

**Electric Reliability
Council of Texas
(ERCOT)
Letter of Credit (LOC)**

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Executive Summary

Authorize the execution of a Letter of Credit (LOC) facility with Wells Fargo Bank, N.A.

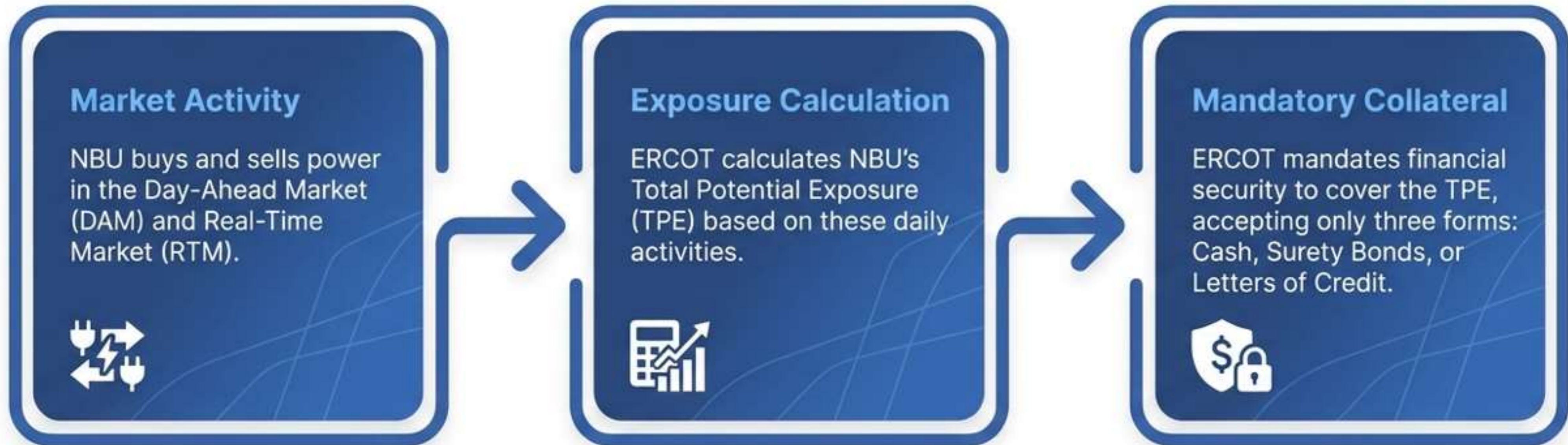
- Maximum Facility Amount: \$25,005,000.00



~\$9,000,000

Cash collateral immediately released back to NBU operational funds.

ERCOT Market Participation Requires Collateral



Mission

Strengthening our community by providing resilient essential services

+

Vision

Be a trusted community partner dedicated to excellence in service

+

Core Values

Safety, Team, Integrity, Culture, and Stewardship

The Strategic Pivot to a Letter of Credit

Substituting our cash deposit with an LOC maintains our mandatory market standing while instantly restoring liquidity.

Current Strategy (Restricted Cash)

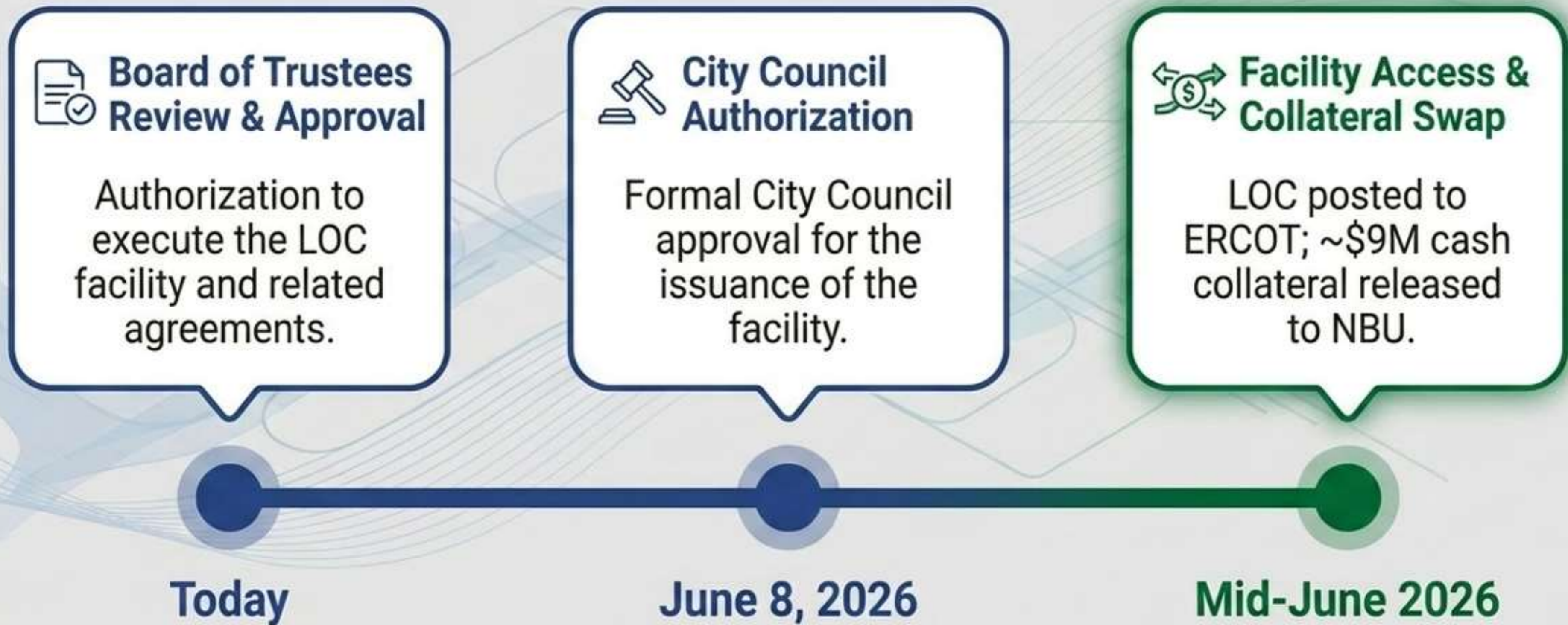


Proposed Strategy (Unlocking Liquidity)



This action releases approximately \$9 million directly back into NBU's operational funds.

Timeline to Execution



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Questions?

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