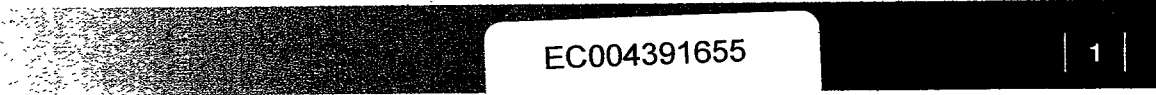




Alberta Power Purchase Arrangements (PPA)

(The Next Phase in the Deregulation of the Alberta Power Market)



EC004391655

Strategy and Benefits

❖ Strategy

→ Bid up to a predetermined level on 2 PPA's that create significant expected value that will more than offset the unusual credit and legal risks.

❖ Benefits of Participating

→ The size and complexity of the PPA process has led to only 7 approved bidders. Each bidder can buy up to 1390 MW's of the 4000 - 5000 MW's that will be auctioned. Therefore, at least 3 or 4 bidders will win a PPA.

» Enron has a real opportunity to buy a PPA at a very low price.

→ Success in the auction will immediately make Enron a significant player in the Alberta Power Market and lead to numerous origination opportunities.

