MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
ENRON CORP.
October 24, 2001

Minutes of a special meeting of the Board of Directors of Enron Corp. ("Company"), noticed to begin at 11:00 a.m., C.D.T., but actually begun at 11:10 a.m., C.D.T., on October 24, 2001 at the Enron Building in Houston, Texas.

The following Directors were present, constituting a quorum, either in person or by telephone conference connection whereby each of the participants could hear the comments and discussions by the other participants and join in the discussions, as follows:

Mr. Kenneth L. Lay, Chairman
Mr. Robert A. Belfer
Mr. Norman P. Blake, Jr.
Mr. Ronnie C. Chan
Mr. John H. Duncan
Dr. Wendy L. Gramm
Dr. Charles A. LeMaistre
Mr. Paulo V. Ferraz Pereira
Mr. Frank Savage
Lord John Wakeham
Mr. Herbert S. Winokur, Jr.

Directors Robert K. Jaedicke and Dr. John Mendelsohn were absent from the meeting. Messrs. James V. Derrick, Jr., Mark A. Frevert, and L. Greg Whalley and Ms. Paula H. Rieker, all of the Company, also attended the meeting.

The Chairman, Mr. Lay, presided at the meeting, and the Secretary, Ms. Rieker, recorded the proceedings.

Mr. Lay called the meeting to order. He then provided an update on recent market activity for the debt and equity securities of the Company. He noted that credit spreads for the Company's debt remained high and demand for the debt remained low. He advised that negotiation and due diligence were in process for a significant additional credit facility to further improve the liquidity of the Company.

Mr. Lay provided a report on the current effectiveness of Mr. Andrew S. Fastow as the Chief Financial Officer of the Company and on perceptions of Mr. Fastow in the financial marketplace. He presented a recommendation by management that Mr. Fastow be replaced by Mr. Jeffrey McMahon, and a discussion ensued. Mr. Duncan provided information obtained from Mr. Fastow related to Mr. Fastow's earnings from certain financial arrangements and indicated that Mr. Fastow had not yet provided earnings of limited partners with interests in the same financial arrangements.

Following a discussion, upon a motion duly made by Mr. Blake, seconded by Mr. Savage, and carried, the following resolutions were approved:

> RESOLVED, that the Board approves the request by Mr. Andrew S. Fastow for a leave of absence from his responsibilities as Executive Vice President and Chief Financial Officer of the Company; and
>
> RESOLVED FURTHER, that the following person be, and hereby is, elected, effective as of the date set forth below, to the position set forth opposite his name, to serve for the ensuing year and until his successor is duly elected and qualified, unless he shall sooner resign or be removed, in accordance with the Bylaws of the Company:

Jeff McMahon	Executive Vice President and Chief Financial Officer, Enron Corp. (effective as of the leave of absence from the Company of Mr. Fastow, an Executive Vice President and previously Chief Financial Officer of the Company, on October 24, 2001)

Mr. Duncan left the meeting.

Mr. Whalley then provided an update on recent inquiries by commercial counterparties regarding the credit position of the Company. He also provided a briefing on steps being taken to insure adequate financial liquidity for the Company.

Mr. Lay discussed the importance of retaining personnel and presented a recommendation by management to guarantee payment in January of 2002 of minimum bonuses totaling $22.9 million to 29 key commercial personnel. Following a discussion, upon motion duly made by Dr. LeMaistre, seconded by Ms. Gramm, and carried, the Board approved the guarantee of minimum bonuses to be paid to key commercial personnel in January of 2002.

There being no further business to come before the Board, the meeting was adjourned at 12:00 p.m., C.D.T.

Paula H Rieker
Secretary

APPROVED:

Kenneth L Lay
Chairman

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MINUTES
MEETING OF THE COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE
OF THE BOARD OF DIRECTORS
ENRON CORP.
November 16, 2001

Minutes of a meeting of the Compensation and Management Development Committee ("Committee") of the Board of Directors of Enron Corp. ("Company"), noticed to begin at 11:15 a.m., C.S.T., but actually begun at 11:18 a.m., C.S.T., on November 16, 2001 at the Enron Building in Houston, Texas.

The following Committee members were present, constituting a quorum, either in person or by telephone conference connection whereby each of the participants could hear the comments and discussions by the other participants and join in the discussions, as follows:

Dr. Charles A. LeMaistre, Chairman
Mr. John H. Duncan
Dr. Robert K. Jaedicke
Mr. Frank Savage

Director Norman P. Blake, Jr. did not attend the meeting. Director Kenneth L. Lay and Mesdames Mary J. Joyce and Paula H. Rieker, both of the Company, also attended the meeting. Mr. L. Greg Whalley, also of the Company, joined the meeting in progress as noted below.

The Chairman, Dr. LeMaistre, presided at the meeting, and the Secretary, Ms. Rieker, recorded the proceedings.

Dr. LeMaistre called the meeting to order and called upon Mr. Lay to provide a summary of management's recommendation to retain key employees of the Company. Mr. Lay reported that competitors were aggressively pursuing key employees of the Company, including teams of employees who had made very significant contributions to the profitability of the Company's wholesale gas and power operations.

Mr. Whalley joined the meeting.

Mr. Whalley reported on concerns by key employees that annual bonuses either would not be awarded or, if awarded, may not be funded by the Company. Mr. Whalley reviewed a summary of the recommendation, a copy of which is included with the records of the meeting. He reviewed the terms of a proposed bonus trust and noted that, separate from the trust, additional commitments for bonus payments may be made but would not be funded as part of the trust. A discussion ensued on the benefits of the proposed trust. Mr. Whalley clarified that the trust excluded executive level officers and that the proposal had been discussed with Mr. Stephen W. Bergstrom of Dynegy, Inc. ("Dynegy"), who agreed on the importance of retaining key employees. Ms. Joyce advised that Towers Perrin ("Towers") had been consulted and agreed with the recommendation of management.

Ms. Joyce also reported that Towers was preparing a written report of any impact of the merger agreement with Dynegy on the role of the Committee and considerations for employee bonuses planned for early 2002, retention devices, and other items. Mr. Lay then provided a brief update on the Company's wholesale and retail operations.

There being no further business to come before the Committee, the meeting was adjourned at 11:36 a.m., C.S.T.

Paula H. Rieker

Secretary

APPROVED:

Charles A. LeMaistre

Chairman

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Charles A. LeMaistre - Chairman
Norman P. Blake, Jr.
John H. Duncan
Robert K. Jaedicke
Frank Savage

AGENDA
MEETING OF THE COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE OF THE BOARD OF DIRECTORS ENRON CORP.

NOVEMBER 16, 2001
Enron Center North – EB-5001
11:15 a.m. (C.S.T.)

1. Discussion of Bonus Trust

2. Other Business

3. Adjournment

EC2 000026924

Agenda Item
Compensation and Management Development Committee Meeting
November 16, 2001
Bonus Trust

- Enron North America desires to establish a grantor trust to fund the payment of 2001 performance bonuses to certain key personnel of Enron North America as well as Enron Energy Services and Enron Canada (assuming the trust is effective in Canada.)

- Payments will be made as long as the employee is actively employed on the designated payment dates of January 4, 2002 and February 5, 2002. Payments will be made directly from the Trust.

- Approximately $50 million will be contributed to the Trust on Monday, November 19, 2001, for payment of performance bonuses for up to 100 key traders and originators.

- Based on a projection of Enron Americas' restated September 30, 2001 IBIT ($1.961 billion) and After-Tax Net Income ($1.354 billion), the $50 million represents 2.5% and 3.7% of earnings, respectively.

- **This arrangement has been discussed and agreed to by Greg Whalley and Steve Bergstrom of Dynegy.**

- Management recommends the Enron Corp. Compensation and Management Development Committee approve and recommend to the ENA Board approval of this bonus Trust and bonus compensation arrangement.

MINUTES
MEETING OF THE BOARD OF DIRECTORS
ENRON CORP.
November 18, 2001

Minutes of a meeting of the Board of Directors of Enron Corp. ("Company"), noticed to begin at 5:00 p.m., C.S.T., but actually begun at 5:15 p.m., C.S.T. on November 18, 2001, at the Enron Building in Houston, Texas.

The following Directors were present, constituting a quorum, either in person or by telephone conference connection whereby each of the participants could hear the comments and discussions by the other participants and join in the discussion, as follows:

Mr. Kenneth L. Lay, Chairman
Mr. Robert A. Belfer
Mr. Norman P. Blake, Jr.
Mr. Ronnie C. Chan
Mr. John H. Duncan
Dr. Wendy L. Gramm
Dr. Robert K. Jaedicke
Dr. Charles A. LeMaistre
Dr. John Mendelsohn
Mr. William C. Powers, Jr.
Mr. Frank Savage
Lord John Wakeham
Mr. Herbert S. Winokur, Jr.

Director Paulo V. Ferraz Pereira was absent from the meeting. Messrs. Raymond M. Bowen, Jr., Richard B. Buy, Angus H. Davis, James V. Derrick, Jr., Mark A. Frevert, Mark E. Haedicke, Jeffrey McMahon, L. Greg Whalley, and Rex R. Rogers and Ms. Paula H. Rieker, all of the Company or affiliates thereof, Messrs. Joseph C. Dilg, C. Michael Harrington, William E. Joor, and Charles W. Schwartz, all of Vinson & Elkins, LLP, Mr. William R. McLucas, of Wilmer, Cutler & Pickering LLP, Mr. Greg A. Danilow, of Weil, Gotshal & Manges LLP, and Messrs. Peter A. Atkins, Eric L. Cochran, and Jonathan J. Lerner, all of Skadden, Arps, Slate, Meagher & Flom, LLP, and Mr. Stephen D. Susman, of Susman Godfrey, also attended the meeting. Mr. Thomas Roberts, of Weil, Gotshal & Manges LLP, joined the meeting in progress as noted below.

The Chairman, Mr. Lay, presided at the meeting, and the Secretary, Ms. Rieker, recorded the proceedings.

After calling the meeting to order, Mr. Lay asked Mr. McMahon to provide an update on the current status of the Company's liquidity, financings, and credit ratings. Mr. McMahon reported liquidity was very tight. He reported that management was pursuing private equity sources, including J. P. Morgan Chase & Co. and Solomon Smith Barney, as well as other sources. He also noted the need to extend the debt maturities of the Company. Mr. Bowen reviewed a report, a copy of which is included in the records of the meeting, of the projected sources and uses of cash through year-end 2001, including a $1.5 billion cash infusion associated with the proposed Dynegy merger and $1.0 billion associated with Transwestern Pipeline Company and Northern Natural Gas Company secured financings. He noted, however, that without extending the maturity of approximately $1.0 billion in debt securities for which work was underway, the Company could end the year with inadequate liquidity for its operations. He also discussed the potential significant negative impact to liquidity related to certain surety agreements that included on-demand call features for collateral. Mr. McMahon reported that the Company's credit rating remained investment grade and that all three rating agencies had maintained their negative watch. He stated that asset sales, the level of trade credit available to the Company, success at extending certain current debt maturities, ability to secure additional private equity, and the general health of the business must all remain on track in order for the Company to retain its investment grade rating. He reviewed the status of current asset sales, including the exploration and production operations in India, certain gas distribution companies in Brazil, and a power plant in Puerto Rico.

Mr. Buy reported that wholesale transactions conducted on Enron Online had recovered somewhat from the low point ten days previously but had not returned to long-term average levels. Mr. Whalley stated that it currently was difficult to attract long-term business and, in some regions, to participate in the physical commodity markets due to counterparty concerns regarding the Company's credit. Mr. McMahon noted that management had scheduled meetings on November 19, 2001 with approximately seventy-five banks and 280 bankers to present a full financial review and an operations and merger update. He stated that the meeting would include discussions to achieve a coordinated, comprehensive orderly debt restructuring.

Mr. Roberts joined the meeting.

Mr. Whalley reported that the Company's European operations had been more severely impacted by recent developments than the North American operations. He stated that the retail energy operations also were experiencing difficulties in executing longer-term contracts with customers.

Mr. Lay then reported on restructuring efforts by the Company in order to satisfy rating agency requirements related to the Dynegy merger agreement. Mr. Joor confirmed that a number of merger-related regulatory filings were in preparation and that the Hart Scott Rodino anti-trust filing was planned to be filed soon.

