

**Department of Economics**  
**2024-2025**  
**Seminar Series**



Friday, November 15, 2024  
12:30 PM-1:50 PM  
SBS, Room N603

**Ashley Langer**

Associate Professor,  
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***Energy Transitions in Regulated Markets***

**Abstract:** Natural gas has replaced coal as the dominant fuel for U.S. electricity generation. However, U.S. states that regulate electric utilities have retired coal more slowly than others. We build a structural model of rate-of-return regulation during an energy transition where utilities face tradeoffs between lowering costs and maintaining coal capacity. We find that the current regulatory structure retires only 45% as much coal capacity as a cost minimizer. A regulated utility facing a carbon tax does not lower carbon emissions immediately but retires coal similarly to the social planner. Alternative regulations with faster transitions clash with affordability and reliability goals.  
**Authors:** Gautam Gowrisankaran, Ashley Langer, Mar Reguant

All in-person seminars will be held in the Social and Behavioral Sciences Building, Room N603. For additional information, contact the seminar organizers: Profs. Chang Liu & Eva Carceles-Poveda. Visit our webpage for additional information: [stonybrook.edu/economics](http://stonybrook.edu/economics).

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