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Enron's Skilling enters prison

Ex-CEO begins 24-year sentence in energy firm's fall

By **PATRICK CONDON**
Associated Press

WASECA, Minn. — Former Enron chief executive Jeffrey Skilling entered prison quietly Wednesday, the final step in the fall of a man who once presided over one of Wall Street's biggest success stories.

Skilling embraced his wife before walking into the low-security Federal Correctional Institution here to begin his 24-year, four-month sentence for fraud and other crimes in the collapse of the former energy giant.

Barring a successful appeal, and even if he earns time off for good behavior, the 53-year-old Skilling will be an old man at the end of his term. That's more than twice as long as the sentence of any other Enron executive.

Skilling and Enron founder Ken Lay were convicted in May on numerous counts of fraud, conspiracy, insider trading and other charges in the collapse of the Houston-based firm, which led to the loss of thousands of jobs, more than \$60 billion in company stock and more than \$2 billion in employee pension plans.

A federal judge on Tuesday denied Skilling's request to remain free on bond pending his appeal.

Skilling, accompanied by his brother, Mark, and wife,

Rebecca Carter, arrived at the prison in a silver Jeep Liberty. The group drove past a crowd of media without stopping and walked into the prison. Skilling's family members emerged a few minutes later and left.

The low-security prison, which sits on the city limits of this town of 8,400 people 75 miles south of Minneapolis, has a low profile in the federal penal system.

Inmates at the prison have access to exercise facilities that include a basketball court, running track and a pingpong table. Like most inmates, Skilling is likely to be required to work in prison labor jobs such as food service, plumbing and painting, where he would earn 12 to 40 cents an hour.

That's a far cry from what

Skilling earned at the helm of Enron — more than \$151.7 million from 1999 to 2001, the time span of the indictment.

Lay died in July of a heart attack before he could be sentenced, prompting a judge to vacate his conviction.

Lay "probably would have faced a similar fate if he'd been able to stand up for sentencing on the same day as Skilling," said Leslie Caldwell, a former federal prosecutor and one-time chief of the Justice Department's Enron Task Force.

"I've always thought since the beginning of the Enron case that none of this ever would have happened without Jeff Skilling," Caldwell said. "I don't think it's inappropriate that he is getting the harshest sentence of anyone."