Texas Competitive Electric Holdings Company LLC

Lender Presentation | July 12, 2016

Important Information

This presentation and the oral statements made in connection therewith may contain “forward looking statements” within the meaning of securities laws. Any forward looking statements involve risks, uncertainties and assumptions. Although we believe that the assumptions and analysis underlying these statements are reasonable as of the date hereof, you are cautioned not to place undue reliance on these statements. Forward looking statements include information concerning our liquidity and our possible future results of operations, including descriptions of our business strategies, reserves and cost savings or other benefits we expect to achieve as a result of the proposed transaction. These statements often include words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “target,” “project,” “forecast,” “seek,” “will,” “may,” “should,” “could,” “would,” or similar expressions. These statements are based on certain assumptions that we have made in light of our experience in the industry and our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances as of the date hereof. We assume no obligation to and do not intend to update any forward looking statements included herein. You should understand that these statements are not guarantees of future performance or results. Actual results could differ materially from those described in any forward looking statements contained herein as a result of a variety of factors, including known and unknown risks and uncertainties, many of which are beyond our control.

This presentation has been prepared by the Company and includes market data and other information from sources believed by us to be reliable, including industry publications and surveys. Some data are also based on our good faith estimates, which are derived from our review of internal sources as well as the independent sources described above. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness.

Section 1

Introduction

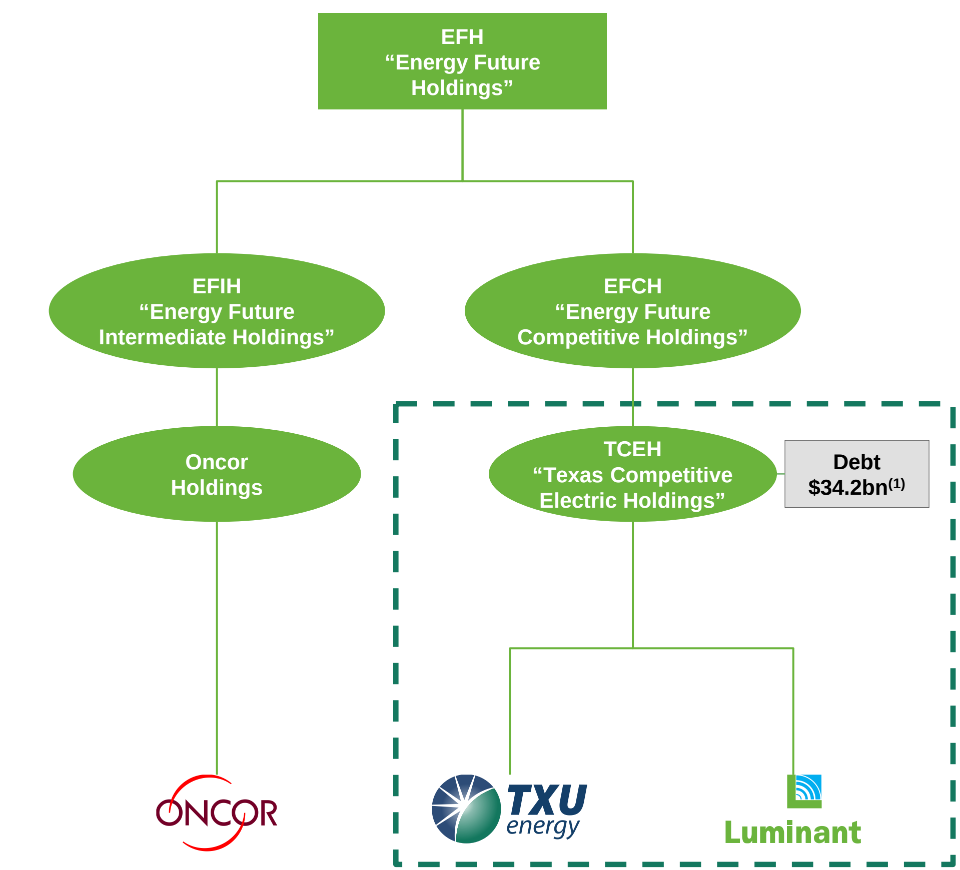
Introduction

- In anticipation of exit from bankruptcy protection, Texas Competitive Electric Holdings Company LLC, ("TCEH", or the "Company") has received court approval to refinance its existing DIP credit facilities via a DIP "Roll-to-Exit" financing (the "Credit Facilities")
  - The new Credit Facilities will initially refinance the Company's existing DIP and then will convert to a permanent exit financing upon the Company's exit from bankruptcy
  - The Company anticipates exiting bankruptcy before the end of 2016 as an independent entity ("Reorganized TCEH")
- At closing of the financing, the new Credit Facilities will consist of the following:
  - $750 million Senior Secured Revolving Credit Facility ("Revolver")
  - $2,850 million Senior Secured Term Loan B Facility ("Term Loan B")
  - $650 million Senior Secured Funded L/C Facility ("Term Loan C")(1)
- TCEH is the largest electric power generator and retail electric provider in Texas, with over 16 GW of generation capacity and over 1.7 million retail customers
- The Company benefits from an integrated retail electricity and generation platform, which creates an attractive and balanced credit profile under various power price environments, highlighted by:
  - A market leading retail business with stable cash flows
  - A large, diversified, and efficient generation fleet that complements the retail business
  - Significant operating and financial benefits of a combined platform, including risk management and collateral efficiencies
- The Company plans to exit bankruptcy with the lowest leverage of any independent power producer ("IPP") at 1.9x gross and 1.5x net leverage, respectively (based on 2016E EBITDA of $1,520 million) and an extremely conservative Loan-to-Value at ~26% (based on expected TEV of ~$11 billion)

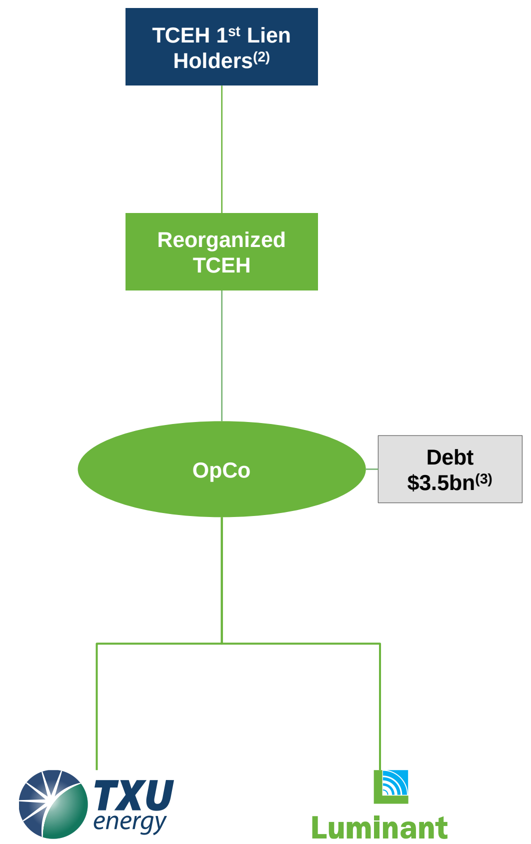
(1) Proceeds at the Funded L/C Facility will be funded into a cash collateral account of the Company to support the issuance of L/Cs.

Reorganized TCEH Simplified Capital Structure

Pre-Emergence



Post-Emergence



- TCEH to be spun off as a standalone entity
- Holders of TCEH 1st Lien claims will receive pro-rata share of Reorganized TCEH common stock

(1) Excludes value of TCEH 1L swap claims. Includes current DIP credit facilities.
(2) Includes Brookfield, Apollo, and Oaktree.
(3) Includes amounts to be issued as a Funded L/C Term Loan ("Term Loan C"). Excludes capital lease obligations and Tex-La notes.

Section 2

Company Overview

Company Overview

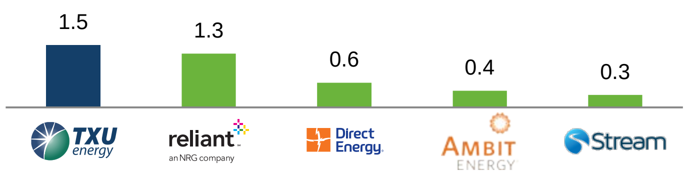
TXU Energy / Luminant

Business

TXU Energy

- Largest ERCOT retail electric provider
  - 1.7 million total customers[(1)]
  - ~88% of meter count and ~53% of load is residential
  - 25% residential market customer share, 17% business[(2)]
  - Delivers leading profitability despite strong competition and pricing pressure

ERCOT Residential Customer Count (millions)[(3)]

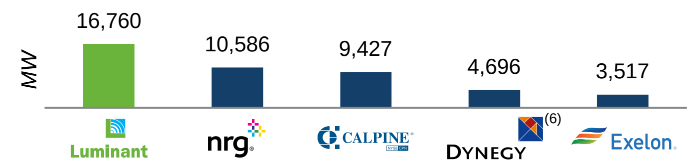


- Preferred brand with broad recognition across ERCOT
  - DFW, Houston, Corpus Christi, parts of South and West TX
- Market-leading sales and marketing, customer service, product development and customer analytics capabilities to acquire, serve and retain the most valuable customers

Luminant

- Largest merchant generation fleet in ERCOT
  - 8,017 MW[(5)] lignite and PRB coal
  - 3,455 MW[(5)] natural gas CTs/STs
  - 2,988 MW[(5)] natural gas CCGTs
  - 2,300 MW[(5)] nuclear

Top Five Competitive Generators in ERCOT[(3)]



- 10.1 billion cubic feet of gas storage under management
  - Primarily to fuel peaking generation fleet
- Commodity hedging and risk management

2015A EBITDA[(4)]

- TXU Energy: $800 million
- Luminant: Approximately $1,050 million[(7)]

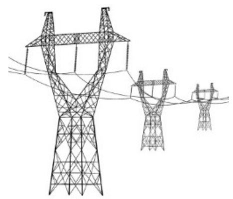
Integrated business model creates incremental value when compared to pure play generators or retailers

(1) EFH 10-K 2015.
(2) TXU Energy market share reflects year end 2015 estimated market share. All other competitor brand market share information based on EIA 2014 data set.
(3) Figures exclude CPS Energy operating in the San Antonio area, which has opted out of the competitive market.
(4) Both TXU Energy and Luminant include Energy Supply Book ("ESB") EBITDA contribution, which gets eliminated at the consolidated TCEH level.
(5) Reflects name plate capacity.
(6) Pro forma for Engie acquisition.
(7) Pro forma for $168 million of EBITDA, per unaudited financials, for Forney and Lamar plants ("La Frontera"), which were acquired in April 2016.

