

AGREEMENT FOR STREET LIGHTING SERVICE

BY AND BETWEEN

City of De Leon,

A MUNICIPAL CORPORATION,

AND

ONCOR ELECTRIC DELIVERY COMPANY

DATED

January 28th, 2003

ORDINANCE NO. # 001-03

AGREEMENT FOR STREET LIGHTING SERVICE

The City of De Leon, Texas, a municipal corporation ("Customer"), and Oncor Electric Delivery Company, a Texas corporation ("Company"), for and in consideration of the mutual covenants set forth in this Agreement for Street Lighting Service (the "Agreement"), agree as follows:

1. Definitions

For purposes of this Agreement, the following terms shall have the meanings indicated:

- a. "Street Light Installation" shall mean the equipment, including but not limited to, pole(s), luminaire(s), wire(s), and appurtenances at a specific location, that will receive service pursuant to this Agreement, and that are owned and operated by Company or Customer;
- b. "Street Lighting System" shall mean the system of Street Light Installations that will receive service pursuant to this Agreement, and that are owned and operated by Company or Customer as of the effective date of this Agreement, or that will be owned, installed and operated by Company or Customer during the term of this Agreement;
- c. "Tariff for Retail Delivery Service" shall mean the Company's approved Tariff for Retail Delivery Service, as may be revised from time to time during the term of this Agreement, on file with the Public Utility Commission of Texas;
- d. "Service Regulations" shall mean the Service Regulations contained in the Company's approved Tariff for Retail Delivery Service, as may be revised from time to time during the term of this Agreement, on file with the Public Utility Commission of Texas;
- e. "Street Lighting Rates" shall mean the rate schedules applicable to Street Lighting Service contained in Company's approved Tariff for Retail Delivery Service, as may be revised from time to time during the term of this Agreement, on file with the Public Utility Commission of Texas;
- f. Company's Tariff for Retail Delivery Service, Service Regulations, and Street Lighting Rates are referred to collectively herein as Company's "Tariff."
- g. Customer shall be the "Customer" as such term is used in Company's Tariff.

2. Term and Termination.

a. Initial Term

This Agreement shall be effective as of the 28th day of January, 20 03, and, unless terminated early in accordance with the terms of this Agreement, shall remain in effect for an initial term of ten (10) years and from year to year thereafter until canceled by either party consistent with the terms of this Agreement.

b. Termination After Initial Term

After the expiration of the initial ten year term, this Agreement may be terminated by either party upon ninety (90) days written notice to the other party.

c. Initiation of Service

Prior to the time that the facilities covered by this Agreement are energized, Customer shall:

- (i) for service at a new location or ESID/Premise:
 - (1) establish electric service through a competitive retailer consistent with the terms and conditions of the Street Lighting Rate(s) selected by Customer; and
 - (2) pay to Company any contribution-in-aid-of-construction provided for in section "6.1.1.6 – Lighting Service" of Company's Tariff, or any subsequently approved similar provision, which amount will be shown on the attached Request for Street Lighting Service (Exhibit "A").

- (ii) for service at an existing location or ESID/Premise:
 - (1) contact Customer's competitive retailer and inform such competitive retailer of the additional service requested by Customer pursuant to this Agreement; and
 - (2) pay to Company any contribution-in-aid-of-construction provided for in section "6.1.1.6 – Lighting Service" of Company's Tariff, or any subsequently approved similar provision, which amount will be shown on the attached Request for Street Lighting Service (Exhibit "A").

d. Payment of CIAC by Customer's designated agent or representative

If Customer has arranged for its designated agent or representative ("Customer's Agent") to pay to Company the contribution-in-aid-of-construction referenced in 2(c)(i)(2) and 2(c)(ii)(2) above,

then Customer's Agent shall execute a Supplement to this Agreement for the sole purpose of establishing such agent's agreement to pay such contribution-in-aid-of-construction.

e. Early Termination of Service and Removal of Facilities

Notwithstanding any provision of this Agreement to the contrary, this Agreement may be terminated at any time under the following conditions:

- (i) If Company begins installation of any requested facilities prior to receiving full payment of the contribution-in-aid-of-construction from Customer or Customer's Agent as appropriate, and Customer or Customer's Agent thereafter fails to make such payment in full, then: (1) Company may immediately terminate this Agreement by providing written notice to Customer, and (2) Customer shall pay Company for the removal cost of the installed facilities, less the salvage value of such facilities. Such payment shall be made by Customer within a mutually agreed reasonable time after Company's removal of the subject facilities.
- (ii) If, during the term of this Agreement, Customer discontinues taking electric service from Customer's designated competitive retailer at a Street Light Installation or Street Light System covered by this Agreement, for purposes other than to allow the Customer to begin receiving service from another competitive retailer, then Customer shall reimburse Company for the cost of removal of the Street Light Installation or Street Light System, less the salvage value of the removed Street Light Installation or Street Light System. Such payment shall be made by Customer within 30 days of Company's removal of the subject facilities.
- (iii) If, during the term of this Agreement, Company determines that service at a Street Light Installation needs to be modified because of excessive maintenance requirements or other related issues, then Company and Customer agree to negotiate in good faith to modify the service provided at the Street Light Installation to address such issues.

f. Material Change

In the event that a judicial decision, order, new law or regulation, or a change in any law or regulation, materially and directly affects a parties ability to perform its obligations hereunder, then the party that is negatively affected shall have the right to notify the other party, within 30 days after becoming aware of such detrimental event. The parties shall use their best efforts to negotiate a modification to the terms of this Agreement so as to mitigate the impact of the event. If, after 20 days beyond the notice, the parties have been unable to negotiate a mutually satisfactory modification to the terms of this Agreement, then either party shall have the right to terminate this agreement upon 10 days written notice to the other party. If such right to terminate is not exercised within 45 days after the date of the original notice, then the right to terminate this Agreement shall be waived with respect to the particular event.

