

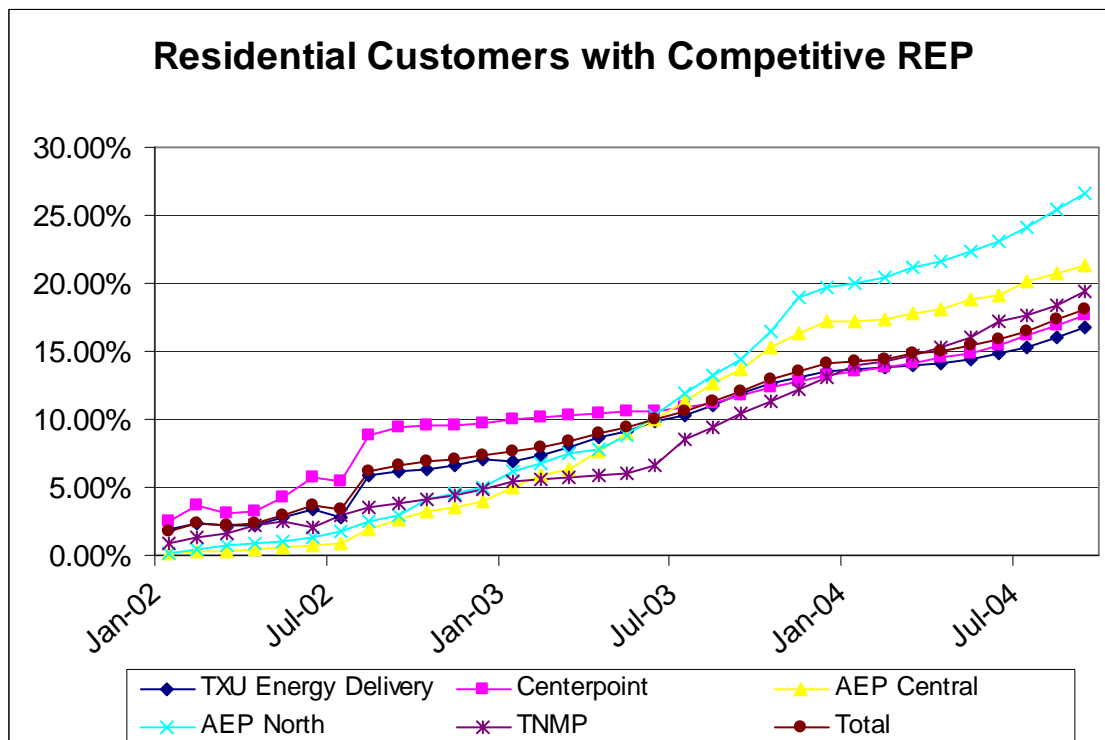
December 2004 Report Card on Retail Competition

Competitive Marketplace

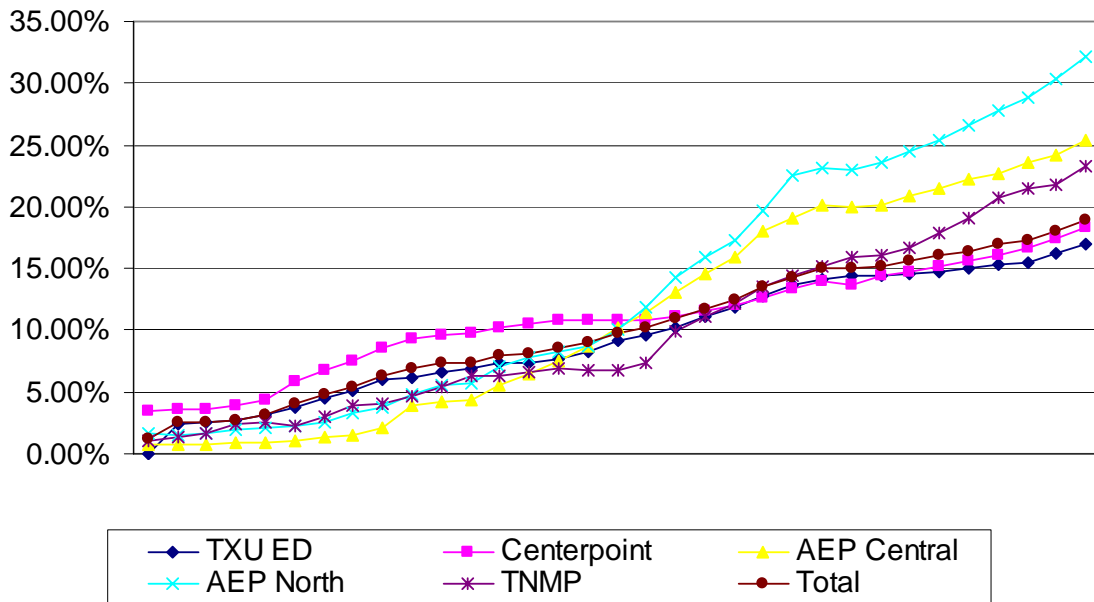
Since the opening of the market in January 2002, competitive market share has steadily increased. As of September, 2004, competitive REPs accounted for approximately 18% of residential customers, representing over 18.9% of residential load. Among customers served at secondary voltage, consisting of most commercial and some small industrial customers, over 24.6% of customers representing 46.9% of all load have switched to competitive providers.

