

In Pursuit of Energy Justice

Abstract

Energy Justice provides a framework to perceive disparities in our energy system. The foundation of energy justice draws heavily from the environmental justice movement, grounded in larger socio-political issues of representation, economic relations between the state, firms and social groups, including a universal and local application of justice. This article extends this differentiation by exploring universal and particular forms of energy justice. 1) *Universal energy justice* holds to socio-historical values stemming from judicial and philosophical groundings based in procedural justice issues, including recourse through administrative or judicial means. 2) *Particular energy justice* relies on cultural and environmental factors influencing choices around energy technologies and policy preferences for the distribution of energy services. Empirically, this article examines tensions within the energy system in the European Union. It does this first, by examining how universal energy justice is spread through National Regulatory Authorities (NRAs) in energy to satisfy ‘universal energy justice’ standards. Second, particular energy justice is exemplified in Bulgaria’s use of historical socio-political relations to usurp institutionalized universal energy justice. The aim of the article is to show the pursuit of energy justice attempts to resolve tensions between groups and differing politics to both access and provide energy services.

Key words: energy justice; energy governance; energy poverty; energy regulation

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1 Introduction

This article establishes two definitions of energy justice accounting for justice being served on the part of consumers and for companies. The underlining concept is building a well-functioning, transparent and financially sustainable energy system that balances the needs of all stakeholders through an effective governance process. The centrality of energy as a basic right, underpinning health, economic advancement and education places the state at the center of providing the right institutional order for access to energy resources and services. Energy justice draws heavily on normative social values rooted in historical socio-technological and economic structures. There are also universal interpretations of justice that apply, irrespective of local context. The discussion here is centered on how regulation applies to universal access rights, however the process of applying energy justice is influenced by particular national values of social support and technological choice.

The purpose of this article is to delve into the theoretical and philosophical construction of energy justice to separate out two underlining interpretations of energy justice. The foundation of energy justice draws heavily from the environmental justice movement, grounded in larger socio-political issues of representation, economic relations between the state, firms and social groups, including a universal and local application of justice (Harvey, 1996; Jessop, 1990; Miller, 2001; Schlosberg, 2013, 2007, 2004; Walker and Day, 2012; Young, 1990) This article examines how energy justice is interpreted in both universal and particular manners. There can be either a uniformity of solutions applicable across borders or different solutions applicable in localities (Harvey, 1996 Chapter 12; see Schlosberg, 2004, pp. 533–534). A universal approach stretches across countries, “the transboundary nature of energy injustice requires a similar conception of the reach of moral and political responsibility” (Sovacool et al., 2013, p. 29). From a particular justice perspective, the right to warmth and associated political representation defines an example from the United Kingdom, where political representation of those in energy poverty is lacking, whereas in other countries there *is* political representation (LaBelle and Georgiev, forthcoming; Walker and Day, 2012). This difference aligns with a core-periphery findings of energy poverty in the EU, where strong spatial differences exist between Western and Northern Member States and those in Southern and Central Europe (Bouzarovski and Tirado Herrero, 2015). Energy poverty caused by the lack of either political representation or costs of energy services hold strong moral obligations for society to act.

The definition of both (1) universal and (2) particular energy justice stem from socio-political constructions and three underlining forms of justice: procedural, distributional and recognition justice. First, *universal energy justice* holds to values reliant on historical judicial and philosophical groundings that are based in a) *procedural justice* and b) *distributional justice* (for a discussion of these forms see Jenkins et al., 2016). Procedural justice is defined in the context of this article as stemming from state institutional forms, which shape how decisions are made, including the recourse through administrative or judicial means (Sovacool et al., 2013, p. 439). In this article, in the age of neoliberal market reforms, national regulatory agencies (NRAs), are the expression of a universal institutionalized form of procedural justice. Distributional justice is defined within the context of fuel poverty and the distribution of access to energy services as facilitating other human rights like education and health (Heffron and McCauley, 2014, pp. 435–436; Walker and Day, 2012, pp. 69–70). These forms of justice are prevalent within both universal and particular energy justice.

Second, *particular energy justice* relies on cultural and environmental factors influencing choices around energy technologies and policy preferences for the distribution of energy services. c) *Recognition justice* is strong, which is defined as the absence cultural and political representation of other distinguishing features such as social, ethnic and gender differences (Heffron and McCauley, 2014). This normative approach to justice connects well with Fuller and McCauley ‘framing of energy justice’ through activists perspectives and actions through cognitive schemata (2016). Bulgaria is used to contextualize not the absence, but the presence, of cultural representation shaping the distribution of energy services, and which rejects political representation of energy companies. The findings of the article indicate this conceptual division of energy justice are built on twin pillars of distribution of resources at the local level and universal procedures emanating from international concepts of energy neoliberal regulation. The process of implementing energy justice requires state and international institutions recognizing local solutions to alleviate local forms of energy injustices.

