

ENRON CORP.

Enron Corp. operates high growth energy and communications businesses. By consistently replicating its successful network-based business models, Enron has achieved a leading competitive position in these rapidly deregulating and growing markets.

WHOLESALE ENERGY OPERATIONS AND SERVICES

Developed Markets

- North America
- Europe

Developing Markets

- South America
- Asia/Africa
- India
- Caribbean

Enron provides comprehensive energy services, including reliable delivery, predictable pricing and finance services. Acting as principal, Enron makes markets by optimizing its large portfolio of energy contracts to provide low cost solutions to meet customers' needs.

RETAIL ENERGY SERVICES

Enron Energy Services

Enron provides full energy outsourcing services to commercial and industrial businesses, including delivery of energy commodities, power risk management services and services to reduce total energy consumption and associated costs.

TRANSPORTATION AND DISTRIBUTION

Gas Pipeline Group

Portland General

Enron operates four major U.S. interstate natural gas pipelines with solid competitive positions in all markets served. With the opening of the North American wholesale power market, Enron has entered into an agreement to sell Portland General, an electric utility in the northwest U.S.

BROADBAND SERVICES

Enron Broadband Services

Enron is developing the Enron Intelligent Network, a high capacity, global fiber optic network with a distributed server architecture, to provide services to the broadband market. Enron's services include (i) bandwidth management and intermediation and (ii) high quality content services.

STOCK PRICES⁽¹⁾

New York Stock Exchange

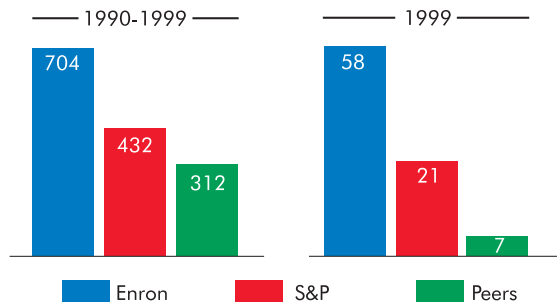
Year	High ⁽²⁾	Low ⁽²⁾	Close
1999	\$ 44.875	\$ 28.750	\$ 44.375
1998	29.375	19.063	28.531
1997	22.563	17.500	20.781
1996	23.750	17.313	21.563
1995	19.688	14.000	19.063
1994	17.313	13.375	15.250
1993	18.500	11.094	14.500
1992	12.531	7.656	11.594
1991	9.594	6.188	8.750
1990	7.844	6.282	6.844
1989	7.625	4.438	7.188

STATISTICAL INFORMATION

Year	Paid Per Common Share	Rate on Dec. 31	Yield ⁽³⁾
1999	\$ 0.50	\$ 0.50	1.4%
1998	0.48	0.50	2.0
1997	0.46	0.48	2.3
1996	0.43	0.45	2.1
1995	0.41	0.43	2.4
1994	0.38	0.40	2.5
1993	0.36	0.38	2.4
1992	0.33	0.35	3.3
1991	0.32	0.35	4.0
1990	0.31	0.35	4.4
1989	0.31	0.35	5.1

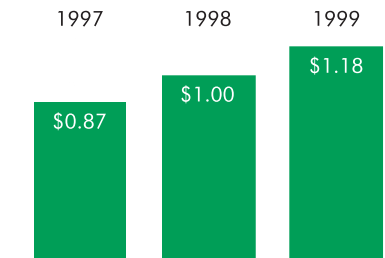
TOTAL RETURN COMPARISON

(Percent)



EARNINGS PER SHARE - DILUTED

(Recurring)



(1) All data herein adjusted for August 13, 1999, August 16, 1993 and December 30, 1991 stock splits.

(2) Based on intra-day prices.

(3) Dividend paid per share divided by the mean of the high and low market share price.

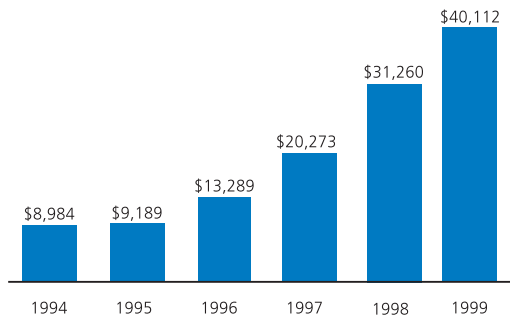
Business Unit Performance

<i>(In Millions, Except Per Share Amounts)</i>	1994	1995	1996	1997	1998	1999				
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Revenues, Net of Intercompany										
Transportation and Distribution										
Gas Pipeline Group	\$ 908	\$ 758	\$ 702	\$ 656	\$ 637	\$ 178	\$ 121	\$ 160	\$ 175	\$ 634
Portland General	-	-	-	746	1,196	299	296	407	377	1,379
Wholesale Energy Operations and Services	7,577	7,531	11,413	17,344	27,220	6,516	8,558	10,677	9,750	35,501
Retail Energy Services	-	400	513	683	1,072	363	301	345	509	1,518
Exploration and Production (1)	489	481	647	789	750	149	175	105	-	429
Corporate and Other	10	19	14	55	385	127	221	141	162	651
Total	\$ 8,984	\$ 9,189	\$ 13,289	\$ 20,273	\$ 31,260	\$ 7,632	\$ 9,672	\$ 11,835	\$ 10,973	\$ 40,112
Income Before Interest, Minority Interests and Income Taxes										
Transportation and Distribution										
Gas Pipeline Group	\$ 367	\$ 375	\$ 416	\$ 364	\$ 351	\$ 126	\$ 72	\$ 85	\$ 97	\$ 380
Portland General	-	-	-	114	286	92	56	52	105	305
Wholesale Energy Operations and Services	372	401	466	654	968	320	356	378	263	1,317
Retail Energy Services	-	-	-	(107)	(119)	(31)	(26)	(18)	7	(68)
Exploration and Production (1)	194	241	200	183	128	12	20	33	-	65
Corporate and Other	(8)	(35)	(22)	(31)	7	14	(9)	(23)	1	(17)
Non-recurring Items (See Analysis of Earnings)	19	183	178	(612)	(39)	-	-	13	-	13
Total IBIT	\$ 944	\$ 1,165	\$ 1,238	\$ 565	\$ 1,582	\$ 533	\$ 469	\$ 520	\$ 473	\$ 1,995

(1) Includes the results of hedges placed by Enron on open commodity positions not hedged by EOG through August 16, 1999, when Enron sold its majority ownership in EOG.

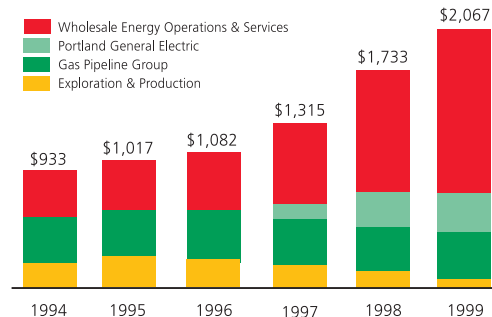
REVENUES

(Millions)



IBIT BY BUSINESS SEGMENT*

(Millions)



