Electric Bills are Bonkers. What Can We Do About It?

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Ariana Brocious: Hey, Kousha, there's a big storm in New York right now. How's it going?

Kousha Navidar: Yes, I am doing well. Thank you for asking. I have a gripe that I would like to discuss that I think is related to today's episode. Okay.

Ariana Brocious: Okay.

Kousha Navidar: It has been snowing a lot in New York lately. I grew up in New York State throughout the nineties. I can tell you there's a lot of snow. It was colder. But it went over a longer period of time. Now it feels like there's just whiplash like two days ago. Mm-hmm. I was able to walk outside without a coat on. Now I'm looking out my window. It's just white. White because there is so much snow going on.

Ariana Brocious: Whoa. But wait, isn't winter in New York like one of the most magical things? That's what I hear with the snow and all this stuff.

Kousha Navidar: It is. It's great. And here's the other thing, the snow melts. And Ariana, do you have a dog?

Ariana Brocious: I don't right now.

Kousha Navidar: Okay. I love dogs. But people pick up your dog poop because on my street after it melts, it's just littered with this pet poop.

Ariana Brocious: That's disgusting.

Kousha Navidar: And there's a social contract. People are not holding their end of the bargain. And I, I, I, I just see global warming showing up in interesting ways. 'cause it's not just about it getting hotter all the time. It's about these whiplash movements between temperatures and between weather. So, I don't know. Do you experience anything similar in your neck of the woods?

Ariana Brocious: Yeah, I mean, I have a version of that. There's no snow, but, um, we've had the warmer weather, the colder weather going back and forth this winter in particular. And the cold days are really nice and feel like it kind of used to be when I was growing up and the warm days feel like it should be two months from now. You know, it's like you look at the calendar and you can't believe it's 85 and it's February.

Kousha Navidar: Yeah. I'm sure that my electricity bill's gonna be higher. Which, dear listener, brings us to today's episode. 'cause guess what it's about, Ariana?

Ariana Brocious: Electricity bills!

Kousha Navidar: That's right.

Ariana Brocious: I'm Ariana Brocious.

Kousha Navidar: I'm Kousha Navidar.

Ariana Brocious: And this is Climate One.

Ariana Brocious: If you're like the majority of Americans, you've been seeing higher electric bills in the last few years. Really high, in some cases.

Kousha Navidar: And it turns out the way you get your power, and who supplies it – matters a lot in terms of how much it might cost.

Ariana Brocious: Three out of four Americans get their electricity from an investor-owned utility – like PG&E, ConEd, Arizona Public Service, Florida Power and Light. As the name suggests, these companies have investors who expect returns.

Kousha Navidar: Because we don't want sixteen sets of powerlines running through communities, these companies are granted monopoly ownership of a certain service territory.

Ariana Brocious: That means **we as consumers generally don't have a choice** – we can't switch to a different company if we don't like their prices or policies.

Kousha Navidar: And because they're a monopoly, they're regulated by state public service commissions which are supposed to make sure they're not overcharging customers. These commissions actually wield a lot of power, even though many people hardly know they exist.

Ariana Brocious: But that's not the only model. Some places have public power – owned and operated by a municipality, which doesn't have investors.

Kousha Navidar: And some states have allowed cities to form a collective and bargain for the power source themselves – though the utility still has a monopoly on the lines. We'll hear more about that model, called Community Choice Aggregation, later in the show.

Ariana Brocious: The average residential energy bill in 2025 was roughly 30 percent higher than in 2021. That comes from an article in Grist, a nonprofit online news outlet. Using data from Lawrence

Berkeley National Lab, reporters Naveena Sadasivam and Clayton Aldern created a region-specific breakdown of what's leading to, in their words, "eye-popping" electric bills. Demand from energy-hungry data centers aren't really showing up in the figures yet, but that can change fast. Sadasivam walked me through their findings. And first, she says there's one key thing to keep in mind:

Naveena Sadasivam: Your electricity bill is hyper region specific. Hyper specific to where you are and your energy consumption.

Ariana Brocious: Gotcha. Okay. What is behind the big price increases in California?

Naveena Sadasivam: In California, it really does come down to the fact that the state has been seeing more frequent and larger wildfires since the mid 2010s. And that's showing up in rate increases in a few different ways. One, it is expanding, you know, the utilities sort of exposure to liability. So their insurance costs are going up and that's getting passed on to customers, but also the utilities primarily we're talking about pg e here, but all of the utilities in California are investing in upgrading their infrastructure, right? So undergrounding lines, they're having to rebuild after a major wildfire and, and put those poles and wires back up again. And all of that costs a ton of money. And that's largely the reason for, for the increases that we've been seeing these past few years.

Ariana Brocious: I wanna interject and say that, there's a way that investor owned utilities calculate how much of those costs to put on consumers because of course they are monopolies, but also they are expected to give returns to the shareholders that invest, that they use that capital to do things like building all these things. And so, elsewhere in this episode, we get into that a bit deeper. I just think it's important to highlight that it doesn't have to be a strict passover from the cost of a new undergrounding project directly to the consumer, right? Utilities actually could change the calculus there a little bit.

Naveena Sadasivam: Yes, absolutely. And so there is a very complicated formula and procedure by which utilities suggest new rates that are then approved by the state regulators. And so yeah, I totally agree that that's often a negotiation that takes place between utilities and regulators. And there is room there in how they pass on some of those costs to customers.

