

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): JULY 25, 2002

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.)

1111 LOUISIANA
HOUSTON, TEXAS
(Address of principal executive offices)

77002
(Zip Code)

Registrant's telephone number, including area code: (713) 207-3000

ITEM 5. OTHER EVENTS.

ANNOUNCEMENT OF SECOND QUARTER 2002 RESULTS

On July 25, 2002, Reliant Energy, Incorporated ("Reliant Energy") reported second quarter 2002 earnings. For additional information regarding Reliant Energy's second quarter 2002 earnings, please refer to Reliant Energy's press release attached to this report as Exhibit 99.1 (the "Press Release"), which Press Release, other than the information therein under the caption "Outlook for 2002," is incorporated by reference herein.

MANAGEMENT CONFERENCE CALL

On July 25, 2002, executives of Reliant Energy spoke to the public, as well as various members of the financial and investment community in Houston, Texas regarding Reliant Energy's second quarter 2002 results. A replay of this presentation has been made available on Reliant Energy's web site found at www.reliantenergy.com in the Investor Relations section and will be archived for 25 days after the event. In addition, a replay of the presentation can be accessed until August 2, 2002, 6 p.m. Houston time, by calling (800) 642-1687 (Conference I.D. 4836766).

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

The following exhibit is filed herewith:

99.1 Press Release issued July 25, 2002 regarding Reliant Energy's second quarter 2002 earnings.

ITEM 9. REGULATION FD DISCLOSURE.

Reliant Energy incorporates by reference into this Item 9 the information in the Press Release under the caption "Outlook for 2002." The information in Item 9 of this report is being furnished, not filed, pursuant to Regulation FD. Accordingly, the information in Item 9 of this report will not be incorporated by reference into any registration statement filed by Reliant Energy under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the information in this report is not intended to, and does not, constitute a determination or admission by Reliant Energy, that the information in this report is material or complete, or that investors should consider this information before making an investment decision with respect to any security of Reliant Energy or any of its affiliates.

FORWARD-LOOKING STATEMENTS

Some of the statements in this report and the exhibits hereto are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although Reliant Energy believes that the expectations and the underlying assumptions reflected in its forward-looking statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements involve a number of risks and uncertainties, and actual results may differ materially from the results discussed in the forward-looking statements. References in this Current Report to the terms "we," "us" or other similar terms mean Reliant Energy.

In addition to the matters described in this report and the exhibits hereto, the following are some of the factors that could cause actual results to differ materially from those expressed or implied in Reliant Energy's forward-looking statements:

- o state, federal and international legislative and regulatory developments, including deregulation, re-regulation and restructuring of the electric utility industry, and changes in or application of environmental, siting and other laws and regulations to which we are subject,
- o the timing of the implementation of our business separation plan,
- o the effects of competition, including the extent and timing of the entry of additional competitors in our markets,

- o industrial, commercial and residential growth in our service territories,
- o our pursuit of potential business strategies, including acquisitions or dispositions of assets or the development of additional power generation facilities,
- o state, federal and other rate regulations in the United States and in foreign countries in which we operate or into which we might expand our operations,
- o the timing and extent of changes in commodity prices, particularly natural gas, and interest rates,
- o weather variations and other natural phenomena,
- o political, legal, regulatory and economic conditions and developments in the United States and in foreign countries in which we operate, including the effects of fluctuations in foreign currency exchange rates,
- o financial market conditions and the results of our financing efforts,
- o the performance of our projects, and
- o other factors we discuss in our other filings with the SEC.

The words "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal" and other similar words are intended to identify Reliant Energy's forward-looking statements.

