# September 2002 Report Card on Competition

## Residential Market Competitive Offers

Customers have meaningful choices with multiple REPs in all areas. Entergy has now entered the Oncor and CPL service areas. As of September 1, 2002, most REPs are offering one product; however Green Mountain Energy is currently offering two products in all areas except WTU. A complete listing of offers by service area is attached and can be found on the PUC's website.

| TDSP | # of REPs (incl. AREP) | # of all products (incl. PTB) | # of Renewable Products |
|---|---|---|---|
| Oncor | 10 | 11 | 2 |
| CenterPoint | 10 | 11 | 2 |
| CPL | 7 | 8 | 2 |
| TNMP | 5 | 6 | 2 |
| WTU | 3 | 3 | 0 |

## Residential Savings Due to Price-to-beat Reduction

- Residential customers have paid approximately **$740 million** less under the price-to-beat rates through September 2002 than they did last year through September 2001.
  - **$175 million** from statutorily mandated 6% reduction.
  - **$565 million** from reduced fuel costs and expiration of fuel surcharges.
- At ***current*** price-to-beat rates—reflecting adjustments to the PTB fuel factors—customers will save an **additional $162 million** this year, compared to October through December 2001.
  - **$50 million** from statutorily mandated 6% reduction.
  - **$112 million** from reduced fuel costs and expiration of fuel surcharges.

## Estimated Price-to-beat Savings—2002

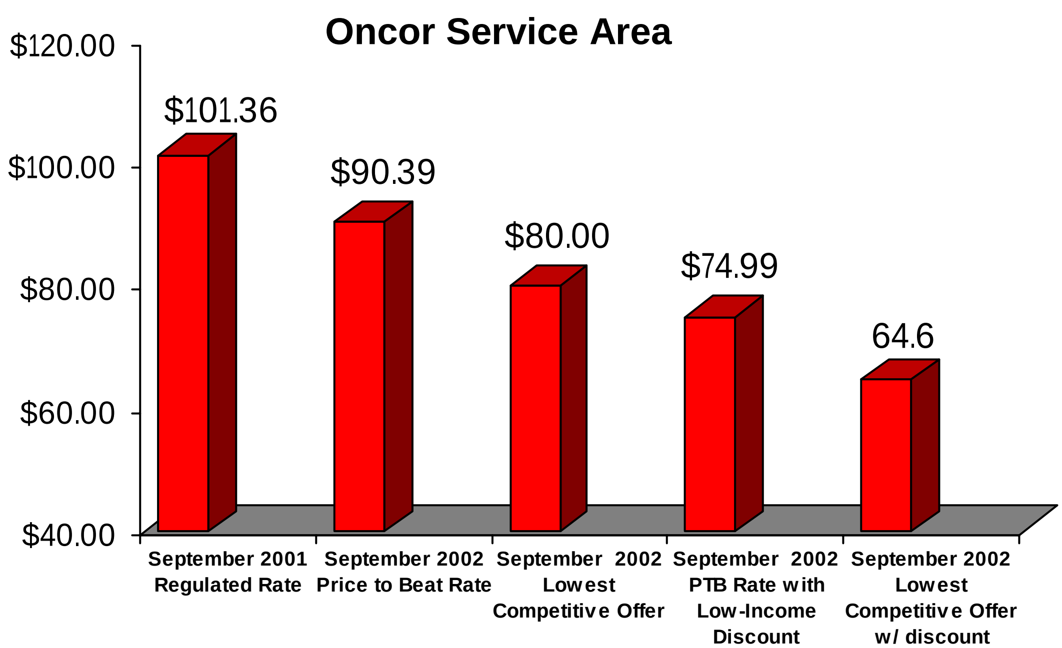
| TDSP | Estimated Savings through September | Estimated Savings Oct-Dec at current rates (new fuel factor) |
|---|---|---|
| Oncor | $303 million | $86 million |
| CenterPoint | $321 million | $65 million |
| CPL | $68 million | $0 |
| TNMP | $34 million | $10 million |
| WTU | $13 million | $1 million |
| **TOTAL** | **$740 million** | **$162 million** |

