

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): JANUARY 26, 2001

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RELIANT ENERGY, INCORPORATED  
(Exact name of registrant as specified in its charter)

TEXAS (State or other jurisdiction of incorporation)	1-3187 (Commission File Number)	74-0694415 (IRS Employer Identification No.)
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1111 LOUISIANA HOUSTON, TEXAS (Address of principal executive offices)	77002 (Zip Code)
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Registrant's telephone number, including area code: (713) 207-3000

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RELIANT ENERGY RESOURCES CORP.  
(Exact name of registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation)	1-13265 (Commission File Number)	76-0511406 (IRS Employer Identification No.)
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1111 LOUISIANA HOUSTON, TEXAS (Address of principal executive offices)	77002 (Zip Code)
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Registrant's telephone number, including area code: (713) 207-3000

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This combined current report on Form 8-K is separately filed by Reliant Energy, Incorporated (Reliant Energy) and Reliant Energy Resources Corp. (RERC). Information contained herein under "Natural Gas Distribution" and "Pipelines and Gathering" and relating to natural gas and wholesale power sales under "Wholesale Energy", which information relates to RERC, is filed by Reliant Energy and separately by RERC on its own behalf. RERC makes no representation as to information relating to Reliant Energy (except as it may relate to RERC) and its subsidiaries, or any other affiliate of Reliant Energy. References herein to the businesses and operations of Reliant Energy include the businesses and operations of Reliant Energy's subsidiaries, including RERC.

#### ITEM 9. REGULATION FD DISCLOSURE.

##### RELIANT ENERGY'S EARNINGS

Reliant Energy reported adjusted earnings for the year 2000 of \$838 million, or \$2.94 per basic share. This compares to \$508 million, or \$1.78 per basic share, for 1999. Strong performance from the company's unregulated wholesale energy businesses, increased customer demand in its regulated electric service territory and decreased depreciation and amortization expense from electric operations were the primary reasons for the substantial rise in adjusted earnings.

Adjusted earnings for the fourth quarter of 2000 were \$73 million, or \$0.25 per basic share, compared to \$73 million, or \$0.26 per basic share, for the same period of 1999. Strong performance from the company's unregulated domestic wholesale energy operations and its electric operations segment, due to increased customer growth and electricity usage as well as decreased depreciation expense were offset by increases in expenses related to the preparation for retail competition in Texas and in the company's communications and eBusiness operations. In addition, the company recorded reserves, which include a \$39 million provision taken against receivable balances related to energy sales in California.

As of December 1, 2000, Reliant Energy began reporting the results of the Reliant Energy Latin America segment as discontinued operations. All financial information related to this segment is reported as discontinued operations on a comparative basis.

Reliant Energy has moved the financial results of its gathering operations (Reliant Energy Field Services, Inc.) from the wholesale energy segment to the pipelines and gathering segment. In addition, the financial results of its unregulated retail marketing of natural gas have been moved from the other operations segment to the natural gas distribution segment. These movements were made to more closely align financial results to the management of these businesses.

The following table identifies the differences between reported earnings and adjusted earnings mentioned above.

2000 RESULTS\*  
(MILLIONS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

EARNINGS	Quarter Ended December 31,		Year Ended December 31,	
	2000	1999	2000	1999
Net (loss) income, as reported	\$ (299)	\$ (73)	\$ 447	\$ 1,482
Loss (earnings) from discontinued operations	146	(37)	172	9
Loss on disposal of discontinued operations	159	--	159	--
Net unrealized loss (gain) on indexed debt securities & Time Warner investment	67	--	67	(1,166)
Extraordinary loss (gain)	--	183	(7)	183
Adjusted Earnings	\$ 73	\$ 73	\$ 838	\$ 508
EARNINGS PER BASIC SHARE				
(Loss) income per basic share, as reported	\$ (1.04)	\$ (.26)	\$ 1.57	\$ 5.20
Loss (earnings) from discontinued operations	.51	(.13)	.61	.03
Loss on disposal of discontinued operations	.55	--	.56	--
Net unrealized loss (gain) on indexed debt securities & Time Warner investment	.23	--	.23	(4.09)
Extraordinary loss (gain)	--	.65	(.03)	.64
Basic EPS, adjusted	\$ .25	\$ .26	\$ 2.94	\$ 1.78
Weighted average basic shares (000)**	286,088	284,427	284,652	285,040

\* Immaterial rounding differences exist in this summarized schedule.

