



Second Quarter 2011 Investor Call

August 2, 2011

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 presentation 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; acts of sabotage, wars or terrorist activities; economic conditions, including the impact of a 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; 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 disruptions in US credit markets; circumstances which may contribute to future impairment of goodwill, intangible or other long-lived assets; 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 available on Oncor's website, www.oncor.com, under the 'News' tab in the Investor Information section, and also filed with the SEC.

2nd Quarter 2011 Investor Call Agenda

- **Financial Overview**

David Davis

Chief Financial Officer

- **Operational Review**

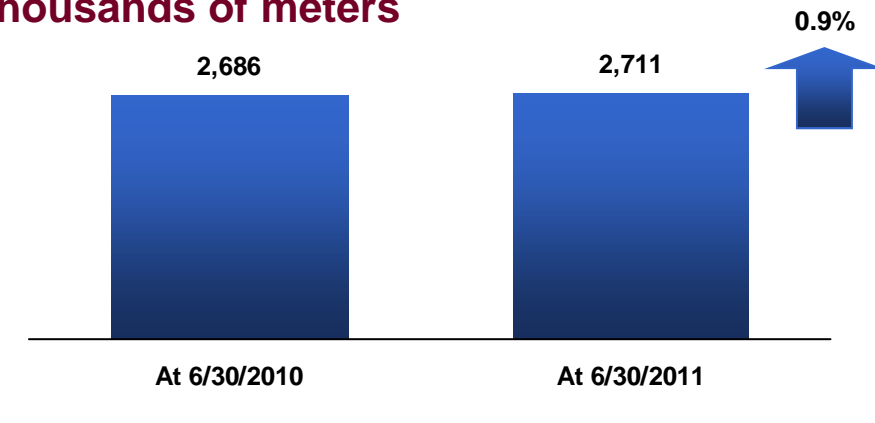
Bob Shapard

Chairman and CEO

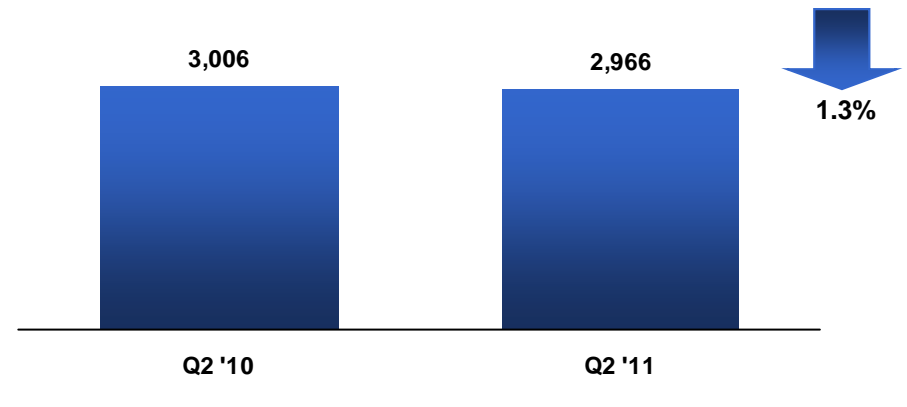
- **Q&A**

Weather Drives Q2 2011 Volumes But Residential Continues Conservation Efforts

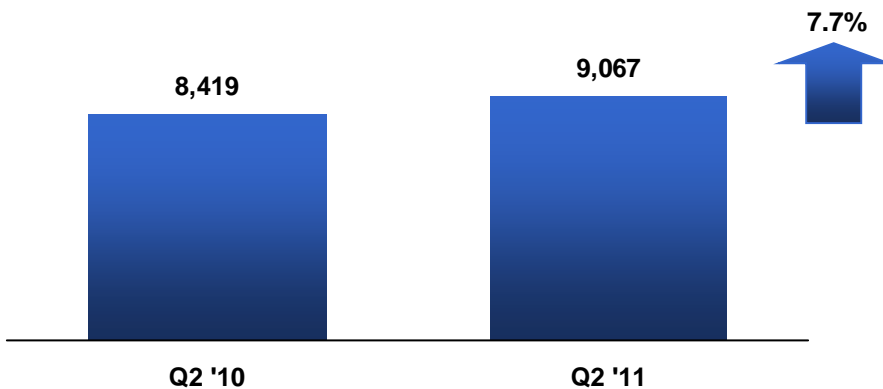
Residential Points of Delivery
At June 30, '10 vs. June 30, '11;
thousands of meters