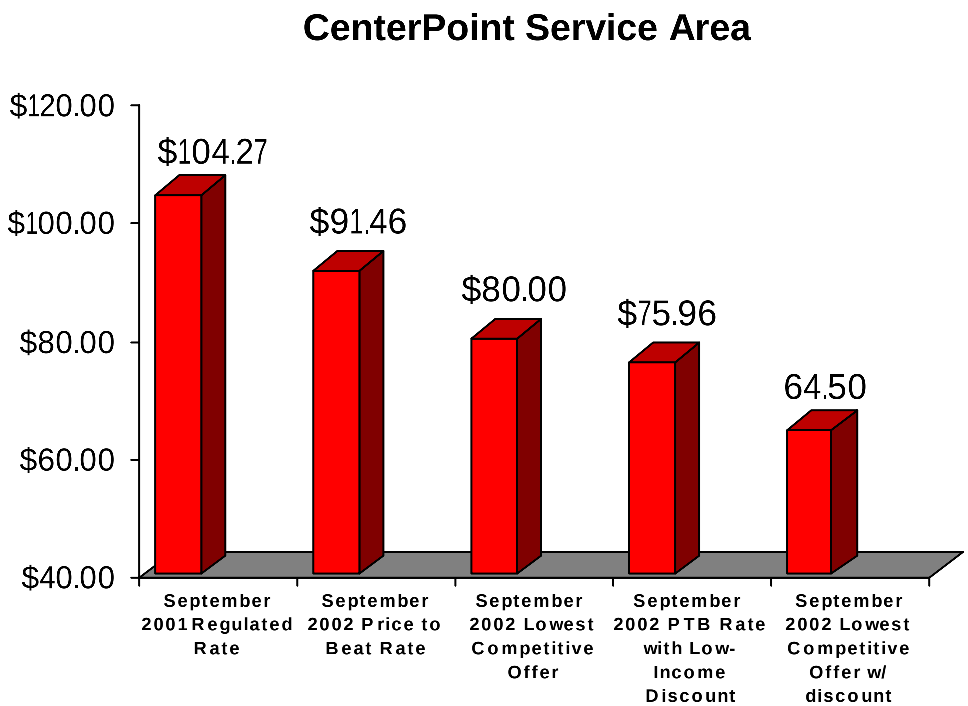
## Additional Savings Available

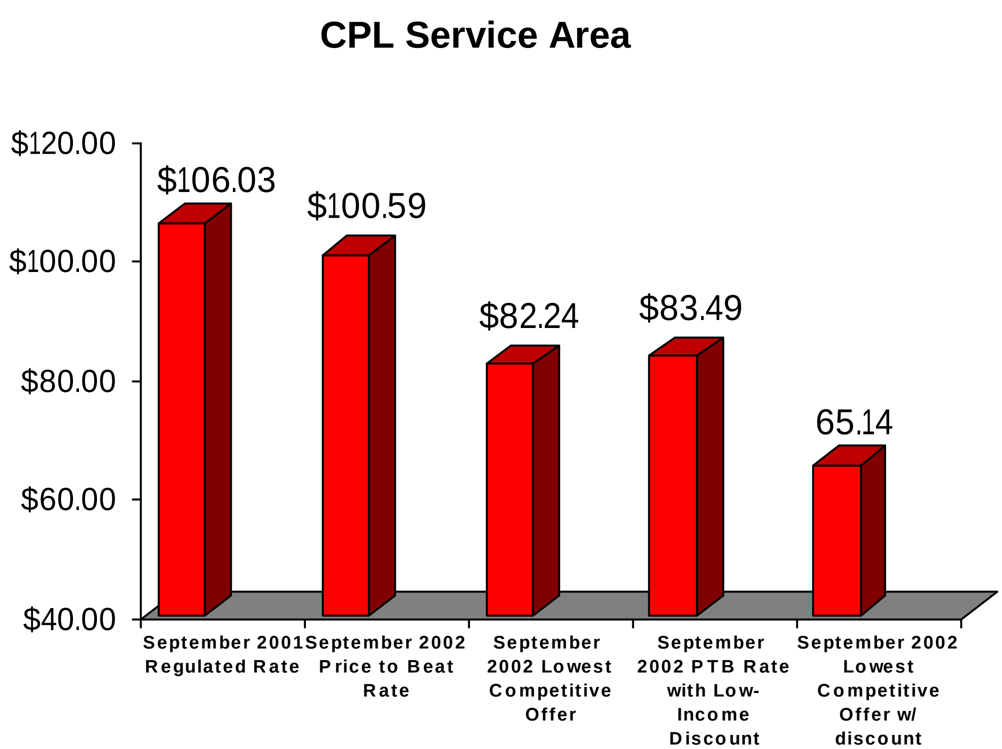
Estimated additional potential savings if residential customers switched to the lowest competitive offer in each service area:

