Welcome to Metro Justice! Our organization is grassroots, member-funded and -driven, and we are fighting for economic and racial justice by organizing communities and building movements.
To accomplish this, we want to create a public energy utility that is committed to a rapid transition away from fossil fuels and is also accountable to the communities it serves. We hope that you share our values! And we’ve put together this handbook to help you learn about our campaign, the work we do, and ways you can help us fight for a better future.

**Why Public Power**

Everyone should have access to housing and electricity. We believe these are fundamental human rights. We also recognize that residential energy accounts for roughly 20 percent of all greenhouse gas (GHG) emissions in the United States. Public power, or the creation of publicly owned utilities, is a way to reduce the energy burdens of poor communities while redirecting corporate profits into public investments around weatherizing and energy efficiency.
In our current energy system, ratepayers who use the most electricity pay the least amount per kilowatt hour (kWh). High-income Americans, who typically have the largest homes, also have a 25 percent larger CO2 footprint than lower-income Americans. And yet, they pay a smaller portion of their monthly budgets towards electricity per month and pay less per kWh than low-income people who use far less energy. Nearly 30 percent of all housing units in Rochester are occupied by households considered to be “extremely low-income”—that’s almost double the national average. It should be no surprise, then, that Rochester is also one of the most severely energy-burdened cities in the country. Households that spend over 6 percent of their income on energy are considered energy burdened. According to the US Department of Energy, of the 80,000 housing units in Rochester, approximately 37 percent have energy burdens ranging between 10 and 25 percent of their monthly income. Nearly 44 percent of Black and Latinx households in the Greater Rochester Area are energy burdened as a result of a punishing combination of poverty and energy inefficient homes. This is the fundamental inequity at the heart of how we heat our homes.
Over 49 million Americans already receive their power from a public utility. On average, homes powered by a public utility pay 13 percent less on their utility bills compared to homes powered by private utilities. Businesses and institutions powered by public utilities also consistently pay less than those powered by private utilities. And public utilities are more reliable than their private counterparts, having on average half the average outage time — just 74 minutes per year compared to 136 minutes annually for customers of private utilities.

Many climate change campaigns center their messaging on the idea of saving the planet. And fair enough. Sea level rise, mass extinction, food insecurity — these are existential threats. But these burdens will not be felt equally; women, people of color, children, poor, and working-class people will be especially vulnerable. I joined the RED campaign because it recognizes that the benefits of our carbon-based economic and political systems have gone disproportionately to large corporations like RG&E, and that the costs of decarbonizing should therefore be borne by those same parties. RED goes beyond “saving the planet” to ask “For whom? And from whom?”
Our energy costs will continue to rise as our winters grow colder and less predictable, and our summers become hotter. Rochester Gas & Electric has dragged its feet on committing in meaningful ways to decarbonizing the grid. Public utilities in the United States and around the world are de-carbonizing faster than for-profit utilities because they can take what would otherwise be money directed towards shareholders and invest it in their own communities.

A public utility also has greater commitments and obligations to customers than a private company. That’s why public utilities have been at the forefront of reducing greenhouse gas emissions within our energy system for decades. Between 2005 and 2017, public utilities reduced their carbon dioxide emissions by 33 percent, resulting in nearly 40 percent of public power coming from non-carbon emitting sources, far outpacing private sector averages during the same period. Public utilities in the United States also generate over $58 billion in revenue each year, with an estimated $2 billion invested directly back into their communities through jobs, free and reduced energy costs for lower-income rate payers, and incentivizing demand-side energy reduction initiatives such as weatherizing old homes and installing heat pumps.
Our Vision for a Public Utility

Many Rochesterarians we talk to don’t realize that Rochester Gas & Electric is a privately-owned utility controlled by a multinational corporation because RG&E has been a fixture of the city for many decades. But New York deregulated utilities back in the early aughts, and the local utility that many Rochesterarians had grown up with was purchased by Avangrid, a subsidiary of Iberdrola. The new corporate owners immediately moved jobs, from call center representatives to engineers to administrators, out of the city and laid off much of the local workforce. This corporate takeover left us what the RG&E we know today. A hollowed-out shell of the familiar local utility of the twentieth century. Decisions for our communities are made by people who do not live here and are only accountable to distant shareholders.

We want something better. We want energy democracy.
Democracy and energy might seem unrelated at first because the organization and regulation of our energy system has so often been left to experts working for privately-owned utilities and distant bureaucracies. Profit motives, combined with the complex nature of our existing energy system governance, have continually hampered efforts to shift our energy system towards one that no longer uses rate-payer money to purchase greenhouse gas producing energy sources. We have no meaningful representation in the decision-making process that governs the use of our money, a system that has been a driving force in the emission of greenhouse gases that have imperiled not only our planet but our region and our city. But it doesn’t have to be this way.

We believe the system should be redesigned to (1) decentralize energy decision-making, so that communities can own their energy resources and keep the money they pay for energy in the local economy; and (2) provide for greater citizen participation in the process of formulating energy policy.

