

RELIANT ENERGY INC
Form DEFA14A
April 05, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
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RELIANT ENERGY, INC.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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Second Quarter 2006

Investor Meetings

Daniel N. Hannon

Senior Vice President Finance & Corporate Development

April 5-6, 2006

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Forward Looking Statements

This presentation contains forward-looking statements. Forward-looking statements are statements that contain projections, estimates or assumptions about our revenues, income and other financial items, our plans for the future, future economic performance, transactions and dispositions and financings related thereto. Forward-looking statements relate to future events and anticipated revenues, earnings, business strategies, competitive position or other aspects of our operations or operating results. In many cases you can identify forward-looking statements by terminology such as anticipate, estimate, believe, continue, could, intend, may, plan, potential, predict, should, objective, projection, forecast, goal, guidance, outlook, effort, target and other similar words. However, the absence of these words mean that the statements are not forward-looking.

We have based our forward-looking statements on management's beliefs and assumptions based on information available to management at the time the statements are made. Actual results may differ materially from those expressed or implied by forward-looking statements as a result of many factors or events, including legislative and regulatory developments, the outcome of pending lawsuits, governmental proceedings and investigations, the effects of competition, financial market conditions, access to capital, the timing and extent of changes in commodity prices and interest rates, weather conditions, changes in our business plan and other factors we discuss in our filings with the Securities and Exchange Commission.

Each forward-looking statement speaks only as of the date of the particular statement and we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

This presentation contains non-GAAP measures as defined by the Securities and Exchange Commission rules. A reconciliation of these measures to the most directly comparable GAAP measures is contained in the appendix.

Business Overview

Dedicated to Competitive Markets for Electricity

Wholesale

Manage commodity inputs to generate electricity

Capital intensive and cyclical

Key long-term drivers

Commodity prices

Supply/demand balance

Short-term earnings impacted by weather and commodity price volatility

Retail

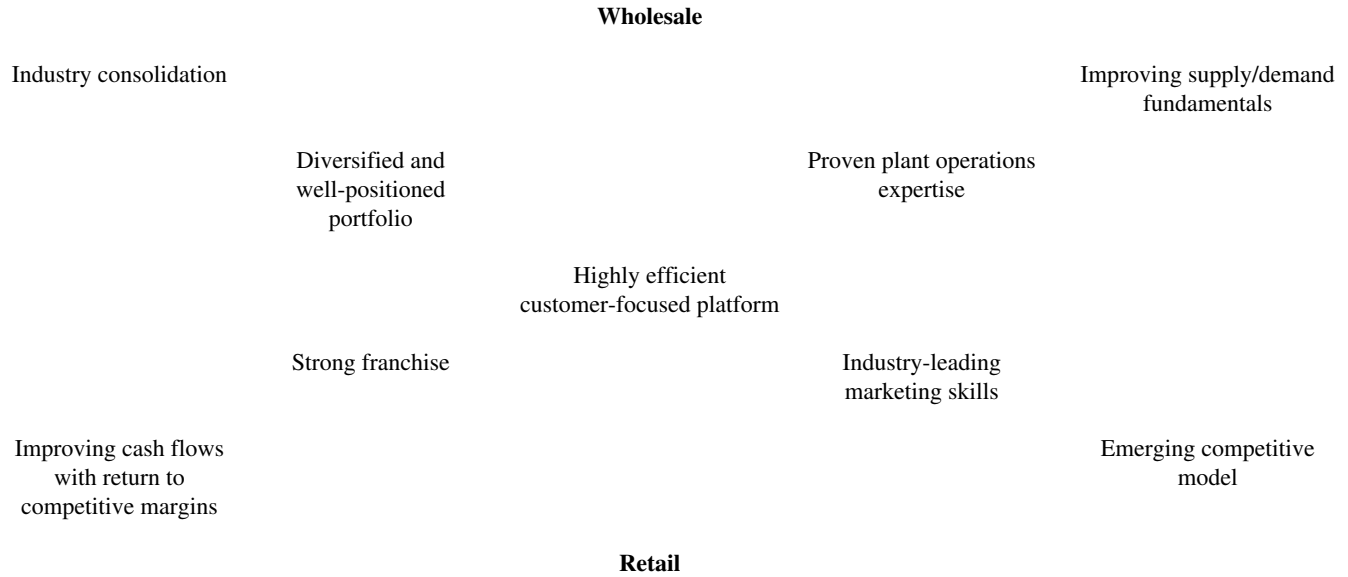
Procure and supply electricity to end users

