



# **TXU Europe Limited and certain subsidiaries (in administration/liquidation and/or under voluntary arrangements) ('the Companies')**

Administrators' and Supervisors Progress Report to Creditors – see the Notice on page 3  
Prepared for the six month period to 8 January 2010

22 January 2010

ADVISORY

## Notice: About this Report

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- This report has been prepared by the Joint Administrators/Liquidators and Supervisors of TXUEL and certain subsidiaries solely to comply with rule 2.30 of the Insolvency Rules 1986 to provide creditors with an update on the progress of the administrations and liquidations. Nothing in this report should be relied upon for any purpose including, without limitation, in connection with any investment decision in relation to the debt, securities or any other financial interest of any member of the TXU group including for the avoidance of doubt any decision to buy or sell or not to buy or sell any debt, securities or other financial interest. Any parties making such investment decisions should rely on their own enquiries prior to making such decisions and none of the administrators, supervisors, liquidators, KPMG LLP, its partners, members, employees, professional advisors or agents accept any liability or assume any duty of care to any party seeking to rely on this report for that purpose.
- The information contained in this report has been prepared by the Administrators/Liquidators and Supervisors of TXUEL and certain subsidiaries in their capacities as such. In preparing this report, the Administrators/Liquidators and Supervisors of TXUEL and certain subsidiaries have relied upon information obtained from the group's records and information provided by the Administrators/ Liquidators and Supervisors of TXUEG and its subsidiaries. Although the Administrators/Liquidators have no reason to doubt the accuracy of that information, they are unable to warrant or represent that it, or any information provided by any third party, is accurate. The Administrators/Liquidators and Supervisors act at all times solely as agents of TXUEL and certain subsidiaries without personal liability.
- Any estimated outcomes described in this report are provided as illustrations only and do not represent the actual distributions which will be paid to creditors. A number of assumptions have been made to arrive at these figures, some or all of which may prove to be incorrect. The actual distributions received by creditors will depend on a number of factors including:
  1. the actual realisations of each CVA company; and
  2. the actual liabilities of each CVA company.
- An increase or decrease in the asset realisations and/or an increase or decrease in the aggregate liabilities of any CVA company may significantly impact, either positively or negatively, the final outcome for creditors of that company and other companies within the group. In particular, the outcome for the Holding Companies depends on distributions resulting from the claims of four Holding Companies against TXUEG, and TXUEG's realisations depend upon the distributions which it receives from its subsidiaries.
- Estimated outcomes for each company with third party creditors are shown in this report on a Realistic Basis and on a Pessimistic Basis. Where creditors have claims against more than one company their total recovery can be estimated by adding together the anticipated recoveries they will receive from each company. The meaning of these terms is:
  1. Realistic Basis: subject to the caveats contained in this report, the realistic outcomes have been prepared on the basis of the Joint Administrators'/liquidators current views of the realistic ultimate realisations of assets together with their current views of the realistic ultimate level of CVA claims that will be admitted to rank for dividend against each Holding Company; and
  2. Pessimistic Basis: subject to the caveats contained in this report, the pessimistic outcomes have been prepared on the basis that the remaining assets to be realised achieve realisations at a lower value than the realistic outcomes.
- The Realistic Basis for the Holding Companies is also based upon the estimated outcome for the inter-company balances owed by TXUEG to TXUA, TEG, EH3 and TEG (HO) on a Realistic Basis in the Operating Companies' CVAs (see section 2.2 of the Explanatory Statement dated 10 January 2005 for the Operating Companies' CVAs as updated in Ernst & Young's report dated 24 May 2007). The Pessimistic Basis for the Holding Companies is calculated in a similar manner using the Pessimistic Basis in the Operating Companies' CVAs.
- The Administrators/Liquidators and Supervisors are under no obligation to update the information contained in this report.

# Glossary of terms

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<b>BVAG</b>	Braunschweiger Versorgungs AG
<b>CVA</b>	Company Voluntary Arrangement
<b>Conduit Companies</b>	EH3, TEG, TEG (HO) and TXUA
<b>EET</b>	TXU Europe Energy Trading Limited
<b>EET BV</b>	TXU Europe Energy Trading BV
<b>EGFL</b>	Eastern Group Finance Limited
<b>EGO BV</b>	Energy Group Overseas BV
<b>EH3</b>	Energy Holdings (No 3) Limited
<b>EY</b>	Ernst & Young LLP
<b>GEF LLC</b>	Global Energy Finance LLC
<b>Holding Companies</b>	TXUEL and its subsidiaries, excluding Operating Companies
<b>Holding company CVAs</b>	Proposals dated 11 March 2005 for CVA under Part 1 of the UK's Insolvency Act 1986 for TXUEL and 15 of its subsidiaries. This does not cover all Holding Companies
<b>Initial Administrations</b>	The administrations of TXU Europe Limited, TXU Acquisitions Limited, The Energy Group Limited and TXU Europe Group plc
<b>KPMG</b>	KPMG LLP
<b>Operating Companies</b>	TXUEG and its subsidiaries
<b>Operating company CVAs</b>	Operating Companies' Company Voluntary Arrangements that came into effect from 28 January 2005
<b>PPA</b>	Power Purchase Agreement
<b>The Companies</b>	Refer to appendix one for individual abbreviations
<b>TEG</b>	The Energy Group Limited
<b>TEG (HO)</b>	TEG (Head Office) Limited
<b>TXUA</b>	TXU Acquisitions Limited
<b>TXU UK</b>	TXU UK Limited
<b>TXUEG</b>	TXU Europe Group plc
<b>TXUEL Group</b>	TXU Europe Limited and its subsidiaries, being the Holding Companies and Operating Companies

