

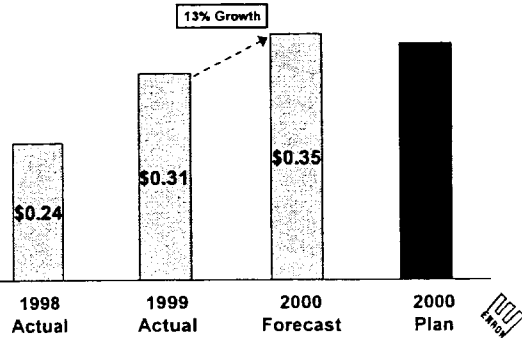
**BOARD OF DIRECTORS' MEETING
December 12, 2000**

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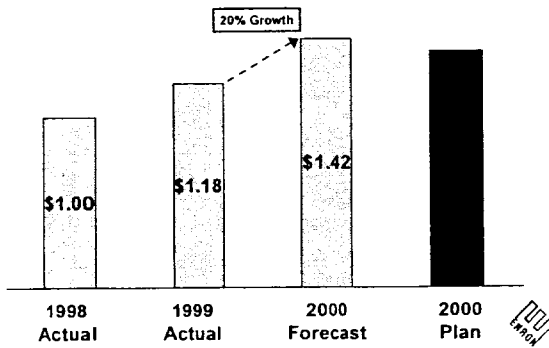


Financial and Earnings Report

Fourth Quarter 2000 Recurring Diluted EPS



Recurring Diluted EPS Year Ended December 31, 2000



Net Income

	Fourth Quarter		Total Year	
	Plan	Actual	Plan	Actual
Transportation & Distribution				
Transportation & Storage	\$ 100	\$ 55	\$ 263	\$ 263
Portland General Group	30	38	129	145
Wholesale				
North America	56	158	329	643
Europe	36	44	125	140
International Regions	166	3	227	56
Enron Energy Services	18	20	37	46
Enron Broadband Services	(3)	(32)	(42)	(71)
Corporate and Other	(55)	41	124	65
Azurix	(3)	(22)	(19)	(63)
Recurring Net Income	\$ 345	\$ 305	\$ 1,173	\$ 1,224

Fourth Quarter Earnings by Segment

	Fourth Quarter		Total Year	
	2000	1999	2000	1999
Wholesale Energy Operations	\$ 571	\$ 263	\$ 2,054	\$ 1,317
Transmission & Distribution	190	202	719	685
Retail Energy Services	37	7	107	(68)
Broadband Services	(32)	-	(60)	-
Corporate and Other	(72)	1	(227)	48
Interest, MI, & Income Tax	(389)	(214)	(1,369)	(1,025)
Net Income - recurring	\$ 305	\$ 259	\$ 1,224	\$ 957

Balance Sheet Debt 2000 Activity

	Total Year	Plan
Opening Debt Balance	\$ (8,152)	\$ (8,200)
Funds Flow from Operations	2,840	2,300
Change in Working Capital	140	40
Proceeds from Sales of Assets	562	1,307
Capital Expenditures	(2,142)	(1,764)
Equity Investments	(2,468)	(1,597)
Dividends	(527)	(450)
Other	47	(424)
Period Activity	(1,548)	(588)
Period Ending Debt Balance	\$ (9,700)	\$ (8,788)

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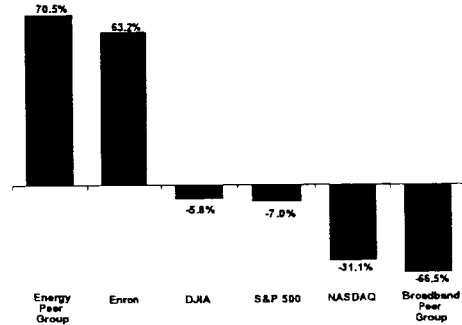
Financial and Earnings Report

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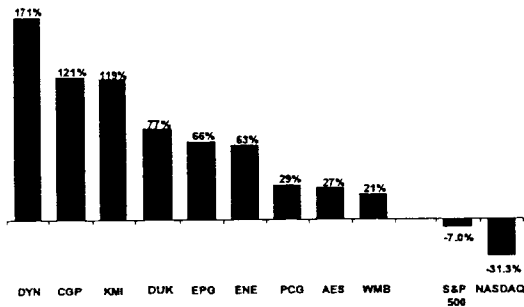
Investor Relations Update

Total Return to Shareholder 2000 Year-to-Date*

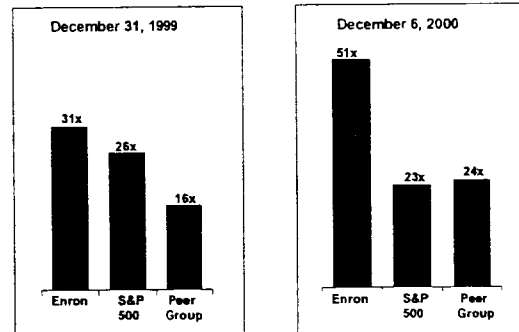


*Through December 6 Returns Include Dividends

Energy Peer Group – Total Return (Through December 6)

