



2010 Second Quarter Investor Call

August 3, 2010

Oncor Electric Delivery

Forward Looking Statements

This presentation contains forward-looking statements, which are subject to various risks and uncertainties. Discussion of risks and uncertainties that could cause actual results to differ materially from management's current projections, forecasts, estimates and expectations is contained in filings made by Oncor Electric Delivery Company LLC (Oncor) with the Securities and Exchange Commission (SEC). Specifically, Oncor makes reference to the section entitled "Risk Factors" in its annual and quarterly reports. In addition to the risks and uncertainties set forth in Oncor's SEC filings, the forward-looking statements in this release could be affected by, among other things: prevailing governmental policies and regulatory actions; legal and administrative proceedings and settlements; weather conditions and other natural phenomena, and acts of sabotage, wars or terrorist activities; economic conditions, including the current recessionary environment; unanticipated population growth or decline, or changes in market demand and demographic patterns; changes in business strategy, development plans or vendor relationships; unanticipated changes in interest rates or rates of inflation; unanticipated changes in operating expenses, liquidity needs and capital expenditures; the credit quality and/or inability of various counterparties to meet their financial obligations to Oncor, including failure of counterparties to perform under agreements; general industry trends; hazards customary to the industry and the possibility that Oncor may not have adequate insurance to cover losses resulting from such hazards; changes in technology used by and services offered by Oncor; significant changes in Oncor's relationship with its employees; changes in assumptions used to estimate costs of providing employee benefits, including pension and other post-retirement employee benefits, and future funding requirements related thereto; significant changes in critical accounting policies material to Oncor; commercial bank and financial market conditions, access to capital, the cost of such capital, and the results of financing and refinancing efforts, including availability of funds in the capital markets and the potential impact of continued disruptions in US credit markets; financial restrictions under Oncor's revolving credit facility and indentures governing its debt instruments; Oncor's ability to generate sufficient cash flow to make interest payments on its debt instruments; actions by credit rating agencies; and Oncor's ability to effectively execute its operational strategy. Any forward-looking statement speaks only as of the date on which it is made, and Oncor undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events.

Regulation G

This presentation includes certain non-GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included in this presentation, which is located on Oncor's website, www.oncor.com, under the 'News' tab in the Investor Information section, and also filed with the SEC.

