

## People's Hearing on FERC Abuses

### Testimony of Karen Feridun, Berks Gas Truth

In 2014, the Federal Energy Regulatory Commission collected 88 ethics documents from employees who were either seeking employment with grid operators, law firms, and utilities they oversee or were invested in companies that are affected by the commission's work. Greenwire received the documents in response to a Freedom of Information Act request.

EE News reported on the findings of the FOIA request in 2015, noting that, "The documents show more than 40 instances last year when FERC employees entered into negotiations for jobs outside the agency. Those interested in hiring agency staff included Van Ness Feldman LLP, Dominion Resources Inc., Xcel Energy Inc., Crowell & Moring, General Electric Co., TransCanada Corp., Florida Power & Light Co., Steptoe & Johnson LLP, FirstEnergy Corp., and American Electric Power Company Inc.."

The documents are called notices of disqualification. Employees engaged in job hunts are among those who sign them in order to recuse themselves from participation in agency activities that "will directly and predictably affect the financial interests" of potential future employers. One FERC employee was in negotiation with eight different potential employers in 2014.

Other employees who signed the documents to disclose stock holdings listed investments in Bank of America Corp., Exelon Corp., PPL Corp, and Berkshire Hathaway Inc.. One waiver included in the documents warned an employee that any additional purchase of stock in JP Morgan Chase & Co. or any other prohibited company would require that employee to divest.

Others provided no reason for their recusals from participation in matters related to Chevron, in one case, and the Environmental Defense Fund, in another.

The close relationship of FERC and those they are supposed to be regulating is disturbing. As EE News pointed out, the commission could inspire some confidence from the public if the ethics documents were made public without going through a FOIA.

But it's also concerning that there is so much to disclose in the first place. The revolving door described by others testifying is only as concerning as it is because it's a door that spins between the regulator and the regulated. As one former FERC economist interviewed by EE News put it, "Someone fresh out of FERC is extra valuable because of their knowledge of the politics of the organization." At that point, recusals no longer apply and the public interest is no longer the employee's concern.