Approximately 42% of primary or transmission customers have switched, representing over 69% of the large industrial load. Competition has also appeared in the lighting segment of the market in the AEP Central, AEP North and TNMP territories, with over 20% of lighting load having switched in those territories.

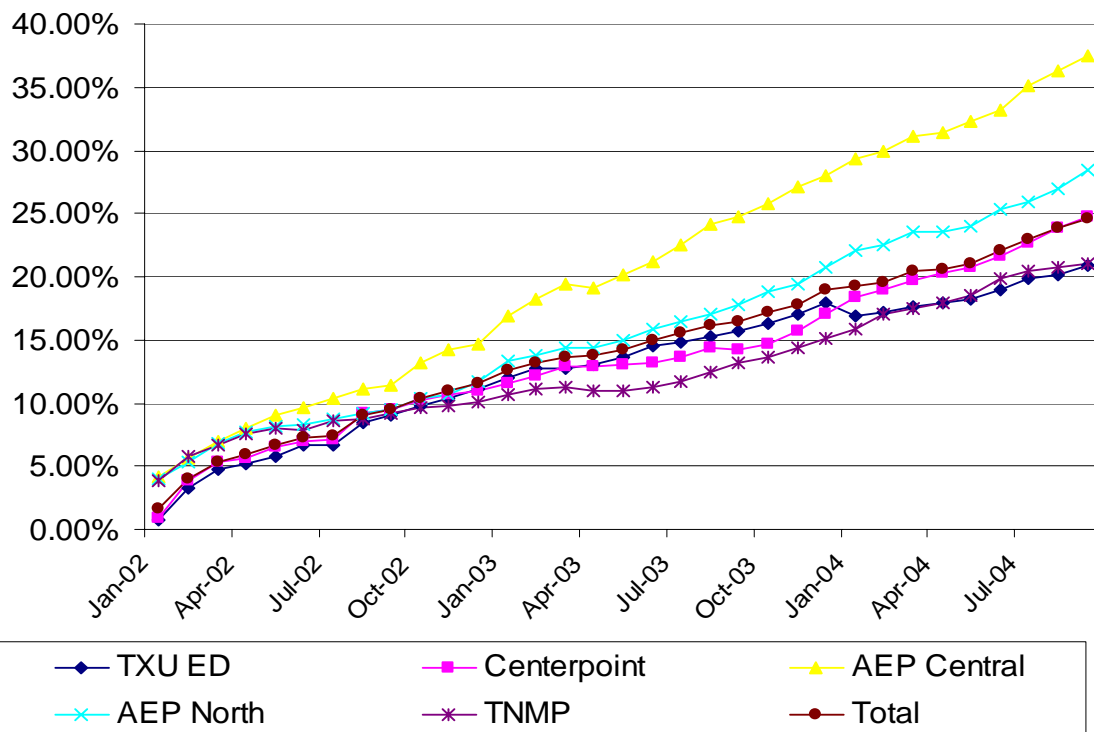
The AEP Central (CPL) and AEP North (WTU) territories have seen the most switching to competitive providers, but all 5 major territories are seeing a steady rise in competitive providers' market shares.

