



2008 Fourth Quarter Earnings Call

March 5, 2009

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 Oncor Electric Delivery Company LLC’s filings 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; unanticipated population growth or decline and changes in market demand and demographic patterns; changes in business strategy, development plans or vendor relationships; commercial bank market and capital market conditions; actions by credit rating agencies; unanticipated changes in interest rates or rates of inflation; unanticipated changes in operating expenses, liquidity needs and capital expenditures; changes in technology used by and services offered by Oncor; and significant changes in Oncor’s relationship with its employees. Any forward-looking statement speaks only as of the date on which it is made, and the company 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 either this presentation or the appendix of the version of the slides included on the company’s website at www.oncor.com under the ‘News’ tab in the Investor Information section or filed with the SEC.

Today's Agenda

- **2008 Highlights and 2009 Priorities**

Bob Shapard
Chairman and CEO

- **Financial Overview**

David Davis
Chief Financial Officer

- **Q&A**

Texas is Leading the Nation in Renewable Energy and Smart Grid Technology– and Oncor is leading Texas!

- **Texas is leading the nation in wind generation – more than the next 3 states combined.**
 - **Preparing to deliver up to 18,000 MW of wind.**
- **Leading the nation in Smart Meter deployment.**
 - **Facilitates integration of distributed alternative generation.**
 - **Provides the critical link between renewable power generation and plug-in vehicles.**



2008 Highlights and Significant Events – A Focus On Execution And Accomplishment

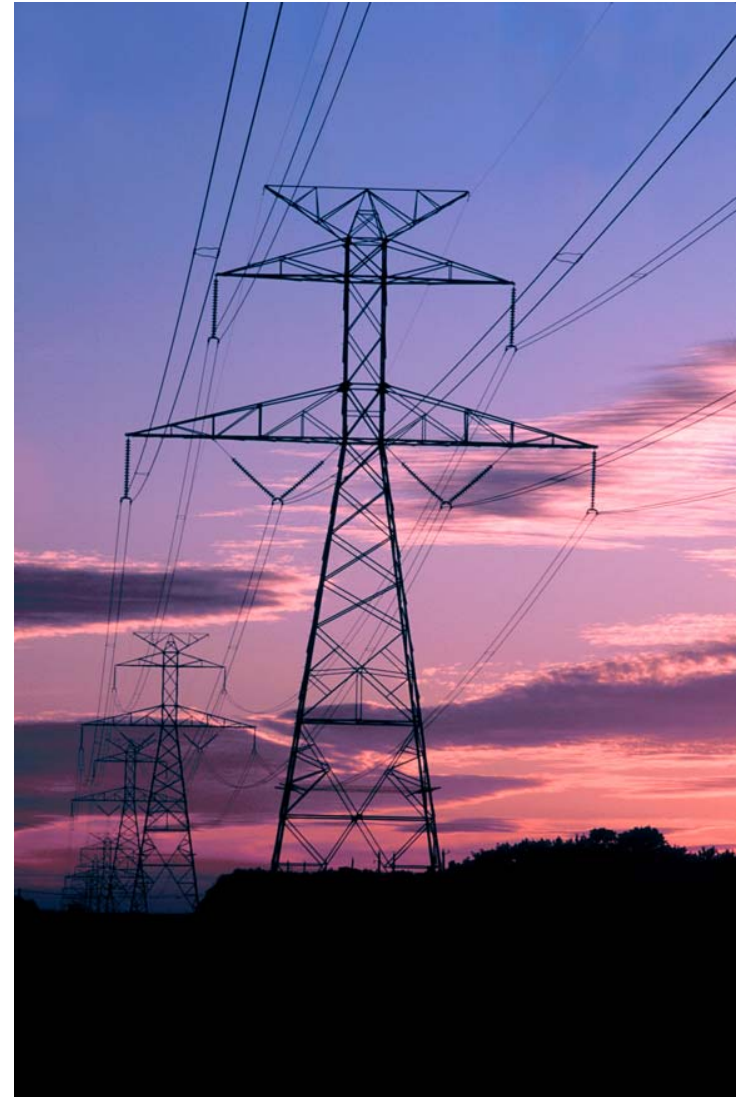
- **First utility in Texas to receive approval under new Advanced Metering rule.**
 - Received strong regulatory support.
 - Deployed over 85K meters to date.
 - Averaging over 10K meters installed each week.
 - Monthly surcharge implemented on January 2009 billing.