Ariana Brocious: What else was surprising to you when you looked at all this data?

Naveena Sadasivam: Yeah. You know, one of the things that really stood out is some of the Midwestern states, the fact that they have invested heavily in wind energy seems to be a factor in kind of keeping their electricity prices low. The other sort of interesting finding is that the Pacific Northwest, those states have extremely low prices and have always had extremely low prices in large part because they are dependent on hydropower, and hydropower, which is a clean source of power. Plentiful, cheap hydropower is the main reason why the Pacific Northwest has some of the lowest rates in the country, and that really stood out because similar to California, parts of Oregon, Washington are also seeing wildfires. So you would think that they would also start to see some of those upticks and prices. But they've been kind of protected by the fact that they have cheap and plentiful hydropower available to them.

Ariana Brocious: Okay, so we talked about the Northwest, mentioned the Midwest and California. What about the Northeast? What's unique or kind of driving prices there?

Naveena Sadasivam: The Northeast is really interesting. It's one of just a handful of places across the country where prices outpaced inflation. One of the big factors there is the fact that the states really depend on natural gas, both for heating and for electricity generation. So what ends up happening during those cold winter months is there is a shortage of natural gas supply. A lot of the

natural gas is coming from outside of the region, sometimes from places as far away as Texas, and there are only so many pipelines that lead into the Northeast. And so when these shortages take place, the wholesale prices for a natural gas spike. And as a result, electricity prices also spike. And so then those costs get passed on to customers.

Ariana Brocious: So It seems like from this analysis that you've done of states and regions, that those that are more dependent on renewable energy, like wind in the Midwest and Plains, hydro in the Northwest, have more price stability than these other regions that get a lot of their power from fossil fuels, which have a lot more price volatility like oil and natural gas. And, you know, renewables basically have no fuel cost once you build them. So, I'm thinking in the example of the Northeast, would offshore wind help here? You know, there was a lot proposed. President Trump has halted a lot of those projects. Like should these places that are dependent on fossil fuels begin to much more quickly shift to renewables as a way to bring some of these costs down?

Naveena Sadasivam: Yeah, the reports that I looked at did suggest that the availability of cheap and plentiful wind. Energy in particular could help lower costs for customers. With solar, it's a much more complicated picture because it really depends on whether we're talking about rooftop solar or utility scale solar. But it is the case that in a lot of places that are dependent either on oil or natural gas for electricity generation, there are wilder spikes or higher volatility in electricity prices as a result. Because the price of oil and gas is set by an international market, it's not sort of locally controlled.

Ariana Brocious: So for listeners, there's very cool graphics on the Grist website with this story. And a dropdown interactive where you can put in where you live and see how prices have changed over time. And on these data graphs, visualizations, you all separate real prices and nominal prices because inflation has been such a factor in the last several years. Why is that an important distinction in evaluating these price increases?

Naveena Sadasivam: It's a very important distinction because as we all know and feel every day, prices have gone up, right? Inflation over the past few years, cumulatively has been something on the order of like 25%, and so just as your grocery prices have gone up, just as rents have gone up over the past few years. So have electricity prices. The question here is how much have prices gone up beyond inflation when adjusted for inflation? Are we still seeing price hikes? Because, you know, when you think about the types of infrastructure upgrades or other changes that utilities may be making. You have to remember that the cost of materials and the cost of labor and the cost of everything else has been going up. And so that gets passed into those prices as well. And so I think that's a really important distinction to make and what we find and what researchers have been finding, is that there are a few places where prices outpace inflation and that's primarily California and the Northeast. And parts of Hawaii and Alaska have also seen pretty high prices in recent years.

Ariana Brocious: Let's just say the obvious here, which is that even if these price increases are tied to inflation, as you mentioned, there's so many other inflationary pressures on people's lives right now, food and housing and medical bills, and most of us haven't seen our paychecks increase. So this is just one more stressor added to, you know, the daily finances of families and businesses. And this is a real challenge for a lot of people right now, right.

Naveena Sadasivam: Absolutely. You know, when I talk to energy economists and researchers they often talk about a household's energy burden or a specific individual's energy burden, and that is essentially what percentage. Of your paycheck are you putting away towards paying your energy bills? And the fact that, you know, wages haven't kept up essentially means people are paying a greater share of their wages toward energy bills. And so that can really make a big difference especially for low income households.

Ariana Brocious: So from your standpoint, as you look at all these findings, where do you see places where consumers can get some relief from high bills?

Naveena Sadasivam: I mean, I think there are steps that folks can take individually. I mean, obviously I wanna be careful here and just sort of highlight that. If you're in a place like California where the cost per kilowatt hour is so much higher than in, say, Arizona or Texas or other parts of the country, it can be very hard to get those energy bills down. But checking your home for leaks, for instance, to see if there's cold air or, you know, hot air from the outside easily able to enter into your apartment can make a difference over time. Energy efficiency upgrades like changing out your bulbs. These are all good long-term to reduce the amount of energy that you're using and therefore, you know, try to make a difference on your energy bill. But they may not really help you address some of the bigger changes that you're seeing as a result of rate increases from your utility. So the other step that you can also take is to get more involved in your local community and see if you can sort of advocate with lawmakers. And obviously, you know, voting is a great way to kind of highlight that this is an issue that you're concerned about.