The outline of the article follows in the next section with justification for developing different forms of energy justice; two broad concepts of universal and particular are examined demonstrating their theoretical and applicable differences. State institutions emerge as central to ensuring the delivery of energy services. Section three provides empirical examples of how NRAs serve an institutional function providing an everyday justice framework for individuals and companies to mediate competing demands. Bulgaria is briefly examined as an example of the failure of regulatory institutions to satisfy universal justice norms by adhering to interpretations of particular justice. In the final section the policy implications are discussed to understand how these forms of energy justice influence policies and more directly – society.

2 Concepts of Energy Justice

Universal and particular forms of energy justice are embedded within dominant political-economic systems. The definition outlined here, draws heavily on critical social theory to provide a means to place energy justice within the hegemonic discourse of a political-economic system. This is important as “a critical theoretical approach to justice begins with the insight that any normative or social theory is and should be conditioned by the particular historical and social context in which it speaks” (Young, 1990, p. 75). In the case of energy systems – as a reflection of citizens’ relationship with energy infrastructure, policies and services, there is a strong normative value placed on established infrastructure and technologies (type of generation, transmission systems, impact on environment) (Goldthau, 2014; Miller et al., 2015). The economic system of a country – or globally, shapes policy choices reflecting the political and social will.

The political-economic system is simplistically represented within this article as *neoliberalism*, which in recent times, holds competition as an essential element in energy markets, rather than vertically integrated monopolies providing energy services as was the case in previous eras (Hirsh, 1989). The theoretical concept of neoliberalism shifted the way of thinking regarding the best way to provide a public good at least cost. Under this new political-economic thought, promulgated under Reagan and Thatcher governments in the US and UK, consumers benefit from competition because the use of market forces avoid additional costs from government involvement (Dezalay and Garth, 2002, p. 80). This idea is “a tool utilized above all to nourish and reinforce tactical arguments against monopolies, intervention, and state regulation” (cf Stone 1996: 156 in Dezalay and Garth, 2002). Market forces became central for the delivery of energy services, succinctly captured by the tasks of energy regulators of balancing market forces with protection of the public good, but avoiding monopolies at a range of scales within the networked industry.

Energy justice exists at different scales and in different social groupings. For example, inter-generational equity may be a global interpretation of collective responsibility, but energy policy and energy systems remain organized at the national, and even local level. Further deconstruction of scales of energy systems locate the individual as important because “people’s ideas about energy are bound up with basic notions about the proper arrangements of individuals, markets and governments in modern societies” (Miller et al., 2015, p. 31). For individuals and societies, notions of fairness range from individuals to future generations interconnected through collective values.

In the realm of technology choice public and private discussions over government policies deliver subsidies to specific technology groups, such as renewable energy and/or nuclear power. This choice of

technology in our modern energy system underscores the social value placed on specific technology groupings within regimes (Geels, 2014). There is a co-evolution of technology and socio-economic relations, “energy infrastructure, [technological] lock-in may perpetuate the centralized patterns of technology, socio-economic institutions and physical infrastructure, which coevolved over decades” (Goldthau, 2014, p. 136). This coevolution occurs at the national scale, where policy is deployed to foster particular technologies, but is also a reflection of the collective (national) cultural approach to the energy system (Hirsh and Jones, 2014, p. 108). Thus, the operation of energy systems is reliant on both universal technical requirements and particular, nationally specific, public and cultural norms.

Identifying the tension between universal and particular forms of energy justice requires a review of three interconnected approaches defined within the energy justice literature. The next section will align the discussion above, with differing approaches characteristic of particular and universal perspectives. First, the literature on particular energy justice is represented by the concept that a minority of users do not have political representation to address their basic energy needs (Walker and Day 2012). Second, neoliberal market forces introduce the concept of fully accounting for cost of energy in the supply chain so decisions on the true cost of an energy resource can be made (Heffron and McCauley 2014). And finally, providing a universal perspective on access to energy services but acknowledging particular local struggles. Specifically, universal access to energy services exist, but the cost of these services consumes a high amount of household income leading to energy poverty (European Commission 2015b, 14). For example, this may occur in former communist countries, which hold the financial burden of corruption, mismanagement and long-term bad planning, resulting in higher incurred costs for consumers (Sovacool and Dworkin 2015, 436). These three areas are examined next, with the first two (political representation and cost) considered within particular energy justice and the latter (universal access) within universal energy justice.

