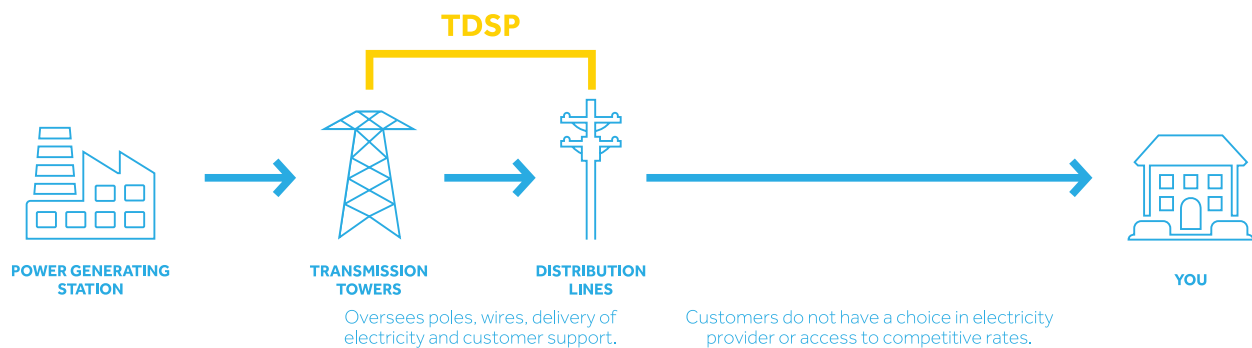


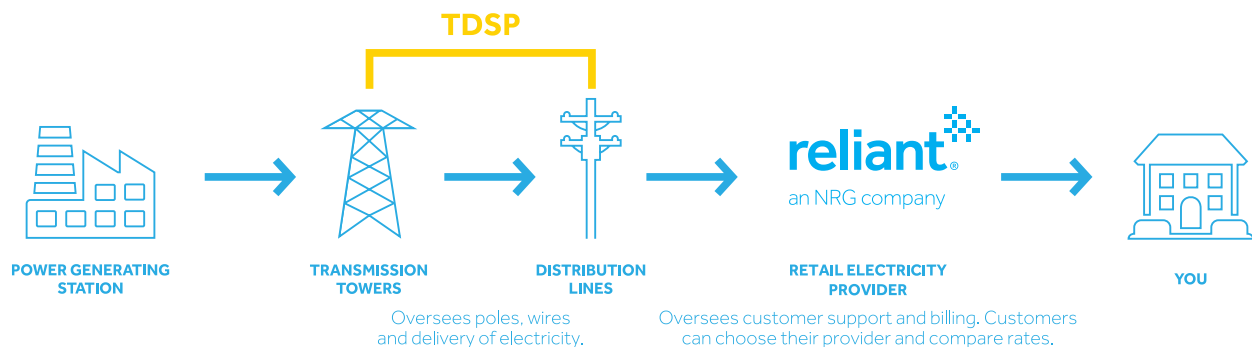
What are TDSP Charges?

Since 2002, much of the Texas electricity market has been deregulated, giving consumers and businesses the ability to choose their electricity provider.

Prior to deregulation, one local Transmission and Distribution Service Provider (TDSP) managed the generation, transmission, distribution and retail sales of your electricity.



As a result of deregulation, the TDSP (AEP Texas, CenterPoint, ONCOR, Texas New Mexico Power) continues to provide the transmission and distribution services, while retail electricity providers, like Reliant and its competitors, provide the retail sales services to consumers and businesses. Electricity is delivered as it always has been; you're simply now eligible to purchase it from various retail electricity providers, who are responsible for all customer service and billing.



Although you may buy electricity from Reliant, the TDSP is and always has been responsible for the physical delivery of that electricity to your service address. TDSPs oversee the poles and wires, as well as installing, maintaining and reading your meter. TDSP Delivery Charges cited on your bill are total amounts assessed by the TDSP for providing these transmission and distribution services. The amount charged is based on two factors — the amount of electricity you use (per kilowatt hour), and price changes allowed by the Public Utility Commission of Texas, which governs all TDSPs in the state. These Delivery Charges are approved by the Public Utility Commission of Texas and apply to all deregulated electricity customers, regardless of who their electricity provider is.

What are TDSP Charges?

How does this affect you, as an electricity customer? The TDSP bills all retail electricity providers, including Reliant, for its services. Electricity providers then pass these charges through to their customers without markup. The Public Utility Commission of Texas doesn't delineate how TDSP fees have to be listed on customer bills, meaning electricity providers can choose how to display these fees.

- Some retail electricity providers list them as TDU (Transmission and Delivery Utility) Charges, while others list them as TDSP Charges.
- Some display these charges on the front page of the bill, and others on the back.
- Some don't break out any TDSP/TDU Charges on their electricity bills, while others only itemize recurring monthly surcharges, such as the Advanced Metering Charge and Customer and Metering Charges. They then roll up your usage-based charges – which are billed per kilowatt hour – into your average price per kilowatt hour.

Reliant, however, believes in being as transparent as possible, so we show TDSP Charges on the front of your bill and as a separate line item from your Reliant Energy Charge. This also helps you better distinguish where your money is going. You can view a detailed breakdown of a Reliant electricity bill [here](#).

What's important to remember is that regardless of what retail electricity provider you choose or how TDSP Charges are displayed on your electricity bill, they're non-bypassable and apply to all customers.

We want you to be as informed as possible. If you have additional questions specifically about TDSP Charges, we're happy to provide you with the phone number for your utility company's customer service department, so they can further assist you.

AEP Texas – **1-866-223-8508**

CenterPoint – **1-800-332-7143**

ONCOR – **1-888-313-4747**

Texas New Mexico Power – **1-888-866-7456**

Let us put more power behind your business.

1-855-594-6199

SmallBusinessConsultants@reliant.com