Ariana Brocious: Yeah. And I think that's the place where more people might have a greater impact, right? As kind of a collective. Elsewhere in this episode we talk about a couple rate hearings. So again, utilities that are regulated by state commissions have to prove that they need to raise their costs. And those are public rate hearings. The public can, participate, can advocate for themselves. There's consumer advocates, you know, you can get involved in this at your local level. In addition, we've seen the pressure from these high bills really influence elections in certain parts of the country as I think you all have reported. I mean, is there an example that you might be able to cite where this was really a big part of somebody's election win or loss?

Naveena Sadasivam: Yeah, absolutely. I think Georgia is a really interesting, fascinating example here. My colleague Emily Jones, who is based in Georgia and is a reporter there, did amazing reporting around the utility Commission elections in the state and how concerns about, you know, rising rates essentially led two of the incumbent commissioners to get voted out and they were replaced by Democrats in just the past few months. And so that's a very sort of significant shift. And I think, with the midterms coming up later this year, I think electricity prices are going to be top of mind for a lot of voters. And we may see more shifts like that across the country.

Ariana Brocious: Yeah, so what are you keeping an eye on in this coming year?

Naveena Sadasivam: This is an evolving story, right? The question about data centers is one that I will be watching for sure. To see how things change in the coming years. And then I, I think the other sort of through line in my reporting is the, just the impact of extreme weather on utilities across the country and on rate prices across the country. You know, large swaths of the country are being walloped by hurricanes, flooding, wildfires. And all of that means that utilities have to go in and they have to repair the wires and the poles that have been blown over or have been burned down in a fire. And so all of that costs money.

Ariana Brocious: Naveena Sadasivam is an investigative journalist and editor at Grist covering the oil and gas industry and climate change. Thanks for coming back on Climate One and sharing your findings with us.

Naveena Sadasivam: Thank you for having me.

Music: In

Ariana Brocious: Coming up, Arizona’s top lawyer says enough is enough when it comes to

investor-owned utilities seeking to raise their rates AGAIN.

Kris Mayes: If we're going to err on the side of anybody, we should not be erring on the side of a utility that made 1.6 billion dollars in net profits.

Ariana Brocious: That's up next, when Climate One continues.

Ariana Brocious: Help others find our show by leaving us a review or rating. Thanks for your support!

Music: Out

Ariana Brocious: This is Climate One. I'm Ariana Brocious. My electric utility, Tucson Electric Power, has come under fire lately for wanting to raise rates again, on the heels of increases in recent years. The city of Tucson **and** the state attorney general have formally intervened in the case on behalf of consumers.

Ariana Brocious: In January, I went to a town hall hosted by Arizona Attorney General Kris Mayes. She explained to a packed room why she's intervening in the rate case Tucson Electric Power is bringing before the state public utility commission.

Kris Mayes: We all know that Arizonans are already feeling squeezed by sky high prices and ever increasing electric bills. And now TEP, Tucson Electric Power Company, is trying to jack them up even further. TEP's pending rate case seeks to raise average residential bills by nearly 14%. I believe this is blatant corporate greed. We are watching a monopoly utility try to abuse the system. Electricity isn't a luxury. We see people in Arizona die from the heat. And Arizonans aren't getting a 15% raise in their income to keep up with a new rate request.

Ariana Brocious: The overwhelming sentiment in the room was against the new electric rate hike.

Person 1: Every year there seems to be an increase, and yet the services that I receive for those increases. Are not increasing, so that's a problem.

Person 2: I'm a retiree. I'm on a fixed income. My social security increases are not gonna keep up with a 14% rate increase. Yeah, I'm concerned.

Ariana Brocious: A few weeks after that meeting, I sat down with Arizona Attorney General Kris Mayes to talk more about the rate case and utility behavior in recent years.

Ariana Brocious: So let's start by unpacking some basics for listeners about how utilities decide what to charge their customers. Basically, as a monopoly, they're allowed to earn a certain rate of return as long as they provide power to everyone in their service area, maintain all the poles and wires, and provide electricity. In exchange, they have to be regulated by the State Utility Commission. Lately, it seems like a lot of utilities are trying to get more money than they need to perform the work. And as investor-owned companies, those excess profits go to shareholders. Is that a fair assessment?

Kris Mayes: Yeah, I think that's a, that's a pretty spot on assessment of what we think is happening and why my office has been intervening against these rate increased proposals and in, in the rate cases that are coming fast and furious in Arizona at least.

Ariana Brocious: Yeah. So let's speak about those. Tucson Electric Power, which serves the Tucson metro area, is seeking to raise their rates again. They did this in 2021 and 2023. You've intervened on this case on behalf of consumers calling it blatant corporate greed. What spurred you to get involved?

Kris Mayes: Yeah, and I don't use that term lightly. As you know, I'm a former Arizona Corporation Commissioner, which is Arizona's elected Public Utilities Commission. So, you know, I'm pretty knowledgeable about how rates work and rate increases work. I know that utilities have to have resources and infrastructure and the ability to raise investment. And so, you know, rate increases can be a fact of life, but what has been happening in the last five years, I think in Arizona and across the country is that the utilities have just gotten greedy and are asking for more than they need. And on top of that, you have the situation out there right now where, you know, data centers are flooding into communities and states and requiring additional infrastructure to be built to serve them. I mean, they require a lot of power and a lot of water too. And, those two things are, are, combining to create a, a really terrible situation for consumers, which is these double-digit rate increase requests and multi-year rate increase requests by utilities like TEP and Arizona Public Service Company, these are two of the three largest utilities in Arizona now on their third rate increase request in a row. Basically three in something like six years for each of them. That is, in my experience, totally unheard of. So something's up here and I think it's very clear that, you know, it is not to the benefit of consumers, and it's very much to the benefit of these investor-owned, vertically integrated utilities.