# Contents

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**Page**

**Update on key issues since previous reports** 4

**Appendices**

1. Statutory information for the Companies 7

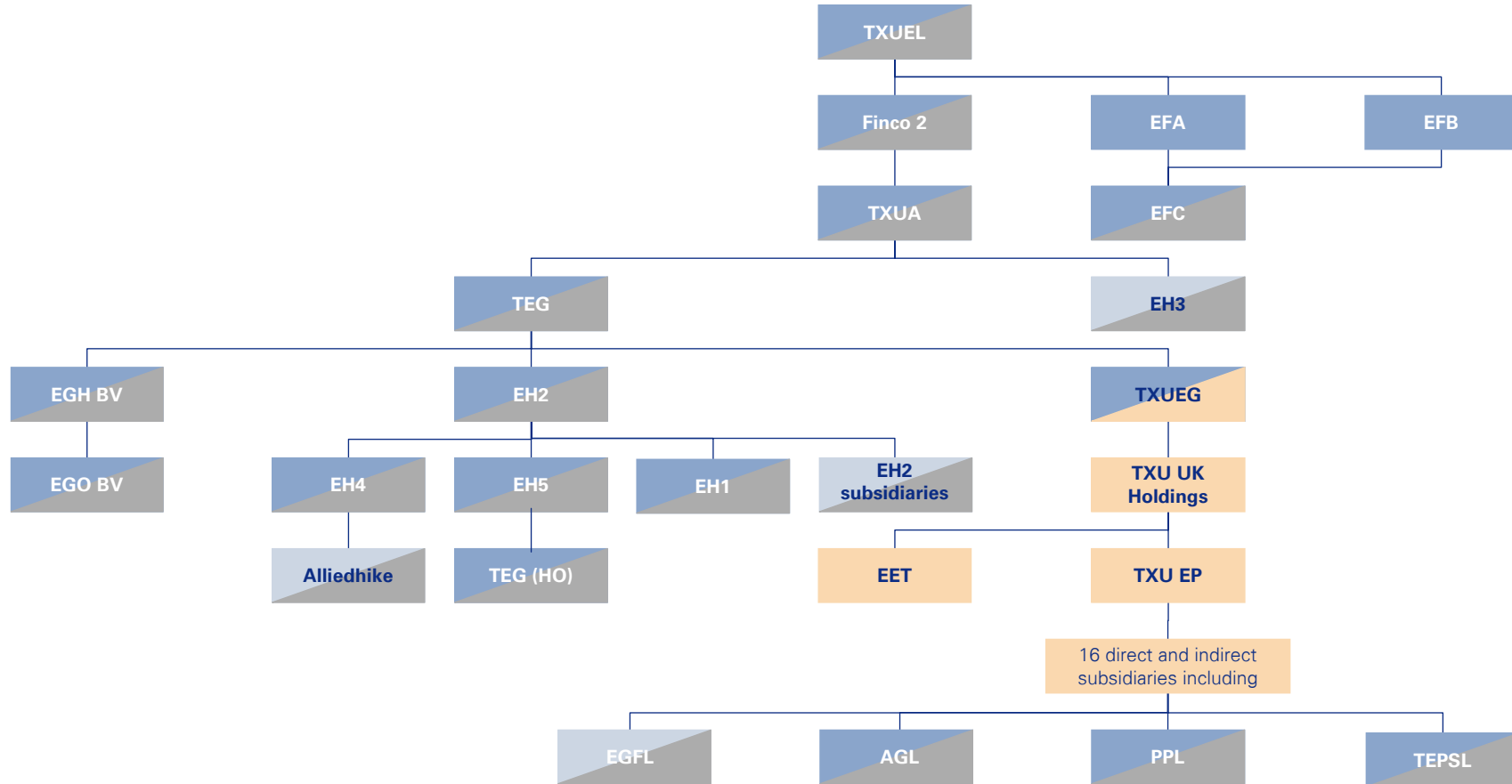
2. Details of Administrators' remuneration and summary receipts and payments accounts 9

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# Update on key issues since previous reports

# Group Structure

Simplified group structure for the companies covered by this report



- KPMG Administrators
- KPMG Liquidators (not covered by this report)
- EY Appointments (not covered by this report)
- KPMG Supervisors

## Background

- The High Court in London appointed partners of KPMG as administrators to TXUEL, TXUA, TEG and TXUEG on 19 November 2002. We have subsequently been appointed administrators/liquidators to other Holding Companies.
- This report covers the progress made with the Administrations and voluntary arrangements of certain Companies (listed in Appendix 1) for the six months since July 2009. The officeholders last wrote to creditors on 22 July 2009 with an update on key developments.