2.1.1 Particular energy justice

There are two aspects of particular energy justice that define its use: first, is political representation of social or interest groups; and second, the costs (e.g. environmental and economic) associated with policies and energy technologies. Together these two aspects fuse a socio-political relationship with energy technologies unique to each location. Energy poverty within the EU is expressed through strong spatial differences, between Northern and Western Europe and countries in the South and East. The former is characterized by “specific demographic and housing groups” while the latter is marked by households spending more of a proportion of their income on energy services (Bouzarovski and Tirado Herrero, 2015, p. 14).

Central to the alleviation of energy poverty and an expression of energy justice is political representation. This involves different social groups interacting with companies providing energy services; with sufficient and insufficient political representation. First, in the lack of political representation, Walker and Day (2012) focus on the ‘right to warmth’ within a social poverty concept. Fuel poverty is dominated by inequalities of income, energy prices and energy efficient technologies (Walker and Day, 2012, p. 71) and a sense of unfairness. Forms of justice are violated in a for-profit-model. As, “energy companies may be profiteering at the expense of low income consumers has been particularly seen as a contravention of basic notions of fairness” (Walker and Day, 2012, p. 71). At a deeper level, this is representative of contradictions and struggles of the capitalist system (Jessop, 1990), but particular to a local struggle between capital and labor (that itself is both universal and particular).

In contrast, political action taken in Hungary is meant to address energy poverty. From 1992 to 2013, energy prices increased dramatically 13-fold (Bouzarovski et al., 2015, p. 8), lending weight to the social and political perception of high energy prices and profiteering by firms. In response, beginning in 2011, the Hungarian government bought previously privatized utilities and began regulating end-user prices. Despite companies winning legal procedures due to illegal actions by the state that placed a heavy financial burden on firms; politically they could not win and would continue with mounting financial losses, “the political message seemed clear” (Felsmann, 2014, p. 9); only the state would provide energy services to households (Felsmann, 2014, p. 9). Political representation is important to address the cost of energy services; the amount of political representation is based on local factors. There emerges a balance between distributional justice (access to resources/warmth), and procedural justice (access to legal fora and political representation). There is a balance between social demands for affordable access and market demands for company profits to reflect economic activities.

The second category within energy justice is the cost of technologies and policies. Policies and technologies have financial costs that constrain and shape the actions of political and state institutions. Full information and costs disclosures for all stakeholders involve procedural and recognition justice. The full cost accounting of energy justice rests on “social responsibility by the private sector, the government and the public” (Heffron and McCauley, 2014, p. 437). This bureaucratically driven and institutionalized accounting of costs seeks to develop an optimal cost and regulatory structure to ensure a more environmentally and socially sustainable energy system. For example, in the UK the lack of political representation, or Hungary’s renationalization of energy services, reflect two socio-political actions underpinned by economic impacts of market forces present in the energy sector. The cost of renewable energy technologies or conventional coal or nuclear power plants is also reflected in social and environmental costs. Overall, full cost accounting of the energy sector requires transparency, but also awareness of the social responsibility of passing along the costs of energy services.

Everyday politics shape the discourse around particular energy justice. This discourse is filled with reflections on the positionality of individuals, societies, and states, which ultimately influence formalized rules within national energy systems. National (energy) cultures are reflected through state institutions serving an established notion of state services (see Harvey, 1996, p. 351). The fused socio-political relationship involves economic actors that typically own and technologically develop the energy system. Financial costs are apparent in energy systems infused with neoliberal market structures that expose costs – which holds social and political consequences. How the rights of all stakeholders, within local contexts, are accounted for is dependent on the particular interpretations of energy justice.

2.2 Universal Energy Justice

Universal energy justice is placed within two forms of justice: Distributional and Procedural (defined above). Access to energy services stems from a basic right of all citizens to fulfill universal human rights (United Nations General Assembly, 1948). Access to energy services reinforces other “basic goods to which human beings are entitled, like welfare, security, health care, education, and the right to employment” (Sovacool et al., 2013, pp. 25–26). Ensuring access to distribution of these rights, in our modern world, rests within state institutions that provide these services.

