

For Immediate Release

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NARUC
National Association of Regulatory
Utility Commissioners

Reliability Theme Resonated Across the NARUC Winter Policy Summit

Record Numbers of Regulators and Stakeholders in Attendance

WASHINGTON (March 5, 2024) — At last week’s National Association of Regulatory Utility Commissioners Policy Summit in Washington, D.C., February 25-28, utility regulators and stakeholders converged in record numbers to explore pressing issues surrounding energy and utilities.

The summit, led by NARUC President and North Dakota Commissioner Julie Fedorchak, featured several prominent names across the energy spectrum and attracted nearly 1,900 registered attendees, breaking a previous record of nearly 1,700. Understanding state, regional and federal energy perspectives; joining workshops; and participating in networking are several reasons why many people are drawn to the event. The NARUC Board of directors also passed a substantive resolution encouraging the Environmental Protection Agency to consider reliability and affordability in its forthcoming greenhouse gas emissions rules.

“The changes occurring in the electric industry are unprecedented,” said Fedorchak. “State regulators sit at the cross-section of all of them and play a fundamental role in ensuring reliability and affordability are maintained. This conference zeroed in on some of the greatest risks and challenges including federal rules and policies, wildfires and gas-electric coordination.”

Among those looking at how to ensure greater reliability for customers were Pacific Gas & Electric CEO Patricia Poppe and *Wall Street Journal* reporter and author Katherine Blunt, who wrote extensively about PG&E’s role in the California wildfires. Observing what most know to be true, Blunt said that it often takes a disaster to reveal “significant, devastating problems” and that “the grid is old everywhere — assets are nearing their useful lives.”

In taking over the company, Poppe made “operational and cultural changes” with a perspective of “leading with love” that, she says, has permeated throughout the organization. PG&E is “essentially, a human business” and Poppe’s desire is to “infuse a spirit of service” while keeping safety at the core.

Perhaps the most notable speaker among the keynote addresses was Senator Joe Manchin of West Virginia, who started his speech with his take on the harmful political divisiveness in the country. Not surprisingly, he said that “energy is what makes the country great” and that there is “an abundance of natural gas” available. He added that “energy moves the world” and dependable, reliable, affordable energy lifts us all.” To achieve dispatchable 24-7 reliability, he offered, can be achieved through innovation — not elimination — of fuel sources.

Manchin described Federal Energy Regulatory Commission Chairman Willie Phillips, who later had a fireside chat with Fedorchak, as likely being “the best chairman” the agency has had. Phillips, a former chair of the DC Public Service Commission, opened his remarks by saying that, “It’s good to be home.” He also said that being a state regulator was the “best training ground” for his current role as a federal regulator and pointed out fellow FERC Commissioner Mark Christie’s service as a Virginia state regulator.

As others remarked during the summit, Phillips mentioned reliability, affordability and sustainability as overarching priorities, as well as environmental justice. He is concerned with resource adequacy and said demand on the grid is growing due to data centers, artificial intelligence and quantum computing. Phillips and Fedorchak agreed that the increased collaboration between NARUC and FERC has been valuable; however, without going into detail, Phillips alluded to continuing FERC’s ongoing dialogues with the states, moving from transmission reform to possibly another topic and/or discussion framework.

EPA Assistant Administrator Joseph Goffman highlighted the need for the agency’s proposed new greenhouse gas and fossil fuels standards. Goffman did face questions and challenges from largely coal-producing states, such as West Virginia. He acknowledged the “bifurcation” of the EPA’s role and the role of states; specifically noting the states’ “prerogative to implement” the rule when it becomes final in the near future.

The Pathways to Decarbonization general session helped unpack the steps needed to achieve a net zero economy while serving customers affordably and reliably and the new technology investments needed to do so. The panel featured perspectives from the electric, gas and nuclear industries.

