

**Magic Valley Electric Cooperative, Inc.**  
**Mercedes, Texas**

**Agreement for the Purchase of Power**

This agreement made May, 2023, between Magic Valley Electric Cooperative, Inc. (hereinafter called the "Seller") and Hidalgo County (Owner/Lessee/Tenant) of Hidalgo County, Texas (hereinafter called "Consumer")

WITNESSETH THAT:

WHEREAS, the Seller agrees to sell and deliver to the Consumer, and the Consumer agrees to purchase and pay for all electric power and energy sufficient for normal requirements at the location hereinafter described, upon the following terms:

1. CONSUMER CLASSIFICATION:

It is understood and agreed between the parties hereto that the electric service to be made available is to serve 8 Streetlights billed under the applicable rate schedule of the Seller. Should the Consumer Classification be misrepresented, changed or in error, the Seller reserves the right to apply the correct rate schedule and adjust billings accordingly.

2. SERVICE LOCATION: Rincon De Encinos Ph 3

3. SERVICE CHARACTERISTICS:

Service hereunder shall be alternating current, single phase, sixty cycles, 120 volts.

4. PAYMENT AND RATE:

- a. Consumer promises to pay the Seller for service hereunder at the rates and upon the terms and conditions set forth in the Seller's rate schedule 6-21; a copy of which schedule is attached hereto and made part hereof. Notwithstanding any provision of the schedule, however, and irrespective of Consumer's requirements, the Consumer shall pay to the Seller not less than \$16.11 as a minimum charge per (month/year) plus sales tax if applicable, for service or for having service available hereunder during the term hereof.
- b. The initial billing period shall start when Consumer begins using electric power and energy, or thirty days after power is made available to the Consumer, whichever shall occur first.
- c. All consideration and payment for service and power hereunder shall be paid by Consumer in person or by United States mail at the office of the Seller, at Mercedes, Hidalgo County, Texas. If the consumer fails to pay his account when due then in such event the Seller may at its option discontinue all service to Consumer, and Consumer hereby specifically waives any and all damages which might result as a consequence of such discontinuation of power. Failure of Seller to exercise such option to discontinue service hereunder in event of Consumer's failure to pay hereunder, shall in no event constitute waiver of Seller's right to discontinue service, and each day of breach by nonpayment thereafter by Consumer shall constitute a separate breach of this agreement.
- d. Seller may collect any amounts owing it by the Consumer for electrical energy delivered, and if Consumer becomes delinquent in his account with Seller, Seller may declare the remaining minimum amount for the remaining terms of this contract due and may sue Consumer in a court of competent jurisdiction to obtain judgement or other legal equitable relief for same.

- e. Consumer hereby agrees that in the event he defaults in the payment of any monies due hereunder to the Seller when due, and the Seller places such account in the hands of an attorney for collection, Consumer agrees to pay at Mercedes, Texas all reasonable attorney's fees and collection expenses incurred in such matter.

5. MEMBERSHIP:

The Consumer shall become a member of the Seller, shall pay the membership fee and be bound by the provisions of the Articles of Incorporation and bylaws of the Seller and by such rules and the Seller may from time to time adopt regulations as. Consumer agrees to have his installation wired so it meets with National Electric Code requirements and the wiring specifications of the Seller.

6. RIGHT OF ACCESS:

Duly authorized representatives of the Seller shall be permitted to enter Consumer's premises at all reasonable times in order to carry out the provisions hereof, or to inspect and repair Seller's facilities.

7. RIGHT-OF-WAY EASEMENTS:

- a. Consumer grants an easement to the Seller as required over his property for the purpose of building necessary facilities to serve the Consumer.
- b. It is understood that the Seller will use its best efforts in obtaining right-of-way easements over lands belonging to third parties, in order to render service under this contract, but it is understood and agreed between the parties hereto that, if the Seller is unable to obtain said easements from third parties, there is no liability for service under this contract until said easements can be obtained, and it is further understood that the Seller is not required hereunder to undertake condemnation proceedings, or to pay for the easements herein contemplated. And it is further agreed that the Consumer hereunder will use his best efforts in the obtaining of necessary easements from third parties.

8. CONTINUITY OF SERVICE:

The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy; but if such supply should fail or be interrupted, or become defective through act of God, governmental authority, action of the elements, public enemy, accident, strikes, labor trouble, required maintenance work, inability to secure right-of-way, or any other cause beyond the reasonable control of the Seller, Seller shall not be liable for damages resulting from such interruptions or failures.

The electric service contracted for herein is to be provided and taken in accordance with the provisions of this Agreement and Seller's tariff. SAID TARIFF IS A PART OF THIS AGREEMENT TO THE SAME EXTENT AS IF FULLY SET OUT HEREIN AND IS ON FILE AND AVAILABLE AT THE COOPERATIVE'S OFFICES IN MERCEDES, TEXAS. Order or consent of any regulatory authority having jurisdiction thereof whether or not at the request of the Seller may change any tariff provision (including rates).

9. DEPOSIT:

The Consumer shall make a deposit to the Seller in the sum of \$25.00 per light to remain with the Seller as a guarantee for the duration of service at the aforementioned location, to be applied to any amounts due the Seller at the termination of service to Consumer. However, the Seller reserves the right to refund such deposit at the Seller's option.

10. CONTRIBUTION:

The Consumer will pay to the Cooperative the sum of \$6,896.05 as a contribution cost for approximately 445 feet of distribution line to serve Rincon De Encinc. Said \$6,896.05 is a contribution applied toward the cost of construction only, and the Seller is the sole owner of said 445 feet of electric distribution line and appurtenances thereto.

11. TERMS OF PAYMENT:

Periodically, Seller will render to Consumer a statement of services rendered. Consumer agrees to pay the total amount shown on such statement within sixteen (16) days from its date. A 5% late payment charge shall be paid by consumer if payment is not received by Seller when due.

12. TERM OF AGREEMENT:

This agreement shall become effective on the date first above written, and shall remain in effect for five (5) years following the start of the initial billing and thereafter from year to year until terminated by either party giving to the other one month's notice in writing.

13. VENUE:

It is further understood and agreed between Seller and Consumer that venue of any and all litigation arising out of any breaches of the provisions of this agreement shall be in Hidalgo County, Texas.

14. ASSIGNMENT OF CAPITAL CREDITS:

Consumer hereby assigns and transfers to the Seller the total book value of capital credits in Consumer's account which are available for retirement and agrees said amount shall become payable to the Seller one year after it has made a bona fide attempt to pay said amount and not succeeded in doing so.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

Magic Valley Electric Cooperative Inc.

Consumer

By: \_\_\_\_\_  
Manager

\_\_\_\_\_  
(Print or Type Name)

By: \_\_\_\_\_  
(Owner) (Corporate Officer) (Partner)

\_\_\_\_\_  
(Tenant) (Lessee)

If signature is that of other than President, Vice President, Partner, or Owner, Power of Attorney must be attached hereto.

AGREEMENT PREPARED BY:

\_\_\_\_\_ on \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Account Number \_\_\_\_\_

Meter Number \_\_\_\_\_