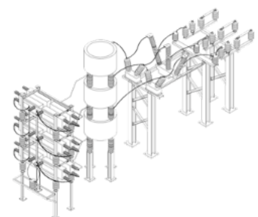
ERCOT Market Overview

Generator	Transmission and Distribution Utility	Retailer
Competitive	Regulated	Competitive

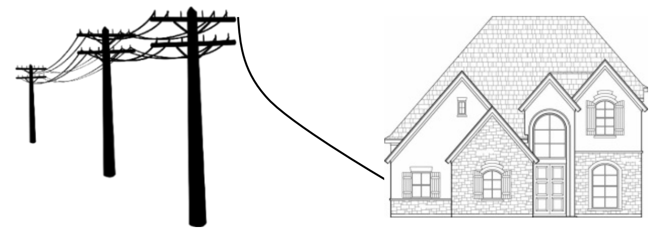
Generating Station



Transmission wires



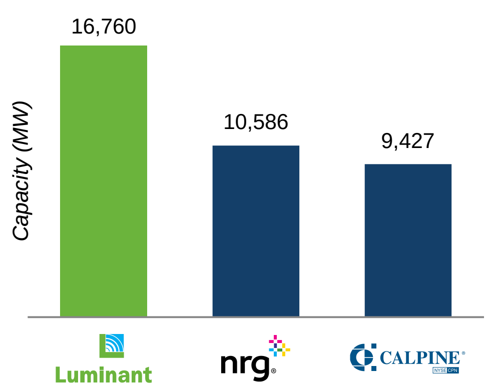
Transmission sub-station



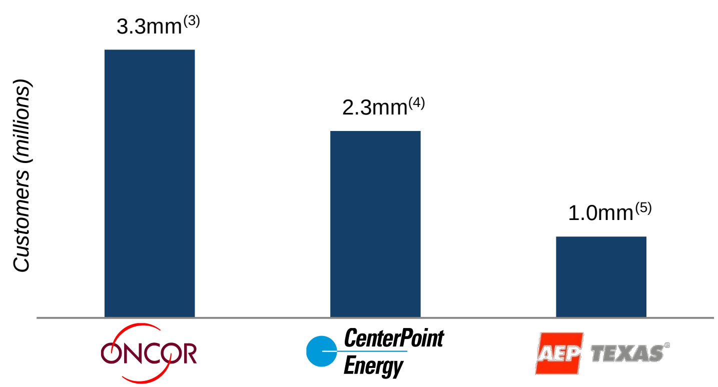
Distribution Wires

Customers

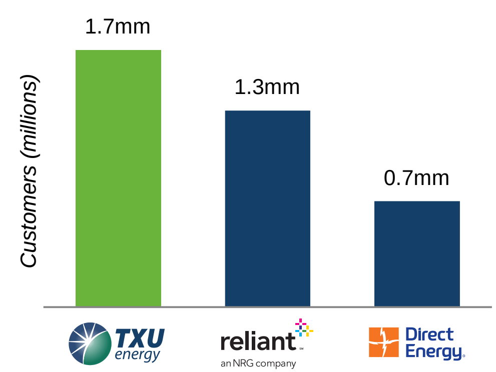
Total Generation in ERCOT (87,400 MW[(1)])



Total Meters (>7 Million[(2)])



Total Competitive Customers (>7 Million[(2)])

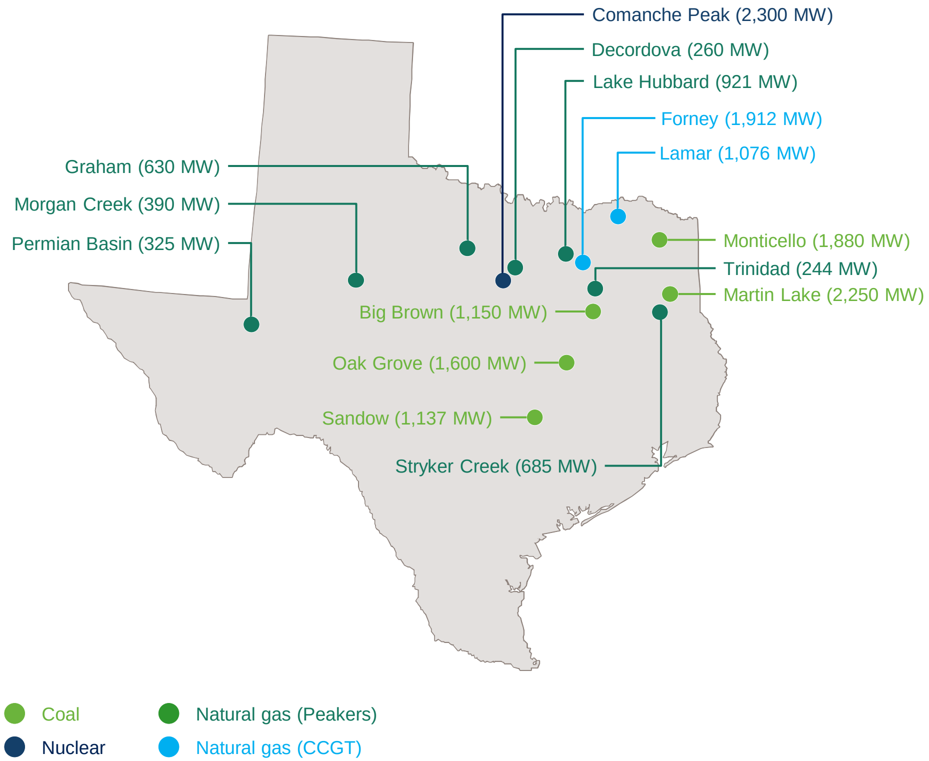


(1) Disclosure Statement, 5/11/2016. Total generation does not reflect all generation sources as calculated by the Public Utility Commission of Texas (PUCT).
(2) Per PUCT Report Cards on Retail Competition and Summary of Market Share Data.
(3) EFH 8-K, 5/11/2016.
(4) CNP Investor Presentation March 2016.
(5) AEP's 2015 10-K, includes Texas Central Company (TCC) and Texas North Company (TNC).

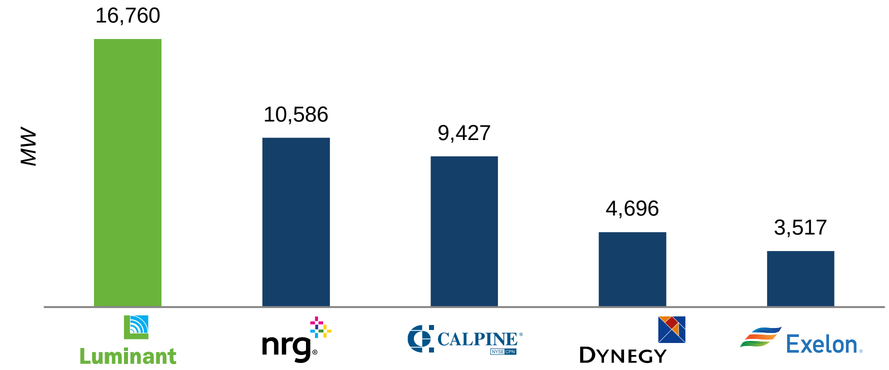
Luminant – Largest Generation Fleet In ERCOT

Diversified Portfolio – Nuclear, Gas and Coal

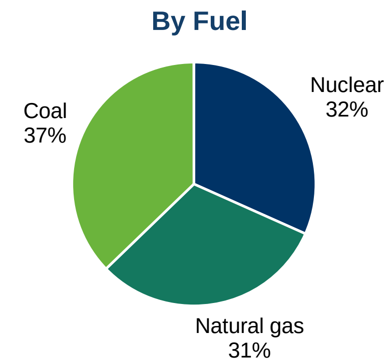
Luminant Geographic Footprint



Top Five Competitive Generators in ERCOT[1]



Diversified cash flow contribution[2]



Scale, fuel diversity, and flexibility across the supply stack

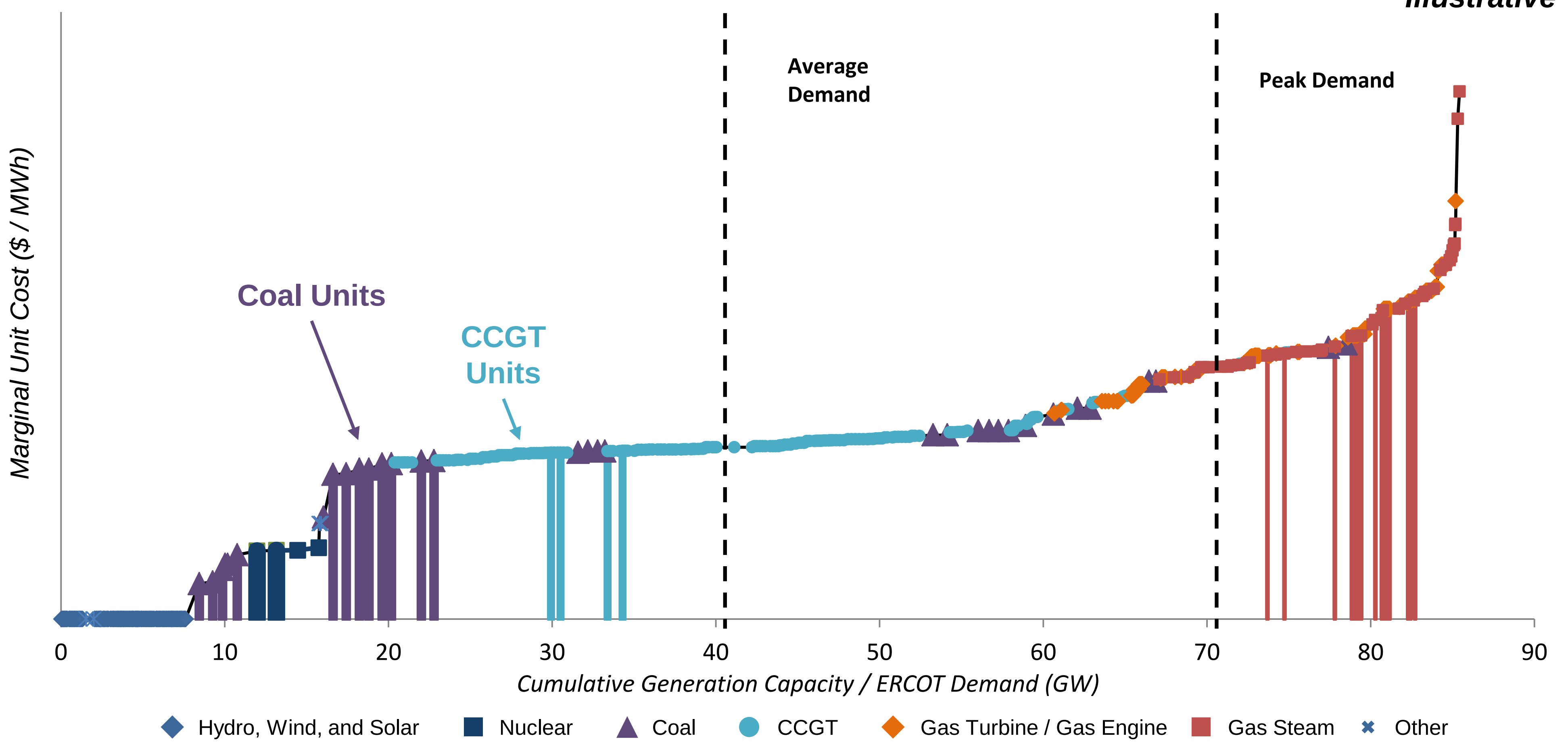
(1) Figures exclude CPS Energy operating in the San Antonio area, which has opted out of the competitive market.
(2) 2017E Luminant EBITDA contribution.