Mr. Lay called upon Mr. McMahon to discuss management's recommendation to amend the Company's Amended and Restated Articles of Incorporation to increase the number of authorized shares of common stock by 300 million shares up to 1.5 billion shares. Mr. McMahon stated that the Company currently had minimal flexibility to issue additional shares if private equity could be sold. He noted that, in addition to Board authorization, shareholder approval was required. Mr. Rogers discussed the authorization procedures necessary under Oregon law, noting that a vote could be targeted in late December 2001. Following discussion, upon motion duly made by Mr. Blake, seconded by Dr. Gramm, and carried, the following resolutions were adopted:

> WHEREAS, the Board has determined that it is in the best interest of Enron Corp. (the "Company") to amend the Company's Amended and Restated Articles of Incorporation to increase the total number of authorized shares of Common Stock from 1,200,000,000 to 1,500,000,000;
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> NOW, THEREFORE, BE IT RESOLVED, that the Amended and Restated Articles of Incorporation of the Company are hereby amended by amending the first paragraph of Article IV thereof to read in its entirety as follows:
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> > The total number of shares of all classes of stock which the corporation shall have authority to issue is 1,516,500,000 shares of capital stock, of which 16,500,000 shares are Preferred Stock (the "Preferred Stock"), and 1,500,000,000 shares are Common Stock (the "Common Stock"); and
>
> RESOLVED FURTHER, that, upon receipt of the requisite approval of shareholders, the officers of the Company are hereby authorized to execute and file with the Secretary of State of the State of Oregon the Articles of Amendment related to such proposed amendment; and
>
> RESOLVED FURTHER, that a special meeting of shareholders of the Company (the "Special Meeting") shall be held on a date to be determined by the Chairman and Chief Executive Officer of the Company for the purpose of submitting such proposed amendment to a vote of the shareholders of the Company; and

RESOLVED FURTHER, that the close of business on a date to be determined by the Chairman and Chief Executive Officer of the Company is hereby fixed as the record date for the determination of shareholders of the Company entitled to notice of and to vote at the Special Meeting and at any adjournment(s) thereof (the "Record Date"); and

RESOLVED FURTHER, that the Board recommends to the shareholders of the Company that they vote in favor of such proposed amendment; and

RESOLVED FURTHER, that the appropriate officers of the Company are hereby authorized and directed to take, or cause to be taken, any and all action with reference to such Special Meeting, including the preparation and filing with the Securities and Exchange Commission of a proxy statement, as in such officers' judgment is necessary, desirable, or appropriate; and

RESOLVED FURTHER, that the Secretary of the Company hereby is authorized and directed to cause a copy of notice of Special Meeting, proxy statement, and proxy to be mailed to each shareholder of the Company entitled to notice of and to vote at the Special Meeting at his or her address as it appears on the records of the Company at the close of business on the Record Date; and

RESOLVED FURTHER, that the proper officers of the Company and its counsel be, and each of them hereby is, authorized, empowered, and directed (any one of them acting alone) to take any and all such further action, to amend, execute, and deliver all such further instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay all such expenses as in their discretion appear to be necessary, proper, or advisable to carry into effect the purposes and intentions of this and each of the foregoing resolutions.

Messrs. Bowen and McMahon left the meeting.

Mr. Lay asked Dr. Jaedicke to report on a recent meeting of the Audit and Compliance Committee. Dr. Jaedicke reported that the Company planned to file a non-compliant Form 10-Q for the quarter ended September 30, 2001. He stated that Arthur Andersen LLP ("AA") was not prepared to issue a limited review report for the period because of the involvement of another "Big Five" accounting firm working with the Special Committee of the Board ("Special Committee") and because of the need to rely on management representations which they believed management would not be able to make. Dr. Jaedicke noted that the Committee reviewed a draft of the Form 10-Q for the third quarter of 2001, even though it was expected to be a non-compliant filing, and received a briefing on changes expected but not yet incorporated in the draft. Mr. Lay noted that no action by the Board was necessary prior to filing of the Form 10-Q.

MATERIAL
REDACTED

. Mr. Powers discussed a memo that had been distributed to Directors regarding findings by the Special Committee concerning Mr. Andrew Fastow. He stated that the full report of the Special Committee would likely take two additional months and that attempts were being made to expedite the report.

Mr. Lay called for an executive session. Messrs. Buy, Derrick, Frevert, Haedicke, Rogers, and Whalley left the meeting. Messrs. Danilow, Dilg, Harrington, Joor, McLucas, Roberts, and Schwartz also left the meeting.

MATERIAL
REDACTED

Mr. Lay reiterated the need to elect an additional independent director who was not involved with any of the current litigation to satisfy the requirements related to the creation of a Special Litigation Committee as was discussed by Mr. Susman. Mr. Lay said that he had approached Mr. Philip J. Carroll, Jr., a very qualified candidate for consideration for election to the Board and to the Special Litigation Committee. Following a discussion and upon motion duly made by Dr. Gramm, seconded by Mr. Blake, and carried, the following resolution was adopted:

> RESOLVED, that the number of directors be, and hereby is, increased by one and that Philip J. Carroll, Jr. be, and hereby is, elected a director of the Company, subject to and effective upon his acceptance of the nomination, to serve during the ensuing year until the next Annual Meeting of Shareholders and until his successor shall have been duly elected and qualified.

Mr. Lay led a discussion regarding consideration of the election of Mr. L. Greg Whalley, President and Chief Operating Officer of the Company, to the Board of Directors, which included a review of Mr. Whalley's credentials, the rationale for electing him at this time, and the benefits and potential issues associated with his election. Mr. Winokur registered his reservations related to the timing of Mr. Whalley's election and a discussion ensued on electing Mr. Whalley subject to Mr. Carroll's acceptance of election to the Board. Upon motion duly made by Mr. Blake, seconded by Mr. Savage, and carried, the following resolution was adopted:

> RESOLVED, that L. Greg Whalley be, and hereby is, elected a director of the Company, subject to and effective upon the acceptance of Philip J. Carroll, Jr.'s election to the Board, to serve during the ensuing year until the next Annual Meeting of Shareholders and until his successor shall have been duly elected and qualified.

Mr. Lay stated that management recommended the election of William W. Brown to the position of Deputy Treasurer of the Company. Upon motion duly made by Mr. Savage, seconded by Dr. Gramm, and carried the following resolution was adopted:

> RESOLVED, that the following person be, and hereby is, elected to the position set forth opposite his name, to serve for the ensuing year and until his successor is duly elected and qualified.

William W. Brown	Deputy Treasurer

MATERIAL REDACTED

Directors Chan and Wakeham left the meeting.

Mr. Lay called upon Dr. LeMaistre to discuss the Company's Severance Pay Plans. Dr. LeMaistre stated that the Board had previously approved an Amended and Restated Severance Plan (the "Amended Severance Plan") to be effective July 1, 2002, or earlier at the discretion of the Chairman. He discussed the reduced benefits included in the Amended and Restated Severance Plan and noted that, because of pending staff reductions related to the proposed restructuring of the Company, the Compensation and Management Development Committee (the "Compensation Committee") recommended that the Board authorize the Office of the Chairman to determine and to execute an appropriate Amended and Restated Severance Plan utilizing either the existing or the new formula or some combination thereof, subject to the cost not exceeding the existing Severance Pay Plan restated as of January 1, 1993, after obtaining advise from advisors and counsel that such determination was proper. Following a discussion, upon motion duly made by Dr. Mendelsohn, seconded by Mr. Duncan, and carried, the following resolutions were adopted:

WHEREAS, the Company desires to restate the Enron Corp. Severance Pay Plan (the "Severance Pay Plan");

NOW, THEREFORE, IT IS RESOLVED that Kenneth L. Lay (Chairman and Chief Executive Officer), L. Greg Whalley (President and Chief Operating Officer), and Mark A. Frevert (Vice Chairman), are hereby authorized, directed, and given complete discretion to act on behalf of the Company, with respect to establishing a revised severance pay plan for the Company, to either restate the terms and payment formula of the Severance Pay Plan or take such necessary action to adopt an Amended and Restated Severance Pay Plan as they, in their sole and complete discretion, deem to be in the best interest of the Company, subject to obtaining advise from advisors and legal counsel that such revised terms and payment formula was appropriate and provided that their actions result in no increase in total costs to the Company beyond the existing severance pay formula provided in the Severance Pay Plan; and

RESOLVED FURTHER, that upon execution of a final plan document, either restated or amended, by such officers, the actual plan embodied therein or amended thereby shall be deemed adopted by this Board and is hereby ratified and approved; and

RESOLVED FURTHER, that the proper officers of the Company and its counsel are hereby authorized, empowered, and directed to take all such further action, to amend, execute, and deliver all such instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay all such expenses as in their judgment may be necessary, appropriate, or advisable in order fully to carry into effect the purposes and intentions of this and each of the foregoing resolutions, including the execution of any further amendments, forms, or documents recommended by counsel or required by any governmental agency, and to do anything necessary to effect compliance with applicable law or regulation.

Dr. LeMaistre reported that at a meeting of the Compensation Committee held on November 16, 2001, Committee members had reviewed and approved for recommendation to the Board a bonus trust plan for up to 100 key employees, primarily relating to the wholesale trading operations of the Company. He summarized the terms and costs of the plan, which was expected not to exceed $50 million. Mr. Lay discussed current competitive pressures regarding key employees and suggested that this bonus plan was being proposed as a means of enticing key employees to remain with the Company in order to receive the enhanced bonus in February 2002. Following motion duly made by Dr. LeMaistre, seconded by Mr. Blake, and carried, the special bonus plan, as discussed, was approved by the Board and recommended for subsequent approval by the affected subsidiary Boards.

A discussion ensued regarding actions taken by the Company to reduce costs, including elimination of the annual employee and Board holiday functions.

Mr. Davis left the meeting.

Mr. Lay called upon Mr. Powers for an update from the Special Committee of the Board ("Special Committee"). Mr. Powers reported on recent findings of the Special Committee regarding Mr. Andrew S. Fastow, Mr. Ben L. Glisan, Jr., and Ms. Kristina Mourdant. A discussion then ensued regarding Mr. Andrew S. Fastow and his status of employment with the Company.

There being no further business to come before the Board, the meeting was adjourned at 7:07 p.m., C.S.T.

Paula H. Rieker

Secretary

APPROVED:

Kenneth L. Lay

Chairman

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MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
ENRON CORP.
November 25, 2001

Minutes of a special meeting of the Board of Directors of Enron Corp. ("Company"), noticed to begin at 10:00 p.m., C.S.T., but actually begun at 10:08 p.m., C.S.T., on November 25, 2001 by teleconference.

The following Directors were present, constituting a quorum, by telephone conference connection whereby each of the participants could hear the comments and discussions by the other participants and join in the discussions, as follows:

Mr. Kenneth L. Lay, Chairman
Mr. Robert A. Belfer
Mr. Norman P. Blake, Jr.
Mr. Ronnie C. Chan
Mr. John H. Duncan
Dr. Wendy L. Gramm
Dr. Robert K. Jaedicke
Dr. Charles A. LeMaistre
Dr. John Mendelsohn
Mr. William C. Powers, Jr.
Mr. Herbert S. Winokur, Jr.

Directors Paulo V. Ferraz Pereira, Frank Savage, and John Wakeham were absent from the meeting. Messrs. Raymond M. Bowen, Jr., James V. Derrick, Jr., Mark E. Haedicke, Jeffrey McMahon, and Mark S. Muller and Ms. Paula H. Rieker, all of the Company or affiliates thereof, Messrs. Robert L. Friedman and Steven M. Zelin, both of The Blackstone Group ("Blackstone"), Messrs. Peter A. Atkins and Jack Butler, both of Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden"), and Messrs. Martin J. Bienenstock and Thomas A. Roberts, both of Weil, Gotshal & Manges ("WG&M"), attended the meeting. Mr. Mark A. Frevert and Ms. Elizabeth A. Tilney, both of the Company or affiliates thereof, joined the meeting in progress as noted below.

The Chairman, Mr. Lay, presided at the meeting, and the Secretary, Ms. Rieker, recorded the proceedings.

