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**Reliant Energy, Incorporated Quarterly
Report of Aggregate Investment in FUCO's
and Foreign EWG's per PUC Substantive
Rule 25.271**

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**BEFORE THE  
PUBLIC UTILITY COMMISSION OF  
TEXAS**

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**PUBLIC UTILITY COMMISSION OF THE STATES  
RELIANT ENERGY, INCORPORATED (REI)  
QUARTERLY REPORT OF AGGREGATE INVESTMENT IN FUCO'S AND FOREIGN EWG'S\***

- \* "Aggregate investment" means all amounts invested, or committed to be invested, in foreign exempt wholesale generators and foreign utility companies, for which there is recourse, directly or indirectly to REI. For purposes of calculating aggregate investment, REI includes (i) the amounts contributed by REI to subsidiaries that are invested in exempt wholesale generators located outside the United States and foreign utility companies (less amounts distributed to REI from such subsidiaries as a result of such investments), plus (ii) development costs (such as costs incurred in preparing a bid, conducting due diligence examinations and engaging in preliminary discussions) that culminate in the acquisition of the exempt wholesale generator or foreign utility company, plus (iii) the amount of any guarantee or other funding commitment that is recourse to REI. Aggregate investment does not include amounts invested from internally generated funds from REI subsidiaries, including REPG and REII, and the proceeds of debt that is not recourse to REI.
- (1) EPSA owns interests in a number of smaller distribution companies for which Form U-57's have previously been filed with the SEC. For aggregate investment purposes, these investments are included in the EPSA investment. The increase in investment in EPSA over the first quarter of 2000 was funded through amounts that were already encompassed within the aggregate investments for other FUCO investments and an \$8.2 million dividend received from the El Salvador investment in the second quarter of 2000 (see Note 3 below).
  - (2) In April 1998, LIGHT acquired a controlling interest in Metropolitana Electricidade de São Paulo S.A. for approximately \$1.8 billion. The acquisition was funded entirely by additional debt incurred by LIGHT thereby resulting in no additional aggregate investment by REI.
  - (3) In June 1998, REII's shareholdings in Empresa Distribuidora La Plata S.A. and Central Dique S.A. (collectively "EDELAP") were sold for approximately \$189 million, net of United States federal income tax, and a portion of the sales proceeds was used to purchase an interest in the three identified distribution companies in El Salvador. The total purchase price for the El Salvador properties was approximately \$152 million. Such purchase price was funded through the EDELAP sales proceeds thereby resulting in no additional aggregate investment by REI. During the second quarter of 2000, \$8.2 million in dividends were received from the El Salvador investment which were subsequently invested in other FUCO investments.
  - (4) In August 1998, REII used the remaining EDELAP sales proceeds to purchase an interest in the two identified distribution companies in Colombia. The total purchase price for Caribe and Costa was approximately \$213 million. The aggregate investment reflects the purchase price, net of the remaining EDELAP sales proceeds and dividends received from other FUCO investments. In September 1999, a subsidiary of REII contributed additional capital of approximately \$33 million to Caribe and Costa. The aggregate investment reflects this contribution net of dividends received from other FUCO investments.
  - (5) During 1999, REPG, a subsidiary of REI, completed the first two phases of the acquisition of UNA, a Dutch power generation company. REPG acquired 40% and 12% of UNA's capital stock on October 7, 1999 and December 1, 1999, respectively. The aggregate purchase price paid by REPG in connection with the first two phases consisted of a total of \$833 million in cash and \$426 million in a five-year promissory note to UNA which is only recourse to REPG. On March 1, 2000, REPG purchased the remaining 48% of the shares of UNA for \$987 million, of which \$400 million represented additional aggregate investment by REI, the balance was funded through non-recourse debt.
  - (6) During the second quarter of 1999, a subsidiary of REII purchased additional shares of LIGHT for approximately \$29 million, which was funded through the proceeds of non-recourse debt. The aggregate investment reflects this contribution net of dividends received from other FUCO investments.
  - (7) During March 2000, \$4.5 million in dividends were received from the investment in Reliant Energy Argener S.A. which were subsequently invested in other FUCO investments.
  - (8) In November 1999, REII sold its interest in Gas Natural del Rio Panuco for approximately \$4 million. The proceeds of this sale were returned to REI.
  - (9) During the second quarter of 2000, Reliant Energy Latin America's interest in Colombia gas transportation assets, Gas Natural del Centro S.A.E.S.P., Gases de Risarelda S.A.E.S.P., Gases del Quindo S.A.E.S.P. and Gases del Norte del Valle S.A.E.S.P. were sold for approximately \$6 million which was invested in other FUCO investments.

PUBLIC UTILITY COMMISSION OF TEXAS  
**RELANT ENERGY, INCORPORATED**  
 QUARTERLY REPORT OF AGGREGATE INVESTMENT IN FUCO'S AND FOREIGN EWG'S\*

|                                                                                                                                                                 | FUCO & Foreign<br>EWG Investments<br>As Of<br>06/30/00<br>(\$000) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| <b><u>Reliant Energy International (REII)</u></b>                                                                                                               |                                                                   |
| <b><u>Argentina</u></b>                                                                                                                                         |                                                                   |
| Empresa Distribuidora de Electricidad de Santiago<br>del Estero S.A. (EDESE)                                                                                    | \$ 22,704                                                         |
| Reliant Energy Argener S.A. and Reliant Energy OPCO S.A. <sup>(7)</sup>                                                                                         | 67,696                                                            |
| <b><u>El Salvador</u></b>                                                                                                                                       |                                                                   |
| Compañía de Alumbrado Eléctrico de San Salvador (CAESS);<br>Empresa Eléctrica del Oriente (EEO); Distribuidora Eléctrica<br>de Usulután (DEUSEM) <sup>(3)</sup> | 104,205                                                           |
| <b><u>India</u></b>                                                                                                                                             |                                                                   |
| Rain Calcining Limited (Rain)                                                                                                                                   | 12,733                                                            |
| <b><u>Colombia</u></b>                                                                                                                                          |                                                                   |
| Empresa de Energía del Pacífico S.A.E.S.P. (EPSA) <sup>(1)</sup>                                                                                                | 216,827                                                           |
| Electrificadora del Caribe S.A. E.S.P. (Caribe) and<br>Electrificadora de la Costa S.A. E.S.P. (Costa) <sup>(4)</sup>                                           | 185,598                                                           |
| <b><u>Brazil</u></b>                                                                                                                                            |                                                                   |
| LIGHT Serviços de Eletricidade S.A. (LIGHT) <sup>(2) (6)</sup>                                                                                                  | 251,455                                                           |
| Total REII                                                                                                                                                      | <u>861,218</u>                                                    |
| <b><u>Reliant Energy Power Generation, Inc. (REPG)</u></b>                                                                                                      |                                                                   |
| <b><u>Netherlands</u></b>                                                                                                                                       |                                                                   |
| N.V. Energieproductiebedrijf UNA (UNA) <sup>(5)</sup>                                                                                                           | <u>1,235,919</u>                                                  |
| Total REPG                                                                                                                                                      | <u>1,235,919</u>                                                  |
| Total REI <sup>(8)(9)</sup>                                                                                                                                     | \$ 2,097,137                                                      |
| Consolidated Net Worth of REI                                                                                                                                   | \$ 5,462,414                                                      |
| FUCO & Foreign EWG Investments as a Percentage of Consolidated Net Worth                                                                                        | 38.4 %                                                            |