| % switched | Oct.-Dec. |
|---|---|
| 5% | $7 million |
| 10% | $14 million |
| 15% | $20 million |
| 20% | $27 million |
| 25% | $34 million |
| **100%** | **$136 million** |

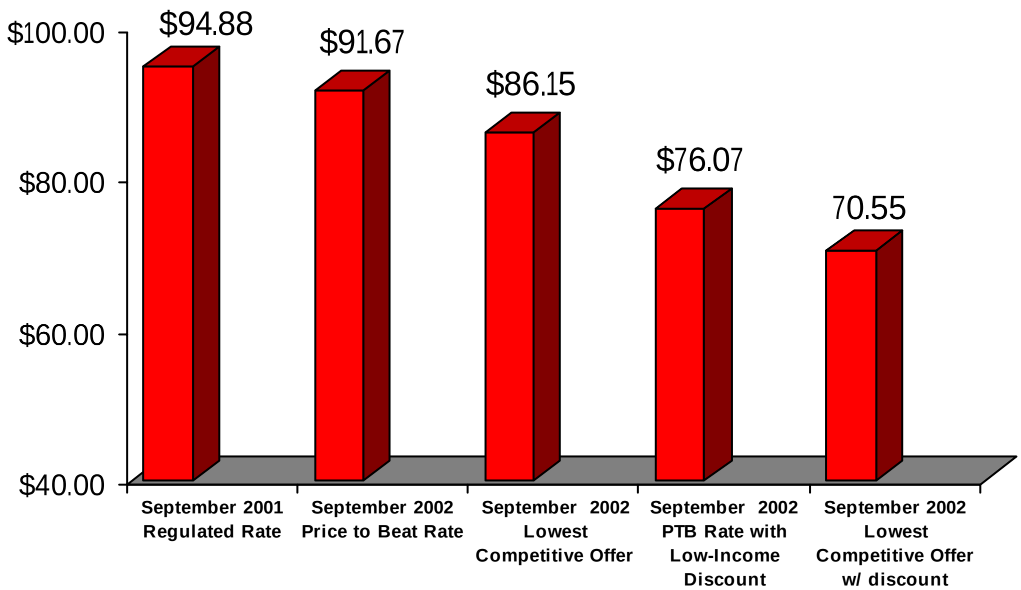
## Comparison of September bills for Household using 1000 kWh