Second Quarter 2010 Investor Call Agenda

- **Financial Overview**

David Davis

Chief Financial Officer

- **Operational Review**

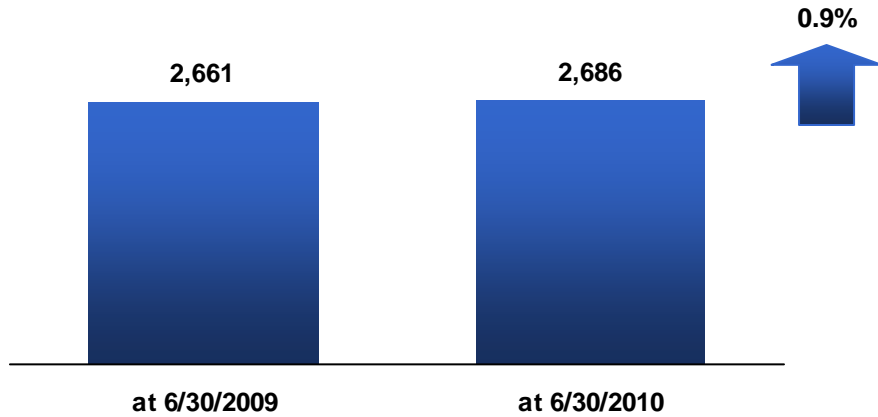
Bob Shapard

Chairman and CEO

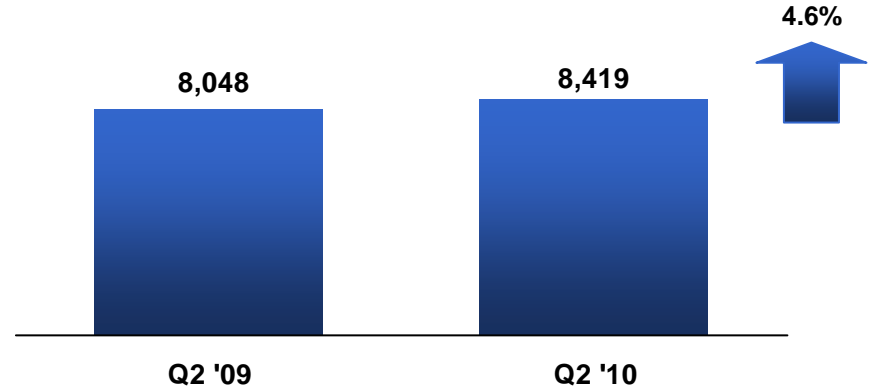
- **Q&A**

Weather And Premise Growth Drove Q2 Residential Volumes

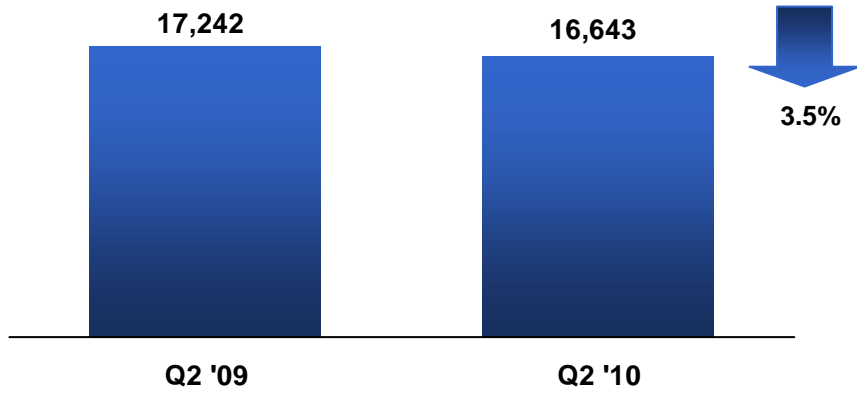
Residential Points of Delivery



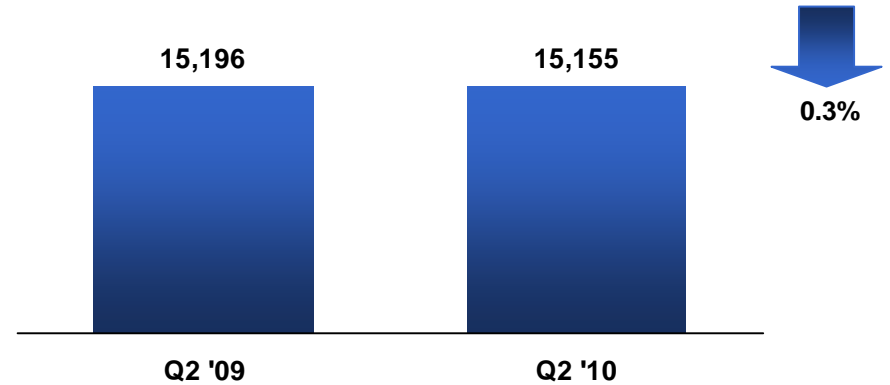
Residential GWH Billed



Large C&I Billed MW Demand (Avg)

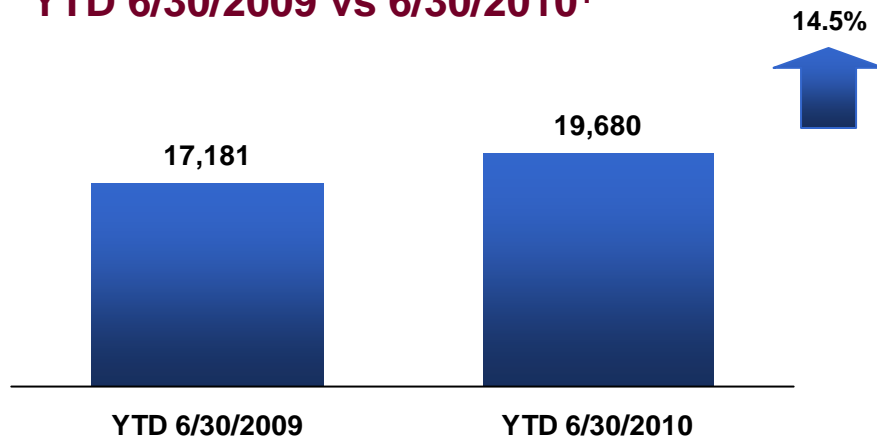


Large C&I Actual MW Demand (Avg)