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: July 25, 2002

By: /s/ Mary P. Ricciardello

Mary P. Ricciardello
Senior Vice President and
Chief Accounting Officer

EXHIBIT INDEX

EXHIBIT
NUMBER
EXHIBIT
DESCRIPTION

99.1 Press
Release
issued
July 25,
2002
regarding
Reliant
Energy's
second
quarter
2002
earnings.

FOR FURTHER INFORMATION: Sandy Fruhman, Media (713) 207-3123
Marianne Paulsen, Investors (713) 207-6500
Melanie Trent, Investors (713) 207-8351

FOR IMMEDIATE RELEASE: July 25, 2002

RELIANT ENERGY REPORTS SECOND QUARTER 2002 EARNINGS

HOUSTON, TX. - Reliant Energy, Incorporated (NYSE: REI) today reported net income for the second quarter of 2002, of \$236 million, or \$0.79 per diluted share, compared to net income of \$316 million, or \$1.08 per diluted share, for the second quarter of 2001. Reliant Energy's earnings reflect its approximately 83 percent interest in Reliant Resources (NYSE: RRI).

The decrease in net income for the second quarter of 2002 was largely driven by an earnings decline in the company's wholesale energy segment due to less favorable market conditions, somewhat offset by increases in earnings in the company's retail energy, European energy and natural gas distribution segments. Results for the second quarter of 2002 also reflected increased interest expense and a negative impact related to the ZENS securities.

For the six months ended June 30, 2002, Reliant Energy reported income before the cumulative effect of accounting change of \$461 million, or \$1.55 per diluted share, compared to \$517 million, or \$1.78 per diluted share, for the same period of 2001. The decrease for this period was largely driven by the factors discussed above.

"The company and our industry have faced many challenges in recent months," said Steve Letbetter, chairman, president and chief executive officer. "We remain focused on the effective operation of our businesses, and in the quarter, our retail electric business in Houston and our regulated natural gas distribution operations performed very well. However, weak wholesale market conditions negatively impacted our results."

SUMMARY OF TWO NEW REPORTABLE BUSINESS SEGMENTS

This year, Reliant Energy started reporting two new reportable business segments, electric transmission & distribution and electric generation, instead of the former electric operations segment. With the opening of the Texas market to retail electric competition in January, generation and retail electric sales were deregulated. Retail electric sales are now reported as the retail energy segment of Reliant Resources and the previously regulated generation operations in Texas are being reported in the new segment, electric generation.

- more -

The electric transmission and distribution segment reports results from two sources, including the regulated transmission and distribution operations as well as the impacts of generation-related stranded costs recoverable by the regulated utility. This segment also reports the impact of some regulated electric utility operations resulting from the transition to a restructured electric market in Texas.

As a result of the implementation of deregulation and the subsequent new segments, there are no meaningful comparisons for these segments against prior periods.

EBIT BY SEGMENT DETAILED

ELECTRIC TRANSMISSION & DISTRIBUTION

The electric transmission & distribution segment reported EBIT (earnings before interest and taxes) of \$277 million for the second quarter of 2002. This reflected EBIT of \$107 million for the regulated electric transmission and distribution business and non-cash EBIT of \$170 million associated with certain generation-related regulatory assets (ECOM, or Excess Cost Over Market, true-up) recorded pursuant to the Texas restructuring law.

The electric transmission and distribution business recovers the cost of its service through an energy delivery charge. This business benefited from growth in residential demand in the second quarter of 2002 compared to the same period of last year, partially offset by an anticipated decline in deliveries to industrial customers resulting from a move to self-generation. Metered electric customers, totaling 1.75 million at the end of the second quarter of 2002, continue to grow at an annualized rate of 2 percent.

Under the Texas restructuring law, a regulated utility may recover as part of its stranded investment any difference between auction market prices and the market prices used in the Texas Public Utility Commission's ECOM model. This difference, which is recorded as a regulatory asset, produced the \$170 million of non-cash EBIT for the ECOM true-up in the second quarter of 2002.

Although the company's retail electric sales are now conducted by Reliant Resources, retail customers remained regulated customers of Reliant Energy HL&P through the date of their first meter reading in 2002. Sales during this transition period produced EBIT of \$14 million in the first quarter of 2002, which is reflected in this segment. In the second quarter of 2002, additional costs of \$7 million associated with transitioning to a competitive marketplace were incurred. The company expects to continue to incur transition costs during the remainder of the year, which the company anticipates will substantially offset the EBIT recorded in the first quarter.