Mr. Lay provided an update on recent business discussions. He reported that the Company had engaged Blackstone as an independent investment advisor. He reported on recent meetings held with representatives from Blackstone, Skadden, and WG&M to discuss a range of ideas under consideration to increase confidence in the Company by its wholesale trading counterparties. He reported on concerns of wholesale trading counterparties in transacting with the Company in the prior week following publication of the Company's Form 10-Q for the third quarter of 2001 and on concerns expressed by the marketplace regarding potential uncertainty of completion of the merger transaction with Dynegy, Inc. ("Dynegy"). He further reported that specific ideas had been generated in the recent meetings and that a number of alternatives were being discussed with J.P. Morgan Securities Inc. ("JP Morgan") and Salomon Smith Barney Inc. ("SSB"), two of the Company's lead banks.

Mr. Lay called upon Mr. McMahon to outline a proposal to significantly improve the perception in the marketplace of the Company's financial strength. Mr. McMahon detailed key elements of the proposal, including statements by Dynegy indicating strong support for the merger transaction, their full understanding of the Company's financial condition, and a resumption of normal trading terms and activity between them and the Company. He stated that an additional element of the proposal was a restructuring by the banks of the Company's scheduled debt maturities in 2002. He indicated that several important matters had been agreed to in principle between JP Morgan, and SSB (collectively, the "Banks"), the Company, and Dynegy. He detailed the agreements, including a $500 million preferred stock issuance by the Company's Transwestern Pipeline Company, previously expected to be evenly split between the Banks and not to include Dynegy and now to be evenly split between the three parties; an additional $500 million line of credit to be secured by certain assets of the Company and also to be evenly split between the three parties; a public announcement by the Banks regarding the restructuring of the Company's debt; and a revision to the previously agreed upon fixed exchange ratio in the merger transaction based on the last closing prices of the common stocks of Dynegy and the Company, noting that the new ratio resulted in 0.12 shares of stock of the new merged company for each common share held by the Company's investors. Mr. Atkins stated that a significant change in the merger agreement would include a favorable revision to a material adverse change clause such that changes related to the financial condition of the Company would be measured from the Company's latest Form 10-Q disclosures. Mr. McMahon reported that the proposal had been discussed preliminarily with all three major rating agencies, noting that each agency had viewed the proposal as positive to the assessment of the Company's credit. He stressed that the merger transaction was critical to maintaining an investment-grade rating for the Company.

Mr. Lay stated the importance in regaining the confidence of the Company's wholesale trading counterparties and in increasing the Company's business activity. He also stated the value in regaining market confidence of strong statements of support by Dynegy for the merger transaction and by the Banks on a favorable outlook for additional secured financings by the Company. Mr. McMahon added that, in addition to careful monitoring of the capital structure of the Company, Moody's Investment Service ("Moody's") was very watchful of the trends in the Company's business activity and in the extension of trade credit to the Company. A discussion ensued regarding discussions with the Banks on raising additional capital for the Company and possible conversion of some of the Company's debt obligations to equity following completion of the merger with Dynegy.

Mr. Lay called upon the representatives from Blackstone, as an independent investment advisor to the Company, to address the Board regarding the fairness of the revised fixed exchange ratio. Mr. Friedman commented on the downward revision in the ratio, the conflicts of the Banks in providing opinions of fairness at this time, and the stage of Blackstone's analysis.

Mr. Frevert and Ms. Tilney joined the meeting.

Mr. Friedman summarized the strategic alternatives available to the Company and cited that, even with the revised exchange ratio, the merger transaction with Dynegy was the best alternative to preserve enterprise value for all debt and equity stakeholders of the Company. Mr. Lay called for comments on Mr. Friedman's assessment. Mr. Atkins summarized the fiduciary obligations of the Board. Mr. Bienenstock advised that other alternatives had been thoroughly analyzed and none were more favorable than the proposed merger transaction. A discussion ensued on certain terms of the merger transaction precluding the Company from issuing additional equity. Mr. Lay summarized valuation analyses performed separately by the Company and the Banks, noting similar conclusions drawn by each. He then provided an update on pending asset sales by the Company. A discussion ensued, concluding that the market's reaction to the proposal presented at the meeting would be able to be quickly assessed.

Mr. Roberts provided an update on recent discussions with Dynegy regarding the merger, the additional line of credit, and the potential timing of a public announcement.

Mr. Lay provided a report on new independent candidates under consideration for membership to the Board and called upon Mr. Atkins to comment on recent discussions in which he had participated.

Mr. Lay then called for an executive session. Messrs. Bowen, Derrick, Frevert, Haedicke, McMahon, and Muller and Ms. Tilney left the meeting. Messrs. Atkins, Bienenstock, Butler, Friedman, Roberts, and Zelin also left the meeting.

Mr. Lay called upon Dr. LeMaistre to present management's recommendation for establishment of the Enron Corp. Retention Plan ("Retention Plan"). Dr. LeMaistre presented the recommendation, noting that the recommendation should be modified to require any awards to officers of the Company who are subject to the provisions of Section 16 of the Securities

Exchange Act of 1934 ("Section 16 Officers") be submitted for approval by the Compensation and Management Development Committee prior to an award. He also noted that the Retention Plan should be thoroughly reviewed by legal counsel prior to implementation to insure all strategic alternatives under consideration by the Company at the time of implementation have been properly considered. Following a discussion and upon a motion duly made by Mr. Blake, seconded by Dr. Gramm, and carried, the following resolutions were approved:

WHEREAS, it is the desire of Enron Corp. ("the Company") to establish and adopt a retention plan (the "Plan"), which incorporates the design reflected in the Award Schedule attached to and made a part of this resolution (the "Award Schedule");

NOW, THEREFORE, IT IS RESOLVED that any member of the Office of the Chair of the Company is authorized and directed to prepare and execute a Plan document, which reflects the Award Schedule and which incorporates such other provisions not inconsistent with such Award Schedule which the Office of the Chairman of the Company, in consultation with Towers Perrin, deems appropriate;

RESOLVED FURTHER, that upon execution of such Plan document prepared according to the above provisions, the Plan shall be deemed adopted by this Board and is hereby ratified and approved; and

RESOLVED FURTHER, that any awards to officers of the Company who are subject to the provisions of Section 16 of the Securities Exchange Act of 1934 will be submitted for approval by the Compensation and Management Development Committee prior to an award; and

RESOLVED FURTHER, that the Plan will be thoroughly reviewed by legal counsel prior to implementation to insure all strategic alternatives under consideration by the Company at the time of implementation have been properly considered; and

RESOLVED FURTHER, that the proper officers of the Company and its counsel are hereby authorized, empowered, and directed to take all such further action, to amend, execute, and deliver all such instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay all such expenses, as in their judgment may be necessary, appropriate, or advisable in order to fully effect the purposes and intentions of this and the foregoing resolutions, including the execution of any further amendments, forms, or documents recommended by counsel or required by any governmental agency, and to do anything necessary to effect compliance with applicable law or regulation.

Mr. Lay called for a vote to approve the merger transaction with Dynegy and the revised terms discussed at the meeting. Following a discussion and upon a motion duly made by Mr. Blake, seconded by Dr. Gramm, and carried, the following resolutions were adopted:

WHEREAS, Enron Corp., an Oregon corporation (the "Company"), Dynegy Inc., an Illinois corporation ("Dynegy"), Stanford, Inc., a Delaware corporation and wholly-owned subsidiary of Dynegy ("Newco"), Sorin, Inc., an Oregon corporation and wholly-owned subsidiary of Newco ("Enron Merger Sub"), and Badin, Inc., an Illinois corporation and wholly-owned subsidiary of Newco ("Dynegy Merger Sub"), have entered into an Agreement and Plan of Merger, dated as of November 9, 2001 (the "Merger Agreement"); and

WHEREAS, pursuant to section 10.5 of the Merger Agreement, the Company, Dynegy, Newco, Enron Merger Sub and Dynegy Merger Sub propose to enter into an Amendment to the Merger Agreement, (the "Amendment") which shall, among other things, condition the Amendment on the receipt by Enron or its subsidiaries of $500 million in cash financing and the receipt of consent to the Amendment from Chevron U.S.A. Inc.; provide that the exchange ratio in the merger shall be reduced to 0.12 shares of Dynegy common stock for each share of Company common stock; eliminate the $2 billion dollar basket up to which Enron or its subsidiaries may issue additional equity securities without the approval of Dynegy; require that, as a condition to effectuating the transactions contemplated in the Merger Agreement, the Company adopt a comprehensive liability management plan to stabilize its credit rating; and amend the definition of Material Adverse Effect in the Merger Agreement to provide, for the purpose of determining whether an Enron Material Adverse Effect has occurred, that changes related to the financial condition of the Company shall be measured against the Company's latest Form 10-Q disclosures; and

WHEREAS, the Board of Directors of the Company, having reviewed the terms of the Amendment, and having discussed the provisions thereof with counsel, deems it desirable and in the best interest of the Company that the Company approve the Amendment and any other documents or agreements contemplated thereby, and that the transactions contemplated thereby are in the best interests of the Company;

NOW, THEREFORE, BE IT RESOLVED, that the proper officers of the Company and its counsel are hereby authorized, empowered, and directed to take all such further action, to amend, execute, and deliver all such instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay such expenses, as in their judgment may be necessary, appropriate or advisable in order to fully carry into effect the purposes and intentions of this and each of the foregoing resolutions, including the execution of any further amendments, forms, or documents recommended by counsel or required by any governmental agency, and to do anything necessary to effect compliance with applicable law or regulation; and

RESOLVED FURTHER, that any and all actions taken by or on behalf of the Company prior to the adoption of these resolutions which are within the authority conferred hereby be, and hereby are, in all respects ratified, confirmed, and approved as the acts and deeds of the Company.

Mr. Lay then reported on certain changes in Company management recently requested by Dynegy and not a part of the formal merger agreement and on the different views of the Banks from those of Dynegy. He called upon Mr. Winokur to comment. Mr. Winokur suggested that the Compensation and Management Development Committee meet with Dynegy management to discuss the matter further, and a discussion ensued.

There being no further business to come before the Board, the meeting was adjourned at 11:17 p.m., C.S.T.

Paula H. Rieker

Secretary

APPROVED:

Chairman

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Agenda Item 2 (cont.)
Enron Corp. Retention Plan
Award Schedule

- Purpose of the Plan is to retain critical and key employees through the current transitional period of Enron Corp.

- Number of employees included in the Plan is approximately 1,350,

- Total Value of the Plan is capped at $115 Million.

- The Plan has been reviewed and supported by Chuck Essick of Towers Perrin as market-based. He noted that this plan should be in addition to any potential annual bonus payments and values awarded to employees should be reduced by future retention or guaranteed severance payments. Towers Perrin will be consulted on the Final implementation of the Plan.

- Therefore, Management recommends approval of the Plan as set forth in the attached resolution

Key Employees Only

CORE Business Units	One Year Plan: 20% 3/1 - 20% 6/1 20% 9/1 - 40% 12/1/2002 (or as frequently as bi-weekly if business requirements dictate)
Management Committee	200% of Base
COMMERCIAL	
MD	200% of Base
VP	150% of Base
Director	100% of Base
Other	50% of Base
NON-COMMERCIAL	
MD	150% of Base
VP	100% of Base
Director	75% of Base
Other	40% of Base

NON-CORE Business Units	6 Month Plan: Pay 1/2 on 3/1, pay 1/2 on earlier of project completion, invol term, unit shut down, 6/1/2002 (or as frequently as bi-weekly if business requirements dictate)
Management Committee	150% of Base
COMMERCIAL	
MD	150% of Base
VP	100% of Base
Director	75% of Base
Other	40% of Base
NON-COMMERCIAL	
MD	125% of Base
VP	75% of Base
Director	50% of Base
Other	30% of Base

Summary of Headcount and Costs

Group	Approx. Headcount	Max Cost (Thousands)
Domestic Core BU	800	$70,000
Domestic Non-Core BU	200	$18,000
Europe	350	$27,000
Total	1,350	$115,000

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MINUTES
SPECIAL MEETING OF THE BOARD OF DIRECTORS
ENRON CORP.
November 28, 2001

Minutes of a special meeting of the Board of Directors of Enron Corp. ("Company"), noticed to begin at 6:00 p.m., C.S.T., but actually begun at 6:15 p.m., C.S.T., on November 28, 2001 at the Enron Building in Houston, Texas.