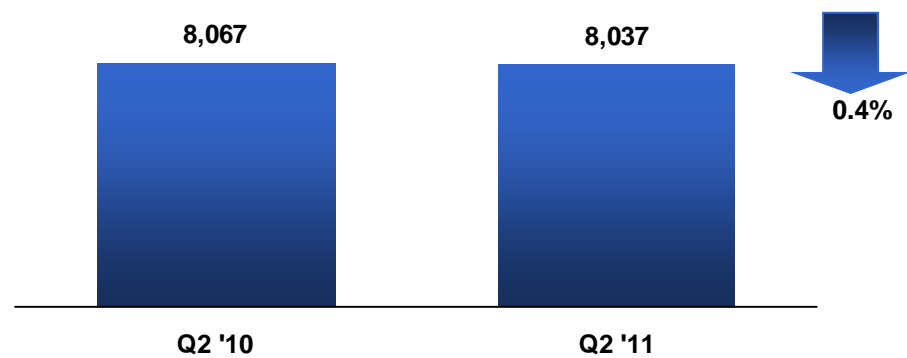
Avg KWH/Residential Premise, Weather Adj
Q2¹ '10 vs. Q2 '11



Residential GWH, Actual
Q2 '10 vs. Q2 '11



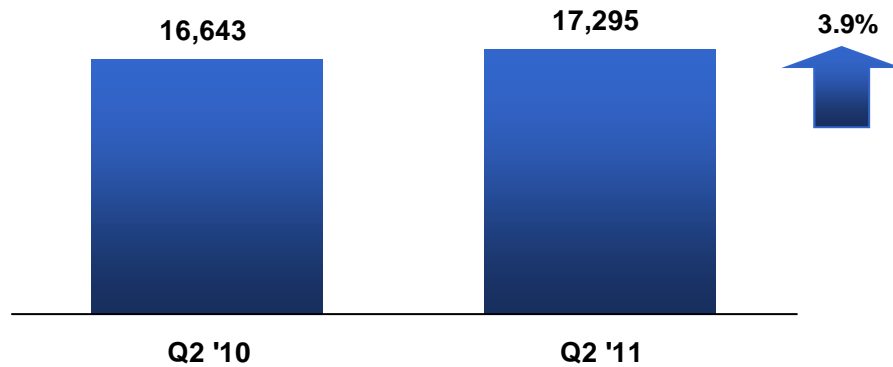
Residential GWH, Weather Adj
Q2 '10 vs. Q2 '11



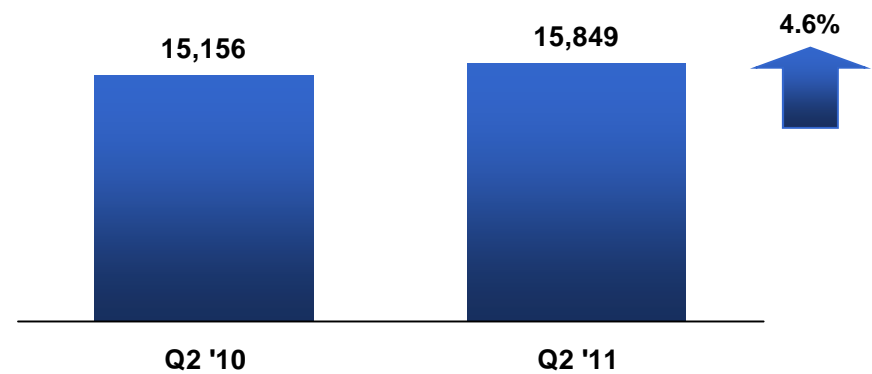
¹ Three months ended June 30.

Large C&I Demand and Usage Trends Continue to Suggest Economic Recovery

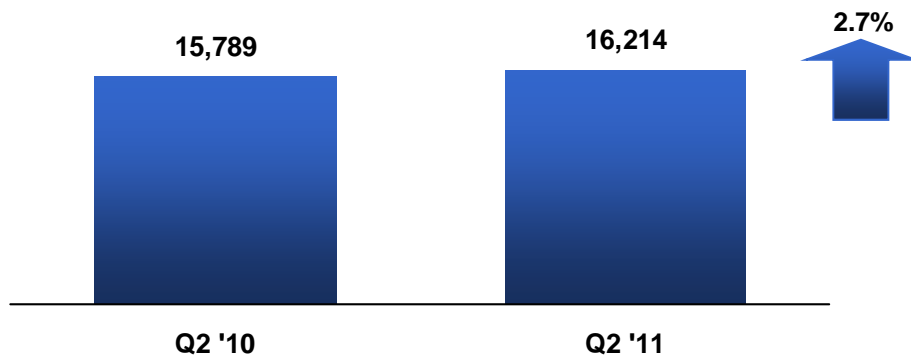
Large C&I Billed MW Demand (Avg)
Q2¹ '10 vs. Q2 '11