ELECTRIC GENERATION

The electric generation segment is comprised of over 14,000 MW of electric generation located entirely in the state of Texas, and will be called Texas Genco after the company's restructuring. This segment reported a \$26 million loss before interest and taxes for the second quarter of 2002.

- more -

NATURAL GAS DISTRIBUTION

The natural gas distribution segment reported EBIT of \$14 million for the second quarter of 2002 compared to a loss before interest and taxes of \$41 million for the same period of 2001. The amount of goodwill amortization expense recognized in the second quarter of 2001 was approximately \$8 million. A significant improvement in bad debt expense in the second quarter of 2002 compared to the high levels of bad debt experienced in the same period last year contributed to the operating improvement. Also contributing to the quarter-over-quarter EBIT increase were changes in estimates of unbilled revenues and deferred gas costs, which negatively impacted the second quarter of 2001.

PIPELINES AND GATHERING

EBIT for the pipelines and gathering segment increased to \$41 million for the second quarter of 2002 compared to \$34 million for the same period of 2001. The amount of goodwill amortization expense recognized in the second quarter of 2001 was approximately \$4 million.

WHOLESALE ENERGY

EBIT for the wholesale energy segment was \$31 million in the second quarter of 2002, compared to \$298 million in the same period of 2001. The decrease was primarily due to less favorable market conditions, which resulted in lower operating margins from trading and marketing activities and power generation operations. Other factors affecting the decrease include: charges in connection with the cancellation of power plant development projects; increased depreciation expense related to ownership of the Orion assets and a write-off due to closure of a power plant in Pennsylvania; increased operation and maintenance expense primarily related to ownership of the Orion assets and an increase in a reserve for anticipated refunds to be ordered by the FERC relating to California operations.

RETAIL ENERGY

The company's retail energy segment produced EBIT of \$205 million in the second quarter of 2002, compared to a loss of \$2 million in the second quarter of 2001. The Texas retail electricity market opened to full competition in January 2002. At that time, the retail energy segment began serving approximately 1.7 million electricity customers in the greater Houston, Texas area. These increased sales were partially offset by increased overhead, gross receipts taxes, marketing and bad debt expense.

EUROPEAN ENERGY

The European energy segment produced EBIT of \$105 million in the second quarter of 2002, compared to \$62 million in the 2001 period. This increase was primarily the result of a one-time net gain of \$109 million due to amendments to two power supply contracts. Results for 2001 reflected efficiency and energy payments from NEA, the coordinating body for the Dutch electric generating sector prior to the start of wholesale competition, and the valuation of the company's interest in NEA, which was recorded as equity income in 2001.

- more -

OTHER OPERATIONS

The company's other operations, which include its thermal systems, power systems, new ventures businesses, various real estate used in business operations, remaining operations in Latin America and unallocated corporate costs, reported a loss before interest and taxes for the second quarter of 2002 of \$15 million. This compares to a loss before interest and taxes of \$25 million for the same period of 2001.

GOODWILL AND OTHER INTANGIBLE ASSETS

On January 1, 2002, the company discontinued amortizing goodwill in accordance with SFAS No. 142, "Goodwill and Other Intangible Assets". The amounts of goodwill amortization expense that were recognized in 2001 were \$21 million and \$42 million for the quarter and six months ended June 30, respectively. During the second quarter, the company completed the evaluation of goodwill for its regulated operations units, the natural gas distribution and pipeline and gathering units. The evaluation concluded that no impairment was required to be recognized for these units. The analysis of impairment for the goodwill associated with its European operations has concluded that an impairment does exist. However, the quantification of the impairment has not been finalized. Upon completion of the quantification, the impairment will be recorded as a cumulative effect of a change in accounting principle as of January 1, 2002.

