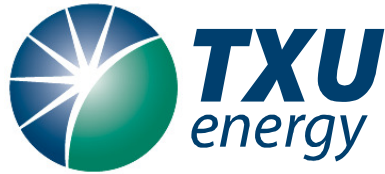


Energy Future Holdings



EFH Corp.
Q1 2011 Investor Call

April 29, 2011

Safe Harbor Statement

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 EFH Corp.'s filings with the Securities and Exchange Commission (SEC). In addition to the risks and uncertainties set forth in EFH Corp.'s SEC filings, the forward-looking statements in this presentation regarding the company's long-term hedging program could be affected by, among other things: any change in the ERCOT electricity market, including a regulatory or legislative change, that results in wholesale electricity prices not being largely correlated to natural gas prices; any decrease in market heat rates as the long-term hedging program generally does not mitigate exposure to changes in market heat rates; the unwillingness or failure of any hedge counterparty or the lenders under the commodity collateral posting facility to perform their respective obligations; or any other unforeseen event that results in the inability to continue to use a first lien on TCEH's assets to secure a substantial portion of the hedges under the long-term hedging program.

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 the appendix to this presentation.

Today's Agenda

**Financial and Operational
Overview**

**Paul Keglevic
Executive Vice President & CFO**

Q1 2011 Review

Q&A

EFH Corp.

Adjusted (Non-GAAP) Operating Results

**Consolidated: reconciliation of GAAP net income to adjusted (non-GAAP) operating results
Q1 10 vs. Q1 11 ; \$ millions, after tax**

Factor	Q1 10	Q1 11	Change
EFH Corp. GAAP net income (loss)	355	(362)	(717)
Items excluded from adjusted (non-GAAP) operating results (after tax) - noncash:			
Unrealized commodity-related mark-to-market net (gains) losses	(639)	203	842
Unrealized mark-to-market net (gains) losses on interest rate swaps	70	(92)	(162)
Gain related to counterparty bankruptcy settlement	-	(14)	(14)
Other (noncash) ¹	(1)	-	1
EFH Corp. adjusted (non-GAAP) operating loss	(215)	(265)	(50)

¹ Q1 10 reflects \$9 million of debt extinguishment gains offset by an \$8 million deferred income tax charge recorded as a result of health care legislation passed in 2010 by the U.S. Congress.

EFH Corp.

Adjusted (Non-GAAP) Operating Results Key Drivers (after tax)

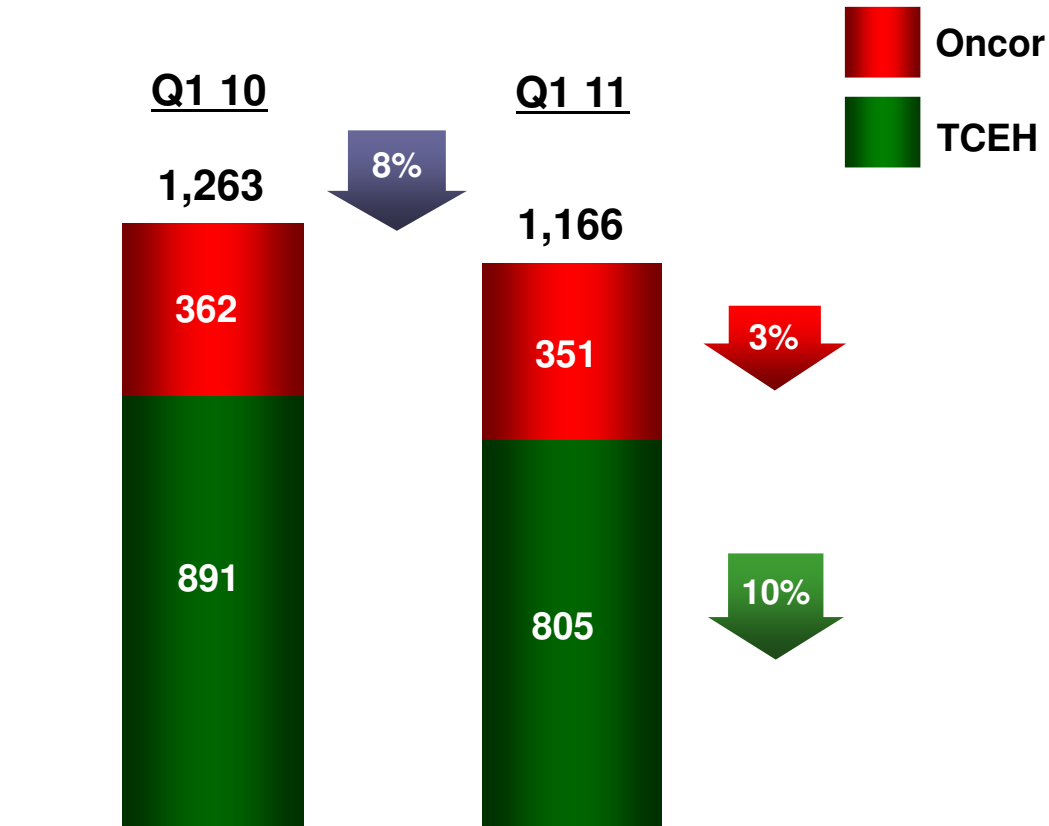
Consolidated key drivers of the change in (non-GAAP) operating results
Q1 10 vs. Q1 11; \$ millions, after tax

Description/Drivers	Better (Worse) Than Q1 10
Competitive business¹:	
Lower net margin from commodity hedge prices, asset management and retail activities	(46)
Impact of winter weather event	(17)
Lower retail consumption primarily due to milder weather	(13)
Higher fuel costs at legacy baseload units due to increased coal transportation expenses and higher uranium and conversion costs	(12)
Net lower production from legacy baseload generation units	(6)
Impact of new lignite-fueled generation units	18
Lower amortization of intangibles arising from purchase accounting	6
Contribution margin	(70)
Higher depreciation reflecting the placement in service of new lignite-fueled generation units and ongoing investment in the existing generation fleet	(17)
Higher operating costs reflecting new lignite-fueled generation units	(6)
Lower net interest expense driven by liability management program	35
Lower retail bad debt expense	14
Lower accrued interest on uncertain income tax positions (included in income tax expense)	8
All other - net	(1)
Total change - Competitive business	(37)
Regulated business:	
Lower consumption primarily due to milder weather	(10)
Higher depreciation reflecting infrastructure investment	(7)
Higher operating costs	(6)
Higher revenues from transmission rate and distribution tariff increases and growth in points of delivery	13
All other - net	(3)
Total change - Regulated business (~80% owned by EFH Corp.)	(13)
Total change in EFH Corp. adjusted (non-GAAP) operating results	(50)

¹ Competitive business consists of Competitive Electric segment and Corp. & Other.