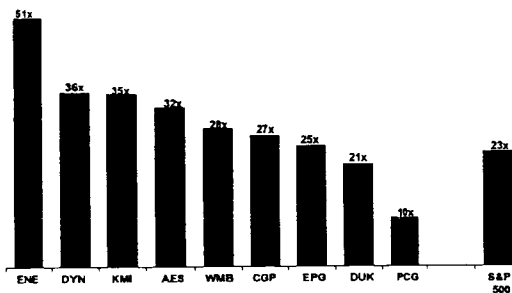


Relative Valuation (P/E Ratio*)



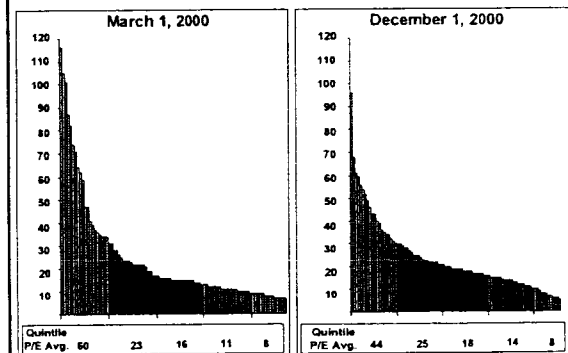
*Based on 2000 EPS

Energy Peer Group – P/E Ratio*



*Based on 2000 EPS

S&P 100 – P/E Multiples

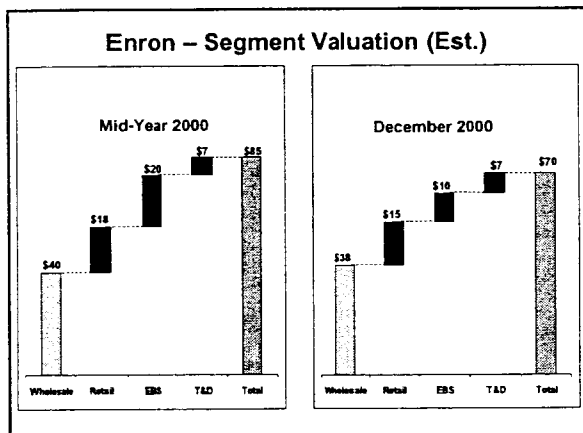


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Largest Shareholders*			
(As of November 28, 2000)			
Name	Shares Held	Location	Change From 6/30/00
Janus Capital Corporation	48,000,000	Denver	(11,708,000)
Fidelity Management and Research	19,640,000	Boston	2,900,000
Putnam Investment Management, Inc.	18,000,000	Boston	1,100,000
American Century Investment Management	14,800,000	Kansas City	800,000
American Express Financial Advisors	14,200,000	Minneapolis	1,640,000
Smith Barney Asset Management	12,000,000	New York	(2,000,000)
Northern Trust Global Investments	9,400,000	Chicago	300,000
Morgan Stanley Dean Witter Advisors	7,600,000	New York	(4,877,000)
Merrill Lynch Asset Management	7,225,000	Plainsboro	875,000
Dredner RCM Global Investors	6,000,000	San Francisco	300,000
UBS Warburg	6,000,000	Stamford	(1,500,000)
Goldman Sachs Asset Management	5,800,000	New York	-
Deutsche Asset Mgmt./Morgan Grenfell	5,600,000	London	955,000
AIM Management Group	5,500,000	Houston	3,400,000
Van Kampen Funds	5,500,000	Houston	3,200,000
Oppenheimer Funds	5,200,000	New York	1,388,000
Roror Asset Management	5,000,000	Philadelphia	650,000
Robur Kapital Forvaltning	4,800,000	Stockholm	-
MacKay Shields	4,065,000	New York	(435,000)
First Union	3,900,000	Charlotte	70,000
MFS Financial Services	3,376,000	Boston	650,000

*Excluding Index Funds

Enron – Segment Valuation (Estimated Analyst Consensus)			
Business Segment	Valuation Method	Total (Millions)	Per Share
Wholesale	35% Premium to Market P/E (32x) x 2000 Net Income	\$32,000	\$38.00
Retail	Income Analyst Consensus - NPV Approach	\$13,000	\$15.00
Broadband Services	Analyst Consensus - NPV Approach	\$9,000	\$10.00
Transportation & Distribution	GPG -15 P/E x 2000 Net Income. PGN - \$1.7 Billion	\$6,000	\$7.00
		<u>\$60,000</u>	<u>\$70.00</u>



- Investor Concerns/Issues**
- **Enron Broadband Services**
 - General Broadband Industry Valuation Declines
 - Concerns on Rate of Market Acceptance of Bandwidth Trading
 - Ability to Deliver on Content Services
 - **Azurix**
 - Enron Write-off Risk Related to Reduced Valuation
 - Enron Capital/Cash Commitment
 - **California Wholesale Power Issues**
 - Refunds, Price Caps, Re-Regulation, Lawsuits, Etc.
 - **New Power Company**
 - Enron's Share of Equity Losses ("Burn Rate")
 - Market Value Decline
 - **General**
 - Earnings Generation from LJM (Related Party) Activity

