

Grand Rapids Business Journal

Electricity Choice Law Bills Aired

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GRAND RAPIDS — A brief “seminar” was scheduled last week at Grand Valley State University by opponents of the proposed legislation that would scale back Michigan's "choice" law that enables residents and businesses to choose the source of electricity they get from regulated utilities.

"We are very concerned about the bills that passed the House and are hoping we can make some substantial changes on the Senate side," said Mary Dechow, director of Government and Regulatory Affairs for Spartan Stores.

"Basically, the bills that passed the House are going to re-monopolize electricity in Michigan," she said.

Prior to the Friday morning event at the Eberhard Center on the downtown GVSU campus, Bryan Harrison of Alticor sent a letter to state senators from West Michigan, in which he compared the proposed legislation to "artificial Soviet-style market control."

The proposal, part of a package of energy bills passed by the House and now awaiting action from the Senate, would place a 10 percent limit on the total amount of energy that customers of the two major utilities may purchase from an independent electricity supplier.

The state's major utilities, Consumers Energy and Detroit Edison, have said they are unable to finance and build new power plants that will be needed in the future, unless the state guarantees that their customers will buy the majority of their electricity directly from them.

"This legislation is bad for Alticor and bad for Michigan, as it eliminates competitive markets and its benefits," wrote Harrison.

He added that Alticor currently has a contract with an alternative energy supplier, Wolverine, to provide its electricity.

“As a result, at current rates, we have substantial savings, predictable rates, and have purchased 10 percent of our energy as 'green energy' produced from a Michigan-based wind turbine farm — all of this without a government mandate or command and control economics,” Harrison wrote. “In addition, our savings are expected to increase over the term of the contract as energy prices increase and we realize the benefits of locked negotiated rates.”

Both Spartan Stores and Alticor are members of the Customer Choice Coalition,

Public Act 141, the Customer Choice & Electric Reliability Act of 2000, was enacted to provide Michigan businesses and residents the opportunity to purchase electric energy from a supplier other than their host public utility.

Jared Rodriguez, vice president of government affairs at the Grand Rapids Area Chamber of Commerce, said the chamber is not a member of the Customer Choice Coalition but does oppose the repeal of PA 141.

"We believe we need to maintain choice and have a competitive market," said Rodriguez.

He said it was the intent of the group putting on the seminar Friday that it would generate some alternatives for the Senate to consider, and "results in creating and maintaining a competitive market in Michigan's electricity market." **BJX**

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