EFH Corp. Adjusted EBITDA (Non-GAAP)

EFH Corp. Adjusted EBITDA (non-GAAP)¹
Q1 10 vs. Q1 11; \$ millions



Q1 performance was largely driven by the same key drivers impacting adjusted (non-GAAP) operating results.

¹ See Appendix for Regulation G reconciliations and definition. Includes \$10 million and \$10million in Q1 10 and Q1 11, respectively, of Corp. & Other Adjusted EBITDA.

Luminant Operational Results



Luminant

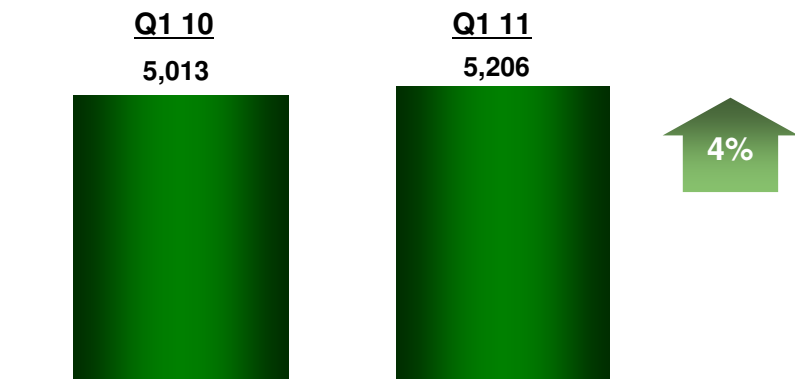
Q1 2011 Nuclear Plant Results

- Solid safety performance
- Higher generation due to improved reliability
- Top decile industry performance for reliability and cost

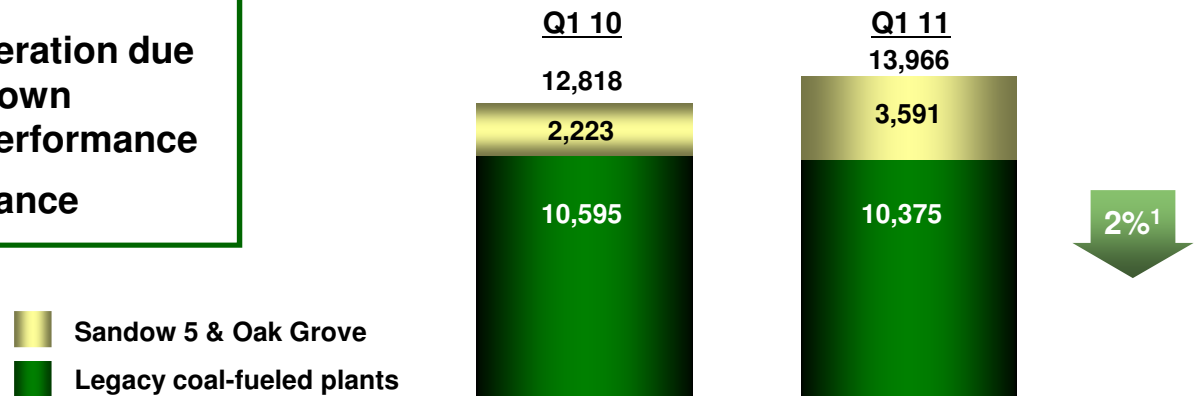
Q1 2011 Coal-Fueled Plant Results

- New plants collectively operated at ~75% capacity factor
- Lower legacy coal-fueled generation due to increased economic backdown partially offset by improved performance
- Top quartile industry performance

Nuclear-fueled generation; GWh



Coal-fueled generation; GWh



Sandow 5 & Oak Grove
 Legacy coal-fueled plants

¹ Variance does not include generation from Sandow 5 and Oak Grove 1 & 2.

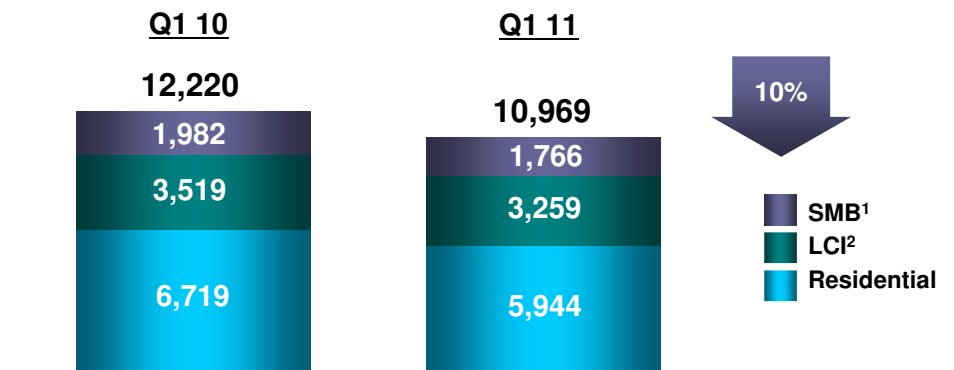
TXU Energy Operational Results



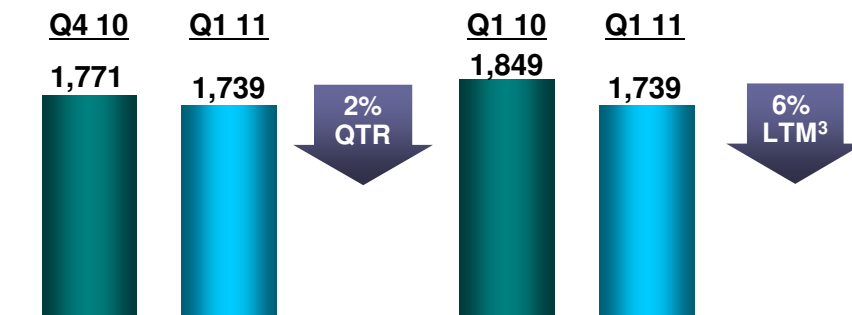
Q1 2011 Results

- Lower residential sales volumes driven by lower customer counts and milder weather
- Customer counts and volumes reflect competitive intensity and TXU Energy focus on brand proposition and margin discipline
- Launch of Texas-based call center locations and enhanced customer experience utilizing online tools

