

Published: 07.20.2006

Arizona regulator heading for federal energy position

By Richard Ducote

ARIZONA DAILY STAR

Marc Spitzer was cleaning out his office at the Arizona Corporation Commission Wednesday and preparing to move his family to Washington, D.C.

On Monday in Phoenix, he will take the oath to become one of three new members of the five-member Federal Energy Regulatory Commission.

An attorney specializing in tax law, Republican Spitzer, 48, was elected to the ACC in 2000 after four terms in the state Senate. A Pennsylvania native, he came to Arizona in 1981. He talked briefly by telephone Wednesday about taking a federal post that could help shape the nation's energy future.

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Marc Spitzer

You've called being a member of the Arizona Corporation Commission the best job in state government. Why?

I didn't fully know how important the commission was at first. The commission appealed to me because it is judicial in nature and that is a good fit for my temperament. You apply facts and the law in each case.

The Arizona Corporation Commission has huge constitutional authority. It's the way our founding fathers set it up. They wanted a commission to be a check on utility influence in the Legislature.

What are you most proud of doing at the ACC?

Restoring the people's faith and confidence in the commission. It was once called the most dysfunctional state agency and rightly so. Members were fighting with each other publicly.

People in Washington still remember Irvin (ex-Commissioner Jim Irvin, who resigned in 2003 while under an impeachment probe). We worked hard to remove that taint.

Other memorable actions?

I was on the losing end of a close case in Tucson. (The failed \$3 billion leveraged buyout of UniSource Energy Corp., parent of Tucson Electric Power Co.) But reasonable people could vote either way. I don't think anybody can say the commission didn't do a proper job.

How did the FERC appointment come about?

I think I had some friends making contacts. I was interviewed for the first vacancy in 2005, but the president chose someone else. Then I got a phone call suddenly while in mid-campaign for re-election to the commission.

What challenges does FERC face?

We need to build power plants and transmission lines. Nobody wants those things in their back yard, but everybody wants electricity and they want more of it.

There is a proposal to bring clean, cheap energy to New York City from Niagara Falls. It's a no-brainer, but there is opposition to the transmission line. New York City is on the cusp of blackouts as we speak.

What can FERC do to prevent energy shortages?

The Energy Policy Act of 2005 gives the agency authority to site transmission lines, site LNG (liquefied natural gas) terminals and set reliability standards for utility companies. The 2003 blackout in the Northeast was triggered by one Ohio utility not trimming trees.

What issues do you want to focus on?

Our first job is to ensure the reliability of the electricity grid. We can't have transmission bottlenecks.

And I want to start working on natural gas. We saw dramatic increases in gas costs here in Arizona. I want to see more natural gas supply and we need to work on our aging pipelines for natural gas and gasoline.

What do you bring to the job?

I tried to be a consensus-builder here and I look forward to working toward the same goal at FERC working with Democrats and Republicans, the agency staff and consumer groups and various interests, including Wall Street. After all, you can't build power plants and transmission lines if people aren't willing to invest in them.

And you know of my strong interest in renewables. That offers good balance to peak demand and energy efficiency.

What's the key to success?

Everything in government is about balancing competing interests and balancing benefits against costs. You try to figure out the issues and draw the lines properly.

What's the best advice you ever got?

One of my law mentors, Jim Powers, a Democrat, came to me when I was first elected to the state Senate. He told me to "just do the right thing." I've always tried to do that and if you do, the politics takes care of itself.

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