* Excluding Retail Energy Services, Corporate and Other and Non-recurring Items

Income Statement

(In Millions, Except Per Share Amounts)	1989	1994	1995	1996	1997	1998	1999				Year
							1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Revenues	\$ 4,631	\$ 8,984	\$ 9,189	\$ 13,289	\$ 20,273	\$ 31,260	\$ 7,632	\$ 9,672	\$ 11,835	\$ 10,973	\$ 40,112
Costs and Expenses											
Cost of gas, electricity and other products	2,848	6,517	6,733	10,478	17,311	26,381	6,300	8,347	10,489	9,625	34,761
Operating expenses	954	1,124	1,218	1,421	1,406	2,352	645	780	661	910	2,996
Oil and gas exploration expenses	45	84	79	89	102	121	25	20	10	(6)	49
Depreciation, depletion and amortization	351	441	432	474	600	827	215	236	225	194	870
Taxes, other than income taxes	83	102	109	137	164	201	62	56	45	30	193
Non-recurring items	-	-	-	-	675	-	-	-	441	-	441
Total Costs and Expenses	4,281	8,268	8,571	12,599	20,258	29,882	7,247	9,439	11,871	10,753	39,310
Operating Income	350	716	618	690	15	1,378	385	233	(36)	220	802
Other Income and Deductions											
Equity in earnings of unconsolidated equity affiliates	28	112	86	215	216	97	68	163	38	40	309
Gains on sales of assets and investments	107	37	467	274	186	56	12	-	456	73	541
Interest income	34	39	27	40	70	88	24	45	46	47	162
Other income, net	174	40	(33)	19	78	(37)	44	28	16	93	181
Income Before Interest, Minority Interests and Income Taxes	693	944	1,165	1,238	565	1,582	533	469	520	473	1,995
Interest and Related Charges, net	398	273	284	274	401	550	175	175	187	119	656
Dividends on Company-Obligated Preferred Securities of Subsidiaries	-	20	32	34	69	77	19	19	19	19	76
Minority Interests	-	31	44	75	80	77	33	23	38	41	135
Income Tax Expense (Benefit)	69	167	285	271	(90)	175	53	30	(14)	35	104
Net Income Before Cumulative Effect of Accounting Changes	226	453	520	584	105	703	253	222	290	259	1,024
Cumulative Effect of Accounting Changes, net of tax	-	-	-	-	-	-	(131)	-	-	-	(131)
Net Income	226	453	520	584	105	703	122	222	290	259	893
Preferred Stock Dividends (1)	25	15	16	16	17	17	4	19	19	24	66
Earnings on Common Stock	\$ 201	\$ 438	\$ 504	\$ 568	\$ 88	\$ 686	\$ 118	\$ 203	\$ 271	\$ 235	\$ 827
Earnings (Loss) Per Share (2)											
Basic											
Continuing Operations	\$ 0.51	\$ 0.90	\$ 1.04	\$ 1.16	\$ 0.16	\$ 1.07	\$ 0.36	\$ 0.29	\$ 0.38	\$ 0.33	\$ 1.36
Cumulative effect of accounting changes	-	-	-	-	-	-	(0.19)	-	-	-	(0.19)
Total	\$ 0.51	\$ 0.90	\$ 1.04	\$ 1.16	\$ 0.16	\$ 1.07	\$ 0.17	\$ 0.29	\$ 0.38	\$ 0.33	\$ 1.17
Diluted											
Continuing Operations	\$ 0.48	\$ 0.85	\$ 0.97	\$ 1.08	\$ 0.16	\$ 1.01	\$ 0.34	\$ 0.27	\$ 0.35	\$ 0.31	\$ 1.27
Cumulative effect of accounting changes	-	-	-	-	-	-	(0.18)	-	-	-	(0.17)
Total	\$ 0.48	\$ 0.85	\$ 0.97	\$ 1.08	\$ 0.16	\$ 1.01	\$ 0.16	\$ 0.27	\$ 0.35	\$ 0.31	\$ 1.10
Average Number of Shares Used in Computations											
Basic	398.6	486.8	487.4	492.2	544.2	642.4	683.4	708.0	714.1	715.3	705.3
Diluted	480.8	531.8	536.0	540.2	554.6	695.3	744.6	771.1	781.1	779.1	769.0
Depreciation, Depletion and Amortization											
Transportation and Distribution											
Gas Pipeline Group	\$ 83	\$ 82	\$ 66	\$ 69	\$ 70	\$ 70	\$ 17	\$ 17	\$ 18	\$ 14	\$ 66
Portland General	-	-	-	-	91	183	46	47	43	44	180
Wholesale Energy Operations and Services	111	132	138	133	195	195	57	70	71	96	294
Retail Energy Services	-	-	-	-	7	31	6	4	9	10	29
Exploration and Production	242	216	251	278	315	315	82	89	43	(1)	213
Corporate and Other	5	2	19	22	33	33	7	9	41	31	88
Total	\$ 441	\$ 432	\$ 474	\$ 600	\$ 827	\$ 827	\$ 215	\$ 236	\$ 225	\$ 194	\$ 870

(1) See Capital Structure for further information.

(2) Adjusted to reflect two-for-one common stock split effective August 13, 1999.

Analysis of Earnings

<i>(In Millions, Except Per Share Amounts)</i>	1994	1995	1996	1997	1998	1999				
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Diluted Earnings Per Share (1)	\$ 0.83	\$ 0.91	\$ 0.91	\$ 0.87	\$ 1.00	\$ 0.34	\$ 0.27	\$ 0.27	\$ 0.31	\$ 1.18
Non-Recurring Earnings (Loss) Items Per Share (1) (2)										
Transportation and Distribution										
Gains on sales of assets and investments	-	0.08	0.11	0.11	-	-	-	-	-	-
Reserves and other items	-	(0.10)	0.02	-	-	-	-	-	-	-
Corporate and Other										
Gain on sale of 7% interest of Enron Energy Services shares (non-taxable)	-	-	-	0.10	-	-	-	-	-	-
Gains on sales of subsidiary stock	0.02	0.30	0.17	-	0.07	-	-	0.44	-	0.45
Reserve for qualified facilities dispositions	-	-	(0.10)	-	-	-	-	-	-	-
Charge to reflect losses on contracted MTBE production	-	(0.09)	-	(0.12)	(0.06)	-	-	-	-	-
Charge to reflect impact of amended J-Block gas contract	-	-	-	(0.78)	-	-	-	-	-	-
Charge to reflect impairment of MTBE asset	-	-	-	-	-	-	-	(0.36)	-	(0.36)
Other corporate items	-	(0.13)	(0.03)	-	-	-	-	-	-	-
Cumulative effect of accounting changes (3)	-	-	-	-	-	(0.18)	-	-	-	(0.17)
Effect of anti-dilution (4)	-	-	-	(0.02)	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Non-Recurring Earnings (Loss) Items Per Share	0.02	0.06	0.17	(0.71)	0.01	(0.18)	-	0.08	-	(0.08)
Reported Diluted Earnings (Loss) Per Share	\$ 0.85	\$ 0.97	\$ 1.08	\$ 0.16	\$ 1.01	\$ 0.16	\$ 0.27	\$ 0.35	\$ 0.31	\$ 1.10
Average Number of Common Shares Used in Diluted Computation (1) (3)	531.8	536.0	540.2	591.6	695.3	744.6	771.1	781.1	779.1	769.0
Non-Recurring Earnings (Loss) Items - After tax										
Transportation and Distribution										
Gains on sales of assets and investments	\$ -	\$ 43	\$ 59	\$ 66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Regulatory, litigation and other contingency reserves and settlements	-	(54)	12	-	-	-	-	-	-	-
Corporate and Other										
Gain on sale of 7% interest of Enron Energy Services shares	-	-	-	61	-	-	-	-	-	-
Gains on sales of subsidiary stock	10	161	90	-	45	-	-	345	-	345
Reserve for qualified facilities dispositions	-	-	(54)	-	-	-	-	-	-	-
Charges to reflect losses on contracted MTBE production	-	(49)	-	(74)	(40)	-	-	-	-	-
Charge to reflect impact of amended J-Block gas contract	-	-	-	(463)	-	-	-	-	-	-
Charge to reflect impairment of MTBE asset	-	-	-	-	-	-	-	(278)	-	(278)
Other corporate items	-	(70)	(16)	-	-	-	-	-	-	-
Cumulative effect of accounting changes (3)	-	-	-	-	-	(131)	-	-	-	(131)
Other	3	-	-	-	-	-	-	-	-	-
Total Non-Recurring Earnings (Loss) Items - After tax	\$ 13	\$ 31	\$ 91	\$ (410)	\$ 5	\$ (131)	\$ -	\$ 67	\$ -	\$ (64)
Non-Recurring Earnings (Loss) Items - Pretax										
Transportation and Distribution										
Gains on sales of assets and investments	\$ -	\$ 67	\$ 90	\$ 102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Regulatory, litigation and other contingency reserves and settlements	-	(83)	18	-	-	-	-	-	-	-
Corporate and Other										
Gain on sale of 7% interest of Enron Energy Services shares	-	-	-	61	-	-	-	-	-	-
Gains on sales of subsidiary stock	15	367	178	-	22	-	-	454	-	454
Reserve for qualified facilities dispositions	-	-	(83)	-	-	-	-	-	-	-
Charges to reflect losses on contracted MTBE production	-	(75)	-	(100)	(61)	-	-	-	-	-
Charge to reflect impact of amended J-Block gas contract	-	-	-	(675)	-	-	-	-	-	-
Charge to reflect impairment of MTBE asset	-	-	-	-	-	-	-	(441)	-	(441)
Other corporate items	-	(93)	(25)	-	-	-	-	-	-	-
Cumulative effect of accounting changes (3)	-	-	-	-	-	(200)	-	-	-	(200)
Other	4	-	-	-	-	-	-	-	-	-
Total Non-Recurring Earnings (Loss) Items - Pretax	\$ 19	\$ 183	\$ 178	\$ (612)	\$ (39)	\$ (200)	\$ -	\$ 13	\$ -	\$ (187)