In the third category of energy justice approaches, Sovacool and Dworkin (2015) produce a well-articulated and robust consideration to a multitude of philosophical interpretations and judicial qualifications. These rest within the universal consideration of energy justice. “At the core of our

conception of energy justice is recognition of the imperative to respect the dignity of each and every human being” (Sovacool et al., 2013, pp. 29–30). Conceptual and analytical tools to understand our energy system can be based on consideration of energy justice. Further, energy justice serves as a means expressing and examining ‘values’, ‘good governance’, ‘affordability’ and ‘intergenerational equity’ within the dominant paradigms of our energy system, while considering those with difficulty in accessing or operating within a modern energy system underpinning modern economic life. Special emphasis is given to due process, where recourse to appeal or review are central in a multi-level legal system (Jenkins et al., 2016, p. 178). The broad spectrum of issues within universal energy justice creates an important analytical tool for energy researchers focused on cross-border or global access to energy resources and services, particularly the long term transformation of energy system.

Universal interpretation of energy justice holds a downside in regulatory and procedural settings. Tension exists between universal application of regulations, such as in neoliberal markets with prescribed regulatory means of intervention in areas, such as formula for cost recovery for firms. In universally applying rules and regulations, there is a depoliticization within the provision of these services. More explicitly, “The depoliticized process of policy formation in welfare capitalist society thus makes it difficult to see the institutional rules, practices, and social relations that support domination and oppression, much less challenge them” (Young, 1990, p. 75). By systematizing how energy markets are regulated, irrespective of local differences, social input into policies is viewed in this interpretation as muted, even though the purpose of these agencies is to serve the social needs of citizens.

Energy market regulations serve as both a market stimulus, prompting firms to act in particular ways, but also protecting consumers from market forces. The cost of regulation can appear in different forms, whether a lack of technology upgrades – lock-in (Unruh, 2000), which keep prices lower due to sunk costs, or consumer protection which could reduce profits from private utilities. Globally (and thus universally), the energy sector is based on an interplay of private and public firms providing energy services to consumers. Regulation is therefore central to this process, particularly in centralized – and grid connected – energy services. Therefore, it is important to consider the trade-off that regulation may blunt business efficiencies in exchange for lasting stability, enabling long term investments

This regulatory security, according to regulation theory, put forth by the Chicago School of economists (Friedman, Stigler, Peltzman and Posner), may lead to protection and prompt high cost, inefficient investments. In the end, according to the neoliberal economic thought, economic regulations are not free; producers and consumers are in a bidding war and the highest bidder, whoever values regulatory action the most, wins (see Posner 1974: 344). The example above of the UK, indicates companies had the means to influence the regulatory system rather than the fuel poor, whereas in Hungary, political representation enabled the fuel poor to win in the regulatory environment. Under neoliberalism, regulation as a concept, was created for the public interest, however regulation was not implemented in the public’s interest (Nowotny 1989: 15) because high cost, and unnecessary investments could lead to inefficiencies by monopolistic electricity and gas service providers. Less government involvement (regulation) could lead to greater efficiencies by the private sector, and in turn, lower costs for consumers. However, as will be seen below, if household income levels are burdened by even modest utility prices, politicians may be the highest bidders over the regulatory structure.

Universal justice is embedded in neoliberal institutional routines, such as annual rate setting which establish formula for allowed costs and profits which influence a company’s motivation to invest.

Establishing NRAs and their system of distributional and procedural justice, is important because for utilities and consumers alike, “once institutionalized, a system of justice becomes a ‘permanence’ with which all facets of the social process have to contend” (Harvey, 1996, p. 330). The interpretation of universal justice within present day NRAs is based in market structures that balance the competitive (and profit making) desires of the private sector with requirements for least cost for consumers.

The depoliticization of energy policy under this neoliberal philosophy is justified for two reasons in providing universal energy justice. First, long-term infrastructure investments are perceived to require a stable regulatory environment needed to maximize both profits and lower costs for rate payers. Second, NRAs and procedures are put in place to ensure this apolitical environment exists. In the US, this is referred to the Regulatory Compact, it emerges as a social-political agreement (Oppenheim, 2016). Globally, this compact is infused with competition to create the modus operandi of neoliberal market structures alongside regulatory institutions moderating between market forces and social requirements (see Jordana and Levi-Faur, 2005; Levi-Faur, 2005).