Retail electricity sales volumes by customer class; GWh



Total residential customers End of period, thousands



¹ SMB – small business

² LCI - large commercial and industrial

³ Latest twelve months

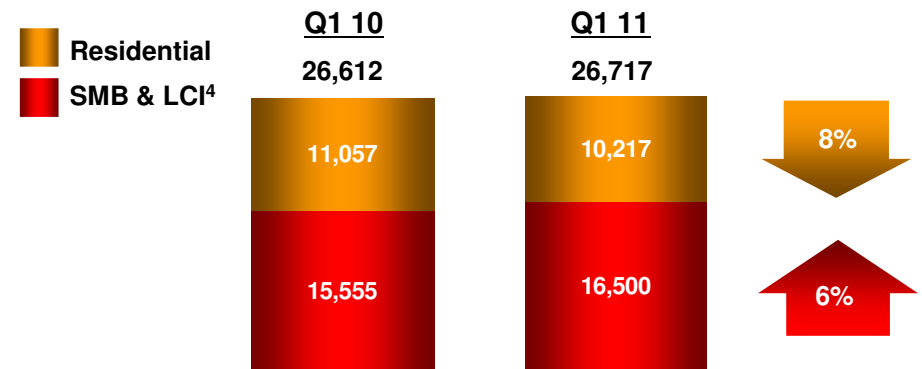
Oncor Operational Results



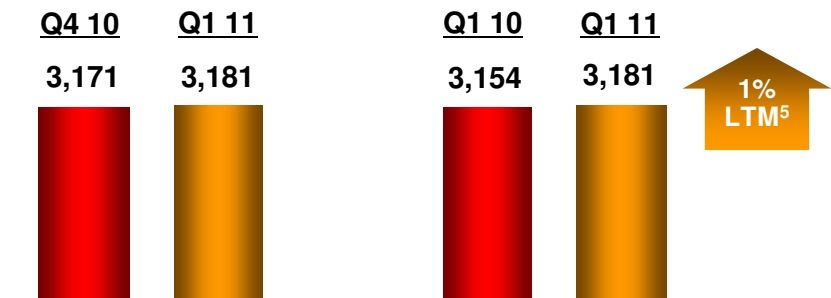
Q1 2011 Results

- Lower residential volumes principally due to milder winter weather in Q1 11 compared to Q1 10
- Higher SMB & LCI energy volumes due to improved economy
- Execution of AMS¹ plan – ~121,000 advanced meters installed during Q1 11; over 1.6 million installed through March 31, 2011
- All 14 Certificates of Convenience and Necessity (CCNs) approved by the Public Utility Commission of Texas (PUCT) for CREZ² transmission projects

Electric energy billed volumes³; GWh



Electricity distribution points of delivery End of period, thousands of meters



¹ AMS – Advanced Metering System

² CREZ – Competitive Renewable Energy Zone

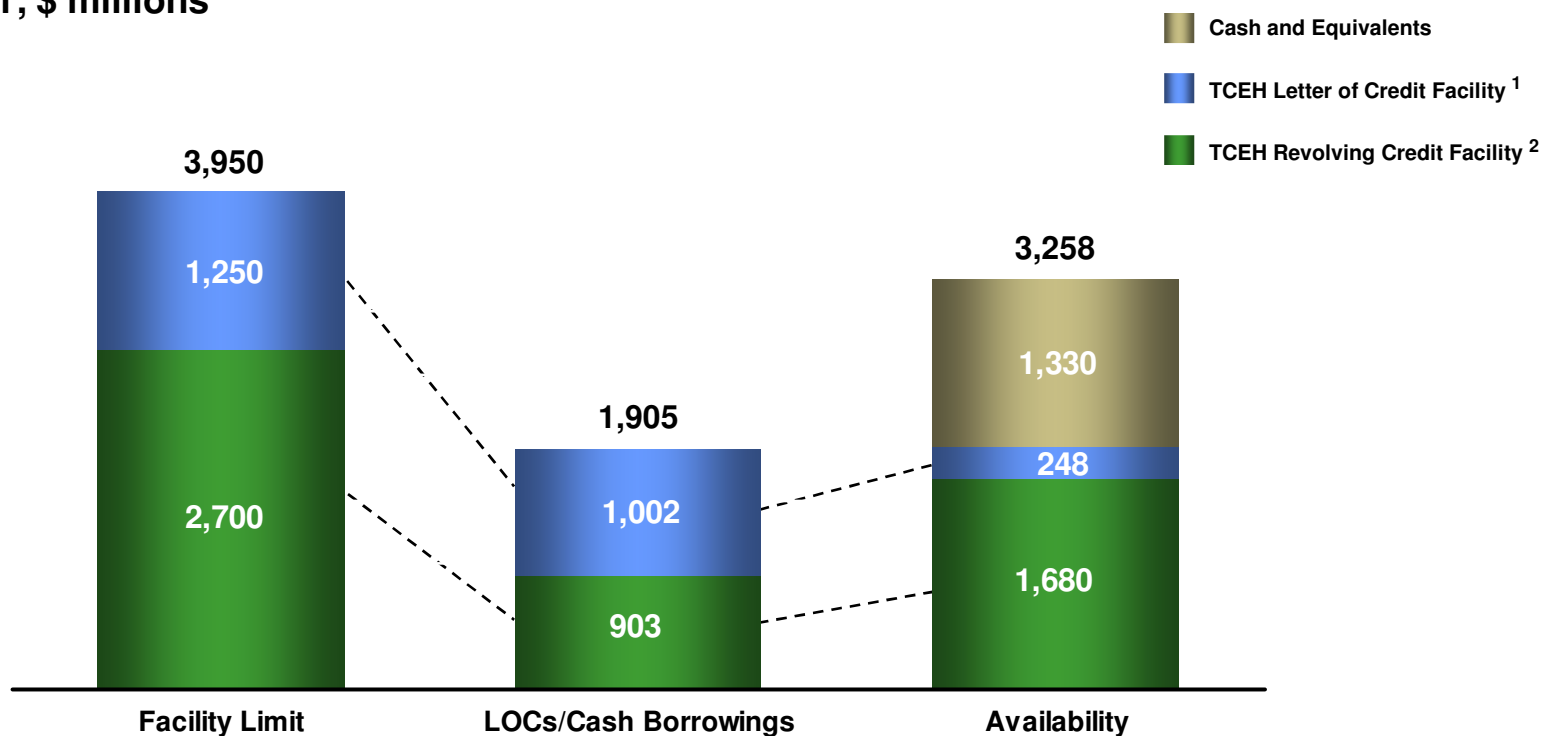
³ On average, billed volumes are on an approximate 17-day calendar lag; therefore, amounts shown reflect partial impacts from prior quarters

