



Nueces Electric Cooperative

Your Touchstone Energy® Cooperative 

Dear Texas Competitive Retailer:

Thank you for your participation in Texas Electric Choice testing to allow you to serve co-op members in the **Nueces Electric Cooperative, Inc. (NEC)** territory. As you know, electric cooperatives and municipal electric systems in Texas can “opt-in” or “opt-out” of retail electric choice. NEC has opted-in and has developed the systems and programming necessary to open its area to full retail competition as of June of 2006.

As the first electric cooperative in Texas to enter the competitive market, we recognize our electric choice system is different and impacts ERCOT processes, and competitive retailer systems for those who choose to offer their retail services in our territory. As a result, we have established CR Relations services to help work through any issues that may arise.

The first step in the establishment of our partnership with you, following ERCOT testing, is the execution of the **Delivery Service Agreement** that follows. Please read this document and our access tariff carefully. There are significant differences in the IOU model and the Co-op/Muni model for electric choice. This Agreement outlines how those differences will affect your contact and business operations with our member-consumers. Please complete and return this document as soon as possible as indicated in the Agreement.

If you have any questions, please feel free to contact Sarah Fisher by e-mail at crrelations@nueceselectric.org or by phone at 361-767-7305.

Again, we look forward to working with you to bring more retail choice to our member consumers.

Yours Sincerely,

Nueces Electric Cooperative, Inc.

Competitive Retailer will direct Retail Customers to directly call or contact Co-op to report outages, interruptions, and irregularities. Competitive Retailer will provide Retail Customer with the following Co-op supplied phone numbers for purposes of such reporting:

1-800-NEC-WATT (632-9288) toll-free
1-361-387-2581 local – Corpus Christi, Robstown

B. DESIGNATION OF CONTACT FOR MAKING SERVICE REQUESTS TO CO-OP

Competitive Retailer will direct Retail Customers to directly call or contact Co-op for ALL SERVICE REQUESTS (unless power supply related issue). This includes, but is not limited to, new service construction, new service connection, Co-op billing issues, and security lighting issues. Competitive Retailer will provide Retail Customer with the following Co-op supplied phone numbers for purposes of such reporting:

1-800-NEC-WATT (632-9288) toll-free
1-361-387-2581 local – Corpus Christi, Robstown

C. DESIGNATION OF CONTACT FOR POWER SUPPLY QUESTIONS AND REQUESTS FROM COOPERATIVE TDSP CONSUMERS.

Co-op will direct Retail Customers to directly call or contact Competitive Retailer to make inquiries regarding power supply issues. Co-op will provide Retail Customer with the following Competitive Retailer supplied toll-free number for purposes of making such requests.

_____ **(insert CR telephone no. here)**

_____ **(insert email address or website here)**

D. DESIGNATION OF PREFERRED BILLING OPTION FOR CO-OP CONSUMERS

Competitive Retailer will inform Retail Customers of Co-op that they have the right to choose one of the billing methods listed below.

- a. (DEFAULT) The Co-op consumer can choose to receive ONE BILL containing both the TDBU charges and the CR charges. **The bill is sent by the Co-op.** The Co-op and the CR will negotiate an appropriate fee (for the CR to pay to the Co-op) for billing services.

OR

- b. The Co-op consumer can choose to receive TWO BILLS: one from each the Co-op (containing TDBU charges) AND from the CR (containing power supply charges).

Consumer's choice is indicated in the switch or move-in EDI transaction sent by the REP. If no preference is communicated to the REP, the Retail Customer billing will default to "option a" (above) until the Customer contacts the Co-op or REP to designate another preference. Competitive Retailer will provide customer with the following Co-op supplied phone numbers for TDBU billing questions when option (b) is selected:

1-800-NEC-WATT (632-9288) toll-free
1-361-387-2581 local – Corpus Christi, Robstown

E. DESIGNATION OF CONTACT FOR CO-OP CONSUMERS WITH QUESTIONS REGARDING COMPETITIVE METERING.

Electric cooperative territories are exempt from competitive metering. Competitive Retailer will direct Retail Customers to contact the Co-op for answers to their competitive

metering questions. Competitive Retailer will provide customer with the following Co-op supplied phone numbers for purposes of making this designation.

1-800-NEC-WATT (632-9288) toll-free

1-361-387-2581 local – Corpus Christi, Robstown

F. DESIGNATION OF CR INTENTION TO DISCONNECT FOR NON-PAYMENT. (CHECK PREFERENCE BELOW)

Competitive Retailer WILL issue disconnections for non-payment of CR charges.

Competitive Retailer WILL NOT issue disconnections for non-payment of CR charges.

G. COMMERCIAL AND INDUSTRIAL CUSTOMER USAGE HISTORY REPORTS.

With the appropriate Letter of Authorization from the customer, the Co-op will provide a 12-month usage history to a CR. The Co-op will provide the first usage history report for a customer each calendar year, for each CR, for free. Additional reports will be charged at the rate of \$50 per report to the Competitive Retailer.

H. BACK-DATED SERVICE ORDERS.

All back-dated service orders will be REJECTED by the Co-op unless a call of explanation has been received and accepted by the Co-op first.

I. OFF-CYCLE SWITCH/READING REQUESTS.

All off-cycle switch/reading requests will be charged our normal \$35 meter reading charge.

J. SAME DAY MOVE-INS AND MOVE-OUTS FOR SAME ESI-ID.

Move-ins and move-outs for the same ESI-ID will NOT be accepted on the same day.

L. PROCESSING OF MULTIPLE SWITCH REQUESTS.

The Co-op will process multiple switch requests according to the service order dates.

N. DATE CHANGES ON SERVICE ORDERS.

No date changes on service orders will be recognized by the Co-op without proper authorization from ERCOT.

O. MOVE-IN SERVICE CONNECTIONS.

Move-in service connections will be performed Monday through Friday between 8:30 a.m. and 4:30 p.m. within 7 working days of the receipt of the move-in service order by the Co-op. Priority service connections are not available. Emergency service connections can be performed by the Co-op for the fee of \$75.00 per service order.

III. TERM

This Agreement shall commence upon the later of the date (a) Nueces Electric Cooperative enters competition; or (b) the execution date of this Agreement, the date upon which this document is signed by both parties. This Agreement shall terminate upon mutual agreement of the Parties or upon the earlier of the date (a) Competitive Retailer informs the Co-op that it is no longer operating as a Competitive Retailer in Co-op's service territory; (b) a new Delivery Service Agreement between the Parties hereto becomes effective; or (c) Competitive Retailer is no longer certified by the Commission as a retail electric provider in Co-op's certificated service area.

Termination of this Agreement, for any reason, shall not relieve Co-op or Competitive Retailer of any obligation accrued or accruing prior to such termination.

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

IV. SIGNATURES

Co-op (insert name) Nueces Electric Cooperative, Inc.

(print name of authorized representative) _____

(legal signature) _____

(date) _____

Competitive Retailer (insert name) _____

(print name of authorized representative) _____

(legal signature) _____

(date) _____