2008 Highlights and Significant Events – Competitive Renewable Energy Zones (CREZ)

- In July, the PUCT selected Scenario 2 transmission plan (~18 GW transfer capacity), representing approximately \$5B* in new transmission investment and totaling about 2200 miles of transmission.
- PUCT assigned approximately \$1.3B* to Oncor.
- Approximately \$90M in capex related to CREZ expected in 2009.
- Most capex expected in 2011-2012.

* Based on ERCOT cost estimates

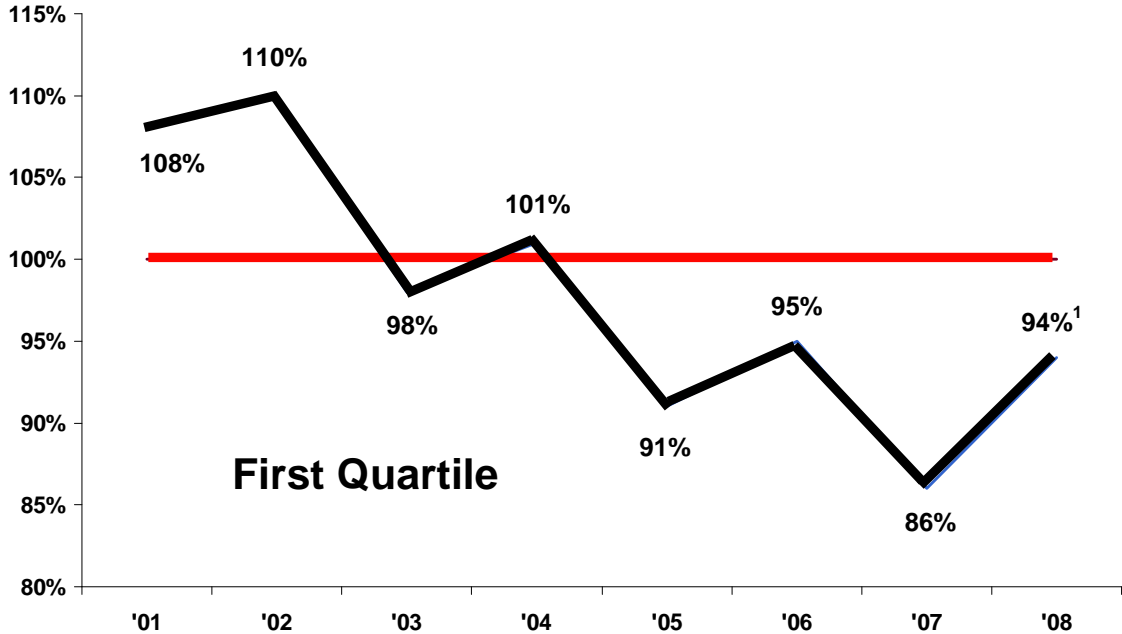


2008 Highlights – Safety and Reliability

- Safety performance was solidly among first quartile industry benchmarks

Oncor’s Reliability Expressed as Percentage of First Quartile Non-Storm SAIDI

'01-'07



- For '08 Reliability performance continued among first quartile performers

¹ 2008 performance compared to latest available industry benchmarks from 2007

2008 Highlights – Financial

- **Focused on ring-fencing and PUCT commitments**
- **Strengthened financial flexibility**
 - **Successful issuance of \$1.5 billion in long-term debt, reducing short-term debt and liquidity risk**
 - **Ratings improvements at Moody's and S&P**
- **20% Equity sale completing ring-fencing initiatives**
- **Rate case filed with PUCT**