⁴ SMB – small business; LCI – large commercial and industrial

⁵ Latest twelve months

EFH Corp. Liquidity Management As of March 31, 2011

EFH Corp. (excluding Oncor) available liquidity
As of 3/31/11; \$ millions



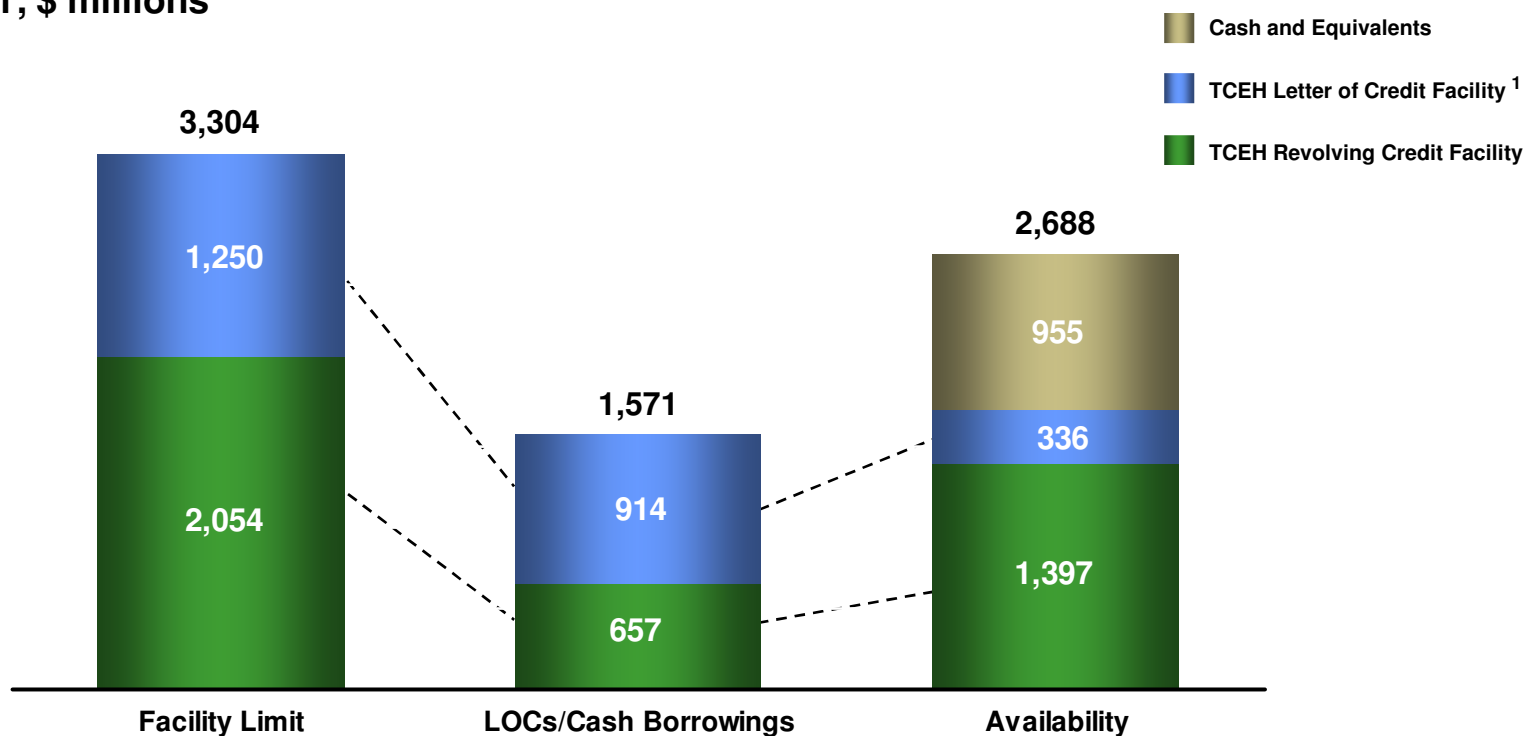
EFH Corp. and TCEH have sufficient liquidity to meet their anticipated short-term needs, but will continue to monitor market conditions to ensure financial flexibility.

¹ Facility to be used for issuing letters of credit for general corporate purposes. Cash borrowings of \$1.250 billion were drawn on this facility in October 2007, and except for \$115 million related to a letter of credit drawn in June 2009, have been retained as restricted cash. Outstanding letters of credit are supported by the restricted cash.

² Facility availability includes \$112 million of undrawn commitments from a subsidiary of Lehman Brothers that is in bankruptcy. These funds are only available from the fronting banks and the swingline lender, and exclude \$117 million of requested draws not funded by the Lehman subsidiary.

EFH Corp. Liquidity Management As of April 19, 2011

EFH Corp. (excluding Oncor) available liquidity
As of 4/19/11; \$ millions



The decline in liquidity is largely driven by the fees for the amend and extend transaction which will be largely offset by the prepayment of the TCEH term loan amortization for 2011 - 2014.

¹ Facility to be used for issuing letters of credit for general corporate purposes. Cash borrowings of \$1.250 billion were drawn on this facility in October 2007, and except for \$115 million related to a letter of credit drawn in June 2009, have been retained as restricted cash. Outstanding letters of credit are supported by the restricted cash.

Commodity Prices

Commodity prices Q1 11, Q1 10 and BOY 11E; mixed measures

Commodity	Units	Q1 11 Actual	Q1 10 Actual	BOY 11E ¹
NYMEX gas price ²	\$/MMBtu	\$4.16	\$5.15	\$4.57
HSC gas price	\$/MMBtu	\$4.11	\$5.09	\$4.51
7x24 market heat rate (HSC) ^{3,6}	MMBtu/MWh	9.36	7.70	8.51
North Hub 7x24 power price ⁶	\$/MWh	\$39.11	\$39.22	\$38.31
TCEH weighted avg. hedge price ⁴	\$/MMBtu	\$7.94	\$8.06	\$7.45
Gulf Coast ultra-low sulfur diesel	\$/gallon	\$2.82	\$2.06	\$3.18
PRB 8400 coal	\$/ton	\$11.46	\$8.08	\$11.06
LIBOR interest rate ⁵	percent	0.46%	0.40%	0.61%

¹ BOY 11 estimate based on commodity prices as of 03/31/11 for April 1, 2011 through December 31, 2011.

² Based on NYMEX forward curve.

³ Based on ERCOT market clearing price for North Hub power for 2011 and ERCOT market clearing price for North Zone for 2010.

⁴ Weighted average prices in the TCEH long-term natural gas hedging program. Based on NYMEX Henry Hub prices of forward natural gas sales positions in the long-term hedging program (excluding the impact of offsetting purchases for rebalancing and pricing point basis transactions).

⁵ The index for the settled value is a 6-month LIBOR rate.

⁶ Excluding the volatile pricing that occurred in early February 2011 (2nd & 3rd), North Hub 7X24 power prices averaged approximately \$30.20/MWh and the 7X24 market heat rate averaged 7.35 MMBtu/MWh during Q1 10.