Ariana Brocious: So with regards to the TEP case, an independent review found that their rate increase should only be 4%, not the 14% that they're asking for. What were the factors? I mean, utilities have to defend or explain why they need to raise rates. What were the factors this analysis found that found that it was such a significant difference in what they were asking?

Kris Mayes: Yeah, we, we, uh, we took the step of hiring an, an outside expert, to take a look at what TEP is, is asking for, and found that their rate increase request, in particular their return on equity piece of it, what they need to attract investors was way beyond what is necessary to attract investors to the company. And so that brought down in our, in our eyes, the needed rate increase, if there's any needed rate increase at all, from 14% to 4%. And you know, I mean, I think it's important to keep in mind. That this is, this is a utility owned by a parent company that makes about $1.6 billion in profit. That's a lot of profit. And so, if you know, we're going to err on the side of anybody, we should not be erring on the side of utility that made $1.6 billion in, in, in net profits. And, there's a couple of important components that go into setting rates. One of them is that rate of return. You know, what is that gonna be. Usually it's in the nine to 12%, sometimes it's less than that. But the other important piece is what is their rate base going to be and what's going on with these data centers and with the infrastructure that's needed for data centers and growth, is that the utilities are adding a lot of power plants, a lot of transmission lines, a lot of distribution lines. That all goes into the rate based portion of this. And then they're able to charge and multiply that by the rate of return that is set by the, by the public utility commission. And that's how the revenue requirement for the utility is ultimately set. So you can see why, who pays for that infrastructure becomes very, very important. We think that the data centers and the billionaires who are building these data centers should be on the hook for paying for much more of that infrastructure than they are right now.

Ariana Brocious: Yeah. As you were kind of getting at, utilities are incentivized to spend money on new building projects, by the way that these structures are designed because they can collect return on those as opposed to maintenance.

Kris Mayes: Absolutely. The way rates are set generally in this country incentivizes utilities to build big stuff. Now that being said, what you build is also important. So you can use energy efficiency to

reduce the overall load that is needed to serve. You don't have to build a natural gas plant necessarily if you build out solar plus batteries, which is cheaper than building a new natural gas plant, but the utilities don't wanna build solar or energy efficiency because they don't earn that higher return on that. The more expensive it is, the more the utility's gonna wanna build it. If given a choice between a solar project plus batteries or a natural gas plant or a coal plant, the utility is gonna pick the natural gas plant six ways to Sunday. Because it is, then they get to, it's more expensive and then they get to multiply that by their rate of return, so therefore they end up with more profit.

Ariana Brocious: Yeah, I mean, it sounds like we need to maybe reexamine the system a bit. So there's an argument that lowering the cost of equity – this is a little bit of jargon, but that's essentially what the utilities investors expect to earn by investing their capital. That by lowering that, that would help reduce some of this, you know, kind of greed or like shareholder profits on the backs of customers. Those rates are set by the public utility commissions. So how do we change them? Is it really down to each individual state commission to decide to do that?

Kris Mayes: In the current world, it is, I mean, essentially it, it is up to state public utility commissions to determine what the cost of equity should be within the, the context of a rate case. And those are rate cases that happen for individual utilities. So right now in Arizona, we have two major rate cases going on with two large investor owned utilities asking for really huge rate increases, 14 and 15%, I believe. And so, yes it is state by state for the most part. Some of the eastern states are a little bit different because they're in energy markets, and so they're a little bit different. We have a few states that are what's called deregulated states, but in western states, especially, and in the south, these are investor-owned utilities. They're vertically integrated and the rates are set by their public utility commission.

Ariana Brocious: So there's a perception, and it's based on real history, especially in Arizona, that the public utility commissions are often in the pocket of the utilities, that they get donations during the campaign season. Even if money isn't changing hands, there is a real power imbalance between these companies that are super well resourced, they have time to spare, they have lots of people to employ and the often overburdened public officials and consumer advocates who are taking in these rate cases. So what do you say to the question, You know, aren't public utility commissions supposed to be on the side of consumers?

Kris Mayes: Absolutely. And, and you know, if you look, go back and you look at the minutes of Arizona's constitutional convention back in the nine early 1900s, our founding fathers here in Arizona actually established the Corporation Commission, our public utilities, as Arizona's fourth branch of government. It's considered to be the most powerful public utility commission in America because it's both elected statewide and lodged in the Constitution. And they very much, our founding fathers wanted a public utility commission that would err on the side of consumers. Because they understood the power of monopolies. And, that's essentially what we're talking about here. We're talking about a state allowed, regulated monopoly, and it's allowed to exist under what's called a regulatory compact. And that regulatory compact says the utility gets a guaranteed service territory, so they don't have to compete with anybody like everybody else in business, and essentially they get a somewhat established and, and guaranteed rate of return. But in exchange for that, they have to be regulated and they're supposed to be regulated by a robust entity that's looking out for the interests of consumers and to some degree, shareholders in the sense that we wanted strong utilities that could serve the public. That's what most public utilities commissions are established to do, is to be a bulwark and to sort of stand in the breach on behalf of consumers because they knew these utilities would be powerful. I mean, they make enormous amounts of money. And to your point, they have armies of lawyers and they have expertise that goes back a hundred years. And so the, that's what it, that's the way it's supposed to be. That is not the way it is in a lot of states right now,

unfortunately. And there's also something called regulatory capture, which is a phenomenon that basically refers to what happens when you have commissioners who've just been around too long, or commission staff who've been around too long and get a little too cozy with the utilities.

