

**BONNEVILLE POWER ADMINISTRATION
SETTLEMENT AGREEMENT AND MUTUAL RELEASE**

This SETTLEMENT AGREEMENT AND MUTUAL RELEASE (this "Settlement Agreement"), dated April 25, 2003 (the "Execution Date"), is by and between ENRON POWER MARKETING, INC., a Delaware corporation ("EPMI"), and the BONNEVILLE POWER ADMINISTRATION ("BPA"), a power marketing administration in the UNITED STATES DEPARTMENT OF ENERGY. EPMI and BPA may be referred to hereinafter as the "Parties".

Recitals

- A. The Parties have entered into entered into: (i) certain contracts and agreements listed on Schedule A-1 attached hereto, including any guarantees entered into by EPMI or its Affiliates (as defined in Section 2.2(d) below) in connection therewith (the "Non-Terminated Contracts"); and (ii) certain contracts and agreements listed on Schedule A-2 attached hereto, including any guarantees entered into by EPMI or its Affiliates in connection therewith (the "Other Contracts"). In connection with the Non-Terminated Contracts, Enron Corp. has entered into that certain Guarantee Agreement in favor of BPA dated as of December 8, 1998 (the "Guarantee"). The Non-Terminated Contracts, together collectively with the Other Contracts and the Guarantee, shall be referred to hereinafter as the "Contracts" and each individually, a "Contract".
- B. Commencing on December 2, 2001, Enron Corp., along with certain of its Affiliates, filed a voluntary petition for relief (the "Bankruptcy Case") under Chapter 11 of Title 11 of the United States Code, as amended (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").
- C. EPMI is currently subject to investigations relating to potential market manipulation and restraint of trade in the wholesale electric power markets, and the effect of any such investigations on the Contracts is unknown.
- D. In order to avoid protracted litigation in the Bankruptcy Court and for other reasons, EPMI and BPA now desire to settle all matters between them relating to the Contracts and to terminate the Contracts between them on the terms hereof and to release each other from all claims, obligations and liabilities under the Contracts on the terms and conditions set forth in this Settlement Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**ARTICLE I
PAYMENT**

Section 1.1. Settlement Payment.

(a) As consideration for the release and settlement of all Claims (as defined below) and the Parties' agreement to terminate the Contracts, BPA shall pay to EPMI:

- (i) any amounts owed for performance of the Contracts from February 1, 2003 through the Termination Time (as defined in Section 2.1 below), to be calculated and paid by reference to the applicable Contract (the "Accounts Receivable"); and
- (ii) Ninety-Nine Million Dollars (\$99,000,000.00) (such amount, the "Settlement Amount").

The Settlement Amount together collectively with the Accounts Receivable shall be referred to herein collectively as the "Settlement Payment".

(b) The Settlement Amount shall be paid no later than June 13, 2003, by wire transfer in immediately available funds to the following account:

Citibank New York
AC #: 4078-1075
ABA #: 021-0000-89

(c) Late Settlement Amount Interest Rate. Interest shall accrue on any overdue portion of the Settlement Amount from the date such portion was due to be paid by BPA pursuant to Section 1.1(b) above until the date of receipt thereof by EPMI at a rate equal to the daily rate of interest of eight percent (8%) divided by 365.

(d) Accounts Receivable. Notwithstanding any termination of the Contracts pursuant to this Settlement Agreement, BPA shall pay the Accounts Receivable in accordance with and by reference to the applicable Contract, and interest shall accrue on any overdue portion of the Accounts Receivable from the date such portion was due to be paid by BPA hereunder until the date of receipt thereof by EPMI, at a rate in accordance with, and calculated by reference to, the applicable Contract.

**ARTICLE II
MUTUAL WAIVER AND RELEASE**

Section 2.1. Termination Time. Subject to Section 4.2, for the purposes of this Settlement Agreement, the term "Termination Time" shall mean 24:00:00 pacific prevailing time on the last day of April 2003.

Section 2.2. Mutual Release. As of the Termination Time:

(a) Subject to Section 2.3(b), EPMI, for itself, its successors and assigns, hereby waives, releases and forever discharges BPA and its present and future Affiliates (as defined below) or Governmental Entities (as defined below), as applicable, and their respective officers, directors, partners, members, employees, agents, and servants from any and all claims, obligations or liabilities, of or to EPMI, which EPMI and its successors and assigns ever had, now have or may ever have, for payment or performance under the Contracts (such claims, obligations and liabilities referred to herein collectively as "EPMI Claims"); provided, however, that EPMI does not hereby waive, release or discharge BPA from any of its obligations under this Settlement Agreement, including without limitation BPA's obligation to pay the Settlement Payment pursuant to Section 1.1 hereof.

(b) Subject to Section 2.4, BPA, for itself, its successors and assigns hereby waives, releases and forever discharges EPMI, Enron Corp., and their respective present and future Affiliates, and each of their respective officers, directors, partners, members, employees, agents, and servants from any and all claims, obligations or liabilities of or to BPA, which BPA and its successors and assigns ever had, now have or may ever have, (i) for payment or performance under the Contracts (including without limitation the Guarantee and any other guarantee entered into by Enron Corp. or any Affiliate of EPMI in connection with any Contract), and (ii) agrees not to seek, or initiate proceedings to obtain, any repayment or refund of any portion of the Settlement Payment (such claims, obligations, liabilities, or agreements referred to herein collectively as "BPA Claims" and, together with the EPMI Claims, as "Claims"); provided, however, that BPA does not hereby waive, release or discharge EPMI from any of its obligations under this Settlement Agreement.

(c) Except as to the Contracts listed in Schedule A-1 or Schedule A-2, the waiver, release and discharge by BPA pursuant to Section 2.4(b) shall not apply to BPA business with EPMI Affiliate Portland General Electric.

(d) For purposes of this Settlement Agreement, the following terms shall have the following meanings:

(i) "Affiliates" shall mean a Person directly or indirectly controlled by, controlling or under common control with the other Person. For the purposes of this definition, "control" means, when used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(ii) "Business Day" shall mean any day other than:

- a. Saturday or Sunday;
- b. any day recognized as a holiday by the Federal Government; or

- c. any other day on which banks in New York City, New York, are permitted or required to close.
- (iii) "Governmental Entity" shall mean any court or tribunal in any jurisdiction (domestic or foreign) or any federal, state, municipal or local government or other governmental body, agency, authority, district, department, commission, board, bureau, or other instrumentality, arbitrator or arbitral body (domestic or foreign), including any joint action agency, public power authority, public utility district, or other similar political subdivision.
- (iv) "Person" shall mean any individual, corporation, partnership, joint venture, trust, limited liability company, unincorporated organization, Governmental Entity or other entity.

Section 2.3. Limitation of Mutual Release.

(a) The Parties hereby acknowledge and agree that the provisions of Section 2.2 above and the releases provided for therein shall be solely applicable to the Contracts. The provisions of Section 2.2 above are not intended to be a release of any rights, remedies or obligations either one or both of the Parties may have against the other Party and/or any Affiliates of the other Party arising out of, related to or in connection with any contracts, agreements or other arrangements, other than the Contracts.

(b) With the exception of the EPMI Claims, as defined in Section 2.2(a) above, nothing in this Settlement Agreement releases BPA from any claims of EPMI or its Affiliates or modifies, alters, impairs or in any way affects the claims and rights of EPMI and its Affiliates or the application of any laws or regulations of the United States.

Section 2.4. Reservation of Rights of The United States. Notwithstanding any provision of this Settlement Agreement, nothing in this Settlement Agreement releases EPMI, or its past, present and future Affiliates and each of their officers, directors, partners, members, employees, agents, and servants from the criminal laws of the United States. With the exception of the BPA Claims, as defined in Section 2.2(b) above, nothing in this Settlement Agreement releases EPMI or its past, present and future Affiliates and each of their officers, directors, partners, members, employees, agents, and servants from any claims of the United States or modifies, alters, impairs or in any way affects the claims and rights of the United States or the application of any laws or regulations of the United States.

Section 2.5. Proofs Of Claims. To the extent that the BPA has filed any proofs of claims related to the Contracts against EPMI, Enron Corp. or any of their Affiliates in the Bankruptcy Court, BPA agrees that it will withdraw such proofs of claims within five (5) Business Days of the Bankruptcy Court Order Date.

**ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE PARTIES**

Section 3.1. Authorization and Validity of Agreement. The execution, delivery and performance of this Settlement Agreement are within the Parties' powers and have been duly authorized by all necessary action on their behalf.

Section 3.2. Enforceability. This Settlement Agreement has been duly executed and delivered on behalf of the Parties and constitutes a legal, valid and binding obligation of the Parties enforceable against them in accordance with its terms.

**ARTICLE IV
EFFECTIVE DATE; TERMINATION**

Section 4.1. Effective Date. Subject to Section 4.2, this Settlement Agreement shall be binding on the Parties as of the Execution Date, subject to (i) the entry by the Bankruptcy Court, after notice and hearing, of an order approving this Settlement Agreement (the "Bankruptcy Court Order", and such date of entry of the Bankruptcy Court Order, the "Bankruptcy Court Order Entry Date"), and (ii) either (A) there is no appeal or stay pending on the date eleven (11) days after the Bankruptcy Court Order Entry Date, or (B) there is an appeal or stay pending on the date eleven (11) days after the Bankruptcy Court Order Entry Date but such appeal or stay has been dismissed, withdrawn or otherwise resolved prior to the termination of this Settlement Agreement pursuant to Section 4.2(ii) below (such time as the conditions set forth in subsections (i) and (ii) of this Section 4.1 have been satisfied, the "Bankruptcy Court Order Date"); provided, however, that Section 4.2 shall be binding and in full force and effect upon both Parties as of the Execution Date of this Settlement Agreement.

Section 4.2. Termination of this Settlement Agreement. Notwithstanding any provision of this Settlement Agreement to the contrary, this Settlement Agreement shall be terminated and deemed to be null and void, and neither Party shall have any obligations to the other Party arising out of this Settlement Agreement, in the event that, for any reason: (i) the Bankruptcy Court denies the motion seeking approval of this Settlement Agreement; (ii) there is an appeal or stay pending on the eleventh (11th) day following the Bankruptcy Court Order Entry Date, which appeal or stay has not been dismissed, withdrawn or otherwise resolved on or prior to the date thirty (30) days after the Bankruptcy Court Order Entry Date, unless both Parties have mutually agreed in writing to waive the provisions of this Section 4.2(ii); or (iii) EPMI has not received the Settlement Payment as set forth in Sections 1.1(a) and 1.1(b) on or before June 13, 2003, and EPMI, at its sole option, gives written notice to BPA of its election to terminate this Settlement Agreement (at any time thereafter prior to payment of the Settlement Payment to EPMI as set forth in Section 1.1 above).

Section 4.3. Termination of the Contracts. Except as to the "Other Contracts" listed in Schedule A-2 (which have already been validly terminated) or other Contracts which have already been validly terminated at some other time, the Parties hereby agree that at the Termination Time, automatically and immediately without further action by either Party, the Contracts shall terminate and be deemed rescinded entirely, irrevocably and unconditionally and null, void and unenforceable, and the Parties shall have no further obligation whatsoever under

such Contracts. By entering into this Settlement Agreement, each Party agrees that at the Termination Time all Claims that it currently has or may have against the other Party shall be automatically waived and relinquished as provided in Article II. Enron Corp. shall have no further obligations under the Guarantee and there shall be no further obligations of Enron Corp. or any other Affiliate of EPMI under any other guarantee entered into in connection with the Contracts. Immediately after the Bankruptcy Court Order Date, BPA shall make every effort to deliver to EPMI, on behalf of Enron Corp., the original executed Guarantee marked "CANCELLED." If the original, executed Guarantee is not available, then BPA shall deliver to EPMI immediately after the Bankruptcy Court Order Date an affidavit of lost Guarantee executed by BPA and in a form acceptable to EPMI, which affidavit of lost Guarantee shall be attached hereto as Schedule B.

ARTICLE V MISCELLANEOUS

Section 5.1. Notices. All notices, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given: (i) when personally delivered; (ii) upon receipt during normal business hours, otherwise on the first Business Day thereafter, if transmitted by facsimile or telecopier with confirmation of receipt; (iii) when mailed by certified mail, return receipt requested, postage prepaid; or (iv) when sent by overnight courier; in each case, to the following addresses, or to such other addresses as a Party may from time to time specify by notice to the other Party given pursuant hereto.

If to EPMI, to:

Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002
Attention: Edward Baughman
Managing Director
Telecopier No.: (713) 646-3421

With a copy to:

Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002
Attention: Harlan Murphy
Vice President and Assistant General Counsel
Telecopier No.: (713) 646-3490

If to BPA, to:

Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97208-3621
Attention: Scott Wilson
Account Executive
Telecopier No.: (602) 352-2630

With a copy to:

Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97208-3621
Attention: Jon D. Wright, Attorney
Office of General Counsel
Telecopier No.: (503)-230-7405

Section 5.2. Governing Law/Jurisdiction THIS SETTLEMENT AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER WILL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE UNITED STATES AND THE LAWS OF THE STATE OF NEW YORK. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE BANKRUPTCY COURT SHALL HAVE EXCLUSIVE JURISDICTION OVER THIS SETTLEMENT AGREEMENT AND THAT ANY CLAIMS ARISING OUT OF OR RELATED IN ANY MANNER TO THIS SETTLEMENT AGREEMENT SHALL BE PROPERLY BROUGHT ONLY BEFORE THE BANKRUPTCY COURT.

Section 5.3. Entire Agreement. This Settlement Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and there are no agreements, understandings, representations or warranties between the Parties other than those set forth or referred to herein.

Section 5.4. Severability. In case any provision of this Settlement Agreement shall be determined to be invalid, illegal or unenforceable for any reason, the remaining provisions and portions of this Settlement Agreement shall be unaffected and unimpaired thereby, and shall remain in full force and effect, to the fullest extent permitted by Applicable Law, subject to the agreement of the Parties.

Section 5.5. Survival of Representations. The representations in Section 3.1 shall be deemed to have been relied upon by the other Party, and shall survive the Termination Time.

Section 5.6. No Admission of Liability. This Settlement Agreement is not an admission of any liability but is a compromise and settlement and this Settlement Agreement shall not be treated as an admission of liability. All communications (whether oral or in writing) between and/or among the Parties, their counsel and/or their respective representatives relating to, concerning or in connection with this Settlement Agreement, or the matters covered hereby

and thereby, shall be governed and protected in accordance with the Federal Rule of Evidence 408 and New York Civil Practice Law and Rules Section 4547 to the fullest extent permitted by law.

Section 5.7. No Assignment of Claims. Each Party represents that none of its Claims released hereby, nor any part thereof, have been assigned, granted or transferred in any way to any Person.

Section 5.8. Interpretation. For purposes of interpretation, this Settlement Agreement shall be deemed to have been drafted by the Parties and no ambiguity shall be resolved against any Party by virtue of its participation in the drafting of this Settlement Agreement.

Section 5.9. Attorney's Fees. Each Party shall be responsible for the payment of its own attorneys' fees and costs, and all of its expenses in connection with the matters referred to in this Settlement Agreement.

Section 5.10. Captions. The captions of this Settlement Agreement are for convenience only and are not a part of this Settlement Agreement and do not in any way limit or amplify the terms and provisions of this Settlement Agreement and shall have no effect on its interpretation.

Section 5.11. Counterparts. This Settlement Agreement may be executed in counterparts, by either an original signature or signature transmitted by facsimile transmission or other similar process and each copy so executed shall be deemed to be an original and all copies so executed shall constitute one and the same agreement.

Section 5.12. Confidentiality Agreements. The parties understand and agree that the terms of this Settlement Agreement are not subject to the confidentiality agreement governing the negotiations leading to the Settlement Agreement or to any other confidentiality requirement agreed to by the parties.

IN WITNESS WHEREOF, the Parties have signed this Settlement Agreement in multiple counterparts.

ENRON POWER MARKETING, INC.

By: Edward D. Baughman *HEMM*
Name: Edward D. Baughman
Title: Managing Director
Date: 4-25-03

**UNITED STATES
DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION**

By: Scott K Wilson
Name: SCOTT K WILSON
Title: BPA ACCOUNT EXECUTIVE
Date: 4-25-03

Schedule A-1
to
Settlement Agreement and Mutual Release

NON-TERMINATED CONTRACTS

1. Both Parties certify that to the best of their knowledge the Contracts below represent all of the outstanding business between them.
2. That certain Agreement to Enable Future Purchases, Sales and Exchanges of Power and Other Services dated as of March 3, 1997 (Contract No. 97PB-10085), by and between EPMI and BPA, as such agreement is amended by that certain letter agreement, Amendment No. 1, dated April 12, 1999, including in each case all amendments and exhibits thereto, and all transactions and confirmations thereunder (including under any amendment thereto).
3. That certain Agreement to Enable Future Purchases, Sales and Exchanges of Power and Other Services dated as of April 20, 2000 (Contract No. 99PB/00PB-10585), by and between EPMI and BPA, including all amendments and exhibits thereto, and all transactions and confirmations thereunder (including under any amendment thereto) (the "2000 Enabling Agreement"), and including without limitation the confirmations and transactions under the 2000 Enabling Agreement referenced by the following numbers:

<i>EPMI Confirmation No.</i>	<i>BPA Confirmation Number</i>	<i>Trade Date</i>	<i>End Date</i>
246561	00PB-10605	8/99	9/30/2006
281938	00PB-10642	12/99	9/30/2006
305701	00PB-23275	3/00	12/31/2003
447576	01PB-10742	10/00	12/31/2006
448835	01PB-10743	11/00	12/31/2006
522001	01PB-10787	2/01	12/31/2004
522019	01PB-10787	2/01	12/31/2005
522024	01PB-10787	2/01	12/31/2006
522097	01PB-10788	2/01	12/31/2006
522100	01PB-10788	2/01	12/31/2005
522101	01PB-10788	2/01	12/31/2004
541392	01PB-42012	3/01	12/31/2003
591195	01PB-24193	4/01	12/31/2004
600521	01PB-42013	5/01	12/31/2006
600522	01PB-42014	5/01	12/31/2006
605226	01PB-42017	5/01	12/31/2006
664061	01PB-42022	6/01	9/30/2006
899977	01PB-24111	3/01	12/31/2003
900016	03PB-25703	3/03	4/30/2003
900018	03PB-25702	3/03	4/30/2003

900044
900045

03PB-25841
03PB-25841

4/03
4/03

5/31/2003
5/31/2003

Schedule A-2
to
Settlement Agreement and Mutual Release

OTHER CONTRACTS

1. That certain letter agreement dated as of July 14, 1997 (Contract No. 97PB-10123), by and between EPMI and BPA, referred to as the James River Agreement, as amended by that certain Amendment No. 1 (letter agreement) dated as of September 27, 2001, and as further amended by that certain Book-Out Agreement (Contract No. 01PB-11046), including in each case all amendments and exhibits thereto, and all transactions and confirmations thereunder (including under any amendment thereto) (collectively, as described in this Section 1, the "James River Agreement"). The James River Agreement was terminated effective on or about January 29, 2002.

2. That certain Firm Power Sale Agreement dated as of January 17, 1998 (Contract No. 98PB-10227), by and between EPMI and BPA, as amended by that certain letter agreement (Amendment No. 1) dated as of May 10, 1999, and as further amended by that certain letter agreement (Amendment No. 2) dated as of September 7, 1999, including in each case all amendments and exhibits thereto, and all transactions and confirmations thereunder (including under any amendment thereto) (collectively, as described in this Section 2, the "Firm Power Agreement"). The Firm Power Agreement was terminated effective on or about January 29, 2002.

Schedule B
to
Settlement Agreement and Mutual Release

Affidavit of Lost Guarantee

(See Attached)

8. Affiant warrants that all of the statements contained herein are true and correct.

BONNEVILLE POWER ADMINISTRATION

By: Scott K Wilson

Name: SCOTT K WILSON

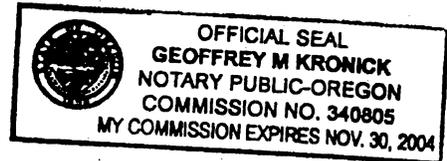
Title: BPA ACCOUNT EXECUTIVE

Sworn to and subscribed before
me this 29th day of April,
2003.

G M K

Notary Public State of Oregon

My Commission Expires: 11/29/2003



**Enron North America Corp.**

P.O. Box 1188
Houston, TX 77251-1188

Harlan E. Murphy
*Vice President and
Asst. General Counsel*
(713) 345-2679
Fax (713) 646-3490
harlan.murphy@enron.com

April 28, 2003

VIA UPS

Scott K. Wilson
Bonneville Power Administration
Account Executive PT-5
905 N.E. 11th Avenue
Portland, Oregon 97208

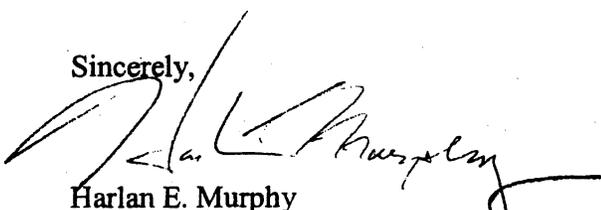
Re: Bonneville Power Administration Settlement Agreement and Mutual Release

Dear Mr. Wilson:

Attached please find two executed original copies of the Bonneville Power Administration Settlement Agreement and Mutual Release. Please sign both originals, keep one for your records and return the other to me.

If you should have any questions, please feel free to call me.

Sincerely,



Harlan E. Murphy

Enclosures

cc: Brandon Wax (w/o enclosures)



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 29, 2003

In reply refer to: PT-5

Mr. Harlan E. Murphy, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Murphy:

Thank you for the timely execution of the Settlement Agreement and Mutual Release of
Contract Number 03PB-11337. Enclosed is the signed original for your files.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive

ENC:

cc:

J. Loffink - KFR-2
S. Menashe - KFR-2
W. Lewis - KFR-2
B. Kluegel - KFRO-2
S. McGuire - KFRO-2
R. Ross - KFW-2
G. Grange - KFW-2
R. Roach - L-7
T. Miller - LP-7
P. Norman - P-6
J. O'Leary - PGK-5
G. McCowan - PGGC-6
T. Pirie - PSR-6
S. Oliver - PT-5
S. Wilson - PT-5
R. Kadow - PTF-5
G. Insley - PTS-5
M. Hansen - PTS-5
C. Barter - PTS-5
B. Smulski - PTT-5
Official File - PT (PM-11)

ENRON

United States Government

Department of Energy
Bonneville Power Administration

memorandum

DATE: May 29, 2003

REPLY TO
ATTN OF: PT-5

SUBJECT: Enron Settlement Contract No. 03PB-11337

to: Larry Davidson - KFR-2

This memo is intended to outline my understanding of the agreement of our Staff for expense recovery associated with the Enron settlement.

The Bonneville Power Administration (BPA) reached a settlement under Contract No. 03PB-11337 with Enron on April 25, 2003, to terminate all contracts between the two parties. The vast majority of the contracts were BPA purchases from Enron. This settlement resulted in BPA paying Enron a discounted mark-to-market value payment of \$99 million, as secured from the US Department of Justice Judgment Fund, in consideration for the termination of all contracts. In consultation between representatives of the Power Business Line Bulk Power Marketing and BPA Financial Operations, it was agreed to apply the settlement expense to the purchases rather than to the one very small power sales contract included in the settlement. The sales portion represented only about one percent of the total package.

Of these purchase contracts, some had been included in BPA's augmentation portfolio, a special subset of power purchases defined in the rate case, and some were included in the regular power purchase portfolio. Also included in the Enron Settlement amount, were three "open" put option contracts, of which, one contract had been included in the augmentation portfolio and the remaining two contracts were included in the regular power purchase portfolio. For purposes of allocating the settlement amount between augmentation and power purchase portfolios, the individual purchase contracts were used for pro-rata purposes. In addition, it was assumed that all three option contracts were deemed to be exercised and converted to a forward purchase position based on the Enron settlement date. This was done only for "allocation" of the settlement amount to allow for proper spreading of the \$99 million amount over the related purchase contract periods by month, April 2003 - December 2006.

It is the intent of the Power Business Line to treat the settlement expense of \$99,000,000 as a prepaid expense and recover that cost proportionately over the same period of time when the contracts would have delivered the energy. That period is April 2003 through December 2006, slightly beyond the current rate period. As indicated above, there is both an augmentation and power purchase component involved. Augmentation amounts are divided into heavy load hours and light load hours each month, with no megawatts attached, because that information is used in the Load Based Cost Recovery Adjustment Clause calculation. According to Bob Procter, Load Based Cost Recovery Adjustment Clause manager, this recovery methodology meets the General Rate Schedule Provisions from the June 2001 BPA Supplemental Rate Case for calculating the LB-CRAC.

