



Luminant

Sid Stroud
Director, Environmental Mining
Environmental Services
sid.stroud@luminant.com

Luminant
1601 Bryan Street
EP28-015C
Dallas, TX 75201

T 214.875.9129
C 214.729.2171
F 214.875.9133

May 16, 2014

Mr. John E. Caudle, Director
Surface Mining and Reclamation Division
Railroad Commission of Texas
P.O. Box 12967
Austin, Texas 78711-2967

Railroad Commission
of Texas
RECEIVED

MAY 16 2014

Surface Mining Division

RE: Luminant Mining Company LLC ("Luminant Mining")
Permit Nos. 3F, 4K, 5G, 34F, 46C, 48B, 49A, 50A, 51, 53, 54, 56, and 58
Application for Authorization to Substitute and Replace Reclamation Performance Self-Bonds and for Approval of Blanket Collateral Bond

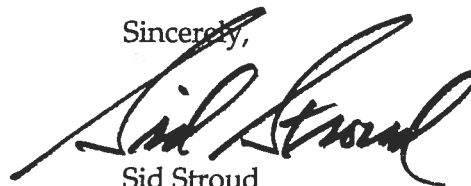
Dear Mr. Caudle:

As I noted in my letter of April 29, 2014, Luminant Mining is submitting the enclosed Application for Authorization to Substitute and Replace Reclamation Performance Self-Bonds and for Approval of Blanket Collateral Bond ("Application") in accordance with Railroad Commission of Texas ("Commission") regulations and in sufficient time for the Commission to act on the Application within the 90-day period provided by 16 Tex. Admin. Code § 12.309(j)(7).

Enclosed for your review and processing are one (1) original and four (4) copies of supporting bonding documentation including the Application, the proposed collateral bond and the other supporting attachments. As referenced in the Application, Luminant Mining requests, among other findings, a finding that the bond documentation is acceptable to show compliance with 16 Tex. Admin. Code §§ 12.308, 12.309(h) and (j)(7), and 12.310 relating to substitute and blanket collateral bonding.

Please call me at (214) 875-9129 or Matt Henry at (214) 220-7726 if you have questions.

Sincerely,



Sid Stroud

SS/mi
Enclosures

Cc: Mr. Milton Rister, Executive Director

MAY 16 2014

Surface Mining Division

BEFORE THE
RAILROAD COMMISSION OF TEXAS
SURFACE MINING AND RECLAMATION DIVISION

IN RE: APPLICATION OF LUMINANT
MINING COMPANY LLC FOR
AUTHORIZATION TO SUBSTITUTE
AND REPLACE RECLAMATION
PERFORMANCE SELF-BONDS

§
§
§
§

DOCKET NO. _____

LUMINANT MINING COMPANY LLC'S APPLICATION FOR AUTHORIZATION TO
SUBSTITUTE AND REPLACE RECLAMATION PERFORMANCE
SELF-BONDS AND FOR APPROVAL OF BLANKET COLLATERAL BOND

TABLE OF CONTENTS

I.	INTRODUCTION	3
II.	BLANKET BOND.....	5
III.	COLLATERAL BOND	6
A.	Applicable Regulations.....	6
B.	Chapter 11 Filing and DIP Financing	7
C.	Compliance with Section 12.309(h)	10
1.	Grant of Security Interest to the Commission [Section 12.309(h)(1).	10
2.	Schedule of Pledged Assets [Section 12.309(h)(2)]	11
3.	No Pledged Land Will be Mined Under any Permit [Section 12.309(h)(3)]	12
IV.	LIABILITY INSURANCE.....	12
V.	CONCLUSION AND PRAYER	12

Attachments

Attachment A	Letter from Sid Stroud, Director Environmental Mining, Luminant Mining Company LLC, to John E. Caudle, Director Surface Mining and Reclamation Division, Railroad Commission of Texas (April 29, 2014)
Attachment B	Collateral Bond and Indemnity Agreement for Surface Mining and Reclamation Permits

Attachment C	Energy Future Holdings Corp. Board of Directors Resolutions, April 28, 2014
Attachment D	Affidavit of Gary L. Moor Regarding DIP Credit Agreement
Attachment E	Interim Order (A) Approving Postpetition Financing for Texas Competitive Electric Holdings Company LLC and Certain of its Debtor Affiliates, (B) Granting Liens and Providing Superpriority Administrative Expense Claims, (C) Modifying the Automatic Stay, and (D) Scheduling a Final Hearing, <i>In re Energy Future Holdings Corp., et al.</i> , No. 14-10979 (CSS) (Bankr. D. Del. May 2, 1014)
Attachment F	Interim Order (A) Authorizing Use of Cash Collateral for Texas Competitive Electric Holdings Company LLC and Certain of its Debtor Affiliates, (B) Granting Adequate Protection, (C) Modifying the Automatic Stay, and (D) Scheduling a Final Hearing, <i>In re Energy Future Holdings Corp., et al.</i> , No. 14-10979 (CSS) (Bankr. D. Del. May 2, 1014)
Attachment G	Affidavit of Gary L. Moor Regarding the Keglevic Declaration
Attachment H	Affidavit of David Herr Regarding Duff & Phelps, LLC, Appraiser of Property Pledged in Support of Collateral Bond
Attachment I	Duff & Phelps, LLC, <i>Appraisal of the Fair Market Value of Texas Competitive Electric Holdings, Excluding Properties to be Mined, as of November 30, 2013</i> (May 15, 2014)
Attachment J	Affidavit of Anthony R. Horton Demonstrating Proof of Possession and Title to Real Property Pledged in Support of Collateral Bond
Attachment K	Certificate of Liability Insurance Submissions
Attachment L	Affidavit of Sid Stroud

**BEFORE THE
RAILROAD COMMISSION OF TEXAS
SURFACE MINING AND RECLAMATION DIVISION**

**IN RE: APPLICATION OF LUMINANT
MINING COMPANY LLC FOR
AUTHORIZATION TO SUBSTITUTE
AND REPLACE RECLAMATION
PERFORMANCE SELF-BONDS**

§
§
§
§

DOCKET NO. _____

**LUMINANT MINING COMPANY LLC'S APPLICATION FOR AUTHORIZATION TO
SUBSTITUTE AND REPLACE RECLAMATION PERFORMANCE
SELF-BONDS AND FOR APPROVAL OF BLANKET COLLATERAL BOND**

Pursuant to Subchapter J of the Railroad Commission of Texas ("Commission") Coal Mining Regulations, 16 Texas Admin. Code §§ 12.300-12.317, and specifically §§ 12.308, 12.309(h) and (j)(7), and 12.310,¹ Luminant Mining Company LLC ("Mining Company") hereby respectfully requests authorization to substitute and replace the Commission-approved reclamation performance self-bonds supported by third-party guarantees ("Self-Bonds") that are currently in place for reclamation obligations arising from operations undertaken at each of its thirteen (13) permitted mines ("Permitted Mines"). In this application Mining Company respectfully requests that the Self-Bonds be substituted by and replaced with a single, blanket collateral bond covering Mining Company's statewide operations as permitted by the Coal Mining Regulations. In support of this application, Mining Company shows as follows:

**I.
INTRODUCTION**

As authorized by the Commission, Mining Company currently satisfies its performance bond obligations for the following Permitted Mines and the associated required bond amounts by providing the Self-Bonds:

Permit No.	Mine	Bond Amount (\$)
3F	Big Brown Mine	86,000,000
4K	Martin Lake Mine	185,000,000
5G	Monticello-Thermo Mine	43,000,000
34F	Monticello-Winfield Mine	120,000,000
46C	Oak Hill Mine	223,000,000

¹ 16 TEX. ADMIN. CODE CH. 12 (2012).

Permit No.	Mine	Bond Amount (\$)
48B	Three Oaks Mine	60,000,000
49A	Bremond Mine	3,000,000
50A	Kosse Mine	150,000,000
51	Leesburg Mine	18,000,000
53	Martin Lake AIV South Mine	44,000,000
54	Turlington Mine	30,000,000
56	Thermo A-1 Mine	4,000,000
58	Martin Lake Liberty Mine	43,000,000

The sum of the foregoing Self-Bonds is \$1,009,000,000, and each bond amount for these Permitted Mines is guaranteed by Luminant Generation Company LLC (“Genco”).²

As required by Section 12.309(j)(7) of the Coal Mining Regulations, Mining Company notified the Commission by letter dated April 29, 2014, that Energy Future Holdings Corp. (“EFH”), the ultimate parent company of Mining Company and Genco, and others initiated a Chapter 11 reorganization that includes a number of its subsidiaries, including Mining Company and Genco.³ On April 30, 2014, Mining Company also submitted its annual audited financial statements. As a result of the qualified audit opinion from its auditor on its financial statements, Mining Company no longer qualifies to self-bond under § 12.309(j)(2)(D)(i) of the Coal Mining Regulations. Additional facts regarding the Chapter 11 filing⁴ are detailed below in Section III.B.

Pursuant to § 12.309(j)(7) of the Coal Mining Regulations, Mining Company hereby submits an alternate form of bond to replace the Self-Bonds associated with the Permitted Mines. Specifically, Mining Company is submitting a substitute bond in the form of a blanket Collateral Bond and Indemnity Agreement for Surface Mining and Reclamation Permits for its existing

² As of May 5, 2014, the sum of the current minimum required bond amounts for each of the Permitted Mines is \$938,135,237. The larger bond amounts adopted for the Permitted Mines are designed to account for variances in actual reclamation costs as well as any unforeseen increases in reclamation equipment rates. Each bond also includes a “reserve” amount to accommodate administrative permit revisions that may result in relatively small increases in reclamation costs, so that a new bond instrument is not required to be submitted with every change in reclamation cost.

³ Letter from Sid Stroud, Director Environmental Mining, Luminant Mining Company LLC, to John E. Caudle, Director Surface Mining and Reclamation Division, Railroad Commission of Texas (Apr. 29, 2014). A copy of this notification letter is attached hereto as Attachment A.

⁴ *In re Energy Future Holdings Corp., et al.*, No. 14-10979 (CSS) (Bankr. D. Del.) (petition filed Apr. 29, 2014).

statewide mining operations in the amount of \$1,100,000,000 (*see Attachment B*)⁵ (the “Collateral Bond”) to ensure continued compliance with its reclamation obligations under the Coal Mining Regulations. The Collateral Bond amount exceeds the current aggregate amount of the Self-Bonds in order to accommodate additional permit revisions anticipated over the next several months, and it is more than sufficient to satisfy all of Mining Company’s existing, aggregate Self-Bond obligations. Under § 12.310(a), the proposed replacement Collateral Bond by its own terms assumes any accrued liability against Mining Company under the Self-Bonds.⁶

Mining Company has timely filed this application so that it may be reviewed and acted upon by the Commission as required by the Coal Mining Regulations.⁷ As further detailed below, Mining Company respectfully seeks the Commission’s approval to substitute the Collateral Bond for the Self-Bonds associated with the Permitted Mines.

II. BLANKET BOND

Mining Company has historically satisfied its bonding obligations at each of the Permitted Mines by posting incremental self-bonds to support each individual mine permit. Section 12.308(c) of the Coal Mining Regulations, however, expressly authorizes Mining Company to satisfy its incremental performance bond obligations with a single, blanket bond covering all of its statewide operations. As discussed in Section III below, Mining Company is proposing to replace the Self-Bonds with the Collateral Bond, which is secured by a carve out from a superpriority perfected first-lien security interest in substantially all of the assets of Texas Competitive Electric Holdings Company LLC (“TCEH”), the indirect parent company of Mining Company and Genco, including the assets of Mining Company and Genco. The Collateral Bond

⁵ As submitted with this application, **Attachment B** does not currently have a bankruptcy court attached thereto, however, as further discussed below, Mining Company will supplement this application and **Attachment B** with the final orders once the bankruptcy court issues them.

⁶ *See Attachment B* at 2. Under 16 TEX. ADMIN. CODE § 12.310(a), the Commission “may allow permittees to replace existing bonds with other bonds if the liability which has accrued against the permittee on the permit area is transferred to such replacement bonds.”

⁷ *See* 16 TEX. ADMIN. CODE § 12.309(j)(7) (requiring timely filing of substitute bonds so they “may be reviewed and acted by the Commission within a reasonable time, not to exceed 90 days, from the date of notification.”).

excludes the real property within the Permitted Mines.⁸ Since the performance bond obligations will be secured by a carve out from a lien on substantially all of TCEH's assets under the Coal Mining Regulations, collectively, as opposed to incremental segments of assets associated with each Permitted Mine, a single, blanket performance bond covering all of Mining Company's statewide operations is most appropriate and consistent with the pledged collateral.

The proposed Collateral Bond complies with Section 12.308(c) of the Coal Mining Regulations. In addition, there are valid policy reasons for the Commission to approve use of a blanket bond for the Permitted Mines. First, a blanket bond will, over time, be more efficient for both the Commission and Mining Company than maintaining individual bonds for each of the Permitted Mines, which require separate processing, administration, and frequent filings as mine permit renewal and revision applications are approved. Second, as mentioned in footnote 2, *infra.*, each incremental bond currently includes a "reserve" amount over and above the approved calculated reclamation cost for each mine. This reserve amount allows Mining Company to revise its mine or construction plan, or modify reclamation equipment rates, in a manner that may increase overall reclamation costs at the mine without necessarily requiring Mining Company to file a new bond application to increase the bond amount. By aggregating the reclamation bond amounts, and therefore aggregating the reserve amounts, Mining Company, in a future proceeding, should be able to reduce the overall bond amount by eliminating excess reserve amounts that are not necessary under the blanket bond approach.

III. COLLATERAL BOND

As evidenced by the information contained in this application, the proposed Collateral Bond satisfies the applicable requirements of the Coal Mining Regulations.

A. Applicable Regulations

In addition to the regulations generally applicable to bonding for surface mining and reclamation operations and blanket bonds addressed above in Sections I and II, respectively, the following regulations apply to a collateral bond. Section 12.308(a)(2) of the Coal Mining

⁸ Section 12.309(h)(3) of the Coal Mining Regulations provides that land pledged as security shall not be mined under any permit. Accordingly, Mining Company has instructed its independent third-party appraiser to exclude all property under its current mine permits from the appraisal submitted with this application.

Regulations provides that the Commission may allow for use of a collateral bond to secure performance bonding obligations. Section 12.300(1)(E) defines a collateral bond as including “[a]n indemnity agreement in a sum certain deposited with the Commission and executed by the permittee and supported by [among other collateral options] a perfected, first-lien security interest in real or personal property, in favor of the Commission[.]” Likewise, § 12.309(h)(1) requires that the collateral bond grant to the Commission “a mortgage or perfected first-lien security interest in real or personal property with a right to sell or otherwise dispose of the property in the event of forfeiture under §§12.314 through 12.317” of the Coal Mining Regulations.

Section 12.309(h)(2) provides that, with an application to post a collateral bond, the applicant “shall submit a schedule of the real or personal property which shall be pledged to secure the obligations under the indemnity agreement,” including (1) a description of the property, (2) the fair market value as determined by an appraisal conducted by an appraiser authorized by the Commission, and (3) proof of possession and title to the pledged real property. As mentioned previously, § 12.309(h)(3) provides that land pledged as security shall not be mined. Mining Company’s compliance with § 12.309(h) is detailed below in Section III.C.

B. Chapter 11 Filing and DIP Financing

As Mining Company notified the Commission on April 29, 2014, Mining Company and Genco are both part of the Chapter 11 reorganization filing that EFH, TCEH, and others initiated on April 29, 2014. This type of reorganization process is designed to permit a company to continue normal business operations while it restructures its balance sheet. Thus, EFH does not expect there to be any interruption in its operations, including those at Mining Company and Genco.

TCEH is the indirect parent company of Mining Company and Genco. As a subsidiary of EFH, TCEH engages in the generation, retail sale, and wholesale purchase and sale of electricity to residential and business customers in Texas. It also engages in development and construction of generation facilities, as well as commodity risk management and trading activities, in addition to the mining activities conducted by Mining Company. TCEH currently owns 15,427 megawatts of generation capacity in Texas, including approximately 10,800 megawatts of coal and nuclear generation composed of 2,400 megawatts of nuclear capacity and 8,400 megawatts of

lignite/coal-fueled capacity. TCEH's generation assets include one nuclear plant (Comanche Peak), five lignite/coal-fueled facilities (Big Brown, Monticello, Martin Lake, Sandow, and Oak Grove), and several natural gas-fueled facilities in the Electric Reliability Council of Texas ("ERCOT") power region. To provide fuel for its lignite/coal-fueled plants, TCEH through Mining Company operates the Permitted Mines. TCEH is also a large purchaser of wind-generated electricity in Texas. TCEH, through its retail electric provider subsidiaries, provides competitive retail electricity sales and related services to 1.7 million retail electricity customers in Texas.

In a proceeding such as the Chapter 11 filing, it is typical for debtors, like EFH, TCEH, and their subsidiaries, to obtain debtor-in-possession ("DIP") financing to ensure a smooth transition into Chapter 11 with minimal disruption to their business operations.⁹ This type of financing allows the debtor access to cash and cash equivalents to fund day-to-day operations and carry out the business of the reorganization. To protect the DIP lenders, DIP financing is secured by senior secured, superpriority liens on the assets of the debtor. Said another way, the DIP lenders move ahead of the other creditors of the business and, thus, the DIP loans are given the highest level of protection. In this instance, TCEH and its subsidiary companies were uniquely positioned to negotiate a DIP facility with favorable terms and ultimately secured DIP financing on terms more akin to conventional, broadly-syndicated facilities than typical post-petition financing facilities. This is because the TCEH debtors, including Mining Company and Genco, are operationally sound and generate significant positive cash flow before debt service. Additionally, relative to the value of the TCEH debtors' businesses, the DIP Financing (defined below) is significantly over-collateralized, *i.e.*, the assets of TCEH pledged to secure the DIP Financing are far in excess of the amount borrowed.

Accordingly, following a lengthy, competitive process, the TCEH debtors obtained commitments from several large financial institutions for a fully underwritten, \$4,475,000,000 DIP financing (the "DIP Financing") as reflected in the DIP financing agreement ("DIP Credit Agreement") (relevant excerpts included with **Attachment D** hereto).¹⁰ The DIP Financing is

⁹ Under 11 U.S.C. § 364 and Rule 4001(c) of the Federal Rules of Bankruptcy Procedure, such DIP financing is permitted.

¹⁰ See **Attachment D** at 1 (containing Recitals); *see also* **Attachment G** at 89-90 (docket page numbering in header).

secured by a perfected priming¹¹ superpriority first lien on substantially all of the assets of TCEH and its subsidiaries (the "Collateral"), senior to the pre-petition creditors (*i.e.*, the creditors of TCEH and its subsidiaries included in the Chapter 11 filing).¹² The DIP Financing also enables Mining Company to satisfy the requirement under § 12.309(j)(7) of the Coal Mining Regulations by securing the Collateral Bond. Specifically, the DIP Financing, as approved by the DIP interim order ("DIP Interim Order") and the cash collateral interim order ("Cash Collateral Interim Order") of the United States Bankruptcy Court for the District of Delaware (attached hereto as **Attachments E and F**, respectively) (collectively, the "Interim Orders"), contemplates a carve out from the DIP lenders' liens of up to \$1,100,000,000 for the benefit of the Commission (the "RCT Reclamation Support Carve Out").¹³ The RCT Reclamation Support Carve Out is senior to any other obligations or liabilities of the debtors, including those related to the DIP Financing, other than certain professional fees.¹⁴ Additional details regarding the RCT Reclamation Support Carve Out are available in the sworn declaration of Paul Keglevic, Executive Vice President, Chief Financial Officer, and Co-Chief Restructuring Officer of EFH ("Keglevic Declaration") (relevant excerpts included with **Attachment G** hereto), which was submitted in support of the Chapter 11 filing.¹⁵

In light of the voluminous nature of the DIP Credit Agreement (361 pages) and the Keglevic Declaration (464 pages), Mining Company is submitting the relevant excerpts of those

¹¹ A loan obtained in Chapter 11 the payment of which is of a greater priority than the repayment of other debts.

¹² **Attachment D** at 135-36, 160-161; **Attachment E** at 10, 17, 22, 38-39, and 47; **Attachment F** at 4-5, 15-17, 21, 25, 30-31, and 40-41.

¹³ See generally **Attachments E and F**. The DIP Interim Order provides for the RCT Reclamation Support Carve Out from the DIP lenders' perfected security interest in substantially all of the assets of TCEH and its subsidiaries. The Cash Collateral Interim Order provides that the RCT Reclamation Support Carve Out from the DIP lenders' perfected security interest provided for under the DIP Interim Order is senior in priority to the liens and claims, including liens and claims granted under the Cash Collateral Interim Order, of prepetition secured creditors of TCEH and its subsidiaries. It is expected that the Interim Orders will be replaced by final orders on or shortly after June 5-6, 2014. See **Attachment E** at 49; **Attachment F** at 52. As noted in footnote 5, *infra.*, Mining Company will supplement this application and **Attachment B** (the Collateral Bond) with the final orders once the bankruptcy court issues them.

¹⁴ It is typical for certain professional fees to receive senior priority in a Chapter 11 filing. The estimated professional fees in the EFH filing are projected to be \$400,000,000 and represent only a small fraction of the assets pledged to secure the DIP Facility that provides the RCT Reclamation Carve Out for the Collateral Bond.

¹⁵ See **Attachment G** at 21-22 and 89-90 (docket page numbering in header).

publically available documents in **Attachments D** and **G**, respectively, accompanied by affidavits from a company representative. The cover affidavits certify as to the authenticity of the excerpts and provide references to the full versions of the documents associated with **Attachments D**¹⁶ and **G** on file with the United States Securities and Exchange Commission and the bankruptcy court, respectively. For purposes of the record in support of this application, Mining Company respectfully requests that the Commission take official notice of the full filings associated with the excerpted material in **Attachments D** and **G**.¹⁷

C. Compliance with Section 12.309(h)

As set forth below, Mining Company is proposing a Collateral Bond that grants to the Commission a super-priority perfected first lien security interest in eligible real and personal property and that otherwise fully complies with the applicable requirements of the Coal Mining Regulations.

1. Grant of Security Interest to the Commission [Section 12.309(h)(1)]

The Collateral Bond proposed by Mining Company complies with Section 12.309(h)(1) because it grants to the Commission a carve out from a superpriority perfected first-lien security interest in real and personal property of all of TCEH's assets, including those of Mining Company and Genco. The Collateral Bond excludes real property within Mining Company's current Commission-approved mine permits. *See Attachment I* at ii-iv, 2, 4-5, and Appendix A. The Collateral has a total appraised asset value of \$10,744,117,000 (*Attachment I* at iv) and provides the Commission with a right to collect up to the bond amount in the event of forfeiture under Sections 12.314-.317 of the Coal Mining Regulations. As the Interim Orders (*Attachments E and F*), the DIP Credit Agreement (*see Attachment D*), and Collateral Bond (*Attachment B*)¹⁸ all demonstrate, the Commission has received a carve out from a superpriority perfected first-lien security interest in the Collateral, subject only to the limited professional fees carve out described above, which represents only a small portion of the Collateral.

¹⁶ The DIP Credit Agreement excerpts in **Attachment D** as they appear in a recent 8-K filing. *See* Energy Future Holdings Corp., et al., Current Report (Form 8-K) at Exhibit 10.1 (May 7, 2014).

¹⁷ *See* 16 TEX. ADMIN. CODE § 1.102; *see also* Tex. R. Evid. 201(b).

¹⁸ *See also Attachment C* (authorizing the EFH bankruptcy filing).

2. Schedule of Pledged Assets [Section 12.309(h)(2)]

The proposed Collateral Bond also complies with Section 12.309(h)(2) because Mining Company has submitted a schedule of the real and personal property pledged that secure its obligations under the Collateral Bond. This schedule of assets is contained in the appraisal of the Collateral's fair market value performed by independent appraiser Duff & Phelps, LLC ("Duff & Phelps") (**Attachment I** at 33-70 and Appendix A) and also includes a description of the assets (**Attachment I** at 33-34 and 53-70). Additionally, the affidavit attached hereto as **Attachment J** provides proof of possession and title to the eligible real property included in the Collateral.¹⁹

In accordance with Section 12.309(h)(2)(B), Mining Company hereby requests the Commission's approval of Duff & Phelps as an independent authorized appraiser for purposes of providing the fair market value of the Collateral pledged to secure Mining Company's obligations under the Collateral Bond. Duff & Phelps performed the analysis and prepared the appraisal report under the leadership of directors in its Valuation Advisory Services unit.²⁰ As evidenced by **Attachment H**, Duff & Phelps is a preeminent global valuation and corporate finance advisor with significant expertise in complex valuation and appraisals, including those performed in the energy and mining industries and, therefore, qualifies as an appraiser for purposes of this application.²¹

The property pledged under the DIP Financing includes the assets of TCEH as described above. As evidenced by the Duff & Phelps appraisal, the fair market value of the real and personal property that is pledged well exceeds the \$1,009,000,000 aggregate amount covered by the existing Self-Bonds and the proposed \$1,100,000,000 Collateral Bond. *See Attachment I* at iv).

¹⁹ **Attachment J** at Schedule A includes substantially all of the real property of the TCEH companies, including real property of Mining Company located within approved mine permit areas. Real property located within approved mine permit areas has been *excluded* in Mining Company's submitted appraisal (*see Attachment I*) and is not being offered to support the Collateral Bond.

²⁰ **Attachment I** at vii-ix (listing the professional credentials of the Duff & Phelps appraisers that analyzed and valued the Collateral and prepared the appraisal report).

²¹ Duff & Phelps performs valuation work for TCEH and its subsidiaries in connection with TCEH's SEC reporting requirements and is therefore familiar with TCEH's business. While the statements and conclusions in the Duff & Phelps appraisal are entirely within the range of reasonableness, they represent the independent views and opinions of Duff & Phelps and do not necessarily represent the views of TCEH and its subsidiaries in all respects.