Priorities for 2009

- **Continued focus on safety and reliability**
- **Build on 2008 accomplishments**
- **Financial discipline to effectively manage in difficult economic environment**
 - **Appropriate level of capital expenditures**
 - **Emphasis on strong cash flow**
 - **Maintenance of strong credit metrics and balance sheet**
 - **Efficient funding of capital program**
 - **Maintain liquidity**
- **Execution of Oncor CREZ projects**
- **Continuation of AMS deployment, expect ~600K by end of 2009**
- **Satisfactory completion of rate case**

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Chairman and CEO

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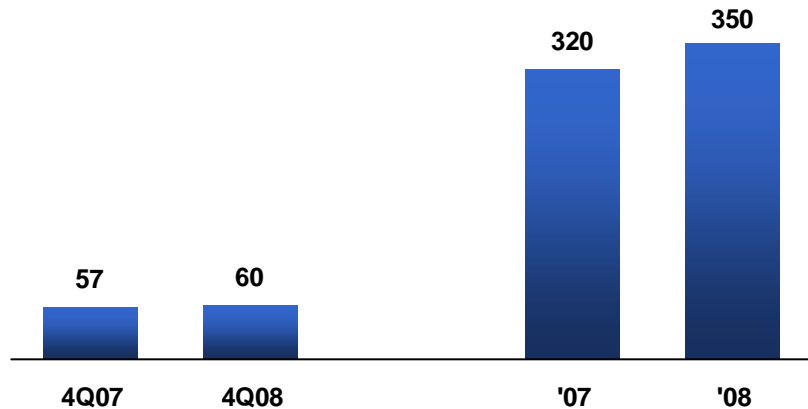
David Davis
Chief Financial Officer

