



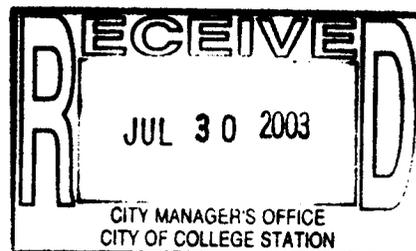
Debra L. Anderson
Manager
Municipal Regulatory Affairs

Oncor Group
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Dallas, TX 75201

Tel 214 486 2879
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July 25, 2003

Tom Brymer, City Manager
City of College Station
P.O. Box 9960
College Station, TX 77842



Re: Letter of Commitment – Gas Franchise

Dear Mr. Brymer:

TXU Gas Distribution, successor in interest to Lone Star Gas Company, hereby confirms its commitment to continue to operate under and be bound by the terms and conditions of franchise ordinance number 1122 passed on August 10, 1978 in the City of College Station, as amended, until a new franchise is adopted, approved and agreed to by TXU Gas Distribution and the City of College Station.

Further, TXU reaffirms its agreement to negotiate in good faith with the City for the development and approval of a new franchise agreement with the City of College Station.

Please let me know if you have additional questions or concerns regarding this Letter of Commitment.

Sincerely,

Debra L. Anderson

*cc: H Casjell
C Shear
G Brown*

*FYI
8/7/03
[Signature]*

cc: Don Fazzino
Olivia Burnside