Ariana Brocious: So you, as you mentioned, you were an Arizona Corporation commissioner as a Republican, in the two thousands. I wanna lean on that expertise because there are a lot of communities that are exploring this very difficult, fraught, and expensive prospect of shifting to public power. Given the expertise you have serving on the corporation commission, what other tactics or regulations would help achieve some of the same goals of keeping electricity reliable and fair for state residents?

Kris Mayes: Yeah, I mean, I, I think that you're starting to see something of a backlash against these utilities forming out there and, and you're seeing that in calls for cities to condemn the utilities in their area and to essentially commandeer or take them over through that condemnation process. It's an incredibly difficult process. It rarely happens anymore, and the utilities, of course, would fight it tooth and claw because they don't want to give up their service territories and they're not gonna do that, you know, willingly. I think you're also seeing, you know, movements in, in, in other parts of the country toward deregulation. Again, I mean, one of the things that happens when utilities go too far and get too greedy is that people start to think, Hey, maybe competition would be good here. Maybe the utilities have gotten too strong and too powerful and, too, uh, high on their own supply as it were, and maybe we should be, you know, allowing for some competition in this space. And that's happened, you know, in the past, competition and deregulation was something that sort of took root back 20 years ago, really, 20, 30 years ago, as some of it happened on the East coast. It never really materialized in the west. You've seen movements in some states toward community choice aggregation.

Ariana Brocious: That was my next question.

Kris Mayes: Yeah, and I, I think that is something that is becoming more popular, more, more people and communities are looking at that because they wanna, they wanna be able to provide their own power. They see it as a way to not only lower rates, but also to provide the kind of power to their communities that they want. They see utilities continuing to rely on coal or natural gas or fossil fuels. They don't want that. They want solar plus batteries or they want energy efficiency or they want, you know, geothermal or more hydro, you know, there, you name it. There's people are like with everything else, wanna have control.

Ariana Brocious: Yeah. So you touched on community choice aggregation. This is an alternative system where individual consumers can join together and buy power from different companies than just their normal utility. Though the power is still sent over those main power lines, and this can often get them better rates or just different kinds of energy. Elsewhere in this episode, we have an interview with Community Power Coalition of New Hampshire, who's done that. By my understanding, the state has to allow it and state law in Arizona currently doesn't. Do you think there's a push or a wide enough constituency here that would make that happen as a change of law?

Kris Mayes: I, I think it would, I think it would require a legislative change to, to have that happen. I don't see this particular legislature in Arizona doing it. I think a future legislature might or perhaps it would, might be something that gets done by ballot initiative. But I think it's very attractive. I think it's something that Arizonans would be interested in. And I think the utilities need to take a beat here and think this through because if they think they can continue to get away with rate increase after rate increase after rate increase, at a time when people are struggling with rent and healthcare costs and just affording their lives in general. At also a time when climate change is driving temperatures up higher and higher and higher every summer. The utilities, I think, are

gonna find themselves in a world of hurt and a world of pushback from consumers. So, I think it might happen here, but it'll probably take time.

Ariana Brocious: Kris Mayes is Arizona's Attorney General. Thank you so much for joining us on Climate One.

Kris Mayes: Thank you. It's great to be with you.

Music: in

Kousha Navidar: Coming up, a collective bargaining model can work for buying electricity and pushing for other resilience strategies:

Jackson Kaspari: We can go to stakeholders at the state level and say, you know, we're speaking on behalf of all of these city towns, counties within New Hampshire that want see things like this.

Kousha Navidar: That's up next, when Climate One continues.

Music: out

Kousha Navidar: This is Climate One, I'm Kousha Navidar.

Ariana Brocious: And I'm Ariana Brocious. Like in a lot of places around the country, increasingly high electric bills are causing a lot of conversation in my city, Tucson. Many people here want the city to follow up on a feasibility study it did last year looking at ditching the main utility in favor of public power.

Kousha Navidar: Similarly, let's go to Oakland, California where city council member Carroll Fife represents district 3. She sponsored a measure in support of State Senate Bill 332, the Investor-Owned Utilities Accountability Act, introduced by State Senator Aisha Wahab. The bill would have required a comparative analysis of transitioning away from PG&E, the region's dominant power company, to a different model, like public power. After a lot of pushback from PG&E, Oakland City Council dropped its measure. But Fife says the idea behind the legislation remains important.

Carroll Fife: I have several allies that I've organized with for many years and multiple coalitions. And some of those are environmental justice organizers, and they approached me about the necessity of this legislation. And after reading the legislation and then understanding the district that I personally represent, which is heavily impacted by environmental factors like the Port of Oakland truck traffic, freeway traffic, emissions industry, sea level rise. It just made sense to me and it literally makes dollars and cents to my constituents who are also struggling to afford energy in the city of Oakland.

Kousha Navidar: I'm happy you brought up the constituents because I wanna understand their perspective as well. What were the main aspects of the bill that were important to them?

