

**MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS OF THE
TEXAS NATURAL GAS SECURITIZATION FINANCE CORPORATION**

February 9, 2023

The Board of Directors (the “Board”) of the Texas Natural Gas Securitization Finance Corporation (the “Corporation”) convened in open meeting, notice duly posted pursuant to law, at 11:00 a.m. on Thursday, February 9, 2023, in room 411 of the William P. Clements, Jr. Building, 300 W. 15th Street, Austin, Texas.

Present were: Mr. Billy M. Atkinson, Jr., President and Chair of the Board; Mr. Larry Holt, Vice President and Board Member; Mr. Jay Riskind, Secretary and Board Member; and Lee Deviney, Treasurer. Mr. Atkinson and Mr. Holt participated via video conference.

Also in attendance were the following persons, representing the indicated entities: Kevin Van Oort and John Hernandez, Texas Public Finance Authority (“TPFA”); Paul Braden and Arthur Kimball-Stanley, Norton Rose Fulbright US LLP; Hasan Mack, McCall, Parkhurst & Horton L.L.P.; and Monty Humble.

Kevin Twining, Locke Lord LLP, and Paul Jack and Tania Askins, Estrada Hinojosa & Co., Inc., participated via video conference.

Mr. Riskind noted the presence of a quorum and called the meeting to order at 11:03 a.m.

Item 1. Minutes

Mr. Riskind presented the minutes of the January 20, 2023 Board meeting.

Action: Motion by Mr. Holt to approve the minutes of the January 20, 2023 Board meeting, as presented. Second by Mr. Atkinson.

The motion was adopted by unanimous vote.

Item 2. Resolution Designating Purchasers

Mr. Deviney advised the Board that the Office of the Attorney General (OAG) had rejected the “standing letter” submitted by Citigroup to the OAG in relation to SB 19, 87th Legislature, RS (2021). The Board discussed the designation of investment banking firms to underwrite the sale of the customer rate relief bonds.

Mr. Riskind presented a resolution reconstituting the investment banking firms to serve as the initial purchasers of the customer rate relief bonds.

Action: Motion by Mr. Atkinson to adopt the Resolution, as presented. Second by Mr. Holt.

The motion was adopted by unanimous vote.

Mr. Deviney indicated that the percentage of customer rate relief bonds previously allocated to Citigroup would be reallocated to the three co-senior managers in the underwriting syndicate.

Item 3. Securitization Transaction

Mr. Deviney provided a status report on the issuance of the customer rate relief bonds. He advised the Board that on February 17, 2023, the Bond Review Board is scheduled to consider the Corporation's application to issue the bonds.

Mr. Deviney and Paul Jack discussed the potential timeline and procedures for pricing the bonds.

Mr. Deviney and Mr. Braden presented proposed transaction documents incorporating a make-whole redemption provision.

Mr. Deviney presented proposals submitted by service providers to adjust their respective fee structures to reflect the additional complexity of the HB 1520 transaction. No action was taken on this matter.

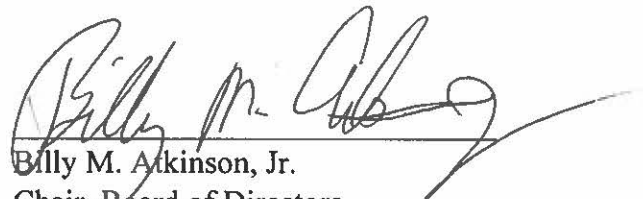
Item 4. Insurance Coverage

Mr. Twining presented coverage options for the potential purchase of a directors and officers insurance policy. No action was taken on this matter.

The Board discussed holding meetings on the 13th and 17th of February.

Mr. Riskind adjourned the meeting at 12:40 p.m.

The foregoing minutes were approved and adopted by the Board of Directors on this 13th day of February 2023.



Billy M. Atkinson, Jr.
Chair, Board of Directors
Texas Natural Gas Securitization
Finance Corporation