

**Customer Choice  
Coalition Member  
Organizations**

ABATE

Associated Petroleum  
Industries - Michigan

Auto Dealers of Michigan LLC

Business & Institutional Furniture  
Manufacturers Association

Dow Corning Corporation

Energy Michigan

Great Lakes Petroleum Retailers &  
Applied Trade Association

Metropolitan Hospital

Michigan Association of  
Broadcasters Service Corporation

Michigan Association of  
Convenience Stores

Michigan Association of  
Intermediate School Administrators

Michigan Association of  
Non-Public Schools

Michigan Association of School  
Administrators

Michigan Association of School  
Boards

Michigan Grocers Association

Michigan Interfaith Power & Light

Michigan Petroleum Association

Michigan Press Association

Michigan Restaurant Association

Michigan Retailers Association

Michigan School Business Officials

Michigan School Energy  
Cooperative

Midwest Car Wash Association

Middle Cities Education  
Association

National Federation of  
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Small Business Association of  
Michigan

Spartan Stores

United States Steel

**For Immediate Release  
Nov. 8, 2007**

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## **Historic proposal puts renewable energy and competition at forefront of Michigan's electric solutions**

The Customer Choice Coalition today unveiled its plan to use competition and market forces to encourage renewable energy companies to expand in Michigan and meet our state's future electric needs.

The coalition, which brings together electric users of all sizes and independent power producers, is urging policymakers to compare the long-term total cost of reliable renewable energy supplies to the long-term total cost of a new large base-load coal fired plant as the state addresses need for additional electricity in the near term.

"We believe renewable electricity generators can provide reliable power to Michigan in the near term for less than a new coal-fired plant, particularly when expected federal anti-pollution and carbon reduction plans are put in place," said Barry Cargill, executive director of the Customer Choice Coalition. "If electricity from wind – backed up with natural gas fired generation to provide reliability – landfill gas and anaerobic digesters can reach customers more cheaply than power from a coal-fired plant, Michigan should take every step possible to bring those renewable resources into play."

Recent data obtained from Public Service Commission filings suggests that the total price for power from the planned Consumers Energy coal fired plant being proposed for the Bay City area would be about 10.1 cents per kilowatt hour in 2015 when construction, operating and coal costs are considered. Meanwhile, landfill gas is expected to be able to generate electricity for about 7.4 cents per kilowatt hour, and methane digesters from agricultural operations could provide power for 8.2 cents per kilowatt hour.

Wind power backed up by natural gas generated electricity when needed would cost about 10 percent less than the total cost of electricity from a coal plant, CCC analysis shows – and create less pollution.

"We believe that in a true apples-to-apples comparison, renewables may very well be cheaper than building a new coal-fired plant," said Eric Schneidewind, former Michigan Public Service Commission chairman and attorney with Varnum Riddering. "At least they deserve the chance to supply Michigan electricity if they can compete with the cost of a new coal plant, and that's what our proposal does."

Under the CCC proposal:

- The Michigan Public Service Commission would periodically determine Michigan's power needs.
- All energy forms – and conservation methods – would be able to compete to supply the state's long term power needs.
- To meet near term power needs, a Renewable Energy Standard would be passed requiring all providers of electricity to obtain 6 percent of their electricity from renewables in 2010, 8 percent by 2012 and 10 percent by 2015.
- Under the Renewable Energy Standard, as long as the price offered under the renewable energy contracts was no more than 3 percent higher than the price of power from a new coal plant, the renewable contracts would be approved, and the electricity providers would be required to buy power from them.

“This plan protects customers, allows fair competition and opens the door to Michigan to become a leader in renewable energy,” said Ray Telman of the Michigan School Electric Cooperative, which buys power for hundreds of state schools, saving them millions annually that can be put into the classroom. “As one of the major organizations using competition and choice to lower prices for our members, we are excited about the prospect of even more choices when it comes to meeting our electric needs.”

Around the nation, competition is helping renewable generation flourish. Monopoly utilities would rather build large and expensive coal or nuclear facilities and pass those costs on to captive customers, instead of allowing entrepreneurs to meet electric needs through a competitive market. Nationally, nearly 80 percent of the nation's wind turbines are located in organized competitive electricity markets, even though only 44 percent of the nation's wind potential is in those areas.

Cargill said he hoped to legislation to implement the CCC proposal would be introduced soon.

“Using competition to meet Michigan's future energy needs is far better than handing one or two companies multi-billion dollar no-bid contracts to provide electricity for Michigan,” Cargill said. “Competition has held down Michigan's rates since we restructured electric markets in 2000, and the evidence is clear that competition is the best way to encourage renewable power for our future electric needs.”

The Customer Choice Coalition is Michigan's only organization bringing together residential, commercial and industrial customers and suppliers of power. Its members include the Small Business Association of Michigan, ABATE (the Association of Businesses Advocating Tariff Equity, representing major manufacturers in Michigan), school energy buyers, Energy Michigan and independent power producers. For more information, visit [www.customerchoicecoalition.org](http://www.customerchoicecoalition.org).