3. No Pledged Land Will be Mined Under any Permit [Section 12.309(h)(3)]

Mining Company is not proposing to include in the Collateral any real property that is currently being mined or that is approved for mining under the existing permits. The Duff & Phelps appraisal specifically excludes all property within the boundaries of the Permitted Mines. *Id.* at ii-iv, 2, 4-5, and Appendix A. The Collateral Bond proposed by Mining Company complies with Section 12.309(h)(3) because the land appraised and pledged as security excludes land that is or will be mined at the Permitted Mines.

IV. LIABILITY INSURANCE

Traditionally, because Mining Company has been authorized to self-bond, and has in fact self-bonded, it has not been required under the Commission's rules to file proof of liability insurance with its permit applications.²² Mining Company has, however, at all times, maintained qualifying commercial insurance as required by Commission rules. On April 30, 2014, Mining Company submitted to the Commission certificates of insurance verifying coverage and demonstrating its compliance with the Commission's liability insurance requirements (**Attachment K**).²³

V. CONCLUSION AND PRAYER


WHEREFORE, PREMISES CONSIDERED, Mining Company respectfully requests that the Commission approve Duff & Phelps as an authorized appraiser for the fair market value appraisal submitted with this application, take official notice of the full public filings associated with **Attachments D** and **G**, admit this application and its attachments into the record, authorize Mining Company to substitute and replace the Self-Bonds currently in place for its reclamation obligations at the Permitted Mines with the Collateral Bond, and grant Mining Company such other or further relief to which it may show itself entitled.

²² Commission rules provide that a permittee that qualifies to self-bond also qualifies to self-insure and, therefore, does not need to submit a certificate of a public liability insurance policy. See 16 TEX. ADMIN. CODE § 12.311(d).

²³ See also **Attachment L** (certifying Mining Company's authorization for the issuance of certificates of insurance verifying coverage).

Respectfully submitted,

VINSON & ELKINS LLP

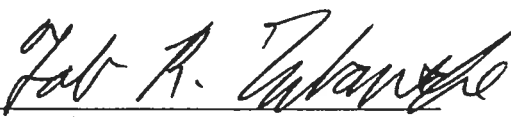
By: 
Matthew C. Henry
State Bar No. 00790870
Tab R. Urbantke
State Bar No. 24034717
Winston P. Skinner
State Bar No. 24079348

Trammell Crow Center
2001 Ross Avenue, Suite 3700
Dallas TX 75201-2975
(214) 220-7726
(214) 999-7726 (fax)

ATTORNEYS FOR
LUMINANT MINING COMPANY LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing *Application for Authorization to Substitute and Replace Reclamation Performance Self-Bonds and for Approval of Blanket Collateral Bond* was forwarded by Federal Express to John E. Caudle, Director, Surface Mining and Reclamation Division, Railroad Commission of Texas, 1701 North Congress Avenue, Austin, Texas 78701, this 16th day of May 2014.


Tab R. Urbantke

A



Luminant

Sid Stroud
Director, Environmental Mining
Environmental Services
sid.stroud@luminant.com

Luminant
1601 Bryan Street
EP28-015C
Dallas, TX 75201

T 214.875.9129
C 214.729.2171
F 214.875.9133

April 29, 2014

Mr. John E. Caudle, Director
Surface Mining and Reclamation Division
Railroad Commission of Texas
1701 N. Congress
P.O. Box 12967
Austin, Texas 78711-2967

Re: Luminant Mining Company LLC ("Luminant Mining")
Permit Nos. 3F, 4K, 5G, 34F, 46C, 48B, 49A, 50A, 51, 53, 54, 56, and 58
Self-Bonds with Third-Party Guarantees

Dear Mr. Caudle:

Luminant Mining is the permit-holder with respect to the thirteen above-referenced surface mining permits. As approved by the Railroad Commission of Texas ("Commission"), Luminant Mining currently secures its reclamation obligations associated with its surface mining activities through self-bonds with third-party guarantees. Luminant Generation Company LLC ("Luminant Generation") is the current guarantor of the thirteen self-bonds associated with the permits.

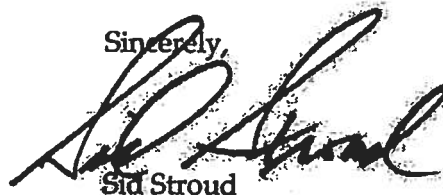
Energy Future Holdings Corp. ("EFH"), the indirect parent of Luminant Mining and Luminant Generation, has today initiated a Chapter 11 reorganization that includes a number of its direct and indirect subsidiaries, including Luminant Mining and Luminant Generation. This type of reorganization process is specifically designed to permit a company to continue normal business operations while it restructures its balance sheet. EFH does not expect there to be any interruption in its operations, including those at Luminant Mining and Luminant Generation.

As a result of the Chapter 11 filing, under 16 Tex. Admin. Code § 12.309(j)(2)(B), Luminant Mining no longer qualifies for self-bonding of its reclamation obligations and Luminant Generation is not qualified to serve as a guarantor for Luminant Mining's self-bonds. Therefore, Luminant Mining will submit an application to substitute a blanket collateral bond consistent with the Commission's regulations and in an amount sufficient to satisfy all of its current reclamation obligations. We will file the application as soon as practicable and in sufficient time for the Commission to act on the application within the ninety (90) day period provided by 16 Tex. Admin. Code § 12.309(j)(7).

Mr. John E. Caudle, Director
Page two
April 29, 2014

If you have any questions, please do not hesitate to call me at (214) 875-9129 or EFH General Counsel Stacey Doré at (214) 812-6004. For your convenience, I have enclosed a press release that describes in more detail the nature of today's filing.

Sincerely,

A handwritten signature in black ink, appearing to read "Sid Stroud", written over the word "Sincerely,".

Sid Stroud

SS/mi
Enclosure

cc: Mr. Milton Rister, Executive Director

Energy Future Holdings

Energy Future Holdings Reaches Restructuring Agreement to Address Balance Sheet and Create Sustainable Capital Structure

*Commences Pre-Arranged Chapter 11 Reorganization with Up to \$4.475 Billion and
\$7.3 Billion in New Financing Commitments for TCEH and EFIH, Respectively*

*Operations Continue as Usual, Including Same High Levels of Service for Luminant and
TXU Energy Customers and Payment of Employee Wages and Benefits*

DALLAS, APRIL 29, 2014 – Energy Future Holdings (EFH) announced today that it has entered into an agreement with certain of its key financial stakeholders to reduce its approximately \$40 billion of debt, lower its annual cash interest costs, access significant additional capital and create a sustainable capital structure for the future. To implement this pre-arranged restructuring plan, Energy Future Holdings Corp. and certain of its subsidiaries, including Texas Competitive Electric Holdings Company LLC (TCEH) (the holding company for EFH's competitive businesses, including Luminant and TXU Energy) and Energy Future Intermediate Holding Company LLC (EFIH) (the holding company for EFH's regulated business, Oncor Electric Delivery Company), have filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code in the Bankruptcy Court for the District of Delaware. Oncor is not a part of the Chapter 11 filing.

"We are pleased to have the support of our key financial stakeholders for a consensual restructuring," said John Young, president and chief executive officer of EFH. "With this restructuring plan, we now have a path to a sustainable capital structure that would put EFH and its family of companies in an even stronger position over the long term to deliver for all of our stakeholders, including our customers, our employees and our business partners. This restructuring is focused on our balance sheet, not our operations. We fully expect to continue normal business operations during the reorganization. As always, Luminant will continue to provide safe, reliable energy and TXU Energy will continue to provide best-in-class customer service and innovative energy solutions. We will maintain our commitment to operational excellence in a competitive energy market."

Over the past six years, the company has fulfilled its commitments to Texas on pricing, environmental responsibility and investment totaling more than \$10 billion in the state's infrastructure and in the company's energy generation facilities. The company added 1,900 jobs and consistently posted top-tier operational performance.

Overview of Proposal

Under the terms of the proposed restructuring agreement, upon emergence, transactions would be implemented to eliminate certain debt at EFH and certain of its subsidiaries.

TCEH and its subsidiaries would separate from EFH without triggering any material tax liability, and TCEH's first lien lenders would receive all of the equity in the reorganized TCEH and the cash proceeds from the issuance of new debt at the reorganized TCEH in exchange for eliminating approximately \$23 billion of TCEH's funded debt.

At EFIH, the proposed transaction would eliminate approximately \$2.5 billion of EFIH's funded debt through, among other things, a capital infusion of up to \$1.9 billion from certain EFIH unsecured noteholders. This capital would convert, along with all EFH and EFIH unsecured notes, into equity in the reorganized EFH upon the completion of the company's reorganization. In addition, certain EFIH unsecured noteholders will receive cash consideration as a part of the reorganization.

At EFH, the proposed transactions would eliminate approximately \$600 million of EFH's funded debt. The reorganized EFH would continue to own EFIH, and EFIH would continue to retain its interest in Oncor.

The agreement contemplates the confirmation of the proposed plan of reorganization within approximately nine months and exit from the restructuring within approximately eleven months, in each case, from the petition date. In addition, the agreement has substantial support from the TCEH first lien lenders, the EFIH unsecured creditors, the EFIH first and second lien lenders, EFH unsecured creditors, and the three private equity holders of EFH. The company will work to obtain additional support for the agreement during the reorganization process.

Operations Continue as Usual

The company fully expects that normal day-to-day operations will continue during the Chapter 11 reorganization, including:

- Wages and benefits for employees, with full protection under U.S. federal law for qualified retirement plans – both defined-benefit pension and 401(k) savings plans.
- Qualified retirement plan payments and medical benefits for retirees.
- Excellent customer service while honoring all retail customer agreements and actively competing in the marketplace.
- Compliance with all regulatory and tax obligations.
- Payment to vendors, suppliers and trading counterparties in the normal manner for all goods and services provided after the date of the Chapter 11 filing.

- Commitment to sustainable business practices, from a community partner whose family of companies has a 130-year history in Texas.

New Financing Commitments

In conjunction with the filing, TCEH and EFIH have secured commitments for new capital totaling up to \$4.475 billion and \$7.3 billion, respectively, in debtor-in-possession (DIP) financing. Subject to Court approval, these financial resources will be made available in order to, among other things, help support normal business operations during the Chapter 11 process.

The TCEH financing is also expected to permit TCEH subsidiary Luminant Mining Company LLC to grant the Railroad Commission of Texas a collateral bond in an amount equal to or in excess of Luminant Mining's current reclamation bond obligations. Finally, EFIH and TCEH each have reached an agreement with secured lenders that permits the continued use of cash flow from operations to fund ongoing business and meet obligations in the normal course during the reorganization process.

Conclusion

Young continued, "Our existing capital structure has become unsustainable. We expect that, with the support of our financial stakeholders, our restructuring can proceed expeditiously as we seek to strengthen our balance sheet and position the company for the future."

EFH has made customary filings, including first day motions, with the Bankruptcy Court, which, if granted, will help ensure a smooth transition to Chapter 11 without business disruption. The motions are expected to be addressed by the Court within 48 hours of the filing.

The company intends to file a plan of reorganization to implement the proposed restructuring agreement in the near term. The consummation of the plan of reorganization will entail certain regulatory approvals, including, among others, the approval of the tax-free transaction by the Internal Revenue Service and approvals by the Public Utility Commission of the State of Texas and the U.S. Nuclear Regulatory Commission.

EFH's legal advisor for the Chapter 11 proceedings is Kirkland & Ellis LLP, its financial advisor is Evercore Partners and its restructuring advisor is Alvarez & Marsal. The TCEH first lien lenders supporting the restructuring agreement are represented by Paul, Weiss, Rifkind, Wharton & Garrison, LLP as legal advisor, and Millstein & Co., LLC, as financial advisor. The EFIH unsecured creditors supporting the restructuring agreement are represented by Akin Gump Strauss Hauer & Feld LLP, as legal advisor, and Centerview Partners, as financial advisor. The EFH equity holders supporting the

restructuring agreement are represented by Wachtell, Lipton, Rosen & Katz, as legal advisor, and Blackstone Advisory Partners LP, as financial advisor.

As noted, the restructuring agreement is also supported by certain EFIH first lien creditors, EFIH second lien creditors, and EFH unsecured creditors. One of these creditors is represented by Fried, Frank, Harris, Shriver & Jacobson, as legal advisor, and Perella Weinberg Partners, as financial advisor.

Resources

- Information about EFH's restructuring is available at www.energyfutureholdings.com/restructuring.
- Court filings and claims information are available at www.efhcaseinfo.com.
- Information about the restructuring for vendors and suppliers is also available toll-free at 877-276-7311.
- TXU Energy customers should continue to contact customer care at www.txu.com/contact.
- For high-quality, downloadable video of EFH, Luminant and TXU Energy operations, visit www.energyfutureholdings.com/news/downloads.aspx.

About Energy Future Holdings

EFH is a Dallas-based holding company engaged in competitive and regulated energy market activities, primarily in Texas. Its portfolio of competitive businesses consists primarily of Luminant, which is engaged largely in power generation and related mining activities, wholesale power marketing and energy trading, and TXU Energy, a retail electricity provider with more than 1.7 million customers in Texas. Luminant has approximately 15,400 MW of generation in Texas, including 2,300 MW fueled by nuclear power and 8,000 MW fueled by coal. Luminant is also one of the largest purchasers of wind-generated electricity in Texas and the United States. EFH's regulated operations consist of Oncor, which operates the largest electricity distribution and transmission system in Texas with more than 3.2 million delivery points and 119,000 miles of distribution and transmission lines. While EFH indirectly owns approximately 80 percent of Oncor, the management of Oncor reports to a separate board with a majority of directors that are independent from EFH.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties. All statements, other than statements of historical facts, are forward-looking statements. Forward-looking statements in this press release include, without limitation, statements regarding the implementation of a restructuring plan and business operations during the pendency of the bankruptcy proceedings. Readers are cautioned not to place undue reliance on forward-looking statements. Although we

believe that in making any such forward-looking statement our expectations are based on reasonable assumptions, any such forward-looking statement involves uncertainties and is qualified in its entirety by reference to the discussion of risk factors under Item 1A, "Risk Factors" and the discussion under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Annual Reports on Form 10-K filed by each of EFH Corp., EFIH and EFCH and the following important factors, among others, that could cause actual results to differ materially from those projected in such forward-looking statements:

- our ability to obtain the approval of the Bankruptcy Court with respect to motions filed in the bankruptcy proceedings, including with respect to debtor-in-possession financing facilities;
- the effectiveness of the overall restructuring activities pursuant to the bankruptcy filing and any additional strategies we employ to address our liquidity and capital resources;
- the terms and conditions of any reorganization plan that is ultimately approved by the Bankruptcy Court;
- the actions and decisions of creditors, regulators and other third parties that have an interest in the bankruptcy proceedings;
- the duration of the bankruptcy proceedings; and
- restrictions on our operations due to the terms of debtor-in-possession financing facilities and restrictions imposed by the Bankruptcy Court.

Any forward-looking statement speaks only at the date on which it is made, and except as may be required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict all of them; nor can we assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. As such, you should not unduly rely on such forward-looking statements.

-END-

Corporate Communications:

Allan Koenig

214-812-8080

Media.Relations@energyfutureholdings.com

Investor Relations:

Blake Holcomb

214-812-8005

Blake.Holcomb@energyfutureholdings.com

B

RAILROAD COMMISSION OF TEXAS

Surface Mining and Reclamation Division

Collateral Bond and Indemnity Agreement for Surface Mining and Reclamation Permits

Big Brown Mine, Permit No. 3F
Martin Lake Mine, Permit No. 4K
Monticello-Thermo Mine, Permit No. 5G
Monticello-Winfield Mine, Permit No. 34F
Oak Hill Mine, Permit No. 46C
Three Oaks Mine, Permit No. 48B
Bremond Mine, Permit No. 49A
Kosse Mine, Permit No. 50A
Leesburg Mine, Permit No. 51
Martin Lake AIV South Mine, Permit No. 53
Turlington Mine, Permit No. 54
Thermo A-I Mine, Permit No. 56
Martin Lake Liberty Mine, Permit No. 58
(Collectively, the "Permitted Mines")

Permittee: Luminant Mining Company LLC

KNOW ALL BY THESE PRESENTS:

WHEREAS, Luminant Mining Company LLC ("Mining Company" or "Principal-Permittee"), a Texas limited liability company, is undertaking surface mining operations at the above-listed Permitted Mines pursuant to the above-listed permits ("Permits") issued by the Railroad Commission of Texas ("Commission"); and

WHEREAS, Under 16 Texas Administrative Code §§ 12.1 *et seq.* (hereinafter referred to as the "Coal Mining Regulations"), retention of the Permits are conditioned on Mining Company, as Principal-Permittee, posting a performance bond to insure reclamation of the permit areas of the Permitted Mines in accordance with the reclamation plans as approved by the Commission ("Reclamation Plans"); and

NOW, THEREFORE, To secure performance and payment in accordance with this bond, Principal-Permittee grants the Commission a carve out of One Billion One Hundred Million Dollars (\$1,100,000,000.00) from the superpriority perfected first-lien security interest in certain real property and personal property of Texas Competitive Electric Holdings Company LLC ("TCEH"), the indirect parent company of Mining Company (the "Collateral Bond" or "bond"), in accordance with the orders of the United States Bankruptcy Court for the District of Delaware regarding debtor-in-possession financing, which orders are attached hereto and incorporated herein by reference as if fully set forth herein. This bond excludes real property within the Permitted Mines.

Mining Company as Principal-Permittee, for itself, its successors and assigns, is held and firmly bound unto the State of Texas, acting by and through the Commission, in Austin, Travis County, Texas, in the sum of the Collateral Bond for the payment which will and truly be made in Austin, Travis County, Texas. The conditions of this obligation are that if Principal-Permittee shall faithfully and fully perform the requirements set forth in the Permits applicable to the Permitted Mines as amended, renewed, revised, or replaced, issued pursuant to the Texas Surface Coal Mining and Reclamation Act, Texas Natural Resources Code, §§ 134.001 *et seq.* (hereinafter referred to as the "Act"), and faithfully and fully perform the requirements set forth in the Coal Mining Regulations, Surface Mining and Reclamation Division, pertaining to the reclamation of surface mined lands, promulgated in accordance with the provisions of the Act and the Administrative Procedure Act, Texas Government Code §§ 2001 *et seq.*, as now or hereafter amended, and faithfully fulfill all obligations under the aforementioned Reclamation Plans, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

And Principal-Permittee, for value received, agrees that no amendment to existing laws, rules or regulations, no adoption of new laws, rules or regulations, and no modification of the Reclamation Plans shall in any way alleviate its obligation under this bond, and it does hereby waive notice of any such amendment, adoption, or modification.

Principal-Permittee further agrees to give prompt notice to the Commission in accordance with the Coal Mining Regulations if it becomes unable to fulfill its obligations under this bond.

Principal-Permittee further agrees that any liability that has accrued against it under the Act, the Coal Mining Regulations, or the Permits as originally issued, amended, revised, renewed, or replaced, is transferred to this bond.

Principal-Permittee further agrees that if at any time the fair market value of the collateral securing this bond does not equal or exceed the amount of this bond, the Principal-Permittee shall be deemed to be without bond coverage in violation of the Act, the Coal Mining Regulations, and the Permits, and the Principal-Permittee shall discontinue surface coal mining operations in accordance with the Act and the Coal Mining Regulations until new performance bond coverage is approved. Notwithstanding the foregoing, however, nothing in this instrument shall be construed as a waiver of the Commission's ability to enforce the Act, the Coal Mining Regulations, or the Permits, or to seek bond forfeiture in accordance with the provisions of the Act, the Coal Mining Regulations, or this instrument.

Upon default by Mining Company in the performance of its reclamation or payment obligations pursuant to this instrument, Mining Company agrees to either complete the Reclamation Plans for lands in default or, if it fails to do so, to pay to the State of Texas, acting by and through the Commission, the amount necessary to complete the Reclamation Plans, but not to exceed the bond amount of One Billion One Hundred Million Dollars (\$1,100,000,000.00), as determined by the Commission.

Upon request, and upon timely and proper showing by Mining Company, the Commission agrees to release Mining Company from all or part of the bond if the Commission is satisfied that the reclamation requirements covered by the bond have been accomplished as

required in accordance with the Coal Mining Regulations. This bond and agreement shall be in full force and effect for the duration of Principal-Permittee's reclamation obligation on the lands affected by the Reclamation Plans for as long as required by the Reclamation Plans and the Coal Mining Regulations, or until the Principal-Permittee is otherwise relieved of its obligation by order of the Commission.

IN WITNESS WHEREOF, the Principal-Permittee has caused these presents to be duly signed and sealed, and the signatories hereby cause this agreement to be executed by their duly authorized officers or representatives.

LUMINANT MINING COMPANY LLC
Principal-Permittee



By: Signature

M.A. McFarland
Name

Chairman of the Board, President and Chief
Executive, Luminant Mining Company LLC
Title

[Signature]
By: Signature

Robert C. Frenzel
Name

Senior Vice President and Chief
Financial Officer,
Luminant Mining Company LLC
Title

ATTEST: [Signature]
Signature

Gary L. Moor
Name

Secretary,
Luminant Mining Company LLC
Title

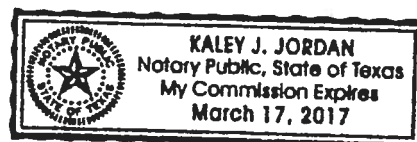
THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 15 day of May, 2014, by M.A. McFarland, who being by me duly sworn did say that he is the Chairman of the Board, President, and Chief Executive of Luminant Mining Company LLC, the entity that executed the above and foregoing Collateral Bond and Indemnity Agreement for Surface Mining and Reclamation Permits, and that said instrument was signed on behalf of said company, and that said M.A. McFarland duly acknowledged to me that said entity executed the same.

[Signature]
Notary Public in and for the
State of Texas

My Commission Expires:

03/17/2017



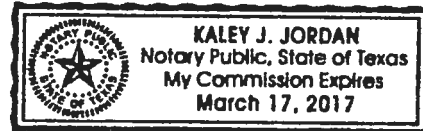
THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 15 day of May, 2014, by Robert C. Frenzel, who being by me duly sworn did say that he is the Senior Vice President and Chief Financial Officer of Luminant Mining Company LLC, the entity that executed the above and foregoing Collateral Bond and Indemnity Agreement for Surface Mining and Reclamation Permits, and that said instrument was signed on behalf of said company, and that said Robert C. Frenzel duly acknowledged to me that said entity executed the same.

Kaley J. Jordan
Notary Public in and for the
State of Texas

My Commission Expires:

03/17/2017



IN WITNESS WHEREOF, the Railroad Commission of Texas hereby accepts, as of this _____ day of _____, 2014, the foregoing Collateral Bond and Indemnity Agreement for Surface Mining and Reclamation Permits.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN

COMMISSIONER

COMMISSIONER

ATTEST:

Secretary

C

**ENERGY FUTURE HOLDINGS CORP. (THE "COMPANY")
BOARD OF DIRECTORS RESOLUTIONS
APRIL 28, 2014**

Item 1. Restructuring Update

Effective as of this 28th day of April 2014, the members constituting a majority of the votes of a quorum of the board of directors (the "Board of Directors") of Energy Future Holdings Corp., a Texas corporation (the "Company"), took the following actions and adopted the following resolutions:

Chapter 11 Filing

WHEREAS, the Board of Directors considered presentations by the management and the financial and legal advisors of the Company regarding the liabilities and liquidity situation of the Company, the strategic alternatives available to it and the effect of the foregoing on the Company's business; and

WHEREAS, the Board of Directors has had the opportunity to consult with the management and the financial and legal advisors of the Company and fully consider each of the strategic alternatives available to the Company.

NOW, THEREFORE, BE IT

RESOLVED, that in the judgment of the Board of Directors, it is desirable and in the best interests of the Company, its creditors, and other parties in interest, that the Company shall be and hereby is authorized to file or cause to be filed a voluntary petition for relief (such voluntary petition, and the voluntary petitions to be filed by the Company's affiliates, collectively, the "Chapter 11 Cases") under the provisions of Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in a court of proper jurisdiction (the "Bankruptcy Court"); and

RESOLVED, that any officers of the Company (collectively, the "Authorized Officers"), acting alone or with one or more other Authorized Officers be, and they hereby are, authorized, empowered and directed to execute and file on behalf of the Company all petitions, schedules, lists and other motions, papers, or documents; and to take any and all action that they deem necessary or proper to obtain such relief, including, without limitation, any action necessary to maintain the ordinary course operation of the Company's business.

Restructuring Support Agreement

WHEREAS, some members of the Board of Directors are members of the boards of other companies that would be released under the terms of the Restructuring Support Agreement (as defined herein) and related documents;

WHEREAS, members of the Board of Directors would also be released under the Restructuring Support Agreement and related documents;

WHEREAS, the members of the Board of Directors have acknowledged that the material facts relating to the relationships or interests of other Board of Directors members with other companies and other material relationships in connection with the releases in the Restructuring Support Agreement contemplated by this resolution have been disclosed to them or are otherwise known to them, as contemplated by Sections 21.418 and 101.255 of the Texas Business Organizations Code (the "TBOC") or the Company's governing documents, to the extent applicable;

WHEREAS, the member of the Board of Directors that is disinterested (within the meaning of Sections 21.418 and 101.255 of the TBOC or the Company's governing documents, to the extent applicable) with respect to the releases has reviewed the terms and conditions of the Restructuring Support Agreement and related documents and has recommended that each be approved;

WHEREAS, the members of the Board of Directors acknowledge and believe that the Restructuring Support Agreement is procedurally and substantively fair to the Company as contemplated by Section

21.418(b)(2) of the TBOC, Section 101.255(b)(2) of the TBOC, or the Company's governing documents, to the extent applicable;

WHEREAS, the Board of Directors has determined that it is in the best interest of the Company, its creditors and other parties in interest for the Board of Directors to authorize the Company to enter into that certain restructuring support and lockup agreement (the "Restructuring Support Agreement") by and among the Company, certain of its affiliates, certain consenting creditors, and certain consenting interest holders substantially in the form presented to the Company's Board of Directors on or in advance of the date hereof.

