

Appendix A: Synopses of Recently Introduced Energy Legislation

Senate or House Bill Number	Sponsor	Date Introduced	Summary from MichiganVotes.org
HOUSE BILL 5524	Rep. Frank Accavitti Jr	December 4, 2007	The bill would “mostly end the state’s electric competition law that allows customers to choose an alternative provider; allow the utilities (primarily DTE and Consumers Power) to impose surcharges on customers so they can recoup the ‘costs’ incurred from Michigan’s experiment with competitive electricity markets; and gradually phase out current cross-subsidization of residential customers by commercial and industrial ones. The proposed law would prohibit competing power companies from garnering more than 10 percent of the electricity market, even if they offer lower prices.”
HOUSE BILL 5525	Rep. Kathy Angerer	December 4, 2007	The bill would “mandate that electric utilities reduce the amount of energy they provide by 1 percent each year beginning in 2012, and gas utilities reduce production by 0.75 percent per year. To accomplish this they would be required to charge higher rates to pay for programs that ‘target customer behavior, equipment, or devices without reducing the amount or quality of energy services.’ Utilities that fell short of the energy production reduction mandates could potentially be ordered by the Public Service Commission to reduce their prices. See also House Bill 5525, which caps competition between electricity providers in Michigan.”
HOUSE BILL 5548	Rep. Jeff Mayes	December 6, 2007	The bill would “mandate that Michigan electric utilities acquire 4 percent of their power from ‘renewable’ sources by the end of 2012, and 10 percent by the end of 2015. The mandate would be reduced to the extent it increased residential rates by more than \$3 per month, and on commercial customers from \$15.83 to \$187.50 per month. Utilities could meet the mandate by producing or purchasing renewable energy, or purchasing ‘credits’ from a firm that exceeded the mandate. The provisions creating this regime are divided between this and House Bill 5549.”
HOUSE BILL 5549	Rep. David Palsrok	December 6, 2007	The bill would “mandate that Michigan electric utilities acquire 4 percent of their power from ‘renewable’ sources by the end of 2012, and 10 percent by the end of 2015. The mandate would be reduced to the extent it increased residential rates by more than \$3 per month, and on commercial customers from \$15.83 to \$187.50 per month. Utilities could meet the mandate by producing or purchasing renewable energy, or purchasing ‘credits’ from a firm that exceeded the mandate. The provisions creating this regime are divided between this and House Bill 5548.”
HOUSE BILL 5898	Rep. John Moolenaar	March 13, 2008	The bill would “authorize a refundable Michigan Business Tax credit equal to 50 percent of the amount invested or expended on research, development, and manufacturing of photovoltaic energy by a firm for whom this is its primary activity. ‘Refundable’ means that if the credit exceeds the firm’s tax liability the state would send it a check.”
HOUSE BILL 5972	Rep. Andy Coulouris	April 10, 2008	The bill would “grant a business tax break based on the price it pays for electricity to the Hemlock Semiconductor company and perhaps other producers of polycrystalline silicon used in solar cells and semiconductor chips. The bill is tie-barred to House Bill 5524, which would end electric power provider competition in Michigan.”
HOUSE BILL 5977	Rep. Tim Moore	April 10, 2008	The bill would “authorize Michigan Economic Growth Authority tax credits for the Hemlock Semiconductor company and perhaps other producers of polycrystalline silicon used in solar cells and semiconductor chips. The bill is tie-barred to House Bill 5524, which would end electric power provider competition in Michigan.”
SENATE BILL 213	Sen. Patricia Birkholz	February 20, 2007	The bill would “mandate that electric utilities acquire at least 4 percent of their power from ‘renewable’ sources, growing to at least 8 percent by 2013. The Public Service Commission would be authorized to regulate the duration and terms of contracts under which utilities obtain such power, in general mandating that the contract be for at least 20 years (to allow the provider to get financing to establish the renewable source). The bill would also authorize trading of renewable energy ‘credits’ between utilities that exceed or fall short of the mandated quantity, and would impose fines of \$50 for each megawatt hour that a utility falls short in production or credits. Finally, it would require utilities to provide rebates to solar electricity generation providers, and to pay for these by tacking extra fees onto the electricity bills of customers. ‘Renewable energy’ is defined as that generated by biomass, geothermal, solar, wind, hydroelectric, and gas captured from the decomposition of waste. It does not include nuclear power.”
SENATE BILL 219	Sen. Roger Kahn	February 20, 2007	The bill would “require electricity suppliers to immediately generate or acquire 4 percent of the electricity they sell with renewable sources, at least 1 percent of which must be solar. This would increase to 7 percent of power sold by 2015. The Michigan Public Service Commission could establish a system of energy credits that providers could use to meet the new standards, and would be authorized to waive the mandate if renewable sources of power are not available in the amounts necessary to comply. The bill would allow utilities to charge higher rates to cover the additional costs of using such alternative energy sources.”

