

Reid wielded influence to nominate Binz to FERC chairmanship – FERC Commissioner Norris

Nominee for FERC chair should not lean on his political connections, Norris says

09/12/2013 by Carl Dombek

In an exclusive interview with *TransmissionHub*, FERC Commissioner John Norris confirmed speculation that Senate Majority Leader Harry Reid (D-Nev.) was **the driving force behind the nomination of Ron Binz** to be the next FERC chairman.

Binz, the former chair of the Colorado Public Utilities Commission (PUC), was nominated on June 27, to the surprise of those who understood that Norris would be tapped for the position.

"Reid's chief of staff informed me that Reid intervened with the White House to stop my appointment as chair because, as told to me by his chief of staff, I was 'too pro-coal," a charge Norris says came as a surprise and which he strongly denies.

Norris, who was President Barack Obama's first appointee to FERC on June 10, 2009, and who was reappointed on Sept. 12, 2012, is one of three Democrats on the five-member panel and is the Democrat second in seniority only to outgoing chairman Jon Wellinghoff.

Geographic diversity was cited as another reason Norris didn't get the nod.

"Reid insisted that the next chairman of FERC be from the West," he said, adding that the Senator was "willing to hold up another key [non-FERC] nomination ... to make sure that he was able to put forward his request for the next chairman of FERC."

The Senate majority leader was also the force behind Wellinghoff's nominations, first to FERC under President George W. Bush, and subsequently to the chairmanship under Obama, a relationship Norris said the current chairman was not shy about exploiting.

"It was always understood - and Jon made it understood at the commission - that he had a relationship with Harry Reid and could use that relationship for influenc[e]," he said. "Jon's power was in his ideas. He didn't need [to do] that; [it] strained relationships under his leadership."

Norris said he cautioned Binz not to follow the same path. He and his fellow FERC commissioners met with him in July after Binz reached out, seeking advice.

"Don't use your relationship with [Sen.] Harry Reid to pressure commissioners; lead with the power of your ideas," Norris said he told Binz. "Share with us your vision and, if it's appropriate, we'll follow."

Norris said there are several areas where Binz will be able to bring his leadership to bear.

"There are some <u>pending ROE issues</u> that the commission needs to deal with right away … to provide some stability to transmission investment," he said.

Other issues will include finding ways to support new, emerging technologies without doing so at the expense of existing technologies.

"How do we make sure our policies are neutral but also [encourage] development of new technologies that will enable us to move away from a fossil fuel environment in the most efficient way possible?" he asked, noting that it is an area that demands attention. "The utility business and investment community is mindful of the fact that we will likely have some sort of carbon constraint at some point, so it's affecting investment."

Although disappointed at not being tapped for the chair, Norris was complimentary of the man who may soon be his colleague.

"Ron's a smart guy," he said. "He has great vision and a tremendous understanding of policy in the energy space, and will be a good chair."

When - and to some extent, if - Binz takes over as chair remains to be seen. He must still face confirmation by the Senate Committee on Energy and Natural Resources, where Democrats hold only a two-vote majority. One Democrat, Sen. Joe Manchin (D-W.Va.), has already said publicly that he has "serious problems" with Binz' nomination. A tie vote would block the nomination.

The hearing has been scheduled for Sept. 17.

If endorsed by the committee, Binz must then be confirmed by the full Senate, and there is no set timeline for Senate action.

Norris' own history serves as an example of how lengthy the process can be. Although nominated on June 10, 2009, his confirmation hearing before the Energy committee concluded on Oct. 8. The full Senate did not confirm his nomination until Dec. 24.

With regard to not being given the opportunity to lead the commission, Norris was philosophical.

"[Reid is] entitled to his opinion as Senate majority leader," Norris said. "He exercised it, exercised his power, and I get that. It's politics."

One aspect of the process, though, did rub him the wrong way.

"After all this has transpired, the most troubling for me still is that Harry Reid would represent me to the White House as being pro-coal," Norris said. "I've asked for an apology but I have yet to hear a response."

Norris spoke with TransmissionHub about a range of issues following his presentation to the annual meeting of the Northwest & Intermountain Power Producers Coalition (NIPPC) in Union, Wash., Sept. 10. Other topics included the West and the need-for-power-markets-in-the-West and the <a href="mailto:need-for-power-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-in-the-west-markets-mar

ABOUT THE AUTHOR

Carl Dombek

Carl Dombek, senior editor for TransmissionHub, is an award-winning journalist with nearly two decades of experience as a broadcast journalist on radio and TV, and as a writer for newspapers, magazines, and the Web.

Prior to joining TransmissionHub, Carl spent five years in the U.S. power industry, including positions at the North American Electric Reliability Corporation and the Midwest ISO.

Contact Carl Dombek at CarlD@PennWell.com.

For information on how to subscribe to <u>TransmissionHub</u> call 1.800.823.6277 or follow the link. © 2013 PennWell Corporation. All rights reserved.