Low capital investment requirement with relatively stable earnings

Key long-term driver = competitive intensity

Short-term earnings impacted by weather and competitive tactics

Value Proposition



Wholesale Business

Overview

~16,000 MW generation capacity

~33.3 TWh* produced in 2005

Open model strategy

No new forward power sales from coal assets

Exit existing hedges consistent with collateral reduction plan

Continue limited hedging in select circumstances

**Year-End 2005
Generating Capacity**

[CHART]

**2005 Open
Gross Margin**

[CHART]

* Excludes PPAs, tolling agreements, and assets sold during 2005.

Wholesale Earnings Model

Number of economic hours
X Commercial capacity factor
= Generation volume
X Unit margin
= Energy margin
+ Other margin
= Open wholesale gross margin

Commercial Capacity Factor

[CHART]

Committed to top
quartile operating
performance by 2008

- 1) Commercial capacity factor = generation volume divided by economic hours
- 2) Capacity factor = % economic x commercial capacity factor

Wholesale Uplift at Mid-Cycle Economics(1)

[CHART]

(1) The GAAP financial measures for these items are not accessible on a forward-looking basis. Actual results of operations could vary significantly from estimates. 7.5% required return on new generation

Retail Business

| | <u>2005 Volume</u> | <u>2005 Gross Margin</u> |
|----------|-----------------------------------|-------------------------------------|
| Overview | [CHART] | [CHART] |
| | ~66.4 TWh* (2005) | |
| | ~1.9 million customers (12/31/05) | |

Retail earnings model

Sales volumes (MWh)

X Unit margin (\$/MWh)

= Retail gross margin

Strategy

Transition to full competition with return to competitive margins

Maintain ERCOT market leadership

* Excludes 0.9 TWh of reported Retail operational volumes associated with a tolling agreement which ended in May-05.

2006-2008 Outlook Based on Forward Commodity Prices(1), (2)

\$ Millions

| | 2006E | | 2007E | | 2008E |
|--|---------------|-----------|--------------|-----------|--------------|
| Adjusted retail gross margin | \$ 681 | \$ | 868 | \$ | 877 |
| Open wholesale gross margin | 1,182 | | 1,393 | | 1,380 |
| Total open gross margin | \$ 1,863 | \$ | 2,261 | \$ | 2,257 |
| | | | | | |
| Total Expenses(3) | \$ 1,123 | \$ | 1,119 | \$ | 1,100 |
| | | | | | |
| Open EBITDA | \$ 740 | \$ | 1,142 | \$ | 1,157 |
| | | | | | |
| Impact of historical wholesale hedges(4) | \$ (422) | \$ | (250) | \$ | (108) |
| | | | | | |
| Emission allowance sales(5) | 139 | | | | |
| | | | | | |
| Adjusted EBITDA | \$ 457 | \$ | 892 | \$ | 1,049 |

(1) 2006 outlook based on forward commodity prices as of 3/8/06 plus January and February actuals. 2007 and 2008 outlook based on forward commodity prices as of 12/29/05

(2) Certain factors that could affect GAAP financial measures are not accessible on a forward-looking basis, but could be material to future reported earnings

(3) Excluding interest, income taxes, and depreciation & amortization

(4) Includes remaining and closed power hedges, fuel hedges, long-term tolling purchases, and gas transportation

(5) 2006 emission allowances sales through February 28, 2006.

