



**Federal Energy Regulatory Commission**  
**March 15, 2007**  
**Open Commission Meeting**  
**Statement of**  
**Commissioner Marc Spitzer**

**Items E-13: Mandatory Reliability Standards for the Bulk-Power System**  
**(Docket No. RM06-16-000)**

"Today, this Commission acts to improve the reliability of the electric grid. In my view, this is a seminal accomplishment in the history of our electric industry. I do not suggest we rival Franklin, Faraday and Edison in historical significance, but this is a major step in assuring Americans that their government has acted and will act to ensure the bulk power system is used and operated reliably.

The Final Rule approved today reflects the Commission's careful consideration of comments on the proposed rulemaking. For example, at the urging of certain commentators, the Final Rule adopts the compliance registry process proposed by the ERO, which should help small entities in their compliance with the reliability requirements.

This rulemaking is a careful balancing of competing interests. From businesses to homeowners and from children charging Ipods to our elderly in nursing homes, Americans will not tolerate interruption in the lifeblood of electricity. Particularly where even momentary outages affect so many (including owners, operators and users not responsible for the outage) with potential for so much harm, reliable operation of the grid is the industry's job one.

However, owners, operators and users are entitled to due process and are accorded such in this Final Rule. I was trained as a lawyer that due process means notice and a meaningful opportunity to be heard. The Final Rule carefully balances these competing interests. I particularly note the discussion of enforcement issues at Final Rule, P 250-257.

The Final Rule approves 83 of 107 proposed standards, but also requires the ERO to submit significant improvements to 56 of the 83 reliability standards that are being approved today. The other 24 standards will remain pending at the Commission until further information is provided. Therefore, the issuance of this Final Rule is an important first step but not the final word on a public/private partnership to ensure reliable electricity for America's consumers.

I thank the Commission's staff for their hard work on this order, and thank commentators for their insightful comments. I support today's Final Rule."