TXU energy Luminant

Large, Diversified, and Efficient Generation Fleet

ERCOT Supply Stack

Illustrative



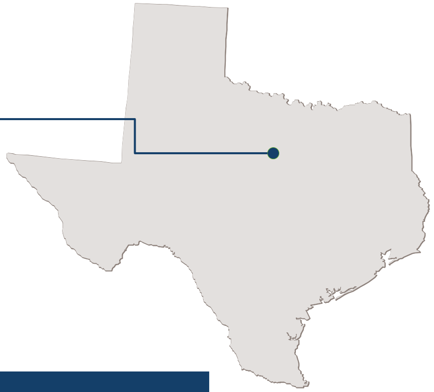
Luminant fleet is well positioned throughout the supply stack with diversified fuel sources

Source: Luminant analysis

Luminant – Low Cost Nuclear

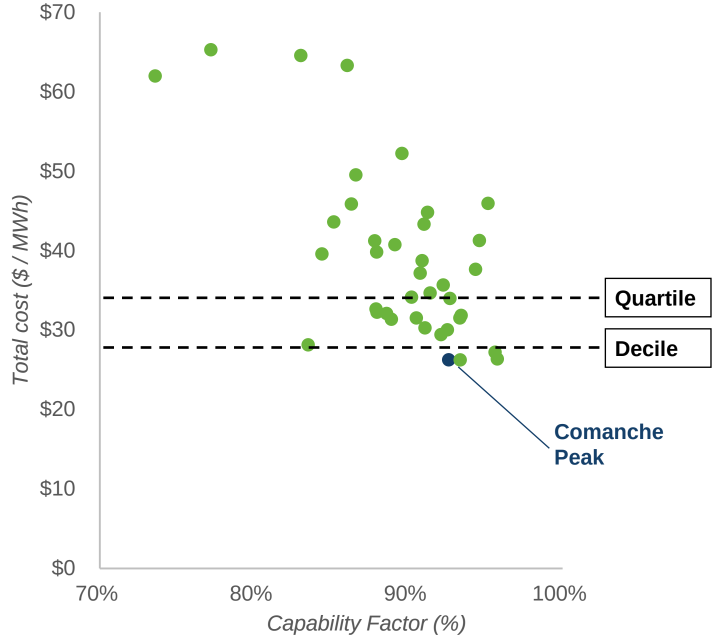
Comanche Peak

Comanche Peak (2,300 MW)



Comanche Peak	
Capacity (MW)	2,300
Capacity Factor – Avg Last 3 Yrs (%)	97.7%
COD	1990 / 1993
Location	Glen Rose, TX

North American Relative Total Cost Comparison for Nuclear Plants(1)



	Comanche Peak	Decile	Quartile	Median
$/MWh	$26	$28	$31	$37

Comanche Peak is one of the lowest cost nuclear plants in the U.S. and the second newest(2) nuclear plant in North America

Note: ERCOT refers to Electric Reliability Council of Texas
(1) Benchmarking peer set defined as 18 month fuel cycle U.S. nuclear plants. Data per EUCG May 2016 release for Cost and Capability Factors.
(2) Comanche Peak and Seabrook both went into operation the same month of 1990 with Watts Bar being the only plant that has gone into operation since then as per SNL.
Source: Company Filings, EUCG

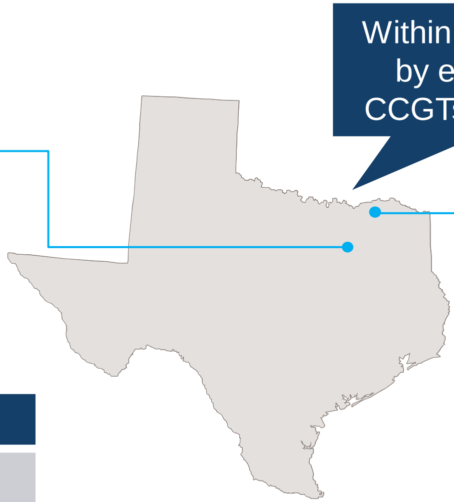
TXU energy Luminant

Luminant – Highly Efficient CCGTs

Forney and Lamar

Forney (1,912 MW)

Lamar (1,076 MW)



Forney	
Capacity (MW)	1,912
Capacity Factor – Avg Last 3 Yrs (%)	54.3%
COD	2003
Heat rate (Btu / kWh)(2)	6,884
Location	Forney, TX
Technology	Combined Cycle

Lamar	
Capacity (MW)	1,076
Capacity Factor – Avg Last 3 Yrs (%)	60.3%
COD	2000
Heat rate (Btu / kWh)(2)	6,865
Location	Paris, TX
Technology	Combined Cycle

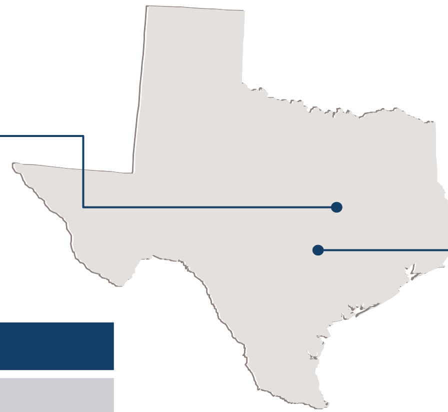
Two of the most efficient and flexible CCGTs in ERCOT

Note: CCGT refers to Combined Cycle Gas Turbine plant
(1) Based on 2015 heat rates, data as per SNL.
(2) Reflect Spring / Fall combined-cycle heat rates, excluding duct burners.
Source: Company Management, Company Filings

Luminant – Two of The Newest Coal Plants in ERCOT

Oak Grove and Sandow Unit 5

Oak Grove (1,600 MW)



Sandow Unit 5 (580 MW)

Oak Grove	
Capacity (MW)	1,600
Capacity Factor – Avg Last 3 Yrs (%)	87.3%
COD	2010 / 2011
Heat rate (Btu / kWh)	10,843
Location	Franklin, TX
Technology	Steam turbine
Fuel source	Luminant mine-mouth Lignite
Env. profile[2]	FGD, ACI, SCR, Baghouse

Sandow Unit 5 [1]	
Capacity (MW)	580
Capacity Factor – Avg Last 3 Yrs (%)	79.6%
COD	2010
Heat rate (Btu / kWh)	10,221
Location	Rockdale, TX
Technology	Steam turbine
Fuel source	Luminant mine-mouth Lignite
Env. profile[2]	FGD, ACI, SNCR, Baghouse

Two of the newest coal plants in ERCOT[3], well positioned for environmental compliance

(1) In addition to Sandow Unit 5, Sandow Unit 4 (557 MW) is also located at this plant.
(2) Flue Gas Desulfurization (“FGD”), Activated Carbon Injection (“ACI”), Selective Catalytic Reduction for NOx (“SCR”), Selective Non-Catalytic Reduction for NOx (“SNCR”), and fabric filter systems (“Baghouse”).
(3) Data per SNL. With the exception of Sandy Creek (COD 2013).

Source: Company Filings

Luminant – Seasonally Flexible Capacity

Remaining Fleet Optimized to Provide Seasonal Coverage

	Facility	Capacity (MW)	Capacity Factor(1)	COD	Fuel	Technology
Seasonal Dispatch	Big Brown	1,150	77%	1971 / 1972	Coal	ST
	Martin Lake	2,250	66%	1977 / 1978 / 1979	Coal	ST
	Monticello	1,880	39%	1974 / 1975 / 1978	Coal	ST
Total Seasonal Dispatch		5,280				
Simple Cycle and Peakers	Decordova	260	NA	1990	Gas	CT
	Graham	630	NA	1960 / 1969	Gas	ST
	Lake Hubbard	921	NA	1970 / 1973	Gas	ST
	Morgan Creek	390	NA	1988	Gas	CT
	Permian Basin	325	NA	1988 / 1990	Gas	CT
	Stryker Creek	685	NA	1958 / 1965	Gas	ST
	Trinidad	244	NA	1965	Gas	ST
Total Gas Plants		3,455				

These coal units capture attractive seasonal economics and the peakers are highly strategic assets that are an integral part of the fleet

(1) 2013 – 2015 average capacity factor per Company Management.

TXU energy Luminant

Overview of Retail

Attractive ERCOT Retail Market

- Represents ~31% of competitively served US retail load
- Consumption per residential customer ~30% higher than US average
- Fully de-regulated market – no regulated default rate
- 50+ Retail Electric Providers (REPs)
- Full ownership of customer relationship – billing and service[1]
- Anticipated consumption demand growth of ~1-2% annually, driven by US-leading population growth

Economics of the Retail Business

- Retail businesses engage customer directly (willing buyer / willing seller)
- Realized margins determined by:
  - Customer type – residential / small business / C&I
  - Contract term lengths and wholesale rate
  - Commodity management strategy
- Customer contracts can be fixed term or month-to-month
  - Fixed-term contracts provide predictable, stable earnings
  - Month-to-month contracts provide flexibility to align with power markets

Key REP Performance Drivers	TXU energy
Customer Service, Focus, and Experience	☑ Incumbent in North Texas since 1882 ☑ Best PUC Complaints Scorecard ranking among large retailers ☑ Over 90% First Call Resolution in 2015
Commodity Management Expertise	☑ Integration with Luminant - largest generator in ERCOT
Brand Strength and Market Positioning	☑ BAV Consulting ranked the TXU Energy brand as strongest in market ☑ First to market with innovations leveraging the smart grid including Free Nights plan and the TXU Energy mobile app
Scalable Back-Office Systems and Competitive Culture	☑ Supports millions of residential customer transactions annually ☑ Market-leader in cost structure efficiency relative to peers ☑ #7 in 2015 Dallas Morning News "Great Places to Work" Report

(1) Excludes outages handled by transmission and distribution utilities.

TXU Energy – Leading Retail Platform

Unique Position as the Top Retailer in Texas

Unmatched Brand and Capabilities

- ✓ Multi-channel marketing and sales strategy focused on balancing margin and customer counts
- ✓ Despite intense competition, customer attrition rate has declined to below 1% in 2015
- ✓ Market leading brand[1] supporting highest retained residential customers in incumbent territory / core market
- ✓ Innovative products that drive customer value[2]
- ✓ Value proposition through straightforward terms of service, total satisfaction guarantee and reliable, accurate bills, outstanding customer experience and ease of doing business
- ✓ Data driven approach to marketing, service, life-cycle management, and energy supply

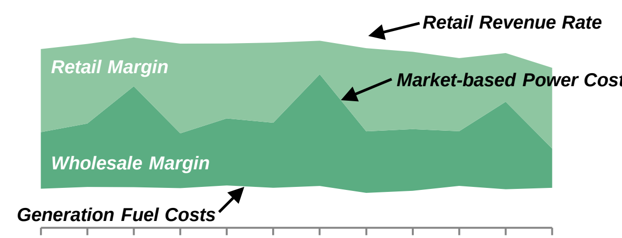
Complementary Generation

- ✓ Luminant's generation fleet largely present in the North Texas Region
- ✓ Non-integrated businesses can be exposed to power price volatility and incremental collateral costs

Stable Cash Flows

- ✓ TXU Energy provides stability in varying power price environments
- ✓ Historically stable cash flows

Integrated Retail / Wholesale Model[3] (Illustrative)



Advantages of Integrated Model

- ✓ Stable enterprise earnings
- ✓ Impact of market power price volatility minimized due to counter-cyclical nature of retail and wholesale businesses
- ✓ Credit / collateral efficient

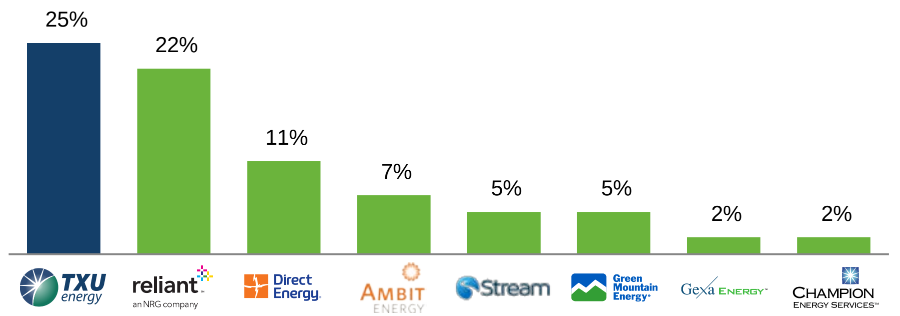
TXU Energy is the #1 retail electricity company in Texas with 25% residential market share and 1.7 million retail customers

(1) 2015 BAV Consulting Study.
(2) Includes Free Nights, Cash Back Rewards, and Solar Club
(3) Company analysis. Time period is reflective of 2013 – 2015.