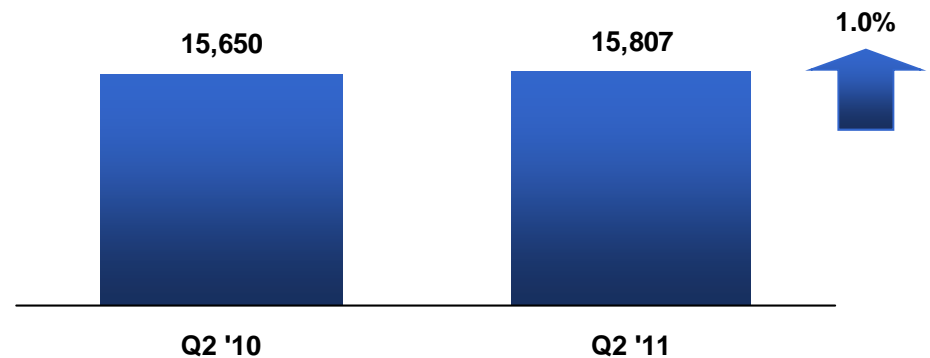
Large C&I Actual MW Demand (Avg)
Q2 '10 vs. Q2 '11



Large C&I GWH, Actual
Q2 '10 vs. Q2 '11



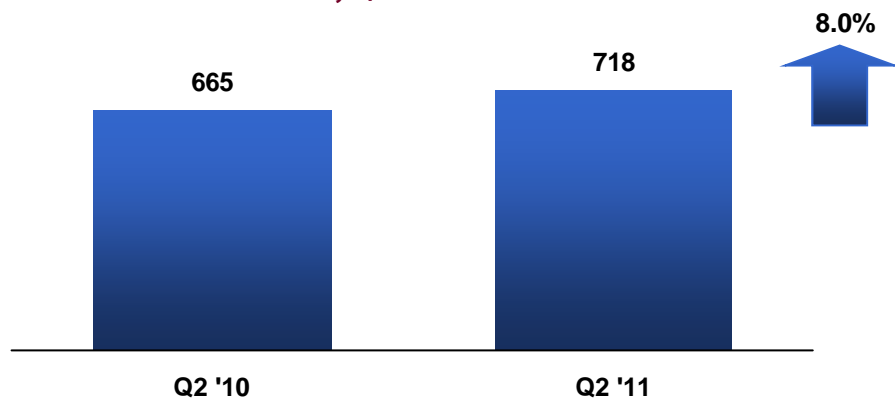
Large C&I GWH, Weather Adj
Q2 '10 vs. Q2 '11



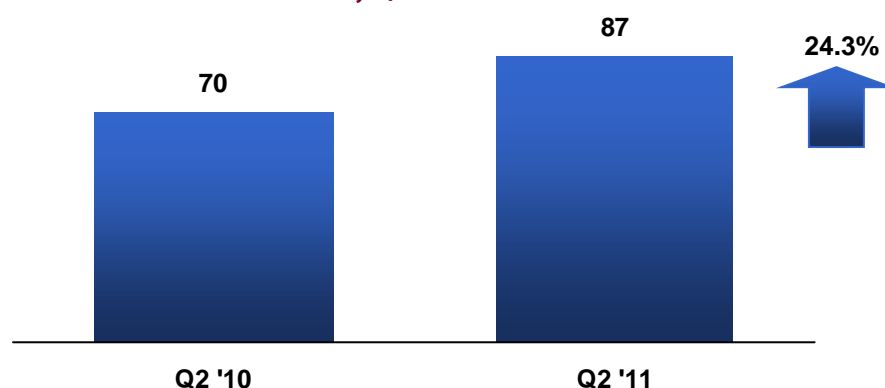
¹ Three months ended June 30.

Summary of Financial Results¹

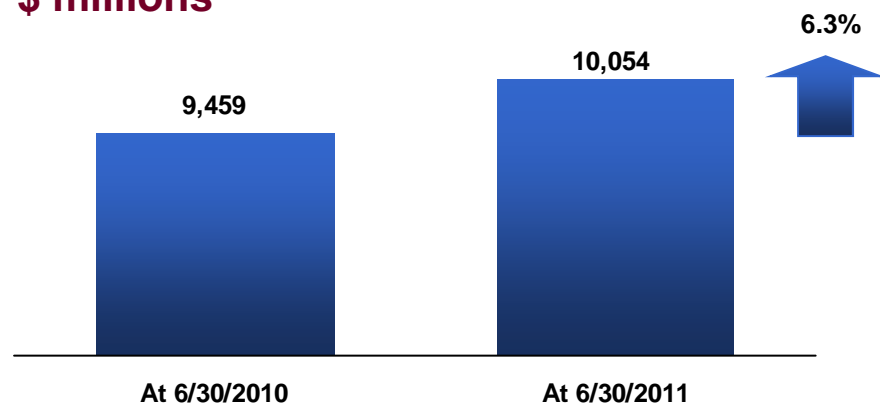
Adjusted Operating Revenues
Q2² '10 vs. Q2 '11; \$ millions



