
From: Causey, Richard
Sent: Monday, October 15, 2001 10:37 AM
To: Rieker, Paula
Subject: RE: Next BoD meeting

We have determined that based on current economic conditions, our goodwill adjustment will be less than \$200 million. We will not have to impair Wessex goodwill at this time. However, such determination is sensitive to various things, including interest rates. Accordingly, we will have to update our analysis in the first quarter and on an ongoing basis.

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

From: Rieker, Paula
Sent: Saturday, October 13, 2001 2:58 PM
To: Fastow, Andrew; Causey, Richard
Subject: Next BoD meeting

The BoD decided at the most recent meeting that they would like to meet again to consider Project Southwood after a few key events have materialized and investor/rating agency responses gauged. I need to narrow the range of possibilities for that date and begin to poll for BoD availability. The BoD tentatively expects a meeting to be called early the week of Oct. 22.

Please drop me a note regarding the following:

- Rick - When do you expect you will have a firm outcome on the amount and timing for goodwill?
- Andy - When do you expect to have had sufficient discussion with the agencies to be able to assess their reaction to both Enron's earnings announcement and our balance sheet?

Separately, I am in touch with Jeff and Ray on deal-timing considerations and any subsequent deal developments that might affect the timing of the meeting. I'll let you know what I hear.

Please advise at your earliest convenience. Thanks a lot. Paula