

The Siting of Infrastructure Facilities: Striking the Right Balance

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Balances to Be Struck

- Cost Benefit Symmetries and Asymmetries
- Non-Economic Issues
- Economic Context of Siting
- Eminent Domain Issues
- Local vs. State, vs. Regional, vs. Federal Jurisdiction

Cost Benefit Symmetries and Asymmetries

- Symmetrical Winners and Losers
 - Broad Social Benefit / Broad Social Cost
 - Narrow Social Benefit / Narrow Social Cost
- Asymmetrical Winners and Losers
 - Broad (Distant) Social Benefit / Narrow (Local) Social Cost
 - Narrow (Local) Social Benefit / Broad (Distant) Social Cost

Efficiency and Equity Issues: Who Wins? Who Loses?

- Efficiency Benefits to Winners
 - Compensation for the Losers?
- Efficiency Losses Diminish / Destroy Benefits
 - Who Compensates for Losses?

Non-Economic Issues

- Options
 - Relative Standard Depending on Importance of Project
 - Standards Remain the Same, Regardless of the Project's Importance

- Weighing Criteria
 - Distinguishing NIMBY from Substance
 - Balancing Disparate Benefits and Costs

Economic Context of Siting

	Cost Recovery	Need Determination
Monopoly Facility	Implied, If Not Explicit	Must Be Demonstrated
Competitive Facility	No	Unclear Meaning

Eminent Domain Issues

- Who Can Exercise the Power?
 - Regulated Utilities
 - Unregulated Companies (e.g., Cellular Towers)

- Derivation of Power
 - Local
 - State
 - Federal

- Relationship to Siting
 - Obtained from Legal Status, Regardless of Siting
 - Obtained Upon Siting Approval

Jurisdictional Issues

- Relationship Between Impact and Jurisdiction
- Bifurcation of Need and Routing
- Local Zoning and Ordinances
- State Siting Laws (Preemption of Local Authorities)
- Regional Siting (e.g., Compacts, Joint Boards, Regional Agencies)
- Federal Siting