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Marshall Grewe, Maureen; Mills,
CMS / Ennore project

George Pickard from CMS called. Problems with Ennore persist.

1) The CMS staff in India has been speaking with WB staff there. He wants to do the same on this end and called to
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- ¶ tact information for India Country Director, Energy Specialists, and also the South Asia Executive Director. I will check with Barb on these requests (have you seen requests like these before?)

2) He wants to come in to give us a briefing on where they stand with Ennore. CMS has worked with State and Commerce fairly closely and wants to loop in Treasury. He is willing to come in within the next week. Anyone interested? Shoudl I check with the others who attended the Enron mtg?

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oa3.do.treas.gov ([10.75.144.136]) by msbr01.do.treas.gov with SMTP (Microsoft
Exchange Internet Mail Service Version 5.5.2653.13)
id TCYKZJBG; Mon, 1 Oct 2001 04:27:40 -0400
Received: from CONVERSION-DAEMON.do.treas.gov by do.treas.gov
(PMDF V6.0-24 #36958) id <01K8Z2JI870G8ZELOD@do.treas.gov>; Mon,
01 Oct 2001 04:30:00 -0400 (EDT)
Received: from fw2-qfe0.do.treas.gov. ([172.20.20.2])
by do.treas.gov (PMDF V6.0-24 #36958)
with SMTP id <01K8Z2JHSW1G8ZEANS@do.treas.gov>; Mon,
01 Oct 2001 04:30:00 -0400 (EDT)
Received: from mailhub.net.treas.gov ([10.7.8.11]) by fw2-qfe0.do.treas.gov.
via smtpd (for [172.20.75.25]) with SMTP; Mon, 01 Oct 2001 08:31:29 +0000 (UT)
Received: from tias4.net.treas.gov (localhost [127.0.0.1])
by mailhub-3.net.treas.gov (8.10.2+Sun/8.9.3) with SMTP id f918QTn27302;
Mon,
01 Oct 2001 04:26:29 -0400 (EDT)
Received: from mx-relay.treas.gov ([199.196.144.5]) by tias4.net.treas.gov via
smtpd (for mailhub.net.treas.gov [10.7.8.11]) with SMTP; Mon,
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Received: from acheson-a1.state.gov ([169.253.4.7])
by mx-relay1.treas.gov (8.9.3+Sun/8.9.3) with SMTP id EAA19806; Mon,
01 Oct 2001 04:31:28 -0400 (EDT)
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01 Oct 2001 08:31:28 +0000 (UT)
Received: from newmailsweeper3.state.gov by mailrelay.state.gov
(8.8.8+Sun/SMI-SVR4) id EAA00440; Mon, 01 Oct 2001 04:34:35 -0400 (EDT)
Received: from iscan.state.gov (unverified) by newmailsweeper3.state.gov
(Content Technologies SMTPRS 4.1.5)
with SMTP id <Ta9fd08105652f272ba@newmailsweeper3.state.gov>; Mon,
01 Oct 2001 04:33:28 -0400

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Received: from [199.77.210.37] by franklin-a-hme0.state.gov via smtpd
(for InterscanA.state.gov [169.253.8.3]) with SMTP; Mon,
01 Oct 2001 08:31:27 +0000 (UT)
Received: by am21.irm.state.gov with Internet Mail Service (5.5.2654.89)
id <TTX3VA65>; Mon, 01 Oct 2001 04:31:27 -0400
Date: Mon, 01 Oct 2001 04:31:26 -0400
From: "Silverman, Robert J" <SilvermanR@state.gov>
Subject: Additional Points for DERVIS Meetings on Monday
To: marshall.mills@do.treas.gov, larry.mcdonald@do.treas.gov
Cc: "Marciel, Scot" <MarcielS@state.gov>,
"Zuniga-Brown, Timothy(Main State)" <Zuniga-BrownTP@state.gov>,
"Dwyer, Stuart A(Main State)" <DwyerSA@state.gov>,
"Jeffrey, James" <JeffreyJ@state.gov>,
"Dunnigan, Robin L" <DunniganRL@state.gov>,
"Shub, Adam M(E)" <ShubAM@state.gov>
Message-id:
<49B3FDC939C8D4118BD100508BEE250630F03F@ankarasntsf.ankara.state.gov>
MIME-version: 1.0
X-Mailer: Internet Mail Service (5.5.2654.89)
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+0xÈ n Ÿ T Silverman, Robert

J SMTP SilvermanR@state.gov
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Marciel, Scot; Zuniga-Brown, Timothy(Main State);
Dwyer, Stuart A(Main State); Jeffrey, James; Dunnigan, Robin L; Shub, Adam
M(E) marshall.mil
ls@do.treas.gov; larry.mcdonald@do.treas.gov Additional Points for
DERVIS Meetings on Monday
Marshall and Larry,

Scot and I chatted this morning, and

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wanted to give you some additional points for your consideration for Dervis meetings today (Tim/Adam/Stuart please consider also for Larson meeting tomorrow):

Blocking Terrorist Assets  
-----

[OUTSIDE SCOPE , (b)(5)]

Energy Company Arrearages  
-----

Enron and Edison told us on Friday that TEAS has paid them through June 2001 invoices, reducing arrearages to two months. but it has not yet paid the foreign exchange differential, nor has it come up with a plan to stay current on payments.

TEAS, in a July meeting with export credit agencies, was supposed to come up with an action plan for staying current in its payments.

[(b)(5)]

Budget Assumptions for Next Year  
-----

[OUTSIDE SCOPE , (b)(5)]

something I am  
not aware of.

Best regards, Bob

MARSHALLANDLARRY, SCOTANDICHATTEDTHISMORNING

, ANDHEWANTEDTOGIVEYOUSOMEADDITIONALPOINTS FORYOURCONSIDERA

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2 , Rao, Geetha; Berg, Katie; Grewe,  
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Gary Dabhol meeting on Enron/OPIC project at  
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D5FABD4118F1B00508BE38A20021F2308@ms02.do.treas.gov> <62CC6F5D5FABD4118F1B005  
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tps on damaging consequences on fdi.  
i am not bothered by emphasis on opic/exim because isn't that point of  
demarche.

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

From: Rao, Geetha  
Sent: Thursday, July 12, 2001 11:01 AM  
To: Rao, Geetha; Berg, Katie; Sills, Gay; Grewe, Maureen; Resnick, Bonnie;  
Christopoulos, Greg; Sampliner, Gary  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve  
Subject: RE: Dabhol meeting on Enron/OPIC project at NSC  
Importance: High

Attached are the talking points that State sent over this morning. Please  
review and send back any comments by 1:30 pm TODAY. We need to submit a joint  
set of TPs today. ((b)(5))

[(b)(5)]

any other suggestions?

<< File: EmbtalkY1 State.doc >>

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

From: Rao, Geetha  
Sent: Wednesday, July 11, 2001 4:13 PM  
To: Berg, Katie; Sills, Gay; Grewe, Maureen; Resnick, Bonnie; Christopoulos, Greg; Sampliner, Gary  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve  
Subject: RE: Dabhol meeting on Enron/OPIC project at NSC

Katie, [(b)(5)]

We'll go ahead and send forward the points to State to push for a joint agreement on talking points... Thanks to all.

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

From: Berg, Katie  
Sent: Wednesday, July 11, 2001 4:09 PM  
To: Sills, Gay; Rao, Geetha; Grewe, Maureen; Resnick, Bonnie; Christopoulos, Greg; Sampliner, Gary  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve  
Subject: RE: Dabhol meeting on Enron/OPIC project at NSC

I must admit to never having heard of this problem. Geetha's revised talking points look good to me, but I would suggest that OPIC clear with ExIm in addition to State and Treasury if ExIm is involved.

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

From: Sills, Gay  
Sent: Wednesday, July 11, 2001 3:54 PM  
To: Rao, Geetha; Grewe, Maureen; Resnick, Bonnie; Christopoulos, Greg; Sampliner, Gary  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve; Berg, Katie  
Subject: RE: Dabhol meeting on Enron/OPIC project at NSC

[(b)(5)]

am

adding katie berg. she does export credits. and eximbank

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

From: Rao, Geetha  
Sent: Wednesday, July 11, 2001 1:54 PM  
To: Grewe, Maureen; Sills, Gay; Resnick, Bonnie; Christopoulos, Greg; Sampliner, Gary  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve  
Subject: RE: Dabhol meeting on Enron/OPIC project at NSC  
Importance: High

Attached are the revisions to the OPIC talking points that OPIC sent over late yesterday. [(b)(5)]

The Charge from the US

0050000002683



Embassy will most likely deliver the points to the GOI. Please comment asap.  
Thanks.

<< File: EmbtalkY1.doc >>

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

From: Grewe, Maureen  
Sent: Wednesday, July 11, 2001 12:52 PM  
To: Sills, Gay; Resnick, Bonnie; Christopoulos, Greg; Sampliner, Gary; Rao, Geetha  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve  
Subject: Dabhol meeting on Enron/OPIC project at NSC  
Importance: High

This is a readout of the meeting at NSC this morning. There is also an ACTION request. USG agencies are requested to get back to NSC by cob tomorrow with comments on OPIC's suggested talking points for a demarche to the GOI by the Charge in Delhi. I talked to the State reps after the meeting (from South Asia bureau, Investment office and Larson's office) and they seem to be basically in the same place as I was on what an appropriate message might be. My proposed plan is that Geetha will take a first crack at comments on the talking points and circulate them within Treasury as early as possible this afternoon. I am requesting that everyone provide comments by cob today, so that we can circulate our comments to State and try to come up with joint suggested points to submit to NSC by cob tomorrow. Please let me know if you have any concerns about this plan.

Readout of meeting:

Attendees: NSC, State (BB front office and investment office, South Asia Bureau), Treasury (Grewe, Rao, Sampliner), Commerce, OPIC (President Peter Watson, GC Ron Jonkers and several others)

[(b)(5)]

[(b)(5)]

Geetha will circulate revised points today. Please comment as quickly as you can and by cob today if possible, so we can try to coordinate with State. Call me or Geetha if you have any questions or need other background.

Thanks.

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[(b)(5)]

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From: Rao, Geetha  
Sent: Thursday, July 12, 2001 11:01 AM  
To: Rao, Geetha; Berg, Katie; Sills, Gay; Grewe, Maureen; Resnick, Bonnie; Christopulos, Greg; Sampliner, Gary  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve  
Subject: RE: Dabhol meeting on Enron/OPIC project at NSC  
Importance: High

Attached are the talking points that State sent over this morning. Please review and send back any comments by 1:30 pm TODAY. We need to submit a joint set of TPs today. [(b)(5)]

[(b)(5)]

any other suggestions?

<< File: EmbtalkY1 State.doc >>

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

From: Rao, Geetha  
Sent: Wednesday, July 11, 2001 4:13 PM  
To: Berg, Katie; Sills, Gay; Grewe, Maureen; Resnick, Bonnie; Christopoulos, Greg; Sampliner, Gary  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve  
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[(b)(5)]

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Importance: High

Attached are the revisions to the OPIC talking points that OPIC sent over late yesterday. [(b)(5)]

The Charge from the US

0050000002769

Embassy will most likely deliver the points to the GOI. Please comment asap.  
Thanks.

<< File: EmtalkY1.doc >>

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

From: Grewe, Naureen  
Sent: Wednesday, July 11, 2001 12:52 PM  
To: Sills, Gay; Resnick, Bonnie; Christopoulos, Greg; Sampliner, Gary; Rao, Geetha  
Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve  
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Thanks.

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Subject: RE: Dabhol meeting on Enron/OPIC project at NSC

[(b)(5)]

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Cc: Donovan, Meg; Mills, Marshall; McDonald, Larry; Radelet, Steve; Berg, Katie  
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To: Grewe, Maureen; Sills, Gay; Resnick, Bonnie; Christopulos, Greg; Sampliner, Gary  
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Subject: Dabhol meeting on Enron/OPIC project at NSC  
Importance: High

This is a readout of the meeting at NSC this morning. There is also an ACTION request. USG agencies are requested to get back to NSC by cob tomorrow with comments on OPIC's suggested talking points for a demarche to the GOI by the Charge in Delhi. I talked to the State reps after the meeting (from South Asia bureau, Investment office and Larson's office) and they seem to be basically in the same place as I was on what an appropriate message might be. My proposed plan is that Geetha will take a first crack at comments on the talking points and circulate them within Treasury as early as possible this afternoon. I am requesting that everyone provide comments by cob today, so that we can circulate our comments to State and try to come up with joint suggested points to submit



to NSC by cob tomorrow. Please let me know if you have any concerns about this plan.

Readout of meeting:

Attendees: NSC, State (EB front office and investment office, South Asia Bureau), Treasury (Grewe, Rao, Sampliner), Commerce, OPIC (President Peter Watson, GC Ron Jonkers and several others)

[(b)(5)]

[(b)(5)]

Geetha will circulate revised points today. Please comment as quickly as you can and by cob today if possible, so we can try to coordinate with State. Call me or Geetha if you have any questions or need other background.

Thanks.

b b# LZFu,

xÂ: rcp9125 2 e  
`n

---

**From:** Klasky, Helaine  
**Sent:** Friday, January 12, 2001 4:41 PM  
**To:** Posner, Steven; Smith, Michelle A.; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Stern, Todd; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** RE: wires - California Power Talks

[(b)(5)]

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

**From:** Posner, Steven  
**Sent:** Friday, January 12, 2001 4:29 PM  
**To:** Smith, Michelle A.; Klasky, Helaine; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Stern, Todd; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** wires - California Power Talks

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Dow Jones International News Service via Dow Jones

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Richardson, who is traveling this weekend in an effort to lobby oil-producing nations against a pending production cut, will not be attending Saturday's session.

The working group meetings will wrap up sometime Friday, the Treasury Department said.

The two groups have separately addressed the two primary features of the proposed settlement, which involve moving the state's financially ailing utilities out of volatile spot power markets and into fixed-price forward contracts while power producers agree to "forbearance" on the huge debt owed by the utilities

The forbearance and contracts working groups have been meeting separately, and were to convene a joint session late Friday to compare notes before reporting back to the principal negotiators who will cut any final deal.

Those familiar with the talks have expressed a mix of pessimism and optimism that a final deal can be struck, given what they described as unrealistic bargaining demands by Gov. Davis.

He has firmly rejected retail rate increases and resisted demands for the state to guarantee the nearly \$12 billion utilities have paid over the last eight months for wholesale power but been unable to pass along under state-mandated frozen retail rates.

Further complicating the talks have been demands by Davis that the proposed long-term power contracts be at rates far below the production costs of electricity generators.

But lately the pessimism has been tempered by signals that Davis may be persuaded to relent Saturday in his opposition to a state-backed securitization of the utilities' undercollections.

"Let's see their plan, and then we'll talk about that," Steve Maviglio, the governor's spokesman, said late Thursday.

Davis reportedly has been under increasing pressure from Wall Street and Clinton administration officials to reconsider his opposition to securitization.

Without a state credit guarantee, a work-out plan can't be struck, the utilities will enter bankruptcy and the state's power grid will collapse into blackouts, sources familiar with the talks warn.

The affected utilities are Southern California Edison Co., a unit of Edison International (EIX), and Pacific Gas & Electric Co., a unit of PG&E Corp. (PCG).

By Bryan Lee, Dow Jones Newswires, 202-862-6647, bryan.lee@dowjones.com

(END) Dow Jones Newswires 12-01-01

2100GMT

(AP-DJ-01-12-01 2100GMT)

:TICKER: EIX PCG SRE

:SUBJECT: EUTL STGO DI7 DI1 DI4 DI2 CA COBO COMM

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Received by NewsEDGE/LAN: 1/12/01 3:55 PM

Calif power talks aim to reach solution on Saturday

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The state narrowly averted rolling power blackouts on Thursday as already tight supplies of electricity fell to dangerously low levels because of a severe storm.

Friday marked the fourth day of negotiations among lower-level aides to map out detailed proposals for short- and

long-term solutions to California's chronic electricity shortage and skyrocketing prices.

If the Friday talks failed to make as much progress as hoped, the Saturday session could be downgraded to another day of negotiations among lower-level officials on technical issues, according to another source.

Summers and Energy Secretary Bill Richardson launched the negotiations on Tuesday to prevent the bankruptcy of PG&E Corp <PCG.N> and Edison International <EIX.N>, which could ripple throughout the national economy.

Both utilities say they have run out of cash because of runaway prices wholesale power, which are now tenfold higher than one year ago. Under California's landmark 1996 deregulation law, the higher wholesale prices cannot be passed through to consumers.

The two utilities want a 90-day reprieve in repaying billions of dollars to out-of-state power generators, as well as the ability to sign long-term contracts to lock in lower prices.

((washington.commodsenenergy.newsroom@reuters.com))

REUTERS

Rtr 15:29 01-12-01

:TICKER: PCG EIX

:SUBJECT: CRUD COBO MU ENER UTIL USA

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Received by NewsEDGE/LAN: 1/12/01 3:24 PM

=DJ POWER POINTS: By The Numbers, Calif Pwr Deal Looks Good

Dow Jones International News Service via Dow Jones

By Mark Golden

A Dow Jones Newswires Column

NEW YORK (Dow Jones)—Grandstanding by negotiators in Washington, D.C., on the California electricity crisis indicates the sides are too far apart for an agreement this weekend, but the actual numbers involved raise the question: How can they not get this done?

California Gov. Gray Davis, on behalf of the utilities that contribute so generously to his campaign funds, is demanding three-year supply contracts at 5.5 cents a kilowatt-hour. "We've got to stop the hemorrhaging of utility cash, but I can't possibly have another rate increase or any state bailout," the governor is saying.

According to sources, U.S. Treasury Secretary Lawrence Summers and the generating company chief executives looked at Davis with a "What are you smoking?" expression several times Tuesday night. The generators' stance is that the market price is 8.5 cents/kwh and only if the contracts run for eight years.

But that's all just negotiating position. The customers of Edison International's (EIX) Southern California Edison currently pay the company 7.6 cents/kwh just for energy. That price includes last week's one-cent raise, but not other charges such as transmission and distribution.

Edison generates half the power it needs at a cost of about 3 cents/kwh. So, purchasing the other half at 5.5 cents/kwh would do a lot more than stop the hemorrhaging. If the cost of purchased power were 5.5 cents, Edison's average

cost would be 4.3 cents, for which they are getting paid 7.6 cents. That 3.3 cents/kwh profit on the 83 billion kwh Edison sells a year comes to a whopping \$2.7 billion annually. End of credit problem.

PG&E Corp.'s (PCG) situation is more difficult. Their customers pay less for electricity, and PG&E only generates a third of its own power, but they have lower generating costs than Edison. Bottom line: if PG&E could buy supplies at 5.5 cents/kwh, they would be left with 1.9 cents/kwh profit.

Unfortunately for the utilities, California independent generators, such as Reliant Energy (REI), NRG Energy (NRG), Dynegy (DYN), Southern Energy (SOE) and Duke Energy (DUK), can't get their prices down to 5.5 cents/kwh in California given the current market price of natural gas.

But they don't need anything close to 8.5 cents for eight years. The forward price for wholesale power in California for the balance of this year is 18 cents/kwh for the on-peak hours, which is what the utilities mostly need to buy. The on-peak price drops to 11 cents/kwh for a three-year contract because new generators and new gas supplies are expected to come on line. For an eight-year contract, the price drops to about 7.3 cents/kwh.

At 7.3 cents, PG&E would be heading to bankruptcy court. But the generators will get to sell PG&E some off-peak power, too, which brings the average price down a little further. If the governor guarantees really quick licensing for a couple of new power plants in northern California, the price comes down a lot.

What's more, to save deregulation in the U.S. the generators are willing to cut to the bone. The stocks of Dynegy, Enron Corp. (ENE), etc., have high price-to-earnings ratios because their earnings are expected to continue strong growth under electric deregulation. They are the emerging masters of a deregulated universe, but if deregulation were to throw PG&E and Edison into bankruptcy court, there wouldn't be any deregulated electric universe to master.

As one electricity trader put it: "They have got to get a deal done. If they don't get 'The California Energy Crisis' off of CNBC every 30 minutes, I'm going to be out of a job."

Generators' stock prices have been getting hammered since the first of the year due to several factors, such as profit-taking after a great 2000, according to Credit Suisse First Boston utility analyst Paul Patterson. Duke's stock has fallen to \$66 from \$85 since Dec. 29, for example.

Prices of generator stocks have come down hard, in part, because a California catastrophe would derail deregulation in many states and the forecasts for generators' earnings growth would be questioned, according to Solomon Smith Barney analyst Ray Niles.

That's the finances. The physical reality is that the western U.S. probably won't have enough electricity to meet demand for the rest of this year. Starting in February, if a deal is done, California utilities won't be the last in line to get their power, and the threat of blackouts will be spread out across the West.

Other than that, where's the rub? Under deregulation, consumers were supposed to get market rates in 2002. Based on the current forward market and the utilities' cost of retained generators, 7 cents/kwh for the rest of this year is a great deal. For 2002, it's fair, but for 2003-2008, it's terrible. The current purchase price for those years is about 5 cents. With utility-owned generation at 3 cents, consumers will be paying 7 cents/kwh when they should be paying 4 cents/kwh.

And the 2.4 cents/kwh competition transition charge (CTC) that was supposed to

end in 2002 has to be extended several more years. The CTC is "non-bypassable," which means if you leave the local monopoly for an alternative supplier, you still have to send a couple of cents/kwh to the old utility.

Ratepayer groups got about 40 people to storm the PG&E corporate headquarters this week over the one cent rate increase. Another rate increase would cause riots and ballot initiatives, and cost Davis his job.

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Businesses such as Intel Corp. (INTC) will know they are getting the short end of the stick financially and that power in the western U.S. is still unreliable, so they will decide to build new factories in other states. That's how you bypass non-bypassable charges. It will be bad for the state's economic growth, but California needs to stop adding electricity demand.

The stars are aligned for a deal very soon: eight days left before the executive branch of the U.S. government changes from one that wants to help Davis to one that wants to hurt him; about the same amount of time is left before the utilities run out of cash; forward power prices have come down a lot in the past 30 days, but could easily start to rise again; merchant power company stock prices have been punished for two weeks, and their executives don't want to kill the golden goose.

How can they not get this done?

-By Mark Golden, Dow Jones Newswires; 201-938-4604; mark.golden@dowjones.com

(END) Dow Jones Newswires 12-01-01

1800GMT

(AP-DJ-01-12-01 1800GMT)

:TICKER: CPN DUK DYN EIX ENE INTC NRG PCG REI SO SOE

:SUBJECT: EUTL SEMI DI1 DI4 DI2 CA GA MN NC TX COMM

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Received by NewsEDGE/LAN: 1/12/01 12:55 PM

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**From:** Stern, Todd  
**Sent:** Friday, January 12, 2001 5:21 PM  
**To:** Klasky, Helaine; Posner, Steven; Smith, Michelle A.; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** RE: wires - California Power Talks

[(b)(5)]

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

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**To:** Posner, Steven; Smith, Michelle A.; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Stern, Todd; Cohen, Alan; Wolin, Neal; Moe, Martin  
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By Bryan Lee, Dow Jones Newswires, 202-862-6647, bryan.lee@dowjones.com

(END) Dow Jones Newswires 12-01-01

2100GMT

(AP-DJ-01-12-01 2100GMT)

:TICKER: EIX PCG SRE

:SUBJECT: EUTL STGO DI7 DI1 DI4 DI2 CA COBO COMM

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Received by NewsEDGE/LAN: 1/12/01 3:55 PM

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((washington.commodenergy.newsroom@reuters.com))

REUTERS

Rtr 15:29 01-12-01

:TICKER: PCG EIX

:SUBJECT: CRUD COBO MU ENER UTIL USA

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Received by NewsEDGE/LAN: 1/12/01 3:24 PM

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By Mark Golden

A Dow Jones Newswires Column

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How can they not get this done?

-By Mark Golden, Dow Jones Newswires; 201-938-4604; mark.golden@dowjones.com

(END) Dow Jones Newswires 12-01-01

1800GMT

(AP-DJ-01-12-01 1800GMT)

:TICKER: CPN DUK DYN EIX ENE INTC NRG PCG REI SO SOE

:SUBJECT: EUTL SEMI DI1 DI4 DI2 CA GA MN NC TX COMM

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Received by NewsEDGE/LAN: 1/12/01 12:55 PM

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**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:51 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Wilcox, David to 'Susan.J.Mara@enron.com' on 1/11/2001 12:37:57 AM

This message was found to have a Critical Word in it. Message Sent to 'Susan.J.Mara@enron.com', From Wilcox, David, CC to Sachs, Lee, Date 1/11/2001 12:37:57 AM, Subject of message RE: More thoughts

Word(s) found: Enron

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

**From:** Wilcox, David  
**Sent:** 1/11/2001 12:37:57 AM  
**Received:** 1/11/2001 12:37:57 AM  
**To:** 'Susan.J.Mara@enron.com', SMTP: Susan.J.Mara@enron.com  
**CC:** Sachs, Lee, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SachsL

**Subject:** RE: More thoughts

**Body:**  
I'll be interested to see more specifically about what you have in mind.

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

**From:** Susan.J.Mara@enron.com [mailto: Susan.J.Mara@enron.com]  
**Sent:** Wednesday, January 10, 2001 11:14 PM  
**To:** David.wilcox@do.treas.gov; lee.sachs@do.treas.gov  
**Subject:** More thoughts

Lee,

I'm checking on the "market in the west at 5.5 cents" question. I'll let you know.

David and Lee,

It seems that everyone has pretty much put their big issues out on the table for consideration in package of solutions. I've been concerned. No one has been talking about the retail markets. We have spent four years protecting the utilities and getting them "ready" for retail competition. I've personally spent much of my life those four years arguing with the utilities and the CPUC to achieve any tiny movement toward a fair, open and non-discriminatory market for retail suppliers (other than the utilities, Enron is the only retail supplier in the room).

