

**Customer Choice
Coalition Member
Organizations**

Association of Businesses
Advocating Tariff Equity (ABATE)

Associated Petroleum
Industries - Michigan

Auto Dealers of Michigan LLC

Business & Institutional Furniture
Manufacturers Association

Competitive Power Ventures/New
Covert

Dow Corning Corporation

Energy Michigan

Great Lakes Petroleum Retailers &
Applied Trade Association

LS Power

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
Independent Business

Small Business Association of
Michigan

Spartan Stores



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Gov. Granholm plan a virtual tax increase to benefit Consumers, DTE

Gov. Jennifer Granholm today announced her intent to raise electric bills for Michigan families and businesses to support plans by Consumers Energy and DTE to build \$6 billion in new electric generation, with minimal regulatory control by the Michigan Public Service Commission.

The governor said she embraced the two utilities plans as a way to increase electric production in Michigan, particularly renewable energy. However, she skipped telling Michigan families that they – not utility shareholders – would be financing the plants, and that customers – not utility shareholders – would be on the hook for cost overruns. The governor also overlooked the fact that the states with the most renewable power are those that give customers the most choice – not force them to buy from monopolies.

“When the state tells electric customers they must pay more to DTE and Consumers, it is effectively raising taxes on customers to benefit only those two corporate giants,” said Barry Cargill, executive director of the Customer Choice Coalition, a group that represents electric customers of all sizes as well as independent power producers that are competing and offering lower prices in Michigan. “The only way the governor’s plan can work is if she takes away from customers their right to choose from alternative electric providers, and uses the power of the state to force customers to buy from the two major utilities only.”

The two major utilities have said they will only build plants if the state gives them an electric monopoly. They also want to raise residential rates by \$350 million annually, and reduce oversight of their cost overruns and sales of electric plants by state regulators.

The utilities are also demanding that they be allowed to begin charging customers as soon as plant construction begins. That means customers will be paying for plants that they are not using – and if the companies build plants that are unneeded or are uneconomic, customers will still be forced to pay.

“We have a better idea,” Cargill said. “Rather than hand Consumers Energy and DTE the sole source contract to provide Michigan with electricity, let’s allow many companies to compete to provide wind power, nuclear power, coal power, methane power, energy efficiency plans and more to meet Michigan’s future energy needs. And instead of forcing Michigan citizens to hand over their dollars to the utilities, how about encouraging companies to seek investment from around the world to build new plants in our state. Already, at least three other major companies and numerous renewable firms say they want to build plants using investor dollars – not customer dollars.”

Since passage of choice legislation, Michigan electric rates have increased slower than the rest of the Midwest states. Meanwhile, Wisconsin, which has a similar regulatory scheme as proposed by the utilities and now backed by the governor, has seen the highest electric rates in the Midwest, hurting manufacturing jobs.

The Customer Choice Coalition is the only group that brings together large and small energy users and private electric providers to support increased choice and competition in Michigan’s electric system. For more information visit www.stopthemonopoly.com.