



2010 Third Quarter Investor Call

October 29, 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 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 continued 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.

Third Quarter 2010 Investor Call Agenda

- **Financial Overview**

David Davis

Chief Financial Officer

- **Operational Review**

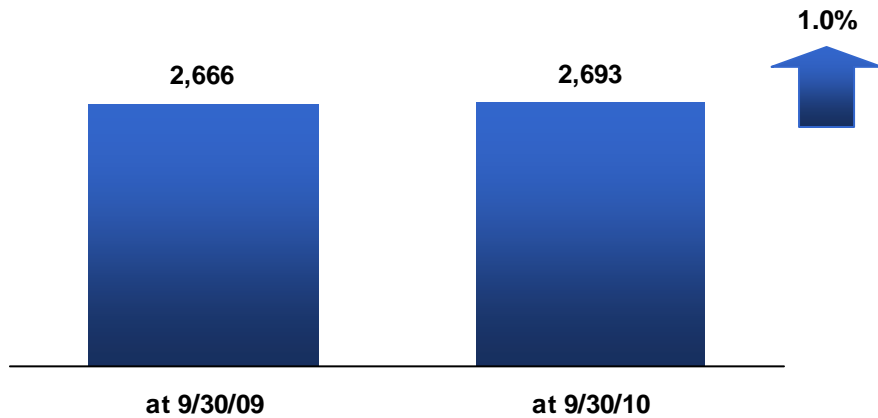
Bob Shapard

Chairman and CEO

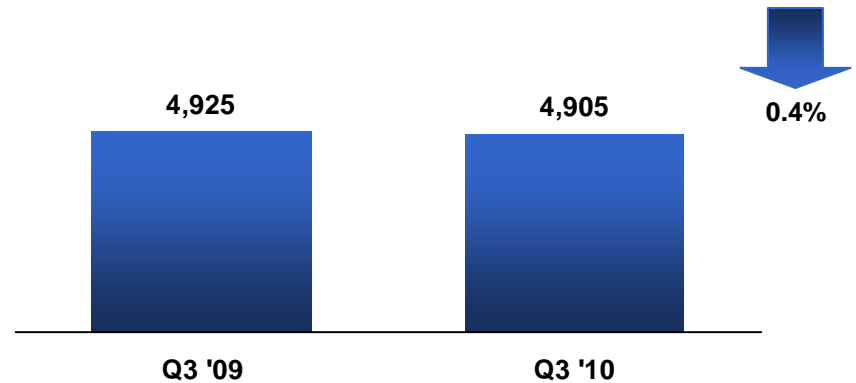
- **Q&A**

Weather And Premise Growth Drove Q3 Residential Volumes

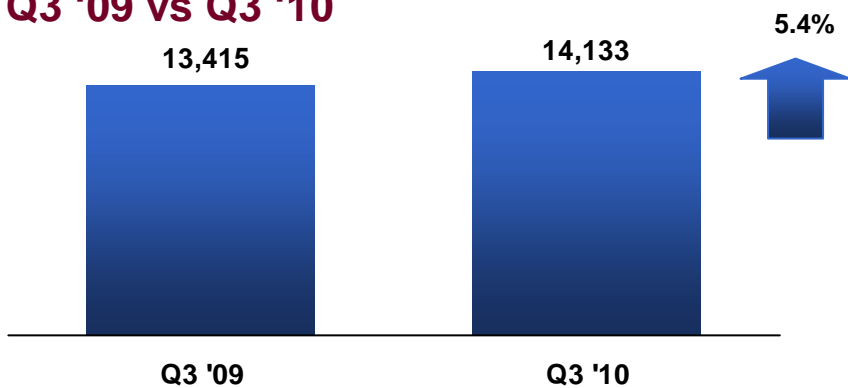
Residential Points of Delivery At 9/30/09 vs 9/30/10



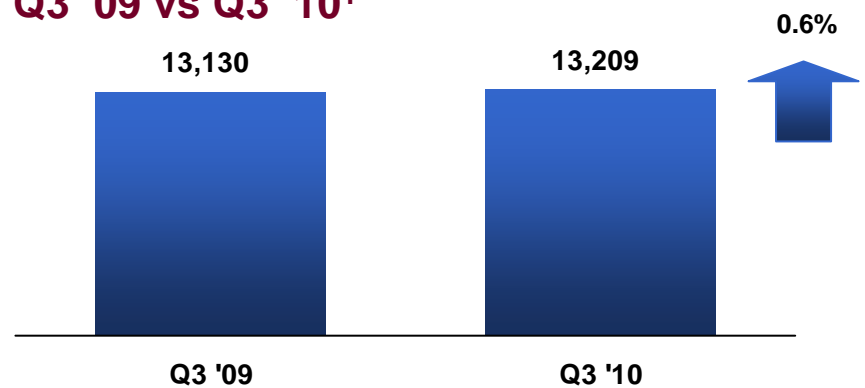
Avg KWH/Residential Premise, Weather Adj Q3 '09 vs Q3 '10¹