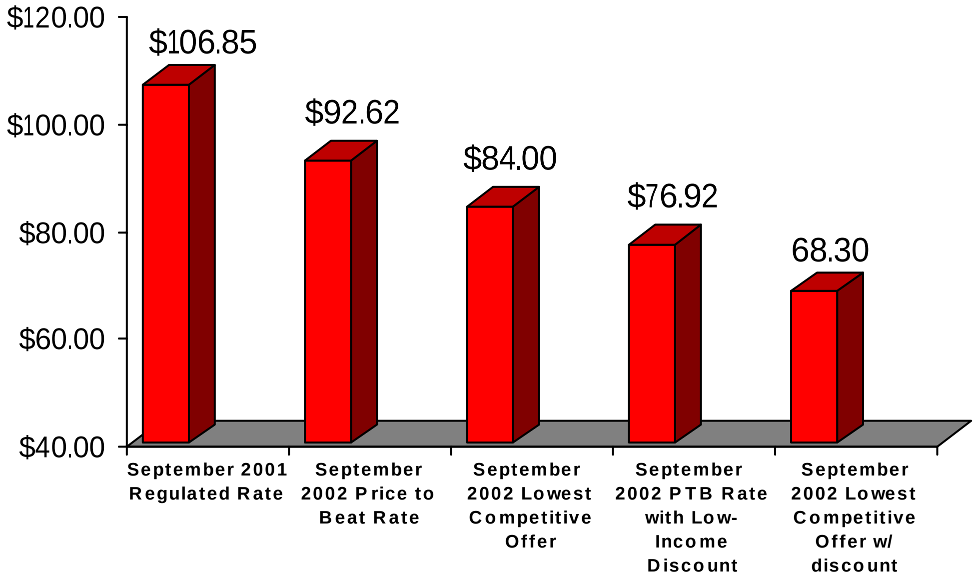

CenterPoint Service Area
$120.00
$100.00
$80.00
$60.00
$40.00
$104.27
$91.46
$80.00
$75.96
64.50
September 2001Regulated Rate
September 2002 Price to Beat Rate
September 2002 Lowest Competitive Offer
September 2002 PTB Rate with Low-Income Discount
September 2002 Lowest Competitive Offer w/ discount


CPL Service Area
$120.00
$100.00
$80.00
$60.00
$40.00
$106.03
$100.59
$82.24
$83.49
65.14
September 2001 Regulated Rate
September 2002 Price to Beat Rate
September 2002 Lowest Competitive Offer
September 2002 PTB Rate with Low-Income Discount
September 2002 Lowest Competitive Offer w/ discount

## WTU Service Area




## TNMP Service Area



## Market Activity

***Total Switch Requests***

Total Switch Requests submitted to ERCOT *as of September 27, 2002*. This includes switches during the pilot program (July 31, 2001 through December 31, 2001). This does not measure the number of customers who have switched to a competitive provider because it includes customers who may be switched back to the Affiliate REP or who may have switched more than once since competition began.

| TDSP | Completed | In Review | Scheduled | Total |
|---|---|---|---|---|
| **Oncor** | 219,223 | 865 | 18,196 | **238,284** |
| **CenterPoint** | 173,106 | 1,045 | 15,063 | **189,214** |
| **CPL** | 23,185 | 121 | 2,593 | **25,899** |
| **TNMP** | 6,523 | 26 | 534 | **7,083** |
| **WTU** | 7,715 | 20 | 889 | **8,624** |
| **SESCO** | 0 | 1 | 1 | **2** |
| **TOTAL** | **429,752** | **2,078** | **37,276** | **469,106** |

***Change in Switching Activity Since August Report Card***

Activity from August 16, 2002 to September 27, 2002. The rate of switching accelerated since the last report card (up from a 7% increase from July to August). This does not measure the number of customers who have switched to a competitive provider because it includes customers who may be switched back to the Affiliate REP.

| TDSP | # of Switch Requests since August Report | % Increase |
|---|---|---|
| **Oncor** | 20,587 | 9% |
| **CenterPoint** | 18,996 | 10% |
| **CPL** | 3,002 | 12% |
| **TNMP** | 766 | 11% |
| **WTU** | 931 | 11% |
| **SESCO** | 0 | 0% |
| **TOTAL** | **44,282** | **9%** |