Therefore, we cannot move forward with these new subsidies and bailouts unless the utilities and the state agree to take definitive steps to make the retail market work. To move this thinking forward, I will prepare a few points of the kinds of steps we would want to see as part of the overall package.

Sue Mara

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:50 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Wilcox, David to Elmendorf, Douglas; Squitieri, Ray; Flanagan, Rosemary; Chryst, Nancy on 12/14/2000 11:16:04 PM

This message was found to have a Critical Word in it. Message Sent to Elmendorf, Douglas; Squitieri, Ray; Flanagan, Rosemary; Chryst, Nancy, From Wilcox, David, CC to , Date



lsbrief.doc (32 KB)

12/14/2000 11:16:04 PM, Subject of message RE: california electricity

Word(s) found: Enron

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

**From:** Wilcox, David  
**Sent:** 12/14/2000 11:16:04 PM  
**Received:** 12/14/2000 11:16:04 PM  
**To:** Elmendorf, Douglas, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=ELMENDORFD  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Flanagan, Rosemary, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FLANAGANR  
Chryst, Nancy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CHRYSTN

**CC:**  
**Subject:** RE: california electricity

**Body:**  
This is a really super effort, and illustrates the value, Ray, of your having kept an eye on current developments in the energy field. Thanks to Doug for a wonderful editing job. Please transmit to Larry ASAP.

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

**From:** Elmendorf, Douglas  
**Sent:** Thursday, December 14, 2000 6:11 PM  
**To:** Wilcox, David  
**Subject:** california electricity

[(b)(5)]

<< File: lsbrief.doc >>

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:50 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Wilcox, David to Squitieri, Ray on 12/14/2000 2:52:41 PM

**Importance:** High



calif1.doc (29 KB)

This message was found to have a Critical Word in it. Message Sent to Squitieri, Ray, From Wilcox, David, CC to Chryst, Nancy; Vandivier, David; Rao, Geetha; Flanagan, Rosemary; Cononi, Rachel; Flynn, Timothy; Murphy, Edward; Hambor, John, Date 12/14/2000 2:52:41 PM, Subject of message RE: Krugman on Calif power market

Word(s) found: Enron

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

**From:** Wilcox, David  
**Sent:** 12/14/2000 2:52:41 PM  
**Received:** 12/14/2000 2:52:41 PM  
**To:** Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
**CC:** Chryst, Nancy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CHRYSTN  
Vandivier, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=VandivierD  
Rao, Geetha, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=RaoG  
Flanagan, Rosemary, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FLANAGANR  
Cononi, Rachel, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CONONIR  
Flynn, Timothy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FlynnT  
Murphy, Edward, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=MURPHYE  
Hambor, John, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=HAMBORJ

**Subject:** RE: Krugman on Calif power market

**Body:**

Ray: This is a very interesting piece. Please address the questions in the attached to the best of your ability, then forward the result to Rosemary for processing to the Secretary tonight if at all possible.

Rosemary: Please use the following as a transmittal note from me to Larry:

The attached note, prepared by Ray Squitieri, analyzes statements made by Paul Krugman recently about the California market for electricity. It will be particularly relevant background for a call from the CEO of Enron, should that occur.

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

**From:** Squitieri, Ray  
**Sent:** Thursday, December 14, 2000 2:12 PM  
**To:** Wilcox, David  
**Cc:** Chryst, Nancy; Vandivier, David; Rao, Geetha; Flanagan, Rosemary; Cononi, Rachel; Flynn, Timothy; Murphy, Edward; Hambor, John  
**Subject:** Krugman on Calif power market

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:48 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Kuga, Roy to 'David.Wilcox@do.treas.gov' on 1/12/2001 5:56:34 PM

This message was found to have a Critical Word in it. Message Sent to 'David.Wilcox@do.treas.gov', From Kuga, Roy, CC to , Date 1/12/2001 5:56:34 PM, Subject of message RE: California Energy Group e-mail TEST MESSAGE

Word(s) found: Enron

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

**From:** Kuga, Roy  
**Sent:** 1/12/2001 5:56:34 PM  
**Received:** 1/12/2001 5:57:35 PM  
**To:** 'David.Wilcox@do.treas.gov', SMTP:David.Wilcox@do.treas.gov

**CC:**  
**Subject:** RE: California Energy Group e-mail TEST MESSAGE

**Body:**  
David,  
I didn't get your second message with attachments. Can you pls. resend to me. I know Les Starck of Edison just got it. Thanks for all your help over the past few days. Roy

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

**From:** David.Wilcox@do.treas.gov [mailto:David.Wilcox@do.treas.gov]  
**Sent:** Friday, January 12, 2001 2:31 PM  
**To:** David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Chris.Soares@do.treas.gov; martha.altamar@ferc.fed.us; alexm@calpine.com; jmacias@calpine.com <mailto:jmacias@calpine.com>; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstat1@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; linda.lee@ferc.fed.us; dan.poffenberger@ferc.ged.gov.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; Tomcala, Karen (Corp); Greif, Claudia; Hapner, Dede; Kuga, Roy; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fieldejr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)] ; ADMIN@do.treas.gov; ronald\_minsk@opd.eop.gov; jmdonnell@duke-energy.com; hjpodewer@duke-energy.com; bbailey@duke-energy.com; njdeschane@duke-energy.com; wfhall@duke-energy.com; sbvanleer@duke-energy.com; Kuga, Roy; Richard, Daniel Jr.; Peters, Roger (Law); starkle@sce.com; john.gammie@williams.com; reharris@seiworldwide.com; smfuller@seiworldwide.com; dlmiller@seiworldwide.com; jwholden@seiworldwide.com; richard.shapiro@enron.com; robert.badeer@enron.com  
**Cc:** Gaylen.Barbour@do.treas.gov; curtis.wagner@ferc.fed.us  
**Subject:** RE: California Energy Group e-mail TEST MESSAGE

----- End of message body

Message auditing by MicroData CAMEO Recon



---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:48 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Reed, Debra L. to 'David.Wilcox@do.treas.gov' on 1/12/2001 5:56:38 PM

This message was found to have a Critical Word in it. Message Sent to 'David.Wilcox@do.treas.gov', From Reed, Debra L., CC to , Date 1/12/2001 5:56:38 PM, Subject of message RE: California Energy Group e-mail TEST MESSAGE

Word(s) found: Enron

-----Original Message-----  
From: Reed, Debra L.  
Sent: 1/12/2001 5:56:38 PM  
Received: 1/12/2001 5:54:15 PM  
To: 'David.Wilcox@do.treas.gov', SMTP:David.Wilcox@do.treas.gov

CC:  
Subject: RE: California Energy Group e-mail TEST MESSAGE  
Body:  
Are you just testing sending attachments, or are these for review?

This is her assistant, Martha and I just need some clarification while she's traveling please. Thanks.

-----Original Message-----  
From: David.Wilcox@do.treas.gov [mailto:David.Wilcox@do.treas.gov]  
Sent: Friday, January 12, 2001 2:51 PM  
To: David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Chris.Soares@do.treas.gov; martha.altamar@ferc.fed.us; alexm@calpine.com; jmacias@calpine.com; jason\_s.\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstat1@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; linda.lee@ferc.fed.us; dan.poffenberger@ferc.ged.gov.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fielderjr@sce.com; harold\_ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; ((b)(6)) ; ADMIN@do.treas.gov; ronald\_minsk@opd.eop.gov; jmdonnell1@duke-energy.com; hjpodewer@duke-energy.com; bbailey@duke-energy.com; njdeschane@duke-energy.com; wfhall@duke-energy.com; sbvanleer@duke-energy.com; rmk4@pge.com; ddr0@pge.com; rjp2@pge.com; starckle@sce.com; john.gammie@williams.com; reharris@seiworldwide.com; smfuller@seiworldwide.com; dlmiller@seiworldwide.com; jwholden@seiworldwide.com; richard.shapiro@enron.com; robert.badeer@enron.com  
Cc: Gaylen.Barbour@do.treas.gov; curtis.wagner@ferc.fed.us  
Subject: RE: California Energy Group e-mail TEST MESSAGE

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Gallagher, Sean H. to 'Gaylen.Barbour@do.treas.gov' on 1/12/2001 9:11:30 AM

**Importance:** High

This message was found to have a Critical Word in it. Message Sent to 'Gaylen.Barbour@do.treas.gov', From Gallagher, Sean H., CC to 'Michelle.Greene@do.treas.gov'; 'david.wilcox@do.treas.gov'; 'Veronica.Stokes@do.treas.gov', Date 1/12/2001 9:11:30 AM, Subject of message RE: California Energy Group

Word(s) found: Enron

-----Original Message-----  
From: Gallagher, Sean H.  
Sent: 1/12/2001 9:11:30 AM  
Received: 1/12/2001 9:08:56 AM  
To: 'Gaylen.Barbour@do.treas.gov', SMTP:Gaylen.Barbour@do.treas.gov  
CC: 'Michelle.Greene@do.treas.gov', SMTP:Michelle.Greene@do.treas.gov  
'david.wilcox@do.treas.gov', SMTP:david.wilcox@do.treas.gov  
'Veronica.Stokes@do.treas.gov', SMTP:Veronica.Stokes@do.treas.gov

Subject: RE: California Energy Group

Body:

Thank you -- as it turns out, I am at home this morning. Would you be able to ask Mr. Fielder to call me at **[(b)(6)]** Thanks very much.

Sean Gallagher  
California Public Utilities Commission  
Legal Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-2059  
(916) 396-6581 - cell

From: Gaylen.Barbour@do.treas.gov [mailto:Gaylen.Barbour@do.treas.gov]  
Sent: Friday, January 12, 2001 6:02 AM  
To: shg@cpuc.ca.gov  
Subject: RE: California Energy Group

Mr. Gallagher - I passed your request on to John Fielder in the meeting. They will call you. I understand Michelle Greene sent you the documents you requested.

-----Original Message-----  
From: Gallagher, Sean H. [mailto:shg@cpuc.ca.gov]  
Sent: Thursday, January 11, 2001 7:41 PM  
To: 'Veronica.Stokes@do.treas.gov'  
Cc: 'Michelle.Greene@do.treas.gov'; 'Gaylen.Barbour@do.treas.gov'  
Subject: RE: California Energy Group

Thanks. I plan to join the meeting tomorrow morning (Friday) by telephone once again, but I may not be there right at 9:00 (6:00 am out here). Do you have the telephone number in

the room that the working group has been meeting in, so that I might call into it in the morning? Alternatively, could you ask one of the meeting participants to try me periodically if I do not answer the call at 6:00.

Also, if you have or receive either the Draft Interim Report or any of the Tabs/supporting documents in electronic form, I would appreciate it if you could email them to me. Finally, pls fax any documents which you do not have to me at 415-703-2262. Thanks!

Sean Gallagher  
California Public Utilities Commission  
Legal Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-2059  
(916) 396-6581 - cell

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

From: Veronica.Stokes@do.treas.gov [mailto:Veronica.Stokes@do.treas.gov]  
Sent: Thursday, January 11, 2001 1:56 PM  
To: alexgoldberg@williams.com; alexm@calpine.com; cread@steptoe.com;  
cxg2@pge.com; curtis.wagner@ferc.fed.us; dan.poffgnberger@ferc.fed.us;  
david.wilcox@do.treas.gov; dred@sdge.com; DxH4@pge.com;  
harold.ray@sce.com; j.macias@calpine.com; smutany@iepa.com;  
jason\_s.\_seliyman@cea.eop.gov; joebob-perkins@reliantenergy.com;  
joel.newton@dynegy.com; field@jr@sce.com;  
julie.greenisen@trontmansanders.com.treas.gov;  
karen.tomcala@pge-corp.com; KMcCrea@sablaw.com; eisenstat1@DSMO.com;  
lee.sachs@do.treas.gov; linda.lee@ferc.fed.us; lale@dyngy.com.treas.gov;  
martha.altamar@ferc.fed.us; mtierney@sempra.com; pmohler@hewm.com;  
richard.qlick@hq.doe.gov; rahayes@seiworldwide.com;  
[(b)(6)] ; RMK@pge.com; shg@cpuc.ca.gov;  
sonnet.edmonds@southernenergy.com; sbvanleer@duke-energy.com;  
sjcapoma@seiworldwide.com; smara@enron.com; temoreland@swidlaw.com;  
marvin\_k\_ballard@reliantenergy.com; wsakaria@sdge.com  
Cc: Michelle.Greene@do.treas.gov; Gaylen.Barbour@do.treas.gov  
Subject: FW: California Energy Group

This is a test to provide a comprehensive listing for those who participated in the Treasury Department California Energy Group meetings this week. If you know of anyone else who should be added to this list, please call at (202) 622-2245.

<<California Energy Group>>

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Linda Lee to alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ray.Sq

This message was found to have a Critical Word in it. Message Sent to alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstatl@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; Curtis Wagner; Martha Altamar; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fielderjr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
From Linda Lee, CC to Gaylen.Barbour@do.treas.gov, Date 1/12/2001 8:55:39 AM, Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

**From:** Linda Lee  
**Sent:** 1/12/2001 8:55:39 AM  
**Received:** 1/12/2001 8:54:53 AM  
**To:** alexm@calpine.com, SMTP:alexm@calpine.com  
jmacias@calpine.com, SMTP:jmacias@calpine.com  
jason\_s\_seligman@cea.eop.gov, SMTP:jason\_s\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Chris.Soares@do.treas.gov, SMTP:Chris.Soares@do.treas.gov  
David.Wilcox@do.treas.gov, SMTP:David.Wilcox@do.treas.gov  
Lee.Sachs@do.treas.gov, SMTP:Lee.Sachs@do.treas.gov  
Michelle.Greene@do.treas.gov, SMTP:Michelle.Greene@do.treas.gov  
Ray.Squitieri@do.treas.gov, SMTP:Ray.Squitieri@do.treas.gov  
Veronica.Stokes@do.treas.gov, SMTP:Veronica.Stokes@do.treas.gov  
eisenstatl@DSMO.com, SMTP:eisenstatl@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednicky@dynegy.com, SMTP:lynn.lednicky@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
Curtis Wagner, SMTP:curtis.wagner@ferc.fed.us  
Martha Altamar, SMTP:martha.altamar@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RMK4@pge.com, SMTP:RMK4@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com  
KMcCrea@sablaw.com, SMTP:KMcCrea@sablaw.com  
fielderjr@sce.com, SMTP:fielderjr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com

wsakaria@sdge.com, SMTP:wsakaria@sdge.com  
rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempra.com, SMTP:mtierney@sempra.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@steptoe.com, SMTP:cread@steptoe.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julie.greenisen@troutmansanders.com, SMTP:julie.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com

[(b)(6)]

CC: Gaylen.Barbour@do.treas.gov, SMTP:Gaylen.Barbour@do.treas.gov

Subject: RE: California Energy Group e-mail

Body:

The requested address is: daniel.poffenberger@ferc.fed.us Thanks

>>> <Michelle.Greene@do.treas.gov> 01/12/01 08:45AM >>>

please use reply all to this message when sending items to the group (more corrected addresses have been added).

thanks.

> -----Original Message-----

> From: Greene, Michelle  
> Sent: Thursday, January 11, 2001 8:16 PM  
> To: Greene, Michelle; Stokes, Veronica; 'alex.goldberg@williams.com';  
> 'Alex Makler'; 'Charles C. Read'; 'Claudia Greif'; 'Curtis Wagner  
> Jr.'; 'dan.poffenberger@ferc.ged.us'; Wilcox, David; 'Debra Reed';  
> 'Dede Hapner'; 'Harold B. Ray'; 'James Macias'; 'Jan Smutney Jones';  
> 'jason.s.seligman@cea.eop.gov'; 'Joe Bob Perkins'; 'Joel Newton';  
> 'John Fielder'; 'julia.greenisen@troutmansanders.com'; 'Karen A.  
> Tomcala'; 'Keith McCrea'; 'Larry Eisenstat'; Sachs, Lee; 'Linda Lee';  
> 'lynn.lednicki@dynegy.com'; 'Martha Altamar'; 'Michael Tierney'; 'Paul  
> Mohler'; 'Rich Glick'; 'Rob Hayes'; 'Ross Ain'; 'RHK@pge.com'; 'Sean  
> Gallagher'; 'Sonnet Edmonds'; 'Steve Vanleer'; 'Steven Capomaccio';  
> 'Sue Mara'; 'Terri Moreland'; 'Tripp Ballard'; 'Wayne Sakarias';  
> Soares, Chris; Squitieri, Ray  
> Cc: Barbour, Gaylen  
> Subject: RE: California Energy Group - missing e-mail addresses

>  
> we still have incorrect e-mail addresses for the following people:  
> julie greenisen (sp.?) (troutman sanders) roy kugen (sp.?) (pg&e)  
> jim macias (calpine)  
> dan poffenberger (sp.?) (ferc)  
> if anyone knows their correct e-mails, please forward the document to them  
> and add the correct version of their e-mail to this group list. thanks.

> -----Original Message-----

> From: Greene, Michelle  
> Sent: Thursday, January 11, 2001 8:07 PM  
> To: Stokes, Veronica; 'alex.goldberg@williams.com'; 'Alex  
> Makler'; 'Charles C. Read'; 'Claudia Greif'; 'Curtis Wagner Jr.';  
> 'dan.poffenberger@ferc.ged.us'; Wilcox, David; 'Debra Reed'; 'Dede  
> Hapner'; 'Harold B. Ray'; 'James Macias'; 'Jan Smutney Jones';  
> 'jason.s.seligman@cea.eop.gov'; 'Joe Bob Perkins'; 'Joel Newton';  
> 'John Fielder'; 'julia.greenisen@troutmansanders.com'; 'Karen A.  
> Tomcala'; 'Keith McCrea'; 'Larry Eisenstat'; Sachs, Lee; 'Linda Lee';  
> 'lynn.lednicki@dynegy.com'; 'Martha Altamar'; 'Michael Tierney'; 'Paul  
> Mohler'; 'Rich Glick'; 'Rob Hayes'; 'Ross Ain'; 'RHK@pge.com'; 'Sean  
> Gallagher'; 'Sonnet Edmonds'; 'Steve Vanleer'; 'Steven Capomaccio';  
> 'Sue Mara'; 'Terri Moreland'; 'Tripp Ballard'; 'Wayne Sakarias'  
> Cc: Barbour, Gaylen  
> Subject: RE: California Energy Group

>  
> more e-mail corrections included. the document is attached. we will  
> reconvene in the same conference room (6th floor, metropolitan

> square) at 9am tomorrow. any questions, please call lee sachs's  
> office at 622-2245. thanks.

> << File: Working Group report 4.doc >>

> -----Original Message-----

> From: Stokes, Veronica

> Sent: Thursday, January 11, 2001 4:56 PM

> To: Alex Goldberg; Alex Makler; Charles C. Read; Claudia  
> Greif; Curtis Wagner Jr.; Dan Poffenberger; David Wilcox; Debra Reed;  
> Dede Hapner; Harold B. Ray; James Macias; Jan Smutney Jones; Jason  
> Seliyman; Joe Bob Perkins; Joel Newton; John Fielder; Julia Greenisen;  
> Karen A. Tomcala; Keith McCrea; Larry Eisenstat; Lee Sachs; Linda Lec;  
> Lynn Lednicky; Martha Altamar; Michael Tierney; Paul Mohler; Rich  
> Glick; Rob Hayes; Ross Ain ; Roy Kuga; Sean Gallagher; Sonnet Edmonds;  
> Steve Vanleer; Steven Capomaccio; Sue Mara; Terri Moreland; Tripp Ballard; Wayne  
> Sakarias

> Cc: Greene, Michelle; Barbour, Gaylen

> Subject: FW: California Energy Group

> This is a test to provide a comprehensive listing for those who  
> participated in the Treasury Department California Energy Group  
> meetings this week. If you know of anyone else who should be added to  
> this list, please call at (202) 622-2245.

> << Message: California Energy Group >>

> ----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Keith McCrea to alexm@calpine.com; j.macias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ra

This message was found to have a Critical Word in it. Message Sent to alexm@calpine.com; j.macias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstatl@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednick@dynegy.com; smara@enron.com; curtis.wagner@ferc.fed.us; linda.lee@ferc.fed.us; martha.altamar@ferc.fed.us; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RHK@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; fielderjr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@stepto.com; temoreland@swidlaw.com; julia.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)] , From Keith McCrea, CC to Gaylen.Barbour@do.treas.gov, Date 1/12/2001 8:15:20 AM, Subject of message RE: California Energy Group - missing e-mail addresses

Word(s) found: Enron

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

**From:** Keith McCrea  
**Sent:** 1/12/2001 8:15:20 AM  
**Received:** 1/12/2001 8:13:33 AM  
**To:** alexm@calpine.com, SMTP:alexm@calpine.com  
j.macias@calpine.com, SMTP:j.macias@calpine.com  
jason\_s\_seligman@cea.eop.gov, SMTP:jason\_s\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Chris.Soares@do.treas.gov, SMTP:Chris.Soares@do.treas.gov  
David.Wilcox@do.treas.gov, SMTP:David.Wilcox@do.treas.gov  
Lee.Sachs@do.treas.gov, SMTP:Lee.Sachs@do.treas.gov  
Michelle.Greene@do.treas.gov, SMTP:Michelle.Greene@do.treas.gov  
Ray.Squitieri@do.treas.gov, SMTP:Ray.Squitieri@do.treas.gov  
Veronica.Stokes@do.treas.gov, SMTP:Veronica.Stokes@do.treas.gov  
eisenstatl@DSMO.com, SMTP:eisenstatl@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednick@dynegy.com, SMTP:lynn.lednick@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
curtis.wagner@ferc.fed.us, SMTP:curtis.wagner@ferc.fed.us  
linda.lee@ferc.fed.us, SMTP:linda.lee@ferc.fed.us  
martha.altamar@ferc.fed.us, SMTP:martha.altamar@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RHK@pge.com, SMTP:RHK@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com  
fielderjr@sce.com, SMTP:fielderjr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com

wsakaria@sdge.com, SMTP:wsakaria@sdge.com  
rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempra.com, SMTP:mtierney@sempra.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@steptoe.com, SMTP:cread@steptoe.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julia.greenisen@troutmansanders.com, SMTP:julia.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com

[(b)(6)]

CC: Gaylen.Barbour@do.treas.gov, SMTP:Gaylen.Barbour@do.treas.gov

Subject: RE: California Energy Group - missing e-mail addresses

Body:

Jim Macias' email address is: jmacias@calpine.com

>>> <Michelle.Greene@do.treas.gov> 1/11/01 8:16:24 PM >>>

we still have incorrect e-mail addresses for the following people: julie greenisen (sp.?) (troutman sanders) roy kugen (sp.?) (pg&e) jim macias (calpine) dan poffenberger (sp.?) (ferc) if anyone knows their correct e-mails, please forward the document to them and add the correct version of their e-mail to this group list. thanks.

> -----Original Message-----

> From: Greene, Michelle

> Sent: Thursday, January 11, 2001 8:07 PM

> To: Stokes, Veronica; 'alex.goldberg@williams.com'; 'Alex Makler';

> 'Charles C. Read'; 'Claudia Greif'; 'Curtis Wagner Jr.';

> 'dan.poffenberger@ferc.ged.us'; Wilcox, David; 'Debra Reed'; 'Dede

> Hapner'; 'Harold B. Ray'; 'James Macias'; 'Jan Smutney Jones';

> 'jason\_s\_seligman@cea.eop.gov'; 'Joe Bob Perkins'; 'Joel Newton'; 'John

> Fielder'; 'julia.greenisen@troutmansanders.com'; 'Karen A. Tomcala';

> 'Keith McCrea'; 'Larry Eisenstat'; Sachs, Lee; 'Linda Lee';

> 'lynn.lednicki@dynegy.com'; 'Martha Altamar'; 'Michael Tierney'; 'Paul

> Mohler'; 'Rich Glick'; 'Rob Hayes'; 'Ross Ain'; 'RHK@pge.com'; 'Sean

> Gallagher'; 'Sonnet Edmonds'; 'Steve Vanleer'; 'Steven Capomaccio'; 'Sue

> Mara'; 'Terri Moreland'; 'Tripp Ballard'; 'Wayne Sakarias'

> Cc: Barbour, Gaylen

> Subject: RE: California Energy Group

>

> more e-mail corrections included. the document is attached. we will  
> reconvene in the same conference room (6th floor, metropolitan square)  
> at 9am tomorrow. any questions, please call lee sachs's office at  
> 622-2245. thanks.

>

> << File: Working Group report 4.doc >>

>

> -----Original Message-----

> From: Stokes, Veronica

> Sent: Thursday, January 11, 2001 4:56 PM

> To: Alex Goldberg; Alex Makler; Charles C. Read; Claudia Greif;

> Curtis Wagner Jr.; Dan Poffenberger; David Wilcox; Debra Reed; Dede

> Hapner; Harold B. Ray; James Macias; Jan Smutney Jones; Jason Seliyman;

> Joe Bob Perkins; Joel Newton; John Fielder; Julia Greenisen; Karen A.

> Tomcala; Keith McCrea; Larry Eisenstat; Lee Sachs; Linda Lee; Lynn

> Lednicki; Martha Altamar; Michael Tierney; Paul Mohler; Rich Glick; Rob

> Hayes; Ross Ain; Roy Kuga; Sean Gallagher; Sonnet Edmonds; Steve Vanleer;

> Steven Capomaccio; Sue Mara; Terri Moreland; Tripp Ballard; Wayne Sakarias

> Cc: Greene, Michelle; Barbour, Gaylen

> Subject: FW: California Energy Group

>

> This is a test to provide a comprehensive listing for those who  
> participated in the Treasury Department California Energy Group  
> meetings this week. If you know of anyone else who should be added to  
> this list, please call at (202) 622-2245.

