



215 E. McKinney Street, Denton, Texas 76201

April 18, 2017

**Mr. Bob Kahn
General Manager
Texas Municipal Power Agency
12824 F.M. 244
Anderson, Texas 77830**

Re: Joint Operating Agreement (“JOA”) Decommissioning Plan

Dear Mr. Kahn,

Section 5.3.1 of the JOA requires that the TMPA Board adopt a decommissioning plan by September 1, 2017 (the “Decommissioning Plan Deadline”). It is our understanding that, in light of current efforts to sell the power plant, TMPA is reluctant to expend funds on development of a decommissioning plan at this time. Consequently, it is possible that the Decommissioning Plan Deadline will be missed.

The City of Denton is agreeable to waiving and does waive the Decommissioning Plan Deadline provided that, in the event the effort to sell TMPA’s power plant is abandoned, TMPA will, within a reasonable period of time after such effort is abandoned, cause to be developed a decommissioning plan and obtain approval of the plan by the TMPA Board as contemplated by the JOA.

Sincerely,

Mayor Chris Watts

