



Enron
P.O.Box 1188
Houston, TX 77251-1188

News Release

Peggy Mahoney
Enron Energy Services
713-345-7034

ENRON ANNOUNCES LONG-TERM ENERGY MANAGEMENT AGREEMENT WITH SAKS INCORPORATED

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Houston -- Enron Energy Services, a subsidiary of Enron Corp. (NYSE: ENE), announced today a long-term agreement to manage the supply of electricity and natural gas to all of Saks Incorporated's store locations, distribution facilities, and administrative offices in 39 states. The companies are also working together to identify energy efficiency projects that will provide additional economic value to Saks.

"By outsourcing the management of its electricity and natural gas supply to Enron, Saks is significantly protected from energy price uncertainty and volatility, particularly in California and New York," stated David Delainey, chairman and CEO of Enron Energy Services.

Enron Energy Services (EES) has built a business to transform the energy marketplace by providing integrated energy and facility management solutions. EES currently manages energy at more than 28,500 customer sites. Contracts signed within the last two years represent a reduction of approximately 8 billion kilowatt hours of electricity consumption and 18 trillion British thermal units of natural gas consumption between 2000 and 2012.

Enron is one of the world's leading electricity, natural gas and communications companies. The company, with revenues of \$101 billion in 2000, markets electricity and natural gas, delivers physical commodities and financial and risk management services to customers around the world, and has developed an intelligent network platform to facilitate online business. *Fortune* magazine has named Enron "America's Most Innovative Company" for six consecutive years. Enron's Internet address is www.enron.com. The stock is traded under the ticker symbol "ENE."

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