\*\* On December 31, 2000, Reliant Energy had 286,464,709 shares of common stock outstanding for financial reporting purposes.

## OPERATING INCOME (LOSS) BY SEGMENT

(In millions)	Three Months Ended		Year Ended	
	December 31, 2000	December 31, 1999	December 31, 2000	December 31, 1999
Electric Operations	\$ 203	\$ 144	\$ 1,230	\$ 981
Wholesale Energy	16	(14)	482	27
Natural Gas Distribution	64	57	113	158
Pipelines and Gathering	38	35	137	131
European Energy	17	32	89	32
Other Operations	(90)	(16)	(172)	(71)
Total Operating Income	\$ 248	\$ 238	\$ 1,879	\$ 1,258

## ELECTRIC OPERATIONS

## Operations Data

GWh Sales	Three Months Ended		Percent Change	Year Ended		Percent Change
	December 31, 2000	December 31, 1999		December 31, 2000	December 31, 1999	
Residential	4,760	4,250	12%	22,727	21,144	7%
Commercial	4,069	3,826	6%	17,594	16,616	6%
Industrial - Firm	6,574	6,436	2%	27,707	26,020	6%
Industrial - Interruptible	1,309	1,040	26%	5,542	5,460	2%
Other (1)	318	662	(52%)	1,724	2,884	(40%)
Total	17,030	16,214	5%	75,294	72,124	4%

(1) Includes municipals, public utilities, off-system and ancillary services sales.

Reliant Energy HL&P's operating income increased 25% for the year ended December 31, 2000 compared to the same period in 1999. The increase of \$249 million was primarily attributed to a decrease in depreciation and amortization expense (\$160 million), strong non-fuel revenue growth (\$132 million) and a favorable weather comparison (\$45 million). These were partially offset by additional transmission cost of service (\$31 million), increased operations and maintenance expenses (\$22 million) and increased other taxes (\$32 million). The increase in other taxes included an assessment for the System Benefit Fund (partially offset by a decrease in property taxes) and increased franchise taxes and fees. The System Benefit Fund was established by the Texas electric deregulation law (Senate Bill 7) to provide funding for (a) programs to assist low-income electric customers, (b) customer education, and (c) school funding loss mechanism. Reliant Energy HL&P amortized \$329 million of the impairment of its electric plant during 2000. For the year, weather

margin was favorable compared to normal (\$85 million). During 2000, Reliant Energy HL&P added over 44,000 new customers (2.6%).

Reliant Energy HL&P's operating income for the fourth quarter of 2000 was \$203 million compared to \$144 million for the same period in 1999. The increase was due to continued strong non-fuel revenue growth (\$30 million), a favorable weather comparison (\$19 million) and a decrease in depreciation expense (\$39 million). The operating income increase was partially offset by an increase in other taxes (\$14 million), which included an assessment for the System Benefit Fund (partially offset by a decrease in property taxes), increased franchise fees, and increased operations and maintenance expenses (\$5 million). Reliant Energy HL&P amortized \$47 million of the impairment of its electric plant during the fourth quarter of 2000. Weather margin during the quarter was favorable compared to normal (\$12 million).

#### WHOLESALE ENERGY

##### Operations Data

	Three Months Ended December 31,		Percent Change	Year Ended December 31,		Percent Change
	2000	1999		2000	1999	
Natural Gas Sales Volumes (Bcf)	740	503	47%	2,509	1,820	38%
Wholesale Power Sales (Gwh)	63,383	32,697	94%	181,088	104,916	73%
Unregulated Power Generation: Capacity and Energy Sales (Gwh)	6,401	2,576	148%	21,789	8,527	156%

The wholesale energy segment includes domestic and Canadian trading and marketing of natural gas, electric power and other commodities to wholesale markets by Reliant Energy Services, Inc. and the domestic unregulated portion of power generation by Reliant Energy Power Generation, Inc. Please note that the gathering of natural gas from the wellhead by Reliant Energy Field Services, Inc. has been reclassified into the pipelines and gathering segment for all reported periods.