Residential GWH, Actual Q3 '09 vs Q3 '10



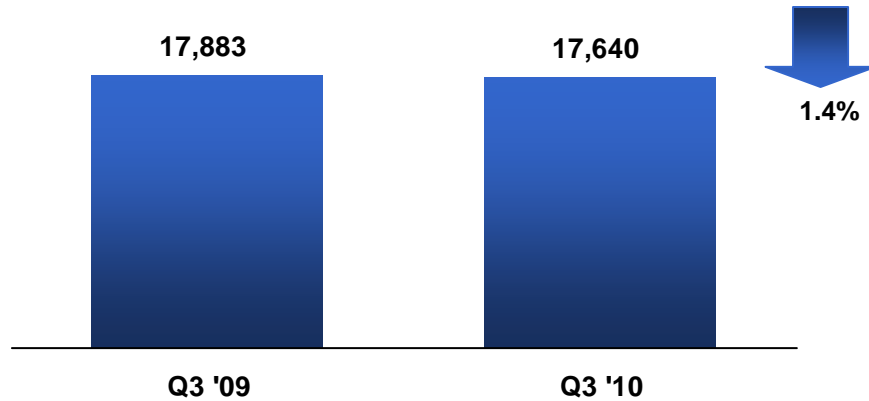
Residential GWH, Weather Adj Q3 '09 vs Q3 '10¹



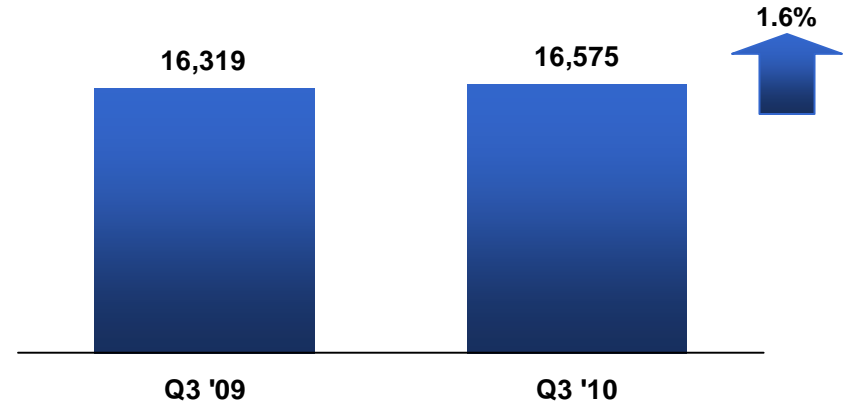
¹ GWH Volumes adjusted to reflect normalized number of billing days

C&I Billed Demand Down Slightly From '09

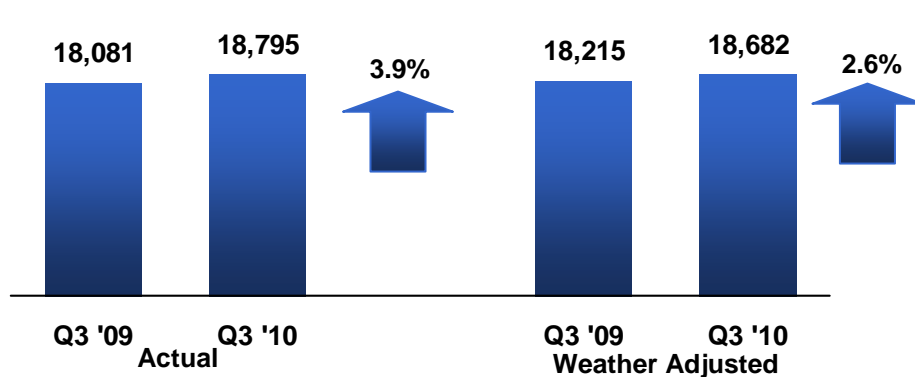
Large C&I Billed MW Demand (Avg)
Q3 '09 vs Q3 '10



