



# FEDERAL ENERGY REGULATORY COMMISSION

January 15, 2009

**Docket No.** AD09-3-000

**Item No.** E-1

**Commissioner Marc Spitzer**

## **Statement of Commissioner Marc Spitzer on Audit Guidance**

"Compliance audits are a major activity for the North American Electric Reliability Corporation (NERC) and Regional Entities. These efforts are an essential component of ensuring compliance with and standardization in implementation of the Reliability Standards.

As reported in the 2008 Staff Report on Enforcement, staff from the Office of Enforcement and Office of Electric Reliability participated as observers in several compliance audits that NERC and the Regional Entities conducted during fiscal year 2008. At the conclusion of the audits, Staff met with audit team members to share ideas about audit processes, methods and techniques. Today, we formalize the guidance given to NERC and Regional Entities, so all users, owners and operators of the bulk electric system have this additional guidance.

During my tenure on the Commission, we have heard repeated requests that the Commission provide guidance as to how the Commission approaches enforcement and compliance matters. This guidance order is intended to provide this kind of additional information.

I support the Commission's enforcement and reliability programs and commend our staff for their hard work on audit practices."