



Lawmakers push for green energy

Monday, January 28, 2008

By Chris Gautz

cgautz@citpat.com -- 768-4926

State lawmakers are intensifying efforts to require utilities to use a certain percentage of green energy to keep the lights on.

Proponents of the so-called Renewable Portfolio Standard say it not only would lessen the toll on the environment, but significantly improve Michigan's chances of attracting jobs in the renewable energy field.

Several other states have already adopted mandates, requiring utilities to use

anywhere from 10 percent to 25 percent of green energy within the next decade or so.

Michigan, already struggling economically, will need to get moving to stay competitive.

``Without an RPS, alternative energy businesses will not locate in the state," said James Epolito, president and CEO of the Michigan Economic Development Corp., the state's leading economic development agency. ``The trigger to grow in this state is the RPS."

But the Legislature will have to find common ground with utilities -- including Jackson-based Consumers Energy -- which are trying to respond to growing energy needs in the state, while keeping rates affordable.

State lawmakers from both chambers are looking at several options.

House and Senate bills were passed out of committee last week, with the House calling for a 10 percent RPS by 2015.

The Senate version calls on the state to purchase 3 percent of its energy from renewables by 2009, but it didn't set an RPS standard for utilities.

Sen. Mark Schauer, D-Battle Creek, said a 10 percent RPS is a start, but more needs to be done. Schauer said he will push to amend the House bill to set a second goal of an RPS of 20 percent by 2020, or 25 percent by 2025.

Consumers Energy has budgeted for a 10 percent RPS in its long-term strategic plan released last year. The plan also calls for construction of a new coal-fired plant to meet climbing energy needs.

The new plant is key to keeping rates down, said CMS Energy President and CEO David Joos.

“Consumers Energy's retail electric rates are below the national average,” Joos said before the House energy and technology committee in December. “Our investment plans will allow us to provide reliable, high-quality service at affordable rates in the future.”

Consumers officials said lawmakers are moving in the right direction, but a more comprehensive energy policy plan needs to be implemented. Specifically, Consumers is looking for a repeal of the state's deregulation law, which allows customers to choose their power provider.

The utility has said it would need an assured customer base if it moves forward on \$6 billion in investments in the state, including a \$2.5 billion coal-fired plant.

And the state's 21st Century Energy Plan, released last year, says that without traditional energy sources, energy customers in Michigan could be paying as much as \$2 billion more because utilities would have to buy energy elsewhere, relying on out-of-state providers at volatile market prices.

A bill to repeal deregulation -- or the customer-choice law -- is tie-barred to the RPS bill.

Barry Cargill, executive director of the Customer Choice Coalition, which advocates for a group of businesses and organizations who use choice and encourage competition, said his group opposes repealing the customer-choice law.

“We think there is general support for renewable electricity, however it should not be tie-barred to the elimination of choice,” Cargill said. “Our greater concern is that there is a competitive market.”

©2008 Jackson Citizen Patriot

© 2008 Michigan Live. All Rights Reserved.