



June 27, 2007

**TIME SENSITIVE DOCUMENT**

Dr. James Veitenheimer  
Superintendent  
Keller Independent School District  
350 Keller Parkway  
Keller, Texas 76248-3447

Dear Dr. Veitenheimer:

As you have been previously notified by e-mail, Energy for Schools and Strategic Energy are very pleased to have resolved all of our outstanding business issues and now we would like to proceed with compensating your school district for the electricity used in add-on meters (incremental load) that were not served at the original contract price. Our calculation of the amount paid by your district for its incremental load is listed on the attached "Release" document. This amount was determined by taking the number of kilowatts used through add-on meters that were not served at the original contract price, and multiplying this number by the difference between the price at which these meters were served and the original contract price. It includes the full amount of additional cost of your district's incremental load plus interest. Please note that our calculation is based on actual meter reads and kilowatts used through May 2007.

So that we may process your payment as soon as possible, if you have not already done so, please post an action item for your **next** board meeting, to read as follows:

**CONSIDER AND APPROVE SETTLEMENT AND RELEASE  
RELATED TO PAYMENT FOR ELECTRICITY USED IN ADD-ON  
METERS (INCREMENTAL LOAD)**

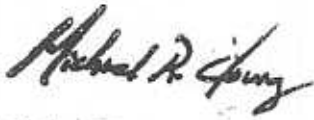
Attached you will find the "Release" document your district will need to execute and return to Energy for Schools after your district's Board of Trustees approves the settlement amount. **Please have the authorized district representative sign and date the document and mail the original to Energy for Schools, Two Park Ten Place, 16300 Katy Freeway, Suite 140, Houston, Texas 77094.** It is important that you secure board approval and return the document to us as soon as possible. Once your Board of Trustees approves the Release document, and you return it to Energy for Schools, Energy for Schools will send you a check from Strategic Energy for 100% of your district's incremental load, plus interest.

We hope that these funds will benefit your school district as you plan and budget for the coming school year. If you have any questions please contact me at 281-647-7750 or Michael Young of Strategic Energy at 412-394-6951. Thank you for your continued support of Energy for Schools.

Sincerely,



Frank DeLaro, Ed.D.  
President  
Energy for Schools



Michael R. Young  
Executive Vice President of Sales  
Strategic Energy

ATTACHMENT-1