

Gongwer News Service

ELECTRIC COMPETITORS, CUSTOMERS TAKE TO AIRWAVES

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With the House Energy and Technology Committee poised to report legislation this week that would implement a renewable portfolio standard and amend the state's electric choice program in the process, the Customer Choice Coalition launched radio ads Monday opposing the electric choice changes.

But supporters of the changes said the group is using bad information to mislead the public.

The ads specifically opposed [HB 5524](#) that would, in the most recent draft, continue electric choice, but limit it to no more than 10 percent of the load of each of the major utilities.

"We have been telling lawmakers that this legislation is bad for the state. Now we are taking the discussion to voters. We know Michigan residents like the ability to choose their electric provider, and will oppose the more that \$2 billion in electric rate increases this bill will impose on them," said Barry Cargill, executive director of the Customer Choice Coalition.

The ad depicts a game show called "Bad Ideas From Lansing" with the announcer asking contestants what the next bad idea will be after the tax increase last year.

"I hear the Michigan House of Representatives is considering legislation to raise electric bills by more than \$2 billion a year, and give Detroit Edison and Consumers Energy a monopoly," says one contestant. "This is just like an enormous government-mandated tax increase on Michigan that benefits Detroit Edison and Consumers Energy at our expense."

[Attorney General Mike Cox](#) had argued in a paper released last week (See [Gongwer Michigan Report, March 11, 2008](#)) that eliminating customer choice, combined with the variety of construction projects that have been discussed as potentially starting should the legislation pass, would add as much as \$2.8 billion annually to electric rates.

But detractors from his report have argued that not all of the proposals, which included new power plants and transmission lines, would be constructed, at least in the short term.

"They're taking information that's already been exposed as bad information and building a media campaign on it," said Rep. Frank Accavitti (D-Eastpointe), chair of the committee.

Mr. Accavitti said the package as currently drafted would also prevent any significant utility rate increases by building in new customer protections and more authority for the Public Service Commission.

He admitted the RPS, which would require the utilities to include certain percentages of renewable power, would increase utility bills. "The information that I have is residents and businesses are willing to pay a little bit more," he said. "But we get a cleaner environment."