## Transfers to POLR

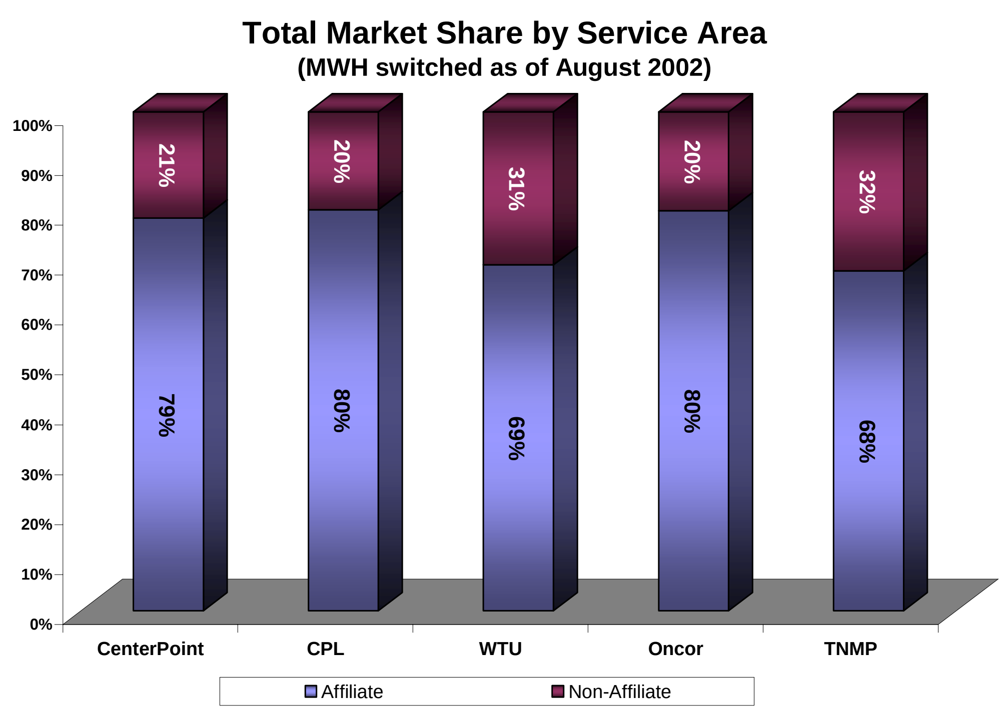
As of Friday, September 27, 2002:

- 95,079 transfers to POLR have been completed on a cumulative basis
  - this includes transfers back to the bundled utility during the pilot
  - this reflects all cumulative requests to transfer to POLR and may include some customers who have subsequently selected another REP
- 4,094 transfers to POLR are scheduled
- 697 transfers to POLR are in review

| TDSP | Transfers to POLR through Sept. 27, 2002 | Disconnects through Sept 2001 |
|---|---|---|
| Oncor | 36,575 | 93,084 |
| CenterPoint | 43,742 | 112,456 |
| CPL | 11,438 | 44,937 |
| TNMP | 2,104 | 29,691 |
| WTU | 1,220 | 12,103 |
| **TOTAL** | **95,079** | **292,271** |