3. Provision of Service.

a. Type of Service and Rate Schedule

Company shall provide the services requested by Customer pursuant to the rate schedule selected by Customer on the attached Exhibit "A" (the "Service"). The type of Service and rate schedule applicable at each specific Street Light Installation or Street Light System shall be specified on the attached Exhibit "A" which may be amended or supplemented as necessary, at any time during the term of this Agreement, by mutual agreement of the parties.

b. Service is Subject to Company's Tariff

This Agreement is subject to the terms and conditions of Company's Tariff, and all Service provided by Company shall be pursuant to and consistent with Company's Tariff.

4. Billing and Payment

Company will invoice Customer directly for the contribution-in-aid-of-construction specified on Exhibit "A" and any other charges for which Company's Tariff provides for direct billing by Company to Customer. All other charges associated with the Services provided by Company to Customer will be included on the bill or invoice that Customer receives from Customer's designated competitive retailer.

5. No Delegation of Authority

Customer does not by this Agreement delegate its authority or responsibility for the subject Street Light Installation(s) or Street Lighting System to Company but shall continue to hold full discretion to determine the policies and procedures regarding the Street Light Installation(s) or Street Lighting System or any part thereof.

6. Request for Installation and Service

All requests for installation of facilities subject to this Agreement shall be made in the form entitled Request for Street Lighting Service, attached hereto as Exhibit "A".

7. Design

a. Design provided by Customer

Customer may provide the design criteria for any facilities requested pursuant to this Agreement. Such design criteria will be included as part of the Request for Street Lighting Service and shall include all information required by such form.

This Agreement shall be subject to and governed by the laws of the State of Texas and construed in accordance therewith.

11. Notice

Any notice required under this Agreement shall be forwarded to the following representatives of the parties:

Customer:

City of De Leon

P.O. Box 318

De Leon, Texas 76444

Company:

Asset Manager

Oncor Electric Delivery Company

12. Prior Agreements

This Agreement supersedes and amends all prior agreements with regard to Street Light Installations and/or Street Lighting Systems between Company and Customer.

13. Assignment

Neither party shall assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other party. Notwithstanding the foregoing, Company may, without the consent of Customer and upon five (5) days advance written notice, (a) transfer or assign this Agreement to an affiliate of Company, or (b) transfer or assign this Agreement to any person or entity succeeding to all or a substantial portion of the assets of Company. UPON AN ASSIGNMENT PURSUANT TO THIS SECTION 13, CUSTOMER AGREES THAT COMPANY SHALL HAVE NO FURTHER OBLIGATIONS REGARDING FUTURE PERFORMANCE HEREUNDER.

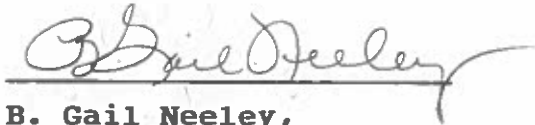
14. Inconsistencies

To the extent any provision of this Agreement conflicts with or is inconsistent with Company's Tariff, then the provisions of Company's Tariff shall control.

This Agreement is effective this 28th day of January, 2003.

ATTEST:

City of De Leon



BY:



**B. Gail Neeley,
City Secretary, City of De Leon**

MAYOR, CITY OF DELEON, TEXAS
(TITLE)

ONCOR ELECTRIC DELIVERY COMPANY

BY:



Manager, Oncor Group
(TITLE)

b. Design provided by Company

Customer may request that Company provide a design for any facilities requested pursuant to this Agreement. Such request must include all information required by the Request for Street Lighting Service attached hereto as Exhibit "A." All costs associated with the design of the Street Light Installation that are not addressed in Company's Tariff shall be borne by Customer.

8. Street Light Locations

a. Easements, Rights-of-Ways, or Customer-Owned Property

All Street Light Installations and Street Light Systems shall be located within dedicated easements or rights-of-way of Customer or on property owned by Customer.

b. Grant to Company

Customer expressly grants to Company the right to install the requested facilities within and on such dedicated easements or rights-of-way of Customer or property owned by Customer at locations designated by Customer along with the right of access over, along, across and upon such easements, rights-of-way, or property for purposes of installing, operating, maintaining (if required hereunder), replacing, and removing such facilities.

c. Designation of Locations

Customer is responsible for the designation of the locations for the facilities requested pursuant to this Agreement. If Customer requests that Company designate the locations for the facilities, then Customer specifically assumes all responsibility for such designated location(s). Customer is responsible for the locations of all Street Light Installations and Street Light Systems, whether existing as of the effective date of this Agreement, or installed during the term of this Agreement.

9. Permits and Obstructions

a. Customer will secure for Company all permits and consents necessary for the performance of this Agreement.

b. Customer is responsible for removing all obstructions and trimming all trees that may interfere with proper distribution of light from any Street Light Installations or Street Light Systems subject to this Agreement.

10. Governing Law

released from all obligation to provide the facilities requested herein.

WR Number(s): _____

Date: _____