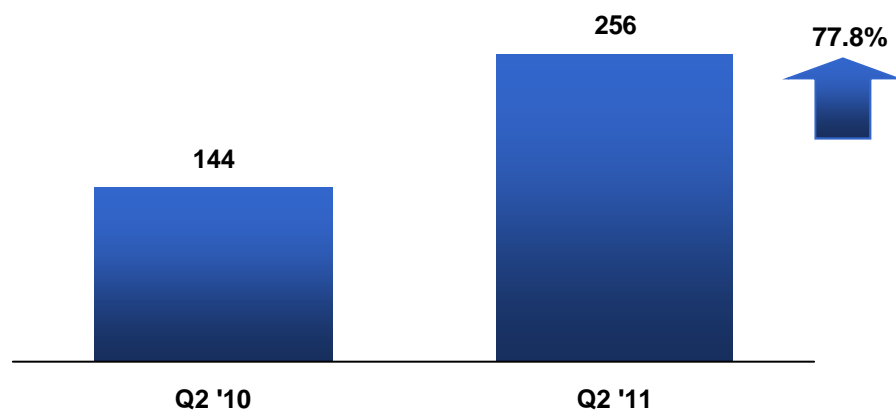
Adjusted Net Income
Q2 '10 vs. Q2 '11; \$ millions



PP&E, net
At June 30, '10 vs. June 30, '11;
\$ millions



Adjusted Operating Cash Flow
Q2 '10 vs. Q2 '11; \$ millions

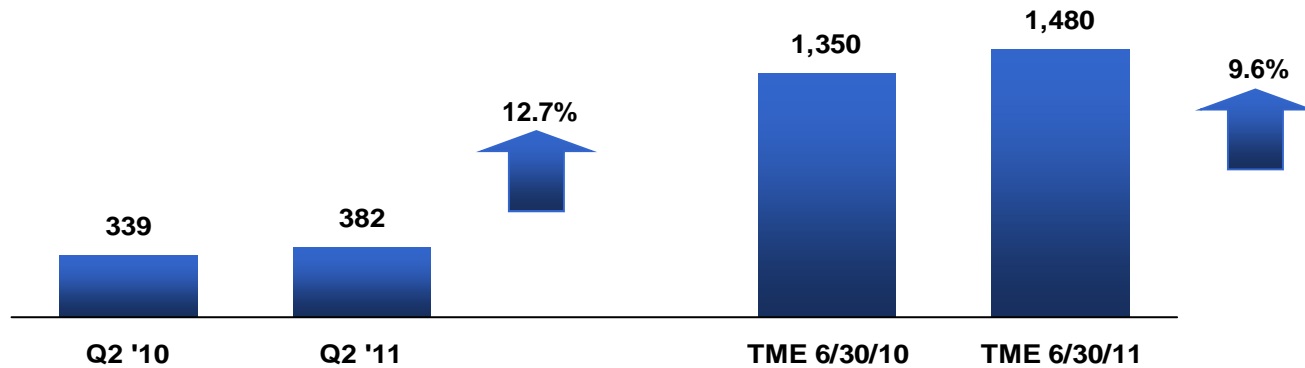


¹ Excludes impacts from transition bond debt, and fair value accounting adjustments associated with the October 2007 merger.

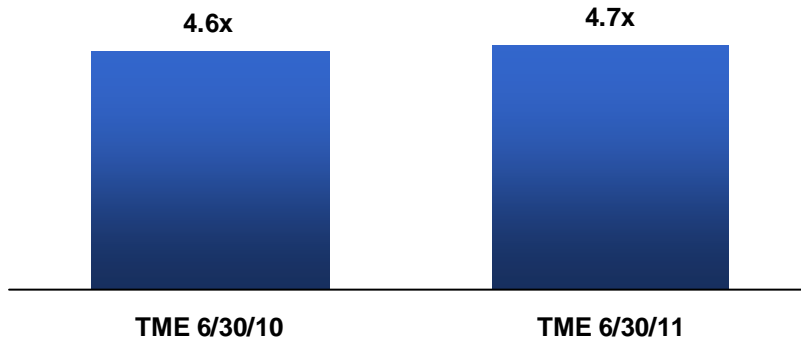
² Three months ended June 30.