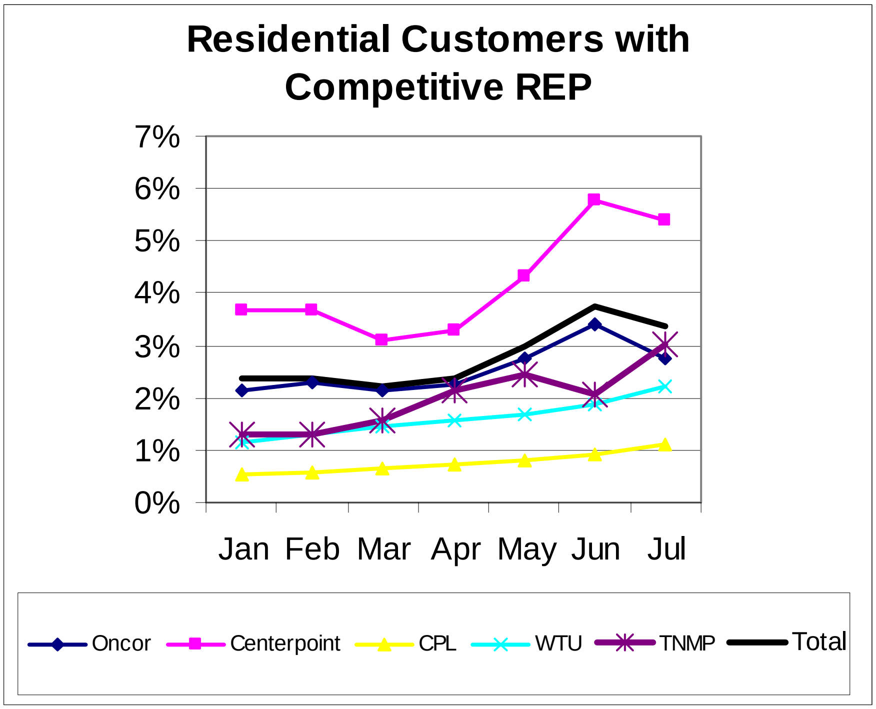
## Market Share

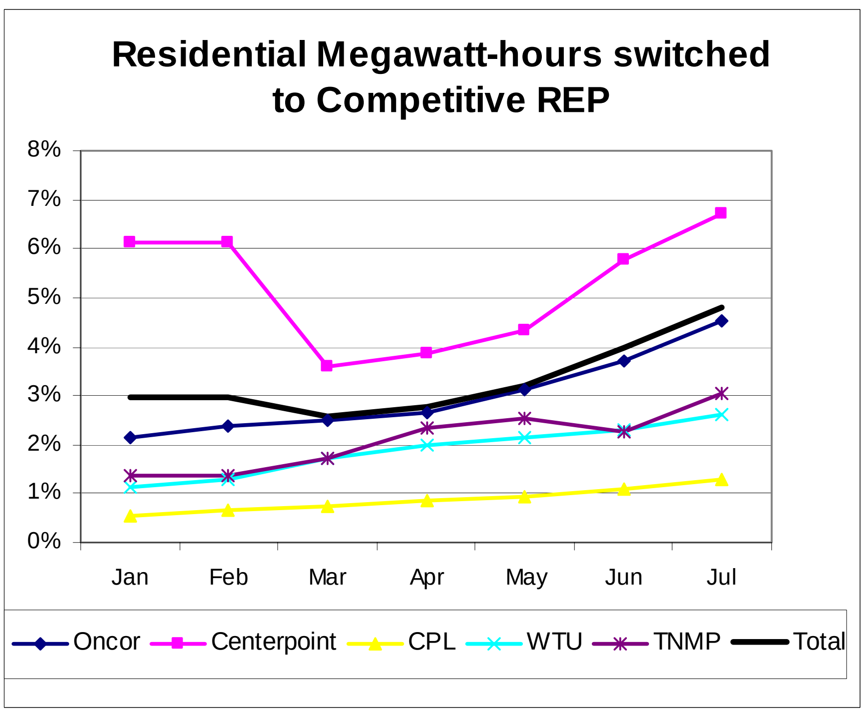
The following chart shows the total market share in each TDSP service area. As of August, 21 percent of the megawatt-hours sold in all competitive areas has been switched to non-Affiliated REPs in their respective affiliated TDSP service area. This information was compiled using the August 2002 System Benefit Fund Reports from all of the REPs.