RESOLVED, that each of the Authorized Officers, acting alone or with one or more other Authorized Officers be, and they hereby are, authorized and empowered to enter on behalf of the Company into the Restructuring Support Agreement.

RESOLVED, that each of the Authorized Officers, acting alone or with one or more other Authorized Officers be, and they hereby are, authorized and empowered to enter on behalf of the Company into a restructuring transaction or series of restructuring transactions by which the Company will restructure its debt obligations and other liabilities, including but not limited to the restructuring transactions as described in the Restructuring Support Agreement (collectively, the "Restructuring Transactions").

RESOLVED, that each of the Authorized Officers, acting alone or with one or more other Authorized Officers be, and they hereby are, authorized and empowered to take or cause to be taken any and all such other and further action, and to execute, acknowledge, deliver and file any and all such agreements, certificates, instruments and other documents in furtherance of the Restructuring Transactions to which the Company is or will be a party, including, but not limited to, the Restructuring Support Agreement (collectively, the "Restructuring Documents"), to incur and pay or cause to be paid all fees and expenses and engage such persons, in each case, in the form or substantially in the form thereof submitted to the Board of Directors, with such changes, additions and modifications thereto as the Authorized Officers executing the same shall approve, such approval to be conclusively evidenced by such officer's execution and delivery thereof.

RESOLVED, that each of the Authorized Officers be, and hereby are, authorized, directed and empowered in the name of, and on behalf of, the Company to take any and all actions to (i) obtain approval by the Bankruptcy Court or any other regulatory or governmental entity of the Restructuring Documents in connection with the Restructuring Transactions, and (ii) obtain approval by the Bankruptcy Court or any other regulatory or governmental entity of any Restructuring Transactions.

RESOLVED, that each of the Authorized Officers be, and hereby are, authorized, directed and empowered in the name of, and on behalf of, the Company, to execute and deliver any documents or to do such other things which shall in their sole judgment be necessary, desirable, proper or advisable to give effect to the foregoing resolutions, which determination shall be conclusively evidenced by their execution thereof.

Retention of Professionals

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the law firm of Kirkland & Ellis LLP as general bankruptcy counsel to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations, including filing any pleadings; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of Kirkland & Ellis LLP.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the law firm of Richards, Layton, & Finger, P.A. as co-bankruptcy counsel to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations, including filing any pleadings; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed

an appropriate application for authority to retain the services of Richards, Layton, & Finger, P.A.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the firm of Evercore Partners, Inc. as financial advisor to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers are, with power of delegation, hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of Evercore Partners, Inc.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the firm of Alvarez & Marsal North America, LLC as restructuring advisor to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of Alvarez & Marsal North America, LLC.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the firm of Filsinger Energy Partners, Inc. as energy consultant to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of Filsinger Energy Partners, Inc.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the firm of Epiq Bankruptcy Solutions, LLC as notice, claims, and balloting agent and as administrative advisor to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed appropriate applications for authority to retain the services of Epiq Bankruptcy Solutions, LLC.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the firm of Deloitte & Touche LLP as independent auditor to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of Deloitte & Touche LLP.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the firm of KPMG LLP as accounting and tax advisors to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of KPMG LLP.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the firm of Towers Watson & Co. as compensation consultants to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of Towers Watson & Co.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to

employ the firm of PricewaterhouseCoopers LLP as internal auditing advisor and information security consultants to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of PricewaterhouseCoopers LLP.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ the firm of Ernst & Young LLP as tax auditing advisors and information technology consultants to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of Ernst & Young LLP.

RESOLVED, that each of the Authorized Officers be, and they hereby are, authorized and directed to employ any other professionals to assist the Company in carrying out its duties under the Bankruptcy Code; and in connection therewith, each of the Authorized Officers, with power of delegation, are hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and to cause to be filed an appropriate application for authority to retain the services of any other professionals as necessary.

RESOLVED, that each of the Authorized Officers be, and they hereby are, with power of delegation, authorized, empowered and directed to execute and file all petitions, schedules, motions, lists, applications, pleadings, and other papers and, in connection therewith, to employ and retain all assistance by legal counsel, accountants, financial advisors, and other professionals and to take and perform any and all further acts and deeds that each of the Authorized Officers deem necessary, proper, or desirable in connection with the Company's chapter 11 case, with a view to the successful prosecution of such case.

Debtor-in-Possession Financing

RESOLVED, that each of the Authorized Officers (and their designees and delegates) be, and they hereby are, authorized and empowered, in the name of and on behalf of the Company, to take or cause to be taken any and all such other and further action, and to execute, acknowledge, deliver, and file any and all such agreements, certificates, instruments and other documents required to consummate the Senior Secured Superpriority Debtor-in-Possession Credit Agreement (the "TCEH DIP Credit Agreement") among Texas Competitive Electric Holdings Company LLC, as Borrower, Energy Future Competitive Holdings Company LLC, as Parent Guarantor, the various lenders from time to time parties thereto as Lenders, Citibank N.A. or its successor as Administrative Agent for the Lenders, and the other Joint Lead Arrangers, dated as of the date presented to the Board of Managers of Texas Competitive Electric Holdings Company LLC.

RESOLVED, that each of the Authorized Officers (and their designees and delegates) be, and they hereby are, authorized and empowered, in the name of and on behalf of the Company, to take or cause to be taken any and all such other and further action, and to execute, acknowledge, deliver and file any and all such agreements, certificates, instruments and other documents required to consummate the Senior Secured Superpriority Debtor-in-Possession Credit Agreement (the "EFIH First Lien DIP Credit Agreement") among Energy Future Intermediate Holding Company LLC and EFIH FINANCE INC., as Borrowers, the various lenders from time to time parties thereto, as Lenders, Deutsche Bank AG, as Collateral Agent and Administrative Agent for the Lenders, and the other Joint Lead Arrangers, dated as of the date presented to the Board of Managers of Energy Future Intermediate Holding Company LLC and the Board of Directors of EFIH FINANCE INC..

RESOLVED, that each of the Authorized Officers (and their designees and delegates) be, and they hereby are, authorized and empowered, in the name of and on behalf of the Company, to take or cause to be taken any and all such other and further action, and to execute, acknowledge, deliver and file any and all such agreements, certificates, instruments and other documents required to consummate the Second Lien Subordinated Secured Debtor-in-Possession Note Purchase Agreement (the "EFIH Second

Lien DIP Note Purchase Agreement") among Energy Future Intermediate Holding Company LLC and EFIH FINANCE INC., as Co-Issuers, the lending institutions from time to time parties thereto as Purchasers, and the Administrative Agent and Collateral Agent for the Purchasers, dated as of the date presented to the Board of Managers of Energy Future Intermediate Holding Company LLC and the Board of Directors of EFIH FINANCE INC.

RESOLVED, that the capitalized terms used in the resolutions under the caption "Debtor-in-Possession Financing" and not otherwise defined herein shall have the meanings ascribed to such terms in the TCEH DIP Credit Agreement, the EFIH First Lien DIP Credit Agreement, or the EFIH Second Lien DIP Note Purchase Agreement, as applicable.

General

RESOLVED, that in addition to the specific authorizations heretofore conferred upon the Authorized Officers, each of the Authorized Officers (and their designees and delegates) be, and they hereby are, authorized and empowered, in the name of and on behalf of the Company, to take or cause to be taken any and all such other and further action, and to execute, acknowledge, deliver and file any and all such agreements, certificates, instruments and other documents and to pay all expenses, including but not limited to filing fees, in each case as in such officer's or officers' judgment, shall be necessary, advisable or desirable in order to fully carry out the intent and accomplish the purposes of the resolutions adopted herein.

RESOLVED, that all members of the Board of Directors of the Company have received sufficient notice of the actions and transactions relating to the matters contemplated by the foregoing resolutions, as may be required by the organizational documents of the Company, or hereby waive any right to have received such notice.

RESOLVED, that all acts, actions and transactions relating to the matters contemplated by the foregoing resolutions done in the name of and on behalf of the Company, which acts would have been approved by the foregoing resolutions except that such acts were taken before the adoption of these resolutions, are hereby in all respects approved and ratified as the true acts and deeds of the Company with the same force and effect as if each such act, transaction, agreement or certificate has been specifically authorized in advance by resolution of the Board of Directors.


RESOLVED, that each of the Authorized Officers (and their designees and delegates) be and hereby are authorized and empowered to take all actions or to not take any action in the name of the Company with respect to the transactions contemplated by these resolutions hereunder as the sole shareholder, partner, member or managing member of each direct subsidiary of the Company, in each case, as such Authorized Officer shall deem necessary or desirable in such Authorized Officers' reasonable business judgment as may be necessary or convenient to effectuate the purposes of the transactions contemplated herein.

ENERGY FUTURE HOLDINGS CORP.
ASSISTANT SECRETARY'S CERTIFICATION

The undersigned, Betty R. Fleshman, Assistant Secretary of Energy Future Holdings Corp. (the "Company"), a Texas corporation, hereby certifies as follows:

1. I am the duly qualified and elected Assistant Secretary and, as such, I am familiar with the facts herein certified and I am duly authorized to certify the same on behalf of the Company.
2. Attached hereto is a true, complete, and correct copy of the resolution of the board of directors of the Company (the "Board of Directors"), duly adopted at a properly convened meeting of the Board of Directors on April 28, 2014, by the members constituting a majority of the votes of a quorum of the directors there present, in accordance with the bylaws of the Company.
3. Such resolution has not been amended, altered, annulled, rescinded, or revoked and is in full force and effect as of the date hereof. There exists no other subsequent resolution of the Board of Directors relating to the matters set forth in the resolution attached hereto.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the 28th day of April, 2014.


Betty R. Fleshman,
Assistant Secretary

D

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

AFFIDAVIT OF GARY L. MOOR REGARDING DIP CREDIT AGREEMENT

BEFORE ME, the undersigned authority on this day personally appeared Gary L. Moor, who, after being first duly sworn on oath stated:

“My name is Gary L. Moor. I am above the age of eighteen (18) years old. I have personal knowledge of the facts set forth in this affidavit. I hold the position of Secretary for Luminant Mining Company LLC (“Mining Company”).

In connection with the preparation and submission of Mining Company’s *Application for Authorization to Substitute and Replace Reclamation Performance Self-Bonds and for Approval of Blanket Collateral Bond* (the “Application”) to the Railroad Commission of Texas (“Commission”), I reviewed the attached excerpts of the Senior Secured Superpriority Debtor-in-Possession Credit Agreement Dated as of May 5, 2014 among Energy Future Competitive Holdings Company LLC, as Parent Guarantor, Texas Competitive Electric Holdings Company LLC, as the Borrower, the Several Lenders from Time to Time Parties Thereto, Citibank, N.A., as Administrative Agent and Collateral Agent, the Co-Syndication Agent Parties Thereto, the Co-Documentation Agent Parties Thereto, and the Joint Lead Arrangers and Joint Bookrunners Parties Thereto (“DIP Credit Agreement”). I have also reviewed the full version of the DIP Credit Agreement as it was filed with the United States Securities and Exchange (“SEC”) on May 7, 2014. The full version of the DIP Credit Agreement is publically available on the SEC’s website at this link: <http://www.sec.gov/Archives/edgar/data/1023291/000119312514185346/0001193125-14-185346-index.htm> (last visited May 14, 2014). For the limited purpose of certifying the authenticity of the excerpts attached hereto, I hereby certify that the excerpts attached hereto are true and correct copies of the same pages as they appear in the full version of the DIP Credit Agreement filed with the SEC.”

Further Affiant saith not.

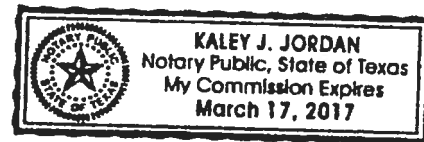
Gary Z Moor

Sworn to and subscribed this 15 day of May, 2014.

Kaley J. Jordan
Notary Public in and for the
State of Texas

My commission expires:

03/17/2017



SENIOR SECURED SUPERPRIORITY DEBTOR-IN-POSSESSION CREDIT AGREEMENT

Dated as of May 5, 2014

among

ENERGY FUTURE COMPETITIVE HOLDINGS COMPANY LLC,
as Parent Guarantor,

TEXAS COMPETITIVE ELECTRIC HOLDINGS COMPANY LLC,
as the Borrower,

The Several Lenders
from Time to Time Parties Hereto,

CITIBANK, N.A.,
as Administrative Agent and Collateral Agent,

DEUTSCHE BANK AG NEW YORK BRANCH,
BANK OF AMERICA, N.A. AND
MORGAN STANLEY SENIOR FUNDING, INC.,
as Co-Syndication Agents,

BARCLAYS BANK PLC,
ROYAL BANK OF CANADA AND
UNION BANK, N.A.,
as Co-Documentation Agents,

and

CITIGROUP GLOBAL MARKETS INC.,
DEUTSCHE BANK SECURITIES INC.,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
MORGAN STANLEY SENIOR FUNDING, INC.,
BARCLAYS BANK PLC,
RBC CAPITAL MARKETS¹ AND
UNION BANK, N.A.

as Joint Lead Arrangers and Joint Bookrunners

¹ RBC Capital Markets is a brand name for the capital markets businesses of Royal Bank of Canada and its affiliates.

TABLE OF CONTENTS

	Page
SECTION 1. Definitions	2
1.1. Defined Terms	2
1.2. Other Interpretive Provisions	60
1.3. Accounting Terms	60
1.4. Rounding	61
1.5. References to Agreements, Laws, Etc.	61
1.6. Times of Day	61
1.7. Timing of Payment of Performance	61
1.8. Currency Equivalents Generally	61
1.9. Classification of Loans and Borrowings	61
1.10. Hedging Agreements	61
SECTION 2. Amount and Terms of Credit	62
2.1. Commitments	62
2.2. Minimum Amount of Each Borrowing; Maximum Number of Borrowings	64
2.3. Notice of Borrowing; Determination of Class of Loans	64
2.4. Disbursement of Funds	65
2.5. Repayment of Loans; Evidence of Debt	65
2.6. Conversions and Continuations	66
2.7. Pro Rata Borrowings	67
2.8. Interest	67
2.9. Interest Periods	68
2.10. Increased Costs, Illegality, Etc.	69
2.11. Compensation	70
2.12. Change of Lending Office	70
2.13. Notice of Certain Costs	71
2.14. Incremental Facilities	71
2.15. [Reserved]	73
2.16. Defaulting Lenders	73
SECTION 3. Letters of Credit	74
3.1. Issuance of Letters of Credit	74
3.2. Letter of Credit Requests	75
3.3. [Reserved].	76
3.4. Agreement to Repay Letter of Credit Drawings	76
3.5. Increased Costs	77
3.6. New or Successor Letter of Credit Issuer	77
3.7. Role of Letter of Credit Issuer	78
3.8. General L/C Collateral Account	79
3.9. RCT L/C Collateral Account	80

		Page
3.10.	Drawings from General L/C Collateral Accounts and RCT L/C Collateral Account	81
3.11.	Applicability of ISP and UCP	81
3.12.	Conflict with Issuer Documents	81
3.13.	Letters of Credit Issued for Others	81
SECTION 4.	Fees; Commitments	82
4.1.	Fees	82
4.2.	Voluntary Reduction of Revolving Credit Commitments and Delayed-Draw Term Loan Commitments	83
4.3.	Mandatory Termination of Commitments	83
4.4.	RCT Carve Out Support Rejection Notice.	84
SECTION 5.	Payments	84
5.1.	Voluntary Prepayments	84
5.2.	Mandatory Prepayments	84
5.3.	Method and Place of Payment	86
5.4.	Net Payments	87
5.5.	Computations of Interest and Fees	89
5.6.	Limit on Rate of Interest	90
SECTION 6.	Conditions Precedent to Initial Borrowing	90
6.1.	Credit Documents	90
6.2.	Collateral	91
6.3.	Legal Opinions	91
6.4.	Initial Budget	91
6.5.	[Reserved]	91
6.6.	Closing Certificates	92
6.7.	Authorization of Proceedings of Each Credit Party	92
6.8.	Fees	92
6.9.	Representations and Warranties	92
6.10.	Interim Order	92
6.11.	First Day Orders	92
6.12.	Trustees and Examiners	92
6.13.	Projections	92
6.14.	Patriot Act	92
6.15.	Petition Date	93
6.16.	Restructuring Support Agreement	93
SECTION 7.	Conditions Precedent to All Credit Events	93
7.1.	No Default; Representations and Warranties	93
7.2.	Notice of Borrowing	93
7.3.	Full Availability	94
7.4.	Availability of Delayed-Draw Term Loans and RCT Letters of Credit	95

		Page
SECTION 8.	Representations, Warranties and Agreements	95
8.1.	Corporate Status; Compliance with Laws	95
8.2.	Corporate Power and Authority	95
8.3.	No Violation	95
8.4.	Litigation	96
8.5.	Margin Regulations	96
8.6.	Governmental Approvals	96
8.7.	Investment Company Act	96
8.8.	True and Complete Disclosure	96
8.9.	Financial Condition; Projections; Material Adverse Effect	96
8.10.	Tax Matters	97
8.11.	Compliance with ERISA	97
8.12.	Subsidiaries	98
8.13.	Intellectual Property	98
8.14.	Environmental Laws	98
8.15.	Properties	98
8.16.	Orders	99
8.17.	Status of Obligations; Perfection and Priority of Security Interests	99
8.18.	Insurance	99
8.19.	Labor Matters	99
8.20.	Sanctioned Persons; Anti-Corruption Laws; Patriot Act	100
SECTION 9.	Affirmative Covenants	100
9.1.	Information Covenants	100
9.2.	Books, Records and Inspections	104
9.3.	Maintenance of Insurance	104
9.4.	Payment of Taxes	105
9.5.	Consolidated Corporate Franchises	105
9.6.	Compliance with Statutes, Regulations, Etc.	105
9.7.	ERISA	105
9.8.	Maintenance of Properties	106
9.9.	Transactions with Affiliates	106
9.10.	End of Fiscal Years; Fiscal Quarters	108
9.11.	Additional Guarantors and Grantors	108
9.12.	Pledge of Additional Stock and Evidence of Indebtedness	108
9.13.	[Reserved]	108
9.14.	Further Assurances	108
9.15.	Bankruptcy Matters	109
9.16.	Ratings	110
9.17.	Use of Proceeds	110
SECTION 10.	Negative Covenants	110
10.1.	Limitation on Indebtedness	110
10.2.	Limitation on Liens	115
10.3.	Limitation on Fundamental Changes	118

	Page
10.4. Limitation on Sale of Assets	119
10.5. Limitation on Investments	122
10.6. Limitation on Dividends	126
10.7. Limitation on Prepaying Indebtedness	130
10.8. Limitations on Sale Leasebacks	130
10.9. Consolidated Superpriority Secured Net Debt to Consolidated EBITDA Ratio	130
10.10. Changes in Business	131
10.11. Bankruptcy Provisions	131
10.12. Affiliate Value Transfers	131
SECTION 11. Events of Default	131
11.1. Payments	131
11.2. Representations, Etc.	131
11.3. Covenants	131
11.4. Default Under Other Agreements	132
11.5. [Reserved]	132
11.6. ERISA	132
11.7. Credit Documents	132
11.8. [Reserved]	132
11.9. [Reserved]	133
11.10. [Reserved]	133
11.11. Judgments	133
11.12. Hedging Agreements	133
11.13. Change of Control	133
11.14. Final Order	133
11.15. Matters Related to the Cases	133
11.16. Automatic Stay	134
11.17. Status of Orders	134
11.18. Confirmation of Plan	135
11.19. Application of Proceeds	135
SECTION 12. The Agents	137
12.1. Appointment	137
12.2. Delegation of Duties	138
12.3. Exculpatory Provisions	138
12.4. Reliance by Agents	139
12.5. Notice of Default	140
12.6. Non-Reliance on Administrative Agent, Collateral Agent and Other Lenders	140
12.7. Indemnification	140
12.8. Agents in its Individual Capacities	141
12.9. Successor Agents	141
12.10. Withholding Tax	142
12.11. Trust Indenture Act	142
12.12. [Reserved]	143
12.13. Security Documents and Guarantee	143

SECTION 13.	Miscellaneous	Page 143
13.1.	Amendments, Waivers and Releases	143
13.2.	Notices	147
13.3.	No Waiver; Cumulative Remedies	147
13.4.	Survival of Representations and Warranties	148
13.5.	Payment of Expenses; Indemnification	148
13.6.	Successors and Assigns; Participations and Assignments	149
13.7.	Replacements of Lenders under Certain Circumstances	153
13.8.	Adjustments; Set-off	154
13.9.	Counterparts	154
13.10.	Severability	154
13.11.	INTEGRATION	155
13.12.	GOVERNING LAW	155
13.13.	Submission to Jurisdiction; Waivers	155
13.14.	Acknowledgments	156
13.15.	WAIVERS OF JURY TRIAL	157
13.16.	Confidentiality	157
13.17.	Direct Website Communications	157
13.18.	USA PATRIOT Act	159
13.19.	Payments Set Aside	159
13.20.	Separateness	159
13.21.	Keepwell	160
SECTION 14.	Security; Secured Commodity Hedging Agreements	160
14.1.	Security	160
14.2.	Secured Commodity Hedging Agreements	163
14.3.	Permitted Property Interests	163

SCHEDULES

Schedule 1.1(a)	Commitments
Schedule 1.1(b)	Excluded Subsidiaries
Schedule 1.1(c)	Unrestricted Subsidiaries
Schedule 1.1(d)	First Day Motions
Schedule 8.4	Litigation
Schedule 8.12	Subsidiaries
Schedule 8.15	Property
Schedule 9.9	Closing Date Affiliate Transactions
Schedule 10.1	Closing Date Indebtedness
Schedule 10.2	Closing Date Liens
Schedule 10.4	Scheduled Dispositions
Schedule 10.5	Closing Date Investments
Schedule 13.2	Notice Addresses

EXHIBITS

Exhibit A	Form of Notice of Borrowing
Exhibit B	Form of Guarantee
Exhibit C	Form of Budget Notice
Exhibit D	[Reserved]
Exhibit E	[Reserved]
Exhibit F	Form of Security Agreement
Exhibit G	Form of Letter of Credit Request
Exhibit H	Form of Credit Party Closing Certificate
Exhibit I	Form of Assignment and Acceptance
Exhibit J-1	Form of Promissory Note (Revolving Credit Loans)
Exhibit J-2	Form of Promissory Note (Term Loans)
Exhibit J-3	Form of Promissory Note (Delayed-Draw Term Loans)
Exhibit K	Form of Incremental Amendment
Exhibit L	Form of Non-U.S. Lender Certification
Exhibit M	Initial Budget
Exhibit N	Form of Interim Order

SENIOR SECURED SUPERPRIORITY DEBTOR-IN-POSSESSION CREDIT AGREEMENT

Dated as of May 5, 2014

among

ENERGY FUTURE COMPETITIVE HOLDINGS COMPANY LLC,
as Parent Guarantor,

TEXAS COMPETITIVE ELECTRIC HOLDINGS COMPANY LLC,
as the Borrower,

The Several Lenders
from Time to Time Parties Hereto,

CITIBANK, N.A.,
as Administrative Agent and Collateral Agent,

DEUTSCHE BANK AG NEW YORK BRANCH,
BANK OF AMERICA, N.A. AND
MORGAN STANLEY SENIOR FUNDING, INC.,
as Co-Syndication Agents,

BARCLAYS BANK PLC,
ROYAL BANK OF CANADA AND
UNION BANK, N.A.,
as Co-Documentation Agents,

and

CITIGROUP GLOBAL MARKETS INC.,
DEUTSCHE BANK SECURITIES INC.,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
MORGAN STANLEY SENIOR FUNDING, INC.,
BARCLAYS BANK PLC,
RBC CAPITAL MARKETS¹ AND
UNION BANK, N.A.

as Joint Lead Arrangers and Joint Bookrunners

¹ RBC Capital Markets is a brand name for the capital markets businesses of Royal Bank of Canada and its affiliates.

SENIOR SECURED SUPERPRIORITY DEBTOR-IN-POSSESSION CREDIT AGREEMENT, dated as of May 5, 2014, among ENERGY FUTURE COMPETITIVE HOLDINGS COMPANY LLC, a Delaware limited liability company and a debtor and debtor-in-possession ("Parent Guarantor"), TEXAS COMPETITIVE ELECTRIC HOLDINGS COMPANY LLC, a Delaware limited liability company and a debtor and debtor-in-possession ("TCEH" or the "Borrower") in a case pending under chapter 11 of the Bankruptcy Code ("Chapter 11"), the lending institutions from time to time parties hereto (each, a "Lender" and, collectively, the "Lenders"), CITIBANK, N.A., as Administrative Agent and Collateral Agent and CITIGROUP GLOBAL MARKETS INC., DEUTSCHE BANK SECURITIES INC., MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, MORGAN STANLEY SENIOR FUNDING, INC., BARCLAYS BANK PLC, RBC CAPITAL MARKETS and UNION BANK, N.A., as Joint Lead Arrangers and Joint Bookrunners.

