



PRESS RELEASE

FOR IMMEDIATE RELEASE

EAST TEXAS ELECTRIC COOPERATIVE INC. ISSUES REQUEST FOR PROPOSALS

Nacogdoches, Texas. Monday, August 15, 2011. East Texas Electric Cooperative, Inc. ("ETEC") is issuing a Request for Proposals ("RFP") to solicit proposals from power suppliers and other respondents for partial requirements power, energy management and balancing authority services beginning January 1, 2015. ETEC will use the resources and services obtained through this RFP to manage its power supply assets and serve its total power requirements within the Entergy and Southwest Power Pool ("SPP") areas. While ETEC is projected to have sufficient capacity resources to meets its 2015 peak demand, ETEC will require planning reserve capacity, energy management services, and other related control area services to effectively serve its total load requirements. The chosen proposal(s) will replace existing resources and services due to contractual expirations on December 31, 2014, under Power Supply Agreements with Southwestern Electric Power Company and Entergy Texas, Inc.

All Proposals received will be considered. ETEC welcomes Proposals from all suppliers of power and services, including, but not limited to: utilities, exempt wholesale generators, independent power producers, and power marketers. Also, ETEC welcomes Proposals to serve all or any part of the load being solicited for the SPP and Entergy areas and/or balancing authority and metering services for ETEC's total load and resources. There will be a Pre-Bid Conference on August 30th beginning at 10:00 AM (CDST) at the Houston Airport Marriott at George Bush Intercontinental Airport. Potential Respondents are encouraged to attend the Pre-Bid Conference to learn more about ETEC's power supply situation beginning in 2015 and the RFP process.

Potential respondents and other interested parties are being asked to register to participate in this RFP. Potential respondents can review the RFP documents and register by visiting either: (1) ETEC's website [www.etec.coop] or (2) the website operated by ETEC's power supply consultant, GDS Associates, Inc. [www.gdsassociates.com/rfp/rfp.html]. Information provided at the websites include: the registration form, the complete RFP document, a description of requested power supplies, RFP schedule, response forms, demand/energy projections, historical hourly load data along with other information useful to potential respondents.

Questions concerning the RFP should be directed to Chris Dawson via:

GDS Associates, Inc. Phone: (770) 799-2366 Suite 800 Fax: (770) 426-0303

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Marietta, GA 30067

Proposals submitted in response to this RFP are due on **September 30, 2011**.