The following Directors were present, constituting a quorum, either in person or by telephone conference connection whereby each of the participants could hear the comments and discussions by the other participants and join in the discussions, as follows:

Mr. Kenneth L. Lay, Chairman
Mr. Robert A. Belfer
Mr. Norman P. Blake, Jr.
Mr. John H. Duncan
Dr. Wendy L. Gramm
Dr. Robert K. Jaedicke
Dr. Charles A. LeMaistre
Dr. John Mendelsohn
Mr. Paulo V. Ferraz Pereira
Mr. William C. Powers, Jr.
Mr. Raymond S. Troubh
Lord John Wakeham
Mr. Herbert S. Winokur, Jr.

Directors Ronnie C. Chan and Frank Savage were absent from the meeting. Messrs. Raymond M. Bowen, Jr., James V. Derrick, Jr., Mark A. Frevert, Mark E. Haedicke, Jeffrey McMahon, and L. Greg Whalley and Ms. Paula H. Rieker, all of the Company or affiliates thereof, Messrs. Robert L. Friedman, Raffiq Nathoo, Bruce Haggerty, and Steven M. Zelin, all of The Blackstone Group ("Blackstone"), Messrs. Peter A. Atkins, Jack Butler, and Eric L. Cochran, all of Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden"), Messrs. Greg D. Danilow, Brian S. Rosen, Thomas A. Roberts, and Glenn D. West, all of Weil, Gotshal & Manges ("WG&M"), and Mr. William R. McLucas, of Wilmer, Cutler & Pickering ("WC&P"), also attended the meeting. Mr. Stephen D. Susman, of Susman Godfrey, and Mr. Martin J. Beinenstock, of WG&M, joined the meeting in progress as noted below.

The Chairman, Mr. Lay, presided at the meeting, and the Secretary, Ms. Rieker, recorded the proceedings.

Mr. Lay called the meeting to order. He reported that the merger agreement had been terminated by Dynegy, Inc. ("Dynegy") earlier that day. He further reported that Dynegy based the merger termination on the material adverse change clause and certain non-specific representation and warranty provisions in the merger agreement. He also stated that Dynegy was expected to request the transfer of the ownership of Northern Natural Gas Company ("Northern Natural") after an approximate fifteen-day notice period, although the Company did not agree that Dynegy had the right to such a request. He noted that Dynegy's termination removed the non-solicitation provision of the agreement as well.

Mr. Whalley left the meeting. Mr. Susman entered the meeting.

Mr. Lay indicated that the Company had the right to repurchase Northern Natural. Mr. Roberts commented on the structure used by Dynegy for the purchase option on Northern Natural and on the basis for the Company's dispute of Dynegy's right to exercise the option it claimed.

Mr. Lay welcomed Mr. Troubh to the Board, noting that Mr. Troubh had participated in the last Board meeting as well.

Mr. Whalley entered the meeting.

Mr. Lay called upon Mr. Bowen for a report on the Company's liquidity. Mr. Bowen provided the report, noting that the Company had ended the day with $10 million more cash than at the start of the day for an ending daily balance of $514 million, including the funding of payroll for the two-week period. He noted that one of the financial institutions with which the Company transacts had retained some of the Company's funds, which were planned to have been accessible by the Company. He recommended that a new cash management banking relationship be established and stated that the bank may require use of its own standard banking resolution rather than the Company's standard banking resolution. He read excerpts from the bank's resolution, noting that there was no material difference from the Company's standard resolution and that the proposed resolution had been reviewed by an attorney in the Company. He also recommended that temporarily surplus funds of the Company be housed in an account of a newly-formed subsidiary of the Company. He then discussed the Company's Investment Policy ("Policy"), noting that the Policy included a maximum investment limit of $50 million per financial institution. He cited the need for flexibility to temporarily consolidate up to $300 million of investments at a single financial institution, noting that the monies would be invested pursuant to the Policy's requirements. Following a discussion and upon a motion duly made by Dr. Gramm, seconded by Mr. Blake, and carried, management's recommendation to open new accounts utilizing a bank's standard resolution rather than the Company's standard resolution and to provide temporary flexibility to exceed Policy's the maximum investment limit at a single financial institution was approved.

Mr. Lay provided an update on assets sales in process, noting that British Gas may not be able to complete its purchase of the Company's exploration and production assets in India. He also reported that Petrobras may not be prepared to fund its purchase from the Company of distribution businesses in Brazil.

MATERIAL
REDACTED

Mr. Zelin provided a discussion on alternatives to bankruptcy, the status of the development of such alternatives, and the near-term evaluation of alternatives and establishment of the best alternative structure. He further described the likelihood of funding new financings based on well-developed term sheets. He also reported that Blackstone had contacted a number of firms who might be interested in competing with J.P. Morgan Securities Inc. ("JP Morgan") and Salomon Smith Barney Inc. ("SSB") on financing or purchasing an interest in the Company's wholesale trading operations. A discussion ensued on the interest and capabilities of each firm.

Mr. Whalley entered the meeting.

Mr. Zelin advised that the Company set priorities in holding any additional discussions, noting that JP Morgan and SSB were both logical candidates to participate in the transactions.

Mr. Bienenstock entered the meeting. Mr. Bowen left the meeting. Messrs. Haggerty and Rosen also left the meeting.

Dr. LeMaistre presented matters for discussion related to the Enron Corp. 1994 Deferral Plan. Following a discussion and upon a motion duly made by Dr. LeMaistre, seconded by Mr. Duncan, and carried, the following resolutions were approved:

WHEREAS, the Company has heretofore established the Enron Corp. 1994 Deferral Plan (As Restated Effective October 6, 2000) (the "Deferral Plan"); and

WHEREAS, the Company desires to amend the Deferral Plan;

NOW, THEREFORE, IT IS RESOLVED, that the Deferral Plan is amended to suspend deferrals effective at the end of business November 29, 2001. Deferrals to the Deferral Plan shall remain suspended until such time as the Board of Directors of the Company removes such suspension; and

RESOLVED FURTHER, that the proper officers of the Company and its counsel are hereby authorized, empowered, and directed to take all such further action, to amend, execute, and deliver all such instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay all such expenses, as in their judgment may be necessary, appropriate, or advisable in order fully to carry into effect the purposes and intentions of this and each of the foregoing resolutions, including the execution of any further amendments, forms, or documents recommended by counsel or required by any governmental agency, and to do anything necessary to effect compliance with applicable law or regulation.

Dr. LeMaistre then presented matters for discussion related to the Enron Corp. Savings Plan. Following a discussion and upon a motion duly made by Dr. LeMaistre, seconded by Mr. Blake, and carried, the following resolutions were approved:

WHEREAS, the Company desires to amend the Enron Corp. Savings Plan (the "Savings Plan");

NOW, THEREFORE, IT IS RESOLVED that effective November 28, 2001, the Savings Plan is amended as follows:

Section 3.4 of the Savings Plan regarding Company Matching Contributions is deleted and all other sections of the Savings Plan in which Company Matching Contributions are referenced are revised to exclude reference to Company Matching Contributions, except as may be necessary to continue the tax qualified status of the Savings Plan. Further, any Company Matching Contribution made after the date of this resolution shall be made in cash. This amendment to Section 3.4 does affect certain benefits as described under Section XXII.

Section 5.1 of the Savings Plan regarding Investment of Company Contribution Accounts is amended to provide that paragraph (b) of Section 5.1 shall apply to any Participant in the Savings Plan, regardless of age.

RESOLVED, that the officers of the Company are hereby authorized and directed to proceed toward finalizing a formal amendment to the Savings Plan; and

RESOLVED, that upon execution of the amendment, it shall be deemed adopted by this Board and is hereby ratified and approved; and

RESOLVED FURTHER, that the proper officers of the Company and its counsel are hereby authorized, empowered, and directed to take all such further action, to amend, execute, and deliver all such instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay all such expenses as in their judgment may be necessary, appropriate, or advisable in order fully to carry into effect the purposes and intentions of this and each of the foregoing resolutions, including the execution of any further amendments, forms, or documents recommended by counsel or required by any governmental agency, and to do anything necessary to effect compliance with applicable law or regulation.

Dr. LeMaistre then presented a recommendation to establish the Enron Corp. Bonus Plan ("Bonus Plan") for the purposes of retaining key people given the uncertainty surrounding the Company's business and the need to maximize the value of the Company. A full discussion ensued on the Bonus Plan, including the number of people to be awarded bonuses, total payments both including and excluding members of executive management, the provision designed to retain people for at least ninety days, advice from WC&P, and the advice from Towers Perrin.

Messrs. Derrick and McMahon entered the meeting. Mr. Whalley stated the importance of retaining people to preserve and maximize the value of the Company. He indicated that the number of people to be included and the respective payments had not yet been finalized. Additional discussion ensued, including a discussion of the Bonus Plan and the process planned to determine people to be awarded bonuses, the purpose of the retention provision, the number of people included, the maximum total payment, and a consensus that management's final plan be reviewed by the Compensation and Management Development Committee of the Board.

Mr. Haggerty entered the meeting. Messrs. Derrick and McMahon left the meeting.

Following the discussion and upon a motion duly made by Dr. LeMaistre, seconded by Dr. Jaedicke, and carried, the following resolutions were approved:

> WHEREAS, it is the desire of Enron Corp. (the "Company") to establish and adopt a bonus plan for calendar year 2001 (the "Plan") to pay bonuses to certain key employees who are not eligible to participate in the Enron Corp. Annual Incentive Plan, in recognition for their performance in calendar year 2001;
>
> NOW, THEREFORE, IT IS RESOLVED that the authorized officers of the Company are authorized and directed to prepare and execute a Plan document substantially in the form presented at this meeting; and
>
> RESOLVED FURTHER, that upon execution of such Plan document and review of the Plan by the Compensation and Management Development Committee of the Board, the Plan shall be deemed adopted by this Board and is hereby ratified and approved; and
>
> RESOLVED FURTHER, that the proper officers of the Company and its counsel are hereby authorized, empowered, and directed to take all such further action, to amend, execute, and deliver all such instruments and documents, for and in the name and on behalf of the Company, under its corporate seal or otherwise, and to pay all such expenses, as in their judgment may be necessary, appropriate, or advisable in order fully to carry into effect the purposes and intentions of this and the foregoing resolutions, including the execution of any further amendments, forms, or documents recommended by counsel or required by any governmental agency, and to do anything necessary to effect compliance with applicable law or regulation.

Mr. Whalley left the meeting.

Mr. Lay asked for a discussion on previous actions to form a Special Litigation Committee of the Board and on the composition of the Special

Investigative Committee of the Board ("Committee). A discussion ensued, concluding that it would be beneficial to reduce the number of members on the Committee to three, to include a majority of members who had not been on the Board at the time of the transactions subject to investigation by the Securities and Exchange Commission, and to include one member with a strong historical perspective of the Company and the Board. Following a discussion and upon a motion duly made by Mr. Blake, seconded by Dr. Gramm, and carried, the following resolutions were approved:

WHEREAS, on October 28, 2001, a special committee of the Board of Directors (referred to herein as the "Special Investigative Committee") of Enron Corp. (the "Company") was appointed for a number of purposes, including (i) to conduct an independent review and investigation of certain transactions between the Company and certain of its current and former officers and employees (the "Transactions"), (ii) to litigate claims on behalf of the Company that arise in connection with any derivative litigation resulting from the Transactions, (iii) to take disciplinary action against any director, officer, or employee of the Company that improperly participated in the Transactions, (iv) to report on its review to the appropriate regulatory authorities, including the Securities and Exchange Commission (the "SEC"), and (v) to recommend to the Board of Directors any other appropriate action that the Company should take in response to the Transactions;

WHEREAS, in view of the foregoing, the Board of Directors has determined that it is in the best interests of the Company that the Special Investigative Committee be comprised of a majority of members who were not members of the Board of Directors at the time of any of the Transactions while still continuing the work the Special Investigative Committee has begun and still benefitting from the knowledge of existing members; and

WHEREAS, the scope of the authority granted to the Special Investigative Committee should be co-extensive with its focus on all Transactions and other matters previously entrusted to it other than the matters assigned to the Special Litigation Committee as set forth in the resolutions approved by the Board of Directors on November 27, 2001.

