



# FEDERAL ENERGY REGULATORY COMMISSION

**November 20, 2008**

**Item Nos. E-18 & E-19**

**Docket Nos. EC08-91-000 and -001, and PL09-2-000**

**Commissioner Jon Wellinghoff**

## **Statement of Commissioner Jon Wellinghoff on Acquisitions of securities by public utility holding companies**

"These orders clarify the Commission's understanding of two measures that the Congress enacted as part of EAct 2005: PUHCA 2005 and section 203(a)(2) of the FPA.

In these orders, we recognize that the repeal of PUHCA 1935 and the enactment of PUHCA 2005 were intended to remove certain barriers to investment in the electric industry. However, we also emphasize that the Congress simultaneously added section 203(a)(2) to the FPA in order to ensure adequate federal oversight of certain holding company transactions.

Those goals are important, and I believe that they are consistent with each other.

Taking both goals into account, we reject Horizon Asset Management's request for the Commission to disclaim jurisdiction with respect to its investments in public utility company securities.

We find that disclaiming jurisdiction over the type of investment activities engaged in by Horizon or similar investment advisors that, like Horizon, are holding companies could allow those entities to exercise control over public utility companies or transmitting utilities in a way that may harm energy customers.

I am pleased to support these orders. I would like to thank the Teams for their hard work on these matters."

