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**Sent:** Mon, 01 Jan 2001 10:00:00 -0800  
**To:** recipient@enron.com  
**Subject:** Enron Sample Thread

Message-ID: <5757236.1075848251951.JavaMail.evans@thyme>  
Date: Sun, 15 Apr 2001 13:02:00 -0700 (PDT)  
From: steven.kean@enron.com  
To: ray.alvarez@enron.com  
Subject: Re: ISO Market Stabilization Plan  
Mime-Version: 1.0  
Content-Type: text/plain; charset=us-ascii  
Content-Transfer-Encoding: 7bit  
X-From: Steven J Kean  
X-To: Ray Alvarez  
X-cc:  
X-bcc:  
X-Folder: \Steven\_Kean\_June2001\_5\Notes Folders\Sent  
X-Origin: KEAN-S  
X-FileName: skean.nsf

Thanks for taking the lead on this. Note Tim's question about handicapping the likelihood of approval. Prices will move in the West based on these odds. We need to have a better view than anyone else.

Ray Alvarez  
04/13/2001 01:19 PM  
To: James D Steffes/NA/Enron@Enron  
cc: Tim Belden/HOU/ECT@ECT, Joe Hartsoe/Corp/Enron@ENRON, Steven J Kean/NA/Enron@Enron, Alan Comnes/PDX/ECT@ECT, Steve Walton/HOU/ECT@ECT, Susan J Mara/NA/Enron@ENRON

Subject: Re: ISO Market Stabilization Plan

Tim, although there's always a "chance" my impression is that the FERC won't buy the ban on exports, as this would appear to run afoul of the Commerce Clause and certainly goes counter to everything that FERC hopes to accomplish with their own Order 888 and 2000 initiatives. I am less certain about the direction FERC will go on pricing, since even the staff has recognized stumbling blocks in their own recommendation and offers possible variants.

The ISO has not submitted revised tariff sheets for approval yet, so it is unlikely they would try to implement their own plan in the near term. If they try to do so without FERC approval, possible legal avenues might include the filing of a complaint at FERC, asking for fast track processing (this "fast" is measured in weeks, not days) and/or seeking injunctive relief in court (faster), which can be hard to obtain but not impossible, depending entirely on the circumstances.

Will keep you posted if I learn anything new on this. Ray

James D Steffes

04/12/2001 11:21 PM

To: Tim Belden/HOU/ECT@ECT

cc: Joe Hartsoe/Corp/Enron@ENRON, Ray Alvarez/NA/Enron@ENRON, Steven J Kean/NA/Enron@Enron, Alan Comnes/PDX/ECT@ECT, Steve Walton/HOU/ECT@ECT, Susan J Mara/NA/Enron

Subject: Re: ISO Market Stabilization Plan

Ray --

Can you please take the lead in responding to Tim re: FERC v. state actions?

Sue --

Any info on whether the ISO would do this unilaterally?

Jim

To: Joe Hartsoe/Corp/Enron@ENRON, James D Steffes/NA/Enron@Enron, Ray Alvarez/NA/Enron@ENRON, Steven J Kean/NA/Enron@Enron, Alan Comnes/PDX/ECT@ECT, Steve Walton/HOU/ECT@ECT, Susan J Mara/NA/Enron@ENRON  
cc:

Subject: ISO Market Stabilization Plan

The recent plan filed at FERC is horrible. The two most egregious parts are the cost based standing bids and the ban on exports. I know that we are commenting on this proposal. I am also looking for intelligence on whether the ISO proposal has any chance of getting approved by FERC. If it is not approved by FERC, what can the Californians do? California has ignored FERC before. If they attempt to unilaterally implement changes what is the likelihood that the Feds step in to intervene? If you hear anything on this matter please keep me posted. The proposed plan will have a huge impact on the California market and we need as much advance notice as possible.