



**Federal Energy Regulatory Commission  
January 18, 2007  
Open Commission Meeting  
Statement of  
Commissioner Philip D. Moeller**

**Item M-3: NorthWestern Corporation, SCANA Corporation, Entergy Services, Inc., PacifiCorp, and NRG Energy, Inc. (IN07-1-000, IN07-3-000, IN07-4-000, IN07-5-000, and IN07-6-000)**

"Today we announce the successful conclusion of the first set of enforcement actions under the Commission's expanded civil penalty authority.

With regard to the process, I commend the enforcement Staff for their negotiation of these settlements. The five companies also deserve recognition for cooperating in the settlement process.

It is worth emphasizing the value of cooperation and settlements. Since the passage of the Energy Policy Act in 2005, the Commission's enforcement Staff has received over 40 self-reports of violations, and many of these reports have not resulted in investigations. In the cases when an investigation was warranted, the degree of cooperation in the investigation and subsequent settlement discussions had a dramatic effect on the penalties for violations.

The industry should also note that there are differences in these settlements. Even though the five companies violated either the market rules or their Open Access Transmission Tariff, the civil penalties ranged from \$500,000 to \$10 million. It is clear that market rule violations have consequences. Those consequences may be mitigated through a variety of behaviors, but there are nevertheless consequences.

Open competition can only work if all the participants follow the rules in a fair and honest way."