Distributional and procedural justice are the state’s methods to provide universal services in a coherent fashion, without succumbing to everyday politics. The social justification to pursue the lowest possible cost stems from the principle that “Energy inequality exacerbate(s) other forms of inequality: economic, social, and political” (Sovacool et al., 2013, p. 25). Workers in state institutions attempt to ensure procedural justice adheres to universal standards, in an effort to provide universal services to all. However, this process lacks the flexibility to account for particular differences. There is a threat that “Decisions and actions will be evaluated less according to whether they are right or just than according to their legal validity, that is, whether they are consistent with the rules and follow the appropriate procedures” (Young, 1990, p. 77). Opponents to neoliberal market structures invoke the reduced role and treatment of individuals within the state system, such as workfare programs which neglect individual needs, where the cause of poverty is perceived to lie “in the individual and the failure of individual effort” (Piven and Cloward in Peck, 2001, p. xi). Universal energy justice sits squarely within an institutionalized response to provide access to essential services, such as health and education, in which all humans are entitled. Particular energy justice emerges as the attempt within the nation or locality to foster a more locally just answer for people to access energy resources and services.

2.3 Process of universal and particular energy justice

Reviewing the combined definitions of energy justice demonstrates a procedural link between interpretations of energy justice. This includes: 1) access to information and political process (Walker and Day, 2012); 2) full information and cost disclosure of the energy system (Heffron and McCauley, 2014); and 3) good governance and intergenerational equity, expressed with procedures to due process and appeal (Sovacool and Dworkin, 2015). State institutions oversee everyday operations of the energy system and drive forward technology with inputs and an awareness from society and companies. In short, energy justice is served through transparency and inclusive involvement with all stakeholders. Failure by state institutions to provide procedures for stakeholder involvement, appeals process and a vision of intergenerational equity, can produce lopsided decision making. In the long-term, society may reject energy technologies because of misalignment with social values, such as nuclear power in Germany (LaBelle and Goldthau, 2013). While neoliberalism is the present overarching framework NRAs operate within, procedures of providing justice are essential for balance competing particular demands from firms and consumers.

3 Applying universal and particular forms of energy justice

The discussion so far accounts for the theoretical and institutional provision of energy services. Regulation assists firms in providing energy services at least cost to consumers. Universal justice is achieved when procedural and distributional justice is followed, while also remaining open to the requirements of particular forms of energy justice defined by socio-political agreements, corresponding to local values. Next, these concepts are applied to the spread of NRAs to the ‘peripheral countries’ (Bouzarovski and Tirado Herrero, 2015) in Central and Eastern Europe; with a more in-depth look at Bulgaria. The selection of Bulgaria rests on its high rate of energy poverty and minimal rate of change in energy prices from 2005 to 2014 (European Commission, 2015). Although it is acknowledged Bulgaria is not unique in this position, other countries hold their own stories of contested regulatory environments (Bouzarovski and Tirado Herrero, 2015; Buzar, 2007; Tirado Herrero and Ürge-Vorsatz, 2012). Nonetheless, the findings suggest that particular justice stemming from historical socio-political relationships around energy services can disrupt – unpredictably – the application of universal justice through NRAs. This usurp by the local threatens significant financial losses for private and public firms, and upsets assumptions of provision of universal justice through state institutions. Specifically, particular energy justice holds the potential to disrupt institutionalized forms of universal justice, stemming from current neoliberal market structures, meant to ensure the delivery of universal services at least cost.

3.1 Universal Energy Justice Applied: National Regulatory Authorities in Europe

The history of regulatory authorities is more recent in Europe, compared to the US which extends back to the early 1900s. In the EU, most energy regulatory authorities were established in the late 1990s and early 2000s (Gonzalez et al., 2008). These also corresponded with the privatization of electric utilities (**Error! Reference source not found.**). As the state retreated from ownership and direct ministerial supervision of the sector, regulatory institutions were established to provide oversight. The history of utility ownership in Europe is diverse, but marked by both private ownership, with corporatism playing a heavy influence, state ownership remains in mixed form (Midttun, 1997). Overall, the 1990s saw a shift to private ownership as perceived benefits of liberalized markets, or failure of state ownership, became accepted.

Table 1 Energy regulators in ERRA and new EU Member States, including year of first privatization

New EU Member State	Year regulator legally established	Year first electricity or gas distribution company privatized with EU member company
Bulgaria	1999	2004
Czech Republic	2001	2002
Croatia	2004	2003
Estonia	1998	1997
Hungary	1998	1995
Latvia	1996	1997
Lithuania	1997	2001
Poland	1997	1997
Romania	1999	2005
Slovenia	2001	State owned

Slovakia	2001	2002
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(Source: Gonzalez et al., 2008; LaBelle, 2009)

The result of the new ownership and market structure was the expansion of newly (semi) privatized Western European electricity and gas firms eastward, which bought privatized utilities in former communist countries (LaBelle, 2009). Since 1996, this shift was facilitated by actions at the European Union level which pushed forward the concept of a single Internal Energy Market and enshrined the role of energy regulators into EU Directives. In 2009, the creation of a single and independent NRA responsible for energy in each member state was stipulated in EU legislation known as the Third Energy Package (see EU Third Energy Package: Directives 2009/72/EC and 2009/73/EC European Parliament and European Council, 2009a, 2009b). The diffusion and establishment of regulators went hand-in-hand with market liberalization and privatization (Levi-Faur, 2005). The future of the energy system was placed in the hands of energy regulators to balance competing demands of consumers and companies through a procedural structure delivering a sustainable energy sector at least cost.