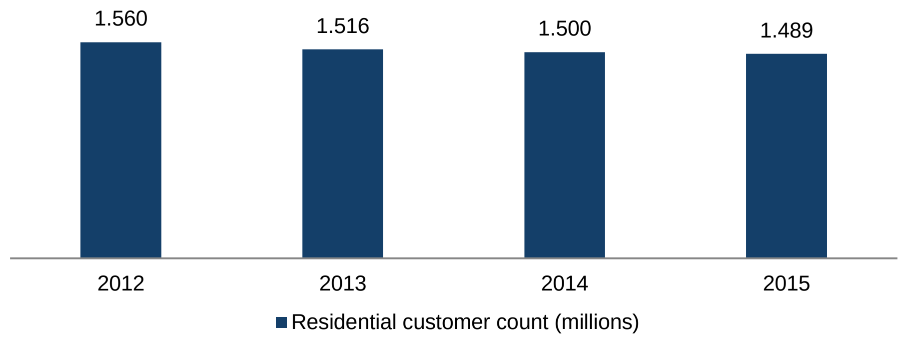
TXU energy Luminant

TXU Energy – Largest Retail Electric Provider In ERCOT

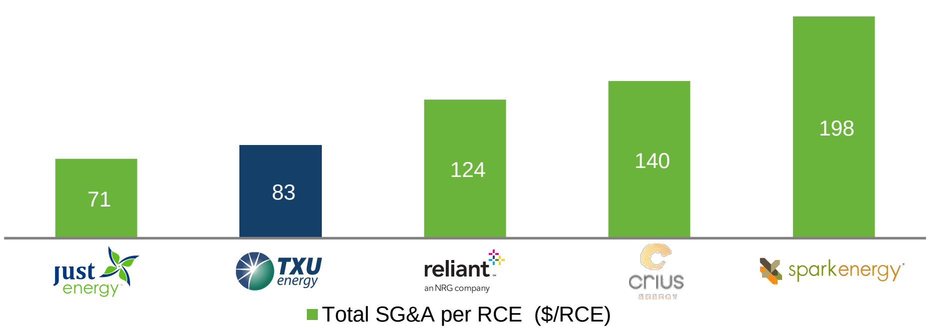
Largest Residential Market Share in ERCOT[1] …



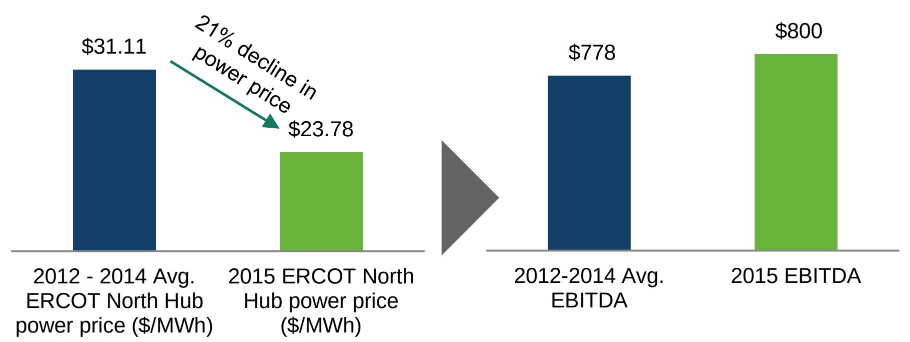
… With Stable Customer Base[2]…



… And Strong Cost Management[3]…



… Leads to Resilient Retail EBITDA Across Power Price Cycles[4]



Large scale, strong brand, and excellent operational history has led to steady retail performance

(1) TXU Energy market share reflects year end 2015 estimated market share. All other competitor brand market share information based on EIA 2014 data set.
(2) Includes 4Change Energy customers.
(3) "RCE" defined as Residential Customer Equivalent.
(4) ATC power prices per Intercontinental Exchange.
Source: Company Management, Company Filings

Section 3

Key Credit Highlights

Key Credit Highlights

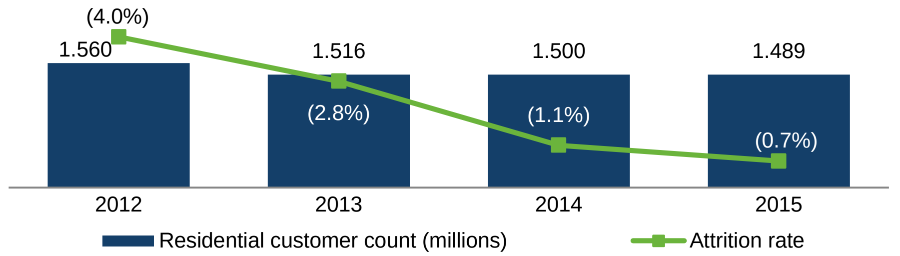
Repositioned TCEH will be refinanced at or near the bottom of the commodity cycle with conservative leverage levels and impressive free cash flow generation

1 Leading Retail Platform	TXU Energy is the largest retail electric provider in Texas with 1.7 million total customers and a 25% share of the residential market – Defensible market share – Stable, dependable cash flows – Market leader in cost efficiency
2 Large, Diversified, and Efficient Generation Fleet	Luminant has the largest generation fleet in Texas, diversified by fuel and technology, providing it with optimal dispatch opportunity along the entire supply stack – Nuclear – Coal – Gas
3 Proven Integrated Business Model	Integrated business model creates incremental value when compared to pure play generators or retailers – Cash flow stability through pairing of retail and generation businesses – Credit efficiencies
4 Conservative Capital Structure and Strong Cash Flows	Superior leverage and free cash flow generation metrics provide TCEH with ample liquidity and flexibility, especially when compared to its peer group
5 Right Sized Cost Structure and Improved Operations	TCEH continues to right size operations, reduce SG&A, and improve fuel diversity of generation fleet – 35% reduction in SG&A (2009A – 2017E) and 49% reduction in capital expenditures (2013A – 2017E)

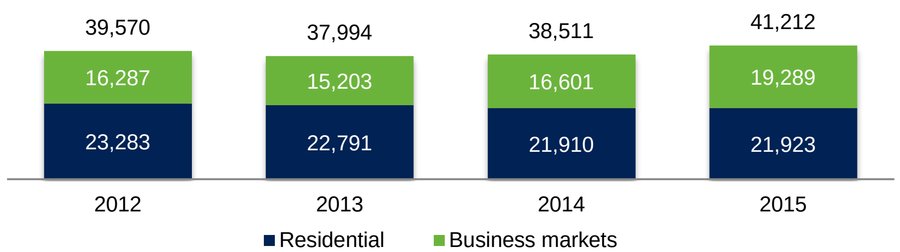
1 Leading Retail Platform

Stable Retail Customer Count and EBITDA production

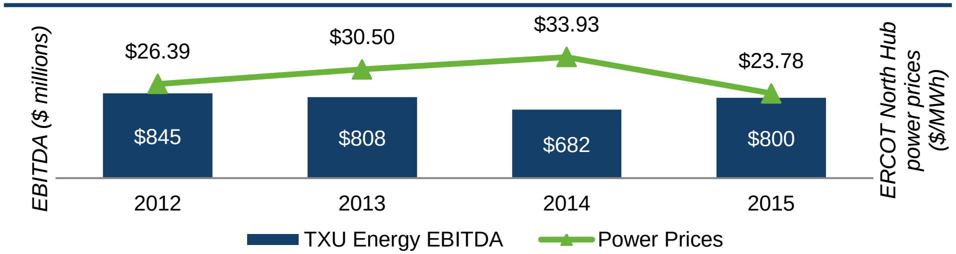
Maintaining Market Share …



… While Growing Sales Volumes (GWh)(1)…



… Leading To Stable Performance Across Power Price Cycles(2)

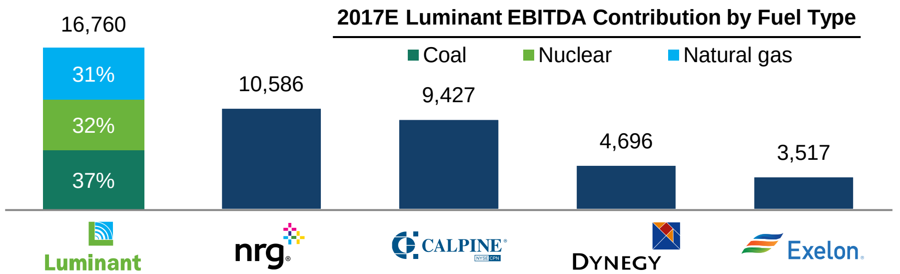


(1) Includes 4CE customer counts of ~36K and 2015 load of ~0.5 TWh.
(2) ERCOT North Hub ATC power prices per Intercontinental Exchange. 2014 power price excludes six extreme weather days in Q1 2014. Including extreme weather days, the annual power price was $36.44 / MWh.

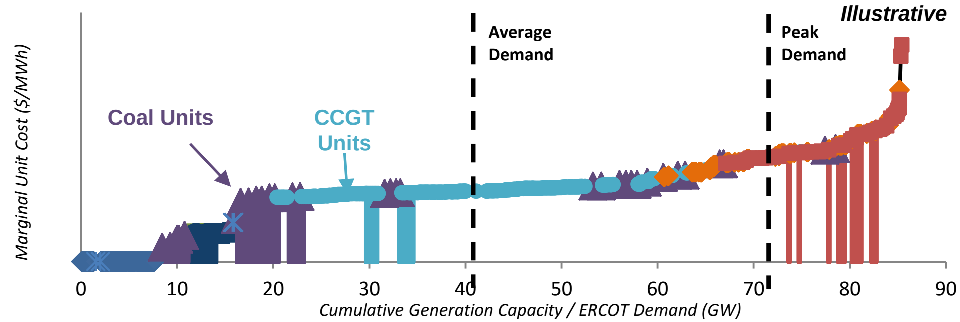
Source: Company Management, Company Filings

❷ Large, Diversified, and Efficient Generation Fleet

Luminant is the largest generator in Texas …

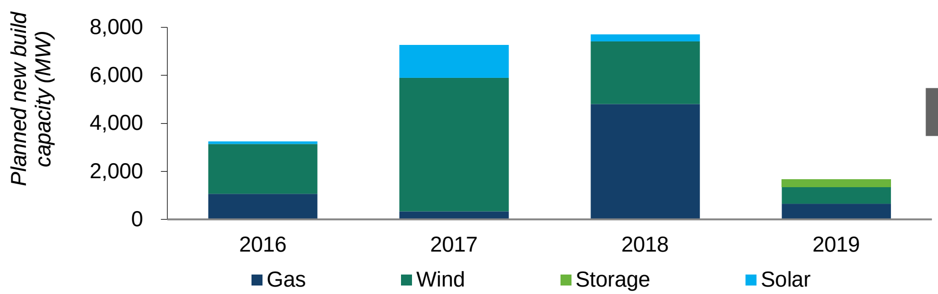


… with a well positioned fleet throughout the supply stack



Poised to Benefit From Power Price Recovery

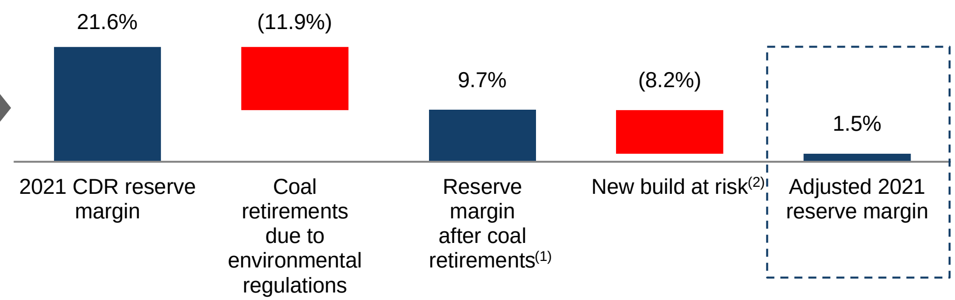
ERCOT planned new generation per CDR report …



Note: 2016 planned generation per ERCOT December 2015 CDR report. New wind generation is shown at 100% capacity and is not adjusted for the 12% and 56% reserve margin adjustment applied to non-coastal and costal wind, respectively.

