

Electric, natural gas 'energy optimization charge' is a jolt to small businesses

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WYOMING -- Bruce Helder's small factory just got hit with a 52 percent increase in its electric bill.

As of June 1, some Consumers Energy customers who use more than 5,000 kilowatt hours of electricity per month will pay a \$422.23 monthly "energy optimization surcharge."

Small factories such as Helder's Bara Technologies Inc., 3714 Jefferson Ave. SE, will pay the same \$5,066.76 annual fee as larger customers -- unless the Michigan Public Service Commission and Consumers Energy make good on promises of a change.

"This is just another indicator of how completely out of touch our Legislature is with small business people in the state of Michigan," Helder said.

"Either they understood this or they didn't. In either case, they're killing us."

After being contacted by The Press, Judy Palnau, a spokeswoman for the [MPSC](#), said [Consumers](#) and the MPSC were working on a fix.

About 200 customers statewide are in Bara's boat, Consumers spokesman Tim Pietryga said.

The surcharge was part of a package of energy bills passed last year, designed to encourage conservation and development of renewable energy production in Michigan.

Funds from the surcharge will go toward programs that encourage investments in more energy-efficient products, Pietryga said.

Details of Jackson-based Consumers Energy's implementation of the program are expected in late August.

For most customers, the energy-optimization fee will be considerably smaller than what Bara faces.

The average residential customer is expected to see a surcharge of 71 cents per month from their electric company and \$1.72 a month from their gas company.

Under the rate structure approved by the MPSC, the maximum electric surcharge for most customers is \$32.27 per month. That is even if they use considerably more power than Helder's factory, which makes components for operating tables, hydraulic cylinders, clamps and other specialty products.

The reason for the difference is Bara is considered a primary customer, which receives and manages voltage directly to its equipment.

Primary customers fall under a different fee structure than secondary customers, a classification that includes most businesses.

The charge was supposed to raise bills 3 to 10 percent, said Doug Roberts, director of environmental and energy policy for the Michigan Chamber of Commerce, which supported creation of the surcharge.

"It's worth the MPSC going back and reviewing what they've come up with," he said. "I'm hopeful they can come up with a remedy because that's quite a bit higher."

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