The settlement of the power purchase contracts will be recorded as a dollar amount each month under Revenue Information System (RIS) code 79505. The settlement of the Augmentation

contracts will be recorded as a dollar amount each month under RIS code 79624 for heavy load hours and RIS code 79625 for light load hours. A table of the monthly amounts is given below:

	Purchase Power Expense Recognition	HLH Augmentation Expense Recognition	LLH Augmentation Expense Recognition
Month	RIS Code 79505	RIS Code 79624	RIS Code 79625
Apr-03	\$ 234,838	\$ 1,059,711	\$ 663,333
May-03	\$ 243,553	\$ 989,536	\$ 602,917
Jun-03	\$ 229,227	\$ 916,237	\$ 618,376
Jul-03	\$ 243,553	\$ 1,211,765	\$ 763,416
Aug-03	\$ 237,823	\$ 1,166,885	\$ 802,565
Sep-03	\$ 234,957	\$ 1,166,885	\$ 743,841
Oct-03	\$ 243,673	\$ 1,211,765	\$ 765,862
Nov-03	\$ 229,227	\$ 1,122,005	\$ 782,990
Dec-03	\$ 243,553	\$ 1,211,765	\$ 763,416
Jan-04	\$ 369,327	\$ 1,232,576	\$ 890,194
Feb-04	\$ 345,499	\$ 1,095,624	\$ 890,194
Mar-04	\$ 369,327	\$ 1,232,576	\$ 890,194
Apr-04	\$ 356,916	\$ 1,079,752	\$ 786,454
May-04	\$ 369,327	\$ 972,927	\$ 767,115
Jun-04	\$ 357,413	\$ 972,927	\$ 710,985
Jul-04	\$ 369,327	\$ 1,232,576	\$ 890,194
Aug-04	\$ 369,327	\$ 1,186,926	\$ 935,845
Sep-04	\$ 357,413	\$ 1,186,926	\$ 867,369
Oct-04	\$ 369,823	\$ 1,186,926	\$ 938,698
Nov-04	\$ 357,413	\$ 1,141,275	\$ 913,020
Dec-04	\$ 369,327	\$ 1,186,926	\$ 935,845
Jan-05	\$ 369,327	\$ 1,059,168	\$ 910,885
Feb-05	\$ 333,585	\$ 1,016,802	\$ 762,601
Mar-05	\$ 369,327	\$ 1,143,902	\$ 826,151
Apr-05	\$ 356,916	\$ 994,362	\$ 724,259
May-05	\$ 369,327	\$ 853,401	\$ 733,924
Jun-05	\$ 357,413	\$ 887,537	\$ 648,584
Jul-05	\$ 369,327	\$ 1,059,168	\$ 910,885
Aug-05	\$ 369,327	\$ 1,143,902	\$ 826,151
Sep-05	\$ 357,413	\$ 1,059,168	\$ 847,335
Oct-05	\$ 369,823	\$ 1,101,535	\$ 871,166
Nov-05	\$ 357,413	\$ 1,059,168	\$ 847,335

Dec-05	\$ 369,327	\$ 1,101,535	\$ 868,518
Jan-06	\$ 369,327	\$ 1,059,168	\$ 910,885
Feb-06	\$ 333,585	\$ 1,016,802	\$ 762,601
Mar-06	\$ 369,327	\$ 1,143,902	\$ 826,151
Apr-06	\$ 356,916	\$ 956,117	\$ 762,503
May-06	\$ 369,327	\$ 887,537	\$ 699,788
Jun-06	\$ 357,413	\$ 887,537	\$ 648,584
Jul-06	\$ 369,327	\$ 1,059,168	\$ 910,885
Aug-06	\$ 369,327	\$ 1,143,902	\$ 826,151
Sep-06	\$ 357,413	\$ 1,059,168	\$ 847,335
Oct-06	\$ 280,878	\$ 887,537	\$ 701,922
Nov-06	\$ 271,453	\$ 853,401	\$ 682,720
Dec-06	\$ 280,501	\$ 853,401	\$ 733,924

The above RIS codes are mapped to the following general ledger chartfields.

		GL Table Fields				
RisCode	RisCodeTitle	GLCode	ABMCode	CFProd	Dept ID	Project
79624	MP HLH Aug After 8/00	600355	PEAG	79624	PT	00089517
79625	MP LLH Aug After 8/00	600355	PEAG	79625	PT	00089518
79505	Reservation & Option Fees	600350	PEAA	79505	PT	00003860

Project Resource Table Fields					
RisCode	Actv ISD	ResType	ResCat	ResSubCat	Category
79624	01	P	PP	AUG	Resource Market Purchases
79625	01	P	PP	AUG	Resource Market Purchases
79505	01	P	PP	PPP	Other Power Purchases

If you do not concur with my understanding of Staff agreement on this Enron settlement accounting, please let me know your preferred alternative.



Stephen R. Oliver, Vice President
Bulk Power Marketing & Transmission Services

cc:

S. Menashe – KFR-2
J. Loffink – KFR-2
N. Hagen – KFRO-2
B. Kluegel – KFRO-2
S. McGuire – KFRO-2
K. Leathley – PM-6
C. Maichel – PMF-6
M. Manary – PMF-6
P. Livesley – PMF-6
R. Procter – PSP-5
S. Wilson – PT-5
R. Petty – PTP-5
G. Insley – PTS-5
S. Wedlund – PTS-5
J. Klippstein – PTS-5
M. Hansen – PTS-5
Official File PT (PM)

JKlippstein:sjw:4984 (W:\P\PSB\Correspondence52903EnronSettlementMemo.doc)

Treatment of Interest Expense for Enron Settlement
✓03PB-11337 Settlement Agreement & Mutual Release
03PB-11338 Memorandum of Understanding

BPA terminated all remaining contracts with Enron in April 2003. BPA paid Enron's creditors \$99 million from a settlement fund administered by the U.S. Department of the Treasury (the Judgment Fund). BPA plans to repay the fund with interest by 2006. The settlement was reviewed by the U.S. Department of Justice, the U.S. Department of Energy and approved by the bankruptcy court.

This termination resulted in two main accounting transactions:

- 1) the \$99 million expense for the Enron settlement
- 2) the principal and interest that BPA will repay to Treasury for use of the settlement fund (a.k.a. "Judgment Fund).

The \$99 million settlement expense was appropriately allocated between augmentation expense and purchase power expense based on the mix of contracts in the portfolio. This transaction has an affect on the LBCRAC as a portion will go to augmentation.

However, the act of "borrowing" the money from the Judgment Fund is considered a separate financing transaction. As such, the interest expense associated with this is considered a "cost of borrowing" and is treated similarly to other BPA interest expenses. The interest costs are not included in augmentation as they are a separate transaction from the Enron settlement and therefore they do not have an affect on the LBCRAC.

Written for the file by Jennifer Loffink and Bena Kluegel, June 3, 2003

ENRON CORP.

Guarantee Agreement

This Guarantee Agreement (this "Guarantee"), dated as of December 8, 1998, is made and entered into by Enron Corp., an Oregon corporation ("Guarantor").

WITNESSETH:

WHEREAS, Enron Power Marketing, Inc. (the "Company") has entered into several power contracts (Agreement to Enable Future Purchases, Sales & Exchanges of Power and Other Services, Letter Agreement, and Firm Power Sale Agreement) (the "Agreements") with Bonneville Power Administration ("Counterparty") pursuant to which Company and Counterparty may enter into transactions related to the purchase and sale of energy; and

WHEREAS, Guarantor will directly or indirectly benefit from the Agreements.

NOW THEREFORE, in consideration of Counterparty entering into the Agreements, Guarantor hereby covenants and agrees as follows:

1. **GUARANTY.** Subject to the provisions hereof, Guarantor hereby irrevocably and unconditionally guarantees the timely payment when due of the obligations of Company (the "Obligations") to Counterparty in accordance with the Agreements. To the extent that Company shall fail to pay any Obligations, Guarantor shall promptly pay to Counterparty the amount due. This Guarantee shall constitute a guarantee of payment and not of collection. The liability of Guarantor under the Guarantee shall be subject to the following:

(a) Guarantor's liability hereunder shall be and is specifically limited to payments expressly required to be made in accordance with the Agreements (even if such payments are deemed to be damages) and, except to the extent specifically provided in the Agreement, in no event shall Guarantor be subject hereunder to consequential, exemplary, equitable, loss of profits, punitive, tort, or any other damages, costs, or attorney's fees.

(b) The aggregate amount covered by this Guarantee shall not exceed Thirty Million U.S. Dollars (\$30,000,000).

2. **DEMANDS AND NOTICE.** If Company fails or refuses to pay any Obligations, Counterparty shall notify Company in writing of the manner in which Company has failed to pay and demand that payment be made by Company. If Company's failure or refusal to pay continues for a period of five (5) days after the date of Counterparty's notice to Company, and Counterparty has elected to exercise its rights under this Guarantee, Counterparty shall make a demand upon Guarantor (hereinafter referred to as a "Payment Demand"): A Payment Demand shall be in writing and shall reasonably and briefly specify in what manner and what amount Company has failed to pay and an explanation of why such payment is due, with a specific statement that Counterparty is calling upon Guarantor to pay under this Guarantee. A Payment Demand satisfying the foregoing requirements shall be deemed sufficient notice to Guarantor that it must pay the Obligations. A single written Payment Demand shall be effective as to any specific default during the continuance of such default, until Company or Guarantor has cured such default, and additional written demands concerning such default shall not be required until such default is cured.

3. **REPRESENTATIONS AND WARRANTIES.** Guarantor represents and warrants that:

(a) it is a corporation duly organized and validly existing under the laws of the State of Oregon and has the corporate power and authority to execute, deliver and carry out the terms and provisions of the Guarantee;

(b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution and delivery of this Guarantee; and

(c) this Guarantee constitutes a valid and legally binding agreement of Guarantor, except as the enforceability of this Guarantee may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity.

4. SETOFFS AND COUNTERCLAIMS. Without limiting Guarantor's own defenses and rights hereunder, Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which Company or any other affiliate of Guarantor is or may be entitled to arising from or out of the Agreement or otherwise, except for defenses arising out of the bankruptcy, insolvency, dissolution or liquidation of Company.

5. AMENDMENT OF GUARANTY. No term or provision of this Guarantee shall be amended, modified, altered, waived, or supplemented except in a writing signed by the parties hereto.

6. WAIVERS. Guarantor hereby waives (a) notice of acceptance of this Guarantee; (b) presentment and demand concerning the liabilities of Guarantor, except as expressly hereinabove set forth; and (c) any right to require that any action or proceeding be brought against Company or any other person, or except as expressly hereinabove set forth, to require that Counterparty seek enforcement of any performance against Company or any other person, prior to any action against Guarantor under the terms hereof.

Except as to applicable statutes of limitation, no delay of Counterparty in the exercise of, or failure to exercise, any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from any obligations hereunder.

Guarantor consents to the renewal, compromise, extension, acceleration or other changes in the time of payment of or other changes in the terms of the Obligations, or any part thereof or any changes or modifications to the terms of the Agreement.

Guarantor may terminate this Guarantee by providing written notice of such termination to Counterparty and upon the effectiveness of such termination, Guarantor shall have no further liability hereunder, except as provided in the last sentence of this paragraph. No such termination shall be effective until five (5) business days after receipt by Counterparty of such termination notice. No such termination shall affect Guarantor's liability with respect to any Transaction (as defined in the Agreement) entered into prior to the time the termination is effective, which Transaction shall remain guaranteed pursuant to the terms of this Guarantee.

7. NOTICE. Any Payment Demand, notice, request, instruction, correspondence or other document to be given hereunder by any party to another (herein collectively called "Notice") shall be in writing and delivered personally or mailed by certified mail, postage prepaid and return receipt requested, or by telegram or telecopier, as follows:

To Counterparty:

Bonneville Power Administration
905 NE 11th Ave.
P.O. Box 3621
Portland, OR 97208-3621
Attn: Dennis Oster, mail stop PSB-5

To Guarantor:

Enron Corp.
1400 Smith Street
Houston, Texas 77002
Attn.: Vice President, Finance and Treasurer
Fax No.: (713) 646-3422

Notice given by personal delivery or mail shall be effective upon actual receipt. Notice given by telegram or telecopier shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. All Notices by telegram or telecopier shall be confirmed promptly after transmission in writing by certified mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving notice as provided above of such change of address.

8. MISCELLANEOUS. THIS GUARANTEE SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. This Guarantee shall be binding upon Guarantor, its successors and assigns and inure to the benefit of and be enforceable by Counterparty, its successors and assigns. The Guarantee embodies the entire agreement and understanding between Guarantor and Counterparty and supersedes all prior agreements and understandings relating to the subject matter hereof. The headings in this Guarantee are for purposes of reference only, and shall not affect the

meaning hereof. This Guarantee may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

EXECUTED as of the 4th day of January, 1999, but effective as of the date and year first above written.

ENRON CORP.

By: 
Peggy B. Menchaca
Vice President and Secretary

COA



Enron Power Marketing, Inc.

P.O. Box 1188

Houston, TX 77251-1188

(713) 853-7500

January 6, 1999

Dennis Oster
Bonneville Power Administration
905 NE 11th Ave., PSB-5
Portland, OR 97208-3621

Re: Enron Corp. Guaranty

Dear Dennis:

Enclosed please find an executed original guaranty from Enron Corp. on behalf of Enron Power Marketing, Inc. If you have any questions and/or comments, please feel free to contact me at 713-853-0554.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tracy Ngo".

Tracy Ngo
Analyst

enclosure

**AGREEMENT TO ENABLE
FUTURE PURCHASES, SALES AND EXCHANGES
OF POWER AND OTHER SERVICES**
executed by the
**UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY**
acting by and through the
BONNEVILLE POWER ADMINISTRATION
and
ENRON POWER MARKETING, INC.

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This AGREEMENT TO ENABLE FUTURE PURCHASES, SALES AND EXCHANGES OF POWER AND OTHER SERVICES (Agreement), executed

April 24, 19 97 by the UNITED STATES OF AMERICA (Government), Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and ENRON POWER MARKETING, INC. (Purchasing-Selling Entity, or PSE), a corporation incorporated under the laws of the State of Delaware. BPA and PSE are hereinafter sometimes referred to individually as "Party" and collectively as "Parties."

WITNESSETH:

WHEREAS the Parties wish to provide a contractual mechanism for future purchases, sales and exchanges of Power (firm and nonfirm), and other services which the Parties may agree from time to time to make available as specified below; and

WHEREAS this Agreement is not a present sale of such Power or a present exchange, and does not constitute any advance agreement or obligation for any Party to make available or to purchase or exchange any amount of such Power or other services; and

WHEREAS BPA is authorized pursuant to law to market electric power and energy generated at various Federal hydroelectric projects in the Pacific Northwest or acquired from other resources, to construct and operate transmission facilities, to provide transmission and other services, and to enter into agreements to carry out such authority;

NOW, THEREFORE, the Parties hereto agree as follows:

1. TERM OF AGREEMENT

This Agreement shall become effective at 2400 hours on the date of execution (Effective Date), and shall remain in force and effect 3 years from the Effective Date, unless terminated earlier by either Party in accordance with the termination provisions specified in section 7(b) or 11. All obligations and liabilities accrued

hereunder are hereby preserved until satisfied. Execution of this Agreement shall terminate any prior enabling agreement between the Parties.

2. DEFINITIONS

- (a) "Confirmation Agreement" means the written agreement prepared by BPA which specifies the terms and conditions for transactions entered into pursuant to this Agreement. Exhibit D is a sample Confirmation Agreement used at the time this Agreement is executed.
- (b) "Excess Federal Power" means excess Federal power as defined in section 508 of Public Law 104-46.
- (c) "Federal Law" means the laws of, and applicable to, the United States Government.
- (d) "Power" means Excess Federal Power or Surplus Power (firm or nonfirm) or both made available by BPA and capacity or energy (firm and nonfirm) or both made available by PSE.
- (e) "Surplus Power" means surplus peaking capacity, or surplus energy or both, as defined in sections 5(f) and 9(c) of Public Law 96-501, and Sections 1(c) and 1(d) of Public Law 88-552.
- (f) "Take or Pay" means the seller is obligated to make available and deliver the product or service according to the terms agreed to, and the purchaser is obligated to pay for the product or service, unless the delivery is curtailed due to Uncontrollable Force or by mutual agreement.
- (g) "Uncontrollable Force" means Uncontrollable Force as defined in Exhibit B.

3. EXHIBITS

The following exhibits are attached hereto and made part of this Agreement: BPA's Wholesale Power and Transmission Rate Schedules (Exhibit A), General Contract Provisions, GCP Form PBL-1 (Exhibit B), Scheduling Provisions, PSP Form PBL-1 (Exhibit C), and Confirmation Agreement (Exhibit D); **provided, however**, that the provisions of Exhibit C or the format of or the information contained in Exhibit D, may be modified by BPA for agreements entered into after the date of modification.

4. SALE OF POWER

- (a) At any time during the term of this Agreement, either Party may offer to sell to the other Party, or may request to purchase from the other, amounts of Power (firm and nonfirm) specified as available for purchase. Unless otherwise mutually agreed, each sale of Power over 24 hours in duration shall be confirmed and governed by a Confirmation Agreement prepared by BPA. All BPA sales shall be governed by the rate schedule applicable at the time of the sale.
- (b) Unless otherwise agreed, all firm sales and purchases of Power shall be on a Take-or-Pay basis.

5. OTHER SERVICES

At any time during the term of this Agreement, either BPA or PSE may request of or offer to the other Party the exchange of Power or the sale or exchange of other services. Upon such request, the Parties shall endeavor to negotiate agreeable terms and conditions for such sales or exchanges. Unless otherwise mutually agreed, any agreement for an exchange of capacity or energy, or sales or exchanges of other services, shall be confirmed and governed by a written agreement prepared by BPA.

6. PROVISIONS RELATING TO DELIVERY

- (a) All BPA deliveries to PSE, and all PSE deliveries to BPA under this Agreement shall be at the point(s) agreed to for each interchange transaction consistent with the terms and conditions of transmission tariffs, contracts and/or rate schedules applicable at the time of delivery. Each Party agrees to provide the other Party information necessary to comply with applicable transmission tariffs.
- (b) BPA, PSE, and any scheduling agent of either Party shall exchange agreed-upon schedules for PSE's accounts.
- (c) Unless otherwise agreed, BPA and PSE shall each be solely responsible for the provision of their own ancillary and/or other services necessary for any power delivered or received under this Agreement.

7. RESALE PROVISIONS

- (a) Resale by PSE of Surplus Power sold by BPA under this Agreement, shall to the extent required by law comply with the requirements of Section 5(a) of the Bonneville Project Act, as amended (16 U.S.C. 12B). This provision shall not apply to sales of Excess Federal Power. BPA will identify in each Confirmation Agreement that the Power it sells to the PSE is either:
(1) Surplus Power; or (2) Excess Federal Power.
- (b) PSE may purchase any Surplus Power under this Agreement only pursuant to section 7(a). In the event of violation by PSE of this section 7, this Agreement and any subsequent agreement entered into utilizing the terms and conditions of this Agreement shall be immediately and automatically terminated; **provided, however**, any and all liabilities incurred prior to such termination shall remain until satisfied.

8. SCHEDULING PROVISIONS

All transactions under this Agreement shall be scheduled pursuant to the Scheduling Provisions in Exhibit C. The procedures for scheduling described in Exhibit C are the standard utility procedures followed by BPA for transactions between BPA and other utilities or entities which require scheduling.

BPA shall have the right to revise and replace Exhibit C: if scheduling procedures are changed due to agreement among scheduling utilities in the Pacific Northwest; or to comply with rules or orders issued by (a) the Federal Energy Regulatory Commission, (b) the North American Electric Reliability Council, or (c) the Western Systems Coordinating Council; or to implement changes necessary for BPA to administer its power scheduling function in a more efficient manner.

9. INTERRUPTIONS OR CURTAILMENT OF SERVICE

- (a) Both Parties agree that interchange schedules under this Agreement may be curtailed due to an Uncontrollable Force. Such curtailments shall be implemented in accordance with applicable provisions of Exhibits C and D and shall follow standard utility practices.
- (b) Changes to interchange schedules can be made within a schedule hour for emergencies pursuant to the terms of Exhibit C.

10. PAYMENT FOR POWER SOLD OR OTHER SERVICES PROVIDED

(a) Payment Obligations

Each Party agrees to bill the other Party for power and services provided on a monthly basis, and the other Party agrees to pay for such power and services consistent with the provisions of this section. Payment shall be by electronic fund transfer. Each Party shall provide the other Party with the

name of its contact person as well as its banking institution, account numbers, and forms required to permit the electronic transfer of funds.

(b) Billing and Payment Provisions

Each bill shall reference the contract number, and shall contain sufficient information to permit the Party receiving the bill to verify the amount due. An estimated bill may be rendered followed by a final bill. Unless otherwise agreed, payments due one Party from the other Party, shall not be offset by payments due the other Party.

(1) Due Date for Payment

Payment is due on the 20th day after the issue date of the bill (Due Date). If the 20th day is a Saturday, Sunday or Federal holiday, the Due Date is the next business day. The Party submitting the bill shall send a facsimile, or otherwise electronically transmit a copy of the bill to the other Party on the issue date of the bill. Each Party shall provide the other Party with the phone number along with the name or position of the individual who should receive the bill.

(2) Late Payment

Bills not paid by the Due Date are subject to an interest charge of one twentieth percent (0.05 percent) applied daily to the unpaid balance. The interest charge will be assessed on a daily basis until such time as the unpaid amount is paid in full.

(3) Disputed Bills

In the event of a billing dispute, the Party being billed shall note the disputed amount and pay its bill in full by the Due Date. The amount being billed (including both disputed and undisputed amounts) is subject to late payment charges as provided above.

If it is determined that the Party disputing the bill is entitled to a refund of any portion of the disputed amount, then the other Party will make such refund with simple interest computed from the date of receipt of the disputed payment. Interest will be computed using the Prime Rate for Large Banks as reported by the Wall Street Journal. The applicable rate will be the rate reported on the first day of the month of receipt of payment.

(4) Revised Bills

If a Party identifies a billing error, it will immediately issue a revised bill. The Due Date of the revised bill will be as follows:

- (A) When the amount of the revised bill is greater than the amount of the original bill, the original amount remains due 20 days from the issue date of the bill. The remainder is due 20 days from the date of the revised bill.
- (B) When the amount of the revised bill is the same as, or less than the original bill, the revised bill replaces the original bill, and payment of the revised amount is due 20 days from the date of the original bill.
- (C) If the revised bill results in a credit to a Party, the other Party shall pay the credit within 20 days after the issue date of the revised bill.

11. TERMINATION PROVISIONS

Either Party shall have the right to terminate this Agreement upon 90 calendar days' written notice to the other Party.

12. APPLICABLE LAW

All transactions under this Agreement shall be subject to Federal Law governing the sale, exchange, or other disposition of surplus Federal power and other services, including but not limited to, Public Law 75-329 (the Bonneville Project Act, as amended, 16 U.S.C. 832 et seq.), Public Law 88-552 (the Pacific Northwest Preference Act of August 31, 1964, as amended, 16 U.S.C. 837 et seq.), Public Law 93-454 (the Federal Columbia River Transmission System Act, as amended, 16 U.S.C. 838(a) et seq.), Public Law 96-501 (Pacific Northwest Electric Power Planning and Conservation Act, 16 U.S.C. 839 et seq.), and Section 508 of Public Law 104-46 (codified at 16 U.S.C.A. 832m (West Cum. Ann. Pock. Pt. 1996)).

All sales of Surplus Power under this Agreement are subject to the provisions of Public Law 88-552 and the Parties hereby acknowledge their respective responsibilities thereunder. Pursuant to Public Law 88-552, BPA shall have the right to curtail a portion of, or terminate all of: (a) the capacity associated with a surplus firm peaking capacity sale on 60 months' written notice, or (b) the energy associated with a surplus energy sale on a 60-day written notice specifying the amounts and duration of the curtailment or termination, if such capacity and/or energy is needed to meet the capacity and/or energy requirements in the Pacific Northwest. Such curtailments to PSE shall be limited to the amounts and duration necessary to cover BPA's projected Pacific Northwest needs. The sale of capacity and/or energy to PSE under this Agreement shall continue in months during which such capacity and/or energy is not needed, as determined by BPA, in the Pacific Northwest.

13. LIMITATION ON LIABILITY AND DAMAGES

- (a) In no event shall either Party be liable for any loss or damage incurred by parties to whom the other Party resells Power purchased under this Agreement when such loss or damage results from performance or

nonperformance, excused or otherwise, by either Party of its obligations under this Agreement.

(b) Both Parties expressly waive all remedies or damages at law or in equity other than direct actual damages occurring from breach of any provision of this Agreement . Such direct actual damages for failure to deliver firm Power are specified below. In no event shall either Party be liable to the other Party for incidental, consequential, punitive or other special damages for nonperformance of any of its obligations under this Agreement.

(c) **Failure to Deliver Firm Power**

(1) If the Seller fails to deliver firm Power according to the terms herein, where such failure is not excused by an Uncontrollable Force or by mutual agreement of the Parties, the Seller shall be liable for and shall pay to Buyer the amount equal to the positive difference between the contract price for such firm Power as provided herein and:

(A) the price at which Buyer, acting in a commercially reasonable manner to mitigate any damage caused by such failure to deliver, is able to purchase the amount of firm Power not delivered; or, absent such a purchase,

(B) the market price for such quantity of the same or similar firm Power product at the point of delivery and the time of delivery for the transaction as provided herein.

(2) **Waiver**

Both Parties stipulate that the payment obligations for a breach of a Party's obligation to deliver firm Power set forth in this section are reasonable in light of the anticipated harm and the difficulty of

estimation of calculation of actual damages and each Party waives the right to contest such payment as an unreasonable penalty. In the event either Party fails to pay amounts in accordance with this section when due, the aggrieved Party shall have the right to: (1) suspend performance until such amounts plus interest have been paid, and/or (2) exercise any remedy available at law or in equity to enforce payment of such amount plus interest.

14. NOTICES

Any notice, unless otherwise provided in this Agreement, given or made in connection with this Agreement, shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by registered or certified mail, postage prepaid, to the other Party. The Parties designate the following persons as their representatives:

BPA: Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
Attn: Dennis Oster - PSB
Account Executive
Phone: 360-418-2663
FAX: 360-418-2948

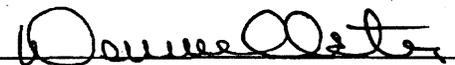
with a copy to: Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
Attn: Manager, Power Contracts - PSC-6
Phone: 503-230-5260
FAX: 503-230-4973

PSE: ENRON Power Marketing, Inc.
ATTN: Power Contract Documentation Manager
1400 Smith Street (Street Zip = 77002-7361)
PO Box 77210
Houston, TX 77210-4428
Phone: 713-853-7982
FAX: 713-646-2443

15. SIGNATURE CLAUSE

Each Party hereto represents that it has the authority to execute this Agreement and that it has been duly authorized to enter into this Agreement.

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

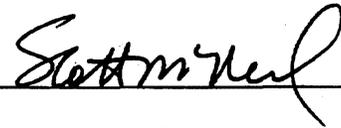
By 
Account Executive

Name Dennis Oster
(Print/Type)

Date 4/24/97

ACCEPTED:

ENRON POWER MARKETING, INC.

By 

Name Scott M. Neal
(Print/Type) 

Title Vice President

Date 4/16/97

(P\BLLAN-PSB-W:\P\PSB\PM\MARKETER\AGREEMENT\ENR10085.DOC)



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 25, 1997

In reply refer to: PSB

Mr. Scott M. Neal
Vice President
Enron Power Marketing, Inc.
1600 Smith Street
Houston, TX 77002

Dear Mr. Neal:

Enclosed is one fully executed original copy of the Enabling Agreement, Contract No. 97PB-10085, between Bonneville Power Administration and Enron Power Marketing, Inc. for your records.

I look forward to working with you in the future. Please feel free to call me at (360) 418-2663 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis Oster", with a long horizontal line extending to the right.