Operating income was \$482 million for the year ended December 31, 2000 compared to \$27 million in 1999. The group also reported equity income, which is included in other income, of \$43 million for 2000, compared to an equity loss of \$1 million in 1999. Additional operations in the Mid-Atlantic, Mid-Continent and Southwest regions, as well as higher energy sales and prices contributed to the increase over 1999. These were partially offset by higher general and administrative expenses to support generation and commercial activities, increased development costs, and reserves which include a \$39 million provision taken against receivable balances related to energy sales in California.

The company's wholesale energy group reported an increase of \$30 million in fourth quarter operating income and \$10 million in fourth quarter equity income from the same period in 1999, primarily due to the same factors described above.

#### NATURAL GAS DISTRIBUTION

##### Operation Data in Bcf

	Three Months Ended December 31,		Percent Change	Year Ended December 31,		Percent Change
	2000	1999		2000	1999	
Residential & Commercial Sales	118.3	86.3	37%	318.1	285.9	11%
Industrial Sales	17.1	12.9	33%	54.9	52.8	4%
Transportation	12.7	13.0	(2%)	50.3	46.9	7%
Retail	101.0	100.0	1%	431.0	400.0	8%
Total Throughput	249.1	212.2	17%	854.3	785.6	9%

	Three Months Ended December 31,		Percent Change	Year Ended December 31,		Percent Change
	2000	1999		2000	1999	
Heating Degree Days Actual	5,597	3,439	63%	11,879	10,360	15%
Normal	4,680	4,710	(1%)	12,258	12,372	(1%)
Percent Change to Normal	20%	(27%)		(3%)	(16%)	

Please note that the natural gas distribution segment includes the company's unregulated retail marketing of natural gas for all reported periods.

Operating income for the year ended December 31, 2000 declined to \$113 million compared to \$158 million in 1999. The decline is due to increases in operating expenses including additional provisions against receivable balances, benefit expenses and severance/relocation costs. In addition, costs associated with exiting certain retail gas markets were moved into this segment's results.

The natural gas distribution segment reported operating income of \$64 million for the fourth quarter of 2000. This compares to operating income of \$57 million for the same period in 1999. The primary reason for the increase was increased weather margin (\$25 million), offset by increased provisions against receivable balances on a comparative basis and increased benefit expenses and severance/relocation costs.

## PIPELINES AND GATHERING

## Operations Data (Bcf)

	Three Months Ended December 31,		Percent Change	Year Ended December 31,		Percent Change
	2000	1999		2000	1999	
Pipelines	192.2	198.7	(3%)	846.6	836.5	1%
Gathering	75.8	71.9	5%	288.7	269.5	7%
Total Throughput	268.0	270.6	(1%)	1,135.3	1,106.0	3%

Please note that the pipelines and gathering segment includes natural gas gathering from the wellhead activities of Reliant Energy Field Services, Inc. for all reported periods.

Operating income from the pipelines and gathering segment was \$137 million for the year ended December 31, 2000 compared to \$131 million for the same period in 1999. Operating income for the fourth quarter of 2000 was \$38 million compared to \$35 million for the fourth quarter of 1999.

## EUROPEAN ENERGY

The European Energy segment reported operating income of \$89 million for the year ended December 31, 2000. The company established this segment in the fourth quarter of 1999. Included in the 2000 results are various one time expenses associated with the dissolution of SEP and the restructuring of the Dutch market, increased expenses associated with building the trading and marketing infrastructure in Europe and foreign exchange rate losses. SEP, the Electricity Governing Board, is owned by the four generation companies.

Operating income for the fourth quarter of 2000 was \$17 million compared to \$32 million for the same period of 1999. The decline is primarily attributable to increased expenses associated with building the trading and marketing infrastructure in Europe and foreign exchange rate losses.

The company's marketing activities in Europe have resulted in forward power sales totaling approximately 15.5 Twh which was greater than the planned level of 13.5 Twh for 2001. The previously announced sale of TenneT BV (the owner of the Dutch high voltage electricity grid) is expected to close in 2001.