RECITALS:

WHEREAS, capitalized terms used and not defined in the preamble and these recitals shall have the respective meanings set forth for such terms in Section 1.1 hereof;

WHEREAS, on April 29, 2014 (the "Petition Date"), the Borrower, Parent Guarantor and each of the other Guarantors (collectively, the "TCEH Debtors") filed voluntary petitions for relief under Chapter 11 in the United States Bankruptcy Court for the District of Delaware (such court, together with any other court having exclusive jurisdiction over any Case from time to time and any Federal appellate court thereof, the "Bankruptcy Court") and commenced cases numbered 14-10979 through 14-11048 respectively (each, a "Case" and, collectively, the "Cases"), and have continued in the possession and operation of their assets and in the management of their businesses pursuant to sections 1107 and 1108 of the Bankruptcy Code;

WHEREAS, in connection with the foregoing, the Borrower has requested that the Lenders and Letter of Credit Issuers extend credit to the Borrower in the form of (a) \$1,425,000,000 in aggregate principal amount of Term Loans, (b) \$1,950,000,000 in aggregate principal amount of Revolving Credit Commitments to be made available to the Borrower at any time and from time to time prior to the Revolving Credit Termination Date, (c) up to \$1,100,000,000 in aggregate principal amount of Delayed-Draw Term Loan Commitments to be made available to the Borrower at any time and from time to time prior to the Delayed-Draw Termination Date, (d) \$1,100,000,000 in RCT Letter of Credit Commitments for the issuance of RCT Letters of Credit to be made available to the Borrower from time to time prior to the RCT L/C Termination Date and (e) \$800,000,000 in General Letter of Credit Commitments for the issuance of General Letters of Credit to be made available to the Borrower from time to time prior to the General L/C Termination Date, in each case subject to the terms and conditions set forth herein; and

WHEREAS, the Lenders and Letter of Credit Issuers are willing to make available to the Borrower such loans and facilities upon the terms and subject to the conditions set forth herein;

AGREEMENT:

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

being agreed that if such Indebtedness has a floating or formula rate, such Indebtedness shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate that is or would be in effect with respect to such Indebtedness as at the relevant date of determination); provided that, without limiting the application of the Pro Forma Adjustment pursuant to (A) above (but without duplication thereof), the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with the definition of Consolidated EBITDA and give effect to events (including operating expense reductions) that are (i) (x) directly attributable to such transaction, (y) expected to have a continuing impact on the Borrower and the Restricted Subsidiaries and (z) factually supportable or (ii) otherwise consistent with the definition of Pro Forma Adjustment.

"Pro Forma Entity" shall have the meaning provided in the definition of the term "Acquired EBITDA".

"PUCT" shall mean the Public Utility Commission of Texas or any successor.

"Qualified ECP Guarantor" shall mean, in respect of any Swap Obligation, each Guarantor that has total assets exceeding \$10,000,000 at the time the relevant Guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Qualifying IPO" shall mean the issuance by the Ultimate Parent, Parent Guarantor or any other direct or indirect parent of Parent Guarantor of its common Stock in an underwritten primary public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act (whether alone or in connection with a secondary public offering).

"RCT" shall mean the Railroad Commission of Texas.

"RCT Carve Out Support Rejection Notice" shall have the meaning provided in Section 4.4.

"RCT L/C Cash Coverage Requirement" shall have the meaning provided in Section 3.9.

"RCT L/C Collateral Account" shall mean one or more Cash Collateral Accounts or securities accounts established pursuant to, and subject to the terms of, Section 3.9 for the purpose of cash collateralizing the RCT L/C Obligations in respect of RCT Letters of Credit.

"RCT L/C Collateral Account Balance" shall mean, at any time, with respect to any RCT L/C Collateral Account, the aggregate amount on deposit in such RCT L/C Collateral Account. References herein and in the other Credit Documents to the RCT L/C Collateral Account Balance shall be deemed to refer to the RCT L/C Collateral Account Balance in respect of the applicable RCT L/C Collateral Account or to the RCT L/C Collateral Account Balance in respect of all RCT L/C Collateral Accounts, as the context requires.

"RCT L/C Collateral Account Depositary Bank" shall have the meaning provided in Section 3.9.

"RCT L/C Obligations" shall mean, as at any date of determination and, without duplication, the aggregate Stated Amount of all outstanding RCT Letters of Credit plus the aggregate principal amount of all Unpaid Drawings under all RCT Letters of Credit. For all purposes of this Agreement, if on any date of determination a RCT Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such RCT Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"RCT L/C Permitted Investments" shall mean:

- (a) any Permitted Investments described in clauses (a) through (g) of the definition thereof; and
- (b) such other securities as agreed to by the TCEH Debtors with the applicable RCT Letter of Credit Issuer from time to time.

"RCT L/C Termination Date" shall mean the Maturity Date.

"RCT Letter of Credit" shall have the meaning provided in Section 3.1(b)(i).

"RCT Letter of Credit Commitment" shall mean \$1,100,000,000 (as such amount may be reduced pursuant to Section 4.2(c) or Section 4.4).

"RCT Letter of Credit Issuers" shall mean (a) on the date hereof, (i) Citibank, N.A., (ii) Deutsche Bank AG New York Branch, (iii) Bank of America, N.A., (iv) Morgan Stanley Senior Funding, Inc., (v) Barclays Bank PLC, (vi) Royal Bank of Canada and (vii) Union Bank, N.A. and (b) at any time such Person who shall become an RCT Letter of Credit Issuer pursuant to Section 3.6 (it being understood that if any such Person ceases to be a Lender hereunder, such Person will remain an RCT Letter of Credit Issuer with respect to any RCT Letters of Credit issued by such Person that remained outstanding as of the date such Person ceased to be a Lender). Any RCT Letter of Credit Issuer may, in its discretion, arrange for one or more RCT Letters of Credit to be issued by Affiliates of such RCT Letter of Credit Issuer, and in each such case the term "RCT Letter of Credit Issuer" shall include any such Affiliate with respect to RCT Letters of Credit issued by such Affiliate. References herein and in the other Credit Documents to the RCT Letter of Credit Issuer shall be deemed to refer to the RCT Letter of Credit Issuer in respect of the applicable RCT Letter of Credit or to all RCT Letter of Credit Issuers, as the context requires.

"RCT Letter of Credit Reimbursement Obligations" shall mean the obligations of the TCEH Debtors to reimburse and repay Unpaid Drawings on any RCT Letter of Credit pursuant to the terms and conditions set forth in Section 3.4 of this Agreement.

"RCT Letters of Credit Outstanding" shall mean, at any time, with respect to any RCT Letter of Credit Issuer, the sum of, without duplication, (a) the aggregate Stated Amount of all outstanding RCT Letters of Credit issued by such RCT Letter of Credit Issuer and (b) the aggregate principal amount of all Unpaid Drawings in respect of all such RCT Letters of Credit. References herein and in the other Credit Documents to the RCT Letters of Credit Outstanding shall be deemed to refer to the RCT Letters of Credit Outstanding in respect of all RCT Letters of Credit issued by the applicable RCT Letter of Credit Issuer or to the RCT Letters of Credit Outstanding in respect of all RCT Letters of Credit, as the context requires.

"RCT Reclamation Support Carve Out" shall mean (unless and until the Borrower issues and delivers the RCT Carve Out Support Rejection Notice pursuant to Section 4.4 hereof) all amounts up to \$1,100,000,000 required to be paid by the TCEH Debtors to the RCT pursuant to amounts due and owing in respect of reclamation obligations incurred by the RCT and for which any of the TCEH Debtors may be liable under Applicable Law.

"Real Estate" shall have the meaning provided in Section 9.1(f).

"Receivables Entity" shall mean any Person formed solely for the purpose of (i) facilitating or entering into one or more Permitted Receivables Financings, and (ii) in each case, engaging in activities reasonably related or incidental thereto. TXU Receivables Company, a Delaware corporation and TXU Energy Receivables Company LLC, a Delaware corporation, shall each be deemed to be a Receivables Entity.

"Receivables Facility Assets" shall mean currently existing and hereafter arising or originated Accounts, Payment Intangibles and Chattel Paper (as each such term is defined in the UCC) owed or payable to any Participating Receivables Grantor, and to the extent related to or supporting any Accounts, Chattel Paper or Payment Intangibles, or constituting a receivable, all General Intangibles (as each such term is defined in the UCC) and other forms of obligations and receivables owed or payable to any Participating Receivables Grantor, including the right to payment of any interest, finance charges, late payment fees or other charges with respect thereto (the foregoing, collectively, being "receivables"), all of such Participating Receivables Grantor's rights as an unpaid vendor (including rights in any goods the sale of which gave rise to any receivables), all security interests or liens and property subject to such security interests or liens from time to time purporting to secure payment of any receivables or other items described in this definition, all guarantees, letters of credit, security agreements, insurance and other agreements or arrangements from time to time supporting or securing payment of any receivables or other items described in this definition, all customer deposits with respect thereto, all rights under any contracts giving rise to or evidencing any receivables or other items described in this definition, and all documents, books, records and information (including computer programs, tapes, disks, data processing software and related property and rights) relating to any receivables or other items described in this definition or to any obligor with respect thereto, and all proceeds of the foregoing.

"Receivables Fees" shall mean distributions or payments made directly or by means of discounts with respect to any accounts receivable or participation interest therein issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with any Permitted Receivables Financing.

"Recovery Event" shall mean (a) any damage to, destruction of or other casualty or loss involving any property or asset or (b) any seizure, condemnation, confiscation or taking (or transfer under threat of condemnation) under the power of eminent domain of, or any requisition of title or use of or relating to, or any similar event in respect of, any property or asset.

"Recovery Prepayment Event" shall mean the receipt of cash proceeds with respect to any settlement or payment in connection with any Recovery Event in respect of any property or asset of the Borrower or any Restricted Subsidiary; provided that the term "Recovery Prepayment Event" shall not include any Asset Sale Prepayment Event.

"Register" shall have the meaning provided in Section 13.6(b)(iv).

"Regulation T" shall mean Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof establishing margin requirements.

"Secured Hedging Agreement" shall mean any Hedging Agreement that is entered into by and between the Borrower or any Restricted Subsidiary and any Hedge Bank.

"Secured Parties" shall mean the Administrative Agent, the Collateral Agent, the Letter of Credit Issuers, each Lender, each Hedge Bank that is party to any Secured Hedging Agreement or a Secured Commodity Hedging Agreement, as applicable, each Cash Management Bank that is a party to a Secured Cash Management Agreement and each sub-agent pursuant to Section 12 appointed by the Administrative Agent with respect to matters relating to the Credit Facilities or by the Collateral Agent with respect to matters relating to any Security Document.

"Securities Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Securitization" shall mean a public or private offering by a Lender or any of its Affiliates or their respective successors and assigns of securities or notes which represent an interest in, or which are collateralized, in whole or in part, by the Loans and the Lender's rights under the Credit Documents.

"Security Agreement" shall mean the Security Agreement entered into by the Borrower, the other grantors party thereto and the Collateral Agent for the benefit of the Secured Parties, substantially in the form of Exhibit F.

"Security Documents" shall mean, collectively, (a) the Security Agreement, (b) any Pledge Agreement, (c) the Orders, (d) Section 14 of this Agreement and (e) each other security agreement or other instrument or document executed and delivered pursuant to Section 9.11, 9.12 or 9.14 or pursuant to any other such Security Documents to secure or perfect the security interest in any or all of the Obligations. The Security Documents (other than the Orders) shall supplement, and shall not limit, the grant of a Lien on and security interest in the Collateral pursuant to the Orders.

"Shared Services Agreement" shall mean the Shared Services Agreement, dated on or about October 23, 2013 between EFH Corporate Services Company and the Borrower, as amended, supplemented or otherwise modified from time to time in a manner that is not, in the Borrower's reasonable judgment, adverse, taken as a whole, to the Lenders in any material respect.

"Sold Entity or Business" shall have the meaning provided in the definition of the term "Consolidated EBITDA".

"Specified Affiliates" shall mean, collectively, the following affiliates of the Borrower: (i) Comanche Peak Nuclear Power Company LLC; (ii) EFH Corporate Services Company; (iii) EFH Properties Company; (iv) the Ultimate Parent; and (v) the Oncor Subsidiaries.

"Specified Default" shall mean any Event of Default under Section 11.1.

"Specified RCT Letter of Credit Commitment" shall mean, with respect to any RCT Letter of Credit Issuer, (a) in the case of each RCT Letter of Credit Issuer that is a RCT Letter of Credit Issuer on the date hereof, the percentage of the RCT Letter of Credit Commitment set forth opposite such RCT Letter of Credit Issuer's name on Schedule 1.1(a) as such RCT Letter of Credit Issuer's "Specified RCT Letter of Credit Commitment" or such other percentage as the Borrower and such RCT Letter of Credit Issuer may agree in writing from time to time and (b) in the case of any other RCT Letter of Credit Issuer, 100% of the RCT Letter of Credit Commitment or such lower percentage as is specified in the agreement pursuant to which such Person becomes a RCT Letter of Credit Issuer entered into pursuant to Section 3.6(a) hereof.

SECTION 3. Letters of Credit.

3.1. Issuance of Letters of Credit.

(a) General Letters of Credit. (i) Subject to and upon the terms and conditions herein set forth (including Section 3.8), at any time and from time to time on and after the Closing Date and prior to the General L/C Termination Date, each General Letter of Credit Issuer agrees to issue upon the request of the Borrower (x) for the direct or indirect benefit of the Borrower and the Restricted Subsidiaries and (y) for the direct or indirect benefit of the Ultimate Parent and its other Subsidiaries (excluding the Oncor Subsidiaries) (in the case of this sub-clause (y), so long as the aggregate Stated Amount of all Letters of Credit issued by the General Letter of Credit Issuers from the Closing Date for the Ultimate Parent and its other Subsidiaries' benefit does not exceed \$50,000,000), a letter of credit or letters of credit (the "General Letters of Credit" and each, a "General Letter of Credit") in such form and with such Issuer Documents as may be approved by such General Letter of Credit Issuer in its reasonable discretion; provided that the Borrower shall be a co-applicant, and jointly and severally liable with respect to each General Letter of Credit issued for the account of the Ultimate Parent and its Subsidiaries other than the Borrower; provided further that General Letters of Credit issued for the direct or indirect benefit of the Ultimate Parent and its other Subsidiaries (excluding the Oncor Subsidiaries) other than the Borrower and the Restricted Subsidiaries shall be subject to Sections 10.5(b), (g), (i) and/or (v) and Section 10.12 hereof.

(ii) Notwithstanding the foregoing, (A) no General Letter of Credit shall be issued, the Stated Amount of which, when added to the General Letters of Credit Outstanding at such time, would exceed the lesser of (x) the General Letter of Credit Commitment then in effect and (y) the General L/C Collateral Account Balance, (B) no General Letter of Credit shall be issued by any General Letter of Credit Issuer the Stated Amount of which, when added to the General Letters of Credit Outstanding with respect to such General Letter of Credit Issuer, would exceed the lesser of (x) the Specified General Letter of Credit Commitment of such General Letter of Credit Issuer then in effect and (y) the General L/C Collateral Account Balance of the relevant General L/C Collateral Account, (C) each General Letter of Credit shall have an expiration date occurring no later than the earlier of (x) one year after the date of issuance thereof, unless otherwise agreed upon by the Administrative Agent and the relevant General Letter of Credit Issuer or as provided under Section 3.2(b) and (y) the General L/C Termination Date, (D) each General Letter of Credit shall be denominated in Dollars, (E) no General Letter of Credit shall be issued if it would be illegal under any Applicable Law for the beneficiary of the General Letter of Credit to have a General Letter of Credit issued in its favor and (F) no General Letter of Credit shall be issued after the relevant General Letter of Credit Issuer has received a written notice from the Borrower or the Administrative Agent or the Required Lenders stating that a Default or an Event of Default has occurred and is continuing until such time as such General Letter of Credit Issuer shall have received a written notice (x) of rescission of such notice from the party or parties originally delivering such notice, (y) of the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1 or (z) that such Default or Event of Default is no longer continuing.

(b) RCT Letters of Credit. (i) Subject to and upon the terms and conditions herein set forth (including Section 3.9), at any time and from time to time on and after the Closing Date and prior to the RCT L/C Termination Date, but only if the Borrower shall have theretofore issued and delivered the RCT Carve Out Support Rejection Notice pursuant to Section 4.4 prior to the Delayed-Draw Termination Date, each RCT Letter of Credit Issuer agrees to issue upon the request of the Borrower and for the benefit of the RCT a letter of credit or letters of credit (the "RCT Letters of Credit" and each, a "RCT Letter of Credit") in such form and with such Issuer Documents as may be approved by such RCT Letter of Credit Issuer in its reasonable discretion. RCT Letters of Credit shall be used for the purpose of satisfying bonding requirements of the RCT.

(ii) Notwithstanding the foregoing, (A) no RCT Letter of Credit shall be issued, the Stated Amount of which, when added to the RCT Letters of Credit Outstanding at such time, would exceed the lesser of (x) the RCT Letter of Credit Commitment then in effect and (y) the RCT L/C Collateral Account Balance, (B) no RCT Letter of Credit shall be issued by any RCT Letter of Credit Issuer the Stated Amount of which, when added to the RCT Letters of Credit Outstanding with respect to such RCT Letter of Credit Issuer, would exceed the lesser of (x) the Specified RCT Letter of Credit Commitment of such RCT Letter of Credit Issuer then in effect and (y) the RCT L/C Collateral Account Balance of the relevant RCT L/C Collateral Account, (C) each RCT Letter of Credit shall have an expiration date occurring no later than the earlier of (x) one year after the date of issuance thereof, unless otherwise agreed upon by the Administrative Agent and the relevant RCT Letter of Credit Issuer or as provided under Section 3.2(b) and (y) the RCT L/C Termination Date, (D) each RCT Letter of Credit shall be denominated in Dollars, (E) no RCT Letter of Credit shall be issued if it would be illegal under any Applicable Law for the beneficiary of the RCT Letter of Credit to have a RCT Letter of Credit issued in its favor and (F) no RCT Letter of Credit shall be issued after the relevant RCT Letter of Credit Issuer has received a written notice from the Borrower or the Administrative Agent or the Required Lenders stating that a Default or an Event of Default has occurred and is continuing until such time as such RCT Letter of Credit Issuer shall have received a written notice (x) of rescission of such notice from the party or parties originally delivering such notice, (y) of the waiver of such Default or Event of Default in accordance with the provisions of Section 13.1 or (z) that such Default or Event of Default is no longer continuing.

3.2. Letter of Credit Requests.

(a) Whenever the Borrower desires that a Letter of Credit be issued, the Borrower shall give the Administrative Agent and the applicable Letter of Credit Issuer a Letter of Credit Request by no later than 1:00 p.m. (New York City time) at least two (or such lesser number as may be agreed upon by the Administrative Agent and such Letter of Credit Issuer) Business Days prior to the proposed date of issuance. Each notice shall be executed by the Borrower, shall specify whether such Letter of Credit is to be a General Letter of Credit or RCT Letter of Credit and shall be in the form of Exhibit G, or such other form (including by electronic or fax transmission) as agreed between the Borrower, the Administrative Agent and the applicable Letter of Credit Issuer (each a "Letter of Credit Request").

(b) If the Borrower so requests in any applicable Letter of Credit Request, any Letter of Credit Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit the Letter of Credit Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by a Letter of Credit Issuer, the Borrower shall not be required to make a specific request to such Letter of Credit Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Borrower shall be deemed to have authorized (but may not require) such Letter of Credit Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than, in the case of any General Letter of Credit, the General L/C Termination Date, and in the case of any RCT Letter of Credit, the RCT L/C Termination Date; provided, however, that such Letter of Credit Issuer shall not permit any such extension if (A) such Letter of Credit Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as

which such General L/C Collateral Account Depository Bank has ready access; provided, however, that the General L/C Collateral Account Depository Bank shall determine such investments in General L/C Permitted Investments during the existence of any Event of Default as long as made in General L/C Permitted Investments, it being understood and agreed that neither the Borrower nor the General L/C Collateral Account Depository Bank nor any other Person may direct the investment of funds in the General L/C Collateral Account in any assets other than General L/C Permitted Investments. The Borrower shall bear the risk of loss of principal with respect to any investments in any General L/C Collateral Account. In addition, the Collateral Agent hereby agrees to instruct each General L/C Collateral Account Depository Bank to release and pay to the Borrower amounts (if any) (x) remaining on deposit in each relevant General L/C Collateral Account after the termination of all General Letter of Credit Commitments, the termination or cancellation of all General Letters of Credit and the repayment in full of all outstanding General L/C Obligations and/or (y) as set forth in Section 3.10(a) below. Each General L/C Collateral Account Depository Bank shall inform the applicable General L/C Issuer of the balance in the applicable General L/C Collateral Account upon the request of such General L/C Issuer.

3.9. RCT L/C Collateral Account. On or prior to the date of initial drawing of Delayed-Draw Term Loans, the Borrower shall establish under its name one or more RCT L/C Collateral Accounts for the purpose of cash collateralizing the Borrower's obligations to any RCT Letter of Credit Issuer (including the RCT Letter of Credit Reimbursement Obligation) and may transfer all or any portion of the funds in any RCT L/C Collateral Account to any other RCT L/C Collateral Account, subject to the satisfaction of the conditions set forth in this Section 3.9; provided that each RCT Letter of Credit Issuer may require that the RCT L/C Collateral Account Depository Bank for the RCT L/C Collateral Account corresponding to its RCT L/C Obligations is such RCT Letter of Credit Issuer or an Affiliate thereof. The Borrower agrees that at all times, and shall immediately cause additional funds to be deposited and held in each RCT L/C Collateral Account from time to time in order that, the RCT L/C Collateral Account Balance of each RCT L/C Collateral Account shall at least equal the RCT Letters of Credit Outstanding (the "RCT L/C Cash Coverage Requirement") of the relevant RCT Letter of Credit Issuer. The Borrower hereby grants to the Collateral Agent, for the benefit of all RCT Letter of Credit Issuers, a security interest in the RCT L/C Collateral Accounts and all cash and balances therein and all proceeds of the foregoing, as security for the RCT L/C Obligations (including the RCT Letter of Credit Reimbursement Obligation) (and, in addition, grants a security interest therein, for the benefit of the Secured Parties as collateral security for the other Obligations; provided that amounts on deposit in any RCT L/C Collateral Account shall be applied, first, to repay the corresponding RCT L/C Obligations (including the RCT Letter of Credit Reimbursement Obligation) and, then, to repay all other Obligations, in each case in such order as set forth in Section 11.19 hereof). Except as expressly provided herein or in any other Credit Document, no Person shall have the right to make any withdrawal from any RCT L/C Collateral Account or to exercise any right or power with respect thereto; provided that at any time the Borrower shall fail to reimburse any RCT Letter of Credit Issuer for any Unpaid Drawing in accordance with Section 3.4(a), the Borrower hereby absolutely, unconditionally and irrevocably agrees that such RCT Letter of Credit Issuer shall be entitled to instruct the Collateral Agent, and the Collateral Agent shall instruct the applicable depository bank (each, a "RCT L/C Collateral Account Depository Bank") of the applicable RCT L/C Collateral Account, to withdraw therefrom and pay to the Administrative Agent for account of such RCT Letter of Credit Issuer amounts equal to such Unpaid Drawings. Amounts in any RCT L/C Collateral Account shall be invested by the applicable RCT L/C Collateral Account Depository Bank in the manner instructed by the Borrower in RCT L/C Permitted Investments to which such RCT L/C Collateral Account Depository Bank has ready access; provided, however, that the RCT L/C Collateral Account Depository Bank shall determine such investments in RCT L/C Permitted Investments during the existence of any Event of Default as long as made in RCT L/C Permitted Investments, it being understood and agreed that neither the Borrower nor the RCT L/C Collateral Account Depository Bank nor any other Person may direct the investment of funds in the RCT L/C Collateral Account in any assets other than RCT L/C Permitted Investments. The Borrower shall bear the

risk of loss of principal with respect to any investments in any RCT L/C Collateral Account. In addition, the Collateral Agent hereby agrees to instruct each RCT L/C Collateral Account Depository Bank to release and pay to the Borrower amounts (if any) (x) remaining on deposit in each relevant RCT L/C Collateral Account after the termination of all RCT Letter of Credit Commitments, the termination or cancellation of all RCT Letters of Credit and the repayment in full of all outstanding RCT L/C Obligations and/or (y) as set forth in Section 3.10(b) below. Each RCT L/C Collateral Account Depository Bank shall inform the applicable RCT L/C Issuer of the balance in the applicable RCT L/C Collateral Account upon the request of such RCT L/C Issuer.

3.10. Drawings from General L/C Collateral Accounts and RCT L/C Collateral Accounts.

(a) At any time and from time to time (other than during the existence of an Event of Default), upon at least two (2) Business Days' prior written notice to the Collateral Agent, the Administrative Agent, the relevant General Letter of Credit Issuer and the relevant General L/C Collateral Account Depository Bank, the Borrower may draw amounts in any General L/C Collateral Account, provided, however, that after giving effect to any such drawing, the General L/C Cash Coverage Requirement shall be satisfied. For the avoidance of doubt, the conditions set forth in Sections 6 and 7 of this Agreement will not be applicable to any withdrawals made pursuant to this Section 3.10(a) or the last sentence of Section 3.8.

(b) At any time and from time to time (other than during the existence of an Event of Default), upon at least two (2) Business Days' prior written notice to the Collateral Agent, the Administrative Agent, the relevant RCT Letter of Credit Issuer and the relevant RCT L/C Collateral Account Depository Bank, the Borrower may draw amounts in any RCT L/C Collateral Account, provided, however, that (x) after giving effect to any such drawing, the RCT L/C Cash Coverage Requirement shall be satisfied (y) such drawn amounts may not be used for any purpose other than prepaying the Term Loans or the Delayed-Draw Term Loans in accordance with Section 5.1. For the avoidance of doubt, the conditions set forth in Sections 6 and 7 of this Agreement will not be applicable to any withdrawals made pursuant to this Section 3.10(b) or the last sentence of Section 3.9.

3.11. Applicability of ISP and UCP. Unless otherwise expressly agreed by the relevant Letter of Credit Issuer and the Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each Standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance, shall apply to each Commercial Letter of Credit, and in each case to the extent not inconsistent with the above referred rules, the laws of the State of New York shall apply to each Letter of Credit.