- **Q&A**

Summary of Financial Results¹

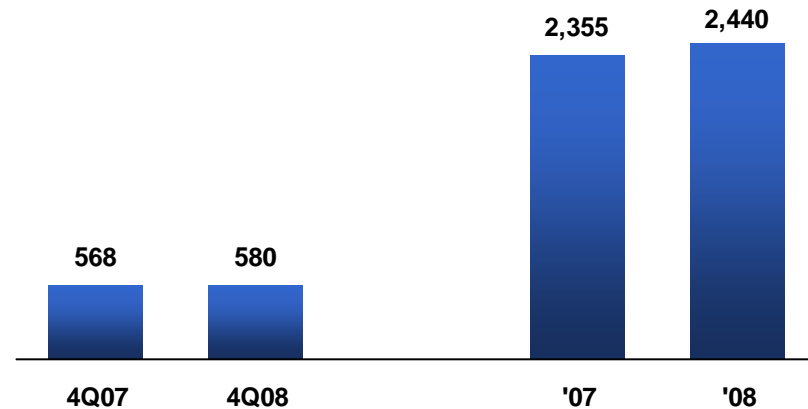
Adjusted Net Income

4Q07 vs. 4Q08 and '07 vs. '08; \$ millions



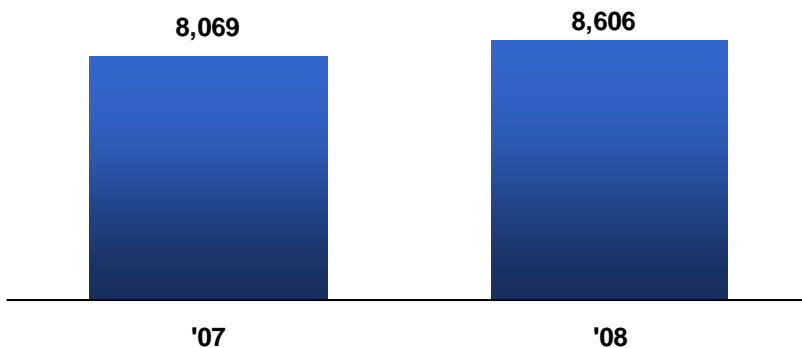
Operating Revenues

4Q07 vs. 4Q08 and '07 vs. '08; \$ millions



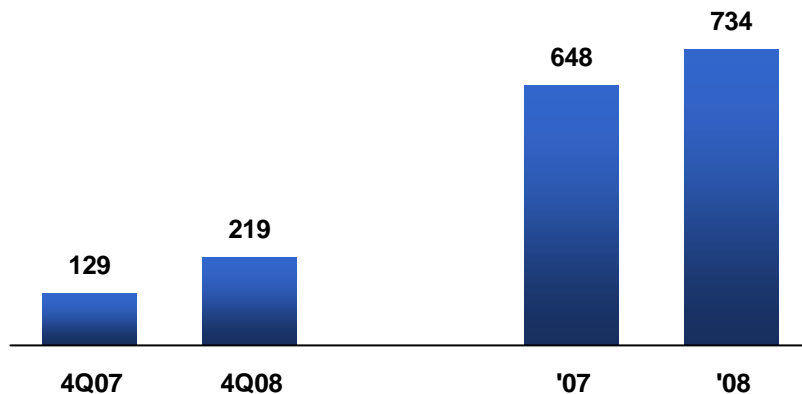
PP&E, net

'07 vs. '08; \$ millions



Operating Cash Flow²

4Q07 vs. 4Q08 and '07 vs. '08; \$ millions

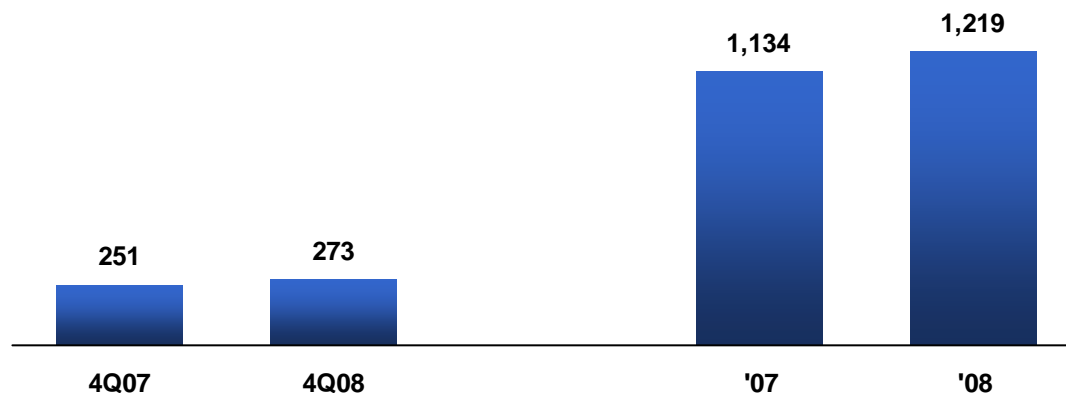


¹ Excludes impacts from transition bond debt and purchase accounting related adjustments associated with the October 2007 merger, including subsequent goodwill impairment. Please see Appendix for GAAP reconciliations.

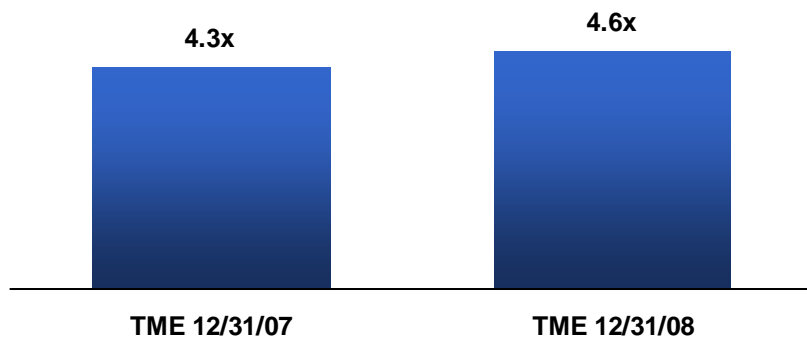
² Cash provided by operating activities.