## Outstanding matters and recent developments

### *Claim made by Gold Fields Mining LLC ("GFM") against EH3*

- This claim relates to US environmental liabilities which GFM asserts fall within the scope of an indemnity given by EH3 in connection with the disposal of its natural resources business to P&L Coal Holdings Corporation (now Peabody Energy Corporation) ("Peabody"), GFM's parent, in 1998. The claim submitted by GFM is for \$246 million (£155 million if calculated in accordance with the terms of the CVA).
- The indemnity given by EH3 is one of a number of indemnities that do or may relate to the relevant US environmental liabilities. The interaction between the indemnities and their scope is both complex and disputed and the Joint Supervisors of EH3 have recently applied to the English Court for directions as to how they should go about the process of adjudication, particularly in view of the Delaware proceedings referred to below, to which EH3 is not currently a party, and the fact that the indemnities are governed by Delaware law. The option the EH3 Supervisors consider most appropriate is for the adjudication process to be adjourned pending the outcome of the Delaware proceedings and for EH3 to join those proceedings as a party in its own right.
- GFM has also applied to the English Court for a determination that the EH3 Supervisors have rejected its claim, which would allow it to invoke the appeal process in the CVA. The EH3 Supervisors deny that the claim has been rejected.
- At a recent directions hearing it was ordered that the substantive hearing on both applications be expedited and such hearing is likely to be held in March 2010.

### *Global Energy Finance LLC ("GEF")*

- GEF, a wholly owned subsidiary of EH2 has commenced proceedings against Peabody and GFM in Delaware to determine the scope of indemnities given by those companies (also in connection with the disposal by EH3 of its natural resources business) and of which GEF is a beneficiary. This matter is currently scheduled to be tried in December 2010. These proceedings were commenced after GFM denied any assumption and indemnification obligations to a third party, Blue Tee, and commenced litigation in Missouri against Blue Tee who then looked to GEF. The Missouri litigation has since been stayed in favour of the Delaware action. Blue Tee is the entity primarily liable for the environmental liabilities.

### *Tax*

- We are continuing to deal with the group's tax affairs with a view to maximising tax asset recoveries and minimising tax liabilities.

### *Realisation of monies from the Operating Company estates*

- We have been informed by the Operating Company Administrators that they anticipate making one final distribution prior to the closure of their estates. Any funds from this distribution will be paid to TEG as the sole shareholder of TXUEG.

## Distributions

- To date the TXUEG Operating Company estate has paid seven distributions totalling 100p in the £ with the last distribution being paid on 23 September 2009.
- The Holding Company estates have to date received a total of £470 million from the Operating Company estates. This amount is represented by a dividend of £429 million on claims of £429 million and an additional £41 million as a result of equalisation provisions set out in the CVA documentation. £58 million of the distribution made in April 2008 and £80 million of the distribution made in September 2009 continues to be held by EY pending an application to Court concerning TXUEG's distributable reserves and its ability to pay £138 million to TEG as sole shareholder. The tax position on this proposed payment has now been clarified by the 2009 Finance Act, such that no tax liability arises. All equity distributions due from TXUEG to TEG will be subject to Court sanction.
- As a result of the way funds flow around the group and the need to reserve for GFM's claim, the funds available for distribution remain limited. Accordingly, until such time as matters are resolved, or greater clarity on the level of the claim has been achieved, it is unlikely that further distributions to creditors will be made.
- To date the Holding Company Supervisors have paid four distributions to creditors totalling £629 million. Any notices of future distributions and any other updates to creditors will be placed on the website [www.txuinfo.co.uk](http://www.txuinfo.co.uk)

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# Appendix 1

Statutory information for the Companies



# Statutory information for the Companies

The contact address for JR Tucker, JDT Milsom, JS Spratt and FT O'Connell is 8 Salisbury Square, London, EC4Y 8BB.

RJ Hill's contact address is 100 Temple Street, Bristol, BS1 6AG.

All administration orders were granted by the High Court in London.

During the administration any act required/ authorised under any enactment to be done by either/both administrators may be done by any person holding that office at that time.