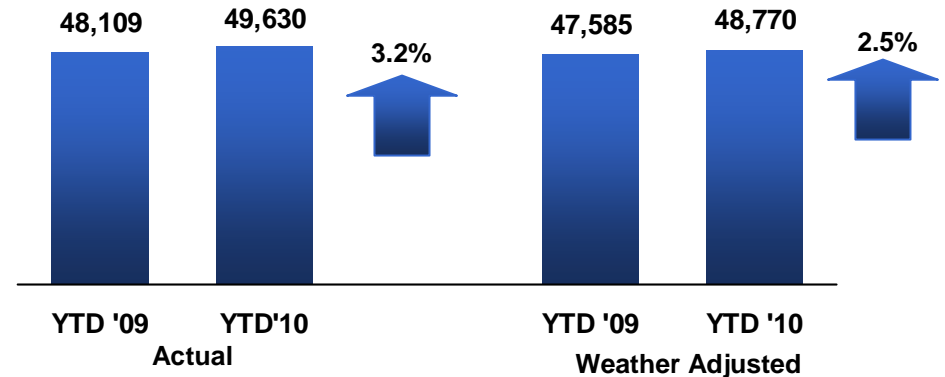
Large C&I Actual MW Demand (Avg)
Q3 '09 vs Q3 '10



Large C&I GWH, Actual vs. Weather Adj¹
Q3 '09 vs Q3 '10



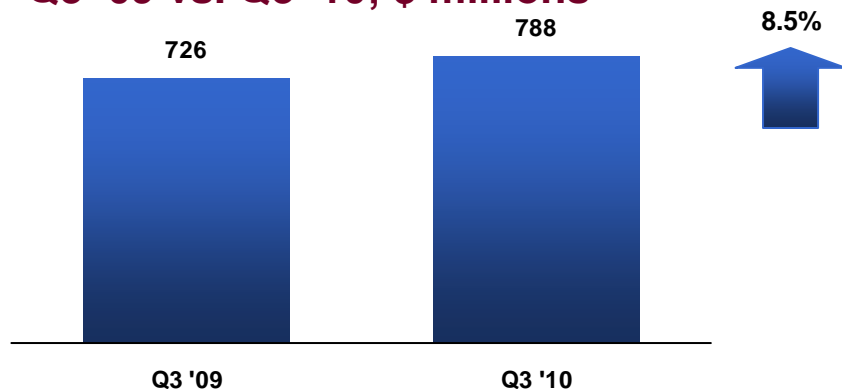
Large C&I GWH, Actual vs Weather Adj¹
YTD '09 vs YTD '10¹



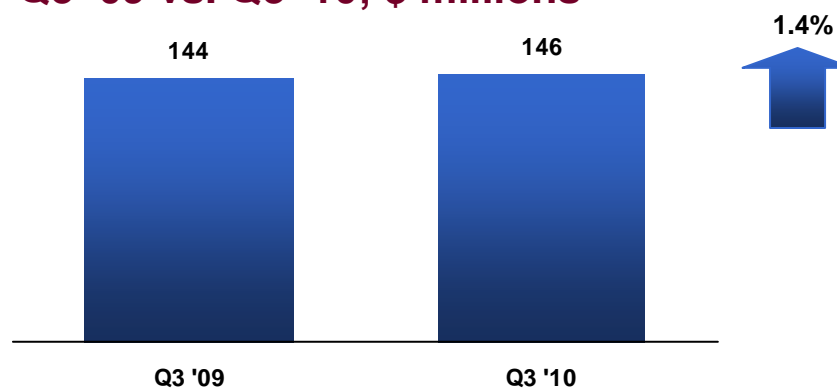
¹ GWH Volumes adjusted to reflect normalized number of billing days