Credit Metrics Remained Strong

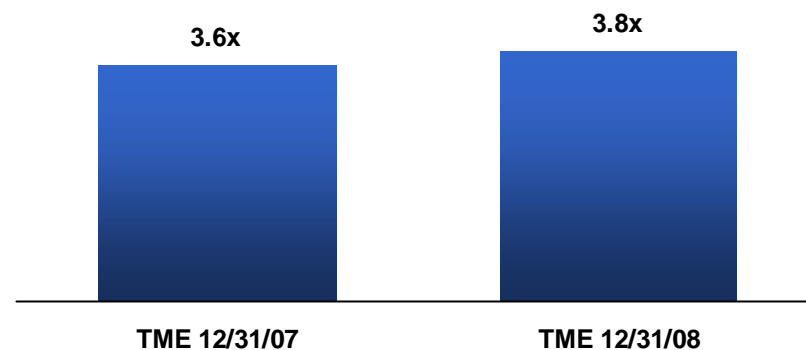
EBITDA 4Q07 vs. 4Q08 and '07 vs. '08; \$ millions



EBITDA/Cash Interest TME 12/31/07 vs. TME 12/31/08; Ratio



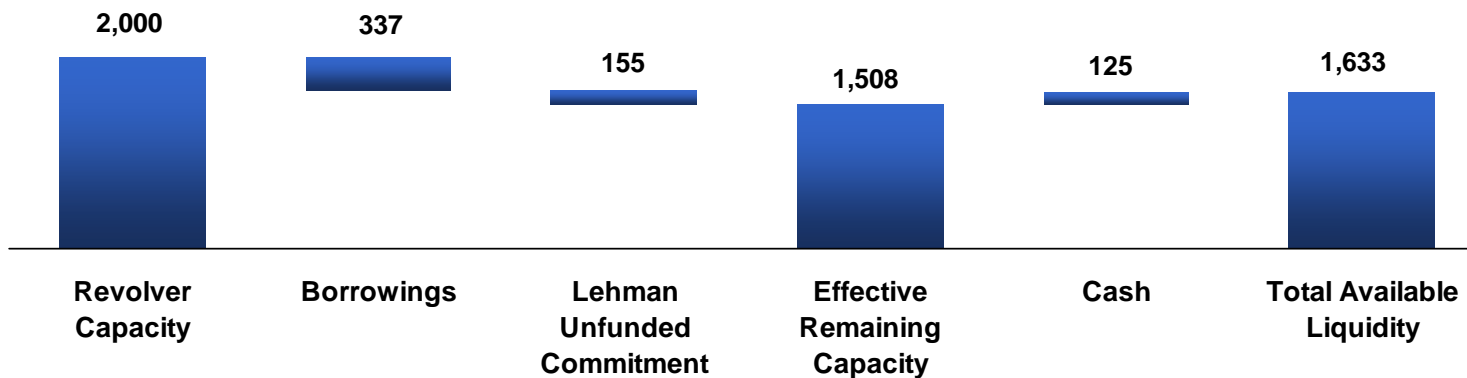
Debt/EBITDA TME 12/31/07 vs. TME 12/31/08; Ratio



Excludes impacts from transition bond debt and purchase accounting related adjustments associated with the October 2007 merger, including subsequent goodwill impairment. Please see Appendix for GAAP reconciliations.

