

RELIANT ENERGY, INC.

RISK AND FINANCE OVERSIGHT COMMITTEE CHARTER

(as amended and restated on May 21, 2008)

The Board of Directors of Reliant Energy, Inc. (the "Company") has established the Risk and Finance Oversight Committee of the Board and has adopted this Charter, which is dated May 16, 2007, as most recently amended and effective May 21, 2008, and reflects the Company's current circumstances and current "best practices." It is the intention of the Board that this Charter be a dynamic document, to be regularly reviewed and updated to ensure that it represents evolving "best practices" on a basis consistent with the Reliant Energy, Inc. Statement of Objectives, as set forth below:

The objective of the Board of Directors (the "Board") is to govern the affairs of the Company for the benefit of our shareholders and other constituencies, including our employees, customers and the communities in which we do business. The Board strives to ensure the success and continuity of the Company's business by electing qualified management and fostering an environment in which the Company's activities are conducted in a legally-compliant, responsible and ethical manner.

Strong principles of corporate governance are critical to achieving these objectives. Accordingly, the Board has committed to:

- ***High Corporate Governance Standards*** -- Engaging in conduct that conforms to current corporate governance standards and monitoring evolving standards of corporate governance in an effort to substantially exceed the consensus view of the minimally-acceptable standards;
- ***Responsible Decision Making*** -- Acting in the best interests of the Company and its shareholders, taking into account the effect of its actions on the Company's employees, customers, the environment and the communities in which it operates;
- ***Transparency in Reporting*** -- Ensuring transparency in the Company's reporting of its financial condition and results of operations, business activities and other disclosure by the Company to regulatory authorities, shareholders and other constituencies; and
- ***Ethical Behavior*** -- Conducting the Company's business in a fashion consistent with the highest standards of ethical conduct and in such a fashion that complies with both the letter and the spirit of the applicable laws, rules and regulations.

I. Purposes

The purposes of the Risk and Finance Oversight Committee are:

1. To assist the Board in identifying and evaluating the Company's financial and risk profile;

2. To assist the Board in overseeing the Company's financial and risk management policies and activities; provided however that the responsibility for managing and assessing risks with respect to financial reporting and tax-related issues shall be the responsibility of the Audit Committee;
3. To oversee the activities of the Chief Risk Officer; and
4. To perform such other functions as the Board may assign to the Risk and Finance Oversight Committee from time to time.

II. Composition

The Risk and Finance Oversight Committee shall be comprised of three or more Directors, as determined by the Board. Risk and Finance Oversight Committee members shall satisfy qualification requirements deemed appropriate by the Board and shall serve until their successors are duly elected and qualified.

The Board shall appoint the members of the Risk and Finance Oversight Committee based on the recommendation of the Nominating & Governance Committee. Any vacancy on the Risk and Finance Oversight Committee shall be filled by majority vote of the Board. Members may be removed by a majority vote of the independent directors then in office.

The chairperson of the Risk and Finance Oversight Committee shall be designated by the Board based on the recommendations of the Nominating and Governance Committee. The chairperson shall be responsible for leadership of the Risk and Finance Oversight Committee, including developing the agenda with the assistance of and in consultation with appropriate members of the Risk and Finance Oversight Committee and management, presiding over the meetings, making assignments and reporting to the Board.

III. Procedures

1. **Meetings.** The Risk and Finance Oversight Committee shall meet at least three times per year, and as many additional times as the members deem necessary. Members are expected to regularly attend Risk and Finance Oversight Committee meetings and to spend the time needed to properly discharge their responsibilities. A Risk and Finance Oversight Committee member who is unable to attend a Risk and Finance Oversight Committee meeting is expected to notify the chairperson of the Risk and Finance Oversight Committee prior to the meeting. The schedule for each Risk and Finance Oversight Committee meeting shall be furnished to all directors, and the agenda for each Risk and Finance Oversight Committee meeting shall be furnished to the Risk and Finance Oversight Committee members as well as to the chairperson of each other committee of the Board.

Information and data important to the Risk and Finance Oversight Committee's understanding of the business to be conducted at a Risk and Finance Oversight Committee meeting should be distributed in writing to the attendees before the meeting (taking into account that there may be exigent circumstances in which it is not possible

to do so), and Risk and Finance Oversight Committee members are expected to review these materials prior to the meeting. It is the Risk and Finance Oversight Committee's expectation that materials should be physically delivered at least five calendar days prior to the meeting in question.

All non-management directors are invited to attend every meeting of the Risk and Finance Oversight Committee and receive copies of all materials distributed at such meetings, with the understanding that non-management directors that do not sit on the Risk and Finance Oversight Committee will have only observer status. The Risk and Finance Oversight Committee may meet in person, by telephone conference call, or in any other manner in which the Board is permitted to meet under law or the Company's bylaws.

The Risk and Finance Oversight Committee may ask management or other employees to attend its meetings and to provide pertinent information and/or recommendations for the Risk and Finance Oversight Committee's consideration as necessary.

