Term Sheet and Proposal

(Non-Binding and for Discussion Purposes only)

Green Mountain Energy®

Company Background

Green Mountain Energy Company ("Green Mountain"), headquartered in Austin, Texas, was founded in 1997 with the mission to change the way power is made. The company is the nation's longest serving green power provider. Since 1997, Green Mountain customers have prevented more than 30.6 billion pounds of carbon dioxide pollution, equivalent to over 17.6 million households turning off their lights for a year.

Green Mountain offers retail customers in competitive markets cleaner energy via direct access retail electric service. In non-competitive electricity markets, Green Mountain partners with utilities who want to offer renewable energy products to their customers. We currently partner with Portland General Electric, which has the nation's #1 ranked green power program among investor-owned utilities. Outside of these areas, Green Mountain offers renewable energy certificates and carbon offset products to consumers across the U.S. to help reduce the environmental impact of everyday activities like electricity use, driving, and flying. Our Green Mountain Energy™ Solutions division offers a diversified suite of sustainability solutions to businesses nationwide, including distributed and utility-scale solar, pollution-free electric vehicle charging infrastructure, combined heat & power (CHP), backup service generation, monitoring & controls, carbon tracking and mitigation services, energy efficiency/demand response and more.

Green Mountain was acquired in November, 2010, by NRG Energy, Inc., a Fortune 300 wholesale power generation company headquartered in Princeton, New Jersey. Green Mountain is a wholly owned subsidiary of NRG. NRG's diverse generation portfolio provides more than 47,000 megawatts of generation capacity throughout the U.S., and the company is the largest solar developer in North America, with over 2,000 MW in late stage development.

Commercial Sustainability Partnership

Term Sheet and Proposal

Overview:

The following term sheet outlines a proposed partnership between City of El Lago ("Counterparty") and Green Mountain Energy Company ("Green Mountain"). The partnership is intended to further both parties' understanding of emerging sustainability practices and solutions related to sustainability and includes the following terms and activities:

- Green Mountain can publicize and reference Counterparty and the partnership in press releases, media events, digital and social media, and marketing and sales materials as approved by Counterparty.
- Counterparty shall provide Green Mountain with periodic and guided access to Counterparty's facilities to demonstrate the business's sustainability-related activities, solutions and achievements. Such access shall not disrupt business operations.
- The parties will jointly administer approved programs at Counterparty to pilot new sustainability practices and solutions. Green Mountain may publish learnings from pilot programs and other aspects of the partnership and Counterparty's sustainability practices as white papers and case studies.
- Green Mountain will own any analyses, tools or communications developed for—or resulting from—pilot programs.
- The partnership will last 10 years.
- Counterparty agrees to purchase power from Green Power in a series of separate 1 – 5 year renewal Electricity Service Agreements ("ESA") over the course of the partnership. Pricing will be tied to market rates and specified in each renewal ESA.
- Green Mountain will, at its own expense, conduct a Sustainability Assessment of Counterparty and provide a report of the assessment's results and recommendations.
- Counterparty and Green Mountain agree to jointly administer an Energy Management Solution (EMS) pilot program.

PARTNERSHIP AND MARKETING

Parties	City of El Lago, with a principal business address at [ADDRESS] ("Counterparty") Green Mountain Energy Company, with a business address at 1201 Fannin Street, Houston, Texas 77002.
Commercial Sustainability Partnership	Counterparty agrees to be referenced as a "Green Mountain Commercial Sustainability Partner" or "Sustainability Partner", and the relationship between Counterparty and Green Mountain as a "Sustainability Partnership," in Green Mountain sales, marketing and publicity communications (both digital and print) at Green Mountain's discretion. Counterparty shall have the opportunity to review and approve all communications issued by Green Mountain that reference Counterparty, prior to issuance. Counterparty and Green Mountain agree to jointly develop a Sustainability Partnership Overview ("Overview") containing pre-approved content describing the Sustainability Partnership program objectives, activities, accomplishments and roles of the partners. It is understood that the Overview will be utilized wherever possible and appropriate to minimize the incremental efforts of the Sustainability Partners to develop, review and approve such communications.
Partnership's Non-Impact on Operations	At no time shall the Sustainability Partnership distract or deter Counterparty's staff from the business's operations.
Press Releases and Media Events	At Green Mountain's request, Counterparty will work with Green Mountain to develop a press release announcing the Green Mountain Sustainability Partnership including specific aspects of Sustainability Partnership as further described in the written agreement entered into between Counterparty and Green Mountain. Both parties shall have the opportunity to review and approve the press release prior to issuance. At Green Mountain's discretion, Counterparty will work with Green Mountain to hold a joint press association with Sustainability Partnership. This event may include invitations to Green Mountain customers, prospects, employees and the surrounding community. Details and logistics to be mutually agreed upon by both parties prior to holding the event. Green

