

Mich. residents may pay extra for green power

Bills approved by House and Senate drop business rates

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Saying it's only fair, Michigan lawmakers plan to raise residential electricity bills and drop business rates so all customers are charged the true cost of their power.

But when it comes to figuring out who should pay what for new renewable energy requirements, the playing field wouldn't be even.

Though residents account for one-third of Detroit Edison's electric sales, they would contribute two-thirds of what Michigan's largest utility could collect from customers for wind and other sources of alternative power under bills that have passed the House and Senate.

Residential customers of Consumers Energy account for just over one-third of sales yet would pay nearly half the maximum amount charged by the state's second-biggest utility for renewable energy.

Negotiators are ironing out differences in the wide-ranging legislation, with pressure building to send something to Gov. Jennifer Granholm in early September.

"Why are residential ratepayers paying more than their fair share if this is all about them paying their fair share?" asked Paul Stankewitz with the Michigan Catholic Conference.

Residents would pay no more than \$3 a month extra for green power, but the fees would come on top of costs such as shifting overall electric bills by raising residential rates up to 15 percent over five years.

Michigan's domestic automakers and other companies have paid more than their share since the 1970s energy crisis squeezed people's pocketbooks. But the sour economy has made subsidizing residential rates a bigger burden.

Giving few specific reasons for allocating the renewable fees the way they have, supporters of the legislation said people are willing to pay for green energy and would be protected by cost caps. Because renewable power can be more expensive than traditional coal or nuclear energy - at least in the short run - residents would be charged up to \$2 a month over 20 years under a Senate bill. The House set a \$3 cap for residents.

Smaller businesses would pay no more than \$11.05 a month under the Senate plan and \$16.58 under the House version. Industrial businesses would pay no more than \$125 to \$187.50 monthly.
