REP. HENRY A. WAXMAN
RANKING MINORITY MEMBER
COMMITTEE ON GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES
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Fact Sheet

California and the Energy Bill Issue No. 2

The California Energy Crisis

The first fact sheet in this series described the closed-door process that lead to the development of the Republican energy bill currently pending before Congress. This fact sheet — and those that follow — will address substantive issues raised by this legislation.

The topic addressed in this issue is how the legislation addresses the California energy crisis of 2000 to 2001. As explained below, the implications of the energy crisis were never adequately considered during the development of the energy bill, resulting in legislation that fails both to respond to the corporate malfeasance that caused the crisis and to prevent a recurrence.

The California Energy Crisis

In 2000 and 2001, California experienced a severe energy crisis. Blackouts caused economic chaos, and energy prices in the state skyrocketed. In 1999, Californians paid $7.4 billion for wholesale electricity. A year later, these costs rose 277% to $27.1 billion.[1] According to the California state government and electric utilities in the state:

> This extraordinary increase in cost imposed great hardship on the State's citizens and businesses, crippled the State's two largest utilities, and took the State's budget from a multi-billion dollar surplus to a multi-billion dollar deficit, thereby robbing schools, police forces, and many other essential services of needed funds. Ultimately, it caused a life-threatening power crisis that sent the nation's most populous state into rolling blackouts.[2]

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[1] These high prices continued into 2001 when wholesale power costs remained at the exorbitantly high level of $26.7 billion. Attorney General Bill Lockyer, State of California, *Attorney General's Energy White Paper: A Law Enforcement Perspective on the California Energy Crisis* (Apr. 2004) (online at http://caag.state.ca.us/publications/energywhitepaper.pdf).

[2] California Parties (Bill Lockyer, California Attorney General, the California Electricity Oversight Board, the Public Utilities Commission of the State of California, Pacific Gas and

Early evidence showed — and later evidence has proven — that these prices were the result of deliberate actions under lax regulation. Energy companies took advantage of market design flaws and negligent federal enforcement to increase profits through substantial market abuse and market manipulation.

Market Abuses and Market Manipulation

By August 2000, many understood that the California energy market was not functioning properly and believed that some energy companies were abusing the market to increase profits. The California Public Utility Commission found that the California wholesale electricity market had been distorted and requested that the Federal Energy Regulatory Commission investigate the market.[3] Governor Gray Davis called for the California Attorney General to investigate "possible manipulation in the wholesale electricity marketplace."[4] The utility San Diego Gas and Electric requested a FERC investigation of the allegations that power generators were using a variety of techniques to profit from California's energy markets.[5] President Clinton spoke out in favor of a speedy investigation by FERC "so we can better understand what's happening in California and provide policy makers with the information they need to protect consumers in a timely fashion."[6]

As has become increasingly clear, California was indeed being price gouged by energy companies who manipulated markets to drive up energy prices. Since the Administration developed its energy policy, the following facts have come to light:

- Enron memos from December 2000 revealed that the energy trading company implemented elaborate market manipulation strategies to drive up prices.[7] These strategies included submitting phony power schedules; deliberately overstating load (demand) so as to create the appearance of congestion on transmission lines, which would result in the state paying Enron to cut back on its load; and "megawatt laundering," or

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Electric Company, and Southern California Edison Company), California Parties' Supplemental Evidence of Market Manipulation by Sellers, Proposed Findings of Fact, and Request for Refunds and Other Relief (Mar. 3, 2003) (filed with FERC) (online at http://www.cpuc.ca.gov/Published/Graphics/24269.PDF).

[3] *PUC Refuses Rate Rollback in San Diego: Local Lawmakers, Customers Fume as Commissioners Say They Lack Authority to Lower Price of Power,* San Francisco Examiner (Aug. 4, 2000).

[4] *Id.*

[5] *Clinton OKs Aid for Electric Bills $2.6 Million Set Aside for San Diego — U.S. to Probe State's Rates,* San Francisco Chronicle (Aug. 24, 2000).