This is why we’re fighting for a rate-payer cooperative, or a public utility in which we are able to elect people from our communities to represent us in the decision-making process for the utility.
How We Win

Replacing a for-profit utility with one that is owned by the public is not easy, and there are plenty who would prefer we didn’t. Profit combined with political apathy is the perfect recipe for ambitionless approaches to climate change and poverty in our region. But thankfully the law is on our side. Citizens in New York have a right to public power, and they have a right to replace existing privately-owned utilities with utilities that better reflect the communities they serve. In our region, just look to Fairport for an excellent example of a functioning—and cherished—public utility.

The first step towards building a public utility is for a local government—either the City of Rochester or Monroe County—to conduct a feasibility study, which will analyze the economic, legal, and technical aspects of replacing our existing private utility with a public one. The feasibility study will provide the public with the relevant information to consider the next step, which will be a referendum in the City or the County to create the new public utility. After the referendum, Rochester Gas & Electric will be legally mandated to negotiate the buyout of the company’s operations. If RG&E refuses to act in good faith, the courts will issue a condemnation and determine a final price.

Three steps. But each of these steps requires an incredible amount of work to achieve, and that’s why Metro Justice is building a coalition of organizations, politicians, and communities to see this fight through until we win.
Get Involved

Rochester for Energy Democracy is a volunteer-driven campaign. We won't win unless people step up and get involved in the leading climate justice movement in our region.

The easiest way to support our campaign is to sign our online petition, found at the bottom of this page and become a dues-paying member of Metro Justice. Be on the lookout and invite friends to regular intro events to learn more about the campaign.

If you want to be actively involved, start by filling out our new member survey. Next, come to one of our bi-weekly committee meetings. This is where you can find ways to get involved in everything from political lobbying and research to social media communications to coalition development and recruitment. We also have a technical team working to get the feasibility study off the ground, and we’d love to hear from you if you have relevant skills and/or experience. Committee meetings can be a bit intimidating at first since they move fast and usually involve talking about ongoing work. But stick around, come back, and you’ll find your place—we promise!

It's also possible to help out the campaign without getting involved in meetings, by volunteering to canvass or table and talk with your neighbors. Also, consider signing and advertising our petition for a public utility.

And lastly, the easiest way to help us is to tell your friends and family and neighbors about our campaign. Become an advocate for public power!
Frequently Asked Questions

Has this been done before? While municipalization may sound like reinventing the wheel, there are clear and established procedures for it in every state in the United States. One in seven Americans currently receives their energy from a public utility. And while the current public power campaigns are particularly visible in liberal states like New York and California, our campaign looks to one of the most conservative states in the union for inspiration: Nebraska. In Nebraska, a whopping 100 percent of the electricity system is community owned. The state boasts over 120 public utilities that are governed as either public-state entities or community cooperatives. As a result, Nebraskans pay some of the lowest rates in the nation. The best part is that the revenue from this system, which if it were privately owned, would be siphoned off as profits to reward investors, is re-invested in the state to create jobs, bolster infrastructure, and expand renewable energy independence. One of the most conservative states in the nation has been at the forefront of building out its clean energy infrastructure because its utilities are beholden to the communities they serve, not the profit motives of distant shareholders.
What about the Rochester CCA?
A common question we receive concerns the relationship between the recently inaugurated CCA and a publicly owned utility. The American Public Power Association called CCAs the first cousins of public power back in 2017. The Rochester CCA currently supplies the electricity for most residential and commercial customers in the city; it is an excellent first step towards a cleaner and more democratic energy system. But a CCA is not a public utility. RG&E still controls the transmission and distribution of electricity, along with the natural gas infrastructure in the region. We view the CCA as a necessary first step towards a greener and more just energy system.
How much will it cost to replace RG&E?

Upon winning the referendum, RG&E will be required to sell its assets to the City of Rochester (and any additional municipalities that joined the referendum). The City of Rochester and RG&E will have to negotiate a final price for the City to acquire RG&E’s assets. Based on other efforts across the country to municipalize utilities, we know that the City of Rochester will likely have to use eminent domain to pursue condemnation and impose a final price. Metro Justice is committed to building the large and well-organized grassroots movement that will be vital to ensuring that this final price is fair. Typically, municipalities finance the acquisition of investor-owned-utilities through bonds, state aid, and revenue from other sources in the municipal budget. The cost of gradually paying off bonds could be factored into the rate structure of the new public utility in a way that still ensures affordable rates for all.

Further Learning

The Energy Democracy Project has a History of Utilities and People’s Utility Justice Playbook available for free on their website

The Institute for Self Reliance hosted a conversation on democratizing energy systems in January 2022.
Coalition Partners: our coalition partners are organizations that endorse the RED Campaign and support the campaign in a variety of ways. Our coalition partners are essential in building the mass movement and community participation that we need to win.

Community Choice Aggregation (CCA): a policy that if enacted, allows a municipal government to purchase energy on behalf of all of the municipality’s residents. This means that rather than RG&E purchasing energy on the market on your behalf and giving you a “supply” charge on your bill, your municipal government purchases that energy on the market instead, and often at lower costs. You still pay RG&E for delivery, but you now pay your municipal government for the supply. CCAs vary greatly in how, and by whom, they are administered. Rochester has a CCA called Rochester Community Power. A CCA is not the same as a public utility.

