In Support of Protecting the Public Power Business Model

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

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

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

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

As needs evolve and the nature of power delivery changes, communities often reconsider how they go about meeting those needs. Some communities may seek more direct ownership and control of power generation, others may look to the private sector. Some not currently served by public power may want their communities to take on that role. And in some regions, private utilities and private equity interests may be trying to convince communities to sell their public power utilities.
Of concern is that in many instances where a takeover is being contemplated, deliberations are often held in secret, with the hope of excluding the public and other decision makers from the process. In others, the process is open, but much of the discussion is held under a deluge of purchased media designed to sway the debate.

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

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

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

Adopted at the Legislative & Resolutions Committee Meeting
March 1, 2022
Sunsets in March 2030