(1) Adjusted to reflect two-for-one common stock split effective August 13, 1999.

(2) Except where a specific tax rate applied, assumes a 34% tax rate for all taxable items for years prior to 1993, when the 35% tax rate became effective.

(3) Reflects adoption of accounting standard requiring that certain project development costs be expensed.

(4) For 1997, the conversion of preferred shares to common for purposes of the diluted earnings per share calculation was anti-dilutive by \$0.02 per share. However, in order to present comparable results, per share amounts for each earnings component were calculated using 591.6 million shares which assumes the preferred conversion.

Balance Sheet

(In Millions)							1999			
	1989	1994	1995	1996	1997	1998	3/31	6/30	9/30	12/31
Current Assets										
Cash and cash equivalents	81	132	\$ 115	\$ 256	\$ 170	\$ 111	\$ 296	\$ 286	\$ 316	\$ 288
Trade and other receivables, net	1,014	937	1,577	2,255	1,826	2,893	3,534	3,522	3,851	3,548
Assets from price risk management activities	-	450	580	841	1,346	1,904	1,554	1,756	2,156	2,205
Other	537	390	455	627	771	1,025	1,061	1,329	1,244	1,214
Total Current Assets	1,632	1,909	2,727	3,979	4,113	5,933	6,445	6,893	7,567	7,255
Investments and Other Assets										
Investments in and advances to unconsolidated equity affiliates	491	1,065	1,217	1,701	2,656	4,433	4,632	4,779	4,968	5,036
Assets from price risk management activities	-	1,028	1,197	1,632	1,038	1,941	2,271	2,364	3,052	2,929
Goodwill	-	67	63	87	1,910	1,949	2,690	2,696	2,636	2,799
Other	954	1,158	1,167	1,626	3,665	4,437	5,076	5,599	5,578	4,681
Total Investments and Other Assets	1,445	3,318	3,644	5,046	9,269	12,760	14,669	15,438	16,234	15,445
Property, Plant and Equipment, at Cost	9,152	10,964	11,107	11,348	13,742	15,792	17,197	17,507	12,924	13,912
Less accumulated depreciation, depletion and amortization	3,124	4,225	4,239	4,236	4,572	5,135	5,612	5,691	3,149	3,231
Net Property, Plant and Equipment	6,028	6,739	6,868	7,112	9,170	10,657	11,585	11,816	9,775	10,681
Total Assets	9,105	11,966	\$ 13,239	\$ 16,137	\$ 22,552	\$ 29,350	\$ 32,699	\$ 34,147	\$ 33,576	\$ 33,381
Current Liabilities										
Accounts payable	1,252	1,038	\$ 1,165	\$ 2,035	\$ 1,794	\$ 2,380	\$ 2,694	\$ 2,603	\$ 2,281	\$ 2,154
Liabilities from price risk management activities	-	522	708	1,029	1,245	2,511	1,542	2,386	2,829	1,836
Short-term debt	89	-	-	-	-	-	-	-	-	1,001
Other	265	738	559	644	817	1,216	1,408	1,457	1,559	1,768
Total Current Liabilities	1,606	2,298	2,432	3,708	3,856	6,107	5,644	6,446	6,669	6,759
Long-term Debt	3,184	2,805	3,065	3,349	6,254	7,357	9,419	8,979	8,592	7,151
Deferred Credits and Other Liabilities										
Deferred income taxes	1,861	1,893	2,186	2,290	2,039	2,357	2,194	2,352	1,908	1,894
Liabilities from price risk management activities	-	575	590	980	876	1,421	1,852	2,068	2,521	2,990
Other	574	848	875	740	1,769	1,916	1,640	1,620	1,718	1,587
Total Deferred Credits and Other Liabilities	2,435	3,316	3,651	4,010	4,684	5,694	5,686	6,040	6,147	6,471
Minority Interests	93	290	549	755	1,147	2,143	2,125	2,475	1,822	2,430
Company-Obligated Preferred Securities of Subsidiaries	-	377	377	592	993	1,001	1,001	1,001	1,001	1,000
Shareholders' Equity										
Preferred stock	238	141	138	137	134	132	1,131	1,131	1,130	1,130
Common stock	506	25	25	26	4,224	5,117	6,249	6,588	6,640	6,637
Additional paid-in capital	259	1,788	1,791	1,870	-	-	-	-	-	-
Retained earnings	933	1,351	1,651	2,007	1,852	2,226	2,256	2,369	2,537	2,698
Cumulative foreign currency translation adjustment	(72)	(159)	(153)	(127)	(148)	(162)	(711)	(760)	(853)	(741)
Common stock held in treasury	(10)	(41)	(93)	(30)	(269)	(195)	(50)	(1)	(1)	(49)
Restricted stock and other	(67)	(225)	(194)	(160)	(175)	(70)	(51)	(121)	(108)	(105)
Total Shareholders' Equity	1,787	2,880	3,165	3,723	5,618	7,048	8,824	9,206	9,345	9,570
Total Liabilities and Shareholders' Equity	9,105	11,966	\$ 13,239	\$ 16,137	\$ 22,552	\$ 29,350	\$ 32,699	\$ 34,147	\$ 33,576	\$ 33,381

