

**Federal Energy Regulatory Commission
April 20, 2006 Commission Meeting
Statement of
Commissioner Joseph T. Kelliher**

Reliability Standards Rulemaking Notice

“On Tuesday, April 18, 2006, the Commission initiated a rulemaking proceeding to address the reliability standards developed by the North American Electric Reliability Council. The Commission will be considering these standards in a rulemaking in order to facilitate discussions with Canadian regulators, regulatory organizations, and the industry. As the Commission transitions to a new mandatory reliability standards regime, the process we have initiated will help the Commission determine which of the reliability standards the Commission should propose to accept, remand, or conditionally accept. The Commission has a duty to assure that the reliability standards meet the statutory requirements. In addition, the process we have initiated will help the Commission determine its guidance to the Electric Reliability Organization and appropriate timelines for revising and improving the reliability standards.

The process for reviewing the proposed standards will involve a period for comments from interested parties, a technical conference, a Notice of Proposed Rulemaking and the issuance of a Final Rule. To improve the ability of the Commission to act promptly on the reliability standards when they were proposed, Commission staff had begun studying existing reliability standards months ago. That effort has been very productive, and we are now in a better position to act. I would like to commend Joe McClelland and the Reliability Division for their hard work with this process. The Commission anticipates issuing a Notice of Proposed Rulemaking on reliability standards this summer.”