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Regulation and Electric Utility Industry Monopoly Status Focus of NRRI Paper

WASHINGTON (June 24, 2022) — The National Regulatory Research Institute has released a new *Insights* paper on the growing importance of public utility commission oversight of anti-competitive behavior by electric distribution utilities as they transform from simple providers of homogeneous distribution services to integrators and gatekeepers of new service opportunities.

“Regulation and the Monopoly Status of the Electric Distribution Utility” examines this transformation and the growing role of state public utility commissions in determining what economic functions are provided by franchised monopoly companies or by competitive markets.

Authored by NRRI Director Carl Pechman, PhD, the paper navigates the reader through the relationship between price and regulated monopolies, the investor-owned business model, the structure of traditional electric systems to the concept of independent generation, the evolving role of the distribution utility and the challenges that lie ahead as the market continues to transform.

“This paper effectively summarizes and explains continuing technological changes in the electric utility industry, as well as how such changes continue to challenge state PUCs to adapt their regulation of distribution utilities accordingly,” said Charles Zielinski, former chairman of the New York Public Service Commission. “Because the new technologies may compete with, but also rely upon traditional distribution utility functions, principles of antitrust law cannot be ignored by state regulators. The risks and issues raised in this paper are well worth serious PUC attention.”

The paper is available online at <https://bit.ly/3nahkTZ>.

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About NRRI

The National Regulatory Research Institute (NRRI) was founded in 1976 by the National Association of Regulatory Utility Commissioners (NARUC). NRRI serves as a research arm to NARUC and its members, the utility regulatory commissions of the fifty states and the District of Columbia in the United States. NRRI's primary mission is to produce and disseminate relevant and applicable research for NARUC members.