Cash Flow and Capital Expenditures

<i>(In Millions)</i>	1994	1995	1996	1997 (1)	1998	Year-to-date 1999			
						3/31	6/30	9/30	12/31
Cash Flows From Operating Activities									
Reconciliation of net income to net cash provided by (used in) operating activities									
Net income	\$ 453	\$ 520	\$ 584	\$ 105	\$ 703	\$ 122	\$ 344	\$ 634	\$ 893
Cumulative effect of accounting changes, net of tax	-	-	-	-	-	131	131	131	131
Depreciation, depletion and amortization	441	432	474	600	827	215	451	676	870
Oil and gas exploration expenses	84	79	89	102	121	25	45	55	49
Impairment of long-lived assets	-	-	-	-	-	-	-	441	441
Deferred income taxes	93	216	207	(174)	87	2	(11)	(38)	21
Gains on sales of assets and investments	(91)	(530)	(274)	(195)	(82)	(40)	(65)	(461)	(541)
Changes in components of working capital	(142)	(834)	142	(65)	(233)	(556)	(909)	(1,072)	(1,000)
Net assets from price risk management activities	(153)	(98)	15	201	350	(518)	247	55	(395)
Merchant assets and investments:									
Realized gains on sales	-	-	-	(136)	(628)	(22)	(161)	(252)	(756)
Proceeds from sales	-	-	-	339	1,434	26	561	708	2,217
Additions and unrealized gains	-	-	(192)	(308)	(721)	(135)	(829)	(1,049)	(827)
Other operating activities	(225)	200	(161)	(258)	(218)	90	158	129	125
Net Cash Provided by (Used in) Operating Activities	460	(15)	884	211	1,640	(660)	(38)	(43)	1,228
Cash Flows From Investing Activities									
Capital expenditures	(669)	(777)	(864)	(1,392)	(1,905)	(519)	(969)	(2,022)	(2,363)
Equity investments	(272)	(170)	(619)	(700)	(1,659)	(409)	(648)	(718)	(722)
Proceeds from sales of investments and other assets	440	996	477	473	239	43	138	245	294
Acquisition of subsidiary stock	-	-	-	-	(180)	-	-	-	-
Business acquisitions, net of cash acquired	-	-	-	(82)	(104)	(38)	(40)	(213)	(311)
Other investing activities	(59)	(36)	(68)	(445)	(356)	(207)	(340)	(447)	(405)
Net Cash Provided by (Used in) Investing Activities	(560)	13	(1,074)	(2,146)	(3,965)	(1,130)	(1,859)	(3,155)	(3,507)
Cash Flows From Financing Activities									
Issuance of long-term debt	190	967	359	1,817	1,903	114	1,301	1,570	1,776
Repayment of long-term debt	(162)	(448)	(294)	(607)	(870)	(68)	(645)	(1,417)	(1,837)
Net increase (decrease) in short-term borrowings	115	(250)	217	464	(158)	1,119	128	2,038	1,565
Issuance of company-obligated preferred securities of subsidiaries	163	-	215	372	8	-	-	-	-
Issuance of common stock	67	20	102	-	867	839	889	889	852
Issuance of subsidiary equity	-	-	-	555	828	-	513	513	568
Dividends paid	(231)	(254)	(281)	(354)	(414)	(113)	(227)	(346)	(467)
Net (acquisition) disposition of treasury stock	(41)	(64)	5	(422)	13	119	181	223	139
Other financing activities	(9)	14	8	24	89	(35)	(68)	(67)	(140)
Net Cash Provided by (Used in) Financing Activities	92	(15)	331	1,849	2,266	1,975	2,072	3,403	2,456
Increase (Decrease) in Cash and Equivalents	(8)	(17)	141	(86)	(59)	185	175	205	177
Cash and Cash Equivalents, Beginning of Period	140	132	115	256	170	111	111	111	111
Cash and Cash Equivalents, End of Period	\$ 132	\$ 115	\$ 256	\$ 170	\$ 111	\$ 296	\$ 286	\$ 316	\$ 288
Capital Expenditures									
Transportation and Distribution									
Gas Pipeline Group	\$ 120	\$ 127	\$ 175	\$ 245	\$ 181	\$ 25	\$ 50	\$ 66	\$ 120
Portland General	-	-	-	92	129	29	60	128	196
Wholesale Energy Operations and Services	98	152	136	318	706	321	610	1,035	1,216
Retail Energy Services	-	-	-	36	75	22	34	49	64
Exploration and Production	442	464	540	626	690	92	180	227	226
Corporate and Other	9	34	13	75	124	30	35	517	541
Total	\$ 669	\$ 777	\$ 864	\$ 1,392	\$ 1,905	\$ 519	\$ 969	\$ 2,022	\$ 2,363
Equity Investments									
Transportation and Distribution									
Gas Pipeline Group	\$ 159	\$ -	\$ -	\$ 2	\$ 27	\$ -	\$ -	\$ -	\$ -
Portland General	-	-	-	1	-	-	-	-	-
Wholesale Energy Operations and Services	113	143	511	580	703	381	647	709	712
Exploration and Production	-	-	-	-	-	-	-	-	-
Corporate and Other	-	27	108	117	929	28	1	9	10
Total	\$ 272	\$ 170	\$ 619	\$ 700	\$ 1,659	\$ 409	\$ 648	\$ 718	\$ 722

(1) Includes cash payment of \$440 million made in connection with the resolution of the J-Block gas contract.

Shareholders' Equity

	1994		1995		1996		1997		1998		1999	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
<i>(Dollars in Millions; Shares in Thousands)</i>												
Cumulative Second Preferred Convertible Stock												
Balance, beginning of year	1,497	\$ 150	1,405	\$ 141	1,375	\$ 138	1,371	\$ 137	1,338	\$ 134	1,320	\$ 132
Exchange of common stock for convertible preferred stock	(92)	(9)	(30)	(3)	(4)	(1)	(33)	(3)	(18)	(2)	(24)	(2)
Balance, end of year	1,405	\$ 141	1,375	\$ 138	1,371	\$ 137	1,338	\$ 134	1,320	\$ 132	1,296	\$ 130
Mandatorily Convertible Junior Preferred Stock, Series B												
Balance, beginning of year	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Issuances	-	-	-	-	-	-	-	-	-	-	250	1,000
Balance, end of year	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	250	\$ 1,000
Common Stock												
Balance, beginning of year	498,190	\$ 25	506,140	\$ 25	507,720	\$ 25	511,890	\$ 26	636,594	\$ 4,224	671,094	\$ 5,117
Exchange of common stock for convertible preferred stock	2,504	-	438	-	38	-	764	-	-	(7)	465	(1)
Sales and other issuances of common stock	5,446	-	1,142	-	4,132	1	-	(3)	34,500	881	37,654	1,097
Issuances of common stock in business acquisitions	-	-	-	-	-	-	123,940	2,281	-	-	7,652	250
Common stock changes in par value	-	-	-	-	-	-	-	1,881	-	-	-	-
Other	-	-	-	-	-	-	-	39	-	19	-	174
Balance, end of year	506,140	\$ 25	507,720	\$ 25	511,890	\$ 26	636,594	\$ 4,224	671,094	\$ 5,117	716,865	\$ 6,637
Additional Paid-in Capital												
Balance, beginning of year	-	\$ 1,708	-	\$ 1,788	-	\$ 1,791	-	\$ 1,870	-	\$ -	-	\$ -
Exchange of common stock for convertible preferred stock	-	9	-	(3)	-	(1)	-	1	-	-	-	-
Sales and other issuances of common stock	-	81	-	10	-	93	-	9	-	-	-	-
Changes in par value	-	-	-	-	-	-	-	(1,881)	-	-	-	-
Other	-	(10)	-	(4)	-	(13)	-	1	-	-	-	-
Balance, end of year	-	\$ 1,788	-	\$ 1,791	-	\$ 1,870	-	\$ -	-	\$ -	-	\$ -
Retained Earnings												
Balance, beginning of year	-	1,105	-	1,351	-	1,651	-	2,007	-	1,852	-	2,226
Net income	-	453	-	520	-	584	-	105	-	703	-	893
Cash dividends	-	-	-	-	-	-	-	-	-	-	-	-
Common stock	-	(192)	-	(204)	-	(212)	-	(243)	-	(312)	-	(355)
Preferred stock	-	(15)	-	(16)	-	(16)	-	(17)	-	(17)	-	(66)
Balance, end of year	-	\$ 1,351	-	\$ 1,651	-	\$ 2,007	-	\$ 1,852	-	\$ 2,226	-	\$ 2,698
Cumulative Foreign Currency Translation Adjustment												
Balance, beginning of year	-	(139)	-	(159)	-	(153)	-	(127)	-	(148)	-	(162)
Translation adjustments	-	(20)	-	6	-	26	-	(21)	-	(14)	-	(579)
Balance, end of year	-	(159)	-	(153)	-	(127)	-	(148)	-	(162)	-	(741)
Treasury Stock												
Balance, beginning of year	-	\$ -	(2,790)	\$ (41)	(5,236)	\$ (93)	(1,642)	\$ (30)	(14,102)	\$ (269)	(9,334)	\$ (195)
Shares acquired	(3,796)	(56)	(6,992)	(118)	(4,452)	(85)	(19,580)	(374)	(2,236)	(61)	(1,845)	(71)
Exchange of common stock for convertible preferred stock	-	-	366	5	92	2	140	3	486	9	181	4
Sales and other issuances of treasury stock	1,006	15	4,180	61	7,954	146	5,676	106	6,426	124	9,660	213
Issuances of treasury stock in business acquisitions	-	-	-	-	-	-	1,304	26	92	2	-	-
Balance, end of year	(2,790)	\$ (41)	(5,236)	\$ (93)	(1,642)	\$ (30)	(14,102)	\$ (269)	(9,334)	\$ (195)	(1,338)	\$ (49)
Restricted Stock and Other												
Balance, beginning of year	-	\$ (226)	-	\$ (225)	-	\$ (194)	-	\$ (160)	-	\$ (175)	-	\$ (70)
Issuances related to benefit plans	-	1	-	30	-	34	-	(15)	-	105	-	(35)
Other	-	-	-	1	-	-	-	-	-	-	-	-
Balance, end of year	-	\$ (225)	-	\$ (194)	-	\$ (160)	-	\$ (175)	-	\$ (70)	-	\$ (105)
Total Shareholders' Equity												
		\$ 2,880		\$ 3,165		\$ 3,723		\$ 5,618		\$ 7,048		\$ 9,570