<u>Resolutions Relating to Special Investigative Committee</u>

RESOLVED, that the following resolutions shall supercede and replace the resolutions of the Board of Directors of the

Company adopted on October 28, 2001 establishing the Special Investigative Committee and defining the scope of its authority; and it is

FURTHER RESOLVED, that the Board of Directors hereby appoints Raymond S. Troubh to serve as a member of the Special Investigative Committee; and it is

FURTHER RESOLVED, that Frank Savage and Paulo Ferraz Pereira shall no longer serve as members of the Special Investigative Committee; and

FURTHER RESOLVED, that William C. Powers Jr. is and remains a member and chairperson of the Special Investigative Committee; and it is

FURTHER RESOLVED, that the Special Investigative Committee is hereby authorized to perform only the following duties:

> The Special Investigative Committee is authorized to conduct an independent investigation, review, and evaluation of the inquiries made by the SEC in connection with its currently pending investigation of the Transactions (the "SEC Investigation");
>
> In connection with its investigation, the Special Investigative Committee shall have the right to avail itself of any and all materials, work product, and other information prepared or collected by the Board of Directors or any committee thereof, or their respective advisers;
>
> The Special Investigative Committee is charged with reaching its own independent determinations and conclusions and, accordingly, shall be not be bound by any determinations or conclusions reached by the Board of Directors or any committee thereof;
>
> The Special Investigative Committee is authorized to review and make recommendations to the Board of Directors of the Company concerning disclosures made by the Company in its publicly filed reports, and

any other disclosures required under state or federal law, relating to the SEC Investigation;

The Special Investigative Committee is authorized to report on its review to appropriate regulatory authorities, including the SEC;

The Special Investigative Committee shall recommend to the entire Board of Directors any other appropriate action that the Company should take in response to the SEC Investigation as the Special Investigative Committee deems appropriate and in the best interests of the Company and its shareholders, in accordance with applicable law; and

Notwithstanding the foregoing, the Special Investigative Committee shall have no authority or responsibility to conduct any investigation, review, or evaluation of, or report to the Board of Directors or the Company or any other person or entity regarding, the Derivative Actions; and it is

FURTHER RESOLVED, that the Special Investigative Committee is authorized to engage such experts, consultants, and advisers, including its own independent legal counsel, as the Special Investigative Committee shall deem necessary or desirable in order to assist it in the discharge of its responsibilities; and that any member of the Special Investigative Committee is hereby authorized, on behalf of the Company and in its name, to execute and deliver engagement letters with such experts, consultants, and advisers; and it is

FURTHER RESOLVED, that the Special Investigative Committee is authorized to cause its legal counsel to retain a big five accounting firm (the "Accounting Firm") to assist the counsel in advising it in connection with the discharge of its duties; and it is

FURTHER RESOLVED, that the Company shall pay the fees and expenses incurred by the Special Investigative Committee in discharging its duties, including the fees and expenses of the Special Investigative Committee's legal counsel and other experts, consultants, and advisers (if any), and the Accounting Firm; and it is

FURTHER RESOLVED, that the Company shall fund the estimated compensation and fees and expenses of the members of the Special Investigative Committee and those incurred by the Special Investigative Committee in discharging its duties as described above; and it is

FURTHER RESOLVED, that officers and directors of the Company (other than the members of the Special Litigation Committee who may do so at their sole discretion) are hereby directed to provide the Special Investigative Committee and its advisers with such business, financial, and other information regarding the Company as may be reasonably requested by them in conjunction with the performance of their duties hereunder; and it is

FURTHER RESOLVED, that the Special Investigative Committee and the officers and directors of the Company be, and they hereby are, authorized, empowered, and directed to take any and all actions that may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions; and it is

FURTHER RESOLVED, that all actions previously taken by any executive officer or director of the Company in connection with the actions contemplated by the foregoing resolutions are hereby approved, adopted, and ratified in all respects as if such actions had been presented to the Board of Directors for its approval prior to such actions being taken.

Messrs. Haedicke and Whalley entered the meeting.

Mr. Whalley commented on the Bonus Plan, noting that it excluded employees of Enron Europe. He stated that it was expected that the directors of Enron Europe would vote soon to place Enron Europe into receivership, which would reduce the exposure to personal liability associated with incurring debt with no known ability to pay.

Mr. Lay noted that the common stock of the Company would ordinarily begin trading ex-dividend on November 29, 2001. He advised that a press release was expected to be issued that stated that the Company is considering whether to pay the common stock dividend on the payment date previously established. He reported on an inquiry from the New York Stock Exchange regarding the Company's plans. He also noted the consistency of the Company's statement with the previous decision to selectively pay bills and obligations that would maximize the value of the Company.

MATERIAL
REDACTED

Mr. Lay called for an executive session. Messrs. Derrick, Haedicke, Frevert, and Whalley left the meeting. Messrs. Haggerty and West also left the meeting.

Mr. Lay advised the Board that they continued to have the right to choose another chief executive officer for the Company and indicated that the Board should take whatever action it determined to be in the best interest of the Company. He stated the importance of the Board and the chief executive officer being very aligned going forward and stated his willingness to serve in that capacity.

Mr. Lay left the meeting.

MATERIAL
REDACTED

Ms. Rieker left the meeting, and no minutes were taken for the remainder of the meeting.

There being no further business to come before the Board, the meeting was adjourned at 8:35 p.m., C.S.T.

Paula H. Rieker
Secretary

APPROVED:

Kenneth Lay
Chairman

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Agenda Item Number 3
(5 Pages Total)
November 28, 2001

Enron Corp. Bonus Plan and Enron Corp. Annual Incentive Plan

- Purpose – to recognize, motivate and reward performance for Calendar Year 2001.

- While not stated specifically in the Plan, it is the Company's intent to pay 2001 Bonus Payments for key and critical employees (approximately 10% of the population) as soon as practicable after approval of the Plan. The remaining eligible employees may receive a bonus payment after the end of Calendar Year 2001.

- Employees receiving these 2001 bonus payments soon after approval of the Plan must return 125% of the payment if they voluntarily leave within 90 days following receipt of such payment.

- The total amount to be paid as soon as practicable following approval of the Plan is $__________________. Any additional amount paid later under this plan will be reviewed and subject to approval by the Board of Directors.

- Weil, Gotshal, and Manges commented that it is not a legal decision to implement this type of plan, but that it is an issue of business judgment that may be second-guessed. However, Weil Gotshal thought that based on Enron's analysis of the criticality of our personnel and the need to protect our key personnel, it is a compensation design for which reasonable justification exists.

- Therefore, management recommends approval of the Enron Corp. Bonus Plan.

- This Plan excludes 16b officers; they are covered separately under the Enron Corp. Annual Incentive Plan approved by shareholders. One or more 16b officers as approved by the Board of Directors will be handled in the manner as second and third bullets above.

- This Plan excludes employees eligible for payments under the Performance Bonus Trust, a grantor trust established by Enron North America Corp.

MINUTES
MEETING OF THE COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE
OF THE BOARD OF DIRECTORS
ENRON CORP.
November 29, 2001

Minutes of a meeting of the Compensation and Management Development Committee ("Committee") of the Board of Directors of Enron Corp. ("Company"), noticed to begin at 9:00 a.m., C.S.T., but actually begun at 9:40 a.m., C.S.T., on November 29, 2001 at the Enron Building in Houston, Texas.

All of the Committee members were present either in person or by telephone conference connection whereby each of the participants could hear the comments and discussions by the other participants and join in the discussions, as follows:

Dr. Charles A. LeMaistre, Chairman
Mr. Norman P. Blake, Jr.
Mr. John H. Duncan
Dr. Robert K. Jaedicke
Mr. Frank Savage

Director Kenneth L. Lay and Mr. Mark A. Frevert and Mesdames Mary J. Joyce and Paula H. Rieker, all of the Company, also attended the meeting.

The Chairman, Dr. LeMaistre, presided at the meeting, and the Secretary, Ms. Rieker, recorded the proceedings.

Dr. LeMaistre called the meeting to order and reported that, at a Board meeting held on the prior day, the Board engaged in extensive discussions regarding the importance of establishing a bonus and incentive program for key employees. He provided a summary of management's recommendation for payments to retain key employees pursuant to the Enron Corp. Bonus Plan and the Enron Corp. Annual Incentive Plan (collectively, the "Plans") that was recently reviewed and approved by the Board. He noted that the most recent proposal included potential payments totaling $54.2 million, which remained under the total amount of $60 million recently approved by the Board, and included 528 employees compared to 512 employees at the time of the presentation to the Board. He stated that the report provided to the Committee, a copy of which is included in the records of the meeting, complied with the administrative requirements of the Plans. He confirmed that the total payments to be offered to selected key employees remained below the approved level of $60 million.

Mr. Blake stated the importance of insuring that compensation was not awarded to employees who may have been deemed to either not have adequately complied with the Company's Code of Ethics or may have been partly responsible for inappropriate transactions with certain parties related to the Company. A discussion ensued regarding the status of the investigation being conducted by the Special Committee of the Board ("Special Committee"), including research by the Special Committee regarding compliance by employees with the Code of Ethics and participation by employees in any inappropriate transactions. Following the discussion, upon motion duly made by Mr. Duncan, seconded by Mr. Blake, and carried, the Committee authorized Mr. Lay to confirm with the chairman of the Special Committee that the Special Committee had no knowledge related to the employees for which bonus payments were contemplated that would cause management to withhold such payments and further, if such knowledge existed, authorized Mr. Lay to withhold payments to such employees.

Ms. Joyce clarified that the number of employees to be offered payments pursuant to the Plans may increase by a small number, noting that the total payments would remain below the $60 million approved by the Board. Mr. Lay commented on a few employees that may be reviewed for revised awards. Following a discussion, upon motion duly made by Dr. LeMaistre, seconded by Mr. Blake, and carried, a total of up to $60 million of payments pursuant to the Plans were approved, management was authorized to modify the list of employees and payment amounts as deemed appropriate, and it was confirmed that any awards to employees subject to Section 16 of the Securities Exchange Act of 1934 would be presented for approval by the Committee prior to such awards being made.

Mr. Lay stated the significant accomplishments and critical importance to the Company of Mr. Jeffrey McMahon, the Chief Financial Officer and a Section 16 officer. He recommended a payment to Mr. McMahon pursuant to the Plans, a summary of which is included in the records of the meeting. Following a discussion, upon motion duly made by Mr. Blake, seconded by Mr. Savage, and carried, the payment to Mr. McMahon was approved.

A discussion followed regarding the review of the proposed payments and confirmation by Towers Perrin ("Towers") that the approved payments were consistent with industry practices and with the past practices of the Company to retain key employees. Ms. Joyce stated that Towers had verbally confirmed such and that she would seek to obtain written documentation reflecting their confirmation.

Dr. LeMaistre summarized the previous discussions and action taken by the Board related to management's recommendation regarding payments under the

Plans, noting that the actions taken by the Committee today were consistent with the intent and actions of the Board.

There being no further business to come before the Committee, the meeting was adjourned at 10:00 a.m., C.S.T.

