



Office of the Governor

ARNOLD SCHWARZENEGGER  
THE PEOPLE'S GOVERNOR

SEARCH

[ADVANCED SEARCH](#)

[Home](#) [About Arnold](#) [About Maria](#) [Newsroom](#) [Multimedia](#) [Issues](#) [Blog](#) [Interact](#) [Appointments](#) [Español](#)

## Press Release

### RELATED CONTENT

07/15/2005 GAAS:306:05 FOR IMMEDIATE RELEASE [Print Version](#) | [Email / Share](#)

### MORE RELATED PRESS RELEASES

### Gov. Schwarzenegger Announces \$1.5 Billion Settlement with Enron; Total Cash Value to California Ratepayers is \$260 million

California Governor Arnold Schwarzenegger announced today that California has reached a \$1.5 billion settlement with Enron Corporation and its affiliates. The settlement was reached in order to resolve numerous claims against the company for overcharging California electricity consumers during 2000 and 2001.

"This latest victory for ratepayers will help keep the costs of electricity low for the people and businesses of California," said Gov. Schwarzenegger. "I will continue to press for settlements of all outstanding claims against those who unfairly profited at the expense of California's ratepayers. We must also work to make sure that California never finds itself in a position to be taken advantage of again. I will continue my efforts to ensure the state has an adequate, reliable and affordable supply of energy."

The Enron settlement comes on the heels of another comprehensive settlement California parties reached with Mirant Corporation and its affiliates earlier this year that totaled more than \$750 million.

The Enron settlement is structured to provide \$25 million in cash, \$875 million in allowed unsecured

bankruptcy claims, \$22.3 million held at the California Independent System Operator as collateral for meter claims, as well as \$600 million in civil penalties and up to \$1 million in charges related to the now-defunct California Power Exchange. The cash value of the settlement for California ratepayers is expected to be \$260 million following the bankruptcy court's discount.

Since 2004, California has negotiated more than \$2.7 billion in settlements with various energy companies who reaped unjust profits in California during 2000 and 2001. Those settlements include \$1.5 billion from Enron, \$280 million from Dynegy Inc., \$207.5 million from Duke Energy and \$750 million from Mirant.

California parties have been working diligently to recover excess electricity costs for ratepayers. These parties include the Office of the Governor, California Attorney General's office, California Public Utilities Commission, California Electricity Oversight Board, the California Department of Water Resources, Pacific Gas & Electric, San Diego Gas & Electric and Southern California Edison.

Once properly filed with the bankruptcy court, the settlement will be available on the Department of Water Resources energy web site at [www.cers.water.ca.gov](http://www.cers.water.ca.gov).

---

[Text Version](#) | [Email the Governor](#) | [Email Alerts](#) | [Internship Program](#) | [Technical Contact](#) | [Privacy Policy](#) | [Conditions of Use](#)

[CA State Homepage](#)

© 2007 State of California