>



>  
> << Message: California Energy Group >>

-----  
The information contained in this message from Sutherland Asbill & Brennan LLP and any attachments is confidential and intended only for the named recipient(s). If you have received this message in error, you are prohibited from copying, distributing or using the information. Please contact the sender immediately by return email and delete the original message.

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Susan.J.Mara@enron.com to [(b)(6)] ; david.wilcox@do.treas.gov; lee.sachs@do.treas.com on 1/11/2001 3:13:17 PM



Making a Retail  
Market That Wo...

This message was found to have a Critical Word in it. Message Sent to [(b)(6)] ; david.wilcox@do.treas.gov; lee.sachs@do.treas.com, From Susan.J.Mara@enron.com, CC to , Date 1/11/2001 3:13:17 PM, Subject of message New Doc for our meetings

Word(s) found: Enron

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

From: Susan.J.Mara@enron.com  
Sent: 1/11/2001 3:13:17 PM  
Received: 1/11/2001 3:11:03 PM  
To: [(b)(6)]  
david.wilcox@do.treas.gov, SMTP:david.wilcox@do.treas.gov  
lee.sachs@do.treas.com, SMTP:lee.sachs@do.treas.com

CC:  
Subject: New Doc for our meetings

Body:  
Here I go tilting at windmills again. Could someone please print this out and bring it over to our meetings? Thanks.

Enron  
Sue Mara

(See attached file: Making a Retail Market That Works.doc)

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Sachs, Lee to 'Susan.J.Mara@enron.com'; Wilcox, David; Sachs, Lee on 1/11/2001 10:45:41 AM

This message was found to have a Critical Word in it. Message Sent to 'Susan.J.Mara@enron.com'; Wilcox, David; Sachs, Lee, From Sachs, Lee, CC to , Date 1/11/2001 10:45:41 AM, Subject of message RE: More thoughts

Word(s) found: Enron

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

**From:** Sachs, Lee  
**Sent:** 1/11/2001 10:45:41 AM  
**Received:** 1/11/2001 10:45:41 AM  
**To:** 'Susan.J.Mara@enron.com', SMTP: Susan.J.Mara@enron.com  
Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Sachs, Lee, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SachsL

**CC:**  
**Subject:** RE: More thoughts  
**Body:**  
thanks sue.

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

**From:** Susan.J.Mara@enron.com [mailto: Susan.J.Mara@enron.com]  
**Sent:** Wednesday, January 10, 2001 11:14 PM  
**To:** David.wilcox@do.treas.gov; lee.sachs@do.treas.gov  
**Subject:** More thoughts

Lee,

I'm checking on the "market in the west at 5.5 cents" question. I'll let you know.

David and Lee,

It seems that everyone has pretty much put their big issues out on the table for consideration in package of solutions. I've been concerned. No one has been talking about the retail markets. We have spent four years protecting the utilities and getting them "ready" for retail competition. I've personally spent much of my life those four years arguing with the utilities and the CPUC to achieve any tiny movement toward a fair, open and non-discriminatory market for retail suppliers (other than the utilities, Enron is the only retail supplier in the room).

Therefore, we cannot move forward with these new subsidies and bailouts unless the utilities and the state agree to take definitive steps to make the retail market work. To move this thinking forward, I will prepare a few points of the kinds of steps we would want to see as part of the overall package.

Sue Mara

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Susan.J.Mara@enron.com to david.wilcox@do.treas.gov; lee.sachs@do.treas.gov on 1/10/2001 11:17:14 PM



TIMELINE AND  
IMPLEMENTATION.doc

This message was found to have a Critical Word in it. Message Sent to david.wilcox@do.treas.gov; lee.sachs@do.treas.gov, From Susan.J.Mara@enron.com, CC to , Date 1/10/2001 11:17:14 PM, Subject of message Document From Today

Word(s) found: Enron

-----Original Message-----  
From: Susan.J.Mara@enron.com  
Sent: 1/10/2001 11:17:14 PM  
Received: 1/10/2001 11:14:56 PM  
To: david.wilcox@do.treas.gov, SMTP:david.wilcox@do.treas.gov  
lee.sachs@do.treas.gov, SMTP:lee.sachs@do.treas.gov

CC:  
Subject: Document From Today

Body:  
Wrong addresses. Duh-uh.  
----- Forwarded by Susan J Mara/NA/Enron on 01/10/2001 08:16 PM -----

|              |                                               |
|--------------|-----------------------------------------------|
| Susan J Mara | To: david.wilcox@do.treas.com,                |
| 01/10/2001   | lee.sachs@do.treas.com                        |
| 08:01 PM     | cc: alex.goldberg@williams.com,               |
|              | karen.tomcala@pge-corp.com, pmohler@hewm.com, |
|              | dreed@sdge.com                                |
|              | Subject: Document From Today                  |

Here it is.  
(See attached file: TIMELINE AND IMPLEMENTATION.doc)

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Susan.J.Mara@enron.com to David.wilcox@do.treas.gov; lee.sachs@do.treas.gov on 1/10/2001 11:14:19 PM

This message was found to have a Critical Word in it. Message Sent to David.wilcox@do.treas.gov; lee.sachs@do.treas.gov, From Susan.J.Mara@enron.com, CC to , Date 1/10/2001 11:14:19 PM, Subject of message More thoughts

Word(s) found: Enron

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

**From:** Susan.J.Mara@enron.com  
**Sent:** 1/10/2001 11:14:19 PM  
**Received:** 1/10/2001 11:11:51 PM  
**To:** David.wilcox@do.treas.gov, SMTP:David.wilcox@do.treas.gov  
lee.sachs@do.treas.gov, SMTP:lee.sachs@do.treas.gov

**CC:**  
**Subject:** More thoughts  
**Body:**  
Lee,

I'm checking on the "market in the west at 5.5 cents" question. I'll let you know.

David and Lee,

It seems that everyone has pretty much put their big issues out on the table for consideration in package of solutions. I've been concerned. No one has been talking about the retail markets. We have spent four years protecting the utilities and getting them "ready" for retail competition. I've personally spent much of my life those four years arguing with the utilities and the CPUC to achieve any tiny movement toward a fair, open and non-discriminatory market for retail suppliers (other than the utilities, Enron is the only retail supplier in the room).

Therefore, we cannot move forward with these new subsidies and bailouts unless the utilities and the state agree to take definitive steps to make the retail market work. To move this thinking forward, I will prepare a few points of the kinds of steps we would want to see as part of the overall package.

Sue Mara

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:44 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Flanagan, Rosemary to Summers, Larry on 12/15/2000 11:41:30 AM



calif elec Krugman  
dw 1215.doc...

This message was found to have a Critical Word in it. Message Sent to Summers, Larry, From Flanagan, Rosemary, CC to Wilcox, David; Sandberg, Sheryl; Moe, Martin; Vandivier, David; Squitieri, Ray; Auten, John; Hendershot, Karen; Cononi, Rachel; Flynn, Timothy, Date 12/15/2000 11:41:30 AM, Subject of message Paul Krugman's Claims about the California Power Market

Word(s) found: Enron

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

**From:** Flanagan, Rosemary  
**Sent:** 12/15/2000 11:41:30 AM  
**Received:** 12/15/2000 11:41:30 AM  
**To:** Summers, Larry, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SUMMERSL  
**CC:** Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Sandberg, Sheryl, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=DOM3.DOPO5.SandbergS  
Moe, Martin, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=DOM3.DOPO5.MoeM  
Vandivier, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=VandivierD  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Auten, John, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=AUTENJ  
Hendershot, Karen, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=HENDERSHOTK  
Cononi, Rachel, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CONONIR  
Flynn, Timothy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FlynnT

**Subject:** Paul Krugman's Claims about the California Power Market  
**Body:**

The attached note, prepared by Ray Squitieri, analyzes statements made by Paul Krugman recently about the California market for electricity. It will be particularly relevant background for a call from the CEO of Enron, should that occur.

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:44 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Chryst, Nancy to Summers, Larry on 12/15/2000 9:16:07 AM



lsbrief.doc (31 KB)

This message was found to have a Critical Word in it. Message Sent to Summers, Larry, From Chryst, Nancy, CC to Sandberg, Sheryl; Moe, Martin; Wilcox, David; Vandivier, David; Flanagan, Rosemary; Squitieri, Ray; Cononi, Rachel; Hendershot, Karen; Flynn, Timothy, Date 12/15/2000 9:16:07 AM, Subject of message Conversation with Steven Kean (Executive Vice President, ENRON Regarding the California Electricity Market)

Word(s) found: Enron

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

**From:** Chryst, Nancy  
**Sent:** 12/15/2000 9:16:07 AM  
**Received:** 12/15/2000 9:16:07 AM  
**To:** Summers, Larry, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SUMMERSL  
**CC:** Sandberg, Sheryl, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=DOM3.DOPO5.SandbergS  
Moe, Martin, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=DOM3.DOPO5.MoeM  
Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Vandivier, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=VandivierD  
Flanagan, Rosemary, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FLANAGANR  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Cononi, Rachel, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CONONIR  
Hendershot, Karen, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=HENDERSHOTK  
Flynn, Timothy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FlynnT  
**Subject:** Conversation with Steven Kean (Executive Vice President, ENRON Regarding the California Electricity Market)  
**Body:**  
The Attached memo when forward to EXEC SEC today.

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:44 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Elmendorf, Douglas to Wilcox, David on 12/14/2000 6:10:47 PM

This message was found to have a Critical Word in it. Message Sent to Wilcox, David, From Elmendorf, Douglas, CC to , Date 12/14/2000 6:10:47 PM, Subject of message california electricity

Word(s) found: Enron

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

From: Elmendorf, Douglas  
Sent: 12/14/2000 6:10:47 PM  
Received: 12/14/2000 6:10:47 PM



lbrief.doc (38 KB)

To: Wilcox, David, EX:/O=USTRE ASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD

CC:  
Subject: california electricity  
Body:

[(b)(5)]

----- End of message body

Message auditing by MicroData CAMEO Recon



---

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:43 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Squitieri, Ray to Elmendorf, Douglas; Wilcox, David on 12/14/2000 5:24:50 PM



2alf elec briefing LS  
Enron 1...

This message was found to have a Critical Word in it. Message Sent to Elmendorf, Douglas; Wilcox, David, From Squitieri, Ray, CC to Chryst, Nancy; Flanagan, Rosemary; Hambor, John, Date 12/14/2000 5:24:50 PM, Subject of message briefing memo for Summers

Word(s) found: Enron

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

**From:** Squitieri, Ray  
**Sent:** 12/14/2000 5:24:50 PM  
**Received:** 12/14/2000 5:24:50 PM  
**To:** Elmendorf, Douglas, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=ELMENDORFD  
Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
**CC:** Chryst, Nancy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CHRYSTN  
Flanagan, Rosemary, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FLANAGANR  
Hambor, John, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=HAMBORJ

**Subject:** briefing memo for Summers  
**Body:**

[(b)(5), (b)(6)]

need something else tonight, send the document plus instructions to my home email address:

[(b)(6)]

Alternatively, I'll be available

first thing in the morning.

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Sachs, Lee to Soares, Chris; 'Martha Altamar'; 'alexm@calpine.com'; 'jmacias@calpine.com'; 'jason\_s\_seligman@cea.eop.gov'; 'shg@cpuc.ca.gov'; Wilcox, David; Greene, Michelle; Squitieri, Ray; Stokes, Veronica; 'eise

This message was found to have a Critical Word in it. Message Sent to Soares, Chris; 'Martha Altamar'; 'alexm@calpine.com'; 'jmacias@calpine.com'; 'jason\_s\_seligman@cea.eop.gov'; 'shg@cpuc.ca.gov'; Wilcox, David; Greene, Michelle; Squitieri, Ray; Stokes, Veronica; 'eisenstat1@DSMO.com'; 'sbvanleer@duke-energy.com'; 'joel.newton@dynegy.com'; 'lynn.lednicky@dynegy.com'; 'smara@enron.com'; 'Linda Lee'; 'dan.poffenberger@ferc.ged.us.treas.gov'; 'pmohler@hewm.com'; 'richard.glick@hq.doe.gov'; 'smutany@iepa.com'; 'karen.tomcala@pge-corp.com'; 'cxg2@pge.com'; 'DxH4@pge.com'; 'RMK4@pge.com'; 'joebob-perkins@reliantenergy.com'; 'marvin\_k\_ballard@reliantenergy.com'; 'KMcCrea@sablaw.com'; 'fieldejr@sce.com'; 'harold.ray@sce.com'; 'dreed@sdge.com'; 'wsakaria@sdge.com'; 'rahayes@seiworldwide.com'; 'sjcapoma@seiworldwide.com'; 'mtierney@semptra.com'; 'sonnet.edmonds@southernenergy.com'; 'cread@steptoe.com'; 'temoreland@swidlaw.com'; 'julie.greenisen@troutmansanders.com'; 'alex.goldberg@williams.com'; [(b)(6)] ; , Admin; 'ronald\_minsk@opd.eop.gov', From Sachs, Lee, CC to Barbour, Gaylen; 'Curtis Wagner', Date 1/12/2001 3:13:56 PM, Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

**From:** Sachs, Lee  
**Sent:** 1/12/2001 3:13:56 PM  
**Received:** 1/12/2001 3:13:56 PM  
**To:** Soares, Chris, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SOARESC  
'Martha Altamar', SMTP:martha.altamar@ferc.fed.us  
'alexm@calpine.com', SMTP:alexm@calpine.com  
'jmacias@calpine.com', SMTP:jmacias@calpine.com  
'jason\_s\_seligman@cea.eop.gov', SMTP:jason\_s\_seligman@cea.eop.gov  
'shg@cpuc.ca.gov', SMTP:shg@cpuc.ca.gov  
Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Greene, Michelle, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=GREENEMI  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Stokes, Veronica, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=STOKESV  
'eisenstat1@DSMO.com', SMTP:eisenstat1@DSMO.com  
'sbvanleer@duke-energy.com', SMTP:sbvanleer@duke-energy.com  
'joel.newton@dynegy.com', SMTP:joel.newton@dynegy.com  
'lynn.lednicky@dynegy.com', SMTP:lynn.lednicky@dynegy.com  
'smara@enron.com', SMTP:smara@enron.com  
'Linda Lee', SMTP:linda.lee@ferc.fed.us  
'dan.poffenberger@ferc.ged.us.treas.gov',  
SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
'pmohler@hewm.com', SMTP:pmohler@hewm.com  
'richard.glick@hq.doe.gov', SMTP:richard.glick@hq.doe.gov  
'smutany@iepa.com', SMTP:smutany@iepa.com  
'karen.tomcala@pge-corp.com', SMTP:karen.tomcala@pge-corp.com  
'cxg2@pge.com', SMTP:cxg2@pge.com  
'DxH4@pge.com', SMTP:DxH4@pge.com  
'RMK4@pge.com', SMTP:RMK4@pge.com  
'joebob-perkins@reliantenergy.com', SMTP:joebob-perkins@reliantenergy.com  
'marvin\_k\_ballard@reliantenergy.com', SMTP:marvin\_k\_ballard@reliantenergy.com  
'KMcCrea@sablaw.com', SMTP:KMcCrea@sablaw.com  
'fieldejr@sce.com', SMTP:fieldejr@sce.com  
'harold.ray@sce.com', SMTP:harold.ray@sce.com  
'dreed@sdge.com', SMTP:dreed@sdge.com  
'wsakaria@sdge.com', SMTP:wsakaria@sdge.com

'rahayes@seiworldwide.com', SMTP:rahayes@seiworldwide.com  
'sjcapoma@seiworldwide.com', SMTP:sjcapoma@seiworldwide.com  
'mtierney@sempra.com', SMTP:mtierney@sempra.com  
'sonnet.edmonds@southernenergy.com', SMTP:sonnet.edmonds@southernenergy.com  
'cread@steptoe.com', SMTP:cread@steptoe.com  
'temoreland@swidlaw.com', SMTP:temoreland@swidlaw.com  
'julie.greenisen@troutmansanders.com', SMTP:julie.greenisen@troutmansanders.com  
'alex.goldberg@williams.com', SMTP:alex.goldberg@williams.com  
[(b)(6)]  
, Admin, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=Groupwise/cn=Treasury.DOPO.ADMIN  
'ronald\_minsk@opd.eop.gov', SMTP:ronald\_minsk@opd.eop.gov

CC: Barbour, Gaylen, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=BARBOURG  
'Curtis Wagner', SMTP:curtis.wagner@ferc.fed.us

Subject: RE: California Energy Group e-mail  
Body:  
adding ron minsk. ronald\_minsk@opd.eop.gov

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

From: Soares, Chris  
Sent: Friday, January 12, 2001 1:34 PM  
To: 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason s.  
\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Soares, Chris; Wilcox, David; Sachs, Lee; Greene,  
Michelle; Squitieri, Ray; Stokes, Veronica; eisenstat1@DSMO.com; sbvanleer@duke-  
energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; Linda Lee;  
dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov;  
smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com;  
joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com;  
fieldejr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com;  
rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com;  
sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com;  
julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
Cc: Barbour, Gaylen; Curtis Wagner  
Subject: RE: California Energy Group e-mail

Latest version of Long-Term Contracts Group report.

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Curtis Wagner to alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ra

This message was found to have a Critical Word in it. Message Sent to alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstatl@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednickyy@dynegy.com; smara@enron.com; Linda Lee; Martha Altamar; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fieldejr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
From Curtis Wagner, CC to Gaylen.Barbour@do.treas.gov, Date 1/12/2001 2:10:27 PM, Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

From: Curtis Wagner  
Sent: 1/12/2001 2:10:27 PM  
Received: 1/12/2001 2:08:33 PM  
To: alexm@calpine.com, SMTP:alexm@calpine.com  
jmacias@calpine.com, SMTP:jmacias@calpine.com  
jason\_s\_seligman@cea.eop.gov, SMTP:jason\_s\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Chris.Soares@do.treas.gov, SMTP:Chris.Soares@do.treas.gov  
David.Wilcox@do.treas.gov, SMTP:David.Wilcox@do.treas.gov  
Lee.Sachs@do.treas.gov, SMTP:Lee.Sachs@do.treas.gov  
Michelle.Greene@do.treas.gov, SMTP:Michelle.Greene@do.treas.gov  
Ray.Squitieri@do.treas.gov, SMTP:Ray.Squitieri@do.treas.gov  
Veronica.Stokes@do.treas.gov, SMTP:Veronica.Stokes@do.treas.gov  
eisenstatl@DSMO.com, SMTP:eisenstatl@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednickyy@dynegy.com, SMTP:lynn.lednickyy@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
Linda Lee, SMTP:linda.lee@ferc.fed.us  
Martha Altamar, SMTP:martha.altamar@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RMK4@pge.com, SMTP:RMK4@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com  
KMcCrea@sablaw.com, SMTP:KMcCrea@sablaw.com  
fieldejr@sce.com, SMTP:fieldejr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com

wsakaria@sdge.com, SMTP:wsakaria@sdge.com  
rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempra.com, SMTP:mtierney@sempra.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@steptoe.com, SMTP:cread@steptoe.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julie.greenisen@troutmansanders.com, SMTP:julie.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com

[(b)(6)]

CC: Gaylen.Barbour@do.treas.gov, SMTP:Gaylen.Barbour@do.treas.gov

Subject: RE: California Energy Group e-mail

Body:

Looks good to me. Curtis L. Wagner, Jr, Chief Judge FERC

>>> <Chris.Soares@do.treas.gov> 01/12/01 01:33PM >>>

Latest version of Long-Term Contracts Group report.

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Soares, Chris to 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Soares, Chris; Wilcox, David; Sachs, Lee; Greene, Michelle; Squitieri, Ray; Stokes, Veronica



Working Group  
report 6.doc (36...

This message was found to have a Critical Word in it. Message Sent to 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Soares, Chris; Wilcox, David; Sachs, Lee; Greene, Michelle; Squitieri, Ray; Stokes, Veronica; eisenstat1@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; Linda Lee; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fieldejr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoec.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
From Soares, Chris, CC to Barbour, Gaylen; Curtis Wagner, Date 1/12/2001 1:33:52 PM,  
Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

From: Soares, Chris  
Sent: 1/12/2001 1:33:52 PM  
Received: 1/12/2001 1:33:52 PM  
To: 'Martha Altamar', SMTP:martha.altamar@ferc.fed.us  
alexm@calpine.com, SMTP:alexm@calpine.com  
jmacias@calpine.com, SMTP:jmacias@calpine.com  
jason\_s\_seligman@cea.eop.gov, SMTP:jason\_s\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Soares, Chris, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SOARESC  
Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Sachs, Lee, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SachsL  
Greene, Michelle, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=GREENEMI  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Stokes, Veronica, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=STOKESV  
eisenstat1@DSMO.com, SMTP:eisenstat1@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednicky@dynegy.com, SMTP:lynn.lednicky@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
Linda Lee, SMTP:linda.lee@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RMK4@pge.com, SMTP:RMK4@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com

KMcCrea@sablaw.com, SMTP:KMcCrea@sablaw.com  
fieldejr@sce.com, SMTP:fieldejr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com  
wsakaria@sdge.com, SMTP:wsakaria@sdge.com  
rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempra.com, SMTP:mtierney@sempra.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@steptoe.com, SMTP:cread@steptoe.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julie.greenisen@troutmansanders.com, SMTP:julie.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com

[(b)(6)]

CC: Barbour, Gaylen, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=BARBOURG  
Curtis Wagner, SMTP:curtis.wagner@ferc.fed.us

Subject: RE: California Energy Group e-mail  
Body:  
Latest version of Long-Term Contracts Group report.

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Wilcox, David  
**Sent:** Thursday, February 21, 2002 12:47 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Martha Altamar to alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; R

This message was found to have a Critical Word in it. Message Sent to alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstatl@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; Linda Lee; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fieldejr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
From Martha Altamar, CC to Gaylen.Barbour@do.treas.gov; Curtis Wagner, Date 1/12/2001 9:28:23 AM, Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

**From:** Martha Altamar  
**Sent:** 1/12/2001 9:28:23 AM  
**Received:** 1/12/2001 9:26:14 AM  
**To:** alexm@calpine.com, SMTP:alexm@calpine.com  
jmacias@calpine.com, SMTP:jmacias@calpine.com  
jason\_s\_seligman@cea.eop.gov, SMTP:jason\_s\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Chris.Soares@do.treas.gov, SMTP:Chris.Soares@do.treas.gov  
David.Wilcox@do.treas.gov, SMTP:David.Wilcox@do.treas.gov  
Lee.Sachs@do.treas.gov, SMTP:Lee.Sachs@do.treas.gov  
Michelle.Greene@do.treas.gov, SMTP:Michelle.Greene@do.treas.gov  
Ray.Squitieri@do.treas.gov, SMTP:Ray.Squitieri@do.treas.gov  
Veronica.Stokes@do.treas.gov, SMTP:Veronica.Stokes@do.treas.gov  
eisenstatl@DSMO.com, SMTP:eisenstatl@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednicky@dynegy.com, SMTP:lynn.lednicky@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
Linda Lee, SMTP:linda.lee@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RMK4@pge.com, SMTP:RMK4@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com  
KMcCrea@sablaw.com, SMTP:KMcCrea@sablaw.com  
fieldejr@sce.com, SMTP:fieldejr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com  
wsakaria@sdge.com, SMTP:wsakaria@sdge.com



rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempra.com, SMTP:mtierney@sempra.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@steptoe.com, SMTP:cread@steptoe.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julie.greenisen@troutmansanders.com, SMTP:julie.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com

[(b)(6)]

CC: Gaylen.Barbour@do.treas.gov, SMTP:Gaylen.Barbour@do.treas.gov  
Curtis Wagner, SMTP:curtis.wagner@ferc.fed.us

Subject: RE: California Energy Group e-mail

Body:

Please add Chief Judge Wagner's name to the mailing list. His E-mail address is:  
curtis.wagner@ferc.fed.us Thanks.

Martha

>>> Linda Lee 01/12/01 08:55AM >>>

The requested address is: daniel.poffenberger@ferc.fed.us Thanks

>>> < Michelle.Greene@do.treas.gov > 01/12/01 08:45AM >>>

please use reply all to this message when sending items to the group (more  
corrected addresses have been added).  
thanks.

> -----Original Message-----

> From: Greene, Michelle

> Sent:Thursday, January 11, 2001 8:16 PM

> To:Greene, Michelle; Stokes, Veronica; 'alex.goldberg@williams.com';  
> 'Alex Makler'; 'Charles C. Read'; 'Claudia Greif'; 'Curtis Wagner Jr.';  
> ' dan.poffenberger@ferc.ged.us'; Wilcox, David; 'Debra Reed'; 'Dede  
> Hapner'; 'Harold B. Ray'; 'James Macias'; 'Jan Smutney Jones';  
> ' jason\_s\_seligman@cea.eop.gov'; 'Joe Bob Perkins'; 'Joel Newton'; 'John  
> Fielder'; ' julia.greenisen@troutmansanders.com'; 'Karen A. Tomcala';  
> 'Keith McCrea'; 'Larry Eisenstat'; Sachs, Lee; 'Linda Lee';  
> ' lynn.lednicky@dynegy.com'; 'Martha Altamar'; 'Michael Tierney'; 'Paul  
> Mohler'; 'Rich Glick'; 'Rob Hayes'; 'Ross Ain'; ' RHK@pge.com'; 'Sean  
> Gallagher'; 'Sonnet Edmonds'; 'Steve Vanleer'; 'Steven Capomaccio'; 'Sue  
> Mara'; 'Terri Moreland'; 'Tripp Ballard'; 'Wayne Sakarias'; Soares, Chris;  
> Squitieri, Ray  
> Cc:Barbour, Gaylen  
> Subject:RE: California Energy Group - missing e-mail addresses

> we still have incorrect e-mail addresses for the following people:

> julie greenisen (sp.?) (troutman sanders)

> roy kugen (sp.?) (pg&e)

> jim macias (calpine)

> dan poffenberger (sp.?) (ferc)

> if anyone knows their correct e-mails, please forward the document to them  
> and add the correct version of their e-mail to this group list. thanks.

