

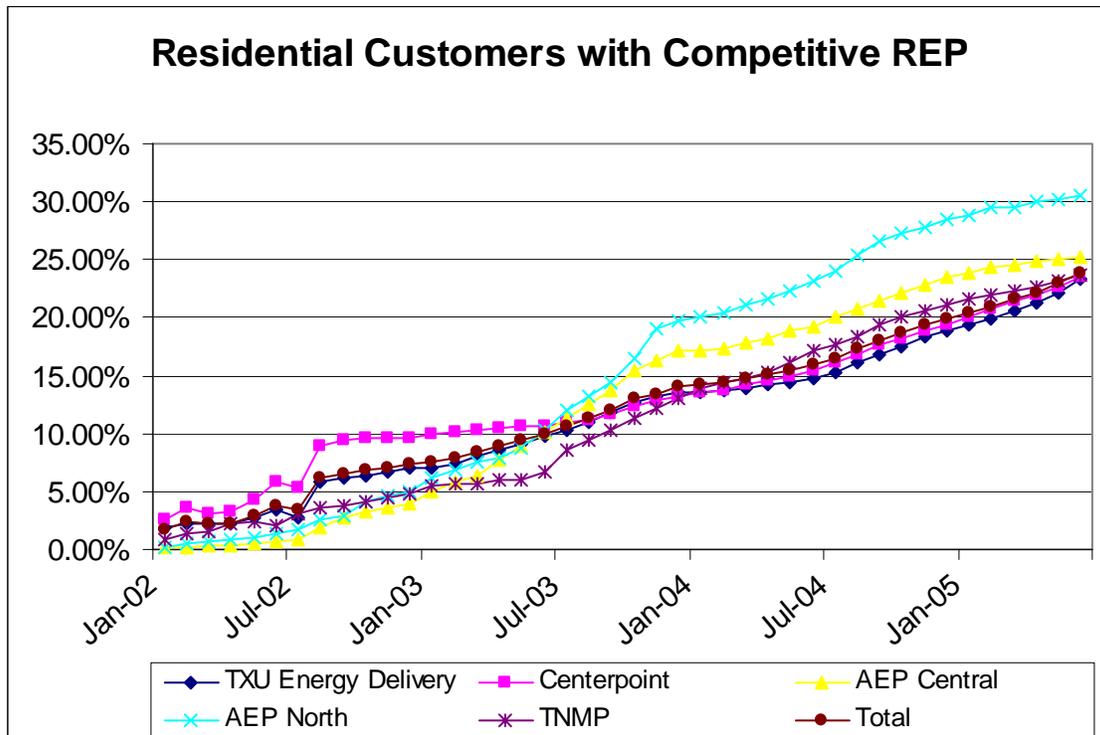
August 2005 Report Card on Retail Competition

Competitive Marketplace

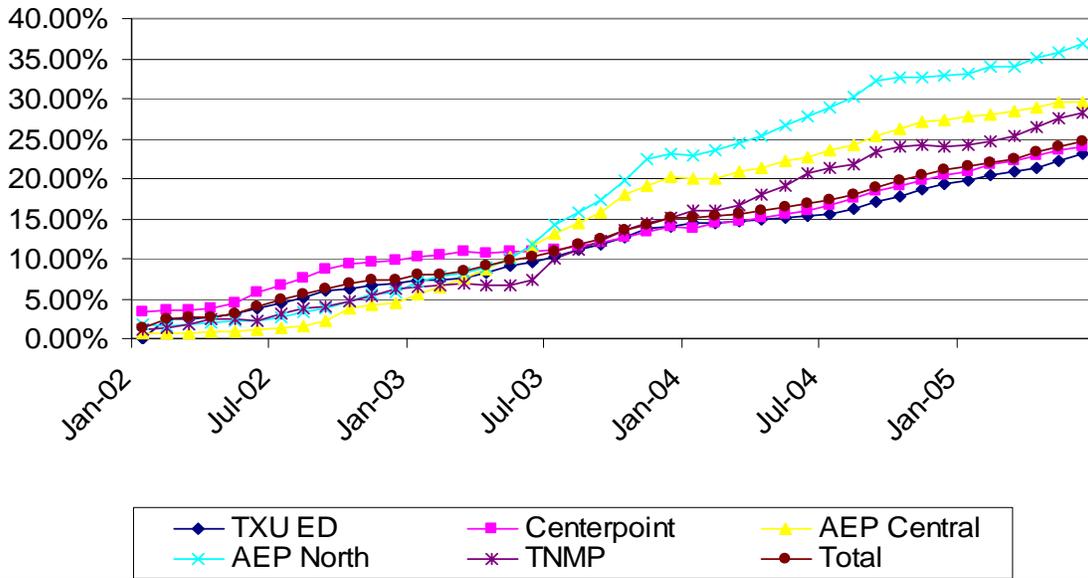
Since the opening of the market in January 2002, competitive market share has steadily increased. As of June 2005, competitive REPs accounted for approximately 23.9% of residential customers, representing over 24.6% of residential load. Among customers served at secondary voltage, consisting of most commercial and some small industrial customers, over 32% of customers representing 62% of all load have switched to competitive providers.