Dennis Oster
Account Executive

Enclosure



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 12, 1999

AUTHENTICATED

In reply refer to: PSB-5

Amendment No. 1
Contract No. 97PB-10085
ENABLING AGREEMENT

Mr. Christian Yoder
Enron Power Marketing, Inc.
3 World Trade Center - 3WT00306
121 SW. Salmon Street
Portland, OR 97204

Dear Mr. Yoder:

This letter agreement (Amendment No. 1) constitutes an amendment to Contract No. 97PB-10085, (Enabling Agreement) between the Bonneville Power Administration (Bonneville) and Enron Power Marketing, Inc. (EPMI). Bonneville and the EPMI are hereinafter sometimes referred to individually as "Party" and collectively as "Parties."

EPMI has requested, and Bonneville has agreed, to add new sections 10(c), 10(d), and 10(e) to the Enabling Agreement.

Therefore, Bonneville proposes the following:

1. **EFFECTIVE DATE.** This Amendment No. 1 shall become effective on the date that it is executed by the Parties.
2. **AMENDMENT OF FIRM ENERGY SALE AGREEMENT.** The Enabling Agreement is amended as follows:
 - (a) A new section 10(c) is added as follows:

"(c) **Default.** If either Party defaults on a payment, the nondefaulting Party may reduce any payment or monies owed to the defaulting Party by an amount up to the amount owed the defaulting Party, but not to exceed the amount of the default. A Party is in default if the Party fails to make payment by the due date or fails to provide evidence of creditworthiness as required by the other Party."

(b) A new section 10(d) is added as follows:

“(d) **Creditworthiness.** In the event that: (1) with the respect to EPMI, Enron Corporation shall have long-term, senior unsecured debt not supported by third party enhancement that is rated by S&P below “BBB-” or by Moody’s below “Baa3”; or (2) with respect to Bonneville, if Bonneville’s Refunding revenue bond, Bonneville Project No. 1, Series 1996 C dated October 1, 1996, due July 1, 1997 through 2015, is rated by S&P below “BBB-,” then the Party whose rating has fallen below the standard specified in this section 10(d) may be required by the other Party (the dissatisfied Party) to either: (i) post a letter of credit; (ii) make a cash prepayment; or (iii) post other collateral acceptable to both Parties. If the Party fails to provide satisfactory assurances of its ability to perform a transaction within three business days of demand, the dissatisfied Party may (in addition to exercising any and all remedies available at law or in equity, including, but not limited to withholding, setting off against or recouping from amounts otherwise due) (A) suspend performance of the transaction(s); or (B) immediately terminate the transaction(s), calculate the amount of its costs, expenses, and losses incurred due to the nonperformance of the other Party, and present the other Party with a demand for payment. The other Party must pay the demand within three business days.”

(c) A new section 10(e) is added as follows:

“(e) **Bankruptcy.** In the event a Party enters into a bankruptcy proceeding as the Debtor, the other Party may reduce any payment or monies owed the Party/Debtor, by an amount not to exceed the amount the Party/Debtor owes the other Party.”

If the foregoing terms and conditions are acceptable, please sign both originals and return one original to me. The remaining original is for your files.

Sincerely,

/S/ DENNIS OSTER

Account Executive

Name Dennis Oster
(Print / Type)

ACCEPTED:

ENRON POWER MARKETING, INC.

By **/S/ TIM BELDEN**

Name **Tim Belden**
(Print / Type)

Title **Vice President**

Date **4/28/1999**

(PBLAN-PSB-W:\PSC\PM\CT\10085AA1.DOC) 04/12/99

001



Enron Power Marketing, Inc.
P.O. Box 4428
Houston, Texas 77210-4428
(FAX) (713) 646-2491

June 29, 1998

Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
Attn: Dennis Oster-PSB
Account Executive

Dear Mr. Oster,

Pursuant to the Enabling Agreement, Contract No. 97PB-10085 between Bonneville Power Administration and Enron Power Marketing, Inc. attached is the Billing and Payment information for Enron Power Marketing, Inc.

If you have any questions, please contact me at (713) 853-1771.

Sincerely,

Kim S. Theriot
Enron Power Marketing, Inc.
Manager, Power Documentation

cc: Holly Krebs, EPMI

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621
Attn: Manager, Power Contracts PSC-6



Enron Capital & Trade
Resources Corp.
P.O. Box 4428
Houston, TX 77210-4428

Greg.

6/9/98

Dear Power Customer:

Please note that the following address has changed, effective immediately.

Send invoices and faxes to: **Enron Power Marketing, Inc.**
Attn: Claudia Clark
P.O. Box 1188
Houston, TX 77251-1188

Fax: (713) 646-4061
Phone No. (713) 853-9281

Send wire transfers to: **Enron Power Marketing, Inc.**
Nations Bank of Texas - Global Finance
ABA Number: 111000012
Acct. Number: 375-046-9312

If your company has been approved to make check payments, please forward your payment to our lockbox.

Enron Power Marketing, Inc.
P.O. Box 844291
Dallas, TX 75284-4291

To overnight mail, please send it to:

Enron Power Marketing, Inc.
Attn: Claudia Clark
1400 Smith Street
Houston, TX 77002

Please feel free to call your Power Settlements Coordinator if you have any questions or comments.

Thank you for updating your records.

Sincerely,

Deborah Witwer
Manager, Power Settlements

Natural gas. Electricity. Endless possibilities.



Enron Canada Corp.

3500 Canterra Tower
400 - 3rd Avenue S.W.
Calgary, Alberta, Canada T2P 4H2
(403) 974-6700
Fax (403) 974-6706

September 1, 1999

TO WHOM IT MAY CONCERN

**Re: Name Change of *Enron Capital & Trade Resources Canada Corp.* to
*Enron Canada Corp.***

Please be advised that, effective September 1, 1999, Enron Capital & Trade Resources Canada Corp. changed its name to Enron Canada Corp. For your information, we attach a copy of the Certificate of Amendment issued pursuant to the authority of the Registrar of Corporations in the Province of Alberta evidencing the name change effective as of September 1, 1999.

Further, for your information, please be advised that, effective September 1, 1999, Enron Capital & Trade Resources Corp. changed its name to Enron North America Corp.

Please be advised that, since this change is purely a change in legal name, no assignments or novations will be necessary.

If you should have any questions with respect to this information, please call (403) 974-6700.

ENRON CANADA CORP.

Endless possibilities.™

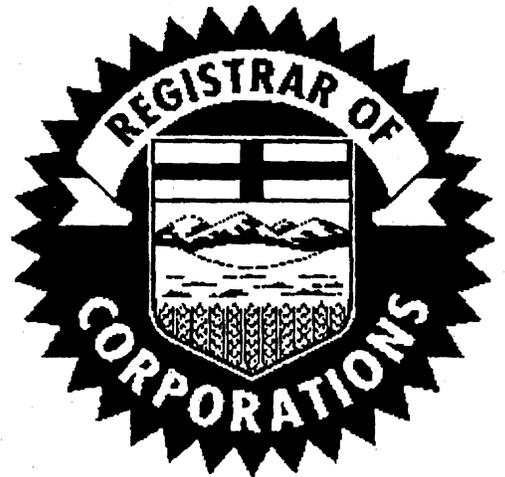
CORPORATE ACCESS NUMBER: 206096547

Alberta

BUSINESS CORPORATIONS ACT

**CERTIFICATE
OF
AMENDMENT**

**ENRON CAPITAL & TRADE RESOURCES CANADA CORP.
CHANGED ITS NAME TO ENRON CANADA CORP. ON 1999/09/01.**





Enron North America Corp.

P.O. Box 1188

Houston, TX 77251-1188

*Reid
03-05-02*

March 1, 2002

Bonneville Power Administration
Scott Wilson
905 NE 11th Avenue
P.O. Box 3621
Portland, OR 97208-3621

Dear Scott:

The purpose of this letter is to advise you that Enron Power Marketing, Inc. ("EPMI") has begun preparations, consistent with its duties to creditors and other parties in interest and as part of the overall Chapter 11 business reorganization of Enron Corp. and its affiliates in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), for a process designed to maximize the value to its Chapter 11 bankruptcy estate of certain assets, specifically its power purchase and sale contracts and/or positions (collectively, the "Contracts"). You are receiving this letter because your company is a counterparty ("Counterparty") under contract to either purchase or deliver energy to EPMI under one or more Contracts, and it is envisioned that this Contract(s) may be part of this process.

While EPMI intends to explore a number of structures and options to achieve this goal with its advisors and with the Official Committee of Unsecured Creditors ("the Creditors' Committee") in the bankruptcy case, EPMI currently anticipates that the most likely structures will involve either an outright sale of the Contracts (through the assumption and assignment process afforded by the Bankruptcy Code) or one or more long-term wholesale energy supply arrangements, in each case most likely involving an auction-type process with credit-worthy bidders. Notwithstanding the commencement of this process, it is important to note that EPMI intends to continue performing its obligations under the Contracts in order to preserve their value for the estate. We anticipate seeking the approval of the Bankruptcy Court both for the process itself and the ultimate outcome thereof. The particular aspects and any requirements of the structure(s) selected will be addressed at that time and you will receive notice thereof in due course to the extent provided by the rules of the Bankruptcy Court.

In the interim we also wish to advise you that EPMI would be willing, in conjunction with the Creditors' Committee, to consider offers of settlement for the outstanding contractual positions and other rights of the estate under the Contracts. EPMI realizes that some Counterparties may, by virtue of their particular positions, circumstances, and knowledge of their Contracts, be motivated to resolve their own positions through a negotiated settlement providing a value consistent with an auction process.

EPMI is inviting interested Counterparties to propose settlement structures which would either (i) terminate all future obligations of the parties to the Contract or (ii) restructure future Contract obligations in a form acceptable to EPMI and the Bankruptcy Court. EPMI will review all reasonable proposals for settlements but reserves the right to select, in its sole discretion, any structure or proposal that meets EPMI's and its creditors' goals and objectives. Of course, all settlements would need to be competitive with the potential values for the estate which could reasonably be expected to be achieved through an auction-type process and will in each case require approval of the Bankruptcy Court.

If you have an interest in pursuing discussions concerning a settlement, please contact us at the following numbers before March 18th, if possible:

Mike Krautz
Sr. Director
713-853-4573

Brandon Wax
Director
713-345-8913

Counterparties should be mindful that it is one of the key goals of the process to achieve resolution of the process on an expedited basis and therefore a desire to engage in settlement discussions should be communicated to us as soon as possible.

We look forward to your response.



Enron North America Corp.
121 SW Salmon, 3WTC0306
Portland, OR 97204

March 28, 2002

*Rec'd
04/04/02*

ATTN: Dennis Oster – PSB
Bonneville Power Administration
P. O. Box 3621
Portland OR 97208-3621

Re: Contracts No. 97PB-10085; 99PB-10585; 98PB-10227; and 97PB-10123

Ladies and Gentlemen:

Please revise your records for notices to Enron Power Marketing, Inc., under the referenced agreements, to:

Enron Power Marketing, Inc.
ATTN: Harlan Murphy, Vice President and Assistant General Counsel
1400 Smith Street
Houston TX 77002

Phone: 713-345-2679; Fax: 713-646-3491

With a copy to:

Enron Power Marketing, Inc.
ATTN: Ed Baughman, Vice President
1400 Smith Street
Houston TX 77002

Phone: 713-853-6351; Fax: 713-646-3490

If you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kenton Erwin", written over a horizontal line.

Kenton Erwin
Assistant General Counsel
503-292-9594

ENRON CORP.**Guarantee Agreement**

This Guarantee Agreement (this "Guarantee"), dated as of December 8, 1998, is made and entered into by Enron Corp., an Oregon corporation ("Guarantor").

WITNESSETH:

WHEREAS, Enron Power Marketing, Inc. (the "Company") has entered into several power contracts (Agreement to Enable Future Purchases, Sales & Exchanges of Power and Other Services, Letter Agreement, and Firm Power Sale Agreement) (the "Agreements") with Bonneville Power Administration ("Counterparty") pursuant to which Company and Counterparty may enter into transactions related to the purchase and sale of energy; and

WHEREAS, Guarantor will directly or indirectly benefit from the Agreements.

NOW THEREFORE, in consideration of Counterparty entering into the Agreements, Guarantor hereby covenants and agrees as follows:

1. **GUARANTY.** Subject to the provisions hereof, Guarantor hereby irrevocably and unconditionally guarantees the timely payment when due of the obligations of Company (the "Obligations") to Counterparty in accordance with the Agreements. To the extent that Company shall fail to pay any Obligations, Guarantor shall promptly pay to Counterparty the amount due. This Guarantee shall constitute a guarantee of payment and not of collection. The liability of Guarantor under the Guarantee shall be subject to the following:

(a) Guarantor's liability hereunder shall be and is specifically limited to payments expressly required to be made in accordance with the Agreements (even if such payments are deemed to be damages) and, except to the extent specifically provided in the Agreement, in no event shall Guarantor be subject hereunder to consequential, exemplary, equitable, loss of profits, punitive, tort, or any other damages, costs, or attorney's fees.

(b) The aggregate amount covered by this Guarantee shall not exceed Thirty Million U.S. Dollars (\$30,000,000).

2. **DEMANDS AND NOTICE.** If Company fails or refuses to pay any Obligations, Counterparty shall notify Company in writing of the manner in which Company has failed to pay and demand that payment be made by Company. If Company's failure or refusal to pay continues for a period of five (5) days after the date of Counterparty's notice to Company, and Counterparty has elected to exercise its rights under this Guarantee, Counterparty shall make a demand upon Guarantor (hereinafter referred to as a "Payment Demand"). A Payment Demand shall be in writing and shall reasonably and briefly specify in what manner and what amount Company has failed to pay and an explanation of why such payment is due, with a specific statement that Counterparty is calling upon Guarantor to pay under this Guarantee. A Payment Demand satisfying the foregoing requirements shall be deemed sufficient notice to Guarantor that it must pay the Obligations. A single written Payment Demand shall be effective as to any specific default during the continuance of such default, until Company or Guarantor has cured such default, and additional written demands concerning such default shall not be required until such default is cured.

3. **REPRESENTATIONS AND WARRANTIES.** Guarantor represents and warrants that:

(a) it is a corporation duly organized and validly existing under the laws of the State of Oregon and has the corporate power and authority to execute, deliver and carry out the terms and provisions of the Guarantee;

(b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution and delivery of this Guarantee; and

(c) this Guarantee constitutes a valid and legally binding agreement of Guarantor, except as the enforceability of this Guarantee may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity.

4. SETOFFS AND COUNTERCLAIMS. Without limiting Guarantor's own defenses and rights hereunder, Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which Company or any other affiliate of Guarantor is or may be entitled to arising from or out of the Agreement or otherwise, except for defenses arising out of the bankruptcy, insolvency, dissolution or liquidation of Company.

5. AMENDMENT OF GUARANTY. No term or provision of this Guarantee shall be amended, modified, altered, waived, or supplemented except in a writing signed by the parties hereto.

6. WAIVERS. Guarantor hereby waives (a) notice of acceptance of this Guarantee; (b) presentment and demand concerning the liabilities of Guarantor, except as expressly hereinabove set forth; and (c) any right to require that any action or proceeding be brought against Company or any other person, or except as expressly hereinabove set forth, to require that Counterparty seek enforcement of any performance against Company or any other person, prior to any action against Guarantor under the terms hereof.

Except as to applicable statutes of limitation, no delay of Counterparty in the exercise of, or failure to exercise, any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from any obligations hereunder.

Guarantor consents to the renewal, compromise, extension, acceleration or other changes in the time of payment of or other changes in the terms of the Obligations, or any part thereof or any changes or modifications to the terms of the Agreement.

Guarantor may terminate this Guarantee by providing written notice of such termination to Counterparty and upon the effectiveness of such termination, Guarantor shall have no further liability hereunder, except as provided in the last sentence of this paragraph. No such termination shall be effective until five (5) business days after receipt by Counterparty of such termination notice. No such termination shall affect Guarantor's liability with respect to any Transaction (as defined in the Agreement) entered into prior to the time the termination is effective, which Transaction shall remain guaranteed pursuant to the terms of this Guarantee.

7. NOTICE. Any Payment Demand, notice, request, instruction, correspondence or other document to be given hereunder by any party to another (herein collectively called "Notice") shall be in writing and delivered personally or mailed by certified mail, postage prepaid and return receipt requested, or by telegram or telecopier, as follows:

To Counterparty: Bonneville Power Administration
905 NE 11th Ave.
P.O. Box 3621
Portland, OR 97208-3621
Attn: Dennis Oster, mail stop PSB-5

To Guarantor: Enron Corp.
1400 Smith Street
Houston, Texas 77002
Attn.: Vice President, Finance and Treasurer
Fax No.: (713) 646-3422

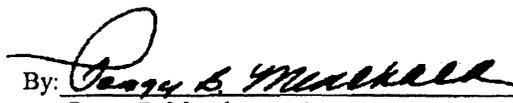
Notice given by personal delivery or mail shall be effective upon actual receipt. Notice given by telegram or telecopier shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. All Notices by telegram or telecopier shall be confirmed promptly after transmission in writing by certified mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving notice as provided above of such change of address.

8. MISCELLANEOUS. THIS GUARANTEE SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. This Guarantee shall be binding upon Guarantor, its successors and assigns and inure to the benefit of and be enforceable by Counterparty, its successors and assigns. The Guarantee embodies the entire agreement and understanding between Guarantor and Counterparty and supersedes all prior agreements and understandings relating to the subject matter hereof. The headings in this Guarantee are for purposes of reference only, and shall not affect the

meaning hereof. This Guarantee may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

EXECUTED as of the 4th day of January, 1999, but effective as of the date and year first above written.

ENRON CORP.

By: 

Peggy B. Menchaca
Vice President and Secretary

COA



Enron Power Marketing, Inc.

P.O. Box 1188

Houston, TX 77251-1188

(713) 853-7500

January 6, 1999

Dennis Oster
Bonneville Power Administration
905 NE 11th Ave., PSB-5
Portland, OR 97208-3621

Re: Enron Corp. Guaranty

Dear Dennis:

Enclosed please find an executed original guaranty from Enron Corp. on behalf of Enron Power Marketing, Inc. If you have any questions and/or comments, please feel free to contact me at 713-853-0554.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tracy Ngo".

Tracy Ngo
Analyst

enclosure

GENERAL CONTRACT PROVISIONS

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1. DEFINITIONS

The definitions in the body of the Agreement and the following additional definitions apply to this exhibit.

- (a) "Federal System" or "Federal System Facilities" means the facilities of the Federal Columbia River Power System (FCRPS). For the purposes of the Agreement the FCRPS includes:
 - (1) the Federal Government's generating facilities in the Pacific Northwest for which BPA is the designated marketing agent;
 - (2) the Federal Government's generating facilities under BPA's jurisdiction;
 - (3) any other generating facilities which BPA has a right to use by contract, license, or treaty; and
 - (4) any other facility from which BPA receives generating capability.
- (b) "Pacific Northwest" means the same as such term is defined in Public Law 96-501.
- (c) "Uncontrollable Force" means an event beyond the reasonable control of the party claiming Uncontrollable Force which by exercise of reasonable diligence and foresight the Party could not be expected to avoid. Uncontrollable Forces shall include but not be limited to:
 - (1) any curtailment for any reason by the transmission provider including but not limited to outages planned or unplanned for maintenance

- (2) strikes or work stoppage including threats of strikes or imminent strikes;
- (3) floods or other natural disasters; and
- (44) orders or injunctions served by any court having competent subject matter jurisdiction or any order of an administrative officer which cannot be stayed, suspended, or set aside pending review of such a court.

Neither the unavailability of funds or financing nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic hardship of either party shall not constitute an Uncontrollable Force.

2. INTERPRETATION

- (a) The provisions in this exhibit shall be deemed to be a part of the contract body to which they are an exhibit. If a provision in such contract body is in conflict with a provision contained in this exhibit, the former shall prevail.
- (b) If a provision in the General Rate Schedule Provisions (GRSP) incorporated in the Wholesale Power Rate Schedules is in conflict with a provision contained in this exhibit, the GRSP or the contract body shall prevail.
- (c) Nothing contained in the Agreement shall, in any manner, be construed to abridge, limit, or deprive any party hereto of any means of enforcing any remedy, either at law or in equity, for the breach of any of the provisions of the Agreement which it would otherwise have.

3. CHARACTER OF SERVICE

Unless otherwise specifically provided for in the Agreement, electric power or energy made available pursuant to the Agreement shall be in the form of 3-phase current, alternating at a nominal frequency of 60 hertz.

4. UNCONTROLLABLE FORCES

Each party shall notify the other as soon as possible of any Uncontrollable Force which may in any way affect the delivery of power hereunder. To the extent that either party is prevented from meeting its obligations under the Agreement by an Uncontrollable Force, both parties will be excused from their respective obligations without liability to the other for the duration of the Uncontrollable Force and the period reasonably required to restore the affected party's operations to conditions existing prior to the occurrence of the Uncontrollable Force.

5. LIMITS ON LIABILITY

Neither party shall be liable to the other party for damages caused by system disturbances occurring on the transmission system(s) used to deliver or receive power under the Agreement. The parties agree that compensation for any damages

caused by an electric disturbance on a transmission system should be sought from the owner of such transmission system, pursuant to the terms of the Agreement Limiting Liability Among Western Interconnected Systems.

6. DISPUTE RESOLUTION AND ARBITRATION

Any contract dispute or contract issue arising out of this Agreement which the Parties are unable to resolve through negotiation or mediation will be subject to binding arbitration; provided, however, that in such binding arbitration proceedings the Parties shall have the same discovery rights as are provided by the Federal Rules of Civil Procedure. The arbitrator(s) shall apply Federal law to resolve the contract dispute or contract issue. The payment of monies shall be the exclusive remedy available in any binding arbitration proceeding under this provision. The arbitrator(s) shall issue a written opinion explaining the final arbitration award. The arbitrator(s) award shall be final and binding on both Parties; provided, however, that either Party may seek judicial review of the final arbitrator(s) award for fraud, misconduct, or misrepresentation. Issues arising under the U. S. Constitution are preserved for judicial resolution.

7. ASSIGNMENT OF AGREEMENT

This Agreement shall inure to the benefit of, and shall be binding upon the respective successors and assigns of the parties to the Agreement. Such contract or any interest therein shall not be transferred or assigned by either party to any party other than the Government or an agency thereof without the written consent of the other except as specifically provided in this section. Such consent shall not be unreasonably withheld.

8. WAIVER OF DEFAULT

Any waiver at any time by any party to the Agreement of its rights with respect to any default of any other party thereto, or with respect to any other matter arising in connection with such contract, shall not be considered a waiver with respect to any subsequent default or matter.

9. NOTICES AND COMPUTATION OF TIME

Any notice required by the Agreement to be given to any party shall be effective when it is received by such party, and in computing any period of time from such notice, such period shall commence at 2400 hours on the date of receipt of such notice.

(PBL\LAN-PSC-W\PMCT\GCPPBL.DOC)

**AGREEMENT TO ENABLE
FUTURE PURCHASES, SALES, AND EXCHANGES
OF POWER AND OTHER SERVICES**
executed by the
BONNEVILLE POWER ADMINISTRATION
and
ENRON POWER MARKETING, INC.

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Exhibit A	BPA's Wholesale Power Rate Schedules and General Rate Schedule Provisions
Exhibit B	Scheduling Provisions, dated July 21, 1999
Exhibit C	Western Systems Power Pool (WSPP) Agreement, dated February 1, 2000

This AGREEMENT TO ENABLE FUTURE PURCHASES, SALES AND EXCHANGES OF POWER AND OTHER SERVICES (Agreement), is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and ENRON POWER MARKETING, INC. (Customer), a corporation incorporated under the laws of the State of Delaware. BPA and Customer are sometimes referred to individually as "Party" and collectively as "Parties."

RECITALS

The Parties wish to provide a contractual mechanism for future purchases, sales and exchanges of Power (firm and nonfirm) and other products and services which the Parties may agree from time to time to make available as specified below.

This Agreement is not a present purchase, sale or exchange of such Power, or other products and services, and does not constitute any advance agreement or obligation for any Party to make available or to purchase or exchange any amount of such Power or other products and services.

BPA is authorized pursuant to law to market electric power and energy generated at various Federal hydroelectric projects in the Pacific Northwest or acquired from other resources, to construct and operate transmission facilities, to provide transmission and other services, and to enter into agreements to carry out such authority.

The Parties agree as follows:

1. TERM OF AGREEMENT

This Agreement shall become effective at 2400 hours on the date of execution (Effective Date), and shall terminate three years from the Effective Date, unless terminated earlier in accordance with the termination provisions specified in section 7. All obligations and liabilities accrued hereunder are preserved until satisfied. Execution of this Agreement shall terminate any prior agreement to enable future purchases, sales, or exchanges of Power and other products and services between the Parties.

2. UNDERLYING PROVISIONS

Unless otherwise specified in this Agreement, all provisions required to perform either Party's obligations under this Agreement shall be as described in the Western Systems Power Pool (WSPP) Agreement, attached hereto as Exhibit C.

3. DEFINITIONS

- (a) "Excess Federal Power" means excess Federal power as defined in section 508 of Public Law 104-46.
- (b) "Power" means Excess Federal Power or firm or nonfirm Surplus Power (or both) made available by BPA, and firm or nonfirm capacity or energy or both made available by Customer.
- (c) "Surplus Power" means surplus peaking capacity, or surplus energy or both, as defined in sections 5(f) and 9(c) of Public Law 96-501, and sections 1(c) and 1(d) of Public Law 88-552.

4. REVISION OF EXHIBITS; INTERPRETATION

(a) **Revision of Exhibit A**

The Wholesale Power Rate Schedules and General Rate Schedule Provisions included in Exhibit A shall be replaced by successor Wholesale Power Rate Schedules and General Rate Schedule Provisions established in accordance with the provisions of section 7(i) of the Northwest Power Act and Federal Energy Regulatory Commission rules.

(b) **Revision of Exhibit B**

BPA shall revise and replace Exhibit B in accordance with the provisions contained in Exhibit B.

(c) **Revision of Exhibit C**

Exhibit C shall be revised unilaterally by BPA to include all future WSPP amendments and revisions, unless a Party notifies the other Party in writing that all or a portion of an amendment or revision is unacceptable within 30 days of its effective date. If either Party finds such future amendments and revisions unacceptable, then such amendments or revisions shall not be included in Exhibit C of this Agreement.

