

# PURPA—1970s

## History

In the 1970s, the nation's energy landscape was in turmoil. Across the country, energy prices soared as the OPEC oil embargo cut off essential energy supply. In response to the crisis, lawmakers took steps to reduce the country's reliance on foreign energy sources by enacting policies such as the Public Utility Regulatory Policies Act, or PURPA. The goal of this policy was to promote energy conservation and efficiency while encouraging the diversification of the nation's energy supply through the use of domestic and renewable energy resources.

Over the years, PURPA helped the country achieve those goals and has resulted in a more diversified energy sector (reducing our risk). PURPA also helped lay the groundwork for today's robust energy markets by changing how electricity is produced, transmitted, and regulated through the introduction of commercial independent power producers.

## Today's Market Eclipses PURPA

We've come a long way since the 1970s. We now live in a time where energy is relatively abundant and our nation is increasingly energy independent. Thanks to energy efficiency, overall energy consumption has stayed about the same even as our economy continues to grow. **Renewables are gaining traction in the market because they are now more competitive with other fuel sources.**

**This is a crucial time to renew the conversation about our energy future.** PURPA helped our country navigate a tumultuous time in our energy history, but it was a policy written for a different era. Lawmakers are tasked with making sure our modern energy policy reflects the landscape we're in now, and adjusting as needed. The market's evolution has pushed renewables to new prominence, and PURPA is now due for its own evolution.

## STATE ENERGY MIX