Oncor's Liquidity Position is Strong

\$2.0 billion Secured Revolving Credit Facility Balances at December 31, 2008

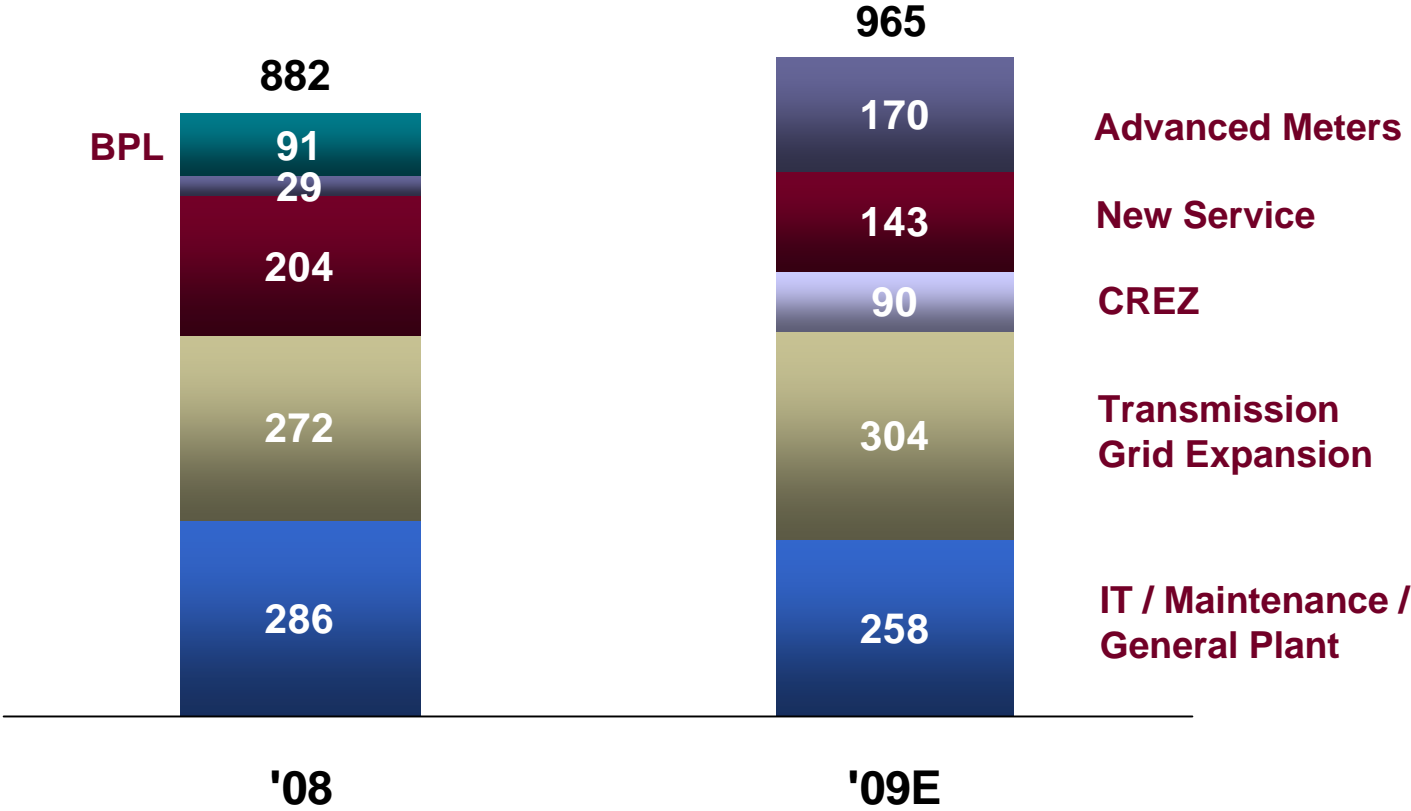


- **Oncor enjoys comfortable financial flexibility.**
 - Issued \$1.5 billion in long-term debt in early September freeing up capacity under the Revolving Credit Facility.
 - \$2 billion Revolving Credit Facility gives Oncor immediate access to cash at favorable interest rates.
 - Historically, steady generation of cash from the business.
 - Diverse lender group committed in Revolving Credit Facility (no lender has no more than 13% of lender commitments, pool of more than 25 banks)
 - Excluding securitization bonds, no long-term debt maturities until 2012 (\$700M) and 2013 (\$650M)
- **Oncor's ring-fencing insulates the Company from EFH credit.**

Disciplined Capital Investment

Actual and Forecasted Capital Expenditures

'08-'09E, \$ millions



***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.
<i>Total Debt (non-GAAP)</i>	Long-term debt (including current portion) plus bank loans, advances from parent and commercial paper, less transition bonds.
<i>EBITDA (non-GAAP)</i>	Income from continuing operations before interest expense and related charges, and 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 and Year Ended December 31, 2007 and 2008

\$ millions

	4Q07	4Q08	07	08
Net Income – Oncor	64	(796)	327	(487)
Less: Net Income – BondCo	(1)	-	(1)	-
Less: Effects of purchase accounting (after-tax)	(6)	856	(6)	837
Oncor Net Income, excluding BondCo	57	60	320	350

Excludes impacts from transition bond debt and purchase accounting related adjustments associated with the October 2007 merger, including subsequent goodwill impairment.