> -----Original Message-----

> From: Greene, Michelle

> Sent:Thursday, January 11, 2001 8:07 PM

> To:Stokes, Veronica; 'alex.goldberg@williams.com'; 'Alex  
> Makler'; 'Charles C. Read'; 'Claudia Greif'; 'Curtis Wagner Jr.';  
> ' dan.poffenberger@ferc.ged.us'; Wilcox, David; 'Debra Reed'; 'Dede  
> Hapner'; 'Harold B. Ray'; 'James Macias'; 'Jan Smutney Jones';  
> ' jason\_s\_seligman@cea.eop.gov'; 'Joe Bob Perkins'; 'Joel Newton'; 'John  
> Fielder'; ' julia.greenisen@troutmansanders.com'; 'Karen A. Tomcala';  
> 'Keith McCrea'; 'Larry Eisenstat'; Sachs, Lee; 'Linda Lee';  
> ' lynn.lednicky@dynegy.com'; 'Martha Altamar'; 'Michael Tierney'; 'Paul  
> Mohler'; 'Rich Glick'; 'Rob Hayes'; 'Ross Ain'; ' RHK@pge.com'; 'Sean

> Gallagher'; 'Sonnet Edmonds'; 'Steve Vanleer'; 'Steven Capomaccio'; 'Sue  
> Mara'; 'Terri Moreland'; 'Tripp Ballard'; 'Wayne Sakarias'  
> Cc:Barbour, Gaylen  
> Subject:RE: California Energy Group  
>  
> more e-mail corrections included. the document is attached. we  
> will reconvene in the same conference room (6th floor, metropolitan  
> square) at 9am tomorrow. any questions, please call lee sachs's office at  
> 622-2245. thanks.

> << File: Working Group report 4.doc >>

> -----Original Message-----

> From: Stokes, Veronica  
> Sent:Thursday, January 11, 2001 4:56 PM  
> To:Alex Goldberg; Alex Makler; Charles C. Read; Claudia  
> Greif; Curtis Wagner Jr.; Dan Poffenberger; David Wilcox; Debra Reed; Dede  
> Hapner; Harold B. Ray; James Macias; Jan Smutney Jones; Jason Seliyman;  
> Joe Bob Perkins; Joel Newton; John Fielder; Julia Greenisen; Karen A.  
> Tomcala; Keith McCrear; Larry Eisenstat; Lee Sachs; Linda Lee; Lynn  
> Lednicky; Martha Altamar; Michael Tierney; Paul Mohler; Rich Glick; Rob  
> Hayes; Ross Ain ; Roy Kuga; Sean Gallagher; Sonnet Edmonds; Steve Vanleer;  
> Steven Capomaccio; Sue Mara; Terri Moreland; Tripp Ballard; Wayne Sakarias  
> Cc:Greene, Michelle; Barbour, Gaylen  
> Subject:FW: California Energy Group

> This is a test to provide a comprehensive listing for those  
> who participated in the Treasury Department California Energy Group  
> meetings this week. If you know of anyone else who should be added to  
> this list, please call at (202) 622-2245.

> << Message: California Energy Group >>

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:25 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Squitieri, Ray to jwang@cera.com on 7/11/2001 3:14:09 PM



IssueAlert

\_11\_01.html (15 KB)

This message was found to have a Critical Word in it. Message Sent to jwang@cera.com, From Squitieri, Ray, CC to , Date 7/11/2001 3:14:09 PM, Subject of message FW: TradeSpark Emerges as Leader in Online Trading, Edges In On EnronOnline

Word(s) found: Enron

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

From: Squitieri, Ray  
Sent: 7/11/2001 3:14:09 PM  
Received: 7/11/2001 3:14:09 PM  
To: jwang@cera.com, SMTP:jwang@cera.com

CC:  
Subject: FW: TradeSpark Emerges as Leader in Online Trading, Edges In On EnronOnline  
Body:  
may be of interest. Woof!

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

From: SCIENTECH IssueAlert [mailto:IssueAlert@scientech.com]  
Sent: Wednesday, July 11, 2001 8:50 AM  
Subject: TradeSpark Emerges as Leader in Online Trading, Edges In On EnronOnline

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:19 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Curtis Wagner to alexm@calpine.com; jmacias@calpine.com; jason\_s.\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ra

This message was found to have a Critical Word in it. Message Sent to alexm@calpine.com; jmacias@calpine.com; jason\_s.\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstat1@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; Linda Lee; Martha Altamar; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fieldejr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
From Curtis Wagner, CC to Gaylen.Barbour@do.treas.gov, Date 1/12/2001 2:10:27 PM, Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

From: Curtis Wagner  
Sent: 1/12/2001 2:10:27 PM  
Received: 1/12/2001 2:08:33 PM  
To: alexm@calpine.com, SMTP:alexm@calpine.com  
jmacias@calpine.com, SMTP:jmacias@calpine.com  
jason\_s.\_seligman@cea.eop.gov, SMTP:jason\_s.\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Chris.Soares@do.treas.gov, SMTP:Chris.Soares@do.treas.gov  
David.Wilcox@do.treas.gov, SMTP:David.Wilcox@do.treas.gov  
Lee.Sachs@do.treas.gov, SMTP:Lee.Sachs@do.treas.gov  
Michelle.Greene@do.treas.gov, SMTP:Michelle.Greene@do.treas.gov  
Ray.Squitieri@do.treas.gov, SMTP:Ray.Squitieri@do.treas.gov  
Veronica.Stokes@do.treas.gov, SMTP:Veronica.Stokes@do.treas.gov  
eisenstat1@DSMO.com, SMTP:eisenstat1@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednicky@dynegy.com, SMTP:lynn.lednicky@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
Linda Lee, SMTP:linda.lee@ferc.fed.us  
Martha Altamar, SMTP:martha.altamar@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RMK4@pge.com, SMTP:RMK4@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com  
KMcCrea@sablaw.com, SMTP:KMcCrea@sablaw.com  
fieldejr@sce.com, SMTP:fieldejr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com

wsakaria@sdge.com, SMTP:wsakaria@sdge.com  
rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempa.com, SMTP:mtierney@sempa.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@stepto.com, SMTP:cread@stepto.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julie.greenisen@troutmansanders.com, SMTP:julie.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com

[(b)(6)]

CC: Gaylen.Barbour@do.treas.gov, SMTP:Gaylen.Barbour@do.treas.gov

Subject: RE: California Energy Group e-mail

Body:

Looks good to me. Curtis L. Wagner, Jr, Chief Judge FERC

>>> <Chris.Soares@do.treas.gov> 01/12/01 01:33PM >>>

Latest version of Long-Term Contracts Group report.

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:19 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Soares, Chris to 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Soares, Chris; Wilcox, David; Sachs, Lee; Greene, Michelle; Squitieri, Ray; Stokes, Veronica



Working Group  
report 6.doc (36...

This message was found to have a Critical Word in it. Message Sent to 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Soares, Chris; Wilcox, David; Sachs, Lee; Greene, Michelle; Squitieri, Ray; Stokes, Veronica; eisenstat1@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; Linda Lee; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fieldejr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
From Soares, Chris, CC to Barbour, Gaylen; Curtis Wagner, Date 1/12/2001 1:33:52 PM,  
Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

From: Soares, Chris  
Sent: 1/12/2001 1:33:52 PM  
Received: 1/12/2001 1:33:52 PM  
To: 'Martha Altamar', SMTP:martha.altamar@ferc.fed.us  
alexm@calpine.com, SMTP:alexm@calpine.com  
jmacias@calpine.com, SMTP:jmacias@calpine.com  
jason\_s\_seligman@cea.eop.gov, SMTP:jason\_s\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Soares, Chris, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SOARESC  
Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Sachs, Lee, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SachsL  
Greene, Michelle, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=GREENEMI  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Stokes, Veronica, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=STOKESV  
eisenstat1@DSMO.com, SMTP:eisenstat1@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednicky@dynegy.com, SMTP:lynn.lednicky@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
Linda Lee, SMTP:linda.lee@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RMK4@pge.com, SMTP:RMK4@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com

KMcCrea@sablaw.com, SMTP:KMcCrea@sablaw.com  
fieldejr@sce.com, SMTP:fieldejr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com  
wsakaria@sdge.com, SMTP:wsakaria@sdge.com  
rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempra.com, SMTP:mtierney@sempra.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@steptoe.com, SMTP:cread@steptoe.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julie.greenisen@troutmansanders.com, SMTP:julie.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com

[(b)(6)]

CC: Barbour, Gaylen, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=BARBOURG  
Curtis Wagner, SMTP:curtis.wagner@ferc.fed.us

Subject: RE: California Energy Group e-mail  
Body:  
Latest version of Long-Term Contracts Group report.

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:19 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Jone-Lin Wang to 'Ray.Squitieri@do.treas.gov' on 1/2/2001 3:28:44 PM

This message was found to have a Critical Word in it. Message Sent to 'Ray.Squitieri@do.treas.gov', From Jone-Lin Wang, CC to , Date 1/2/2001 3:28:44 PM, Subject of message FW: Daily Electric Power News - 01-02-01

Word(s) found: Enron

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

**From:** Jone-Lin Wang  
**Sent:** 1/2/2001 3:28:44 PM  
**Received:** 1/2/2001 3:26:22 PM  
**To:** 'Ray.Squitieri@do.treas.gov', SMTP:Ray.Squitieri@do.treas.gov

**CC:**  
**Subject:** FW: Daily Electric Power News - 01-02-01

**Body:**  
Try this too...woof  
-----Original Message-----

**From:** news@mail.energycentral.com [mailto:news@mail.energycentral.com]  
**Sent:** Monday, January 01, 2001 7:20 PM  
**To:** jwang@cera.com  
**Subject:** Daily Electric Power News - 01-02-01

Enron Energy Information Solutions

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TUESDAY, JANUARY 2, 2001

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TOP STORIES

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Genesis of State's Energy Fiasco / String of Bad Decisions on Deregulation Could End Up Costing Consumers \$40 Billion Dec 31, 2000 - The San Francisco Chronicle Next month, about 10 million Californians may begin paying as much as 30 percent more for electricity, in a maddening coda to one of the most costly public policy mistakes ever made.

End Run Around PG&E Envisioned / Commission Wants Plan on S.F. Ballot Dec 30, 2000 - The San Francisco Chronicle San Francisco voters may get a chance next year to form a municipal utilities district -- a crucial step toward creating a public power system in the city.

California Utility Outrages Customers with Request for 40-Percent Rate Hike By Carrie Peyton, The Sacramento Bee, Calif. --Dec. 29--SAN FRANCISCO With national focus on California's electricity crisis growing, Pacific Gas and Electric Co. began notifying customers that it wants to boost their electric bills up to 40 percent by the end of 2001.

Calif Power Rate Hearings End  
Dec 28, 2000 - LOS ANGELES, Dec. 28 (UPI) -- Hearings aimed at giving consumer advocates and utility officials the chance to air their views on a looming electricity rate increase concluded late Thursday, setting the stage for a decision by regulators that very well may not please anyone.

Nuclear Power May Endure in the U.S. Power Business  
Dec 27, 2000 - Bloomberg Two decades after the near-disaster at Three Mile Island soured Americans on nuclear energy, the industry is showing signs of a comeback, partly because of the soaring cost of other fuels.

#### Competition & Deregulation

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Topic Sponsor: Energy Central Deregulation Legislation Database The Deregulation Legislation Database, one of the industry's most comprehensive and current compilations, is available now in the Data Center. Sign up for your free trial for access to this database and related reports. Click here:  
[http://www.energycentral.com/sections/datacenter/datacenter\\_home.cfm](http://www.energycentral.com/sections/datacenter/datacenter_home.cfm)

Open Forum; Another Utility Bailout Should Leave US Cold  
Dec 31, 2000 - The San Francisco Chronicle OUR CURRENT energy problems are urgent and serious. But before the governor and the Public Utilities Commission cut yet another deal costing consumers billions of dollars, perhaps they should pause to ask the public what kind of system it wants and what it will end up with after investing billions more.

California at Energy Impasse  
Dec 30, 2000 - Tulsa World Gov. Gray Davis failed to broker a compromise Thursday between utility executives and consumer advocates who are livid over looming increases in electricity bills for 10 million Californians.

#### Mergers, Acquisitions & Divestitures

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For more information about products on this topic visit our Information Marketplace

AES buys 61.7 pct of Gener for 841 mln usd after Chilean offer closes Dec 28, 2000 - SANTIAGO (AFX) - AES Corp has acquired 61.7 pct of Gener SA for 841.2 mln usd after its offer, launched in Chile on Nov 3, closed yesterday, the Santiago bourse said.

Missouri Commission Approves Empire, UtiliCorp Merger  
JOPLIN, Mo.--(BUSINESS WIRE)--Dec. 28, 2000-- The Empire District Electric Company received an order today from the Missouri Public Service Commission approving the proposed merger of Empire and UtiliCorp United Inc.

Electricity Generating close to acquiring stake in BCP Co Dec 28, 2000 - BANGKOK (AFX-ASIA) - Electricity Generating Plc is close to finalising a deal with China Light Power to buy shares in BCP Co, the operator of a coal-fired power plant with a capacity of 1,400 megawatts under the independent power producer scheme, the Bangkok Post quoted Egcomp president Sitthiporn Ratanopad as saying.

Aboitiz Equity acquires Northern Mini Hydro Corp for 395 mln pesos Dec 28, 2000 - MANILA (AFX-ASIA) - Aboitiz Equity Ventures said it had acquired Northern Mini Hydro Corporation for 395 mln pesos.

Huaneng Power, Shandong Huaneng to merge Dec 31  
Dec 29, 2000 - SHANGHAI (AFX-ASIA) - Huaneng Power International Inc and Shandong Huaneng Power Development Co Ltd will merge on Dec 31, the China Daily reported.

#### Rates

For more information about products on this topic visit our Information Marketplace

PG&E Tells Puc Bankruptcy Looms without Rate Hike / Utility Wants 26% More for Supplying Electricity Dec 30, 2000 - The San Francisco Chronicle Pacific Gas and Electric Co. officials defended their request for a 26 percent rate hike today, telling an emergency meeting of state regulators that the utility may go bankrupt without an immediate infusion of cash.

California energy companies lobby for higher rates  
SAN FRANCISCO, Dec 28 (AFP) - California's investor-owned utilities need a surge in electricity rates to save them from bankruptcy brought on by poorly-handled deregulation, the companies argued Thursday.

California Utility Officials Continue to Press for Higher Rates By Jack Chang, Contra Costa Times, Walnut Creek, Calif. --Dec. 29--SAN FRANCISCO-- Utility officials continued pleas for massive rate hikes before a state commission Thursday and outlined plans for even more increases in 2001 if wholesale energy costs don't drop soon.

Unitil /Concord Electric Company and Unitil/Exeter & Hampton Electric Company Fuel and Purchased Power Rates to Increase January 1 Hampton, NH - December 29, 2000  
Unitil/Concord Electric Company and Unitil/Exeter & Hampton Electric Company, subsidiaries of Unitil Corporation, today announced that the New Hampshire Public Utilities Commission has approved increases to their Fuel and Purchased Power Adjustment charges for effect on January 1, 2001.

Many Utilities Request Natural-Gas Rate Hikes; High Costs to Continue Through 2003  
IssueAlert, Dec. 29 (Scientech) The first blast of winter temperatures has resulted in some real-world impacts from the natural-gas shortage and related high prices on the wholesale market. A growing number of electric utilities across the country have requested rate increases in order to cover their expenses for obtaining the power, especially natural gas, that they must provide to customers.  
Special Offer from this Publisher!

## General

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For more information about products on this topic visit our Information Marketplace

### Boosting Public Power

Dec 28, 2000 - Bond Buyer Public power weathered the deregulation and legislative squalls of 2000 fairly well and faces what appears to be a relatively bright and stable future in 2001, according to market participants and analysts.

## Joint Ventures & Alliances

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For more information about products on this topic visit our Information Marketplace

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## Deals/Contracts

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Gas Natural wins contract to supply electricity to Madrid military hospital Dec 29, 2000 - MADRID (AFX) - Gas Natural SDG SA said its La Energia unit has won a contract to supply electricity to the Gomez Ulla military hospital in Madrid.

## Power Pricing/Supply

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For more information about products on this topic visit our Information Marketplace

### Silicon Valley preps for energy crisis

SAN FRANCISCO, Dec 28 (AFP) - High-tech companies in California's Silicon Valley are scrambling for backup power sources as the state's energy crisis continues.

## Transmission & Reliability

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For more information about products on this topic visit our Information Marketplace

### PECO Energy Goes to Full Emergency Alert for New Year's Weekend Snowstorm

PHILADELPHIA, Dec. 29 /PRNewswire/ With a potential major Nor'Easter storm approaching the region, PECO Energy Company said it has moved into an Alert status for its customer service, operations and support personnel to prepare for emergency response.

### OG&E Reports Progress in Restoring Electric Service After Ice Storm

OKLAHOMA CITY, Dec. 30 /PRNewswire/ OG&E Electric Services today reported progress in restoring electric service to thousands of its customers left without power after the ice storm of Dec. 25-26.

### Arkansas Utility Companies Battle Cold, Bad Weather

Arkansas Democrat-Gazette --Dec. 29--SPRINGDALE, Ark. Utility companies made slow progress restoring power to Northwest Arkansas customers Thursday as ice continued to topple trees

and snap power lines.

#### Utility Crews Flock to Ark. To Help

Dec 29, 2000 - LITTLE ROCK, Ark. (AP) - There's a high-wire act going on over Arkansas, cold and cranky after the second ice storm of the month plunged much of the state into darkness.

"This Is a Natural Disaster' Situation in Many Areas Is Going from Bad to Worse Dec 30, 2000 - Tulsa World With power lines and streets still covered in 2 inches of ice, the hospital still had no water Thursday. The maximum- security prison was without electricity. And half-frozen residents were straggling into shelters after toughing it out for days in dark,unheated houses.

TXU ELECTRIC & GAS CREWS RESTORE NEARLY 90% OF ICE VICTIMS Dallas, TX - December 29, 2000 TXU Electric & Gas crews have restored service to nearly 90 percent of customers affected by a severe ice storm this week.

#### Legal

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For more information about products on this topic visit our Information Marketplace

Baker to Take Charge Resulting From Judgement In ADF Litigation PITTSBURGH-- (BUSINESS WIRE)--Dec. 29, 2000-- Michael Baker Corporation announced today that a judgement of \$10.0 million has been issued against its subsidiary, Baker Mellon Stuart Construction, Inc., by the U.S. District Court for the Middle District Court of Florida relative to the previously disclosed claim of ADF International, Inc., in connection with the Universal Studios CityWalk project.

#### Plants

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Huntington Beach, Calif., Power Plant Criticized for Increased Production By Hanh Kim Quach, The Orange County Register, Calif. -- Dec. 29 When the AES Pacific Corp. power plant in Huntington Beach cranked up its noisiest and most polluting power-generating units this past month, it did not go unnoticed.

Drought Leaves Tacoma, Wash., Hydroelectric Reservoir Resources Below Normal By Al Gibbs, The News Tribune, Tacoma, Wash. -- Dec. 30 More bad news for Northwest electricity users: Rainfall and snowpack in the mountains whose streams fill the region's hydroelectric reservoirs are well below what they should be.

#### Environmental

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#### Grass Rooftops Save Energy, Cool Air in Cities

By Suzanne Elston, Environmental News Network, Sun Valley, -- Dec. 30 During the summer months, the temperature of a conventional flat rooftop can soar up to 140 degrees Fahrenheit -- hot enough to fry an egg.

#### Nuclear

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**Lithuania secures EU funding to shut down reactor**  
VILNIUS, Dec 29 (AFP) - Lithuania's government said Friday it had obtained a loan of 45 million euros (42 million dollars) from the European Union to help it decommission the first reactor unit at Ignalina nuclear power station.

**Disputed Czech N-plant powering up again after glitch**  
PRAGUE, Dec 29 (AFP) - A disputed Czech nuclear plant plagued by technical problems has powered up to 29 percent of its capacity, and is due to be re-connected to the national power grid Saturday, a spokesman said Friday.

**Jordan to launch first nuclear power plant in year's time** AMMAN, Dec 31 (AFP) - Jordan will start operating a small nuclear power reactor in early 2002 for scientific research and other non-military purposes, Jordan's energy minister was quoted Sunday as saying.

**PPL's Susquehanna Nuclear Plant Sets Generation Record**  
ALLENTOWN, Pa., Jan. 1 /PRNewswire/ PPL's Susquehanna nuclear plant produced more electricity in 2000 than it has in any year since the plant began operation in 1983.

**EU grants Lithuania govt 45 mln eur for Ignalina nuclear plant decommissioning** Dec 29, 2000 - AFX News Limited The EU has granted Lithuania 45 mln eur to help decommission the first block of the Ignalina nuclear power plant, the minister for foreign affairs said.

#### Financial

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**Greenspan's California Power Crisis Talks Boost Hopes for US Rate Cut** Dec 27, 2000 - The Independent - London HOPES THAT the US Federal Reserve may cut interest rates early in the new year resurfaced yesterday as Alan Greenspan, the chairman, met the Governor of California in Washington to discuss a crisis that threatens to bankrupt the state's two biggest power utilities.

**PG&E Workers May Lose Their Annual Bonuses / PG&E Workers May Lose Their Annual Bonuses** Dec 30, 2000 - The San Francisco Chronicle As Northern California consumers face the prospect of big increases in their power bills, employees of Pacific Gas and Electric Co. are looking at the likelihood that annual performance-based bonuses will be reduced or even eliminated this year.

**Black Hills Corporation Obtains Holding Company Approval and Announces Shelf Registration for Future Capital Offerings** RAPID CITY, S.D., Dec. 28 /PRNewswire/ -- Black Hills Corporation today announced the culmination of approvals resulting in the formation of a holding company business structure. Shareholders had earlier ratified the change at the Company's annual meeting on June 20, 2000. Effective December 22, 2000, outstanding shares were automatically exchanged on a one-for-one basis for shares of the holding company.

#### Product Announcement

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HENWOOD DETAILS SUMMER 2001 ELECTRICITY FORECASTS THROUGH RELEASE OF WSCC INTERCONNECTS AND POWER FLOWS MAP December 29, 2000 Sacramento, CA Henwood Energy Services, Inc. announced the release of a newly-developed WSCC market power map detailing forecasts for Summer 2001. The Henwood WSCC 2001 Interconnects and Power Flows Map defines the Summer 2001 power needs for the WSCC including California.

International

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Spain govt approves avg 1.52 pct cut in 2001 electricity tariff Dec 29, 2000 - MADRID (AFX) - The cabinet has approved an average 1.52 pct reduction in electricity tariffs for 2001, the government said.

Tokyo Electric Power to Move Into Rival Tohoku's Turf (Update5) Dec 27, 2000 - Bloomberg Tokyo Electric Power Co., Japan's biggest power utility, said it will supply electricity in the northern Tohoku region, an area where Tohoku Electric Power Co. has long been the dominant power supplier.

Mexican State-Owned Power Company Loses 3.6 Billion Pesos Dec 28, 2000 - Infolatina S.A. de C.V. Mexican state-owned electricity company Luz & Fuerza del Centro during the first half of 2000 lost 3.6 billion pesos despite the fact that it received federal subsidies totaling 4.4 billion pesos.

Endesa confirms 42 bln ptas investment with Elecnor in Argentina Dec 27, 2000 - MADRID (AFX) - Endesa SA said it has signed an agreement with Elecnor SA to form the 50-50 joint venture Energias Argentinas SA (Enarsa) which will invest an initial 42 bln ptas in wind-energy projects in Argentina.

EU commission reportedly may oblige Spain's power cos to pay back govt subsidy Dec 27, 2000 - AFX News Limited The European Commission may oblige Spanish power companies to pay back part of the subsidies received from the government, yesterday's El Pais reported.

Spain 2000 electricity demand up 6.25 pct vs yr-earlier - Red Electrica Dec 28, 2000 - MADRID (AFX) - Red Electrica de Espana SA said electricity demand rose 6.25 pct in 2000 from a year earlier.

EGCOMP seen affected by power surplus in 2001: Seamico Securities Dec 28, 2000 - BANGKOK (AFX-ASIA) - Electricity Generating Plc is expected to be negatively affected by an electricity surplus in 2001 due to the company's plan to invest in independent producer projects and small producer projects, a report by Seamico Securities said.

Union Fenosa sees 2001 overseas ops revenue 2.530 bln eur vs 1.448 in 2000 Dec 29, 2000 - MADRID (AFX) - Union Electrica Fenosa SA said revenue from its overseas operations are expected to nearly double in 2001 to 2.530 bln eur from 1.448 bln in 2000.

Telenor exercises 10 pct VIAG put option; BT to pay more than 20 bln nkr Dec 29, 2000 - AFX News Limited Telenor ASA said it is exercising an option to sell its 10 pct stake in VIAG Interkom GmbH to British Telecommunications PLC.

