

LJM2 Capital Management, L.P.
333 Clay Street, Suite 1203
Houston, Texas 77002

May 10, 2001

Enron Corp.
1400 Smith Street
Room EB4906
Houston, Texas 77002
Attn: Mr. J. Mark Metts

LJM2 Capital Management, L.P., the general partner of LJM2 Co-Investment, L.P. (together, "*LJM2*"), recently submitted a proposal to acquire (the "*Transaction*") Enron Renewable Energy Corp. and its subsidiaries (collectively, the "*Company*") from affiliates of Enron Corp. LJM2 is planning to submit in the near future a revised proposal, and wishes to proceed to develop a mutually acceptable transaction structure, conduct and complete business, legal, accounting and other due diligence, obtain commitments for financing and negotiate a definitive purchase and sale agreement (the "*Definitive Agreement*") and related documents. LJM2 recognizes and understands that such actions shall be undertaken on a non-exclusive basis with Enron and its affiliates, and that Enron currently is in discussions with other parties at this time with respect to a possible disposition of the Company. As a material inducement to LJM2 to undertake all of those activities, the undersigned Enron Corp. ("*Enron*") agrees as follows:

1. *Expenses.* Enron shall reimburse LJM2 upon demand for all reasonable and documented out-of-pocket expenses paid or incurred by or on behalf of LJM2, from and after May 1, 2001 and prior to the date (if it occurs) upon which LJM2 (or its affiliate) and Enron execute and deliver the Definitive Agreement to each other (the "*Signing Date*"), in connection with evaluating and pursuing the Transaction with Enron and its affiliates, including conducting due diligence investigations, negotiating and preparing the Definitive Agreement and all related documentation and obtaining commitments and other assurances from third parties to finance the proposed acquisition, including reasonable out-of-pocket costs for travel and lodging, reasonable fees and expenses of attorneys, accountants, consultants, financing sources and other representatives (collectively, "*Representatives*"), filing and other fees; *provided first*, that Enron shall not be obligated to reimburse LJM2 for any regulatory filings made without Enron's prior consent; *provided second*, that Enron shall not be obligated to reimburse LJM2 for any commitment or other similar financing fees paid to its financing sources in connection with obtaining financing commitments; and *provided third*, that Enron shall not be obligated to reimburse LJM2 for any "break" fees (i.e., incremental fees paid for failing to consummate the Transaction) to any of its Representatives.

2. *Fee.* In addition to its expense reimbursement obligations under paragraph 1, Enron shall pay to LJM2 Capital Management, L.P. or its designee a monthly fee of \$150,000, payable in advance in cash (a) within two business days after the date hereof for the month of May 2001, and (b) on the first day of each month commencing after the date of this agreement and prior to the earlier of (i) the termination of this agreement, and (ii) the Signing Date; *provided that in no event shall Enron be obligated to pay LJM2 more than \$600,000 in fees in the aggregate under this paragraph 2.*

GOVERNMENT
EXHIBIT
24619
Crim No. H 04-0025

EC 000476476