Name of company	Company number	Abbreviation	Administrators	Supervisors	Court number	Date of order
TXU Europe Limited	03505836	TXUEL	JR Tucker JDT Milsom	JR Tucker JDT Milsom	No 7650 of 2002	19 November 2002
TXU Acquisitions Limited	03455523	TXUAC	JR Tucker JDT Milsom	JR Tucker JDT Milsom	No 7652 of 2002	19 November 2002
The Energy Group Limited	03613919	TEG	JR Tucker JDT Milsom	JR Tucker JDT Milsom	No 7649 of 2002	19 November 2002
TXU Finance (No.2) Limited	03514100	Finco2	JR Tucker JDT Milsom	JR Tucker JDT Milsom	No 2758 of 2003	2 May 2003
Energy Holdings (No.2) Limited	02969102	EH2	JR Tucker JS Spratt	JR Tucker JS Spratt	No 2754 of 2003	2 May 2003
Energy Holdings (No.4) Limited	01468589	EH4	JR Tucker JS Spratt	JR Tucker JS Spratt	No 2755 of 2003	2 May 2003
Energy Holdings (No.5) Limited	00941665	EH5	JR Tucker JS Spratt	JR Tucker JS Spratt	No 2756 of 2003	2 May 2003
TXU Eastern Funding Company	03710529	EFC	JR Tucker RJ Hill	JR Tucker JDT Milsom	No 1123 of 2004	3 November 2003
TXU Eastern Finance (A) Limited	03680673	EFA	JR Tucker RJ Hill	N/A	No 1122 of 2004	3 November 2003
TXU Eastern Finance (B) Limited	03679711	EFB	JR Tucker RJ Hill	N/A	No 1121 of 2004	3 November 2003
Energy Group Overseas BV	33296337 Amsterdam	EGOBV	JDT Milsom FT O'Connell	JDT Milsom FT O'Connell	No 7084 of 2003	20 November 2003
Energy Group Holdings BV	33296335 Amsterdam	EGHBV	JDT Milsom FT O'Connell	JDT Milsom FT O'Connell	No 7082 of 2003	20 November 2003
Energy Holdings (No. 3) Ltd	03257256	EH3	N/A	JR Tucker JS Spratt	N/A	N/A
Energy (No. 30) Ltd	03568436	E30	N/A	JR Tucker JS Spratt	N/A	N/A
TEG (Head Office) Ltd	02259512	TEG (HO)	N/A	JR Tucker JS Spratt	N/A	N/A
Energy Holdings (No. 1) Ltd	03239971	EH1	N/A	JR Tucker JS Spratt	N/A	N/A

*Notes: The Registered Offices for all the Companies except EGO BV and EGH BV are 8 Salisbury Square, London, EC4Y 8BB.  
The Registered Office for EGOBV and EGH BV is DeBoelelaan 7 Officia 1, 1033 HD, Amsterdam, Netherlands.*

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# Appendix 2

Details of Administrators' remuneration and summary receipts and payments accounts

# Office holders' remuneration from appointment for the Companies

Remuneration for the Initial Appointments covered by this report						
	TXUEL		TXUA		TEG	
	Hrs	Cost (£000)	Hrs	Cost (£000)	Hrs	Cost (£000)
Total time spent to 31 December 2009	54,139	14,120	12,046	3,559	3,947	2,690
Fees approved as at 31 December 2009	-	14,037	-	3,509	-	2,665
<b>Balance to be approved (£000)</b>		<b>83</b>		<b>50</b>		<b>25</b>

Remuneration for subsequent appointments covered by this report							
£000	Finco 2	EH1	EH2	EH4	EH5	EGO BV	EGH BV
Time spent from appointment to 31 December 2009	275	220	2,176	121	91	1,817	27
Fees approved as at 31 December 2009	274	219	2,099	120	89	1,807	27
<b>Balance to be approved</b>	<b>1</b>	<b>1</b>	<b>77</b>	<b>1</b>	<b>2</b>	<b>10</b>	<b>-</b>

Remuneration for subsequent appointments covered by this report			
£000	EFC	EFA	EFB
Time spent from appointment to 31 December 2009	176	6	6
Fees approved as at 31 December 2009	165	6	6
<b>Balance to be approved</b>	<b>11</b>	<b>-</b>	<b>-</b>

Source: Office holders records.

- The above costs information is a summary of the information provided to the Creditors'/Liquidation Committees under Statement of Insolvency Practice No 9 ('SIP9'). The insolvency profession uses SIP9 as guidance on the remuneration of insolvency officeholders. The Committees have approved the costs for each of the companies. Full details of these costs are available, if required.

Remuneration for subsequent appointments covered by this report				
£000	EGFL	APG	PPL	TEPSL
Time spent from appointment to 31 December 2009	604	212	134	130
Fees approved as at 31 December 2009	594	204	128	122
<b>Balance to be approved</b>	<b>10</b>	<b>8</b>	<b>6</b>	<b>8</b>

Source: Office holders records.

- These are below the line companies and the fees are approved by either the creditors committee or the authorising committee of TXU Europe Group plc.

# Receipts and payments accounts

TXUEL				
£	Administration		CVA	
	Six months 9 Jul 09 to 8 Jan 10	Cumulative 19 Nov 02 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
ATL Intercompany debt		288,274,646		
Proceeds of settlement with TXU Corp (part C7 of CVA)		86,130,490		
£67 million swap proceeds from BTL CVA		66,536,520		
Release of LILO security		50,000,010		
Receipts from TXU Corp for onward transmission to direct claimants		39,965,744		
Interest received	24,663	13,829,956		
PPA contribution <sup>(a)</sup> (paragraph C2.6.7, Operating Companies CVA)		11,499,000		
Litigation settlement proceeds		7,811,747		
Reimbursement of guarantee payments		8,451,168		
Receipt from disputed claims account		9,617,172		
Costs awarded		4,886,368		
Top up reserves held from TXU Corp proceeds		2,500,000		
Committee creditor and bond trustee costs recovery		2,498,218		
Reimbursement of legal and tax costs from TXU Corp settlement		695,553		
Sale of tax losses		359,633		
Other debtors	4,142	308,667		
Barking group relief receipts		1,640,644		
VAT refund (pre-appointment)		2,625		
Receipts from other companies to pay distributions <sup>(b)</sup>				187,949,890
Transfer from administrator re direct claimants				39,965,744
Transfer from administrator				413,459,404
	<b>28,805</b>	<b>595,008,161</b>	<b>NIL</b>	<b>641,375,038</b>

