California Governor Jerry Brown's appointment of Mike Florio, a well-known, life-long consumer advocate, to a seat on the California Public Utilities Commission raises an interesting question for those who view the world primarily through green-colored glasses. What does a consumer advocate have to offer toward the advancement of an environmental agenda - at least in the energy utility world?

There was a time when consumer and environmental priorities seemed to have little in common. Take Mike Florio's organization, TURN, for instance. Its founder Sylvia Siegel was a strident opponent of any "extraneous" utility expenditure - whether it was for corporate offices, or energy efficiency programs. As the organization grew, however, TURN realized that it had something important to say about energy efficiency programs and renewable energy development, other than "no". Recognizing that such programs would be important parts of the regulatory agenda, TURN focused its efforts on making sure that the programs were as effective and cost-efficient as possible. This ought to be a good thing for environmental policy, since funds are limited, and ineffective programs can tend to lose support. Consumer advocates should also be strong proponents of "least cost" resource planning, under which cost-effective energy efficiency gains should always be the top priority. In addition, as consistent participants in regulatory proceedings, consumer intervenors become knowledgeable observers of programs and policies but don't have a direct stake in the market. That usually means that their experts can have access to commercially-sensitive information, which enhances their ability to provide meaningful oversight of the regulatory process.

There is also no reason to think that an enlightened consumer advocate will be onedimensional. To the contrary, anyone who studies energy regulation from a critical perspective ought to be attuned to ineffectual environmental stewardship and have the skill set necessary to do something about it. A case in point is Jon Wellinghoff - the current Chair of the Federal Energy Regulatory Commission. He spent two terms as Nevada's first Consumer Advocate for Customer of Public Utilities. Later, he was the primary author of Nevada's Renewable Portfolio Standard. As FERC Chair, he has sought ways to promote renewable energy development through such things as creative transmission pricing strategies and an innovative rationale for allowing states to set favorable rates for the purchase of power from smaller renewable generation facilities.

When it comes to effective environmental regulation, a deep base of knowledge, a strong skill set, and a healthy skepticism trump everything else. That's why the appointment of Mike Florio (as well <u>Catherine Sandoval</u> who also has a reputation as a consumer advocate) could be good news for the environment.

Good for Consumers, Good for the Planet? \mid 2