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## **One year later, electric remonopolization laws a failure for Michigan**

*Residential customers paying as much as 20 percent more under new laws*

LANSING, Mich. – October marks the one year anniversary of the Michigan Electric Remonopolization Act, and Michigan residents are losing under the new laws. After eight years of Michigan's electric rates increasing by less than the national average, today our rates are climbing at lightning speed.

“The Michigan Electric Remonopolization Act was a failure, and Michigan residents are paying the price,” said Barry Cargill, executive director of the Customer Choice Coalition. “Customers are paying more now than ever before. Detroit Edison residential customers are paying 20 percent, or \$130, more this year and Consumers Energy customers are faced with a 9 percent increase at the cost of about \$60 per year. Unfortunately, they're paying more and seeing nothing additional in return. Electric choice was capped at 10 percent of the utilities overall load, and that limit has already been reached in Consumers Energy territory. Now businesses are being told they cannot shop for competitive prices which could save jobs and ultimately keep business doors open.”

When passed last year, the bills promised more renewable energy and tighter efficiency standards across the board. After one year, no real progress has been made on either front.

“Although customers of Detroit Edison and Consumers Energy are already paying for new renewable energy, most of the new energy won't be delivered until at least 2012,” said Robert Nelson, former Commissioner for the Michigan Public Service Commission. “We also now have tighter energy efficiency laws, but unfortunately inadequate personnel to oversee the programs. The MPSC does not have the additional staff necessary to monitor the millions of dollars the utilities are collecting from their customers for this purpose, so who knows how that money is actually being spent?”

“Steps should be taken immediately to fix this problem. Either the MPSC should be given the necessary resources to monitor the programs, or the utilities should not be able to collect the monies until that has been accomplished. Michigan customers deserve to know how their money is being spent,” Nelson said.

As wholesale energy prices continue to fall across the nation, Michigan electric rates continue to increase at an alarming rate as a result of the Electric Remonopolization Act.

“After only one year, it is obvious these bills led to significant rate increases across the board for Michigan customers,” said Sen. Wayne Kuipers (R-Holland). “Michigan residential rates have increased faster than any state in the Midwest and are now the highest or very nearly the highest in the region. Commercial and industrial electric rates continue to increase as well, how can we expect to be competitive in the business market with this type of environment?”

At the end of the first year, it is clear to see the Michigan Remonopolization Act should receive a failing grade. The Michigan Legislature must act now to correct this legislation before any further damage is done.

"We were told customers would have to take the good with the bad with the energy package," said Sen. Cameron S. Brown (R-Fawn River Township). "Instead, they got the bad with the bad. After one year, customers have fewer choices and much higher rates. Companies that are struggling to keep their doors open don't have the opportunity to shop for the most affordable electricity. Is it any wonder Michigan is considered a bad place to do business? I'll be introducing legislation shortly to remedy this unfortunate situation."

"It's clear to see families are paying more, businesses in some areas cannot find less expensive electric, renewable energy increases have been slim and we have no idea how the utilities are really doing with their efficiency programs. Thankfully, the MPSC has correctly determined a new baseload power plant is not necessary as power use has declined, or customers would already be paying for that too," Cargill said.

The Customer Choice Coalition is the only group that brings together customers of all sizes with competitive electric companies to support electric competition and choice. For more information visit [www.stopthemonopoly.com](http://www.stopthemonopoly.com) or [www.customerchoicecoalition.org](http://www.customerchoicecoalition.org).

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