Figure: 16 TAC §25.107(c)(7)(A)(i)

RETAIL ELECTRIC PROVIDER IRREVOCABLE STANDBY LETTER OF CREDIT

Irrevocable Standby Letter of Credit No. _____

"Amount": _____
U.S. Dollars

"Date of Issuance": _____

"Expiration of Initial Term": _____

"Beneficiary":
Public Utility Commission of Texas ("PUCT")
1701 N. Congress Avenue
PO Box 13326
Austin, Texas 78711-3326
Beneficiary email address:
REPloc@puc.texas.gov

"Authorized Representative":
The Authorized Representative of the Beneficiary is the PUCT Executive Director; PUCT Deputy Executive Director; PUCT Executive Counsel; or PUCT Chief Operating Officer.

"Issuer":

_____
[Issuer Full Business Name]

_____
[Issuer Main Business Address 1]

_____
[Issuer Main Business Address 2]

_____
[Issuer Business Phone Number]

_____
[Issuer Email address (for letters of credit)]

"Applicant":

_____
[Applicant Name]

_____
[Affiliate Name, if o/b/o Applicant]

_____
[Applicant Full Business Address 1]

_____
[Applicant Full Business Address 2]

_____
[Applicant Phone Number]

_____
[Applicant Email Address]

To Beneficiary (referred to below as "Beneficiary," "you," or "your" below),

Letter of Credit Established
At the request of and on behalf of Applicant, the Issuer (referred to below as "Issuer," "us," "our," or "we") hereby establishes and issues in your favor, effective immediately, an Irrevocable Standby Letter of Credit No. _____ ("Letter of Credit") in the amount of _____ U.S. Dollars.

Retail Electric Provider Irrevocable Standby Letter of Credit

Form and Manner of Transmission

This Letter of Credit shall be sent electronically to your email, REPloc@puc.texas.gov in accordance with Public Utility Commission of Texas rules from our e-mail address set forth above.

You may also request a physical copy of this Letter of Credit be issued to your address set forth above through the following methods: (i) overnight mail (e.g. U.S. first class mail); (ii) courier delivery; or (iii) certified mail return receipt requested; or (iv) registered U.S. Mail. A request for a physical copy of this Letter of Credit will be issued electronically from your email address REPloc@puc.texas.gov, to our email address set forth above.

Presentation and Demand for Payment

This Letter of Credit is available for payment upon your demand at sight by physical or electronic mail upon presentation to us of your written demand for payment containing the text of Exhibit I attached hereto signed by the Authorized Representative which includes a signed and dated statement of amount due.

Form and Manner of Presentation and Demand for Payment

Electronic presentation and demand may be performed through email sent from your email address REPloc@puc.texas.gov to our email address set forth above in Microsoft Word or PDF format.

Physical presentation may be performed through the following methods: (i) overnight mail (e.g. U.S. first class mail); (ii) courier delivery; (iii) certified mail return receipt requested; or (iv) registered U.S. Mail sent by you to our address set forth above

Drawing of Letter of Credit

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. Partial drawings paid hereunder shall reduce the Amount thereafter available for drawing under this Letter of Credit.

Payment Instructions

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 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 (i.e., Exhibit I).

We agree that if, on the expiration date of this Letter of Credit, the office of the Issuer 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.

Retail Electric Provider Irrevocable Standby Letter of Credit

Amendment to Letter of Credit Amount

The stated Amount (i.e., face value) of this Letter of Credit may be **increased** or **decreased** through an amendment to this Letter of Credit. Any amendment **increasing** the stated Amount of this Letter of Credit is effective immediately. We will notify you of the increase within one (1) full banking day through issuance of a written notice sent from our e-mail address set forth above to your email REPloc@puc.texas.gov which may be performed using Exhibit II or a functional equivalent in Microsoft Word or PDF format. Any amendment **decreasing** the stated Amount of this Letter of Credit must be performed using Exhibit II issued by us and consented to by you in Microsoft Word or PDF format and shall only become effective upon written agreement sent from your email REPloc@puc.texas.gov.

Automatic Extension or Non-extension of Letter of Credit

This Letter of Credit shall be deemed automatically extended without amendment for one (1) year periods from the present or any future expiration date unless, at least ninety (90) days prior to any such date, we issue notice from our e-mail address set forth above to you at your email address, REPloc@puc.texas.gov, that we elect not to extend this Letter of Credit. Such notice shall be made using Exhibit III attached hereto.

Cancellation of Letter of Credit

This Letter of Credit may only be cancelled (i.e., terminated) by us outside the non-extension notice process upon issuing written notice to you using Exhibit IV attached hereto. Written notice of a cancellation shall be performed electronically through e-mail sent from our e-mail address set forth above to you at REPloc@puc.texas.gov in Microsoft Word or PDF format.

A cancellation of this Letter of Credit shall become effective only upon written agreement issued by you from your email REPloc@puc.texas.gov.

Agreement with Terms of Letter of Credit

We hereby engage with you that your demands for payment in conformity with the terms of this Letter of Credit will be duly honored as set forth in this instrument. All fees and other costs associated with the issuance of and any drawings against this Letter of Credit will not reduce the amount payable under this Letter of Credit. The amounts of any actual drawings against this Letter of Credit will reduce the balance by such amounts.

