



GDS Associates, Inc.

Engineers and Consultants

**PRESS
RELEASE**

**FOR IMMEDIATE
RELEASE**

**EAST TEXAS ELECTRIC COOPERATIVE
ISSUE REQUEST FOR PROPOSALS**

Nacogdoches, Texas. Wednesday, August 25, 2010. East Texas Electric Cooperative, Inc. ("ETEC") is issuing a Request for Proposals ("RFP") to solicit Proposals from power suppliers and others respondents for up to 50 MW of capacity and associated energy resources beginning January 1, 2015. Resources acquired from this RFP will be used, in part, to replace ETEC's existing partial requirements purchase power agreement with Entergy Texas, Inc. ("ETI") beginning January 1, 2015. ETEC is interested in receiving Proposals including, but not limited to, the following: ownership options in existing/new plants, unit or system block purchased power arrangements, 7x 24 block purchase arrangements, and renewable energy resources. All proposed resources should be capable of providing energy at an 80%, or higher, annual capacity factor. ETEC prefers terms of ten to fifteen years, but will accept a minimum term of five years.

Due to transmission constraints that exist within ETI's control area, ETEC intends to give preferential treatment to any proposals that consist of resources physically located within ETI's control area. However, proposals will be accepted for resources outside of ETI's control area which can deliver to ETEC's load on a firm transmission basis. In addition, ETEC is considering a self-build power supply option, located in ETI's control area, which will compete with the Proposals received in response to this RFP. Proposals must incorporate a start date of **January 1, 2015**.

All Proposals received will be considered. ETEC welcomes proposals from all potential providers of its requirements, including, but not limited to: Utilities, Exempt Wholesale Generators, Independent Power Producers, Qualifying Facilities, alternative/renewable resource developers, power marketers and energy service companies. Potential respondents and other interested parties may obtain the RFP and other information by visiting the website operated by ETEC's power supply consultant, GDS Associates, Inc. (<http://www.gdsassociates.com/rfp/rfp.html>). Information provided at the website includes: the complete RFP, a description of requested power supplies, RFP schedule, and response forms along with other information useful to potential respondents.

Questions concerning the RFP should be directed to Chris Dawson via:

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Proposals submitted in response to this RFP are due on **September 29, 2010**.