## RELIANT ENERGY LATIN AMERICA--DISCONTINUED OPERATIONS

As of December 1, 2000, Reliant Energy began reporting the results of the Reliant Energy Latin America segment as discontinued operations. By the end of 2000 the company closed on the sale of its investments in El Salvador, Brazil, and Colombia. The net after-tax cash proceeds from these sales were approximately \$790 million. Negotiations for the sale of the company's remaining Latin America interests are progressing, and these transactions are expected to be complete in 2001. The remaining interests include a cogeneration facility and a small distribution company, both in Argentina, and a coke calcining plant in India. The aggregate book value of these interests is approximately \$160 million.

## OTHER OPERATIONS

Reliant Energy's other operations segment includes its unregulated retail electric operations, its communications business, its eBusiness group and corporate costs. For the year ended December 31, 2000, operating losses for the other operations segment totaled \$172 million compared to an operating loss of \$71 million for 1999. This was primarily due to increased expenses incurred in preparing for retail competition in Texas beginning January 2002, eBusiness and communications expenses. In addition, the company made a contribution to a charitable foundation and incurred expenses associated with the acquisition of naming rights for Houston's new football stadium and the sports, entertainment and convention complex formerly known as the Astrodome Complex.

The other operations segment had an operating loss of \$90 million for the fourth quarter of 2000 compared to an operating loss of \$16 million for the same period last year. The factors affecting the decline are the same as those mentioned above for the year.

This current report includes forward-looking statements, estimates and projections. Actual events and results may differ materially from those projected. Factors that could affect actual results include future regulatory and legislative decisions, weather, risks associated with international operations, the timetable for closing announced acquisitions, the success in integrating acquired operations, changes in Reliant Energy's business plans and other factors discussed in the company's other filings with the Securities and Exchange Commission.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

The following exhibits are filed herewith:

99.1 Press Release issued January 26, 2001

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RELIANT ENERGY, INCORPORATED

Date: January 26, 2001

By: /s/ MARY P. RICCIARDELLO

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Mary P. Ricciardello  
Senior Vice President and  
Chief Accounting Officer

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RELIANT ENERGY RESOURCES CORP.

Date: January 26, 2001

By: /s/ MARY P. RICCIARDELLO  
-----  
Mary P. Ricciardello  
Senior Vice President

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
99.1	Press Release issued January 26, 2001



strong performance reflects our commitment to continually increase shareholder value," said Letbetter.

#### SELECTED OPERATING INCOME DETAILED

##### ELECTRIC OPERATIONS

For the year 2000, Reliant Energy HL&P generated operating income of \$1.23 billion, up from \$981 million for 1999. Increased customer demand, favorable weather comparisons and lower depreciation and amortization expense were the primary reasons for the 25 percent rise in operating income. Reliant Energy HL&P's operating income for the fourth quarter of 2000 rose 41 percent to \$203 million, compared to \$144 million, for the same period last year. The increase was largely due to the same reasons described above.

Kilowatt-hour sales for the fourth quarter increased approximately 5 percent over the same quarter of 1999, and 4 percent for the year 2000. In addition, Reliant Energy HL&P added over 44,000 customers in its service territory during 2000.

##### WHOLESALE ENERGY

Reliant Energy's wholesale energy group, which includes unregulated power generation and energy trading and marketing activities in North America, produced operating income of \$482 million in 2000, compared to \$27 million in 1999. The group also reported equity income, which is included in other income, of \$43 million for 2000, compared to an equity loss of \$1 million in 1999. Additional operations in the Mid-Atlantic, Mid-Continent and Southwest regions, as well as higher energy sales and prices contributed to the substantial increase over

1999. These were partially offset by higher general and administrative expenses to support generation and commercial activities, increased generation development costs, and reserves which include a \$39 million provision taken against receivable balances related to energy sales in California. The company's wholesale energy group reported an increase of \$30 million in fourth-quarter operating income and \$10 million in fourth-quarter equity income from the same period in 1999, primarily due to the same factors described above.

#### NATURAL GAS DISTRIBUTION

Reliant Energy's natural gas distribution companies reported operating income of \$113 million for 2000, compared to \$158 million for 1999. Higher operating expenses during 2000, mainly related to costs associated with exiting certain retail gas markets, provisions against receivable balances and benefit expenses, contributed to the decline.