(d) **Interpretation**

In the event of a conflict between the terms of any Exhibit and the terms of the body of this Agreement, the terms of the body of this Agreement shall prevail.

5. RESALE PROVISIONS

(a) Resale by Customer of Surplus Power sold by BPA under this Agreement shall, to the extent required by law, comply with the requirements of Section 5(a) of the Bonneville Project Act, as amended (16 U.S.C. section 832). This provision shall not apply to sales of Excess Federal Power. BPA will identify in each Confirmation Agreement that the Power it sells to the Customer is either: (1) Surplus Power; or (2) Excess Federal Power.

(b) Customer may purchase any Surplus Power under this Agreement only pursuant to section 5(a). In the event that BPA discovers that Customer violated this section 5 in the course of its performance pursuant to a Confirmation Agreement, such Confirmation Agreement shall be immediately terminated; **provided, however**, any and all liabilities incurred prior to such termination shall remain until satisfied.

6. POWER SCHEDULING PROVISIONS

All power transactions under this Agreement shall be scheduled and implemented in accordance with the Scheduling Provisions in Exhibit B. The procedures for scheduling described in Exhibit B are the standard utility procedures followed by BPA for power transactions between BPA and other utilities or entities that require scheduling.

7. TERMINATION PROVISIONS

Each Party shall have the right to terminate this Agreement upon 30 calendar days' written notice to the other Party; **provided, however**, that if any agreement between the Parties remains in effect after the termination date of this Agreement and incorporates by reference, individually or generally, provisions of this Agreement, such provisions shall survive the termination of this Agreement and be binding on the Parties until after the termination of the last such agreement.

8. APPLICABLE LAW

All transactions under this Agreement shall be subject to Federal law governing the sale, exchange, or other disposition of Power and other services, including but not limited to, Public Law 75-329 (the Bonneville Project Act, as amended, 16 U.S.C. 832 et seq.), Public Law 88-552 (the Pacific Northwest Preference Act of August 31, 1964, as amended, 16 U.S.C. 837 et seq.), Public Law 93-454 (the Federal Columbia River Transmission System Act, as amended, 16 U.S.C. 838(a) et seq.), Public Law 96-501 (Pacific Northwest Electric Power Planning and Conservation Act, 16 U.S.C. 839 et seq.), and Section 508 of Public Law 104-46 (codified at 16 U.S.C.A. 832m (West Cum. Ann. Pock. Pt. 1996)).

All sales of Surplus Power for use outside the Pacific Northwest under this agreement are subject to the provisions of Public Law 88-552 and section 9(c) of Public Law 96-501, and the Parties hereby acknowledge their respective responsibilities thereunder. Pursuant to Public Law 88-552, BPA shall have the right to curtail a portion of, or terminate all of: (a) the capacity associated with a surplus firm peaking capacity sale on 60 months' written notice; or (b) the energy associated with a surplus energy sale on a 60-day written notice specifying the amounts and duration of the curtailment or termination, if such capacity and/or energy is needed to meet the capacity and/or energy requirements in the Pacific Northwest. Such curtailments to Customer shall be limited to the amounts and duration necessary to cover BPA's projected Pacific Northwest needs. The sale of capacity and/or energy to Customer under this Agreement shall continue in months during which such capacity and/or energy is not needed, as determined by BPA, in the Pacific Northwest.

9. LIABILITY AND DAMAGES

BPA's implementation of the Liability and Damages provisions of section 21.1 of Exhibit C is subject to applicable Federal law, which limits BPA's ability to pay damages based on intentional acts.

10. NOTICES

Either Party may change the address for notices by giving notice of such change in accordance with this section.

BPA representative for Power transactions:

Bonneville Power Administration
P.O. Box 3621
905 NE. 11th Avenue
Portland, OR 97232
Attn: Dennis M. Oster - PT-5
Account Executive
Phone: 503-230-3370
FAX: 503-230-3681

with a copy to: Bonneville Power Administration
P.O. Box 3621
905 NE. 11th Avenue
Portland, OR 97208-3621
Attn: Vice President, Bulk Marketing and Transmission
Services - PT-5
Phone: 503-230-3295
FAX: 503-230-3681

Customer representative for Power transactions:

Enron Power Marketing, Inc.
Mr. Christian Yoder, Senior Counsel
Three World Trade Center, 121 SW. Salmon Street
Portland, OR 97204
Phone: 503-464-7845
FAX: 503-464-8058

11. ENTIRE AGREEMENT

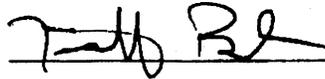
This Agreement, including all provisions, exhibits, and documents incorporated by reference, constitutes the entire agreement between the Parties. It supersedes all previous communications, representations, or agreements, either written or oral, which purport to describe or embody the subject matter of this Agreement.

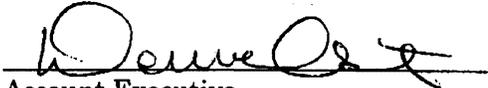
12. SIGNATURES

The signatories represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign.

ENRON POWER MARKETING, INC.

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By 

By 
Account Executive

Name Timothy Belden
(Print/Type)

Name Dennis M. Oster
(Print/Type)

Title Vice President 

Date 4/20/00

Date 4.24.2000

(PBLAN-PSB/5-W:\PSC\PM\CT\10585.DOC)

Exhibit B
SCHEDULING PROVISIONS

July 21, 1999

1. PURPOSE OF THIS EXHIBIT

The purpose of this exhibit is to identify power scheduling requirements and coordination procedures necessary for the delivery of electric power and energy sold under this Agreement. All provisions apply equally to Purchasing-Selling Entities (PSEs) and their authorized scheduling agent. Transmission scheduling arrangements are handled under separate agreements/provisions with the designated transmission provider.

2. COORDINATION: GENERAL, CONTROL AREA, PRESCHEDULE, REAL-TIME, AND AFTER-THE-FACT REQUIREMENTS

(a) General Requirements

- (1) BPA shall have the right to revise and replace this exhibit: (1) in the event that scheduling procedures are changed due to agreement among scheduling parties in the Pacific Northwest; (2) to comply with rules or orders issued by (a) the Federal Energy Regulatory Commission (FERC), (b) the North American Electric Reliability Council, or (c) the Western Systems Coordinating Council; or (3) to implement changes necessary for BPA to administer its power scheduling function in a more efficient manner.
- (2) PSEs must have staff available 24 hours a day for each day an active Transaction or preschedule is in effect. PSEs must be prepared to verify Transactions on an hourly basis, as necessary. Inability to verify Transactions may result in schedule rejection or curtailment.
- (3) PSEs must have staff available during Prescheduling to complete both parties' Prescheduling check out processes, to include balancing (checking) Transactions and the associated totals, per NERC tag. Inability to verify Transactions may result in schedule rejection or curtailment.
- (4) PSEs must have staff available to verify Transactions and totals after-the-fact (ATF) per both parties' ATF processes. Inability to verify ATF may result in billing disputes.
- (5) BPA and the PSE are not obligated to accept Transactions from any party that does not abide by the scheduling requirements in this exhibit.
- (6) Should a PSE preschedule a Transaction for power (raw or delivered) according to section 2(b), and fail to reserve transmission necessary to complete the Transaction per their preschedule, the PSE will not be excused from payment.

- (7) All Transactions shall be stated in Pacific Prevailing Time (PT), beginning with the 0100 hour ending.
- (8) All Schedules will be effectuated on an hourly basis using the standard ramp as specified by Western Systems Coordinating Council (WSCC) procedures.
- (9) If any product is re-sold, all attributes of the product must be maintained in the re-sale.
- (10) The parties agree to expedite communications to avoid accumulation of Inadvertent Interchange and assist with account reconciliation in a timely manner.
- (11) Changes to telephone or fax numbers of key personnel (for Prescheduling, Real-time, Control Area, or Scheduling Agents, etc.) must be submitted to all parties.

(b) **Prescheduling Requirements**

(1) **Information Required For Any Preschedule**

- (A) Unless otherwise agreed, all Transactions will be submitted according to WSCC instructions for NERC tagging.
- (B) When completing the NERC Tag: insert the BPA Contract number in the space provided, preferably in either of the following:
 - Column labeled: "OASIS Reservation # or Contract #", or
 - Line labeled: "Remarks or Key Information".
- (C) Transactions going to or from COB must be identified as using either Malin or Captain Jack.

(2) **Preschedule Coordination**

- (A) Final hourly preschedules (verbal submission of NERC tag information) must be submitted for the next day(s) by 0930 PT of each Workday, unless otherwise agreed.
- (B) Typically, preschedules are for one to three days. Either party may request final preschedules for longer time periods to accommodate special scheduling requirements. Through WSCC meetings, Control Areas have the right to establish final preschedule periods for all special scheduling requirements.

- (C) Under certain operating conditions, either party may require submission of estimated daily preschedules for an ensuing period up to 10 days in length, prior to the final preschedule.

(c) **Real-Time Requirements**

- (1) PSEs may not make real-time changes to the Scheduled amounts, including transmission arrangements unless such changes are allowed under individual contract provisions or by mutual agreement.
- (2) If real-time changes to the Schedule become necessary, and are allowable as described in section 2. (c) 1) above, PSEs must submit such request no later than 30 minutes prior to the hour for which the Schedule change becomes effective.
- (3) Multihour changes to the Schedule shall specify an "hour beginning" and an "hour ending" and shall not be stated as "until further notice."
- (4) Emergency scheduling and notification procedures (including mid-hour changes) will be handled in accordance with WSCC Procedures.

(d) **After-the-Fact Reconciliation Requirements**

PSEs agree to reconcile all Transactions, Schedules and accounts at the end of each month (as early as possible within the first ten calendar days of the next month). The parties will verify all Transactions per BPA contract, as to product or type of service, hourly amounts, daily, and monthly totals, and related charges.

3. DEFINITIONS

- (a) **BPA:** Bonneville Power Administration Power Business Line.
- (b) **COB:** California-Oregon Border.
- (c) **Control Area:** (NERC-defined term) An electrical system bounded by interconnection (tie-line) metering and telemetry. It controls generation directly to maintain its Interchange Schedule with other Control Areas and contributes to frequency regulation of the interconnection.
- (d) **Inadvertent Interchange:** (NERC-defined term) The difference between the Control Areas' Net Actual Interchange and Net Scheduled Interchange.
- (e) **Intermediary Control Area:** (NERC-defined term) A Control Area on the Scheduling Path between the Source (generator) Control Area and Sink (load) Control Area.
- (f) **NOB:** Nevada-Oregon Border.

- (g) **POD: Point of Delivery.** The transmission interconnection point where a generating entity or wheeling entity delivers power to the receiver of the energy or to a wheeling entity.
- (h) **Power:** Generally understood as capacity plus energy
- (i) **Prescheduling:** The process (verbally and in writing) of establishing and balancing (checking out) with all scheduling parties advance hourly Transactions through the following Workday(s). Preschedules apply to the following day or days (if the following day or days are not Workdays).
- (j) **Purchasing-Selling Entity (PSE):** (NERC defined term.) An entity that is eligible to purchase or sell energy or capacity and reserve transmission services.
- (k) **Real-Time:** The hourly or minute-to-minute operations of a power system as opposed to those operations which are prescheduled a day or more in advance.
- (l) **Schedule:** The planned Transaction approved and accepted by all PSEs and Control Areas involved in the Transaction.
- (m) **Transaction:** (NERC-defined term) An agreement arranged by a PSE to transfer energy from a seller to a buyer.
- (n) **Transaction Arrangement:** The process of finding a seller (source) and buyer (sink), plus reserving transmission and Interconnected Operations Services.
- (o) **Uncontrollable Forces:** as defined per the Western Systems Power Pool Agreement dated 6/1/99.
- (p) **Wheeling:** The contracted use of electrical facilities of one or more entities to transmit electricity for another entity. The use of the transmission facilities of one power system to transmit power of and for another system.
- (q) **Workday:** Any day BPA, other regional utilities, and PSEs observe as a working day.

99PB-10589
99PB-10585



Department of Energy

Bonneville Power Administration
3655 West Highway 126
Redmond, Oregon 97756

POWER BUSINESS LINE

December 3, 2001

In reply refer to: PT-5

Mr. Tim Castille
1400 SW Fifth Avenue, Suite 900
Portland, OR 97201

Dear Mr. Castille:

Based on our discussion on November 30, 2001, I executed the Bonneville Power Administration's (BPA) copy of a three party confidentiality agreement among BPA, Enron Power Marketing, Inc. (Enron), and PG&E Energy Trading-Power L.P. (PGET) that consented to Enron's release of confidential BPA information. You told me on Friday this agreement had not been executed by Enron and PGET had not received any confidential BPA information. BPA hereby revokes its signature on the agreement if it has not been executed. In the event it has been executed, we hereby request PGET to return any information received from Enron.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry E. Kitchen".

Larry E. Kitchen
Senior Account Executive

cc:
Peter Meier, Attorney

cc:

J. Wright – LP-7

S. Wilson – PT-5

J. Klippstein – PTS-5

M. Hansen – PTS-5

Official File – PT (PM-11)

LKitchen:sjw:5458:12/03/01 (W:\P\PSB\PM\PM-11\Enron\Revocation.doc)

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (the "Agreement") is made as of the 30th day of November, 2001, by THE UNITED STATES OF AMERICA, ACTING BY AND THROUGH THE BONNEVILLE POWER ADMINISTRATION ("BPA"), having an office at 905 Ne 11th Avenue, Portland, Oregon; ENRON POWER MARKETING, INC ("Enron"), having an office at 1400 Smith Street, Houston, Texas 77002; and PG&E ENERGY TRADING-POWER, L.P. ("PGET"), having an office at 7500 Old Georgetown Road, 13th Floor, Bethesda, MD 20814 (all of the foregoing referred to individually as "Party" or collectively as the "Parties").

WHEREAS, the Parties are currently exploring a transaction (the "Transaction") relating to power sale opportunities among the Parties;

WHEREAS, in order to evaluate the Transaction, the Parties have requested and will request of each other, and the Parties have provided and will provide to each other, certain non-public, confidential or proprietary information (the "Information").

THEREFORE, in consideration of the receipt by the Parties from each other of such Information for their mutual benefit in connection with the Transaction, the Parties hereby agree:

1. The Information will be used solely in connection with the Transaction.
2. Regardless of whether the Transaction is consummated, during the period for which the obligations set forth in this Agreement are in effect, the Parties will keep such Information confidential.
3. The Parties will safeguard the Information against disclosure by employing the same means to protect the Information as it uses to protect its own non-public, confidential or proprietary information; provided, however, that if a Party providing the Information requests that the receiving Party employ specific measures against disclosure (e.g., restrictions on copying), the receiving Party will agree to be bound by such measures by accepting the Information, provided that the Party delivering the Information makes such request in writing on or before the date the Information is provided and identifies with specificity the Information that is to be subject to such specific measures.
4. BPA consents to Enron providing the Information regarding BPA's power contracts with Enron necessary to explore the Transaction. PGET shall provide BPA within a reasonable time written, electronic, or facsimile copies of all Information received from Enron regarding BPA's power contracts in written, electronic, or facsimile form.
5. No receiving Party shall itself, or permit its employees or agents at any time to, use, reveal, report, publish, transfer or otherwise disclose to any person,

PG&E National Energy Group (PG&E NEG) and any other company referenced herein that uses the PG&E name or logo are not the same company as Pacific Gas and Electric Company, the regulated California utility. Neither PG&E NEG nor these other referenced companies are regulated by the California Public Utilities Commission. Customers of Pacific Gas and Electric Company do not have to buy products from these companies in order to continue to receive quality regulated services from the utility.

corporation or other entity any of the Information without the prior written consent of the Party providing the Information, except a receiving Party may distribute the Information, subject to any specific measures directed against disclosure in Paragraph 3, to responsible board members, officers, employees, agents and consultants of the receiving Party who have a need for such Information for purposes of evaluating the Transaction, provided that any disclosure by such board members, officers, employees, agents or consultants in violation of the provisions of this Agreement shall be a breach of this Agreement by the recipient Party.

6. Upon request by the Party providing Information or the Party consenting to the release of Information, the Party receiving the Information shall promptly return such Information and all copies or other reproductions thereof, and all letters, notes and reports thereof, and all other materials, derived from the Information which are in the receiving Party's control. The receiving Party agrees to represent in writing to the Party providing the Information that it has complied with the provisions of this paragraph.
7. No Party providing Information or consenting to the release of Information shall be deemed to have made any representation or warranty in connection with such Information.
8. In the event that any Party receiving the Information becomes legally compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any of the Information, the legally compelled Party shall give the other Party providing the Information with prompt prior written notice of such requirement so that the providing Party may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Agreement. In the event that such protective order or other remedy is not obtained, or that the providing Party waives compliance with the terms hereof, the Party legally compelled to disclose the Information agrees to provide only that limited portion of the Information that it is advised by written opinion of counsel is legally required and to exercise reasonable efforts to obtain assurance that confidential treatment will be accorded such Information.
9. The term "Information" does not include any information which (i) at the time of disclosure or thereafter is generally available to the public (other than as a result of a disclosure by any Party in violation of this Agreement), (ii) was available to any Party on a non-confidential basis from a source other than the Party hereto providing the Information, provided that such source is not and was not known by the receiving Party to be bound by a confidentiality agreement that protected the Information or, (iii) has been independently acquired or developed by any Party without violating any of its obligations under this Agreement.
10. This Agreement shall be interpreted, governed and construed under the laws of the State of Maryland as if it were executed and to be performed wholly within the State of Maryland except to the extent that the parties rights and obligations are required to be governed by United States Federal law.
11. The Parties agree that in the event of a breach of this Agreement, the Party providing the Information or consenting to the release of Information shall be

entitled to equitable relief, including injunction and specific performance, in addition to all other remedies available at law or equity.

- 12. The Parties' obligations under this Agreement will expire two (2) years from the date hereof.
- 13. This Agreement may be executed in counterparts, and each counterpart shall for all purposes be an original, and all such counterparts shall together constitute one and the same Agreement.
- 14. This Agreement shall in no way be construed to (i) preclude in any way either Party from pursuing any business opportunities; (ii) establish any relationship between the parties with respect to such business opportunities; or (iii) establish any relationship between the parties with respect to the Transactions that is the subject of this Agreement.
- 15. This Agreement (i) may only be amended by both Parties in writing, and (ii) represents the entire understanding of the Parties with respect to the matters that are the subject hereof.

IN WITNESS WHEREOF, the Parties have duly executed this Confidentiality Agreement as of the date first above written.

ENRON POWER MARKETING, INC.

PG&E ENERGY TRADING-
POWER, L.P. By: PG&E Energy
Trading Holdings Corporation, its
Sole general partner

By: _____

By: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

THE UNITED STATES OF AMERICA,
ACTING BY AND THROUGH THE
BONNEVILLE POWER ADMINISTRATION

By: *[Signature]*

Title: Senior Account Executive

Dated: 11/30/01



Enron North America Corp.

P.O. Box 1188

Houston, TX 77251-1188

*Reid
03-05-02*

March 1, 2002

Bonneville Power Administration
Scott Wilson
905 NE 11th Avenue
P.O. Box 3621
Portland, OR 97208-3621

Dear Scott:

The purpose of this letter is to advise you that Enron Power Marketing, Inc. ("EPMI") has begun preparations, consistent with its duties to creditors and other parties in interest and as part of the overall Chapter 11 business reorganization of Enron Corp. and its affiliates in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), for a process designed to maximize the value to its Chapter 11 bankruptcy estate of certain assets, specifically its power purchase and sale contracts and/or positions (collectively, the "Contracts"). You are receiving this letter because your company is a counterparty ("Counterparty") under contract to either purchase or deliver energy to EPMI under one or more Contracts, and it is envisioned that this Contract(s) may be part of this process.

While EPMI intends to explore a number of structures and options to achieve this goal with its advisors and with the Official Committee of Unsecured Creditors ("the Creditors' Committee") in the bankruptcy case, EPMI currently anticipates that the most likely structures will involve either an outright sale of the Contracts (through the assumption and assignment process afforded by the Bankruptcy Code) or one or more long-term wholesale energy supply arrangements, in each case most likely involving an auction-type process with credit-worthy bidders. Notwithstanding the commencement of this process, it is important to note that EPMI intends to continue performing its obligations under the Contracts in order to preserve their value for the estate. We anticipate seeking the approval of the Bankruptcy Court both for the process itself and the ultimate outcome thereof. The particular aspects and any requirements of the structure(s) selected will be addressed at that time and you will receive notice thereof in due course to the extent provided by the rules of the Bankruptcy Court.

In the interim we also wish to advise you that EPMI would be willing, in conjunction with the Creditors' Committee, to consider offers of settlement for the outstanding contractual positions and other rights of the estate under the Contracts. EPMI realizes that some Counterparties may, by virtue of their particular positions, circumstances, and knowledge of their Contracts, be motivated to resolve their own positions through a negotiated settlement providing a value consistent with an auction process.

EPMI is inviting interested Counterparties to propose settlement structures which would either (i) terminate all future obligations of the parties to the Contract or (ii) restructure future Contract obligations in a form acceptable to EPMI and the Bankruptcy Court. EPMI will review all reasonable proposals for settlements but reserves the right to select, in its sole discretion, any structure or proposal that meets EPMI's and its creditors' goals and objectives. Of course, all settlements would need to be competitive with the potential values for the estate which could reasonably be expected to be achieved through an auction-type process and will in each case require approval of the Bankruptcy Court.

If you have an interest in pursuing discussions concerning a settlement, please contact us at the following numbers before March 18th, if possible:

Mike Krautz
Sr. Director
713-853-4573

Brandon Wax
Director
713-345-8913

Counterparties should be mindful that it is one of the key goals of the process to achieve resolution of the process on an expedited basis and therefore a desire to engage in settlement discussions should be communicated to us as soon as possible.

We look forward to your response.



March 28, 2002

Rec'd
04/04/02

Enron North America Corp.
121 SW Salmon, 3WTC0306
Portland, OR 97204

ATTN: Dennis Oster -- PSB
Bonneville Power Administration
P. O. Box 3621
Portland OR 97208-3621

Re: Contracts No. 97PB-10085; 99PB-10585; 98PB-10227; and 97PB-10123

Ladies and Gentlemen:

Please revise your records for notices to Enron Power Marketing, Inc., under the referenced agreements, to:

Enron Power Marketing, Inc.
ATTN: Harlan Murphy, Vice President and Assistant General Counsel
1400 Smith Street
Houston TX 77002

Phone: 713-345-2679; Fax: 713-646-3491

With a copy to:

Enron Power Marketing, Inc.
ATTN: Ed Baughman, Vice President
1400 Smith Street
Houston TX 77002

Phone: 713-853-6351; Fax: 713-646-3490

If you have any questions, please do not hesitate to contact the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kenton Erwin", written over a horizontal line.

Kenton Erwin
Assistant General Counsel
503-292-9594

01/02-07793



Enron Power Marketing, Inc.
P.O. Box 4428
Houston, Texas 77210-4428
(FAX) (713) 646-2491

LETTER AGREEMENT

This Letter Agreement (the "Agreement") by and between **Enron Power Marketing, Inc.** (the "Company") and **Bonneville Power Administration** (the "Counterparty") is effective the 2nd day of February 2, 2001 (the "Effective Date").

Whereas, on January 31, 2001, the Company entered into a transaction with the Counterparty via EnronOnline for the sale by Counterparty to Company of 25 megawatts per hour of firm power for delivery to Mid-Columbia for July 1, 2001 through September 30, 2001 (the "Transaction") (EOL Trans #826929 and EPMI Deal #508797.1);

Whereas, the Parties have agreed to terminate the Transaction because there was a mistake regarding the terms of the Transaction.

Therefore, for good and valuable consideration, the sufficiency of which is hereby recognized, the Parties agree as follows:

The Parties hereby agree that all of the Company's obligations to receive firm power and the Counterparty's obligations to deliver firm power under the Transaction are terminated. Accordingly, the Company and the Counterparty shall have no rights or responsibilities to each other with respect to the Transaction.

EXECUTED the ___ day of February, 2001.

Bonneville Power Administration

By:

Name:

Title:


David E. Mills
Trading floor Mgr

Enron Power Marketing, Inc.

By:

Name: Tim Belden

Title: Managing Director





Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive

FOR SETTLEMENT PURPOSES ONLY
SUBJECT TO FEDERAL RULE OF EVIDENCE 408 AND
NEW YORK CIVIL PRACTICE LAW AND RULES § 4547,

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-Disclosure Agreement ("CND Agreement") is entered into on this 9th day of May, 2002, by and between Enron Power Marketing, Inc. ("EPMI") and the Bonneville Power Administration ("BPA").

PURPOSE

EPMI and BPA (the "Parties") entered into agreements for the purchase, sale and delivery of energy (collectively the "Agreements"). The Parties wish to enter into discussions and negotiations for the purpose of reaching a final settlement of obligations and liabilities under certain of those agreements, as specified in the term sheet to be provided by EPMI upon execution of this agreement. This CND Agreement requires the Parties to protect the confidentiality of their discussions and negotiations and, to the extent permitted by law, refrain from disclosing any agreement that results from their discussions and negotiations from disclosure by entering into this CND Agreement.

SCOPE

This CND Agreement shall govern all communications, whether oral, in writing or communicated electronically, between the Parties, their respective counsel and/or their respective representatives, regarding settlement of the Agreements ("Communications").

DUTIES

The Parties agree that they will maintain the confidentiality of all Communications and safeguard such Communications from disclosure to third parties, except as noted in the following section. The Parties agree that no Communications shall be used for any purpose other than settlement of the Agreements, and that, to the extent permitted by law, neither such statements nor the fact that the parties have had discussions or negotiations shall be introduced in evidence or used in any way in any federal or state judicial or administrative proceeding. If the Parties seek the assistance of any court, private organization, or individual for purposes of engaging in an alternative dispute resolution process, neither Party shall disclose the fact or substance of any of their settlement discussions or negotiations governed by this CND Agreement without written agreement of the other Party.