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3. Compromise nearing in California electricity crisis (12/25/00)
4. Activists Blast Davis' Energy Plans / Rate Increases Should Not Be Used to Bail Out Utilities, Consumer Groups Say (12/25/00)
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**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:19 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Jone-Lin Wang to 'Ray.Squitieri@do.treas.gov' on 12/15/2000 12:01:52 PM

This message was found to have a Critical Word in it. Message Sent to 'Ray.Squitieri@do.treas.gov', From Jone-Lin Wang, CC to , Date 12/15/2000 12:01:52 PM, Subject of message FW: Competition Accelerates in Texas, A Year Before Full Deregulation Is To Start

Word(s) found: Enron

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

From: Jone-Lin Wang  
Sent: 12/15/2000 12:01:52 PM  
Received: 12/15/2000 11:59:28 AM  
To: 'Ray.Squitieri@do.treas.gov', SMTP:Ray.Squitieri@do.treas.gov

CC:  
Subject: FW: Competition Accelerates in Texas, A Year Before Full Deregulation Is To Start  
Body:

[OUTSIDE SCOPE , (b)(5)]

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

From: IssueAlert [mailto:IssueAlert@scientech.com]  
Sent: Thursday, December 14, 2000 7:13 AM  
Subject: Competition Accelerates in Texas, A Year Before Full Deregulation Is To Start

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Jane Peiz  
Director of Marketing Communications  
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SCIENTECH IssueAlert, December 14, 2000

Competition Accelerates in Texas, A Year Before Full Deregulation Is To Start

By: Will McNamara, Director, Electric Industry Analysis  
\*\*\*\*\*

TNPC, Inc., the parent company of The New Power Company, announced that it is the first residential and small business energy provider to be certified by the Public Utility Commission of Texas (PUCT). On Feb. 15, 2001, customers in Texas can begin signing up with retail electric providers to participate in the state's pilot program, scheduled to begin in June. Full competition will begin in Texas in January 2002.

ANALYSIS: TNPC may be the first certified energy service provider in Texas, which it claims will provide a "first mover advantage," but it definitely faces increasing competition in the state. Just within the last couple of months, there has been a spate of new activity surrounding the Lone Star State, a year before full competition will be available to all customers of investor-owned utilities in Texas. (The state's rural electric cooperatives and municipal utilities can opt out of competition). Restructuring law in Texas requires utilities within the state to separate various businesses, for instance power generation, power delivery and energy services. Thus, even those utilities that have historically had a large presence in the

state will have to register with the PUCT to retail electricity.

TNPC is among a total of 11 companies that have filed for certification with the PUCT, and the list of providers is impressive and diverse. Competitors that TNPC will face in Texas include Green Mountain Energy, First Choice Power (the competitive spin-off of Texas-New Mexico Power Company), TXU Energy Services, Sempra, Shell, and Reliant. Interestingly, Enron Energy Services also has applied for certification. Since Enron is one of the key members of TNPC, it obviously is planning to penetrate the Texas market from several angles.

Conspicuously absent from the list of those that have applied for certification is AEP. Anything I might say about AEP's absence from the list would be purely speculative, but I do find it meaningful that the company has not matched its competitors' aggressive entry into the Texas retail market. One indicator might be comments that Linn Draper, AEP's CEO, made in a conversation I had with him several months back. At that time, Draper disclosed uncertainty about how the retail business would factor in to AEP's future strategy. In fact, Draper said, "We're not so sure that retail is a business for us." AEP has approximately one million retail customers in the state of Texas. If AEP is to remain in the retail market in the state, by law those customers must be served by an unregulated affiliate of the company. However, at least as of today, no such affiliate has filed an application with the PUCT.

Some may say it's still rather early in the game for all the flurry of interest surrounding Texas, given that even the limited pilot program is still six months away. The increasing interest could be based on the success of pilot programs in other states, such as Pennsylvania, which was actually the largest electric pilot program in the nation, with more than 230,000 residential and commercial customers participating. Yet, probably more important is the sheer size of the Texas market-which presumably will translate into huge profits for those energy providers that gain a lock on the market-and the hope surrounding how competition in Texas might develop. After so much negative press about the flawed system in California, Texas will be the next big state to open its market to competition. Thus, a great deal is hinging on how effectively deregulation unfolds in this state.

Moreover, the onset of competition in Texas is a major development for the energy industry. With regard to population, Texas represents the second largest energy market (behind California), offering a market value of about \$20 billion. Texas officials have been watching California closely all summer long, and remain confident that the power supply problems faced there won't happen in Texas. This is largely because Texas has avoided making some of the critical mistakes made in California. One important distinction between the two states is that Texas regulators have allowed for power plants to be built in about half the construction time that has been common in other states such as California. Since 1995, 22 new plants have started operations in Texas, generating 5,700 MW. By the time competition starts in little over a year, 15 more plants and 10,000 MW are scheduled to come online. As a result, Texas officials say that-unlike California-their state has more than enough generating capacity to meet peak demand and provide at least a 15-percent reserve for the next few years.

In addition, there are significant differences between the market structures in Texas and California. First, California's structure is based on an auction pool, which the state modeled on the United Kingdom. Integral to California's system is a Power Exchange, into which power suppliers submit power that they want to sell on the competitive market. California's PX discourages a healthy bilateral contract market from forming because generators can make more money selling into the PX. Texas, on the other hand, has no Power Exchange and in fact has encouraged bilateral contracts as the way in which electric service contracts will take place. In Texas, customers are encouraged to establish long-term bilateral contracts with suppliers to secure the best rates, which won't put them at the mercy of wholesale market prices as customers in San Diego discovered this summer.

Also, California incumbent utilities must provide electric service to customers who do not choose to switch. In Texas, as I mentioned, incumbent utilities must establish affiliated retail units that will serve customers who do not switch, but it cannot be the T&D operation of the incumbent utility. That is why we are seeing companies like Reliant Energy submit multiple applications, covering separate subsidiaries that will serve different customer classes.

The market potential for Texas competition appears very strong, which perhaps more than anything else is due to good planning on the part of Texas legislators and regulators. However, there are still some lingering concerns about competition in the Lone Star State. First, there is a shortage of transmission lines in Texas, especially in the northern half of the state. Although PUCT officials say that sufficient transmission lines will be put into place before competition begins, without sufficient lines companies could experience transmission congestion.

Another concern is that Texas may be relying too much on natural gas. Almost all of the new plants that have been built in Texas are powered by this fuel source. As we continue to see the price of natural gas reach alarming highs, this could pose a problem for the market in Texas. Hedging will be a key part of a successful strategy for any provider in Texas, especially considering the rising natural-gas prices. Still, the espoused advantages of competition (i.e., lower prices for end-users) could fall flat if so much emphasis is placed on natural gas as the primary power source in the state. Yet, ironically, customers may still benefit because of the multitude of power plants within the state. Abundant supply in Texas may keep the cost of power low for end-users, but less profitable for suppliers.

Overall, though, Texas remains the bright shining hope for those who support energy deregulation in this country. The size of the state's energy market will continue to attract new participants, at least on the front end of the restructuring process. Whether they remain in Texas, and whether or not competition in the state will truly bring benefits to end-users, remains to be seen.

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**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:19 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Flanagan, Rosemary to Summers, Larry on 12/15/2000 11:41:30 AM



calif elec Krugman  
dw 1215.doc...

This message was found to have a Critical Word in it. Message Sent to Summers, Larry, From Flanagan, Rosemary, CC to Wilcox, David; Sandberg, Sheryl; Moe, Martin; Vandivier, David; Squitieri, Ray; Auten, John; Hendershot, Karen; Cononi, Rachel; Flynn, Timothy, Date 12/15/2000 11:41:30 AM, Subject of message Paul Krugman's Claims about the California Power Market

Word(s) found: Enron

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

**From:** Flanagan, Rosemary  
**Sent:** 12/15/2000 11:41:30 AM  
**Received:** 12/15/2000 11:41:30 AM  
**To:** Summers, Larry, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SUMMERSL  
**CC:** Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Sandberg, Sheryl, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=DOM3.DOPO5.SandbergS  
Moe, Martin, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=DOM3.DOPO5.MoeM  
Vandivier, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=VandivierD  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Auten, John, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=AUTENJ  
Hendershot, Karen, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=HENDERSHOTK  
Cononi, Rachel, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CONONIR  
Flynn, Timothy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FlynnT

**Subject:** Paul Krugman's Claims about the California Power Market  
**Body:**

The attached note, prepared by Ray Squitieri, analyzes statements made by Paul Krugman recently about the California market for electricity. It will be particularly relevant background for a call from the CEO of Enron, should that occur.

----- End of message body

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**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:19 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Chryst, Nancy to Summers, Larry on 12/15/2000 9:16:07 AM



lsbrief.doc (31 KB)

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Word(s) found: Enron

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

**From:** Chryst, Nancy  
**Sent:** 12/15/2000 9:16:07 AM  
**Received:** 12/15/2000 9:16:07 AM  
**To:** Summers, Larry, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SUMMERSL  
**CC:** Sandberg, Sheryl, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=DCM3.DOPO5.SandbergS  
Moe, Martin, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=DCM3.DOPO5.MoeM  
Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Vandivier, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=VandivierD  
Flanagan, Rosemary, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FLANAGANR  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Cononi, Rachel, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CONONIR  
Hendershot, Karen, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=HENDERSHOTK  
Flynn, Timothy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FlynnT  
**Subject:** Conversation with Steven Kean (Executive Vice President, ENRON Regarding the California Electricity Market)  
**Body:**  
The Attached memo when forward to EXEC SEC today.

----- End of message body

Message auditing by MicroData CAMEO Recon



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**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:19 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Wilcox, David to Elmendorf, Douglas; Squitieri, Ray; Flanagan, Rosemary; Chryst, Nancy on 12/14/2000 11:16:04 PM

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lsbrief.doc (32 KB)

12/14/2000 11:16:04 PM, Subject of message RE: california electricity

Word(s) found: Enron

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

**From:** Wilcox, David  
**Sent:** 12/14/2000 11:16:04 PM  
**Received:** 12/14/2000 11:16:04 PM  
**To:** Elmendorf, Douglas, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=ELMENDORFD  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Flanagan, Rosemary, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FLANAGANR  
Chryst, Nancy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CHRYSTN

**CC:**  
**Subject:** RE: california electricity  
**Body:**

This is a really super effort, and illustrates the value, Ray, of your having kept an eye on current developments in the energy field. Thanks to Doug for a wonderful editing job. Please transmit to Larry ASAP.

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

**From:** Elmendorf, Douglas  
**Sent:** Thursday, December 14, 2000 6:11 PM  
**To:** Wilcox, David  
**Subject:** california electricity

I've cleaned up Ray's memo a little (based in part on your previous comments and on the phone conversation with the ENRON guy), but you should look it over. Ray should also review it in the morning to be sure that I didn't introduce any factual errors.

btw, Jon Talisman says that the CPI change will be in the tax bill that is about to be passed.

<< File: lsbrief.doc >>

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:19 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Wilcox, David to Squitieri, Ray on 12/14/2000 2:52:41 PM

**Importance:** High



calif1.doc (29 KB)

This message was found to have a Critical Word in it. Message Sent to Squitieri, Ray, From Wilcox, David, CC to Chryst, Nancy; Vandivier, David; Rao, Geetha; Flanagan, Rosemary; Cononi, Rachel; Flynn, Timothy; Murphy, Edward; Hambor, John, Date 12/14/2000 2:52:41 PM, Subject of message RE: Krugman on Calif power market

Word(s) found: Enron

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

**From:** Wilcox, David  
**Sent:** 12/14/2000 2:52:41 PM  
**Received:** 12/14/2000 2:52:41 PM  
**To:** Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
**CC:** Chryst, Nancy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CHRYSTN  
Vandivier, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=VandivierD  
Rao, Geetha, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=RaoG  
Flanagan, Rosemary, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FLANAGANR  
Cononi, Rachel, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=CONONIR  
Flynn, Timothy, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=FlynnT  
Murphy, Edward, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=MURPHYE  
Hambor, John, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=HAMBORJ

**Subject:** RE: Krugman on Calif power market

**Body:**

Ray: This is a very interesting piece. Please address the questions in the attached to the best of your ability, then forward the result to Rosemary for processing to the Secretary tonight if at all possible.

Rosemary: Please use the following as a transmittal note from me to Larry:

The attached note, prepared by Ray Squitieri, analyzes statements made by Paul Krugman recently about the California market for electricity. It will be particularly relevant background for a call from the CEO of Enron, should that occur.

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

**From:** Squitieri, Ray  
**Sent:** Thursday, December 14, 2000 2:12 PM  
**To:** Wilcox, David  
**Cc:** Chryst, Nancy; Vandivier, David; Rao, Geetha; Flanagan, Rosemary; Cononi, Rachel; Flynn, Timothy; Murphy, Edward; Hambor, John  
**Subject:** Krugman on Calif power market

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:18 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Soares, Chris to Squitieri, Ray on 4/25/2001 5:28:52 PM

This message was found to have a Critical Word in it. Message Sent to Squitieri, Ray, From Soares, Chris, CC to , Date 4/25/2001 5:28:52 PM, Subject of message RE: EPA-03-A, EPA's response to Dingell's letter on Barton's draft leg "Electricity Emergency Relief Act

Word(s) found: Enron

-----Original Message-----  
From: Soares, Chris  
Sent: 4/25/2001 5:28:52 PM  
Received: 4/25/2001 5:28:52 PM  
To: Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR

CC:  
Subject: RE: EPA-03-A, EPA's response to Dingell's letter on Barton's draft leg "Electricity Emergency Relief Act  
Body:

[OUTSIDE SCOPE , (b)(5)]

Copyright 2001 / Los Angeles Times  
Los Angeles Times  
April 17, 2001, Tuesday, Home Edition  
SECTION: Metro; Part B; Page 1; Metro Desk  
LENGTH: 1429 words  
HEADLINE: INNOVATIVE SMOG PLAN MAKES LITTLE PROGRESS;

AIR QUALITY: AFTER EIGHT YEARS, THE SOUTHLAND'S PROGRAM ALLOWING FIRMS TO TRADE POLLUTION CREDITS HAS FALLEN WELL BELOW EXPECTATIONS. IDEAS TO FIX IT ARE MIRED IN CONTROVERSY. BYLINE: GARY POLAKOVIC, TIMES ENVIRONMENTAL WRITER

BODY:

It was supposed to be a revolutionary way to clean up the environment, a business-friendly strategy to slash industrial emissions without the heavy hand of government. But the Southland's market basket experiment has been a serious disappointment. The Regional Clean Air Incentives Market, or RECLAIM, has fallen well short of expectations. Eight years into the program, smog cuts have been minimal, companies are failing to meet pollution reduction targets, and proposals to rescue the operation are mired in controversy. Manufacturers, power plants and refineries have reduced emissions by a scant 16%--much less than was anticipated by this time. Businesses were given 10 years to eliminate about 13,000 tons of pollution annually, but as the program nears its end they have eliminated just 4,144 tons, according to projections by the South Coast Air Quality Management District. Over the course of the program, the AQMD has received a trickle of applications from companies to upgrade pollution control capacity. Air quality officials say that if the number of retrofits doesn't dramatically increase, the program will fail. So little progress has been made that the AQMD is now telling businesses to slash their air pollution at more than twice the rate they have over the last seven years. Meanwhile, the agency estimates that industry will emit an extra 3,373 tons of health-threatening pollutants into the air this year, 14% more than it is allowed under the program. Business representatives are divided in their reactions to the program. PAGE 2 Los Angeles Times April 17, 2001, Tuesday,

"We're going to see the benefits of RECLAIM. It's just taking a little longer than we expected," said Bill Quinn, vice president of the California Council for Environmental and Economic Balance, which represents business and labor groups. But some companies are resisting pressure to reduce emissions. Some seek to eliminate the penalty they risk if they pollute beyond their limits. Others would like to escape the program entirely by paying a fee of \$ 7.50 per pound of pollution, no matter how much smog they make. Many businesses are insisting on a fresh infusion of credits in return for cleaning up cars, boats and trucks instead of factories, smelters and refineries. RECLAIM "hasn't done as well as the regulations it replaced," said Mike Scheible, deputy executive officer for the state Air Resources Board. "I don't think it has worked yet to achieve the emission-reduction goals that it set out to do. The reductions we've anticipated have been delayed and won't be achieved for a couple more years." The program was launched in 1993 as the first market-driven system to clean urban air and quickly became a model for others around the world. The Los Angeles-area program, which relies on a system of trading pollution credits, was supposed to cut industrial pollution by stimulating technological innovation and reducing burdensome new costs on businesses. Nearly 400 companies participate, including Walt Disney Co., ExxonMobil Corp. and Northrop Grumman Corp. Each facility receives a certain number of credits representing a pound of pollution. Companies that do not pollute to maximum allowable levels can sell credits to firms that emit more than their limits. The total credit supply shrinks about 8% annually for a decade, thus trimming pollution. The program was seriously compromised when power producers in the Los Angeles region operated far beyond pollution limits last year. Power companies gobbled emissions credits as they increased production to keep the lights on. That caused a pollution credit shortage. The market price of a credit soared as demand outstripped supply. A credit for one pound of nitrogen oxide gas that cost an average of 25 cents in the early years of the program climbed to more than \$ 50 late last year. Nitrogen oxide contributes to ozone and haze, the main ingredients in smog. Local air quality officials and business advocates say the program was working fine until the electricity crisis. But critics, including the U.S. Environmental Protection Agency, the state air board, environmentalists and some scholars, disagree. They say the energy crisis revealed structural flaws in the program that were bound to surface sooner or later. "The simplistic explanation as to why RECLAIM failed is the market was much more volatile than people expected and that is due to the electricity situation, an anomaly, an unmanageable spike rippling through the market. But that's not the whole story," said Tom Canaday, environmental engineer for the EPA. Local air quality officials acknowledge that, from its inception, the program PAGE 3 Los Angeles Times April 17, 2001, Tuesday, was embedded with powerful disincentives to cut smog. That is because they seeded it with too many credits, about 40% more than real-world emissions. Credits were so plentiful and cheap for so long that companies grew addicted to buying them instead of spending more for pollution controls. The system crashed last year when manufacturers returned to the marketplace

expecting to find more cheap credits, but instead discovered that power companies had bought most of them, driving up prices for the few that were left over. All the while, air quality officials did not push business to install controls and instead trusted them to make wise choices. Indeed, that was the very goal of the program. "For seven years, the program did absolutely nothing," said an EPA official familiar with it. "Businesses got used to cheap credits. Nobody did what they were supposed to do: responsible planning." RECLAIM was born during an economic downturn when business groups demanded a flexible alternative to traditional regulations. Many economists and conservative politicians continue to favor market-driven programs, and such approaches are expected to figure prominently in the Bush administration's attempt to have a clean environment for less cost and red tape. Representatives of big businesses, which control about 85% of the nitrogen oxide credits, say RECLAIM has saved them money while contributing to record clean air the region experienced during the 1990s. Air quality officials ascribe most of that progress to cleaner car exhaust. Companies saved an estimated 41% on compliance costs under RECLAIM compared to traditional regulations, although most of the savings occurred because pollution controls were delayed for so long. At the Arco refinery in Carson, engineers searching for ways to reduce emissions under RECLAIM recently turned smog into cash. They rerouted propylene gas, a byproduct of oil refining, from boilers into a processing plant where they converted it to plastic pellets for water bottles, patio furniture and strawberry crates, reducing about 500 tons of pollutants annually. "Now the polypropylene plant is a revenue-generating plant," said Susan Livingston, environmental manager for British Petroleum. In trying to fix the program, AQMD officials face a difficult balancing act: They want to help lower credit prices by removing the power plants from the program. But if the credits become too cheap again, companies won't have any financial incentive to reduce emissions. It's the same scenario that made the program ineffective in the first place. The agency's governing board meets May 11 to consider amendments to the program. The agency is already planning to require 36 of the biggest polluters to begin submitting plans detailing how and when they will install additional pollution controls. Among those targeted are California Portland Cement in Colton, the Los Angeles Department of Water and Power, and Equilon Enterprises, which operates a refinery in Wilmington. Industry initially balked at the demand, but relented after air quality officials dropped a federal enforcement PAGE 4 Los Angeles Times April 17, 2001, Tuesday, requirement. The AQMD governing board also approved a regulation last month to allow companies to clean up heavy-duty diesel engines in exchange for emission credits for use at factories. The EPA has not approved similar rules by the AQMD, and state air quality officials frown on the practice. Barry R. Wallerstein, executive officer of the AQMD, said proposed changes to RECLAIM should help restore confidence and improve the performance of the program. "I don't think we're looking at Humpty Dumpty," he said. "The sorts of changes we are proposing will fix the difficulties the program has experienced over the last year. This is a bump in the road, a perturbation, and with rule amendments we will be back on the path of achieving the design objectives."

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

From: Squitieri, Ray  
Sent: Wednesday, April 25, 2001 4:00 PM  
To: Soares, Chris  
Subject: FW: EPA-03-A, EPA's response to Dingell's letter on Barton's draft leg  
"Electricity Emergency Relief Act  
Importance: High

[OUTSIDE SCOPE . (b)(5)]

[OUTSIDE SCOPE , (b)(5)]

didn't get very far. -----Original Message-----

From: Ellis, Dina  
Sent: Wednesday, April 25, 2001 2:07 PM  
To: Cetina, Jill; Cononi, Rachel; Constantine, Eleni; Flynn, Timothy; Gerardi, Geraldine; Gross, Jared; Hambor, John; Hendershot, Karen; Kiefer, Donald; Kinard, Yvette; McInerney, Roberta; Paulus, Michael; Rao, Geetha; Soares, Chris; Sokolov, Dan; Squitieri, Ray; Stokes, Veronica  
Subject: FW: EPA-03-A, EPA's response to Dingell's letter on Barton's draft leg "Electricity Emergency Relief Act"  
Importance: High

please take a look at this. thanks.

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

From: LLR  
Sent: Wednesday, April 25, 2001 1:53 PM  
To: Finch, Glenda; Brown, Lynn; Kinard, Yvette; Wiss, Barbara; 'yvette.camp@fms.treas.gov'; 'EGRONSET@BPD.TREAS.GOV'; Parcell, John; Snowden, Carolyn; Murphy, William; Ellis, Dina  
Cc: Fishburn, Andy; 'DelmarR@OIG.treas.gov'; Farrell, Paula; Bailey, Ann; Maryott, Carl; 'tricia.long@fms.treas.gov'; 'Tom.Longnecker@fms.treas.gov'; 'PHollenbach@bpd.treas.gov'; Wilson, Carole; Granat, Rochelle; Carro, Richard; Dorsey, Karen; Levy, Ronald; McGivern, Tom; Vagle, Steven  
Subject: EPA-03-A, EPA's response to Dingell's letter on Barton's draft leg "Electricity Emergency Relief Act"  
Importance: High

#### REQUEST FOR COMMENTS

Due Date: APRIL 26, 2001 12:00PM

Subject: EPA-03-A, EPA's response to Dingell's letter on Barton's draft leg "Electricity Emergency Relief Act"

NOTE: THE HOUSE COMMERCE SUBCOMMITTEE ON ENERGY AND AIR QUALITY WILL BE HOLDING A HEARING ON THE DRAFT BILL ON MAY 1. AT THIS TIME THERE WILL BE NO ADMINISTRATION WITNESSES AT THE HEARING.

**\*\*SEE THREE ATTACHMENTS\*\***

The views of your office are requested on this item, which has been assigned to Karen Dorsey. Please transmit your comments by e-mail to Karen Dorsey( karen.dorsey@do.treas.gov ) with a copy to ALLR" ( LLR@do.treas.gov ). Use the message space of the e-mail for brief responses. For more detailed comments, please attach a separate document to your e-mail reply.

If you are not able to use e-mail to reply, you may fax your response to 622-1188. Please direct your fax to Karen Dorsey and identify the subject exactly as shown above.

To ensure the full development of the Department's position on this matter, it is important that your office provide comments by the due date. If you can't meet the deadline or need assistance, contact Karen Dorsey (622-1192) or the Legislative Staff (622-0650).

----- End of message body

Message auditing by MicroData CAMEO Recon

---

**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:18 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Gross, Jared to Squitieri, Ray on 4/5/2001 1:28:33 PM

This message was found to have a Critical Word in it. Message Sent to Squitieri, Ray, From Gross, Jared, CC to , Date 4/5/2001 1:28:33 PM, Subject of message RE: memo to Secretary on follow-up questions

Word(s) found: Enron

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

**From:** Gross, Jared  
**Sent:** 4/5/2001 1:28:33 PM  
**Received:** 4/5/2001 1:28:33 PM  
**To:** Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR

**CC:**  
**Subject:** RE: memo to Secretary on follow-up questions  
**Body:**

The typo comments are fine (I assume that you have already made them). I haven't found anything to provide the type of analysis Rachel suggests... do you know of anything? As I recall from the President's Working Group study on OTC derivatives industry, there is very little data on the OTC markets broadly.

[(b)(5)]

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

**From:** Squitieri, Ray  
**Sent:** Thursday, April 05, 2001 1:16 PM  
**To:** Gross, Jared  
**Subject:** FW: memo to Secretary on follow-up questions

Here are several comments by Rachel. Would you read them, decide whether any changes are necessary to your section, and if so send me a new version? Thanks.

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

**From:** Cononi, Rachel  
**Sent:** Tuesday, April 03, 2001 9:55 AM  
**To:** Squitieri, Ray  
**Subject:** memo to Secretary on follow-up questions

Ray,  
I found a couple of typos on the second page of energy derivatives memo. [(b)(5)]

<< File: NEP ONeill 3 follow up Qs 0330.doc >>

----- End of message body

Message auditing by MicroData CAMEO Recon

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**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:18 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Cononi, Rachel to Squitieri, Ray on 4/3/2001 9:54:58 AM

This message was found to have a Critical Word in it. Message Sent to Squitieri, Ray, From Cononi, Rachel, CC to , Date 4/3/2001 9:54:58 AM, Subject of message memo to Secretary on follow-up questions

Word(s) found: Enron

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

From: Cononi, Rachel  
Sent: 4/3/2001 9:54:58 AM  
Received: 4/3/2001 9:54:59 AM  
To: Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR

CC:  
Subject: memo to Secretary on follow-up questions  
Body:  
Ray,



NEP ONell 3 follow  
up Qs 0330...