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SENATE BILL 385	Sen. Jim Barcia	March 29, 2007	The bill would “mandate that electric utilities acquire at least 9 percent of their power from ‘renewable’ sources by 2009, growing to at least 20 percent by 2020, at least five percent of which must be solar. The Public Service Commission would be authorized to regulate the duration and terms of contracts under which utilities obtain such power, in general mandating that the contract be for at least 10 years (to allow the provider to get financing to establish the renewable source). The bill would also authorize trading of renewable energy ‘credits’ between utilities that exceed or fall short of the mandated quantity, and would impose fines of \$55 for each megawatt hour that a utility falls short in production or credits. ‘Renewable energy’ is defined as that generated by biomass, geothermal, solar, wind, hydroelectric, and gas captured from the decomposition of waste. It does not include nuclear power.”
SENATE BILL 426	Sen. Jason Allen	April 24, 2007	The bill would “require certain larger electric utilities to provide billing service for alternative providers selling power to residential customers though the utility’s own power lines. The utility would be allowed to use some of the amount billed to cover its own ‘bad debt’ expense incurred to provide bundled power and transmission services in the past, if it can prove that this amount is not already included in its distribution charge. See Senate Bill 427.”
SENATE BILL 427	Sen. Wayne Kuipers	April 24, 2007	The bill would “give the Public Service Commission the authority to determine the electric power demands of large utilities, and order them to acquire power from additional or alternative sources, under procedures specified by the bill.”
SENATE BILL 428	Sen. Michelle McManus	April 24, 2007	The bill would “require certain electric utilities to provide billing service for alternative providers selling power to customers though the utility’s own power lines. The bill establishes the formula for determining the distribution charges it would be allowed to tack on. See Senate Bill 427.”
SENATE BILL 947	Sen. Bruce Patterson	December 5, 2007	The bill would “mandate that electric utilities acquire at least 3 percent of their power from ‘renewable’ sources, growing to at least 20 percent by 2025. The Public Service Commission would be authorized and given discretion to grant exemptions. The bill would authorize trading of renewable energy ‘credits’ between utilities that exceed or fall short of the mandated quantity, and would impose fines of \$50 for each megawatt hour that a utility falls short in production or credits. It would allow utilities to pay for these more costly forms of energy by increasing the electricity bills of customers. ‘Renewable energy’ is defined as that generated by biomass, geothermal, solar, wind, hydroelectric, and gas captured from the decomposition of waste. It does not include nuclear power. Additionally, the bill would require all utilities to maintain a minimum annual 15 percent power reserve margin and impose certain ‘reliability’ standards.”
SENATE BILL 1000	Sen. Patricia Birkholz	December 12, 2007	The bill would “mandate that utilities from which the state acquires power obtain 10 percent of their energy from ‘renewable’ sources (not including nuclear) by 2010, and 25 percent by 2025. However, the requirement would be waived if the cost of the renewable energy is more than 5 percent greater than conventional or nuclear power.”