Carroll Fife: Alternatives to our big service provider. Alternatives that take into account that costs that go to pay shareholders doesn't benefit our local economies and is burdensome. And so there are those constituents, the small businesses who are deeply concerned about rising energy rates. But there are also individuals who live in the high fire severity zone that are just concerned about wildfires and the impacts that those have had on the city of Oakland. The point is, is that. These, I, I, I wanna stop saying these. I will be honest that, I'm a little concerned about the outsized impact that PG&E has on the city of Oakland, on the state of California. I'm finding myself regulating my language. And I have to struggle with that. Like, why am I not naming the entity that is causing this

harm? And so I have to really reanalyze the hole that they have on me. And I think there is some fear there.

Kousha Navidar: Yeah, tell me more.

Carroll Fife: I don't know. I just recognize that was happening in this moment.

Kousha Navidar: In the moment.

Carroll Fife: And I'm like, no, no. PG&E has caused harm. And speaking to Senator Wahab about the impacts that PG&E has had on wildfires in the state of California. I was blown away. And I think my self-regulation is based on the experience that I had trying to bring this legislation forward in the city of Oakland because they're based in the city of Oakland and they threatened to leave the city and get other large employers to leave. Which I felt a tremendous amount of guilt for, because the organizations that called me and said, please don't bring this forward, are organizations that I support, institutions that I support, nonprofits that do amazing work here. So I was struggling with the chokehold that they have because of philanthropic contributions to nonprofit organizations.

Kousha Navidar: They are also very large, very powerful. It makes sense that there'd be some hesitation. This is a very complicated issue with so many stakeholders at play. I wanna talk more about your constituents and what you're hearing from them. You had mentioned costs. What do they tell you about their electric bills and what they feel needs to be addressed? Like, do they talk about costs? Do they talk about shutoffs? You had mentioned fires as a big concern. Break that down.

Carroll Fife: The concerns that I specifically heard around the time that I was bringing this forward was like, thank you, because my PG&E costs are so high, they've exceeded my lease. So several businesses had fallen behind on their energy payments. And there was one Black-owned business in my district, really close to city hall, that said that if they weren't able to make their next PG&E payment or, uh, some, some number of payments on their payment arrangement that they would probably go out of business. And, you know, they had experienced break-ins and other challenges that made just operations tough. And the straw that broke the camel's back was their PG&E bill. And they closed down a few months after we had that initial conversation.

Kousha Navidar: Oh, wow. And then what happened to that space? Did another business come in or it's still –

Carroll Fife: Still vacant.

Kousha Navidar: Okay. How do you think a shift to public power could address these challenges?

Carroll Fife: I think a shift to public power would have the immediate impact on consumers and rate payers by shifting the resources back into the community. And instead of paying shareholder profits, those could be reinvested into resilient infrastructure, a host of other things that would keep the ratepayers costs level so that we are not seeing the types of increases that we saw like last year, Senator Wahab said that there were six rate payer increases over the course of a year. It's just, it's out of control and, and I think we need to examine what alternatives could look like for the benefit of residents of California.

Kousha Navidar: That's a really good point. I wanna talk about the alternatives as well. 'cause I mean, the reality is that implementing a move to public power is tough, right? Like it is difficult, so what other changes could address the concerns that you have with PG&E?

Carroll Fife: You know what I think needs to happen, just a public conversation. We can't even have

that. That's what I was trying to at least initiate at the local level, which is a, a more public conversation about the challenges that we're facing in our communities. And because PG&E is such a large entity in the state of California and they have influence over elected officials, it's going to take grassroots communities, having these conversations and calling us in and holding us accountable to have the discussions about what is possible. What does a just transition look like? Is a just transition possible when you have these organizations that seem too big to fail? And I believe it's possible. I do understand that. It's a shift that some municipalities are not necessarily interested in taking because of the liability that would be involved in municipal power. There's also community power that could be an alternative. There are also alternative sources that don't necessarily rely on a government entity being the provider. As I said, we have to do something. The status quo doesn't work.

Kousha Navidar: Carroll Fife is a city council member for district three in Oakland. Carroll, thank you so much.

Kousha Navidar: In spite of widespread and often justified critique of investor-owned utilities, switching to public power is an uphill battle. In some parts of the country, community choice aggregation offers a different way for consumers to have more of a voice and advocate for themselves. I talked about this with Jackson Kaspari,

director of Member Services at Community Power Coalition of New Hampshire, which serves electricity to customers across 50 communities.

Kousha Navidar: Well, let's imagine that we are at a dinner party in your town in New Hampshire, okay? And I'm griping about my high energy bills. And you, Jackson, you say, Hey, lemme tell you about this cool thing called community choice aggregation. How do you explain it to me?

Jackson Kaspari: All right. So I describe community choice aggregation as the ability for cities, towns, and counties to become the primary electricity provider for their residents and businesses. And they do this for a number of different goals, but one of them is certainly to lower costs and introduce greater competition into the marketplace. And so you can think of the concept as pooled purchasing power, right? Like a buying group that you would have working with, maybe a corporation or a municipality.

Kousha Navidar: Like collective bargaining.

Jackson Kaspari: So these cities and towns – Yeah, exactly. Collective bargaining. So they're able to pull together their energy needs on behalf of their participating businesses and residents to get competitive energy rates and work together to offer innovative programs and projects, to drive costs down, help spark energy innovation, and, and really help communities meet their energy goals.

Kousha Navidar: Cool. So like using the collective power of a community to find the energy sources that are best for them, often at a lower cost. Cool. So we're at the dinner party. First thing that pops into my mind is, sounds cool. Where does the power come from? Is it fossil fuel power generally? Is it renewable energy?