For the fourth quarter of 2000, the gas distribution companies generated operating income of \$64 million, up from \$57 million for the same period of 1999. Improved gas margins, largely due to colder weather, contributed to the increase in the fourth quarter.

#### PIPELINES AND GATHERING

The company's pipelines and gathering segment contributed operating income of \$137 million in 2000, up from \$131 million the prior year, and \$38 million for the fourth quarter of 2000, compared to \$35 million for the same period of 1999. The increase for both reporting periods was primarily due to increased gas gathering and processing revenues.

**EUROPEAN ENERGY**

The European energy segment contributed operating income of \$89 million for the year. The company established its European presence in the fourth quarter of 1999, with the acquisition of UNA N.V., a Dutch power generation company.

The European energy segment produced \$17 million of operating income for the fourth quarter of 2000, compared to \$32 million in the same period last year. The decline was largely due to foreign exchange rate differences and trading and marketing start-up costs.

**OTHER OPERATIONS**

Reliant Energy's other operations segment, which includes its unregulated retail electric operations, its communications business, its eBusiness group and corporate costs, reported an operating loss of \$172 million for 2000, compared to a loss of \$71 million for 1999. The decline resulted primarily from increased expenses incurred in preparing to enter the deregulated Texas electric retail market, increased communications start-up costs and information technology costs.

For the fourth quarter of 2000, the company's other operations segment had an operating loss of \$90 million. This compares to an operating loss of \$16 million for the same period of 1999. The factors affecting the decline are the same as those mentioned above for the year.

**DISCONTINUED OPERATIONS**

By the end of 2000, the company's Latin American segment had sold its investments in El Salvador, Brazil and Colombia for approximately \$790 million in after-tax proceeds. Its remaining investments include a wholly owned cogeneration facility and an electric distribution company in Argentina, as well as a coke calcining plant in India. Reliant Energy is engaged in

negotiations for the sale of these investments and anticipates the transactions to be concluded in 2001. As of December 1, 2000, Reliant Energy began reporting the results from its Latin American segment as discontinued operations.

#### REPORTED EARNINGS

Reliant Energy's earnings for the year and fourth quarter have been adjusted to eliminate the effects of certain items that are unusual or non-operational in nature. The adjustments, which are shown in the table below, include: losses from and the disposal of discontinued operations in Latin America; extraordinary items; and non-cash, net unrealized accounting gains and losses on indexed debt securities and Reliant Energy's investment in Time Warner common stock.

#### 2000 RESULTS (MILLIONS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

EARNINGS	Quarter Ended December 31,		Year Ended December 31,	
	2000	1999	2000	1999
Net (loss) income, as reported	\$ (299)	\$ (73)	\$ 447	\$ 1,482
Loss (income) from discontinued operations	146	(37)	172	9
Loss on disposal of discontinued operations	159	--	159	--
Net unrealized loss (gain) on indexed debt securities & Time Warner investment	67	--	67	(1,166)
Extraordinary loss (gain)	--	183	(7)	183
Adjusted Earnings	73	73	838	508
EARNINGS PER BASIC SHARE				
(Loss) income per basic share, as reported	(1.04)	(.26)	1.57	5.20
Loss (income) from discontinued operations	.51	(.13)	.61	.03
Loss on disposal of discontinued operations	.55	--	.56	--
Net unrealized loss (gain) on indexed debt securities & Time Warner investment	.23	--	.23	(4.09)
Extraordinary loss (gain)	--	.65	(.03)	.64
Basic EPS, adjusted	.25	.26	2.94	1.78
Weighted average basic shares (000)	286,088	284,427	284,652	285,040

## WEBCAST OF EARNINGS CONFERENCE CALL

Reliant Energy has scheduled its fourth-quarter 2000 earnings conference call for Friday, January 26, 2001, at 10 a.m. CST. Interested parties may listen to a live audio broadcast of the conference call at [www.reliantenergy.com/investors](http://www.reliantenergy.com/investors). Parties may also listen to an online replay that will follow within two hours after completion of the call.

The webcast requires listeners to have a multimedia computer with speakers and RealPlayer installed. Please visit the website at least 15 minutes before the scheduled broadcast to register for the event and download and install any necessary audio software.

FORM 8-K

For further details related to the fourth-quarter 2000 earnings release, refer to the company's current report on form 8-K, which was filed today with the Securities and Exchange Commission.