Capital Structure

	1994	1995	1996	1997	1998	1999				
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Common Shares Outstanding (In Millions) (1)										
Average, Basic	486.8	487.4	492.2	544.2	642.4	683.4	708.0	714.1	715.3	705.3
Average, Diluted	531.8	536.0	540.2	554.6	695.3	744.6	771.1	781.1	779.1	769.0
End of Period, Diluted	530.6	534.0	545.0	656.6	718.2	764.4	779.0	781.1	783.2	783.2
Market Price Per Share (end of period) (1)	\$ 15.250	\$ 19.063	\$ 21.563	\$ 20.781	\$ 28.531	\$ 32.125	\$ 40.875	\$ 41.063	\$ 44.375	\$ 44.375
Dividends Per Share										
Preferred Stock										
Cumulative Second Preferred Convertible Stock (2) (3)	\$ 10.606	\$ 11.093	\$ 11.775	\$ 12.458	\$ 13.139	\$ 3.413	\$ 3.413	\$ 3.413	\$ 3.413	\$ 13.652
Junior Convertible Preferred Stock ("Series A") (4)	-	-	-	-	-	-	59.150	59.233	-	118.383
Junior Mandatorily Convertible Preferred Stock ("Series B") (4)	-	-	-	-	-	-	-	4.333	65.000	69.333
Common Stock (1)	0.382	0.407	0.431	0.457	0.482	0.125	0.125	0.125	0.125	0.500
Company-Obligated Preferred Stock of Subsidiaries										
8% Cumulative Preferred ("Series C") (3)	2.000	2.000	2.000	2.000	2.000	0.500	0.500	0.500	0.500	2.000
9% Cumulative Preferred, Series A (3)	0.925	2.250	2.250	2.250	2.252	0.563	0.563	0.563	0.563	2.252
8.57% Cumulative Preferred	-	8,570.00	8,570.00	8,570.00	8,570.00	2,142.50	2,142.50	2,142.50	2,142.50	8,570.00
7.39% Cumulative Preferred	-	0.00	5,542.50	7,390.00	7,390.00	1,847.50	1,847.50	1,847.50	1,847.50	7,390.00
8.30% Trust Originated Preferred ("Series T") (3)	-	-	0.240	2.075	2.076	0.519	0.519	0.519	0.519	2.076
8.125% Trust Originated Preferred ("Series R") (3)	-	-	-	1.946	2.032	0.508	0.508	0.508	0.508	2.032
7.1% Cumulative Preferred	-	-	-	60.739	79.512	19.878	19.878	19.878	19.878	79.512
Adjustable Rate Trust Securities	-	-	-	32.344	57.681	13.653	12.968	13.177	14.430	54.228
7.75% Cumulative Preferred	-	-	-	3.875	7.750	1.938	1.938	1.938	1.938	7.750
Capital Structure (In Millions, Except Percentage Amounts)										
Total Debt	\$ 2,805	\$ 3,065	\$ 3,349	\$ 6,254	\$ 7,357	\$ 9,419	\$ 8,979	\$ 8,592	\$ 8,152	\$ 8,152
Percent	44.2%	42.8%	39.8%	44.6%	41.9%	44.1%	41.5%	41.4%	38.5%	38.5%
Minority Interests	\$ 290	\$ 549	\$ 755	\$ 1,147	\$ 2,143	\$ 2,125	\$ 2,475	\$ 1,822	\$ 2,430	\$ 2,430
Percent	4.6%	7.7%	9.0%	8.2%	12.2%	9.9%	11.4%	8.8%	11.5%	11.5%
Company-Obligated Preferred Securities of Subsidiaries	\$ 377	\$ 377	\$ 592	\$ 993	\$ 1,001	\$ 1,001	\$ 1,001	\$ 1,001	\$ 1,000	\$ 1,000
Percent	5.9%	5.3%	7.0%	7.1%	5.7%	4.7%	4.6%	4.8%	4.7%	4.7%
Shareholders' Equity	\$ 2,880	\$ 3,165	\$ 3,723	\$ 5,618	\$ 7,048	\$ 8,824	\$ 9,206	\$ 9,345	\$ 9,570	\$ 9,570
Percent	45.3%	44.2%	44.2%	40.1%	40.2%	41.3%	42.5%	45.0%	45.3%	45.3%

PREFERRED STOCK	Annual Dividend Rate	Date Issued	Optional Call Date	Redemption Price	Securities		
					Authorized	Original Issue	Outstanding at 12/31/99
Enron Corp. Second Preferred Stock: ("Series J") (2) (3)	\$ 13.65	8/83	8/93	\$ 100	1,370,000	2,396,455	1,296,184
Enron Corp. Junior Mandatorily Convertible Preferred Stock ("Series B") (4)	6.500%	9/99	n/a	4,000	250,000	250,000	250,000
Preferred Securities of Subsidiaries							
Enron Capital L.L.C. ("Series C") (3)	8.000%	11/93	11/98	25	9,200,000	8,550,000	8,550,000
Enron Capital Resources, L.P., Series A (3)	9.000%	7/94	8/99	25	3,000,000	3,000,000	3,000,000
Enron Equity Corp.	8.570%	12/94	12/99	100,000	880	880	880
Enron Equity Corp.	7.390%	4/96	4/01	100,000	150	150	150
Enron Capital Trust I ("Series T") (3)	8.300%	11/96	12/01	25	8,000,000	8,000,000	8,000,000
Enron Capital Trust II ("Series R") (3)	8.125%	1/97	3/02	25	6,000,000	6,000,000	6,000,000
Private Placement	7.100%	3/97	4/02	n/a (5)	20,000	20,000	20,000
Enron Capital Trust III	Variable	6/97	Variable	1,000	200,000	200,000	200,000
Portland General Electric Company (6)	7.750%	6/93	n/a	100	30,000,000	300,000	300,000

(1) Adjusted to reflect two-for-one common stock split effective August 13, 1999.