Gross Margin Sensitivities

\$ Millions

| | Wholesale | | |
|------------------|------------------|--------------|---------------|
| Commodity | Market | Plant | Retail |
| [CHART] | [CHART] | [CHART] | [CHART] |

*Offsetting impact to depreciation and amortization expense = SO₂ price change x difference between expected emissions and inventory

Capital Committed to Collateral

| | <u>Collateral Roll-off</u> | | <u>Net Natural Gas Exposure*</u> |
|-------------|----------------------------|----------|----------------------------------|
| \$ Millions | | Net BCFe | |
| | [CHART] | | [CHART] |

Reduce committed capital by at least \$1 billion

Migrate to open model in wholesale business

Credit-enhanced structure for retail supply

* Exposure to increasing collateral requirements.

[LOGO]

Appendix

April 5-6, 2006

Forward Market Data Used in Outlook*

| | 2006 | 2007 | 2008 |
|--|-------|-------|-------|
| NYMEX Gas (\$/MMBtu) | 7.70 | 10.15 | 9.26 |
| Coal (\$/MMBtu) | 1.87 | 1.98 | 1.96 |
| SO2 (\$/ton) | 966 | 1,512 | 1,454 |
| NOX (\$/ton) | 1,989 | 2,475 | 2,475 |
| Avg Plant to Hub Basis (\$/MWh) (5x16)** | -5.20 | -9.42 | -7.73 |
| PJM WHUB (\$/MWh) (5x16) | 66.64 | 85.06 | 76.35 |
| CIN HUB (\$/MWh) (5x16) | 53.91 | 68.50 | 62.25 |

* 2006 outlook based on forward commodity prices as of 3/8/06 plus January and February actuals. 2007 and 2008 outlook based on forward commodity prices as of 12/29/05.

** Forward plant to hub basis estimated by Reliant Energy utilizing forward market data and historical commodity relationships

Open Wholesale Key Earnings Drivers

Economic Generation (TWh)

[CHART]

Open Unit Margin (\$/MWh)

[CHART]

Commercial Capacity Factor

[CHART]

Open Gross Margin (\$MM)

[CHART]

Wholesale Generation Detail

| Economic Generation (MWh in the money) | 2006 | | 2007 | | 2008 | |
|---|------------|------------|------------|------------|------------|------------|
| | MWh | % Economic | MWh | % Economic | MWh | % Economic |
| PJM Coal | 23,849,823 | 81.8% | 22,597,003 | 77.5% | 21,941,158 | 75.1% |
| MISO Coal | 7,923,112 | 71.5% | 6,234,060 | 56.2% | 5,777,666 | 52.0% |
| Total Coal | 31,772,935 | 79.0% | 28,831,062 | 71.7% | 27,718,823 | 68.7% |
| PJM/MISO Gas | 454,852 | 1.5% | 306,206 | 1.0% | 226,788 | 0.7% |
| West* | 4,981,479 | 19.0% | 5,259,150 | 20.1% | 8,361,451 | 31.8% |
| Other | 6,204,367 | 87.6% | 6,024,740 | 92.8% | 5,281,385 | 81.1% |
| Total Gas/Oil | 11,640,698 | 18.2% | 11,590,096 | 18.3% | 13,869,624 | 21.8% |
| Total | 43,413,633 | 41.7% | 40,421,158 | 39.0% | 41,588,448 | 40.0% |

| Commercial Capacity Factor | 2006 | 2007 | 2008 |
|----------------------------|-------|-------|-------|
| PJM Coal | 81.0% | 81.9% | 86.3% |
| MISO Coal | 79.7% | 67.3% | 87.5% |
| Total Coal | 80.7% | 78.7% | 86.5% |
| PJM/MISO Gas | 86.2% | 85.8% | 88.0% |
| West* | 94.2% | 91.9% | 92.4% |
| Other | 86.5% | 84.1% | 84.3% |
| Total Gas/Oil | 89.8% | 87.7% | 89.2% |
| Total | 83.1% | 81.3% | 87.4% |

