Background

America's electrification in the early 20th century was driven by the private energy sector. Due to the unique aspects of energy production, the government permitted the formation of natural monopolies in which the government could regulate rates and service.

Although the private energy sector was efficient and dynamic, companies refused to serve rural areas due to the associated costs. There was less profit to be gained from serving these communities and so in 1930 only one in ten farmers had access to electricity.

The market crash in 1929 set the stage for President Roosevelt's New Deal administration to enact change in the electricity market. A federal Rural Electrification Administration was formed. Within a matter of years, the administration helped create more than 900 rural electric cooperatives across the country which built and maintained their own distribution infrastructure.

As the U.S. economy shifted toward deregulation and privatization in the latter half of the 20th century, the momentum for public power slowed. Investor-owned utilities regained dominance, and many efforts to expand or create new municipal utilities faced legal and political roadblocks. Today public utilities and cooperatives constitute 29% of America's electricity sales.

MASSENA WINS RIGHT TO RUN OWN UTILITY

But Niagara Mohawk's Opposition to Takeover of Facilities May Affect Town's Timetable

Special to The New York Times

years after the residents of Massena voted to take over and operate a munici-pal power system, the State Court of Appeals has given them a green light to d

distributes electricity to the town's 16,000

court upheld Massena's right to condemn the Niagara Mohawk property within the town and to take it over pending comple-tion of the complicated condemnation

of the St. Lawrence River, "We have told duce our first billing by 22 percent aft

would result. Mr. Ritchie said his own bil ssession of the property in 90 days, or

However, that estimate seemed optimistic to some state power officials, who cited the complicated hearings required n the condemnation procedures and the continued opposition of Niagara Mohawk.

Carl Dobe, a lawyer for the power company in the Massena case, said in a tele-Syracuse that the utility's future actions depended on Massena's plan for gaining temporary possession of the property. "We obviously will oppose it," he said. Mr. Dobe also said the Court of Appeals

decision had apparently foreclosed any appeal by the company to the Federal The next arena for the continuing dispute between the town and the compan will be in the courtroom of St. Lawrence County Judge Michael Duskas, when the

town lawyers present their proposed plan for taking over the property on a tempo-"We will ask for a transition committee to be appointed by the judge, with two members from the town, two from Niagara Mohawk, one from the Power Authority of the State of New York and one neutral observer to arrange the

physical takeover," Mr. Ritchie said. another committee appointed by the curt, he said. One state official, who has been following the case closely, said that it was

clear to him that another lawsuit would



1	Reprinted from Public	Power Magazine							Massena, N.Y. Observer, Thurs	day, September 19, 1	974 Page 21
	Massena.	N.Y	Votes	to	Establ	lish	New	M	unicipal Sy	vstem	
	By JUDITH S.	area school teacher							xpenditure of funds by a first class		study group.