Summary of Financial Results¹

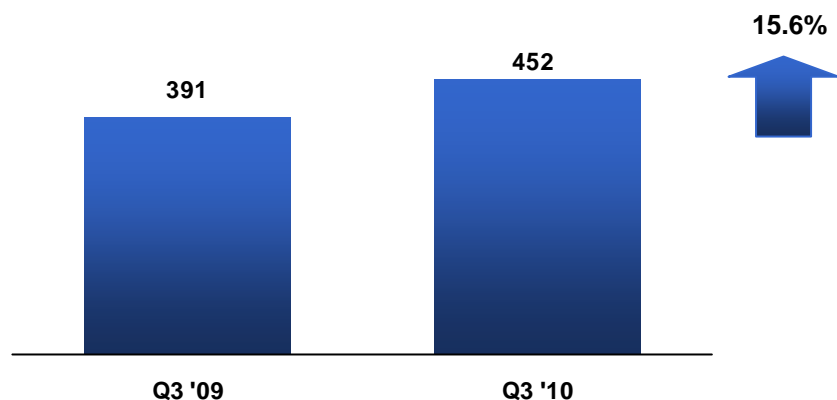
Adjusted Operating Revenues²
Q3 '09 vs. Q3 '10; \$ millions



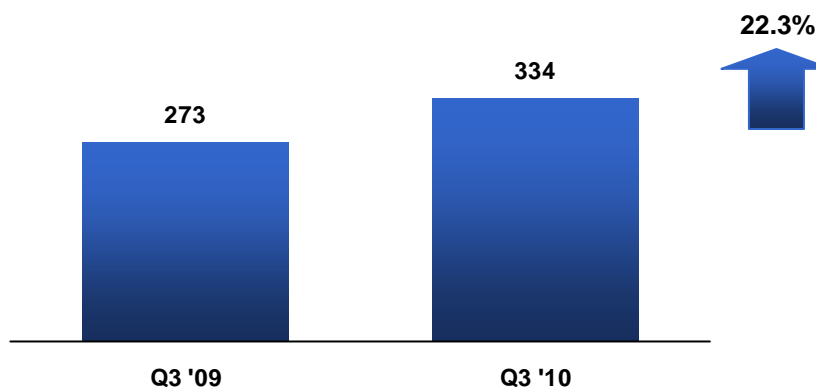
Adjusted Net Income²
Q3 '09 vs. Q3 '10; \$ millions



EBITDA²
Q3 '09 vs. Q3 '10; \$ millions



Operating Cash Flow²
Q3 '09 vs. Q3 '10; \$ millions

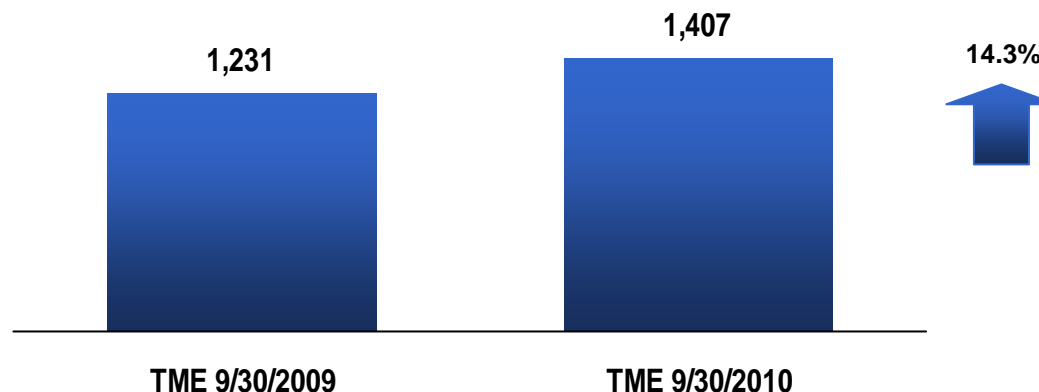


¹ Excludes impacts of Oncor Electric Delivery Transition Bond Company LLC (BondCo) results, debt and fair value accounting adjustments associated with the October 2007 merger and other one-time events

² See Appendix for Regulation G reconciliations and definitions

Credit Metrics Remain Strong

EBITDA^{1,2}
TME 9/30/2009 vs. 9/30/2010; \$ millions



Credit Metrics¹

	<u>TME</u> <u>9/30/09</u>	<u>TME</u> <u>9/30/10</u>
EBITDA/Cash Interest	4.1x	4.7x
Debt/EBITDA	4.0x	3.7x

