

SUPREME COURT: COUNTY OF ALBANY  
STATE OF NEW YORK

PUBLIC UTILITY LAW PROJECT OF NEW YORK,  
INC.; SANDRA MYERS; PAUL D. TONKO; AND  
DAVID HEPINSTALL

Plaintiffs,

- against -

The NEW YORK STATE PUBLIC SERVICE  
COMMISSION; the NEW YORK STATE DEPARTMENT  
OF PUBLIC SERVICE; JOHN O'MARA, in his official  
capacity as Chairman of the New York State Public Service  
Commission and Chief Executive Officer of the New York  
State Department of Public Service; and H. CARL  
MCCALL, in his official capacity as Comptroller of the  
State of New York,

Defendants.

Index No.  
4509-96

RJI #01-96-046955

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**AFFIDAVIT OF STEVEN MONTOVANO  
ON BEHALF OF ENRON CAPITAL & TRADE RESOURCES CORP.**

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STATE OF TEXAS            )  
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COUNTY OF HARRIS        )        ss.

I, Steven Montovano, being duly sworn upon my oath, do hereby depose and state as follows:

1. I am the Director of State Regulatory Affairs of Enron Capital & Trade Resources Corp. ("Enron"), a marketer of natural gas. My business address is 400 Metro Place North, Dublin, OH 43017.

2. Enron is comprised of a number of business entities which are subsidiaries of Enron Corp. In the natural gas industry, Enron's activities in North America include buying and selling gas, providing a broad array of services for gas producers, supplying gas to LDCs and municipalities, industrial and commercial end users, electric generation loads, and other consumers, offering price hedging and risk management services to gas buyers and sellers, and offering producers and other market participants various financing options. The Enron companies purchase and sell over 8 Bcf

daily under a mix of spot, intermediate, and long-term contracts. Enron's principal place of business is located at 1400 Smith Street, Houston, TX 77002. Enron's marketing offices in the State of New York are located at: 5792 Widewaters Parkway, DeWitt, NY 13214; 1 Columbia Circle, Albany, NY 12203; and 255 Executive Drive, Suite 309, Plainview, NY 11803.

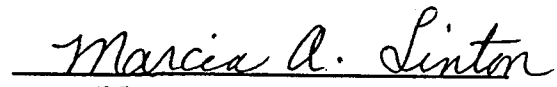
3. Enron is an active participant in the New York State Public Service Commission ("PSC") proceeding on competitive natural gas services in Case 93-G-0932 and has an interest in supplying natural gas to commercial and residential consumers in the State.

4. I am aware of the petition of the Public Utility Law Project of New York ("PULP"), Index No. 4509-96, seeking injunctive relief and a judgment declaring unlawful the PSC's decision in Case No. 93-G-0932 regarding the applicability of the Home Energy Fair Practices Act ("HEFPA") when consumers are supplied natural gas by non-utility suppliers which are not local distribution companies.

5. In the event that the PSC's orders are modified with respect to the applicability of HEFPA to the sale of gas by non-utility suppliers such as Enron, the PSC's open access transportation program, which was intended to bring competitive gas service to natural gas consumers in the State of New York, but which currently creates only minimal competitive opportunities for non-utility gas suppliers, will likely result in few, if any, non-utility gas supply options. The cost of unnecessary regulation to the State, the non-utility suppliers, and ultimately to the consumers will outweigh the benefits the PSC has attempted to provide to these consumers in its orders.

  
Steven Montovano

Subscribed and sworn to before me, a notary public in and for the State of Texas, County of Harris, this 12 day of September, 1996.

  
Notary Public

My commission expires: Jan. 2, 1997

