

## **News from Congressman**

## **Tom Lantos**

12<sup>th</sup> Congressional District of California San Mateo/San Francisco

FOR IMMEDIATE RELEASE May 12, 2004

FOR INFORMATION CALL Lynne Weil (202) 225-6735

## Lantos Seeks Justice for California Consumers Who Suffered Massive Losses in State Energy Crisis

**Washington, D.C. -** Congressman Tom Lantos (D-San Mateo, San Francisco) today joined in taking legal steps to secure compensation from utilities that overcharged California consumers during the 2000-2001 electricity crisis.

Lantos joined the state's other Democratic representatives in Congress, as well as top Democratic leaders in Sacramento to file an *amicus* brief last Friday before the United States Court of Appeals for the Ninth Circuit. The brief asks the court to clarify a previous order in the case, and to direct the Federal Energy Regulatory Commission (FERC) to collect evidence of energy market manipulation. FERC has been adjudicating these issues in non-public proceedings that shut California consumers out of the process.

"The Federal Energy Regulatory Commission (FERC) proves times and again that it does not exist to protect California consumers," Lantos said. "FERC has been almost silent on the multi-billion dollar issue of overcharges as Californians continue to pay for the illegal, manipulative energy company practices. The private settlements FERC has engineered behind closed doors are a pittance next to the blatant market manipulation that cost Californians billions of dollars in high energy rates."

The brief was signed by California's U.S. Senators, 33 of the state's members of the House of Representatives, the President pro Tempore of the California State Senate and the Speaker of the State Assembly. Together, these elected officials represent the interests of millions of Californians. The vast majority of their constituents suffered significant economic harm during the 2000-2001 electricity crisis as the result of inflated energy prices caused by widespread illegal manipulation of California's energy markets by energy wholesalers and marketers. Unless the Court grants the relief requested of it, their vast majority of their voices will not be heard.

"The pitiful private settlements simply do not pass the laugh test," Lantos said. "The energy companies owe California \$9 billion. It is bad enough that California is tied into long-term contracts that will cost ratepayers more than \$40 billion. For FERC to fail us again is too much to bear."