OUTLOOK FOR 2002

After the spin-off of Reliant Resources, CenterPoint Energy will include primarily the regulated businesses reported under the electric transmission and distribution, natural gas distribution and pipelines and gathering segments. CenterPoint Energy will also include the Texas power generation assets, reported under the electric generation segment, until at least 2004 when Reliant Resources has an option to purchase these assets. Reliant Resources provides competitive energy services including non-regulated power generation, wholesale energy trading and marketing, retail energy services and wholesale energy in Europe.

Assuming completion of the spin-off of Reliant Resources, 2002 earnings per share for the segments that will comprise CenterPoint Energy are expected to be in the range of \$1.17 to \$1.22, excluding its prior interests in Reliant Resources. Reliant Resources, Inc. (NYSE: RRI), which completed its initial public offering of approximately 20 percent of its shares in May 2001, revised its earnings guidance for 2002 from a range of \$1.80 to \$2.00 per share to a range of \$1.65 to \$1.85 per share. This revision is primarily due to continued weakness in wholesale market conditions in the U.S. and Europe, partially offset by stronger performance in Reliant Resources' retail operations.

Reliant Energy and Reliant Resources continue to have constructive discussions with their banks regarding refinancing alternatives and expect acceptable results will be achieved.

Reliant Energy remains committed to the spin-off of Reliant Resources and continues to believe it is the right strategic step for both companies. Each company is well positioned for success in its respective market sector. Additionally, as separate entities, the companies will have better access to capital than as a combined company.

- more -

WEBCAST OF EARNINGS CONFERENCE CALL

Reliant Energy has scheduled its second quarter 2002 earnings conference call for Thursday, July 25, 2002, at 1:30 p.m. Central time. Interested parties may listen to a live audio broadcast of the conference call at www.reliantenergy.com/investors. A replay of the call can be accessed approximately two hours after the completion of the call.

Reliant Energy (NYSE: REI), based in Houston, Texas, is an international energy services and energy delivery company. The company has nearly 31,000 megawatts of power generation in operation in the U.S. and nearly 3,500 megawatts of power generation in Western Europe. Reliant Energy's retail marketing and distribution operations serve approximately four million electricity and natural gas customers in the U.S. More information on Reliant Energy can be found on its web site at www.reliantenergy.com.

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, effects of competition, weather variations, 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.

- # # # -

9,790,443
10,292,636
18,434,186
22,369,297 --

Expenses:

Fuel and cost
of gas sold
4,886,360
5,022,191
8,447,738
12,703,440
Purchased
power
3,127,956
3,660,649
6,693,625
6,536,212
Operation and
maintenance
732,568
624,243
1,386,600
1,346,563
Taxes other
than income
taxes 164,142
142,732
289,847
283,036
Depreciation
and
amortization
257,816
226,332
477,506
422,991 Other
2 6,019 747
8,324 -----

----- Total
9,168,844
9,682,166
17,296,063
21,300,566 --

Operating
Income
621,599
610,470
1,138,123
1,068,731 ---

Other
(Expense)
Income:
Unrealized
(loss) gain
on AOL Time
Warner
investment
(230,214)
330,901
(447,811)
467,983
Unrealized
gain (loss)
on indexed
debt
securities

218,723	
(329,185)	
421,956	
(464,232)	
Income from equity investment of unconsolidated subsidiaries	
5,524	51,572
9,308	64,177
Interest	
(205,239)	
(150,343)	
(359,295)	
(328,405)	
Distribution on trust preferred securities	
(13,850)	
(13,899)	
(27,749)	
(27,799)	
Minority Interest (a)	
(30,594)	
(34,103)	
(47,027)	
(33,813)	
Other - net	
18,096	33,993
35,713	61,409

Total	
(237,554)	
(111,064)	
(414,905)	
(260,680)	---

Income Before Income Taxes, Cumulative Effect of Accounting Change and Preferred Dividends	
384,045	
499,406	
723,218	
808,051	
Income Tax Expense	
148,400	
183,045	
262,221	
290,763	-----

Income Before Cumulative Effect of Accounting Change and Preferred Dividends	
235,645	
316,361	
460,997	
517,288	
Cumulative Effect of	

Accounting
Change, net
of tax --
(47) --
61,619 -----

----- Income
Before
Preferred
Dividends
235,645
316,314
460,997
578,907
Preferred
Dividends --
98 -- 195 ---

----- Net
Income
Attributable
to Common
Stockholders
\$ 235,645 \$
316,216 \$
460,997 \$
578,712
=====
=====
=====
=====

Reference is made to the Notes to the Consolidated Financial Statements contained in the Amended Annual Report on Form 10-K/A of Reliant Energy, Incorporated.