Notes: (a) PPA contributions are monies paid by certain PPA creditors, as part of the overall compromise, upon implementation of the BTL CVAs. See paragraph C2.6.7 of Operating Company CVA. When the ATL CVAs became effective in October 50% of this was paid to the Conduit Companies pro-rata to their claims against TXUEG.

(b) All distributions to banks and bonds were paid through TXUEL. Accordingly EFC, EGO BV and EH3 forwarded their payments to TXUEL for this purpose.

Source: Office holders records.

# Receipts and payments accounts (cont.)

TXUEL				
	Administration		CVA	
£	Six months 9 Jul 09 to Jan 10	Cumulative 19 Nov 02 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jun 10
<b>Payments</b>				
Transfer to Supervisor		413,459,404		
Allocation of TXU Corp settlement to other companies		50,302,913		
Transfer to Supervisor re direct claimants		39,965,744		
Legal fees	23,764	24,770,560		
Administrators' fees and expenses	338,066	14,337,669		
Payment to disputed claims account		9,439,607		
Reallocation of PPA contribution <sup>(a)</sup>		5,750,000		
Interim funding		-		
VAT	54,287	74,555		
Payment of insurance refund to TXUEG from TXU Corp settlement		1,631,488		
Advisors' fees		6,038,171		
Other expenses	116	2,025,933		
Bond trustee costs	50,425	894,270		
Payment to TXUAL for legal costs		680,553		
Irrecoverable VAT		728,743		
EGO BV VAT loan		-		
Group relief payment		24,219		
Un-recovered unfair prejudice costs		2,100,841		
Distributions of other company obligations <sup>(b)</sup>				187,949,890
Distributions to external creditors				388,997,536
Payments to direct claimants				39,965,744
Net interest on disputed claims				5,386
Distributions to connected companies				24,456,482
	<b>466,658</b>	<b>572,224,670</b>	<b>NIL</b>	<b>641,375,038</b>
<b>Balance as at 8 January 2010</b>	<b>(437,853)</b>	<b>22,783,491</b>	<b>NIL</b>	<b>NIL</b>

Notes: (a) PPA contributions are monies paid by certain PPA creditors, as part of the overall compromise, upon implementation of the BTL CVAs. See paragraph C2.6.7 of Operating Company CVA. When the ATL CVAs became effective in October 50% of this was paid to the Conduit Companies pro-rata to their claims against TXUEG.

(b) All distributions to banks and bonds were paid through TXUEL. Accordingly EFC, EGO BV and EH3 forwarded their payments to TXUEL for this purpose.

Source: Office holders records.

# Receipts and payments accounts (cont.)

TXUA				
	Administration		CVA	
£	Six months 9 Jul 09 to 8 Jan 10	Cumulative 19 Nov 02 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
ATL Intercompany debt		298,523,716		
Distributions from TXUEG CVA		161,356,218		
Tax equalisation receipts <sup>(c)</sup> (paragraph C7, Operating Company CVA)		35,000,000		
Reimbursement of investigation costs		14,300,000		
Release of credit derivatives <sup>(a)</sup>		11,355,551		
Proceeds of settlement with TXU Corp (Part C7 of CVA)		6,999,046		
Release of monies held in solicitors' trust accounts (advance distribution from TXUEG)		5,000,000		
Sale of intercompany debt owed by TXU Europe Group Plc (in administration) <sup>(a)</sup>	948,750	1,788,589		
Bank interest (gross) <sup>(b)</sup>	23,342	4,176,557		
PPA contribution (paragraph C2.6.7, Operating Company CVA)		2,159,975		
Reimbursement of legal costs		680,553		
Receipts from disputed claims account	1,377	522,561		
Proceeds from TOPrS settlement		98,333		
Tax refunds		88,500		
Other receipts		8,464		
Sale of tax losses		2,436,689		
Barking group relief		308,781		
Transfer from Administrator			1,377	467,270,613
	<b>973,469</b>	<b>544,803,533</b>	<b>1,377</b>	<b>467,270,613</b>

Notes: (a) Of the £10,752,500 under the agreement for the sale of inter-company debt, £10,227,797 has been released following the first three distributions by TXUEG. The balance of £524,703 is secured in favour of certain counterparties.

(b) £1,327,598 of this figure relates to the proceeds of the sale of the inter-company debt of which approximately £839,840 has been released.

(c) TXUEG paid £28,957,112 to ATL companies for agreed tax equalisation. All of these funds were paid to TXUA to distribute to the other relevant companies. TXUA's share of this is £10,877,674. The balance has been reallocated to the other companies.