3.2 Particular Energy Justice Applied

In Eastern Europe, affordability of energy services, such as heating and electricity, are common social problems. This makes energy poverty a pervasive social issue that holds potent political significance (Bouzarovski, 2010; Bouzarovski and Tirado Herrero, 2015). Research into the regions socio-economic ills of energy poverty paint a picture of, “fuel poverty ... associated with the economic and political changes of the early 1990s, which progressively brought energy prices to full-cost recovery levels, [and] reduced household incomes” (Tirado Herrero and Üрге-Vorsatz, 2012, p. 60). Since 2005, the cost of energy in household budgets has increased across the EU (European Commission, 2015, pp. 42–43) (Figure 2). The most dramatic increases are in new EU Member States (joining since 2004) and consuming significantly more of their household budgets. Since 2005, some countries have seen a fall in the ‘at-risk’ population towards energy poverty, such as Poland and Slovakia, others have increased risks, such as Slovenia, while Hungary and Bulgaria have seen only slight reductions in susceptibility (European Commission, 2015, pp. 42–43).

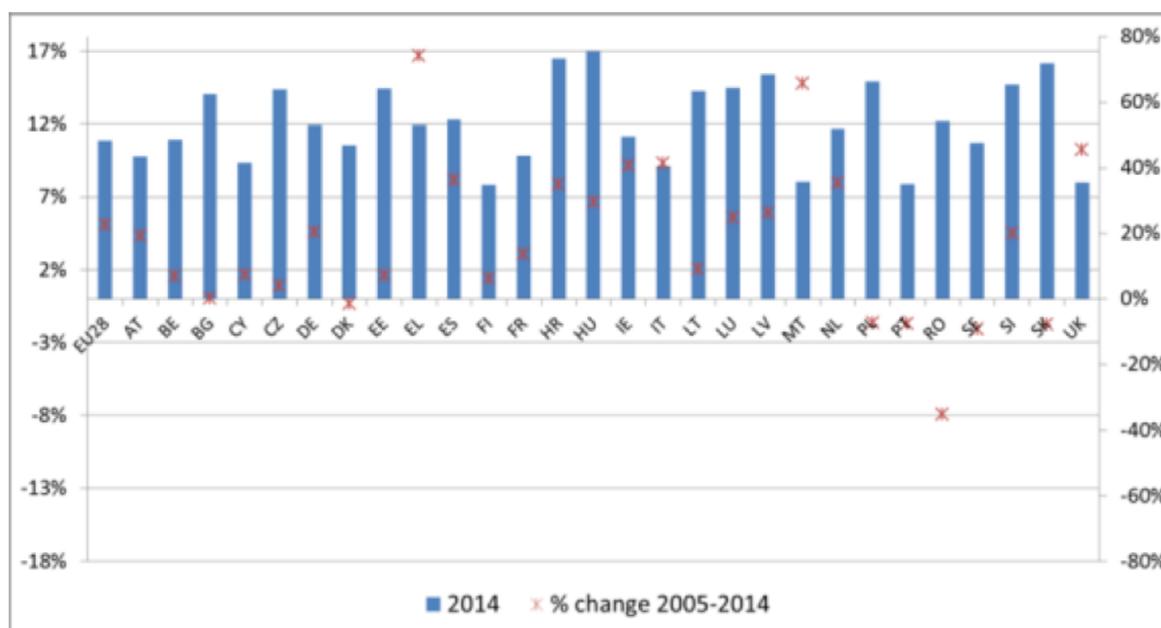


Figure 1 Share of energy products in households' expenditure

Source: (European Commission, 2015, p. 43)

After the political-economic changes and EU membership in 2004 and 2007, governments and societies in Central and Eastern Europe grappled with implementing EU Directives. These efforts focused on creating competition in energy services, at the same time attempting to mitigate price increases on consumers. Politically, it was apparent consumers were or unwilling to pay full costs, therefore the solution shifted costs to state and private energy companies, resulting in substantial debts. Bulgaria provides an example of a country grappling with rectifying its past socio-political agreement on universal low-cost energy services and new EU requirements for market based pricing with targeted assistance to selected households.