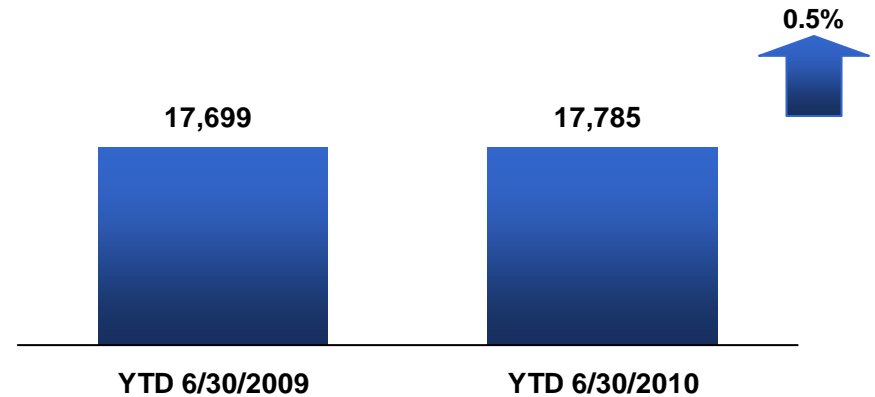


Residential And C&I Volumes Are Up Modestly vs. Last Year (Weather-Adjusted)

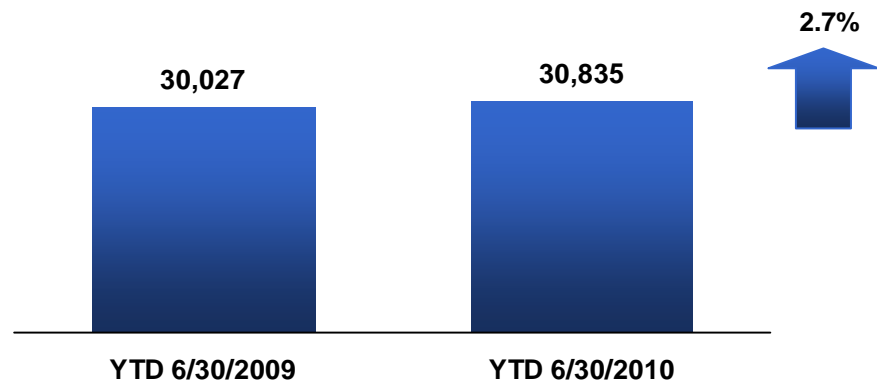
Residential GWH, Actual
YTD 6/30/2009 vs 6/30/2010¹



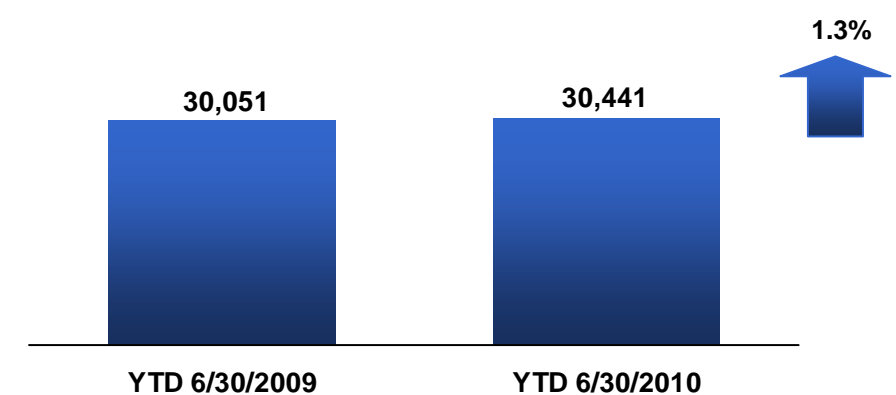
Residential GWH, Weather adj
YTD 6/30/2009 vs 6/30/2010¹