Paula L Rieker
Secretary

APPROVED:

Charles A. LeMaistre

Chairman

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Business Unit	Headcount	2001_BONUS
MC	7	10,400,000
AA	45	1,262,800
CORP	92 ~~91~~	~~10,195,000~~ 10,345,000
EA	66	5,541,250
EBS	9	2,373,500
EC	1	300,000
EES	61	5,211,000
EGAS	10	1,275,000
ETS	54	4,325,600
EWC	1	100,000
EGM	24	4,506,000
EIM	16	2,005,000
ENW	142	6,508,500
Total	528 ~~527~~	~~54,003,650~~

54,153,650

MC

Full Name	JOB_TITLE	2001_BONUS
LAVORATO, JOHN	MC	5,000,000
KITCHEN, LOUISE	MC	2,000,000
FALLON, JAMES	MC	1,500,000
HAEDICKE, MARK	MC	600,000
BOWEN JR, RAYMOND	MC	500,000
HUGHES, JAMES	MC	500,000
DIETRICH, JANET	MC	300,000
		10,400,000

AA

Full Name	JOB_TITLE	2001_BONUS
FULLER, ROBERT	TRADING ASSOCIATE	200,000
DRISCOLL, MICHAEL	ANALYST	75,000
MALLORY, PATRICK	ANALYST	75,000
WILLIAMS, WILLIAM J	ANALYST	75,000
NGUYEN, MICHAEL	ASSOCIATE	50,000
STOKLEY, MARLIN	ASSOCIATE	50,000
REITMEYER, JAMES	ASSOCIATE	40,000
RICHEY, ROBERT	ASSOCIATE	40,000
SMITH, MATHEW	TRADING ASSOCIATE	40,000
THOMAS, PAUL D.	ASSOCIATE	40,000
SCHIAVONE, PAUL	TRADING ASSOCIATE	36,700
BENCHLUCH, MOISES	ASSOCIATE	30,000
QUIGLEY, HENRY	ASSOCIATE	30,000
WELDON, V. CHARLES	ASSOCIATE	30,000
AMES, CHARLES	TRADING ANALYST	25,000
BALLATO, RUSSELL	TRADING ANALYST	25,000
GUALY, JAIME	ASSOCIATE	25,000
OH, SEUNG-TAEK	TRADING ASSOCIATE	25,000
ROGERS, BENJAMIN	ASSOCIATE	25,000
CHU-YANG-HEU, MOG	TRADING ANALYST	18,000
LENHART, MATTHEW	ANALYST	18,000
MAKKAI, PETER	ANALYST	18,000
SAIBI, ERIC	ANALYST	18,000
SCOTT, SUSAN	ANALYST	18,000
WOLFE, JASON	ANALYST	18,000
GAY, RANDALL	ASSOCIATE	15,000
PIMENOV, VLADI	TRADING ASSOCIATE	15,000
ROSTANT, JUSTIN	ASSOCIATE	15,000
TERP, BRIAN	ASSOCIATE	15,000
VERSEN, VICTORIA	ASSOCIATE	15,000
YAWAPONGSIRI, VIRAWAN	TRADING ASSOCIATE	15,000
SCHNEIDER, BRYCE	TRADING ASSOCIATE	13,750
COFFING, TIMOTHY ANDREW	ANALYST	12,500

NELSON, KOURTNEY	ANALYST	12,500
PLACHY, DENVER	TRADING ANALYST	12,500
SALISBURY, HOLDEN	ANALYST	12,500
LIESKOVSKY, JOZEF	TRADING ASSOCIATE	10,500
PHILIP, WILLIS	TRADING ASSOCIATE	8,750
KANISS, JASON	ANALYST	8,350
BAYER, ADAM	ANALYST	8,250
GIRON, GUSTAVO	TRADING ASSOCIATE	6,250
FALIK, BRIAN	ANALYST	5,750
JENKINS IV, DANIEL	ANALYST	5,750
LARKWORTHY, CARRIE	TRADING ANALYST	5,750
HERNANDEZ, ANAMARIA	ANALYST	5,000
		1,262,800

CORP

Full Name	JOB_TITLE	2001_BONUS
MAXEY, R. DAVIS	VP TAX ORIGINATION	400,000
BUTTS, ROBERT	MNG DIR & CONTROLLER	375,000
BRADFORD, WILLIAM	VP CREDIT	300,000
FALDYN, RODNEY	VP TRANSACTION ACCOUNTING	300,000
HERMANN, ROBERT	MNG DIR AND GENERAL TAX COUNSEL	300,000
ROGERS, REX	VP & ASSOC GEN COUNSEL	300,000
WALLS JR, ROBERT	MNG DIR & DEPUTY GEN COUNSEL	300,000
EICKENROHT, ROBERT	VP & ASST GEN CNSL	250,000
GORTE, DAVID	VP & CHIEF UNDERWRITER	250,000
GINTY, JAMES	VP TAX COUNSEL	225,000
SCHNAPPER, BARRY	VP FINANCE	225,000
COATS, EDWARD	VP TAX	200,000
DONAHUE JR, JEFFREY	MNG DIR CORPORATE DEVL	200,000
JOYCE, MARY	VP EXECUTIVE COMPENSATION	200,000
MINTZ, JORDAN	VP & GEN CNSL	200,000
PALMER, MARK	VP COMMUNICATIONS	200,000
RICE, GREEK	VP TAX	200,000
RIEKER, PAULA	MD CORPORATE SECRETARY	200,000
SHAPIRO, RICHARD	MNG DIR GOVT AFFAIRS	200,000
TAYLOR, MITCHELL	MNG DIR CORP DEVE	200,000
SCHNEIDER, CHARLES	VP UNDERWRITING	190,000
TRIBOLET, MICHAEL	VP UNDERWRITING	190,000
DESPAIN, TIMOTHY	VP FINANCE	175,000
DUKE, CULLEN	VP TAX COUNSEL	175,000
HOWARD, KEVIN	VP FINANCE	175,000
LINDSEY, MARK	VP & ASST CONTROLLER	150,000
LORD, PHILLIP	VP TRANSACTION ACCTG	150,000
DOUGLAS, STEPHEN	DIR SR TAX PLANNING	140,000
BOYLE, DAN	VP FINANCE	125,000
DELACEY, CHARLES	VP FINANCE	125,000
DETMERING, TIMOTHY	MNG DIR CORPORATE DEVL	125,000
PERKINS, MARY	VP FIN SUPT	125,000

BRACKETT, DEBORAH	DIR SR RISK CREDIT	100,000
KAUFMAN, PAUL	VP GOVT AFFAIRS	100,000
LARSON, BRADFORD	VP UNDERWRITING	100,000
MCKEAN, GEORGE	DIR FIN	100,000
ROHAUER, TANYA	DIR SR RISK CREDIT	100,000
SIUREK, RYAN	DIR SR TRANSACTION ACCTG	100,000
STEFFES, JAMES	VP GOVERNMENT AFFAIRS	100,000
TERRASO, MICHAEL	VP ENV HEALTH & SAFETY	100,000
WALDEN, JOHN	DIR SR TRANSACTION ACCTG	100,000
BROWN, JAMES	DIR SR TRANSACTION ACCTG	90,000
DASOVICH, JEFFREY	DIR SR GOV/REG AFFAIRS	90,000
PARSONS, DAVID	DIR SR IT-DEVELOPMENT	90,000
FREELAND, CLINT	DIR FIN	75,000
HAGELMANN, BJORN	DIR MARKET RISK MGMT	75,000
PORT, DAVID	DIR SR MARKET RISK MGMT	75,000
JOHNSON, JANET	DIRECTOR SR ACCOUNTING	70,000
ANDREWS, NAVEEN	DIR MARKET RISK MGMT	~~60,000~~
BARROW, CYNTHIA	DIR SR BENEFITS	60,000
BROWN, AARON	DIR COMPENSATION	60,000
BUTLER, PAMELA	DIR COMPENSATION	60,000
HARRIS, MARY	DIR RISK CREDIT	60,000
HAYDEN, FRANK	DIR MARKET RISK MGMT	60,000
KINGERSKI, HARRY	DIR SR GOV/REG AFFAIRS	60,000
NICOLAY, CHRISTI	DIR SR GOV/REG AFFAIRS	60,000
NOVOSEL, SARAH	DIR SR GOV/REG AFFAIRS	60,000
SCHULTEA, KATHRYN	DIR HRIS	60,000
SULLIVAN, KRISTE	COUNSEL SR	60,000
BAKER, RON	DIR TRANSACTION ACCTG	55,000
NORDSTROM, MARY	DIR MARKET RISK MGMT	55,000
DEVILLE, FRANK	DIR FNCL	50,000
FARMER, STANLEY	DIR TRANSACTION ACCTG	50,000
HACHEN, JAMES	DIR UNDERWRITING	50,000
KOBES, GLENN	DIRECTOR TAX	50,000
OVERTURF, ELAINE	DIR SR & DEPUTY CORP SECTY	50,000
PENG, GARY	DIR ACCTG	50,000
SACKS, EDWARD	MGR RISK CREDIT	50,000
SCHWARZBACH, STEPHEN	DIR ACCTG	50,000
SHANNON, PATRICIA	DIR ACCTG	50,000
WILCOTT, ROBERT	DIR TAX	50,000
WILLIAMS, DAVID	DIRECTOR SR TAX	50,000
MCGINNIS, STEPHANIE	DIR RISK CREDIT	45,000
MORAN, THOMAS	DIR RISK CREDIT	45,000
REASONER, MONICA	MGR MARKET RISK MGMT	45,000
WHEELER, TERESA	DIR FNCL	40,000
EGHNEIM, GUS	DIR ENV HEALTH & SAFETY	30,000
JOHNSON, RICK	DIR. OFFICE OF LABOR & EMPLOYEE RELATION	30,000
PHILLIPS, MARC	DIR REGULATORY ANALYSIS	30,000
RAHAIM, CHRISTIAN	DIR BENEFITS	30,000
RATH, MIKIE	MGR BNFTS	30,000

TAYLOR, DIANE	MGR PAYROLL/RELOCATION	30,000
GARCIA, PAUL	DIR FIN SUPT	25,000
MOEHLMAN, CATHY	DIR FIN SUPT	25,000
AULDS, SHARON	SPEC COMPENSATION	20,000
GARCIA, SUSAN	SPEC COMP SYSTEMS	20,000
HUSEMAN, SANDRA	ADVISOR BENEFITS	20,000
RATCLIFF, DONNA	COMPENSATION SPECIALIST	20,000
SIMON, SHAWANA	SUPV PAYROLL PROCESSING	20,000
WILLMANN, DONNIE	DIR ENV HEALTH & SAFETY	20,000
ZULETA, EDGAR	MGR ENVIR SAFETY	15,000
		10,195,000
Bob Williams	Legal - Shareholder + Derivative Chief Litigator	150,000
		$10,345,000

EA

Full Name	JOB_TITLE	2001_BONUS
COLWELL, WESLEY	MNG DIR ACCTG	600,000
SCHULER, W	VP & ASST GEN CNSL	300,000
GONZALEZ, ORLANDO	VP	200,000
HODGES, GEORGANNE	VICE PRESIDENT ACCOUNTING	200,000
MURRAY, JULIA	MNG DIR LEGAL	200,000
TAYLOR, MARK	VP & GEN CNSL	200,000
MILLER, LLOYD	VP ORIG WHOLESALE	175,000
ZIPPER, ANDREW	VP TRADING	175,000
JOSEY, SCOTT	VP ORIG WHOLESALE	150,000
KEOHANE, PETER	VP & ASST GEN CNSL	150,000
PATRICK, MICHAEL	VP TRANS SUPPT	150,000
SAGER, ELIZABETH	VP & ASST GEN CNSL	150,000
SANDERS, RICHARD	VP & ASST GEN CNSL	150,000
SHERMAN, RICHARD	VP TRANS SUPPT	150,000
WIGGS, BRETT	VP BUS DEV ORIG	150,000
ARONOWITZ, ALAN	VP & GEN CNSL	125,000
CASH, MICHELLE	GEN COUNSEL ASST	125,000
MCCULLOUGH, TRAVIS	VP & ASST GEN CNSL	125,000
CILIA, MARY	DIR SR TRANSACTION ACCTG	100,000
DEFFNER, JOSEPH	MANAGING DIRECTOR TREASURY	100,000
MELLENCAMP, LISA	COUNSEL SR	100,000
QUAINTANCE, JR., ALAN	SR. DIR TRANS SUPPT	100,000
ST. CLAIR, CAROL	GEN COUNSEL ASST	100,000
SCOTT, LAURA	VP ACCOUNTING	85,000
CROSS, EDITH	DIR STRUCTURING	75,000
KEEL, ALLAN	VP ORIG WHOLESALE	75,000
MELENDREZ, JESUS	VP PORTFOLIO MGMT	75,000
O'NEIL, MURRAY	DIR SR TRADING SUPT	70,000
O'ROURKE, TIM	DIR HR	60,000
SCHIELD, ELAINE	SR DIRECTOR ACCOUNTING	60,000
COOK, MARY	COUNSEL SR	50,000
FRANK, MARK	DIRECTOR SR ACCOUNTING	50,000
IRVIN, STEVEN	DIR ORIG WHOLESALE	50,000
KILLEN, FAITH	DIR ACCTG	50,000

