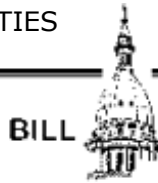




Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 1000 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Patricia L. Birkholz
Committee: Energy Policy and Public Utilities

CONTENT

The bill would amend the Management and Budget Act to require the Department of Management and Budget (DMB) to enter into competitive contracts with electrical energy providers to provide that by the specified dates not less than the following percentage of the electricity used in all State facilities would be generated from a renewable energy source:

- January 1, 2009, 3%.
- January 1, 2010, 10%.
- January 1, 2020, 20%.
- January 1, 2025, 25%.

The DMB would not have to comply with the bill's requirements in a year in which the price of electricity produced by a renewable energy source was 5% greater than the price of electricity produced by a new nonrenewable energy source.

"Renewable energy source" would mean a resource that replenishes naturally over a human, not a geological, time frame ultimately derived from solar power, solar hot water, or wind power. The definition specifies that a renewable energy source comes from the sun or from thermal inertia of the ground, and minimizes the output of toxic material in the conversion of the energy.

Proposed MCL 18.1257

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

There is a potential for additional costs to the State; however, the amount is indeterminate. It is not known whether all locations where the Department would enter into contracts would be able to provide a renewable energy source. The amount of additional costs, if any, would depend on the availability of renewable energy sources. The bill would have no fiscal impact on local government.

Date Completed: 3-26-08

Fiscal Analyst: Joe Carrasco