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Hamilton, Laurie

From: Wertz, Tom
Sent: Wednesday, May 24, 2000 11:20 AM
To: Hamilton, Laurie
Subject: RE: MO Code of Conduct

We are doing a 600 MW toll in IL that will have to go to the UCU Board for approval due to size. The Seller is relying on UCU credit to do the deal. Aquila is the Purchaser, so UCU will either be a co-Purchaser as in LS or, in the alternative, UCU will have to issue a performance/payment guarantee of Aquila's obligations to the Seller. We need to know whether an Aquila-UCU co-Purchaser arrangement (the LS format) and/or a guarantee arrangement would be acceptable in each state where UCU does business or where it would do business if pending mergers are approved. Absent recent changes at the state levels, we are pursuing the LS style transaction because it has previously passed muster. My morning tomorrow is taken up by a Calpine management committee conference call. Let me know when you plan to come by.

Tom

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

From: Hamilton, Laurie
Sent: Wednesday, May 24, 2000 10:26 AM
To: Wertz, Tom
Cc: Freeman, Rob
Subject: MO Code of Conduct
Importance: High

Tom and Rob, we looked at the proposed affiliate rules in Missouri in December when they were proposed and not in final form. There is some confusion about performance guarantees being prohibited---but, a performance guarantee is not a transaction. Tomorrow, when I am at 1100 Walnut, I would like to stop by and bring you the final regulations from Missouri (and Colorado) which I have for both gas and electric. Please let me know what other states' regulations that you need. Please don't hesitate to call. Thanks, Laurie

Exhibit No. 206
Date 7/12/00 Case No. EM-2000-292
Reporter KEM