Legislative Analysis

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ALLOW MUNICIPAL ELECTRIC UTILITIES TO PROVIDE CERTAIN INFORMATION ANNUALLY

House Bill 5654
Sponsor: Rep. Steven Lindberg
Committee: Energy and Technology

Complete to 12-14-09

A SUMMARY OF HOUSE BILL 5654 AS INTRODUCED 12-9-09

The bill would amend Section 51 of the Clean, Renewable, and Efficient Energy Act 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), MCL 460.1045(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.]

MCL 460.1051

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.

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