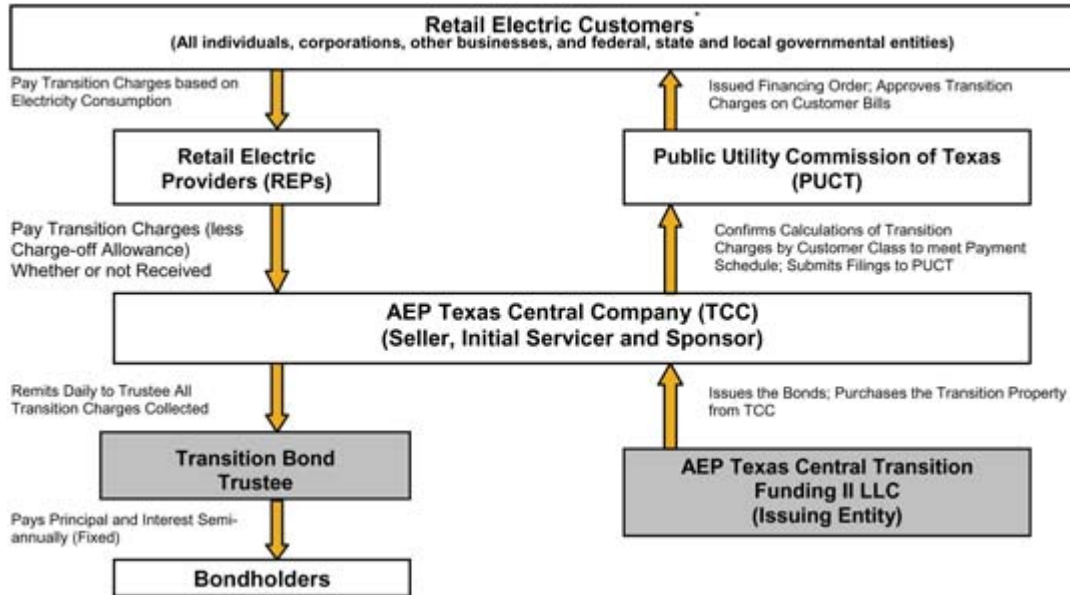


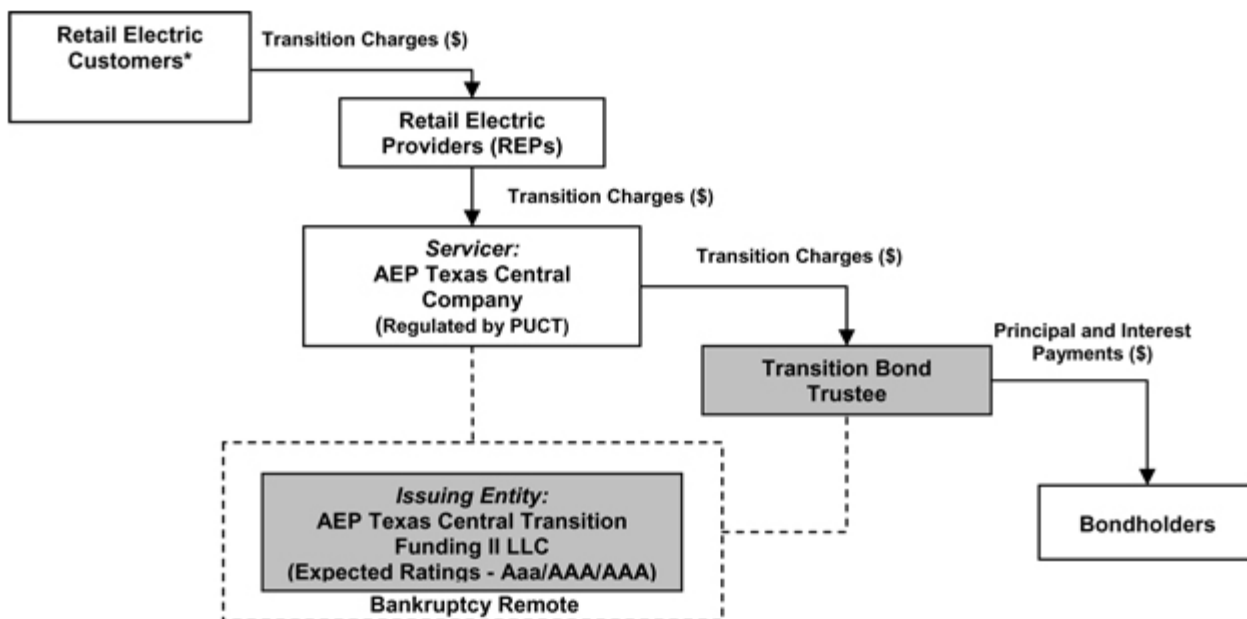
Parties to Transaction and Responsibilities

The following chart represents a general summary of the parties to the transactions underlying the offering of a series of transition bonds, their roles and their various relationships to the other parties:



Flow of Funds

The following chart represents a general summary of the flow of funds:



* Includes all individuals, corporations, other business entities, the State of Texas and other federal, state and local governmental entities who purchase electricity in TCC's service territory. As of December 31, 2005, TCC has approximately 729,000 retail customers. During the 12 months ended December 31, 2005, TCC's total deliveries were approximately 23% industrial, 37% commercial and 39% residential, with the State of Texas and other federal, state and local governmental entities comprising approximately 6% of TCC's total revenues.