



# FEDERAL ENERGY REGULATORY COMMISSION

October 16, 2008  
**Docket No.** RM07-1-000  
**Item No.** M-1

**Commissioner Suedeen G. Kelly**

**Statement of  
Commissioner Suedeen G. Kelly  
on  
Standards of Conduct for Transmission Providers**

"The current Standards of Conduct for transmission providers under Order No. 2004 have proven unreasonably difficult to comply with and to enforce. Therefore, I fully support the Commission's efforts to reform the Standards to provide industry with certainty in terms of what they need to do to comply, while also ensuring that the Standards focus on the areas where there is the greatest potential for affiliate abuse. The Final Rule returns to the employee functional approach found in Order Nos. 497 and 889 with additions to facilitate industry compliance and Commission enforcement. Finally, I note that, while the Standards of Conduct provide specific rules that transmission providers must follow, the Commission continues to have the tools it needs under the Federal Power Act and Natural Gas Act to address instances of undue discrimination and preference, regardless of whether they are specifically enumerated in the Standards. Thank you to the team for your hard work on this order."