Large C&I GWH, Actual
YTD 6/30/2009 vs. 6/30/2010



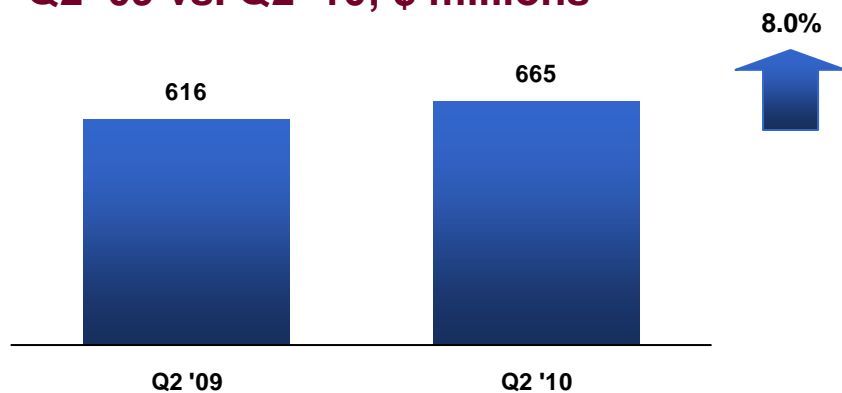
Large C&I GWH, Weather adj
YTD 6/30/2009 vs 6/30/2010



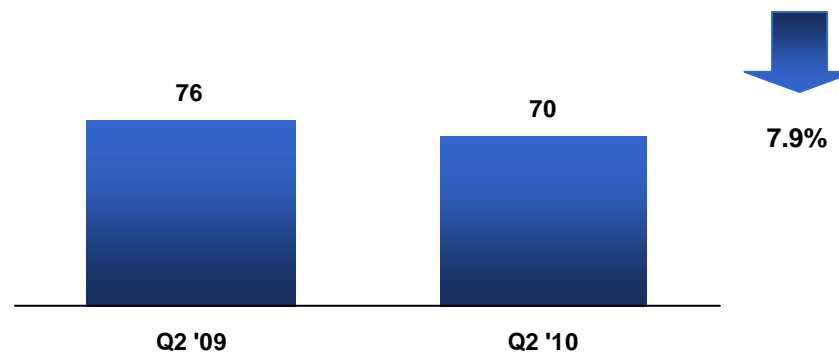
1 - 2010 volumes increased to adjust for greater number of billing days in 2009

Summary of Financial Results¹

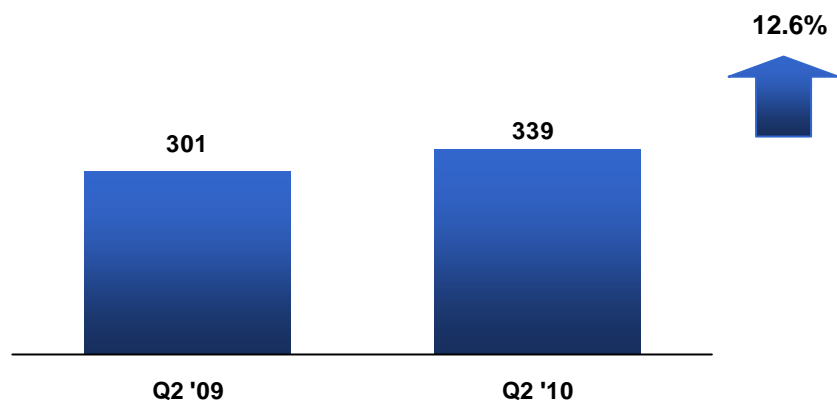
Adjusted Operating Revenues
Q2 '09 vs. Q2 '10; \$ millions



