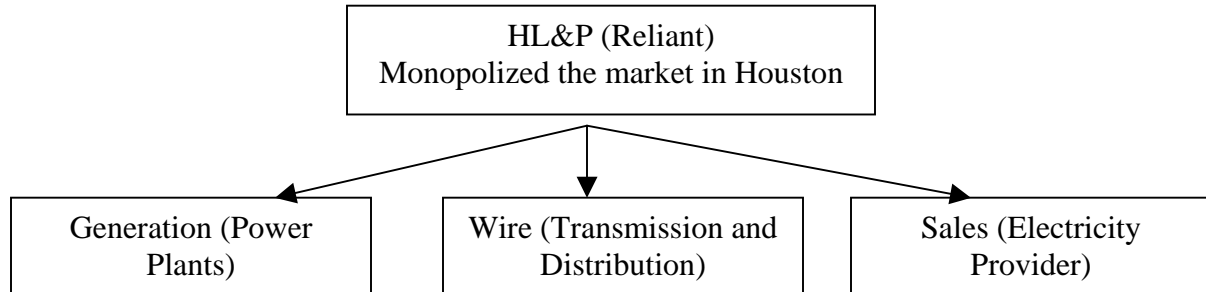


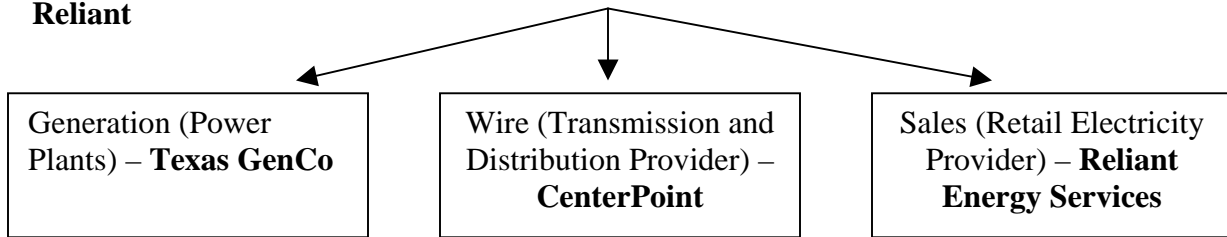
Role of TXEP in Retail Electricity Market

Before Deregulation in Houston – Reliant owned all three



After Deregulation Since 2002 – independent of each other

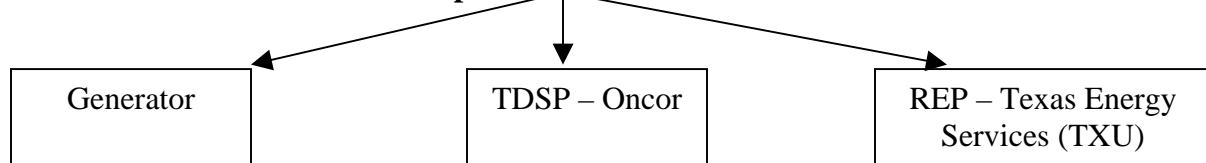
Reliant



Note: Reliant Resources (RRI) was separated from Reliant Energy Services
 Reliant Resources is a holding company, own each bit or piece of generation, wire, and sales as shareholders.

TXU

independent of each other



The Role of TXEP

We are competing with Reliant, TXU, and other retail electricity providers in Houston market.

