



**For Immediate Release**

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**Hunt, Oncor Jointly File Application with Public Utility Commission of Texas;  
Seek Regulatory Approval for Change of Control and Use of REIT Structure**

(DALLAS, TEXAS) Sept. 29, 2015 – Hunt Consolidated, Inc. announced today that its affiliates have jointly filed an application along with Oncor Electric Delivery Company L.L.C. (Oncor) to the Public Utility Commission of Texas (PUCT). This application seeks regulatory approval for the sale of Energy Future Holdings' (EFH) current ownership stake in Oncor as part of EFH's ongoing bankruptcy proceeding. By statute, the PUCT will have 180 days to review and take action on the proposed transaction.

If approved, Hunt and its consortium of investors would acquire EFH's current stake in Oncor and restructure it into a Real Estate Investment Trust (REIT), and Hunt would assume full operational control of Oncor by mid-2016.

"We believe our proposed plan represents the best path forward for Oncor, its employees and the communities they serve," said Hunter L. Hunt, co-chief executive officer for Hunt Consolidated, Inc., and chief executive officer of Hunt Consolidated Energy. "We are fully committed to working closely with the PUCT Commissioners and their staff, as well as with all interested stakeholders, to ensure our proposed transaction receives a thorough, open, and transparent review over the next six months."

Under the plan filed today with the PUCT, Oncor would be split into two companies – an asset company and an operating company – for the purposes of reorganizing it into a Real Estate Investment Trust structure.

First, Hunt and its consortium of investors would acquire EFH's 80 percent stake in Oncor and restructure it into an asset company, which would be a subsidiary of a REIT currently known as Ovation Acquisition I, L.L.C. (Ovation). This asset company would continue to own the physical transmission and distribution assets currently owned by Oncor, including substations, transmission and distribution towers and poles, wire conductors, and other assorted components and equipment. The newly restructured asset company would be owned by the consortium of investors and managed by Hunt.

Second, a new operating company would be created and would keep the Oncor name, with its headquarters remaining in Oncor's existing office in Dallas, Texas. It would be responsible for the day-to-day operation, maintenance, and construction of Oncor's existing system. Oncor's existing management team, its employees, and its operating assets would transfer to this operating company, which would be owned and controlled by the Hunt family through Shary Holdings, L.L.C., the same entity that owns Sharyland Utilities (the Hunt family's other regulated electric utility in Texas).

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The newly restructured asset company would lease the transmission and distribution assets to Oncor, who would operate the system on the REIT's behalf. Hunt has successfully operated this REIT structure in the Texas electric utility market since December 2009.

Benefits of this proposed transaction include:

- Provides a quicker and more efficient solution to EFH's current bankruptcy proceedings.
- Ensures that operational control of Oncor remains in Dallas, Texas, where it belongs.
- Plans to keep Oncor's existing management and personnel in place.
- Commits there would be no change in rates or service for Oncor customers due to this transaction.
- Maintains Oncor's current plan with a renewed commitment for capital investment.
- Maintains a "ring fence" around Oncor.
- Significantly reduces debt currently located above Oncor.
- Provides benefits of having both a privately-held operator and greater access to various forms of capital.
- Would be implemented under the current statutory and regulatory framework within Texas, where all interested stakeholders would be able to participate in an open and transparent review.

This application was filed under PUCT Docket No. 45188, *Joint Report and Application of Oncor Electric Deliver Company, L.L.C., Ovation Acquisition I, L.L.C., Ovation Acquisition II, L.L.C., and Shary Holdings, L.L.C. for Regulatory Approvals Pursuant to PURA §§ 14.101, 37.154, 39.262(l)-(m), and 39.915.*

#### **About Hunt Consolidated, Inc. (HCI)**

Hunt Consolidated, Inc. is a diversified holding company for a privately-owned group of entities based in Dallas, Texas, and managed by the Ray L. Hunt family. These entities are engaged in oil and gas exploration and production, refining, power, real estate, ranching and private equity investments. Hunt Consolidated Energy, a subsidiary of HCI, is the holding company for HCI's energy activities. Ray L. Hunt is Executive Chairman of HCI, and Hunter L. Hunt and Chris Kleinert each serve as co-CEO of HCI. Please visit [www.huntconsolidated.com](http://www.huntconsolidated.com) for more information.

#### **About Consortium of Investors**

In addition to Hunt, the consortium members include current creditors of EFH and its subsidiaries who are investing more than \$7 billion of additional equity as part of the transaction. Additional members of the consortium include Anchorage Capital Group, L.L.C., Arrowgrass Capital Partners, Avenue Capital Group, BlackRock, Centerbridge Partners, L.P., GSO Capital Partners, L.P., and the Teacher Retirement System of Texas.

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