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Senate Bill 1317 (as introduced 5-6-10)
Sponsor: Senator Wayne Kuipers
Committee: Energy Policy and Public Utilities

Date Completed: 5-20-10

CONTENT

The bill would amend the Customer Choice and Electricity Reliability Act to increase from 10% to 25% the percentage of an electric utility's sales that may take service from an alternative electric supplier (AES).

The Act requires the Public Service Commission (PSC) to issue orders establishing the rates, terms, and conditions of service that allow all retail customers of an electric utility or provider to choose an AES. The orders must provide that no more than 10% of an electric utility's average weather-adjusted retail sales for the preceding calendar year may take service from an AES at any time. The bill would increase that amount to 25%.

In addition, the orders must set forth procedures necessary to administer and allocate the amount of load that AESs may serve, through the use of annual energy allotments. The orders must prioritize customers' allotments as set forth in the Act. The PSC may not allocate additional allotments at any time when the total allotments for a utility's distribution service territory exceed 10% of the utility's weather-adjusted retail sales in the preceding calendar year. The bill would increase the percentage to 25%.

MCL 460.10a

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Pratt
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.