Source: Office holders records.

# Receipts and payments accounts (cont.)

TXUA				
£	Administration		CVA	
	Six months 9 Jul 09 to 8 Jan 10	Cumulative 19 Nov 02 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Payments</b>				
Transfer to Supervisor	1,377	467,270,613		
Tax equalisation payments <sup>(a)</sup> (paragraph C7, Operating Company CVA)		26,937,998		
Payment to BTL top-up creditors (paragraph C8, Operating Company CVA)		7,500,000		
TXUEG investigation costs (paragraph C4, Operating Company CVA)		6,800,000		
Repayment of advance distribution		5,000,000		
Administrators' fees and expenses	102,731	3,584,044		
Legal fees		776,874		
Payment to disputed claims account		658,024		
Group relief payments		677,100		
Professional fees		210,298		
Irrecoverable VAT	15,410	19,859		
Un-recovered unfair prejudice costs		1,786,709		
Other expenses	25	127,922		
Committee expenses		12,349		
Distributions to connected companies				464,579,125
Distributions to external creditors			1,192	2,687,154
Net interest on disputed claims			185	4,334
	<b>119,543</b>	<b>521,361,790</b>	<b>1,377</b>	<b>467,270,613</b>
<b>Balance as at 8 January 2010</b>	<b>853,926</b>	<b>23,441,743</b>	<b>NIL</b>	<b>NIL</b>

Notes: (a) Of the £10,752,500 under the agreement for the sale of inter-company debt, £10,227,797 has been released following the first three distribution by TXUEG. The balance of £524,703 is secured in favour of certain counterparties.

(b) £1,327,598 of this figure relates to the proceeds of the sale of the inter-company debt of which approximately £839,840 has been released.

(c) TXUEG paid £28,957,112 to ATL companies for agreed tax equalisation. All of these funds were paid to TXUA to distribute to the other relevant companies. TXUA's share of this is £10,877,674. The balance has been reallocated to the other companies.

Source: Office holders records.

# Receipts and payments accounts (cont.)

TEGL				
	Administration		CVA	
£	Six months 9 Jul 09 to 8 Jan 10	Cumulative 19 Nov 02 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
Distribution from TXUEG CVA		82,383,455		
ATL Inter-company debt		49,898,330		
Tax equalisation receipts <sup>(a)</sup> (paragraph C7, Operating Company CVA)		17,492,794		
Proceeds of settlement with TXU Corp (part C7 of CVA)		3,573,495		
PPA contribution (paragraph C2.6.7, Operating Company CVA)		1,102,816		
Surrender of ACT		812,230		
Costs awarded (further allocation required)		769,043		
Interest received	37,380	1,520,678		
Barking group relief		696,381		
Receipt from disputed claims account		165,374		
Proceeds from TOPrS settlement		50,253		
Transfer from administrator				141,617,487
	<b>37,380</b>	<b>158,464,849</b>	<b>NIL</b>	<b>141,617,487</b>
<b>Payments</b>				
Transfer to Supervisor		141,617,487		
Administrators' fees and expenses	76,719	2,708,355		
Legal fees (including reimbursement from other group companies and related irrecoverable VAT)	132	520,795		
Interim funding		1,240,515		
Payment to disputed claims account		163,988		
Other professional fees		119,148		
VAT	11,531	11,603		
Committee expenses		11,599		
Group relief payments		36,354		
Other expenses	7	3,414		
Un-recovered unfair prejudice costs		1,068,812		
Distributions to connected companies				141,466,274
Distributions to external creditors				150,744
Net interest on disputed claims				469
	<b>88,389</b>	<b>147,502,070</b>	<b>NIL</b>	<b>141,617,487</b>
<b>Balance as at 8 January 2010</b>	<b>(51,009)</b>	<b>10,962,779</b>	<b>NIL</b>	<b>NIL</b>

Notes: (a) TXUEG paid £28,957,112 to ATL companies for agreed tax equalisation. All of these funds were paid to TXUA to distribute to the other relevant companies. TEGL's share of this was £5,553,801.

Source: Office holders records.



# Receipts and payments accounts (cont.)

EH2				
	Administration		CVA	
£	Six months 9 Jul 09 to 8 Jan 10	Cumulative 2 May 03 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
ATL Inter-company debt		205,073,924		
Shares and investments		169,548,990		
Share transfer premiums		440,258		
Bank interest	5,664	422,537		
Receipts from disputed claims accounts		91		
Transfer to Supervisor				366,913,499
	<b>5,664</b>	<b>375,485,800</b>	<b>NIL</b>	<b>366,913,499</b>
<b>Payments</b>				
Transfer to Supervisor		366,913,499		
Share purchase consideration		1,926,141		
Administrators' fees and expenses	240,054	2,244,361		
Subsidiary liquidation costs		176,420		
Professional and advisors fees		74,022		
Irrecoverable VAT	36,008	444,641		
Legal fees (including reimbursement from other group companies)		44,169		
Other expenses	5	727		
Payments to disputed claims account		90		
Distributions to external creditors				1,515,341
Distributions to connected companies				365,398,158
	<b>276,067</b>	<b>371,824,070</b>	<b>NIL</b>	<b>366,913,499</b>
<b>Balance as at 8 January 2010</b>	<b>(270,403)</b>	<b>3,661,730</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.