[6] *Id.*

[7] CBS News, *Enron's 'Smoking Gun' Memos* (May 7, 2002) (online at http://www.cbsnews.com/stories/2002/05/07/national/main508186.shtml).

exporting power out of state and then immediately importing it back, in order to evade price caps. The Enron memos gave these ploys names like "Fat Boy," "Death Star," and "Get Shorty."[8]

- Audio tapes of Enron energy traders surfaced that confirmed the existence of secret deals with power producers that deliberately drove up prices by ordering power plants shut down.[9] On the audiotapes, Enron employees joked about "all the money" they "stole from those poor grandmothers in California."[10]

- Transcripts of Reliant energy traders from 2000 revealed that Reliant power plant operators, with the knowledge of senior executives, deliberately kept power offline in order to increase energy prices at the height of the crisis. Reliant even plotted to blame their actions on environmental laws. Reliant employees called this the "coolest strategy ever."[11]

- On March 3, 2003, a coalition of California governmental entities and public utilities presented FERC with more than 1,000 pages of evidence documenting "a pervasive pattern of market manipulation" that resulted in "disastrous effects on prices and reliability."[12] Also, on March 3, 2003, California governmental agencies filed additional evidence with FERC of "widespread and rampant market abuse and manipulation."[13]

- A year-long investigation by the Senate Committee on Governmental Affairs found that FERC had failed to protect millions of consumers, stockholders, and workers. The investigation found that FERC's lax oversight had permitted Enron's actions during the California energy crisis, which raised electricity prices in California, Oregon, Washington, and other states by literally billions of dollars.[14]

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[8] Memorandum from Christian Yoder and Stephen Hall to Richard Sanders, re: Traders' Strategies in the California Wholesale Power Markets/ISO Sanctions (Dec. 8, 2000) (online at http://www.ferc.gov/electric/bulkpower/pa02-2/Doc2.pdf).

[9] CBS News, *Enron Traders Caught on Tape* (June 1, 2004) (online at http://www.cbsnews.com/stories/2004/06/01/eveningnews/main620626.shtml).

[10] *Id.*

[11] Reliant Energy, trader transcripts (June 2000) (online at http://www.ferc.gov/industries/electric/indus-act/wem/pa02-2/Transcripts-Reliant.pdf).

[12] California Parties, *supra* note 2.

[13] California Electricity Oversight Board and California Public Utilities Commission, Supplemental Submission of Evidence and Request for Relief (Mar. 3, 2003) (filed with FERC) (online at http://www.cpuc.ca.gov/static/industry/electric/ceobcpucsuplsub.pdf).

[14] Senate Committee on Governmental Affairs, *Hearing Entitled 'Asleep at the Switch: FERC's Oversight of Enron Corporation'* (Nov. 12, 2002) (S. Rept. 107-854).

- FERC confirmed that "significant market manipulation" had taken place in the West.[15]

- The California Attorney General reported that:

> From July to December 2000, during hours when Californians most needed electricity, generators on average withheld enough megawatts from the grid to power more than 1 million homes. According to testimony submitted to the Federal Energy Regulatory Commission (FERC), on eight occasions when the state's grid operator declared power emergencies, generators falsely reported units inoperable due to mechanical problems. Another 22 times during system emergencies, generators shut down units purely to maximize profits.[16]

- After El Paso Natural Gas lost its legal fight and was confronted with evidence that it had withheld capacity on its pipeline system to artificially drive up natural gas prices in California, El Paso agreed to settle its case for more than $1.5 billion.[17]

- A federal court has found that FERC allowed its own rules governing market-based rates to be broken by companies selling power into California's deregulated marketplace. The court stated:

> With FERC abdicating its regulatory authority, California consumers were subjected to a variety of market machinations, such as "round trip trades" and "hockey-stick bidding," coupled with manipulative corporate strategies, such as those nicknamed "Fatboy," "Get Shorty," and "Death Star."[18]

The Bush Energy Policy's Approach to the California Energy Crisis

When President Bush took office, he made clear that he did not support federal intervention in California. In announcing the effort to develop his energy policy, the President said, "It looks like they're making progress in California and we're pleased, because the situation is going to be best remedied in California, by Californians."[19] It was later revealed that in developing the

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[15] FERC, Final Report of Price Manipulation in Western Markets Fact-Finding Investigation of Potential Manipulation of Electric and Natural Gas Prices (Mar. 2003) (Docket No. PA02-2-000) (online at http://www.ferc.gov/legal/ferc-regs/land-docs/PART-I-3-26-03.pdf).

[16] Attorney General Bill Lockyer, *supra* note 1.

[17] Office of the California Attorney General, *Attorney General Lockyer Announces Finalization of El Paso Settlement That Gives Ratepayers $1.45 Billion in Relief and Resolves Market Manipulation Charges* (June 26, 2003) (online at http://caag.state.ca.us/newsalerts/2003/03-077.htm).

