

From: Rieker, Paula
Sent: Monday, November 19, 2001 7:29 PM
To: Caudell, Greg; Bowen Jr., Raymond
Cc: Buy, Rick
Subject: RE: Board Liquidity Slides

Ray - The Board has requested an "continual update" on a few subjects, one of which is liquidity. This information would be sent weekly to a secure, private fax machine, Ken and I are also discussing a weekly phone update, which would still require a schedule similar to this one. An alternative would be to send a weekly report that summarized only KEY CHANGES to the projected year-end cash balance and set forth a revised projected balance. Please advise on your preference for the weekly update.

Separately, the "Meltdown Scenario" would be part of the Dec. Finance Comm. presentation, not the weekly update.

-----Original Message-----

From: Caudell, Greg
Sent: Monday, November 19, 2001 6:34 PM
To: Rieker, Paula; Sullo, Sharon E
Subject: FW: Board Liquidity Slides
Importance: High

Paula - It occurred to me today that I should run this past Ray before we put it in a Board package. This is what I sent him. He will probably have some comments or changes but I wanted to make sure you had seen this pass as well. Enjoy your holiday!

-----Original Message-----

From: Caudell, Greg
Sent: Monday, November 19, 2001 6:31 PM
To: Bowen Jr., Raymond
Subject: Board Liquidity Slides
Importance: High

Paula Rieker and Rick Buy have requested several weekly liquidity slides.

- 1) **Cash forecast** - I have used the same format and updated for close of business 12/16. I have included the supporting detail. Do you want to stop showing the board the support?
- 2) **Historical Cash usage** - Mary Perkins tracks this. The "Weekly Net Cash" slide in the attachment reflects weekly changes in actual cash. This is not change in "reported" cash. This, like Mary's daily schedule, only reflects cash in Enron Corp's three bank accounts. We combined some groups to simplify and the table still has a lot of numbers. We have worked with RAC to put this together and Paula is reviewing tonight to see if this answers the question she asked. Let me know if you are ok with this.
- 3) They also asked for **Meltdown Scenarios**. I believe several people have looked at these scenarios. At this point, I think all that is left is getting downgraded below investment grade. If that happens, Marlin and Whitewing are payable. Do you have any suggestions on what I should provide?

<< File: 011119 Board slides.xls >>

One last item. I mentioned to Tim that the deadline for the CFO and Treasurer reports for the regularly scheduled December Meeting is November 28. I used to pull these together for the previous CFO and treasurer. Let me know if you would like me to continue.

Thanks,
Greg C.