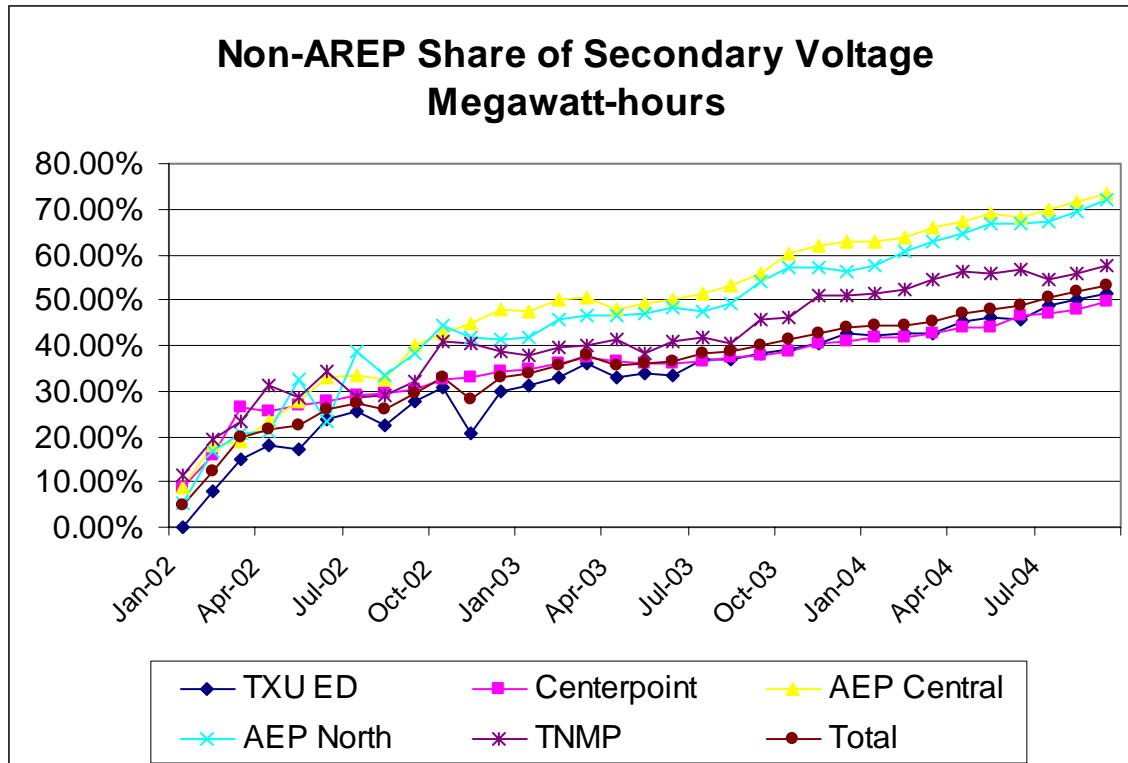


Residential Megawatt-hours switched to Competitive REP



Secondary Voltage Customers with Competitive Rep





System Benefit Fund

T&D Service Area	# of Customers receiving discount	\$ of Discounts Disbursed in October 2004
TXU ED	138,641	\$1.4 million
CenterPoint	88,434	\$1.1 million
CPL	101,187	\$1.4 million
TNMP	10,115	\$111,000
WTU	13,446	\$144,000
Sharyland	20	\$407
SESCO	3	\$29

October Total	351,846	\$4.258 million
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Total Discounts in 2004 (through October)	\$49 million
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Switching

Since competition opened, 1.64 million customer switches have been completed. Activity continues to be brisk, with 227,000 completed since the last report card on July 2, 2004.

Total Switches as of December 10, 2004				
TDSP	Completed	In Review	Scheduled	Total
TXU ED	749,391	148	13,698	763,237
CenterPoint	517,485	184	13,533	531,202
AEP Central (CPL)	250,354	341	6,639	257,334
TNMP	41,469	4	976	42,449
AEP North (WTU)	63,653	13	1,730	65,396
Sharyland	113	0	14	127
SESCO	1	0	0	1
TOTAL	1,622,466	690	36,590	1,659,746

Competitive Choice

All regions continue to have competitive choices available, with at least one renewable product available in each region. TXU Energy Delivery, AEP Central, and AEP North each have renewable products from multiple providers. Entrants in recent months have included Hino Electric, Franklin, and Liberty Power.

TDSP	# of REPs serving Residential Customers (incl. AREP)	# of Residential products (incl. PTB)	# of Renewable Products
TXU ED	19	23	4
CenterPoint	15	17	3
AEP Central (CPL)	14	18	4
TNMP	10	14	4
AEP North (WTU)	9	11	1