EXCEPTIONS TO NON-DISCLOSURE

1. Either party may disclose information that would otherwise be subject to this CND Agreement by obtaining, in advance of any such disclosure, the written consent of the other Party.
2. EPMI may disclose Communications to affiliates, third party advisors, third party members of creditors' committees established in EPMT's bankruptcy proceeding, and the bankruptcy court in EPMI's bankruptcy proceeding, but only to the extent necessary to evaluate and/or obtain the requisite approvals for the settlement of the Agreements
3. BPA may disclose Communications to outside counsel and financial advisors, the Department of Energy, and the Department of Justice to the extent necessary to evaluate and/or obtain the requisite approvals for the settlement of the Agreements.
4. Either Party may disclose Communications when required by law after providing the other party with prompt notice. If a Party is required by law to disclose Communications, that Party shall promptly notify the other Party, who may, at its own cost and expense, seek a protective order, or otherwise take action necessary to protect the confidentiality of the affected Communications. The phrase "required by law" includes, without limitation, discovery requests, subpoenas and requests made pursuant to legislation regarding municipal public records and freedom of information. Written notice of an intent to disclose shall be given no less than ten (10) business days before the intended disclosure.

REMEDIES

1. Each Party shall be liable to the other Party for any direct monetary damages resulting from a Party's disclosure of any Communications in violation of this Agreement, including disclosures made by employees, affiliates, financial advisers, or counsel. Neither Party shall be liable for consequential damages or lost profits.
2. If any Party breaches this CND Agreement, the other Party may seek an order compelling compliance and may disclose to the Court any otherwise protected Communications necessary to state the basis for the Party's request for relief.
3. These are the sole and exclusive remedies available under this CND Agreement.

GOVERNING LAW

To the extent permitted by law, BPA and EPMI agree that this CND Agreement shall be governed by New York law without regard to principles of conflict of laws. Should a law other than New York law govern all or any part of this Agreement notwithstanding the Parties' choice of New York law, all Communications, as described by this CND Agreement, shall be protected by Federal Rule of Evidence 408 and, to the extent permitted by law, New York Civil Practice Law and Rules section 4547.

NOTICES

Notice pursuant to this agreement shall be delivered to:

If to EPMI:

Brandon Wax, Senior Director
Enron Power Marketing, Inc.
1400 Smith St.
Houston, TX 77002
Fax No. (713) 646-2126

With a copy to its counsel:

Harlan E. Murphy
Vice President & General Counsel
Enron Power Marketing, Inc.
1400 Smith St.
Houston, TX 77002
Fax No. (713) 646-3490

With a copy to its counsel:

If to BPA:

Bonneville Power Administration
Attn: [Name of Contact] SCOTT K WILSON
[Address] 905 NE 11th AVE
Fax No. [503 230 3681] PORTLAND OR
97232

With a copy to its counsel:

JON WRIGHT
ATTORNEY
905 NE 11th AVE
PORTLAND OR 97232
FAX 503 230 7405

ENRON POWER MARKETING, INC.

BONNEVILLE POWER ADMINISTRATION

By: Edward D. Baughman
Name: Edward D. Baughman
Title: Managing Director
Date: 5-9-07

By: Scott K Wilson
Title: SCOTT K WILSON
Name: ACCOUNT EXECUTIVE
Date: May 9, 2007



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 17, 2003

In reply refer to: PT-5

Mr. Brandon Wax
Enron Power Marketing
1400 Smith Street 723A
Houston, TX 77002

Dear Mr. Wax:

The agreement to enable power sales, purchases and exchanges with the Bonneville Power Administration (Bonneville), Contract No. 99PB-10585, is due to expire on April 24, 2003. We would like to extend your existing contract for 30 days. This is necessary to make sure we are able to continue our normal course of business without interruption.

If you concur with this extension, please sign and return a copy of this letter no later than April 22, 2003. You may wish to FAX a copy to me, as well, at 503-230-3681.

Please call me at 503-230-7638 for any further questions.

Sincerely,

Scott K. Wilson
Account Executive

ACCEPTED:

ENRON POWER MARKETING

By Edward D. Baughman *Hom*

Name Edward D. Baughman
(Print/Type)

Title Managing Director

Date 4-21-03



Department of Energy

Bonneville Power Administration
 P.O. Box 3621
 Portland, Oregon 97208-3621

POWER BUSINESS LINE

Date: September 24, 1999

To: Enron Power Marketing, Inc.
 121 SW Salmon 3WTC0306
 Portland, OR 97204

Attn: Greg Wolfe

Phone: (503) 464-8481

Fax: (503) 464-3740

Houston Ph.: (713) 853-1771

Houston Fax: (713) 646-2443 Confirms

Preschedule: (800) 684-1336; (503) 464-3825

Real-Time: (800) 684-1336; (503) 464-3813

BPA Contacts:	
Brenda Anderson	(503) 230-5610
Terry Larson	(503) 230-3071
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Dennis Oster	(503) 230-3370
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA Real-Time	(503) 230-3341 or (503) 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by the Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with the reference contract listed below.

Transaction Date	8/20/99
Reference Contract #	97PB-10085
BPA Contract #	99PB-10605
BPA Contact	Dennis Oster
Customer Contact	Greg Wolfe <i>GW</i>
Seller	EPM
Buyer	BPA
Start date	10/1/01
End date	9/30/06
Holiday Excluded	None
Day of Week	All except the months of April, May, and June of each calendar year.
Delivery Hours Ending (HE)	All
Quantity (MWh/hr)	50
Demand Limits (MW)	50
Total MWhs	2001 110,450; 2002 328,850; 2003 328,850; 2004 330,050; 2005 328,850; 2006 218,400 (Total 1,645,450)
Price (\$/MWh)	30.75
Total Revenue/Cost	2001 \$3,396,338; 2002 \$10,112,138; 2003 \$10,112,138; 2004 \$10,149,038; 2005 \$10,112,138; 2006 \$6,715,800 (Total \$50,597,588)
Type of Energy	Firm Power on a take-or-pay basis
Curtailement Rights	
Point of Delivery (POD)	A point of interconnection on the BPA network transmission system capable of receiving 50 MW without constraints and where BPA can accept power without congestion, control area or other charges imposed by the NW transmission operator at the time

Alternate PODs (APOD) Point of Integration Other	EPM notifies BPA of its point of delivery.
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Scheduling:

- All energy will be shown in Pacific Prevailing Time.
- HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
 - LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
 - All (delivery hours ending) is defined as HE 0100-HE 2400.
- Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both Parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing:

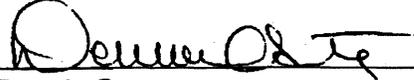
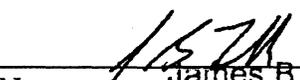
Billing and payment under this agreement shall be in accordance with the reference contract.

Other:**1. Termination of Reference Contract**

At such time that the Reference Contract terminates, the terms and conditions of such Reference Contract shall continue to govern this Confirmation Agreement, unless otherwise mutually agreed by BPA and EPM.

2. This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and EPM.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc. <i>DB</i> <i>Clay</i>
	
Dennis Oster	Name: James B. Fallon
Bulk Power Marketing	Title: Vice President
Date: 9/24/99	Date: 9-30-99

2001	X50	X30.75		X50	X30.75
OCT	745	37,250	\$1,145,438		
NOV	720	36,000	\$1,107,000		
DEC	744	37,200	\$1,143,900		
		110,450	\$3,396,338		
2002				2005	
JAN	744	37,200	\$1,143,900	JAN	744 37,200 \$1,143,900
FEB	672	33,600	\$1,033,200	FEB	672 33,600 \$1,033,200
MAR	744	37,200	\$1,143,900	MAR	744 37,200 \$1,143,900
JUL	744	37,200	\$1,143,900	JUL	744 37,200 \$1,143,900
AUG	744	37,200	\$1,143,900	AUG	744 37,200 \$1,143,900
SEP	720	36,000	\$1,107,000	SEP	720 36,000 \$1,107,000
OCT	745	37,250	\$1,145,438	OCT	745 37,250 \$1,145,438
NOV	720	36,000	\$1,107,000	NOV	720 36,000 \$1,107,000
DEC	744	37,200	\$1,143,900	DEC	744 37,200 \$1,143,900
		328,850	\$10,112,138		328,850 \$10,112,138
2003				2006	
JAN	744	37,200	\$1,143,900	JAN	744 37,200 \$1,143,900
FEB	672	33,600	\$1,033,200	FEB	672 33,600 \$1,033,200
MAR	744	37,200	\$1,143,900	MAR	744 37,200 \$1,143,900
JUL	744	37,200	\$1,143,900	JUL	744 37,200 \$1,143,900
AUG	744	37,200	\$1,143,900	AUG	744 37,200 \$1,143,900
SEP	720	36,000	\$1,107,000	SEP	720 36,000 \$1,107,000
OCT	745	37,250	\$1,145,438		218,400 \$6,715,800
NOV	720	36,000	\$1,107,000		
DEC	744	37,200	\$1,143,900		
		328,850	\$10,112,138		
2004					1,645,450 \$50,597,588
JAN	744	37,200	\$1,143,900		
FEB	696	34,800	\$1,070,100		
MAR	744	37,200	\$1,143,900		
JUL	744	37,200	\$1,143,900		
AUG	744	37,200	\$1,143,900		
SEP	720	36,000	\$1,107,000		
OCT	745	37,250	\$1,145,438		
NOV	720	36,000	\$1,107,000		
DEC	744	37,200	\$1,143,900		
		330,050	\$10,149,038		



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson". The signature is written in a cursive style.

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power Administration
 P.O. Box 3621
 Portland, Oregon 97208-3621

POWER BUSINESS LINE

Date: December 20, 1999

To: Enron Power Marketing, Inc.
 121 SW. Salmon 3WTC0306
 Portland, OR 97204

Attn: Greg Wolfe

Phone: (503) 464-8481

Fax: (503) 464-3740

Houston Ph.: (713) 853-1771

Houston Fax: (713) 646-2443 Confirms

Preschedule: (800) 684-1336; (503) 464-3825

Real-Time: (800) 684-1336; (503) 464-3813

BPA Contacts:

Brenda Anderson (503) 230-5610

Terry Larson (503) 230-3071

Dan Le (503) 230-3144

Young Linn (503) 230-3183

Bill Lamb (503) 230-3135

Dennis Oster (503) 230-3370

BPA Trading Floor Fax (503) 230-7463

BPA Preschedule Fax (503) 230-3039

BPA SW Preschedule (503) 230-3915

BPA NW Preschedule (503) 230-3813

BPA Real-Time (503) 230-3341 or
 (503) 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by the Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with the reference contract listed below.

Transaction Date	12/10/99
Reference Contract #	97PB-10085
BPA Contract #99PB-	00PB-10642
BPA Contact	Dennis Oster
Customer Contact	Greg Wolfe
Seller	EPM
Buyer	BPA
Start date	10/1/01
End date	9/30/06
Holiday Excluded	None
Day of Week	All except the months of May and June of each calendar year.
Delivery Hours Ending (HE)	All
Quantity (MWh/hr)	50
Demand Limits (MW)	50
Total MWs	2001 110,450; 2002 364,800; 2003 364,800; 2004 366,000; 2005 364,800; 2006 254,350 (Total 1,825,200)
Price (\$/MWh)	30.65
Total Revenue/Cost	2001 \$3,385,293; 2002 \$11,181,120; 2003 \$11,181,120; 2004 \$11,217,900; 2005 \$11,181,120; 2006 \$7,795,828 (Total \$55,942,380)
Type of Energy	Firm Power on a take-or-pay basis.
Curtailment Rights	
Point of Delivery (POD)	Mid-Columbia, Pacific Corp, Puget Sound Power & Light, or Washington Water Power (Avista), at a point of interconnection with BPA's transmission network.

100
 How B

Alternate PODs (APOD) Point of Integration Other	EPM shall identify the Sending Utilities (SUs) to BPA's NW Prescheduler daily, on a preschedule basis. Enron may put to us an additional 50 MW if notice is provided not later than 12 noon on January 31, 2000.
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Scheduling:

- All energy will be shown in Pacific Prevailing Time.
- Heavy load hours are defined as hour ending (HE) 0700 - HE 2200, Monday through Saturday (excludes Sundays and North American Electric Reliability Council (NERC) holidays).
- Light load hours are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- All (delivery hours ending) is defined as HE 0100-HE 2400.
Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both Parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing:

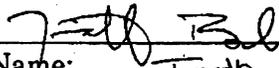
Billing and payment under this agreement shall be in accordance with the reference contract.

Other:

1. **Termination of Reference Contract**
At such time that the Reference Contract terminates, the terms and conditions of such Reference Contract shall continue to govern this Confirmation Agreement, unless otherwise mutually agreed by BPA and EPM.
2. **EPM Put Right**
EPM shall have the right to put an additional 50 MW to BPA, if EPM provides BPA with written notice prior to 1200 hours on January 31, 2000. If such right is exercised by EPM, the terms and conditions for the sale shall be identical to those described in this Agreement. A separate confirmation agreement will be prepared for this transaction.
3. This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and EPM.

AW

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
 _____	 _____
Dennis Oster	Name: <u>Timothy Belden</u>
Bulk Power Marketing	Title: <u>Vice President</u>
Date <u>12/20/99</u>	Date: <u>1-18-2000</u>



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

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Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson". The signature is written in a cursive style.

Scott K. Wilson
Account Executive



Department of Energy

Bonneville Power Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: March 09, 2000
To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204
Attn Mike Swerzbin
 503-464-3816

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Terry Larson	(503) 230-3071
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Preschedule	(503) 230-4311
BPA Real-Time	(503) 230-3341 or 230-4194

Confirm Fax: 713-646-2443
Preschedule Phone: 800-684-1336
Real Time Phone: 503-464-3823
PS/RT FAX: 503-464-2605

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 97PB-10085.

Transaction Date: 3/9/00 **Traders:** David Mills (BPA) and Mike Swerzbin (EPM)
BPA Contract: 00PB - 23275

Seller of Energy: BPA
Buyer of Energy: Enron Power Marketing, Inc.
Product: Surplus firm power on a take-or-pay basis
Point of Delivery: COB (North to South only)
 Buyer of energy shall identify the Receiving Utilities (RUs) to BPA's SW Prescheduler daily, on a preschedule basis.
Alternate Point of Delivery: Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system. Energy taken to an alternate POD is take-or-pay and liquidated damages do not apply. Customer is responsible for payment of energy if transmission is curtailed to APOD.

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWH	Holiday Price	Holiday Excluded	Revenue/ Cost
1/1/03	1/31/03	50	ALL	50	37,200	\$27.96		\$1,040,112.00
2/1/03	2/28/03	50	ALL	50	33,600	\$27.96		\$939,456.00
3/1/03	3/31/03	50	ALL	50	37,200	\$27.96		\$1,040,112.00
4/1/03	4/30/03	50	ALL	50	35,950	\$27.96		\$1,005,162.00
5/1/03	5/31/03	50	ALL	50	37,200	\$27.96		\$1,040,112.00
6/1/03	6/30/03	50	ALL	50	36,000	\$27.96		\$1,006,560.00
7/1/03	7/31/03	50	ALL	50	37,200	\$27.96		\$1,040,112.00
8/1/03	8/31/03	50	ALL	50	37,200	\$27.96		\$1,040,112.00

9/1/03	9/30/03	50 /	ALL	50	36,000	\$27.96	\$1,006,560.00
10/1/03	10/31/03	50	ALL	50	37,250	\$27.96	\$1,041,510.00
11/1/03	11/30/03	50	ALL	50	36,000	\$27.96	\$1,006,560.00
12/1/03	12/31/03 /	50	ALL /	50 /	37,200	\$27.96 /	\$1,040,112.00
Energy Transaction Total:					<u>438,000</u>		\$12,246,480.00 /

Additional Provisions

This transaction is the result of an arrangement between BPA, New Energy, Inc., and EPM for the purpose of reducing credit exposure for power delivered under BPA contracts #98PB-10219 and #98PB-10851.

Scheduling

All energy will be shown in Pacific Prevailing Time.

- HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

- LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

- All or FLH is defined as HE 0100 - HE 2400. /

Customer shall preschedule all deliveries of energy by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties. /

Billing

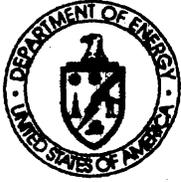
Billing and payment under this agreement shall be in accordance with the reference contract. /

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA. /

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA. /

AGREED AND ACCEPTED

Bonneville Power Administration	Enron Power Marketing, Inc.
<u>David E. Mills</u>	<u>Kim S. Theriot</u>
David E. Mills Manager, Trading Floor	Name: _____ Title: <u>Kim S. Theriot</u> Agent and Attorney-in-fact
Date: <u>3/13/00</u>	Date: <u>3/16/2000</u>



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

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Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson". The signature is written in a cursive style with a large, sweeping "S" and "W".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: October 31, 2000
To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204
Attn: Mike Swerzbin
 503-464-3816

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Preschedule	(503) 230-4311
BPA Real-Time	(503) 230-3341 or 230-4194

Confirm Fax: 713-646-2491
Preschedule Phone: 800-684-1336
Real Time Phone: 503-464-3823
PS/RT FAX: 503-464-2605

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 10/31/00 **Traders:** Brenda Anderson (BPA) and Mike Swerzbin (EPM)
BPA Contract: 01PB - 10742 **Broker:** Tradition Financial Services, Inc

Seller of Energy: Enron Power Marketing, Inc.

Buyer of Energy: BPA

Product: Firm power

Point of Delivery: Mid-Columbia; including points where PacifiCorp, Puget Sound Power & Light, and Avista Corporation - Washington Water Power Division are interconnected with BPA's transmission system, excluding constrained paths. Seller of energy shall identify the Sending Utilities (SU) to BPA's NW Prescheduler daily, on a preschedule basis.

Start of Term	End of Term	Demand Limit	Amount Hours	Total MWH	Price	Holiday Excluded	Revenue/ Cost
1/1/02	1/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
2/1/02	2/28/02	50	ALL	50	33,600	\$42.75	\$1,436,400.00
3/1/02	3/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
4/1/02	4/30/02	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/02	5/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
6/1/02	6/30/02	50	ALL	50	36,000	\$42.75	\$1,539,000.00
7/1/02	7/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
8/1/02	8/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00

9/1/02	9/30/02	50	ALL	50	36,000	\$42.75	\$1,539,000.00
10/1/02	10/31/02	50	ALL	50	37,250	\$42.75	\$1,592,437.50
11/1/02	11/30/02	50	ALL	50	36,000	\$42.75	\$1,539,000.00
12/1/02	12/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
1/1/03	1/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
2/1/03	2/28/03	50	ALL	50	33,600	\$42.75	\$1,436,400.00
3/1/03	3/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
4/1/03	4/30/03	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/03	5/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
6/1/03	6/30/03	50	ALL	50	36,000	\$42.75	\$1,539,000.00
7/1/03	7/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
8/1/03	8/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
9/1/03	9/30/03	50	ALL	50	36,000	\$42.75	\$1,539,000.00
10/1/03	10/31/03	50	ALL	50	37,250	\$42.75	\$1,592,437.50
11/1/03	11/30/03	50	ALL	50	36,000	\$42.75	\$1,539,000.00
12/1/03	12/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
1/1/04	1/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
2/1/04	2/29/04	50	ALL	50	34,800	\$42.75	\$1,487,700.00
3/1/04	3/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
4/1/04	4/30/04	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/04	5/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
6/1/04	6/30/04	50	ALL	50	36,000	\$42.75	\$1,539,000.00
7/1/04	7/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
8/1/04	8/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
9/1/04	9/30/04	50	ALL	50	36,000	\$42.75	\$1,539,000.00
10/1/04	10/31/04	50	ALL	50	37,250	\$42.75	\$1,592,437.50
11/1/04	11/30/04	50	ALL	50	36,000	\$42.75	\$1,539,000.00
12/1/04	12/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
1/1/05	1/31/05	50	ALL	50	37,200	\$42.75	\$1,590,300.00
2/1/05	2/28/05	50	ALL	50	33,600	\$42.75	\$1,436,400.00
3/1/05	3/31/05	50	ALL	50	37,200	\$42.75	\$1,590,300.00
4/1/05	4/30/05	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/05	5/31/05	50	ALL	50	37,200	\$42.75	\$1,590,300.00
6/1/05	6/30/05	50	ALL	50	36,000	\$42.75	\$1,539,000.00
7/1/05	7/31/05	50	ALL	50	37,200	\$42.75	\$1,590,300.00
8/1/05	8/31/05	50	ALL	50	37,200	\$42.75	\$1,590,300.00
9/1/05	9/30/05	50	ALL	50	36,000	\$42.75	\$1,539,000.00
10/1/05	10/31/05	50	ALL	50	37,250	\$42.75	\$1,592,437.50
11/1/05	11/30/05	50	ALL	50	36,000	\$42.75	\$1,539,000.00
12/1/05	12/31/05	50	ALL	50	37,200	\$42.75	\$1,590,300.00
1/1/06	1/31/06	50	ALL	50	37,200	\$42.75	\$1,590,300.00
2/1/06	2/28/06	50	ALL	50	33,600	\$42.75	\$1,436,400.00
3/1/06	3/31/06	50	ALL	50	37,200	\$42.75	\$1,590,300.00
4/1/06	4/30/06	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/06	5/31/06	50	ALL	50	37,200	\$42.75	\$1,590,300.00
6/1/06	6/30/06	50	ALL	50	36,000	\$42.75	\$1,539,000.00

7/1/06	7/31/06	50	ALL	50	37,200	\$42.75	\$1,590,300.00
8/1/06	8/31/06	50	ALL	50	37,200	\$42.75	\$1,590,300.00
9/1/06	9/30/06	50	ALL	50	36,000	\$42.75	\$1,539,000.00
10/1/06	10/31/06	30	ALL	50	37,250	\$42.75	\$1,592,437.50
11/1/06	11/30/06	50	ALL	50	36,000	\$42.75	\$1,539,000.00
12/1/06	12/31/06	50	ALL	50	37,200	\$42.75	\$1,590,300.00
Energy Transaction Total:							\$98,678,800.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sunday and NERC holidays).

~ LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 - HE 2400.

Customer shall preschedule all deliveries of energy by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

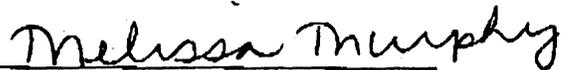
Bonneville Power Administration



David E. Mills
Manager, Trading Floor

Date: 11/1/00

Enron Power Marketing, Inc.



Name: Melissa Murphy
Title: Agent And Attorney-in-fact

Date: 11-15-2000



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: November 01, 2000
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT 503-464-2605
 FAX:

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 David Mills (503) 230-7588
 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 11/1/00 **Traders:** Brenda Anderson (BPA) and Holli Krebs (EPM)
BPA Contract: 01PB-10743

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia; including points where PacifiCorp, Puget Sound Power & Light, and Avista Corporation -Washington Water Power Division are interconnected with BPA's transmission system, excluding constrained paths.

Start of Term	End of Term	Demand Limit	Amount Hours (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
1/1/02	12/31/02	50	ALL	50	438,000	\$42.90	\$18,790,200.00
1/1/03	12/31/03	50	ALL	50	438,000	\$42.90	\$18,790,200.00
1/1/04	12/31/04	50	ALL	50	439,200	\$42.90	\$18,841,680.00
1/1/05	12/31/05	50	ALL	50	438,000	\$42.90	\$18,790,200.00
1/1/06	12/31/06	50	ALL	50	438,000	\$42.90	\$18,790,200.00
Energy Transaction Total:							\$94,002,480.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: February 13, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT FAX: 503-464-2605

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 2/13/01 **Traders:** Brenda Anderson (BPA) and Holli Krebs (EPM)
BPA Contract: 01PB-10787

Seller of Option: BPA
Buyer of Option: Enron Power Marketing, Inc.
Option Description: Yearly Put: By 2:00 PM PPT on the option strike date listed below, Buyer of Option has the option to exercise this put (sell the energy for all twelve months to BPA under the terms described below). Option fee is to be paid by Buyer of Option within three business days of the invoice date.

If option(s) are exercised, the following terms apply to the energy sale

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price (\$/MWh)	Premium (\$/MWh)	Holiday Excluded	Strike Date	Revenue / Cost
1/1/04	12/31/04	25	ALL	25	219,600	\$45.00	\$4.00		12/23/03	\$9,882,000.00
1/1/05	12/31/05	25	ALL	25	219,000	\$45.00	\$4.75		12/23/04	\$9,855,000.00
1/1/06	12/31/06	25	ALL	25	219,000	\$45.00	\$5.70		12/23/05	\$9,855,000.00

Energy Transaction Total: \$29,592,000.00
Option Fee Total: \$3,166,950.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

- HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- All or FLH is defined as HE 0100 - HE 2400.

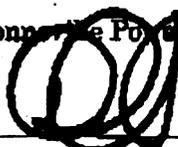
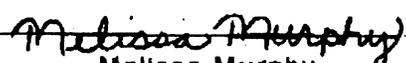
Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined in the reference contract or by mutual agreement of both parties.

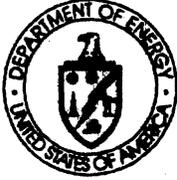
Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration  _____ David E. Mills Manager, Trading Floor Date: <u>2/15/01</u>	Enron Power Marketing, Inc.  Name: <u>Melissa Murphy</u> Agent And Attorney, in fact Title: _____ Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson". The signature is written in a cursive style.

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: February 13, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT 503-464-2605
 FAX:

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 David Mills (503) 230-7588
 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 2/13/01 Traders: Dave Mills (BPA) and Holli Krebs (EPM)
 BPA Contract: 01PB-10788

Seller of Option: BPA
Buyer of Option: Enron Power Marketing, Inc.
Option Description: Yearly Put: By 2:00 PM PPT on the option strike date listed below, Buyer of Option has the option to exercise this put (sell the energy for three twelve-month periods to BPA under the terms described below). Option fee is to be paid by Buyer of Option within three business days of the invoice date.

If option(s) are exercised, the following terms apply to the energy sale

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price (\$/MWh)	Premium (\$/MWh)	Holiday Excluded	Strike Date	Revenue / Cost
1/1/04	12/31/04	25	ALL	25	219,600	\$45.00	\$4.00		12/23/03	\$9,882,000.00
1/1/05	12/31/05	25	ALL	25	219,000	\$45.00	\$4.75		12/23/04	\$9,855,000.00
1/1/06	12/31/06	25	ALL	25	219,000	\$45.00	\$5.70		12/23/05	\$9,855,000.00
Energy Transaction Total:										\$29,592,000.00
Option Fee Total:										\$3,166,950.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

- HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- All or FLH is defined as HE 0100 - HE 2400.

Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined in the reference contract or by mutual agreement of both parties.

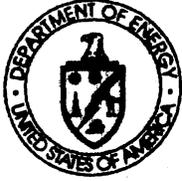
Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
 _____ David E. Mills	Name: <u>Melissa Murphy</u> Melissa Murphy
Manager, Trading Floor	Title: _____
Date: <u>02/15/01</u>	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: March 08, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT 503-464-2605
 FAX:

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341
	or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 3/8/01 Traders: Brenda Anderson (BPA) and Holli Krebs (EPM)
 BPA Contract: 01PB-42012

Seller of Energy: Enron Power Marketing, Inc.
 Buyer of Energy: BPA
 Product: Firm power
 Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Amount Hours	Total (MWH/hr)	MWh	Price	Holiday Excluded	Revenue / Cost
1/1/03	12/31/03	25	HLH	25	122,800	\$85.50	1/1/03, 5/26/03, 7/4/03, 9/1/03, 11/27/03, 12/25/03	\$10,499,400.00

Energy Transaction Total: **\$10,499,400.00**

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 – HE 2400.

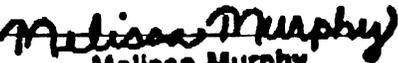
Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined by the reference contract or by mutual agreement of both parties.

Billing

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This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
 _____	 _____
David E. Mills	Name: <u> Melissa Murphy </u>
Manager, Trading Floor	Title: _____
Date: <u> 3/12/01 </u>	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

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Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: April 24, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT 503-464-2605
 FAX:

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 David Mills (503) 230-7588
 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 4/24/01 Traders: Brenda Anderson (BPA) and Holli Krebs (EPM)
 BPA Contract: 01PB-24193

Seller of Option: BPA
Buyer of Option: Enron Power Marketing, Inc.
Option Description: Yearly Put: Buyer shall notify the BPA Trader by 2:00 PM PPT on the option strike date listed below, Buyer of Option has the option to exercise this put (sell the energy to BPA under the terms described below). Option fee is to be paid by Buyer of Option within three business days of the invoice date.

If option(s) are exercised, the following terms apply to the energy sale

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Premium (\$/MWh)	Holiday Excluded	Strike Date	Revenue / Cost
1/1/04	12/31/04	25	ALL	25	219,600	\$49.00	\$12.00		12/24/03	\$10,760,400.00
Energy Transaction Total:										\$10,760,400.00
Option Fee Total:										\$2,635,200.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

- FLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- All or FLH is defined as HE 0100 - HE 2400.

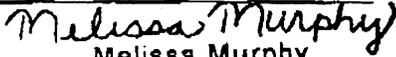
Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined in the reference contract or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
<p>Bonneville Power Administration</p> <div style="text-align: center; margin-top: 10px;">  </div> <hr style="border: 0.5px solid black;"/> <p>David E. Mills</p> <p>Manager, Trading Floor</p> <p>Date: <u>4/25/01</u></p>	<p>Enron Power Marketing, Inc.</p> <div style="text-align: center; margin-top: 10px;">  </div> <hr style="border: 0.5px solid black;"/> <p>Name: <u>Melissa Murphy</u> Melissa Murphy</p> <p>Title: <u>Agent And Attorney-in-fact</u></p> <p>Date: _____</p>



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



14496-0

Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

POWER BUSINESS LINE
Trader and Scheduling Phones

Date: May 01, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT FAX: 503-464-2605

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341
	or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 5/1/01 Traders: Brenda Anderson (BPA) and Holli Krebs (EPM)
 BPA Contract: 01PB-42013

Seller of Energy: Enron Power Marketing, Inc.
 Buyer of Energy: BPA
 Product: Firm power
 Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
1/1/02	12/31/02	50	ALL	50	438,000	\$72.00		\$31,536,000.00
1/1/03	12/31/03	50	ALL	50	438,000	\$72.00		\$31,536,000.00
1/1/04	12/31/04	50	ALL	50	439,200	\$72.00		\$31,622,400.00
1/1/05	12/31/05	50	ALL	50	438,000	\$72.00		\$31,536,000.00
1/1/06	12/31/06	50	ALL	50	438,000	\$72.00		\$31,536,000.00
Energy Transaction Total:								\$157,766,400.00

Process

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 – HE 2400.

Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined by the reference contract or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
_____	_____
David E. Mills	Name: _____
Manager, Trading Floor	Title: _____
Date: _____	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

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Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

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5-02-01 dsl

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: May 01, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT FAX: 503-464-2605

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341
	or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 5/1/01 Traders: Brenda Anderson (BPA) and Holli Krebs (EPM)
 BPA Contract: 01PB-42014

Seller of Energy: Enron Power Marketing, Inc.
 Buyer of Energy: BPA
 Product: Firm power
 Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
1/1/02	12/31/02	50	ALL	50	438,000	\$73.00		\$31,974,000.00
1/1/03	12/31/03	50	ALL	50	438,000	\$73.00		\$31,974,000.00
1/1/04	12/31/04	50	ALL	50	439,200	\$73.00		\$32,061,600.00
1/1/05	12/31/05	50	ALL	50	438,000	\$73.00		\$31,974,000.00
1/1/06	12/31/06	50	ALL	50	438,000	\$73.00		\$31,974,000.00
Energy Transaction Total:								\$159,957,600.00

In Process

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 – HE 2400.

(OK)

Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined by the reference contract or by mutual agreement of both parties.

Billing

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If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
_____	_____
David E. Mills	Name: _____
Manager, Trading Floor	Title: _____
Date: _____	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

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Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
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Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

14503
 5-8-01 ddb

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: May 08, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204
 Attn: Holli Krebs
 Fax: 713-646-2491
 Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT FAX: 503-464-2605

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 David Mills (503) 230-7588
 BPA Trading Floor Fax (503) 230-7463
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 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 5/8/01 Traders: Brenda Anderson (BPA) and Holli Krebs (EPM)
 BPA Contract: 01PB-42017

Seller of Energy: Enron Power Marketing, Inc.
 Buyer of Energy: BPA
 Product: Firm power
 Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
1/1/04	12/31/04	25	ALL	25	219,600	\$48.00		\$10,540,800.00
1/1/05	12/31/05	25	ALL	25	219,000	\$48.00		\$10,512,000.00
1/1/06	12/31/06	25	ALL	25	219,000	\$48.00		\$10,512,000.00

Energy Transaction Total: \$31,564,800.00

Scheduling

- All energy will be shown in Pacific Prevailing Time.
- ~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- ~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
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AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
_____	_____
David E. Mills	Name: _____
Manager, Trading Floor	Title: _____
Date: _____	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

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Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

POWER BUSINESS LINE
Trader and Scheduling Phones

Date: June 26, 2001
To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
Fax: 713-646-2491

Presch: 800-684-1336
Real Time: 503-464-3823
PS/RT: 503-464-2605
FAX:

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
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 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
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 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 6/26/01 **Traders:** Brenda Anderson (BPA) and Holli Krebs (EPM)
BPA Contract: 01PB-42022

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
7/1/01	7/31/01	16	HLH	16	6,400	\$47.50	7/4/01	\$304,000.00
8/1/01	8/31/01	16	HLH	16	6,912	\$47.50		\$328,320.00
9/1/01	9/30/01	17	HLH	17	6,528	\$47.50	9/3/01	\$310,080.00
10/1/01	10/31/01	14	HLH	14	6,048	\$47.50		\$287,280.00
11/1/01	11/30/01	16	HLH	16	6,400	\$47.50	11/22/01	\$304,000.00
12/1/01	12/31/01	16	HLH	16	6,400	\$47.50	12/25/01	\$304,000.00
1/1/02	1/31/02	14	HLH	14	5,824	\$47.50	1/1/02	\$276,640.00
2/1/02	2/28/02	14	HLH	14	5,376	\$47.50		\$255,360.00
3/1/02	3/31/02	15	HLH	15	6,240	\$47.50		\$296,400.00
4/1/02	4/30/02	14	HLH	14	5,824	\$47.50		\$276,640.00
5/1/02	5/31/02	14	HLH	14	5,824	\$47.50	5/27/02	\$276,640.00
6/1/02	6/30/02	16	HLH	16	6,400	\$47.50		\$304,000.00
7/1/02	7/31/02	15	HLH	15	6,240	\$47.50	7/4/02	\$296,400.00

8/1/02	8/31/02	15	HLH	15	6,480	\$47.50		\$307,800.00
9/1/02	9/30/02	16	HLH	16	6,144	\$47.50	9/2/02	\$291,840.00
10/1/02	10/31/02	14	HLH	14	6,048	\$47.50		\$287,280.00
11/1/02	11/30/02	15	HLH	15	6,000	\$47.50	11/28/02	\$285,000.00
12/1/02	12/31/02	15	HLH	15	6,000	\$47.50	12/25/02	\$285,000.00
1/1/03	1/31/03	15	HLH	15	6,240	\$47.50	1/1/03	\$296,400.00
2/1/03	2/28/03	14	HLH	14	5,376	\$47.50		\$255,360.00
3/1/03	3/31/03	16	HLH	16	6,656	\$47.50		\$316,160.00
4/1/03	4/30/03	15	HLH	15	6,240	\$47.50		\$296,400.00
5/1/03	5/31/03	17	HLH	17	7,072	\$47.50	5/26/03	\$335,920.00
6/1/03	6/30/03	19	HLH	19	7,600	\$47.50		\$361,000.00
7/1/03	7/31/03	18	HLH	18	7,488	\$47.50	7/4/03	\$355,680.00
8/1/03	8/31/03	19	HLH	19	7,904	\$47.50		\$375,440.00
9/1/03	9/30/03	18	HLH	18	7,200	\$47.50	9/1/03	\$342,000.00
10/1/03	10/31/03	16	HLH	16	6,912	\$47.50		\$328,320.00
11/1/03	11/30/03	19	HLH	19	7,296	\$47.50	11/27/03	\$346,560.00
12/1/03	12/31/03	17	HLH	17	7,072	\$47.50	12/25/03	\$335,920.00
1/1/04	1/31/04	17	HLH	17	7,072	\$47.50	1/1/04	\$335,920.00
2/1/04	2/29/04	16	HLH	16	6,144	\$47.50		\$291,840.00
3/1/04	3/31/04	17	HLH	17	7,344	\$47.50		\$348,840.00
4/1/04	4/30/04	16	HLH	16	6,656	\$47.50		\$316,160.00
5/1/04	5/31/04	17	HLH	17	6,800	\$47.50	5/31/04	\$323,000.00
6/1/04	6/30/04	18	HLH	18	7,488	\$47.50		\$355,680.00
7/1/04	7/31/04	18	HLH	18	7,488	\$47.50	7/5/04	\$355,680.00
8/1/04	8/31/04	19	HLH	19	7,904	\$47.50		\$375,440.00
9/1/04	9/30/04	18	HLH	18	7,200	\$47.50	9/6/04	\$342,000.00
10/1/04	10/31/04	17	HLH	17	7,072	\$47.50		\$335,920.00
11/1/04	11/30/04	18	HLH	18	7,200	\$47.50	11/25/04	\$342,000.00
12/1/04	12/31/04	17	HLH	17	7,072	\$47.50	12/25/04	\$335,920.00
1/1/05	1/31/05	17	HLH	17	6,800	\$47.50	1/1/05	\$323,000.00
2/1/05	2/28/05	16	HLH	16	6,144	\$47.50		\$291,840.00
3/1/05	3/31/05	17	HLH	17	7,344	\$47.50		\$348,840.00
4/1/05	4/30/05	16	HLH	16	6,656	\$47.50		\$316,160.00
5/1/05	5/31/05	17	HLH	17	6,800	\$47.50	5/30/05	\$323,000.00
6/1/05	6/30/05	18	HLH	18	7,488	\$47.50		\$355,680.00
7/1/05	7/31/05	19	HLH	19	7,600	\$47.50	7/4/05	\$361,000.00
8/1/05	8/31/05	18	HLH	18	7,776	\$47.50		\$369,360.00
9/1/05	9/30/05	18	HLH	18	7,200	\$47.50	9/5/05	\$342,000.00
10/1/05	10/31/05	17	HLH	17	7,072	\$47.50		\$335,920.00
11/1/05	11/30/05	18	HLH	18	7,200	\$47.50	11/24/05	\$342,000.00
12/1/05	12/31/05	17	HLH	17	7,072	\$47.50	12/26/05	\$335,920.00
1/1/06	1/31/06	17	HLH	17	6,800	\$47.50	1/2/06	\$323,000.00
2/1/06	2/28/06	16	HLH	16	6,144	\$47.50		\$291,840.00
3/1/06	3/31/06	17	HLH	17	7,344	\$47.50		\$348,840.00
4/1/06	4/30/06	17	HLH	17	6,800	\$47.50		\$323,000.00
5/1/06	5/31/06	17	HLH	17	7,072	\$47.50	5/29/06	\$335,920.00
6/1/06	6/30/06	18	HLH	18	7,488	\$47.50		\$355,680.00
7/1/06	7/31/06	19	HLH	19	7,600	\$47.50	7/4/06	\$361,000.00
8/1/06	8/31/06	18	HLH	18	7,776	\$47.50		\$369,360.00
9/1/06	9/30/06	18	HLH	18	7,200	\$47.50	9/4/06	\$342,000.00

7/1/01	7/31/01	14	LLH	14	4,816	\$47.50	\$228,760.00
8/1/01	8/31/01	15	LLH	15	4,680	\$47.50	\$222,300.00
9/1/01	9/30/01	14	LLH	14	4,704	\$47.50	\$223,440.00
10/1/01	10/31/01	15	LLH	15	4,695	\$47.50	\$223,012.50
11/1/01	11/30/01	14	LLH	14	4,480	\$47.50	\$212,800.00
12/1/01	12/31/01	14	LLH	14	4,816	\$47.50	\$228,760.00
1/1/02	1/31/02	13	LLH	13	4,264	\$47.50	\$202,540.00
2/1/02	2/28/02	13	LLH	13	3,744	\$47.50	\$177,840.00
3/1/02	3/31/02	13	LLH	13	4,264	\$47.50	\$202,540.00
4/1/02	4/30/02	14	LLH	14	4,242	\$47.50	\$201,495.00
5/1/02	5/31/02	12	LLH	12	3,936	\$47.50	\$186,960.00
6/1/02	6/30/02	14	LLH	14	4,480	\$47.50	\$212,800.00
7/1/02	7/31/02	15	LLH	15	4,920	\$47.50	\$233,700.00
8/1/02	8/31/02	15	LLH	15	4,680	\$47.50	\$222,300.00
9/1/02	9/30/02	13	LLH	13	4,368	\$47.50	\$207,480.00
10/1/02	10/31/02	14	LLH	14	4,382	\$47.50	\$208,145.00
11/1/02	11/30/02	13	LLH	13	4,160	\$47.50	\$197,600.00
12/1/02	12/31/02	14	LLH	14	4,816	\$47.50	\$228,760.00
1/1/03	1/31/03	13	LLH	13	4,264	\$47.50	\$202,540.00
2/1/03	2/28/03	14	LLH	14	4,032	\$47.50	\$191,520.00
3/1/03	3/31/03	15	LLH	15	4,920	\$47.50	\$233,700.00
4/1/03	4/30/03	16	LLH	16	4,848	\$47.50	\$230,280.00
5/1/03	5/31/03	15	LLH	15	4,920	\$47.50	\$233,700.00
6/1/03	6/30/03	16	LLH	16	5,120	\$47.50	\$243,200.00
7/1/03	7/31/03	17	LLH	17	5,576	\$47.50	\$264,860.00
8/1/03	8/31/03	16	LLH	16	5,248	\$47.50	\$249,280.00
9/1/03	9/30/03	16	LLH	16	5,120	\$47.50	\$243,200.00
10/1/03	10/31/03	17	LLH	17	5,321	\$47.50	\$252,747.50
11/1/03	11/30/03	15	LLH	15	5,040	\$47.50	\$239,400.00
12/1/03	12/31/03	17	LLH	17	5,576	\$47.50	\$264,860.00
1/1/04	1/31/04	15	LLH	15	4,920	\$47.50	\$233,700.00
2/1/04	2/29/04	15	LLH	15	4,680	\$47.50	\$222,300.00
3/1/04	3/31/04	16	LLH	16	4,992	\$47.50	\$237,120.00
4/1/04	4/30/04	17	LLH	17	5,151	\$47.50	\$244,672.50
5/1/04	5/31/04	14	LLH	14	4,816	\$47.50	\$228,760.00
6/1/04	6/30/04	17	LLH	17	5,168	\$47.50	\$245,480.00
7/1/04	7/31/04	17	LLH	17	5,576	\$47.50	\$264,860.00
8/1/04	8/31/04	16	LLH	16	5,248	\$47.50	\$249,280.00
9/1/04	9/30/04	16	LLH	16	5,120	\$47.50	\$243,200.00
10/1/04	10/31/04	15	LLH	15	4,935	\$47.50	\$234,412.50
11/1/04	11/30/04	16	LLH	16	5,120	\$47.50	\$243,200.00
12/1/04	12/31/04	17	LLH	17	5,576	\$47.50	\$264,860.00
1/1/05	1/31/05	14	LLH	14	4,816	\$47.50	\$228,760.00
2/1/05	2/28/05	16	LLH	16	4,608	\$47.50	\$218,880.00
3/1/05	3/31/05	16	LLH	16	4,992	\$47.50	\$237,120.00
4/1/05	4/30/05	17	LLH	17	5,151	\$47.50	\$244,672.50
5/1/05	5/31/05	14	LLH	14	4,816	\$47.50	\$228,760.00
6/1/05	6/30/05	17	LLH	17	5,168	\$47.50	\$245,480.00
7/1/05	7/31/05	16	LLH	16	5,504	\$47.50	\$261,440.00
8/1/05	8/31/05	17	LLH	17	5,304	\$47.50	\$251,940.00
9/1/05	9/30/05	16	LLH	16	5,120	\$47.50	\$243,200.00

10/1/05	10/31/05	16	LLH	16	5,264	\$47.50	\$250,040.00
11/1/05	11/30/05	16	LLH	16	5,120	\$47.50	\$243,200.00
12/1/05	12/31/05	17	LLH	17	5,576	\$47.50	\$264,860.00
1/1/06	1/31/06	14	LLH	14	4,816	\$47.50	\$228,760.00
2/1/06	2/28/06	16	LLH	16	4,608	\$47.50	\$218,880.00
3/1/06	3/31/06	16	LLH	16	4,992	\$47.50	\$237,120.00
4/1/06	4/30/06	16	LLH	16	5,104	\$47.50	\$242,440.00
5/1/06	5/31/06	15	LLH	15	4,920	\$47.50	\$233,700.00
6/1/06	6/30/06	17	LLH	17	5,168	\$47.50	\$245,480.00
7/1/06	7/31/06	16	LLH	16	5,504	\$47.50	\$261,440.00
8/1/06	8/31/06	17	LLH	17	5,304	\$47.50	\$251,940.00
9/1/06	9/30/06	17	LLH	17	5,440	\$47.50	\$258,400.00

Energy Transaction Total:

\$35,054,477.50

Scheduling

All energy will be shown in Pacific Prevailing Time.

- ~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- ~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- ~ All or FLH is defined as HE 0100 – HE 2400.

Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined by the reference contract or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the Enabling Agreement.

This confirmation agreement is intended to memorialize the terms of an existing oral agreement. In the event the terms agreed to during the electronically recorded conversation are inconsistent with the terms of any written confirmation agreement, the terms agreed to in the electronically recorded conversation shall govern, without regard to whether such written confirmation agreement is effective because it was executed by both parties, or is effective pursuant to section 32.1 of the WSPP Agreement or otherwise.

BPA rejects any proposed transaction terms that were not agreed to during the electronically recorded conversation in which this transaction was agreed to, to the extent that those terms are in addition to or are inconsistent with the Enabling Agreement.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
	
David E. Mills	Name: <u>Melissa Murphy</u>
Manager, Trading Floor	Title: <u>Melissa Murphy</u> <u>Agent And Attorney-in-fact</u>
Date: <u>6/27/01</u>	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson". The signature is written in a cursive, flowing style.

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

14404-D
 3-8-01
 2106

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: March 08, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT: 503-464-2605
 FAX:

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Presch.	(503) 230-4311
BPA Real Time	(503) 230-3341 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585. *(OK)*

Transaction Date: 3/8/01 Traders: Brenda Anderson (BPA) and Holli Krebs (EPM)
 BPA Contract: 01PB-24111

Seller of Energy: Enron Power Marketing, Inc.
 Buyer of Energy: BPA
 Product: Firm power
 Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Amount Hours (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost	
1/1/03	12/31/03	25	HLH	25	122,800	\$85.50	1/1/03, 5/26/03, 7/4/03, 9/1/03, 11/27/03, 12/25/03	\$10,499,400.00

Energy Transaction Total: **\$10,499,400.00**

Scheduling

- All energy will be shown in Pacific Prevailing Time.
- ~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- ~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- ~ All or FLH is defined as HE 0100 – HE 2400.

In Process

Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined by the reference contract or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
_____	_____
David E. Mills	Name: _____
Manager, Trading Floor	Title: _____
Date: _____	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: March 26, 2003
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204
 Attn: Eric Serio
 Fax: 713-646-3421
 Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT FAX: 503-464-2605

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 3/26/03 Traders: Young Linn (BPA) and Eric Serio (EPM)
 BPA Contract: 03PB-25703

Seller of Energy: BPA
Buyer of Energy: Enron Power Marketing, Inc.
Product: Surplus Firm Power (WSPP, Schedule C)
Point of Delivery: Mid-Columbia
Alternate Point of Delivery: Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system. Energy taken to an alternate POD is take-or-pay and liquidated damages do not apply. Customer is responsible for payment of energy if transmission is curtailed to APOD.

Start of Term	End of Term	Demand Limit	Amount Hours (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
4/1/03	4/30/03	315	HLH	315	131,040	\$29.50	\$3,865,680.00
4/1/03	4/30/03	266	LLH	266	80,598	\$23.50	\$1,894,053.00
Energy Transaction Total:				211,638			\$5,759,733.00

Scheduling

All energy will be shown in Pacific Prevailing Time.
 ~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

Addendum
To Confirmation Agreements dated March 26, 2003
(BPA Contract Nos. 03PB-25705 and 03PB-25702)

Special Provisions:

1. BPA and EPM agree that any payment due from BPA to EPM under these Confirmation Agreements shall be made without netting or setoff of any amounts owing in connection with Transactions entered into prior to December 2, 2001; provided, that the netting of payments with respect to transactions by BPA to EPM for April 2003, and by EPM to BPA for April 2003, under these Confirmation Agreements and the Original Confirms (as defined below) is not prohibited by the foregoing provision.

2. The parties agree that these transactions are a bookout, for the month of April 2003 for all transactions for April 2003 power deliveries between BPA and EPM agreed to prior to March 2003 (the "Original Confirms"). The parties intend that these transactions and the transactions for April 2003 under the Original Confirms will cancel each other out, with the result that there will be no energy flows during April 2003. Therefore: (1) neither the Confirmation Agreements nor the Original Confirms shall be subject to any curtailment or claim of Force Majeure, and the Parties expressly waive their right to assert such positions; and (2) each party agrees that it will not schedule these transactions or the transactions under the Original Confirms, for the month of April 2003. This bookout is only for the month of April 2003, and does not alter any of the parties' respective obligations as to months after April 2003.

Agreed and Accepted:

Bonneville Power Administration

David J. Armstrong
David J. Armstrong
Trading Floor Manager
Date: 4/1/03

Enron Power Marketing, Inc.

Edward D. Baughman
Name: Edward D. Baughman
Title: Managing Director
Date: 4-1-03

TECES



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: March 26, 2003
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204
 Attn: Eric Serio
 Fax: 713-646-3421
 Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT FAX: 503-464-2605

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 3/26/03 Traders: Young Linn (BPA) and Eric Serio (EPM)
 BPA Contract: 03PB-25702

Seller of Energy: Enron Power Marketing, Inc.
 Buyer of Energy: BPA
 Product: Firm power
 Point of Delivery: COB-NS

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
4/1/03	4/30/03	50	HLH	50	20,800	\$35.50		\$738,400.00
4/1/03	4/30/03	50	LLH	50	15,150	\$25.50		\$386,325.00
Energy Transaction Total:					35,950			\$1,124,725.00

Scheduling

- All energy will be shown in Pacific Prevailing Time.
- ~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- ~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- ~ All or FLH is defined as HE 0100 – HE 2400.

Energy shall be prescheduled, with source and sink identified, by 1100, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. The WSPP, Schedule C product specifically says all transactions shall be prescheduled and does not provide for real time modifications except by mutual agreement or due to an uncontrollable force.

Billing

Billing and payment under this agreement shall be in accordance with the Enabling Agreement.

This confirmation agreement is intended to memorialize the terms of an existing oral agreement. In the event the terms agreed to during the electronically recorded conversation are inconsistent with the terms of any written confirmation agreement, the terms agreed to in the electronically recorded conversation shall govern, without regard to whether such written confirmation agreement is effective because it was executed by both parties, or is effective pursuant to section 32.1 of the WSPP Agreement or otherwise.

BPA rejects any proposed transaction terms that were not agreed to during the electronically recorded conversation in which this transaction was agreed to, to the extent that those terms are in addition to or are inconsistent with the Enabling Agreement.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
<u>David J. Armstrong</u>	<u>Edward D. Baughman</u>
David J. Armstrong	Name: <u>Edward D. Baughman</u>
Trading Floor Manager	Title: <u>Managing Director</u>
Date: <u>3/26/03</u>	Date: <u>4-1-03</u>

Addendum
To Confirmation Agreements dated March 26, 2003
(BPA Contract Nos. 03PB-25703 and 03PB-25702)

Special Provisions:

1. BPA and EPM agree that any payment due from BPA to EPM under these Confirmation Agreements shall be made without netting or setoff of any amounts owing in connection with Transactions entered into prior to December 2, 2001; provided, that the netting of payments with respect to transactions by BPA to EPM for April 2003, and by EPM to BPA for April 2003, under these Confirmation Agreements and the Original Confirms (as defined below) is not prohibited by the foregoing provision.

