



FEDERAL ENERGY REGULATORY COMMISSION

Date: April 8, 2008

Chairman Joseph T. Kelliher

Statement of Chairman Joseph T. Kelliher FERC and Nuclear Regulatory Commission joint meeting

"I want to welcome our colleagues from the U.S. Nuclear Regulatory Commission (NRC) to this joint meeting with the Federal Energy Regulatory Commission (FERC). This is the third joint meeting of the two agencies since the August 14, 2003 blackout, reflecting the continuing commitment of the agencies to work together to address issues of common interest.

I want to offer a special welcome to Commissioner Svinicki to this meeting, and congratulate you on your confirmation. I also congratulate Commissioner Jaczko on his successful renomination and confirmation.

FERC and the NRC are different agencies with different statutory responsibilities. As I understand it, NRC's primary task is protecting public health and safety. FERC has a number of different statutory missions, but the mission relevant to this meeting is our regulatory role over the reliability of the bulk power system, as provided by the Energy Policy Act of 2005.

We discharge this duty by establishing reliability standards proposed by the Electric Reliability Organization to govern the bulk power system, by directing changes to approved standards to strengthen them, and by ensuring effective enforcement of the approved reliability standards.

Our reliability mission and the NRC mission to protect public health and safety are entwined. One well-established risk to the reliable operation of the bulk power system is the sudden shutdown of large nuclear power plants. By the same token, the loss of offsite power caused by a grid failure is a major concern to the safe operation of commercial nuclear power plants. This relationship was demonstrated by the recent Florida blackouts.

FERC also has infrastructure and economic regulatory missions that are related to the work of the NRC. If our country is going to build large numbers of new nuclear power plants we will need a bulk power system that can move that power to where it is needed. It is also important for FERC to understand the timing of nuclear power plant additions. Widespread cancellations of coal plants have created a situation where the U.S. may rely largely on natural gas generation for incremental electricity supply until additional nuclear plants are operational. So, the timing of nuclear plant licensing and construction is of importance to FERC.

I welcome our colleagues from the NRC and look forward to the meeting."