| Generation Volume | 2006 | 2007 | 2008 |
|-------------------|------------|------------|------------|
| PJM Coal | 19,310,167 | 18,504,591 | 18,925,734 |
| MISO Coal | 6,315,059 | 4,197,513 | 5,057,498 |
| Total Coal | 25,625,225 | 22,702,104 | 23,983,232 |
| PJM/MISO Gas | 392,296 | 262,600 | 199,467 |
| West* | 4,690,595 | 4,831,971 | 7,721,923 |
| Other | 5,369,228 | 5,069,503 | 4,450,242 |
| Total Gas/Oil | 10,452,119 | 10,164,073 | 12,371,632 |
| Total | 36,077,344 | 32,866,177 | 36,354,864 |

* Excludes PPAs and tolling agreements.

Plant Margins

| Unit Margin (\$/MWh) | 2006 | | 2007 | | 2008 | |
|-----------------------------------|-------------|-------|-------------|-------|-------------|-------|
| PJM Coal | \$ | 33.48 | \$ | 42.90 | \$ | 39.09 |
| MISO Coal | | 26.96 | | 38.93 | | 35.05 |
| Total Coal | | 31.87 | | 42.17 | | 38.24 |
| PJM/MISO Gas | | 20.11 | | 25.61 | | 20.48 |
| West | | 0.63 | | 4.65 | | 8.27 |
| Other | | 1.82 | | 7.38 | | 8.69 |
| Total Gas/Oil | | 1.97 | | 6.55 | | 8.62 |
| Total | \$ | 23.21 | \$ | 31.15 | \$ | 28.16 |
| Energy Gross Margin (\$MM) | 2006 | | 2007 | | 2008 | |
| PJM Coal | \$ | 647 | \$ | 794 | \$ | 740 |
| MISO Coal | | 170 | | 163 | | 177 |
| Total Coal | | 817 | | 957 | | 917 |
| PJM/MISO Gas | | 8 | | 7 | | 4 |
| West | | 3 | | 22 | | 64 |
| Other | | 10 | | 37 | | 39 |
| Total Gas/Oil | | 21 | | 67 | | 107 |
| Total | \$ | 837 | \$ | 1,024 | \$ | 1,024 |
| Other Margin (\$MM) | 2006 | | 2007 | | 2008 | |
| PJM Coal | \$ | 35 | \$ | 55 | \$ | 53 |
| MISO Coal | | 3 | | 2 | | 2 |
| Total Coal | | 38 | | 57 | | 55 |
| PJM/MISO Gas | | 29 | | 29 | | 29 |
| West | | 177 | | 170 | | 165 |
| Other | | 102 | | 113 | | 107 |
| Total Gas/Oil | | 307 | | 312 | | 301 |
| Total | \$ | 345 | \$ | 369 | \$ | 356 |

Historical Wholesale Hedge Detail(1)

| | 2006 | | 2007 | | 2008 | |
|-------------------------------------|------|-------------|------|------------|------|------------|
| Total Closed Hedges (MWh) | | 4,620,800 | | 1,872,000 | | 1,664,000 |
| Avg Sales Price | \$ | 54.06 | \$ | 54.79 | \$ | 47.84 |
| Avg Buyback Price | \$ | (94.04) | \$ | (76.39) | \$ | (69.15) |
| Total Closed Value (\$MM) | \$ | (185) | \$ | (40) | \$ | (35) |
| Total Remaining Hedges (MWh) | | 17,474,230 | | 7,821,048 | | 1,222,229 |
| Avg Hedge Price | \$ | 50.07(2) | \$ | 46.24(2) | \$ | 40.28(2) |
| Current Market Price | \$ | (61.43) | \$ | (79.28) | \$ | (86.09) |
| Other (\$MM) | \$ | (0.1) | \$ | 0.3 | \$ | 0.2 |
| Total Remaining Hedge Value (\$MM) | \$ | (199) | \$ | (258) | \$ | (56) |
| Total Fuel Hedges (MMBtu) | | 214,744,005 | | 87,020,106 | | 17,163,672 |
| Avg Hedged Fuel Cost(3) | \$ | 1.95 | \$ | 1.28 | \$ | 1.17 |
| Avg Market Fuel Cost | \$ | 2.13 | \$ | 2.07 | \$ | 1.97 |
| Fuel Hedge Value (\$MM) | \$ | 38 | \$ | 69 | \$ | 14 |
| Fuel Inventory Value (\$MM) | \$ | | \$ | 2 | \$ | 16 |
| Total Fuel Value (\$MM) | \$ | 38 | \$ | 71 | \$ | 30 |
| Other Hedges | | | | | | |
| Tolling/gas transport (\$MM) | \$ | (77) | \$ | (22) | \$ | (47) |
| Total Hedge Value (\$MM) | \$ | (422) | \$ | (250) | \$ | (108) |