Reliant Energy (NYSE: REI) based in Houston, Texas, is an international energy services and energy delivery company with approximately \$29 billion in annual revenue and assets totaling approximately \$32 billion. The company has a wholesale energy trading and marketing business that is one of only six companies to rank among both the ten largest power marketers and the ten largest natural gas marketers in the U.S. It also has power generation and wholesale trading and marketing operations in Western Europe. The company has nearly 27,000 megawatts of power generation in operation in the U.S. and Western Europe and has announced

acquisitions and development projects that will add nearly 4,000 megawatts. Reliant Energy also has marketing and distribution operations serving nearly four million electricity and natural gas customers in the U.S. and a communications business serving the Houston area.

\* \* \* \*

This news release includes forward-looking statements. Actual events and results may differ materially from those projected. Factors that could affect actual results include the timing and impact of future regulatory and legislative decisions, changes in Reliant Energy's business plans, financial market conditions and other factors discussed in Reliant Energy's filings with the Securities and Exchange Commission.

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Reliant Energy, Incorporated and Subsidiaries  
 Statements of Consolidated Operations  
 (Thousands of Dollars)  
 (Unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	2000	1999	2000	1999
<b>Revenues:</b>				
Electric Operations	\$ 1,298,943	\$ 969,983	\$ 5,494,191	\$ 4,483,127
Wholesale Energy	6,833,177	2,084,689	19,233,721	7,911,567
Natural Gas Distribution	1,757,422	851,871	4,412,219	2,788,288
Pipelines and Gathering	109,690	86,657	384,132	330,995
European Energy	164,424	152,865	579,730	152,865
Other Operations	3,306	10,332	55,255	34,810
Eliminations	(297,540)	(154,954)	(819,864)	(478,558)
<b>Total Revenues</b>	<b>9,869,422</b>	<b>4,001,443</b>	<b>29,339,384</b>	<b>15,223,094</b>
<b>Expenses:</b>				
Fuel and cost of gas sold	5,949,260	2,018,740	15,071,801	6,699,792
Purchased power	2,602,483	907,591	8,627,853	4,137,414
Operation and maintenance	741,521	531,756	2,356,207	1,781,030
Taxes other than income taxes	128,129	102,540	498,061	441,242
Depreciation and amortization	200,170	203,286	906,328	905,305
<b>Total</b>	<b>9,621,563</b>	<b>3,763,913</b>	<b>27,460,250</b>	<b>13,964,783</b>
<b>Operating Income</b>	<b>247,859</b>	<b>237,530</b>	<b>1,879,134</b>	<b>1,258,311</b>
<b>Other Income (Expense):</b>				
Unrealized (loss) gain on Time Warner investment	(447,897)	636,301	(204,969)	2,452,406
Unrealized gain (loss) on indexed debt securities	344,721	(636,301)	101,851	(629,523)
Income (loss) of equity investment of unconsolidated subsidiaries	9,752	(224)	42,860	(793)
Other - net	29,331	23,682	83,765	59,766
<b>Total</b>	<b>(64,093)</b>	<b>23,458</b>	<b>23,507</b>	<b>1,881,856</b>
<b>Interest and Other Charges:</b>				
Interest	174,145	139,941	700,083	498,451
Distribution on trust preferred securities	13,900	12,787	54,358	51,220
<b>Total</b>	<b>188,045</b>	<b>152,728</b>	<b>754,441</b>	<b>549,671</b>
(Loss) Income from Continuing Operations Before Income Taxes, Extraordinary Items and Preferred Dividends	(4,279)	108,260	1,148,200	2,590,496
Income Tax (Benefit) Expense	(9,899)	34,819	377,064	915,973
Income from Continuing Operations Before Extraordinary Items and Preferred Dividends	5,620	73,441	771,136	1,674,523
Income (loss) from Discontinued Operations (net of income taxes of \$47,736, \$8,006, \$45,721 and \$16,856)	(145,561)	37,133	(172,375)	(8,792)
Loss on Disposal of Discontinued Operations, including provision of \$5,741 for operating loss during phase-out period (less applicable income taxes of \$12,846)	(158,706)	--	(158,706)	--
Extraordinary (Loss) Gain, net of tax of \$98,679 and \$0	--	(183,261)	7,445	(183,261)
<b>Income (Loss) Before Preferred Dividends</b>	<b>(298,647)</b>	<b>(72,687)</b>	<b>447,500</b>	<b>1,482,470</b>
Preferred Dividends	97	97	389	389
<b>Net (Loss) Income Attributable to Common Stockholders</b>	<b>\$ (298,744)</b>	<b>\$ (72,784)</b>	<b>\$ 447,111</b>	<b>\$ 1,482,081</b>

