
FEDERAL ENERGY REGULATORY COMMISSION



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NEWS RELEASE

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COMMISSION ANNOUNCES RULEMAKING FOR PROCESSING RELIABILITY STANDARDS PENDING ERO CERTIFICATION

The Federal Energy Regulatory Commission today announced a rulemaking proceeding to address Reliability Standards developed by the North American Electric Reliability Council (NERC). The Commission anticipates issuing a Notice of Proposed Rulemaking (NOPR) on the Reliability Standards in July.

Prior to issuance of a NOPR, Commission staff will release its preliminary assessment of the proposed Reliability Standards. Further, the Commission intends to hold a technical conference on the proposed standards and the staff's preliminary assessment. The Commission will provide an opportunity to comment on the preliminary assessment and technical conference.

“The Commission must assure that reliability standards meet the statutory requirements,” said Commission Chairman Joseph T. Kelliher. “For that reason, the Commission staff some time ago began studying the existing reliability standards so that we were positioned to act promptly when the standards are proposed. We look forward to reviewing this deliberate examination.”

As the Commission transitions to the new mandatory Reliability Standard regime, the pre-NOPR process will allow industry participants to help the Commission to determine which of the Reliability Standards the Commission should propose to accept, remand or conditionally accept. In addition, it will help the Commission determine the type of guidance and appropriate timelines the Commission should propose for revising and improving the standards.

On April 4, 2006, NERC filed 102 proposed Reliability Standards, subject to its application for certification as the Electric Reliability Organization under section 215 of the Federal Power Act (Docket No. RR06-1-000). Section 215 was enacted as a result of the Energy Policy Act of 2005 to provide for a system of mandatory, enforceable Reliability Standards.