Approximately 52.9% of primary or transmission customers have switched, representing 67.5% of the large industrial load. Competition has also appeared in the lighting segment of the market, with about 32.6% of total lighting load having switched.

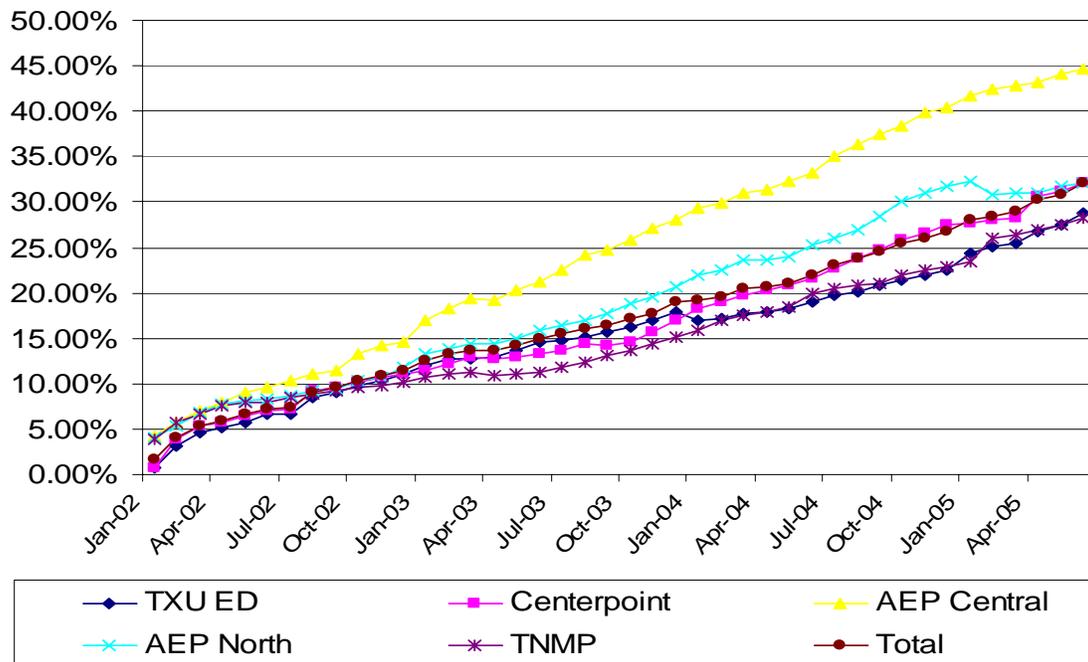
The AEP Texas Central (CPL) and AEP Texas North (WTU) territories have seen the most switching to competitive providers, but all 5 major territories are seeing a steady rise in competitive providers' market shares. The affiliate market share ranged from 47.05% of MWHs sold in CenterPoint to 64.11% in AEP Texas North.

