Energy Democracy: Inside Californians' Game-Changing Plan for Community-Owned Power

Large utility companies control about 75 percent of the electricity market in California. A hybrid between a public agency and private utility, the new Community Choice program is a model for communities that want greener, cheaper energy.

Al Weinrub posted Nov 12, 2015

This article is part of New Economy Week, a collaboration between YES! Magazine and the New Economy Coalition that brings you the ideas and people helping build an inclusive economy—in their own words.

On September 21, Pa Dwe, a 16-year-old student at Oakland's Street Academy,[1] spoke out against the export of coal through the Port of Oakland to City Council members: "I'm opposed to this coal export because it will make my community in West Oakland sick. I support jobs, but not the kind of jobs that make us sick. There are clean job alternatives, like Community Choice energy, and this will be good for the health of my community. This is my generation; I want to have a healthy life."

[1] Pa Dwe participated in a summer 2015 Climate Justice Youth Leadership Academy organized by Bay Localize, a climate resilience advocacy organization in Oakland.

Pa's comments exemplify a growing awareness that the people of California can only successfully address climate change by breaking with fossil fuels and the state's investor-owned utility companies.

"I support jobs, but not the kind of jobs that make us sick."

These utilities, Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and San Diego Gas and Electric (SDG&E), control about 75 percent of the electricity market in California, with the other 25 percent being supplied by public (municipal) utilities.

By creating slick, misleading ad campaigns about how green they are, the monopoly utilities have done their best to fight renewable energy programs. This often happens behind the scenes, and with the willing assistance of the scandal-ridden California Public Utilities Commission—the agency that is supposed to regulate these behemoth energy enterprises.

Back in 2002, in the wake of the Enron-induced crash of California's electricity system—which to this day has left rate-payers bailing out the utility companies— California passed AB 117, the Community Choice Aggregation law. This law allows a city, county, or any grouping of cities and counties, to "aggregate" electricity customers in their jurisdictions for the purpose of procuring electricity on their behalf. Under this arrangement, a public agency—the newly formed Community Choice program—decides where electricity will come from, while the incumbent utility delivers the electricity, maintains the electric lines, and bills customers.

The new program is a hybrid between a public agency and a private utility. The utility owns the distribution infrastructure, but the public is in the driver's seat regarding energy decisions.

"It puts our community in control of the most important part of our electricity system," explains Woody Hastings of the Center for Climate Protection in Sonoma County, one of the jurisdictions that has opted for a Community Choice energy program. "That means we can purchase more renewable and greenhouse-gas-free energy on the market than PG&E offered us. But more importantly, we can build renewable energy assets right here in the County. We not only get the benefits of low carbon electricity, but we get the economic benefits—the business opportunities and clean energy jobs—that come from investing in our own community."

"It puts our community in control of the most important part of our electricity system."

Sonoma County's Community Choice customers get power that is 30 percent lower in greenhouse gases than PG&E. They also pay up to 9 percent less on average than PG&E customers. In addition, electricity net revenues go back into the community rather than into the pockets of PG&E shareholders and overpaid executives.

The idea is catching on all across California.

Initiatives to establish Community Choice energy programs are now underway in more than 70 jurisdictions in the state. This, despite determined efforts by the monopoly utilities to crush this emerging movement.

These efforts included PG&E's attempt four years ago to stop Marin County from establishing the first Community Choice program in California. That attempt failed, as did PG&E's 2010 state ballot initiative that would have changed the California constitution in such a way as to make Community Choice programs all-but-impossible to establish.

Despite PG&E spending about $50 million on that effort—outspending the grassroots opposition by 100,000-to-one—the ballot initiative was defeated in a David versus Goliath victory which gave a great boost to Community Choice advocates.

Not to be deterred, however, Goliath struck again in 2014 with Assembly Bill (AB) 2145, aimed to kill Community Choice in California. PG&E's union, IBEW 1245, and the State Labor Federation, led the charge in support of the utility.

Grassroots advocates fought back, emphasizing the community and jobs benefits possible under Community Choice. They formed a "No on 2145" campaign supported by 200 organizations across the state, including environmental justice organizations, local governments, and rooftop solar businesses. The campaign created such a storm of protest that the bill never got out of the California Senate and the battle strengthened Community Choice initiatives throughout the state.

Nevertheless, the challenges of implementing Community Choice are many. Community Choice energy represents an assertion of community control over energy resources, similar to assertions of community control over water, land, and other vital resources. In the case of energy, and electricity in particular, that control could mean a transition away from fossil and nuclear power and a transition away from the centralized corporate renewable energy model: big solar plantations, big wind farms, and big environmentally destructive transmission lines.

They can build community resilience by being grounded in economic justice.

Because renewable energy exists in one form or another almost everywhere, and does not require centralized command structure, we now have the possibility of a new *decentralized* energy model. This model could harness solar, wind, water, geothermal, and other resources under local community control.

If we design our Community Choice programs properly, they can reduce energy demand and deploy a more sustainable, ecologically sound energy regime. They can reinvigorate our local economies by providing clean energy jobs and building wealth within our communities. They can build community resilience by being grounded in economic justice and addressing the needs of those most impacted by climate change.

The democratization of energy can have far-reaching impacts and pave the way for the kind of equitable, regenerative, new economy we need to survive on the planet.

But that democratization of energy will only be possible by actively engaging communities in energy decision-making, in realizing the centrality of energy to all forms of human activity, and in asserting our right to shape our own energy future.

Al Weinrub is coordinator of the [Local Clean Energy Alliance](#) located in the San Francisco Bay Area and a leader of the U.S.-based [Energy Democracy Project](#). He also coordinates the state-wide [California Alliance for Community Energy](#).