



To:	All Employees		
From:	Jeff McMahon, President and Chief Operating Officer	Department:	Office of the Chief Executive
Subject:	Code of Ethics	Date:	July 1, 2000

As officers and employees of Enron Corp., its subsidiaries, and its affiliated companies ("Enron" or collectively the "Company"), we are responsible for conducting the business affairs of the Company in accordance with all applicable laws and in a moral and honest manner.

To make certain that we understand what is expected of us, Enron has adopted certain policies, with the approval of the Board of Directors, all of which are set forth in the enclosed booklet revised July 2000. *Please note that Enron has added the Principles of Human Rights; provided further description of our Business Ethics policy with respect to our legal contracts, the selection of outside counsel, and the making of disparaging remarks, oral or written, about Enron by employees; provided further clarification of Enron's policy with respect to Confidential Information and Trade Secrets; decreased the number of days passwords are valid under Enron's Communication Services and Equipment Policy, provided additional information with respect to the criminal penalties and civil fines assessed by the US government under the Foreign Corrupt Practices Act; and clarified Enron's policy with respect to Conflicts of Interests, Investments, and Outside Business Interests of Employees.*

The Code of Ethics contains commonsense rules of conduct with which the great majority of Enron employees routinely conform. However, I ask that you read them carefully and completely and that, as you do, you reflect on your past actions to make certain that you have complied with the policies. It is absolutely essential that you fully comply with these policies in the future. If you have any questions, talk them over with your supervisor, manager, or Enron legal counsel.

Enclosed with this memorandum and booklet is a Certificate of Compliance (revised 7/00) to be signed by you as a statement of your personal agreement, since you last so certified, to comply with the policies stated herein during the term of your employment with the Company. **Please carefully review this booklet. Then select the Code of Ethics option from eHROnline.enron.com to certify your compliance or you may sign and send this form to Elaine V.**

EC 001396926

Overturf, Deputy Corporate Secretary, Enron Corp., 1400 Smith Street, Suite 4836, Houston, Texas 77002-7369.

This memorandum, the Code of Ethics booklet, and Certificate of Compliance are also available to all employees on the Enron Home Page at <http://home.enron.com/>. You may access them by clicking on Code of Ethics.

For your convenience, I have briefly stated below each of the Policies in the booklet. Please retain this booklet for future reference.

Principles of Human Rights

As a partner in the communities in which we operate, Enron believes it has a responsibility to conduct itself according to certain basic tenets of human behavior that transcend industries, cultures, economies, and local, regional and national boundaries. Enron stands on the foundation of its Vision and Values. Every employee is educated about the Company's Vision and Values and is expected to conduct business with other employees, partners, contractors, suppliers, vendors and customers keeping in mind respect, integrity, communication and excellence. Everything we do evolves from Enron's Vision and Values statements.

Securities Trades by Company Personnel

If a director, officer, or any employee of the Company has material non-public information relating to Enron Corp., Northern Border Partners, L.P., EOTT Energy Partners, L.P., or any other Enron Corp. subsidiary or affiliated company with publicly-traded securities, it is our policy that neither that person nor any related person may buy or sell securities of Enron Corp., Northern Border Partners, L.P., EOTT Energy Partners, L.P., or any other Enron Corp. subsidiary or affiliated company with publicly-traded securities, or engage in any other action to take advantage of, or pass on to others, that information. This policy also applies to material non-public information relating to any other company, including our customers or suppliers, obtained in the course of employment.

Business Ethics

Employees of the Company are charged with conducting their business affairs in accordance with the highest ethical standards. An employee shall not conduct himself or herself in a manner, which directly or indirectly would be detrimental to the best interests of the Company or in a manner, which would bring to the employee financial gain separately derived as a direct consequence of his or her employment with the Company.

Confidential Information and Trade Secrets

Employees will maintain the confidentiality of the Company's sensitive or proprietary information and will not use such information for their personal benefit.

EC 001396927

Safety

Employees of the Company have a responsibility to comply with all applicable laws and regulations regarding the safe design, construction, maintenance, and operation of Company facilities.

Use of Communication Services and Equipment

All employees of the Company are expected to comply fully with the general policy of the Company with respect to its communication services and equipment and to operate and maintain the Company's communication services and equipment in a manner that is in full compliance with the law.

Internet Security

The Internet Security Policy defines roles, responsibilities, and policies for the Company's employees, agents, and contractors using the Company's communications facilities to access third party electronic media and services such as the Internet.

Governmental Affairs and Political Contributions

The Company's official position or policy concerning all governmental, political, and public matters in which the Company has an interest and which may affect its progress and well-being will be determined and announced by the Executive Committee of Enron Corp.'s Board of Directors or the Chairman of the Board and Chief Executive Officer. No alteration of or deviation from such official policies will be made without the approval of the Chairman of the Board and Chief Executive Officer of Enron Corp.

Consulting Fees, Commissions, and Other Payments

Agreements with consultants, agents, or representatives must be in writing and must state the services to be performed, the fee basis, and the amounts to be paid and other material terms and conditions, and the form and content must be approved by the Company's legal counsel and with respect to foreign consultants, agents, or representatives by Mr. Jack Urquhart, Senior Advisor to the Chairman of the Board of Enron Corp. Payments must bear a reasonable relationship to the value of the services rendered, must be completely documented and recorded, and must not violate the provisions of the Foreign Corrupt Practices Act.

Compliance with the Foreign Corrupt Practices Act

The United States Foreign Corrupt Practices Act (the "Act") applies to the Company in its worldwide operations as well as individually to all Company employees who are United States citizens, nationals, or residents with respect to their worldwide activities. The Act prohibits the corrupt offer, payment or gift of money or anything of value to a foreign governmental official or employee or to

EC 001396928

any foreign political candidate or party for the purpose of influencing any act or decision of a governmental body in order to obtain or retain business or to direct business to any person.

Compliance with Antitrust Laws

All employees of the Company are expected to comply fully with all applicable Federal, State, and foreign antitrust laws. Whenever any doubt exists as to the legality of any action or arrangement, such transaction must be submitted to the Company's legal counsel for prior approval and continuing review. Both the spirit and the letter of antitrust laws are to be followed to avoid creating any unlawful restraints on competition.

Compliance with Environmental Laws

We at the Company are committed to protecting our environment, not only because it is legally required, but also because we believe it is the responsible way to conduct our business. The Company expects all employees to comply fully with all applicable environmental laws and regulations.

Conflicts of Interests, Investments, and Outside Business Interests of Officers and Employees

The primary consideration of the employment of every full-time (regular as well as temporary) officer and employee should be the fact that the Company is entitled to expect of every such person complete loyalty to the best interest of the Company and the maximum application of skill, talent, education, etc., to the discharge of job responsibilities, without any reservations whatever.

Responsibility for Reporting

Employees, upon observing or learning of any violations of any of these policies, should report the same by writing a letter, describing with as much detail as possible, the suspected violation, and sending the letter to:

Enron Compliance Officer

CONFIDENTIAL - Conduct of Business Affairs

P. O. Box 1188

Houston, Texas 77251-1188

Employees may also report the same by telephoning the Confidential Phone Mail Box of the Office of the Chief Executive at (713) 853-7294, or sending an e-mail addressed to the Office of the Chief Executive.

We want to be proud of Enron and to know that it enjoys a reputation for fairness and honesty and that it is respected. Gaining such respect is one aim of our

EC 001396929

advertising and public relations activities, but no matter how effective they may be, Enron's reputation finally depends on its people, on you and me. Let's keep that reputation high.

EC 001396930