Source: ERCOT May 2016 CDR report, ERCOT December 2015 CDR report

…does not consider current capacity or new builds at risk potentially resulting in 2021 reserve margin significantly below CDR projections



Note: Adjusted reserve margin subtract at risk MWs from CDR report load.

Source: ERCOT May 2016 CDR report, SNL, Wall St. research

Luminant fleet is well positioned for lower than projected reserve margins due to coal retirements and uncertainty around new builds

(1) Represents ~8.6GW (over 10% of ERCOT capacity); per SNL and Wall Street research.
(2) Assumes 5.9 GW of new build capacity at risk due to need to raise capital. New builds at risk include Texas Clean (240 MW), La Paloma, (730 MW), FGE (1,494 MW), Pondera King (900 MW), Indeck Wharton (654 MW), and Pinecrest Energy (785 MW) and other wind (1,116 MW) per market participant's presentations, Wall St. research, and SNL.

3 Proven Integrated Business Model

Integrated and Complementary Business Leads to Value Creation …

Wholesale / Generation

- Largest generator of ERCOT electricity
- Qualified Scheduling Entity balancing total TCEH load
- Participates in ERCOT congestion auctions
- Manages TCEH renewable energy credits
- Buys and sells third party power as needed

- Proven integrated risk management of generation and retail positions
- Counteracts weather and economic swing
- Manages congestion costs
- Executes bilateral procurement transactions
- Buys renewable energy credits
- Procures ancillary services requirements
- Efficient cost structure

Retail / Customers

- ERCOT's largest REP
- Offers full suite of traditional and innovative products and services
- Load is 100% supplied by Luminant Energy
- Diverse customer load profiles including residential, small business and large industrial customers
- Efficient cost structure

Advantages of the Integrated Business Model

- ✓ Higher margins compared to generators with no retail due to integrated business model(1)
- ✓ Excess generation volumes can be utilized to cover full requirements of retail contracts
  - Avoids negative impacts of Polar Vortex or 2011 ERCOT summer
- ✓ Retail competition declines as volatility challenges risk management capabilities of non-integrated competitors
- ✓ Provide counter balance for wholesale power and stabilizes cash flows
- ✓ Avoids ISO collateral requirements
- ✓ Avoids "bid-ask" cost of transacting on exchanges

Integration of retail and generation derisks combined business and increases cash flow stability

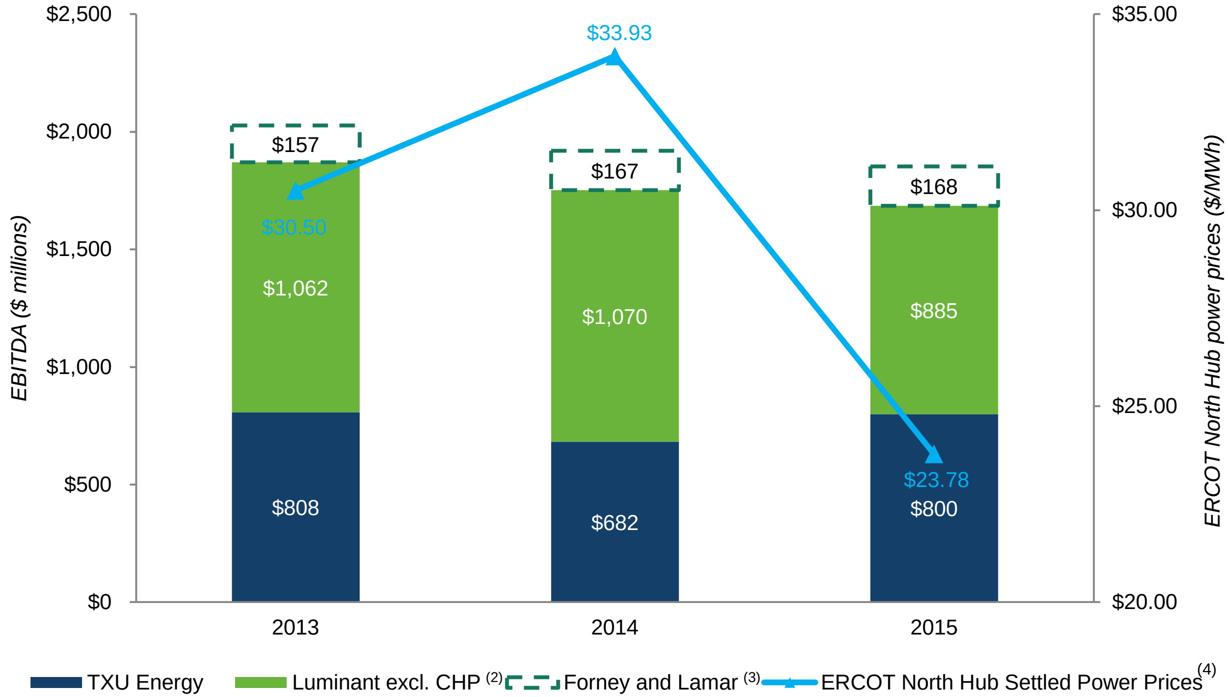
(1) Defined as 2015A EBITDA / 2015A TWh.

3 Proven Integrated Business Model

… And Produces Diversified, Balanced EBITDA Contribution

Increasing power prices benefit generation while declining power prices benefit retail

Luminant EBITDA did not realize full benefit from increasing power prices in 2014 due to Comanche Peak's scheduled refueling outage[1]



- ✓ Proven integrated retail and generation business model enables TCEH to generate significant EBITDA in a variety of power price environments
- ✓ Significant synergies between businesses
- ✓ Complementary generation and retail resulting in balance sheet efficiencies and reduced supply risks / collateral needs for TXU Energy as a result of Luminant's long generation position

The complementary relationship between TXU Energy and Luminant has been proven to consistently produce significant EBITDA

Note: Both TXU Energy and Luminant include Energy Supply Book EBITDA contribution, which gets eliminated at the consolidated TCEH level.
(1) Outage was extended by one month for repairs.
(2) Corporate Hedge Program ("CHP") was the Company's long-term natural gas hedge program from 2007 – 2014.
(3) Forney and Lamar EBITDA per unaudited financials and includes hedges.
(4) 2014 power price excludes six extreme weather days in Q1 2014. Including extreme weather days, the annual power price was $36.44 / MWh.
Source: Company Management

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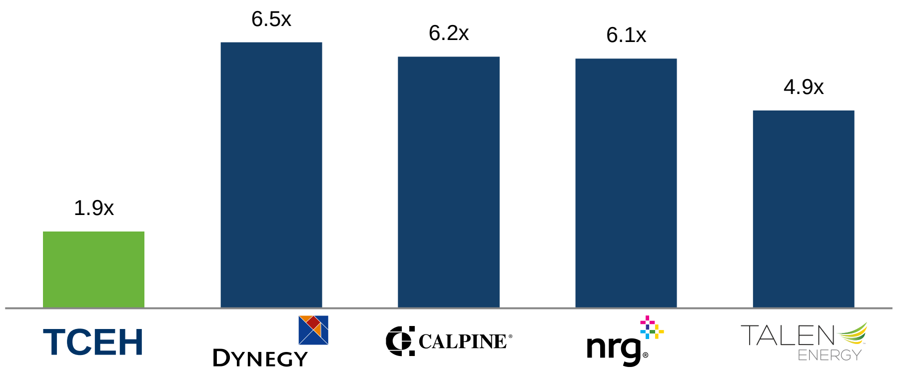
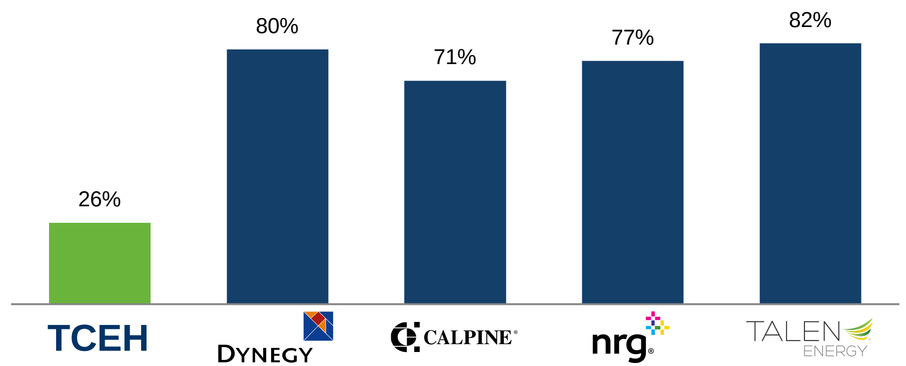
4 Conservative Capital Structure and Strong Cash Flows

Conservatively Financed Capital Structure …

Total Debt / 2016E EBITDA(1)

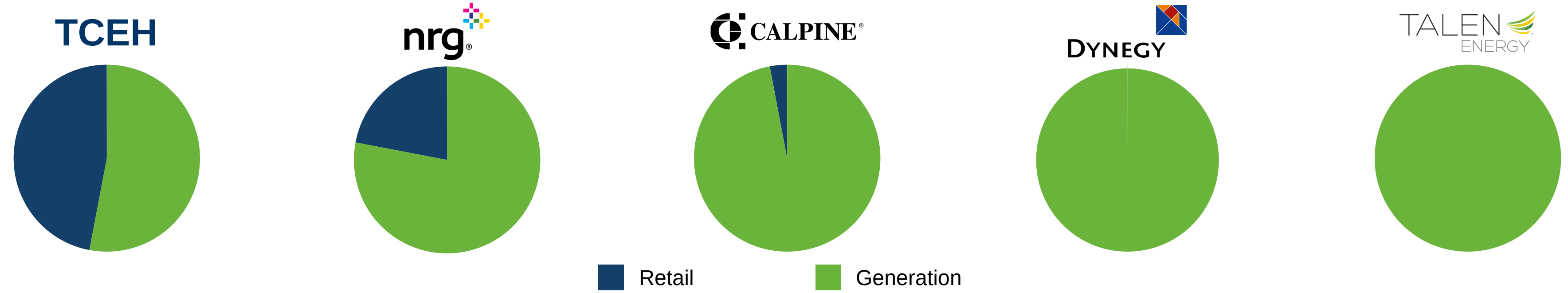


Total Debt / TEV(2)



