

In Support of Public Power Infrastructure Investments

1 Our communities deserve the better life and stronger economy that better infrastructure provides. In the
2 last decade, public power utilities have invested more than \$100 billion in power distribution,
3 transmission, and generation equipment needed to reliably deliver affordable electric power to 22 million
4 homes and businesses in more than 2,000 communities in every state except Hawaii.

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6 These investment decisions are made by state and local officials that are directly accountable to the
7 people they represent. These investments provide the electric power that the keep lights on at home,
8 computers running at work, and communication systems working for our police and fire departments.

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

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15 In response to nationwide concerns about crumbling infrastructure, some federal policymakers want to
16 encourage states and localities to rely more heavily on the private sector for the provision of public
17 services and facilities. Public-private partnerships are common today, for example, when public power
18 utilities purchase power from wholesale generators or hire outside contractors to help with construction or
19 repair.

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21 Some want the private sector more integrally involved, not just in construction and repair, but in
22 management and even ownership. Much of this discussion is being driven by private investors wanting a
23 steady stream of revenue from management or ownership and not just a one-time payment for
24 construction or repair. This move to privatization provides no additional funding for investments and will
25 not change who ultimately pays the price for facilities and services – businesses and residents.

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27 These ideas are manifest in specific policies being considered by Congress and the Administration,
28 including, for example, giving direct federal aid to states and localities that privatize management or
29 ownership of public facilities. An extreme example of this is the “Australian Model” under which federal
30 assistance for a project is conditioned upon a state or locality selling another asset to fund its portion of
31 the project. Called “infrastructure recycling,” this model has led, for example, to the sell-off of the entire
32 electric power distribution system in New South Wales.

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34 **NOW, THEREFORE, LET IT BE RESOLVED:** That the American Public Power Association
35 (APPA) strongly believes the federal government should not try to encourage, pressure, or otherwise
36 incentivize states and localities to privatize public facilities, the cost of which would ultimately be paid by
37 residents and business; and

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39 **BE IT FURTHER RESOLVED:** That APPA would adamantly oppose any effort to impose pressure to
40 privatize, whether by Executive Order, federal regulatory changes, or federal legislation.