



FEDERAL ENERGY REGULATORY COMMISSION

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Docket Nos. PL10-4-000

Item No. M-1

Commissioner John R. Norris

Statement of Commissioner John R. Norris on Penalty Guidelines

"At the outset, I think it is important to note that the Energy Policy Act of 2005 significantly changed and strengthened the Commission's penalty authority. As a result, the Commission's overall enforcement policy has necessarily been evolving over the last four plus years.

The Commission has sought to balance our need for flexibility in applying our new and increased penalty authority with the regulated industry's need for certainty as to Commission implementation. In continuing to seek that balance, our goal should be firm, but fair regulation.

I believe that this policy statement is a positive step in this evolution because it provides much needed guidance, transparency, and uniformity concerning our process of assessing penalties in Enforcement actions.

I also firmly believe that a major emphasis in our Enforcement work should be on providing appropriate guidance to help entities comply with our requirements. With that said, to the extent that entities violate FERC rules and regulations, I think we should be as clear as possible as to the potential repercussions of those violations.

This policy statement adds to that clarity, creating more certainty in industry as to how the Commission will enforce its rules and regulations. It is good for the public, industry, and the Commission, and I am pleased to support it. "