Unrealized Mark-To-Market Impact Of Hedging

Unrealized mark-to-market impact of hedging program 03/31/11 vs. 12/31/10; mixed measures, pre-tax

Factor	Measure	2011	2012	2013	2014	2015	Total or Avg.
12/31/10							
Natural gas hedges	mm MMBtu	~220	~398	~282	~149	0	~1,050
Wtd. avg. hedge price	\$/MMBtu	~\$7.56	~\$7.36	~\$7.19	~\$7.80	N/A	
Natural gas prices	\$/MMBtu	~\$4.55	~\$5.08	~\$5.33	~\$5.49	~\$5.64	
Cum. MtM gain at 12/31/10 ²	\$ billions	~\$1.2	~\$1.1	~\$0.5	~\$0.4	N/A	~\$3.2
03/31/11							
Natural gas hedges ³	mm MMBtu	~150	~398	~274	~149	0	~971
Wtd. avg. hedge price ¹	\$/MMBtu	~\$7.45	~\$7.36	~\$7.19	~\$7.80	N/A	
Natural gas prices	\$/MMBtu	~\$4.57	~\$5.06	~\$5.41	~\$5.73	~\$6.08	
Cum. MtM gain at 03/31/11 ²	\$ billions	~\$0.8	~\$1.1	~\$0.5	~\$0.4	N/A	~\$2.8
Q1 11 MtM (loss) gain	\$ billions	~\$(0.4)	~\$0	~\$0	~\$0	N/A	~\$(0.4)

Forward positions in the hedge program slightly lost value due to higher natural gas prices at the end of Q1, while additional losses resulted from the reversal of previously recognized gains in the current period, resulting in a ~\$400 million (~\$260 million after tax) unrealized net loss.

¹ Weighted average prices are based on NYMEX Henry Hub prices of forward natural gas sales positions in the long-term hedging program (excluding the impact of offsetting purchases for rebalancing and pricing point basis transactions). Where collars are reflected, sales price represents the collar floor price. 3/31/11 prices for 2011 represent April 1, 2011 through December 31, 2011 values.

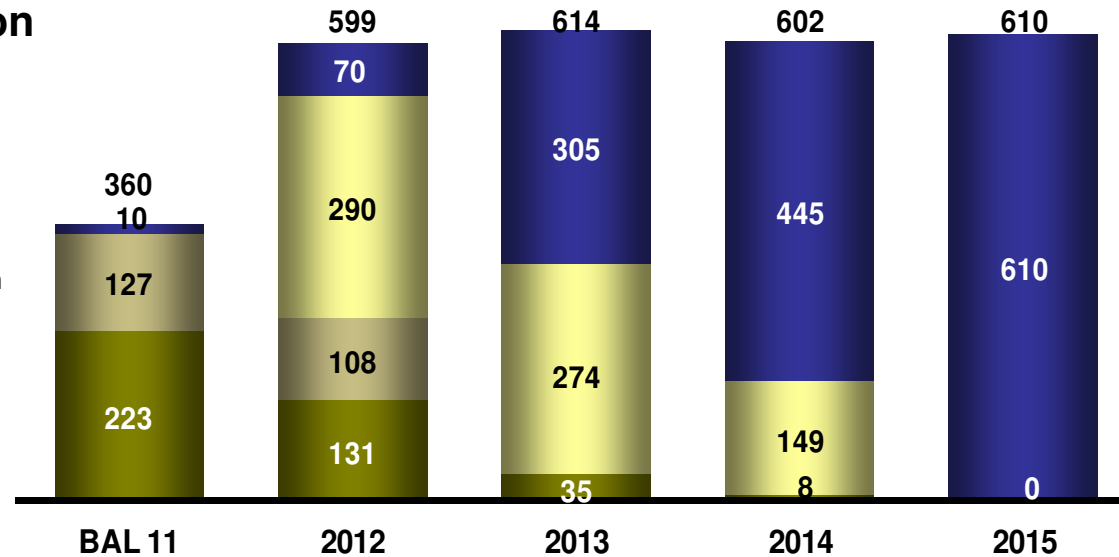
² MtM values include the effects of all transactions in the long-term hedging program including offsetting purchases (for rebalancing) and natural gas basis deals.

³ As of 3/31/11, 2011 represents April 1, 2011 through December 31, 2011 volumes. Where collars are reflected, the volumes are estimated based on the notional position of the derivatives that provide downside price protection. The notional volumes for collars are approximately 150 million MMBtu, which corresponds to a delta position of approximately 110 million MMBtu in 2014.

TCEH Natural Gas Exposure

TCEH Natural Gas Position 11-14¹; million MMBtu

- Open Position
- Hedges Backed by CCP
- Hedges Backed by Asset First Lien
- TXUE and Luminant Net Positions²
- - - 100% Hedge Level



Factor	Measure	BAL 11	2012	2013	2014	2015	Total or Average
Natural gas hedging program	million MMBtu	~127	~398	~274	~149	~0	~948
TXUE and Luminant net positions	million MMBtu	~223	~131	~35	~8	~2	~399
Overall estimated percent of total NG position hedged	percent	~97%	~88%	~50%	~26%	~0%	~48%

TCEH has hedged approximately 48% of its estimated Henry Hub-based natural gas price exposure from May 1, 2011 through December 31, 2015. More than 95% of the NG Hedges are supported directly by a first lien or by the TCEH Commodity Collateral Posting Facility.

¹ As of 03/31/11. Balance of 2011 is from May 1, 2011 to December 31, 2011. Assumes conversion of electricity positions based on a ~8.0 heat rate with natural gas generally being on the margin ~75-90% of the time (i.e. when other technologies are forecast to be on the margin, no natural gas position is assumed to be generated).

² Includes estimated retail/wholesale effects. 2011 position includes ~8 million MMBtu of short gas positions associated with proprietary trading positions; excluding these positions, 2011 position is ~95% hedged.

EFH Corp. Adjusted EBITDA Sensitivities

Impact on EFH Corp. Adjusted EBITDA¹ 11E; mixed measures

Commodity	Percent Hedged at March 31, 2011	Change	BOY 11E Impact \$ millions
7X24 market heat rate (MMBtu/MWh) ²	>85	0.1 MMBtu/MWh	~4
NYMEX gas price (\$/MMBtu) ³	>95	\$1/MMBtu	~10
Texas gas vs. NYMEX Henry Hub price (\$/MMBtu) ^{3,4}	~95	\$0.10/MMBtu	~2
Diesel (\$/gallon) ⁵	>95	\$1/gallon	~1
Base coal (\$/ton) ⁶	>95	\$2/ton	~1
Generation operations			
Baseload generation (TWh)	n.a.	1 TWh	~15
Retail operations			
	FY 2011		
Residential contribution margin (\$/MWh)	20 TWh	\$1/MWh	~20
Residential consumption	20 TWh	1%	~6
Business markets consumption	16 TWh	1%	~2

The majority of 2011 commodity-related risks are significantly mitigated.

¹ 2011 estimate based on commodity positions as of 03/31/11, net of long-term hedges and wholesale/retail effects, excludes gains and losses incurred prior to March 31, 2011. See Appendix for definition.

² Simplified representation of heat rate position in a single TWh position. In reality, heat rate impacts are differentiated across plants and respective pricing periods: baseload (linked primarily to changes in North Hub 7x24), natural gas plants (primarily North Hub 5x16) and wind (primarily West Hub7x8).