Delivery/Distribution: refers to the “grid,” which is all the power lines and gas pipelines that deliver electricity from a substation to our homes and institutions. When most people say, “utility,” they are referring to the company that handles this part of the energy system. RG&E is a delivery utility. When you get your RG&E bill, charges for delivery are listed as the “delivery charges.”

**Glossary**

**Avangrid**: RG&E’s parent company. Avangrid is an IOU conglomerate listed on the NY Stock Exchange, and owns utilities across the northeast United States, and primarily in the states of New York, Connecticut, and Maine. Avangrid itself doesn’t deliver services; rather, it owns the smaller utility companies that do. Avangrid is investor (or shareholder) owned.

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**Generation:** refers to the sector of our energy system that harnesses energy sources to generate power and fuel. Generation encompasses all private companies, public companies, and cooperatives that generate electricity from various sources like: oil, natural gas, coal, solar, hydro, nuclear, geothermal, and biomass.

**Iberdrola:** Avangrid’s parent company. Iberdrola is a multinational, multi-billion dollar investor owned electric utility corporation that is headquartered in Bilbao, Spain. It owns smaller nationally based conglomerates, like Avangrid, across the world.

**Investor-Owned-Utility (IOU):** a utility that is privately owned by shareholders and operated for the profit of those shareholders. RG&E is an investor-owned-utility, with 2 parent companies that are also private corporations. The term IOU is typically used to describe utility companies that are responsible for the delivery of energy and run the energy grid.

**Municipal Utility:** a public utility that is owned by a city government and is not-for-profit. Governance and administration of a municipal utility can vary. Some municipal utilities are run by a department of city government, either by appointed staff and/or appointed Board of Directors. Some municipal utilities are run by a Board of Directors that is elected by city residents. Fairport Electric, Spencerport Village Electric, and the Municipal Electric Department of Churchville are examples of public municipal utilities near the City of Rochester.

**Public Service Commission (PSC):** an agency of the New York State government that regulates and oversees the electric, gas, water, and telecommunication industries in New York as part of the Department of Public Service.

**Public Ratepayer Cooperative:** refers to a utility that is owned and governed democratically by two groups of stakeholders: ratepayers and a tier of public government (city, county, state, or national). Each ratepayer is both a member and owner of the utility, and all stakeholders get one vote in electing the Board of Directors.
Rate Case: a legal process which allows investor-owned-utilities to file a request to the Public Service Commission to increase delivery rates.

Referendum: a popular vote wherein a voting population votes directly on a specific political question. Section 360 of the New York State General Municipal Law is the law that allows for a referendum to create a public utility that can buy-out the existing IOU in the area, and mandates the IOU to sell upon a successful referendum.

Request for Proposals (RFP): a document that solicits proposals, where proposals are often submitted through a bidding process. To conduct an implementation study for the public utility that RED is fighting for, we need to write an RFP on what we want studied, and then go through a public process where firms submit a bid to be selected to conduct the study.

Service Territory: refers to the geographic area that a utility provides services in. Because delivery utilities in the United States are allowed to be monopolies, each “service territory” is serviced by one delivery utility. The service territory of RG&E covers a nine-county region that is centered on the City of Rochester, and includes all of Monroe County.

Supply Charge: the charge on your RG&E bill for generation and transmission.

Transmission: refers to the power lines that transfer electricity from the point of generation (like a power plant) to a substantiation so that power can be distributed through a grid and to our homes and businesses.

Amanda Richardson
RED Co-Chair

If we continue to burn fossil fuels, we will see extreme weather events with increased frequency destroying the lives of people in vulnerable communities. Investor-owned utilities have made it clear that they don’t care and instead want only to increase the wealth of their shareholders. A public, not-for-profit, locally owned, and democratically governed utility will mean community input, equitable rates, and a speedy transition to renewable energy that RG&E is not incentivized to make. I have seen the strength of this community since moving here in the summer of 2019 and I want decisions about the local energy system to be in the hands of the people of Rochester.
With RG&E, You Pay with No Say

You pay for energy to get to your house (per kilowatt hour)
- Customer charge: $21.38
- Delivery charge: $7.47
- Transition charge - Jul: $0.02
- Transition charge - Aug: $0.38
- Revenue decoupling mech: $0.32
- SBC charge: $1.14

Subtotal Electricity Delivery: $29.91

You pay a fixed cost to be a customer of RG&E’s, no matter how much energy you use.

You pay for RG&E to make their target revenue to benefit their shareholders.

You pay for energy (per kilowatt hour) that RG&E has decided to source primarily through ways that are not healthy for people or the planet. In 2018, RG&E reported only 17% of their fuel sources were renewable.

Fuel Sources Used to Generate Your Electricity
- January 2018 through December 2018
- Actual total may vary slightly from 100% due to rounding

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<th>Source</th>
<th>Percent</th>
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<tbody>
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<td>Hydroelectric</td>
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<td>Wind</td>
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Total: 100%

There is a better way.

www.metrojustice.org/red