

Legislative Analysis



ALLOW MUNICIPAL ELECTRIC UTILITIES TO PROVIDE CERTAIN INFORMATION ANNUALLY

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House Bill 5654 without amendment
Sponsor: Rep. Steven Lindberg
Committee: Energy and Technology
Complete to 12-16-09

A SUMMARY OF HOUSE BILL 5654 AS REPORTED FROM COMMITTEE

The bill would amend Section 51 of the Clean, Renewable, and Efficient Energy Act (MCL 460.1051) to allow municipally-owned electric utilities to provide certain information to their residential customers in an annual bill insert rather than on monthly bills as described in Sections 45(2) and (5), MCL 460.1045(2) and (5). A municipal electric utility would have to provide this annual bill insert to its residential customers at the same time it provided a bill insert containing a summary of the actions it took that year to comply with renewable energy standards as required by Section 51(3). (The Clean, Renewable, and Efficient Energy Act was enacted in 2008 as Public Act 285.)

[Note: Among other things, Section 45(2) and (5) require electric providers to list on customers' monthly bills itemized charges for compliance with renewable energy standards and for compliance with energy optimization requirements. Customer bills must also include estimated monthly savings for that customer under the provider's energy optimization program and estimated monthly savings reflecting the costs of coal-fired power plants that were avoided under the act, as determined by the Public Service Commission. Section 45(5) also requires that providers tell residential customers in the first bill of the year that they may be eligible for a tax credit to offset some of the amounts collected for compliance with renewable energy standards.]

FISCAL IMPACT:

The bill would have no significant fiscal impact on the state or local units of government. Municipally-owned electric companies could see some cost savings (staff and printing costs) to the extent the bill eases reporting requirements by reducing the frequency of certain reports to consumers from monthly reports to an annual report.

POSITIONS:

The Public Service Commission indicated a neutral position on the bill. (12-15-09)
The Michigan Municipal Electric Association testified in support of the bill. (12-15-09)
The Michigan Environmental Council indicated support of the bill. (12-15-09)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.