[18] *State of California v. FERC*, No. 02-73093 (9th Cir. Sept. 9, 2004).

[19] White House, *Remarks by the President at Energy Policy Meeting* (Jan. 29, 2001) (online at http://www.whitehouse.gov/news/releases/20010129-1.html).

energy policy, the Vice President's task force tried "desperately" to avoid mentioning California.[20]

While Vice President Cheney worked on developing the White House energy plan, runaway energy prices were being felt throughout the West. At an energy policy roundtable convened by the Western Governors' Association in Portland, Oregon, on February 2, 2001, eight western Governors (three Democrats and five Republicans) called upon the Administration to establish temporary price restraints on wholesale electricity prices until the energy markets could be returned to normal functioning. Secretary Abraham rejected the plea.[21]

As evidence continued to mount that California energy markets were being manipulated to increase prices, Energy Secretary Spencer Abraham dismissed these claims as a "myth."[22] Vice President Cheney was equally unresponsive. *The Los Angeles Times* reported on California Senator Dianne Feinstein's account of her meeting with the Vice President:

> "It was very disappointing," she says. "He spoke about letting the free market work and drilling in [Alaska]. That's not going to help California in the short-term. We need price caps until we're able to fix this very broken market. . . . There seems no interest in really wanting to understand the California situation."[23]

By the end of March 2001, pressure was growing in Congress for federal controls that would end the market abuses and at least temporarily control prices. At least five bills had been introduced to restrain skyrocketing prices,[24] and hearings had been held in both the House and the Senate.[25]

While these hearings focused congressional attention on California, the energy companies who were manipulating California's markets opposed any restraint on prices and actively lobbied

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[20] E-mail from Karen Knutson, Office of the Vice President, to Jacob Moss, Environmental Protection Agency (May 4, 2001) (online at www.democrats.reform.house.gov/Documents/20040830152402-62270.pdf).

[21] *Energy Secretary Rejects Request to Cap Electricity Price,* New York Times (Feb. 3, 2001).

[22] *California Chided on Power-Plant Stand*, San Diego Union-Tribune (Mar. 20, 2001).

[23] *California and the West; Price Caps Don't Fit in Cheney's Head for Figures,* Los Angeles Times (Apr. 19, 2001).

[24] H.R. 238, 107th Cong. (2001); S.80, 107th Cong. (2001); S. 26, 107th Cong. (2001); H.R. 268, 107th Cong. (2001); S. 287, 107th Cong. (2001).

[25] House Energy and Commerce Committee, Subcommittee on Energy and Air Quality, *Hearings on Electricity Markets: California*, 107th Cong. (Mar. 20, 22, 2001) (H. Rept. 107-6); Senate Energy and Natural Resources Committee, *Hearing on California's Electricity Crisis and Implications for the West*, 107th Cong. (Jan. 31, 2001) (S. Rept. 107-27).

Congress to obfuscate the reality of what was occurring in the Western states.[26] For example, Reliant Energy President and Chief Operating Officer Joe Bob Perkins testified, "Unfortunately, attention has been diverted from the supply problem by the incorrect perception of market manipulation."[27]

Claiming that Enron had a "uniquely objective perspective on the problems in California," Steve Kean, Executive Vice President and Chief of Staff for Enron, testified against price controls and stated:

> Contrary to what you may hear or read, our success is linked to efficient markets, not higher prices in California, or anywhere else for that matter. What we are interested in is competitive and well functioning markets. Our financial success is not built on California's back.[28]

In addition to lobbying Congress, Enron also lobbied the White House. The *San-Diego Union-Tribune* detailed Enron CEO Ken Lay's April 17, 2001, meeting with Vice President Cheney:

> As Cheney was crafting the administration's . . . energy policy, Lay was one of the handful of people who got to meet with him. Lay presented a three-page, eight-point list of priorities for open power markets, including an admonition that the administration "should reject any attempt to re-regulate wholesale power markets" with price caps or other controls.[29]

California, by contrast, was invited to simply submit a one-page memo to the energy task force.[30] The day after this meeting with Ken Lay, the Vice President told the *Los Angeles Times* that the Administration had ruled out the possibility of restraining wholesale prices.[31] Instead, the Administration announced an initiative to help California by cutting power usage by federal

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[26] In addition to lobbying Congress, Enron, Reliant, and other electricity generators launched a media campaign in the fall of 2001 to defend deregulation and fight any price controls. Coalition for a Powerful Future, Home Page (online at www.powerfulfuture.org) (accessed on Jan. 8, 2002).