Credit Metrics¹ Continue to be Strong

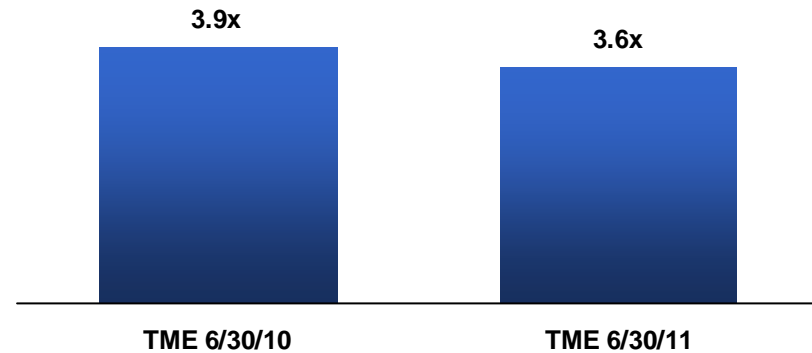
EBITDA
Q2² '10 vs. Q2 '11 and TME³ 6/30/10 vs TME 6/30/11; \$ millions



EBITDA/Cash Interest
TME 6/30/10 vs. TME 6/30/11; Ratio



Debt/EBITDA
TME 6/30/10 vs. TME 6/30/11; Ratio



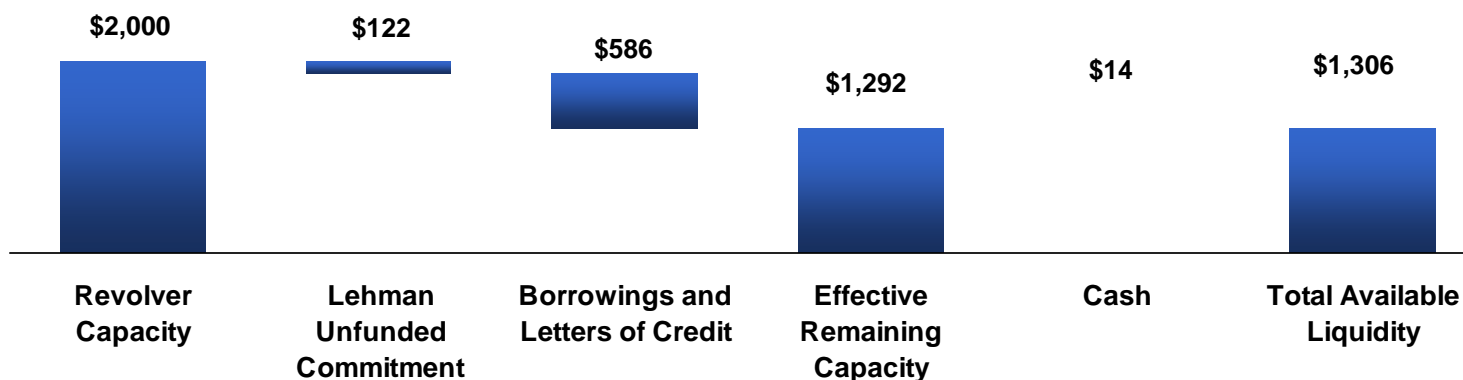
¹ Excludes impacts from transition bond debt, a one-time write-off of regulatory assets and fair value accounting adjustments associated with the October 2007 merger.

² Three months ended June 30.

³ Twelve months ended.

Liquidity Profile

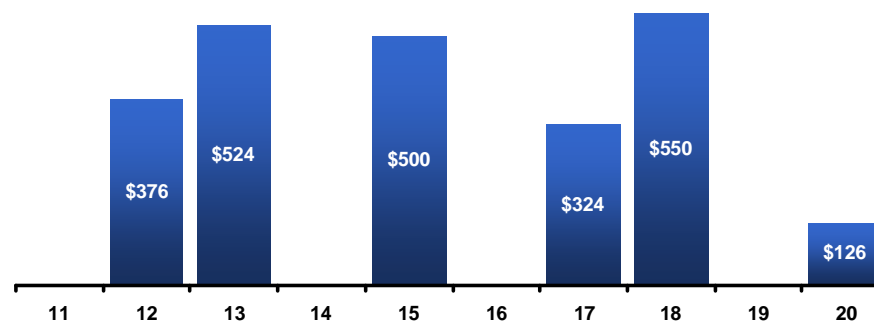
\$2.0 billion Secured Revolving Credit Facility¹ Balances at June 30, 2011; \$ millions



Solid Credit Ratings

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

Long-Term Debt² Maturity Profile 2011-2020; \$ millions



¹ Oncor's \$2.0 billion Credit Facility matures in 2013.

² Excludes transition bond debt.

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David Davis

Chief Financial Officer

- **Operational Review**

Bob Shapard

Chairman and CEO

- **Q&A**

2011 Rate Case – Key Settlement Provisions

- **\$137 million rate increase:**
 - ~\$93 million of interim rates went into effect on July 1, 2011
 - ~\$44 million would go into effect on January 1, 2012
- **60% debt and 40% equity capital structure**
- **10.25% ROE**
- **Agreed not to file a general rate case prior to July 1, 2013 (does not apply to periodic updates, e.g., TCOS, TCRF, DCRF/PRA)¹**
- **All assets as of June 30, 2010 approved**

Oncor filed the stipulation with the PUCT in May 2011 with the support of all core parties and other parties supporting or remaining unopposed. Oncor filed a modified stipulation on July 22, 2011.