(a) Included in minority interest is \$30.6 million and \$47.1 million of minority interest expense for the quarter and six months ended June 30, 2002, respectively, and \$34.4 million of minority interest expense for the quarter and six months ended June 30, 2001, related to approximately 17 % minority ownership of Reliant Resources, Inc. and its subsidiaries.

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

Quarter Ended Six
Months Ended June
30, June 30, ----

-- 2002 2001 2002
2001 -----

-----	-----	-----	-----
---- Basic			
Earnings Per			
Common Share			
Income before			
cumulative effect			
of accounting			
change \$ 0.79 \$			
1.09 \$ 1.55 \$			
1.79 Cumulative			
effect of			
accounting			
change, net of			
tax -- -- -- 0.22			
Net income			
attributable to			
common			
stockholders \$			
0.79 \$ 1.09 \$			
1.55 \$ 2.01			
Diluted Earnings			
Per Common Share			
Income before			
cumulative effect			
of accounting			
change \$ 0.79 \$			
1.08 \$ 1.55 \$			
1.78 Cumulative			
effect of			
accounting			
change, net of			
tax -- -- -- 0.21			
Net income			
attributable to			
common			
stockholders \$			
0.79 \$ 1.08 \$			
1.55 \$ 1.99			
Dividends per			
Common Share \$			
0.375 \$ 0.375 \$			
0.750 \$ 0.750			
Weighted Average			
Common Shares			
Outstanding			
(000): - Basic			
297,696 289,743			
296,963 288,546 -			
Diluted 298,471			
292,737 297,934			
291,400 EBIT BY			
SEGMENT Electric			
Operations \$ -- \$			
354,381 \$ -- \$			
553,047 Electric			
Transmission &			
Distribution			
276,990 --			
535,952 --			
Electric			
Generation			
(26,228) --			
(77,974) --			

Natural Gas	
Distribution	
14,553	(40,995)
124,228	96,430
Pipelines and	
Gathering	41,371
33,926	79,065
72,450	Wholesale
Energy	31,163
297,800	145,268
526,851	European
Energy	104,813
62,084	122,888
83,462	Retail
Energy	205,394
(1,806)	253,967
(4,880)	Other
Operations	
(15,000)	(24,514)
(27,555)	
(155,331)	
Eliminations/other	
672	16,875
1,450	
26,039	-----
-----	-----
-----	-----
-----	Total \$
633,728	\$ 697,751
\$ 1,157,289	\$
1,198,068	
=====	
=====	
=====	
=====	

Reference is made to the Notes to the Consolidated Financial Statements contained in the Amended Annual Report on Form 10-K/A of Reliant Energy, Incorporated.

Reliant Energy, Incorporated and Subsidiaries
 Results of Operations by Segment
 (Millions of Dollars)
 (Unaudited)

ELECTRIC
 TRANSMISSION
 ELECTRIC
 ELECTRIC &
 DISTRIBUTION
 GENERATION
 ELIMINATIONS
 TOTAL
 OPERATIONS

 Quarter
 Ended June
 30, -----

% Diff 2002
 2001
 Fav/(Unfav)

 RESULTS OF
 OPERATIONS:

Operating
 Revenues:
 Operating
 revenues \$
 368 \$ 414 \$
 4 \$ 786 \$
 1,523 (48)%
 ECOM true-
 up 170 -- -
 - 170 -- --

