

# The Declaration on Energy Choice & Competition

## A Civil Society Call for all Leaders of Governments, States & Nations to Remove Barriers to Affordable, Reliable & Clean Energy

**We, members of civil society** and representatives of civil society organizations from across the world, first gathering in New York City – the site of Thomas Edison’s first electrical lighting system and commercial-scale power plant – now join together with all present and future signatories, to call upon all leaders of governments, states and nations to undertake practical policy reforms that will improve the lives of billions of people by removing barriers to access to affordable, reliable, clean energy.† In support of this declaration, we offer these simple observations:

**Clean Energy Saves Lives** – Improving access to affordable, reliable, clean energy would save millions of lives every year. Over 2.5 billion people currently live in dwellings that use dirty fuels—such as wood, dung, coal and kerosene—for cooking, heat and light.[1] As a result, each year, around 2.7 million people, the majority of them women, die as a result of indoor air pollution caused by these dirty fuels. Another 4 million people die from outdoor air pollution caused in part by the use of dirty fuels in power generation and transportation.[2] In addition, energy is essential to the production and distribution of clean water, which is important not least because dirty water causes about 800,000 deaths each year.[3]

**Reliable, Inexpensive Energy Promotes Economic Development** – Access to increasingly reliable and efficient sources of energy has been a key driver of economic development.[4] Given its importance as a factor of production, expensive energy drives up costs, undermines competitiveness and reduces the amount of capital available for investment in innovation. Modern economies need affordable, reliable energy—especially electricity—for everything from basic industrial production to communications to air conditioning. Yet, over 800 million people currently have no access to electricity and many more lack access to *reliable* electricity.[5] This impedes, and may prevent, economic development.

**Reliable, Inexpensive Energy Eases Adaptation to Climate-Related Problems** – Most of the problems associated with climate change, such as access to adequate nutrition, clean water and sanitation, vector-borne diseases, natural disasters, and direct harms from heat, are problems today. Many can be reduced—and maybe even eliminated—through the use of technologies that rely on access to clean, reliable, affordable energy.[6]

**Innovative, Reliable, Affordable, Low-Emission Energy and Affordable Energy-Efficient Products are Essential for Cost Effective Greenhouse Gas Emission Reductions** – While GHG emissions have fallen in some nations, global emissions continue to rise. For GHG emission reductions to become politically and economically realistic for the world as a whole, barriers to the adoption of existing affordable, lower-carbon technologies and affordable energy efficient products

must be removed. Breakthrough energy innovation could also improve affordability, reliability, access, and safety, with economic, environmental and health benefits.

**Access to Improved Clean, Reliable, Affordable Energy is Best Achieved by Maximizing Choice and Competition** – Choice and competition drive innovation, as producers strive to deliver better quality goods and services to consumers at lower prices. In seeking to lower costs of production, to remain competitive and sell more goods, producers reduce the use of inputs. In the case of energy, this increase in productive efficiency leads to reduced use of fuel and lower emissions per unit of output. Over time, this dynamic has driven a trend towards lower carbon emissions per unit of output.[7] This trend is greater in competitive power markets, such as those in Chile, Texas, Sweden, Norway and Finland, which have more affordable energy than many monopoly markets.[8] They also generally have high market share for low- and zero-emission power.[9]

Open, competitive energy markets are an essential component of any policy seeking to mitigate climate change risk through reduced emissions of greenhouse gases. First, because energy innovations simply cannot spread if markets are closed. Second, because there could exist no better incentive for rapid acceleration of energy innovation than the enormous potential offered by vast, growing, open energy markets, ready to adopt and scale up the best innovations. Finally, any policy oriented towards reductions in GHG emissions can only work if markets are open to innovation and transformation, and not impeded by bureaucratic rules and monopoly privileges.

**Barriers to Choice and Competition in Energy Generation and Distribution are Contrary to our Human Rights** – Article 3 of the Universal Declaration of Human Rights states that “Everyone has the right to life, liberty and security of person.” While Article 7 states, inter alia, that “All are equal before the law and are entitled without any discrimination to equal protection of the law.” And Article 27 states that “Everyone has the right freely... to share in scientific advancement and its benefits.”