¹ TCOS – Transmission Cost of Service; TCRF – Transmission Cost Recovery Factor; DCRF – Distribution Cost Recovery Factor; PRA – Periodic Rate Adjustment

Key Legislation From The 2011 Texas Legislative Session

- **Budget Bill**
 - \$172 billion budget passed reflecting \$15 billion in reductions
- **Sunset Bill**
 - Extended life of PUCT and ERCOT for an additional 2 years
 - Agencies will be re-evaluated in 2013
- **Periodic Rate Adjustment (DCRF)**
 - Directs PUCT to employ rate recovery mechanisms for distribution-related investment, similar to a TCOS filing



Update on CREZ

Competitive Renewable Energy Zones

- 2011 signals major shift in CREZ project as it moves from CCN proceedings to ROW acquisition and actual construction
- Will invest ~\$2.0 billion on project in total and approximately \$600M in 2011
- \$538M invested in CREZ through June 30, 2011; \$222M invested YTD 2011
- All 14 CCN's have been approved



AMS Initiative On Target for 2012 Completion



Advanced Metering Initiative

- More than 1.86M meters installed through June 30, 2011; ~227,000 meters installed in Q2 '11
- \$429M invested in AMS through June 30, 2011; \$69M invested YTD 2011
- Industry-first, customer information portal launched in 2010

Oncor Leads Campaign to Educate Public About Smart Grid and Advanced Meters

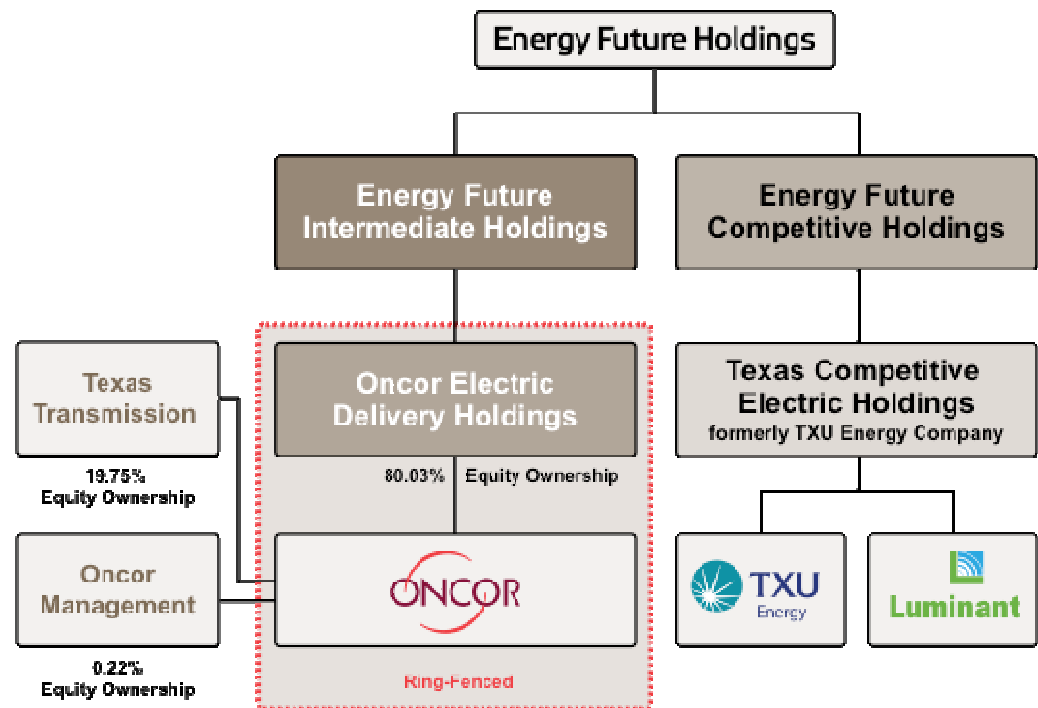
- Create a viable path for the public to understand and embrace advanced metering
- Provide a compelling online community that positively positions advanced metering and serves as an ongoing consumer resource
- Demonstrate the consumer benefits attainable by utilizing information from advanced metering
- Jumpstart the market for products and services that enable consumers to benefit from advanced metering technology
- Elevate utility industry trust and positively position campaign partners



Oncor's Ring-Fencing

Oncor Holdings and Oncor are ring-fenced entities and have no obligation to pay any amounts due on EFH and EFIH debt that is secured by EFH's equity in Oncor Holdings.

In the event of a valid permitted asset transfer (disposition of EFH's equity interests in Oncor Holdings), this debt would become obligations of the third party transferee.