Reference is made to the Notes to the Consolidated Financial Statements contained in the Annual Report of Reliant Energy, Incorporated. The information furnished is given in response to your request for information concerning Reliant Energy, Incorporated and not in connection with any sale or offer for sale of, or solicitation of an offer to buy, any securities.

Reliant Energy, Incorporated  
Selected Data From Statements of Consolidated Income  
(Thousands of Dollars, Except Per Share Amounts)  
(Unaudited)

	Quarter Ended December 31,		Year Ended December 31,	
	2000	1999	2000	1999
<b>AS REPORTED:</b>				
<b>Basic Earnings Per Common Share</b>				
Income from continuing operations before extraordinary items	\$ 0.02	\$ 0.26	\$ 2.71	\$ 5.87
(Loss) income from discontinued operations, net of tax	\$ (0.51)	\$ 0.13	\$ (0.61)	\$ (0.03)
Loss on disposal of discontinued operations, net of tax	\$ (0.55)	\$ --	\$ (0.56)	\$ --
Extraordinary (loss) gain, net of tax	\$ --	\$ (0.65)	\$ 0.03	\$ (0.64)
Net (loss) income attributable to common stockholders	\$ (1.04)	\$ (0.26)	\$ 1.57	\$ 5.20
<b>Diluted Earnings Per Common Share</b>				
Income from continuing operations before extraordinary items	\$ 0.02	\$ 0.26	\$ 2.68	\$ 5.85
(Loss) income from discontinued operations, net of tax	\$ (0.51)	\$ 0.13	\$ (0.60)	\$ (0.03)
Loss on disposal of discontinued operations, net of tax	\$ (0.55)	\$ --	\$ (0.55)	\$ --
Extraordinary (loss) gain, net of tax	\$ --	\$ (0.65)	\$ 0.03	\$ (0.64)
Net (loss) income attributable to common stockholders	\$ (1.04)	\$ (0.26)	\$ 1.56	\$ 5.18
Dividends per Common Share	\$ 0.375	\$ 0.375	\$ 1.500	\$ 1.500
Weighted Average Common Shares Outstanding (000):				
- Basic	286,088	284,427	284,652	285,040
- Diluted	286,088	284,427	287,287	286,021
<b>AS ADJUSTED FOR UNUSUAL AND OTHER CHARGES:</b>				
Net (Loss) Income Attributable to Common Stockholders	\$ (298,744)	\$ (72,784)	\$ 447,111	\$ 1,482,081
Unusual and other charges, after tax :				
(Income) loss from discontinued operations	145,561	(37,133)	172,375	8,792
Loss on disposal of discontinued operations	158,706	--	158,706	--
Extraordinary loss (gain)	--	183,261	(7,445)	183,261
Net unrealized loss (gain) on indexed debt securities and Time Warner investment	67,064	--	67,027	(1,165,740)
Adjusted Earnings	\$ 72,587	\$ 73,344	\$ 837,774	\$ 508,394
Adjusted Basic Earnings Per Common Share	\$ 0.25	\$ 0.26	\$ 2.94	\$ 1.78
Adjusted Diluted Earnings Per Common Share	\$ 0.25	\$ 0.26	\$ 2.92	\$ 1.78
<b>OPERATING INCOME (LOSS) BY SEGMENT (IN MILLIONS)</b>				
Electric Operations	\$ 203	\$ 144	\$ 1,230	\$ 981
Wholesale Energy	16	(14)	482	27
Natural Gas Distribution	64	57	113	158
Pipelines and Gathering	38	35	137	131
European Energy	17	32	89	32
Other Operations	(90)	(16)	(172)	(71)
Total	\$ 248	\$ 238	\$ 1,879	\$ 1,258

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

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