 Total
 Revenues
 538 414 4
 956 1,523
 (37)% -----

 Operating
 Expenses:
 Fuel and
 purchased
 power 5 299
 4 308 721

DELIVERED
2002 2001
2002 2001

Residential
6,295,795
5,784,467
9%

10,769,260
9,735,625
11%

Commercial
4,788,531
4,540,104
5%

8,763,779
8,508,706
3%

Industrial
6,432,125
8,507,181
(24)%

12,769,728
15,945,397
(20)%

Other
37,222
380,873
(90)%
79,371

677,376
(88)%

Total
17,553,673
19,212,625
(9)%

32,382,138
34,867,104
(7)%

=====
=====
=====

WEATHER
(AVERAGE
FOR
SERVICE
AREA):

Percentage
of normal:
Cooling
degree

days 108%
100% 8%
108% 102%

6% Heating
degree
days 33%
30% 3%

100% 106%
(6)%

AVERAGE
NUMBER OF
METERED
CUSTOMERS:

Residential
1,539,193
1,514,566
2%

1,535,499
1,510,260
2%

Commercial
209,956

206,744 2%
209,690
205,630 2%
Industrial
1,814
1,771 2%
1,837
1,753 5%
Other --
28 (100)%
3 28 (89)%

Total
1,750,963
1,723,109
2%
1,747,029
1,717,671
2%

=====
=====
=====
=====

PHYSICAL
ELECTRIC
GENERATION
POWER
SALES
(MWH)
14,669,572
N/A
26,472,871
N/A

Reference is made to the Notes to the Consolidated Financial Statements
contained in the Amended Annual Report on Form 10-K/A of Reliant
Energy, Incorporated.

 Reliant Energy, Incorporated and Subsidiaries
 Results of Operations by Segment
 (Millions of Dollars)
 (Unaudited)

NATURAL GAS
 DISTRIBUTION

Quarter Ended
 June 30, Six
 Months Ended
 June 30, ----

----- %
 Diff -----

----- % Diff
 2002 2001

Fav/(Unfav)
 2002 2001

Fav/(Unfav) -

----- RESULTS
 OF

OPERATIONS:
 Operating
 Revenues \$

797 \$ 888
 (10)% \$ 1,977

\$ 3,211 (38)%
 Operating
 Expenses:

Natural gas
 603 725 17%

1,488 2,702
 45% Operation
 and

maintenance
 125 148 16%

256 281 9%

Depreciation
 and

amortization
 32 37 14% 62

73 15% Other
 operating
 expenses 25

25 -- 53 67
 21% -----

Total 785 935
 16% 1,859

3,123 40% ---

 Operating
 Income (Loss)

12 (47) --
 118 88 34% --

 ----- Total
 2,969,368
 2,916,310 2%
 2,972,644
 2,929,774 1%
 =====
 =====
 =====
 =====

PIPELINES AND
 GATHERING ---

Quarter Ended
 June 30, Six
 Months Ended
 June 30, ----

----- %
 Diff -----

----- % Diff
 2002 2001
 Fav/(Unfav)
 2002 2001
 Fav/(Unfav) -

----- RESULTS
 OF

OPERATIONS:
 Operating
 Revenues \$
 102 \$ 96 6% \$
 194 \$ 226
 (14)%
 Operating
 Expenses:
 Natural gas
 10 12 17% 17
 58 71%
 Operation and
 maintenance
 38 31 (23)%
 72 59 (22)%
 Depreciation
 and
 amortization
 10 15 33% 20
 29 31% Other
 operating
 expenses 5 4
 (25)% 9 8
 (13)% -----