… Supported by Balanced Business Model …

Retail vs. Generation – Contribution to 2015 EBITDA



TCEH contemplated capital structure is right sized for current market conditions, and by far the most conservative among unregulated power companies

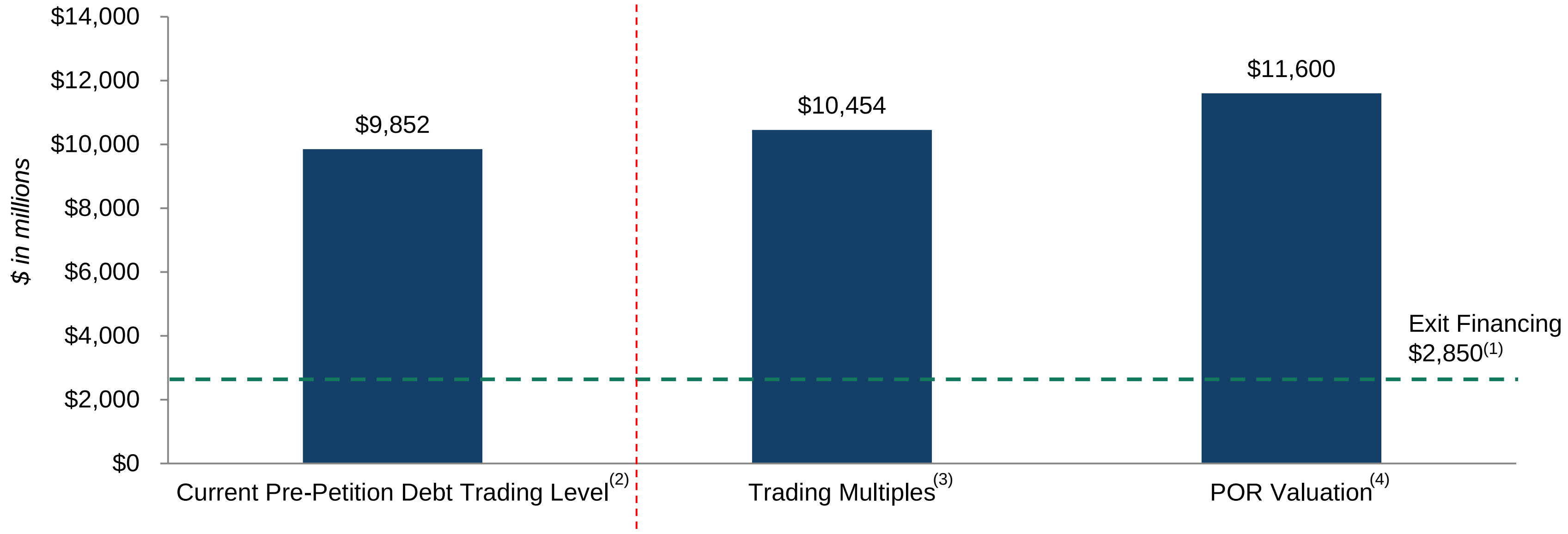
(1) 2016E EBITDA includes La Frontera EBITDA from April 2016 – December 2016

(2) Assumes TCEH TEV of $11,103 million; calculated as Equity of $8,227 million plus TCEH debt of $2,876 million. Equity of $8,227 million calculated as mid point of Evercore valuation of $11,600 million per Disclosure Statement Exhibit G less net debt of $2,321 million less present value of Tax Receivable Agreement of $1,052 million.

Source: Company Management, Company Filings

4 Conservative Capital Structure and Strong Cash Flows

… And Best In Class Collateral Coverage



Midpoint	$9,852	$10,454	$11,600
Loan-to-Value	28.9%	27.3%	24.6%
Collateral Coverage	3.5x	3.7x	4.1x

Significant collateral coverage with an average LTV of ~27%

(1) Excludes $650 million Funded L/C Term Loan (“Term Loan C”).
(2) Trading levels as of 7/10/2016. Assumes cash at exit of $555 million per Sources and Uses.
(3) 2017E EBITDA of $1,315 million; 2017E multiple range of 7.1x – 8.8x, based on trading levels of Calpine, Dynegy, and NRG.
(4) Reorganized TCEH TEV, as per valuation analysis by Evercore, sourced from 5/11/2016 Plan Of Reorganization; Exhibit G. Evercore’s valuation analysis for Reorganized TCEH includes a discounted cash flow analysis and peer group company analysis.

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5 Right Sized Cost Structure and Improved Operations

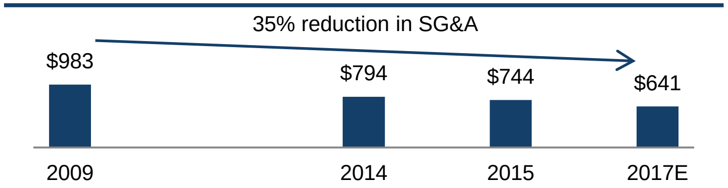
Reduced Cost Structure

- Responding to low power prices, Luminant manages plant capital, fuel and O&M expense in order to increase / maximize profitability
- Corporate overhead rationalized by 2017 to reflect the size and scope of the emerged company
- Luminant created flexibility in its units by converting to seasonal operations that lower run times leading to reduced maintenance and total variable costs

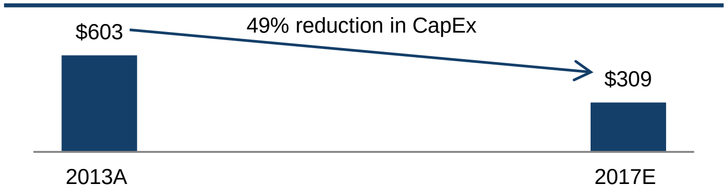
Improved Fleet Diversity

- Acquisition of Forney and Lamar plants diversifies the fleet, increases gas capacity from 25% to 38%, while decreasing coal from 58% to 48%
- Adds assets able to follow load changes
- Low heat rate units are very competitive in ERCOT
- Assets purchased at a fraction (~60%) of replacement cost
- Attractive location near Dallas/Ft Worth load pocket

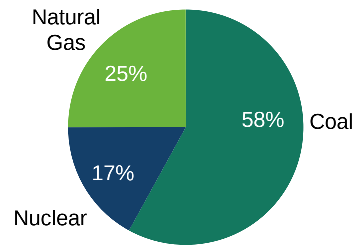
SG&A Expenses 2009 – 2017E; $ in millions(1)(2)



Capital Expenditures 2013A – 2017E; $ in millions

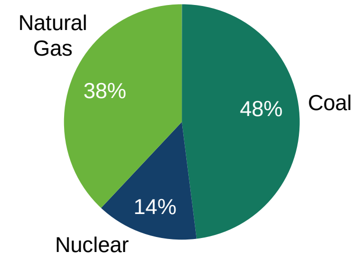


Pre Forney and Lamar Acquisition (MW)



13,772 MW

Post Forney and Lamar Acquisition (MW)



16,760 MW

Substantial costs savings achieved with multiple levers available for EBITDA upside

(1) Total SG&A figures per EFH 10-Ks. Total SG&A figures include Franchise and Revenue-Based Taxes that were grouped into SG&A in 2015. Previous years restated to show SG&A on a comparable basis.
(2) Reorganization costs through 4/28/2014. From 4/29/2014 reorganization costs not included in SG&A.

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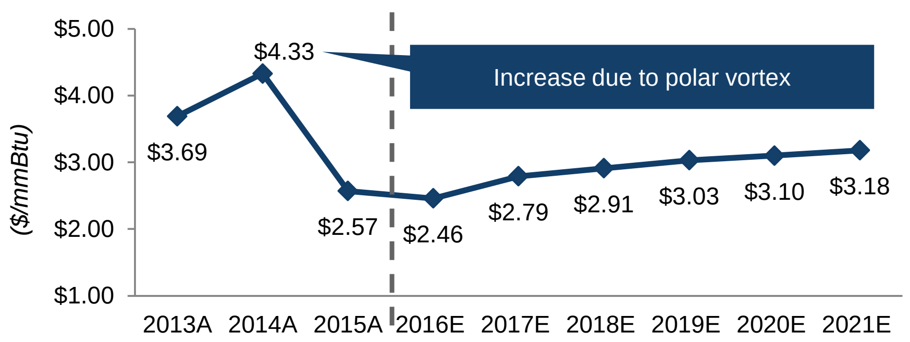
Section 4

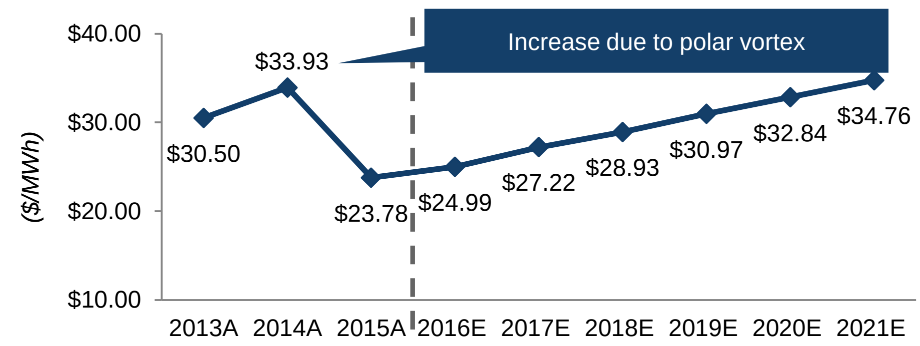
Financial Overview

Key Projection Assumptions

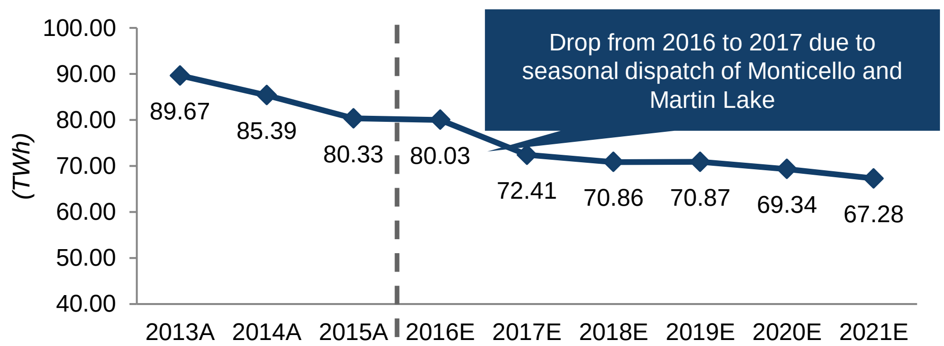
Gas Prices (Houston Ship Channel)(1)(2)



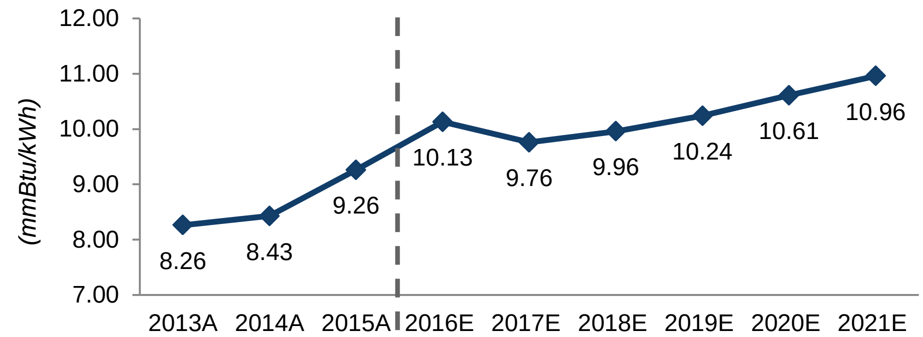
ERCOT North Hub ATC Power Prices(1)(3)



Generation



Implied Market Heat Rates (ERCOT North Hub)(1)(4)



Conservative forecast not reflecting upside volatility in ERCOT

Note: Includes Forney and Lamar plants.

