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Bills introduced to help out-of-state energy companies profit at the expense of Michigan electric customers

Most electric customers will pay up to \$900 million more per year by 2016

LANSING, Mich. – The Michigan Jobs & Energy Coalition (MJEC) announced today that it opposes legislation introduced this week that helps out-of-state energy companies line their pockets at the expense of Michigan electric customers.

The bills, House Bill 5503 and Senate Bill 1035, will dismantle Michigan’s successful 2008 energy policy to allow more out-of-state energy companies into the state’s energy market. This will cost most Michigan electric customers up to \$900 million more per year by 2016, according to an analysis of Michigan Public Service Commission data.

“This legislation jeopardizes Michigan’s ability to generate power in the future. As new generation capacity is needed to support Michigan families and businesses, these bills assume out-of-state energy companies will always do what’s right for our state,” said Patrick Devlin, secretary-treasurer of the Michigan Building and Construction Trades Council and an MJEC member. “This change in our energy policy would be a huge risk for Michigan’s economy. Additionally, don’t believe this won’t cost customers anything. Many Michigan electric customers will see their bills increase if this passes.”

Michigan’s energy policy, which currently allows up to 10 percent of the energy market to be served by out-of-state energy companies, was established to protect customers from shouldering more than their fair share of fixed energy costs. Fixed energy costs include the investment the state’s hometown utilities, DTE Energy and Consumers Energy; have already made to provide affordable, reliable power to all Michigan residents.

Michigan’s energy policy was reviewed last fall by the state Senate Energy and Technology Committee. After six weeks of testimony, committee chairman Sen. Mike Nofs publicly stated the energy policy was working as intended and there was no need for any changes to the policy’s 10 percent limit on out-of-state energy companies.

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The 2008 energy policy diversified Michigan's energy portfolio to help create a balanced approach to energy production. Since 2008, more than \$4 billion of investments have been made in the state's energy infrastructure, such as renewable energy projects and power plant upgrades. This has helped provide greater reliability and has guarded against market price volatility for Michigan customers.

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The Michigan Jobs & Energy Coalition (MJEC) supports the timely implementation of the state's 2008 comprehensive energy law, the construction of new baseload power plants and renewable energy facilities and energy policies that create jobs and improve Michigan's economy. The MJEC is comprised of Michigan's major utilities, electric cooperatives and municipal electricity providers; major business organizations and industrial customers; labor organizations; economic development interests; and renewable energy and energy efficiency advocates, and many others. Visit www.MichiganJobsandEnergy.com for more information.