Wholesale Operations
2000 Goals

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2000 Enron Strategic Goals
Wholesale Operations

Goal: Execute more commodity intermediation business via EnronOnline than through traditional means.

Status: Complete

Over 450,000 North America transactions with a notional value greater than $240 billion have been executed through November 2000.

Currently, EnronOnline is generating -

- 85% of total transactions for North America natural gas
- 50% of total transactions for North America electricity power
- 52% of total transactions for European commodities.

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ENRON

2000 Enron Strategic Goals
Enron Americas

Goal: Achieve a 20% growth in total energy volumes.

Status: Complete

- Physical natural gas volumes have increased 74% September YTD 1999 to September YTD 2000.
- Physical power volumes have increased 42% September YTD 1999 to September YTD 2000.
- Maintained position as #1 merchant of power and gas in North America.

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2000 Enron Strategic Goals

Enron Americas

Goal: Complete 3 significant utility outsourcing transactions.

Status: In Progress

Closed 3 significant utility outsourcing transactions during 2000 -

- Atlanta Gas Light \ Virginia Natural Gas - gas outsourcing
  - 2 year term
  - 30 BCF per year sales
- NSTAR (BECO) - power outsourcing
  - 6 month term

2000 Enron Strategic Goals
Enron Americas

Goal: Clearly establish recurring, profitable merchant business in South America as evidenced by $25 million of earnings in 2000 with a goal of $50 million in 2001.

Status: Complete

- Wholesale, Direct Sales and Argentina had $25 million of earnings in 2000.
- 2001 plan has $50 million earnings goal.

EC004392356

ENRON

2000 Enron Strategic Goals
Enron Europe

Goal: Generate at least $200 million of gross margin outside of the U.K.

Status: Complete

$240 million of gross margin was generated in areas other than UK gas and power businesses.

Goal: Decrease Eastern exposure by $250 million.

Status: Not Complete

- Working with TXU Europe Group PLC to obtain increased guarantees with additional covenants to cleanly hedge Enron's claim.
- Will be finalized in 1st quarter 2001.

EC004392357

ENRON

2000 Enron Strategic Goals
Enron Europe

Goal: Financially close and monetize three significant infrastructure projects.

Status: Complete

Financially closed and monetized four significant projects -

- Sutton Bridge - $270 million
- National Power - $760 million
- Poland, Turkey and Italy Powerstation Balance Sheet Restructure - $125 million
- ETOL FAS 125 - $100 million in cash and notes of $105 million.

EC004392358

ENRON

2000 Enron Strategic Goals
Enron Europe (APACHI)

Goal: Establish Japanese business as evidenced by aggregation of at least 5,000 megawatts of generation and an active merchant business with 500 mmcfe/day of energy transactions.

Status: Not Complete

- Opened Enron Japan office and launched EnronOnline and coal trading in Japan.
- Pace of regulation changes impacted ability to aggregate generation and develop an active merchant business.

EC004392359

2000 Enron Strategic Goals
Enron Global Markets (CALME)

Goal: Financially close and begin construction of the Venezuela LNG project.

Status: Not Complete

- Minority rights agreement with PDVSA is substantially complete and other agreements were finalized in October 2000.
- Construction contract with Enron Engineering & Construction substantially complete.
- Secured Elba Island storage capacity to provide anchor market

2000 Enron Strategic Goals
Enron Global Markets (CALME)

Goal: Financially close and begin construction of Dolphin. (Mideast effort)

Status: Not Complete

- Executed detailed Project Development Agreement among UAE offsets group. TotalFinaElf and Enron to develop the project.
- Advanced the technical design of facilities/selected pipeline routes.
- Advanced negotiations with downstream buyers and with Qatar for supplies of 2 - 3 bcf/day.
- Upstream term sheet [illegible]

2000 Enron Strategic Goals
Enron Global Assets (South America)

Goal: Decrease capital exposure through a profitable sale of certain South American assets.

Status: Not complete

- Asset monetization strategy is in place.
- Significant sales anticipated in 1st quarter 2001.

EC004392362

2000 Enron Strategic Goals
Enron Global Assets (India)

Goal: Financially close Metgas pipeline transaction and sell 2 Tcf (1.6 MT) of gas along the pipeline.

Status: Not Complete

- Contracts signed to sell 1.2 MM tons of gas

2000 Enron Strategic Goals
Enron Global Assets (APACHI)

Goal: Leverage value of SK/Enron 20% profitability growth in Korea beyond current venture.

Status: Complete

- Achieved 100% profitability growth in Korea on SK-Enron joint venture.
- Increased SK-Enron's net income from $23 million in 1999 to $48 million in 2000.

EC004392364

2000 Enron Strategic Goals
Enron Global Assets (APACHI)

Goal: Resolve Hainan Island, Vietnam and Mozambique issues.

Status: Complete

- Concluded sale of Hainan PPC Termination Agreement for $152 million. Receipt of $78 million cash in 2000 with $74 million to be received in 1st quarter 2001.
- Successfully completed the sell-down of the Mozambique Project to SASOL for $30 million.
- Settlement of Miga Claim on East Java, Indonesia - $15 million.
- Vietnam issues resolved with minimum impact to bottom line.

EC004392365

2000 Enron Strategic Goals
Enron Net Works

Goal: Be the largest and leading e-commerce player. Execute e-business plan, which includes starting 5 new businesses and attempting to monetize 3 of them.

Status: Complete

- EnronOnline has executed over 450,000 transactions with a notional value greater than $240 billion through November 2000.
- Several new businesses have been created -
  - DealBench
  - Clickpaper.com
  - Commodity Logic
  - e-Market Services
- Acquired MG Metals in July 2000.

2000 Enron Strategic Goals
Enron Net Works

Goal: Create $100 million of value for business units that is not in the 2000 Plan.

Status: Complete

- Significant value added by EnronOnline.
- Created a partnership with outside parties to focus on the pulp & paper and steel industries which generated $75 million of earnings in 2000.

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