³ Assumes conversion of electricity positions based on a ~8.0 market heat rate with natural gas generally being on the margin ~75-90% of the time (i.e., when coal is forecast to be on the margin, no natural gas position is assumed to be generated).

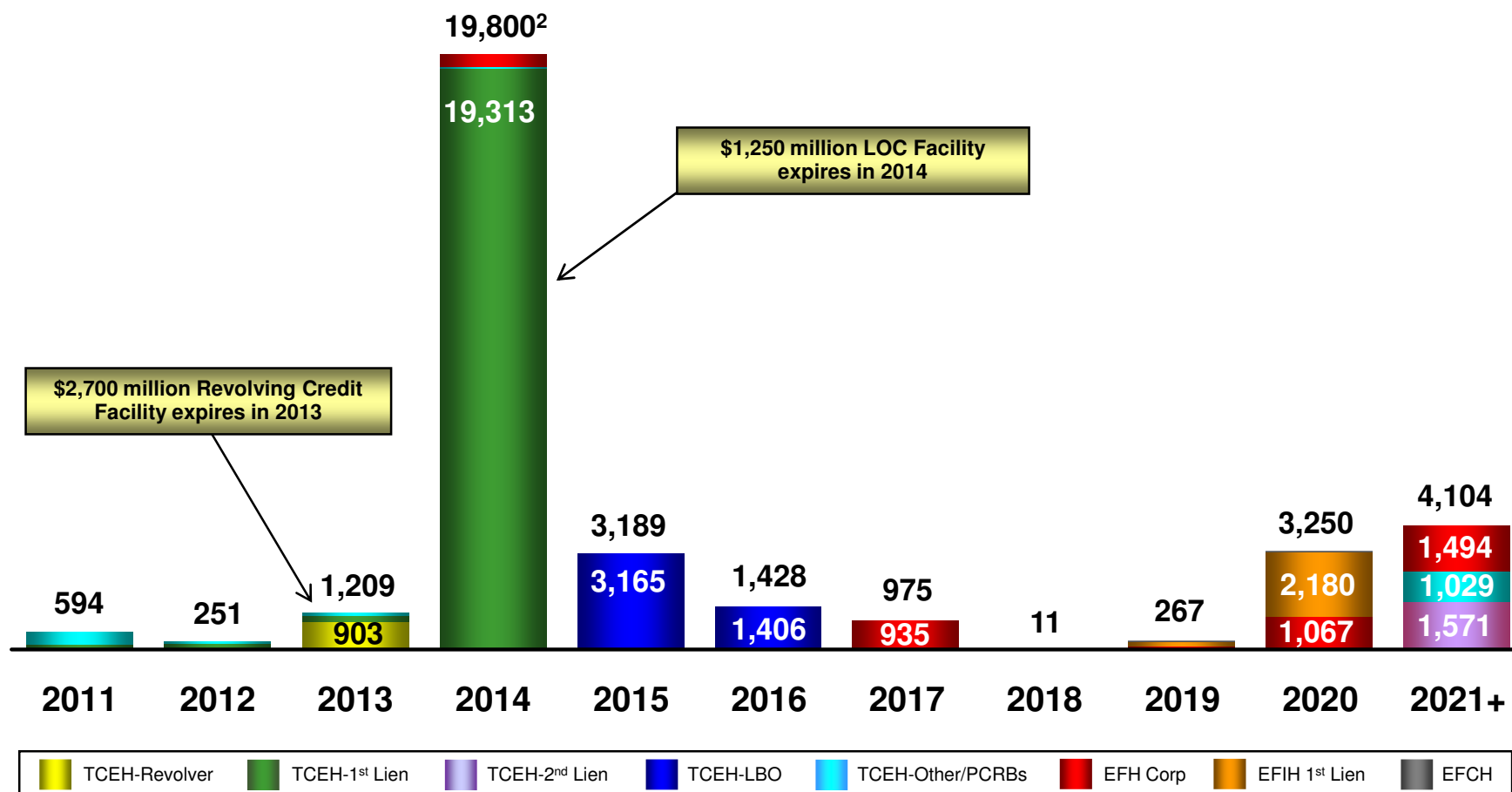
⁴ The percentage hedged represents the amount of estimated natural gas exposure based on Houston Ship Channel (HSC) gas price sensitivity as a proxy for Texas gas price.

⁵ Includes positions related to fuel surcharge on rail transportation.

⁶ Excludes fuel surcharge on rail transportation.

Current EFH Maturity Profile As of March 31, 2011

EFH Corp. debt maturities¹ (excluding Oncor), 2011-2021 and thereafter
As of 3/31/11; \$ millions



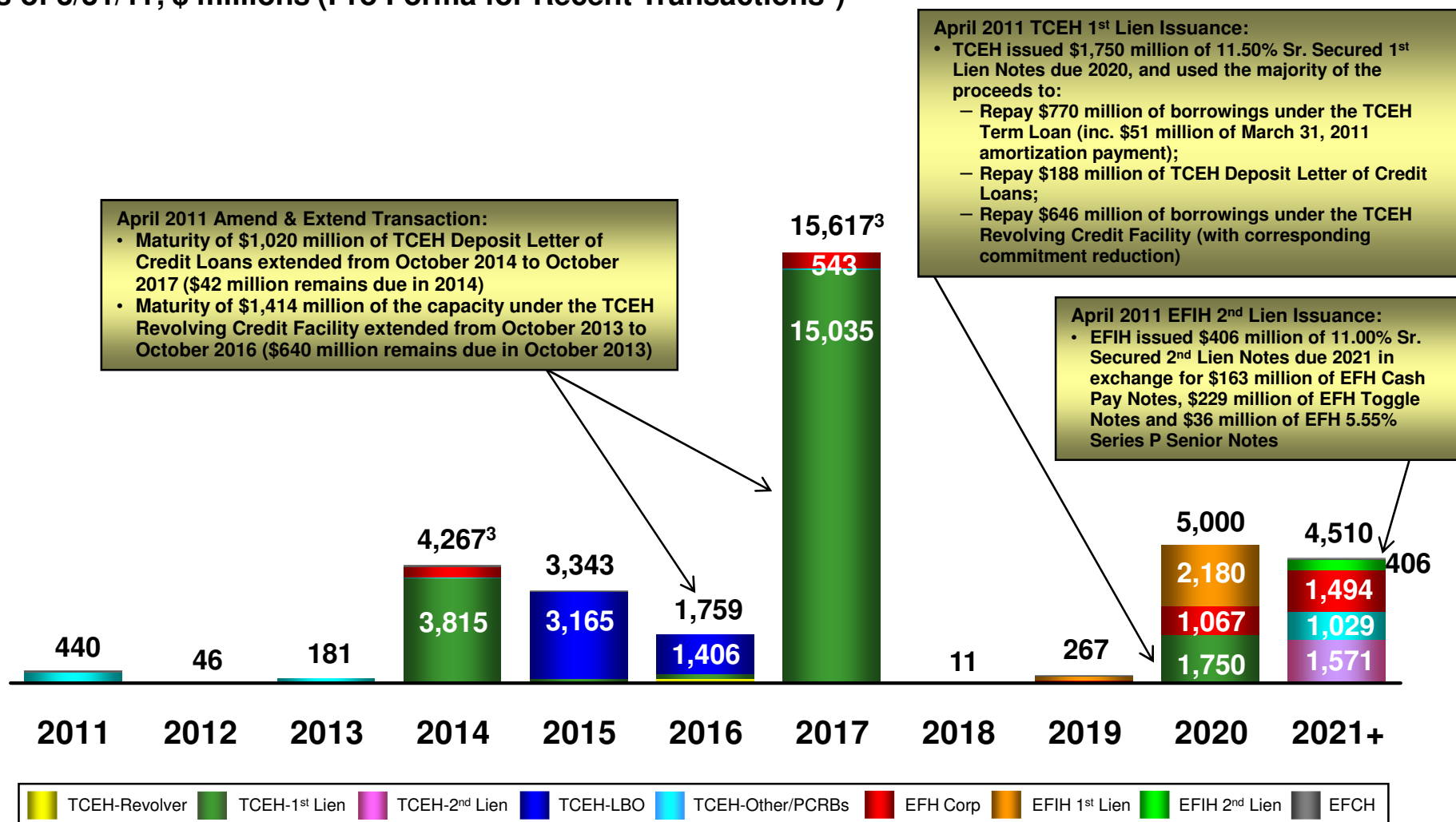
¹ Includes amortization of the \$16.5 billion Initial Term Loan, \$4.1 billion Delayed Draw Term Loan and excludes unamortized discounts and premiums.

