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## Why California's Energy Crisis Is Driving Demand for Regulatory Lawyers

"We're planning to be in demand the whole rest of the decade," partner Michael Day said.

By Jessie Yount | December 10, 2021



San Francisco, California. Credit: IM\_photo/Shutterstock.com

Downey Brand, a Sacramento-born midsize firm, has bulked up its natural resources practice, as California strives to increase its renewable energy resources to 50% of the state's electricity consumption by 2030.

In October, the 110-attorney firm acquired six attorneys from San Francisco-based Goodin, MacBride, Squeri & Day. Partners Thomas MacBride, James Squeri, Michael Day, Brian Cragg, Megan Somogyi and associate Nirvesh Sikand joined the firm in San Francisco.

"In the last five years, we thought there were possibilities of hooking up with a firm that had more resources and other practices that would add value for our clients, such as land use, infrastructure and corporate law," said Day, the former managing partner of Goodin MacBride, who was also at one time the acting general counsel for the California Public Utilities Commission.

Goodin MacBride's public utility regulation team joined Downey Brand. Former name partner Robert Goodin and of counsel Keith Johnson, who practice business litigation, now practice out of The Law Offices of Robert A. Goodin. Former partner John Clark also split from the firm as he ramps down his practice, and is now a solo practitioner at the Law Office of John L. Clark.

Day spoke with Law.com about the tie-up with Downey Brand and the future of energy law in California.

JY: What motivated you to seek out a combination, and why was Downey Brand the best fit?

MD: Over the years, we've been courted by many firms looking to grow an energy practice. Generally, we found most invitations less than attractive. In the last five years, we thought there were possibilities of hooking up with a firm that had more resources and other practices that would add value for our clients, such as land use, infrastructure and corporate law. We went a long way down the road with two firms, and then their requirements changed, and someone suggested we talk with Downey Brand. We discovered joining them made a lot of sense. The firm hadn't had a large energy practice, but they did have practices where their lawyers go in front of state regulatory agencies for water quality, air quality and hazardous waste. Once we started talking, we ended up providing referrals and generating work for each other before we had concluded the merger.

## JY: Almost every lawyer I speak with these days is busy. Are you busy, and what would you say is driving demand for energy lawyers like yourself?

MD: We are very busy. It's an extremely challenging environment right now. Starting with what has happened in California, we've had the wildfires created by the utilities, and outages last summer during a peak temperature event that caused brownouts and blackouts. That cost the governor his position in the recall. And all that gets the attention of regulators. All of a sudden, you had a lot of people trying to improve reliability and make sure we don't have those blackouts again. Those things require both regulatory policy changes—which we are experts in—but it also means people are having to go out and get financing to build some of these things.

One issue that everyone is dealing with is the need for more energy storage. You can store natural gas in winter, but it's very hard to do that with electricity. There is a lot of controversy at the state and federal level about how, when and where to put battery technology. And that is all important and critical in deciding whether or not California will have energy next summer, because climate change has affected a lot of the ways we historically received power. Often, we've relied heavily on hydropower from places like the Pacific Northwest, and sometimes those resources aren't available right now. All of these things are being done to try to keep our 100-year-old electric grid purring along, and it's getting more and more challenging. That's why firms like ours that specialize in energy are quite busy right now.

And California has passed laws that require more and more of the state to run on renewable energy. That means we have to build a lot more renewable energy sources, and provide a means of transmission for those sources. As a result, we're planning to be in demand the whole rest of the decade.

## JY: Looking to the future, how are you thinking about the next generation of lawyers? What would you say to prospective candidates about a career in energy law?

MD: We'd like to recruit young people, but you have to sell them on this practice area. Some practices like corporate or litigation are better known. So it is still hard to find good lateral hires at the mid-level because this is a limited specialty practice. But joining Downey Brand has already helped in this regard, and we continue to look to bring on more young talent.

In terms of why someone would want to go into energy law, it stems from the fact that we're dealing with major public policy issues, and things that make the economy run and benefit large numbers of people. Trying to get our energy issues right is an area where we're facing tremendous environmental challenges, and it is really interesting work. If you think about it, that's not a bad way to spend a career.

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