I found a couple of typos on the second page of energy derivatives memo. [(b)(5)]

----- End of message body

Message auditing by MicroData CAMEO Recon



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**From:** Squitieri, Ray  
**Sent:** Thursday, February 21, 2002 12:10 AM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by James\_Mietus@omb.eop.gov to paula.farrell@do.treas.gov; kevin.kelly@ferc.fed.us; dan.larcamp@ferc.doe.gov.treas.gov; ray.squitieri@do.treas.gov; Alexander\_M\_Brill@cea.eop.gov; Wallace\_P.\_Mullin@cea.eop.gov; arthur.

This message was found to have a Critical Word in it. Message Sent to paula.farrell@do.treas.gov; kevin.kelly@ferc.fed.us; dan.larcamp@ferc.doe.gov.treas.gov; ray.squitieri@do.treas.gov; Alexander\_M\_Brill@cea.eop.gov; Wallace\_P\_Mullin@cea.eop.gov; arthur.rypinski@dow.hq.gov.treas.gov, From James\_Mietus@omb.eop.gov, CC to , Date 7/16/2001 11:57:48 AM, Subject of message FYI on TVA: Critics attack TVA secrecy

Word(s) found: Enron

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

From: James\_Mietus@omb.eop.gov  
Sent: 7/16/2001 11:57:48 AM  
Received: 7/16/2001 11:57:21 AM  
To: paula.farrell@do.treas.gov, SMTP:paula.farrell@do.treas.gov  
kevin.kelly@ferc.fed.us, SMTP:kevin.kelly@ferc.fed.us  
dan.larcamp@ferc.doe.gov.treas.gov, SMTP:dan.larcamp@ferc.doe.gov.treas.gov  
ray.squitieri@do.treas.gov, SMTP:ray.squitieri@do.treas.gov  
Alexander\_M\_Brill@cea.eop.gov, SMTP:Alexander\_M\_Brill@cea.eop.gov  
Wallace\_P\_Mullin@cea.eop.gov, SMTP:Wallace\_P\_Mullin@cea.eop.gov  
arthur.rypinski@dow.hq.gov.treas.gov, SMTP:arthur.rypinski@dow.hq.gov.treas.gov

CC:  
Subject: FYI on TVA: Critics attack TVA secrecy  
Body:

Here's a news article from this morning's Chattanooga paper, in which an independent power producer alleges TVA is being inappropriately secretive with respect to price, cost and production information.

Chattanooga Times Free Press - Monday, July 16, 2001

Critics attack TVA's secrecy

By Dave Flessner  
Business Editor

Tennessee Valley Authority's power load center in the bowels of its downtown Chattanooga complex is designed to be secure against bombs, missiles and terrorists. But the secrecy of the power center is now under attack. The federal utility no longer discloses current information about power loads, business operations or even if one of its nuclear plants has shut down. For the first time, TVA officials aren't telling what they expect the peak power demand to be this year in the Tennessee Valley. TVA officials say such information could sometimes push up the cost of power the agency buys or lower the amount it receives for electricity it generates and sells to other utilities. "We're on a trading floor now and if the market knows that one of our units is down, power markets can more easily raise the price of what they sell to us," TVA President O.J. "Ike" Zeringue said. "That's a never a good situation." But critics claim the government utility is often shielded from public scrutiny and is blocking information needed for a competitive market to operate freely. "Under the guise of 'potential business competition,' TVA is withholding a lot of information," said Michael Knauff, a former TVA power trader who now heads Tennessee Power Co., an independent power producer in Chattanooga. "The exchange of data is necessary to have a fluid and effective market, but TVA doesn't want anyone to know what they are doing so no one can criticize them. If TVA is going to operate just like a private business, maybe it should just be one." OLD DEBATE FOR NEW DEAL AGENCY The dispute over how much freedom TVA should have in its power operations is as old as the New Deal agency itself. When President Franklin Roosevelt established TVA in 1933, he envisioned "a corporation clothed with the power of government but possessed of the flexibility and initiative of a private enterprise." Unlike most utilities, TVA is free to set its own rates and conduct

its own business without approval or oversight by any state regulatory board. TVA is also exempt from direct oversight by the Federal Energy Regulatory Commission and isn't covered by many antitrust laws. But until recently, TVA was still beholden to the U.S. Congress for money to pay for its nonpower programs. As a government agency, TVA also regularly disclosed its plans for buying, generating and transmitting power around its seven-state service territory. Congress cut off TVA funding three years ago, however. At the same time, the growing competition and deregulation in the electricity industry encouraged TVA to keep quiet about many of its operations. TVA now limits access for even its own staff to the trading room adjacent to the power load center where TVA buys and sells power each day. "There is a problem when we are out purchasing power if other people know that our plants aren't operating or they know what we are planning to buy that day," Mr. Zeringue said. "If they know one of our big assets is down, then the price that is available to us for buying power will probably be just under what it would cost if we fired up our gas turbines (TVA's most expensive power generation). We get taken to the cleaners on it. That's why we are a little hush-hush." Mr. Zeringue said TVA is keeping most information about the current status of its power operations to itself, although he said information about plant operations could be disclosed later. Many of the inquiries about TVA's power status come from competitors interested in gaining a price advantage, not from consumers trying to ensure TVA keeps its costs down. "We occasionally get calls from strange places wanting to know this, that and the other. We just don't respond to the calls," Mr. Zeringue said. Even years after power trading deals are completed, TVA is sometimes unwilling to disclose any of their terms. Earlier this year, for instance, a power marketing arm of Enron Corp. settled one of TVA's biggest lawsuits for an undisclosed amount. TVA sued Enron after it failed to provide enough power during the summers of 1998 and 1999. But the terms of the multimillion-dollar settlement prevented TVA or Enron from disclosing any of the details of their trading arrangements or monetary settlement. WHO'S WATCHING THE STORE? Environmentalists complain that the increased secrecy over costs of generating and trading power makes it difficult to evaluate TVA's decisions and operations. "I think it is a very dangerous trend," said Stephen Smith, executive director of the Southern Alliance for Clean Energy, a Knoxville-based consumer and environmental group. "We don't necessarily want TVA to be at a competitive disadvantage, but whether or not a plant is running is certainly information that the public has a right to know about." Dr. Smith said his group's assessment about the costs of operating TVA's oldest coal plants compared to generating power from cleaner sources is being undermined by TVA's refusal to disclose its costs of operations. "This lends itself very easily to abuse," he said. But supporters of deregulation insist the market discipline of competition will help ensure utilities are well run and meet consumer demands. Public power enthusiasts also note that government agencies are subject to state and federal open records requirements, unlike investor-owned utilities. "We're regulated by our customers who own us and are our neighbors," said Alan Richards, president of the American Public Power Association. "I think more information about power activities is better than less and, in general, public power is much more open than are our investor-owned counterparts." But private utilities disagree. "There's always been a problem of disclosure by TVA because they are not subject to the same oversight that the investor-owned utilities are through FERC and state public service boards," said John Howes, executive director of TVA Exchange, a lobbying group that monitors TVA for other Southern utilities. "As the market becomes more regional and national, TVA needs to operate under the same rules of disclosure that its neighboring utilities do." "If TVA is a federal agency and enjoys the exceptions and benefits of a government agency, why don't they behave like a public identity?" Mr. Knauff asked.

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Sachs, Lee  
**Sent:** Wednesday, February 20, 2002 11:55 PM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Curtis Wagner to alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ra

This message was found to have a Critical Word in it. Message Sent to alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Chris.Soares@do.treas.gov; David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstatl@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; Linda Lee; Martha Altamar; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fielderjr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; ((b)(6))  
From Curtis Wagner, CC to Gaylen.Barbour@do.treas.gov, Date 1/12/2001 2:10:27 PM, Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

**From:** Curtis Wagner  
**Sent:** 1/12/2001 2:10:27 PM  
**Received:** 1/12/2001 2:08:33 PM  
**To:** alexm@calpine.com, SMTP:alexm@calpine.com  
jmacias@calpine.com, SMTP:jmacias@calpine.com  
jason\_s\_seligman@cea.eop.gov, SMTP:jason\_s\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Chris.Soares@do.treas.gov, SMTP:Chris.Soares@do.treas.gov  
David.Wilcox@do.treas.gov, SMTP:David.Wilcox@do.treas.gov  
Lee.Sachs@do.treas.gov, SMTP:Lee.Sachs@do.treas.gov  
Michelle.Greene@do.treas.gov, SMTP:Michelle.Greene@do.treas.gov  
Ray.Squitieri@do.treas.gov, SMTP:Ray.Squitieri@do.treas.gov  
Veronica.Stokes@do.treas.gov, SMTP:Veronica.Stokes@do.treas.gov  
eisenstatl@DSMO.com, SMTP:eisenstatl@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednicky@dynegy.com, SMTP:lynn.lednicky@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
Linda Lee, SMTP:linda.lee@ferc.fed.us  
Martha Altamar, SMTP:martha.altamar@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RMK4@pge.com, SMTP:RMK4@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com  
KMcCrea@sablaw.com, SMTP:KMcCrea@sablaw.com  
fielderjr@sce.com, SMTP:fielderjr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com

wsakaria@sdge.com, SMTP:wsakaria@sdge.com  
rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempra.com, SMTP:mtierney@sempra.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@steptoe.com, SMTP:cread@steptoe.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julie.greenisen@troutmansanders.com, SMTP:julie.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com

[(b)(6)]

CC: Gaylen.Barbour@do.treas.gov, SMTP:Gaylen.Barbour@do.treas.gov

Subject: RE: California Energy Group e-mail

Body:

Looks good to me. Curtis L. Wagner, Jr, Chief Judge FERC

>>> <Chris.Soaress@do.treas.gov> 01/12/01 01:33PM >>>

Latest version of Long-Term Contracts Group report.

----- End of message body

Message auditing by MicroData CAMEO Recon

**From:** Sachs, Lee  
**Sent:** Wednesday, February 20, 2002 11:55 PM  
**To:** SearchCameo  
**Subject:** CAMEO Recon found a word: Enron sent by Soares, Chris to 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Soares, Chris; Wilcox, David; Sachs, Lee; Greene, Michelle; Squitieri, Ray; Stokes, Veronica



Working Group  
report 6.doc (36...

This message was found to have a Critical Word in it. Message Sent to 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Soares, Chris; Wilcox, David; Sachs, Lee; Greene, Michelle; Squitieri, Ray; Stokes, Veronica; eisenstatl@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com; Linda Lee; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fieldejr@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
From Soares, Chris, CC to Barbour, Gaylen; Curtis Wagner, Date 1/12/2001 1:33:52 PM,  
Subject of message RE: California Energy Group e-mail

Word(s) found: Enron

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

From: Soares, Chris  
Sent: 1/12/2001 1:33:52 PM  
Received: 1/12/2001 1:33:52 PM  
To: 'Martha Altamar', SMTP:martha.altamar@ferc.fed.us  
alexm@calpine.com, SMTP:alexm@calpine.com  
jmacias@calpine.com, SMTP:jmacias@calpine.com  
jason\_s\_seligman@cea.eop.gov, SMTP:jason\_s\_seligman@cea.eop.gov  
shg@cpuc.ca.gov, SMTP:shg@cpuc.ca.gov  
Soares, Chris, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SOARESC  
Wilcox, David, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=WILCOXD  
Sachs, Lee, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SachsL  
Greene, Michelle, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=GREENEMI  
Squitieri, Ray, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=SQUITIERIR  
Stokes, Veronica, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=STOKESV  
eisenstatl@DSMO.com, SMTP:eisenstatl@DSMO.com  
sbvanleer@duke-energy.com, SMTP:sbvanleer@duke-energy.com  
joel.newton@dynegy.com, SMTP:joel.newton@dynegy.com  
lynn.lednicky@dynegy.com, SMTP:lynn.lednicky@dynegy.com  
smara@enron.com, SMTP:smara@enron.com  
Linda Lee, SMTP:linda.lee@ferc.fed.us  
dan.poffenberger@ferc.ged.us.treas.gov, SMTP:dan.poffenberger@ferc.ged.us.treas.gov  
pmohler@hewm.com, SMTP:pmohler@hewm.com  
richard.glick@hq.doe.gov, SMTP:richard.glick@hq.doe.gov  
smutany@iepa.com, SMTP:smutany@iepa.com  
karen.tomcala@pge-corp.com, SMTP:karen.tomcala@pge-corp.com  
cxg2@pge.com, SMTP:cxg2@pge.com  
DxH4@pge.com, SMTP:DxH4@pge.com  
RMK4@pge.com, SMTP:RMK4@pge.com  
joebob-perkins@reliantenergy.com, SMTP:joebob-perkins@reliantenergy.com  
marvin\_k\_ballard@reliantenergy.com, SMTP:marvin\_k\_ballard@reliantenergy.com

KMcCrea@sablaw.com, SMTP:KMcCrea@sablaw.com  
fieldejr@sce.com, SMTP:fieldejr@sce.com  
harold.ray@sce.com, SMTP:harold.ray@sce.com  
dreed@sdge.com, SMTP:dreed@sdge.com  
wsakaria@sdge.com, SMTP:wsakaria@sdge.com  
rahayes@seiworldwide.com, SMTP:rahayes@seiworldwide.com  
sjcapoma@seiworldwide.com, SMTP:sjcapoma@seiworldwide.com  
mtierney@sempra.com, SMTP:mtierney@sempra.com  
sonnet.edmonds@southernenergy.com, SMTP:sonnet.edmonds@southernenergy.com  
cread@steptoe.com, SMTP:cread@steptoe.com  
temoreland@swidlaw.com, SMTP:temoreland@swidlaw.com  
julie.greenisen@troutmansanders.com, SMTP:julie.greenisen@troutmansanders.com  
alex.goldberg@williams.com, SMTP:alex.goldberg@williams.com  
[(b)(6)]

CC: Barbour, Gaylen, EX:/O=USTREASURY/OU=DO/CN=RECIPIENTS/CN=BARBOURG  
Curtis Wagner, SMTP:curtis.wagner@ferc.fed.us

Subject: RE: California Energy Group e-mail  
Body:  
Latest version of Long-Term Contracts Group report.

----- End of message body

Message auditing by MicroData CAMEO Recon

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**From:** Dawson, Michael  
**Sent:** Wednesday, January 16, 2002 11:48 AM  
**To:** Murden, Bill; Fox, William; Zarate, Juan; Kupfer, Jeffrey  
**Subject:** FW:

[OUTSIDE SCOPE]

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

**From:** Quinn, Katie  
**Sent:** Wednesday, January 16, 2002 11:39 AM  
**To:** Aufhauser, David; Bair, Sheila; Guralé, Jimmy; Lawson, Kenneth; Duncan, John; Dawson, Michael  
**Subject:**

David Aufhauser and I spoke with Steve Kroll, Steve Harris and Patience Singleton from the Senate Banking Committee to get a more detailed understanding of their interests and expectations related to Ken Dam's testimony on January 29th. The following is a summary of our conversation with the staff.

GENERAL THEMES FOR HEARING:

[OUTSIDE SCOPE , (b)(5)]

GENERAL QUESTIONS THAT MAY BE ASKED:

[OUTSIDE SCOPE , (b)(5)]

CURRENT WITNESSES:

Kenneth Dam, Deputy Secretary of the Treasury  
Michael Chertoff, DOJ Criminal Division,  
Richard Spillenkothen, Director of Market Reg at the Fed  
Annette Nazareth, Director of Market Reg at the SEC

\*please note, the Committee is looking for our input regarding protocol on the panel makeup. I am running this by Mr. Dam's office.

Kate Quinn  
Deputy Assistant Secretary  
(Enforcement)

Office of Legislative Affairs  
Department of the Treasury  
(202) 622-0725  
katie.quinn@do.treas.gov



---

**From:** Gathers, Shirley  
**Sent:** Friday, January 11, 2002 8:22 AM  
**To:** Aufhauser, David; Kupfer, Jeffrey; Curry, Paul; Bair, Shella; Fisher, Peter; Smith, Chris; Mejia, Annabella; Matera, Cheryl; Glasgow, Launa; Johnson, Linda; Davis, Michele  
**Cc:** Strickler, Marie; Pringle, Veronica; Vannoy, Elizabeth; Hunt, Betty Ann; Ridgway, Diana; Hart, Anna; Woodard, Genevieve  
**Subject:** Briefing

Please plan on attending a briefing w/David Aufhauser and Tim Adams re: Enron as follows:

**Date:** Friday, Jan. 11  
**Time:** 10:30am - 10:45am  
**Location:** Room 3408

Thanks,

---

**From:** LaKritz, Robb  
**Sent:** Tuesday, January 08, 2002 2:45 PM  
**To:** Bair, Sheila  
**Cc:** McCardell, Dan; Adams, Tim; Dam, Ken; Gross, Jared; Kupfer, Jeffrey

Sheila,

Do you have time tomorrow to meet with Dan McCardell and me to discuss an internal policy roundtable we are hoping put together on issues related to the Enron situation and ancillary developments?

Thanks.

Robb LaKritz

**From:** Cohen, David [DCohen@wilmer.com]  
**Sent:** Sunday, January 13, 2002 11:22 PM  
**To:** Kupfer, Jeffrey  
**Subject:** Scowl

I've been meaning for months to call/e-mail you, but for one reason or another never got around to it. But seeing your suspicious gaze coming at me from the NYT magazine today finally got me over the hump.

Part of the reason I have not been in touch is that I've been in Houston (where I am even as I write this) for much of the past three months working on the Enron matter. Enough said about that. I don't even know if I told you that I decided to join Wilmer, Cutler. I started on Oct. 22 and shipped out for Houston on Oct. 28. Someday I will come back to DC for good. When I do, I'll give you a call. Who knows, by then it may be time to start playing tennis again.

I hope all is well with you and you're still enjoying things at Treasury. Shoot me an email if you get a chance.

Talk to you later.

-- David

**David S. Cohen**  
Wilmer, Cutler & Pickering  
2445 M Street, NW  
Washington, DC 20037  
Telephone: (202) 663-6925  
Direct Fax: (202) 722-6925  
Firm Fax: (202) 663-6363  
DCohen@wilmer.com

---

**From:** Eichner, Matthew  
**Sent:** Thursday, June 28, 2001 2:41 PM  
**To:** Novey, Michael; Hammer, Viva; Mikrut, Joseph; Solomon, Eric; Paravano, Jeffrey; Hanson, Robert  
**Cc:** Gerardi, Geraldine; Kiefer, Donald  
**Subject:** Retail Swaps Study Meeting - 6/28/01

There was another meeting of the retail swaps study group this morning. [(b)(5)]

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**From:** Eichner, Matthew  
**Sent:** Monday, June 11, 2001 10:57 AM  
**To:** Novey, Michael; Hammer, Viva; Solomon, Eric; Mikrut, Joseph; Hanson, Robert; Paravano, Jeffrey  
**Cc:** Gerardi, Geraldine; Kiefer, Donald  
**Subject:** Swap Study Meeting

[(b)(5)]

[(b)(5)]



rsmod.wpd (9 KB)

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**From:** Stern, Todd  
**Sent:** Friday, January 12, 2001 5:21 PM  
**To:** Klasky, Helaine; Posner, Steven; Smith, Michelle A.; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** RE: wires - California Power Talks

[(b)(5)]

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

**From:** Klasky, Helaine  
**Sent:** Friday, January 12, 2001 4:41 PM  
**To:** Posner, Steven; Smith, Michelle A.; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Stern, Todd; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** RE: wires - California Power Talks

[(b)(5)]

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

**From:** Posner, Steven  
**Sent:** Friday, January 12, 2001 4:29 PM  
**To:** Smith, Michelle A.; Klasky, Helaine; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Stern, Todd; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** wires - California Power Talks

DJ Principals In Calif Pwr Talks Set To Reconvene Saturday

Dow Jones International News Service via Dow Jones

WASHINGTON (Dow Jones)--The principal negotiators involved in White House-brokered talks to solve California's electricity crisis are slated to reconvene here Saturday afternoon, the U.S. Treasury Department confirmed Friday.

The resumption of high-level talks among top-ranking officials representing the Clinton administration, California, and utilities and power suppliers will take place at U.S. Department of Energy headquarters at 3:30 p.m. EST.

California Gov. Gray Davis and other key state regulators and lawmakers are to participate via a video conferencing link.

The pivotal negotiating session comes after two working groups involving lower-level officials have met since Wednesday in an effort to flesh out the details of a broad settlement package the principals discussed late Tuesday during a seven-hour meeting at the Treasury Department.

Knowledgeable sources described Treasury Secretary Lawrence Summers as taking an active role in attempting to forge an agreement during Tuesday's talks, which also featured Energy Secretary Bill Richardson, White House economic adviser Gene Sperling and Federal Energy Regulatory Commission Chairman James Hoecker.

Richardson, who is traveling this weekend in an effort to lobby oil-producing nations against a pending production cut, will not be attending Saturday's

session.

The working group meetings will wrap up sometime Friday, the Treasury Department said.

The two groups have separately addressed the two primary features of the proposed settlement, which involve moving the state's financially ailing utilities out of volatile spot power markets and into fixed-price forward contracts while power producers agree to "forbearance" on the huge debt owed by the utilities.

The forbearance and contracts working groups have been meeting separately, and were to convene a joint session late Friday to compare notes before reporting back to the principal negotiators who will cut any final deal.

Those familiar with the talks have expressed a mix of pessimism and optimism that a final deal can be struck, given what they described as unrealistic bargaining demands by Gov. Davis.

He has firmly rejected retail rate increases and resisted demands for the state to guarantee the nearly \$12 billion utilities have paid over the last eight months for wholesale power but been unable to pass along under state-mandated frozen retail rates.

Further complicating the talks have been demands by Davis that the proposed long-term power contracts be at rates far below the production costs of electricity generators.

But lately the pessimism has been tempered by signals that Davis may be persuaded to relent Saturday in his opposition to a state-backed securitization of the utilities' undercollections.

"Let's see their plan, and then we'll talk about that," Steve Maviglio, the governor's spokesman, said late Thursday.

Davis reportedly has been under increasing pressure from Wall Street and Clinton administration officials to reconsider his opposition to securitization.

Without a state credit guarantee, a work-out plan can't be struck, the utilities will enter bankruptcy and the state's power grid will collapse into blackouts, sources familiar with the talks warn.

The affected utilities are Southern California Edison Co., a unit of Edison International (EIX), and Pacific Gas & Electric Co., a unit of PG&E Corp. (PCG).

By Bryan Lee, Dow Jones Newswires, 202-862-8647, bryan.lee@dowjones.com

(END) Dow Jones Newswires 12-01-01

2100GMT

(AP-DJ-01-12-01 2100GMT)

:TICKER: EIX PCG SRE

:SUBJECT: EUTL STGO DI7 DI1 DI4 DI2 CA COBO COMM

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Received by NewsEDGE/LAN: 1/12/01 3:55 PM

Calif power talks aim to reach solution on Saturday

WASHINGTON, Jan 12 (Reuters) - Treasury Secretary Lawrence Summers, other senior Clinton administration officials and top



executives of electric power companies tentatively planned to meet on Saturday to finalize a fix for California's power mess, a source close to the negotiations said on Friday.

The high-level meeting was set to take place at the Energy Department at 3:30 p.m. EST (2030 GMT), with some California officials participating via teleconference, the source said.

The state narrowly averted rolling power blackouts on Thursday as already tight supplies of electricity fell to dangerously low levels because of a severe storm.

Friday marked the fourth day of negotiations among lower-level aides to map out detailed proposals for short- and long-term solutions to California's chronic electricity shortage and skyrocketing prices.

If the Friday talks failed to make as much progress as hoped, the Saturday session could be downgraded to another day of negotiations among lower-level officials on technical issues, according to another source.

Summers and Energy Secretary Bill Richardson launched the negotiations on Tuesday to prevent the bankruptcy of PG&E Corp <PCG.N> and Edison International <EIX.N>, which could ripple throughout the national economy.

Both utilities say they have run out of cash because of runaway prices wholesale power, which are now tenfold higher than one year ago. Under California's landmark 1996 deregulation law, the higher wholesale prices cannot be passed through to consumers.

The two utilities want a 90-day reprieve in repaying billions of dollars to out-of-state power generators, as well as the ability to sign long-term contracts to lock in lower prices.

((washington.commodsenergy.newsroom@reuters.com))

REUTERS

Rtr 15:29 01-12-01

:TICKER: PCG EIX

:SUBJECT: CRUD COBO MU ENER UTIL USA

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Received by NewsEDGE/LAN: 1/12/01 3:24 PM

=DJ POWER POINTS: By The Numbers, Calif Pwr Deal Looks Good

Dow Jones International News Service via Dow Jones

By Mark Golden

A Dow Jones Newswires Column

NEW YORK (Dow Jones)—Grandstanding by negotiators in Washington, D.C., on the California electricity crisis indicates the sides are too far apart for an agreement this weekend, but the actual numbers involved raise the question: How can they not get this done?

California Gov. Gray Davis, on behalf of the utilities that contribute so generously to his campaign funds, is demanding three-year supply contracts at 5.5 cents a kilowatt-hour. "We've got to stop the hemorrhaging of utility cash, but I can't possibly have another rate increase or any state bailout," the governor is saying.

According to sources, U.S. Treasury Secretary Lawrence Summers and the generating company chief executives looked at Davis with a "What are you smoking?" expression several times Tuesday night. The generators' stance is that

the market price is 8.5 cents/kwh and only if the contracts run for eight years.

But that's all just negotiating position. The customers of Edison International's (EIX) Southern California Edison currently pay the company 7.6 cents/kwh just for energy. That price includes last week's one-cent raise, but not other charges such as transmission and distribution.

Edison generates half the power it needs at a cost of about 3 cents/kwh. So, purchasing the other half at 5.5 cents/kwh would do a lot more than stop the hemorrhaging. If the cost of purchased power were 5.5 cents, Edison's average cost would be 4.3 cents, for which they are getting paid 7.6 cents. That 3.3 cents/kwh profit on the 83 billion kwh Edison sells a year comes to a whopping \$2.7 billion annually. End of credit problem.