- Total 63 62
 (2)% 118 154
 23% -----

Operating
 Income 39 34
 15% 76 72 6%

```

-----
-----
----- Non-
operating
Income: Other
non-operating
income 2 -- -
- 3 -- -- --
-----
-----
----- 2 -- --
3 -- -- --
-----
-----
--- Earnings
Before
Interest and
Taxes $ 41 $
34 21% $ 79 $
72 10%
=====
=====
=====
=====
PIPELINES AND
GATHERING
OPERATING
DATA:
THROUGHPUT
DATA IN BCF
Natural Gas
Sales 5 3 67%
10 9 11%
Transportation
205 193 6%
443 439 1%
Gathering 70
77 (9)% 141
147 (4)%
Elimination
(1) (1) --
(1) (2) 50% -
-----
-----
----- Total
Throughput
279 272 3%
593 593 --
=====
=====
=====
=====

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Reference is made to the Notes to the Consolidated Financial Statements contained in the Amended Annual Report on Form 10-K/A of Reliant Energy, Incorporated.

Reliant Energy, Incorporated and Subsidiaries
 Results of Operations by Segment
 (Millions of Dollars)
 (Unaudited)

WHOLESALE
 ENERGY -----

 - Quarter
 Ended June
 30, Six
 Months Ended
 June 30, ----

 ----- %
 Diff -----

 ---- % Diff
 2002 2001
 Fav/(Unfav)
 2002 2001
 Fav/(Unfav) -

 - RESULTS OF
 OPERATIONS:
 Operating
 Revenues \$
 6,495 \$ 7,660
 (15)% \$
 12,009 \$
 16,020 (25)%
 Operating
 Expenses:
 Fuel and cost
 of gas sold
 3,990 3,952
 (1)% 6,543
 9,606 32%
 Purchased
 power 2,141
 3,239 34%
 4,775 5,553
 14% Operation
 and
 maintenance
 233 146 (60)%
 391 279 (40)%
 Depreciation
 and
 amortization
 83 20 (315)%
 133 61 (118)%
 Other 25 6
 (317)% 37 8
 (363)% -----

 Total 6,472
 7,363 12%
 11,879 15,507
 23% -----

 Operating
 Income 23 297
 (92)% 130 513

(22)% \$ 691 \$
 861 (20)%
 =====
 =====
 =====
 =====
 TRADING,
 MARKETING AND
 RISK
 MANAGEMENT
 MARGINS
 REALIZED AND
 UNREALIZED:
 Realized \$ 40
 \$ 26 54% \$
 112 \$ 127
 (12)%
 Unrealized 9
 93 (90)% (15)
 104 -- -----

 ----- \$
 49 \$ 119
 (59)% \$ 97 \$
 231 (58)%
 =====
 =====
 =====
 =====
 TRADING
 MARGIN / VAR
 7.00 19.83
 (65)% 12.13
 33.00 (63)%
 WHOLESALE
 ENERGY
 OPERATING
 DATA:
 Physical
 natural gas
 Bcf volume
 1,077 720 50%
 2,028 1,444
 40% Revenues
 per Mcf \$
 3.58 \$ 5.15
 (30)% \$ 3.13
 \$ 6.23 (50)%
 Physical
 Wholesale
 Power Sales
 (000's MWh)
 74,830 61,267
 22% 166,303
 114,478 45%
 Revenues per
 Mwh \$ 35.33 \$
 64.08 (45)% \$
 33.94 \$ 61.30
 (45)%
 Physical Oil
 Trading
 Revenues
 (000's Bbls)
 758 2,861
 (74)% 1,658
 3,347 (50)%

VALUE AT RISK ANALYSIS:

(Assumes 95% confidence level and primarily a one day holding period using variance/covariance model)

2002
 2001
 2002
 2001 -

 --

- - - - -
As of
June
30, \$
7 \$ 8
\$ 7 \$
8
Period
Ended
June
30:
Daily
Average
7 6 8
7
Daily
High
14 15
17 18
Daily
Low 4
2 4 2

Reference is made to the Notes to the Consolidated Financial Statements contained in the Amended Annual Report on Form 10-K/A of Reliant Energy, Incorporated.

Income 103
9 1,044%
119 28 325%

Non-
operating
Income:
Other non-
operating
income 2 53