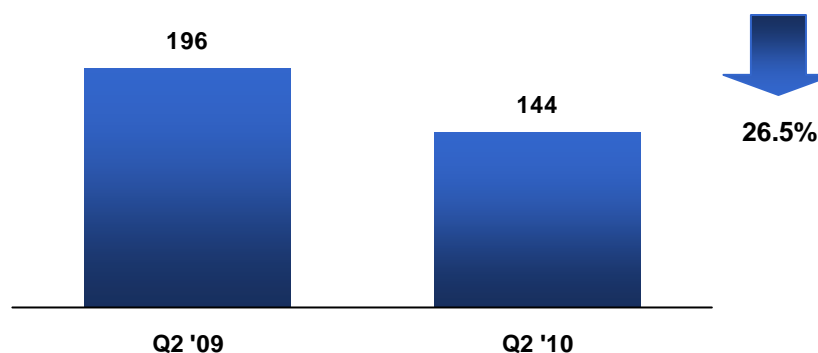
Adjusted Net Income
Q2 '09 vs. Q2 '10; \$ millions



EBITDA
Q2 '09 vs. Q2 '10; \$ millions



Operating Cash Flow²
Q2 '09 vs. Q2 '10; \$ millions

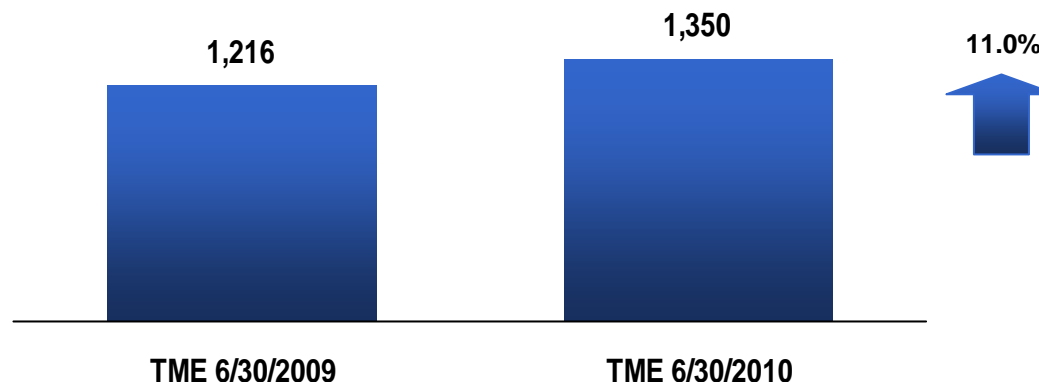


¹ Excludes impacts from transition bond debt and fair value accounting adjustments associated with the October 2007 merger.

² Cash provided by operating activities, as adjusted by footnote 1.

Credit Metrics Remain Strong¹

EBITDA
TME 6/30/2009 vs. 6/30/2010; \$ millions



Credit Metrics

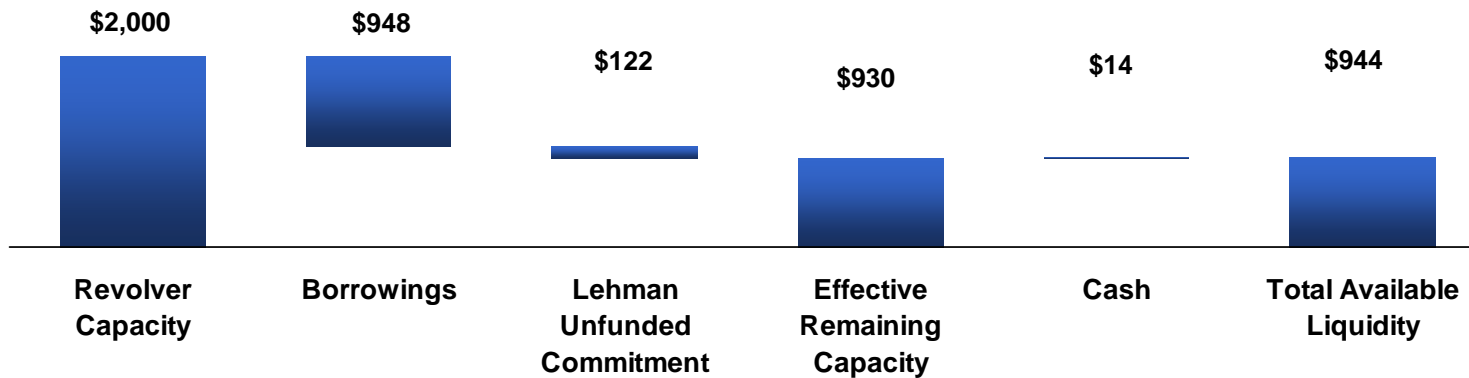
	TME <u>6/30/09</u>	TME <u>6/30/10</u>
EBITDA/Cash Interest	4.2x	4.6x
Debt/EBITDA	4.0x	3.9x

