

# **News** from the **Oklahoma Corporation Commission**

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**March 23, 2004**

## **KEEPING THE LIGHTS ON**

*Corporation Commissioners approve new rules on electric reliability*

**OKLAHOMA CITY --** Citing changes to the marketplace and the role electrical service plays in both national security and economic development, the Oklahoma Corporation Commission today approved new rules aimed at bolstering the reliability of electrical service in Oklahoma.

**Chairman Denise Bode** said while the Commission's rule-making process began as a response to concerns and complaints Oklahomans have brought to the Commission, there is also a nationwide effort to beef up electric reliability rules.

"Last fall's huge blackout in the northeastern U.S. was partly caused by the neglect of basic maintenance programs and vegetation management around some power lines," said Bode. "The Federal Energy Regulatory Commission (FERC) has asked the utility regulatory agencies in all the states to make sure they have rules in place that would help prevent such things from happening again. The blackout was graphic proof that the nation's electric grid is only as strong as its weakest link."

**Bode** said the rules will help both utilities and customers.

"If utilities are doing a good job in the area of reliability and quality of service, their customers should know it. One of the key provisions of the rules is the establishment of a public scorecard that will rank each utility on key reliability factors, based on annual reports that will now be required of each utility."

**Vice Chairman Bob Anthony** said changes in the marketplace also prompted the rules.

"As power companies have merged across the nation, some have pulled money from basic maintenance programs and spent elsewhere, or simply put it to the bottom line," said Anthony. "While there is a necessary move to let the marketplace work more freely when it comes to utility services, we must safeguard against the weakening of our critical electric infrastructure, and never forget that the electric grid is merely a sum of all its parts. There is no doubt that some of these parts can and must be strengthened. At the same time, both our state and national economy need to be assured of a reliable power supply if there is to be continued growth."

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**Commissioner Jeff Cloud** praised the cooperative effort that marked the rule-making process.

"Commission staff and representatives of the Attorney General worked closely with utilities and independent power producers to come up with rules that make sense and will accomplish the task," said Cloud. "This isn't something that is being forced on the industry, but rather something that all agree is needed. Further, what was approved today can

**be called a ‘living document,’ subject to whatever revision is needed to be sure the overall objectives are met in a fair and equitable manner.”**

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