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California Cal-ISO Says Enron Didn't Force Blackouts

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California's grid operator said Tuesday that Enron Corp.'s infamous trading strategies probably caused power prices to rise but did not force blackouts during the state's **energy** crisis.

Instead, the California Independent System Operator, in a report Tuesday, blamed the blackouts on suppliers that offered limited electricity and on transmission bottlenecks from Southern to Northern California. Cal-ISO produced the report in response to testimony by **energy** consultant **Robert McCullough** for the state Senate committee investigating manipulation of California **energy** markets. He had contended that Enron could have contributed to blackouts by creating phantom electricity traffic jams.

The trading strategies caused "detrimental financial impacts" in the state's advance electricity markets but "would typically not impact system reliability," the report said. That's because they were not used in the last-minute electricity market or in Cal-ISO's real-time balancing of supply and demand on the grid, according to the report. Enron's trading schemes did not reduce supply to the grid, although they may have resulted in higher electricity prices and payments to relieve electricity congestion, the report added.

McCullough characterized Cal-ISO's report as an attempt to spare itself embarrassment because of miscalculations. He said recently released data show that Cal-ISO, as it struggled to keep electricity from fleeing the state, created some of the congestion on the transmission lines through a byzantine transmission contracting system.

"They wrestled the gun away from Enron, pointed it at their own feet and started blazing away," **McCullough** said.

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