	Mountain will incur all costs associated with the press releases and media events. Neither party will announce or distribute to the public any marketing materials, press releases or other promotional materials externally regarding or related to any aspects of this agreement without first obtaining the expressed approval of the other party. The date and time of all media events regarding Sustainability Partnership will be mutually agreed upon prior to the event.
Digital and Social Media Recognition	Counterparty agrees to at least one post to the business's social media site managed by Counterparty promoting the launch of the Sustainability Partnership. Counterparty can satisfy this agreement using any social media currently utilized by the business and is not required to adopt any new social media tools. Beyond this announcement, Counterparty agrees to post information regarding ongoing activities associated with the Sustainability Partnership at Green Mountain's option at a frequency at least once per quarter. Green Mountain may assist in the creation of any content or creative to be posted and the content is subject to the approval of both parties prior to posting. Counterparty will also recognize the Sustainability Partnership on its website including specific, limited aspects as mutually determined by both parties. Counterparty's website will also contain links to Green Mountain's website (to the links as provided by Green Mountain). Content on Counterparty's website regarding Sustainability Partnership may be updated from time to time upon the mutual agreement of the parties to reflect ongoing activity related to Sustainability Partnership at a frequency not to exceed more than once quarterly. Green Mountain may assist with any content.

Facilities Access for Sustainability Tours:	Counterparty shall provide Green Mountain with reasonable access to the business for purposes of presenting various aspects of the Sustainability Partnership, or other sustainability practices and solutions, to Green Mountain prospects, customers, and employees ("Sustainability Tours"). The frequency of Sustainability Tours shall not exceed more than one (1) tour per month and Green Mountain shall provide Counterparty with as much advanced notice of a requested tour date and time as possible. Counterparty is not required to hire additional staff to lead or support facility tours and both parties agree to minimize staff participation where possible and still satisfy the objectives of the tour. To avoid disruption of business operations Counterparty cannot conduct tours during normal business hours on specified dates or at certain times during the day, referred to for purposes of the Sustainability Partnership as "blackout" days and times. Such dates and times may change over the course of the year. Counterparty agrees to provide Green Mountain with advance notice of blackouts and Green Mountain agrees to not schedule tours during blackout dates and times. Both parties agree to use best efforts to identify mutually convenient times of the day and week to conduct tours of the campus.
Product Pilot and Testing Programs	Counterparty and Green Mountain agree to jointly administer pilot and testing programs ("Pilot Programs") with the objective of developing a better understanding of emerging technology and practices related to sustainability. The scope of these programs may include: energy management, distributed generation, energy efficient equipment and facilities improvements, water management, waste management, transportation, food production, environment, curriculum development and procurement. The purpose of such programs includes continuously improving Counterparty's sustainability and strengthening Green Mountain's understanding of emerging sustainability technologies and practices including implementation of such sustainability technologies, and the, customer experience, and benefits related to the deployment of such technologies for

