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LEGISLATURE

Energy strategy wanted, and soon It will bring jobs, Granholm says

LANSING -- Gov. Jennifer Granholm said Tuesday that Michigan is "a backwater" in promoting renewable energy such as wind power, and called on lawmakers to quickly approve legislation requiring the state to generate 10% of its electric power from renewable sources by 2015.

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Granholm said she is encouraged that the House and Senate could reach agreement on the mandate -- called a renewable portfolio standard, or RPS -- by next month.

She said Michigan is losing out on thousands of jobs from companies that manufacture wind turbines because it lacks an RPS, which would help ensure their investments are profitable. Executives of wind power companies told her, she said, that they would not consider Michigan for business without having an RPS in place.

"This ought to be done by March. If it's not, something is wrong," Granholm told reporters Tuesday.

Later, Granholm praised House Speaker Andy Dillon, D-Redford Township, and Sen. Bruce Patterson, R-Canton, for taking the lead on the legislation. Patterson chairs the Senate Energy Policy Committee.

The legislation is expected to be launched in the House, although Patterson's committee has held hearings on requiring renewable energy statewide.

Greg Bird, spokesman for House Democrats, said March is a goal for passing RPS legislation in the House.

Granholm said the state also must create incentives to reduce energy consumption without hurting power suppliers. That, she said, along with a statewide requirement for renewable energy, "really will propel us to the front of the pack" in attracting renewable energy industries.

Granholm said 28 states have an RPS, which gives them an advantage over Michigan in luring wind power jobs.

The governor has made renewable energy a linchpin of her economic recovery plan for the state. In her State of the State address in January, she called for an RPS that would

require Michigan to produce 10% of its electric power with renewable sources by 2015 -- especially wind power -- and 25% by 2025.

But, she said, "we are not even in the game" compared to other states.

One multinational company plans to build five wind turbine plants in the United States, and Michigan won't get one unless it establishes an RPS, said Skip Pruss, Granholm's special adviser on renewable energy.

The Legislature also is debating contentious proposals that will determine whether the two largest utilities -- DTE and Consumers Energy -- have more or less competition from smaller utilities.

The big electric companies have said they are ready to invest \$6 billion in wind farms if the state enacts laws that make the investments profitable. Smaller utilities accuse DTE and Consumers Energy of trying to secure monopolies on electric power.

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