

Electric Utilities' Platform Monopoly Power

For-profit electric utilities have become too powerful due to their government-granted **platform monopoly** over electricity delivery.

What is a platform monopoly? A platform monopoly is a dominant company or small group of companies that uses its control over a platform or marketplace to gatekeep and hinder competition. Examples include Amazon, Google, and investor-owned utilities.

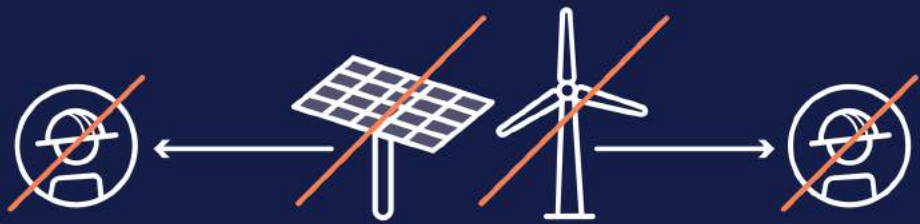
A vicious cycle:

Utilities use their platform monopoly power to **undermine competition and favor their own business.**



Costs of the Monopoly Utility Model

The platform monopoly granted to investor-owned electric utilities has become **a costly problem for communities, climate, and our democracy.**



Communities

- ✗ **Thousands fewer clean energy jobs** as utilities block competitor investments
- ✗ **Higher electricity costs** to pad utility shareholder profits
- ✗ **Staggering health costs and premature deaths** linked to utility pollution



Climate

- ✗ **32% of U.S. energy-related CO2 emissions** come from electric utilities
- ✗ **Record storms and wildfires** juiced by utility carbon pollution
- ✗ **Climate denial ads** funded by utility interest group Edison Electric Institute



Democracy

- ✗ **Widespread deceptive, unethical, and illegal political activity** among monopoly utilities
- ✗ **Lawmakers influenced by money extracted from captive customers**, many of whom strongly oppose the utility's interest
- ✗ **A regulatory revolving door**, with lax oversight caused by too many regulators leaving to take jobs at utility companies

How to Fix the Grid

The system of “regulated,” for-profit monopolies has failed, and the fix **requires a three-step restructuring of the electricity sector.**



Revise antitrust law to break up monopoly utility companies and mandate fair competition in most of the electricity system.

Most grid services can and should be delivered competitively, including:

- Power generation
- Energy efficiency
- Demand response
- Ancillary services

Removing the natural monopoly parts of the grid from private markets will:

- Break corporate monopoly dominance
- End gatekeeping and abuse by monopoly utilities

Create a non-profit or public entity to operate transmission and distribution infrastructure as a commons.



Repair enduring harms imposed upon Black, brown, and indigenous electricity customers.

From pollution to lack of affordability, harms against people of color can be addressed by prioritizing:

- Access to financial resources for Black households
- Federal funding for indigenous nations
- Financing for tools that lower bills for low-income customers of color