

**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: April 13, 2017
Revision: 12**

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;

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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.

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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	\$3.046713	Per kW*
Monthly Rate	\$0.253893	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*	\$0.761678	Per kW
Monthly Off-Peak Rate	\$0.253893	Per kW
Weekly On-Peak Rate*	\$0.174811	Per kW
Weekly Off-Peak Rate	\$0.058591	Per kW
Daily On-Peak Rate*	\$0.024973	Per kW
Daily Off-Peak Rate	\$0.008347	Per kW
Hourly On-Peak Rate*	\$0.001041	Per kW
Hourly Off-Peak Rate	\$0.000348	Per kW

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

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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.

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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.

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Applicability: Entire System

**Sheet No. 1.1
Effective Date: December 1, 2014
Revision: Original**

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 \$0.000632 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.

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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

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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.

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WHOLESALE DISTRIBUTION LINE SERVICE (WDLS) RATE

Applicability: Entire System

**Sheet No. 1.3
Effective Date: March 31, 2017
Revision: Original**

Availability

Wholesale Distribution Line Service (WDLS) is available on a non-discriminatory basis to any ERCOT wholesale electricity market participant to transmit electric power and energy from or to one of Sharyland's primary distribution lines at one of Sharyland's standard primary distribution voltages below 60 kV, while maintaining reliable operation of Sharyland's delivery systems in accordance with Good Utility Practice and the Commission's Substantive Rules. This rate schedule is not applicable to service offered by Sharyland under another rate schedule.

Applicable to all wholesale distribution line service supplied to transmit electric power and energy from or to a Point of Interconnection, measured through one meter.

Type of Service

Wholesale Distribution Line Service will be three phase, 60 hertz, and at one of Sharyland's standard primary distribution voltages below 60 kV. Where service of the type desired by Customer is not already available at the Point of Interconnection, additional charges and special contract arrangements between Sharyland and Customer may be required prior to it being furnished.

Monthly Rate

Customer Charge	\$105.75 Per Point of Interconnection
Metering Charge	\$97.15 Per Point of Interconnection
Distribution Line Charge	\$8.64 Per Billing kW

The monthly bill for Wholesale Distribution Line Service is the sum of the Customer Charge, Metering Charge, Distribution Line Charge, and charges under any applicable riders.

The Billing kW to be used for determining the Distribution Line Charge for a month shall be the higher of the Customer's highest measured 15-minute kW recorded at the Point of Interconnection in the current month or 80% of the highest monthly measured 15-minute kw established in the 12-month period ended with the current month (80% Billing Demand Ratchet); this determination will be made on a rolling basis, with each 12-month period consisting of the current month plus the prior 11 months. If the meter recording the demand 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 or, if no meter recording at a backup Point of Interconnection is available, estimated by Sharyland.

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Discretionary Services

Customer may desire or require additional wholesale discretionary services to be provided by Sharyland in connection with providing Wholesale Distribution Line Service under this Tariff. Such services and the charges therefor will be set forth in the service agreement. Such charges are in addition to any other charges for Wholesale Distribution Line

Service under this Tariff. Charges for such services will be on an as-calculated basis, based on Sharyland's costs, including appropriate overhead.

Company Specific Applications

In situations where historical demand requirements will be exceeded due to properly noticed and Sharyland-approved scheduled equipment testing, Sharyland will ignore for Billing Demand Ratchet purposes the test period demands. Approval of the equipment testing schedule, including date and time, shall be at Sharyland's discretion, but shall not be unreasonably withheld, provided Customer contacts Sharyland at least ten days in advance of the equipment testing. In no event shall Sharyland-approved testing occur between the hours of 12 noon and 8:00 PM during the weekdays of the months of June, July, August, and September. Charges for electric usage (including kW) during the test period may be billed to the Customer, but increased demand for the testing period shall not affect the Customer's demand for billing ratchet purposes. Charges for reading and resetting the meter, if required, shall be as calculated and shall be billed to the Customer.

Notice

This rate schedule is subject to Sharyland's Tariff for Wholesale Transmission Service and Applicable Legal Authorities.