

Overview of the U.S. Energy Regulatory System

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EARLY STATE REGULATION
OF OIL & GAS
PRODUCTION AND
PUBLIC UTILITIES
1880s-1930s

NATIONAL
ENVIRONMENTAL,
HEALTH & SAFETY
LAWS
1968-1980s

TRANSITION TO MARKET
PRICING AND COMPETITION
IN GAS & ELECTRICITY
MARKETS
1992-NOW

1900

1930s

NEW DEAL: NATIONAL
PUBLIC UTILITY
LEGISLATION

1960

2000

2010-NOW

2026

LOWER CARBON ELECTRICITY
SOURCES TAKE MARKET SHARE
FROM TRADITIONAL SOURCES

Licensing regimes for energy production

Primary sources

Coal

Oil

Natural Gas

Uranium

Energy transition minerals

Electricity

Hydro

Nuclear

Fossil fueled

Solar

Wind

Geothermal

REGULATION

FEDERAL



STATE



LOCAL

Economic regulation of energy delivery & sales

a/k/a “**public utility law**”

From vertically integrated monopolies to competition

From regulated rates to market rates

Wholesale sales vs. retail sales

Interstate vs. intrastate sales

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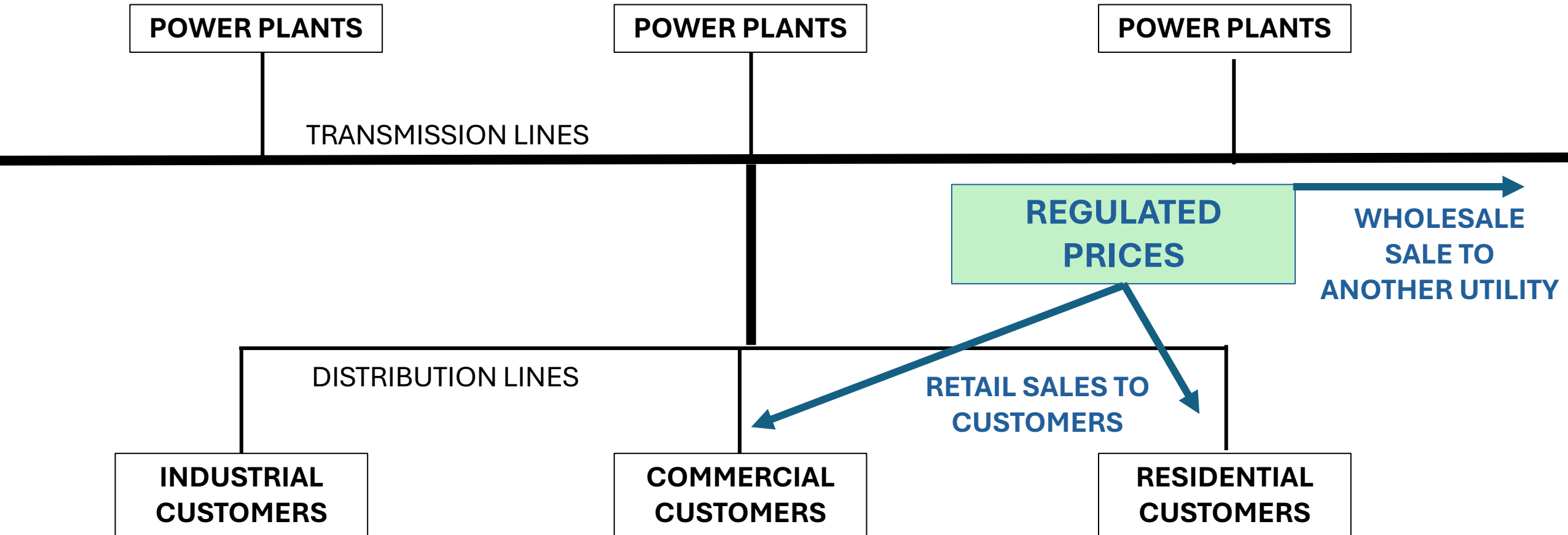
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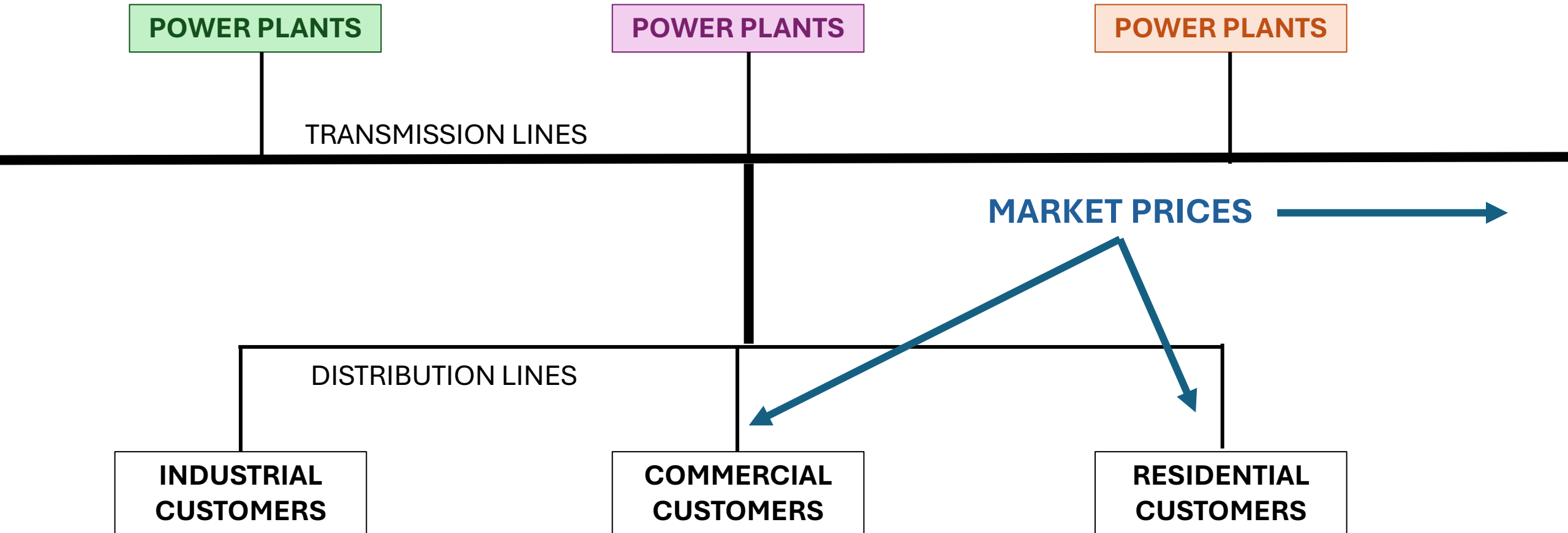
Wholesale sales vs. retail sales