Taken together, these rights entail that each person has the right to protect their life from harms that might arise, such as those associated with pollution, contaminated water, disease and climate change – and to do so using whatever technologies they choose, so long as their action does not interfere with the like rights of others.

*Therefore, we can conclude from the UN Universal Declaration of Human Rights, that everyone derives a right to produce, buy, trade or use the energy of their choice, and products using the energy technology of their choice, so long as doing so is reasonably clean and safe and does not infringe on the rights of others.*

Yet today, billions of people are very much impeded in their ability to use and avail of modern energy technologies that would enable them better to protect their lives (to say nothing of improving those lives). Moreover, they are impeded through actions that are blatantly discriminatory, often through state preferences for energy technologies and companies and through various state-imposed restrictions on access to technologies and arrangements (such as micro-grids) that would better enable individuals to protect themselves.

**Local Efforts to Advance Energy Choice and Competition will be Aided Greatly if Local, State & National Leaders Unite in Commitment to Such Energy Market Freedoms.**

**Thus, observing that:**

1. Whereas access to clean, reliable, affordable energy is essential for human flourishing -- and to enable more effective mitigation of and adaptation to climate risks.
2. Whereas choice and competition empower and broaden access to clean, reliable, affordable energy.
3. Whereas choice and competition in energy generation, transmission and distribution are necessary for full protection of our human rights.

**We hereby do DECLARE that:**

**In order to improve access to clean, reliable, affordable energy for all, and thereby reduce harmful air pollution, improve access to clean water and sanitation, reduce disease, improve productivity, and enable more rapid innovation and economic development, as well as more rapid and effective mitigation of and adaptation to diverse climate change risks, we now call upon leaders of all governments, states and nations to commit substantially to reduce, within and between nations, not only government-sanctioned barriers to choice and competition in energy markets, but also similar barriers to cleaner and more efficient products and energy innovations.**

First Signed and So Declared, in Council on November 5, 2019, and Then Thereafter, by:

**Footnotes:**

† The signatories to this Declaration represent a diverse set of individuals and groups. In signing this Declaration, signatories imply neither assent nor dissent with respect to statements or actions of other signatories. Signatories may also submit separate and independent-minded commentary on the Declaration and issues discussed herein.

[1] <https://www.iea.org/sdg/cooking/>

[2] <https://www.who.int/airpollution/en/>

[3] <https://www.who.int/news-room/fact-sheets/detail/drinking-water>

[4] [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1878863](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1878863);  
<http://vaclavsmil.com/wp-content/uploads/docs/smil-articles-science-energy-ethics-civilization.pdf>

[5] <https://www.iea.org/sdg/electricity/>

[6] [https://www.researchgate.net/publication/242088799\\_Which\\_Policy\\_to\\_Address\\_Climate\\_Change](https://www.researchgate.net/publication/242088799_Which_Policy_to_Address_Climate_Change)

[7] <https://kk.org/extrapolations/energy-mix-overall-consumption-prices-emissions/>

[8] [http://regulationbodyofknowledge.org/wp-content/uploads/2013/03/OECDIEA\\_Compensation\\_in\\_Electricity.pdf](http://regulationbodyofknowledge.org/wp-content/uploads/2013/03/OECDIEA_Compensation_in_Electricity.pdf) ;  
[https://www.researchgate.net/publication/222532951\\_Why\\_has\\_the\\_Nordic\\_electricity\\_market\\_worked\\_so\\_well](https://www.researchgate.net/publication/222532951_Why_has_the_Nordic_electricity_market_worked_so_well);  
<https://www.iea.org/publications/freepublications/publication/EnergyPoliciesBeyondIEACountriesChile2018Review.pdf>

[9] [https://www.ei.se/PageFiles/310277/Ei\\_R2017\\_06.pdf](https://www.ei.se/PageFiles/310277/Ei_R2017_06.pdf);  
<https://thehill.com/opinion/energy-environment/457353-deregulated-energy-markets-made-texas-a-clean-energy-giant>; Studies comparing monopoly to competitive power markets also bear this out. Competitive US state markets have delivered faster decarbonization at a lower cost, compared to monopoly markets since 1997. See: <https://www.resausa.org/phil-oconnor-thought-leadership>