Appendix -

***Regulation G Reconciliations and Supplemental
Data***

Financial Definitions

Measure	Definition
<i>Adjusted Operating Revenues (non-GAAP)</i>	Oncor operating revenues, less operating revenues of Oncor Electric Delivery Transition Bond Company LLC (BondCo)
<i>Adjusted Net Income (non-GAAP)</i>	Oncor net income, less effects of purchase accounting and net income of BondCo
<i>Debt (non-GAAP)</i>	Oncor total debt, less transition bonds of BondCo
<i>Adjusted Operating Cash Flow (non-GAAP)</i>	Oncor cash provided by operating activities, less BondCo cash provided by operating activities
<i>Total Debt (GAAP)</i>	Oncor long-term debt (including current portion), plus bank loans and commercial paper
<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/Cash Interest (non-GAAP)</i>	EBITDA divided by cash interest expense is a measure used by Oncor to assess credit quality.

Table 1: Oncor Adjusted Operating Revenues Reconciliation
Three Months Ended June 30, '10 and '11
\$ millions

	Q2 '10	Q2 '11
Operating revenues – Oncor	702	756
Less: Operating revenues – BondCo	(37)	(38)
Adjusted operating revenues, excluding BondCo	665	718

Table 2: Oncor Adjusted Net Income Reconciliation
Three Months Ended June 30, '10 and '11
\$ millions

	Q2 '10	Q2 '11
Net income – Oncor	76	92
Less: Effects of fair value accounting (after tax)	(6)	(5)
Adjusted net income, excluding BondCo	70	87

Table 3: Oncor Operating Cash Flow Reconciliation
Three Months Ended June 30, '10 and '11
\$ millions

	Q2 '10	Q2 '11
Operating cash flow – Oncor	169	279
Less: Operating cash flow – BondCo	(25)	(23)
Operating cash flow, excluding BondCo	144	256

Table 4: Oncor EBITDA Reconciliation
Three Months Ended June 30, '10 and '11
\$ millions

	Q2 '10	Q2 '11
Net income – Oncor	76	92
Plus: Depreciation & amortization – Oncor	164	178
Provision in lieu of income taxes – Oncor	47	58
Interest expense – Oncor	86	88
Equals: EBITDA – Oncor	373	416
Less: Net income – BondCo	-	-
Depreciation & amortization – BondCo	(27)	(29)
Provision in lieu of income taxes – BondCo	-	-
Interest expense – BondCo	(9)	(8)
Effects of fair value accounting (pre tax)	(8)	(7)
Regulatory asset amortization	10	10
Oncor EBITDA, excluding BondCo	339	382

Table 5: Oncor EBITDA Reconciliation
Twelve Months Ended June 30, '10 and '11
\$ millions

	TME '10	TME '11
Net Income – Oncor	335	354
Plus: Depreciation & amortization – Oncor	630	692
Provision in lieu of income taxes – Oncor	184	217
Interest expense – Oncor	345	354
Equals: EBITDA – Oncor	1,494	1,617
Less: Net income – BondCo	-	-
Depreciation & amortization – BondCo	(115)	(112)
Provision in lieu of income taxes – BondCo	-	-
Interest expense – BondCo	(40)	(35)
Effects of fair value accounting (pre tax)	(36)	(31)
Write off of regulatory assets (pre tax)	25	-
Regulatory asset amortization	32	41
Adjustment of goodwill liability	(10)	-
Oncor EBITDA, excluding BondCo	1,350	1,480

Table 6: Oncor Total Debt Reconciliation

At June 30, '10 and '11

\$ millions

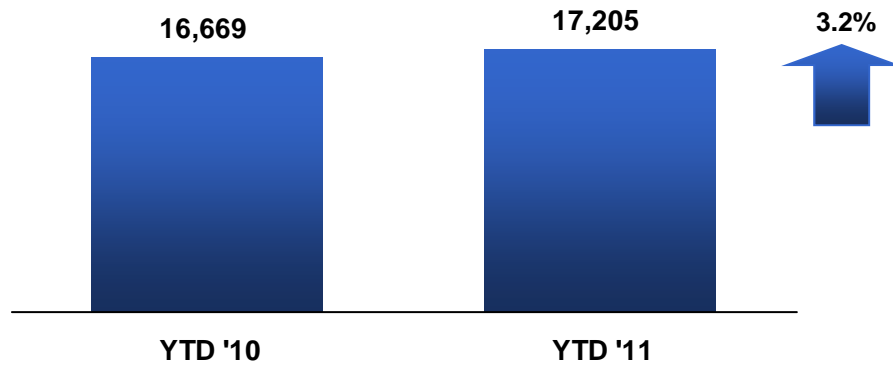
	'10	'11
Short-term debt- Oncor	948	580
Long-term debt due currently – Oncor	110	491
Long-term debt, less due currently – Oncor	4,942	4,902
Total debt – Oncor, including BondCo	6,000	5,973
Less: Short-term debt – BondCo	-	-
Long-term debt due currently – BondCo	(110)	(115)
Long-term debt, less due currently – BondCo	(611)	(493)
Fair value adjustment – BondCo	5	3
Total Oncor debt, excluding BondCo	5,284	5,368

