

**REPORT OF INVESTIGATION OF
ENRON CORPORATION AND RELATED ENTITIES
REGARDING FEDERAL TAX AND COMPENSATION ISSUES,
AND POLICY RECOMMENDATIONS**

VOLUME I: REPORT

**Prepared by the Staff
of the
JOINT COMMITTEE ON TAXATION**

**At the Request of
Senator Max Baucus
and
Senator Charles E. Grassley
of the
SENATE COMMITTEE ON FINANCE**



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108TH CONGRESS, 1ST SESSION

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TRANSMITTAL LETTER

Senator Max Baucus
Senator Charles E. Grassley
Senate Committee on Finance
Washington, DC 20510

Dear Senators Baucus and Grassley:

By this letter, I am hereby transmitting to you an official report of the investigation of the staff of the Joint Committee on Taxation relating to Enron Corporation and related entities, which was prepared pursuant to your request dated February 15, 2002. This investigation took nearly a year to complete. The Joint Committee staff spent countless hours reviewing documents and other information, interviewing individuals relevant to the investigation, and preparing this Report, while at the same time continuing to perform the normal legislative duties with which the Joint Committee staff is charged.

Each member of the Joint Committee staff contributed to the investigation. However, special recognition must be given to certain members of the Joint Committee staff who devoted much of their time during the last year to the investigation. Mary Schmitt, Sam Olchyk, and Carolyn Smith coordinated all aspects of the Joint Committee staff work on the investigation and were each primarily responsible for certain aspects of the investigation. Other Joint Committee professional staff members who also had primary responsibility for the investigation include E. Ray Beeman, Nikole Clark, Robert Gotwald, Brian Meighan, David Noren, Cecily Rock, Carol Sayegh, Ron Schultz, and Allison Wielobob. Other professional staff members who contributed to the investigation include Roger Colinvaux, Patrick Driessen, Deirdre James, Laurie Matthews, Patricia McDermott, Pamela Moomau, John Navratil, Oren Penn, and Tara Zimmerman. Recognition is provided to the administrative and support staff who assisted with the investigation, including Jean Best, John Bloyer, Sean Corcoran, Kathleen Dorn, Jayne Gribbin, Debra McMullen, Neval McMullen, Kristine Means, Tracy Nadel, Melissa O'Brien, Lucia Rogers, and Patricia Smith. A special thanks goes to Christine Simmons, whose skill at pulling together an enormous document made the Joint Committee staff's work much easier.

The Joint Committee staff gratefully acknowledges the contribution of Christopher Hanna, Professor of Law, Southern Methodist University, who contributed to the Joint Committee staff investigation as a consultant and was particularly helpful in assisting the Joint Committee staff understand Enron's complex tax transactions. In addition, Claire Merkiné who was with the Joint Committee staff for six months under a special fellowship program with the New York University School of Law, also assisted in the investigation.

Sincerely,

Lindy L. Paull
Chief of Staff

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