

Electricity Deregulation: The Wrong Choice

Alabama's regulated electricity marketplace has long proven a winning formula for customers, producing electric rates below the national average, delivering highly reliable power, and allowing consumers to build relationships with local companies they know and trust. As opposed to deregulated markets that spread responsibility over a range of entities, Alabama's electric providers are accountable for generating, transmitting, and distributing electricity and have clear lines of accountability for keeping the lights on for Alabama customers.

Higher Power Prices

Deregulation costs customers. In fact, deregulated states paid an average of 2.2 cents per kilowatt hour more than regulated states.

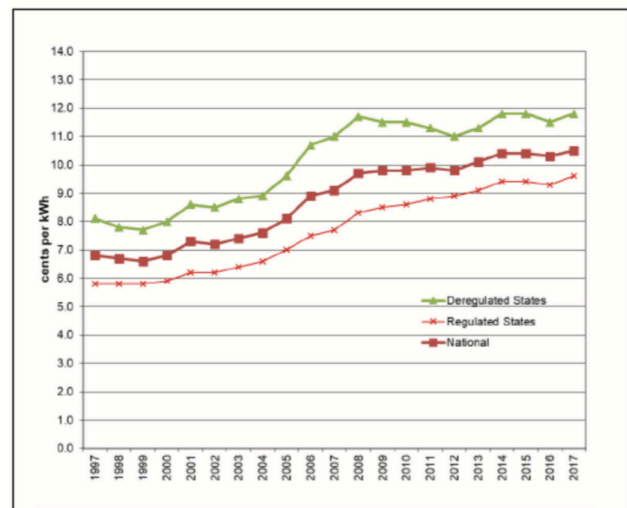
Threatened Reliability

Deregulation can hurt reliability. In Texas's deregulated retail market, consumers experienced repeated brownouts.

Fraud and Deception

Consumer fraud by unscrupulous electricity retailers is rampant in deregulated markets, costing customers millions and leading to calls by attorneys general to end deregulation.

Average Electricity Rates, Deregulated vs. Regulated States 1997-2017



State After State Has Shot Down Electricity Deregulation

Eleven states that adopted deregulation have now abandoned it. Recently, Nevada voters rejected deregulation 2-to-1 in a ballot initiative after evidence showed that so-called “energy choice” would cost customers \$4.1 billion over ten years. Electricity deregulation has been opposed by AARP and other consumer groups.

“...the kind of “choice” promised by Ballot Question 3 will lead to cost increases that will likely limit our members’ ability to make choices in other aspects of their life.”

AARP® 10/1/18

Deregulation Means

- Higher Power Prices
- Endangered Reliability
- Increased Fraud
- Possible Tax Increases





*"Competitive electric suppliers promise big energy savings but are actually burdening customers with **hundreds of dollars in extra costs.**"*

*"I'm calling for an end to this industry because that's the best way to protect our seniors, low-income residents, and minority communities from these **persistent scams.**"*

Fast Facts About Electricity Deregulation

Electricity Deregulation Costs More

Residential consumers in the fifteen deregulated states often pay the highest electricity prices in the nation.

Energy Choice Isn't All It's Cracked Up To Be

88% of all Massachusetts residential customers who switched power companies paid more during the two-year period.

Customers in Deregulated Markets Face Widespread Fraud

From New York to Texas, deregulated markets have seen a variety of deceptive practices and outright scams targeting customers. Attorneys general in Illinois and Massachusetts have called for an end to deregulation because of rampant fraud.

Deregulation Can Threaten Electrical Reliability

In Texas's deregulated retail market, consumers experienced brownouts in 2011, 2014, and 2015. Other deregulated states have experienced similar reliability issues.