

Honorable
Address
Lansing, Michigan 48910

July 22, 2010

Dear Representative/Senator,



In 2008, under pressure from Michigan's major utilities, the Legislature voted to limit competition for electricity and return Consumers Energy and Detroit Edison to virtual monopoly status. Since this interference in the free market, Michigan's electric rates have skyrocketed, increasing twice as fast as the rest of the region, and are the highest in the Midwest.

In fact, Michigan manufacturers today pay 25 percent more for electricity than manufacturers in Indiana, according to the U.S. Energy Information Agency. Since the end of competition, Detroit Edison residential electric rates have increased by 18 percent, and Consumers Energy residential rates have jumped 10 percent. While others in our state are tightening their belts, these two utilities have been raising rates through the roof – and the 2008 laws handcuffed the Michigan Public Service Commission, forcing it to allow these crushing rate hikes.

The 2008 legislation limited competition to 10 percent of each utility's load. That limit was hit in both utilities' territories in 2009. The MPSC reports long waiting lists of customers seeking to escape the utilities' massive rate hikes.

Today, you have a chance to return the free market to Michigan's electric system. Senate Bill 1317 introduced by Sen. Wayne Kuipers (R-Holland) and House Bill 6127 introduced by Rep. Roy Schmidt (D-Grand Rapids) offer customers the opportunity to save on energy costs by raising the cap on competition to 25 percent, allowing more customers to choose their electric suppliers and lower their electric bills. Michigan businesses and families need your help to hold down electric rates by restoring at least some competitive market forces to the electric market.

By now it is apparent that the 2008 remonopolization law has been a failure, it hampers the ability of Michigan's businesses to compete in the global economy, prevents new businesses from locating here and increases electric bills for families at a time when they can least afford them.

I hope you will join Sen. Kuipers and Rep. Schmidt as they work to lower electric rates and help improve our state's economy.

For more information, visit our website at www.customerchoicecoalition.com. If you have any questions, or would like to discuss this issue further, contact me at barry@customerchoicecoalition.org.

Regards,

A handwritten signature in blue ink that reads 'Barry Cargill'.

Barry Cargill
Executive Director
Customer Choice Coalition