substantive Rules. This rate schedule is not applicable to service offered by Sharyland under another rate schedule.

Applicable to all transformation service supplied in connection with the delivery of electric power and energy to a Point of Interconnection, measured through one meter.

Type of Service

Three phase, 60 hertz, and at Sharyland's standard voltages. Where service of the type desired by Transmission Service Customer, as that term is defined in Section 25.5 of the Commission's Substantive Rules, is not already available at the Point of Interconnection, additional charges and special contract arrangements between Sharyland and Transmission Service Customer may be required prior to it being furnished.

Monthly Rate

Transmission Service Customer Charge	\$1,294.21	Per Month
Metering Charge	\$920.58	Per Month
Demand (Facilities) Charge	\$1.76	Per kW

The monthly bill for Wholesale Substation Service is the sum of the Transmission Service Customer Charge, Metering Charge, Demand (Facilities) Charge, and any applicable riders.

The billing kW to be used for determining the Demand (Facilities) Charge for a month shall be the Transmission Service Customer's highest measured 15-minute kW recorded at the Point of Interconnection in the 12-month period ended with the current month. If service is interrupted during the 12-month period at the Point of Interconnection, then the kW for the month in which the interruption occurred will be the highest kW recorded at either the primary Point of Interconnection or the backup Point of Interconnection.

Payment

Any charges due to Sharyland under this rate schedule shall be billed in accordance with the Transmission Rules. The Transmission Service Customer shall make payment to Sharyland in a manner consistent with the procedures and

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE DISTRIBUTION SUBSTATION SERVICE (WDSS) RATE

Applicability: Entire System

**Sheet No. 1.2
Effective Date: May 6, 2015
Revision: Original**

deadlines set forth in the Transmission Rules. Any late payments by Transmission Service Customers or Transmission Service Customer defaults shall be handled in accordance with the Transmission Rules.

Agreement

Transmission Service Customer shall enter into a service agreement with Sharyland covering the specific terms and conditions of the Distribution Substation Service and an interconnection agreement with Sharyland covering the specific terms and conditions for the point(s) of interconnection.

Notice

Service hereunder is subject to the orders of regulatory bodies having jurisdiction and to the provisions of Sharyland's Tariff for Transmission Service.

**Tariff for Electric Service
SHARYLAND UTILITIES, L.P.**

WHOLESALE TRANSMISSION SERVICE (WTS) RATE

Applicability: Entire System

**Sheet No. 1.3
Effective Date: January 1, 2018
Revision: Original**

RIDER TRANSITION COSTS (TC)

Availability

The Rider TC is designed to recover the expenses deemed reasonable and recoverable by the Public Utility Commission in PUC Docket No. 47469.

TC Rate

Each Transmission Service Customer shall pay a monthly rate of \$0.010464 per kW of 2017 coincident peak demand through the end of the billing month that the approved amount has been billed (which is estimated to be 24 months from the effective date).

Notice

This rate schedule is subject to Sharyland Utilities, L.P.'s WTS Tariff and all Applicable Legal Authorities.