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

¹ See Appendix for Regulation G reconciliations and definitions

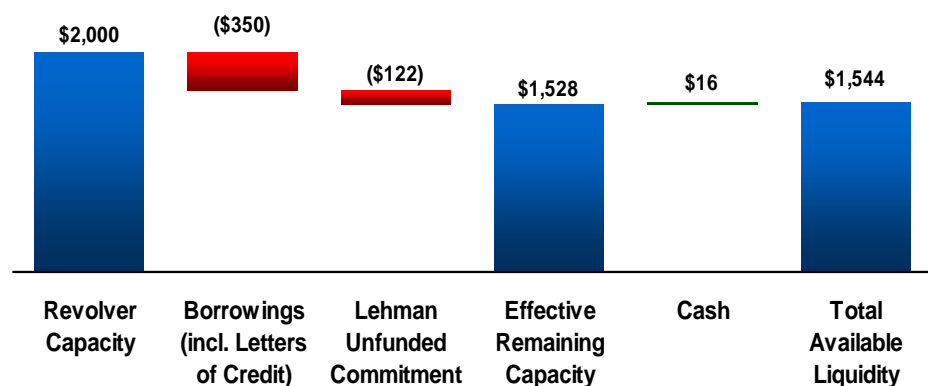
² Excludes impacts from transition bond debt, a one-time write-off of regulatory assets and fair value accounting adjustments associated with the October 2007 merger

Liability Management

Recent Financing Actions

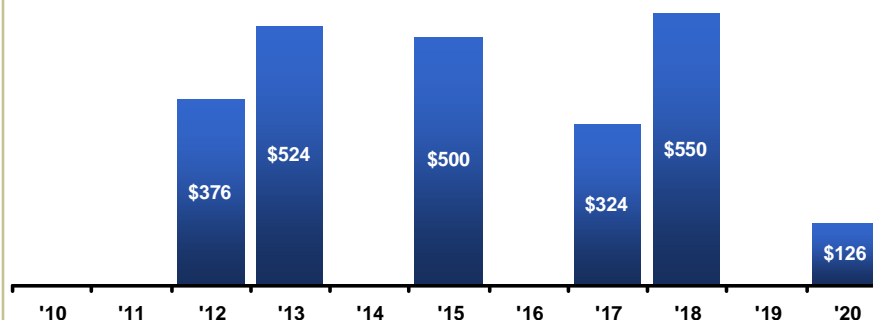
Action	Result
<ul style="list-style-type: none"> Issued \$475M of new 5.25% 30-Yr. LTD in Sept. 	<ul style="list-style-type: none"> → Reduced credit facility borrowings, enhancing liquidity → Captures very low interest rates with long life
<ul style="list-style-type: none"> Executed exchange offers <ul style="list-style-type: none"> – \$324M of 6.375% debt due 2012 exchanged for new 5% debt due 2017 – \$126M of 5.95% debt due 2013 exchanged for new 5.75% debt due 2020 	<ul style="list-style-type: none"> → Removed significant portion of near-term maturities to address refinancing risk / liquidity → Lowered overall cost of debt

\$2.0 Billion Secured Revolving Credit Facility Balances at October 28, 2010; \$ millions



