

801.10



WRITER'S DIRECT NUMBER:



May 15, 2002

Michael Verne  
Pre-Merger Notification Office  
Bureau of Competition  
Federal Trade Commission  
Room 301  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

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FEDERAL TRADE  
COMMISSION  
PRE-MERGER NOTIFICATION  
OFFICE

Re: Advice Confirmation

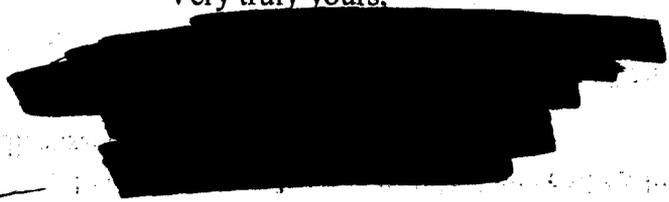
Dear Mike:

This letter serves to confirm the advice you gave during our telephone call on Friday, May 10, 2002. The facts which we discussed follow.

My client, Company X, is acquiring a portfolio of energy trading contracts from Company Y. There is no determined purchase price for the acquisition. As market conditions change, the profits or losses associated with each of the contracts changes as well. It is likely that at the time of the fair market value determination required by 16 C.F.R. §801.10, that some of the contracts will be losers or "out of the money" and some will be winners or "in the money". In making the fair market value determination my client intends to net the losers against the winners and if the positive value exceeds \$50 million to file. Similarly, if the net value does not exceed \$50 million the client will not file. It is my understanding that you agreed that this is the correct approach for determining the fair market value of the portfolio.

If my understanding of your advice is incorrect, please contact me by close of business May 17, 2002. Thanks for your help.

Very truly yours,



I AGREE THAT THIS  
APPROACH BE A  
REASONABLE APPROACH.

*Brucely*  
6/5/02

