

Bond Case Briefs

Municipal Finance Law Since 1971

PUBLIC UTILITIES - DISTRICT OF COLUMBIA

Newman v. Federal Energy Regulatory Commission

United States Court of Appeals, District of Columbia Circuit - December 28, 2021 - F.4th - 2021 WL 6122669

Customers petitioned for review of orders of Federal Energy Regulatory Commission (FERC) that raised their electricity rates.

Developer that sought to build proposed electric power transmission line was granted leave to intervene in support of FERC.

The Court of Appeals held that:

- Clause stating that account shall include expenditures “for the purpose of influencing the decisions of public officials” included expenditures for purpose of indirectly, as well as directly, influencing decisions of public officials;
- Regulatory text favored reading clause to include expenditures for purpose of indirectly, as well as directly, influencing decisions of public officials;
- Regulatory history of account favored reading clause to include expenditures for purpose of indirectly, as well as directly, influencing decisions of public officials;
- FERC precedent favored reading clause to include expenditures for purpose of indirectly, as well as directly, influencing decisions of public officials;
- Regulatory purpose of account favored reading clause to include expenditures for purpose of indirectly, as well as directly, influencing decisions of public officials; and
- Accounts pertaining to “outside services employed” and “general advertising expenses” were not appropriate categories for disputed expenditures.