
FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

NEWS RELEASE

NEWS MEDIA CONTACT:

Tamara Young-Allen

(202) 208-0680

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COMMISSION WILL APPROVE APPLICATIONS FOR PRUDENT COST RECOVERY TIED TO SECURITY NEEDS

In light of the tragic events experienced in the United States this week, the Federal Energy Regulatory Commission today assured its regulated companies that the Commission will approve applications proposing the recovery of prudently incurred costs necessary to further safeguard the nation's energy systems and infrastructure made in response to the heightened state of alert the country is now experiencing.

The Commission is aware that electric, gas, and oil companies may need to adopt and/or update procedures and install facilities that further safeguard electric power grids and natural gas pipeline systems. The Commission wants to encourage its regulated companies to take all precautionary steps needed to secure facilities.

The Commission committed to expedite the processing on a priority basis of any application that would specifically recover such costs from wholesale customers. Companies may propose a separate rate recovery mechanism, such as a surcharge over currently existing rates or some other cost recovery method.

The Commission views the safety and reliability of the nation's energy supply infrastructure as being critical to the nation's economic well-being.