[27] Senate Energy and Natural Resources Committee, Testimony of Joe Bob Perkins, Reliant Energy, *Hearing on California's Electricity Crisis and Implications for the West*, 107th Cong. (Jan. 31, 2001) (S. Rept. 107-27).

[28] Senate Energy and Natural Resources Committee, Testimony of Steve Kean, Executive Vice President and Chief of Staff, Enron, *Hearing on California's Electricity Crisis and Implications for the West*, 107th Cong. (Jan. 31, 2001) (S. Rept. 107-27).

[29] *Bush, Davis on Collision Course; President, Cheney Firm: No Price Caps*, San Diego Union-Tribune (May 27, 2001).

[30] *Id.*

[31] *California and the West; Price Caps Don't Fit in Cheney's Head for Figures,* Los Angeles Times (Apr. 19, 2001).

facilities by 10%. The plan included unplugging coffee pots in federal buildings and allowing casual dress.[32]

When President Bush announced the White House energy plan in May 2001, he used California as an argument to support his plan. He said, "If we fail to act, this great country could face a darker future, a future that is unfortunately being previewed in rising prices at the gas pump and rolling blackouts in the great state of California."[33]

However, the White House plan failed to accurately diagnose what happened in California.

Misdiagnosis

According to the White House plan:

> Recent and looming electricity blackouts in California demonstrate the problem of neglecting energy supply. . . . Though weather conditions and design flaws in California's electricity restructuring plan contributed, the California electricity crisis is at heart a supply crisis.[34]

This notion was implausible and disputed at the time, but revelations of market manipulation would later thoroughly rebut it. For instance, California Attorney General Bill Lockyer observed, "we believe that there was sufficient power available to meet demand had sellers been inclined to provide it instead of withholding supply through various artifices. . . . [W]e believe that manipulation, gaming, and withholding were primary causes of the crisis."[35]

The energy plan itself suggests almost nothing to solve the market manipulation problems plaguing California and other Western states. In fact, Vice President Cheney acknowledged that in the energy plan, "We talk about California" but "aren't going to provide any relief this summer."[36] In arguing for the need for more than 1,300 new power plants and 38,000 miles of additional natural gas pipeline, Vice President Cheney stated, "Without a clear, coherent energy

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[32] *Federal Buildings to Reduce Power Use; Bush Proposes Cutting Consumption by 10%*, San Francisco Chronicle (May 3, 2001).

[33] *Bush Faces Tough Fight on Energy Strategy; Reaction: Criticism from Environmentalists,* San Francisco Chronicle (May 18, 2001).

[34] White House, *National Energy Policy* (May 2001) (online at www.whitehouse.gov/energy).

[35] Letter from Bill Lockyer, California Attorney General, to Pat Wood III, Chairman, Federal Energy Regulatory Commission (May 25, 2004).

[36] *Cheney Rejects Price Caps, Aid for Calif. Power Crisis*, Los Angeles Times (May 5, 2001).

strategy for the nation, all Americans could one day go through what Californians are experiencing now, or worse."[37]

After its brief discussion of the California energy crisis, the plan concludes by recommending that the President issue an executive order to direct all federal agencies to examine the impacts of any proposed regulatory action that could affect energy supplies, distribution, or use.[38] This appears largely irrelevant to FERC, which is an independent agency to which executive orders have only limited or voluntary applicability.[39]

Congressional Response

As the California energy crisis unfolded, the House Energy and Commerce Committee held several hearings on the issue. In February 2001, the House Committee held a hearing entitled "Electricity Markets: Lessons Learned from California." The hearing briefly examined electricity deregulation efforts in California, Ohio and Pennsylvania, and in the words of the chairman, was intended "to find out what the differences are between each of the State's plans and what are the similarities, what has a State has done right, what has a State done wrong." Rep. Joe Barton (R-Texas), who is now the chairman of the committee, incorrectly diagnosed the problem at this hearing, saying that California's "demand for electricity has outstripped their supply for electricity in that market."[40]

The Committee held additional hearings on California's energy crisis on March 20 and 22, 2001.[41]

Rep. Barton ultimately proposed several policies to assist California. His proposal among other actions would have waived clean air requirements, authorized the Federal Emergency Management Agency to prepare for blackouts in the state, and would have implemented a fanciful idea that Rep. Barton pursued at a hearing:

> the Navy has large warships that are powered by nuclear reactors. Some of those warships dock at ports in California. Is there enough capacity in those warships that if

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[37] *Cheney Urges Energy Buildup; Vice President Downplays Conservation As He Lays Groundwork for Major Proposal*, Augusta Chronicle (May 1, 2001).