LABAUME, WANDA	DIR SR ACCOUNTING	50,000
MCMICHAEL JR, ALBERT	VP ORIG WHOLESALE	50,000
MORSE, BRADFORD	MGR TRADING	50,000
VARGAS, ESPERANZA	DIR ACCTG	50,000
WHITING, GREGORY	DIR ACCTG	50,000
SLONE, JEANNE	MGR HR	40,000
PIERCE, JOSEPH	DIR ACCTG	35,000
FITZPATRICK, AMY	MGR HR	30,000
FUNKHOUSER, SHANNA	DIR HR	30,000
IMAI, RIKA	MGR TRADING SUPT	30,000
WALTON, SHEILA	DIR HR	30,000
AUNE, STACEY	MGR ACCTG	28,000
IRVIN, TRACY	MGR ACCTG	28,000
LAMB, MARNIE	MGR ACCTG	28,000
SCHWERTNER, BRIAN	MGR ACCTG	28,000
WARWICK, TODD	MGR ACCTG	28,000
BRODEUR, STEPHANE	ANALYST	25,000
STEPENOVITCH, JOSEPH	SPEC SR TRADING SUPT	25,000
WATT, RYAN	ANALYST	25,000
WILLIAMS, JASON	SPEC SR LOGISTICS	25,000
DOUCET, DAWN	REP SR HR	20,000
OQUINN, KARI	MGR HR	20,000
DRAPER, LON	ANALYST	18,000
BROUSSARD, THARSILLA	SPEC HR	15,000
CROWELL, RACHEL	SPEC SR ACCTG	15,000
HARDY, JOSEPH	SPEC SR ACCTG	15,000
HARDY, STACY	SPEC SR ACCTG	15,000
MAYES, FRANCES	MGR HR	15,000
VANDOR, DAVID	SPEC SR ACCTG	15,000
WOLFE, STEPHEN	SPEC SR ACCTG	15,000
DAY, MISTI LYNN	SPEC ACCTG	12,000
TAYLOR, FABIAN	ANALYST	6,250
		5,541,250

EBS

Full Name	**JOB_TITLE**	**2001_BONUS**
DIMICHELE, RICHARD	MD CORP DEV	600,000
RACICOT JR, PAUL	VP TRADING	400,000
SEELIGSON, STEWART	VP ORIGINATION	350,000
THAPAR, RAJEEV	VP TRADING	250,000
SMIDA, EDWARD	VP ORIGINATION	225,000
FEHL, RICHARD	VP NETWORK ENG & OPS	208,500
BRYSCH, JAMES	DIR ORIGINATION	150,000
MOSS, KEVIN	VP ENG	150,000
ENOCHS, FRED	DIR TRADING	40,000
		2,373,500

EC

Full Name	JOB_TITLE	2001_BONUS
LEFF, DANIEL	CHIEF OPERATING OFFICER	300,000
		300,000

EES

Full Name	JOB_TITLE	2001_BONUS
MULLER, MARK	PRESIDENT & CEO	400,000
BLACHMAN, JEREMY	MD ENERGY PORTFOLIO MGMT	250,000
GAHN, ROBERT	MD ENRON DIRECT USA	250,000
HOLMES, SEAN	VP DEAL MANAGEMENT	250,000
PAGAN, J	VP ASSET MGMT	200,000
SCHWARZ, ANGELA	VICE PRESIDENT ORIGINATION	200,000
SHARP, VICTORIA	MNG DIR & GEN CNSL	200,000
STUBBLEFIELD, GREGORY	VP FINANCIAL OPERATIONS	150,000
WILLIAMS, JIMMIE	VP EES CORP DEV	150,000
WOULFE, GREGORY	DIR TRADING	150,000
ADAMS, GREGORY	VICE PRESIDENT ORIGINATION	100,000
BERTASI, RONALD	VICE PRESIDENT MASS MARKET	100,000
DOBLER, MARK	VP ENERGY OPNS	100,000
FRAZIER, LAMAR	DIRECTOR REGIONAL MARKET SVC	100,000
GOLDEN, JEFFREY	VP CORPORATE DEVELOPMENT	100,000
HUGHES, EVAN	DIRECTOR SR SERVICE MANAGEMENT	100,000
MERRIL, DEBORAH	DIR COMMODITY STRUCT	100,000
MUENCH, GAYLE	VP PORTFOLIO ORIGINATION	100,000
SHARP, GREGORY	VP DIRECT ENERGY SALES	100,000
SUTTER, CRAIG	VICE PRESIDENT ORGINATION	100,000
WOOD, JAMES	DIR SR PROD DEVEL/MKT DEVEL	100,000
MAYNARD, ANNE	VP & ASST GEN CNSL	80,000
SMITH, MICHAEL	VP & ASST GEN CNSL	80,000
GORNY, VLADIMIR	DIRECTOR CONSUMPTION RISK	75,000
PIEPER, KALEN	VP HR	75,000
APKE, BETH	DIRECTOR SR TAX	60,000
KRAUTZ, MICHAEL	SR DIRECTOR TRANSACTION SUPPORT	60,000
LEE, PATRICIA	DIR TAX SR	60,000
RUFFER, MARY	DIR SR ACCTG	60,000
ADAMS, THOMAS	DIRECTOR OF ASSESTS & LABOR	50,000
BARRETT, MISTY	DIR ASSURANCE SERVICES	50,000
BENNETT, THOMAS	DIRECTOR TECH OPNS	50,000
BLANKS JR., WAYNE	SPECIALIST SR SERVICE PRICING	50,000
BOUDREAUX, KEVIN	SPEC SR SERVICE MANAGEMENT	50,000
CHERRY, RHENN	VP DEAL MANAGEMENT	50,000
FISCHER, JEFF	MGR TAX	50,000
FISHER, JONI	MANAGER ACCOUNTS RECEIVABLE	50,000
FOX, WHITNEY	SPEC SR SERVICE MANAGEMENT	50,000
HUDDLESON, DIANN	DIRECTOR SPECIAL PROJECTS	50,000
KORTES, BARBARA	DIR SR SERVICE MANAGEMENT	50,000
MORROW, CYNTHIA	DIR SR ASSET OPS	50,000
NASSAB, PETER	VP INDUSTRIAL SERVICES	50,000

NELSON, KIMBERLEY	DIR FINANCE	50,000
NIELAND, JEFFERY	DIR SERVICE MANAGEMENT	50,000
PECK JR, OMAR	DIR SR CLIENT SERVICES	50,000
RILEY, CHRISTOPHER	DIR COMMODITY STRUCT	50,000
SMITH JR., BEN	DIR SERVICE MANAGEMENT	50,000
SOVA, GARY	INDUSTRY SEGMENT GENERAL MANAGER	50,000
STRAATMANN, CHRISTINE	DIR ASSETS/LABOR	50,000
WEISSELBERG, ALEX	DIR FIELD EXECUTION MGMT	50,000
WISHERT, CYNTHIA	DIR SR SERVICE MANAGEMENT	50,000
WOODWARD, JASON	DIRECTOR SERVICE PRICING	50,000
YOUNG, GREGG	DIRECTOR BUSINESS CENTER	50,000
RAY, SARA	MGR PLNG & RPTG	30,000
MASSEY, RACHEL	MGR FINCL ACCTG & ANALYSIS	28,000
NGUYEN, NINA	MGR TECH ACCTG & RESEARCH	28,000
MORYL, HEIDI	SPEC SR PLNG & RPTG	20,000
BROWN, DANIEL	MGR HR	15,000
CAPESTANY, MARI	MGR CORPORATE DEV	15,000
NEFF, JAMES	MGR CORPORATE DEV	15,000
VANN, SUZANNE	MGR CORP DEV	10,000
		5,211,000

EGAS

Full Name	JOB_TITLE	2001_BONUS
MAHAN, ROSA	VP ASSET BUS DEV	225,000
WEIDLER, PETER	VP ASSET BUS DEV	225,000
KINDER, DARRELL	VP ORIG WHOLESALE	200,000
SOMMERS, JEFFREY	VP & CONTROLLER	200,000
LUNDSTROM, BRUCE	VP & GEN COUNSEL	150,000
GILCHRIST, IAN	SENIOR DIRECTOR COMMERCIAL SUPPORT	75,000
HOWES, CAROL	DIR SR FIN & ACCTG	70,000
BOE, LAWRENCE	DIR ACCTG	50,000
RANGEL, RAFAEL	DIR SR ACCT & CNTRLS	50,000
CALLAHAN, TIMOTHY	DIR HR INTL	30,000
		1,275,000

ETS

Full Name	JOB_TITLE	2001_BONUS
HAYSLETT, RODERICK	MANAGING DIRECTOR ETS FINANCE & ACCTG	400,000
FOSSUM, DREW	VP & GEN COUNSEL	210,000
HAYES, ROBERT	MNG DIR MARKETING	210,000
NEUBAUER, DAVID	VP BUS DEV AND MKTG	210,000
CORMAN, SHELLEY	VP GAS LOGISTICS & COMMUNICATIONS	200,000
HOTTE, STEVE	VP & CHIEF INFORMATION OFFICER	200,000
LOWRY, CHARLES	MANAGING DIRECTOR ETS OPERATIONS	200,000
BOATMAN, JACK	VP MKTG FGT GPG	131,000
HARRIS, STEVEN	VP TRANSWESTERN COMM GROUP	131,000
MILLER, KENT	VICE PRESIDENT STORAGE MANAGEMENT	131,000
MILLER, MARY KAY	VP RATES & CERTIFICATES	131,000

SAUNDERS, JAMES	VP FINANCE & ADMINISTRATION	131,000
SOLDANO, LOUIS	VP & GEN COUNSEL	110,000
KILMER III, ROBERT	VP RATES & CERTIFICATES	100,000
NELSON, MICHEL	VP PIPLINE INTEGRITY PROG MGMT	100,000
SMITH, GARY	VP HUMAN RESOURCES	100,000
CRAIG, RICHARD	VP OPNS	81,000
MARTIN, JERRY	VP ENGINEERING & CONSTRUCTION	81,000
PRIBBLE, DANNY	VP OPNS	81,000
SHAFER, JOHN	VP ENV HEALTH & SAFETY	81,000
NEVILLE, SUSAN	DIR STORAGE SERVICES	75,000
BRASSFIELD, MORRIS	DIR SR OPNS SUPPORT SVCS	70,000
PORTER, J. GREGORY	GEN COUNSEL ASST	65,000
CHANDLER, ROBERT	DIR FNCL ACCTG & RPTG	50,000
COBB JR, JOHN	DIR ACCTG	50,000
GEACCONE, TRACY	DIRECTOR CONSOLIDATIONS ETS	50,000
RICE, RANDY	DIRECTOR SR OPNS	50,000
WATSON, KIMBERLY	DIR DEAL ORIGINATION	50,000
WILLIAMS, JO	DIRECTOR PRICING & STRUCTURING	50,000
KIRK, STEVEN	DIR RATES & TARIFFS	45,000
LOKEY, WALTER	DIR RATES & TARIFFS	45,000
VAUGHN, ANN	DIR HR	45,000
VEATCH, STEPHEN	DIR CERT & REPORTS	45,000
JANUARY, STEVEN	DIR SR GAS CONTROL	40,000
ODNEAL, DAVID	DIR REGIONAL	38,000
BLAIR, GRACE	DIR CUST SVCS	36,000
BRYANT, MICHAEL	DIRECTOR GAS CONTROL	34,000
FUHRER, PAUL	DIRECTOR PROJECT	34,000
GAINES, DAVID	DIR REGIONAL	34,000
GILBERT, THOMAS	DIR REGIONAL	34,000
LEBEAU, DAVID	DIR REGIONAL	34,000
MERTZ, THOMAS	DIR REGIONAL	34,000
TEAL, JAMES	DIR REGIONAL	34,000
WEATHERFORD, WILLIAM	DIR REGIONAL	34,000
MCGEE, JOHNNY	DIR ROW	30,000
LEWIS, GREGORY	MANAGER IT	28,000
DIETZ, RICHARD	DIR CONTRACT SUPPORT SVCS & CNTRLS	25,000
HOLMES, BRADLEY	DIR BUSINESS APPLICATIONS	25,000
KISSNER, TIM	MGR COST OF SVCS	24,600
NACEY, SHEILA	DIR CUST SVCS	23,000
CLARK, WILLIAM	DIR REGIONAL	20,000
MCGILLIVRAY, RODRICK	DIR REGIONAL	20,000
STEPHENS, LOYD	DIR REGIONAL	20,000
EDWARDS, RALPH	DIR HEALTH & SAFETY	15,000
		4,325,600