(1) 2006 based on forward commodity prices as of 3/8/06 plus January and February actuals. 2007 and 2008 outlook based on forward commodity prices as of 12/29/05. Includes closed and remaining power hedges, fuel hedges, long-term tolling purchases, and gas transportation

(2) On-peak (5x16) hedge volumes are 50% of the total in 2006, 62% in 2007, and 38% in 2008; the balance are off-peak.

(3) Fuel hedge data excludes Seward

SO2 Emission Allowances

| Current Position (tons) | 2006 | 2007 | Vintage Year 2008 | 2009 | 2010-2014 |
|--|----------------|----------------|------------------------------|-------------|------------------|
| Allowances required for forward sales | 204,648 | 84,557 | 16,018 | 12,039 | 24,077 |
| Current allowances inventory | 221,166 | 95,225 | 33,675 | 58,231 | 360,703* |
| Excess inventory | 16,518 | 10,668 | 17,657 | 46,192 | 336,625 |
| Expected emissions | 243,214 | 197,974 | 210,044 | | |
| Emission Allowance Sales Since 9/1/05** | 2006 | 2007 | 2008 | 2009 | |
| Allowances (tons) | 27,200 | 50,000 | 125,500 | 94,444 | |
| Average price (\$/ton) | \$ 1,020 | \$ 1,073 | \$ 1,064 | \$ 1,079 | |
| Total proceeds from sales activity (\$MM) | \$ 28 | \$ 54 | \$ 133 | \$ 102 | |

* Total allowances are 721,405. Beginning in 2010, 2 allowances are required for 1 ton of emissions

** Sales as of February 28, 2006

Capital Expenditures

| | 2005 | 2006 | 2007 | 2008 |
|---|---------------|------------|------------|------------|
| | (in millions) | | | |
| Maintenance capital expenditures: | | | | |
| Retail energy | \$ 9 | \$ 10 | \$ 8 | \$ 8 |
| Wholesale energy (1) | 28 | 71 | 108 | 59 |
| Other operations | 7 | 10 | 8 | 8 |
| | \$ 44 | \$ 91 | \$ 124 | \$ 75 |
| Environmental | 8 | 51-67(2) | 83-117(2) | 149-217(2) |
| Construction of new generating facilities | 30 | | | |
| Total capital expenditures | \$ 82 | \$ 142-158 | \$ 207-241 | \$ 224-292 |

(1) Excludes \$7 million for 2006 through 2011 for pre-existing environmental conditions and remediation, which have been accrued for in our consolidated balance sheet as of December 31, 2005.

(2) The environmental range is based on current regulations, current technology, and current forward commodity prices.