Applicable Law

Except so far as otherwise stated herein, this Letter of Credit is subject to and governed by the International Standby Practices Publication No. 590 of the International Chamber of Commerce, (the "ISP"), in effect on the date of issuance of this Letter of Credit.

This Letter of Credit is be governed by the laws of the State of New York to the extent that the terms of the ISP are not applicable; provided that, in the event of any conflict between the ISP and New York law, the ISP controls. To the extent the terms of this Letter of Credit are inconsistent with the provisions of the ISP or New York law, the terms of this Letter of Credit govern.

[Signature page follows]

Retail Electric Provider Irrevocable Standby Letter of Credit

Yours faithfully,

_____
[Full Business Name of Issuer]

By (Name of Issuer Representative): _____

Title of Issuer Representative: _____

Issuer Representative Phone Number: _____

Issuer Representative Email Address: _____

_____
[Signature of Issuer Representative]

Retail Electric Provider Irrevocable Standby Letter of Credit

EXHIBIT I

DEMAND FOR PAYMENT AND STATEMENF OF AMOUNT DUE

Re: Irrevocable Standby Letter of Credit No. _____

Dated: _____, _____

To Whom It May Concern:

Demand is hereby made upon you for payment to us of $_____ by deposit to our account no. _____ at _____ [Name of PUCT's Bank]. This demand is issued in accordance with Public Utility Commission of Texas rules, and is made under, subject to, and governed by the terms of your Irrevocable Standby Letter of Credit No. _____ dated _____, _____ in the amount of $_____ established by you in our favor for the account of _____ as the Applicant.

Public Utility Commission of Texas

By: _____

Title: _____

Phone Number: _____

Email Address: REPloc@puc.texas.gov

Staff Email Address: _____

Date: _____

_____

[Signature of Authorized Representative]

Retail Electric Provider Irrevocable Standby Letter of Credit

EXHIBIT II

AMENDMENT CHANGING VALUE OF LETTER OF CREDIT

Re: Irrevocable Standby Letter of Credit No. _____

Dated (Original Effective Date): _____, _____

Last Amendment Date (if applicable): _____, _____

Beneficiary:
Public Utility Commission of Texas
1701 N. Congress Avenue
PO Box 13326
Austin, Texas 78711-3326
Email Address: REPloc@puc.texas.gov

Applicant:

_____
[Full Business Name]

_____
[Business Address 1]

_____
[Business Address 2]

_____
[Phone Number]

_____
[E-Mail Address]

To Whom It May Concern:

The above referenced Irrevocable Standby Letter of Credit is hereby amended by (select one)

☐ **increasing**

☐ **decreasing**

the stated amount of $_____ to a new stated amount of $_____.

An amendment **decreasing** the stated amount is effective only upon consent of the Beneficiary in accordance with the terms specified by this Irrevocable Standby Letter of Credit.

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

[Amendment continued on next page]

Retail Electric Provider Irrevocable Standby Letter of Credit

DATED (New Effective Date): _____, _____

Name of Issuer:

_____

Name of Issuer Representative:

_____

Title of Issuer Representative:

_____

Phone number: _____

Email address: _____

For decreases only
RECEIVED AND ACCEPTED/REJECTED:
Public Utility Commission of Texas

By: _____

Title: _____

Phone number: _____

Email address: REPloc@puc.texas.gov

Staff Email address: _____

Date: _____

☐ PUCT ACCEPTED
☐ PUCT REJECTED

Retail Electric Provider Irrevocable Standby Letter of Credit

EXHIBIT III

STATEMENT REGARDING ISSUER'S NON-EXTENSION

Re: Irrevocable Standby Letter of Credit No. _____

Dated: _____, _____

To Whom It May Concern:

_____ [Name of Issuer] hereby notifies you that the above referenced Irrevocable Standby Letter of Credit in the remaining amount of _____ U.S. Dollars dated _____, _____ issued by _____ [Name of Issuer] in your favor for the account of _____ [Name of Applicant] will not be extended and will expire on _____, _____.

DATED: _____, _____

Name of Issuer: _____

Name of Issuer Representative:

_____

Title of Issuer Representative:

_____

Phone number: _____

Email address: _____

Retail Electric Provider Irrevocable Standby Letter of Credit

EXHIBIT IV

STATEMENT REGARDING CANCELLATION

Re: Irrevocable Standby Letter of Credit No. _____

Dated_____, _____

To Whom It May Concern:

_____ [Name of Issuer] hereby notifies you that Irrevocable Standby Letter of Credit No. _____ ("Letter of Credit") in the remaining amount of _____ U.S. Dollars dated _____, _____ issued by _____ [Name of Issuer] in your favor for the account of _____ will terminate upon acceptance by Beneficiary. Acceptance by Beneficiary is only effective upon written agreement by the Beneficiary.

DATED: _____, _____

Name of Issuer:

_____

Name of Issuer Representative:

_____

Title of Issuer Representative:

_____

Phone number: _____

Email address: _____

RECEIVED AND ACCEPTED:
Public Utility Commission of Texas

By: _____

Title: _____

Phone number: _____

Email address: REPloc@puc.texas.gov

Staff Email address: _____

Date: _____