3.12. Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

3.13. Letters of Credit Issued for Others. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, the Ultimate Parent or its Subsidiaries other than the Borrower, the Borrower shall be obligated to reimburse the relevant Letter of Credit Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of the Ultimate Parent or its Subsidiaries other than the Borrower inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of the Ultimate Parent and its Subsidiaries other than the Borrower.

4.4. RCT Carve Out Support Rejection Notice.

If the RCT denies or rejects the TCEH Debtors' application to utilize the RCT Reclamation Support Carve Out to satisfy the RCT's bonding requirements, then the Borrower shall be obligated to promptly terminate the RCT Reclamation Support Carve Out by issuing and delivering a notice in writing to the Administrative Agent (the "RCT Carve Out Support Rejection Notice"). Upon issuance and delivery by the Borrower of the RCT Carve Out Support Rejection Notice to the Administrative Agent, immediately, automatically and without further action, the RCT Reclamation Support Carve Out will terminate and be permanently reduced to \$0 for all purposes hereunder and under the Orders, and the RCT shall thereafter cease to have any rights in respect of the RCT Reclamation Support Carve Out. Except as set forth in this Section 4.4, the Borrower may not terminate the RCT Reclamation Support Carve Out.

SECTION 5. Payments.

5.1. Voluntary Prepayments. The Borrower shall have the right to prepay Term Loans, Delayed-Draw Term Loans and Revolving Credit Loans, without premium or penalty, in whole or in part, from time to time on the following terms and conditions: (a) the Borrower shall give the Administrative Agent at the Administrative Agent's Office written notice (or telephonic notice promptly confirmed in writing) of its intent to make such prepayment, the amount of such prepayment and, in the case of LIBOR Loans, the specific Borrowing(s) pursuant to which made, which notice shall be given by the Borrower no later than 1:00 p.m. (New York City time) (x) one Business Day prior to (in the case of ABR Loans) or (y) three Business Days prior to (in the case of LIBOR Loans), the date of such prepayment and shall promptly be transmitted by the Administrative Agent to each of the relevant Lenders, (b) each partial prepayment of any Borrowing of Term Loans, Delayed-Draw Term Loans or Revolving Credit Loans shall be in a multiple of \$1,000,000 and in an aggregate principal amount of at least \$5,000,000; provided that no partial prepayment of LIBOR Loans made pursuant to a single Borrowing shall reduce the outstanding LIBOR Loans made pursuant to such Borrowing to an amount less than the Minimum Borrowing Amount for LIBOR Loans and (c) any prepayment of LIBOR Loans pursuant to this Section 5.1 on any day other than the last day of an Interest Period applicable thereto shall be subject to compliance by the Borrower with the applicable provisions of Section 2.11. Each prepayment in respect of any tranche of Term Loans or Delayed-Draw Term Loans pursuant to this Section 5.1 shall be applied to the Class or Classes of Term Loans or Delayed Draw Term Loans in such manner as the Borrower may determine. All prepayments under this Section 5.1 shall also be subject to the provisions of Section 5.2(d) or (e), as applicable. At the Borrower's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any Loan of a Defaulting Lender.

5.2. Mandatory Prepayments.

(a) Loan Prepayments. On each occasion that a Prepayment Event occurs, the Borrower shall, within three Business Days after the occurrence of such Prepayment Event (or, in the case of Deferred Net Cash Proceeds, within three Business Days after the Deferred Net Cash Proceeds Payment Date), prepay (subject to Section 11.19 when applicable), in accordance with clauses (c) and (d) below, Loans in a principal amount equal to 100% of the Net Cash Proceeds from such Prepayment Event.

(b) Repayment of Revolving Credit Loans. Subject to Section 11.19 when applicable, if on any date the aggregate amount of the Lenders' Revolving Credit Exposures (collectively, the "Aggregate Revolving Credit Outstandings") for any reason exceeds 100% of the Total Revolving Credit Commitment then in effect (or, prior to the Full Availability Date, the Interim Availability Amount), the Borrower shall, forthwith repay within two (2) Business Days of such date the principal amount of any Revolving Credit Loans in an amount necessary to eliminate such deficiency.

Agent, on behalf of the Secured Parties, as "loss payee" and, solely if available from the relevant insurance company in respect of the Collateral perfected pursuant to the Orders, as "mortgagee" under any casualty insurance policies, and the Secured Parties, as "additional insureds", under any liability insurance policies.

7.4. Availability of Delayed-Draw Term Loans and RCT Letters of Credit. The RCT Carve Out Support Rejection Notice shall have been issued and delivered (a) prior to the Delayed-Draw Termination Date and (b) prior to the making of such Delayed-Draw Term Loans or the issuance of such RCT Letters of Credit.

The acceptance of the benefits of each Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified in Section 7 above have been satisfied or waived as of that time.

SECTION 8. Representations, Warranties and Agreements.

In order to induce the Lenders and the Letter of Credit Issuers to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, each of Parent Guarantor and the Borrower makes (on the Closing Date and on each other date as required or otherwise set forth in this Agreement) the following representations and warranties to, and agreements with, the Lenders and the Letter of Credit Issuers, all of which shall survive the execution and delivery of this Agreement, the making of the Loans and the issuance of the Letters of Credit:

8.1. Corporate Status; Compliance with Laws. Each of Parent Guarantor, the Borrower and each Material Subsidiary of the Borrower that is a Restricted Subsidiary (a) is a duly organized and validly existing corporation or other entity in good standing (as applicable) under the laws of the jurisdiction of its organization and has the corporate or other organizational power and authority to own its property and assets and to transact the business in which it is engaged, (b) has duly qualified and is authorized to do business and is in good standing (if applicable) in all jurisdictions where it is required to be so qualified, except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect and (c) is in compliance with all Applicable Laws, except to the extent that the failure to be in compliance could not reasonably be expected to result in a Material Adverse Effect.

8.2. Corporate Power and Authority. Subject to the entry of the Orders and the terms thereof, each Credit Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and, subject to the entry of the Orders and the terms thereof, each such Credit Document constitutes the legal, valid and binding obligation of such Credit Party enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization and other similar laws relating to or affecting creditors' rights generally and general principles of equity (whether considered in a proceeding in equity or law).

8.3. No Violation. Subject to the entry of the Orders and the terms thereof, neither the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party nor the compliance with the terms and provisions thereof will (a) contravene any applicable provision of any material Applicable Law (including material Environmental Laws), (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets of Parent Guarantor, the Borrower or any Restricted Subsidiary (other than Liens created under the Credit

11.18. Confirmation of Plan. A plan shall be confirmed in any of the Cases that does not provide for termination of the Commitments hereunder and the indefeasible payment in full in cash of the Obligations (other than Contingent Obligations) on the effective date of such plan;

then, and in any such event, and at any time thereafter, if any Event of Default shall then be continuing, subject in each case to the terms and conditions of the Interim Order and (once entered) the Final Order, the Administrative Agent may and, upon the written request of the Required Lenders, shall, by five calendar days' written notice to the Borrower, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against the Borrower, except as otherwise specifically provided for in this Agreement: (i) declare the Commitments terminated, whereupon the Commitments, if any, of each Lender and each Letter of Credit Issuer shall forthwith terminate immediately and any Fees theretofore accrued shall forthwith become due and payable without any other notice of any kind; (ii) declare the principal of and any accrued interest and Fees in respect of any or all Loans and any or all Obligations owing hereunder and under any other Credit Document to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; and/or (iii) terminate any Letter of Credit that may be terminated in accordance with its terms.

11.19. Application of Proceeds. Subject to the Carve Out and the RCT Reclamation Support Carve Out, during the existence of an Event of Default any Net Cash Proceeds received by the Collateral Agent, any distribution made in respect of any Collateral in any bankruptcy or insolvency proceeding of any Credit Party, all proceeds of any sale, collection or other liquidation of any Collateral, including all insurance proceeds received in respect thereof, and all proceeds of any such distribution, and any proceeds received by the Collateral Agent in respect of any sale of, collection from or other realization upon all or any part of the Collateral pursuant to the exercise by the Collateral Agent of its remedies shall be applied, in full or in part, together with any other sums then held by the Collateral Agent pursuant to this Agreement and/or any other Credit Document, promptly as follows:

(a) with respect to any Collateral other than the RCT L/C Collateral Accounts and the General L/C Collateral Accounts :

(i) First, to the payment of all reasonable costs and expenses, fees, commissions and taxes of such sale, collection or other realization including compensation to the Administrative Agent, Collateral Agent and their agents and counsel, and all expenses, liabilities and advances made or incurred by the Administrative Agent and Collateral Agent in connection therewith and all amounts for which the Administrative Agent and Collateral Agent is entitled to indemnification pursuant to the provisions of any Credit Document, together with interest on each such amount at the highest rate then in effect under this Agreement from and after the date such amount is due, owing or unpaid until paid in full;

(ii) Second, to the payment of all other reasonable costs and expenses of such sale, collection or other realization including all costs, liabilities and advances made or incurred by the other Secured Parties in connection therewith, together with interest on each such amount at the highest rate then in effect under this Agreement from and after the date such amount is due, owing or unpaid until paid in full;

(iii) Third, without duplication of amounts applied pursuant to clauses (i) and (ii) above, to the indefeasible payment in full in cash, pro rata, of interest and other amounts constituting Obligations (other than principal, reimbursement obligations in respect of Letters of Credit and obligations to cash collateralize Letters of Credit) and any fees, premiums and scheduled periodic payments due under Secured Hedging Agreement, Secured Commodity

Hedging Agreements and Secured Cash Management Agreements to the extent constituting Obligations and any interest accrued thereon (excluding any breakage, termination or other payments thereunder), in each case equally and ratably in accordance with the respective amounts thereof then due and owing;

(iv) Fourth, to the payment in full in cash, pro rata, of principal amount of the Obligations (including reimbursement obligations in respect of Letters of Credit and obligations to cash collateralize Letters of Credit) and any premium thereon and any breakage, termination or other payments under Secured Hedging Agreement, Secured Commodity Hedging Agreements or Secured Cash Management Agreements to the extent constituting Obligations and any interest accrued thereon; and

(v) Fifth, the balance, if any, to the person lawfully entitled thereto (including the applicable Credit Party or its successors or assigns) or as a court of competent jurisdiction may direct.

(b) with respect to any RCT L/C Collateral Account:

(i) First, on a pro rata basis, to the payment of all amounts due to the relevant RCT Letter of Credit Issuer under any of the Credit Documents, excluding amounts payable in connection with any RCT Letter of Credit Reimbursement Obligation;

(ii) Second, on a pro rata basis, to the payment of all amounts due to the relevant RCT Letter of Credit Issuer in an amount equal to 100% of all relevant RCT Letter of Credit Reimbursement Obligations;

(iii) Third, on a pro rata basis, to any Secured Party which has theretofore advanced or paid any fees to the relevant RCT Letter of Credit Issuer, other than any amounts covered by priority Second, an amount equal to the amount thereof so advanced or paid by such Secured Party and for which such Secured Party has not been previously reimbursed;

(iv) Fourth, on a pro rata basis, to the payment of all other relevant RCT L/C Obligations; and

(v) Last, the balance, if any, after all of the relevant RCT L/C Obligations have been indefeasibly paid in full in cash, as set forth above in Section 11.19(a).

(c) with respect to any General L/C Collateral Account:

(i) First, on a pro rata basis, to the payment of all amounts due to the relevant General Letter of Credit Issuer under any of the Credit Documents, excluding amounts payable in connection with any General Letter of Credit Reimbursement Obligation;

(ii) Second, on a pro rata basis, to the payment of all amounts due to the relevant General Letter of Credit Issuer in an amount equal to 100% of all General Letter of Credit Reimbursement Obligations;

(iii) Third, on a pro rata basis, to any Secured Party which has theretofore advanced or paid any fees to the relevant General Letter of Credit Issuer, other than any amounts covered by priority Second, an amount equal to the amount thereof so advanced or paid by such Secured Party and for which such Secured Party has not been previously reimbursed;

(b) The Secured Parties hereby acknowledge and agree that the Secured Parties shall not (i) initiate any legal proceeding to procure the appointment of an administrative receiver, or (ii) institute any bankruptcy, reorganization, insolvency, winding up, liquidation, or any like proceeding under applicable law, against any of the Oncor Subsidiaries, or against any of the Oncor Subsidiaries' assets. The Secured Parties further acknowledge and agree that each of the Oncor Subsidiaries is a third party beneficiary of the foregoing covenant and shall have the right to specifically enforce such covenant in any proceeding at law or in equity.

13.21. Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Guarantor to honor all of its obligations under this Guarantee in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 13.21, or otherwise under this Agreement, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). Each Qualified ECP Guarantor intends that this Section 13.21 constitute, and this Section 13.21 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Guarantor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

SECTION 14. Security; Secured Commodity Hedging Agreements.

14.1. Security.

(a) Collateral; Grant of Lien and Security Interest.

(i) Pursuant to the Interim Order and (when applicable) the Final Order and in accordance with the terms thereof (and subject to the terms and conditions set forth therein), as security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration, or otherwise) of the Obligations, the Borrower hereby assigns, pledges, and grants to the Collateral Agent, for the benefit of the Secured Parties (subject, in each case, to the Carve Out and the RCT Reclamation Support Carve Out):

(A) a fully-perfected first priority senior security interest in and Lien upon, pursuant to section 364(c)(2) of the Bankruptcy Code, all prepetition and postpetition property of the Borrower, whether existing on the Petition Date or thereafter acquired that, on or as of the Petition Date, is not subject to valid, perfected, and non-avoidable Liens, including, without limitation, all real and personal property, inventory, plant, fixtures, machinery, equipment, the RCT L/C Collateral Accounts, the General L/C Collateral Accounts, cash, any investment of such cash, accounts receivable, other rights to payment whether arising before or after the Petition Date (including, without limitation, post-petition intercompany claims of the Borrower), deposit accounts, investment property, supporting obligations, minerals, oil, gas, and as-extracted collateral, causes of action (including those arising under section 549 of the Bankruptcy Code and any related action under section 550 of the Bankruptcy Code), royalty interests, chattel paper, contracts, general intangibles, documents, instruments, interests in leaseholds, letter of credit rights, patents, copyrights, trademarks, trade names, other intellectual property, Stock and Stock Equivalents of Subsidiaries, books and records pertaining to the foregoing, and to the extent not otherwise included, all proceeds, products, offspring, and profits of any and all of the foregoing (the "Unencumbered Property"); provided that the Unencumbered Property shall exclude the Borrower's Avoidance Actions, but subject only to, and effective upon, entry of the Final Order, shall include any proceeds or property recovered, unencumbered, or otherwise the subject of successful Avoidance Actions, whether by judgment, settlement, or otherwise;

(B) a fully-perfected first priority senior priming security interest in and Lien upon, pursuant to section 364(d)(1) of the Bankruptcy Code, all prepetition and postpetition property of the Borrower, whether existing on the Petition Date or thereafter acquired, that is subject to valid, perfected, and non-avoidable Liens currently held by any of the Prepetition Secured Creditors (as defined in the Interim Cash Collateral Order and (when applicable) the Final Cash Collateral Order), excluding the "Deposit L/C Loan Collateral Account" to the extent of the "Deposit L/C Obligations" (each as defined in the Prepetition Credit Agreement); provided that such security interests and Liens shall be senior in all respects to the interests in such property of any of the Prepetition Secured Creditors arising from current and future Liens of any of the Prepetition Secured Creditors (including, without limitation, Adequate Protection Liens) (as defined in the Interim Cash Collateral Order and (when applicable) the Final Cash Collateral Order), but shall not be senior to any valid, perfected, and non-avoidable interests of other parties arising out of Liens, if any, on such property existing immediately prior to the Petition Date, including the Liens securing the Tex-La Indebtedness, or to any valid, perfected, and non-avoidable interests in such property arising out of Liens to which the Liens of any of the Prepetition Secured Creditors become subject subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code; and

(C) a fully-perfected junior security interest in and Lien upon, pursuant to section 364(c)(3) of the Bankruptcy Code, all prepetition and postpetition property of the Borrower (other than the property described in clauses (A) and (B) of this Section 14.1(a)(i), as to which the Liens and security interests in favor of the Collateral Agent, for the benefit of the Secured Parties, will be as described in such clauses), whether existing on the Petition Date or thereafter acquired, that is subject to valid, perfected, and non-avoidable Liens in existence immediately prior to the Petition Date, or to any valid and non-avoidable Liens in existence immediately prior to the Petition Date that are perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code (in each case, other than the Adequate Protection Liens (as defined in the Interim Cash Collateral Order and (when applicable) the Final Cash Collateral Order));

provided, that notwithstanding anything to the contrary in this Section 14.1(a)(i), the Collateral shall exclude Excluded Collateral.

(ii) The security interests and Liens in favor of the Collateral Agent in the Collateral shall be effective immediately upon the entry of the Interim Order and subject, only in the event of the occurrence and during the continuance of an Event of Default, to the Carve Out, the RCT Reclamation Support Carve Out and the terms and conditions set forth in the Interim Order and (when applicable) the Final Order. Such Liens and security interests and their priority shall remain in effect until the Obligations (except for Hedging Obligations in respect of any Secured Hedging Agreement and/or any Secured Commodity Hedging Agreement, Cash Management Obligations in respect of Secured Cash Management Agreements and Contingent Obligations) have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable Letter of Credit Issuers).

(iii) Subject only to the prior payment of the Carve Out and the RCT Reclamation Support Carve Out, no costs or expenses of administration which have been or may be incurred in the Cases or any Successor Cases (as defined in the Orders) or in any other proceedings related thereto, and no priority claims, are or will be senior to, or pari passu with, any claim of any Secured Party or the Collateral Agent against any Credit Party.


IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first written above.

ENERGY FUTURE COMPETITIVE HOLDINGS
COMPANY LLC,
as Parent Guarantor

By: 

Name: Anthony R. Horton
Title: Treasurer

TEXAS COMPETITIVE ELECTRIC HOLDINGS
COMPANY LLC,
as the Borrower

By: 

Name: Anthony R. Horton
Title: Treasurer

[Signature Page to Credit Agreement]

CITIBANK, N.A.,
as Lender, General Letter of Credit Issuer and RCT Letter of
Credit Issuer

By: 

Name: Shapleigh B. Smith
Title: Managing Director and Vice President

[Signature Page to Credit Agreement]

DEUTSCHE BANK AG NEW YORK BRANCH,
as Lender and RCT Letter of Credit Issuer



By: _____

Name: Marcus M. Tarkington
Title: Director

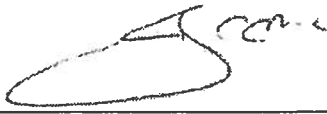


By: _____

Name: Lisa Wong
Title: Vice President

[Signature Page to Credit Agreement]

BANK OF AMERICA, N.A.,
as Lender and RCT Letter of Credit Issuer

By: 

Name:
Title: Managing Director

[Signature Page to Credit Agreement]

MORGAN STANLEY SENIOR FUNDING, INC.,
as Lender and RCT Letter of Credit Issuer


By: 

Name: William Graham

Title: Managing Director


[Signature Page to Credit Agreement]

BARCLAYS BANK PLC,
as Lender and RCT Letter of Credit Issuer

By: 
Name: Noam Azachi
Title: Vice President

[Signature Page to Credit Agreement]

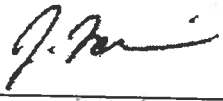
ROYAL BANK OF CANADA,
as Lender and RCT Letter of Credit Issuer

By: 

Name: Frank Lambrinos
Title: Authorized Signatory

[Signature Page to Credit Agreement]

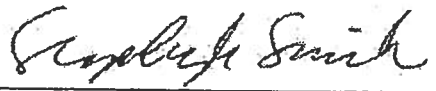
UNION BANK, N.A.,
as Lender and RCT Letter of Credit Issuer

By: 

Name: Jeffrey Fesenmaier
Title: Director

[Signature Page to Credit Agreement]

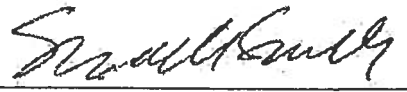
CITIBANK, NA.,
as Administrative Agent

By: 

Name: Shapleigh B. Smith
Title: Managing Director and Vice President

[Signature Page to Credit Agreement]

CITIBANK, N.A.,
as Collateral Agent

By: 

Name: Shapleigh B. Smith

Title: Managing Director and Vice President

[Signature Page to Credit Agreement]

E

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
ENERGY FUTURE HOLDINGS CORP., <i>et al.</i> , ¹)	Case No. 14-10979 (CSS)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 73

**INTERIM ORDER (A) APPROVING
POSTPETITION FINANCING FOR TEXAS COMPETITIVE
ELECTRIC HOLDINGS COMPANY LLC AND CERTAIN OF
ITS DEBTOR AFFILIATES, (B) GRANTING LIENS AND PROVIDING
SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS, (C) MODIFYING
THE AUTOMATIC STAY, AND (D) SCHEDULING A FINAL HEARING**

Upon the motion (the "DIP Motion") of Texas Competitive Electric Holdings Company LLC (the "Borrower" or "TCEH"), Energy Future Competitive Holdings Company LLC (the "Parent Guarantor"), and each of the Subsidiary Guarantors (as defined in the DIP Credit Agreement (as defined herein)) (the Subsidiary Guarantors, together with the Parent Guarantor, the "Guarantors"), each as a debtor and debtor-in-possession (collectively, the "TCEH Debtors") in the above-captioned chapter 11 cases of the TCEH Debtors (collectively, the "Cases"), pursuant to sections 105, 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d), and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), rules 2002, 4001, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and rule 4001-2 of the Local Rules of Bankruptcy Practice and Procedure of the United

¹ The last four digits of Energy Future Holdings Corp.'s tax identification number are 8810. The location of the debtors' service address is 1601 Bryan Street, Dallas, Texas 75201. Due to the large number of debtors in these chapter 11 cases, for which the debtors have requested joint administration, a complete list of the debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the debtors' proposed claims and noticing agent at <http://www.efhcaseinfo.com>.

States Bankruptcy Court for the District of Delaware (the "Local Bankruptcy Rules"), seeking entry of an interim order (this "Interim Order"), inter alia:

(i) authorizing the Borrower and the Parent Guarantor to enter into that certain Senior Secured Superpriority Debtor-in-Possession Credit Agreement, to be dated on or about the date this Interim Order is entered (as amended, restated, supplemented, or otherwise modified from time to time, the "DIP Credit Agreement"), between the Borrower, the Parent Guarantor, the financial institutions from time to time party thereto as lenders (the "DIP Lenders"), the financial institutions from time to time party thereto as letter of credit issuers (the "DIP L/C Issuers"), Citibank, N.A., as administrative agent and collateral agent (in such capacities, the "DIP Agent"),² and the other agents and entities from time to time party thereto, substantially in the form of Exhibit A annexed to the DIP Motion, to obtain secured postpetition financing (the "Financing") on a superpriority basis, consisting of (a) a revolving credit facility (the "Revolving Credit Facility") in an aggregate principal amount of up to \$1,950,000,000; (b) a term credit facility (the "Term Loan Facility") in an aggregate principal amount of up to \$1,425,000,000, of which up to \$800,000,000 may be applied by TCEH to fund the General L/C Collateral Account to support General Letters of Credit (each, as defined in the DIP Credit Agreement); (c) a delayed-draw term credit facility (the "Delayed-Draw Term Facility") in an aggregate principal amount of up to \$1,100,000,000, the proceeds of which, if funded, will be applied by TCEH to fund the RCT L/C Collateral Account to support RCT Letters of Credit (each, as defined in the DIP Credit Agreement); (d) obligations owed to the General Letter of Credit Issuer (as defined in

² As used herein, the term "DIP Agent" refers to Citibank, N.A., as administrative agent under the DIP Credit Agreement, Citibank, N.A., as collateral agent under the DIP Credit Agreement, or both, as the context requires. All references in this Interim Order to the DIP Agent with respect to the Secured Hedge Banks or the Secured Cash Management Banks (each, as defined herein) shall mean Citibank, N.A., in its capacity as collateral agent. Citibank, N.A., in its capacity as administrative agent, has no duties or obligations to the Secured Hedge Banks or the Secured Cash Management Banks.

the DIP Credit Agreement) (without duplication of any other obligations described in clauses (a), (b), or (c) above) pursuant to a cash collateralized letter of credit facility (the "General Letter of Credit Facility") in an aggregate stated amount of up to \$800,000,000, as such amount may be increased as agreed in writing between TCEH and the General Letter of Credit Issuers providing such increased amount; and (e) obligations owed to the RCT Letter of Credit Issuer (as defined in the DIP Credit Agreement) (without duplication of any other obligations described in clauses (a), (b), (c), or (d) above) pursuant to a cash collateralized letter of credit facility (the "RCT Letter of Credit Facility") and, collectively with the Revolving Credit Facility, the Term Loan Facility, the Delayed-Draw Term Facility, and the General Letter of Credit Facility, the "DIP Facility") in an aggregate stated amount of up to \$1,100,000,000;

(ii) authorizing the Parent Guarantor and each of the Subsidiary Guarantors to enter into that certain Guarantee, to be dated on or about the date this Interim Order is entered (as amended, restated, supplemented, or otherwise modified from time to time, the "DIP Guarantee");

(iii) authorizing each of the TCEH Debtors to execute and deliver the DIP Credit Agreement, the DIP Guarantee, the Fee Letter (as defined in the DIP Credit Agreement), and the other related Credit Documents (as defined in the DIP Credit Agreement) (collectively, the "DIP Documents") and to perform such other acts as may be necessary or desirable in connection with the DIP Documents;

(iv) granting the DIP Facility and all obligations owing thereunder and under the DIP Documents, the Secured Commodity Hedging Agreements, the Secured Hedging Agreements, and the Secured Cash Management Agreements (each, as defined in the DIP Credit Agreement) to the DIP Agent, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, and the

Secured Cash Management Banks (collectively, and including all "Obligations" as described in the DIP Credit Agreement, including, without limitation, (A) obligations (the "Secured Hedge Obligations") owing under or in connection with the Secured Commodity Hedging Agreements or the Secured Hedging Agreements with the TCEH Debtors and (B) obligations (the "Secured Cash Management Obligations") owing under or in connection with the Secured Cash Management Agreements with the TCEH Debtors, the "DIP Obligations") allowed superpriority administrative expense claims in each of the Cases and any Successor Cases (as defined herein);

(v) granting to the DIP Agent, for the benefit of itself, its sub-agents, the DIP Lenders, the DIP L/C Issuers, Hedge Banks (as defined in the DIP Credit Agreement) that are parties to Secured Commodity Hedging Agreements or Secured Hedging Agreements (the "Secured Hedge Banks") with the TCEH Debtors,³ and Cash Management Banks (as defined in the DIP Credit Agreement) that are parties to Secured Cash Management Agreements (the "Secured Cash Management Banks") with the TCEH Debtors, automatically perfected security interests in and liens upon all of the DIP Collateral (as defined herein), including, without limitation, all property constituting "Cash Collateral," as defined in section 363(a) of the Bankruptcy Code, which security interests and liens shall be subject to the priorities set forth herein;

(vi) authorizing and directing the TCEH Debtors to pay the principal, interest, fees, expenses, and other amounts payable and/or reimbursable under the DIP Documents, including the Fee Letter, as such amounts become due, including, without limitation, letter of credit fees (including issuance and other related charges), commitment fees, closing fees, arrangement fees,

³ For the avoidance of doubt, the TCEH Debtors are only authorized to pledge collateral for the benefit of Secured Hedge Banks pursuant to the terms of the *Interim Order Authorizing the Debtors To (A) Continue Performing Under the Prepetition Hedging and Trading Arrangements, (B) Pledge Collateral and Honor Obligations Thereunder, and (C) Enter Into and Perform Under Trading Continuation Agreements and New Postpetition Hedging and Trading Arrangements*.

incentive fees, and administrative agent's fees, all to the extent provided in, and in accordance with the terms of, the DIP Documents;

(vii) vacating and modifying the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the DIP Documents, as limited pursuant hereto, and this Interim Order; and

(viii) scheduling a final hearing (the "Final Hearing") to consider the relief requested in the DIP Motion on a final basis and approving the form of notice with respect to the Final Hearing.