# Receipts and payments accounts (cont.)

Finco 2				
	Administration		CVA	
£	Six months 9 Jul 09 to 8 Jan 10	Cumulative 2 May 03 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
ATL intercompany debt		270,239,706		
Proceeds of settlement with TXU Corp (part C7 of CVA)		10,091,019		
Interest received	3,427	267,881		
Sale of tax loss		4,779,822		
Group relief receipts		3,072,266		
Receipt from disputed claims account		316		
Transfer from Administrator				285,761,250
	<b>3,427</b>	<b>288,451,010</b>	<b>NIL</b>	<b>285,761,250</b>
<b>Payments</b>				
Transfer to supervisor		285,761,250		
Administrators' fees and expenses	7,232	274,014		
Irrecoverable VAT	1,085	47,810		
Payment to disputed claims account		308		
Other expenses		302		
Un-recovered unfair prejudice costs		846,503		
Distributions to external creditors				84
Distribution to connected companies				285,761,164
Net interest on disputed claims				2
	<b>8,317</b>	<b>286,930,187</b>	<b>NIL</b>	<b>285,761,250</b>
<b>Balance as at 8 January 2010</b>	<b>(4,890)</b>	<b>1,520,823</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.

# Receipts and payments accounts (cont.)

EH4				
£	Administration		CVA	
	Six months 9 Jul 09 to 8 Jan 10	Cumulative 2 May 03 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
ATL intercompany debt		512,313,462		
Shares and investments		4,236,277		
Interest received	4,102	113,606		
Corporation tax refund		480,170		
Receipt from disputed claims account		217		
Group relief receipts		241,531		
Transfer from Administrator				515,965,126
	<b>4,102</b>	<b>517,385,263</b>	<b>NIL</b>	<b>515,965,126</b>
<b>Payments</b>				
Transfer to supervisor		515,965,126		
Share transfer fee		53,000		
Administrators fees and expenses	2,243	136,352		
Irrecoverable VAT	336	23,844		
Payment to disputed claims account		215		
Other expenses		278		
Distribution to connected companies				515,965,126
	<b>2,579</b>	<b>516,178,815</b>	<b>NIL</b>	<b>515,965,126</b>
<b>Balance as at 8 January 2010</b>	<b>1,523</b>	<b>1,206,448</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.

# Receipts and payments accounts (cont.)

EH5				
£	Administration		CVA	
	Six months 9 Jul 09 to 8 Jan 10	Cumulative 2 May 03 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
ATL intercompany debt		128,702,339		
Tax refunds		4,380,359		
Interest received	902	849,989		
Shares and investments		3,843,952		
Receipt from disputed claims account		61		
Transfer from Administrator				133,977,849
	<b>902</b>	<b>137,776,700</b>	<b>NIL</b>	<b>133,977,849</b>
<b>Payments</b>				
Transfer to supervisor		133,977,849		
Surrender of ACT		2,465,941		
Group relief payments		672,320		
Administrators' fees and expenses	2,569	90,857		
Irrecoverable VAT	385	15,874		
Other expenses		302		
Payment to disputed claims account		60		
Share transfer premium		290,000		
Distributions to external creditors				880,818
Distributions to connected companies				133,097,031
	<b>2,954</b>	<b>137,513,203</b>	<b>NIL</b>	<b>133,977,849</b>
<b>Balance as at 8 January 2010</b>	<b>(2,052)</b>	<b>263,497</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.

# Receipts and payments accounts (cont.)

TXU Eastern Funding Company				
£	Administration		CVA	
	Six months 9 Jul 09 to 8 Jan 10	Cumulative 3 Nov 03 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
Proceeds of settlement with TXU Corp (part C7 of CVA)		4,779,956		
Bank interest	1,277	170,516		
Other income		275		
Barking group relief		1,092,322		
Receipt from disputed claims account		19,647		
Transfer from administrator				3,747,302
	<b>1,277</b>	<b>6,062,716</b>	<b>NIL</b>	<b>3,747,302</b>
<b>Payments</b>				
Transfer to supervisor		3,747,302		
Administrators fees and expenses	13,221	169,249		
Subsidiary liquidation costs		12,283		
Irrecoverable VAT	2,630	100,929		
Legal fees	4,082	461,145		
Payment to disputed claims account		19,489		
Group relief payment		445		
Other expenses	20	5,100		
Un-recovered unfair prejudice costs		400,975		
Distribution to external companies				3,747,257
Net interest on disputed claims				45
	<b>19,953</b>	<b>4,916,917</b>	<b>NIL</b>	<b>3,747,302</b>
<b>Balance as at 8 January 2010</b>	<b>(18,676)</b>	<b>1,145,799</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.

