Transmission & Distribution 2000 Goals

EC004392368

2000 Enron Strategic Goals
Enron Transportation Services

Goal: Continue Florida Gas expansion by completing Phase IV construction, obtaining favorable Preliminary Determination and Environmental Impact Statement on Phase V and receiving market support for Phase VI.

Status: Complete

- Obtained FERC certificate on Phase IV, completed construction on the west leg extension and made initial deliveries to Florida Power and Light on October 1.
- Received a favorable Preliminary Determination on Phase V.
- The Phase V Environmental Impact Statement will be issued early spring 2001. Construction will begin on time by the 2nd quarter 2001.
- Strong market support for Phase VI expansion at 150 MMBtu/day.

EC004392369

2000 Enron Strategic Goals
Enron Transportation Services

Goal: Obtain final FERC certificate for Northern Border's Project 2000 and place in service Transwestern's Gallup Expansion by the 2nd quarter.

Status: Complete

- Obtained FERC certificate for Northern Border's Project 2000 in 1st quarter 2000.
- Transwestern's Gallup Expansion was placed into service 2nd quarter 2000. The 140 MMBtu/day expansion is fully subscribed with 5-year contracts, resulting in $9 million per year of added revenue.

EC004392370

2000 Enron Strategic Goals
Enron Transportation Services

Goal: Close accretive acquisitions of $100 million and $150 million respectively for EOTT and Northern Border.

Status: Change in Business Strategy/Complete

- Acquisitions for EOTT have not been pursued due to cost of capital and focus on existing assets.
- Northern Border acquired assets for $30 million from various third parties and gathering systems from Enron for $205 million.

EC004392371

ENRON

2000 Enron Strategic Goals
Enron Transportation Services

Goal: Divest Enron's Clean Fuels business.

Status: Not Complete

- Several deals were analyzed.
- Only nominal offers were made. All offers would have resulted in a substantial write-off for Enron.
- Currently evaluating options.

EC004392372

Goal: Successfully close the sale of PGE to Sierra Pacific Resources.