2. The parties agree that these transactions are a bookout, for the month of April 2003 for all transactions for April 2003 power deliveries between BPA and EPM agreed to prior to March 2003 (the "Original Confirms"). The parties intend that these transactions and the transactions for April 2003 under the Original Confirms will cancel each other out, with the result that there will be no energy flows during April 2003. Therefore: (1) neither the Confirmation Agreements nor the Original Confirms shall be subject to any curtailment or claim of Force Majeure, and the Parties expressly waive their right to assert such positions; and (2) each party agrees that it will not schedule these transactions or the transactions under the Original Confirms, for the month of April 2003. This bookout is only for the month of April 2003, and does not alter any of the parties' respective obligations as to months after April 2003.

Agreed and Accepted:

Bonneville Power Administration

David J. Armstrong
David J. Armstrong
Trading Floor Manager
Date: 4/1/03

Enron Power Marketing, Inc.

Edward D. Baughman
Name: Edward D. Baughman
Title: Managing Director
Date: 4-1-03

TECES



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: April 24, 2003
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Eric Serio
 Fax: 713-646-3421

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT FAX: 503-464-2605

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 4/24/2003 Traders: Young Linn (BPA) and Eric Serio (EPM)
 BPA Contract: 03PB-25841

Seller of Energy: Enron Power Marketing, Inc.
 Buyer of Energy: BPA
 Product: Firm power
 Point of Delivery: COB-NS

Start of Term	End of Term	Demand Limit	Amount Hours (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
5/1/2003	5/31/2003	50	HLH	50	20,800	\$36.00	5/26/2003 \$748,800.00
5/1/2003	5/31/2003	50	LLH	50	16,400	\$26.00	\$426,400.00
Energy Transaction Total:				37,200			\$1,175,200.00

Seller of Energy: BPA
Buyer of Energy: Enron Power Marketing, Inc.
Product: Surplus Firm Power (WSPP, Schedule C)
Point of Delivery: Mid-Columbia
Alternate Point of Delivery: Where the Federal generating system interconnects with BPA's transmission network. Customer will provide transmission from the Federal generating system. Energy taken to an alternate POD is take-or-pay and liquidated damages do not apply. Customer is responsible for payment of energy if transmission is curtailed to APOD.

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
5/1/2003	5/31/2003	267	HLH	267	111,072	\$30.00	5/26/2003	\$3,332,160.00
5/1/2003	5/31/2003	215	LLH	215	70,520	\$26.00		\$1,833,520.00
Energy Transaction Total:					181,592			\$5,165,680.00

Scheduling

All energy will be shown in Pacific Prevailing Time.
 ~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
 ~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
 ~ All or FLH is defined as HE 0100 – HE 2400.

Energy shall be prescheduled, with source and sink identified, by 1100, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. The WSPP, Schedule C product specifically says all transactions shall be prescheduled and does not provide for real time modifications except by mutual agreement or due to an uncontrollable force.

Billing

Billing and payment under this agreement shall be in accordance with the Enabling Agreement.

This confirmation agreement is intended to memorialize the terms of an existing oral agreement. In the event the terms agreed to during the electronically recorded conversation are inconsistent with the terms of any written confirmation agreement, the terms agreed to in the electronically recorded conversation shall govern, without regard to whether such written confirmation agreement is effective because it was executed by both parties, or is effective pursuant to section 32.1 of the WSPP Agreement or otherwise.

BPA rejects any proposed transaction terms that were not agreed to during the electronically recorded conversation in which this transaction was agreed to, to the extent that those terms are in addition to or are inconsistent with the Enabling Agreement.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

Bonneville Power Administration

Enron Power Marketing, Inc.

David J. Armstrong

Edward D. Baughman

*EES

David J. Armstrong

Name: Edward D. Baughman

Trading Floor Manager

Title: Managing Director

Date: 4/25/03

Date: 4-25-03

Addendum
To Confirmation Agreement dated April 24, 2003
(BPA Contract No. 03PB-25841)

Special Provisions:

1. BPA and EPM agree that any payment due from BPA to EPM under these Confirmation Agreements shall be made without netting or setoff of any amounts owing in connection with Transactions entered into prior to December 2, 2001; provided, that the netting of payments with respect to transactions by BPA to EPM for May 2003, and by EPM to BPA for May 2003, under these Confirmation Agreements and the Original Confirms (as defined below) is not prohibited by the foregoing provision.

2. The parties agree that these transactions are a bookout, for the month of May 2003 for all transactions for May 2003 power deliveries between BPA and EPM agreed to prior to April 2003 (the "Original Confirms"). The parties intend that these transactions and the transactions for May 2003 under the Original Confirms will cancel each other out, with the result that there will be no energy flows during May 2003. Therefore: (1) neither the Confirmation Agreements nor the Original Confirms shall be subject to any curtailment or claim of Force Majeure, and the Parties expressly waive their right to assert such positions; and (2) each party agrees that it will not schedule these transactions or the transactions under the Original Confirms, for the month of May 2003. This bookout is only for the month of May 2003, and does not alter any of the parties' respective obligations as to months after May 2003.

Agreed and Accepted:

Bonneville Power Administration

David J. Armstrong
David J. Armstrong
Trading Floor Manager
Date: 4/25/03

Euron Power Marketing, Inc.

Edward D. Baughman *HEB*
Name: Edward D. Baughman
Title: Managing Director
Date: 4-25-03



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

Date: September 24, 1999
To: Enron Power Marketing, Inc.
121 SW Salmon 3WTC0306
Portland, OR 97204
Attn: Greg Wolfe
Phone: (503) 464-8481
Fax: (503) 464-3740
Houston Ph.: (713) 853-1771
Houston Fax: (713) 646-2443 Confirms
Preschedule: (800) 684-1336; (503) 464-3825
Real-Time: (800) 684-1336; (503) 464-3813

BPA Contacts:	
Brenda Anderson	(503) 230-5610
Terry Larson	(503) 230-3071
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Dennis Oster	(503) 230-3370
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA Real-Time	(503) 230-3341 or (503) 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by the Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with the reference contract listed below.

Transaction Date	8/20/99
Reference Contract #	97PB-10085
BPA Contract #	99PB-10605
BPA Contact	Dennis Oster
Customer Contact	Greg Wolfe <i>grw</i>
Seller	EPM
Buyer	BPA
Start date	10/1/01
End date	9/30/06
Holiday Excluded	None
Day of Week	All except the months of April, May, and June of each calendar year.
Delivery Hours Ending (HE)	All
Quantity (MWh/hr)	50
Demand Limits (MW)	50
Total MWhs	2001 110,450; 2002 328,850; 2003 328,850; 2004 330,050; 2005 328,850; 2006 218,400 (Total 1,645,450)
Price (\$/MWh)	30.75
Total Revenue/Cost	2001 \$3,396,338; 2002 \$10,112,138; 2003 \$10,112,138; 2004 \$10,149,038; 2005 \$10,112,138; 2006 \$6,715,800 (Total \$50,597,588)
Type of Energy	Firm Power on a take-or-pay basis
Curtailment Rights	
Point of Delivery (POD)	A point of interconnection on the BPA network transmission system capable of receiving 50 MW without constraints and where BPA can accept power without congestion, control area or other charges imposed by the NW transmission operator at the time

Alternate PODs (APOD) Point of Integration Other	EPM notifies BPA of its point of delivery.
---	--

Scheduling:

- All energy will be shown in Pacific Prevailing Time.
 - HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
 - LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
 - All (delivery hours ending) is defined as HE 0100-HE 2400.
- Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both Parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

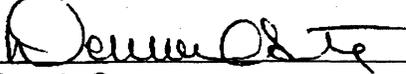
Billing:

Billing and payment under this agreement shall be in accordance with the reference contract.

Other:

- 1. Termination of Reference Contract**
At such time that the Reference Contract terminates, the terms and conditions of such Reference Contract shall continue to govern this Confirmation Agreement, unless otherwise mutually agreed by BPA and EPM.
- 2. This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and EPM.**

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc. <i>DB</i> <i>CB</i>
 _____ Dennis Oster	 _____ Name: James B. Fallon
Bulk Power Marketing	Title: Vice President
Date: 9/24/99	Date: 9-30-99

2001	X50	X30.75	
OCT	745	37,250	\$1,145,438
NOV	720	36,000	\$1,107,000
DEC	744	37,200	\$1,143,900
		110,450	\$3,396,338

2002			
JAN	744	37,200	\$1,143,900
FEB	672	33,600	\$1,033,200
MAR	744	37,200	\$1,143,900
JUL	744	37,200	\$1,143,900
AUG	744	37,200	\$1,143,900
SEP	720	36,000	\$1,107,000
OCT	745	37,250	\$1,145,438
NOV	720	36,000	\$1,107,000
DEC	744	37,200	\$1,143,900
		328,850	\$10,112,138

2003			
JAN	744	37,200	\$1,143,900
FEB	672	33,600	\$1,033,200
MAR	744	37,200	\$1,143,900
JUL	744	37,200	\$1,143,900
AUG	744	37,200	\$1,143,900
SEP	720	36,000	\$1,107,000
OCT	745	37,250	\$1,145,438
NOV	720	36,000	\$1,107,000
DEC	744	37,200	\$1,143,900
		328,850	\$10,112,138

2004			
JAN	744	37,200	\$1,143,900
FEB	696	34,800	\$1,070,100
MAR	744	37,200	\$1,143,900
JUL	744	37,200	\$1,143,900
AUG	744	37,200	\$1,143,900
SEP	720	36,000	\$1,107,000
OCT	745	37,250	\$1,145,438
NOV	720	36,000	\$1,107,000
DEC	744	37,200	\$1,143,900
		330,050	\$10,149,038

X50 X30.75

2005

JAN	744	37,200	\$1,143,900
FEB	672	33,600	\$1,033,200
MAR	744	37,200	\$1,143,900
JUL	744	37,200	\$1,143,900
AUG	744	37,200	\$1,143,900
SEP	720	36,000	\$1,107,000
OCT	745	37,250	\$1,145,438
NOV	720	36,000	\$1,107,000
DEC	744	37,200	\$1,143,900
		328,850	\$10,112,138

2006

JAN	744	37,200	\$1,143,900
FEB	672	33,600	\$1,033,200
MAR	744	37,200	\$1,143,900
JUL	744	37,200	\$1,143,900
AUG	744	37,200	\$1,143,900
SEP	720	36,000	\$1,107,000
		218,400	\$6,715,800

1,645,450 \$50,597,588



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

Date: December 20, 1999

To: Enron Power Marketing, Inc.
121 SW. Salmon 3WTC0306
Portland, OR 97204

Attn: Greg Wolfe
Phone: (503) 464-8481
Fax: (503) 464-3740
Houston Ph.: (713) 853-1771
Houston Fax: (713) 646-2443 Confirms
Preschedule: (800) 684-1336; (503) 464-3825
Real-Time: (800) 684-1336; (503) 464-3813

BPA Contacts:	
Brenda Anderson	(503) 230-5610
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Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
Dennis Oster	(503) 230-3370
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA Real-Time	(503) 230-3341 or (503) 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by the Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with the reference contract listed below.

Transaction Date	12/10/99
Reference Contract #	97PB-10085
BPA Contract #99PB-	00PB-10642
BPA Contact	Dennis Oster
Customer Contact	Greg Wolfe
Seller	EPM
Buyer	BPA
Start date	10/1/01
End date	9/30/06
Holiday Excluded	None
Day of Week	All except the months of May and June of each calendar year.
Delivery Hours Ending (HE)	All
Quantity (MWh/hr)	50
Demand Limits (MW)	50
Total MWhs	2001 110,450; 2002 364,800; 2003 364,800; 2004 366,000; 2005 364,800; 2006 254,350 (Total 1,825,200)
Price (\$/MWh)	30.65
Total Revenue/Cost	2001 \$3,385,293; 2002 \$11,181,120; 2003 \$11,181,120; 2004 \$11,217,900; 2005 \$11,181,120; 2006 \$7,795,828 (Total \$55,942,380)
Type of Energy	Firm Power on a take-or-pay basis.
Curtailment Rights	
Point of Delivery (POD)	Mid-Columbia, Pacific Corp, Puget Sound Power & Light, or Washington Water Power (Avista), at a point of interconnection with BPA's transmission network.

WDO
AWW

Alternate PODs (APOD) Point of Integration Other	EPM shall identify the Sending Utilities (SUs) to BPA's NW Prescheduler daily, on a preschedule basis. Enron may put to us an additional 50 MW if notice is provided not later than 12 noon on January 31, 2000.
---	--

Scheduling:

- All energy will be shown in Pacific Prevailing Time.
- Heavy load hours are defined as hour ending (HE) 0700 - HE 2200, Monday through Saturday (excludes Sundays and North American Electric Reliability Council (NERC) holidays).
- Light load hours are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- All (delivery hours ending) is defined as HE 0100-HE 2400.
Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both Parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing:

Billing and payment under this agreement shall be in accordance with the reference contract.

Other:

1. Termination of Reference Contract

At such time that the Reference Contract terminates, the terms and conditions of such Reference Contract shall continue to govern this Confirmation Agreement, unless otherwise mutually agreed by BPA and EPM.

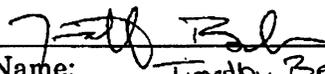
2. EPM Put Right

EPM shall have the right to put an additional 50 MW to BPA, if EPM provides BPA with written notice prior to 1200 hours on January 31, 2000. If such right is exercised by EPM, the terms and conditions for the sale shall be identical to those described in this Agreement. A separate confirmation agreement will be prepared for this transaction.

3. This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and EPM.

EW

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
 _____	 _____
Dennis Oster	Name: <u>Timothy Belden</u>
Bulk Power Marketing	Title: <u>Vice President</u>
Date <u>12/20/99</u>	Date: <u>1-18-2000</u>



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

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Bonneville Power Administration - PT-5
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Portland, Oregon 97232
PHONE: 503-230-7638
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FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy

Bonneville Power Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: October 31, 2000
To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204
Attn Mike Swerzbin
 503-464-3816

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Preschedule	(503) 230-4311
BPA Real-Time	(503) 230-3341 or 230-4194

Confirm Fax: 713-646-2491
Preschedule Phone: 800-684-1336
Real Time Phone: 503-464-3823
PS/RT FAX: 503-464-2605

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 10/31/00 **Traders:** Brenda Anderson (BPA) and Mike Swerzbin (EPM)
BPA Contract: 01PB - 10742 **Broker:** Tradition Financial Services, Inc

Seller of Energy: Enron Power Marketing, Inc.

Buyer of Energy: BPA

Product: Firm power

Point of Delivery: Mid-Columbia; including points where PacifiCorp, Puget Sound Power & Light, and Avista Corporation -Washington Water Power Division are interconnected with BPA's transmission system, excluding constrained paths. Seller of energy shall identify the Sending Utilities (SU) to BPA's NW Prescheduler daily, on a preschedule basis.

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWH	Holiday Price Excluded	Revenue/ Cost
1/1/02	1/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
2/1/02	2/28/02	50	ALL	50	33,600	\$42.75	\$1,436,400.00
3/1/02	3/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
4/1/02	4/30/02	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/02	5/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
6/1/02	6/30/02	50	ALL	50	36,000	\$42.75	\$1,539,000.00
7/1/02	7/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
8/1/02	8/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00

9/1/02	9/30/02	50	ALL	50	36,000	\$42.75	\$1,539,000.00
10/1/02	10/31/02	50	ALL	50	37,250	\$42.75	\$1,592,437.50
11/1/02	11/30/02	50	ALL	50	36,000	\$42.75	\$1,539,000.00
12/1/02	12/31/02	50	ALL	50	37,200	\$42.75	\$1,590,300.00
1/1/03	1/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
2/1/03	2/28/03	50	ALL	50	33,600	\$42.75	\$1,436,400.00
3/1/03	3/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
4/1/03	4/30/03	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/03	5/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
6/1/03	6/30/03	50	ALL	50	36,000	\$42.75	\$1,539,000.00
7/1/03	7/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
8/1/03	8/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
9/1/03	9/30/03	50	ALL	50	36,000	\$42.75	\$1,539,000.00
10/1/03	10/31/03	50	ALL	50	37,250	\$42.75	\$1,592,437.50
11/1/03	11/30/03	50	ALL	50	36,000	\$42.75	\$1,539,000.00
12/1/03	12/31/03	50	ALL	50	37,200	\$42.75	\$1,590,300.00
1/1/04	1/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
2/1/04	2/29/04	50	ALL	50	34,800	\$42.75	\$1,487,700.00
3/1/04	3/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
4/1/04	4/30/04	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/04	5/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
6/1/04	6/30/04	50	ALL	50	36,000	\$42.75	\$1,539,000.00
7/1/04	7/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
8/1/04	8/31/04	50	ALL	50	37,200	\$42.75	\$1,590,300.00
9/1/04	9/30/04	50	ALL	50	36,000	\$42.75	\$1,539,000.00
10/1/04	10/31/04	50	ALL	50	37,250	\$42.75	\$1,592,437.50
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4/1/06	4/30/06	50	ALL	50	35,950	\$42.75	\$1,536,862.50
5/1/06	5/31/06	50	ALL	50	37,200	\$42.75	\$1,590,300.00
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11/1/06	11/30/06	50	ALL	50	36,000	\$42.75	\$1,539,000.00
12/1/06	12/31/06	50	ALL	50	37,200	\$42.75	\$1,590,300.00
Energy Transaction Total:							\$98,678,800.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 - HE 2400.

Customer shall preschedule all deliveries of energy by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

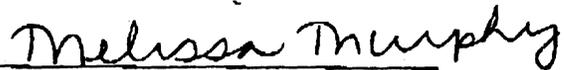
Bonneville Power Administration



David E. Mills
Manager, Trading Floor

Date: 11/1/00

Enron Power Marketing, Inc.



Name: Melissa Murphy
Title: Agent And Attorney-in-fact

Date: 11-15-0000



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

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Account Executive
Bonneville Power Administration - PT-5
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Portland, Oregon 97232
PHONE: 503-230-7638
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FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: November 01, 2000
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT 503-464-2605
 FAX:

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 David Mills (503) 230-7588
 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 11/1/00 **Traders:** Brenda Anderson (BPA) and Holli Krebs (EPM)
BPA Contract: 01PB-10743

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia; including points where PacifiCorp, Puget Sound Power & Light, and Avista Corporation - Washington Water Power Division are interconnected with BPA's transmission system, excluding constrained paths.

Start of Term	End of Term	Demand Limit	Amount Hours (MWH/hr)	Total MWh	Price	Holiday Excluded	Revenue / Cost
1/1/02	12/31/02	50	ALL	50	438,000	\$42.90	\$18,790,200.00
1/1/03	12/31/03	50	ALL	50	438,000	\$42.90	\$18,790,200.00
1/1/04	12/31/04	50	ALL	50	439,200	\$42.90	\$18,841,680.00
1/1/05	12/31/05	50	ALL	50	438,000	\$42.90	\$18,790,200.00
1/1/06	12/31/06	50	ALL	50	438,000	\$42.90	\$18,790,200.00
Energy Transaction Total:							\$94,002,480.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

- ~ FLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- ~ All or FLH is defined as HE 0100 - HE 2400.

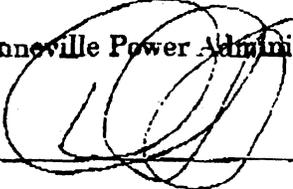
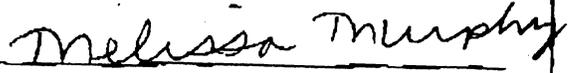
Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined by the reference contract or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
 _____	 _____
David E. Mills	Name: _____ Melissa Murphy
Manager, Trading Floor	Title: _____ Agent And Attorney-in-fact
Date: _____ 11/1/00	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: February 13, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT FAX: 503-464-2605

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 David Mills (503) 230-7588
 BPA Trading Floor Fax (503) 230-7463
 BPA Preschedule Fax (503) 230-3039
 BPA SW Preschedule (503) 230-3915
 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 2/13/01 Traders: Brenda Anderson (BPA) and Holli Krebs (EPM)
 BPA Contract: 01PB-10787

Seller of Option: BPA
Buyer of Option: Enron Power Marketing, Inc.
Option Description: Yearly Put: By 2:00 PM PPT on the option strike date listed below, Buyer of Option has the option to exercise this put (sell the energy for all twelve months to BPA under the terms described below). Option fee is to be paid by Buyer of Option within three business days of the invoice date.

If option(s) are exercised, the following terms apply to the energy sale

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Premium (\$/MWh)	Holiday Excluded	Strike Date	Revenue / Cost
1/1/04	12/31/04	25	ALL	25	219,600	\$45.00	\$4.00		12/23/03	\$9,882,000.00
1/1/05	12/31/05	25	ALL	25	219,000	\$45.00	\$4.75		12/23/04	\$9,855,000.00
1/1/06	12/31/06	25	ALL	25	219,000	\$45.00	\$5.70		12/23/05	\$9,855,000.00
Energy Transaction Total:										\$29,592,000.00
Option Fee Total:										\$3,166,950.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 – HE 2400.

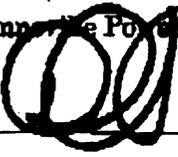
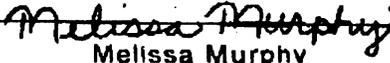
Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined in the reference contract or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
	
David E. Mills	Name: <u>Melissa Murphy</u> Agent And Attorney, in fact
Manager, Trading Floor	Title: _____
Date: <u>2/15/01</u>	Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy
 Bonneville Power
 Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: February 13, 2001
 To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Fax: 713-646-2491

Presch: 800-684-1336
 Real Time: 503-464-3823
 PS/RT 503-464-2605
 FAX:

Brenda Anderson (503) 230-5610
 Dan Le (503) 230-3144
 Young Linn (503) 230-3183
 Bill Lamb (503) 230-3135
 David Mills (503) 230-7588
 BPA Trading Floor Fax (503) 230-7463
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 BPA NW Preschedule (503) 230-3813
 BPA S. Idaho Presch. (503) 230-4311
 BPA Real Time (503) 230-3341
 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 99PB-10585.

Transaction Date: 2/13/01 **Traders:** Dave Mills (BPA) and Holli Krebs (EPM)
BPA Contract: 01PB-10788

Seller of Option: BPA
Buyer of Option: Enron Power Marketing, Inc.
Option Description: Yearly Put: By 2:00 PM PPT on the option strike date listed below, Buyer of Option has the option to exercise this put (sell the energy for three twelve-month periods to BPA under the terms described below). Option fee is to be paid by Buyer of Option within three business days of the invoice date.

If option(s) are exercised, the following terms apply to the energy sale

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWh	Price	Premium (\$/MWh)	Holiday Excluded	Strike Date	Revenue / Cost
1/1/04	12/31/04	25	ALL	25	219,600	\$45.00	\$4.00		12/23/03	\$9,882,000.00
1/1/05	12/31/05	25	ALL	25	219,000	\$45.00	\$4.75		12/23/04	\$9,855,000.00
1/1/06	12/31/06	25	ALL	25	219,000	\$45.00	\$5.70		12/23/05	\$9,855,000.00

Energy Transaction Total: \$29,592,000.00
Option Fee Total: \$3,166,950.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

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~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 – HE 2400.

Energy shall be prescheduled, with source and sink identified, by 1000, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces as defined in the reference contract or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and expressly limits acceptance to the terms stated herein, and any additional or different terms proposed by Enron Power Marketing, Inc. are rejected unless expressly agreed to in writing by BPA.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

Bonneville Power Administration

Enron Power Marketing, Inc.



David E. Mills

Manager, Trading Floor

Date: 02/15/01

Name: Melissa Murphy

Agent And Attorney-in-fact

Title: _____

Date: _____



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in cursive script that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive



Department of Energy

Bonneville Power Administration
 P.O. Box 3621
 Portland, Oregon 97208-3621

POWER BUSINESS LINE

Date: May 6, 1999

To: Enron Power Marketing, Inc.
 121 SW Salmon 3WTC0306
 Portland, OR 97204

Attn: Greg Wolfe

Phone: (503) 464-3806

Fax: (503) 464-3740

Houston Ph.: (713) 853-1771

Houston Fax: (713) 646-2443 Confirms

Preschedule: (800) 684-1336; (503) 464-3825

Real-Time: (800) 684-1336; (503) 464-3813

BPA Contacts:	
Brenda Anderson	(503) 230-5610
Chuck Forman	(503) 230-3135
Ray Grinberg	(503) 230-3589
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA Real-Time	(503) 230-3341 or (503) 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by the Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with the reference contract listed below.

Transaction Date	4/23/99
Reference Contract #	97PB-10085
BPA Contract #99PB-	22576
BPA Contact	Dennis Oster
Customer Contact	Greg Wolfe
Seller	EPM
Buyer	BPA
Start date	10/1/2001
End date	12/31/2001
Holiday Excluded	
Day of Week	All
Delivery Hours Ending (HE)	All
Quantity (MWh/hr)	50
Demand Limits (MW)	50
Total MWhs	Oct 37,250; Nov 36,000; Dec 37,200 (Total: 110,450)
Price (\$/MWh)	29.15
Total Revenue/Cost	Oct \$1,085,837.50; Nov \$1,049,400; Dec \$1,084,380 (Total: \$3,219,617.50)
Type of Energy	Firm Power
Curtailement Rights	
Point of Delivery (POD)	At a point of interconnection with BPA's System at Mid-Columbia
Alternate PODs (APOD)	
Point of Integration	
Other	EPM shall identify the Sending Utilities (SUs) to BPA's NW Prescheduler daily, on a preschedule basis.

Other	EPM shall identify the Sending Utilities (SUs) to BPA's NW Prescheduler daily, on a preschedule basis.
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Scheduling:

- All energy will be shown in Pacific Prevailing Time.
- HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- All (delivery hours ending) is defined as HE 0100-HE 2400.
Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both Parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing:

Billing and payment under this agreement shall be in accordance with the reference contract.

Other:

This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and EPM.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
	
Stephen R. Oliver, Manager, Bulk Power Marketing	Name: _____ Title: <u>Managing Director</u>
Date: <u>5/14/99</u>	Date: <u>5-14-99</u>

DOster:dab:3370: 05/14/99 (FY99/EPM22576)

0715 1:30



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

**POWER BUSINESS LINE
Trader and Scheduling**

Date: July 14, 1999
To: Enron Power Marketing, Inc.
121 SW Salmon - 3WTC0306
Portland, OR 97204
Attn: Mike Swerzbin
503-464-3816

Brenda Anderson (503) 230-5610
Dan Le (503) 230-3144
Young Linn (503) 230-3183
Chuck Forman (503) 230-3135
Terry Larson (503) 230-3071
BPA Trading Floor Fax (503) 230-7463
BPA Preschedule Fax (503) 230-3039
BPA SW Preschedule (503) 230-3915
BPA NW Preschedule (503) 230-3813
BPA S. Idaho Preschedule (503) 230-4311
BPA Real-Time (503) 230-3341
or 230-4194

Confirm Fax: 713-646-2443
Preschedule Phone: 800-684-1336
Real Time Phone: 503-464-3823
PS/RT FAX: 503-464-2605

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 97PB-10085.