² Excludes the Deposit Letter of Credit Facility maturing in 2014.

EFH Maturity Profile

March 31, 2011 Pro Forma for Recent Transactions

EFH Corp. debt maturities¹ (excluding Oncor), 2011-2021 and thereafter
As of 3/31/11; \$ millions (Pro Forma for Recent Transactions²)



April 2011 Amend & Extend Transaction:

- Maturity of \$1,020 million of TCEH Deposit Letter of Credit Loans extended from October 2014 to October 2017 (\$42 million remains due in 2014)
- Maturity of \$1,414 million of the capacity under the TCEH Revolving Credit Facility extended from October 2013 to October 2016 (\$640 million remains due in October 2013)

April 2011 TCEH 1st Lien Issuance:

- TCEH issued \$1,750 million of 11.50% Sr. Secured 1st Lien Notes due 2020, and used the majority of the proceeds to:
 - Repay \$770 million of borrowings under the TCEH Term Loan (inc. \$51 million of March 31, 2011 amortization payment);
 - Repay \$188 million of TCEH Deposit Letter of Credit Loans;
 - Repay \$646 million of borrowings under the TCEH Revolving Credit Facility (with corresponding commitment reduction)

April 2011 EFIH 2nd Lien Issuance:

- EFIH issued \$406 million of 11.00% Sr. Secured 2nd Lien Notes due 2021 in exchange for \$163 million of EFH Cash Pay Notes, \$229 million of EFH Toggle Notes and \$36 million of EFH 5.55% Series P Senior Notes

¹ Includes amortization of the \$15.4 billion Term Loan/DDTL facility beginning in Q4 2014 and excludes unamortized discounts and premiums.

² Includes transactions closed through 4/25/11: (1) TCEH amendment and extension of a portion of the 1st Lien Secured Credit Facilities, and (2) private exchanges of EFIH 2nd Lien Notes for EFH Cash Pay, PIK Toggle and 2014 Legacy Notes.

³ Excludes the Deposit Letter of Credit Facility maturing in 2014 and 2017.

Today's Agenda

**Financial and Operational
Overview**

Q1 2011 Review

**John Young
President & CEO**

Q&A


Today's Agenda

**Financial and Operational
Overview**

Q1 2011 Review

Q&A

EFH Corp. Senior Executive Team



Questions & Answers

Appendix

Appendix – Additional Slides and Regulation G Reconciliations

Currently Installed¹ Environmental Control Equipment At Luminant Coal Units

x Currently installed

Coal Unit	Capacity (MW)	FGD (Scrubber) ²	Activated Carbon Injection ³	ESP ⁴	SNCR ⁵	SCR ⁵	Bag-house ⁴
Oak Grove 1	800	x	x			x	x
Oak Grove 2	800	x	x			x	x
Sadow 4	557	x	x	x		x	
Sadow 5	580	x	x		x		x
Martin Lake 1	750	x	x	x			
Martin Lake 2	750	x	x	x			
Martin Lake 3	750	x	x	x			
Monticello 1	565		x	x	x		x
Monticello 2	565		x	x	x		x
Monticello 3	750	x	x	x	x		
Big Brown 1	575		x	x	x		x
Big Brown 2	575		x	x	x		x

¹ There is no assurance that the currently installed control equipment will satisfy the requirements under any change to applicable law or any future Environmental Protection Agency or Texas Commission on Environmental Quality regulations.

² FGD refers to flue gas desulfurization systems that reduce SO₂ emissions with co-benefits of other emissions reductions.

³ Activated carbon injection systems reduce mercury emissions.

⁴ ESP refers to electro-static precipitation systems. ESP and bag-house systems reduce particulate emissions with co-benefits of other emissions reductions.

⁵ SNCR refers to selective non-catalytic reduction systems. SCR refers to selective catalytic reduction systems. Both systems reduce NO_x emissions.