¹ Excludes BondCo debt

Long-Term Debt Maturity Profile¹ 2010-2020; \$ millions

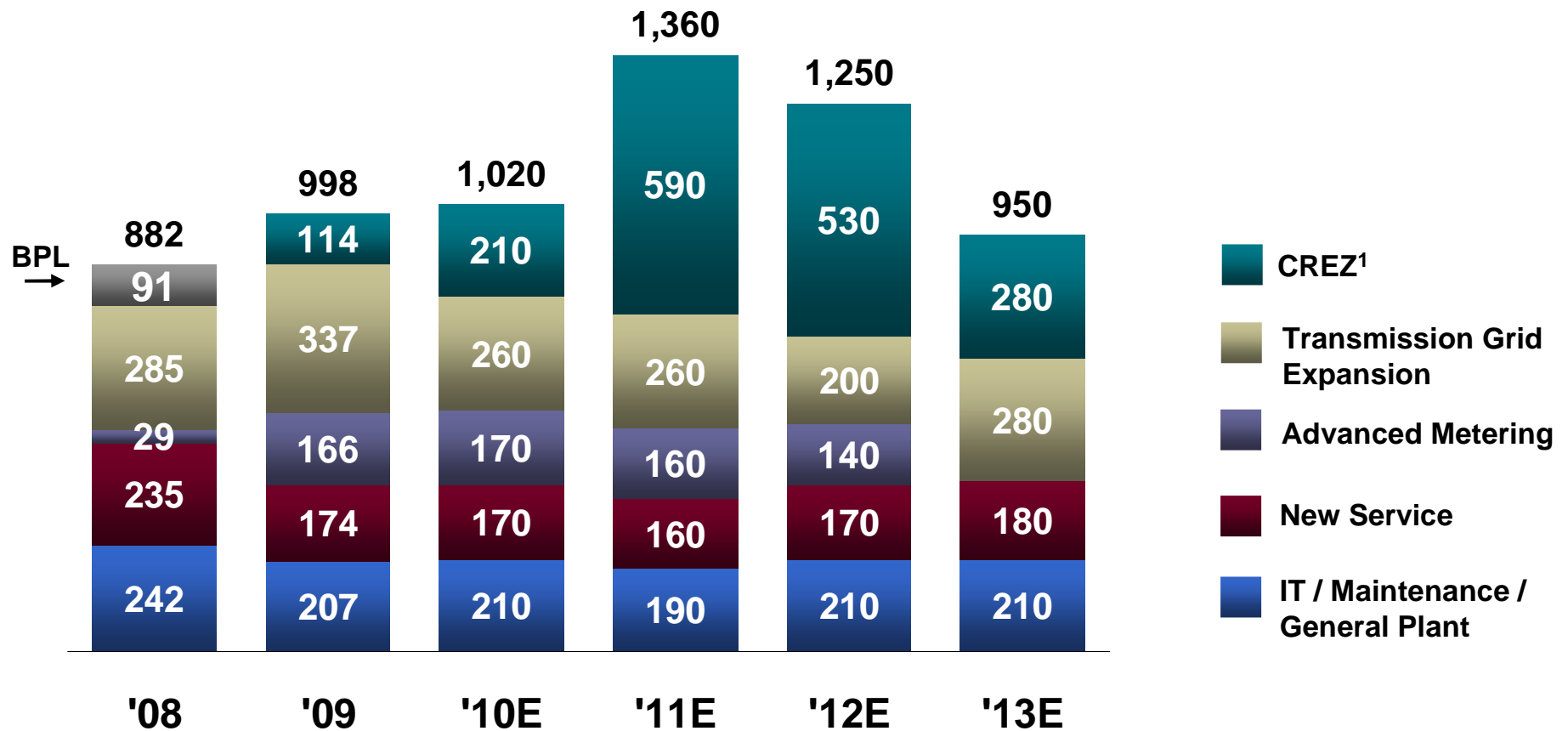


Solid Investment Grade Credit Ratings¹

	Rating	Outlook
Moody's	Baa1	Stable
Standard & Poor's	A-	Stable
Fitch	BBB	Stable

Large Capital Program

Actual and Estimated Capital Expenditures
'08 - '13E; \$ millions



¹ Oncor currently estimates that the cost of the CREZ projects will be approximately \$1.75 billion based on the original ERCOT estimate of \$1.3 billion, and current estimates for the 3 default and 9 priority lines approved to date, the identification of additional costs not included in the original ERCOT estimate and Oncor's preferred routes for the remaining five subsequent projects.

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Bob Shapard

Chairman and CEO

- **Q&A**

Transforming The Business Through Technology

Oncor's CREZ build exceeds 800 line miles and supports delivery of clean wind power to Texas market

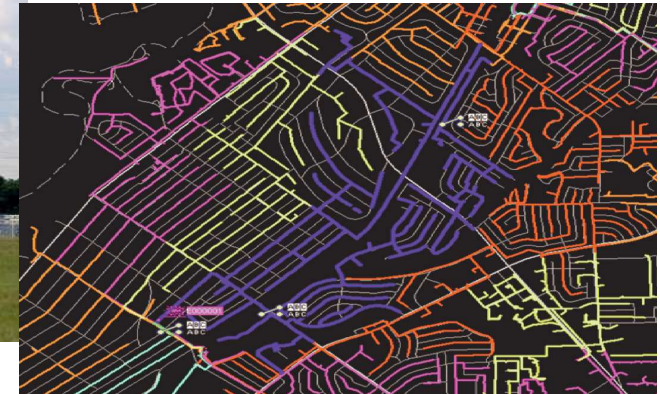


Largest and fastest acting Static Var Compensator in the world



"Self Healing" network restores service without human intervention

SmartGrid Outage Management System



3.2 million smart meters by the end of 2012

Oncor is an industry leader in Smart Grid expansion.