(1) Projected natural gas prices, heat rate, and power prices are as of 12/31/2015 for 2016E-21E. Historical ERCOT North Hub ATC power prices per Intercontinental Exchange. 2014 power price excludes six extreme weather days in Q1 2014. Including extreme weather days, the annual power price was $36.44 / MWh.

(2) Projected natural gas prices reflect Houston Ship Channel index prices for 2016-19E, escalated at 2.4% annually for 2020-21E.

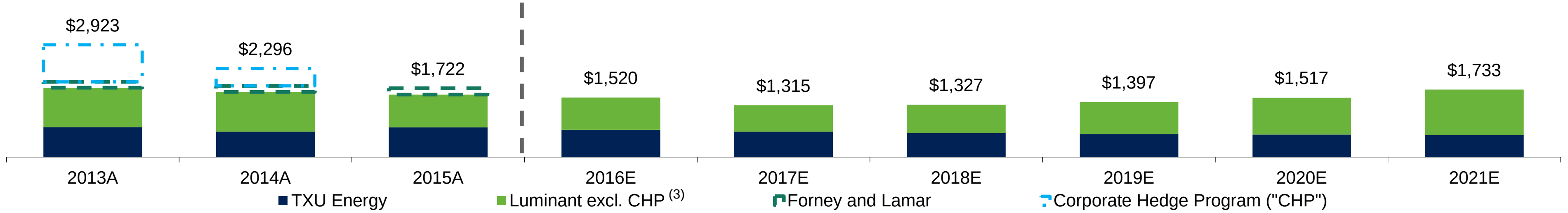
(3) Projected power prices developed by multiplying projected natural gas prices with projected heat rates.

(4) Projected heat rates reflect observable market rates for 2016-17E with a Company proprietary model thereafter.

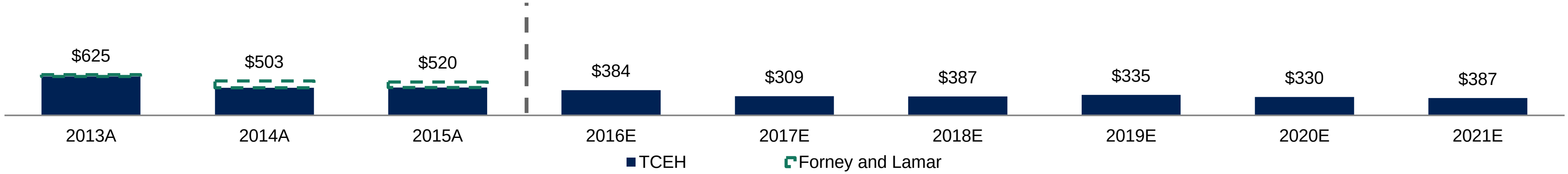
Source: Disclosure Statement, 5/11/2016

Historical and Projected Financials

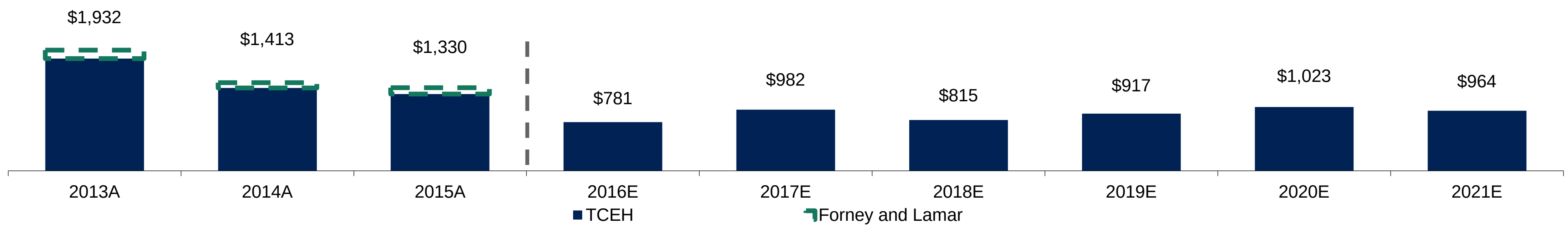
EBITDA(1) ($ in millions)



Capital Expenditures(1)(2) ($ in millions)



Unlevered FCF(1) ($ in millions)



High free cash flow conversion driving stable and sustainable cash flows

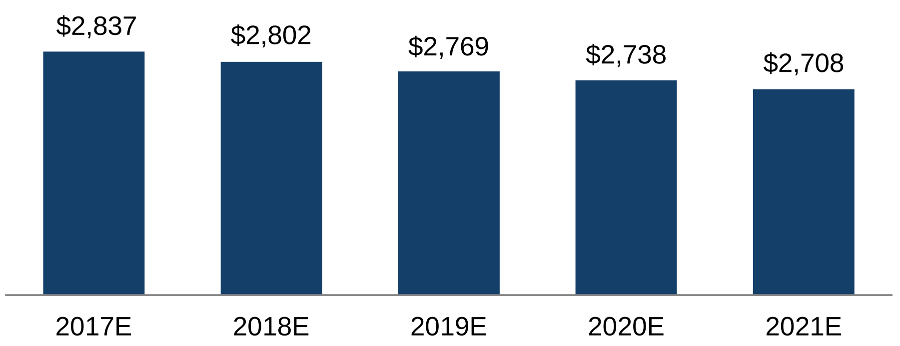
(1) Includes Forney and Lamar plants. Historical Forney and Lamar EBITDA, CapEx, and Unlevered Free Cash Flow contribution not part of the Company's historical financial statements and shown separately. Forney and Lamar EBITDA per unaudited financials and include hedges. 2016E EBITDA includes Forney and Lamar from April 2016 – December 2016.

(2) Includes nuclear fuel, buyout of CT leases, and technology spend. Excludes capitalized interest. 2016E CapEx includes Forney and Lamar from April 2016 – December 2016.

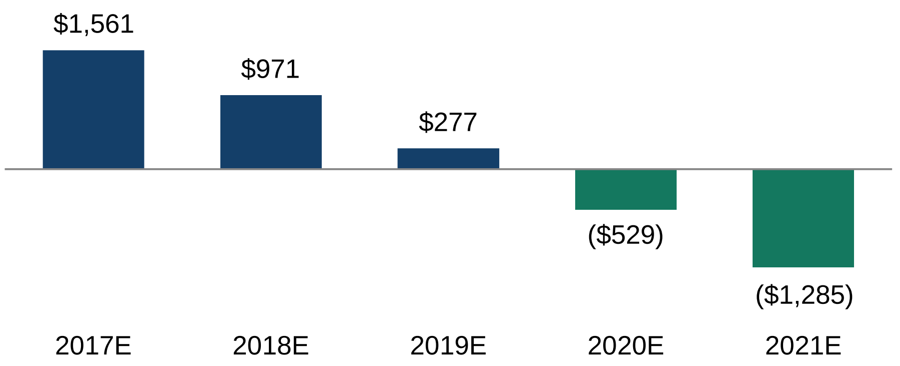
(3) Corporate Hedge Program ("CHP") was the Company's long-term natural gas hedge program from 2007-2014. 2016E FCF includes Forney and Lamar from April 2016 – December 2016.

Strong Deleveraging Profile

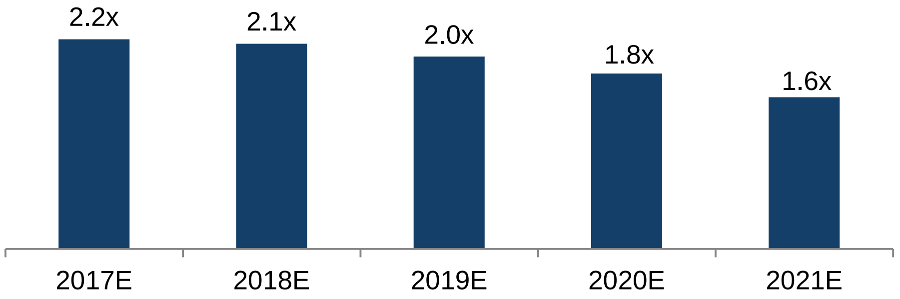
Total Debt[(1)] ($ millions)



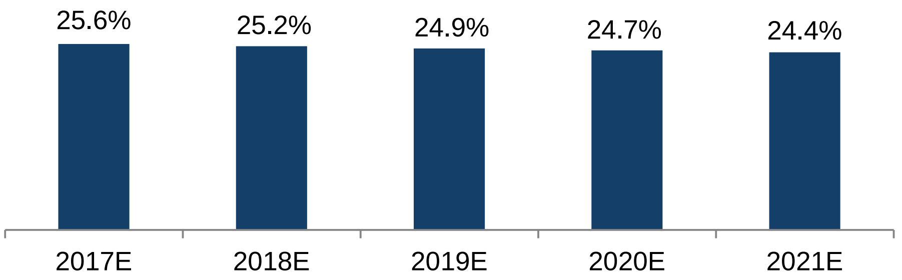
Net Debt[(2)] ($ millions)



Total Debt / EBITDA



Total Debt / Capitalization[(3)]



TCEH is expected to generate sufficient cash flows to fully repay the proposed Term Loan B facility before the end of 2020

(1) Excludes $650 million Funded L/C Term Loan (“Term Loan C”).
(2) Current Plan contemplates formation of PrefCo for tax purposes. Net debt would be lower due to a higher cash balance given issuance of approximately $50 million of preferred shares.
(3) Assumes $11,103 million TEV per Sources and Uses.

