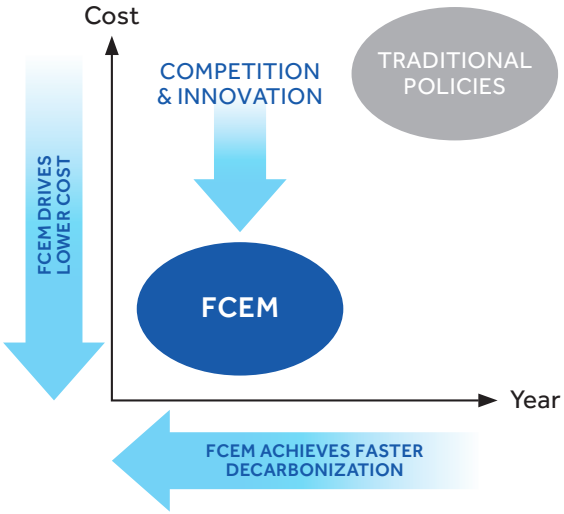
A Competitive Market for Clean Electricity

A policy design for states, cities, and customers to achieve ambitious clean electricity goals faster and cheaper than ever before.

A competitive clean energy market will allow states with aggressive clean energy targets to meet or even exceed their goals faster and cheaper. Its design demonstrates how competition and innovation can address climate change by **enabling states, cities, and customers to achieve their ambitious carbon reduction targets at lower costs** through the trade of clean energy attributes, similar to renewable energy credits.

Competition brings cleaner energy faster and cheaper



How would the market work?

- State and city governments would set clean electricity procurement targets and deadlines
- Companies and customers can choose to purchase more clean energy voluntarily
- A centralized auction procures clean energy credits three years before delivery to allow time to develop new resources
- All carbon-free electricity producers compete to sell at the lowest possible cost
- New resources can lock in the auction clearing price for multiple years to facilitate financing

Benefits of the Forward Clean Energy Market (FCEM)

- Provides future commitments and price certainty, making development of new and innovative clean energy resources attractive to providers
- Facilitates economic development by encouraging private capital for infrastructure investment
- Reduces costs to consumers by harnessing competition across all carbon-free energy resources and technologies
- Drives accelerated decarbonization when costs are low, which may allow entities who adopt the Clean Energy Market to surpass clean energy targets ahead of expected timelines
- Promotes technological advancement by rewarding suppliers that offer innovative, low-cost solutions
- Avoids conflict between state and federal policy makers by using non-discriminatory procurement that works in conjunction with the existing competitive market

See a comprehensive, detailed policy design proposal as appendix to The Brattle Group report: How States, Cities, and Customers Can Harness Competitive Markets to Meet Ambitious Carbon Goals Through a Forward Market for Clean Energy Attributes.

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