Another U.S. Regulator Joining Utility Revives Watchdog Concerns

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The list of people leaving the nation’s chief energy regulator to take jobs with the industry it oversees keeps growing, raising concerns about the agency’s ties to companies.

Larry Gasteiger, chief of staff at the Federal Energy Regulatory Commission -- which decides on everything from utility mergers to multibillion-dollar natural gas pipeline projects -- is joining Public Service Enterprise Group Inc. as its chief of federal regulatory policy, the Newark, New Jersey-based power and gas utility owner said Thursday.

Gasteiger’s move follows that of ex-commissioner Philip Moeller in February to the Edison Electric Institute, a trade group that lobbies for investor-owned utilities. More recently, David Applebaum joined the energy team at Akin Gump Strauss Hauer & Feld LLP in July after six years at the commission where he ended up as director of investigations.

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“There’s been a very common revolving door between top FERC staff and commissioners with the industry the commission regulates,” Tyson Slocum, a director of energy at consumer advocacy group Public Citizen, said by phone Thursday. “Larry’s move is not unprecedented. It’s part of a larger revolving-door problem.”

20 Years

Gasteiger, who joined the commission in 1997, served as deputy associate general counsel, a director of the office of enforcement, and most recently as Chairman Norman Bay’s chief of staff.

“Larry’s career at FERC spanned close to 20 years and in total, he has 27 years working in federal service -- a tenure that hardly constitutes a revolving door,” Katherine Vossen, a spokeswoman for PSEG, said by e-mail.
A spokeswoman for the commission declined to comment in an e-mail. Gasteiger couldn’t immediately be reached for comment.

Others at the commission have also found employment in the private sector. Jon Wellinghoff, who was chairman from 2009 to 2013, was hired as chief policy officer of SolarCity Corp., the biggest U.S. rooftop installer, in April. And Pat Wood, who served as chairman from 2001 to 2005, is currently chairman of the board of Houston-based power generator Dynegy Inc.

New Chief

Prior to joining the commission, Gasteiger was an attorney at the Commodity Futures Trading Commission. Jamie Simler, director of the agency’s office of energy market regulation, has been tapped to become the chairman’s next chief of staff, Bay told a public meeting in Washington on Thursday.

The commission is an independent agency within the Energy Department responsible for regulating pipelines, liquefied natural gas terminals, hydroelectric dams and wholesale power markets. It also reviews mergers and acquisitions and corporate transactions by electricity companies.