- ✓ 2009 Rate Order has a positive effect on EBITDA due to increase in cash revenue without corresponding increase in cash expense
- ✓ Small improvement in credit metrics

¹ Excludes impacts from transition bond debt, a one-time write-off of regulatory assets and fair value accounting adjustments associated with the October 2007 merger.

Oncor Maintains Ample Liquidity

**\$2.0 billion Secured Revolving Credit Facility
Balances at June 30, 2010; \$ millions**



Solid Credit Ratings at Oncor

	<u>Rating</u>	<u>Outlook</u>
Moody's	Baa1	Stable
Standard & Poor's	BBB+	Stable
Fitch Ratings	BBB	Stable

- ✓ Steady cash flow stream supplemented by \$2B credit facility
- ✓ Credit facility in place through 2013
- ✓ No change in ratings in second quarter

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Bob Shapard

Chairman and CEO

- **Q&A**

Second Quarter 2010 Operational Highlights

Advanced Metering Initiative

- Review by Navigant confirms accuracy of meters and systems
- ~185K meters installed in second quarter and over 1.1M total meters installed at end of July 2010
- Full deployment by 2012

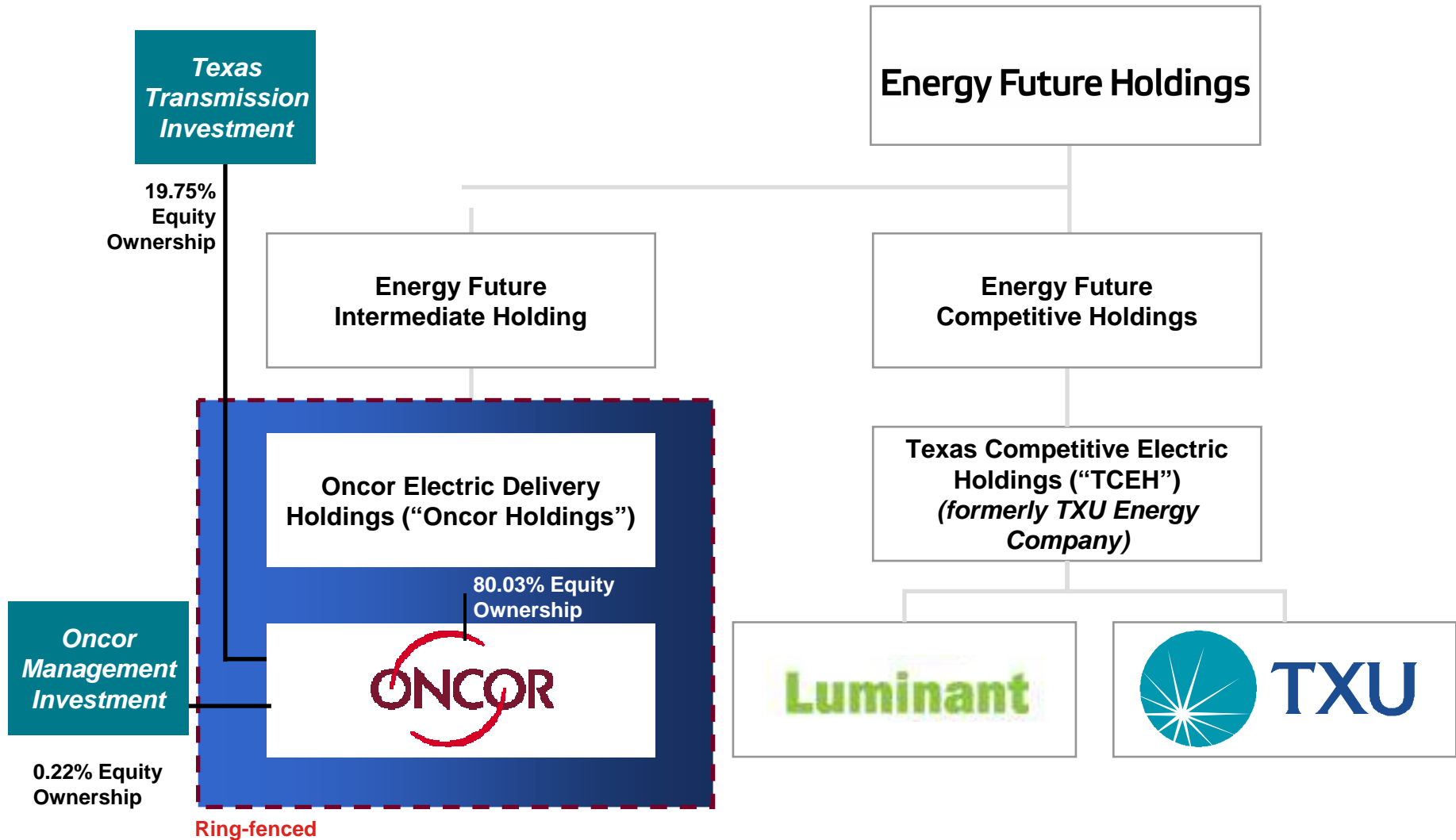


Oncor Electric Delivery

CREZ

- 170 miles built and 13 major projects in service
- Remaining 3 CCNs to be filed in August and September
- \$217M spent on CREZ through June 2010