(2) Each share is convertible into 27.304 shares of Enron common stock at the holder's option following the call by Enron in 1993 (adjusted for the common stock split effective August 13, 1999). The dividend is equal to the higher of \$10.50 per share or the equivalent dividend that would be paid if the shares had been converted.

(3) Publicly traded on the New York Stock Exchange.

(4) On September 24, 1999, one share of Series B Junior Mandatorily Convertible Preferred Stock was issued in exchange for each share of Series A Junior Voting Convertible Preferred Stock. Each share of Series B is mandatorily convertible into 200 shares of Enron common stock on January 15, 2003.

(5) Redemption price varies based on original issue amounts.

(6) Consolidated by Enron beginning July 1, 1997.

Debt Securities

(In Millions)	Outstanding 12/31/99	Maturities					
		2000	2001	2002	2003	2004	2005+
Enron Corp.							
Senior Debentures							
6.75% to 8.25% due 2005 to 2012	\$ 318	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 318
Notes Payable							
7.00% exchangeable notes due 2002	239	-	-	239	-	-	-
6.45% to 9.88% due 2001 to 2028	4,209	95	498	150	369	398	2,699
Floating rate notes due 2000 to 2004	329	250	-	-	54	25	-
Other	34	-	-	1	1	1	31
Northern Natural Gas Company							
Notes Payable							
6.75% to 8.00% due 2005 to 2011	500	-	-	-	-	-	500
Transwestern Pipeline Company							
Notes Payable							
7.55% to 9.20% due 2000 to 2004	142	127	4	4	4	3	-
Portland General Electric Company							
First Mortgage Bonds							
6.47% to 9.46% due 2000 to 2023	398	25	45	15	40	45	228
Pollution Control Bonds							
Various rates due 2010 to 2033	200	-	-	-	-	-	200
Other	150	21	8	8	9	10	94
Other	356	152	14	15	17	11	147
Amount Reclassified from Short-term Debt	330						
Unamortized Debt Discount and Premium	(54)						
Total	\$ 7,151	\$ 670	\$ 569	\$ 432	\$ 494	\$ 493	\$ 4,217

SECURITY RATINGS	Moody's (1)	Standard & Poors	Fitch	Duff & Phelps
Enron Corp.				
Senior Debt	Baa2	BBB+	BBB+	BBB+
Subordinated Debt	Baa3	BBB	BBB	BBB
Eurobonds	Baa2	BBB+	n/a	BBB+
Preferred Stock	Baa3	BBB	BBB	BBB-
Commercial Paper	P-2	A-2	F2	D-2
Subsidiaries				
Florida Gas Transmission	Baa2	BBB		
Northern Natural Gas	Baa1	A-		
Portland General Electric First Mortgage Bonds/Commercial Paper	A2 / P1	A / A1		
Transwestern Pipeline	Baa2	A-		

(1) Effective March 23, 2000, Moody's upgraded Enron Corp.'s Senior Debt to Baa1, Subordinated Debt to Baa2, Eurobonds to Baa1, and Preferred Stock to Baa2.

Gas Pipeline Group

(In Millions, Except Where Noted)	1994	1995	1996	1997	1998	1999				Year	
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
Gas Pipeline Group											
Gross Margin	\$ 847	\$ 745	\$ 719	\$ 665	\$ 640	\$ 181	\$ 124	\$ 145	\$ 176	\$ 626	
Operating Expenses	458	343	316	310	276	61	65	64	74	264	
Depreciation and Amortization	83	82	66	69	70	17	17	18	14	66	
Equity in Earnings of Unconsolidated Subsidiaries	43	46	35	40	32	8	8	14	8	38	
Other Income, net	18	9	44	38	25	15	22	8	1	46	
IBIT Before Items Impacting Comparability	367	375	416	364	351	126	72	85	97	380	
Items Impacting Comparability	-	(16)	108	102	-	-	-	-	-	-	
Reported Income Before Interest and Taxes	\$ 367	\$ 359	\$ 524	\$ 466	\$ 351	\$ 126	\$ 72	\$ 85	\$ 97	\$ 380	
Northern Natural Gas (100% Owned)											
Transportation Revenues	\$ 693	\$ 598	\$ 507	\$ 505	\$ 480	\$ 140	\$ 87	\$ 86	\$ 137	\$ 450	
Gas Transportation (BBtu/d)	4,452	4,549	4,577	4,364	4,098	4,464	3,553	3,525	3,738	3,820	
Average Transportation Rate (per MMBtu)	\$ 0.30	\$ 0.26	\$ 0.30	\$ 0.31	\$ 0.32	\$ 0.35	\$ 0.27	\$ 0.27	\$ 0.40	\$ 0.32	
Transwestern Pipeline (100% Owned)											
Transportation Revenues	\$ 202	\$ 182	\$ 180	\$ 148	\$ 145	\$ 35	\$ 35	\$ 36	\$ 36	\$ 142	
Gas Transportation (BBtu/d)	1,094	1,088	1,341	1,416	1,608	1,393	1,419	1,575	1,460	1,462	
Average Transportation Rate (per MMBtu)	\$ 0.47	\$ 0.44	\$ 0.36	\$ 0.28	\$ 0.25	\$ 0.28	\$ 0.27	\$ 0.25	\$ 0.27	\$ 0.27	
Florida Gas Transmission (50% Owned)											
Transportation Revenues	\$ 176	\$ 306	\$ 325	\$ 308	\$ 306	\$ 75	\$ 76	\$ 78	\$ 76	\$ 305	
Gas Transportation (BBtu/d)	925	1,386	1,296	1,341	1,324	1,225	1,546	1,659	1,538	1,495	
Average Transportation Rate (per MMBtu)	\$ 0.51	\$ 0.60	\$ 0.69	\$ 0.63	\$ 0.63	\$ 0.68	\$ 0.54	\$ 0.47	\$ 0.54	\$ 0.56	
Northern Border Pipeline (8% Owned)											
Transportation Revenues	\$ 212	\$ 206	\$ 209	\$ 179	\$ 197	\$ 74	\$ 73	\$ 74	\$ 78	\$ 299	
Gas Transportation (BBtu/d)	1,689	1,746	1,801	1,800	1,770	2,388	2,405	2,419	2,406	2,405	
Rate per 100 Dekatherm Miles	\$ 0.041	\$ 0.041	\$ 0.040	\$ 0.037	\$ 0.037	\$ 0.037	\$ 0.037	\$ 0.036	\$ 0.036	\$ 0.037	

Rate Case	Northern Natural Gas		Transwestern Pipeline		FGT Pre-Expansion		FGT Incremental/Expansion		Northern Border Pipeline	
	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current (3)	Previous
	11/1/98	11/1/93	11/1/96	1/1/93	11/1/97	1/1/92	3/1/97	3/1/95	3/1/96	12/1/92
Date Effective										
Total Rate Base	\$ 1,064	\$ 714	\$ 398	\$ 398	\$ 275	\$ 253	\$ 978	\$ 908	\$ 696	\$ 716
Long Term Debt	\$ 500	339	n/a	n/a	n/a	n/a	\$ 626	\$ 581	\$ 390	\$ 422
Allowed Return on Long Term Debt	7.65%	8.94%	n/a	n/a	n/a	n/a	n/a	9.14%	8.07%	8.33%
Equity	\$ 703	393	n/a	n/a	n/a	n/a	\$ 352	\$ 326	\$ 475	\$ 305
Allowed Return on Equity	12.27%	12.50%	11.50%	11.50%	15.64% (1)	11.50%	13.66% (1)	13.89% (1)	12.00%	12.75%
Average Depreciation Rate	1.15%	1.18%	1.20%	1.70%	2.13%	2.50%	variable (2)	variable (2)	2.50% (4)	3.10%
Throughput Volume - Transport (Tcf)	\$ 1,569	\$ 1,661	\$ 334	334	272	329	168	146	n/a	n/a
Status of Rate Case	No Rate Case Prior to November 2003; No Later than May 2004		No Rate Case Until November 2006		No Rate Case Until October 2001		No Rate Case Until October 2001		Filed May 1999; Approval Pending	

(1) Pre-tax overall return.