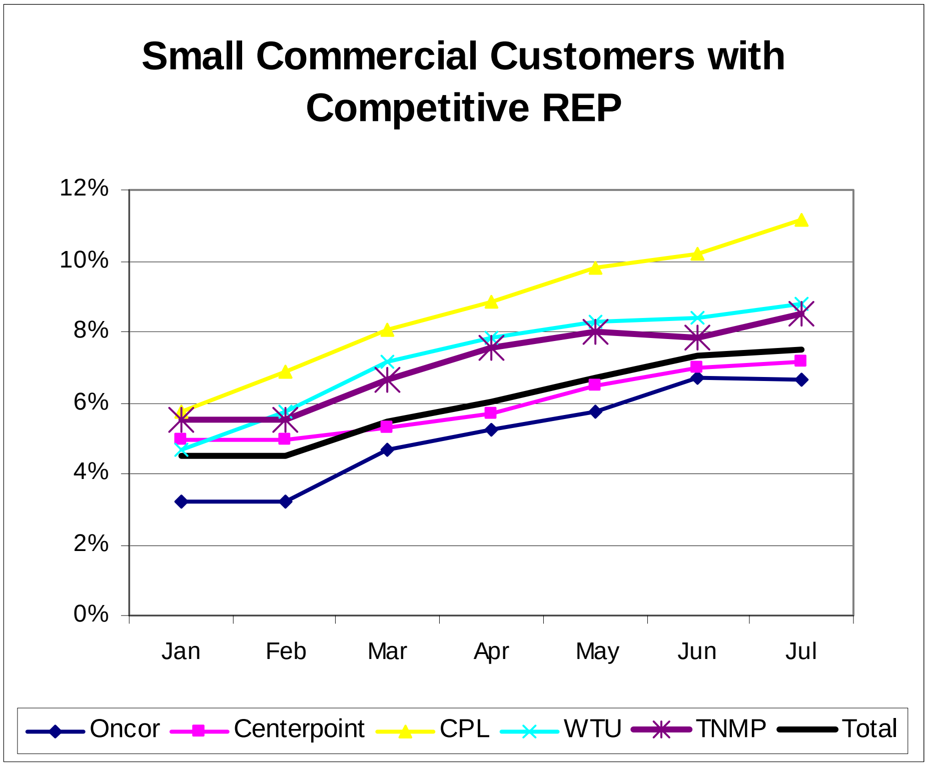


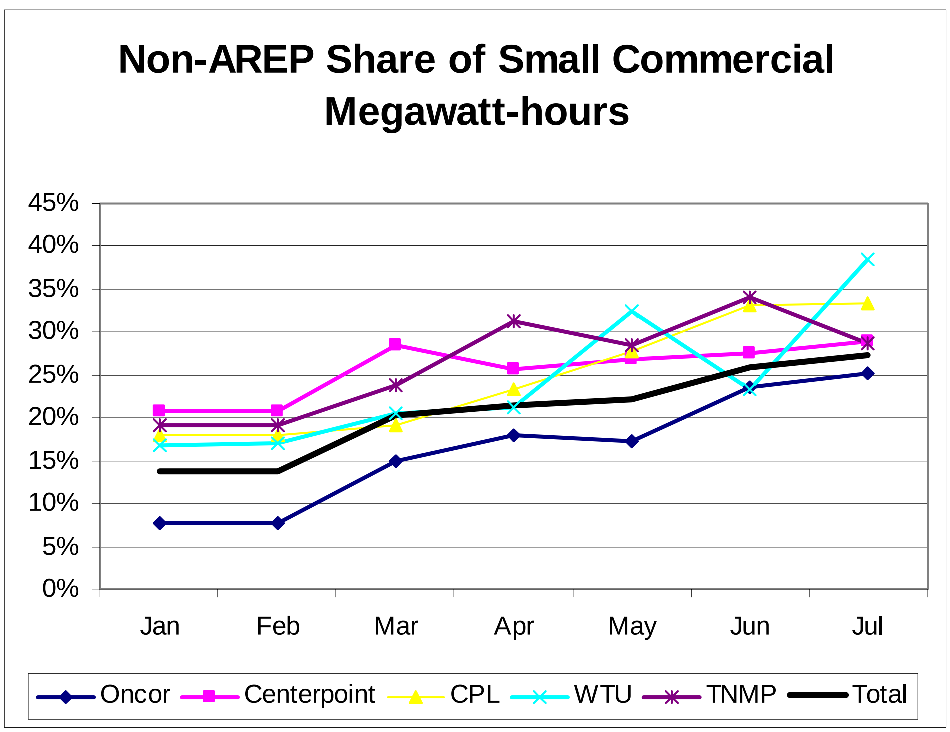
## Market Share in each Customer Class

The data in the following charts are compiled from TDSP reports in project no. 25645. This has not changed from the August Report Card, except that these charts now include a total market trend line. TDSPs reports with August and September data is due to the commission on November 1, 2002.