The Court having considered the DIP Motion, the *Declaration of Paul Keglevic, Executive Vice President, Chief Financial Officer, and Co-Chief Restructuring Officer of Energy Future Holdings Corp., et al., in Support of First Day Motions*, sworn to on April 29, 2014, the exhibits attached thereto, the *Declaration of Stephen Goldstein in Support of (I) the Motion of Texas Competitive Electric Holdings Company LLC and Certain of Its Debtor Affiliates for Entry of Interim and Final Orders (A) Approving Postpetition Financing, (B) Granting Liens and Providing Superpriority Administrative Expense Claims, (C) Modifying the Automatic Stay, and (D) Scheduling a Final Hearing and (II) the Motion of Texas Competitive Electric Holdings Company LLC and Certain of Its Debtor Affiliates for Entry of Interim and Final Orders (A) Authorizing Use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying the Automatic Stay, and (D) Scheduling a Final Hearing*, sworn to on April 29, 2014, the DIP Documents, and the evidence submitted or adduced and the arguments of counsel made at the interim hearing held on ^{May 1,} ~~April~~ [], 2014 (the "Interim Hearing"); and notice of the Interim Hearing having been given in accordance with rules 4001(b), (c), and (d), and 9014 of the Bankruptcy Rules; and the Interim Hearing to consider the interim relief requested in the DIP

Motion having been held and concluded; and all objections, if any, to the interim relief requested in the DIP Motion having been withdrawn, resolved, or overruled by the Court; and it appearing to the Court that granting the interim relief requested is necessary to avoid immediate and irreparable harm to the TCEH Debtors and their estates pending the Final Hearing, is otherwise fair and reasonable and in the best interests of the TCEH Debtors and their estates, creditors, and other parties in interest, and is essential for the continued operation of the TCEH Debtors' businesses; and it further appearing that the TCEH Debtors are unable to obtain unsecured credit for money borrowed allowable as an administrative expense under section 503(b)(1) of the Bankruptcy Code; and after due deliberation and consideration and for good and sufficient cause appearing therefor;

BASED UPON THE RECORD ESTABLISHED AT THE INTERIM HEARING BY THE TCEH DEBTORS, THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:⁴

A. Petition Date. On April 29, 2014 (the "Petition Date"), each of the TCEH Debtors filed a separate voluntary petition under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Court") commencing these Cases. On ^{May 1,} ~~April 29,~~ 2014, the Court entered an order approving the joint administration of these Cases.

B. Debtors-in-Possession. The TCEH Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Cases.

⁴ Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact, pursuant to Bankruptcy Rule 7052.

C. Jurisdiction and Venue. The Court has jurisdiction over this matter, these proceedings, and the persons and property affected hereby pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference from the United States District Court for the District of Delaware, dated February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the TCEH Debtors confirm their consent pursuant to rule 9013-1(f) of the Local Bankruptcy Rules to the entry of a final order by the Court in connection with the DIP Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue for the Cases and proceedings on the DIP Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

D. Committee Formation. As of the date hereof, the United States Trustee for the District of Delaware (the "U.S. Trustee") has not appointed an official committee of unsecured creditors in these Cases pursuant to section 1102 of the Bankruptcy Code (the "Creditors' Committee").

E. Findings Regarding Postpetition Financing.

(i) Request for Postpetition Financing. The TCEH Debtors seek authority to obtain the DIP Facility on the terms described herein and in the DIP Documents to administer their Cases and fund their operations. ~~At the Final Hearing,~~ ^{state that, at the Final Hearing,} the TCEH Debtors ~~will~~ ^{they} seek final approval of the proposed postpetition financing arrangements pursuant to a proposed final order (the "Final Order"), which shall be in form and substance acceptable to the DIP Agent, and notice of which Final Hearing and Final Order will be provided in accordance with this Interim Order.

they state

(ii) Priming of Liens of Prepetition Secured Creditors. The priming of the Prepetition First Priority Liens⁵ and the Prepetition Second Priority Liens of the Prepetition Secured Creditors in the Prepetition Collateral (each, as defined in the Interim Cash Collateral Order) under section 364(d) of the Bankruptcy Code, as contemplated by the DIP Facility and as further described below, will enable the TCEH Debtors to obtain the DIP Facility and to continue to operate their businesses for the benefit of the estates and their creditors.

(iii) Need for Postpetition Financing. The TCEH Debtors' need to obtain credit on an interim basis pursuant to the DIP Facility is immediate and critical to enable the TCEH Debtors to continue operations and to administer and preserve the value of their estates. The ability of the TCEH Debtors to finance their operations, maintain business relationships with their vendors, suppliers, and customers, pay their employees, and otherwise finance their operations requires the availability of working capital from the DIP Facility, the absence of which would immediately and irreparably harm the TCEH Debtors, their estates, and their creditors, and the possibility for a successful reorganization. The TCEH Debtors do not have sufficient available sources of working capital and financing to operate their businesses or maintain their properties in the ordinary course of business without the DIP Facility.

(iv) No Credit Available on More Favorable Terms. Given their current financial condition, financing arrangements, and capital structure, the TCEH Debtors are unable to obtain financing from sources other than the DIP Lenders and the DIP L/C Issuers on terms more favorable than the DIP Facility. The TCEH Debtors have been unable to obtain unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense.

⁵ Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the *Interim Order (A) Authorizing Use of Cash Collateral for Texas Competitive Electric Holdings Company LLC, (B) Granting Adequate Protection, (C) Modifying the Automatic Stay, and (D) Scheduling a Final Hearing* (the "Interim Cash Collateral Order").

The TCEH Debtors have also been unable to obtain credit (a) having priority over that of administrative expenses of the kind specified in sections 503(b), 507(a), and 507(b) of the Bankruptcy Code, (b) secured by a lien on property of the TCEH Debtors and their estates that is not otherwise subject to a lien, or (c) secured solely by a junior lien on property of the TCEH Debtors and their estates that is subject to a lien. Financing on a postpetition basis is not otherwise available without granting the DIP Agent, for the benefit of itself, its sub-agents, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, and the Secured Cash Management Banks, (x) perfected security interests in and liens on (each, as provided herein) all of the TCEH Debtors' existing and after-acquired assets with the priorities set forth in paragraph 8 of this Interim Order, (y) superpriority claims and liens, and (z) the other protections set forth in this Interim Order.

F. Use of Proceeds of the DIP Facility. As a condition to entry into the DIP Credit Agreement and the extension of credit under the DIP Facility, the DIP Agent, the DIP Lenders, and the DIP L/C Issuers require, and the TCEH Debtors have agreed, that proceeds of the Term Loans and the Revolving Credit Loans (each, as defined in the DIP Credit Agreement) shall be used, in each case in a manner consistent with the terms and conditions of the DIP Documents, to (a) finance any and all working capital needs and for any other general corporate purposes, including, without limitation, to (i) provide collateral support in respect of financial or physical trading transactions, including commodities transactions (in each case, subject to the terms of all applicable interim and final orders entered by the Court in the Cases) and (ii) comply with any legal and/or regulatory requirements of governmental and quasi-governmental entities (including for posting bonds and remediation or reclamation obligations of any nature (such as with the Railroad Commission of Texas (the "RCT")), complying with any statutory or regulatory

requirements, and for self-bonding in respect of permits and licenses) applicable to the TCEH Debtors (and, to the limited extent set forth in the DIP Documents, of the Specified Affiliates (as defined in the DIP Credit Agreement)), (b) provide for Letters of Credit (as defined in the DIP Credit Agreement), and (c) pay related transaction costs, fees, liabilities, and expenses, and other administration costs incurred in connection with the Cases and the commitment, negotiation, syndication, documentation (including any commitment letters), execution, and closing of the DIP Facility, as provided for in the DIP Credit Agreement and the DIP Documents. If funded, the proceeds of the Delayed-Draw Term Loans (as defined in the DIP Credit Agreement) will be used to fund the RCT L/C Collateral Account. The General Letters of Credit may be used (x) for general corporate purposes, including, without limitation, providing collateral support in respect of financial or physical trading transactions, including commodities transactions related to the TCEH Debtors' businesses and activities (in each case, subject to the terms of all applicable interim and final orders entered by the Court in the Cases) (and, to the limited extent set forth in the DIP Documents, of the Specified Affiliates) and (y) to comply with any legal and/or regulatory requirements of governmental and quasi-governmental entities (including for posting bonds and remediation or reclamation obligations of any nature (such as with the RCT), complying with any statutory or regulatory requirements, and for self-bonding in respect of permits and licenses) applicable to the TCEH Debtors. If issued, the RCT Letters of Credit will be used for the purpose of satisfying bonding requirements of the RCT.

G. Section 506(c). In light of the DIP Agent's, the DIP Lenders', and the DIP L/C Issuers' agreement to subordinate their liens and superpriority claims to the Carve Out and the RCT Reclamation Support Carve Out (each, as defined herein), the DIP Agent, the DIP Lenders,

and the DIP L/C Issuers are each entitled to, subject to entry of a Final Order, a waiver of the provisions of section 506(c) of the Bankruptcy Code.

H. Good Faith of the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers.

(i) Willingness To Provide Financing. The DIP Lenders have indicated a willingness to provide financing to the TCEH Debtors subject to (a) the entry of this Interim Order and the Final Order, (b) approval of the terms and conditions of the DIP Facility and the DIP Documents, and (c) entry of findings by the Court that such financing is essential to the TCEH Debtors' estates, that the DIP Agent, the DIP Lenders, and the DIP L/C Issuers are extending credit to the TCEH Debtors pursuant to the DIP Documents in good faith, and that the DIP Agent's, the DIP Lenders', and the DIP L/C Issuers' claims, superpriority claims, security interests and liens, and other protections granted pursuant to this Interim Order and the DIP Documents will have the protections provided in section 364(e) of the Bankruptcy Code and will not be affected by any subsequent reversal, modification, vacatur, amendment, reargument, or reconsideration of this Interim Order or any other order.

(ii) Business Judgment and Good Faith Pursuant to Section 364(e). The terms and conditions of the DIP Facility and the DIP Documents, and the fees paid and to be paid thereunder, are fair, reasonable, and the best available to the TCEH Debtors under the circumstances, reflect the TCEH Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and consideration. The DIP Facility was negotiated in good faith and at arm's length among the TCEH Debtors, the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers (as defined in the DIP Credit Agreement). Credit to be extended under the DIP Facility shall be deemed to have

been so allowed, advanced, made, used, or extended in good faith, and for valid business purposes and uses, within the meaning of section 364(e) of the Bankruptcy Code, and the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers are therefore entitled to the protection and benefits of section 364(e) of the Bankruptcy Code and this Interim Order.

I. Good Cause; Immediate Entry. The relief requested in the DIP Motion is necessary, essential, and appropriate, and is in the best interests of, and will benefit, the TCEH Debtors and their estates, creditors, and other parties in interest, as its implementation will, inter alia, provide the TCEH Debtors with the necessary liquidity to (a) minimize the disruption to the TCEH Debtors' business and ongoing operations, (b) preserve and maximize the value of the TCEH Debtors' estates for the benefit of all of the TCEH Debtors' creditors and other parties in interest, and (c) avoid immediate and irreparable harm to the TCEH Debtors and their estates, creditors, other parties in interest, businesses, employees, and assets. Thus, sufficient cause exists for immediate entry of this Interim Order pursuant to Bankruptcy Rule 4001(c)(2).

J. Notice. In accordance with rules 2002, 4001(c) and (d), and 9014 of the Bankruptcy Rules, and the Local Bankruptcy Rules, notice of the Interim Hearing and the emergency relief requested in the DIP Motion has been provided by the TCEH Debtors, whether by facsimile, email, overnight courier or hand delivery, to certain parties in interest, including: (a) the Office of the U.S. Trustee for the District of Delaware; (b) the entities listed on the Consolidated List of Creditors Holding the 50 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d); (c) Citibank, N.A., in its capacity as First Lien Credit Agent under the First Lien Credit Agreement, and Wilmington Trust, N.A., upon the effectiveness of its appointment as successor First Lien Credit Agent; (d) Bank of New York Mellon Trust Company, N.A., in its capacity as indenture trustee under: (i) the TCEH unsecured pollution

control revenue bonds; and (ii) the EFCH 2037 Notes due 2037; (e) American Stock Transfer & Trust Company, LLC, in its capacity as indenture trustee under: (i) the 9.75% EFH senior unsecured notes due 2019; (ii) the 10.0% EFH senior unsecured notes due 2020; (iii) the 10.875% EFH LBO senior unsecured notes due 2017; (iv) the 11.25%/12.0% EFH LBO toggle notes due 2017; (v) the 5.55% EFH legacy notes (series P) due 2014; (vi) the 6.50% EFH legacy notes (series Q) due 2024; and (vii) the 6.55% EFH legacy notes (series R) due 2034; (f) Computershare Trust Company, N.A. and Computershare Trust Company of Canada, in their capacities as indenture trustee under: (i) the 11.0% EFIH senior secured second lien notes due 2021; and (ii) the 11.75% EFIH senior secured second lien notes due 2022; (g) UMB Bank, N.A. in its capacity as indenture trustee under: (i) the 9.75% EFIH senior unsecured notes due 2019; and (ii) the 11.25%/12.25% EFIH senior toggle notes due 2018; (h) BOKF, NA, dba Bank of Arizona, in its capacity as indenture trustee under 11.50% TCEH senior secured notes due 2020; (i) CSC Trust Company of Delaware in its capacity as indenture trustee under: (i) the 6.875% EFIH senior secured notes due 2017; and (ii) the 10.0% EFIH senior secured notes due 2020; (j) Law Debenture Trust Company of New York in its capacity as indenture trustee under: (i) the 10.25% TCEH senior unsecured notes due 2015; and (ii) the 10.50%/11.25% TCEH senior toggle notes due 2016; (k) Wilmington Savings Fund Society, FSB in its capacity as indenture trustee under the 15.0% TCEH senior secured second lien notes due 2021; (l) counsel to certain holders of claims against the Debtors regarding each of the foregoing described in clauses (c) through (k); (m) the agent for the TCEH debtor-in-possession financing facility and counsel thereto; (n) the agent for the EFIH debtor-in-possession financing facility and counsel thereto; (o) counsel to certain holders of equity in Texas Energy Future Holdings Limited Partnership; (p) counsel to Oncor; (q) the SEC; (r) the Internal Revenue Service; (s) the Office of the United

States Attorney for the District of Delaware; (t) the Office of the Texas Attorney General on behalf of the PUC; (u) counsel to ERCOT; (v) the RCT; (w) the counterparties to the First Lien Commodity Hedges and First Lien Interest Rate Swaps; and (x) counsel to the unofficial committee of certain TCEH first lien debt holders. The parties have made reasonable efforts to afford the best notice possible under the circumstances to permit the relief set forth in this Interim Order, and no other or further notice is or shall be required.

Based upon the foregoing findings and conclusions, the DIP Motion, and the record before the Court with respect to the DIP Motion, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED that:

1. Interim Financing Approved. The DIP Motion is granted and the Interim Financing (as defined herein) is authorized and approved, subject to the terms and conditions set forth in this Interim Order, *and the clarifications and representations made by proposed counsel to the TCEH Debtors on the record at the interim hearing on the Motion.*
2. Objections Overruled. All objections to the Interim Financing or entry of the Interim Order, to the extent not withdrawn or resolved, are hereby overruled. This Interim Order shall be effective immediately upon its entry.

DIP Facility Authorization

3. Authorization of the DIP Financing. The TCEH Debtors are expressly and immediately authorized and empowered to execute and deliver the DIP Documents and to incur and to perform the DIP Obligations in accordance with, and subject to, the terms of this Interim Order and the DIP Documents, and to deliver all instruments and documents which may be required or necessary for the performance by the TCEH Debtors under the DIP Facility and the creation and perfection of the DIP Liens described in, and provided for by, this Interim Order and the DIP Documents. The TCEH Debtors are hereby authorized and directed to pay, in

accordance with this Interim Order, the principal, interest, fees, expenses, reimbursement obligations with respect to Letters of Credit, and other amounts payable or reimbursable by the TCEH Debtors described in the DIP Documents and all other documents comprising the DIP Facility as such become due and without need to obtain further Court approval, including, without limitation, letter of credit fees (including issuance and other related charges), commitment fees, closing fees, arrangement fees, incentive fees, and administrative agent's fees, whether or not the transactions contemplated hereby are consummated, as provided for in the DIP Credit Agreement and the DIP Documents. All collections and proceeds, whether ordinary course or otherwise, will be deposited and applied as required by this Interim Order and the DIP Documents. Upon execution and delivery, the DIP Documents shall represent valid and binding obligations of the TCEH Debtors, enforceable against each of the TCEH Debtors and their estates in accordance with their terms.

4. Authorization to Borrow. Until the DIP Termination Date (as defined herein), and subject to the terms and conditions set forth in the DIP Documents, the DIP Facility, and this Interim Order, and to prevent immediate and irreparable harm to the TCEH Debtors' estates, the TCEH Debtors are hereby authorized to borrow money and obtain Letters of Credit under the DIP Facility, and the Guarantors are hereby authorized to guarantee such borrowings and the Borrower's obligations with respect to such Letters of Credit, consisting of (a) borrowings in an aggregate principal amount of up to ~~\$800,000,000~~ ^{\$533,000,000} under the Revolving Credit Facility, (b) borrowings in an aggregate principal amount of up to \$1,100,000,000 under the Delayed-Draw Term Facility, the proceeds of which, if funded, will be applied by TCEH to fund the RCT L/C Collateral Account, and (c) borrowings in an aggregate principal amount of up to ~~\$800,000,000~~ ^{\$700,000,000} under the Term Loan Facility, of which up to ~~\$800,000,000~~ ^{\$700,000,000} may be applied by

TCEH to fund the General L/C Collateral Account (collectively, the "Interim Financing"). Notwithstanding anything to the contrary in this Interim Order or in the DIP Credit Agreement, if the TCEH Debtors at any time request any Incremental Facilities (as such term is defined in the DIP Credit Agreement) from the DIP Agent and otherwise satisfy the relevant requirements under the DIP Documents, the TCEH Debtors shall be required to seek Court approval of such Incremental Facilities.

5. Use of DIP Facility Proceeds. Immediately upon entry of this Interim Order, the TCEH Debtors are authorized to draw upon the DIP Facility and use advances of credit under the DIP Facility only for the purposes specifically set forth in, and subject to the terms and conditions of, ~~this Interim Order and the DIP Documents.~~

6. DIP Obligations. The DIP Obligations shall be enforceable against the TCEH Debtors, their estates, and any successors thereto, including, without limitation, any trustee appointed in the Cases, any case under chapter 7 of the Bankruptcy Code upon the conversion of any of the Cases, or in any other proceedings superseding or related to any of the foregoing (collectively, the "Successor Cases"). On the DIP Termination Date, (a) the DIP Obligations shall be due and payable, without notice or demand, to the extent provided for in the DIP Credit Agreement, and (b) unless all the DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations (as defined in the DIP Credit Agreement)) have been indefeasibly paid in full, in cash, all Commitments (as defined in the DIP Credit Agreement) have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers), ~~the use of the DIP Collateral, including Cash Collateral, shall automatically cease.~~

7. DIP Liens. To secure the DIP Obligations, effective immediately upon entry of this Interim Order, pursuant to sections 361, 362, 364(c)(2), 364(c)(3), and 364(d) of the Bankruptcy Code, the DIP Agent, for the benefit of itself, its sub-agents, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, and the Secured Cash Management Banks, is hereby granted the following continuing, valid, binding, enforceable, non-avoidable, and automatically and properly perfected postpetition security interests and liens (all property identified in clauses (a), (b), and (c) below being collectively referred to as the "DIP Collateral"), subject to the payment of the Carve Out and the RCT Reclamation Support Carve Out (all such liens and security interests granted to the DIP Agent, for the benefit of itself, its sub-agents, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, and the Secured Cash Management Banks, pursuant to this Interim Order and the DIP Documents, the "DIP Liens"):

(a) First Lien on Cash Balances and Unencumbered Property. Pursuant to section 364(c)(2) of the Bankruptcy Code, a valid, binding, continuing, enforceable, fully-perfected first priority senior security interest in and lien upon all prepetition and postpetition property of the TCEH Debtors, whether existing on the Petition Date or thereafter acquired, that, on or as of the Petition Date, is not subject to valid, perfected, and non-avoidable liens, including, without limitation, all real and personal property, inventory, plant, fixtures, machinery, equipment, the RCT L/C Collateral Account and the General L/C Collateral Account (each, as defined in the DIP Credit Agreement), cash, any investment of such cash, accounts receivable, other rights to payment whether arising before or after the Petition Date (including, without limitation, postpetition intercompany claims of the TCEH Debtors), deposit accounts, investment property, supporting obligations, minerals, oil, gas, and as-extracted collateral, causes of action (including those arising under section 549 of the Bankruptcy Code and any related

action under section 550 of the Bankruptcy Code), royalty interests, chattel paper, contracts, general intangibles, documents, instruments, interests in leaseholds, letter of credit rights, patents, copyrights, trademarks, trade names, other intellectual property, capital stock and stock equivalents of subsidiaries, books and records pertaining to the foregoing, and to the extent not otherwise included, all proceeds, products, offspring, and profits of any and all of the foregoing (the "Unencumbered Property"). Notwithstanding the prior sentence, Unencumbered Property shall in any event exclude the TCEH Debtors' claims and causes of action under chapter 5 of the Bankruptcy Code (other than causes of action arising under section 549 of the Bankruptcy Code and any related action under section 550 of the Bankruptcy Code), or any other avoidance actions under the Bankruptcy Code (collectively, "Avoidance Actions"), but subject only to, and effective upon, entry of the Final Order, shall include any proceeds or property recovered, unencumbered, or otherwise the subject of successful Avoidance Actions, whether by judgment, settlement, or otherwise.

(b) Priming of Liens of Prepetition Secured Creditors. Pursuant to section 364(d)(1) of the Bankruptcy Code, a valid, binding, continuing, enforceable, fully-perfected first priority senior priming security interest in and lien upon all prepetition and postpetition property of the TCEH Debtors, whether existing on the Petition Date or thereafter acquired, that is subject to valid, perfected, and non-avoidable liens presently held by any of the Prepetition Secured Creditors (as defined in the Interim Cash Collateral Order), excluding the Deposit L/C Loan Collateral Account to the extent of the Deposit L/C Obligations (each, as defined in the First Lien Credit Agreement (as defined in the Interim Cash Collateral Order)). Such security ~~interests and liens shall be senior in all respects to the interests in such property of any of the~~ Prepetition Secured Creditors arising from current and future liens of any of the Prepetition

Secured Creditors (including, without limitation, Adequate Protection Liens (as defined in the Interim Cash Collateral Order)), but shall not be senior to any valid, perfected, and non-avoidable interests of other parties arising out of liens, if any, on such property existing immediately prior to the Petition Date, including the liens securing the Tex-La Indebtedness (as defined in the DIP Credit Agreement) (the "Permitted Prior Liens"), or to any valid, perfected, and non-avoidable interests in such property arising out of liens to which the liens of any of the Prepetition Secured Creditors become subject subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code. Notwithstanding anything to the contrary in this Interim Order or any rights granted or action taken pursuant hereto or pursuant to the agreements and transactions approved hereby, any and all rights and priorities of the First Lien Lenders (as defined in the Interim Cash Collateral Order) holding Deposit L/C Loans (as defined in the First Lien Credit Agreement) (the "Deposit L/C Lenders") in or to the Deposit L/C Loan Collateral Account (as defined in the First Lien Credit Agreement) or any cash therein or proceeds thereof (including amounts corresponding to undrawn Deposit Letters of Credit, and to drawn Deposit Letters of Credit if and to the extent any such amounts are returned to the TCEH Debtors), whether held by the TCEH Debtors or in which the TCEH Debtors otherwise have an interest as of the Petition Date or thereafter (the "Deposit L/C Loan Collateral"), shall be preserved, including, without limitation, any and all priorities among the First Lien Lenders or as between the Deposit L/C Lenders and the other First Lien Lenders, and any and all rights, claims, and liens granted or provided by or through this Interim Order to the First Lien Lenders, to the extent applicable to any Deposit L/C Loan Collateral, shall have the same priorities, if any, among the First Lien Lenders, and as between the Deposit L/C Lenders and the other First Lien Lenders, as existed in the Deposit L/C Loan Collateral as of the Petition Date. For the avoidance of doubt,

the preceding sentence delineates the rights and priorities among the First Lien Lenders and as between the Deposit L/C Lenders and the other First Lien Lenders only, and in no way affects the DIP Agent, the DIP Lenders, or the DIP L/C Issuers or their rights and priorities with respect to the First Lien Lenders, the Deposit L/C Lenders, or the Deposit L/C Loan Collateral.