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	By JUDITH S. COHEN HEFFNER Contributing Editor.	area school teacher. Frederick B. Cook, in 1968. Mr. Cook returned from a	 Availability and cost of hydro *power. 	nearby St. Lawrence plant.) Local control of a local resource was an idea	expenditure of funds by a first class village for advertising.) The UAW and	form a municipal power study group. The Ogdensburg, N.Y., branch of the	
	Public Power	trip to Plattsburgh and reported how low that city's electric rates were. Trustee Cook and Assemblyman Dan	 What alternatives were available for current Niagara Mohawk employees 	promoted by Assemblyman Haley, Advisory Committee chairman Ed- ward Kaneb and the local chapter of	the committee also worked hard to get out the vote on referendum day. Massena received assurances from	UAW Labor Action Committee has circulated petitions calling for a study by the city to determine the feasibility	
	On May 30, 1974, the northern New York community of Massena,	Haley, active in the successful referendum campaign, contacted the	Why the city should take over the existing private system.	the United Auto Workers. But Niagara Mohawk, having served	the Municipal Electric Utilities Association of New York State, from	of municipal power for Ogdensburg. The committee reportedly has 500	
	population 14,000, attracted national attention by voting overwhelmingly to acquire the electrical distribution	then-director of power utilization at PASNY, E.V. Stalcup, about acquiring	Initially, some members of the committee expressed skepticism at the	the area for 74 years, was determined to stay in Massena. Although the Town and Village have paid almost four	several nearby electric service com- panies, and from a firm of power line contractors that aid could be given	signatures. Ogdensburg was the setting for a heated referendum campaign to establish a municipal system almost 20	
	facilities of the Niagara Mohawk Plower Corp. and establish its own	low-cost hydro power from the Authority. Mr. Stalcup informed them that all PASNY power was committed.	idea of the community operating its own electric system. However, their final report unanimously recom-	times the amount to the company for municipal utility services over the last	promptly in the event of an emergency. Public power proponents also pointed	years ago. Former city engineer Ross Jermano, a Massena native and long-	
2	municipal electric system. The decisive vote of 3,640 to 2,180 brought out almost three-quarters of	Mr. Cook then conducted his own study and recommended that the Village	mended acquisition of Niagara Mohawk's facilities. The report read in	several years that Niagara Mohawk has paid to the communities in taxes, Niagara Mohawk stated in a brochure	out that acquisition and municipal operation would, in fact, not raise	time public power proponent who retired from his city post June 30, remembers that Niagara Mohawk	
1	the eligible voters and climaxed a bitter, month-long campaign which one	Board hire a professional engineer to determine whether municipal power would be feasible for Massena.	part: The Committee is of the opinion that we have an obligation to ourselves and	distributed locally by company em- ployees that the company was a	taxes, because the bond resolution authorizing the takeover specified that all costs incurred in the process would	mounted a "terrific drive" against public power similar to the campaign	
1	resident compared to the Civil War "neighbor against neighbor, relative against relative." Massena Observer	The second secon	to future generations of Massena to take this bold, new step and assure our	"perfect example of private enterprise spawned through honest, fair dealings with people like yourselves." The	be paid for from the revenues and profits of the city-owned system. In an effort to convince local citizens	waged by the company in Massena. Mr. Jermano noted that municipal power at that time "looked like a sure	
	editor Leonard Prince voted for the bond issue to acquire the facilities of	village and administration and remained dormant until 1973 when Max	people of a supply of low-cost hydro powerThe Committee feels that the people of Massena have one of those	brochure further maintained that the utility was a "solid, taxpaying, private	of the company's competency, Niagara Mohawk sponsored an open house	thing. I was very surprised it didn't go through." He warns that Ogdensburg	
	Niagara Mohawk; his wife, a writer for the paper, voted against it. Although both sides traded a variety	Ryan, a local United Auto Workers official, presented Mayor G. Laurence White with a petition containing over	rare opportunities where the cost of living can be reduced by a substantial saving in their electric bills. We	enterprise." Niagara Mohawk attacked the credibility of the Advisory Committee	featuring its newest equipment, none of which was ever used in Massena. Shortly before election day, a friend of	shouldn't wait too long lest "the boat pass us by." Another UAW labor action group in	
	of charges, the central issue was the economic one. "The issue was plain and simple costs," according to John	800 signatures asking for a feasibility study.	unanimously recommend that the referendum be approved by the elec-	report and saw to it that a "citizens' committee" was set up to help	Advisory Committee spokesman Dumas was telephoned by two close	Rochester is interested in promoting public power in that city, according to	-
	Dumas, spokesman for the public power forces. "Under a municipal	The Town and Village jointly com- missioned a combined legal and engineering study to determine the	torate on May 30, 1974, to authorize the establishment of a municipal electric system in Massena.	distribute company propaganda. The company brought 45 employees into Massena to work on the campaign,	relatives urging her to vote against the referendum. One, a Niagara Mohawk employee, said he would lose his job if	local president William Ready. Citizen public power groups are also active in Buffalo, in San Francisco and	
	system, power can be supplied more efficiently and cheaply than it is now." 'Massena's electric rates under	feasibility of a municipal electric system for Massena. The Town and Village accepted the completed	"At the end," says former St. Lawrence Seaway Assistant Ad-	including former residents or relatives of current residents.	Massena established its own system. The other, a car dealer, reported that	Berkeley, Calif., and in various com- munities in New England, Penn- sylvania, and Rhode Island.	
	Niagara Mohawk compare un- favorably to neighboring municipal	favorable study in Dec., 1973, and the Village Board and Town Council	ministrator Tom Jose, a member of the advisory committee, "We put our judg- ment and recommendations on the	The utility employees went door-to- door in the community delivering fliers, sometimes returning two and		No doubt part of the answer to Niagara Mohawk's zealous campaign	
	systems, including several which do not purchase the low-cost hydro power generated by the Power Authority of	elected unanimously to proceed further with the establishment of a locally- owned and operated electric system.	line; we didn't equivocate." Another committee member, Reynolds Metals	three times to determine how a citizen planned to vote on the referendum question. The out-of-towners reportedly	On election day, Niagara Mohawk had a fleet of cars bringing people to and from the polls. The company	rests in the recent sale by Con Edison, the state's largest private utility, of two of the utility's unfinished plants to the	
	the State of New York (PASNY). There are 47 municipal electric systems in	R.W. Beck and Associates, the engineering firm which conducted the	plant chief electrical engineer Anthony Di Iorio, was convinced at the con- clusion of the group's study that	packed public meetings on the proposed bond issue, while local	reportedly paid its poll-watchers \$50 for the day.	State for a half-billion dollars because of extreme financial difficulties. There	
4	New York State. The oldest, at	feasibility study, presented their report	municipal acquisition "was the only	company employees publicly declared	Niagara Mohawk serves 1.3-million	also is the increasing outcry of con-	