In Bulgaria, the share of household income spent on energy services has been stable since 2004 (Figure 2, above). However, this stability conceals significant political and economic struggles around energy prices. In 2002, seven electricity distribution companies in Bulgaria were privatized. An agreement was reached with the foreign buyers that electricity prices would increase 20% in 2002, 15% in 2003 and 10% in 2004. In 2003, the Bulgarian State Energy and Water Regulatory Commission (SEWRC) was established to oversee the utility sector, including rate increases (LaBelle and Jankauskas, 2009, p. 21). To incentivize investment into the financially and physically bankrupt distribution companies, the government agreed the private companies would receive a rate of Return on Investments (ROI) at 16%, and later 12%; for each investment made an additional percentage would be paid back as a profit. This payback never materialized. By 2015, these companies still had not received this agreed amount, thus incurring significant debts, even as the regulator, during these years, passed along rate reductions to consumers (LaBelle and Georgiev, 2015).

Consecutive Bulgarian administrations worked to hide some of the accumulating debts in the regulated consumer market within the state owned National Electricity Company (NEK) an energy holding company, which grew to €767 million by 2014. In other business areas, NEK had incurred debts of more than €716 million in an attempt to build nuclear power plant that will never be built (LaBelle and Georgiev, 2015). In 2016, with the involvement of the European Commission (after threatening infringement proceedings and financial penalties), Bulgaria expects to have full market pricing for all consumers by 2022, with an expected price increase of 10-15% (Slavkova, 2016). Significant staff and leadership turnover at the Bulgarian energy regulator never resulted in a politically independent regulator. In 2013, there were five different chairmen of SEWRC and a collective board resignation (further resignations occurred in preceding and subsequent years) (LaBelle and Georgiev, 2015). Bulgaria represents an extreme, but regionally representative case (like Hungary discussed above), of how a country contends with financing energy services and infrastructure while society expects energy prices to be in proportion to income levels. Financial profits and losses are shifted between firms, with profits materializing in peripheral companies.

Applying particular energy justice to nationally specific situations expose differing requirements for an overarching interpretation of energy justice to be served. The creation of energy regulators was part of a dominant political-economic system that favored universal state forms to facilitate investments by firms. Bulgaria partially accepted this universal form by privatizing its electric utility companies and creating an NRA. Nonetheless, the process of regulating the energy companies avoided the expected universal form of rate setting and established rate-setting procedures.

In Bulgaria, a particular form of energy justice emerged and dominated; this attempted to solve energy poverty through a political mandate of low energy prices. However, the financial losses in private and state owned companies, threatens the delivery of energy services and long-term cost reductions stemming from a stable political and regulatory environment. In 2002, the high Return on Investment at the time of privatization reflected the substantial investment risk for the country. This financially precarious position underscores the importance of defining energy justice to encompass the full cost of energy services, including corruption, bad planning, profits and losses incurred by private and public energy companies (Sovacool and Dworkin 2015; Heffron and McCauley 2014). The economic transition from communism to neoliberal and competitive markets holds significant financial, political and social risks. Bulgaria – and other countries attempting to suppress the price of energy lack financially sustaining energy systems. There is palatable tension between the procedural norms of universal energy justice and the distributional requirements of particular energy justice.

4 Conclusions and Policy Implications:

Defining energy justice is facilitated by accounting for the larger discussion of universal and particular justice (Harvey, 1996; Schlosberg, 2013, 2004). Inserting the characteristics of the energy sector into this discussion enables accounting of differing national energy policies and the role of universal state institutions facilitating the delivery of energy services. In Harvey's view, the *processes of pursuing* a universal form of justice differs from any final *form* of universal justice: "Utopianism of process looks radically different from a Utopianism of form" (Harvey, 1996, p. 333). Therefore, the focus for researchers of energy justice rests on the decision-making *process*, in the universal form, which attempts to satisfy both a universal interpretation of justice and the demands stemming from local values and norms associated with a particular energy system.

A component of energy justice is representing the socially less fortunate. People living in poverty, unable to afford energy services, are viewed as marginalized from the political process, or ‘fuel poverty as injustice’ as is the title of Walker and Day’s article (2012). There is a division in the core and periphery of the European Union (Bouzarovski and Tirado Herrero, 2015). In Western Europe, energy service access, affordability and political representation is a socio-economic distributive injustice impacting a minority of consumers who cannot afford a warm living environment (Walker and Day, 2012). In contrast, in Bulgaria consumers and politicians jointly deviate from a neoliberal procedural process and fight against a universally framed neoliberal state structure. The regulatory *process* is usurped to deliver a particular justice that broadly addresses energy poverty for all household consumers perceived in the *form* of their energy bills.