(c) Liens Junior to Certain Other Liens. Pursuant to section 364(c)(3) of the Bankruptcy Code, a valid, binding, continuing, enforceable, fully-perfected security interest in and lien upon all prepetition and postpetition property of the TCEH Debtors (other than the property described in clause (a) or (b) of this paragraph 7, as to which the liens and security interests in favor of the DIP Agent will be as described in such clauses), whether existing on the Petition Date or thereafter acquired, that is subject to valid, perfected, and non-avoidable liens in existence immediately prior to the Petition Date, or to any valid and non-avoidable liens in existence immediately prior to the Petition Date that are perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code (in each case, other than the Adequate Protection Liens), which security interests and liens in favor of the DIP Agent are junior to such valid, perfected, and non-avoidable liens.

(d) Liens Senior to Certain Other Liens. The DIP Liens shall not be subject or subordinate to (i) any lien or security interest that is avoided and preserved for the benefit of the TCEH Debtors and their estates under section 551 of the Bankruptcy Code or (ii) any liens arising after the Petition Date, including, without limitation, any liens or security interests granted in favor of any federal, state, municipal, or other domestic or foreign governmental unit (including any regulatory body), commission, board, or court for any liability of the TCEH Debtors.

Notwithstanding anything to the contrary in the DIP Documents or this Interim Order, for the purposes of this Interim Order, in no event shall the Unencumbered Property include, or the DIP Liens granted under this Interim Order attach to, Excluded Stock and Stock Equivalents, Excluded Subsidiaries, and any Excluded Property (each, as defined in the DIP Credit Agreement).

8. DIP Lien Priority. The DIP Liens are valid, binding, continuing, automatically perfected, non-avoidable, senior in priority, and superior to any security, mortgage, collateral interest, lien, or claim to any of the DIP Collateral, except that the DIP Liens shall be junior only to Permitted Prior Liens, the Carve Out, and the RCT Reclamation Support Carve Out. Pursuant to section 364(d) of the Bankruptcy Code, the DIP Liens shall be senior to the Prepetition First Priority Liens and the Prepetition Second Priority Liens of the Prepetition Secured Creditors in the Prepetition Collateral and the Adequate Protection Liens. For purposes of this Interim Order, it shall be an Event of Default if, other than as set forth herein, the DIP Liens shall be made subject to, or pari passu with, any lien or security interest heretofore or hereinafter granted in the Cases or any Successor Cases, upon the conversion of any of the Cases to a case under chapter 7 of the Bankruptcy Code (or in any other Successor Case), and/or upon the dismissal of any of the Cases or Successor Cases. No lien or interest avoided and preserved for the benefit of the estate pursuant to section 551 of the Bankruptcy Code shall be pari passu with or senior to the DIP Liens.

9. DIP Superpriority Claims.

(a) Upon entry of this Interim Order, the DIP Agent, the DIP Lenders, and the DIP L/C Issuers are hereby granted, pursuant to section 364(c)(1) of the Bankruptcy Code, allowed superpriority administrative expense claims in each of the Cases and any Successor

Cases (collectively, the “DIP Superpriority Claims”) for all DIP Obligations: (i) except as set forth herein, with priority over any and all administrative expense claims, diminution claims, unsecured claims, and all other claims against the TCEH Debtors or their estates in any of the Cases and any Successor Cases, existing on the Petition Date or thereafter arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kinds specified in, or ordered pursuant to, sections 105, 326, 328, 330, 331, 365, 503(a), 503(b), 506(c) (subject only to, and effective upon entry of, the Final Order), 507(a), 507(b), 546(c), 546(d), 726, 1113, and 1114 of the Bankruptcy Code, and any other provision of the Bankruptcy Code, whether or not such expenses or claims may become secured by a judgment lien or other non-consensual lien, levy, or attachment, which allowed claims shall be payable from, and have recourse to, all prepetition and postpetition property of the TCEH Debtors and all proceeds thereof; and (ii) which shall at all times be senior to the rights of the TCEH Debtors and their estates, and any successor trustee or other estate representative to the extent permitted by law. Notwithstanding the foregoing, the DIP Superpriority Claims shall be subject only to the payment of the Carve Out and the RCT Reclamation Support Carve Out, to the extent specifically provided for herein.

10. No Obligation to Extend Credit. The DIP Agent, the DIP Lenders, and the DIP L/C Issuers shall have no obligation to make any loan or advance, or to issue any Letter of Credit, under the DIP Documents, unless all of the conditions precedent to the making of such extension of credit or the issuance of such Letter of Credit under the DIP Documents and this Interim Order have been satisfied in full or waived in accordance with the terms of the DIP Documents.

Provisions Common to DIP Financing

11. Amendments to the DIP Documents. The TCEH Debtors are hereby authorized to implement, in accordance with the terms of the DIP Documents, (a) any nonmaterial

modifications (including, without limitation, any change to the number or composition of the DIP Lenders or the DIP L/C Issuers) of the DIP Documents without further order of the Court, and (b) any other modifications to the DIP Documents, provided, however, that subject to entry of the Final Order, notice of any material modification or amendment to the DIP Documents shall be provided to counsel for the Creditors' Committee and the U.S. Trustee, each of whom shall have five (5) days from the date of such notice within which to object, in writing, to such modification or amendment. If the Creditors' Committee or the U.S. Trustee timely objects to any material modification or amendment to the DIP Documents, such modification or amendment shall only be permitted pursuant to an order of the Court. The foregoing shall be without prejudice to the TCEH Debtors' right to seek approval from the Court of a material modification on an expedited basis.

12. Budget and Annual Forecast Reporting. The Borrower will provide the DIP Agent with a statement of cash sources and uses of all free cash flow for the next full three (3)-calendar months of the TCEH Debtors (on a consolidated basis) following the date of entry of this Interim Order, broken down by month (the "Budget"), in the form of the Initial Budget (as defined in the DIP Credit Agreement) attached to the DIP Credit Agreement as Exhibit M, including the anticipated uses of the DIP Facility for such period, and after such three (3)-calendar month period, at the end of each fiscal quarter (or, at the election of the Borrower, at the end of each calendar month or such other earlier period as may be agreed), an updated Budget for the subsequent three (3)-calendar month period. The initial borrowing under the DIP Facility is subject to, among other things, the Borrower's delivery of the Initial Budget to the DIP Agent and the DIP Lenders, which shall be in form and substance reasonably satisfactory to the DIP Agent and the Joint Lead Arrangers. The Borrower will also provide, on a monthly

basis, a variance report for each calendar month (delivered no later than the end of the subsequent calendar month), (a) showing a statement of actual cash sources and uses of all free cash flow for the immediately preceding calendar month, noting therein all material variances from values set forth for such historical periods in the most recently delivered Budget, including explanations for all material variances and (b) certified as to its reasonableness when made by an Authorized Officer (as defined in the DIP Credit Agreement) of the Borrower. Beginning on the date 60 days after the entry of this Interim Order (and again no later than December 1, 2014 for the business plan and operating budget covering 2015, and no later than December 1, 2015 for the business plan and operating budget covering 2016), the Borrower will provide the DIP Agent with TCEH's approved annual business plan and projected operating budget through the DIP Facility's stated maturity date (the "Annual Operating Forecast"), (x) which shall be broken down by month, including, without limitation, income statements, balance sheets, cash flow statements, projected capital expenditures, asset sales, and a line item for total available liquidity for the period of such Annual Operating Forecast and (y) which shall set forth the anticipated uses of the DIP Facility for such period, certified as to its reasonableness when made by an Authorized Officer of the Borrower. Both the Budget and the Annual Operating Forecast shall provide, among other things, for the payment of the fees and expenses relating to the DIP Facility, ordinary course administrative expenses, bankruptcy-related expenses and working capital, expected issuances and renewals of Letters of Credit, and other general corporate needs; provided, however, that the Allowed Professional Fees (as defined herein) will be due and payable, and will be paid by the TCEH Debtors, whether or not consistent with the items or amounts set forth in the Initial Budget, the Budget, or the Annual Operating Forecast; and provided, further, that under no circumstance will the Initial Budget, the Budget, or the Annual

Operating Forecast be construed as a cap or limitation on the amount of the Allowed Professional Fees due and payable by the TCEH Debtors.

13. Modification of the Automatic Stay. The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby modified as necessary to effectuate all of the terms and provisions of this Interim Order, including, without limitation, to (a) permit the TCEH Debtors to grant the DIP Liens and the DIP Superpriority Claims, (b) permit the TCEH Debtors to perform such acts as the DIP Agent, the DIP Lenders, and the DIP L/C Issuers each may request in its sole discretion to assure the perfection and priority of the liens granted herein, (c) permit the TCEH Debtors to incur all liabilities and obligations to the DIP Agent, the DIP Lenders, and the DIP L/C Issuers under the DIP Documents, the DIP Facility, and this Interim Order, and (d) authorize the TCEH Debtors to make payments, and the DIP Agent, the DIP Lenders, and the DIP L/C Issuers to retain and apply payments made, in accordance with the terms of this Interim Order.

14. Perfection of DIP Liens. This Interim Order shall be sufficient and conclusive evidence of the granting, attachment, validity, perfection, and priority of all liens granted herein, including the DIP Liens, without the necessity of filing or recording any financing statement, patent filing, trademark filing, copyright filing, fixture filing, mortgage, notice of lien, or other instrument or document, which may otherwise be required under the law or regulation of any jurisdiction, or the taking possession of, or control over, assets, or the taking of any other action (including, for the avoidance of doubt, entering into any deposit account control agreement, securities account control agreement, or other similar agreement) to grant, attach, validate, or perfect (in accordance with applicable non-bankruptcy law) the DIP Liens, or to entitle the DIP Agent, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, the Secured Cash

Management Banks, and/or secured parties pursuant to the DIP Documents to the priorities granted herein. Notwithstanding the foregoing, the DIP Agent is authorized, but not required, to file, as it in its sole discretion deems necessary, such financing statements, patent filings, trademark filings, copyright filings, mortgages, notices of liens, and other similar documents to perfect in accordance with applicable non-bankruptcy law or to otherwise evidence the DIP Liens, and all such financing statements, patent filings, trademark filings, copyright filings, mortgages, notices of lien, and other documents shall be deemed to have been filed or recorded as of the Petition Date; provided, however, that no such filing or recordation shall be necessary or required in order to create or perfect the DIP Liens. The TCEH Debtors are authorized and directed to execute and deliver promptly upon demand to the DIP Agent all such financing statements, mortgages, notices, and other documents and information as the DIP Agent may reasonably request. The DIP Agent, in its discretion, may file a photocopy of this Interim Order as a financing statement with any filing or recording office or with any registry of deeds or similar office, in addition to, or in lieu of, such financing statements, notices of lien, or similar instrument. In furtherance of the foregoing and without further approval of the Court, each Debtor is (a) authorized to do and perform all acts to make, execute, and deliver all instruments and documents and provide all information and (b) authorized and directed to pay all fees that may be reasonably required or necessary for the TCEH Debtors' performance hereunder.

15. Proceeds of Subsequent Financing. If the TCEH Debtors, any trustee, any examiner with enlarged powers, or any responsible officer subsequently appointed in the Cases or any Successor Cases, shall obtain credit or incur debt pursuant to section 364(b), 364(c), or 364(d) of the Bankruptcy Code or in violation of the DIP Documents at any time prior to such time as the DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash

Management Obligations, and Contingent Obligations) have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers), including subsequent to the confirmation of any plan with respect to any or all of the TCEH Debtors and the TCEH Debtors' estates, and such facilities are secured by any DIP Collateral, then cash proceeds derived from such credit or debt shall be used to the extent necessary to indefeasibly repay in full, in cash, the DIP Obligations.

16. Maintenance of DIP Collateral. Until such time as all DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations) have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit shall have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers), the TCEH Debtors shall (a) maintain and insure the DIP Collateral in amounts, for the risks, and by the entities as required under the DIP Documents and (b) maintain the cash management system in effect as of the Petition Date consistent with the Cash Management Order (as defined in the DIP Credit Agreement), as modified by any order that may be entered by the Court, ~~to which the DIP Agent has first agreed,~~ or as otherwise required by the DIP Documents.

17. Disposition of DIP Collateral; Rights of DIP Agent, DIP Lenders, and DIP L/C Issuers. The TCEH Debtors shall not sell, transfer, lease, encumber, or otherwise dispose of any portion of the DIP Collateral other than as permitted in the DIP Documents (and no consent shall be implied from any action, inaction, or acquiescence by the DIP Agent, the DIP Lenders, or the

DIP L/C Issuers, or an order of the Court); provided that the TCEH Debtors may release liens on the DIP Collateral solely to the extent permitted by the DIP Documents.

18. DIP Termination Date. On the DIP Termination Date, (a) the DIP Obligations shall be immediately due and payable, to the extent provided for in the DIP Credit Agreement, and all Commitments shall terminate and (b) unless the DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations) have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers), all authority to use the DIP Collateral, including Cash Collateral, shall cease. For purposes of this Interim Order, the "DIP Termination Date" shall mean the Maturity Date as defined in the DIP Credit Agreement.

19. Events of Default. An "Event of Default" under the DIP Documents shall constitute an Event of Default under this Interim Order, unless waived in writing in accordance with Section 13.1 of the DIP Credit Agreement. Notwithstanding anything to the contrary contained herein or in the DIP Documents, any Event of Default under this Interim Order or the DIP Documents, other than any Event of Default which cannot be waived without the written consent of each DIP Lender directly and adversely affected thereby, shall be deemed not to be "continuing" if the events, act, or condition that gave rise to such Event of Default have been remedied or cured (including by payment, notice, taking of any action, or omitting to take any action) or have ceased to exist and the Borrower is in compliance with the DIP Documents.

20. Rights and Remedies Upon Event of Default. Upon the occurrence and during the continuance of an Event of Default and following the giving of five calendar days' notice to the

TCEH Debtors (the "Remedies Notice Period"), the DIP Agent, on behalf of the DIP Lenders and the DIP L/C Issuers, may exercise all rights and remedies provided for in the DIP Documents and may declare (a) the termination, reduction, or restriction of any further Commitment to the extent any such Commitment remains, (b) all DIP Obligations under the DIP Documents to be immediately due and payable, without presentment, demand, protest, or other notice of any kind, all of which are expressly waived by the TCEH Debtors, and (c) the termination of the DIP Documents as to any future liability or obligation of the DIP Agent, the DIP Lenders, and the DIP L/C Issuers, but without affecting any of the DIP Liens or the DIP Obligations. During the Remedies Notice Period, the TCEH Debtors may continue to use the DIP Collateral, including Cash Collateral, in the ordinary course of business, consistent with past practices and the most recently delivered Budget, but may not enter into any transactions or arrangements (including, without limitation, the incurrence of indebtedness or liens, investments, restricted payments, asset sales, or transactions with non-Debtor affiliates) that are not in the ordinary course of business; provided that nothing in this paragraph 20 or in paragraph 27 shall limit the ability of the TCEH Debtors to use DIP Collateral, including Cash Collateral, to seek use of Cash Collateral on a non-consensual basis and/or to challenge whether an Event of Default has occurred and/or is continuing. Unless the Court orders otherwise during the Remedies Notice Period, at the end of the Remedies Notice Period, the TCEH Debtors shall no longer have the right to use or seek to use the DIP Collateral, including Cash Collateral, the automatic stay pursuant to section 362 of the Bankruptcy Code, as to all of the DIP Agent, the DIP Lenders, and the DIP L/C Issuers, shall be automatically terminated without further notice to, or order of, the Court, and the DIP Agent, on behalf of itself, the DIP Lenders, and the DIP L/C Issuers, shall be permitted to exercise all rights against the DIP Collateral in accordance with the

DIP Documents and this Interim Order, and shall be permitted to satisfy the DIP Obligations, without further order or application or motion to the Court and without restriction or restraint by any stay under section 362 or 105 of the Bankruptcy Code. Notwithstanding anything herein to the contrary, the automatic stay pursuant to section 362 of the Bankruptcy Code shall be automatically terminated for the purposes of giving any notice contemplated hereunder. During the Remedies Notice Period, any party in interest shall be entitled to seek an emergency hearing with the Court solely for the purpose of contesting whether an Event of Default has occurred and/or is continuing, and the TCEH Debtors waive their right to, and shall not be entitled to seek relief, including, without limitation, under section 105 of the Bankruptcy Code, to the extent that such relief would in any way impair or restrict the rights and remedies of the DIP Agent, on behalf of the DIP Lenders and the DIP L/C Issuers, set forth in this Interim Order or the DIP Documents.

21. Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of this Interim Order. Based on the findings set forth in this Interim Order and the record made during the Interim Hearing, and in accordance with section 364(e) of the Bankruptcy Code, in the event any or all of the provisions of this Interim Order are hereafter modified, amended, or vacated by a subsequent order of the Court or any other court, each of the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers are entitled to the protections provided in section 364(e) of the Bankruptcy Code. To the fullest extent permitted under section 364(e) of the Bankruptcy Code, any liens or claims granted to the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers hereunder arising prior to the effective date of any such modification, amendment, or vacatur of this Interim Order shall be governed in all

respects by the original provisions of this Interim Order, including entitlement to all rights, remedies, privileges, and benefits granted herein.

22. DIP and Other Expenses. All fees paid and payable, and costs and/or expenses reimbursed or reimbursable, as set forth in the DIP Documents, by the TCEH Debtors to the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers are hereby approved. The TCEH Debtors are hereby authorized and directed to pay all such fees, costs, and expenses in accordance with the terms of the DIP Documents, without the necessity of any further application with the Court for approval or payment of such fees, costs, or expenses. The TCEH Debtors are authorized and directed to reimburse within ten (10) calendar days of written demand (together with reasonably detailed supporting documentation) the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers for their reasonable and documented out-of-pocket expenses incurred in connection with the negotiation, documentation, syndication, and administration of the DIP Facility, any amendments or waivers with respect thereto, any Event of Default in respect of the DIP Facility, and any exercise of remedies in respect thereof (including reasonable documented out-of-pocket prepetition and postpetition fees, charges, and disbursements of legal counsel, financial advisors, and third-party appraisers and consultants advising the DIP Agent incurred in connection with the DIP Agent's participation in the Cases, limited in the case of legal counsel to one primary counsel (and (a) local counsel in applicable foreign and local jurisdictions, but limited to one local counsel in each such jurisdiction, (b) regulatory counsel, and (c) solely in the case of a conflict of interest, one additional counsel in each relevant jurisdiction to the affected indemnified persons similarly situated)). Payment of ~~all such fees and expenses shall not be subject to allowance by the Court; provided, however,~~ that the TCEH Debtors shall promptly provide copies of invoices received on account of fees and

expenses of the professionals retained as provided for in the DIP Credit Agreement and the DIP Documents to counsel to the Creditors' Committee and the U.S. Trustee, and the Court shall have exclusive jurisdiction over any objections raised to the invoiced amount of the fees and expenses proposed to be paid, which objections may only be raised within ten (10) calendar days after receipt thereof. In the event that within ten (10) calendar days from receipt of such invoices the TCEH Debtors, the U.S. Trustee, or counsel to the Creditors' Committee raises an objection to a particular invoice, and the parties are unable to resolve any dispute regarding the fees and expenses included in such invoice, the Court shall hear and determine such dispute; provided, that payment of invoices shall not be delayed based on any such objections and the relevant professional shall only be required to disgorge amounts objected to upon being "so ordered" pursuant to a final order of the Court. Notwithstanding anything to the contrary herein, the fees, costs, and expenses of the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers under the DIP Documents, whether incurred prior to or after the Petition Date, shall be deemed fully earned, indefeasibly paid, irrevocable, and non-avoidable pursuant to, and in accordance with, the terms of the DIP Documents and, irrespective of any subsequent order approving or denying the Financing or any other financing pursuant to section 364 of the Bankruptcy Code, fully entitled to all protections of section 364(e) of the Bankruptcy Code. All unpaid fees, costs, and expenses payable under the DIP Documents to the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the Joint Lead Arrangers shall be included and constitute part of the DIP Obligations and be secured by the DIP Liens.

23. Proofs of Claim. Subject to entry of the Final Order, the DIP Agent, the DIP Lenders, and the DIP L/C Issuers will not be required to file proofs of claim in any of the Cases or Successor Cases for any claim allowed herein. Any order entered by the Court in relation to

the establishment of a bar date in any of the Cases or Successor Cases shall not apply to the DIP Agent, the DIP Lenders, or the DIP L/C Issuers.

24. Rights of Access and Information. Without limiting the rights of access and information afforded the DIP Agent, the DIP Lenders, and the DIP L/C Issuers under the DIP Documents, the TCEH Debtors shall be, and hereby are, required to afford representatives, agents, and/or employees of the DIP Agent, the DIP Lenders, and the DIP L/C Issuers reasonable access to the TCEH Debtors' premises and its books and records in accordance with the DIP Documents and shall reasonably cooperate, consult with, and provide to such persons all such information as may be reasonably requested. In addition, the TCEH Debtors shall authorize their independent certified public accountants, financial advisors, investment bankers, and consultants to cooperate, consult with, and provide to the DIP Agent all such information as may be reasonably requested from the TCEH Debtors with respect to the business, results of operations, and financial condition of the TCEH Debtors.

25. Carve Out.

(a) Carve Out. As used in this Interim Order, the "Carve Out" means the sum of (i) all fees required to be paid to the Clerk of the Court and to the Office of the United States Trustee under section 1930(a) of title 28 of the United States Code plus interest at the statutory rate (without regard to the notice set forth in (iii) below); (ii) all reasonable fees and expenses up to \$50,000 incurred by a trustee under section 726(b) of the Bankruptcy Code (without regard to the notice set forth in (iii) below); (iii) to the extent allowed at any time, whether by interim order, procedural order, or otherwise, all unpaid fees and expenses (the "Allowed Professional Fees") incurred by persons or firms retained by the TCEH Debtors pursuant to section 327, 328, or 363 of the Bankruptcy Code (the "Debtor Professionals") and any Creditors' Committee

appointed in the Cases pursuant to section 1103 of the Bankruptcy Code (the "Committee Professionals") and, together with the Debtor Professionals, the "Professional Persons") at any time before or on the first business day following delivery by the DIP Agent of a Carve Out Trigger Notice (as defined below), whether allowed by the Court prior to or after delivery of a Carve Out Trigger Notice; and (iv) Allowed Professional Fees of Professional Persons in an aggregate amount not to exceed \$50,000,000 incurred after the first business day following delivery by the DIP Agent of the Carve Out Trigger Notice, to the extent allowed at any time, whether by interim order, procedural order, or otherwise (the amounts set forth in this clause (iv) being the "Post-Carve Out Trigger Notice Cap"). For purposes of the foregoing, "Carve Out Trigger Notice" shall mean a written notice delivered by email (or other electronic means) by the DIP Agent to the TCEH Debtors, their lead restructuring counsel, the U.S. Trustee, and lead counsel to the Creditors' Committee, which notice may be delivered following the occurrence and during the continuation of an Event of Default and acceleration of the DIP Obligations under the DIP Facility, stating that the Post-Carve Out Trigger Notice Cap has been invoked.

