



September 16, 2010

Commissioner Cheryl A. LaFleur

**STATEMENT**

### Statement of Commissioner Cheryl A. LaFleur on NERC's 3-Year Assessment

"Thank you for that presentation. I am pleased to join my colleagues on this Order on the NERC 3-year assessment.

As the assessment reflects, NERC has made considerable progress in carrying out its responsibilities as the certified Electric Reliability Organization under Section 215 of the Federal Power Act. At the same time, there is much work still to be done, particularly in the area of Standards Development. I was not at the Commission for Order 693 or any of the March orders, but I note that NERC has only completed 15% of the directives from Order 693.

Because of the volume and complexity of work that lies ahead, I think the discussion of prioritization in this Order is especially important. As the old maxim goes, if everything is a priority, then nothing is a priority. I am very encouraged that NERC intends to propose a more systematic process for prioritizing Standards Development projects.

Section 215 of the Federal Power Act established a somewhat unique framework that requires NERC and FERC to work collaboratively to carry out our respective responsibilities for ensuring the reliability of the Bulk Power System. Those closely linked responsibilities call for a clear set of shared priorities between NERC and FERC. I am sure we can all agree that the reliability and security of the Bulk Power System are critical to all customers and to all aspects of our society and economy. We should also work toward a clear understanding of the most important actions we are taking to ensure that goal, and work hard to accomplish them in short order.

I look forward to upcoming technical conferences in November and in early 2011, which I believe will provide an important opportunity to continue the discourse among FERC, NERC and the industry on these matters."