



*The Power of East Texas.*

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### **ETEC Files Suit Against Entergy Texas for Breach of Contract**

**NACOGDOCHES** – Lawyers for the nonprofit East Texas Electric Cooperative (ETEC) today announced that they have filed a lawsuit against Entergy Texas (ETI) for charging ETEC for electricity that was not actually provided by Entergy.

As set forth in the lawsuit filed December 28, 2012 in District Court in Nacogdoches County, ETEC alleges that over a period of several years, ETI illegally read, recorded and charged ETEC for the total amount of energy that ETEC purchased from a specific meter that was not a Delivery Point as defined by the partial requirement contracts between ETEC and ETI. By improperly charging ETEC for power that was neither generated nor delivered by ETI, ETI has breached the contracts, according to the ETEC filing.

ETEC is currently seeking damages of approximately \$8 million, as noted in the court filing.

“Back in May 2012, Entergy informed us that for the past several years, they have been charging ETEC for power not provided to us by Entergy. We believe Entergy should give back the money that they admit they should not have collected from us in the first place,” said Edd Hargett, General Manager of ETEC. “ETEC, through its lawsuit, is requesting that Entergy pay back that money which Entergy never had a right to charge, for power and services that were never provided by Entergy.”

He continued, “We have had discussions with Entergy about this for over seven months and have not seen a single dollar paid. Unfortunately, we were left with little choice but to file this lawsuit and protect our ratepayers.”

Entergy Texas provides electricity to more than 400,000 customers in 27 counties. A subsidiary of Entergy Corporation, Entergy Texas is an integrated energy company engaged primarily in electric power production and retail distribution operations.

#### **About East Texas Electric Cooperative**

ETEC is a not-for-profit electric generation and transmission cooperative headquartered in Nacogdoches, Texas. ETEC’s mission is to provide low cost, reliable power to its approximately 320,000 member owners located in 46 East Texas counties. ETEC is made up of 10 not-for-profit electric distribution cooperatives: Bowie-Cass Electric Cooperative, Cherokee County Electric Cooperative, Deep East Texas Electric Cooperative, Houston County Electric Cooperative, Jasper-Newton Electric Cooperative, Panola-Harrison Electric Cooperative, Rusk County Electric Cooperative Association, Sam Houston Electric Cooperative, Upshur Rural Electric Cooperative and Wood County Electric Cooperative.

<http://www.etc.coop/index.html>.

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