

ELECTRIC TARIFF

**RESIDENTIAL CONTROLLED AIR CONDITIONING
RIDER**

AVAILABILITY:

Available to Residential Service customers with Company controlled central air conditioning (including heat pumps).

Not available to customers that have an air conditioning system that significantly exceeds summer cooling requirements, as determined by Company. Availability is restricted to air conditioning units on which Company owned equipment can be installed, and that are located within the operating range of Company's radio control transmitters.

This Rider shall be deemed to be modified to conform to any changes or revisions approved by the Public Utility Commission of Texas, including the rate schedule's termination, as of the date of the effectiveness of such change. Company reserves the right to request approval by the Public Utility Commission of Texas for changes to, or termination of, this Rider at any time. Upon termination of this Rider, the Agreement shall terminate.

CREDIT:

An Annual Credit of \$50 per controlled air conditioner shall be applied to the customer's October bill.

TERMS AND CONDITIONS OF SERVICE:

1. The duration and frequency of interruptions will be determined by the Company. Customer air conditioners normally will be cycled on a schedule designed to achieve a 50 percent reduction in the building air conditioning requirements during a load management period. Load management periods may occur at any time during the year; however, they normally will occur on high demand days during summer months or when, in Company's opinion, interruption will assist in meeting Company's peak demand and system economic dispatch requirements, or the reliability of the Company's system may be at risk. Interruptions normally will not occur during the observation day of the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The interruptions as described above may occur up to a maximum of 300 hours per calendar year.

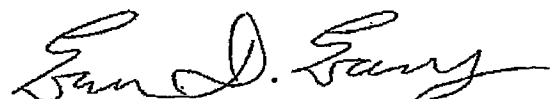
Effective Date: June 1, 2014

PUBLIC UTILITY COMMISSION OF TEXAS
APPROVED

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CONTROL # _____



REGIONAL VICE PRESIDENT, REGULATORY
ADMINISTRATION

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2. Customer must agree to Company load control for no less than one year.
3. If Company determines that its load management equipment on the customer's premises has been rendered ineffective due to tampering by use of mechanical, electrical, or other devices or actions, then Company may discontinue customer's participation in the program. Company may bill customer for all expenses involved with the removal, replacement or repair of the load management equipment and any charges resulting from investigation of the device tampering. Company may re-bill all prior load management credits received by customer to the date the tampering appears to have first occurred or the previous twelve months, whichever is longer. A customer removed from the program is only eligible to participate again at Company's discretion. Company will verify installation has been corrected before the customer is permitted to participate in the program.

LIMITATION OF LIABILITY:

Customers who elect to take service under this Rider agree to indemnify and save harmless Company from all claims or losses of any sort due to death or injury to person or property resulting from interruption of electric service, or from the operation of the interruption signal and switching equipment.

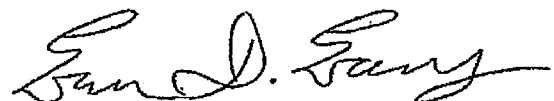
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