(b) Carve Out Reserves. On the day on which a Carve Out Trigger Notice is given by the DIP Agent to the TCEH Debtors (the "Termination Declaration Date"), the Carve Out Trigger Notice shall (i) be deemed a draw request and notice of borrowing by the TCEH Debtors for Revolving Credit Loans under the Revolving Credit Commitment (each, as defined in the DIP Credit Agreement) (on a pro rata basis based on the then outstanding Revolving Credit Commitments), in an amount equal to the then unpaid amounts of the Allowed Professional Fees (any such amounts actually advanced shall constitute Revolving Credit Loans) and (ii) also constitute a demand to the TCEH Debtors to utilize all cash on hand as of such date and any available cash thereafter held by any Debtor to fund a reserve in an amount equal to the

then unpaid amounts of the Allowed Professional Fees. The TCEH Debtors shall deposit and hold such amounts in a segregated account at the DIP Agent in trust to pay such then unpaid Allowed Professional Fees (the "Pre-Carve Out Trigger Notice Reserve") prior to any and all other claims. On the Termination Declaration Date, the Carve Out Trigger Notice shall also be deemed a request by the TCEH Debtors for Revolving Credit Loans under the Revolving Credit Commitment (on a pro rata basis based on the then outstanding Revolving Credit Commitments), in an amount equal to the Post-Carve Out Trigger Notice Cap (any such amounts actually advanced shall constitute Revolving Credit Loans). The TCEH Debtors shall deposit and hold such amounts in a segregated account at the DIP Agent in trust to pay such Allowed Professional Fees benefiting from the Post-Carve Out Trigger Notice Cap (the "Post-Carve Out Trigger Notice Reserve" and, together with the Pre-Carve Out Trigger Notice Reserve, the "Carve Out Reserves") prior to any and all other claims. On the first business day after the DIP Agent gives such notice to such Revolver Credit Lenders (as defined in the DIP Credit Agreement), notwithstanding the existence of a Default (as defined in the DIP Credit Agreement) or Event of Default, the failure of the TCEH Debtors to satisfy any or all of the conditions precedent for Revolving Credit Loans under the Revolving Credit Facility or the occurrence of the Maturity Date, each Revolver Credit Lender with an outstanding Commitment (on a pro rata basis based on the then outstanding Commitments) shall make available to the DIP Agent such Revolver Credit Lender's pro rata share with respect to such borrowing in accordance with the Revolving Credit Facility. All funds in the Pre-Carve Out Trigger Notice Reserve shall be used first to pay the obligations set forth in clauses (ii) through (iii) of the definition of Carve Out set forth above, but not, for the avoidance of doubt, the Post-Carve Out Trigger Notice Cap, until paid in full, and then, to the extent the Pre-Carve Out Trigger Notice Reserve has not been reduced to zero, to pay

the DIP Agent for the benefit of the DIP Lenders and the DIP L/C Issuers, unless the DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations) have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers), in which case any such excess shall be paid to the Prepetition First Lien Creditors in accordance with their rights and priorities as of the Petition Date. All funds in the Post-Carve Out Trigger Notice Reserve shall be used first to pay the obligations set forth in clause (iv) of the definition of Carve Out set forth above, and then, to the extent the Post-Carve Out Trigger Notice Reserve has not been reduced to zero, to pay the DIP Agent for the benefit of the DIP Lenders and the DIP L/C Issuers, unless the DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations) have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers), in which case any such excess shall be paid to the Prepetition First Lien Creditors in accordance with their rights and priorities as of the Petition Date. Notwithstanding anything to the contrary in the DIP Documents, this Interim Order, or the Final Order, following delivery of a Carve Out Trigger Notice, the DIP Agent and the Prepetition First Lien Agents shall not sweep or foreclose on cash (including cash received as a result of the sale or other disposition of any assets) of the TCEH Debtors until the Carve Out Reserves have been fully funded, but shall have a security interest in any residual interest in the Carve Out Reserves, with any excess paid to the DIP Agent for application in accordance with the DIP Documents.

Further, notwithstanding anything to the contrary in this Interim Order, (i) disbursements by the TCEH Debtors from the Carve Out Reserves shall not constitute Loans (as defined in the DIP Credit Agreement) or increase or reduce the DIP Obligations, (ii) the failure of the Carve Out Reserves to satisfy in full the Allowed Professional Fees shall not affect the priority of the Carve Out, and (iii) in no way shall the Initial Budget, Budget, Annual Operating Forecast, Carve Out, Post-Carve Out Trigger Notice Cap, Carve Out Reserves, or any of the foregoing be construed as a cap or limitation on the amount of the Allowed Professional Fees due and payable by the TCEH Debtors. For the avoidance of doubt and notwithstanding anything to the contrary herein or in the Interim Cash Collateral Order, the DIP Facility, or in any Prepetition Secured Facilities (as defined in the Interim Cash Collateral Order), the Carve Out shall be senior to all liens and claims securing the DIP Facility, the Adequate Protection Liens, and the 507(b) Claim (as defined in the Interim Cash Collateral Order), and any and all other forms of adequate protection, liens, or claims securing the DIP Obligations or the Prepetition Secured Obligations.

(c) No Direct Obligation To Pay Allowed Professional Fees. The DIP Agent, DIP Lenders, and the DIP L/C Issuers shall not be responsible for the payment or reimbursement of any fees or disbursements of any Professional Person incurred in connection with the Cases or any Successor Cases under any chapter of the Bankruptcy Code. Nothing in this Interim Order or otherwise shall be construed to obligate the DIP Agent, the DIP Lenders, or the DIP L/C Issuers, in any way, to pay compensation to, or to reimburse expenses of, any Professional Person or to guarantee that the TCEH Debtors have sufficient funds to pay such compensation or reimbursement.

(d) Payment of Allowed Professional Fees Prior to the Termination Declaration Date. Any payment or reimbursement made prior to the occurrence of the

Termination Declaration Date in respect of any Allowed Professional Fees shall not reduce the Carve Out.

(e) Payment of Carve Out On or After the Termination Declaration Date.

Any payment or reimbursement made on or after the occurrence of the Termination Declaration Date in respect of any Allowed Professional Fees shall permanently reduce the Carve Out on a dollar-for-dollar basis. Any funding of the Carve Out shall be added to, and made a part of, the DIP Obligations secured by the DIP Collateral and shall be otherwise entitled to the protections granted under this Interim Order, the DIP Documents, the Bankruptcy Code, and applicable law.

26. RCT Reclamation Support Carve Out. All amounts up to \$1,100,000,000 required to be paid by the TCEH Debtors to the RCT pursuant to amounts due and owing in respect of reclamation obligations incurred by the RCT and for which any of the TCEH Debtors may be liable under Applicable Law (as defined in the DIP Credit Agreement) will constitute the "RCT Reclamation Support Carve Out," and such RCT Reclamation Support Carve Out will be senior to the DIP Obligations and to any other obligations or liabilities of the TCEH Debtors (other than, and subject in any event to, the Carve Out), unless the Borrower issues and delivers to the DIP Agent the RCT Carve Out Support Rejection Notice (as defined in the DIP Credit Agreement). Notwithstanding any provision of the DIP Documents or this Interim Order to the contrary, for the sake of clarity, with respect to the RCT Reclamation Support Carve Out in favor of the RCT for financial assurance for Debtor Luminant Mining Company LLC's reclamation obligations, the RCT shall be entitled to up to the first \$1,100,000,000 in proceeds of DIP Collateral to satisfy valid claims against the RCT Reclamation Support Carve Out, in the event such DIP Collateral is liquidated, before payment of claims of all other secured or unsecured

creditors or other parties in interest, other than the amounts subject to the professional fee carve out (which amounts are defined as the "Carve Out" in paragraph 25 of this Interim Order).

27. Limitations on the DIP Facility, the DIP Collateral, and the Carve Out.

Notwithstanding anything herein to the contrary, except paragraph 20 with respect to the ability of the TCEH Debtors to use DIP Collateral, including Cash Collateral, and solely during the Remedies Notice Period, to seek use of Cash Collateral on a non-consensual basis and/or to challenge whether an Event of Default has occurred and/or is continuing, the TCEH Debtors shall not assert or prosecute, and no portion of the proceeds of the DIP Facility, the DIP Collateral, including Cash Collateral, or the Carve Out, and no disbursements set forth in the Budget, may be used for the payment of professional fees, disbursements, costs, or expenses incurred by any person in connection with (a) incurring Indebtedness (as defined in the DIP Credit Agreement) except to the extent permitted under the DIP Credit Agreement; (b) preventing, hindering, or delaying any of the DIP Agent's, the DIP Lenders', the DIP L/C Issuers', the Prepetition First Lien Agents', or the Prepetition First Lien Creditors' (in the case of each of the foregoing, in their respective capacities as such) enforcement or realization upon, or exercise of rights in respect of, any of the DIP Collateral once an Event of Default has occurred and after the Remedies Notice Period; (c) objecting, challenging, or contesting in any manner, or raising any defenses to, the validity, extent, amount, perfection, priority, or enforceability of any of the DIP Obligations, the DIP Liens, the Prepetition First Lien Obligations, the Prepetition First Priority Liens, or the Prepetition Collateral (including Cash Collateral), or any other rights or interest of any of the DIP Agent, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, the Secured Cash Management Banks, the Prepetition First Lien Agents, or the Prepetition First Lien Creditors (in the case of each of the foregoing, in their respective

capacities as such); (d) asserting, commencing, or prosecuting any claims or causes of action, including, without limitation, any actions under chapter 5 of the Bankruptcy Code, against any of the DIP Agent, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, the Secured Cash Management Banks, the Prepetition First Lien Agents, the Prepetition First Lien Creditors, or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors, or employees (in the case of each of the foregoing, in their respective capacities as such); or (e) asserting, joining, commencing, supporting, investigating, or prosecuting any action for any claim, counter-claim, action, cause of action, proceeding, application, motion, objection, defense, or other contested matter seeking any order, judgment, determination, or similar relief against, or adverse to the material interests of the Released Parties (as defined herein) or the Prepetition First Lien Creditors, arising out of, in connection with, or relating to the DIP Facility, the DIP Documents, the Prepetition First Lien Documents, or the transactions contemplated hereunder or thereunder, including, without limitation, (i) any action arising under the Bankruptcy Code; (ii) any so-called "lender liability" claims and causes of action; (iii) any action with respect to the validity and extent of the DIP Obligations, the DIP Superpriority Claims, or the Prepetition First Lien Obligations or the validity, extent, perfection, and priority of the DIP Liens or the Prepetition First Priority Liens; (iv) any action seeking to invalidate, set aside, avoid, reduce, set off, offset, recharacterize, subordinate (whether equitable, contractual, or otherwise), recoup against, disallow, impair, raise any defenses, cross-claims, or counterclaims, or raise any other challenges under the Bankruptcy Code or any other applicable domestic or foreign law or regulation against, or with respect to, the DIP Liens, the DIP Superpriority Claims, or the Prepetition First Priority Liens in whole or in part; (v) appeal or otherwise challenge this Interim Order, the Final Order, the DIP Documents, or any of the transactions contemplated herein or therein; and/or (vi) any action

that has the effect of preventing, hindering, or delaying (whether directly or indirectly) the DIP Agent, the DIP Lenders, and the DIP L/C Issuers in respect of their liens and security interests in the DIP Collateral or any of their rights, powers, or benefits hereunder or in the DIP Documents anywhere in the world; provided, however, that the Carve Out and such collateral proceeds and loans under the DIP Documents may be used for allowed fees and expenses, in an amount not to exceed \$175,000 in the aggregate (the "Investigation Fund"), incurred solely by the Creditors' Committee, if appointed, in investigating the validity, enforceability, perfection, priority, or extent of the Prepetition First Priority Liens and Prepetition Second Priority Liens during the Challenge Period (as defined in the Interim Cash Collateral Order); provided further, however, that the Creditors' Committee may not use the Investigation Fund to initiate, assert, join, commence, support, or prosecute any actions or discovery with respect thereto. Subject to entry of the Final Order, any and all claims for fees or expenses incurred by the Creditors' Committee, if appointed, or by any party in interest in violation of any clause of this paragraph 27 (including amounts incurred in excess of the Investigation Fund) shall not be allowed, treated, or payable as an administrative expense claim for purposes of section 1129(a)(9)(A) of the Bankruptcy Code, and the non-payment of such fees and expenses shall not constitute grounds to deny confirmation of any plan of reorganization for any of the TCEH Debtors. Any party granted standing by the Court other than the Creditors' Committee must commence any claims against the Prepetition First Lien Agents no later than seventy-five (75) calendar days following entry of this Interim Order, and, with respect to the Creditors' Committee, if appointed and granted standing by the Court, no later than sixty (60) calendar days after its formation.

28. Payment of Compensation. Nothing herein shall be construed as a consent to the allowance of any professional fees or expenses of any Professional Person or shall affect the

right of the DIP Agent, the DIP Lenders, or the DIP L/C Issuers to object to the allowance and payment of such fees and expenses.

29. Release. The TCEH Debtors, on behalf of themselves and their estates (including any successor trustee or other estate representative in the Cases or Successor Cases) and any party acting by, through, or under the TCEH Debtors or their estates, forever and irrevocably (a) release, discharge, waive, and acquit the current or future DIP Agent, the DIP Lenders, the DIP L/C Issuers, the Joint Lead Arrangers, each of their respective participants and each of their respective affiliates, and each of their respective former, current, or future officers, employees, directors, agents, representatives, owners, members, partners, financial advisors, legal advisors, shareholders, managers, consultants, accountants, attorneys, affiliates, and predecessors in interest (collectively, and in each case in their capacities as such, the "Released Parties"), of and from any and all claims, demands, liabilities, responsibilities, disputes, remedies, causes of action, indebtedness, and obligations, rights, assertions, allegations, actions, suits, controversies, proceedings, losses, damages, injuries, attorneys' fees, costs, expenses, or judgments of every type, whether known, unknown, asserted, unasserted, suspected, unsuspected, accrued, unaccrued, fixed, contingent, pending, or threatened, including, without limitation, all legal and equitable theories of recovery, arising under common law, statute or regulation or by contract, of every nature and description, arising out of, in connection with, or relating to the DIP Facility, the DIP Documents, or the transactions contemplated hereunder or thereunder, including, without limitation, (i) any so-called "lender liability" or equitable subordination claims or defenses, with respect to or relating to the DIP Obligations, DIP Liens, or DIP Facility, as applicable, (ii) any and all claims and causes of action arising under the Bankruptcy Code, and (iii) any and all claims and causes of action regarding the validity, priority, perfection, or

avoidability of the liens or secured claims of the DIP Agent, the DIP Lenders, and the DIP L/C Issuers and (b) waive any and all defenses (including, without limitation, offsets and counterclaims of any nature or kind) as to the validity, perfection, priority, enforceability, and nonavoidability of the DIP Obligations and the DIP Liens.

30. No Third Party Rights. Except as explicitly provided for herein, this Interim Order does not create any rights for the benefit of any third party, creditor, equity holder, or any direct, indirect, or incidental beneficiary.

31. Section 506(c) Claims. Subject to entry of the Final Order, no costs or expenses of administration of the Cases or any future proceeding that may result therefrom, which have been or may be incurred in the Cases at any time, shall be charged against the DIP Agent, the DIP Lenders, or the DIP L/C Issuers, or any of their respective claims or the DIP Collateral, pursuant to section 105 or 506(c) of the Bankruptcy Code, or otherwise, without the prior written consent of the DIP Agent, the DIP Lenders, or the DIP L/C Issuers, as applicable, and no such consent shall be implied from any other action, inaction, or acquiescence by the DIP Agent, any DIP Lender, and any DIP L/C Issuer.

32. No Marshaling/Application of Proceeds. Subject to entry of the Final Order, the DIP Agent, the DIP Lenders, and the DIP L/C Issuers shall not be subject to the equitable doctrine of "marshaling" or any other similar doctrine with respect to any of the DIP Collateral, and proceeds shall be received and applied pursuant to the terms of the DIP Credit Documents notwithstanding any other agreement or provision to the contrary; provided, however, that nothing herein shall impair the rights of the DIP Agent, DIP Lenders, and the DIP L/C Issuers with respect to the DIP Collateral.

33. Joint and Several Liability. Nothing in this Interim Order shall be construed to constitute a substantive consolidation of any of the TCEH Debtors' estates, it being understood, however, that the TCEH Debtors shall be jointly and severally liable for the obligations hereunder and in accordance with the terms of the DIP Facility and the DIP Documents.

34. Discharge Waiver. The DIP Obligations shall not be discharged by the entry of an order confirming any plan of reorganization, notwithstanding the provisions of section 1141(d) of the Bankruptcy Code, unless the DIP Obligations have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit shall have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers) on or before the effective date of a confirmed plan of reorganization or liquidation. It shall be an Event of Default if any of
~~None of the TCEH Debtors~~
~~shall~~ propose or support any plan of reorganization or liquidation, sale of all or substantially all of the TCEH Debtors' assets, or entry of any confirmation order or sale order unless any such plan of reorganization or liquidation, sale, or confirmation order provides that the DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations) shall be indefeasibly paid in full, in cash, all Commitments shall be terminated, and all Letters of Credit shall be cancelled (or all such Letters of Credit shall be fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers) on or prior to the earlier to occur of the effective date of any such plan of reorganization or liquidation or sale and the DIP Termination Date.

35. Rights Preserved. Notwithstanding anything herein to the contrary, the entry of this Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly: (a) the DIP Agent's, the DIP Lenders', or the DIP L/C Issuers' right to seek any other

or supplemental relief in respect of the TCEH Debtors; (b) any of the rights of the DIP Agent, any of the DIP Lenders, or any of the DIP L/C Issuers under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of section 362 of the Bankruptcy Code, (ii) request dismissal of any of the Cases or Successor Cases, conversion of any of the Cases to cases under chapter 7, or appointment of a chapter 11 trustee or examiner with expanded powers, or (iii) propose, subject to the provisions of section 1121 of the Bankruptcy Code, a chapter 11 plan or plans; or (c) any other rights, claims, or privileges (whether legal, equitable, or otherwise) of any of the DIP Agent, the DIP Lenders, or the DIP L/C Issuers.

36. No Waiver by Failure To Seek Relief. The delay or failure of the DIP Agent, the DIP Lenders, or the DIP L/C Issuers to seek relief or otherwise exercise their rights and remedies under this Interim Order, the DIP Documents, or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder, or otherwise of the DIP Agent, the DIP Lenders, the DIP L/C Issuers, the Creditors' Committee, or any party in interest, unless any such waiver is pursuant to a written instrument executed in accordance with the terms of the applicable DIP Documents.

37. Binding Effect; Successors and Assigns. The DIP Documents and the provisions of this Interim Order, including all findings herein, shall be binding upon all parties in interest in the Cases, including, without limitation, the DIP Agent, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, the Secured Cash Management Banks, any statutory or nonstatutory committees appointed or formed in the Cases (including the Creditors' Committee), and the TCEH Debtors and their respective successors and assigns (including any chapter 7 or chapter 11 trustee hereinafter appointed for the estate of any of the TCEH Debtors) and shall inure to the

benefit of the DIP Agent, the DIP Lenders, the DIP L/C Issuers, and the TCEH Debtors and their respective successors and assigns; provided, however, that the DIP Agent, the DIP Lenders, and the DIP L/C Issuers shall have no obligation to extend any financing to any chapter 7 trustee or similar responsible person appointed for the estates of the TCEH Debtors. Upon entry of the Final Order, in determining to make any loan under the DIP Credit Agreement or in exercising any rights or remedies as and when permitted pursuant to this Interim Order or the DIP Documents, the DIP Agent, the DIP Lenders, and the DIP L/C Issuers (a) shall not be deemed to be in control of the operations of any of the TCEH Debtors or to be acting as a "controlling person," "responsible person," or "owner or operator" with respect to the operation or management of any of the TCEH Debtors (as such term, or any similar terms, are used in the Internal Revenue Code, the United States Comprehensive Environmental Response, Compensation and Liability Act (as amended), or any similar Federal or state statute) and (b) shall not owe any fiduciary duty to any of the TCEH Debtors, their creditors, or their estates, and shall not constitute or be deemed to constitute a joint venture or partnership with any of the TCEH Debtors.

38. No Modification of Interim Order. Unless and until the DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations) have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers) (such payment being without prejudice to any terms or provisions contained in the DIP Facility which survive such discharge by their terms), an Event of Default shall occur if the TCEH Debtors seek or consent to, directly or indirectly, or if there is entered:

(a) without the prior written consent of the DIP Agent, (i) any modification, stay, vacatur, or amendment to this Interim Order, (ii) a priority claim for any administrative expense or unsecured claim against the TCEH Debtors (now existing or hereafter arising of any kind or nature whatsoever, including, without limitation, any administrative expense of the kind specified in section 503(b), 507(a), or 507(b) of the Bankruptcy Code, or, subject to the entry of the Final Order, section 506(c) of the Bankruptcy Code) in any of the Cases or Successor Cases, equal or superior to the DIP Superpriority Claims other than the Carve Out and the RCT Reclamation Support Carve Out, or (iii) any lien on any of the DIP Collateral with priority equal or superior to the DIP Liens, except as specifically provided herein or in the DIP Documents; (b) without the prior written consent of the DIP Agent, an order allowing use of the DIP Collateral, including Cash Collateral; (c) an order converting or dismissing any of the Cases; (d) an order appointing a chapter 11 trustee in any of the Cases; or (e) an order appointing an examiner with enlarged powers (having powers beyond those set forth in Bankruptcy Code sections 1106(a)(3) and (4)) in any of the Cases; provided, however, that notwithstanding anything to the contrary herein, the TCEH Debtors may seek to use Cash Collateral on a non-consensual basis pursuant to an order in form and substance acceptable to the Left Lead Arrangers (as defined in the DIP Credit Agreement). No such consent shall be implied by any other action, inaction, or acquiescence of the DIP Agent.

39. Survival. The provisions of this Interim Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization or liquidation in any of the Cases; (b) converting any of the Cases to a case under chapter 7 of the Bankruptcy Code; (c) dismissing any of the Cases or any Successor Cases; or (d) pursuant to which the Court abstains from hearing any of the Cases or Successor Cases. The

terms and provisions of this Interim Order, including the claims, liens, security interests, and other protections granted to the DIP Agent, the DIP Lenders, the DIP L/C Issuers, the Secured Hedge Banks, and the Secured Cash Management Banks pursuant to this Interim Order and/or the DIP Documents, notwithstanding the entry of any such order, shall continue in the Cases, in any Successor Cases, or following dismissal of the Cases or any Successor Cases, and shall maintain their priority as provided by this Interim Order until; in respect of the DIP Facility, all the DIP Obligations (excluding the Secured Hedge Obligations, the Secured Cash Management Obligations, and Contingent Obligations), pursuant to the DIP Documents and this Interim Order, have been indefeasibly paid in full, in cash, all Commitments have been terminated, and all Letters of Credit have been cancelled (or all such Letters of Credit have been fully cash collateralized or otherwise back-stopped, in each case to the satisfaction of the applicable DIP L/C Issuers) (such payment being without prejudice to any terms or provisions contained in the DIP Facility which survive such discharge by their terms).

40. Railcar Lease Representation. ~~The Debtors, through the DIP Motion, the Cash Collateral Motion, or otherwise, are not attempting to prime or otherwise affect the rights and interests of TXU 2007-1 Railcar Leasing LLC (as the assignee of its affiliate High Ridge Leasing, LLC) under that certain Lease dated as of September 7, 2007, by and among TXU 2007-1 Railcar Leasing LLC (as assignee of its affiliate High Ridge Leasing, LLC) and Debtor Texas Competitive Electric Holdings Company LLC, relating to 996 Aluminum Rapid Discharge IV Coal Cars (the "Railcar Lease").~~ ^{Nothing herein primes or} ~~All rights of parties to in interest with respect to the Railcar Lease are preserved.~~ ^③

41. Interim Order Governs. In the event of any inconsistency between the provisions of this Interim Order and the DIP Documents, the provisions of this Interim Order shall govern.

42. Final Hearing. The Final Hearing shall be June 5, 2014, at 9:30 a.m. (prevailing Eastern time). The TCEH Debtors shall provide notice of the Final Hearing to: (a) the Office of the U.S. Trustee for the District of Delaware; (b) the entities listed on the Consolidated List of Creditors Holding the 50 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d); (c) Citibank, N.A., in its capacity as First Lien Credit Agent under the First Lien Credit Agreement, and Wilmington Trust, N.A., upon the effectiveness of its appointment as successor First Lien Credit Agent; (d) Bank of New York Mellon Trust Company, N.A., in its capacity as indenture trustee under: (i) the TCEH unsecured pollution control revenue bonds; and (ii) the EFCH 2037 Notes due 2037; (e) American Stock Transfer & Trust Company, LLC, in its capacity as indenture trustee under: (i) the 9.75% EFH senior unsecured notes due 2019; (ii) the 10.0% EFH senior unsecured notes due 2020; (iii) the 10.875% EFH LBO senior unsecured notes due 2017; (iv) the 11.25%/12.0% EFH LBO toggle notes due 2017; (v) the 5.55% EFH legacy notes (series P) due 2014; (vi) the 6.50% EFH legacy notes (series Q) due 2024; and (vii) the 6.55% EFH legacy notes (series R) due 2034; (f) Computershare Trust Company, N.A. and Computershare Trust Company of Canada, in their capacities as indenture trustee under: (i) the 11.0% EFIH senior secured second lien notes due 2021; and (ii) the 11.75% EFIH senior secured second lien notes due 2022; (g) UMB Bank, N.A. in its capacity as indenture trustee under: (i) the 9.75% EFIH senior unsecured notes due 2019; and (ii) the 11.25%/12.25% EFIH senior toggle notes due 2018; (h) BOKF, NA, dba Bank of Arizona, in its capacity as indenture trustee under 11.50% TCEH senior secured notes due 2020; (i) CSC Trust Company of Delaware in its capacity as indenture trustee under: (i) the 6.875% EFIH senior secured notes due 2017; and (ii) the 10.0% EFIH senior secured notes due 2020; (j) Law Debenture Trust Company of New York in its capacity as indenture trustee under: (i) the 10.25% TCEH senior unsecured notes due

2015; and (ii) the 10.50%/11.25% TCEH senior toggle notes due 2016; (k) Wilmington Savings Fund Society, FSB in its capacity as indenture trustee under the 15.0% TCEH senior secured second lien notes due 2021; (l) counsel to certain holders of claims against the Debtors regarding each of the foregoing described in clauses (c) through (k); (m) the agent for the TCEH debtor-in-possession financing facility and counsel thereto; (n) the agent for the EFIH debtor-in-possession financing facility and counsel thereto; (o) counsel to certain holders of equity in Texas Energy Future Holdings Limited Partnership; (p) counsel to Oncor; (q) the SEC; (r) the Internal Revenue Service; (s) the Office of the Texas Attorney General on behalf of the PUC; (t) counsel to ERCOT; (u) the counterparties to the First Lien Commodity Hedges and First Lien Interest Rate Swaps; (v) the RCT; ~~and~~ (w) counsel to the unofficial committee of certain TCEH first lien debt holders; ^{and (y) the Office of the United States Attorney for the District of Delaware.} Any objections or responses to the DIP Motion must be filed on or before May 29, 2014, at 4:00 p.m. (prevailing Eastern time). If no objections are filed to the DIP Motion, the Court may enter the Final Order without further notice or hearing.

43. Nunc Pro Tunc Effect of this Interim Order. This Interim Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be enforceable *nunc pro tunc* to the Petition Date immediately upon execution thereof.

44. Retention of Jurisdiction. The Court has and will retain jurisdiction to enforce this Interim Order according to its terms.

Wilmington, Delaware
Dated: May 2, 2014



THE HONORABLE CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE