

**PART 40—MANDATORY RELIABILITY STANDARDS FOR THE BULK-POWER SYSTEM**

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- 40.1 Applicability.
- 40.2 Mandatory Reliability Standards.
- 40.3 Availability of Reliability Standards.

AUTHORITY: 16 U.S.C. 824o.

SOURCE: Order 693, 72 FR 16598, Apr. 4, 2007, unless otherwise noted.

**§40.1 Applicability.**

(a) This part applies to all users, owners and operators of the Bulk-Power System within the United States (other than Alaska or Hawaii), including, but not limited to, entities described in section 201(f) of the Federal Power Act.

(b) Each Reliability Standard made effective by §40.2 must identify the subset of users, owners and operators of the Bulk-Power System to which a particular Reliability Standard applies.

**§40.2 Mandatory Reliability Standards.**

(a) Each applicable user, owner or operator of the Bulk-Power System must comply with Commission-approved Reliability Standards developed by the Electric Reliability Organization.

(b) A proposed modification to a Reliability Standard proposed to become effective pursuant to §39.5 of this Chapter will not be effective until approved by the Commission.

**§40.3 Availability of Reliability Standards.**

The Electric Reliability Organization must post on its Web site the currently effective Reliability Standards as approved and enforceable by the Commission. The effective date of the Reliability Standards must be included in the posting.

**PART 41—ACCOUNTS, RECORDS, MEMORANDA AND DISPOSITION OF CONTESTED AUDIT FINDINGS AND PROPOSED REMEDIES**

DISPOSITION OF CONTESTED AUDIT FINDINGS AND PROPOSED REMEDIES

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AUTHORITY: 16 U.S.C. 791a–825r, 2601–2645; 42 U.S.C. 7101–7352.

SOURCE: Order 141, 12 FR 8500, Dec. 19, 1947, unless otherwise noted.

CROSS REFERENCE: For rules of practice and procedure, see part 385 of this chapter.

DISPOSITION OF CONTESTED AUDIT FINDINGS AND PROPOSED REMEDIES

**§41.1 Notice to audited person.**

(a) *Applicability.* This part applies to all audits conducted by the Commission or its staff under authority of the Federal Power Act except for Electric Reliability Organization audits conducted pursuant to the authority of part 39 of the Commission’s regulations.

(b) *Notice.* An audit conducted by the Commission’s staff under authority of the Federal Power Act may result in a notice of deficiency or audit report or similar document containing a finding or findings that the audited person has not complied with a requirement of the Commission with respect to, but not limited to, the following: A filed tariff or tariffs, contracts, data, records, accounts, books, communications or papers relevant to the audit of the audited person; matters under the Standards of Conduct or the Code of Conduct; and the activities or operations of the audited person. The notice of deficiency, audit report or similar document may also contain one or more proposed remedies that address findings of noncompliance. Where such findings, with or without proposed remedies, appear in a notice of deficiency, audit report or similar document, such document shall be provided to the audited person, and the finding or findings, and any proposed remedies,