INITIAL SERVICER'S PAYMENT CERTIFICATE

As of November 12, 2021, Texas Electric Market Stabilization Funding M LLC, a Delaware limited liability company (the "Issuer") and U.S. Bank National Association, a national banking association, in its capacity as indenture trustee (the "Indenture Trustee") entered into that certain Indenture relating to the Texas Stabilization M Bonds.

Capitalized terms used herein have their respective meanings as set forth in the Indenture. References herein to certain sections and subsections are references to the respective sections of the Default Property Servicing Agreement or the Indenture, as the context indicates.

Pursuant to Section 4.01(e)(ii) of the Default Property Servicing Agreement, dated as of November 12, 2021 (the "Servicing Agreement"), between, Electric Reliability Council of Texas Inc., as Servicer and Texas Electric Market Stabilization Funding M LLC, as Issuer, the Servicer does hereby certify, for the August 1, 2023 Payment Date (the "Current Payment Date"), as follows:

Collection Periods:  February 2023 through and including July 2023

Payment Date:  August 1, 2023

1. **Collections Allocable, Investments Earnings and Aggregate Amounts Available for the Current Payment Date:**

   i. Remittances for the 02/23 Collection Period $3,221,826.08
   ii. Remittances for the 03/23 Collection Period $1,553,571.00
   iii. Remittances for the 04/23 Collection Period $1,553,571.03
   iv. Remittances for the 05/23 Collection Period $1,553,571.14
   v. Remittances for the 06/23 Collection Period $1,553,570.93
   vi. Remittances for the 07/23 Collection Period$1 $1,553,571.01
   vii. Investment Earnings on General Subaccount $169,058.51
   viii. Investment Earnings on Debt Service Reserve Subaccount $91,878.41
   ix. Investment Earnings on Supplemental Capital Subaccount $25,422.92
   x. Investment Earnings on Excess Funds Subaccount $60,496.50
   xi. **General Subaccount Balance (sum of i through x above)** $11,336,537.53

   xii. Debt Service Reserve Subaccount Balance as of Prior Payment Date $4,000,000.00
   xiii. Supplemental Capital Subaccount Balance as of Prior Payment Date $1,000,000.00
   xiv. Excess Funds Subaccount Balance as of Prior Payment Date $2,319,677.68
   xv. **Collection Account Balance (sum of xi through xiv above)** $18,656,215.21

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1 Does not include remittances collected and remitted to the Indenture Trustee after the date of this Servicer's Payment Certificate.
2. **Outstanding Amounts as of Prior Payment Date**

$403,800,000.00

3. **Required Funding/Payments as of Current Payment Date:**

$11,392,822.19

Series 2021 Periodic Principal Due

$5,017,675.00

<table>
<thead>
<tr>
<th>Days in Interest</th>
<th>Rate</th>
<th>Period</th>
<th>Principal Balance</th>
<th>Interest Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series 2021</td>
<td>2.97%</td>
<td>180</td>
<td>$403,800,000.00</td>
<td>$5,996,430.00</td>
</tr>
</tbody>
</table>

**Debt Service Reserve Subaccount**

- **Required Level:** $4,000,000.00
- **Funding Required:** $0.00

**Supplemental Capital Subaccount**

- **Required Level:** $1,500,000.00
- **Funding Required:** $0.00

4. **Allocation of Remittances as of Current Payment Date Pursuant to 8.02(e) of Indenture**

   i. Trustee Fees and Expenses; Indemnity Amounts
      $18,187.95
   ii. Servicing Fee
        $200,000.00
   iii. Administration Fee
        $50,000.00
   iv. Ordinary and periodic Operating Expenses
        $110,529.24
   v. Periodic Interest (including any past-due for prior periods)
      $5,996,430.00
   vi. Principal Due & Payable as a Result of an Event of Default or at Final Maturity
      $0.00
   vii. Periodic Principal
      $5,017,675.00

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2 On 30/360 day basis for initial payment date; otherwise use one-half of annual rate.

3 Annually, until certain conditions are satisfied, the Issuer is required to deposit into the Supplemental Capital Subaccount $1,000,000.00. The obligation to deposit commences on August 1, 2022 and the initial deposit is $500,000. Thereafter monthly installments of $83,333.33 are due on the first Business Day of each calendar month until the requirements of Section 3(a) of the Series Supplement are met.
Aggregate Per $1000 of Original Principal

Series 2021 Periodic Interest Payment

<table>
<thead>
<tr>
<th>Aggregate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,996,430.00</td>
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Per $1000 of Original Principal

Principal Due & Payable as a Result of an Event of Default or at Final Maturity

<table>
<thead>
<tr>
<th>Aggregate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00</td>
<td>$0.00</td>
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</tbody>
</table>

Series 2021 Periodic Principal Payment

<table>
<thead>
<tr>
<th>Aggregate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,017,675.00</td>
<td>$12.43</td>
</tr>
</tbody>
</table>

viii. Funding of Debt Service Reserve Subaccount (to required level) $0
ix. Funding of Supplemental Capital Subaccount (to required level) $0
x. Deposit to Excess Funds Subaccount $0
xi. Investment Earnings on Excess Funds Subaccount Released to Issuer $0.00

Aggregate Remittances as of Current Payment Date

<table>
<thead>
<tr>
<th>Aggregate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,392,822.19</td>
</tr>
</tbody>
</table>

Subaccount Withdrawals as of Current Payment (if applicable, pursuant to Section 8.02(f)) of Indenture:

i. Debt Service Reserve Subaccount $0.00
ii. Supplemental Capital Subaccount $0.00
iii. Excess Funds Subaccount $234,082.49

Total Withdrawal $234,082.46

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4 See Section 8.02(e)(xii) of Indenture.
5 No earning can be released to the Issuer until retirement of all Notes.
6. **Outstanding Series 2021 Balance and Collection Account Balance as of Current Payment Date (after giving effect to payments to be made on such Payment Date):**

   i. Series 2021 Outstanding Amount \( \text{\$398,782,325.00} \)

   ii. Collection Account Balance

      (a) General Subaccount Balance \( \text{\$0.00} \)

      (b) Debt Service Reserve Subaccount Balance \( \text{\$4,000,000.00} \)

      (c) Supplemental Capital Subaccount Balance \( \text{\$1,500,000.00} \)

      (d) Excess Funds Subaccount Balance \( \text{\$2,085,595.19} \)

   **Aggregate Collection Account Balance ((a) through (d) above)** \( \text{\$7,585,595.19} \)

7. **Shortfalls in Interest and Principal Payments as of Current Payment Date**

   i. Periodic Interest Payment \( \text{\$0.00} \)

   ii. Periodic Principal Payment \( \text{\$0.00} \)

8. **Shortfalls in Required Subaccount Levels as of Current Payment Date**

   i. Debt Service Reserve Subaccount \( \text{\$0.00} \)

   ii. Supplemental Capital Subaccount \( \text{\$0.00} \)
IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Servicer's Payment Certificate this 25th day of July 2023.

Electric Reliability Council of Texas Inc.,
as Servicer

By: [Signature]

Name: Leslie Wiley

Title: Treasurer