## Receipts and payments accounts (cont.)

TXU Eastern Finance (A) Limited and TXU Eastern Finance (B) Limited				
	EFA Administration		EFB Administration	
	Six months 9 Jul 09 to 8 Jan 10	Cumulative 3 Nov 03 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 3 Nov 03 to 8 Jan 10
£				
<b>Receipts</b>				
Loan from TXU Eastern Funding Company		1,705		1,705
	<b>NIL</b>	<b>1,705</b>	<b>NIL</b>	<b>1,705</b>
<b>Payments</b>				
Statutory advertising		1,451		1,451
VAT		254		254
	<b>NIL</b>	<b>1,705</b>	<b>NIL</b>	<b>1,705</b>
<b>Balance as at 8 January 2010</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

Source: Administrators' records.

## Receipts and payments accounts (cont.)

EGH BV				
£	Administration		CVA	
	Six months 9 Jul 09 to 8 Jan 10	Cumulative 20 Nov 03 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
Receipts from disputed claims account		12		
Inter-company receivables		32,988		
Interest received	3	346		
Receipt from administrator				27,988
	<b>3</b>	<b>33,346</b>	<b>NIL</b>	<b>27,988</b>
<b>Payments</b>				
Transfer to Supervisor		27,988		
Payment to disputed claims account		12		
Legal fees	1,805	3,495		
Irrecoverable VAT		296		
Distributions to connected companies				27,988
	<b>1,805</b>	<b>31,791</b>	<b>NIL</b>	<b>27,988</b>
<b>Balance as at 8 January 2010</b>	<b>(1,802)</b>	<b>1,555</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.

# Receipts and payments accounts (cont.)

EGO BV				
£	Administration		CVA	
	Six months 9 Jul 09 to 8 Jan 10	Cumulative 20 Nov 03 to 8 Jan 10	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>				
ATL Inter-company debt		19,980,839		
Inter-company loan		1,622,359		
Receipt from disputed claims account		100,184		
Interest received	754	397,297		
Barking group relief		366,939		
Other income		10,430		
Receipt from administrator				17,944,956
	<b>754</b>	<b>22,478,048</b>	<b>NIL</b>	<b>17,944,956</b>
<b>Payments</b>				
Transfer to supervisor		17,944,956		
Administrators' fees and expenses	16,292	1,797,881		
Subsidiary administration costs		22,436		
Legal fees	3,681	1,352,708		
Irrecoverable VAT	8,658	543,860		
Payment to disputed claims account		99,380		
Dutch tax payment		83,319		
Professional fees		48,868		
VAT	(5,889)	2,346		
Other expenses	25	5,517		
Distributions to external creditors				13,840,718
Distributions to connected companies				4,104,007
Net interest on disputed claims				231
	<b>22,767</b>	<b>21,901,271</b>	<b>NIL</b>	<b>17,944,956</b>
<b>Balance as at 8 January 2010</b>	<b>(22,013)</b>	<b>576,777</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.



## Receipts and payments accounts (cont.)

EH3		
	CVA	
£	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>		
Bank interest received		
Receipts from disputed claims account		
VAT refunds		
TXUEL loan		
Intercompany receipts		
Receipts from administrator		319,036,687
	<b>NIL</b>	<b>319,036,687</b>
<b>Payments</b>		
Group relief payments		
Administrators' fees and expenses		
Transfer to supervisor		
Payments to disputed claims account		
VAT		
Other costs		591,038
Distributions to external creditors		183,133,730
Distributions to connected companies		135,311,906
Net interest paid on disputed claims		13
	<b>NIL</b>	<b>319,036,687</b>
<b>Balance as at 8 January 2010</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.

## Receipts and payments accounts (cont.)

TEGHO		
	CVA	
£	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>		
Bank interest received		
Receipts from disputed claims account		
VAT refunds		
TXUEL loan		
Intercompany receipts		
Receipts from administrator		7,050,060
	<b>NIL</b>	<b>7,050,060</b>
<b>Payments</b>		
Group relief payments		
Administrators' fees and expenses		
Transfer to supervisor		
Payments to disputed claims account		
VAT		
Other costs		
Distributions to external creditors		21,854
Distributions to connected companies		7,027,816
Net interest paid on disputed claims		390
	<b>NIL</b>	<b>7,050,060</b>
<b>Balance as at 8 January 2010</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.

# Receipts and payments accounts (cont.)

EH1		
	CVA	
£	Six months 9 Jul 09 to 8 Jan 10	Cumulative 31 Mar 05 to 8 Jan 10
<b>Receipts</b>		
Bank interest received		
Receipts from disputed claims account		
VAT refunds		
TXUEL loan		
Intercompany receipts		
Receipts from administrator		6,786,000
	<b>NIL</b>	<b>6,786,000</b>
<b>Payments</b>		
Group relief payments		
Administrators' fees and expenses		
Transfer to supervisor		
Payments to disputed claims account		
VAT		
Other costs		
Distributions to external creditors		
Distributions to connected companies		6,786,000
Net interest paid on disputed claims		
	<b>NIL</b>	<b>6,786,000</b>
<b>Balance as at 8 January 2010</b>	<b>NIL</b>	<b>NIL</b>

Source: Office holders records.