
From: John L Garrison/HOU/AZURIX@AZURIX@ENRON [IMCEANOTES-John+20L+20Garrison_HOU_AZURIX+40AZURIX+40ENRON@ENRON.com] on behalf of John L Garrison/HOU/AZURIX@ENRON [IMCEANOTES-John+20L+20Garrison_HOU_AZURIX+40ENRON@ENRON.com]
Sent: Thursday, September 27, 2001 2:06 PM
To: Hughes, James A.
Subject: Re: Misc.

Jim,

I had the conversation with Stan and I let him know that I would consider potential opportunities in the future. His response was very similar to yours in that he said that he wanted me to focus on Azurix for right now. He also said he was trying to get his arms around his new responsibilities and that opportunities may present themselves in the future, but that he did not have anything specific at this time.

I made the same commitment to him that I did to you. I will continue to drive hard at Azurix and will listen to any opportunities that you may have.

A quick update on issues

- 1) It appears the final decision has been made that we are going to hold everything but ABA and Wessex for sale. This will result in a charge of between \$300 to \$310 million number we have discussed. We are also trying to put as much severance as possible into this charge.
- 2) A final decision has been made that we are not willing to take any goodwill impairment on Wessex. This will require a lot of time to develop the case to support the decision. Michael and I will work with Corp to present the best case possible.
- 3) Suez will begin next Tuesday to start negotiations on the Mexico Assets.
- 4) Received a letter of intent on the Madera property and we are starting negotiations.
- 5) Talked with Brian Stanley on Lurgi and we are going to try to meet when he gets back from the UK to discuss a plan going forward.
- 6) Budgets: We are behind the eight ball, but will have something that lays out the issues for Wednesday.
- 7) Making progress on the ABA accounting issue, but no final decision yet.

Thanks,

John L. Garrison
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09/27/01 01:48 PM

To:
cc:
Subject:

John L Garrison/
Misc.

John:

**GOVERNMENT
EXHIBIT
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Crim. No. H-04-25 (S-2)

Any further thoughts on your desires/plans?

Jim