	entities such as Counterparty. The details, timing and location of each Pilot Program shall be mutually agreed to by both parties, with Counterparty agreeing to participate in at least 2 separate Pilot Programs annually at Green Mountain's request. The continued usage of any equipment or software utilized during a Pilot Program beyond the program's termination shall be mutually agreed to by both parties. All costs associated with Pilot Programs will be incurred by Green Mountain. Green Mountain will not be responsible for the costs of any Pilot Program that Green Mountain does not approve and agree to in writing in advance. Neither Green Mountain nor any other third party participants in the pilot programs will be considered Counterparty employees for purposes of the Sustainability Partnership.
White Papers and Case Studies	Counterparty and Green Mountain agree that Green Mountain may conduct, develop and publish the results of any analyses or reviews ("White Papers") of the impact of any aspect of the Sustainability Partnership. White Papers may consider both the entire or select aspects of Sustainability Partnership. Counterparty's name may be included in these White Papers. At no point will curriculum developed and used by Counterparty be shared with the public. Counterparty understands that the purpose of the White Papers is to educate interested third parties on the benefits of sustainability, strengthen Green Mountain's credibility for providing such services and support sales efforts. Green Mountain and appropriate third parties shall be responsible for conducting, developing and publishing White Papers. Counterparty's participation will be limited to providing: (a) access to the equipment and information necessary to deliver the White Papers, (b) thoughts and opinions on the White Paper subjects, and (c) reviewing the White Papers prior to publication. Up to a total of five (5) White Papers over the extent of the Sustainability Partnership, but not more than one (1) per year.
Development of New Sustainability Analyses,	Counterparty and Green Mountain agree that over the course

Processes, Methodologies or Tools	of the Sustainability Partnership, the parties will, either individually or jointly, participate in activities that result in the development of new analyses, processes, methodologies or tools. Any such developments shall belong exclusively to Green Mountain and may be incorporated in other Sustainability Partnerships at Green Mountain's discretion. Any new concepts, analyses, processes, methodologies or tools developed by Counterparty outside of the scope of business's interaction with Green Mountain as a Sustainability Partner shall belong exclusively to Counterparty.
Term:	The term of the Sustainability Partnership shall be 10 years with each party provided with the opportunity to end the partnership, for cause, with notice.
Start Date:	Estimated start date of September 25th 2015.

ELECTRICITY

Electricity Product	Counterparty agrees to enroll on the Green Mountain Buy-Back electricity product ("Buy-Back"). The Buy-Back product is 100% renewable (wind) electricity. Green Mountain also agrees to buy any energy produced by on-site generation facilities in excess of Counterparty's consumption and shall pay Counterparty for any excess electricity at a rate the equivalent of the fixed energy rate that Counterparty is charged for electricity consumption at the time the excess energy is produced. The details, including the price and term, of the electricity product, will be specified in a series of separate and consecutive electricity service agreements ("ESA") referenced in this Sustainability Agreement.
Price	The price shall be a determined fixed rate specified in the ESA. Green Mountain guarantees that each renewal ESA offered to Counterparty is within a cost of $0.005/kWh to an average rate offered by 3 other tier 1 retail electric providers for a similar product and term.
Term	Counterparty and Green Mountain agree to a series of consecutive, separate 1 – 5 year ESAs with the price adjusted into fixed rates for each renewal ESA as described above and determined at the time of the specific ESA's execution.

Start Date	Estimated renewal date of 7/21/2018

ENERGY MANAGEMENT SOLUTION PILOT

Pilot Description	Counterparty and Green Mountain agreed to jointly administer an Energy Management Solution Pilot Program ("EMS Pilot") to better each organization's understanding of the potential benefits of such a solution for an organization comparable to Counterparty, including the ability to reduce and shift the overall use of energy to decrease energy-related costs.
Pilot Program Data Collection, Analysis and Publication	Counterparty and Green Mountain agree to work together to collect and analyze data for the purposes of understanding the impact of the energy management solution pilot Counterparty's energy consumption.
Cost	Green Mountain will incur all costs associated with EMS Pilot.
Timing	EMS Pilot shall start within 180 days of the start date of Agreement and the program shall conclude between 6 – 12 months the program's start with the results released to each party within 60 days of completion of the pilot program. Dates may change at the mutual agreement of both parties.

This term sheet is for purposes of discussion and negotiation only and is not intended by the parties to constitute an offer or acceptance of any provision hereof, nor to give rise to any binding obligations between them. Either party in its sole discretion, with or with cause, may terminate negotiations at any time without incurring any obligation or liability whatsoever to the other party.

City of El Lago **Green Mountain Energy Company**

BY:__Robert White_____ **BY:_____**

NAME:_____ **NAME:**_____

TITLE:___**Mayor**_____ **TITLE:**_____