Feb. 23, 2001: A new, LaRouche-commissioned weekly *EIR* feature commences, "*EIR* Energy Crisis Update—Agenda for National Emergency Action," for the purpose of arming the growing political organizing drive with the broadest view of the battle.

March 7, 2001: In addition to a Sacramento mass-lobbying day, such lobbying actions are now taking place regularly in many other states, including Texas, Iowa, Illinois, Minnesota, and Pennsylvania.

April 18, 2001: The Nevada energy-reregulation law initiated by Sen. Joe Neal (D) is signed into law by Gov. Kenny Guinn (R).

May 22, 2001 In Harrisburg, Pennsylvania a "Day of Action" takes place, one week after Cheney's Energy Task Force Report is released, in which 75 activists from around the state, associated with LaRouche's 2004 campaign, stage a rally under the capitol rotunda against deregulation. Rep. Harold James (D-Philadelphia) calls for support for LaRouche's emergency financial reorganization proposals—a "New Bretton Woods" effort, and adds: "I respect his idea when he proposes that public utilities should be reregulated."

GAO: Cheney Hid Truth On Energy Dealings

by Richard Freeman and Arthur Ticknor

U.S. Vice President Dick Cheney "denied us access to virtually all requested" records of his Energy Task Force's conduct, the U.S. General Accounting Office (GAO), Congress' investigative arm, charged in a report issued Aug. 25. The 26-page report, "Energy Task Force: Process Used to Develop the National Energy Policy," has a delimited scope, but contains a devastating indictment of Cheney's backing the deregulation and manipulation of energy prices, by Enron and Duke Power, which sent prices skyrocketing, crippled the California economy, and destroyed its budget. While the Task Force was meeting, he met with Enron's Ken Lay; but for two and a half years, Cheney has not allowed any records of the Office of Vice President relative to the Task Force to be released.

The Cheney Energy Task Force—officially, the National Energy Policy Development Group (NEPDG), which he chaired—had been set up on Jan. 29, 2001, eight days after the Administration took office. In April 2001, six members of Congress asked the GAO to examine the process used by the Task Force, and the costs associated with it; they included Reps. Henry Waxman (D-Calif.) and John Dingell (D-Mich.), then-ranking minority members of the House Committees on Government Reform, and Energy and Commerce, respectively; and Sens. Carl Levin (D-Mich.) and Ernest Hollings (D-S.C.), chairmen of the Permanent Subcommittee of Investigations (of the Senate Committee on Government Affairs), and the Committee on Commerce, Science and Transportation. Specifically, GAO's objectives were to: 1) describe the process NEPDG used to develop the *National Energy Policy* report, including whom it met with and the topics discussed at these meetings, and 2) determine the costs associated with it.

The GAO report states that starting in Spring 2001, GAO contacted the Office of the Vice President (OVP) to obtain NEPDG records; but, "from the outset, OVP did not respond to our request for information," and even denied GAO the opportunity to interview staff assisting Cheney. "Despite our concerted efforts to reach a reasonable accommodation," the GAO said, "the Vice President denied us access to virtually all requested information." Moreover, Cheney's "denial of access, challenged GAO's fundamental authority to evaluate the process by which NEPDG had developed a national energy policy, and to obtain access to records that would shed light on that process."

Amid Lyndon LaRouche's campaign to force Cheney's resignation, the timing of the GAO report's release may forcast an escalation against Cheney by Representatives Waxman and Dingell when Congress reconvenes later this month.

The *National Energy Policy* report, which was presented to Bush and released to the nation on May 16, 2001, "was the product of a centralized, top-down, short-term (three and one-half months), and labor-intensive process," the GAO said. Cheney's Task Force "controlled most facets of the report's development." Further, the GAO examines the role of the energy companies, which it calls stakeholders, whose officials were meeting with the Vice President's Office, the Energy Department, the Environmental Protection Agency, and other government departments, while the Task Force Report was being devised. The GAO report states, that due to Cheney's "unwillingness to provide" records, even though the Task Force met with representatives from the energy industry, GAO was unable to determine "the extent to which submissions from any of these 'stakeholders' were solicited, influenced policy deliberations, or were incorporated into the final report." The Task Force even claimed that it did not know whether minutes of the meetings were taken.

According to the GAO report, staffs of the Energy Task Force held at least two meetings with Enron's Ken Lay—*EIR* knows of one meeting Lay held with Cheney—as well as with Duke Power and the Southern Company; all three were gaming energy prices to above $1,200 per delivered kilowatt hour. According to the GAO report, several of the Task Force meetings discussed the California energy crisis. In May 2001, California Governor Gray Davis had a meeting with President Bush, asking the President to apply price caps on energy prices; Bush repeated Cheney's line that the problem was that "regulation in California had not gone far enough."

The GAO report "is a sad chronicle of the efforts of the Office of the Vice President to hide its activities from the American people," charged Representative Dingell.