(96)% 4 55
(93)% -----

----- 2 53
(96)% 4 55
(93)% -----

Earnings
Before
Interest
and Taxes \$
105 \$ 62
69% \$ 123 \$
83 48%
=====

=====

EUROPEAN
ENERGY
MARGINS BY
ACTIVITY:
Power
Generation
\$ 149 \$ 56
166% \$ 210
\$ 121 74%
Trading,
Marketing
and Risk
Management
4 2 100% 7
3 133% ----

----- \$
153 \$ 58
164% \$ 217
\$ 124 75%
=====

=====

TRADING AND
RISK
MANAGEMENT
MARGINS
REALIZED
AND
UNREALIZED:
Realized \$
1 \$ 1 -- \$
4 \$ 2 100%
Unrealized
3 1 200% 3
1 200% ----

----- \$

4 \$ 2 100%
 \$ 7 \$ 3
 133%
 =====
 =====
 =====
 =====
 =====
 =====

EUROPEAN
 ENERGY
 OPERATING
 DATA:
 Physical
 Wholesale
 Power Sales
 (000's MWH)
 23,850
 9,679 146%
 43,494
 16,262 167%
 Revenues
 per mwh \$
 26.08 \$
 25.62 2% \$
 26.53 \$
 27.68 (4)%

RETAIL
 ENERGY -----

 Quarter
 Ended June
 30, Six
 Months Ended
 June 30, ---

 2002 2001
 2002 2001 --

RESULTS OF
 OPERATIONS:
 Operating
 Revenues \$
 1,425 \$ 36 \$
 2,404 \$ 63
 Operating
 Expenses:
 Natural gas
 and
 purchased
 power 1,099
 -- 1,941 --
 Operation
 and
 maintenance
 96 37 165 66
 Depreciation
 and
 amortization
 6 2 11 4
 Other 19 --
 33 -- -----

 - Total
 1,220 39
 2,150 70 ---

commercial
 213 Large
 commercial,
 industrial
 and
 institutional
 18 -----
 - Total
 1,671
 =====

OTHER
 OPERATIONS

Quarter
 Ended June
 30, Six
 Months
 Ended June
 30, -----

 ----- %
 Diff -----

 % Diff
 2002 2001
 Fav/(Unfav)
 2002 2001
 Fav/(Unfav)

RESULTS OF
 OPERATIONS:
 Operating
 Revenues \$
 7 \$ 29
 (76)% \$ 10
 \$ 59 (83)%
 Operating
 Expenses
 12 49 76%
 15 212 93%

 Operating
 Loss (5)
 (20) 75%
 (5) (153)
 97% Non-
 operating
 Income:
 Other non-
 operating
 (expense)
 income
 (10) (5)
 (100)%
 (23) (3)
 (667)% ---

 (10) (5)

(100)%
(23) (3)
(667)% ---

Earnings
Before
Interest
and Taxes
\$ (15) \$
(25) 40% \$
(28) \$
(156) 82%
=====
=====
=====
=====

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contained in the Amended Annual Report on Form 10-K/A of Reliant Energy,
Incorporated.

Reliant Energy, Incorporated and Subsidiaries
 Consolidated Trading Activities
 (Million of Dollars)
 (Unaudited)

Quarter Ended June
 30, Six Months
 Ended June 30, ---

 ----- 2002
 2001 2002 2001 ---

--- CONSOLIDATED
 TRADING, MARKETING
 AND RISK
 MANAGEMENT MARGINS
 REALIZED AND
 UNREALIZED:

Realized \$ 120 \$
 27 \$ 201 \$ 129
 Unrealized (1) 105
 (20) 120 -----

----- \$
 119 \$ 132 \$ 181 \$
 249 =====
 =====
 =====
 =====

CONSOLIDATED VALUE
 AT RISK ANALYSIS:

(Assumes 95%
 confidence level
 and primarily a
 one day holding
 period using
 variance/covariance
 model) As of June
 30, \$ 20 \$ 9 \$ 20
 \$ 9 Period Ended
 June 30: Daily
 Average 17 7 18 8
 Daily High 29 16
 29 18 Daily Low 13
 3 13 3

COMBINED WHOLESALE, RETAIL AND EUROPEAN VAR

[CHART]

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 contained in the Amended Annual Report on Form 10-K/A of Reliant Energy,
 Incorporated.