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**From:** Enron Office Of The Chairman  
**Sent:** Monday, November 19, 2001 9:32 PM  
**To:** DL-GA-all\_enron\_worldwide2  
**Subject:** Update

Over the past few weeks we have taken aggressive action to restore investor confidence, ensure liquidity, strengthen our balance sheet and reassure our customers. We have accomplished a great deal, but we still have more to do. Our long-term success will depend on where we focus our resources and how efficiently we operate in the near term. Consequently, we are reviewing each of our businesses to evaluate their prospects, near-term earnings and cash flow potential, fit into our overall strategy, and cost structure. The goal of this process is to focus our resources on those opportunities that will produce near-term cash and earnings and that form our core franchises going forward. The result will be a stronger and more efficient Enron.

We will be discontinuing some activities and some businesses. Regrettably, that will require reductions in our work force. We will make these decisions as quickly as possible and will continue to update you along the way. We will start next week by announcing the results of the first phase of our business review to all employees. Also beginning next week, management will be talking with you about how you might be affected.

In addition, we must begin preparing for the completion of our merger with Dynegy and the integration of our two organizations. Our goal is to put together the strongest possible combined organization: an organization with the best people, systems, and facilities. Not all of this needs to be accomplished immediately, but we do need to start the process early and steadily escalate this activity as closing approaches. Steve Kean, Enron executive vice president and chief of staff, will lead this transition effort for Enron. We will add additional resources to this effort as time goes on.

Thank you again for all of your work and dedication to Enron.