

May 2002 Report Card on Competition

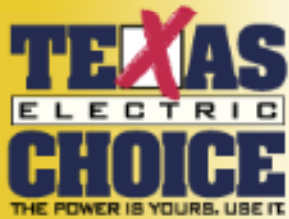


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Residential Market

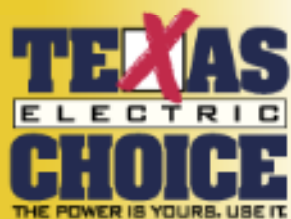
- Customers have meaningful choices with multiple REPs/products in all areas.

Utility	# of REPs (inc. AREP)	# of products (inc. PTB)	Renewable Products
Oncor (TXU)	9	12	1
Reliant	9	12	1
TNMP	5	5	1
CPL	5	8	1
WTU	3	6	0



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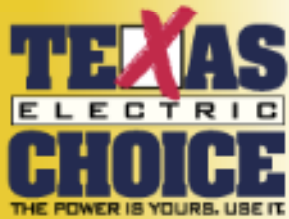
Residential Savings Due to Price to Beat Reduction



- Through May 2002, residential customers paid approximately \$349 million less under the price to beat rates as compared to the rates in effect on December 31, 2001.
 - \$98 million from statutorily mandated 6% reduction.
 - \$251 million from reduced fuel costs and the expiration of fuel surcharges.
- At current price to beat rates, customers would save an additional \$698 million when compared to 12/31/01 rates from June through December of 2002.
 - \$199 million from statutorily mandated 6% reduction.
 - \$469 million from reduced fuel costs and the expiration of fuel surcharges.
- Potential savings available if all residential customers switched to lowest cost offer in their area.
 - \$119 million could have been realized through May 2002.
 - \$563 million could be realized on an annual basis based on current competitive offers.



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Annual Price to Beat Savings at Current Rates and Additional Potential Savings

Utility	Savings due to Price to Beat Reduction	Additional Savings Available from lowest current offer*
Oncor	\$525 million	\$355 million
Reliant	\$395 million	\$137 million
CPL	\$63 million	\$48 million
TNMP	\$45 million	\$8 million
WTU	\$20 million	\$16 million

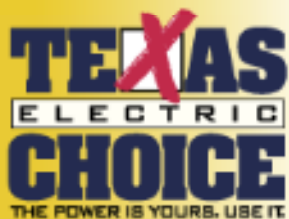
▪ **TOTAL \$1 Billion \$564 Million**

* lowest verified offer as of 5/1/02



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Preliminary Estimates of Commercial and Industrial Savings



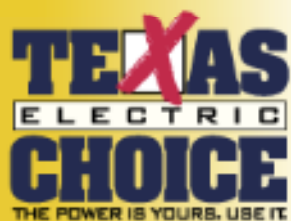
- Preliminary estimates for commercial customers based on current PTB rates
 - Savings through May of \$424 million.
 - Annual savings of approx \$878 million.
 - Additional savings from competition difficult to estimate because of the bilateral nature of individual contracts. If all commercial customers on average successfully achieved an additional 5% reduction off of PTB, annual savings would be an additional \$186 million.
- Preliminary estimates for savings to industrial customers
 - Savings from competition difficult to estimate because of the bilateral nature of individual contracts.
 - If all industrial customers on average successfully achieved a 5% reduction off of 12/31/01 bundled rates, annual savings would be approximately \$216 million.
 - If all industrial customers on average successfully achieved a 10% reduction off of 12/31/01 bundled rates, annual savings would be approximately \$432 million.

NOTE: THESE CALCULATIONS ARE ROUGH PRELIMINARY ESTIMATES THAT SHOULD NOT BE RELIED ON AT THIS TIME. STAFF INTENDS ON REFINING THESE CALCULATIONS.



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Total Switch Requests



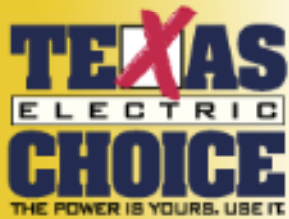
T&D				
Utility	Completed	In Review	Scheduled	Total
Oncor	111,718	2,644	19,079	133,441
Reliant	94,076	5,960	15,497	115,533
CPL	15,020	78	2,624	17,722
TNMP	4,755	42	264	5,061
WTU	5,692	13	574	6,279
SESCO	0	3	0	3
Total	231,261	8,737	38,038	278,039

*As of May 20, 2002



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Market Share – MWHs Sold March 2002



Utility	MWHs Sold		% of MWhs Sold	
	Affiliated REP	Non-affiliated w/ TDU	Affiliated REP	Non-affiliated w/ TDU
Oncor	5,911,046	737,421	88.9%	11.1%
Reliant	3,597,198	1,419,242	71.7%	28.3%
CPL	1,112,677	558,137	66.6%	33.4%
TNMP	286,236	63,490	81.8%	18.2%
WTU	276,288	66,017	80.7%	19.3%
Total	11,184,444	2,845,818	79.7%	20.3%



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Transfers to POLR

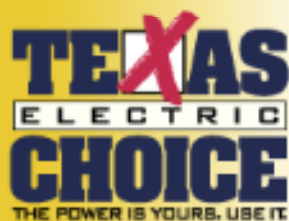


- As of Monday May 20, 2002:
 - 3,637 transfers to POLR have been completed on a cumulative basis
 - This number includes transfers back to the bundled utility during the pilot.
 - This number reflects all cumulative requests to transfer to POLR and may include some customers who have subsequently selected a REP other than the POLR.
 - 5,819 transfers to POLR are scheduled.
 - 1,706 transfers to POLR are in review.



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Transfers to POLR through May



T&D Utility	Transfers to POLR* through May 20, 2002	Disconnects through May 2001
Oncor (inc. SESCO)	3,739	55,557
Reliant	7,285	70,765
CPL**	0	32,607
TNMP	138	17,361
WTU **	0	8,141
Total	11,162	184,431

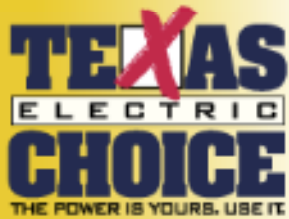
*Includes completed, scheduled, and in review

** AEP companies did not report disconnection numbers for Jan. and Feb. 2001



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SBF and Low-Income Discounts

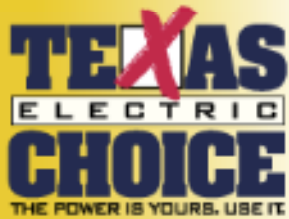


- Approximately 470,000 customers identified in the files LIDA provides to REPs that were used for April billings.
- Based on the reports submitted by REPs for April, approximately \$4.4 million in discounts were given to low income customers in April.
 - includes “catching up” some customers who did not get discount in previous months.
- Approximately \$7.3 million in discounts given to low income customers year-to-date.



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Market Share – MWHs Sold April 2002



Utility	MWHs Sold		% of MWhs Sold	
	Affiliated REP	Non-affiliated w/ TDU	Affiliated REP	Non-affiliated w/ TDU
Oncor	5,459,014	923,896	85.5%	14.5%
Reliant	3,572,320	1,165,420	75.4%	24.6%
CPL	1,097,937	490,244	69.1%	30.9%
TNMP	315,493	88,589	78.1%	21.9%
WTU	265,465	75,329	77.9%	22.1%
Total	10,710,229	2,743,479	79.6%	20.4%



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