Figure 1, reflects the diverging levels of energy poverty in the EU, serving as a basis to understand multiple interpretations of causes. This diversity drives a need to understand distributive injustice as contrasted against procedural justice, where “the pursuit of fairness in procedural terms and in achieving the fundamental recognition of the diversities and the needs of culturally marginalized and excluded social groups” is present (Walker and Day, 2012, p. 69). Thus, the geographic variability in energy poverty is indicative that it is the local and global *processes* of addressing energy justice that is important to understand rather than the final end point of establishing universal justice (see Harvey, 1996, p. 333).

This article defines energy justice by contrasting universal and particular forms of energy justice. Pursuing energy justice relies on a static interpretation of justice, rooted in a long history of philosophical thoughts on justice, but also a continual re-interpretation of justice rooted in modern socio-cultural and socio-technical relations in the governance of the energy system (Goldthau, 2014; Miller et al., 2015). The theoretical interpretation of energy justice shapes, but fails to fully explain, types of energy justice operating in state institutions and tensions within social and political action. By accounting for the on-going process of justice-seeking, evolution of policies and technologies, and societal change, this temporal interpretation of energy justice assists both the process and static interpretations of particular and universal justice.

Conflict occurs between the universal (institutionalized) form and the particular (localized) form when rules and procedures misalign with normative reasoning of society or groups (Young, 1990, p. 77). Bulgaria provides an example of imposing a state structure askew from a socio-political agreement. The spread of neoliberalism, characterized by the diffusion of NRAs, de-politicizes decision making thereby, from a neoliberal perspective, benefiting society and firms through less state involvement. However, de-politicization – creates a bureaucratic form of decision-making (Jordana and Levi-Faur, 2005) misaligned with social construction of the energy system in terms of individuals, markets and governments (Miller et al., 2015). Normative interpretations of energy justice and expectations by society are neglected for the delivery of universal justice based on procedures and market expectations (Levi-Faur, 2009). Distributive justice, in the form of distributing both the services and costs of the energy sector, addresses the process of meeting universal or particular interpretations of justice.

State institutions act as controlling structures. Society contains expectations shaping agents’ ability to operate within state institutions. Universal notions of justice underpin operational procedures of personnel following rate setting formula and procedural methods. These individuals are unable to apply more nuanced decision-making in particular cases. NRAs institute procedures for stability and

predictability for investors and society thereby attempting to balance between utility profits and societies needs for energy services. The roll-out of a common market framework in the EU through Directives, forces compliance amongst all Member States. Bulgaria consistently breaches these Directives, in favor of their own particular form of energy justice. Nonetheless, to avoid legal entanglement with the EU they have agreed to ‘normalize’ its electricity market by 2022 to comply with market based pricing for consumers.

Shifting normative interpretations of justice requires not just a procedural approach to delivering energy justice, but a greater awareness of “social responsibility by the private sector, the government and the public” (Heffron and McCauley, 2014, p. 437). Good governance, bridges universal and particular energy justice; there are strong elements of transparency and affordability (Sovacool and Dworkin, 2015) both relevant for differing national interpretations of energy justice. Political acceptance of the role of regulators, who provide transparency, accountability and expertise, enable long-term factors to be brought into developing the energy system. Short-term political considerations become muted, in exchange for financial stability emerging to finance infrastructure. Politics is not removed, but factored into long-term developments. There will never be an end-state for energy justice, only an on-going struggle between universal and particular notions of justice. Fostering good governance opens the door to participatory decision making by all stakeholders, instilling normative perceptions into the energy system.

Energy justice, just like our energy system, is rooted in history and the dominant political-economic discourse at the global and local scales. This connection between national cultures and energy systems extends Schlosberg’s (2004) examination of a global-local application of rules and respect for local differences. There is an awareness of a “lack of recognition of group difference” pushing out local ways in favor of global forms of business (Schlosberg, 2004, p. 519). NRAs represent the pursuit of a global form of universal energy justice able to extract profits for firms, while delivering more efficient (and implicitly lower cost) energy services. Policy makers need to act as mediators between global business and regulatory structures while also asserting local norms with acceptable business models and profit levels. The pursuit of energy justice attempts to resolve tensions between groups and differing politics to both access and provide energy services.

5 References

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