



## Fresh Perspectives on the Future of U.S. Energy Policy: Insights from RFF Board Member Vicky A. Bailey

**R**esources recently interviewed Vicky A. Bailey, who joined the RFF Board last year, about the ongoing evolution of U.S. energy policy. Now a partner at Johnston and Associates, a strategic legislative and public affairs consulting firm, Bailey was a primary adviser to Energy Secretary Spencer Abraham and senior DOE management on domestic and international energy policy during President Bush's first term. Previously, she was the president of PSI Energy Inc., Indiana's largest electricity supplier, which is part of Cinergy Corp. Before that, she was nominated by President Clinton to the Federal Energy Regulatory Commission and served two terms as a commissioner.

### How did you first become aware of RFF's work?

Through my friendship with Paul Portney! I first met him many years ago, when I was serving as an Indiana state energy commissioner, and we have stayed in touch ever since. Paul's genuine sense of excitement and passion about RFF is contagious. He always made sure that I knew about upcoming events and new research going on at RFF.

### Based on your experience in both the public and private sectors, are there things RFF could be doing to better communicate the results of its work?

RFF scholars have always been good at predicting the future of environmental policy but they could do more to influence how companies respond to new environmental, energy, and regulatory demands. Reality is starting to merge with theory: companies are now taking a much closer look at energy technologies that were once considered far-fetched, like cars being powered by hydrogen fuel cells. They are hungry for new ideas and

the hard data to back them up, and this is where RFF could play a critical role.

### Congressional passage of comprehensive energy legislation remains an elusive goal. Having served under both Clinton and Bush, do you think this situation will ever change?

Many things will have to happen for real change to come about—it will take a deeper and much more sustained effort than we've seen up until now. There needs to be one person in Congress who can get everyone to come to the table. Energy policy cannot be seen as a partisan issue—the need for affordable energy cuts across all demographic groups.

### As a practical matter, do you think it is possible to lessen America's economic dependence on foreign oil? Shouldn't we just learn to live with it?

There's really no alternative. The United States is never going to become truly energy independent and it's naïve to think otherwise—demand is just too great. Oil is now a

global commodity, with suppliers outside the Middle East—like Canada, Russia, and West Africa—starting to play a more dominant role.

### Electricity deregulation appears to have stalled. Do you think this is a permanent state of affairs?

Given what happened in California a few years ago and ongoing price volatility in the power market, I think deregulation is possibly stalled, but not dead. You can't put the genie back in the bottle—this issue will return in a few years. The Federal Energy Regulatory Commission can do more to monitor and referee the inevitable fights over open access. I still believe that competition among power generators can work, if the right legislative checks and balances are in place. ■

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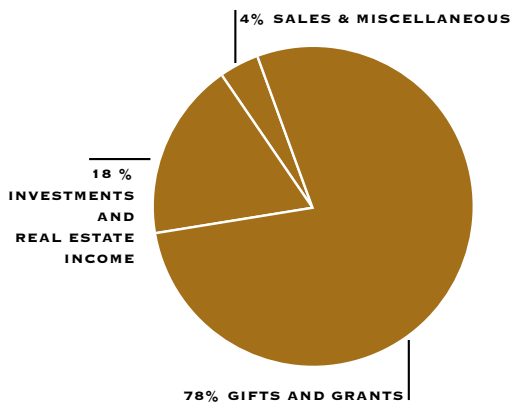
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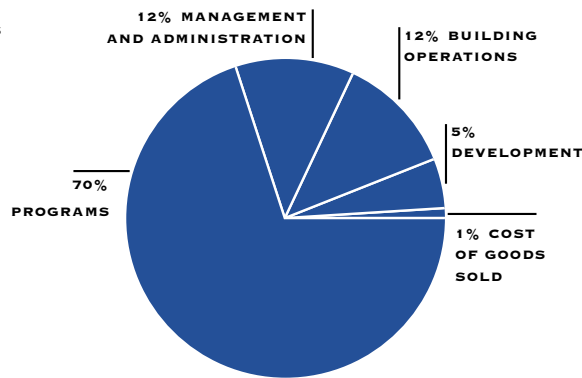
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