(2) Straight line book depreciation of 4% is adjusted by levelization factors yielding regulatory depreciation rates of negative 0.88% in 1995, negative 0.55% in 1996 and negative 0.86% in 1997.

(3) Operates under a cost of tariff. Amounts are averages for the 12 month period ending December 31, 1998.

(4) Depreciation was reduced to 2.0% in December 1998 and, beginning in 2000, is scheduled to increase on an annual basis until it reaches 3.2% in 2002.

Portland General

<i>(In Millions, Except Where Noted)</i>	Before Merger with Enron on July 1, 1997				1997 Six Months	1997 Six Months	1998	1999				Year
	1994	1995	1996	1997 Six Months				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Revenues (Portland General Group)												
Residential	\$ 361	\$ 379	\$ 426	\$ 200	\$ 190	\$ 432	\$ 134	\$ 98	\$ 86	\$ 120	\$ 438	
Commercial	326	347	357	170	183	345	89	86	96	96	367	
Industrial	147	153	149	71	73	131	36	39	46	52	173	
Accrued (Collected) Revenues	11	(2)	(26)	7	3	(7)	10	6	7	3	26	
Retail Revenues	845	877	906	448	449	901	269	229	235	271	1,004	
Wholesale	106	95	193	216	279	234	25	62	166	102	355	
Other	8	10	10	11	18	61	5	5	6	4	20	
Total Revenues	959	982	1,109	675	746	1,196	299	296	407	377	1,379	
Purchased Power & Fuel	347	293	316	285	389	451	100	119	241	179	639	
Operating Expenses	259	269	301	141	154	295	70	79	74	81	304	
Depreciation & Amortization	124	134	155	78	91	183	46	48	43	44	181	
Other Income (Expense)	(16)	(38)	6	1	2	19	9	6	3	32	50	
Income Before Interest and Taxes	\$ 213	\$ 248	\$ 343	\$ 172	\$ 114	\$ 286	\$ 92	\$ 56	\$ 52	\$ 105	\$ 305	
Operating Statistics (Portland General Electric)												
Retail Customers (End of Period, Thousands)	635	650	668	677	685	704	708	711	714	719	719	
Electricity Sales (Thousand MWh)												
Residential	6,704	6,622	7,073	3,604	3,379	7,101	2,342	1,618	1,440	2,004	7,404	
Commercial	6,235	6,387	6,577	3,334	3,618	6,781	1,816	1,746	1,951	1,879	7,392	
Industrial	3,863	4,056	3,909	2,069	2,166	3,562	1,020	1,083	1,162	1,198	4,463	
Total Retail	16,802	17,065	17,559	9,007	9,163	17,444	5,178	4,447	4,553	5,081	19,259	
Wholesale	2,701	3,348	10,188	13,377	13,448	10,869	1,338	3,053	4,921	3,300	12,612	
Total Sales	19,503	20,413	27,747	22,384	22,611	28,313	6,516	7,500	9,474	8,381	31,871	
Average Billed Revenue (¢ per kWh)												
Residential	5.38	5.69	6.05	5.57	5.63	6.07	5.73	6.08	6.04	5.99	5.91	
Commercial	5.23	5.42	5.45	5.11	5.06	5.09	4.91	4.92	4.87	5.12	4.97	
Industrial	3.82	3.78	3.82	3.41	3.35	3.69	3.49	3.63	3.96	4.32	3.88	
Total Retail	4.96	5.14	5.33	4.89	4.86	5.21	5.00	5.03	5.01	5.27	5.08	
Wholesale	3.92	2.81	1.83	1.63	2.07	2.15	1.88	2.03	3.37	3.11	2.82	
Total Sales	4.82	4.75	4.00	2.93	3.20	4.03	4.36	3.81	4.15	4.42	4.18	
Resource Mix												
Coal	24%	14%	9%	5%	10%	16%	18%	12%	14%	16%	15%	
Combustion Turbine	13%	11%	7%	-	5%	12%	4%	6%	8%	14%	8%	
Hydro	10%	11%	9%	7%	5%	9%	13%	10%	5%	8%	9%	
Total Generation	47%	36%	25%	12%	20%	37%	35%	28%	27%	38%	32%	
Firm Purchases	33%	39%	62%	81%	74%	56%	47%	61%	61%	56%	57%	
Secondary Purchases	20%	25%	13%	7%	6%	7%	18%	11%	12%	6%	11%	
Total Resources	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Average Variable Power Cost (Mills/kWh)												
Generation	10.6	8.0	7.2	4.3	8.7	8.6	8.0	8.7	10.1	11.5	9.8	
Firm Purchases	26.0	22.7	14.5	14.3	18.9	17.3	16.7	16.8	30.3	25.0	23.2	
Secondary Purchases	21.0	11.3	10.4	11.5	13.2	23.6	15.0	18.5	22.0	27.4	19.7	
Total Average Variable Power Cost	19.0	15.9	13.2	13.6	17.2	15.6	15.0	15.5	24.7	20.7	19.5	