Financial Definitions

Measure	Definition
Adjusted (non-GAAP) Operating Results	Net income (loss) adjusted for items representing income or losses that are not reflective of underlying operating results. These items include unrealized mark-to-market gains and losses, noncash impairment charges and other charges, credits or gains that are unusual or nonrecurring. EFH uses adjusted (non-GAAP) operating results as a measure of performance and believes that analysis of its business by external users is enhanced by visibility to both net income (loss) prepared in accordance with GAAP and adjusted (non-GAAP) operating earnings (losses).
Adjusted EBITDA (non-GAAP)	EBITDA adjusted to exclude interest income, noncash items, unusual items, income from discontinued operations and other adjustments allowable under the EFH senior secured notes indenture. Adjusted EBITDA plays an important role in respect of certain covenants contained in this indenture. Adjusted EBITDA is not intended to be an alternative to GAAP results as a measure of operating performance or an alternative to cash flows from operating activities as a measure of liquidity or an alternative to any other measure of financial performance presented in accordance with GAAP, nor is it intended to be used as a measure of free cash flow available for EFH's discretionary use, as the measure excludes certain cash requirements such as interest payments, tax payments and other debt service requirements. Because not all companies use identical calculations, Adjusted EBITDA may not be comparable to similarly titled measures of other companies. See EFH's filings with the SEC for a detailed reconciliation of EFH's net income prepared in accordance with GAAP to Adjusted EBITDA.
Competitive Business Results	Refers to the combined results of the Competitive Electric segment and Corporate & Other.
Contribution Margin (non-GAAP)	Operating revenues less fuel, purchased power costs, and delivery fees, plus or minus net gain (loss) from commodity hedging and trading activities, which on an adjusted (non-GAAP) basis, exclude unrealized gains and losses.
EBITDA (non-GAAP)	Net income (loss) before interest expense and related charges, income tax expense (benefit) and depreciation and amortization.
GAAP	Generally accepted accounting principles.
Purchase Accounting	The purchase method of accounting for a business combination as prescribed by GAAP, whereby the purchase price of a business combination is allocated to identifiable assets and liabilities (including intangible assets) based upon their fair values. The excess of the purchase price over the fair values of assets and liabilities is recorded as goodwill. Depreciation and amortization due to purchase accounting represents the net increase in such noncash expenses due to recording the fair market values of property, plant and equipment, debt and other assets and liabilities, including intangible assets such as emission allowances, customer relationships and sales and purchase contracts with pricing favorable to market prices at the date of the Merger. Amortization is reflected in revenues, fuel, purchased power costs and delivery fees, depreciation and amortization and interest expense in the income statement.
Regulated Business Results	Refers to the results of Oncor and the Oncor ring-fenced entities.

Table 1: EFH Corp. Adjusted EBITDA Reconciliation
Three Months Ended March 31, 2010 and 2011
\$ millions

Factor	Q1 10	Q1 11
Net income (loss) attributable to EFH Corp.	355	(362)
Income tax (benefit) expense	203	(215)
Interest expense and related charges	954	643
Depreciation and amortization	342	369
EBITDA	1,854	435
Adjustments to EBITDA (pre-tax):		
Oncor distributions/dividends	30	16
Interest income	(10)	(2)
Amortization of nuclear fuel	37	37
Purchase accounting adjustments ¹	56	50
Impairment of assets and inventory write-down ²	1	-
Net gain on debt exchange offers	(14)	-
Equity in earnings of unconsolidated subsidiary	(63)	(50)
Unrealized net (gain) loss resulting from hedging transactions	(993)	316
Amortization of "day one" net loss on Sandow 5 power purchase agreement	(5)	-
Noncash compensation expense ³	9	-
Severance expense	3	3
Transition and business optimization costs ⁴	-	5
Transaction and merger expenses ⁵	13	9
Restructuring and other ⁶	(10)	(25)
Expenses incurred to upgrade or expand a generation station ⁷	23	36
EFH Corp. Adjusted EBITDA per Incurrence Covenant	931	830
Add back Oncor adjustments	332	336
EFH Corp. Adjusted EBITDA per Restricted Payments Covenant	1,263	1,166

¹ Includes amortization of the intangible net asset value of retail and wholesale power sales agreements, environmental credits, coal purchase contracts, nuclear fuel contracts and power purchase agreements and the stepped-up value of nuclear fuel. Also includes certain credits not recognized in net income due to purchase accounting.

² Impairment of assets includes impairments of land.

³ Represents amounts recorded under stock-based compensation accounting standards and excludes capitalized amounts.

⁴ Includes incentive compensation expenses and professional fees primarily for retail billing and customer care systems enhancements.

⁵ Includes costs related to the 2007 merger and abandoned strategic transactions, the Sponsor Group management fee, outsourcing transition costs, administrative costs related to the cancelled program to develop coal-fueled facilities, and costs related to certain growth initiatives.

⁶ Includes gains on termination of a long-term power sales contract and settlement of amounts due from a hedging/trading counterparty and reversal of certain liabilities accrued in purchase accounting.

⁷ Reflects noncapital outage costs.

Table 2: TCEH Adjusted EBITDA Reconciliation Three Months Ended March 31, 2010 and 2011 \$ millions

Factor	Q1 10	Q1 11
Net income (loss)	450	(301)
Income tax expense (benefit)	258	(155)
Interest expense and related charges	749	498
Depreciation and amortization	337	362
EBITDA	1,794	404
Adjustments to EBITDA (pre-tax):		
Interest income	(22)	(27)
Amortization of nuclear fuel	37	37
Purchase accounting adjustments ¹	44	38
EBITDA amount attributable to consolidated unrestricted subsidiaries	-	(2)
Unrealized net (gain) loss resulting from hedging transactions	(993)	316
Amortization of "day one" net loss on Sandow 5 power purchase agreement	(5)	-
Corp. depreciation, interest and income tax expense included in SG&A	2	3
Noncash compensation expense ²	7	-
Severance expense	3	-
Transition and business optimization costs ³	1	6
Transaction and merger expenses ⁴	11	11
Restructuring and other ⁵	(11)	(17)
Expenses incurred to upgrade or expand a generation station ⁶	23	36
TCEH Adjusted EBITDA per Incurrence Covenant	891	805
Expenses related to unplanned generation station outages	59	58
Other adjustments allowed to determine Adjusted EBITDA per Maintenance Covenant ⁷	3	8
TCEH Adjusted EBITDA per Maintenance Covenant	953	871

¹ Includes amortization of the intangible net asset value of retail and wholesale power sales agreements, environmental credits, coal purchase contracts, nuclear fuel contracts and power purchase agreements and the stepped up value of nuclear fuel. Also includes certain credits not recognized in net income due to purchase accounting.

² Impairment of assets includes impairment of land.

³ Excludes capitalized amounts.

⁴ Includes incentive compensation expenses and professional fees primarily for retail billing and customer care systems enhancements.

⁵ Includes costs related to the 2007 merger, the Sponsor Group management fee, outsourcing transition costs and costs related to certain growth initiatives.

⁶ Includes gains on termination of a long-term power sales contract and settlement of amounts due from a hedging/trading counterparty, and reversal of certain liabilities accrued in purchase accounting.

⁷ Reflects noncapital outage costs.

⁸ Primarily pre-operating expenses related to Oak Grove and Sandow 5 generation facilities.

Table 3: Oncor Adjusted EBITDA Reconciliation
Three Months Ended March 31, 2010 and 2011
\$ millions

Factor	Q1 10	Q1 11
Net income	79	65
Income tax expense	48	40
Interest expense and related charges	86	90
Depreciation and amortization	166	172
EBITDA	379	367
Interest income	(10)	(10)
Purchase accounting adjustments¹	(9)	(8)
Transition and business optimization costs and other	2	2
Oncor Adjusted EBITDA	362	351

¹ Purchase accounting adjustments consist of amounts related to the accretion of an adjustment (discount) to regulatory assets.