PG&E Corp.'s (PCG) situation is more difficult. Their customers pay less for electricity, and PG&E only generates a third of its own power, but they have lower generating costs than Edison. Bottom line: if PG&E could buy supplies at 5.5 cents/kwh, they would be left with 1.9 cents/kwh profit.

Unfortunately for the utilities, California independent generators, such as Reliant Energy (REI), NRG Energy (NRG), Dynegy (DYN), Southern Energy (SOE) and Duke Energy (DUK), can't get their prices down to 5.5 cents/kwh in California given the current market price of natural gas.

But they don't need anything close to 8.5 cents for eight years. The forward price for wholesale power in California for the balance of this year is 18 cents/kwh for the on-peak hours, which is what the utilities mostly need to buy. The on-peak price drops to 11 cents/kwh for a three-year contract because new generators and new gas supplies are expected to come on line. For an eight-year contract, the price drops to about 7.3 cents/kwh.

At 7.3 cents, PG&E would be heading to bankruptcy court. But the generators will get to sell PG&E some off-peak power, too, which brings the average price down a little further. If the governor guarantees really quick licensing for a couple of new power plants in northern California, the price comes down a lot.

What's more, to save deregulation in the U.S. the generators are willing to cut to the bone. The stocks of Dynegy, Enron Corp. (ENE), etc., have high price-to-earnings ratios because their earnings are expected to continue strong growth under electric deregulation. They are the emerging masters of a deregulated universe, but if deregulation were to throw PG&E and Edison into bankruptcy court, there wouldn't be any deregulated electric universe to master.

As one electricity trader put it: "They have got to get a deal done. If they don't get 'The California Energy Crisis' off of CNBC every 30 minutes, I'm going to be out of a job."

Generators' stock prices have been getting hammered since the first of the year due to several factors, such as profit-taking after a great 2000, according to Credit Suisse First Boston utility analyst Paul Patterson. Duke's stock has fallen to \$66 from \$85 since Dec. 29, for example.

Prices of generator stocks have come down hard, in part, because a California catastrophe would derail deregulation in many states and the forecasts for generators' earnings growth would be questioned, according to Solomon Smith Barney analyst Ray Niles.

That's the finances. The physical reality is that the western U.S. probably won't have enough electricity to meet demand for the rest of this year. Starting in February, if a deal is done, California utilities won't be the last in line to get their power, and the threat of blackouts will be spread out across the

West.

Other than that, where's the rub? Under deregulation, consumers were supposed to get market rates in 2002. Based on the current forward market and the utilities' cost of retained generators, 7 cents/kwh for the rest of this year is a great deal. For 2002, it's fair, but for 2003-2008, it's terrible. The current purchase price for those years is about 5 cents. With utility-owned generation at 3 cents, consumers will be paying 7 cents/kwh when they should be paying 4 cents/kwh.

And the 2.4 cents/kwh competition transition charge (CTC) that was supposed to end in 2002 has to be extended several more years. The CTC is "non-bypassable," which means if you leave the local monopoly for an alternative supplier, you still have to send a couple of cents/kwh to the old utility.

Ratepayer groups got about 40 people to storm the PG&E corporate headquarters this week over the one cent rate increase. Another rate increase would cause riots and ballot initiatives, and cost Davis his job.

But can consumer groups get people out in the streets over a deal that's great now, but overcharges them starting in 2003? I doubt it.

Businesses such as Intel Corp. (INTC) will know they are getting the short end of the stick financially and that power in the western U.S. is still unreliable, so they will decide to build new factories in other states. That's how you bypass non-bypassable charges. It will be bad for the state's economic growth, but California needs to stop adding electricity demand.

The stars are aligned for a deal very soon: eight days left before the executive branch of the U.S. government changes from one that wants to help Davis to one that wants to hurt him; about the same amount of time is left before the utilities run out of cash; forward power prices have come down a lot in the past 30 days, but could easily start to rise again; merchant power company stock prices have been punished for two weeks, and their executives don't want to kill the golden goose.

How can they not get this done?

-By Mark Golden, Dow Jones Newswires; 201-938-4604; mark.golden@dowjones.com

(END) Dow Jones Newswires 12-01-01

1800GMT

(AP-DJ-01-12-01 1800GMT)

:TICKER: CPN DUK DYN EIX ENE INTC NRG PCG REI SO SOE

:SUBJECT: EUTL SEMI DI1 DI4 DI2 CA GA MN NC TX COMM

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Received by NewsEDGE/LAN: 1/12/01 12:55 PM

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**From:** Klasky, Helaine  
**Sent:** Friday, January 12, 2001 4:41 PM  
**To:** Posner, Steven; Smith, Michelle A.; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Stern, Todd; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** RE: wires - California Power Talks

[(b)(5)]

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

**From:** Posner, Steven  
**Sent:** Friday, January 12, 2001 4:29 PM  
**To:** Smith, Michelle A.; Klasky, Helaine; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Stern, Todd; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** wires - California Power Talks

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"Let's see their plan, and then we'll talk about that," Steve Maviglio, the governor's spokesman, said late Thursday.

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The affected utilities are Southern California Edison Co., a unit of Edison International (EIX), and Pacific Gas & Electric Co., a unit of PG&E Corp. (PCG).

By Bryan Lee, Dow Jones Newswires, 202-862-6647, bryan.lee@dowjones.com

(END) Dow Jones Newswires 12-01-01

2100GMT

(AP-DJ-01-12-01 2100GMT)

:TICKER: EIX PCG SRE

:SUBJECT: EUTL STGO DI7 DI1 DI4 DI2 CA COBO COMM

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Received by NewsEDGE/LAN: 1/12/01 3:55 PM

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Summers and Energy Secretary Bill Richardson launched the negotiations on Tuesday to prevent the bankruptcy of PG&E Corp <PCG.N> and Edison International <EIX.N>, which could ripple throughout the national economy.

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The two utilities want a 90-day reprieve in repaying billions of dollars to out-of-state power generators, as well as the ability to sign long-term contracts to lock in lower prices.

((washington.commodsenenergy.newsroom@reuters.com))

REUTERS

Rtr 15:29 01-12-01

:TICKER: PCG EIX

:SUBJECT: CRUD COBO MU ENER UTIL USA

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Received by NewsEDGE/LAN: 1/12/01 3:24 PM

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Dow Jones International News Service via Dow Jones

By Mark Golden

A Dow Jones Newswires Column

NEW YORK (Dow Jones)—Grandstanding by negotiators in Washington, D.C., on the California electricity crisis indicates the sides are too far apart for an agreement this weekend, but the actual numbers involved raise the question: How can they not get this done?

California Gov. Gray Davis, on behalf of the utilities that contribute so generously to his campaign funds, is demanding three-year supply contracts at 5.5 cents a kilowatt-hour. "We've got to stop the hemorrhaging of utility cash, but I can't possibly have another rate increase or any state bailout," the governor is saying.

According to sources, U.S. Treasury Secretary Lawrence Summers and the generating company chief executives looked at Davis with a "What are you smoking?" expression several times Tuesday night. The generators' stance is that the market price is 8.5 cents/kwh and only if the contracts run for eight years.

But that's all just negotiating position. The customers of Edison International's (EIX) Southern California Edison currently pay the company 7.6 cents/kwh just for energy. That price includes last week's one-cent raise, but not other charges such as transmission and distribution.

Edison generates half the power it needs at a cost of about 3 cents/kwh. So, purchasing the other half at 5.5 cents/kwh would do a lot more than stop the hemorrhaging. If the cost of purchased power were 5.5 cents, Edison's average

cost would be 4.3 cents, for which they are getting paid 7.6 cents. That 3.3 cents/kwh profit on the 83 billion kwh Edison sells a year comes to a whopping \$2.7 billion annually. End of credit problem.

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Unfortunately for the utilities, California independent generators, such as Reliant Energy (REI), NRG Energy (NRG), Dynegy (DYN), Southern Energy (SOE) and Duke Energy (DUK), can't get their prices down to 5.5 cents/kwh in California given the current market price of natural gas.

But they don't need anything close to 8.5 cents for eight years. The forward price for wholesale power in California for the balance of this year is 18 cents/kwh for the on-peak hours, which is what the utilities mostly need to buy. The on-peak price drops to 11 cents/kwh for a three-year contract because new generators and new gas supplies are expected to come on line. For an eight-year contract, the price drops to about 7.3 cents/kwh.

At 7.3 cents, PG&E would be heading to bankruptcy court. But the generators will get to sell PG&E some off-peak power, too, which brings the average price down a little further. If the governor guarantees really quick licensing for a couple of new power plants in northern California, the price comes down a lot.

What's more, to save deregulation in the U.S. the generators are willing to cut to the bone. The stocks of Dynegy, Enron Corp. (ENE), etc., have high price-to-earnings ratios because their earnings are expected to continue strong growth under electric deregulation. They are the emerging masters of a deregulated universe, but if deregulation were to throw PG&E and Edison into bankruptcy court, there wouldn't be any deregulated electric universe to master.

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Generators' stock prices have been getting hammered since the first of the year due to several factors, such as profit-taking after a great 2000, according to Credit Suisse First Boston utility analyst Paul Patterson. Duke's stock has fallen to \$66 from \$85 since Dec. 29, for example.

Prices of generator stocks have come down hard, in part, because a California catastrophe would derail deregulation in many states and the forecasts for generators' earnings growth would be questioned, according to Solomon Smith Barney analyst Ray Niles.

That's the finances. The physical reality is that the western U.S. probably won't have enough electricity to meet demand for the rest of this year. Starting in February, if a deal is done, California utilities won't be the last in line to get their power, and the threat of blackouts will be spread out across the West.

Other than that, where's the rub? Under deregulation, consumers were supposed to get market rates in 2002. Based on the current forward market and the utilities' cost of retained generators, 7 cents/kwh for the rest of this year is a great deal. For 2002, it's fair, but for 2003-2008, it's terrible. The current purchase price for those years is about 5 cents. With utility-owned generation at 3 cents, consumers will be paying 7 cents/kwh when they should be paying 4 cents/kwh.

And the 2.4 cents/kwh competition transition charge (CTC) that was supposed to

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How can they not get this done?

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(END) Dow Jones Newswires 12-01-01

1800GMT

(AP-DJ-01-12-01 1800GMT)

:TICKER: CPN DUK DYN EIX ENE INTC NRG PCG REI SO SOE

:SUBJECT: EUTL SEMI DI1 DI4 DI2 CA GA MN NC TX COMM

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Received by NewsEDGE/LAN: 1/12/01 12:55 PM



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**From:** Posner, Steven  
**Sent:** Friday, January 12, 2001 4:29 PM  
**To:** Smith, Michelle A.; Klasky, Helaine; Weaver, Elizabeth; Gallagher, Una; Buck, Bill; Gensler, Gary; Sachs, Lee; Stewart, Lawranne; Greene, Michelle; Wilcox, David; Elmendorf, Douglas; Vandivier, David; Sandberg, Sheryl; Stern, Todd; Cohen, Alan; Wolin, Neal; Moe, Martin  
**Subject:** wires - California Power Talks

DJ Principals In Calif Pwr Talks Set To Reconvene Saturday

Dow Jones International News Service via Dow Jones

WASHINGTON (Dow Jones)—The principal negotiators involved in White House-brokered talks to solve California's electricity crisis are slated to reconvene here Saturday afternoon, the U.S. Treasury Department confirmed Friday.

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(END) Dow Jones Newswires 12-01-01

2100GMT

(AP-DJ-01-12-01 2100GMT)

:TICKER: EIX PCG SRE

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((washington.commodenergy.newsroom@reuters.com))

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-By Mark Golden, Dow Jones Newswires; 201-938-4604; mark.golden@dowjones.com

(END) Dow Jones Newswires 12-01-01

1800GMT

(AP-DJ-01-12-01 1800GMT)

:TICKER: CPN DUK DYN EIX ENE INTC NRG PCG REI SO SOE

:SUBJECT: EUTL SEMI D11 D14 D12 CA GA MN NC TX COMM

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Received by NewsEDGE/LAN: 1/12/01 12:55 PM

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**From:** Hapner, Dede [DXH4@pge.com]  
**Sent:** Friday, January 12, 2001 7:03 AM  
**To:** 'Michelle.Greene@do.treas.gov'; Stokes, Veronica; alex.goldberg@williams.com; alexm@calpine.com; cread@steptoe.com; Greif, Claudia; curtis.wagner@ferc.fed.us; dan.poffenberger@ferc.ged.us.treas.gov; David.Wilcox@do.treas.gov; dreed@SDGE.com; harold.ray@sce.com; j.macias@calpine.com; smutany@iepa.com; jason\_s.\_seligman@cea.eop.gov; joebob-perkins@reliantenergy.com; joel.newton@dynegy.com; fieldejr@sce.com; julia.greenisen@troutmansanders.com; Tomcala, Karen (Corp); KMcCrea@sablaw.com; eisenstatl@DSMO.com; Lee.Sachs@do.treas.gov; linda.lee@ferc.fed.us; lynn.lednicky@dynegy.com; martha.altamar@ferc.fed.us; mtierney@sempra.com; pmohler@hewm.com; richard.glick@hq.doe.gov; rahayes@seiworldwide.com; [(b)(6)] ; RHK@pge.com; shg@cpuc.ca.gov; sonnet.edmonds@southernenergy.com; sbvanleer@duke-energy.com; sjcapoma@seiworldwide.com; smara@enron.com; temoreland@swidlaw.com; marvin\_k\_ballard@reliantenergy.com; wsakaria@SDGE.com; Soares, Chris; Ray.Squitieri@do.treas.gov  
**Cc:** Barbour, Gaylen  
**Subject:** RE: California Energy Group - missing e-mail addresses

Roy's address is rmk4@pge.com

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

**From:** Michelle.Greene@do.treas.gov [mailto:Michelle.Greene@do.treas.gov]  
**Sent:** Thursday, January 11, 2001 8:16 PM  
**To:** Michelle.Greene@do.treas.gov; Veronica.Stokes@do.treas.gov; alex.goldberg@williams.com; alexm@calpine.com; cread@steptoe.com; Greif, Claudia; curtis.wagner@ferc.fed.us; dan.poffenberger@ferc.ged.us.treas.gov; David.Wilcox@do.treas.gov; dreed@SDGE.com; Hapner, Dede; harold.ray@sce.com; j.macias@calpine.com; smutany@iepa.com; jason\_s.\_seligman@cea.eop.gov; joebob-perkins@reliantenergy.com; joel.newton@dynegy.com; fieldejr@sce.com; julia.greenisen@troutmansanders.com; Tomcala, Karen (Corp); KMcCrea@sablaw.com; eisenstatl@DSMO.com; Lee.Sachs@do.treas.gov; linda.lee@ferc.fed.us; lynn.lednicky@dynegy.com; martha.altamar@ferc.fed.us; mtierney@sempra.com; pmohler@hewm.com; richard.glick@hq.doe.gov; rahayes@seiworldwide.com; [(b)(6)] ; RHK@pge.com; shg@cpuc.ca.gov; sonnet.edmonds@southernenergy.com; sbvanleer@duke-energy.com; sjcapoma@seiworldwide.com; smara@enron.com; temoreland@swidlaw.com; marvin\_k\_ballard@reliantenergy.com; wsakaria@SDGE.com; Chris.Soaeres@do.treas.gov; Ray.Squitieri@do.treas.gov  
**Cc:** Gaylen.Barbour@do.treas.gov  
**Subject:** RE: California Energy Group - missing e-mail addresses

we still have incorrect e-mail addresses for the following people: julie greenisen (sp.?) (troutman sanders) roy kugen (sp.?) (pgse) jim macias (calpine) dan poffenberger (sp.?) (ferc) if anyone knows their correct e-mails, please forward the document to them and add the correct version of their e-mail to this group list. thanks.

> -----Original Message-----

> **From:** Greene, Michelle  
> **Sent:** Thursday, January 11, 2001 8:07 PM  
> **To:** Stokes, Veronica; 'alex.goldberg@williams.com'; 'Alex Makler';  
> 'Charles C. Read'; 'Claudia Greif'; 'Curtis Wagner Jr.';  
> 'dan.poffenberger@ferc.ged.us'; Wilcox, David; 'Debra Reed'; 'Dede  
> Hapner'; 'Harold B. Ray'; 'James Macias'; 'Jan Smutney Jones';  
> 'jason\_s.\_seligman@cea.eop.gov'; 'Joe Bob Perkins'; 'Joel Newton';  
> 'John Fielder'; 'julia.greenisen@troutmansanders.com'; 'Karen A.  
> Tomcala'; 'Keith McCrea'; 'Larry Eisenstat'; Sachs, Lee; 'Linda Lee';  
> 'lynn.lednicky@dynegy.com'; 'Martha Altamar'; 'Michael Tierney'; 'Paul  
> Mohler'; 'Rich Glick'; 'Rob Hayes'; 'Ross Ain'; 'RHK@pge.com'; 'Sean  
> Gallagher'; 'Sonnet Edmonds'; 'Steve Vanleer'; 'Steven Capomaccio';

> 'Sue Mara'; 'Terri Moreland'; 'Tripp Ballard'; 'Wayne Sakarias'  
> Cc: Barbour, Gaylen  
> Subject: RE: California Energy Group  
>  
> more e-mail corrections included. the document is attached. we will  
> reconvene in the same conference room (6th floor, metropolitan square)  
> at 9am tomorrow. any questions, please call lee sachs's office at  
> 622-2245. thanks.  
>  
> << File: Working Group report 4.doc >>  
>  
> -----Original Message-----  
> From: Stokes, Veronica  
> Sent: Thursday, January 11, 2001 4:56 PM  
> To: Alex Goldberg; Alex Makler; Charles C. Read; Claudia Greif;  
> Curtis Wagner Jr.; Dan Poffenberger; David Wilcox; Debra Reed; Dede  
> Hapner; Harold B. Ray; James Macias; Jan Smutney Jones; Jason  
> Seliyman; Joe Bob Perkins; Joel Newton; John Fielder; Julia Greenisen;  
> Karen A. Tomcala; Keith McCrea; Larry Eisenstat; Lee Sachs; Linda Lee;  
> Lynn Lednicky; Martha Altamar; Michael Tierney; Paul Mohler; Rich  
> Glick; Rob Hayes; Ross Ain ; Roy Kuga; Sean Gallagher; Sonnet Edmonds;  
> Steve Vanleer; Steven Capomaccio; Sue Mara; Terri Moreland; Tripp Ballard; Wayne  
> Sakarias  
> Cc: Greene, Michelle; Barbour, Gaylen  
> Subject: FW: California Energy Group  
>  
> This is a test to provide a comprehensive listing for those who  
> participated in the Treasury Department California Energy Group  
> meetings this week. If you know of anyone else who should be added to  
> this list, please call at (202) 622-2245.  
>  
>  
> << Message: California Energy Group >>

---

**From:** Sachs, Lee  
**Sent:** Thursday, January 11, 2001 10:46 AM  
**To:** 'Susan.J.Mara@enron.com'; Wilcox, David; Sachs, Lee  
**Subject:** RE: More thoughts

thanks sue.

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

**From:** Susan.J.Mara@enron.com [mailto: Susan.J.Mara@enron.com]  
**Sent:** Wednesday, January 10, 2001 11:14 PM  
**To:** David.wilcox@do.treas.gov; lee.sachs@do.treas.gov  
**Subject:** More thoughts

Lee,

I'm checking on the "market in the west at 5.5 cents" question. I'll let you know.

David and Lee,

It seems that everyone has pretty much put their big issues out on the table for consideration in package of solutions. I've been concerned. No one has been talking about the retail markets. We have spent four years protecting the utilities and getting them "ready" for retail competition. I've personally spent much of my life those four years arguing with the utilities and the CPUC to achieve any tiny movement toward a fair, open and non-discriminatory market for retail suppliers (other than the utilities, Enron is the only retail supplier in the room).

Therefore, we cannot move forward with these new subsidies and bailouts unless the utilities and the state agree to take definitive steps to make the retail market work. To move this thinking forward, I will prepare a few points of the kinds of steps we would want to see as part of the overall package.

Sue Mara



---

**From:** Sachs, Lee  
**Sent:** Thursday, January 11, 2001 10:46 AM  
**To:** 'Susan.J.Mara@enron.com'; Wilcox, David; Sachs, Lee  
**Subject:** RE: More thoughts

thanks sue.

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

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**From:** Wilcox, David  
**Sent:** Thursday, January 11, 2001 12:38 AM  
**To:** 'Susan.J.Mara@enron.com'  
**Cc:** Sachs, Lee  
**Subject:** RE: More thoughts

I'll be interested to see more specifically about what you have in mind.

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**Sent:** Wednesday, January 10, 2001 11:17 PM  
**To:** david.wilcox@do.treas.gov; lee.sachs@do.treas.gov  
**Subject:** Document From Today



TIMELINE AND  
IMPLEMENTATION.doc

Wrong addresses. Duh-uh.

----- Forwarded by Susan J Mara/NA/Enron on 01/10/2001 08:16 PM -----

Susan J Mara

01/10/2001  
08:01 PM

To: david.wilcox@do.treas.com,  
lee.sachs@do.tres.com  
cc: alex.goldberg@williams.com,  
karen.tomcala@pge-corp.com, pmohler@hewm.com,  
dreed@sdge.com  
Subject: Document From Today

Here it is.  
(See attached file: TIMELINE AND IMPLEMENTATION.doc)

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**From:** Schultheiss, Heidilynne  
**Sent:** Tuesday, January 02, 2001 2:23 PM  
**To:** Squitieri, Ray; Sachs, Lee; Paulus, Michael; Greene, Michelle; Gross, Jared  
**Cc:** Carleton, Norman; Nickoloff, Peter; Soares, Chris; Cetina, Jill  
**Subject:** SF Chronicle Article on Cal Energy Situation

This was sent to me by a former DoE employee who now works for an private-sector energy company in Houston. It's a good, comprehensive background piece. Unfortunately I don't have it in electronic form, and the hardcopy (margin) format is a bit strange.

-----  
> December 31, 2000 (SF Chronicle)  
> Genesis Of State's Energy Fiasco/String of bad decisions on deregulation  
> could end up costing consumers \$40 billion  
> Christian Berthelsen  
>  
>  
> Next month, about 10 million Californians may begin paying as much as  
> 30 percent more for electricity, in a maddening coda to one of the most  
> costly public policy mistakes ever made.  
> When the state's leaders started moving the energy system toward  
> deregulation six years ago, they envisioned a brand new day in which  
> utility companies' long-standing monopoly would be broken and rates would  
> decline by as much as 25 percent.  
> Instead, when it is over, it may cost customers of the state's  
> investor-owned utilities \$40 billion, perhaps more. In the coming year, it could  
> harm the world's sixth-largest economy and send a ripple effect throughout  
> the globe for those dependent on California's continued prosperity.  
> This is the story of what went wrong with deregulation, and how  
> planning lapses, serious policy blunders -- and warnings that came too late -- set  
> California's two main utilities, Pacific Gas & Electric Co. and Southern  
> California Edison, toward a train wreck.  
> Power plant construction lagged while demand expanded. Leaders  
> misjudged how much competition there would be to supply California with juice. And  
> flawed deregulation laws left utilities and their customers at the mercy  
> of power companies, extracting the highest price for electricity.  
> "There was a blind adherence to free-market ideology that couldn't  
> possibly work," said Eugene Coyle, a former utility securities analyst,  
> economist and early opponent of deregulation. "There were poorly  
> thought-out specifics."  
> In the early 1990s, businesses were fleeing the state amid the worst  
> economic times since the Great Depression. Energy rates were 50 percent  
> higher than they were on average across the nation, because of commitments  
> to more expensive, environmentally friendly power and cost overruns for  
> nuclear power plant construction.  
> Large customers such as steel makers, mining concerns and cement  
> makers, for which electricity costs make up 25 percent of their overhead, saw that  
> independent power producers were offering power much more cheaply. They  
> began to insist on change.  
> The United States had deregulated long-distance telephone service,  
> airlines and a host of other industries, often with resulting competition  
> that was a boon to consumers. Why not do the same for electricity?  
> So California embarked on a pioneering experiment. In 1993 and 1994,  
> the California Public Utilities Commission began to draft such a policy. It  
> allowed large users to buy power directly from independent producers and  
> froze customer rates at artificially high levels so utilities could  
> recover their investments in costly plants.  
> The utilities sought to have the terms codified in law, and in early  
> 1996, a number of bills were introduced in the Legislature to do so.  
>> Some observers say that what happened next contributed to the overall  
> plan's flaws. Months passed while the discussion meandered and faltered,

> and at one point it even appeared that no law would be passed.  
> That's when state Sen. Steve Peace took the reins and tried to make  
> something happen.  
> The San Diego legislator already had won the respect of his colleagues  
> for his work on another complex piece of legislation, reform of the workers'  
> compensation system.  
> During a hurried two-week conference in August -- dubbed the "Steve  
> Peace death march" for his propensity to keep negotiators at the table late into  
> the night -- the fine points of the energy law were hashed out.  
> Legislators entrusted their judgment to Peace and the few colleagues  
> who worked on the bill. There was an abiding sense by a number of participants  
> that few members of either house knew what was in the bill or even  
> understood it. It was passed by both houses of the Legislature unanimously  
> and signed into law the following month.  
> "People were grateful to Peace and (former Sen. Diane) Martinez for  
> taking it on," said Debra Bowen, D-Los Angeles, the current chair of the Senate  
> energy committee. "Historically, utilities were a pretty boring topic, and  
> I think term limits factored into it."  
> The law was to end the monopolistic control that utilities held over  
> both power production and supply by requiring them to sell off their  
> generators. It set rates artificially high so they could recover money  
> from bad investments. And it gave them nearly two years to prepare for  
> competition.  
> Moreover, residential customers would be granted an immediate 10  
> percent rate cut.  
> The system took effect April 1, 1998, and, at first, things seemed to  
> work well. Soon, though, there were warning signs.  
> It turned out the residential rate cut was actually going to be  
> financed with \$7.5 billion in bonds that customers had to pay off. So the reduction  
> in real terms was closer to only 3 percent, not 10 percent.  
> Then in early 1999, the California Energy Commission, which tracks the  
> state's supply and demand, was warning of coming supply shortfalls.  
> Demand was skyrocketing, the agency pointed out in a Senate energy  
> committee hearing, and no new significant generation had been built in a  
> decade. Without more power, California was going to run out. But  
> construction of new power plants takes at least two years from start to  
> finish, and the state was already running behind in accommodating the  
> growth.  
> Back in the early 1990s, however, the energy commission had painted a  
> far different picture. At that time, California had an oversupply of power,  
> perhaps as much as 30 percent more than it needed.  
> There was so much that when the utilities commission set up an auction  
> for the construction of new facilities in the early 1990s, Edison and San  
> Diego Gas and Electric Co. appealed to the Federal Energy Regulatory  
> Commission to halt the auction, arguing there was already too much  
> generation in California. The FERC obliged.  
> "If anybody had told us in 1996, or even in 1998, that we would  
> experience (such) load increases, we would have said, 'You're crazy,' " said D.J.  
> Smith, a lobbyist for the California Large Energy Consumers Association  
> and one of the top advocates of deregulation. "Nobody had ever seen load  
> go up like that in a mature situation."  
> Still, production figures from Edison Electric Institute, which provide  
> a crude indicator of demand, show consumption grew by 4 percent in 1996, 3.4  
> percent in 1997, nearly 5 percent in 1999, and a whopping 10 percent this  
> year.  
> And surrounding states, including Arizona, Nevada, Oregon and  
> Washington, began to experience the same demand growth. Since California imported as  
> much as 25 percent of its power from those states, the amount available  
> was suddenly reduced by as much as half.  
> But considering the long time it takes to build plants, in part because  
> of public opposition, the warnings were too little, too late. In fact, the  
> situation remained far off the radar screen of consumers, since most were  
> still insulated from price spikes by a rate freeze.  
> Then this summer, things started to spiral out of control.  
> San Diego was the first region to meet the conditions necessary for  
> full deregulation, and as hot summer months added to demand, customers' bills

> suddenly tripled.

