

Sponsors: MEAG Power; Florida Municipal Electric Association; California Municipal Utilities Association; Greenville Utilities Commission; ElectriCities of North Carolina; Tennessee Municipal Electric Power Association

In Support of Protecting the Public Power Business Model

1 Since the late 19th century inception of distributed electric power, communities throughout the United
2 States have chosen to establish electric power utilities as divisions of local government, owned by the
3 community, and run by boards of local officials accountable to their citizens. Most of these public power
4 utilities are owned by cities and towns, but many are owned by counties, public utility districts, and even
5 states.

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7 Of the more than 2,000 public power utilities in operation today, nearly half have been in operation for
8 more than a century and nearly three quarters have been in operation for at least 75 years. Roughly 15
9 percent of retail customers in the United States are served by a public power utility, including more than
10 49 million Americans in 19 million households and 2.6 million businesses. Public power utilities serve
11 some of the nation’s largest cities, including Los Angeles, Seattle, Austin, and San Antonio, but the vast
12 majority serve small towns and villages. The 96,000 workers employed by public power utilities are
13 responsible for the generation of nearly 600,000 gigawatt-hours of electric power every year.

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15 Decisions about the operation of these utilities are made by state and local officials that are directly
16 accountable to the people they represent. These decisions keep the lights on at home, computers running
17 at work, and communication systems working for our police and fire departments: literally the activities
18 that make our communities livable and commerce possible.

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20 These public power utilities focus on providing what their customers pay for – on time and on budget. On
21 average, retail rates paid by public power utility customers are lower and the work and daily lives of
22 public power utility customers are interrupted less often by power outages and for less time when there is
23 an outage.

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25 As needs evolve and the nature of power delivery changes, communities often reconsider how they go
26 about meeting those needs. Some communities may seek more direct ownership and control of power
27 generation, others may look to the private sector. Some not currently served by public power may want
28 their communities to take on that role. And in some regions, private utilities and private equity interests
29 may be trying to convince communities to sell their public power utilities.

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31 Of concern is that in many instances where a takeover is being contemplated, deliberations are often held
32 in secret, with the hope of excluding the public and other decision makers from the process. In others, the
33 process is open, but much of the discussion is held under a deluge of purchased media designed to sway
34 the debate.

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36 **NOW, THEREFORE, BE IT RESOLVED:** That the American Public Power Association (APPA)
37 believes that decisions about the provision of critical utility services should be fully informed, fully
38 transparent, and be made by the community without undue outside interference; and

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40 **BE IT FURTHER RESOLVED:** That APPA strongly believes the federal government should not
41 encourage, pressure, or otherwise incentivize states and localities to privatize public facilities, the cost of
42 which would ultimately be paid by residents and business; and

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44 **BE IT FURTHER RESOLVED:** That APPA will support communities seeking to initiate, expand, or
45 maintain control over the provision of power in their communities by informing stakeholders and by
46 opposing any effort to impose pressure to privatize, whether by Executive Order, federal regulatory
47 changes, or federal legislation.

Adopted at the Legislative & Resolutions Committee Meeting

March 1, 2022

Sunsets in March 2030