

# Energy Policy 101: The MESS Framework

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Energy policymaking is multifaceted and complex. It must address four demanding imperatives: market, environment, security, and social acceptance (the energy policy MESS). Addressing all four imperatives simultaneously is the ultimate aim of energy policymaking. Governments struggle mightily to do so, often making a “MESS” of energy policy in the process.

Attending to **Markets**, the first imperative, ensures that energy markets function efficiently and competitively and that they support economic growth. Most Western industrialized countries like Canada liberalized their oil and gas sectors in the 1970s and 1980s. This included price deregulation, increasing competition, trade liberalization (e.g., the Canada-US Free Trade Agreement, and then NAFTA), and unbundling various functions within energy firms to create open, non-discriminatory access to their services and facilities for other companies. Liberalization of the electricity sector began in the 1990s, with most Canadian provinces introducing competition into power generation and wholesale/retail sales.

The second imperative, **Environment**, encompasses the range of environmental impacts of developing, transporting, and consuming energy. While climate change has topped environmental policy agendas in recent years, environmental imperatives include, importantly, the local impacts of energy on land, air, human health, and water. Because impacts are rarely contained within political borders, there are many multilateral and bilateral agreements in place (e.g., the United Nations Framework Convention on Climate Change).

Energy **Security**, the third imperative, refers to the availability, reliability, and affordability of energy sources. Europe’s attempts to wean itself off Russian oil and gas following the war in Ukraine is an important reminder of the domestic and international politics and economics of energy security. In North America, energy security has focused historically on security of oil and gas supplies in the United States, but with rapid increases in American oil and gas production, energy security has descended on US political and policy agendas. For Canada, security concerns have focused less on oil and gas supply disruptions and more on vulnerability to price volatility because the country is a net exporter. Security also includes the physical and cyber-security of critical energy infrastructure like pipelines, powerlines, nuclear power stations, and refineries. Importantly, in an era of climate change and electrification, increasingly, energy security includes electricity reliability and affordability, as well as the resilience of power grids to more frequent and extreme weather events.

**Social acceptance** is the fourth imperative for energy policy. In recent years, public opposition to energy projects of various types has grown, expanding from opposition based mainly on local impacts of projects (NIMBY, “not in my backyard”) to broader regional, national, and global concerns, especially climate change and Indigenous rights. There are growing demands from civil society for government and industry to provide meaningful opportunities to be involved in project decision-making. For Indigenous peoples, this includes the legal right to be consulted and accommodated. Increasingly, Indigenous communities are entering into partnerships with project developers, including as full or part owners.

Analyzing energy policy using the energy MESS lens highlights that policies need to address market, environment, security and social acceptance imperatives to be effective and durable.

*Source: Monica Gattinger, “Canada-United States Energy Relations: Making a MESS of Energy Policy,” American Review of Canadian Studies 42, no. 4 (2012): 460–73. <https://www.tandfonline.com/doi/abs/10.1080/02722011.2012.732331>*