Third Quarter 2010 Operational Highlights

Advanced Metering Initiative

- Began distributing In-Home Monitors to customers
- ~258K meters installed in third quarter and over 1.3M total meters installed through September 2010
- Industry-first, customer-information portal launched Spring 2010
- Full deployment by 2012



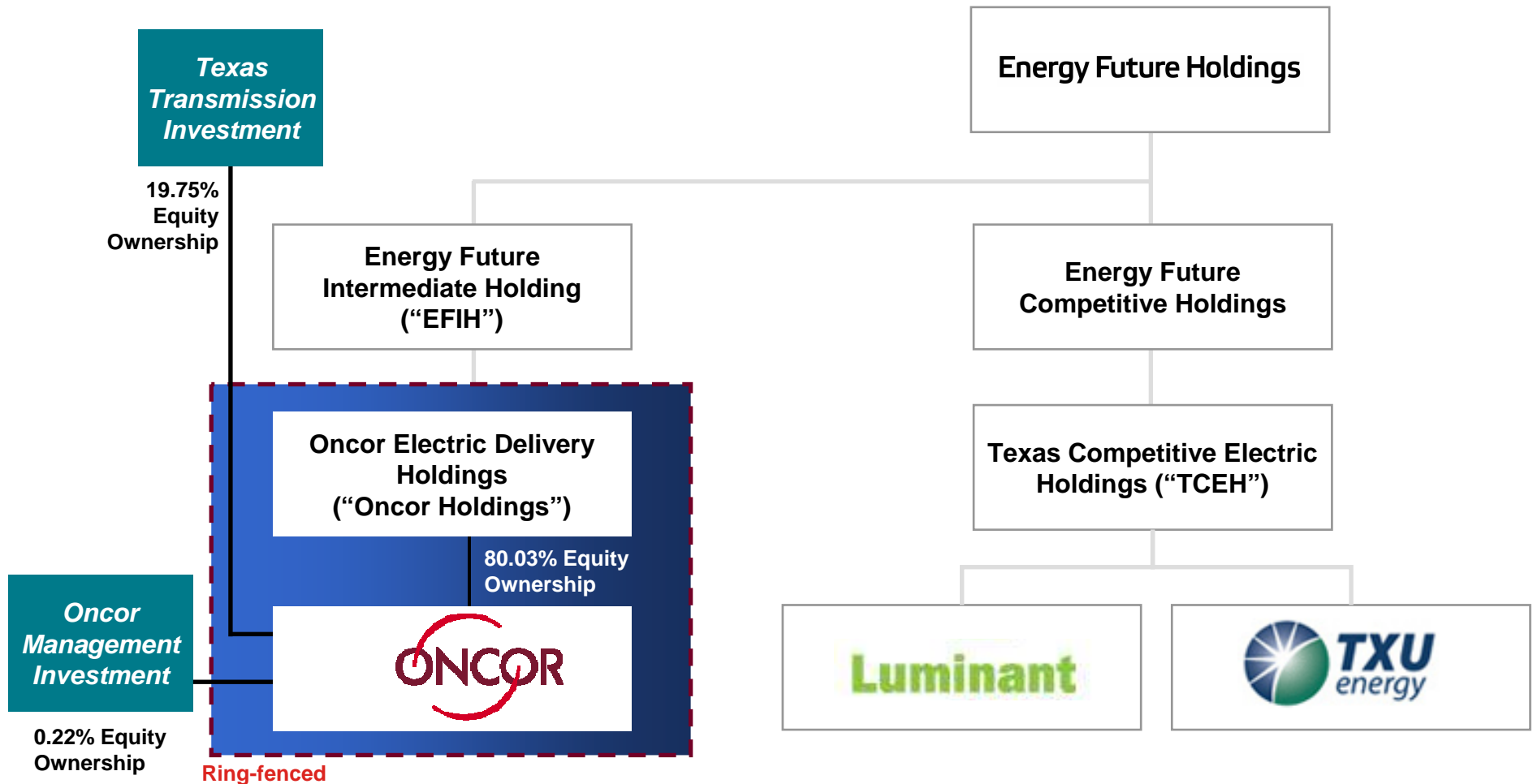
Oncor Electric Delivery

CREZ

- 170 miles built and 13 major projects in service
- All CCNs have been filed with remaining approvals expected by March 2011
- \$256M total spent on CREZ through September 2010, \$142M in 2010
- Financial Commitment confirmed by PUCT allowing Subsequent CREZ project CCNs to proceed

Oncor Ownership Structure

Oncor Holdings and Oncor are ringfenced entities and have no obligation to pay any amounts due on the approximately \$3.5 billion of EFH and EFIH debt that is secured by EFIH's equity in Oncor Holdings.