Transaction Date: 7/14/99 **Traders:** Brenda Anderson (BPA) and Mike Swerzbin (EPM)
BPA Contract: 99PB - 22679 **Broker:** Prebon Financial Products, Inc.

Seller of Option: Enron Power Marketing, Inc.
Buyer of Option: BPA
Option Description: Yearly Call: By 2:00 PM PPT on the option strike date listed below, BPA has the option to exercise this call (buy the energy for all twelve months under the terms described below). If the option is exercised, Seller of Option shall identify the Sending Utility (SU) to BPA's Prescheduler daily on a preschedule basis. Option fee is to be paid by BPA within five business days of the invoice date.

If option(s) are exercised, the following terms apply to the energy sale:

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia, PacifiCorp, Puget Sound Power & Light, or Washington Water Power. Seller of energy shall identify the Sending Utilities (SU) to BPA's NW Prescheduler daily, on a preschedule basis.

Start of Term	End of Term	Demand Limit	Amount Hours (MWH/hr)	Total MWH	Price	Holiday Strike Excluded Date	Revenue/ Cost
1/1/00	1/31/00	25	ALL	25	18,600 \$28.00	12/23/99	\$520,800.00

2/1/00	2/29/00	25	ALL	25	17,400	\$28.00	12/23/99	\$487,200.00
3/1/00	3/31/00	25	ALL	25	18,600	\$28.00	12/23/99	\$520,800.00
4/1/00	4/30/00	25	ALL	25	17,975	\$28.00	12/23/99	\$503,300.00
5/1/00	5/31/00	25	ALL	25	18,600	\$28.00	12/23/99	\$520,800.00
6/1/00	6/30/00	25	ALL	25	18,000	\$28.00	12/23/99	\$504,000.00
7/1/00	7/31/00	25	ALL	25	18,600	\$28.00	12/23/99	\$520,800.00
8/1/00	8/31/00	25	ALL	25	18,600	\$28.00	12/23/99	\$520,800.00
9/1/00	9/30/00	25	ALL	25	18,000	\$28.00	12/23/99	\$504,000.00
10/1/00	10/31/00	25	ALL	25	18,625	\$28.00	12/23/99	\$521,500.00
11/1/00	11/30/00	25	ALL	25	18,000	\$28.00	12/23/99	\$504,000.00
12/1/00	12/31/00	25	ALL	25	18,600	\$28.00	12/23/99	\$520,800.00

Energy Transaction Total:

\$6,148,800.00

Option Fee: \$0.35 /MWH

Total Option Fee:

\$76,860.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 – HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 – HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 – HE 2400.

Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

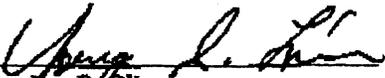
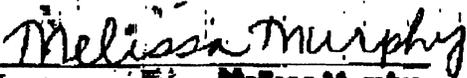
Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and Enron Power Marketing, Inc..

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

Bonneville Power Administration	Enron Power Marketing, Inc.
 Stephen R. Oliver Manager, Bulk Power Marketing	 Name: <u> Melissa Murphy </u> Title: <u> Agent And Attorney-in-fact </u>
Date: <u> 7/15/99 </u>	Date: <u> 7-16-99 </u>

09.15 11:10



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

**POWER BUSINESS LINE
Trader and Scheduling Phones**

Date: September 13, 1999
To: Enron Power Marketing, Inc.
121 SW Salmon - 3WTC0306
Portland, OR 97204
Attn Mike Swerzbin
503-464-3816

Confirm Fax: 713-646-2443
Preschedule Phone: 800-684-1336
Real Time Phone: 503-464-3823
PS/RT FAX: 503-464-2605

Brenda Anderson (503) 230-5610
Dan Le (503) 230-3144
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Terry Larson (503) 230-3071
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BPA NW Preschedule (503) 230-3813
BPA S. Idaho Preschedule (503) 230-4311
BPA Real-Time (503) 230-3341
or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 97PB-10085.

Transaction Date: 9/13/99 **Traders:** Brenda Anderson (BPA) and Mike Swerzbin (EPM)
BPA Contract: 99PB - 22775

Seller of Energy: Enron Power Marketing, Inc.

Buyer of Energy: BPA

Product: Firm power

Point of Delivery: Mid-Columbia, PacifiCorp, Puget Sound Power & Light, or Washington Water Power. Seller of energy shall identify the Sending Utilities (SU) to BPA's NW Prescheduler daily, on a preschedule basis.

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWH	Price	Holiday Excluded	Revenue/ Cost
1/1/00	1/31/00	25	LLH	25	8,600	\$20.75		\$178,450.00
2/1/00	2/29/00	25	LLH	25	7,400	\$20.75		\$153,550.00
3/1/00	3/31/00	25	LLH	25	7,800	\$20.75		\$161,850.00
Energy Transaction Total:								\$493,850.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 - HE 2400.

Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

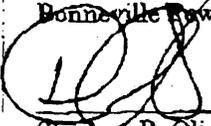
Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and Enron Power Marketing, Inc..

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

Bonneville Power Administration	Enron Power Marketing, Inc.
 <i>David E. McKel</i>	
<i>for</i> Stephen R. Oliver Manager, Bulk Power Marketing	Name: <u>Kim S. Theriot</u> Title: <u>Agent and Attorney-in-fact</u>
Date: <u>9/14/99</u>	Date: <u>9/16/99</u>



Department of Energy
 Bonneville Power Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: October 04, 1999
To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204

Attn: Mike Swerzbin
 503-464-3816

Confirm Fax: 713-646-2443
Preschedule Phone: 800-684-1336
Real Time Phone: 503-464-3823
PS/RT FAX: 503-464-2605

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Terry Larson	(503) 230-3071
Bill Lamb	(503) 230-7661
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Preschedule	(503) 230-4311
BPA Real-Time	(503) 230-3341 or 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 97PB-10085.

Transaction Date: 10/4/99 **Traders:** Bill Lamb (BPA) and Mike Swerzbin (EPM)
BPA Contract: 00PB - 22819 **Broker:** Amerex Power, Ltd.

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: Mid-Columbia, PacifiCorp, Puget Sound Power & Light, or Washington Water Power. Seller of energy shall identify the Sending Utilities (SU) to BPA's NW Prescheduler daily, on a preschedule basis.

Start of Term	End of Term	Demand Limit	Amount Hours	Total (MWH/hr)	MWH	Price	Holiday Excluded	Revenue/ Cost
10/1/00	10/31/00	25	HLH	25	10,400	\$34.35		\$357,240.00
11/1/00	11/30/00	25	HLH	25	10,000	\$34.35	11/23/00	\$343,500.00
12/1/00	12/31/00	25	HLH	25	10,000	\$34.35	12/25/00	\$343,500.00
Energy Transaction Total:								\$1,044,240.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

- HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
- LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
- All or FLH is defined as HE 0100 - HE 2400.

Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and Enron Power Marketing, Inc..

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

Boonville Power Administration	Enron Power Marketing, Inc.
	
Stephen R. Oliver Manager, Bulk Power Marketing	Name: _____ Title: <u>Kim S. Theriot</u> Agent and Attorney-in fact
Date: <u>10/5/99</u>	Date: _____



Department of Energy
 Bonneville Power Administration
 P.O. Box 3621
 Portland, OR 97208-3621

**POWER BUSINESS LINE
 Trader and Scheduling Phones**

Date: October 22, 1999
To: Enron Power Marketing, Inc.
 121 SW Salmon - 3WTC0306
 Portland, OR 97204
Attn Mike Swerzbin
 503-464-3816

Brenda Anderson	(503) 230-5610
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Terry Larson	(503) 230-3071
Bill Lamb	(503) 230-3135
David Mills	(503) 230-7588
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Preschedule	(503) 230-4311
BPA Real-Time	(503) 230-3341 or 230-4194

Confirm Fax: 713-646-2443
Preschedule Phone: 800-684-1336
Real Time Phone: 503-464-3823
PS/RT FAX: 503-464-2605

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 97PB-10085.

Transaction Date: 10/22/99 **Traders:** Brenda Anderson (BPA) and Mike Swerzbin (EPM)
BPA Contract: 00PB - 22833 **Broker:** Tradition Financial Services, Inc

Seller of Energy: Enron Power Marketing, Inc.
Buyer of Energy: BPA
Product: Firm power
Point of Delivery: COB (North to South)
 Seller of energy shall identify the Sending Utility (SU) to BPA's SW Prescheduler daily, on a preschedule basis.

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWH	Price	Holiday Excluded	Revenue/ Cost
7/1/00	7/31/00	25	HLH	25	10,000	\$47.25	7/4/00	\$472,500.00
8/1/00	8/31/00	25	HLH	25	10,800	\$47.25		\$510,300.00
9/1/00	9/30/00	25	HLH	25	10,000	\$47.25	9/4/00	\$472,500.00
Energy Transaction Total:								\$1,455,300.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

~ HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

~ LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

~ All or FLH is defined as HE 0100 - HE 2400.

Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

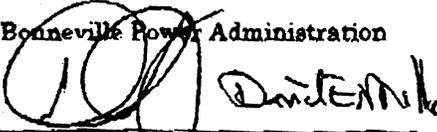
Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and Enron Power Marketing, Inc.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

<p>Bonneville Power Administration</p>  <p>Stephen R. Oliver Manager, Bulk Power Marketing</p> <p>Date: <u>10/25/99</u></p>	<p>Enron Power Marketing, Inc.</p>  <p>Name: _____ Title: <u>Kim S. Theriot</u> <u>Agent and Attorney-in-fact</u></p> <p>Date: <u>10/27/99</u></p>
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Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621

**POWER BUSINESS LINE
Trader and Scheduling Phones**

Date: October 26, 1999
To: Enron Power Marketing, Inc.
121 SW Salmon - 3WTC0306
Portland, OR 97204
Attn: Kevin McGowan
503-464-3821

Brenda Anderson (503) 230-5610
Dan Le (503) 230-3144
Young Linn (503) 230-3183
Terry Larson (503) 230-3071
Bill Lamb (503) 230-3135
David Mills (503) 230-7588
BPA Trading Floor Fax (503) 230-7463
BPA Preschedule Fax (503) 230-3039
BPA SW Preschedule (503) 230-3915
BPA NW Preschedule (503) 230-3813
BPA S. Idaho Preschedule (503) 230-4311
BPA Real-Time (503) 230-3341
or 230-4194

Confirm Fax: 713-646-2443
Preschedule Phone: 800-684-1336
Real Time Phone: 503-464-3823
PS/RT FAX: 503-464-2605

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with reference contract or enabling agreement 97PB-10085.

Transaction Date: 10/26/99 **Traders:** Brenda Anderson (BPA) and Kevin McGowan (EPM)
BPA Contract: 00PB - 22844 **Broker:** Prebon Financial Products, Inc.

Seller of Energy: Enron Power Marketing, Inc.

Buyer of Energy: BPA

Product: Firm power

Point of Delivery: COB (North to South)

Seller of energy shall identify the Sending Utility (SU) to BPA's SW Prescheduler daily, on a preschedule basis.

Start of Term	End of Term	Demand Limit	Hours	Amount (MWH/hr)	Total MWH	Price	Holiday Excluded	Revenue/ Cost
7/1/00	7/31/00	50	HLH	50	20,000	\$47.65	7/4/00	\$953,000.00
8/1/00	8/31/00	50	HLH	50	21,600	\$47.65		\$1,029,240.00
9/1/00	9/30/00	50	HLH	50	20,000	\$47.65	9/4/00	\$953,000.00
Energy Transaction Total:								\$2,935,240.00

Scheduling

All energy will be shown in Pacific Prevailing Time.

- HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).

- LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.

- All or FLH is defined as HE 0100 - HE 2400.

Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing

Billing and payment under this agreement shall be in accordance with the reference contract.

This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and Enron Power Marketing, Inc..

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED

Bonneville Power Administration	Enron Power Marketing, Inc.
 Stephen R. Oliver Manager, Bulk Power Marketing	 Name: _____ Title: <u>Kim S. Theriot</u>
Date: <u>10/26/99</u>	Date: <u>Agent and Attorney-in-fact</u> <u>10/28/99</u>



Department of Energy

Bonneville Power Administration
 P.O. Box 3621
 Portland, Oregon 97208-3621

POWER BUSINESS LINE

Date: February 1, 2000

To: Enron Power Marketing, Inc.
 121 SW Salmon 3WTC0306
 Portland, OR 97204

Attn: Holli Krebs
 Phone: (503) 464-3816
 Fax: (713) 646-2443

Preschedule: (800) 684-1336; (503) 464-3825
 Real-Time: (800) 684-1336; (503) 464-3813

BPA Contacts:	
Brenda Anderson	(503) 230-5610
Bill Lamb	(503) 230-3135
Terry Larson	(503) 230-30719
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Dennis Oster	(503) 230-3370
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Preschedule	(503) 230-4311
BPA Real-Time	(503) 230-3341 or (503) 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by the Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with the reference contract listed below.

Transaction Date	2/1/00
Reference Contract #	97PB-10085
BPA Contract #00-	23134
BPA Contact	Brenda Anderson/Dennis Oster
Customer Contact	Holli Krebs
Seller of Option	BPA
Buyer of Option	EPM
Seller of Energy	EPM
Buyer of Energy	BPA
Start date	1/1/02
End date	12/31/06
Holiday Excluded	
Day of Week	All
Delivery Hours Ending (HE)	All
Quantity (MWh/hr)	50
Demand Limits (MW)	50
Total MWhs	2002 438,000; 2003 438,000; 2004 439,200; 2005 438,000; 2006 438,000 Total 2,191,200
Price (\$/MWh)	Option Fee \$.01; Strike Price \$28.00 (price if option exercised)
Total Revenue/Cost	Option Fee: 2002 \$4,380; 2003 \$4,380; 2004 \$4,392; 2005 \$4,380; 2006 \$4,380; Total Option Fee \$21,912 Strike Cost: 2002 \$12,264,000; 2003 \$12,264,000; 2004 \$12,297,600; 2005 \$12,264,000; 2006 \$12,264,000; Total \$61,353,600 (cost if option exercised)

Type of Energy	Firm Power <u>See Inset A just</u>
Curtailement Rights	
Point of Delivery (POD)	Mid-Columbia; including points where PacifiCorp, Puget Sound Power & Light, and Avista Corporation - Washington Water Power Division are interconnected with BPA's transmission system, excluding constrained paths. Seller of energy shall identify the Sending Utilities (SU) to BPA's NW
Alternate PODs (APOD)	
Other	Multi-Year Put: By 2:00 PM PPT on March 31, 2000, Buyer of Option has the option to exercise this put (sell the energy for all 60 months to BPA under the terms described above). Option fee is to be paid by Buyer of Option within five business days of the invoice date.

Scheduling:

- All energy will be shown in Pacific Prevailing Time.
 - HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
 - LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
 - All (delivery hours ending) is defined as HE 0100-HE 2400.
- Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both Parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties.

Billing:

Billing and payment under this agreement shall be in accordance with the reference contract.

Other:

This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and EPM.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
	
Stephen R. Oliver, Manager, Bulk Power Marketing	Name: <u>Kim S. Theriot</u>
Date: <u>2/4/00</u>	Title: <u>Agent and Attorney-in-fact</u> Date: <u>2/8/2000</u>

BAndersonjr:5610:2/1/00 (fy00\EPM23134)



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson". The signature is written in a cursive style.

Scott K. Wilson
Account Executive

FOR SETTLEMENT PURPOSES ONLY
SUBJECT TO FEDERAL RULE OF EVIDENCE 408 AND
NEW YORK CIVIL PRACTICE LAW AND RULES § 4547,

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-Disclosure Agreement ("CND Agreement") is entered into on this 9th day of May, 2002, by and between Enron Power Marketing, Inc. ("EPMI") and the Bonneville Power Administration ("BPA").

PURPOSE

EPMI and BPA (the "Parties") entered into agreements for the purchase, sale and delivery of energy (collectively the "Agreements"). The Parties wish to enter into discussions and negotiations for the purpose of reaching a final settlement of obligations and liabilities under certain of those agreements, as specified in the term sheet to be provided by EPMI upon execution of this agreement. This CND Agreement requires the Parties to protect the confidentiality of their discussions and negotiations and, to the extent permitted by law, refrain from disclosing any agreement that results from their discussions and negotiations from disclosure by entering into this CND Agreement.

SCOPE

This CND Agreement shall govern all communications, whether oral, in writing or communicated electronically, between the Parties, their respective counsel and/or their respective representatives, regarding settlement of the Agreements ("Communications").

DUTIES

The Parties agree that they will maintain the confidentiality of all Communications and safeguard such Communications from disclosure to third parties, except as noted in the following section. The Parties agree that no Communications shall be used for any purpose other than settlement of the Agreements, and that, to the extent permitted by law, neither such statements nor the fact that the parties have had discussions or negotiations shall be introduced in evidence or used in any way in any federal or state judicial or administrative proceeding. If the Parties seek the assistance of any court, private organization, or individual for purposes of engaging in an alternative dispute resolution process, neither Party shall disclose the fact or substance of any of their settlement discussions or negotiations governed by this CND Agreement without written agreement of the other Party.

EXCEPTIONS TO NON-DISCLOSURE

1. Either party may disclose information that would otherwise be subject to this CND Agreement by obtaining, in advance of any such disclosure, the written consent of the other Party.
2. EPMI may disclose Communications to affiliates, third party advisors, third party members of creditors' committees established in EPMT's bankruptcy proceeding, and the bankruptcy court in EPMI's bankruptcy proceeding, but only to the extent necessary to evaluate and/or obtain the requisite approvals for the settlement of the Agreements
3. BPA may disclose Communications to outside counsel and financial advisors, the Department of Energy, and the Department of Justice to the extent necessary to evaluate and/or obtain the requisite approvals for the settlement of the Agreements.
4. Either Party may disclose Communications when required by law after providing the other party with prompt notice. If a Party is required by law to disclose Communications, that Party shall promptly notify the other Party, who may, at its own cost and expense, seek a protective order, or otherwise take action necessary to protect the confidentiality of the affected Communications. The phrase "required by law" includes, without limitation, discovery requests, subpoenas and requests made pursuant to legislation regarding municipal public records and freedom of information. Written notice of an intent to disclose shall be given no less than ten (10) business days before the intended disclosure.

REMEDIES

1. Each Party shall be liable to the other Party for any direct monetary damages resulting from a Party's disclosure of any Communications in violation of this Agreement, including disclosures made by employees, affiliates, financial advisers, or counsel. Neither Party shall be liable for consequential damages or lost profits.
2. If any Party breaches this CND Agreement, the other Party may seek an order compelling compliance and may disclose to the Court any otherwise protected Communications necessary to state the basis for the Party's request for relief.
3. These are the sole and exclusive remedies available under this CND Agreement.

GOVERNING LAW

To the extent permitted by law, BPA and EPMI agree that this CND Agreement shall be governed by New York law without regard to principles of conflict of laws. Should a law other than New York law govern all or any part of this Agreement notwithstanding the Parties' choice of New York law, all Communications, as described by this CND Agreement, shall be protected by Federal Rule of Evidence 408 and, to the extent permitted by law, New York Civil Practice Law and Rules section 4547.

NOTICES

Notice pursuant to this agreement shall be delivered to:

If to EPMI:

Brandon Wax, Senior Director
Enron Power Marketing, Inc.
1400 Smith St.
Houston, TX 77002
Fax No. (713) 646-2126

With a copy to its counsel:

Harlan E. Murphy
Vice President & General Counsel
Enron Power Marketing, Inc.
1400 Smith St.
Houston, TX 77002
Fax No. (713) 646-3490

With a copy to its counsel:

If to BPA:

Bonneville Power Administration
Attn: [Name of Contact] SCOTT K WILSON
[Address] 905 NE 11th AVE
Fax No. [503 230 3681] PORTLAND OR
97232

With a copy to its counsel:

JON WRIGHT
ATTORNEY
905 NE 11th AVE
PORTLAND OR 97232
FAX 503 230 7405

ENRON POWER MARKETING, INC.

BONNEVILLE POWER ADMINISTRATION

By: Edward D. Baughman
Name: Edward D. Baughman
Title: Managing Director
Date: 5-9-02

By: Scott K Wilson
Title: SCOTT K WILSON
Name: ACCOUNT EXECUTIVE
Date: May 9, 2002



Department of Energy
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

Date: February 7, 2000

To: Enron Power Marketing, Inc.
121 SW Salmon 3WTC0306
Portland, OR 97204

Attn: Holli Krebs
Phone: (503) 464-3816
Fax: (713) 646-2443

Preschedule: (800) 684-1336; (503) 464-3825
Real-Time: (800) 684-1336; (503) 464-3813

BPA Contacts:	
Brenda Anderson	(503) 230-5610
Bill Lamb	(503) 230-3135
Terry Larson	(503) 230-30719
Dan Le	(503) 230-3144
Young Linn	(503) 230-3183
Dennis Oster	(503) 230-3370
BPA Trading Floor Fax	(503) 230-7463
BPA Preschedule Fax	(503) 230-3039
BPA SW Preschedule	(503) 230-3915
BPA NW Preschedule	(503) 230-3813
BPA S. Idaho Preschedule	(503) 230-4311
BPA Real-Time	(503) 230-3341 or (503) 230-4194

CONFIRMATION AGREEMENT

The following memorializes the terms of a transaction agreed to by the Bonneville Power Administration (BPA) and Enron Power Marketing, Inc. (EPM). Transactions hereunder are in accordance with the reference contract listed below.

Transaction Date	2/7/00
Reference Contract #	97PB-10085
BPA Contract #00-	23145
BPA Contact	Brenda Anderson/Dennis Oster
Customer Contact	Holli Krebs
Seller of Option	BPA
Buyer of Option	EPM
Seller of Energy	EPM
Buyer of Energy	BPA
Start date	1/1/02
End date	12/31/06
Holiday Excluded	
Day of Week	All
Delivery Hours Ending (HE)	All
Quantity (MWh/hr)	50
Demand Limits (MW)	50
Total MWhs	2002 438,000; 2003 438,000; 2004 439,200; 2005 438,000; 2006 438,000 Total 2,191,200
Price (\$/MWh)	Option Fee \$.01; Strike Price \$28.00 (price if option exercised)
Total Revenue/Cost	Option Fee: 2002 \$4,380; 2003 \$4,380; 2004 \$4,392; 2005 \$4,380; 2006 \$4,380; Total Option Fee \$21,912 Strike Cost: 2002 \$12,264,000; 2003 \$12,264,000; 2004 \$12,297,600; 2005 \$12,264,000; 2006 \$12,264,000; Total \$61,353,600 (cost if option exercised)

Type of Energy Curtailment Rights	Firm Power ✓
Point of Delivery (POD)	Mid-Columbia, including points where PacifiCorp, Puget Sound Power & Light, and Avista Corporation -Washington Water Power Division are interconnected with BPA's transmission system, excluding constrained paths. Seller of energy shall identify the Sending Utilities (SU) to BPA's NW ✓
Alternate PODs (APOD)	
Other	Multi-Year Put: By 2:00 PM PPT on March 31, 2000, Buyer of Option has the option to exercise this put (sell the energy for all 60 months to BPA under the terms described above). Option fee is to be paid by Buyer of Option within five business days of the invoice date. ✓

Scheduling:

- All energy will be shown in Pacific Prevailing Time.
 - HLHs are defined as HE 0700 - HE 2200, Monday through Saturday (excludes Sundays and NERC holidays).
 - LLHs are defined as HE 0100 - HE 0600, HE 2300 and HE 2400, Monday through Saturday and all day Sundays and NERC holidays.
 - All (delivery hours ending) is defined as HE 0100-HE 2400.
- Customer shall preschedule all deliveries of energy by 0930, or as mutually agreed, on the day that both Parties observe as a workday preceding the date of delivery. Schedules may only be changed due to uncontrollable forces on either system or by mutual agreement of both parties. ✓

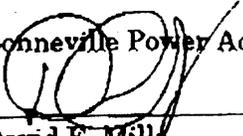
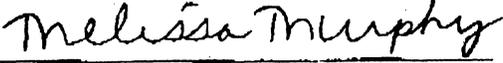
Billing:

Billing and payment under this agreement shall be in accordance with the reference contract.

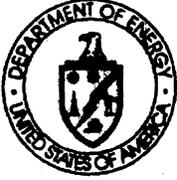
Other:

This confirmation agreement contains all of the terms and conditions of this transaction and may not be varied or contradicted by any other writing without the express agreement of BPA and EPM.

If the above accurately reflects your understanding of our agreement, please indicate your approval by signing a copy of this agreement and returning via fax to BPA.

AGREED AND ACCEPTED	
Bonneville Power Administration	Enron Power Marketing, Inc.
 _____ David E. Mills, Manager, Trading Floor	 _____ Name: <u> Melissa Murphy </u> Title: <u> Agent And Attorney-in-fact </u>
Date <u> 2/7/00 </u>	Date: _____

RAnderson:jr:5610:2/7/00 (f:00\EPM23145)



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

April 10, 2002

In reply refer to: PT-5

Mr. Harlan Murphy, Vice President and Assistant General Counsel
Mr. Ed Baughman, Vice President
Enron Power Marketing, Inc.
1400 Smith Street
Houston, TX 77002

Dear Mr. Sirs:

This letter is official notification that Dennis Oster has moved to a new position within the Bonneville Power Administration (BPA). I am the BPA Account Executive for Enron Power Marketing, Inc., and the BPA contact person for contract notices and correspondence.

Please forward any future notices as follows:

Scott K. Wilson
Account Executive
Bonneville Power Administration - PT-5
905 NE 11th Avenue
Portland, Oregon 97232
PHONE: 503-230-7638
CELL: 503-702-8155
FAX: 503-230-3681
Email: skwilson@bpa.gov

Please feel free to contact me with any questions about power contracts or matters related to BPA's Power Business Line.

Sincerely,

A handwritten signature in black ink that reads "Scott K. Wilson".

Scott K. Wilson
Account Executive