[38] White House, *National Energy Policy,* 1–3 (May 2001) (online at http://www.whitehouse.gov/energy).

[39] E-mail communication with FERC staff (Mar. 2005).

[40] House Energy and Commerce Committee, Statement of Rep. Joe Barton, Chairman, *Hearing on Electricity Markets: Lessons Learned from California,* 107th Cong. (Feb. 15, 2001) (H. Rept. 107-7) (online at http://energycommerce.house.gov/107/hearings/02152001Hearing40/print.htm).

[41] House Energy and Commerce Committee, *Hearings on Electricity Markets: California,* 107th Cong. (Mar. 20, 22, 2001) (H. Rept. 107-6).

> they were to be docked and be tied into the grid, that would help alleviate the peak problem in California this summer?[42]

On August 1, 2001, during consideration of H.R. 4, the legislation implementing the President's energy policy, Rep. Waxman offered an amendment to force FERC to impose temporary restraints on wholesale electricity prices. The amendment was defeated.[43] Upon passage of the energy bill in the U.S. House of Representatives, a spokesman for the California Governor stated, "We're solving this problem on our own without any help from Washington, and it looks like it will continue to be that way."[44]

Investigative Priorities

The House Energy and Commerce Committee held five hearings on California electricity issues in 2001. The Committee also held hearings on electricity policy generally that year. When Enron collapsed at the end of 2001, the Committee held eight hearings on certain limited aspects of Enron's financial situation.

Unfortunately, once the internal Enron memos proving a systematic approach to market manipulation were disclosed in May 2002, the Committee discontinued holding any hearings on the California energy crisis or on Enron or other responsible energy companies. To date, the House Energy and Commerce Committee has never investigated the market manipulations that ravaged California.

However, the Committee did conduct an investigation of Governor Gray Davis from November 2001 through spring of 2002. The investigation required the Governor to produce extensive documents, but no report was ever issued on the investigation. The Republican leadership of the Committee explained why the Governor needed to be investigated:

> Because government interventions can easily distort market operations, and thus create more problems for electricity consumers and suppliers, the Committee has been particularly interested in California's steps to address its power supply shortages.[45]

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[42] *Id.*

[43] U.S. House of Representatives, Roll Call Vote on Agreeing to the Waxman Amendment to H. Rept. 107-178 (Aug. 1, 2001) (154 ayes, 274 nos).

[44] *Democratic Senators Say They Want a Better-Balanced Energy Bill,* San Francisco Chronicle (Aug. 3, 2001).

[45] Letter from Billy Tauzin, Chairman, House Energy and Commerce Committee, Joe Barton, Chairman, Subcommittee on Energy and Air Quality, James Greenwood, Chairman, Subcommittee on Oversight and Investigations, Richard Burr, Vice Chairman, Committee on Oversight and Investigations, and Steve Largent, Vice Chairman, Subcommittee on Energy and Air Quality, to Governor Gray Davis (Nov. 16, 2001).

The Senate also held hearings on the California energy crisis and legislation introduced by California's senators to address the price gouging that was occurring.[46] During Democratic control of the Senate, the Energy and Natural Resources Committee held a hearing on market manipulation on May 15, 2002.[47] The Senate Governmental Affairs Committee held hearings on Enron and on electricity restructuring in 2000 and 2001.[48] No additional hearings have been held since Republicans took control in the November 2002 mid-term elections.

FERC's Response to the California Energy Crisis

From August 2000 till June of 2001, FERC refused to take meaningful action to address wholesale electricity markets in the West. FERC Commissioner Bill Massey acknowledged: "We have the obligation to step in forcefully to ensure that prices are just and reasonable in every hour of the day. . . . We have failed in that obligation."[49] And in the words of California Governor Gray Davis: "Unfortunately, despite [California's] pleas, at almost every point where FERC could have acted to control wholesale prices, it failed to do so."[50]

In April 2001, FERC issued an order to restrain prices during times of emergency. Gov. Davis criticized the order as inadequate, "FERC's pricing plan is laced with loopholes. . . . It's simply a fig leaf that does nothing to address the impact of the energy crisis on California and our nation."[51] Vice President Cheney criticized FERC for going too far, "If I had been at FERC, I never would have voted for short-term price caps."[52] The *Los Angeles Times* reported, "Asked whether he might soften his opposition to price controls if the energy crisis began to produce significant damage to the national economy, Cheney shook his head ruefully."[53]

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[46] Senate Committee on Energy and Natural Resources, *Hearing on Electricity Rates: S. 26, S. 80, S. 287, Amdt. to. S. 287*, 107th Cong. (Mar. 15, 2001) (S. Rept. 107-49).