- Financial Commitment confirmed by PUCT allowing Subsequent CREZ project CCNs to proceed

Oncor's Ratings Held Stable Due To Strength Of Ring-fencing



Oncor Electric Delivery

***Appendix -
Regulation G Reconciliations***

Financial Definitions

Measure	Definition
<i>Operating Cash Flow (GAAP)</i>	Cash provided by operating activities.
<i>Debt (non-GAAP)</i>	Total Debt less transition bonds of Oncor Electric Delivery Transition Bond Company LLC (BondCo).
<i>Total Debt (GAAP)</i>	Long-term debt (including current portion) plus bank loans and commercial paper.
<i>Adjusted Net Income (non-GAAP)</i>	Net income less effects of purchase accounting (including goodwill adjustments) and BondCo.
<i>EBITDA (non-GAAP)</i>	Income from continuing operations before interest expense and related charges, and provisions in lieu of income tax plus depreciation and amortization and special items. EBITDA is a measure used by Oncor to assess performance.
<i>Debt/EBITDA (non-GAAP)</i>	Total Debt less transition bonds divided by EBITDA. Transition, or securitization, bonds are serviced by a regulatory transition charge on wires rates and are therefore excluded from debt in credit reviews. Debt / EBITDA is a measure used by Oncor to assess credit quality.
<i>EBITDA/Interest (non-GAAP)</i>	EBITDA divided by cash interest expense is a measure used by Oncor to assess credit quality.

