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## Benefits of Public Power

Public power today is an important, contemporary American institution. From small towns to big cities, wherever public power exists, it is an expression of the American ideal of local people working together to meet local needs. It is an expression of the local control that is at the heart of our federalism system.

Public power is also a strong competitive force that provides a "yardstick" for consumers and regulators to measure the performance and rates of private power companies. This continuous competition helps all electric consumers, not just those served by public power.



However, a public power utility has many distinct characteristics that benefit the consumers of the individual community it serves. These benefits include:

- [Lower electricity rates](#) *[PDF 32KB]*
- Equal or greater reliability
- Efficient service -- lowest cost consistent with reliability, community goals and sound business practices
- Responsiveness to customer concerns -- every citizen is an owner with a direct say in policies
- Emphasis on long-term community goals
- Quick response from crews located in the community
- Not-for-profit status -- lower costs and no split allegiance between customers and stockholders
- Greater portion of revenues stay in community
- Utility purchases from local establishments, including use of local financial institutions
- Local employment
- Economic development -- not-for-profit electricity attracts and keeps businesses

- Tax payments, payments-in-lieu-of-taxes , and / or transfers to the community's general fund
- Access to tax-exempt financing for capital projects
- Cash flow of the utility, which may be channeled through local government treasury
- Opportunity for efficiency through integrated utility operations (e.g., operation with electric, water, sewer, garbage, gas, cable, telecommunications)
- Improved local government efficiency through sharing of personnel, equipment and supplies
- Local management and operations bring added community leadership for innovation and development
- Recognized commitment to conservation, safety and the environment
- Local control over special programs (energy conservation, rate relief for certain customer classes, etc.)
- Local control over the electric distribution system aesthetics and design
- Local control that allows matching local resources to local needs
- No economic bias toward high cost, capital intensive techniques or technologies
- Innovative techniques and technology to meet energy needs
- Primary mission of providing least-cost, reliable service over maximizing profit
- A competitive standard against which the service of all utilities may be measured.

For more information download [Public Power: Shining A Light on Public Service \[PDF 161KB\]](#)



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