Retail Key Earnings Drivers

Volumes* (TWh)

[CHART]

Mass Margin (\$/MWh)

[CHART]

C&I Margin (\$/MWh)

[CHART]

Adjusted Gross Margin (\$MM)

[CHART]

Simplified Wholesale Gross Margin Sensitivities Assumptions

| | Gross margin change (\$MM) |
|---|-------------------------------|
| Natural gas sensitivity (\$1/mmbtu) | |
| On-peak power price impact - assumes 8.0 market implied heat rate (MIHR) and all 5x16 hours are affected | |
| \$1/mmbtu nat gas change x 8.0mmbtu/MWh on-peak x 4600MW coal x 4160 hrs per year x 85% availability | 130 |
| Off-peak power price impact - assumed to be negligible (simplifying assumption) | 0 |
| Average on-peak and off-peak plant-to-hub congestion (PJM only) | |
| 1.5 mmbtu/MWh (MIHR) congestion per \$1/mmbtu nat gas move x 3300MW coal x 8760hrs x 65% cap factor | -28 |
| Estimated net gross margin change from \$1 move in natural gas | 102 |
| Coal sensitivity (\$0.10/mmbtu) | |
| On-peak power price impact - assumes are not affected, while costs increase | |
| \$0.10/mmbtu coal price move x 10.3 mmbtu/MWh unit heat rate x 4600 MW coal x 4160 hrs x 85% availability | 17 |
| Off-peak power price impact - assumes off-peak prices increase in line with coal cost (simplifying assumption) | 0 |
| Estimated net gross margin change from \$0.10 move in coal | 17 |
| SO2 sensitivity (\$100/ton) | |
| On-peak power price impact - assumes prices are not affected (simplifying assumption) | 0 |
| Off-peak power price impact - assumes off-peak prices increase in line with SO2 cost | |
| \$100 per ton x 1 ton per 80MWh x 4600MW coal x 4600 offpeak hrs per yr x 50% cap factor | 13 |
| Estimated net gross margin change from \$100 move in SO2 | 13 |
| Weather sensitivity (0.25mmbtu/MWh (MIHR)) | |
| Assumes that only on-peak power prices/heat rates are affected, \$10 nat gas, and that coal and CCGTs are in the money throughout the year and that California portfolio is in the money July-Sep | |
| Coal: 0.25mmbtu/MWh x \$10 nat gas x 4600 MW x 4160 hrs per year x 85% availability | 41 |
| CCGTs: 0.25mmbtu/MWh x \$10 nat gas x 1600 MW open x 4160 hrs per year x 90% availability | 15 |
| Calif: 0.25mmbtu/MWh x \$10 nat gas x 2500 MW open x 1250 hrs per summer x 85% availability | 7 |
| Estimated net gross margin change from 0.25 move in market implied heat rates across year | 62 |

* May differ from model simulation results because of simplifying assumptions used

Adjusted Gross Margin Reconciliations(1)

\$ Millions

| | GAAP 2006 | Adjusted 2006 | GAAP 2007 | Adjusted 2007 | GAAP 2008 | Adjusted 2008 |
|---|--------------|------------------|--------------|------------------|--------------|------------------|
| Retail Energy: | | | | | | |
| Gross Margin (2) | \$ 763 | \$ 763 | \$ 900 | \$ 900 | \$ 889 | \$ 889 |
| Unrealized (gains)/losses on energy derivatives | | (82) | | (32) | | (12) |
| Gross Margin (2) | 763 | 681 | 900 | 868 | 889 | 877 |
| Operating Expenses (excluding fuel and cost of gas sold): | | | | | | |
| Operation and maintenance | 232 | 232 | 225 | 225 | 219 | 219 |
| Selling and marketing | 100 | 100 | 107 | 107 | 112 | 112 |
| Bad debt expense | 75 | 75 | 71 | 71 | 68 | 68 |
| Contribution margin - Retail Energy | 356 | 274 | 497 | 465 | 490 | 478 |
| Wholesale Energy: | | | | | | |
| Gross Margin (2) (3) | 1,312 | 1,312 | 1,388 | 1,388 | 1,367 | 1,367 |
| Unrealized (gains)/losses on energy derivatives | | (130) | | 5 | | 13 |
| Open gross margin (2) (3) | 1,312 | 1,182 | 1,388 | 1,393 | 1,367 | 1,380 |
| Historical wholesale hedges | (422) | | (250) | | (108) | |
| Gross Margin (2) | 890 | 1,182 | 1,138 | 1,393 | 1,259 | 1,380 |
| Operating Expenses (excluding fuel and cost of gas sold): | | | | | | |
| Operation and maintenance | 581 | 581 | 596 | 596 | 573 | 573 |
| Contribution margin - Wholesale Energy | 309 | 601 | 542 | 797 | 686 | 807 |
| Consolidated: | | | | | | |
| Gross Margin (2) | 1,653 | 1,863 | 2,038 | 2,261 | 2,148 | 2,257 |
| Operation and maintenance | 813 | 813 | 821 | 821 | 792 | 792 |
| Selling and marketing | 100 | 100 | 107 | 107 | 112 | 112 |
| Bad debt expense | 75 | 75 | 71 | 71 | 68 | 68 |
| Contribution margin - Consolidated | 665 | 875 | 1,039 | 1,262 | 1,176 | 1,285 |
| Other general and administrative | 137 | 137 | 121 | 121 | 128 | 128 |
| Gains on sales of emission allowances, net | (139) | (139) | | | | |
| Depreciation and amortization | 378 | 378 | 466 | 466 | 579 | 579 |
| Operating income | 289 | 499 | 452 | 675 | 469 | 578 |
| Historical wholesale hedges | | (422) | | (250) | | (108) |
| Operating income | | 77 | | 425 | | 470 |