Writer and podcaster Robert Bryce gave a provocative speech in which he questioned the rapid pace of the U.S. clean energy transition, which he said is ahead of the rest of the world, is going to be too costly especially for the most vulnerable communities and will not solve the climate problem because countries like China and India are increasing fossil fuel use. The conversation is consistent with Fedorchak’s theme of *State Regulators Leading the Way*, which encourages consideration of difficult subjects through meetings, workshops and the organization’s **Power Readers** book club.

NARUC has increased its focus on greater reliability between electricity and natural gas and convened a panel on reliability through a natural gas perspective. Panelists voiced the need to manage pipelines differently, along with a need for greater communication, congruence and coordination between gas and electric systems. Important takeaways included the need for more underground storage, as infrastructure expansion has not kept pace with production growth; understanding lessons learned from storms like Uri and Elliott; and continuous improvement for gas to be a reliable fuel source.

The final general session was related to the recent announcement of the new NARUC and Department of Energy cybersecurity baselines. Puesh Kumar, director of DOE’s Office of Cybersecurity, Energy Security and Emergency Responses, began by reminding attendees of the “increasing cyber threats from nation-states.” The new baselines provide more consistency, avoid a “patchwork” set of expectations and help keep up with new technologies entering and threatening the grid.

He also praised the work between CESER and NARUC to produce a set of industry-government-state consensus-driven baselines. The moderator, North Dakota Commissioner

Sheri Haugen-Hoffart, challenged her state colleagues with the question, “What are you going to do with the baselines?”

New Resolutions

Along with the committee meetings, general sessions and workshops, the NARUC board of directors passed a set of new resolutions focused on the electricity and telecommunications sectors. The needs-based transmission permitting authority resolution (sponsored by the Committee on Electricity) supports the primary role of states in siting, permitting and the exercise of eminent domain for transmission and will file amicus briefs in a related case demonstrating NARUC’s advocacy as a supporter of states’ rights.

The other electricity-related resolution on the EPA’s regulation of greenhouse gas emissions from new and existing power plants (sponsored by the Committee on Electricity), urges the agency to “recognize the primacy of states” and rely on input from state utility and environmental regulators in developing carbon emission guidelines.

The Committee on Telecommunications resolution encourages the Federal Communications Commission to stop robocalling and improve efficiency through updated guidance to help states deal with cases of telephone number mismanagement using the Commission’s audit process.

All of the substantive resolutions are available online at bit.ly/Winter24Resolutions.

“The range of topics, speakers, sponsors, sessions and workshops that we provided at this year’s Winter Policy Summit represented a Herculean effort worth the time and expense of everyone involved,” said NARUC Executive Director Greg White. “We continue to serve our constituency with meaningful, thought-provoking content and educational resources for our members and their commission staff, as well for the broader regulatory community.”

Mary Kilmarx Award

The NARUC Committee on Energy and the Environment presented its annual Mary Kilmarx Award, recognizing individuals who have gone above and beyond in the name of good governance, clean energy and the environment. Mary Kilmarx, who passed away in 2002, had been a commissioner and long-time staff member of the Rhode Island Public Utilities Commission and was a three-term representative in the Rhode Island legislature.

The 2023 recipient, honored at this year’s Winter Policy Summit, is Rhode Island Commissioner Abigail Anthony. According to comments in her nomination letter, “Her focus on performance-based ratemaking and on keeping track of carbon emission reduction credits have been particularly forward-thinking and insightful. She has worked tirelessly to engage the Committee at both in-person NARUC events and during regularly scheduled Committee meetings in a way that has given both experienced and new Commissioners reason to participate.”

Learn more about the award and previous winners at <https://www.naruc.org/committees/mary-kilmarx-award/>.

The next summit will be held in West Palm Beach, Fla., in July. An agenda and more information will be available on NARUC’s website, www.naruc.org.

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About NARUC

NARUC is a non-profit organization founded in 1889 whose members include the governmental agencies that are engaged in the regulation of utilities and carriers in the fifty states, the District of Columbia, Puerto Rico and the Virgin Islands. NARUC's member agencies regulate telecommunications, energy, and water utilities. NARUC represents the interests of state public utility commissions before the three branches of the federal government.