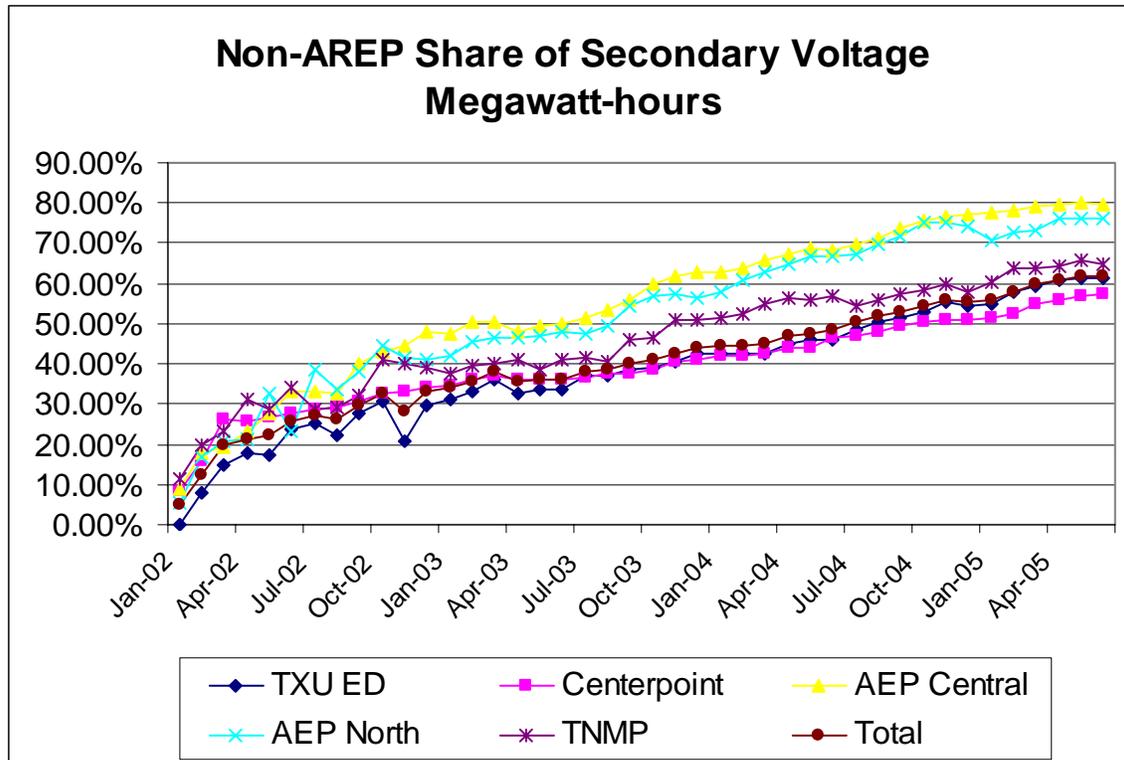


Residential Megawatt-hours switched to Competitive REP



Secondary Voltage Customers with Competitive REP





System Benefit Fund

T&D Service Area	# Of Customers Receiving Discount	\$ Of Discounts Disbursed In July 2005
TXU ED	137,224	\$2,394,000
CenterPoint	94,892	\$1,821,000
AEP Texas Central	106,444	\$2,110,000
TNMP	10,978	\$176,000
AEP Texas North	14,059	\$216,000
Sharyland	14	\$441
July Total	363,601	\$6.717 million
Total Discounts In 2004		\$56.621 million
2005 Total YTD		\$30.056 million

Switching

Since competition opened, 2 million customer switches have been completed. Activity continues to be brisk, with 150,000 switches completed in the summer of 2005. Sometime this fall, TXU ED will see its 1 millionth completed switch.

Total Switches as of August 26, 2005

TDSP	Completed	In Review	Scheduled	Total
TXU ED	967,646	1,018	30,515	999,179
CenterPoint	651,591	286	24,999	676,876
AEP Texas Central (CPL)	313,927	137	8,864	322,928
TNMP	53,124	0	1,595	54,719
AEP Texas North (WTU)	83,271	65	2,930	86,266
Sharyland	260	2	6	268
SESCO	1	0	0	1
TOTAL	2,069,820	1,508	68,909	2,140,237

Competitive Choice

All regions continue to have competitive choices available, with at least one renewable product available in each region. Most areas have renewable products from multiple providers. Reliant Energy, Direct Energy, Green Mountain Energy and Gexa Energy have started offering multiple products in most territories.

TDSP	# Of REPs Serving Residential Customers (Incl. AREP)	# Of Residential Products (Incl. PTB)	# Of Renewable Products
TXU ED	13	20	5
CenterPoint	14	21	6
AEP Texas Central (CPL)	13	17	5
TNMP	11	16	6
AEP Texas North (WTU)	10	12	3