How to take back the grid

In the 1970s, Fred Cook, the Village Trustee of Massena NY-began a push for public power after conducting a study showing residents were paying more than twice the local town of Plattsburgh. Voters approved \$4.5 million to buy the grid from Niagara Mohawk, but the company launched aggressive legal challenges.

After years of legal battles, Massena had exhausted the entire \$4.5 million just on litigation. In 1980, voters—now even more supportive—approved \$10 million in bonds to move forward.

Despite having to spend triple the original estimate, Massena stuck together and won. Within months of the takeover, rates dropped 24% for





Andrew Mcmahon, superintendent of Massena Electric Department

Today, the Massena Electric Company offers some of the cleanest cheapest, and most reliable energy in NY State. Not only does MEC rank in the lowest 10% for electricity rates nationally, they also source 75% of their electricity from renewable sources, much higher than the national average.

Volunteer Fire Co. v Dearden, 64 RI 368). The plain and ordinary significance of the words "maximum estimated cost' followed by a single monetary figure is that the maximum and estimated costs are the same. The noun "cost" is modified by two adjectives, which separately qualify the subject which in turn relates to the object, a single sum. Neither modifier conflicts; in fact they coincide. It is the spirit rather than the letter of the resolution which determines its construction (cf.

Power to the People: Cutting red tape in the fight for publicly owned electric utilities

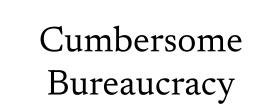
Suspects



Private Utility Stall

Tactics







Rochester

In June 2023, Rochester Gas and Electric (which serves the City of Rochester and 9 nearby counties) announced plans to raise electric rates by 16% and gas rates by 11% as part of a plan to "improve reliability, expand our energy efficiency offerings, execute on important pilots to test new technologies to support our green energy future, and provide additional assistance to those who need it."

All the while, thousands of RG&E customers continue to report energy insecurity, long response times for outages, and mistakes on their energy bills. Furthermore, RG&E sources approximately 12% of its electricity from renewable sources, far below the 70% mandate set in the Build Public Renewables Act.

The Rochester Energy Democracy (RED) movement is a grassroots campaign led by the non-profit advocacy group Metro Justice. Frustrated with poor service, high rates, and lack of green energy, advocates organized over four years ago to demand a public takeover. After years of fighting, the Rochester City Council approved \$500,000 to fund a feasibility study in 2023—the critical first step in municipalization. However, the full study is expected to cost \$1.5 million, which the Monroe County legislature refuses to approve. Without state-backed financial support, municipalities like Rochester are left to shoulder this burden alone.



Michelle Wenderlich, Organizer and Policy Specialist for the Rochester for Energy Democracy (RED) Campaign



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References