Table 1: Oncor Net Income Reconciliation
Quarter Ended June 30, 2009 and 2010
\$ millions

	Q2 09	Q2 10
Net Income – Oncor	82	76
Less: Net Income – BondCo	-	-
Less: Effects of fair value accounting (after-tax)	(6)	(6)
Less: Write-off of Regulatory Assets (after-tax)	-	-
Less: Adjustment of Goodwill Liability	-	-
Adjusted Net Income, excluding BondCo	76	70

Table 2: Oncor Operating Revenues Reconciliation
Quarter Ended June 30, 2009 and 2010
\$ millions

	Q2 09	Q2 10
Operating Revenues – Oncor	653	702
Less: Operating Revenues – BondCo	(37)	(37)
Operating Revenues, excluding BondCo	616	665

Table 3: Oncor Operating Cash Flow Reconciliation
Quarter Ended June 30, 2009 and 2010
\$ millions

	Q2 09	Q2 10
Operating Cash Flow – Oncor	213	169
Less: Operating Cash Flow – BondCo	(17)	(25)
Operating Cash Flow, excluding BondCo	196	144

Table 4: Oncor EBITDA Reconciliation
Quarter Ended June 30, 2009 and 2010
\$ millions

	Q2 09	Q2 10
Net Income – Oncor	82	76
Plus: Depreciation & Amortization – Oncor	132	164
Plus: Provision in lieu of Income Taxes – Oncor	48	47
Plus: Interest Expense – Oncor	87	86
Equals: EBITDA - Oncor, including BondCo	349	373
Less: Net Income – BondCo	-	-
Depreciation & Amortization – BondCo	(27)	(27)
Provision in lieu of Income Taxes – BondCo	-	-
Interest Expense – BondCo	(11)	(9)
Effects of fair value accounting	(10)	(8)
Regulatory Asset Amortization	-	10
Adjustment of Goodwill Liability	-	-
EBITDA, excluding BondCo	301	339

Table 5: Oncor EBITDA Reconciliation
Twelve Months Ended June 30, 2009 and 2010
\$ millions

	6/30/09	6/30/10
Net Income – Oncor	(517)	335
Plus: Depreciation & Amortization – Oncor	509	630
Plus: Provision in lieu of Income Taxes – Oncor	207	184
Plus: Interest Expense – Oncor	338	345
Equals: EBITDA - Oncor, including BondCo	537	1,494
Less: Net Income – BondCo	-	-
Depreciation & Amortization – BondCo	(96)	(115)
Provision in lieu of Income Taxes – BondCo	-	-
Interest Expense – BondCo	(44)	(40)
Effects of Goodwill Valuation	860	-
Effects of fair value accounting (pre-tax)	(41)	(36)
Write off of Regulatory Assets (pre-tax)	-	25
Regulatory Asset Amortization	-	32
Adjustment of Goodwill Liability	-	(10)
EBITDA, excluding BondCo	1,216	1,350

Table 6: Oncor Total Debt Reconciliation

As of June 30, 2009 and 2010

\$ millions

	6/30/09	6/30/10
Short-term debt- Oncor	542	948
Long-term debt due currently – Oncor	105	110
Long-term debt, less due currently – Oncor	5,049	4,942
Total Debt - Oncor, including BondCo	5,696	6,000
Less: Short-term debt – BondCo	-	-
Long-term debt due currently – BondCo	(105)	(110)
Long-term debt, less due currently – BondCo	(722)	(611)
Fair value adjustment – BondCo	7	5
Total Debt, excluding BondCo	4,876	5,284

Table 7: Oncor Interest and Debt Coverages
Twelve Months Ended June 30, 2009 and 2010
\$ millions

	6/30/09	6/30/10	Ref	Source
Interest expense and related charges – Oncor	338	345		
Amortization of debt fair value discount – Oncor	(3)	(2)		
Amortization of debt discount – Oncor	(6)	(7)		
AFUDC – Oncor	6	-		
Cash interest expense - Oncor	335	336		
Less: Interest expense – BondCo	(44)	(40)		
Cash interest expense, excluding BondCo	291	296	A	
EBITDA, excluding BondCo	1,216	1,350	B	Table 5
Total Debt, excluding BondCo	4,876	5,284	C	Table 6
EBITDA/Interest – ratio (B / A)	4.2x	4.6x		
Debt/EBITDA – ratio (C / B)	4.0x	3.9x		