The Absence of a National Energy Policy

By Mary Branham [1]
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By Kansas Rep. Tom Sloan

The general consensus is that federal and state regulators should not be designing national energy policies absent direction from Congress and state legislatures. Public opinion generally supports lower emission levels for generation units, increased support for energy conservation/efficiency, and no increase in electric rates.

The apparent renaissance of natural gas production and nuclear generation—and the absence of a cost-effective clean coal technology—presage at least a short-term continuation of transitioning away from coal-fired generation. Here are some examples of a general reluctance for government to continue investment in the electricity energy sector:

- Resistance to new transmission lines;
- Reduced budgets for Department of Energy-funded research and demonstration projects, combined with the end of Recovery Act-funded projects;
- Difficulties transitioning research/demonstration projects to the field; and
- Reluctance to extend production tax credits for renewable generation.

Many electric industry leaders, media representatives and public officials decry the failure to develop a national energy policy outside EPA regulations. Others recognize the state policy development “laboratories” as precursors of what might be possible on a national level.

The Interstate Electric Transmission Line Siting Compact, spearheaded by The Council of State Governments, and the Missouri Public Utility Commission’s energy efficiency investment recovery/earnings decision are two examples of such leadership. Similarly, state regulators and legislators are encouraging utility investments in VoltVar and other technologies that improve system efficiencies, reduce operating expenses and provide measurable benefits to consumers.

So, what is the problem?

As a veteran policymaker, I note that achieving consensus on any major issue at the state and federal level is extremely difficult. For example, just within my legislative constituents I have supporters of coal-fired generation (the U.S. has 300 years of fuel supply), natural gas-fired generation (we have 200 years of fuel supply), renewable energy generation (fuel costs are zero as are emission levels), nuclear power (most reliable base-load generation), microgrids (especially within the more affluent parts of the community), and build nothing (non-wires solutions). My district is a microcosm of the
entire state and nation regarding the above perspectives. That list does not address the differences of perspective among and between investor-owned, municipal and cooperative utilities; industrial, commercial and residential customer classes; regional energy resources; or environmental, consumer and other advocacy groups.

Is there a path forward?

The spirit of compromise on which this nation was built has been under attack for the past decade or more. Tax reform, energy and immigration, to name just three policy areas, have been resistant to compromise because of the complexity, numerous impacted parties, availability of social and public media venues to politicize aspects of any proposal, and the general absence of a clear leader or leadership team respected by all. When such coalitions have formed, instead of parties endorsing those aspects of any plan with which they agree and suggesting areas of additional refinement, they tend to attack the components that adversely impact a constituency’s interests and ignore the rest.

I believe there is an avenue forward on energy policies, if sufficient will exists to pursue it. As noted, states have been laboratories of change. Public sentiment in support of lower emissions and greater grid efficiencies exist across the country. A select group of electric industry, state regulatory and legislative officials, consumer and environmental advocates and other appropriate stakeholders could be appointed and conduct their business in the same manner as the Congressionally mandated Military Base Closure and Realignment Commission.

A comprehensive package should:

- Support deployment of new technologies--such as VoltVar and energy storage--to address grid reliability, efficiency and resilience;
- Promote state-based “best practices” to balance regulatory oversight and available technologies with Department of Energy, Electric Power Research Institute and private sector-sponsored research results transitioning to widespread deployment; and
- Address electricity affordability and reliability implications of policies, generation fuel selections and technologies to consumers.

Creation of such a Congressionally mandated Responsible Energy Policy Commission would take courage by all parties. As we have seen all too often, it is much easier to kill an idea or legislative proposal than to rationally discuss it for the purpose of establishing broad reaching policy consensus. Compromise, long-term perspective and collaboration are not evil concepts.

As an old Chinese proverb states, “It is better to light a candle, than to curse the darkness.” It just may not be politically acceptable.

Rep. Tom Sloan represents Kansas’s 45th House district. If you would like to submit a piece for “A Policymaker’s Perspective,” email CSG Managing Editor Mary Branham [3].

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