



225 E. John Carpenter Freeway, Suite 1500, Irving, TX 76052

Dec. 10, 2010

**County of Hidalgo Community Service Agency**

Maribel Navarro-Saenz

Executive Director

PO Box 204

Edinburg, TX 78539 (956) 383-6250

TVASQUEZ@csa-hidalgo.us

**Re: Letter Agreement between First Choice Power and CHCSA for Bill Payment Assistance Program**

Dear Ms. Navarro-Saenz:

*First Choice Power Special Purpose, L.P.*, ("First Choice Power") is a certified retail electric provider serving commercial and residential customers in the state of Texas. In accordance with the rules of the Public Utility Commission of Texas, First Choice Power is required to establish and maintain an energy assistance program to help its residential customers pay their electric bills ("Bill Payment Assistance Program"). **CHCSA** ("Agency") is a nonprofit entity that has a proven record of management of energy assistance programs according to 2-1-1 Texas. Effective Dec. 10, 2010, First Choice Power and the Agency agree that, in accordance with the terms and conditions of this Letter Agreement, First Choice Power will transfer money to fund the Bill Payment Assistance Program ("Program Funds") to the Agency and the Agency will administer disbursement of the funds. The Program Funds will be used solely to provide funding for energy assistance payments on behalf of First Choice Power's residential customers.

Upon the Agency's acceptance of these terms and conditions, First Choice Power will transfer Program Funds in the amount of Ten Thousand Dollars (\$10,000.00) to the Agency.

All Program Funds must be deposited in an Agency bank account and will only be disbursed to First Choice Power's Bill Payment Assistance Program participants in accordance with the terms and conditions of this Letter Agreement. The Agency hereby grants First Choice Power a security interest in such bank account(s) balances to the extent of any undisbursed amounts of Program Funds in order to secure the Agency's performance and payment of obligations hereunder.

Upon First Choice Power's request, the Agency agrees to execute an agreement regarding any deposit account used in connection with the Bill Payment Assistance Program that First

**First Choice Bill Payment Assistance Payment Program, Letter Agreement, page 2 of 4**

Choice Power determines in its sole discretion is necessary to perfect its security interest. Failure of Agency or its deposit institution to execute and comply with such perfection agreement will constitute a breach of this Letter Agreement and permit First Choice Power to terminate this Letter Agreement. In addition, the Agency agrees not to grant any third party a security interest in the Program Funds to permit any lien on such funds.

The Agency agrees to administer the Bill Payment Assistance Program for First Choice Power customers in accordance with the following:

1. The Agency agrees to comply with the Bill Payment Assistance Program Guidelines outlined in Attachment A.
2. The Agency will evaluate and respond to each applicant within one business day of receipt of a request for an energy assistance grant under the Bill Payment Assistance Program.
3. A recipient of a Bill Payment Assistance Program grant must be a current First Choice Power customer with an active account.
4. The recipient of a Bill Payment Assistance Program grant must have the same customer account name, account number and residence address as contained in First Choice Power's records.
5. All recipients of Bill Payment Assistance Program grants are eligible for a twice annual payment in the lesser of one month's bill or \$500 in accordance with the Agency's hardship criteria.
6. Grants can be used for deposits.

Upon the approval of a grant to a First Choice Power customer under the Bill Payment Assistance Program the Agency will notify First Choice Power's Pledge Desk by fax, e-mail or phone of the payment amount and grant recipient name and account number. If a grant recipient has received a disconnect notice from First Choice Power, the Agency will immediately notify First Choice Power's Pledge Desk in order to prevent the disconnection. For all eligible participants, the Agency shall submit payment to First Choice Power on each participant's behalf as provided in Attachment A hereto.

This Letter Agreement becomes effective on \_\_\_\_\_ Dec. 10 \_\_\_\_\_, 2010, and expires on \_\_\_\_\_ Dec. 10 \_\_\_\_\_, 2011. First Choice Power may terminate this Letter Agreement at any time at its sole discretion prior to the expiration of the term upon ten (10) days' written notice to the Agency. Upon termination or expiration of this Letter Agreement, the Agency will promptly return to First Choice Power any undisbursed Program Funds on deposit in an Agency bank account.

**First Choice Bill Payment Assistance Payment Program, Letter Agreement, page  
3 of 4.**

Please acknowledge your acceptance of the terms and conditions contained in this Letter of Agreement and Attachment A by signing in the space indicated below and return this letter to First Choice Power in the envelope provided. If you have any questions you may contact Catherine Carlton at (469) 484-8686.

Sincerely,

Josh Coleman  
Vice President, Operations

**County of Hidalgo Community Service Agency**  
Maribel Navarro-Saenz  
Executive Director  
PO Box 204  
Edinburg, TX 78540 (956) 383-6250 x (2)12

AGREED AND ACCEPTED FOR

**County of Hidalgo Community Service Agency**

Signature: \_\_\_\_\_

Name: Ramon Garcia, County Judge  
COUNTY OF HIDALGO

Date: \_\_\_\_\_

## **Attachment A**

### ***First Choice Power Area Bill Payment Assistance Program Program Guidelines and Information***

In an effort to implement the program efficiently, First Choice Power provides important guidelines and information that will assist you in administering the program funds. Please distribute and discuss these guidelines in a training session with all volunteers and staff.

#### **First Choice Power Contact Information**

- Credit and Collections

Bill Beasley, (469) 484-8666, [William.Beasley@FirstChoicePower.com](mailto:William.Beasley@FirstChoicePower.com)

- Community Relations

Catherine Carlton, (469) 484-8686, [Catherine.Carlton@FirstChoicePower.com](mailto:Catherine.Carlton@FirstChoicePower.com)

#### **How the Program Works**

- Agency qualifies active First Choice Power customers
- Agency follows First Choice Power Pledge Process.
  
- Agency remits payment to First Choice Power on behalf of the recipient to:  
First Choice Power PO Box 659612 San Antonio, TX 78265-9612
  
- Payment should be remitted within 30-45 days of the pledge date.
  
- Within ten (10) days of each month end, Agency will e-mail a report to First Choice Power's Credit and Collections and Community Relations contacts identified above. The report will contain information detailing all program activity for the prior month, including the starting balance each month, ending balance for the month, First Choice Power transfers received, and funds disbursed by date, customer name, account number and grant amount.

#### **Pledge Desk Contact:**

Agency contacts First Choice Power Pledge Desk via phone, e-mail or fax to make an inquiry or pledge on behalf of the customer.

- Bonnie Nerf – (214) 576-1016
- Yenenash Tilahoun - (214 ) 576-1276
- Elda (Kaye) Talley – (214) 576-1268
- Pledge phone line - (866) 956-9089
- Fax line - (866) 436-5048
- [FCPPledgeProcess@vertexna.com](mailto:FCPPledgeProcess@vertexna.com)