[47] Senate Committee on Energy and Natural Resources, *Hearing on Energy Market Manipulation*, 107th Cong. (May 15, 2002) (S. Rept. 107-602).

[48] *See* Senate Committee on Governmental Affairs, *Hearing on Enron Corporation's Collapse,* 107th Cong. (Jan. 29, 2002) (S. Rept. 107-458); Senate Committee on Governmental Affairs, *Hearing on The Role of the Federal Energy Regulatory Commission Associated with the Restructuring of Energy Industries*, 107th Cong. (June 20, 2001) (S. Rept. 107-156).

[49] CBS News, *Evening News with Dan Rather* (June 15, 2001).

[50] Senate Committee on Governmental Affairs, Testimony of the Honorable Gray Davis, Governor of California, *Hearing on The Role of the Federal Energy Regulatory Commission Associated with the Restructuring of Energy Industries*, 107th Cong. (June 20, 2001) (S. Rept. 107-156) (online at http://govt-aff.senate.gov/062001_davis.htm).

[51] *State Renews Demand for Power Price Relief Energy: Officials Ask FERC to Reconsider Ruling; Cheney Reiterates Opposition to Caps,* Los Angeles Times (May 26, 2001).

[52] *Cheney Rejects Price Caps, Aid for Calif. Power Crisis*, *supra* note 36.

[53] *Id*.

Finally in June 2001, the FERC ended some market manipulations by strengthening the April order and applying price constraints 24 hours a day, 7 days a week.[54] Wholesale electricity prices returned to relative stability, but Vice President Dick Cheney denounced FERC's action as "counterproductive."[55]

A series of FERC actions since that time have denied justice to California for damages incurred in 2000 and 2001.

FERC has also failed to revisit its policy goals in light of the California experience. Under Bush appointee Pat Wood, FERC has strongly pursued deregulation and restructured electricity markets. During Chairman Wood's confirmation hearing, he stated his intention to bring deregulated electricity markets to the nation.[56]

California officials have estimated that California is due nearly $9 billion in refunds. However, FERC has drawn out the refund proceeding, establishing procedural hurdles and issuing adverse decisions that whittle down the size of the refunds. Most recently, in September 2004, a federal court ordered FERC to revisit their refund proceedings, stating "we agree with California that FERC improperly concluded that retroactive refunds were not legally available."[57]

Energy Legislation

The current version of the Republican energy legislation continues to ignore the evidence of market manipulation in California. The bill does not prohibit fraudulent, manipulative, or deceptive actions. Additionally, the bill does not require FERC to withdraw permission to charge market-based rates when that privilege has been abused. Democrats John Dingell, Henry Waxman, and Ed Markey developed legislation to address these shortcomings and strengthen laws to prevent market abuse and fraud and prohibit Enron-style market manipulation in the 108th Congress.[58] Representative Dingell offered this legislation as an amendment to the energy bill in 2003 but was defeated in a largely party-line vote.[59]

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[54] *See* Federal Energy Regulatory Commission, *Commission Extends California Price Mitigation Plan for Spot Markets to All Hours, All States in Entire Western Region* (June 18, 2001) (online at http://www.ferc.gov/press-room/pr-archives/2001/2001-2/mitigation.pdf).

[55] *How Bush Became A Believer; Policy: State GOP, Others Persuade President to Back FERC Ruling, but Don't Call It Price Control,* Los Angeles Times (June 19, 2001).

[56] Senate Energy and Natural Resources Committee, Testimony of Patrick Wood, III, Nominee to be a Member of the Federal Energy Regulatory Commission, *Hearing on Griles, Otis, Roberson, Brownell, and Wood Nominations*, 107th Cong. (May 16, 2001) (S. Rept. 107-125) (online at http://www.ferc.gov/press-room/ct-archives/2001/05-16-01-wood.pdf).

[57] *State of California v. FERC, supra* note 18.

[58] H.R. 1272, 108th Cong. (2003).

[59] U.S. House of Representatives, Roll Call Vote on Agreeing to the Dingell Amendment to H.R. 6 (Apr. 10, 2003) (193 ayes, 237 nos).