

**MINUTES**  
**MEETING OF THE AUDIT AND COMPLIANCE COMMITTEE**  
**OF THE BOARD OF DIRECTORS**  
**ENRON CORP.**  
**October 8, 2001**

Minutes of a meeting of the Audit and Compliance Committee ("Committee") of the Board of Directors of Enron Corp. ("Company"), held pursuant to due notice at 3:00 p.m., C.D.T., on October 8, 2001 at the Enron Building, in Houston, Texas.

All of the Committee members were present as follows:

Dr. Robert K. Jaedicke, Chairman  
Mr. Ronnie C. Chan  
Dr. Wendy L. Gramm  
Dr. John Mendelsohn  
Mr. Paulo V. Ferraz Pereira  
Lord John Wakeham

Directors Robert A. Belfer, Norman P. Blake, Jr., John H. Duncan, and Kenneth L. Lay, and Messrs. Robert H. Butts, Richard B. Buy, Richard A. Causey, James V. Derrick, Jr., Shawn Kilchrist, D. Andrew Parsons, David R. Port, and L. Greg Whalley and Ms. Paula H. Rieker, all of the Company or affiliates thereof, Messrs. Thomas H. Bauer, David B. Duncan, and D. Stephen Goddard, of Arthur Andersen LLP ("AA"), and Mr. Richard N. Foster, of McKinsey & Company, Inc. ("McKinsey"), also attended the meeting. Director Charles A. LeMaistre, Messrs. John C. Brindle and Steven J. Kean and Ms. Sharon A. Butcher, all of the Company or affiliates thereof, and Messrs. Joseph C. Dilg and Max Hendrick, III, of Vinson & Elkins L.L.P. ("V&E"), joined the meeting in progress as noted below.

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

Dr. Jaedicke called the meeting to order, noted that a draft of the minutes of the meeting of the Committee held on August 13, 2001 had been distributed to members of the Committee, and called for comments, additions, or corrections. There being none, upon motion duly made by Mr. Ferraz Pereira, seconded by Dr. Mendelsohn, and carried, the minutes of the meeting of the Committee held on August 13, 2001 were approved as distributed.

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