(1) Certain factors that could affect GAAP financial measures are not accessible on a forward-looking basis, but could be material to future reported earnings.

(2) Revenues less purchased power, fuel and cost of gas sold.

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(3) 2006 based on forward commodity prices as of 3/8/2006 plus January and February actuals. 2007-2008 based on forward commodity prices as of 12/29/2005

Open EBITDA Reconciliations(1)

\$ Millions

| | 2006 | | 2007 | | 2008 |
|--|---------|----|-------|----|-------|
| Income (loss) from continuing operations before income taxes | \$ (89) | \$ | 136 | \$ | 186 |
| Delivery of product underlying the unrealized (gains) losses on energy derivatives | (212) | | (27) | | 1 |
| Depreciation and amortization | 378 | | 466 | | 579 |
| Interest expense, net | 380 | | 317 | | 283 |
| Adjusted EBITDA | \$ 457 | \$ | 892 | \$ | 1,049 |
| Historical wholesale hedges (2) | 422 | | 250 | | 108 |
| Gains on sales of emission allowances (3) | (139) | | | | |
| Open EBITDA | \$ 740 | \$ | 1,142 | \$ | 1,157 |

(1) Certain factors that could affect GAAP financial measures are not accessible on a forward-looking basis, but could be material to future reported earnings.

(2) Historical wholesale hedges excluded from Open EBITDA are primarily related to closed and remaining power hedges, fuel hedges, long-term tolling purchases and gas transportation and are calculated using forward commodity prices as of March 8, 2006 for 2006 and as of December 29, 2005 for 2007-2008.

(3) Sales through February 28, 2006.

Important Information

Reliant Energy and its directors and certain of its executive officers and other persons may be deemed to be participants in the solicitation of proxies for the 2006 Annual Meeting of Stockholders. Information concerning such participants and their interests is available in Reliant Energy's Preliminary Proxy Statement on Schedule 14A, which was filed by Reliant Energy with the Securities and Exchange Commission on April 3, 2006.

Stockholders of Reliant Energy are advised to read Reliant Energy's Preliminary Proxy Statement and Definitive Proxy Statement (when available) in connection with Reliant Energy's solicitation of proxies because they do and will contain important information.

Stockholders of Reliant Energy and other interested parties may obtain, free of charge, copies of the Preliminary Proxy Statement and the Definitive Proxy Statement (when available) and any other documents filed by Reliant Energy with the SEC, at the SEC's Internet website at www.sec.gov. The Preliminary Proxy Statement and the Definitive Proxy Statement (when available) and these other documents may also be obtained free of charge by contacting the firm assisting Reliant Energy in the solicitation of proxies: Innisfree M&A Incorporated toll free at 1-877-825-8793 or collect at (212) 750-5833.