Wholesale Energy Operations and Services

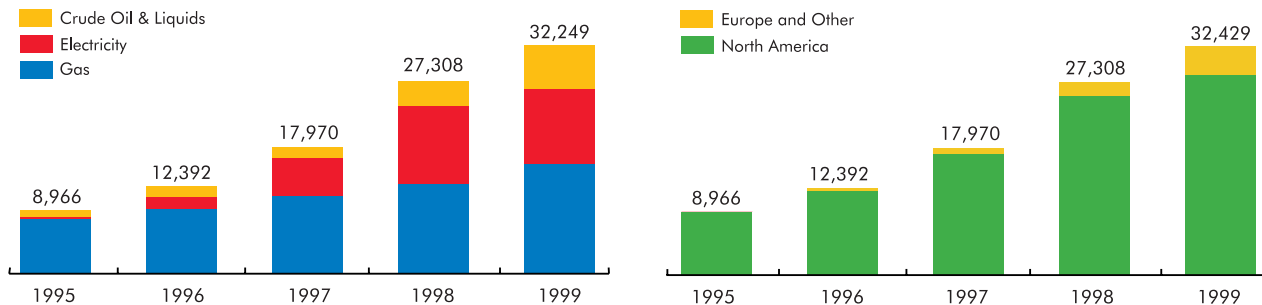
(In Millions, Except Where Noted)	1994	1995	1996	1997	1998	1999				Year	
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr		
Income Before Interest, Minority Interests and Income Taxes											
Commodity Sales and Services	\$ 376	\$ 399	\$ 348	\$ 249	\$ 411	\$ 224	\$ 81	\$ 172	\$ 151	\$ 628	
Assets and Investments	128	140	263	565	709	136	325	240	149	850	
Unallocated Expenses	(132)	(138)	(145)	(160)	(152)	(40)	(50)	(34)	(37)	(161)	
Reported IBIT	\$ 372	\$ 401	\$ 466	\$ 654	\$ 968	\$ 320	\$ 356	\$ 378	\$ 263	\$ 1,317	
Physical Volumes (BBtue/d) (1)											
Gas:											
United States	5,990	6,405	6,998	7,654	7,418	9,088	8,038	8,573	10,219	8,982	
Canada	445	803	1,406	2,263	3,486	3,954	4,475	4,748	4,406	4,398	
Europe	-	-	289	660	1,243	1,792	1,198	1,605	1,604	1,549	
Other	-	-	-	-	8	7	25	35	26	23	
Total Physical Sales Volumes	6,435	7,208	8,693	10,577	12,155	14,841	13,736	14,961	16,255	14,952	
Transport Volumes	538	580	544	460	559	556	513	537	693	575	
Total Physical Gas Volumes	6,973	7,788	9,237	11,037	12,714	15,397	14,249	15,498	16,948	15,527	
Crude Oil	499	439	320	690	2,960	3,704	8,068	3,972	5,877	5,407	
Liquids	625	526	1,187	987	610	580	754	727	947	753	
Electricity (2)	33	213	1,648	5,256	11,024	9,594	10,637	12,406	10,306	10,742	
Total Physical Volumes	8,130	8,966	12,392	17,970	27,308	29,275	33,708	32,603	34,078	32,429	
Electricity Volumes (Thousand MWh)											
United States	1,221	7,767	60,150	191,746	401,843	85,962	94,966	111,336	88,254	380,518	
Europe	-	-	-	100	483	297	1,726	2,677	6,443	11,143	
Other	-	-	-	-	46	87	107	118	121	433	
Total Electricity	1,221	7,767	60,150	191,846	402,372	86,346	96,799	114,131	94,818	392,094	
Financial Settlements (Notional)/BBtue/d	16,459	32,938	35,259	49,082	75,266	95,151	82,699	109,351	109,872	99,337	

(1) Volumes include third-party transactions of Enron Energy Services.

(2) Represents electricity volumes converted to BBtue/d.

PHYSICAL VOLUMES

(BBtue/d)



Abbreviations

NATURAL GAS MEASUREMENTS

Btu	British thermal unit. The amount of energy required to raise the temperature of one pound of water one degree Fahrenheit.
MMBtu	One million Btu. The standard unit of delivery for natural gas, representing energy content.
Mcf	1,000 cubic feet. A common measure of volume for natural gas. Used interchangeably with MMBtu because one Mcf contains approximately one MMBtu after extraction of natural gas liquids.
Bcf	One billion cubic feet. Equal to approximately one million MMBtu.
Tcf	One trillion cubic feet.

ELECTRICITY MEASUREMENTS

kWh	Kilowatt-hour. A standard unit of electric consumption corresponding to usage of one thousand watts for one hour. A 100-watt light bulb burning for 10 hours consumes one kWh.
MWh	Megawatt-hour. One thousand kWh.
MW	Megawatt. One million watts or one thousand kW.
GW	Gigawatt. One thousand MW.

OTHER

M	Thousand.
MM	Million.
e	Equivalent; MMBtue is million Btu equivalent.
/d	Per day; MMBtue/d is million Btu equivalent per day.

BANDWIDTH MEASUREMENTS

Bit	Binary Digit. The smallest unit of data a computer can process.
Byte	A set of bits, usually 8.
Kb	Kilobit. One thousand bits
Kbps	Kilobits per second.
KB	Kilobyte. One thousand bytes.
Mb	Megabits. One million bits.
Mbps	Megabits per second.
MB	Megabyte. One million bytes.
DS-3	Digital Service, level three. Equal to 20 T-1 channels and operates at 45 Mbps.

BANDWIDTH CONVERSION FACTORS

	Mbps	DS-0	DS-1 (T-1)	DS-3 (T-3)	OC-3	OC-48	OC-192
1 DS-0 =	0.06	1	0.04	0.0015	0.0005	0.00003	0.00008
1 DS-1 (T-1) =	1.5	24	1	0.04	0.0119	0.00074	0.00019
1 DS-3 (T-3) =	44.7	672	28	1	0.33	0.0208	0.0052
1 OC-3 =	155	2,016	84	3	1	0.06	0.02
1 OC-48 =	2,488	32,256	1,344	48	16	1	0.25
1 OC-192 =	10,000	129,024	5,376	192	64	4	1

ENERGY CONVERSION FACTORS

	1 cubic meter gas	1 cubic foot gas	1 thousand cubic feet gas (mcf)	1 million Btu (1MMBtu)	1 therm	1 Gigajoule (1 GJ)	1 kilowatt hour (1 kWh)	1 cubic meter of LNG	1 ton of LNG	1 barrel crude oil*
1 cubic meter gas =	1	35.3	0.353	0.036	0.36	0.038	10.54	0.00171	0.000725	0.0066
1 cubic foot gas =	0.0283	1	0.001	0.00102	0.0102	0.00108	0.299	0.00005	0.00002	0.00019
1 thousand cubic foot gas =	28.3	1,000	1	1.02	10.2	1.08	299	0.05	0.02	0.19
1MMBtu =	27.8	981	0.981	1	10	1,054	292.7	0.048	0.0192	0.183
1therm =	2.78	98.1	0.0981	0.1	1	0.105448	29.27	0.0048	0.00192	0.0183
1 Gigajoule (1GJ) =	26.3	930	0.93	0.95	9.5	1	277.5	0.045	0.018	0.174
1 kWh =	0.0949	3.3	0.0033	0.003415	0.03418	0.0036	1	0.000162	0.000065	0.000626
1 cubic meter LNG =	584	20,631	20.631	21.04	210.4	22.19	6,173	1	0.405	3.86
1 ton LNG =	1,379	48,690	48.69	52	520	54.8	15,222	2.47	1	9.53
1 barrel crude oil* =	152	5,350	5.35	5.46	54.6	5.75	1,597	0.259	0.105	1

*Arabian light is the reference used in this table.

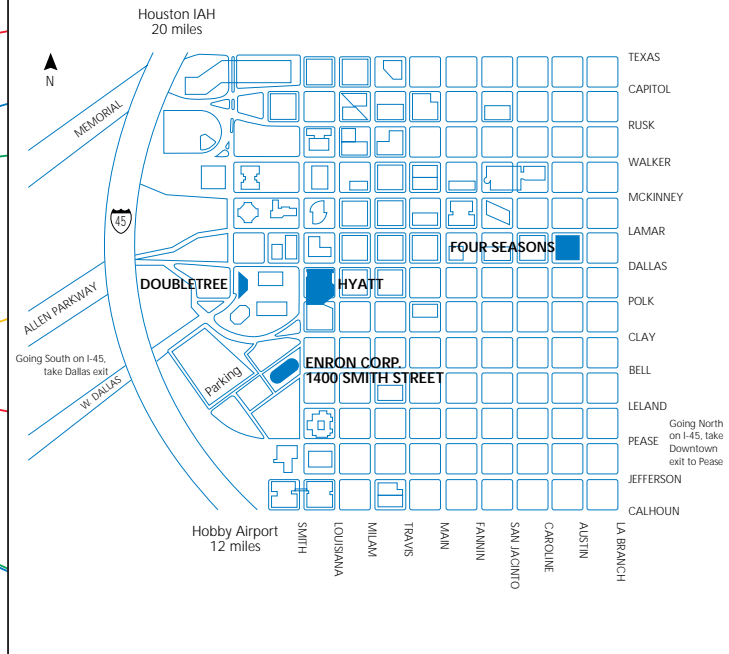
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