> The debt load of PG&E and Edison began to balloon -- to what will be an estimated \$11 billion by the end of 2000 -- as they borrowed to pay for power while being barred from passing that cost on to consumers.

> Suddenly, the glow of deregulation had lost its luster.

> It immediately became clear that California's failure to build power plants as its rapidly growing economy pushed demand upward was a serious problem. Increasingly, the state's growing technology economy depended on electricity, and new home construction concentrated in hot areas like Riverside and San Bernardino counties, where air conditioning is a must.

> And for all the talk of competition, there was a serious flaw that made the market singularly uncompetitive.

> In order to encourage generators to create as much power as possible, deregulation guaranteed the highest price for wholesale electricity. Through a practice known as the "market clearing price," the last bidders -- who are invariably the most expensive -- set the price everyone would receive. In other words, if the first generator bids \$30 for a certain amount of megawatts but the last bids \$100, those two bidders and everyone in between receive \$100. As the wholesale price of electricity skyrocketed to \$1,500 per megawatt hour this month from \$30 before the storm, the high cost has been compounded by the fact that everyone receives that amount.

> Further, the law had encouraged utilities to sell their generators and existing electricity supply without guaranteeing access to affordable power.

> Rather than arranging to buy power on long-term contracts that could have saved money, they were put in the position of having to buy their power on a market where profit was the ultimate goal, and they and their consumers had to pay the price.

> Perhaps in the biggest misjudgment, policymakers neglected the huge amount of money it takes to run power companies and attract customers. Thus, they overestimated how much competition would flourish in the market.

> Running power companies is so costly -- \$500 million to build a new plant -- that only a handful of companies bought into the market. And once they were here, the marketing cost of signing up new customers was astronomical.

> Indeed, since choice has become available to California, less than 1 percent of residential customers has changed electricity providers. The same goes for just 15 percent to 20 percent of industrial customers -- the class that advocated deregulation in the first place.

> At the end of the day, this experiment in deregulation has come at a staggering cost: \$40 billion. That includes the \$23 billion already paid by customers when rates were frozen at artificially high levels, and the \$7.5 billion in bonds financing consumers' own rate reduction.

> Now a new tab is running -- whatever share of the \$11 billion in debt that state utility regulators decide customers should pay.

> The state's leaders are now casting around desperately for solutions to put Humpty Dumpty back together again.

> The FERC is encouraging the utilities to enter long-term contracts with suppliers, and market clearing pricing is under review. The state's utilities commission will decide Jan. 4 how much of a rate increase to grant to PG&E and Edison. And a dozen or so power plants are under construction.

> Meanwhile, consumer advocates are backing a state ballot measure that would not only re-regulate utilities but essentially make energy supply a government function. And they are challenging the utilities' efforts to pass on their debts to consumers, noting they have also reaped windfall profits from selling electricity.

> For example, in the quarter covering the summer months when power costs first went haywire, PG&E's profits amounted to \$225 million, a 22 percent increase over the same period in the previous year.

> In the short term, the state is considering ways to encourage energy conservation the same way it did with water. And the question now being asked is whether a commodity as central to the well-being of the economy should ever have been placed almost entirely under the control of free enterprise.

> "There's a discussion on how much we want to rely on market forces

> alone when it comes to electricity," Bowen said. "Do we want to subject  
> ourselves to times when rates are really low and really high?"

>> -----

> POWER DEREGULATION CHRONOLOGY --

-April 1994: California Public Utilities Commission indicates it favors deregulation.  
-October 1995: Framework of deregulation laid out in memorandums between large users,  
energy providers and utilities. --  
-January 1996: Bills introduced in legislature to codify  
deregulation plan. --  
-August 1996: The "Steve Peace death march" hashes out fine points of law. It passes both  
houses unanimously. --  
-Sept. 23, 1996: Gov. Pete Wilson signs the deregulation bill. --  
-April 1, 1998: After a four-month delay, deregulation begins. --  
-June 2000: San Diego has satisfied conditions for deregulation, and the rate cap there is  
lifted. Shortages drive prices up 300 percent in some cases. --  
-September 2000: The utilities begin to warn of billions in mounting debt and seek an end  
to the rate cap that has prevented them from passing costs on to customers. --  
-November, December 2000: More shortages put energy system in state of perpetual crisis,  
despite fall being a season of traditional low demand; state regulators consider  
utilities' requests for rate increases. A decision is expected Jan. 4.

> ----- PLAYERS IN THE DEREGULATION DRAMA --

-Steve Peace:

> Took control of the legislative process while a state senator and drove  
> deregulation into law. --

-D.J. Smith:

> Lobbyist for large, industrial electricity customers and an early  
advocate of deregulation. --

-Diane Martinez:

> As state senator, helped with the deregulation legislation. --

-Greg Conlan:

> Sympathetic to industrial consumers with high bills while serving on  
the California Public Utilities Commission. --

-Pete Wilson:

> Saw deregulation as an answer to California's then-ailing economy. --

-Kenneth Lay:

> Noted in 1997, as chief executive of Enron Corp. in Houston, that  
little competition had emerged. "It's like California announced a party but  
nobody's showing up," he said. --

-Gordon Smith:

> As chief executive of PG&E, supported deregulation, at one point noting  
there had been a "ceiling on our profits" under the old system.

> E-mail Christian Berthelsen at [cberthelsen@sfchronicle.com](mailto:cberthelsen@sfchronicle.com).

> -----

> Copyright 2000 SF Chronicle



---

**From:** Sachs, Lee  
**Sent:** Tuesday, December 05, 2000 2:31 PM  
**To:** 'Linda.Robertson@enron.com'; Sachs, Lee; Levine, Marne  
**Subject:** RE: CQ Article on Gramm CEA Meeting

hmmmmmmmm.....

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

From: Linda.Robertson@enron.com [mailto:Linda.Robertson@enron.com]  
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Chris Long

12/05/2000  
01:47 PM

To: Richard Shapiro/NA/Enron@Enron, Linda  
Robertson/NA/Enron@ENRON, Tom  
Briggs/NA/Enron@Enron, Cynthia  
Sandherr/Corp/Enron@ENRON, Lisa  
Yoho/NA/Enron@Enron  
cc:  
Subject: CQ Article on Gramm CEA Meeting

#### BILL TO PERMIT CERTAIN FUTURES TRADES GETS RENEWED EFFORT

By Ted Monoson, CQ Staff Writer

Dec. 4, 2000 - Representatives from the Chicago Board of Trade and Chicago Mercantile Exchange met Monday with Sen. Phil Gramm, R-Texas, and Rep. Thomas W. Ewing, R-Ill., to resuscitate a measure (HR 4541) that would permit the trading of single stock futures.

Ewing and a representative for the Mercantile Exchange were optimistic following the meeting. But Gramm, chairman of the Banking Committee, continued to express reservations about the measure.

"I think we have the makings of a deal," said Leo Melamed, a chairman emeritus and senior policy adviser for the Mercantile Exchange.

The House passed the measure 377-4 on Oct 19. Since then, Ewing has pushed for Senate passage, along with Senate Agriculture Chairman Richard G. Lugar, R-Ind., and Sen. Peter G. Fitzgerald, R-Ill.

Gramm, however, dislikes several provisions. One would explicitly permit the use of a type of over-the-counter derivative, known as a swap. Although U.S. companies and financial institutions use them, they are neither explicitly permitted nor prohibited.

Gramm said the bill is not clear enough on what is a banking product vs. what is a future, and he wants to ensure that swaps are classified as banking products.

He also opposes a provision that he said would expand the jurisdiction of the Commodity Future Trading Commission.

"We're just continuing to work," Gramm said after the meeting. "I thought we made some progress, but I've thought that for a long time. Anybody or anything can unravel it at the

last minute."

If a breakthrough occurs, he said it would occur before Thursday.

"When I get in the red zone, I like to score," Gramm said. "We're in the red zone. If we can do it, I want to do it."

The bill also would reauthorize and make several other changes to the Commodity Exchange Act, which expired Sept. 30.

Ewing said if there is an agreement, he expects it to be included in one of the final spending bills. A stand-alone bill, he said, was a long shot.

Representatives from the Treasury Department were not at the meeting, and it was unclear whether the bill would still be palatable to the administration.

Asked whether the bill would gain administration support, Ewing said, "I hope so, we're at the point where we all have to compromise."

Source: CQ Monitor News

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Source: CQ Monitor News

UNCLEARED DRAFT; JANUARY 12, 2001

**INTERIM REPORT OF THE WORKING GROUP ON  
LONG-TERM CONTRACTS**

[(b)(5)]

01800000010129

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[(b)(5)]

01800000010130

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[(b)(5)]

01800000010131

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[(b)(5)]

01800000010132

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**TAB A**  
**DRAFT RFO**

0180000010133

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*State Of California  
Request for Offers  
January \_\_, 2001*

[(b)(5)]

[(b)(5)]

01800000010135

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[(b)(5)]

01800000010136

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[(b)(5)]

01800000010137

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[(b)(5)]

01800000010138

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**TAB B**  
**DRAFT CONTRACT**

01800000010139

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**MASTER POWER PURCHASE AND SALE AGREEMENT**  
**COVER SHEET**

[(b)(5)]

01800000010140

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[(b)(5)]

01800000010141

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[(b)(5)]

01800000010142

[(b)(5)]

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01800000010144

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[(b)(5)]

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01800000010146

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**TAB C**  
**PRODUCT DEFINITIONS**

01800000010148

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[(b)(5)]

01800000010149

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[OUTSIDE SCOPE]

[(b)(5)]

01800000010151

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## TIMELINE AND IMPLEMENTATION

[(b)(5)]

**From:** Tierney, Michael C. [MTierney@sempra.com]  
**Sent:** Saturday, January 13, 2001 2:07 PM  
**To:** 'David.Wilcox@do.treas.gov'; 'Lee.Sachs@do.treas.gov'; Soares, Chris;  
'martha.altamar@ferc.fed.us'; 'alexm@calpine.com'; 'jmacias@calpine.com';  
'jason\_s\_seligman@cea.eop.gov'; 'shg@cpuc.ca.gov'; 'Michelle.Greene@do.treas.gov';  
'Ray.Squitieri@do.treas.gov'; Stokes, Veronica; 'eisenstatl@DSMO.com'; 'sbvanleer@duke-  
energy.com'; 'joel.newton@dynegy.com'; 'lynn.lednicky@dynegy.com'; 'smara@enron.com';  
'linda.lee@ferc.fed.us'; 'dan.poffenberger@ferc.ged.gov.treas.gov'; 'pmohler@hewm.com';  
'richard.glick@hq.doe.gov'; 'smutany@iepa.com'; 'karen.tomcala@pge-corp.com';  
'cxg2@pge.com'; 'DxH4@pge.com'; 'RMK4@pge.com'; 'joebob-perkins@reliantenergy.com';  
'marvin\_k\_ballard@reliantenergy.com'; 'KMcCrea@sablaw.com'; 'fieldejr@sce.com';  
'harold.ray@sce.com'; Reed, Debra L.; Sakarias, Wayne P.; 'rahayes@seiworldwide.com';  
'sjcapoma@seiworldwide.com'; Tierney, Michael C.; 'sonnet.edmonds@southernenergy.com';  
'cread@steptoe.com'; 'temoreland@swidlaw.com'; 'julie.greenisen@troutmansanders.com';  
'alex.goldberg@williams.com'; '(b)(6)'; 'ADMIN@do.treas.gov';  
'ronald\_minsk@opd.eop.gov'; 'jmdonnell@duke-energy.com'; 'hjpodewer@duke-energy.com';  
'bbailey@duke-energy.com'; 'njdeschane@duke-energy.com'; 'wfhall@duke-energy.com';  
'sbvanleer@duke-energy.com'; 'rmk4@pge.com'; 'ddr0@pge.com'; 'rjp2@pge.com';  
'starckle@sce.com'; 'john.gammie@williams.com'; 'reharris@seiworldwide.com';  
'smfuller@seiworldwide.com'; 'dlmiller@seiworldwide.com'; 'jwholden@seiworldwide.com';  
'richard.shapiro@enron.com'; 'robert.badeer@enron.com'  
**Cc:** Barbour, Gaylen; 'curtis.wagner@ferc.fed.us'  
**Subject:** RE: California Energy Group e-mail TEST MESSAGE

Please add Nick Fels to this mailing list. His email address is nfels@cov.com

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

**From:** David.Wilcox@do.treas.gov  
**To:** David.Wilcox@do.treas.gov; Lee.Sachs@do.treas.gov; Chris.Soares@do.treas.gov; martha.altamar@ferc.fed.us;  
alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov;  
Michelle.Greene@do.treas.gov; Ray.Squitieri@do.treas.gov; Veronica.Stokes@do.treas.gov; eisenstatl@DSMO.com;  
sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednicky@dynegy.com; smara@enron.com;  
linda.lee@ferc.fed.us; dan.poffenberger@ferc.ged.gov.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov;  
smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-  
perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fieldejr@sce.com;  
harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com;  
mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com;  
julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; '(b)(6)'; ADMIN@do.treas.gov;  
ronald\_minsk@opd.eop.gov; jmdonnell@duke-energy.com; hjpodewer@duke-energy.com; bbailey@duke-energy.com;  
njdeschane@duke-energy.com; wfhall@duke-energy.com; sbvanleer@duke-energy.com; rmk4@pge.com; ddr0@pge.com;  
rjp2@pge.com; starckle@sce.com; john.gammie@williams.com; reharris@seiworldwide.com; smfuller@seiworldwide.com;  
dlmiller@seiworldwide.com; jwholden@seiworldwide.com; richard.shapiro@enron.com; robert.badeer@enron.com

**Cc:** Gaylen.Barbour@do.treas.gov; curtis.wagner@ferc.fed.us  
**Sent:** 1/12/01 2:51 PM  
**Subject:** RE: California Energy Group e-mail TEST MESSAGE

<<Final pt1.doc>> <<Final pt2.doc>>



**From:** Sachs, Lee  
**Sent:** Friday, January 12, 2001 5:57 PM  
**To:** Barbour, Gaylen  
**Subject:** FW: California Energy Group e-mail TEST MESSAGE

pls print both. also, pls fax to governors office (attn: john stevens) & speakers office (attn: rick simpson 916-319-2140)

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

**From:** Wilcox, David  
**Sent:** Friday, January 12, 2001 5:51 PM  
**To:** Wilcox, David; Sachs, Lee; Soares, Chris; 'Martha Altamar'; 'alexm@calpine.com'; 'jmacias@calpine.com'; 'jason\_s.\_seligman@cea.eop.gov'; 'shg@cpuc.ca.gov'; Greene, Michelle; Squitieri, Ray; Stokes, Veronica; 'eisenstat@DSMO.com'; 'sbvanleer@duke-energy.com'; 'joel.newton@dynegy.com'; 'lynn.lednický@dynegy.com'; 'smara@enron.com'; 'Linda Lee'; 'dan.poffenberger@ferc.ged.gov'; 'pmohler@hewm.com'; 'richard.glick@hq.doe.gov'; 'smutany@iepa.com'; 'karen.tomcala@pge-corp.com'; 'cxg2@pge.com'; 'DxH4@pge.com'; 'RMK4@pge.com'; 'joebob-perkins@reliantenergy.com'; 'marvin\_k\_ballard@reliantenergy.com'; 'KMcCrea@sablaw.com'; 'fieldejr@sce.com'; 'harold.ray@sce.com'; 'dreed@sdge.com'; 'wsakaria@sdge.com'; 'rahayes@seiworldwide.com'; 'sjcapoma@seiworldwide.com'; 'mtierney@sempra.com'; 'sonnet.edmonds@southernenergy.com'; 'cread@steptoe.com'; 'temoreland@swidlaw.com'; 'julie.greenisen@troutmansanders.com'; 'alex.goldberg@williams.com'; '(b)(6)'; , Admin; 'ronald\_minsk@opd.eop.gov'; 'jmdonnell@duke-energy.com'; 'hjpodewer@duke-energy.com'; 'bbailey@duke-energy.com'; 'njdeschane@duke-energy.com'; 'wfhall@duke-energy.com'; 'sbvanleer@duke-energy.com'; 'rmk4@pge.com'; 'ddr0@pge.com'; 'rjp2@pge.com'; 'starckde@sce.com'; 'john.gammie@williams.com'; 'reharris@seiworldwide.com'; 'smfuller@seiworldwide.com'; 'dlmiller@seiworldwide.com'; 'jwholden@seiworldwide.com'; 'richard.shapiro@enron.com'; 'robert.badeer@enron.com'  
**Cc:** Barbour, Gaylen; 'Curtis Wagner'  
**Subject:** RE: California Energy Group e-mail TEST MESSAGE

**From:** Sachs, Lee  
**Sent:** Friday, January 12, 2001 3:14 PM  
**To:** Soares, Chris; 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Wilcox, David; Greene, Michelle; Squitieri, Ray; Stokes, Veronica; eisenstat@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednick@dynegy.com; smara@enron.com; Linda Lee; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fielder@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)] ; , Admin; ronald\_minsk@opd.eop.gov  
**Cc:** Barbour, Gaylen; Curtis Wagner  
**Subject:** RE: California Energy Group e-mail

adding ron minsk. ronald\_minsk@opd.eop.gov

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

**From:** Soares, Chris  
**Sent:** Friday, January 12, 2001 1:34 PM  
**To:** 'Martha Altamar'; alexm@calpine.com; jmacias@calpine.com; jason\_s\_seligman@cea.eop.gov; shg@cpuc.ca.gov; Soares, Chris; Wilcox, David; Sachs, Lee; Greene, Michelle; Squitieri, Ray; Stokes, Veronica; eisenstat@DSMO.com; sbvanleer@duke-energy.com; joel.newton@dynegy.com; lynn.lednick@dynegy.com; smara@enron.com; Linda Lee; dan.poffenberger@ferc.ged.us.treas.gov; pmohler@hewm.com; richard.glick@hq.doe.gov; smutany@iepa.com; karen.tomcala@pge-corp.com; cxg2@pge.com; DxH4@pge.com; RMK4@pge.com; joebob-perkins@reliantenergy.com; marvin\_k\_ballard@reliantenergy.com; KMcCrea@sablaw.com; fielder@sce.com; harold.ray@sce.com; dreed@sdge.com; wsakaria@sdge.com; rahayes@seiworldwide.com; sjcapoma@seiworldwide.com; mtierney@sempra.com; sonnet.edmonds@southernenergy.com; cread@steptoe.com; temoreland@swidlaw.com; julie.greenisen@troutmansanders.com; alex.goldberg@williams.com; [(b)(6)]  
**Cc:** Barbour, Gaylen; Curtis Wagner  
**Subject:** RE: California Energy Group e-mail

Latest version of Long-Term Contracts Group report.

[(b)(5)]

For Internal Use Only

Drafted by: Jim Sharer  
1/16/02 4:49 PM

01800000010157

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[(b)(5)]

[(b)(5)]

\* Equities begin trading in Brazil, Argentina, and Mexico at 8:00 a.m., 9:00 a.m., and 9:30 a.m. Eastern time respectively.

01800000010159

**From:** Cetina, Jill  
**Sent:** Friday, December 07, 2001 4:45 PM  
**To:** \_DL\_Market Group; 'Andrew Sacher'; 'ClayLowery'; 'Eric Otto'; 'Griffiths'; 'Hoffman'; Lundsager, Meg; 'Paul Reid'; 'PMalmgren'; 'Wayne'  
**Subject:** Market Weekly Report, Dec 3-7

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Prepared by:  
Treasury Market Room Staff

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[(b)(5)]

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[(b)(5)]

01800000010165

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[(b)(5)]

[(b)(5)]

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[(b)(5)]

01800000010174

[(b)(5)]

[(b)(5)]

\* Equities begin trading in Brazil, Argentina, and Mexico at 8:00 a.m., 9:00 a.m., and 9:30 a.m. Eastern time respectively.

**From:** Cetina, Jill  
**Sent:** Wednesday, December 05, 2001 12:57 PM  
**To:** \_DL\_Market Group; 'Andrew Sacher'; 'ClayLowery'; 'Eric Otto'; 'Griffiths'; 'Hoffman'; Lundsager, Meg; 'Paul Reid'; 'PMalmgren'; 'Wayne'  
**Subject:** Market Noon Report, Dec 5th -- "Recession over" mood prevails

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01800000010191

10/21/2002

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01800000010193

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*Jill Cetina  
December 7, 2001*

[(b)(5)]

For Internal Use Only

Drafted by: Jim Sharer  
1/15/02 4:39 PM

01800000010195

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**From:** Cetina, Jill  
**Sent:** Tuesday, December 04, 2001 12:27 PM  
**To:** \_DL\_Market Group; 'Andrew Sacher'; 'ClayLowery'; 'Eric Otto'; 'Griffiths'; 'Hoffman'; Lundsager, Meg; 'Paul Reid'; 'PMalmgren'; 'Wayne'  
**Subject:** Market Noon Report -- Dec 4th

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[(b)(5)]

1/9/02 7:49 AM

[(b)(5)]

For Internal Use Only

Jim Sharer  
1/9/02 8:19 AM

01800000010198

[(b)(5)]

[(b)(5)]

\* Equities begin trading in Brazil, Algeria, and Mexico at 8:00 a.m., 9:00 a.m., and 9:30 a.m. Eastern time respectively.



[(b)(5)]

Treasury Market Room 622-2650  
Timothy DuLaney, Director

GLOBAL FINANCIAL MARKETS  
12/18/01 7:45 AM

[(b)(5)]

0180000010202

[(b)(5)]

\* Equities begin trading in Brazil, Argentina, and Mexico at 8:00 a.m., 9:00 a.m., and 9:30 a.m. Eastern time respectively.

[(b)(5)]

For Internal Use Only

Drafted by: Jim Shaver  
11/30/11 12:51 PM

01800000010204

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[(b)(5)]

[(b)(5)]

\* Equities begin trading in Brazil, Argentina, and Mexico at 9:00 a.m., 9:00 a.m., and 9:30 a.m. Eastern time respectively.

[(b)(5)]

For Internal Use Only

Drafted by Jill Collins  
11/20/01 12:10 PM

01800000010207

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[(b)(5)]



[(b)(5)]

\* Equities begin trading in Brazil, Argentina, and Mexico at 8:00 a.m., 9:00 a.m., and 9:30 a.m. Eastern time respectively.

**From:** Cetina, Jill  
**Sent:** Monday, December 03, 2001 12:48 PM  
**To:** \_DL\_Market Group; 'Andrew Sacher'; 'ClayLowery'; 'Eric Otlo'; 'Griffiths'; 'Hoffman'; Lundsager, Meg; 'Paul Reid'; 'PMalmgren'; 'Wayne'  
**Subject:** Market Noon Report.

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01800000010210

[(b)(5)]

01800000010211

10/21/2002

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**From:** Cetina, Jill  
**Sent:** Tuesday, December 04, 2001 7:53 AM  
**To:** \_DL\_Market Group; 'Andrew Sacher'; 'ClayLowery'; 'Eric Otto'; 'Griffiths'; 'Hoffman'; Lundsager, Meg; 'Paul Reid'; 'PMalmgren'; 'Wayne'  
**Subject:** Market Morning Report, Dec 4th

[(b)(5)]

[(b)(5)]

[(b)(5)]

For Internal Use Only

Drafted by: Jim Sharer  
11/20/01 4:59 PM

01800000010214

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[(b)(5)]

01800000010215

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[(b)(5)]

\* Equities begin trading in Brazil, Argentina, and Mexico at 8:00 a.m., 8:00 a.m., and 9:30 a.m. Eastern time respectively.