Jackson Kaspari: So one of the great things about community power is that there are a bunch of different product options that people can choose from through their local program. So they have the ability to access 33, 50 and 100 percent renewable energy. Uh, that renewable energy is sourced from local generators within New England, but much of it does come from right here within New Hampshire.,But we do also offer products that are focused on least-cost and those, while they contain about a quarter renewable energy, do have some fossil fuel makeup as well.

Kousha Navidar: Does this cost me more as a participant?

Jackson Kaspari: So, community power, this has been successful across the nation, but in New Hampshire has resulted in customers saving millions of dollars since the first programs launched in 2023. So there have been periods where there have been rates through community power that are significantly lower than utility rates, but there's also been periods where rates have been higher, so there's fluctuations. But the beauty is that at any given time, a customer has the ability to choose the option that's best for them. And if they need to leave the program, they can at no cost and they can always come back later.

Kousha Navidar: So that sounds like a win for consumers in a lot of ways. Can you tell me why in New Hampshire specifically this was necessary for residents? What was wrong with the utilities? That they were used to?

Jackson Kaspari: Well, New Hampshire has seen, you know, very high electricity costs over the course of time. And one of the reasons that restructuring was put into place for utilities in New Hampshire was to drive more competition into the market. So New Hampshire has what's called the deregulated market. That means that there are lots of different types of suppliers that exist within New Hampshire and that utilities actually don't own generation assets on the supply side. That means power producing plants.

Kousha Navidar: And you're explaining restructuring right now.

Jackson Kaspari: Exactly, yep. And I'm not gonna get into all the weeds on that, but it's important in that community power is, I think, one of the major wins that has come out of that whole restructuring movement because the community power law has allowed, these cities, towns, counties across New Hampshire to band together, to work collectively to help the residents and businesses with a, a number of different opportunities. And whether that's just directly through the supply side or it's collectively working together to build, say, the largest community solar array in the state of New Hampshire, or it's working together to provide programs that will help residents with energy audits and energy efficiency.

Kousha Navidar: And you know, as you're describing it, I think of the utility company because we've been talking about the consumer quite a bit from their perspective. And, the Community Power Coalition of New Hampshire, it serves roughly 70% of the customers in each of your communities. So obviously people are into this part of it, but what do the utilities think about it?

Jackson Kaspari: So in the beginning, I mean, there was a lot of pushback. Back in 2021, Eversource, which is the largest investor owned utility in the state, introduced a bill to try to essentially kill the concept of community power at that time. And, you know, that was a call to action. That was an opportunity for us to band together as an organization and work with our communities to say, no, this is something that we want. And it will be useful and it'll be useful in these ways. We do our best, I will say, to work cordially with utilities 'cause, 'cause we need to work efficiently with them on the sort of operation side of what we do. But yeah, there's certainly been friction at times over the concept and things that we're trying to put in place at the legislature and opinions we have over public utilities commission rulings and, and things of that nature.

Kousha Navidar: Do they make less profit 'cause of it?

Jackson Kaspari: They do not make less profit because of it. Utilities in New Hampshire are not allowed to profit from the supply side of the bill. So from a core business standpoint, there should be no reason to disagree with the concept of community power.

Kousha Navidar: It doesn't, it doesn't threaten their business model basically.

Jackson Kaspari: Correct. Yep.

Kousha Navidar: Can you tell me how you're seeing it on the ground?

Jackson Kaspari: Yeah, I mean we're seeing it in real time, especially with a lot of the work that's happening, uh, with our regulatory and legislative affairs team. So, you know, we're very actively engaged with members of the New Hampshire House and Senate to push for bills that will allow, for example, greater access to energy storage within New Hampshire. Will allow for competition on the supply side, will hopefully lead to things like plugin balcony solar is another example of something that we're helping to support. So there's legislation being worked on in New Hampshire now to, to be able to do something like that.

Kousha Navidar: That collective bargaining element of finding the supply of your electricity kind of allows for the bureaucratic infrastructure to allow those other pieces of legislation to go through?

Jackson Kaspari: The collective bargaining comes along with how many stakeholders and customers that we represent. Right? And so that I think is what is helping to make us effective in pushing for policies that we feel will best serve those consumers. Because we can go to stakeholders at the state level and say, you know, we're speaking on behalf of all of these cities, towns, counties within New Hampshire that want to see things like this and have agreed to this policy platform. And therefore, you know, that collective voice does make a big difference in that decision making.

Kousha Navidar: Totally. That makes sense. Another project I wanted to talk about is that Community Power Coalition of New Hampshire is working with a developer to establish about a five megawatt solar project that will generate enough electricity, I think, to power about a thousand New Hampshire homes. Is that right?

Jackson Kaspari: That's exactly right.

Kousha Navidar: So it's a community solar array and it's already fully subscribed, so. What plans do you have to build more projects like this?

Jackson Kaspari: So I really think that Poverty Plains is just the beginning for what CCP C and H can do. Uh, we have an annual solicitation program. It's called the ASPIRE – It's the annual solicitation program to increase renewable energy.

Kousha Navidar: Mm-hmm.