EWC

Full Name	JOB_TITLE	2001_BONUS
GUNTHER, DAVID	VP	100,000

		100,000

EGM

Full Name	JOB_TITLE	2001_BONUS
HICKERSON, GARY	MNG DIR TRADING	700,000
NOWLAN JR, JOHN	VP TRADING	500,000
STALEY, STUART	VICE PRESIDENT, COMMERCIAL	500,000
MCCLELLAN, GEORGE	MNG DIR TRADING	400,000
GONZALES, ERIC	VP ORIG WHOLESALE	350,000
MCGOWAN, KEVIN	VP TRADING	300,000
TAWNEY, MARK	VP TRADING	300,000
AURY, PIERRE	DIRECTOR COMMERCIAL	150,000
DE LA OSSA, JR, MARIO	MGR TRADING	150,000
LEWIS, JAMES	VP FINANCE	150,000
MAHONEY, CHRISTOPHER	VICE PRESIDENT, COMMERCIAL	150,000
MASSEY II, JOHN	MGR TRADING	150,000
SEKSE, PER	VP ORIG WHOLESALE	150,000
RAMACHANDRAN, SANDEEP	MGR TRADING	100,000
THIRSK, JEREMY	VICE PRESIDENT - COMMERCIAL	100,000
MYERS, THOMAS	DIR SR ACCTG	90,000
KROGMEIER, RYAN C.	DIR ACCTG	50,000
MONCRIEFF, SCOTT	DIRECTOR COMMERCIAL	50,000
SMITH, JEFFREY	DIR ACCTG	50,000
GREIG, IAIN	DIRECTOR COMMERCIAL SUPPORT	30,000
BELTRI, ANGELES	MGR ACCTG	28,000
HARALSON, NANCY	MGR ACCTG	28,000
MAYO, ANDREW	SENIOR SPECIALIST	15,000
MEAD, PHILIP	SENIOR SPECIALIST	15,000
		4,506,000

EIM

Full Name	JOB_TITLE	2001_BONUS
MALCOLM, RODNEY	VP ORIG WHOLESALE	275,000
BROWN, WILLIAM	VP & REGIONAL CFO	225,000
CRANE JR, ROBERT	VP TRADING	225,000
HERMANS, GREGOIRE	VP ORIG WHOLESALE	225,000
HOLZER, ERIC	VP ORIG WHOLESALE	225,000
CASTLEMAN, JERRY	VP & CHIEF ACCTG OFFICER	180,000
WRIGHT, GLENN	DIR TRADING	100,000
CONNER, ANDREW	MGR TRADING	75,000
COULTER, JODI	MGR FIN	75,000
EPSTEIN, JAY	MGR TRADING	75,000
MCCORMICK, GEORGE	DIR ORIG WHOLESALE	75,000
CONNOR, ERIC	DIR SR TRANS SUPT	50,000
CROOM, WILLIAM	DIR ORIG WHOLESALE	50,000
HAMILTON, DANIEL	DIR LOGISTICS	50,000
HIDDLESTON, CRAIG	DIR ORIG WHOLESALE	50,000
UECKERT, ALLEN	DIR ACCTG	50,000

		2,005,000

ENW

Full Name	JOB_TITLE	2001_BONUS
PIPER, GREGORY	PRESIDENT & CEO	400,000
BECK, SALLY	CHIEF OPERATING OFFICER	350,000
WEBB, JAY	VP IT	300,000
DAYAO, ANTHONY	VP IT	200,000
JONES, ROBERT	VP HR	200,000
PERLMAN, BETH	VP IT	200,000
RUB, JEANETTE	VP IT	200,000
HALL, ROBERT	VP TRANS SUPT	125,000
APOLLO, BETH	VP TRANS SUPT	100,000
GUADARRAMA, MICHAEL	DIRECTOR SR IT	100,000
JENSON, JAROD	DIRECTOR IT	100,000
MONTAGNE, KEVIN	DIRECTOR SR IT	100,000
PEARCE, BARRY	VP COMM TRADING SUPT	100,000
MCAULIFFE, ROBERT	DIRECTOR SR. IT	90,000
GOSSETT, JEFFREY	DIR RISK MGMT GAS	85,000
PUTHIGAI, SAVITA	DIR E-COMMERCE	85,000
SHULTS, ROBERT	DIR E-COMMERCE	85,000
HEDSTROM, PEGGY	VP TRANS SUPT	80,000
HALL, D.	DIR SR PORTFOLIO MGMT	75,000
HILLIER, BOB	DIRECTOR SR IT	75,000
HEROD, BRENDA	DIR SR RISK MGMT	70,000
JOHNSON, JEFFREY	DIRECTOR SR. IT	70,000
MILLS, SCOTT	DIR SR TRANS SUPT	70,000
REEVES, LESLIE	DIR SR TRANS SUPT	70,000
SCHMIDT, MARK	DIR SR IT-DEVELOPMENT	70,000
STOCK, STEPHEN	DIRECTOR SR IT	70,000
SWEENEY, KEVIN	DIR SR RISK MGMT	70,000
WHITE, STACEY	DIR RISK MGMT POWER	70,000
BEHNEY, CHRISTOPHER	DIRECTOR SR IT	60,000
DOPSON, LAMETRICE	DIR SR IT	60,000
EARNEST, SCOTT	DIR SR PORTFOLIO MGMT	60,000
GUBSER, MARLIN	DIR SR IT	60,000
NAT, STEVE	DIRECTOR SR IT	60,000
BELMONT, MICHAEL	MANAGER IT	55,000
ALLEN, THRESA	DIR LOGISTICS	50,000
BOWLING, WILLIAM	DIRECTOR IT	50,000
DZIADEK, KEITH	DIRECTOR SR. IT	50,000
FINK, MICHAEL	DIRECTOR SR IT	50,000
ROPER, KERWIN	SR. DIRECTOR ACCOUNTING	50,000
STEPHENS, CYNTHIA	MANAGER INVOICING & REPORTING	50,000
STUBBS, SHELLY	DIR RISK MGMT	50,000
SUPERTY, ROBERT	DIR LOGISTICS	50,000
WEI, ZHIYONG	DIRECTOR SR IT	50,000
WILSON, SHONA	DIR TRANS SUPT	50,000

BRUCE, MICHELLE	DIR RISK MGMT	45,000
CHENG, JOHN	CONSULTANT TECH IT	40,000
COUCH, KEITH	DIRECTOR IT	40,000
DAVIES, DAVID	DIR HR	40,000
GALVAN, MICHAEL	DIR ACCTG	40,000
DE BOISBLANC, JENNIFER	MGR TRANS SUPT	35,000
KEISER, KAM	MGR RISK MGMT GAS	35,000
LOVE, PHILLIP	MGR RISK MGMT GAS	35,000
BARBER, MICHAEL	CONSULTANT TECH IT	30,000
BATRAK, HENNADIY	SPECIALIST SR. IT	30,000
ENGEL, THOMAS	MGR E-COMMERCE SUPT	30,000
HART, VIVIAN	DIRECTOR IT	30,000
PISSANETZKY, PABLO	MANAGER IT	30,000
RAO, RAMESH	DIRECTOR SR IT	30,000
THERIOT, KIM	DIR DEAL COMPLIANCE	30,000
TRIESCHMAN, PAUL	DIR SR HR	30,000
BAXTER, ROBERT	MGR SETTLEMENTS	28,000
FARMER, JERRY	MGR LOGISTICS	28,000
GREIF, DONNA	MGR LOGISTICS	28,000
HANNUM, RICHARD	MGR INVOICING	28,000
HARE, BILL	MGR GLOBAL MGMT	28,000
KINSEY, LISA	MGR LOGISTICS	28,000
LAMADRID, VICTOR	MGR LOGISTICS	28,000
LAVINE, JO ANN	MGR CUST RPTG	28,000
LESKOWITZ, MARK	MGR ACCTG	28,000
MOSCOSO, MICHAEL	MGR TRANS SUPT	28,000
EVANS, CASEY	SPEC SR RISK MGMT TRANS SUPT	25,000
GILLIS, BRIAN	MANAGER RISK MGMT	25,000
HERNANDEZ, GUSTAVO	SPECIALIST SENIOR INVOICING & REPORTING	25,000
JOHNSON, CHRISTINA	SPEC SR BASELINE ENGRG	25,000
MCLAUGHLIN, JR., ERROL	SPEC SR RISK MGMT GAS	25,000
MILLER, TONY	SPECIALIST SENIOR INVOICING & REPORTING	25,000
MURPHY, MELISSA	SPEC SR DEAL COMPL	25,000
RAY, EDWARD	CONSULTANT TECH IT	25,000
SCHOMER, CHRISTOPHER	MANAGER IT	25,000
SMITH, REGAN	MANAGER IT	25,000
SULLIVAN, PATRICIA	MGR LOGISTICS	25,000
VINSON, DONALD	SPEC SR RISK MGMT TRANS SUPT	25,000
WYNNE, RITA	MGR VOLUME MGMT	25,000
BASU, NILAY	MANAGER IT	20,000
BODE, GARY	MANAGER IT	20,000
BREWER, CHARLES	MANAGER IT	20,000
CALDERON II, EDUARDO	SPECIALIST SR IT	20,000
FIGUEROA, REGINA	MGR HR	20,000
FORTNEY, GEORGE	CONSULTANT TECH IT	20,000
GULLION, STEVEN	MANAGER IT	20,000
HARRELL, DAN	SPECIALIST SR. IT	20,000
KRISHNASWAMY, JAYANT	MANAGER IT	20,000
LEES, LISA	MGR TRANS SUPT	20,000

LIM, FRANCIS	CONSULTANT TECH IT	20,000
MARCINKOWSKI, DANIELLE	MANAGER IT	20,000
MCNAIR, DARREN	CONSULTANT TECH IT	20,000
POSTON, DAVID	MANAGER IT	20,000
POWELL, JOHN	MANAGER IT	20,000
SHARMA, LARRISSA	DIRECTOR IT	20,000
TANG, MABLE	MANAGER IT	20,000
WARD, BOB	MANAGER IT	20,000
WEATHERSPOON, PATRICIA	DIR SR COMM TRADING SUPT	20,000
WONG, NGIAM	MANAGER IT	20,000
LEUSCHEN, SUE	DIR SR RISK MGMT	19,000
DAHLKE, ANDREA	SPEC SR RISK MGMT TRANS SUPT	18,000
GRACE, REBECCA	SPEC SR LOGISTICS	18,000
POSTLETHWAITE, JOHN	SPEC RISK MGMT TRANS SUPT	18,000
STEVENS, MECHELLE	SPEC SR SETTLEMENTS	18,000
WALLUMROD, ELLEN	SPEC SR DEAL COMPL	18,000
WINFREE, O'NEAL	SPEC SR RISK MGMT GAS	18,000
ADAMIK, DARREN	MANAGER IT	16,000
BALLMER, CHARLES	CONSULTANT TECH IT	16,000
COLES, FRANK	CONSULTANT TECH IT	16,000
HANSON, KRISTEN	MGR TRANS SUPT	16,000
KINKEAD, MARK	SPECIALIST SR. IT	16,000
ABEL, CHRISTOPHER	MGR TRANS SUPT	15,000
HALL, JOSEPH	SPECIALIST SR. IT	15,000
MEREDITH, KEVIN	SPECIALIST SR TRANSACTION SUPPORT	15,000
PENA, JOHN	MANAGER IT	15,000
SHISHIDO, SCOTT	SPECIALIST SR. IT	15,000
SWEITZER, TARA	SPEC SR TRANS SUPT	15,000
WERNER, JON	SPECIALIST SR. IT	15,000
BOSSE, KEVIN	SPEC SETTLEMENTS	12,000
CHANG, FANG-TZU	SPEC RISK MGMT TRANS SUPT	12,000
GOWEN, THERESA	SPEC INVOICING & REPORTING	12,000
GUILLEN, FRANCESC	SPECIALIST IT	12,000
LOIBL, KORI	SPEC RISK MGMT GAS	12,000
PARKER, MEGAN	SPEC SETTLEMENTS	12,000
WILLIAMS, KAREN	SPEC DEAL COMPLIANCE	12,000
CHARBONNET, CLEMENT	CONSULTANT TECH IT	10,000
HA, CUONG	TECH CONSULTANT IT	10,000
JAMES, MATTHEW	SPEC SR IT	10,000
LARKIN, BRIAN	MANAGER IT	10,000
ZACCOUR, DAVID	SPECIALIST SR IT	10,000
COLEMAN, TANDRA	MGR GLOBAL MGMT	9,500
SEVERSON, RUSS	MGR RISK MGMT TRANS SUPT	7,000
CHI, CHIEN-HAO	SPECIALIST IT	5,000
DOLAN, MICHAEL	SPECIALIST SR IT	5,000
LOU, ZHUOMING	SPECIALIST SR. IT	5,000
WANG, QIULAI	SPEC SR IT	5,000
WHITE, KENNETH	SPECIALIST IT	3,500
KHURI, BASEM	SPEC SR IT HS	2,500

		6,508,500