Court: FERC's Regulatory Structure Not Biased in Favor of Pipeline Applicants



The U.S. District Court for the District of Columbia recently dismissed plaintiffs' complaint that the statutory requirement that the Federal Regulatory Energy Commission recover its annual operating costs directly from the entities it regulates results in perceived or actual bias against plaintiffs

who contest applications for needed certificates from FERC.

Anthony B. Cavender and Amy Pierce wrote about the case in Pillsbury Winthrop Shaw Pittman LLP's Gavel2Gavel blog.

The case is Delaware Riverkeeper Network, et al., v. FERC.

"Because of this bias, the plaintiff asked the District Court either to declare FERC's reimbursement mechanism to be unconstitutional or declare its power of eminent domain or authority to preempt state and local laws to be unconstitutional," the authors explain. "Holding that the plaintiffs have failed to state a claim because allegations of actual bias cannot create structural bias where the court determines there is none, and the law does not on its face create an unconstitutional funding mechanism, the District Court granted FERC's motion to dismiss."

Read the article.

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