



DATE: April 11, 2000

TO: GISB Contracts Subcommittee Meeting Attendees

FROM: Reliant Energy Services, Inc.
Dede Russo and Jennifer Minnis

RE: Suggestions of Changes to the GISB

Reliant Energy would like to submit the following suggestions to the GISB Purchase and Sale Agreement for short-term transactions and would be happy to draft language:

- Add definitions for Products and/or Service Levels that are routinely traded, i.e. base load, swing, etc. (This can be added to the Agreement as a Schedule which can be easily amended)
- Add Arbitration Option
Add this option as a choice on the first cover page of the GISB and provide an appropriate provision in the body of the Base Contract.
- Add "Paperless" Option (no follow-up confirms sent for certain defined transactions)
Add this option as a choice on the first cover page of the GISB and provide an appropriate provision in the body of the Base Contract.
- Transaction Procedures
 - Add consent to the recording of telephone transactions and waiver of related evidentiary rules.
 - Address Electronic Trading and related evidentiary waivers
 - Add "Paperless" (no follow-up confirms) Transactions (see above)
- Add Netting Provision to Section 7.
- Add liquidated damage provision applicable to early termination.
- Add Events of Default Section.
- Add language related to Options.

Again, please let us know if Reliant Energy can draft language for the above suggestions.

Thank you.