



# **Federal Energy Regulatory Commission**

## **An Overview**

### **Mission**

1. Ensure that rates, terms and conditions are just, reasonable and not unduly discriminatory or preferential.
2. Promote the development of safe, reliable and efficient energy infrastructure that serves the public interest.

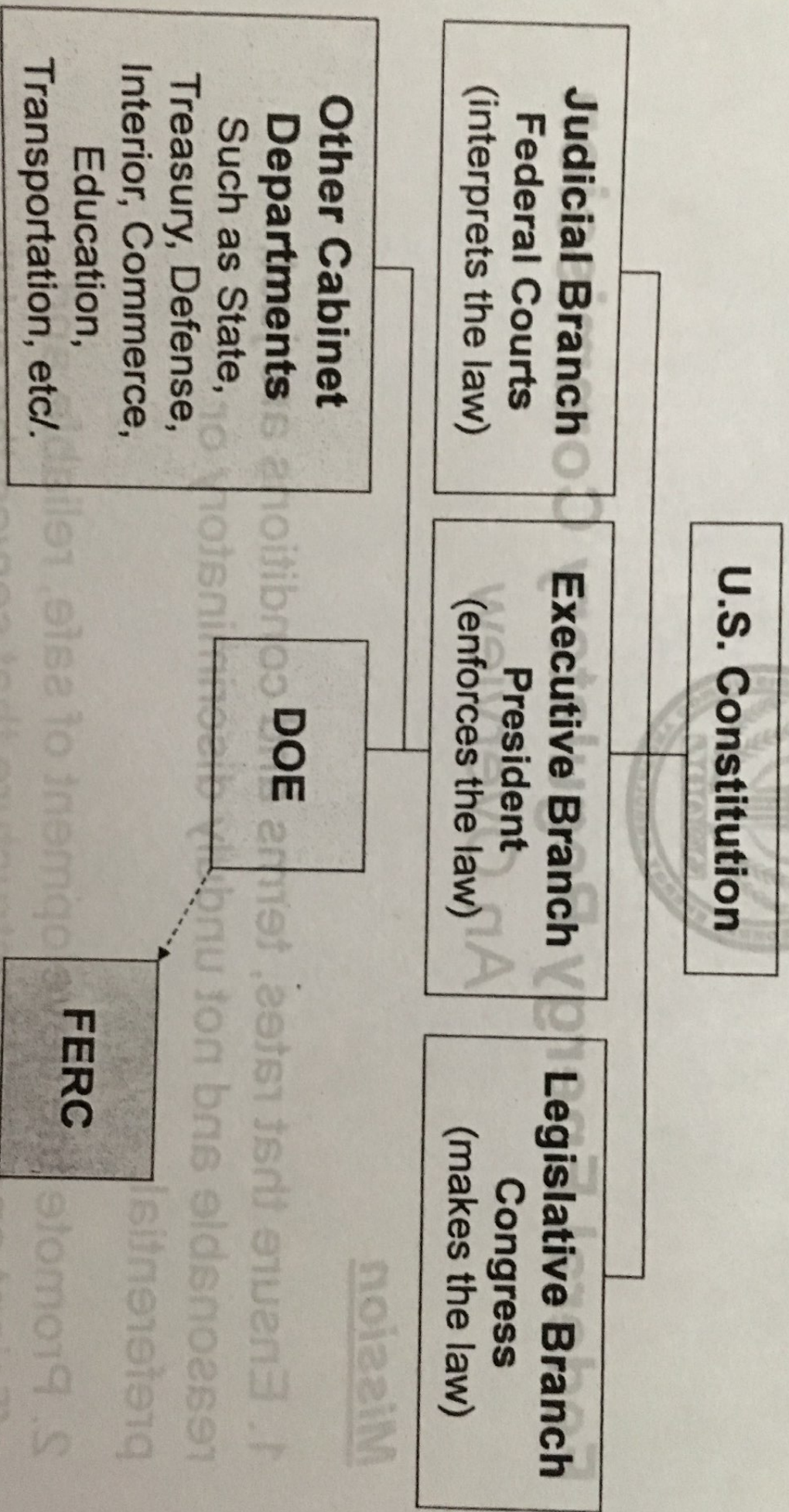


# What is FERC?

- FERC is an Independent Government Regulatory Agency in the Executive Branch of the U.S. Government
- Created by Department of Energy Organization Act (1977)
- Predecessor: Federal Power Commission



