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CAPITOL BRIEFINGS: Senate energy bill called inadequate

By [Amy Lane](#)

LANSING — A renewable-energy mandate passed by the state Senate is being criticized for doing too little to encourage the development of such resources.

Senate Bill 213, part of a package of energy reforms sent to the House, calls for a 7 percent renewable portfolio standard by 2015. But that doesn't mean the utilities must obtain 7 percent of their electricity from such sources.

The bill allows 30 percent of that target to be met through energy-efficiency programs and 20 percent to be met through "clean energy systems" such as a plant being built in Alma that could generate energy from coal, coal waste byproducts and biomass while capturing carbon dioxide emissions and reducing pollutants.

Utilities also could acquire excess electricity from customers who generate their own power, and could purchase renewable-energy credits to help meet the renewable portfolio standard, or RPS.

Such provisions do little to encourage the development of new wind power or other alternative-energy resources, said Dave Waymire, a spokesman for the Customer Choice Coalition, which includes business groups, consumer interests and alternative-electricity suppliers.

The House-passed version of the energy reforms included a 10 percent renewables standard, which drew criticism from some, including the American Wind Energy Association, which said the 10 percent RPS provision reached its goal too slowly and would not create a renewable market.

But even some who supported the House-passed measure are concerned about the Senate-passed RPS.

"We are glad to see that the Senate was able to make progress in passing something, but it's not the type of progress, especially in terms of the RPS, that we would have liked to have seen," said Greg Bird, press secretary to House Speaker Andy Dillon, D-Redford Township. "We'll continue to work with the Senate and the administration to find something that I think we can all find acceptable."

Liz Boyd, press secretary to Gov. Jennifer Granholm, said the governor "has supported a stronger RPS,

one that we believe is needed to create jobs and grow the economy.”

But state Sen. Patricia Birkholz, R-Saugatuck Township, said the RPS is attainable and she “wanted to do something that was realistic.”

She said it was important to include energy efficiency in the equation. “Not only does it help the consumers save money, or certainly contain their costs of energy ... it also helps us pull less power off the grid,” Birkholz said.

Birkholz's bill also allows power generated by technologies such as those to be employed at the M&M Energy L.L.C. plant in Alma to classify as renewable energy and thus be eligible to count toward the RPS.

In a news release, M&M Energy President Mike Sawruk said the Senate energy plan “is a step in the right direction that recognizes the importance of new energy technology and how it can strengthen Michigan's energy future while fighting global warming.”

To meet the RPS, the utilities could assess surcharges of no more than \$2 a month for residential customers, \$11.05 a month for small- and medium-sized commercial customers and \$125 a month per meter for large commercial and industrial customers. That compares with the House-passed monthly surcharges of no more than \$3, \$16.58 and \$187.50 per meter for the respective customer classes.

The legislative package passed by the Senate retains a 10 percent cap on the amount of a utility's customer load that can go to alternate suppliers and phases in cost-of-service rates over a five-year period for businesses and a 10-year period for residential customers.

Boyd said the governor's office will continue to work on the energy package with House and Senate members and would like to reach an agreement that can be approved when lawmakers return next week.

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