Table 7: Oncor Interest and Debt Coverages
Twelve Months Ended June 30, '10 and '11
\$ millions

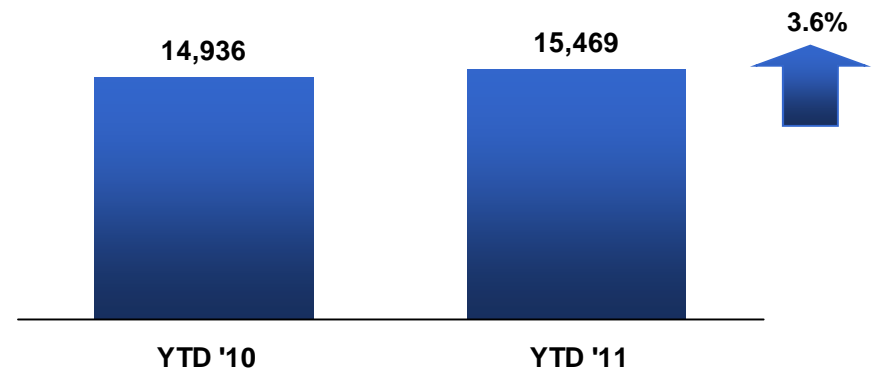
	TME '10	TME '11	Ref	Source
Interest expense and related charges – Oncor	345	354		
Amortization of debt fair value discount – Oncor	(2)	(1)		
Amortization of debt discount – Oncor	(7)	(4)		
AFUDC – Oncor	-	2		
Cash interest expense – Oncor	336	351		
Less: Interest expense – BondCo	(40)	(35)		
Cash interest expense, excluding BondCo	296	316	A	
EBITDA, excluding BondCo	1,350	1,480	B	Table 5
Total debt, excluding BondCo	5,284	5,368	C	Table 6
EBITDA/interest – ratio (B / A)	4.6x	4.7 x		
Debt/EBITDA – ratio (C / B)	3.9x	3.6 x		

YTD¹ Demand and Usage

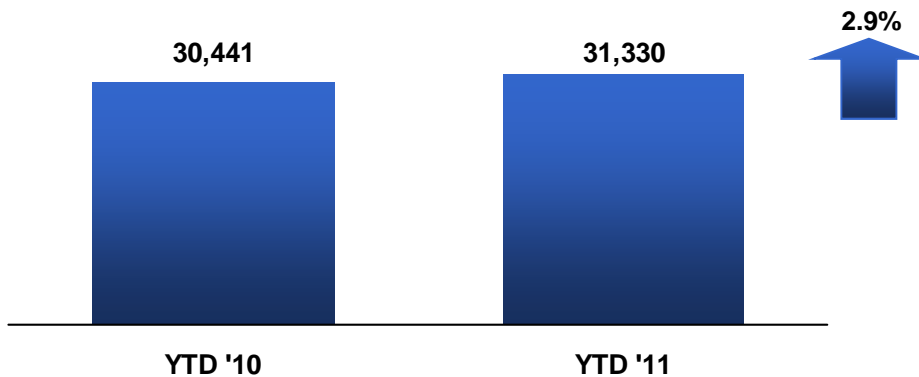
Large C&I Billed MW Demand (Avg)
YTD '10 vs. YTD '11



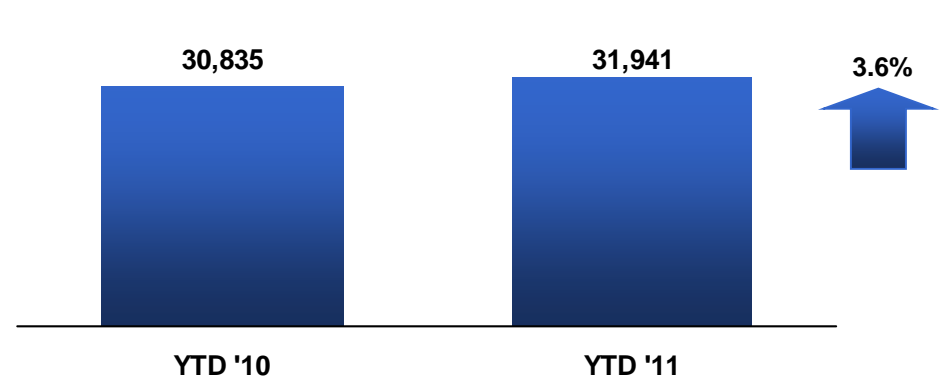
Large C&I Actual MW Demand (Avg)
YTD '10 vs. YTD '11



Large C&I GWH, Weather Adj
YTD '10 vs. YTD '11



Large C&I GWH, Actual
YTD '10 vs. YTD '11



¹ Six months ended June 30.