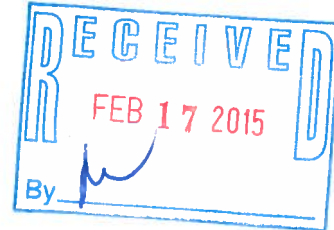


February 10, 2015

County of Hidalgo
2802 S. BUSINESS HWY 281
EDINBURG, TX. 78539
Attention: Martha Salazar



Re: Bundled Contract Price Adjustment – County of Hidalgo

Dear Ms. Salazar:

As a valued Texas General Land Office (GLO) customer, Reliant Energy Retail Services, LLC, GLO's authorized representative, would like to make you aware of important changes that have occurred with respect to the electricity market in Texas and how these changes impact electricity prices for customers in ERCOT.


In January 2015, the Public Utilities Commission of Texas (PUCT) approved changes in all Transmission and Distribution Service Providers' (TDSP), Transmission Cost Recovery Factors (TCRF), and Energy Efficiency Cost Recovery Factor (EECRF) for American Electric Power (AEP). As a result, AEP has been authorized to recover its costs and is doing so via adjustments, increases or decreases, of transmission and distribution charges.

The changes approved by the PUCT impact all retail customers in ERCOT, including GLO customers. From the broad product suite and product features offered by the GLO, County of Hidalgo selected a product combination that bundled the cost of transmission and distribution charges in the contract price and allowed for a periodic update of such contract price to reflect incremental changes in tariff rates as approved by the PUCT. The feature of bundling transmission and distribution charges offers a simplified billing solution as it projects these charges into the contract price and holds them constant for a period of time, as opposed to passing them through directly from the TDSP each month as multiple line items.

In accordance with your contract, GLO will begin billing all ESI-IDs of County of Hidalgo at the revised contract price of \$0.12353/kWh effective with your invoice for the billing period beginning in March 2015. The new contract price includes an adjustment of \$0.00303/kWh for your TDSP's rate changes. The revised bundled contract price will become the monthly kWh price that will appear on future invoices for billing periods beginning in March 2015.

We appreciate the opportunity to serve County of Hidalgo. If you have questions regarding this change or other matters, please feel free to contact your Customer Care Specialist or your Account Manager.

RELIANT ENERGY RETAIL SERVICES, LLC

By: 
Robert Gaudette
Vice President