

**MIRS Capitol Capsule**  
**Tuesday, February 27, 2007**

**Study: Public Acts Lowered Utility Rates**

A new report released today by the Customer Choice Coalition (CCC) shows that customers, utilities and developers have seen increased reliability and lowered electric costs since the government enacted two public acts.

Public Acts 141 and 142 of 2000 are addressing the needs of customers, utilities and non-utility competitive generators who wanted to build generating plants in Michigan, claims the report for the group that advocates for alternative energy suppliers.

"Public Acts 141 and 142 increased reliability and lowered electric costs in Michigan. Virtually every Michigan resident has benefited," said CCC Executive Director Barry **CARGILL**. "These acts, passed in 2000, encouraged development of new generation in the state by independent power producers, and have allowed customers — including financially strapped school districts and municipalities and many small businesses — to save hundreds of millions of dollars."

Non-utility independent power producers built more than 4,000 mega watts (MW) of generating capacity in Michigan, worth approximately \$2 billion. This new generation, which came after Michigan's utilities declined to build new plants, meant Michigan no longer faced the service quality problems that were common in the late 1990s.

"Detroit Edison and Consumers Energy have benefited through low-interest customer backed securitization bonds for the Fermi and Palisades nuclear plants; Detroit Edison was able to reduce their costs by more than \$270 million per year, which in turn made them more competitive against non-utilities," said Attorney Robert **NELSON**, who represents the Customer Choice Coalition and is a former Michigan Public Service Commission member. "In addition, Consumers Energy and Detroit Edison have received more than \$120 million of stranded cost payments from Choice customers."

The complete report can be found on the CCC Web site at <http://www.customerchoicecoalition.org/report.html>.