



FERC Podcast Transcript

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McNamee: Markets and Metallica

Mary O’Driscoll: Welcome to Open Access. I’m Mary O’Driscoll. Today our guest is Commissioner Bernard McNamee, who joined the Commission in December 2018. He previously served at the Department of Energy and was a lawyer in private practice. Welcome to the podcast, Commissioner.

Commissioner McNamee: Thanks, Mary. It’s great to be here.

Mary O’Driscoll: OK, well you’ve been here at FERC for about 10 months now. So, what would you say is your favorite part of the job of being Commissioner?

Commissioner McNamee: There are so many aspects of this job that I really enjoy. I love the complex issues that I get to work on, really digging into the issues. It’s been great to work with so many of the wonderful staff here at FERC. One of the things I enjoy the most is the opportunity to meet with the people from the community, and to learn from them. It’s just amazing how many smart, interesting people there are out there that really can provide their information to help us make better decisions.

Mary O’Driscoll: What are you most proud of having accomplished at the Commission since you arrived?

Commissioner McNamee: Well, there’s really, I think, three things come to mind. First, LNG exports. You know, after two years in which no new LNG export facilities were approved by the Commission, in seven months, we’ve been able to approve seven export facilities. I think this is a great accomplishment. Not only will we unleash tens of billions of dollars in direct investment, create thousands of jobs, provide hundreds of full-time jobs for workers, it’s also providing options for our friends and allies around the world. But something that I think is really important about this, it also demonstrates as a Commission that we can come together and get things done. When we focus on the law, and the facts, we can find common ground, and we can come to a resolution and move America’s energy policy forward.

Mary O’Driscoll: OK.

Commissioner McNamee: But there’s also more. You know, the Commission issued an order on energy storage, Order 841, and I wasn’t here at the Commission at the time, but there was a

rehearing, and I was able to come in on that, and I provided a concurrence, a partial concurrence and dissent. This dealt with energy storage issues, which I think are very important to the country. And they will provide an opportunity for us to be able to use renewable resources better, to store that energy and use it when it's needed. But as a Commission, we are limited in our authority. And in my opinion, the Commission exceeded its authority by trying to reach into the distribution system that's really regulated by the states. So I issued a concurrence and a dissent basically saying that, though I support energy storage on the transmission system and the wholesale markets, I don't think that the Commission should use its authority to reach into the distribution system.

Another thing that I was proud of, is what we've been able to do in proposing reforms for PURPA. As you know, back in the September 2019 open meeting in the Commission, we proposed a NOPR, a Notice of Proposed Rulemaking, to possibly change our regulations dealing with PURPA. And, you know, I'm hopeful that with these regulations we're going to be able to continue to encourage renewable resources to continue to be developed, but also protecting customers to make sure they get the benefits of low-cost and efficient resources.

Mary O'Driscoll: What do you see as the future of energy and what is FERC's role in that?

Commissioner McNamee: I think the United States as a whole has a bright energy future. I think that especially with American ingenuity, if you think about the fact that we used to be in an energy crisis, when we were energy dependent around the world, we now are entering a world in which we are energy independent, and that's because of the ingenuity of Americans like Texan George Mitchell, who combined hydraulic fracturing with directional drilling. We've had this shale revolution and, you know, this has changed the way America has been able to consume energy, export energy. And you know FERC's played a role in this. You know, we are the entity that approves applications for natural gas infrastructure, whether it's pipelines or LNG export facilities. We also deal with the competition and oversight of the electric markets. And we're making sure that rates are just, reasonable and not unduly discriminatory.

So, you know, I see our future, both America's and FERC's, as helping facilitate the functioning of the private sector, develop energy infrastructure, and providing the basis for energy markets to function properly for the benefit of consumers and businesses.

Mary O'Driscoll: OK. Well, how do you see that changing going forward?

Commissioner McNamee: Well, I think that the United States in 2020 is predicted, according to the Energy Information Administration, for the first time in 70 years to be a net exporter of energy. I think that's pretty remarkable. And, you know, one of the things that has happened, as we talked about just a few moments ago, is the transformation of natural gas. It used to be you couldn't use natural gas for electric generation. In fact, Congress had prohibited it back in the '70s. But now we're seeing that it's being used for electric generation, and that's changed a lot of the ways that

markets are operating. It's also provided a variety of environmental benefits, such as a reduction in carbon emissions.

But you know, the issues are broader than that. There's so much change going on. There's the growth of renewable resources that are changing our energy mix. There's the opportunities for battery storage that's going to change things. We're just looking at a whole lot of technological innovation. And it's really neat to be here at FERC to be able to be part of that, and to help make sure we provide markets that function properly, that don't pick winners and losers, and basically establish a level playing field so we can see all of our energy markets, whether they're the natural gas markets, whether it's the oil markets, or whether it's the electric markets, function properly and for the benefit of the American people.

Mary O'Driscoll: Do you see any challenges to how those markets operate? And I guess maybe I'm thinking more in the electric market front.

Commissioner McNamee: Well, I think there are some legitimate concerns and frustrations about the details of the electric markets. You know, there is a debate about the role of different resources, capacity markets, price formation, environmental goals, state energy policy goals, federal policy goals, market manipulation – and of course the overarching goal, which is ensuring that the system is reliable.

You know, these are all extremely complex issues. And there's people that have very important views that we need to hear and pay attention to, on every side of the issue. Because it's important that we make these reasoned decisions and that we balance the interests that so many different people have – insights about what's best, what is our authority, what is our legal authority, what's the best policy. That's the thing I kind of enjoy most about this job. It's being able to take all these things and try and listen, pay attention, and try and make reasoned decisions about what it is we should do under our authorities.

Mary O'Driscoll: OK, well now comes the fun part: A little-known fact about you is that you're a fan of heavy metal, and love Metallica. I really have to admit, I did not see that one coming. So, how did you get interested in heavy metal and Metallica?

Commissioner McNamee: Well, I just like the music. I like the speed, the complexity, the intensity. I just enjoy it, and, you know, I like banging my head every once in awhile.

Mary O'Driscoll: So, do you have time for a little quiz about Metallica, to just kind of see how much of a fan you really are?

Commissioner McNamee: OK.

Mary O’Driscoll: All right. So: What’s your, first, what is your favorite Metallica track?

Commissioner McNamee: Hard to say. I love them all. But probably the top ones are *Battery*, *Master of Puppets*, *Fight Fire with Fire*, *For Whom the Bell Tolls* – and of course, *Fuel*, because, you know, I am an energy lawyer and I am at FERC.

Mary O’Driscoll: I guess I didn’t see that one coming either. OK. What’s your favorite Metallica album?

Commissioner McNamee: Definitely, *Master of Puppets*. But I really, really like *Hardwired ... to Self-Destruct*, which is their most recent album.

Mary O’Driscoll: How many Metallica concerts have you been to?

Commissioner McNamee: Unfortunately, just one. But I have watched a bunch of concert videos online.

Mary O’Driscoll: Are you going to try to go see one of them, any of their upcoming ones?

Commissioner McNamee: Well, I don’t think they’re going to be coming around Washington, D.C., anytime soon. But they do have a concert film coming out in theaters soon, so I’m hoping to go see that.

Mary O’Driscoll: OK. Finally, when did Metallica make it into the Rock Hall of Fame?

Commissioner McNamee: I think it’s 2009.

Mary O’Driscoll: That’s right. Well thank you so much for joining us, Commissioner McNamee.

Commissioner McNamee: Thank you.

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