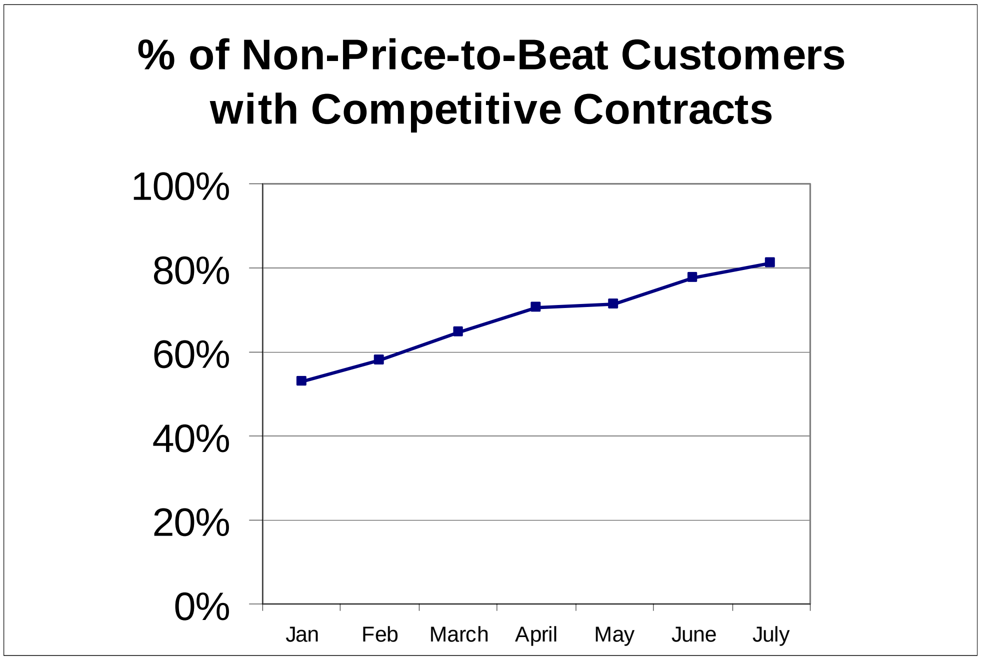



Small Commercial Customers with Competitive REP
12%
10%
8%
6%
4%
2%
0%
Jan
Feb
Mar
Apr
May
Jun
Jul
Oncor
Centerpoint
CPL
WTU
TNMP
Total


Non-AREP Share of Small Commercial Megawatt-hours
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
Jan
Feb
Mar
Apr
May
Jun
Jul
Oncor
Centerpoint
CPL
WTU
TNMP
Total

The following chart shows the percentage of non-Price-to-Beat customers that have competitive contracts. These commercial customers do not have a price-to-beat and may negotiate a contract with the Affiliate REP or any other competitive REP.




**SBF and Low Income Discounts August 2002**

This has been updated to reflect discounts as disbursed in August. In addition, staff filed a report for FY 2002 on the System Benefit Fund and LITE-UP Texas program in Project No. 24116.

| T&D Service Area | # of Customers receiving discount | $ of Discounts Disbursed in August |
|---|---|---|
| **Oncor** | 255,384 | $6.4 million |
| **CenterPoint** | 198,788 | $4.6 million |
| **CPL** | 126,195 | $616,000 |
| **TNMP** | 14,148 | $284,000 |
| **WTU** | 21,013 | $378,693 |
| **Sharyland** | 24 | $641 |
| **SESCO** | 15 | $400 |
| **August Total** | **615,567** | **$12.3 million** |
| Total Discounts YTD | | $39.3 million |