

No Return To Energy Monopolies

Earlier this year, DTE and Consumers Energy asked the Legislature to restore its monopoly status and eliminate the consumer choice program now in effect (See "[Let's Get Rid Of P.A. 141](#)," 4/11/07).

If the House Energy and Technology Committee chair has his way that is not going to happen under the energy reform legislation his caucus is rolling out in committee this week.

"I think that there will still be a form of customer choice continuing in Michigan," Rep. Frank **ACCAVITTI** (D-Eastpointe) told *MIRS*.

Accavitti said it is time to end the work group approach to this issue and move it to the full committee, where he anticipates two weeks of lengthy public hearings as part of what he calls "a big public forum."

"We are headed on the right path for Michigan right now ... In one form or another choice will continue," he said.

Accavitti predicted a push back from both sides, saying the utilities won't be happy and neither will the conservationists. The Customer Choice Coalition is already telling the media, for example, that the legislation kills competition and is "policy looking for a cause."

But he added that based on his experience when that occurs, "It's usually a good piece of legislation."

The first bill taken up in committee this morning was Rep. Kathy **ANGERER**'s (D-Dundee) legislation requiring utilities to file its own energy efficiency plan with the Michigan Public Service Commission (MPSC) that would allow them to charge customers a tariff, the proceeds of which would go to fund energy efficiency programs that must yield certain targets.

Electric utility companies must scale back energy production .3 percent in 2008 and 2009 from 2007. From that point on, the utility must see annual incremental energy savings of .5 percent in 2010, .75 percent in 2011 and 1 percent in 2012.

The incremental energy savings is less strict for natural gas companies.

The plan differs from one offered by Michigan Public Service Commission Chair Peter **LARK** in that it allows the utility to set up its own plan as opposed to the utility charging customers a flat 50-cent monthly surcharge and the roughly \$68 million collected being spent on programs run through a MPSC program administrator.

Lark estimated in his 21st Century energy plan that the successful implementation of energy efficiency standards would cut back the need for two of the four new baseload power plants otherwise needed in Michigan by 2015 to cover expanding energy needs.

Other bills setting renewable portfolio standards and the electric monopoly issue will be discussed in future committee meetings.