



FOR IMMEDIATE RELEASE
March 25, 2025

Consumers Energy Costs Are Low from Private Sector Energy Markets, a New Report Finds

Comprehensive Analysis Demonstrates Economic, Environmental, and Community Advantages for New York

ALBANY, NY – The Affordable Clean Power Alliance (ACPA), a coalition supporting competitive power generation, today released a [comprehensive report](#) by FTI Consulting at the Independent Power Producers of New York's (IPPNY) Spring Conference. The report provides compelling evidence that competitive wholesale electricity markets in New York have delivered lower costs for consumers, accelerated environmental progress, and improved reliability.

These findings align with Governor Kathy Hochul's recent commitment to energy affordability, as evidenced by her pushing back against the continuous double-digit rate hikes from utilities. Even as independent power producers have driven down the cost of electricity in New York, regulated utilities have continued to charge more for their services, despite making inadequate investments into the transmission and distribution infrastructure needed to support the State's shift towards renewable energy. This report clearly emphasizes that competitive markets are vital in protecting consumers from the higher costs and financial risks associated with utility-owned generation.

Key findings from the report:

- **Consumer savings exceeding 35%:** Independent power generation has consistently lowered costs for New Yorkers compared to utility-owned generation. Consumers in New York are paying 35% less for power supply today compared to what they were paying for the power generated by monopolistic utilities.
- **Reduced financial risk for consumers:** Competitive markets incentivize efficient project management, protecting consumers from bearing unnecessary risks and escalating costs.
- **Accelerated emissions reductions:** Competitive markets facilitate quicker adoption of innovative, cleaner technologies, resulting in greater environmental benefits. As a result, New York has one of the lowest emitting energy systems per capita in the country. The energy produced in New York emits less than half the carbon dioxide compared to states with utility-owned generation.

- **Substantial economic impact:** Competitive generation projects support nearly 19,000 jobs statewide and generate over \$1.5 billion in state and local tax revenues, contributing significantly to local economies.

Utilities should continue to focus on transmission and distribution in New York State. Historically, they have had many cost overruns with generation projects, which fall onto the backs of consumers. Since New York transitioned to a competitive energy market approach, energy consumers are not burdened with cost overruns on generation projects. Additionally, utility-owned generators would not be able to supply new generation in New York at a lower cost or on a faster timeline than independent power producers. Utilities would face the same requirements and hurdles as independent power producers in developing projects.

The findings of this important study clearly demonstrate that competitive energy markets are the best way forward to meeting New York's energy goals and that utility-owned generation should not be considered. Indeed, the PSC has repeatedly upheld the view that competition is the best way to achieve the State's goals.

The analysis cautions that reversing the successful competitive market approach and reverting to utility-owned generation could significantly lead to higher energy costs for consumers, slow progress toward the State's clean energy goals, and limit market innovation.

The full report is now available on the coalition's website: nyaffordablecleanpower.org.

Marguerite Wells, Executive Director of the Alliance for Clean Energy New York (ACE NY):

"This report clearly demonstrates that New York's current landscape of competitive power is in the best interest of New York ratepayers. As we continue our energy transition, we want to encourage this competitiveness and bring the maximum amount of developers to the market to keep costs down and speed project development. Utility ownership of generation would chill the market, reduce the number of players, and transfer risk onto the ratepayers."

Gavin Donohue, President & CEO of the Independent Power Producers of New York (IPPNY):

"This important report clearly illustrates the many benefits of competition within the wholesale electricity market and that the risks of utility-owned generation should be left behind. This evidence, as demonstrated by proven experience in this State and the PSC's repeated wise decisions, is unwavering over the past two and a half decades that competitive electricity markets are the best approach to advancing the State's energy future. The PSC's correct decision to shift away from monopolistic utilities owning electric generation toward the competitive market was made to protect all New Yorkers from project costs and risks, while ensuring a reliable grid. Meeting the State's energy goals will require an extraordinary amount of electricity and investments, and New York's independent power producers are continuing to invest in the necessary resources to get us there in the most affordable way."

Bill Acker, Executive Director of the New York Battery and Energy Storage Technology Consortium (NY-BEST)

"FTI's analysis highlights that competitive private ownership of electric generation has been a key driver of lower costs for customers and faster progress toward New York's clean energy goals. Similarly, competitively developed energy storage will provide critical services to the electricity grid while ensuring the greatest value for New Yorkers. A return to broad utility ownership risks higher costs and slower development, ultimately undermining the State's ambitious climate targets."

Kristina Persaud, Senior Principal at Advanced Energy United:

"The verdict is in: competition works. New York's competitive power market has delivered lower costs, cleaner energy, and a more reliable grid. Rolling back progress with a utility-owned model would mean higher bills and slower clean energy growth. Lawmakers should stick with what's working—because no one wants to pay more for less."

Valessa Souter-Kline, Northeast regional director for the Solar Energy Industries Association (SEIA):

"It's pretty simple: competition in electricity generation is good for consumers. With the cost of living and energy bills rising, the last thing New Yorkers need is a return to the failed model of utility-owned power generation. If I were a state legislator, I would not want to try to explain to my constituents why I voted for a bill that will raise their utility bills and make it harder for the state to reach its clean energy goals."

Noah Ginsburg, Executive Director of New York Solar Energy Industries Association (NYSEIA):

"FTI's report demonstrates what we already know: competition lowers energy costs for New York families and businesses. Investor-owned utilities have a cost-plus model that makes cost overruns a profit center. Allowing utility-owned generation will not just increase energy prices; it will have a chilling effect on New York's vibrant solar industry. Rather than undermining what's working, New York decision-makers should focus on fixing what's broken: permitting reform and interconnection reform to drive down the cost of clean energy."

Mike Mager, Counsel, Multiple Intervenors:

"Competitive markets have stabilized energy prices in New York and enhanced reliability, thus benefiting our state's large industrial, commercial, and institutional energy consumers. This report affirms Multiple Intervenors' position that private investment in power generation results in lower electricity costs, greater reliability, and improved environmental performance. Returning to utility-owned generation would only increase financial burdens on businesses already navigating challenging economic conditions. Policymakers should maintain their focus on supporting competitive markets as the best path forward for affordable, reliable energy in New York."

About New York's Affordable Clean Power Alliance

New York's Affordable Clean Power Alliance (ACPA) is a powerful, diverse coalition of leading energy associations including ACE NY, Advanced Energy United, IPPNY, NY-BEST, NYSEIA, and SEIA. Formed around a unified vision, the ACPA is dedicated to maintaining and advancing private investment in power generation across New York State and protecting electricity ratepayers from unnecessary risks and costs associated with utility-owned generation. The alliance champions competitive market-based solutions, driving affordability and innovation as New York transitions toward a cleaner, sustainable energy future. ACPA advocates for policies that harness the power of competition to deliver clean, reliable, and cost-effective electricity, ensuring that the State remains at the forefront of energy transformation. To learn more about our initiatives and how we are shaping New York's energy landscape, visit www.nyaffordablecleanpower.org.

Media Contacts

Jordan Lomaestro
(518) 436-3749
jordan.lomaestro@ippny.org

Nate Wolf
(207) 831-0646
media@florencerosegroup.com