The agenda for each Risk and Finance Oversight Committee meeting shall provide for a meeting of the members of the Risk and Finance Oversight Committee in executive session.

2. ***Quorum and Approval.*** A majority of the members of the Risk and Finance Oversight Committee shall constitute a quorum. The Risk and Finance Oversight Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Risk and Finance Oversight Committee may also act by unanimous written consent in lieu of a meeting.
3. ***Reports.*** The Risk and Finance Oversight Committee shall maintain minutes of its meetings and shall make regular reports to the Board on its activities, as appropriate, directly or through the chairperson.
4. ***Performance and Charter Review.*** The Risk and Finance Oversight Committee shall conduct an annual self-evaluation to determine whether it and its members are functioning effectively. The evaluation shall include a review and assessment of the adequacy of the Risk and Finance Oversight Committee's charter. The Risk and Finance Oversight Committee shall develop an evaluation process and solicit evaluations from all members regarding the functioning of the committee at the end of each fiscal year. The Risk and Finance Oversight Committee shall report the results of the review to the Board and, if necessary, make recommendations to the Board to amend the Risk and Finance Oversight Committee's charter. The Risk and Finance Oversight Committee also shall submit itself to the review and evaluation of the Board.

IV. Authority and Responsibilities

The Risk and Finance Oversight Committee is delegated all authority of the Board as may be required or advisable to fulfill the purposes of the Risk and Finance Oversight Committee. The

Risk and Finance Oversight Committee may form, and delegate some or all of its authority to, subcommittees as it deems appropriate.

The Risk and Finance Oversight Committee shall have authority to obtain advice and assistance from internal or external legal or other consultants and advisors, as it deems necessary, without consulting or obtaining advance approval of any officer of the Company and without approval of the full Board. The Risk and Finance Oversight Committee shall have the authority to approve the fees and expenses of such advisors and have the Company pay such fees and expenses, as well as any administrative expenses of the Risk and Finance Oversight Committee.

If the Risk and Finance Oversight Committee retains an independent advisor, it must notify the Board and, if the Chief Executive Officer is not a member of the Board at such time, the Chief Executive Officer. The Risk and Finance Oversight Committee may request any officer or employee of the Company or any of its subsidiaries or the Company's outside legal counsel to meet with the Risk and Finance Oversight Committee or any member of the Risk and Finance Oversight Committee.

The Risk and Finance Oversight Committee shall have the following duties and responsibilities:

1. Oversee the Company's financial policies and objectives;
2. Review periodically the capital structure, capital adequacy and financial flexibility of the Company and its subsidiaries;
3. Review periodically the appropriateness of the Company's dividend, financing and fiscal policies;
4. Review the Company's proposed financing activities;
5. Review the financial and risk impacts of major transactions as related to mergers, acquisitions, tender offers, reorganizations, asset divestitures, securities offerings, share repurchases or other transactions that materially alter the financial or risk profile of the Company and report on such impacts to the Board;
6. Review and discuss with management the Company's major risk exposures including financial, market, operational, legal, regulatory, strategic, environmental or reputation risk;
7. Oversee the Company's policies and objectives related to risk and the measures management has taken to identify, monitor, measure, manage and report on risk;
8. At least annually, review the Company's Delegation of Authority/Expenditure Policy and, if necessary, make recommendations to the Board to amend the Delegation of Authority/Expenditure Policy;
9. At least annually, review and discuss with management the Company's environmental, health and safety policies and initiatives relative to existing and proposed environmental legislation and regulations, its compliance record with existing environmental legislation and

regulations and its health and safety compliance record. As part of the review, the Risk and Finance Oversight Committee will discuss with management the Company's policies and initiatives, current and potential, relative to emissions, including SO₂, NO_x, mercury and CO₂.

10. Review periodically insurance coverages, renewals and trends;
11. Meet periodically with the Company's internal auditor, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Risk Officer and such other persons as it deems appropriate to discuss specific risks and assess effectiveness of risk management systems;
12. Conduct an annual performance and charter evaluation and submit to an annual review and evaluation by the Board, as described in Section III.4 above.
13. Apprise the Board, through minutes and special presentations as necessary, of significant developments in the course of performing these duties;
14. Perform any other activities consistent with this Charter, the Company's Certificate of Incorporation and Bylaws, the rules of the NYSE applicable to its listed companies, and governing law as the Risk and Finance Oversight Committee or the Board deems necessary or appropriate.

The foregoing duties and responsibilities of the Risk and Finance Oversight Committee are stated broadly with the intention that the Risk and Finance Oversight Committee shall determine, as appropriate based on the circumstances at the time, those specific matters that the members of the Risk and Finance Oversight Committee deem it appropriate to address in conjunction with the discharge of their responsibilities.

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While the members of the Risk and Finance Oversight Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of the members of the Risk and Finance Oversight Committee, except to the extent otherwise provided under applicable federal or state law.