New York Needs “A Public Option” in Electricity To Meet Climate and Equity Goals, Report Says

Analysis says legislation enabling New York Power Authority to replace private utilities and sell directly to customers would be a net plus for the state

A bill currently awaiting action in the New York state legislature that would expand the publicly owned New York Power Authority (NYPA) to speed up the deployment of renewable energy, give residents a public option for obtaining their electricity and create as many as 51,000 additional jobs, according to a report by the climate + community project, a group of science and energy policy experts, and The Democracy Collaborative.

The pioneering legislation, called the New York State Build Public Renewables Act, would make the New York Power Authority a major developer of renewable energy in the state and a key consumer energy provider.

The report says that NYPA is well-positioned to help the state meet the mandate set by the Climate Leadership and Community Protection Act, the most ambitious state-level climate legislation in the country. That legislation requires that a significant share of the benefits of its decarbonization strategy go to disadvantaged communities, those who have borne the worst effects of historic disinvestment and environmental degradation caused by fossil fuel use.

Without the profit imperatives of investor-owned utilities, NYPA could ensure that the utility bills of low-income households stay low; invest in efficiency measures, with a targeted focus in places like public housing; and support such projects as wind farms, sharing benefits with the local community, or rooftop or community solar on top of public schools, according to the report.

“This report highlights the core principles of our campaign, that a for-profit model for utilities is antithetical to conservation, efficiency, and equity, and that reclaiming energy as a public good is a necessary step in confronting the climate crisis,” said Sarahana Shrestha, campaigner with Public Power New York.

Supplanting for-profit energy service providers would both “eliminate predatory operators in the state and replace them with publicly owned power production that has clear mandates for renewable energy,” says the report, entitled “A New Era of Public Power: A vision for New York Power Authority (NYPA) in pursuit of climate justice.” “For a truly just and competitive energy market in the state, New Yorkers deserve a public option for electricity,” the report says.
NYPA is the largest state-owned energy provider in the United States. It generates energy mostly for state facilities and some private enterprises as part of economic development programs. It largely has been disallowed from owning and building renewable energy. The report says that in its expanded role, NYPA would become a vanguard renewable energy generator. “As we fight to make this green future a reality, the report affirms that we must start divesting from dirty energy and investing in renewables,” said New York Assemblymember Zohran K. Mamdani.

The report says that the energy transition investments it is proposing would create somewhere between 28,000 and 51,000 total jobs and between $48.6 billion and $93.5 billion of additional economic activity. That includes more than 16,000 new sustained jobs and $25.3 billion in additional economic activity generated through a renewed focus on energy efficiency improvements between now and 2030.

NYPA’s ownership structure opens up new and more equitable opportunities for financing a just energy transition, the report says. “Furthermore, because it is a publicly owned energy provider, its activities can be democratically accountable to New Yorkers, particularly those historically burdened by the impacts of energy infrastructure and climate crisis.”

In order to meet “high standards of transparency, accountability, equity, and participation,” the report also calls for shifting NYPA’s governance structure to a multi-stakeholder model, with representation from community and labor groups. “Any changes at NYPA should come with structural reforms that reflect New York’s commitment to disadvantaged communities and workers,” the report says.

“A New Era of Public Power’ is a carefully researched and well-drafted plan for how public power will lead to climate justice,” said Assemblymember Robert Carroll, sponsor of the state public power bill. "Policymakers across New York should read it and heed its clarion call,” he said.

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