Table 2: Oncor Operating Revenues Reconciliation

Quarter and Year Ended December 31, 2007 and 2008

\$ millions

	4Q07	4Q08	07	08
Operating Revenues – Oncor	600	612	2,500	2,580
Less: Operating Revenues – BondCo	(32)	(32)	(145)	(140)
Oncor Operating Revenues, excluding BondCo	(568)	580	2,355	2,440

Excludes impacts from transition bond debt.

Table 3: Oncor Operating Cash Flow Reconciliation

Quarter and Year Ended December 31, 2007 and 2008

\$ millions

	4Q07	4Q08	07	08
Operating Cash Flow – Oncor	152	238	747	828
Less: Operating Cash Flow – BondCo	(23)	(19)	(99)	(94)
Oncor Operating Cash Flow, excluding BondCo	129	219	648	734

Excludes impacts from transition bond debt.

Table 4: Oncor EBITDA Reconciliation

Quarter and Year Ended December 31, 2007 and 2008

\$ millions

	4Q07	4Q08	07	08
Net Income – Oncor	64	(796)	327	(487)
Plus: Depreciation & Amortization – Oncor	109	123	462	492
Plus: Income Taxes/Provision For – Oncor	44	41	190	221
Plus: Interest Expense – Oncor	79	87	312	316
Equals: EBITDA - Oncor, including BondCo	296	(545)	1,291	542
Less: Net Income – BondCo	(1)	-	(1)	-
Depreciation & Amortization – BondCo	(22)	(20)	(97)	(94)
Income Taxes – BondCo	-	-	-	-
Interest Expense – BondCo	(12)	(12)	(49)	(46)
Effects of purchase accounting	(10)	850	(10)	817
Oncor EBITDA, excluding BondCo	251	273	1,134	1,219

Excludes impacts from transition bond debt and purchase accounting related adjustments associated with the October 2007 merger, including subsequent goodwill impairment.

Table 5: Oncor Total Debt Reconciliation

At December 31, 2007 and 2008

\$ millions

	2007	2008
Short-term debt- Oncor	1,280	337
Long-term debt due currently – Oncor	99	103
Long-term debt, less due currently – Oncor	3,702	5,101
Total debt - Oncor, including BondCo	5,081	5,541
Less: Short-term debt – BondCo	-	-
Long-term debt due currently – BondCo	(99)	(103)
Long-term debt, less due currently – BondCo	(878)	(775)
Purchase accounting adjustment – BondCo	12	9
Oncor Total Debt, excluding BondCo	4,116	4,672

Excludes impacts from transition bond debt and purchase accounting related adjustments associated with the October 2007 merger.

Table 6: Oncor Interest And Debt Coverages
Twelve Months Ended December 31, 2007 and 2008
\$ millions

	07	08	Ref	Source
Interest expense and related charges – Oncor	312	316		
Amortization of debt fair value discount – Oncor	(1)	(3)		
Amortization of debt discount – Oncor	(8)	(5)		
AFUDC – Oncor	8	6		
Cash interest expense - Oncor	311	314		
Less: Interest expense – BondCo	(49)	(46)		
Oncor cash interest expense, excluding BondCo	262	268	A	
Oncor EBITDA, excluding BondCo	1,134	1,219	B	Table 4
Oncor Total Debt, excluding BondCo	4,116	4,672	C	Table 5
EBITDA/Interest – ratio (B / A)	4.3x	4.6x		
Debt/EBITDA – ratio (C / B)	3.6x	3.8x		

Excludes impacts from transition bond debt and purchase accounting related adjustments associated with the October 2007 merger.

Table 7: Oncor 2007 Results Reconciliation

Quarter and Year Ended December 31, 2007

\$ millions

	Predecessor January 1 through October 10	Successor October 11 through December 31	Calendar Year 2007
Operating Revenues	1,967	533	2,500
Net income	263	64	327
Operating Cash Flow	682	65	747

	Predecessor October 1 through October 10	Successor October 11 through December 31	4 th Quarter 2007
Operating Revenues	67	533	600
Net income	0	64	64
Operating Cash Flow	87	65	152