Jackson Kaspari: And through that program we are able to solicit opportunities from developers and try to work with them to pair them potentially with a subset of our communities or to collectively serve our customer base. And through those partnerships, you know, actually put steel in the ground. For all types of projects, you know, you know, it could be solar, it could be storage. That's sort of most of what we're seeing at this stage. I mean, you could imagine potentially wind coming into play. Certainly there's opportunities in New Hampshire and, and people have mixed feelings about biomass, but that is an element of, of renewable production within New Hampshire. So yeah, there's other opportunities like that out there.

Kousha Navidar: Uh, community choice aggregation. I wanna talk about it more structurally now because you're in New Hampshire, but it isn't currently allowed in every state. A state has to pass legislation that authorizes local governments to pursue these programs, and so far, only about 10 states have allowed it. So why do you think it's important to have this model possible for

consumers?

Jackson Kaspari: I think it's important because consumers benefit, like we talked about earlier, from just the core competition element of this, right? And the fact that you now have a direct voice as a consumer. In matters that will impact you on all sides of your bill, whether it's the supply side or the delivery side that we're talking about. And then of course, there's all the added opportunities that come with, working together and collaborating on local projects that increase energy security and, and will lower costs for, for individuals over time.

Kousha Navidar: Got it. And I'm also thinking about it like 10 states allow it. There's 40 others where it's not allowed yet. Right. So for those 40, is it more like policy just needs time to be approved, or are there bottlenecks preventing it from getting approved in certain states?

Jackson Kaspari: I think every state is different in how they approach these types of things. It does take a lot of work to initially start up, right? So even if you get the approval in your state, which some have and haven't actually seen any programs, you have to have the committed community champions and the industry partners that are willing to put in a ton of effort to get something like this off the ground. So I'm not gonna sugarcoat that. Like you need to have people that are inspired, that want to see something like this happen and be willing to put the time in to make it happen. And you know, being a part of that process in New Hampshire was one of the most rewarding things I've done in my life. To see it go from a concept where no customers were being served and everyone was a volunteer and we didn't have any funding to being an organization that serves better part of 200,000 customers and is leading towards, you know, all of these exciting initiatives just in, you know, about a three year horizon was incredible.

Kousha Navidar: I love hearing you talk about it. When you said that it was one of the most fulfilling things you've done in your life, is there a moment that you're thinking of?

Jackson Kaspari: Yeah, one of the moments that stands out for me was before I worked on the, the staff side for the organization, and, before the program launches, you have a public information session and at that point, you know, notices have been mailed to basically everyone in town and there's an invitation for them to come hear about this and, and it's just me. I'm up there. We've got a full room of all different people from all different walks of life, and I'm going through this thing and talking to them about why it's important, why I believe in it, why it will be good for them, and, I was a little nervous about the reaction. It's a big change, right? And, you know, I, I didn't quite get a standing ovation, but people were very excited. There was a loud applause and people were very excited and everyone was super appreciative and jazzed up, and that made me feel really good because I was like, wow, I've, I've just spent so much time on trying to make this a reality in a community that means the world to me. And here we are, we're at that pivotal point and people are really excited about it.

Kousha Navidar: That's awesome. That applause must have felt really cool. Sounds like the opposite of a Parks and Rec episode.

Jackson Kaspari: Right.

Kousha Navidar: Really cool. Yeah. Jackson Kaspari is Director of Member Services at Community Power Coalition of New Hampshire. Jackson, thanks for hanging out with us.

Jackson Kaspari: Yeah, thanks for having me. Really appreciate it.

Music: In

Kousha Navidar: Hey everyone. It's the end of our show, and you know what that means? It's time for climate one more thing. Ariana, you got anything?

Ariana Brocious: Yeah. I went to an interesting conference last week called Green Biz and there were tons of sustainability professionals from all kinds of companies there, and in her keynote, Cassandra Garber of GM dropped this really cool and exciting to me fact, which is that starting in model year 2026, every GM electric vehicle will have bi-directional capability, which is super cool.

Kousha Navidar: Whoa. What is bi-directional?

Ariana Brocious: Yeah. So you think of the way you normally use your ev, right? So it has a battery in it, you charge it, and then you run your car on that battery instead of gas. But bi-directional means say the power goes down in your neighborhood, you can use your EV battery to power your home.

Kousha Navidar: Oh. Yeah. Oh, that's awesome. Did Cassandra Garber give you a sense of why this was important, but was like a part of a larger narrative for gm?

Ariana Brocious: Yeah. The takeaway I had from her talk and several others was that in spite of a lot of change happening, both from the administration and federal subsidies and all kinds of things, GM and other automakers continue to see the EV space as a really important part of their business, and one they're gonna continue investing in.

And. You know, kind of writ large, that means that there's still a lot of action in the climate space, in the sustainability space, which maybe isn't the narrative we always hear. So it was encouraging.

Kousha Navidar: Yeah, that's right. Uh, I mean that really resonates with me. It's kinda like they're still in the game.

Ariana Brocious: Yeah, exactly.

Kousha Navidar: That's cool. Yeah, it sounds like a cool conference. Alright, that's our show. Thanks for listening. We’d like to give a special shoutout to our newest Patreon subscribers, whose monthly support helps us bring you this show every week. And if you’ve been supporting us for longer, stay tuned for shoutouts on future episodes! For now, a big thank you to:

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Ariana Brocious: Climate One is a production of the Commonwealth Club. Our team includes Greg Dalton, Brad Marshland, Jenny Park, Austin Colón, Megan Biscieglia, Kousha Navidar and Rachael Lacey. Our theme music is by George Young. I'm Ariana Brocious.

Music: Out