

ENRON Corp.

Conference Call Information

Time: 12:00 p.m. (Central)
1:00 p.m. (Eastern)

Dial In: 913/981-4910

Website: www.enron.com; Reference Investors

Introductions

Jeff Skilling, President and CEO
Mark Koenig, Executive VP, Investor Relations
Paula Rieker, Managing Director, Investor Relations
Rick Causey, Executive VP and Chief Accounting Officer

Thank you for joining us on the call and webcast this morning. In any environment, it is important to be sure investors have accurate information. It has been a very difficult equity market recently, and some specific Enron-related subjects have been circulating which we want to clarify.

I don't plan any surprises this morning—we are not "pre-releasing" first quarter financial results. We do expect to report strong quarterly results, which will be released early on April 17. We are very confident with our previously announced annual targets for 2001 recurring earnings in the range of \$1.70 to \$1.75 per diluted share. All of our businesses are in great shape.

As we have detailed previously, our Wholesale Services business is well positioned for another record setting year. We will continue to do what we do best:

- We expertly manage complex logistics to move products between markets;
- We actively make markets "in the middle" to source and deliver at the lowest cost; and
- We efficiently package components to create high-value products and services.

This ability to provide low-cost, innovative services continues to drive our strong market franchise.

We expect a very high level of physical gas and power deliveries in the first quarter. Our North American natural gas and power businesses continue to generate strong earnings performance. Gas and power price volatility has continued, resulting in increased customer activity. We have seen a high demand for both our price risk management services and complex energy procurement services.

Our Wholesale business is the lead energy merchant by a wide margin, and we strongly feel that our superior information and established networks will maintain this position long-term.

EC48049A0041345 *K*

GOVERNMENT
EXHIBIT
4248

Crim. No. H-04-25 (S-2)

In addition, our new businesses, including, metals, pulp and paper, coal and steel, are ahead of expectations in terms of both market penetration and profitability.

EnronOnline continues to be a tremendous advantage in both expanding our market reach and in managing the increased business activity. Since inception, we have transacted almost \$800 billion of notional business. We have expanded to 1,600 products online. In addition to the strong external impact, EnronOnline is core to our internal risk management discipline.

Across the company, we use EnronOnline in structuring transactions to insure that we have both real-time price quotes and real-time transaction and credit capture.

[California]

Our **Retail Energy Services** business has a huge head start on achieving its 2001 targets. Again, in this business where we outsource energy asset management for industrial and commercial businesses, we are seeing continued expansion opportunities both in the U.S. and in Europe. We have already publicly announced approximately \$4 billion of new contract value this quarter, including some of our largest new contracts ever. We remain confident in meeting or exceeding our announced full year Total Contract Value target of \$30 billion and IBIT target of \$225 million.

Our **Transportation and Distribution** businesses continue to underpin many of our activities. As we have said previously, the sale of Portland General has been delayed. Let me remind you that this sale has been very much elective on Enron's part. Any delay in the Portland General sale or any other targeted asset sale does not cause us to need to issue public equity. Our balance sheet is very strong and affords us significant flexibility on the timing of all targeted asset sales.

Let me address our **Broadband** business. The entire telecommunications industry is going through major changes. These current changes are not unlike changes we saw in the early days of the deregulating natural gas business when producers, or owners of capacity, faced declining prices for their commodity. This is the right environment for Enron's business model. In Broadband, we are pursuing a very similar strategy as in our Wholesale business, where we will manage delivery logistics, make markets for bandwidth and other network services, and package these components for value-added products. Our network is substantially complete. Our core areas of focus remain Bandwidth Intermediation and Content Services.

There have been rumors and news accounts of large layoffs in our Broadband business. We brought people in from all over the company to jumpstart this big opportunity. We are now rationalizing some areas - many of the people affected are in support or specialized functions that will likely be offered jobs in other areas. We also need some people in Portland to consider Houston-based jobs since this is the commercial nerve center of the company and the home of our new Network Operating Center. We continue to hire highly qualified personnel in Broadband - we have 58 open jobs today.

Regarding last week's announcement terminating the content delivery agreement with Blockbuster, - we are continuing the Video-on-Demand trials, and our technology is working extremely well. We are not reducing our emphasis on Video-on-Demand. We are vigorously

pursuing new content directly from producers and are very encouraged by our initial discussions. We continue to expect to acquire new content contracts this year equal to at least \$1 billion of future revenues. We continue to believe the Video on Demand business is a huge long-term opportunity and is a natural extension of both our network and our Bandwidth Intermediation business.

I'd also like to quickly comment on the Dabhol power project in **India**. You may have read a lot in the press lately about the project. I cautioned in late January that there could be a lot of noise regarding this project over the coming year. Let me reiterate – the bottom line is that Dabhol has very solid contracts and guarantees to insure payments of monies owed. The impact of any delayed payment will not be material to Enron.

Before I close, let me say that we recognize that investors need to clearly differentiate investment alternatives. Enron is a distinct investment opportunity for several key reasons:

- We are operating in large markets that should grow at significant rates regardless of the macroeconomic environment.
- We have established extremely strong market positions in all our major businesses and have validated the effectiveness of our business model for over a decade. The success Enron has exhibited is not the result of any one market condition. Rather, we have the scope and scale to maximize opportunities across many markets.
- We have started numerous new businesses and have the discipline and management skills to diligently develop these new opportunities.
- We are very well-positioned for strong, long-term financial performance.

I appreciate the opportunity to update you on our businesses and would now like to open the floor for questions.