Interstate vs. intrastate sales

Traditional Public Utility Law: Vertically Integrated Monopoly



Today: Competition & market pricing (wholesale everywhere, some states)



Licensing regimes for energy production

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Lead agencies
(energy)

vs.

Ancillary approvals
(env., health, safety)

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*Federal Lead Agency

Permitting & Veto Gates	TABLE 2.2, <i>Climate of Contempt</i> – lead agency shaded			
	Federal	State	Local	Ancillary Reviews
Nuclear Power Plants	Nuclear Reg. Comm'n			NEPA, CWA
Fossil fueled power plants		Public Utility Comm'n (PUC) or other siting agency	Municipalities (in some states)	CAA, CWA
Wind Farms – Onshore		PUC or other siting agency	Municipalities (in some states)	
Wind Farms – Offshore	Dep't of Interior	Various state agencies		NEPA, CZMA, ESA
Solar Farms		PUC or other siting agency	Municipalities (in some states)	ESA
Transmission Lines		PUC	Municipalities (in some states)	CWA
Oil & Gas Production Facilities -- onshore		Oil & Gas Comm'n	Municipalities (in some states)	CAA
Oil Pipelines		PUC, State Oil & Gas Comm'n, or legislature		CAA, CWA
Natural Gas Pipelines	Fed. Energy Reg. Comm'n			NEPA, CAA, CWA

Onshore Wind Farm

State PUC?

Local zoning & state
environmental laws

FAA approval

Clean Water Act wetlands permit

Coastal zone approvals?



NEPA review

CWA water quality certificate

Endangered species approvals

Natural Gas-Fired Power Plant

State PUC?

Clean Air Act permit



NEPA review

CWA water quality certificate

Endangered species approvals

Etc.

Onshore Wind Farm

**Natural Gas-Fired
Power Plant**

Siting Politics

NIMBY opposition

Partisan Polarization & Negative Partisanship

State preemption

