FUEL COST FACTOR - RIDER PTB-FC

Pursuant to the Substantive Rules of the Public Utility Commission of Texas, Section 25.41, the price to beat for residential customers shall be subject to a Fuel Charge determined by multiplying the kWh for the current billing month times the appropriate Fuel Cost Factor. The Fuel Cost Factor will be adjusted to recognize differences in losses due to voltage levels of service. The residential Fuel Cost Factor is as follows:

Distribution Voltage

\$0.032716/kWh

Pursuant to the Substantive Rules of the Public Utility Commission of Texas, Section 25.41, the price to beat for non-residential customers shall be subject to a Fuel Charge determined by multiplying the kWh for the current billing month times the appropriate Fuel Cost Factor. The Fuel Cost Factor will be adjusted to recognize differences in losses due to voltage levels of service. The Fuel Cost Factors are as follows:

Summer (Jun – Sep) Non-Summer (Oct-May)

Distribution Voltage \$0.044073/kWh \$0.025994/kWh

Transmission Voltage \$0.042599/kWh \$0.024520/kWh

Revision Number: 2nd Effective: 12-20-02

3