Section 5

Transaction Overview

Sources and Uses and Pro Forma Cap Table

Step 1: New DIP Facility on 8/1/2016

Sources		Uses	
New Term Loan B	$2,850	Repay existing DIP Revolver draw[1]	$1,455
New Funded L/C Term Loan ("Term Loan C")	650	Repay existing DIP Term Loan B	625
Release existing DIP L/C Facility cash	800	Repay existing DIP Term Loan supporting L/C Facility	800
		New L/C Facility cash to balance sheet	650
		Cash to balance sheet	632
		Issuance fees and OID	138
Total Sources	**$4,300**	**Total Uses**	**$4,300**

Step 2: Roll to Exit Facility at Emergence on 12/31/2016

Sources		Uses	
Cash from balance sheet[3]	$998	Emergence related expenses	$145
		Payout to TCEH unsecured creditors	550
		Projected cash utilization (from 8/1/2016 – 12/31/2016)[2]	303
Total Sources	**$998**	**Total Uses**	**$998**

Capitalization	Current	Step 1 Adjustments	Pre-Emergence	Step 2 Adjustments	Post-Emergence	PF x2016E EBITDA	% of TEV [6]
Cash and cash equivalents	$921[4]	$632	$1,553	($998)	$555		
L/C Facility cash collateral	800	(150)	650	-	650		
Existing $1,950 million DIP Revolver	$1,455[1]	(1,455)	-	-	-		
Existing DIP Term Loan B	625	(625)	-	-	-		
Funded L/C Facility	800	(150)	650	-	650		
New $750 million Revolver	-	-	-	-	-		
New $2,850 million Term Loan B	-	2,850	2,850	-	2,850		
Total TCEH Post-Emergence Debt[5]	**$2,080**		**$2,850**		**$2,850**	**1.9x**	**26%**
Total TCEH Post-Emergence Net Debt[6]			-		$2,321	1.5x	21%
TCEH Pre-Petition Funded Debt							
Senior Secured First Lien Credit Facilities	$22,636		$22,636	(22,636)	-		
Other pre-petition debt	9,450		9,450	(9,424)	26		
Total TCEH Pre-Petition Debt	**$32,086**		**$32,086**		**$26**		
Total TCEH Debt	**$34,166**		**$34,936**		**$2,876**	**1.9x**	**26%**
Equity[7]	-		-	8,227	8,227		
Total TCEH Capitalization[7]	**$34,166**		**$34,936**		**$11,103**	**7.3x**	**100%**
2016E EBITDA[8]			**$1,520**		**$1,520**		

(1) Includes accrued interest on DIP credit facilities of $7 million.
(2) Includes final adequate protection payments of $110 million.
(3) Current Plan contemplates formation of PrefCo for tax purposes.Includes $50mm use of cash from balance sheet, which reflects approximately $50 million in proceeds from preferred shares issuance.
(4) Includes unrestricted cash of $250 million, unencumbered cash available at emergence of $164 million, and pre-filing restricted cash balance under a TCEH pre-petition LC Facility of $507 million.
(5) Excludes $650 million Funded L/C Facility.
(6) Includes $26 million of capital lease obligations and Tex-La notes.
(7) Common equity of $8,227 million calculated as mid point of Evercore valuation of $11,600 million per Disclosure Statement Exhibit G less net debt of $2,321 million less present value of Tax Receivable Agreement of $1,052 million. TEV of $11,103 million; calculated as equity of $8,227 million plus TCEH debt of $2,876 million.
(8) Includes Forney and Lamar EBITDA for April 2016 – December 2016.

Summary Term Sheet

<table>
<tr><td>Borrower:</td><td colspan="6">Texas Competitive Electric Holdings Company LLC (the "Company") or, after exit/conversion a new domestic entity resulting from consummation of the Plan that succeeds to the business and operations of the Company</td></tr>
<tr><td>Guarantees:</td><td colspan="6">Certain domestic subsidiaries of the Borrower and the Borrower's immediate parent company</td></tr>
<tr><td>Security:</td><td colspan="6">Secured by a first priority security interest in all tangible and intangible assets, and equity of subsidiaries, of the respective Borrower and the Guarantors subject to the liens securing certain reclamation obligations in favor of Railroad Commission of Texas and other customary exceptions</td></tr>
<tr><td rowspan="4">Facility:</td><td><u>Tranche</u></td><td><u>Amount ($ millions)</u></td><td><u>Coupon (bps)</u></td><td><u>OID</u></td><td><u>LIBOR floor</u></td><td><u>Maturity</u></td></tr>
<tr><td>Revolving Credit Facility ("RCF")</td><td>$750</td><td>L+TBD</td><td>TBD</td><td>NA</td><td>5 years(1)</td></tr>
<tr><td>Term Loan B ("TLB")</td><td>$2,850</td><td rowspan="2">L+TBD</td><td rowspan="2">TBD</td><td rowspan="2">1.00%</td><td rowspan="2">7 years(2)</td></tr>
<tr><td>Term Loan C ("TLC")</td><td>$650</td></tr>
<tr><td>Accordion:</td><td colspan="6">Incremental 1st lien secured debt limited to the sum of (i) $1.0 billion, plus (ii) an unlimited amount subject to 3.0x 1st lien Net Secured Leverage, with 50bps of MFN for 12 months(3)</td></tr>
<tr><td>Voluntary prepayments:</td><td colspan="6">RCF: prepayable at par at any time
TLB / TLC : 101 soft call for 6 months</td></tr>
<tr><td>Mandatory prepayments:</td><td colspan="6">TLB: 1.0% amortization, payable quarterly
TLC: None until Term Loan B repaid
Customary provisions for asset sale, casualty, and debt proceeds, applied first to the TLB until fully repaid, and thereafter to the TLC</td></tr>
<tr><td>Financial covenants:</td><td colspan="6">RCF: Springing leverage covenant based on 30% utilization, set at 4.25x 1st Lien Net Secured Leverage
TLB / TLC: none</td></tr>
<tr><td>Negative covenants:</td><td colspan="6">Other covenants customary for transactions of this nature, including, but not limited to: (i) limitation on debt, (ii) limitation on mergers and acquisitions, (iii) limitation on restricted payments, (iv) limitation on asset sales, (v) limitation on liens, and (vi) limitations on transactions with affiliates</td></tr>
<tr><td>Conversion conditions at exit:</td><td colspan="6">To include the receipt of Confirmation/Approval order, compliance with a $500 million minimum liquidity covenant and compliance with the financial maintenance covenant (if in effect), no existence of a MAC or a material event of default, fees paid, accuracy of specified representations, and receipt of conversion notice, solvency certificate, pro forma balance sheet and security documents</td></tr>
</table>

(1) DIP maturity is October 31, 2017 or, if exit/conversion occurs, 5 years from the Closing Date.
(2) DIP maturity is October 31, 2017 or, if exit/conversion occurs, 7 years from the Closing Date.
(3) Includes the ability to raise up to $975 million of 1st lien TLC to cash collateralize LCs, solely to the extent required by the RCT in lieu of providing a lien or self bonding.

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Timeline

July 2016						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Holiday

Week of	Key Financing Dates
11-Jul	▪ July 12: Bank meeting in New York
25-Jul	▪ July 26: Commitments due from lenders
1-Aug	▪ Finalize and execute legal documentation ▪ Close and fund transaction

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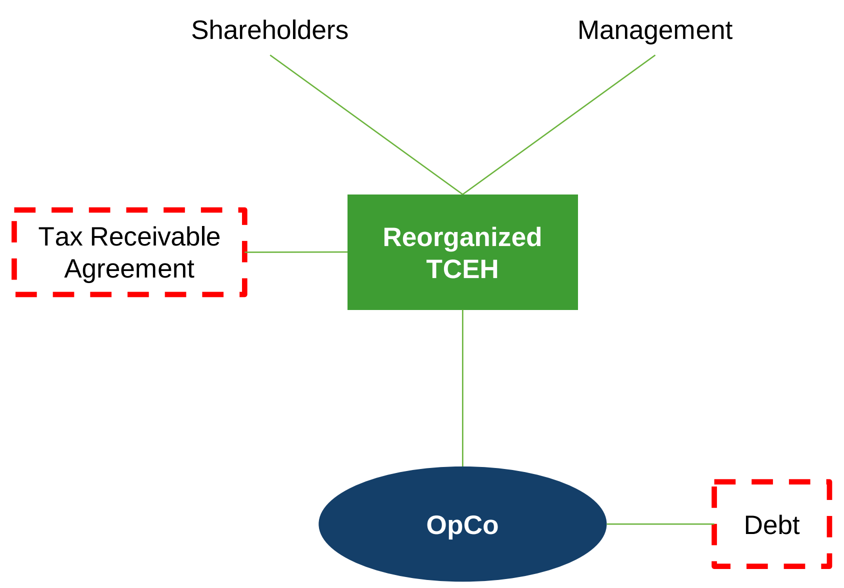
Appendix

Tax Receivables Agreement ("TRA")

- Long term agreement between Reorganized TCEH and the TRA rights holders (initially, the TCEH First Lien creditors)
- Allows holder to monetize 85% of the benefit from the tax basis step-up triggered by contemplated emergence transactions and from the tax basis of the Forney and Lamar assets
- Company keeps the remaining 15% of the benefit
- Value of TRA calculated as 85% of the present value of the projected difference between Reorganized TCEH's tax liability with the step-up (and Forney and Lamar tax basis) and its tax liability without the step-up (and Forney and Lamar tax basis)
- Reorganized TCEH would make TRA payments only to the extent actual cash savings from the step-up (and Forney and Lamar basis) are realized

TRA structurally subordinated to Debt issued by OpCo



TRA obligations shall be at the parent company (Reorganized TCEH) level, and be structurally subordinated to debt issued by the Company

Unlevered Free Cash Flow Build

	2016E[1]	2017E	2018E	2019E	2020E	2021E
EBITDA	$1,520	$1,315	$1,327	$1,397	$1,517	$1,733
Capital Expenditures (incl. Nuclear Fuel)	(384)	(309)	(387)	(335)	(330)	(387)
Working Capital	(123)	70	8	(16)	(16)	(22)
Tax Payments	(24)	(65)	(15)	16	(17)	(115)
Tax Receivable Agreement Payments	0	0	(78)	(104)	(90)	(180)
Other[2]	(209)	(28)	(39)	(41)	(41)	(65)
Unlevered Free Cash Flow	**$781**	**$982**	**$815**	**$917**	**$1,023**	**$964**

(1) 2016E pro forma for Forney and Lamar from April 2016 – December 2016.
(2) Other cash flow items include margin deposits and trading premiums, mining reclamation payments, contributions to the nuclear decommissioning trust, pension and OPEB related expenses / contributions, property taxes, and other miscellaneous items.

Source: Company Management

TCEH Reg G Financials

Net Loss to EBITDA Reconciliation

	2013	2014	2015
Net loss attributable to TCEH	($2,197)	($6,229)	($4,677)
Income tax benefit	(732)	(2,320)	(879)
Interest expense and related charges	1,916	1,749	1,289
Depreciation and amortization	1,333	1,270	852
EBITDA before other adjustments	320	(5,530)	(3,415)
Amortization of nuclear fuel	153	141	146
Purchase accounting adjustments	23	23	(16)
Impairment and write-down of other assets	38	4,940	2,626
Impairment of goodwill	1,000	1,600	2,200
Unrealized net (gain) loss resulting from hedging transactions	1,091	370	(119)
Transition and business optimization costs	21	20	14
Transaction and merger expenses	39	10	0
Reorganization items	0	520	101
Restructuring and other	81	35	17
EBITDA after other adjustments	2,766	2,129	1,554
Forney and Lamar EBITDA	157	167	168
EBITDA (including Forney and Lamar)	**$2,923**	**$2,296**	**$1,722**

Source: Company Management

TCEH Reg G Financials

Unlevered Free Cash Flow Reconciliation

	2013	2014	2015
Cash provided by (used in) operating activities	($270)	$444	$237
Capital expenditures[(1)]	(472)	(336)	(337)
Nuclear fuel purchases	(116)	(77)	(123)
Purchase of right to use certain computer-related assets from affiliate	(29)	(4)	0
Acquisition of combustion turbine trust interest	(40)	0	0
Proceeds from sale of nuclear decommissioning fund trust securities	175	314	401
Investments in nuclear decommissioning fund trust securities	(191)	(331)	(418)
Other net investing activities	(11)	(32)	(13)
Interest paid[(1)]	2,686	1,252	1,298
Interest income received	(6)	0	(1)
Restructuring professional fees paid	70	116	207
Pension and other payments to affiliates	0	(19)	(20)
Rounding	1	1	0
TCEH Unlevered free cash flow	1,797	1,328	1,231
Forney and Lamar unlevered free cash flow	135	85	99
Unlevered free cash flow	**$1,932**	**$1,413**	**$1,330**

(1) Includes capitalized interest.
Source; Company Management

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