



# Trends in State Utility Regulation and Legislation

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# Polsinelli Overview

- Full-service firm with more than 170 services/industries
- 68+ attorneys nationwide
- 17 offices spanning the country from Los Angeles to New York
- 6 focus areas – Health Care, Financial Services, Real Estate, Science and Technology, Business Litigation and Energy

Polsinelli's attorneys offer national experience representing energy companies, producers, utilities, developers, lenders and investors in connection with the acquisition, development, construction, finance and operation of energy projects. Advising clients across a wide range of legal issues facing their businesses, we counsel energy organizations spanning from oil and gas production to the end use consumer, including pipelines, transmission entities, power plants and solar and bio-mass projects.

# State Commission/ State Legislature Interaction

- There has always been a certain amount of tension between State Utility Commissions and State Legislatures
- Recently, many of these tensions have come to a head, resulting in eminent changes to several State Commission structures

# Attempts/Threats to Change PUC Structures

- Attempts seen as a way to proscribe or control PUC decision making
- Governors complicit in attempts
- Attempts generally viewed in the PUC community as attempts to weaken PUC oversight

# Attempts/Threats to Change PUC Structures

- Tennessee
- Connecticut
- North Carolina
- Kentucky
- Illinois

# Case Study: Tennessee

- **BEFORE**

- 4 Directors
- Appointed by Speakers, Governor and Jointly
- Approved in “Open Session
- Full Time, Two staff each

- **AFTER**

- 5 Directors
- One Day a month, no support Staff

# Case Study: Connecticut

- **BEFORE**

- Independent agency
- 5 Commissioners, required minority party participation
- Energy and Environmental Policy separate

- **AFTER**

- Merged with dept. Of Envir. Protection
- Bureau under new Agency
- Three Directors
- Energy and Environmental policy out of same Dept.



# Case Study: North Carolina

- **BEFORE**

- 7 Commissioners
- Staggered 8 year terms

- **PROPOSED**

- 5 Commissioners
- 6 year terms
- All Current terms expire in 2015, staggered after

# Some States Buck the Trend

- New York
  - After Sandy, gave PSC more authority
    - Tougher Penalties
    - More authority to revunue planning and performance
    - More robust emergency planning
- Texas
  - Give PUC water rate regulation
  - Give “cease and desist” power to PUC to take action in the event of a threat to electric service or public safety

# Some utilities have also gone to their legislatures for:

- “Regulatory Relief” in the form of prescriptive statutes....

But that is another story!

# Questions?