# FERC and the Department of Energy (DOE)

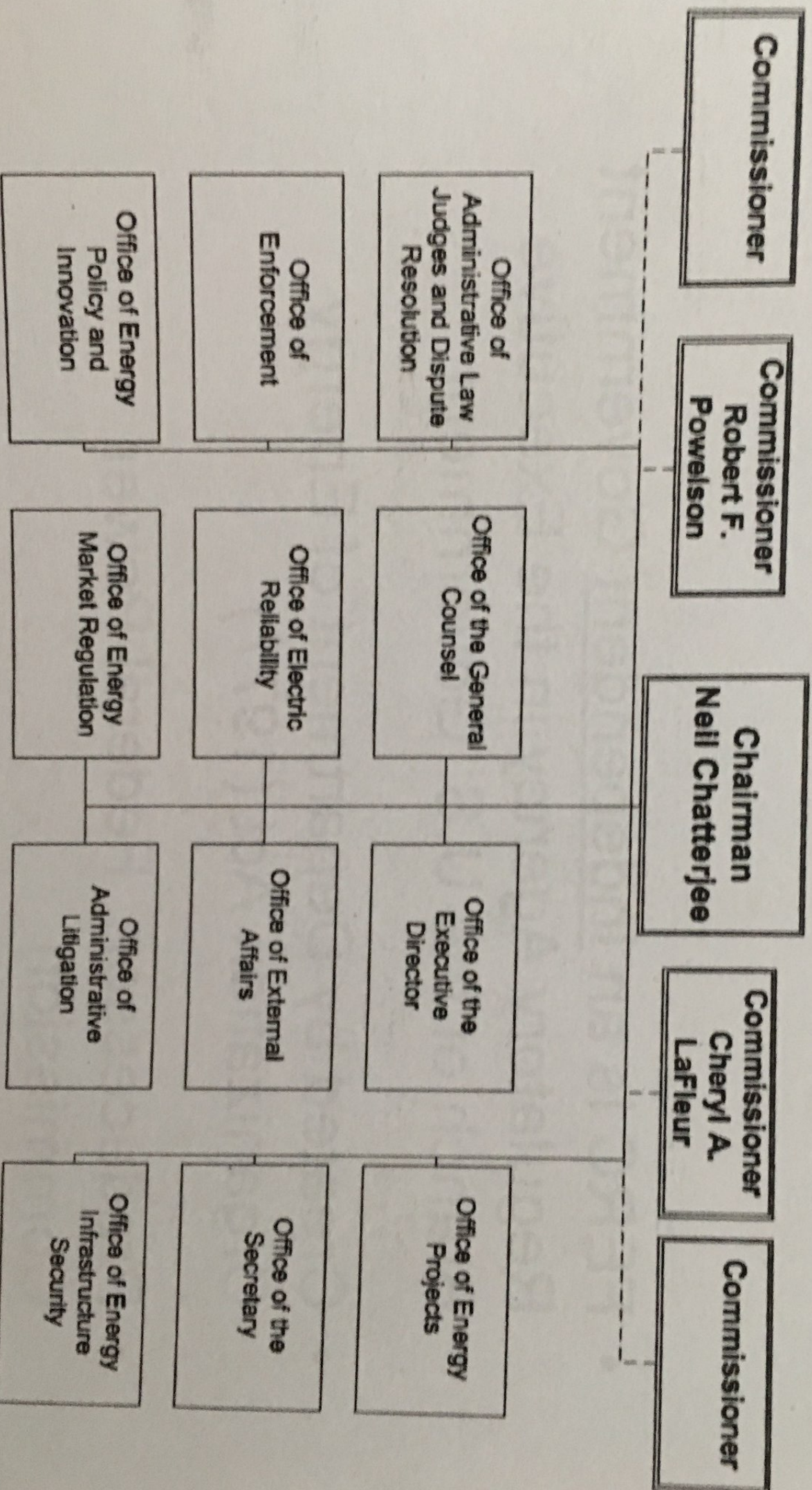


NOTE: DOE DOES NOT REVIEW OR APPROVE FERC ORDERS





# Federal Energy Regulatory Commission





# How is FERC Organized?

- There are 5 commissioners
  - Nominated by the President, confirmed by the Senate
  - President designates Chairman
  - Each commissioner has a 5-year fixed term, with one term expiring each year
- The Chairman sets the monthly Commission agenda
  - Orders voted out by majority rule



# The Commissioners

**Neil Chatterjee**  
**Chairman**

Republican (6/30/2021)

**Cheryl A. LaFleur**

Democrat (6/30/2019)

**Robert F. Powelson**

Republican (6/30/2020)

**Vacant**

(6/30/2022)

**Vacant**

(6/30/2023)



- FY 2017 Appropriation of \$346.8 million
  - Funds collected primarily through annual charges and filing fees
  - Submitted to President and Congress, publicly available
- 1,499 Full-time equivalents
  - Chairman/Commissioners: 32
  - Administrative (OED, OEA, OSEC): 178
  - Legal (OGC, OAL, OALJDR): 319
  - Energy Projects: 350
  - Enforcement: 201
  - Electric Reliability: 98
  - Market regulation: 237
  - Energy Policy and Innovation: 63
  - Infrastructure Security: 21



# Offices

*Office of Administrative Law Judges*

*Office of Administrative Litigation*

*Office of Electric Reliability*

*Office of Energy Infrastructure Security*

*Office of Energy Market Regulation*

*Office of Energy Policy and Innovation*

*Office of Energy Projects*

*Office of Enforcement*

*Office of External Affairs*

*Office of General Counsel*

*Office of the Secretary*



# What Does FERC Regulate?

## Electric Power Industry

- Interstate transmission rates and services
- Wholesale energy rates and services
- Corporate transactions, mergers, securities issued by public utilities
- Mandatory electric reliability standards

## Natural Gas Industry

- Interstate transportation rates and services
- Interstate gas pipeline construction and oversee related environmental matters



# What Does FERC Regulate? (con't)

- *Hydroelectric Industry*
  - Licensing of nonfederal hydroelectric projects
  - Oversee related environmental matters
  - Inspect nonfederal hydropower projects for safety issues
- *Oil Pipeline Industry*
  - Interstate transportation rates and services of crude oil and petroleum products



# What FERC Does Not Regulate

- Plan or finance investments
- Regulate pollution produced by electric generators (*Environmental Protection Agency*)
- Regulate safety standards of nuclear generation (*Nuclear Regulatory Commission*)
- Regulate pipeline safety (*Department of Transportation*)



# Federal versus State Regulation

## • **FEDERAL**

### **FERC**

- Wholesale (sales for resale) transactions
- Rates, terms and conditions of interstate transmission service
- Backstop authority to order the construction of new transmission facilities in federal corridors

## • **STATE**

### **Public Utilities**

#### **Commissions**

- Retail (sales to end-user) transactions
- Rates, terms and conditions of local distribution and retail transmission services
- Certificates for construction of new electric generation and transmission facilities