

MIRS Capitol Capsule

March 25, 2008

Gathering Redefines 'Work Group'

The hottest ticket in downtown Lansing this morning was the House Energy and Technology work group, which met in the Mackinac Room on the 5th floor of the House Office Building.

A very large crowd filled the large room, which stretched the definition of "work group."

"This is not our normal work group," Committee Chair Frank **ACCAVITTI**, Jr. (D-Eastpointe) explained to one out-of-town attendee. Accavitti and others repeatedly caught themselves using the words "testify" only to correct the phrase with "I mean comment."

Whether it was testimony or commentary, the work group looked a lot like a hearing, and generally those attending still opposed what they had opposed all along and supported what they've supported.

The discussion in the morning was about [HB 5548](#) and [HB 5549](#), the alternative energy portfolio standard bills sponsored by Rep. Jeff **MAYES** (D-Bay City) and Rep. Dave **PALSROK** (R-Manistee).

The first to, ah, comment was Skip **PRUSS**, representing the Gov. Jennifer **GRANHOLM** administration. Price said he would like two changes. In [HB 5548](#) the language pertaining to the Ludington pump storage facility, which would be in line for credit as a renewable, should, Price said, make it clear that the credit would be based on the facility's use of alternative energy.

The Ludington facility has already become a favorite target for opponents of the package to point out evidence that the bills have more to do with empowering government to hand out credits than actually encourage alternative energy development.

The other change Price said the administration would favor would be language in [HB 5549](#) to encourage businesses that have yet to obtain permits, to continue to seek approval.

Mayes said the suggestions would be forwarded to Consumers Energy (CMS) and Detroit Edison (DTE).

Members of the Customer Choice Coalition (CCC) argued their position, which generally opposes government controls, and favors market-oriented concepts, including open bidding for alternative energy companies that the portfolio bills would impact.

Hans **DETWEILER** of the American Wind Energy Association told the committee it wasn't thinking big enough.

"Michigan ranks in the top four in total jobs and benefits (that could be created in wind power)," Detweiler said. "What can be done to this legislation to make sure Michigan attracts the business it

should? The most important factor is the size of the total market."

Detweiler claimed the model in the current proposed legislation would amount to a relatively small amount of wind power — and that amount could be produced by one large facility.

"That number is so low it's not going to excite anybody," Detweiler said.

When Detweiler said Ohio's House Speaker was suggesting a larger amount for his state's portfolio, Mayes suggested Detweiler turn in data on actual legislation in other states, not just verbal proposals.

A representative of RES America, the world's oldest wind power company commented that his company was "comfortable with the bill."

Kent County Public Works Director Douglas **WOOD** commented that energy derived from burning municipal waste should be considered alternative energy under the legislation.

James **CLIFT** of the Michigan Environmental Council testified against this idea, arguing that such waste included too much fossil fuels and "doesn't fit the classic model of renewables."

Chuck **HADDEN**, of the Michigan Manufacturers Association (MMA), commented that his group has pretty much signed off on the bills, despite disagreeing with the very idea of their existence.

"We fought very hard not to have a mandate," Hadden said. "We have dropped that, so we could have (input). Now, we're fine with what's in there."