



Control Number: 37919



Item Number: 165

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Irrevocable Standby Letter Of Credit

Number : IS0002450
Issue Date : September 2, 2011

Amount: \$725,000.00

Expiration Date: September 2, 2012

Applicant:
Texas Power, L.P.
4025 Woodland Park Blvd., Suite 410
Arlington, TX 76013

REP: Certificate #10066

Beneficiary:
Public Utility Commission of Texas
1701 N. Congress Ave.
P.O. Box 13326
Austin, TX 78701

Authorized Representative: Executive Director or another person authorized by the Executive Director in writing or authorized by Commission rule.

At the request and for the account of the above referenced applicant, we hereby issue our Irrevocable Standby Letter of Credit No. IS0002450 ("Letter of Credit") in the favor of the Public Utility Commission of Texas ("PUC"), effective immediately, in the amount of Seven Hundred Twenty Five Thousand and 00/100 United States Dollars (US\$725,000.00).

Funds under this Letter of Credit are available for payments to the PUC upon presentation to us (i) in person at our above office, (ii) by first class certified and registered U.S. Mail, or (iii) by overnight mail, of the following documents:

1. A draft drawn on us at sight marked "Drawn under Wells Fargo Bank, N.A. Standby Letter of Credit No. IS0002450;"
2. An original or photocopy of this Letter of Credit and any effective amendments thereto; and
3. Beneficiary's signed and dated statement worded as follows:

"We hereby certify to you that \$_____ is due and owing to us by REP, under and in accordance with Public Utility Commission of Texas rules."

Funds may be drawn by you under this Letter of Credit, in one or more drawings, in amounts not exceeding in the aggregate the amount specified above. In the event of partial drawings, Wells Fargo

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Bank, N.A. shall endorse the original of this Letter of Credit (if presented to us) and return it to the beneficiary.

This Letter of Credit expires at our above office on September 2, 2012 but shall be automatically extended, without written amendment, to September 2, in each succeeding calendar year unless, at least 90 days prior to any such date, we have sent written notice to the beneficiary at your address above by first class certified and registered U.S. Mail or overnight mail that we elect not to extend this Letter of Credit beyond the date specified in such notice, which expiration date will be September 2, 2012 or any subsequent September 2.

The stated amount of this Letter of Credit may be increased or decreased, and the expiration date of this Letter of Credit may be extended (if the expiration date has not been automatically extended as provided above), by an amendment to this Letter of Credit in the form of Attachment A.

If any instructions accompanying a drawing under this Letter of Credit request that payment is to be made by transfer to an account with us or at another bank, we and/or such other bank may rely on an account number specified in such instructions as that of the beneficiary's without any further validation.

We hereby engage with you that each draft drawn under and in compliance with the terms and conditions of this Letter of Credit will be duly honored if presented together with the documents specified in this Letter of Credit as set forth above. The amounts of any actual drawings against this Letter of Credit will reduce the balance by such amounts.

This Irrevocable Standby Letter of Credit sets forth in full the terms of our undertaking. This undertaking is independent of and shall not in any way be modified, amended, amplified or incorporated by reference to any document, contract or agreement referenced herein other than the stipulated International Chamber of Commerce rules and governing laws.

Except as otherwise expressly stated herein, this Standby Letter of Credit is subject to The International Standby Practice 1998 (ISP98), International Chamber of Commerce Publication No. 590. For matters not addressed by ISP98, this Letter of Credit shall be governed by and construed in accordance with the laws of the state of New York, without regard to conflicts of laws principles.

Upon your presentation to us in conformity with the foregoing, we will, not later than the close of business on the third banking day after such presentation, but without any other delay whatsoever, irrevocably and without reserve or condition issue payment instructions to the Federal Reserve wire transfer system in proper form to transfer the full amount demanded by you to the account at the bank designated by you in the demand. The transferred funds will be immediately available to you in the account we are directed to pay. We agree that if, on the expiration date of this Letter of Credit, the office of the issuing bank specified above is not open for business, this Letter of Credit will be duly honored if the demand is presented by you within one (1) full banking day after such office is reopened for business.

Very Truly Yours,

WELLS FARGO BANK, N.A.

By: _____

Authorized Signature

BRIAN T. O'CONNELL
VICE PRESIDENT

The original of the Letter of Credit contains an embossed seal over the Authorized Signature.

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Please direct any written correspondence or inquiries regarding this Letter of Credit, always quoting our reference number, to Wells Fargo Bank, National Association, Attn: U.S. Standby Trade Services

at either One Front Street
MAC A0195-212,
San Francisco, CA 94111

or 401 Linden Street
MAC D4004-017,
Winston-Salem, NC 27101

Phone inquiries regarding this credit should be directed to our Standby Customer Connection Professionals

1-800-798-2815 Option 1
(Hours of Operation: 8:00 a.m. PT to 5:00 p.m. PT)

1-800-776-3862 Option 2
(Hours of Operation: 8:00 a.m. EST to 5:30 p.m. EST)



LETTER OF CREDIT AMENDMENT

Irrevocable Standby Letter of Credit No. IS0002450

Original Issue Date: _____

Amendment Sequence: _____

Issuing Bank: Wells Fargo Bank, N.A.

REP: _____

Applicant: _____

Beneficiary:

Public Utility Commission of Texas

1701 N. Congress Avenue

P.O. Box 13326

Austin, Texas 78711-3326

The above referenced Irrevocable Standby Letter of Credit is hereby amended as follows:

_____ The amount is increased/decreased from \$ _____ to \$ _____.

_____ The expiration date is extended from to.

All other terms and conditions of the Letter of Credit remain unchanged.

Very truly yours,

(Name of issuing bank)

By _____

Title _____

Date _____

Direct Telephone No. _____

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