¹ Outstanding notes that are secured by membership interests in Oncor Holdings owned by EFIH. In the event of a valid Permitted Asset Transfer (disposition of EFIH's equity interests in Oncor Holdings), these notes would become obligations of the third party transferee.

Oncor Electric Delivery

***Appendix -
Regulation G Reconciliations***

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 (including goodwill adjustments) and net income of BondCo
<i>Debt (non-GAAP)</i>	Oncor total debt, less transition bonds of BondCo
<i>Operating Cash Flow (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/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 September 30, 2009 and 2010
\$ millions

	Q3 09	Q3 10
Operating revenues – Oncor	770	831
Less: Operating revenues – BondCo	(44)	(43)
Adjusted operating revenues, excluding BondCo	726	788

Table 2: Oncor Adjusted Net Income Reconciliation
Three Months Ended September 30, 2009 and 2010
\$ millions

	Q3 09	Q3 10
Net income – Oncor	132	149
Less: Net income – BondCo	-	-
Less: Effects of fair value accounting (after tax)	(4)	(3)
Less: Write-off of regulatory assets (after tax)	16	-
Adjusted net income, excluding BondCo	144	146

Table 3: Oncor Operating Cash Flow Reconciliation
Three Months Ended September 30, 2009 and 2010
\$ millions

	Q3 09	Q3 10
Operating cash flow – Oncor	312	368
Less: Operating cash flow – BondCo	(39)	(34)
Operating cash flow, excluding BondCo	273	334

Table 4: Oncor EBITDA Reconciliation
Three Months Ended September 30, 2009 and 2010
\$ millions

	Q3 09	Q3 10
Net income – Oncor	132	149
Plus: Depreciation & amortization – Oncor	147	176
Plus: Provision in lieu of income taxes – Oncor	55	79
Plus: Interest expense – Oncor	85	87
Equals: EBITDA - Oncor, including BondCo	419	491
Less: Net income – BondCo	-	-
Depreciation & amortization – BondCo	(34)	(33)
Provision in lieu of income taxes – BondCo	-	-
Interest expense – BondCo	(10)	(9)
Effects of fair value accounting (pre tax)	(10)	(8)
Write off of regulatory assets (pre tax)	25	-
Regulatory asset amortization	1	11
Adjustment of goodwill liability	-	-
EBITDA, excluding BondCo	391	452

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

	TME 09	TME 10
Net Income – Oncor	(524)	352
Plus: Depreciation & amortization – Oncor	527	659
Plus: Provision in lieu of income taxes – Oncor	182	207
Plus: Interest expense – Oncor	344	347
Equals: EBITDA - Oncor, including BondCo	529	1,565
Less: Net income – BondCo	-	-
Depreciation & amortization – BondCo	(101)	(115)
Provision in lieu of income taxes – BondCo	-	-
Interest expense – BondCo	(43)	(39)
Effects of goodwill valuation	860	-
Effects of fair value accounting (pre tax)	(40)	(35)
Write off of regulatory assets (pre tax)	25	-
Regulatory asset amortization	1	41
Adjustment of goodwill liability	-	(10)
EBITDA, excluding BondCo	1,231	1,407

Table 6: Oncor Total Debt Reconciliation

At September 30, 2009 and 2010

\$ millions

	2009	2010
Short-term debt- Oncor	537	428
Long-term debt due currently – Oncor	106	111
Long-term debt, less due currently – Oncor	5,031	5,395
Total debt - Oncor, including BondCo	5,674	5,934
Less: Short-term debt – BondCo	-	-
Long-term debt due currently – BondCo	(106)	(111)
Long-term debt, less due currently – BondCo	(703)	(591)
Fair value adjustment – BondCo	7	4
Total debt, excluding BondCo	4,872	5,236

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

	TME 09	TME10	Ref	Source
Interest expense and related charges – Oncor	344	347		
Amortization of debt fair value discount – Oncor	(2)	(1)		
Amortization of debt discount – Oncor	(6)	(7)		
AFUDC – Oncor	5	-		
Cash interest expense - Oncor	341	339		
Less: Interest expense – BondCo	(43)	(39)		
Cash interest expense, excluding BondCo	298	300	A	
EBITDA, excluding BondCo	1,231	1,407	B	Table 5
Total debt, excluding BondCo	4,872	5,236	C	Table 6
EBITDA/interest – ratio (B / A)	4.1x	4.7x		
Debt/EBITDA – ratio (C / B)	4.0x	3.7x		