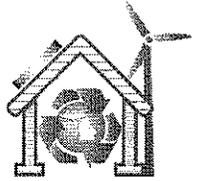


HOMELAND BUILDERS of MICHIGAN

Building for Energy Independence



April 27, 2016

Senate Energy and Technology Committee
All Members – and Citizens of Michigan

OfcSMCC@senate.michigan.gov Lansing, Michigan

Subject: SB 437 and SB 438

As a Michigan resident since 1959 and small business owner of an energy and solar solutions company, I write to advise AGAINST Committee endorsement of the revised SB 437 and SB 438.

My opposition is vehement for more than the three reasons listed in this brief testimony; but how much can a single page offer? In addition to the points herein, know that passage of SB437/438 as written will undermine hundreds of small businesses (including this one) and diminish the value training investments in 21st century jobs, both REAL and GROWING in any of the states with forward-thinking legislators.

First reason. Because of engineering advances, power generation is markedly different today (and in future) than it was when electrification swept to pre-eminence and made the last century the marvel it was – while justifying creation of regulated monopolies. Today's "brave new world" of energy generation, discounts, even obviates, the requirement for massive centralized generation – let alone the need to send power vast distances from points of origin. The logic of allowing monolithic corporations to monopolize generation is NOT¹.

Second reason. If citizens are denied the right to form and interconnect neighborhood generation to local and regional grids and unfairly restrained from investing-in owning their own power, the constraints will lessen Michigan's economic potential and leave a legacy system of centralized over distributed control of power that will undermine the essence of the country's open, entrepreneurial system. You, as legislators, will relegate your children and heirs to outdated schemes for control of power that will limit economic efficiency, tech advances and subject ALL to corporate control that will be increasing RARE and outmoded in other states and around the world.

Third reason. By passing SB437 and SB438 as drafted, you fail to level the playing field for citizen vs centralized control. By promoting imbalance, you fail to guide and assist the market in determining a fair value of solar - free from artificial protection of legacy rights gifted to vertical-integration (by 20th century legislators). As California showed by its Assembly Bill, this millennium's utilities MUST either change in historic ways or be a burden subsidized by those who stay with them in antiquated behaviors and operations. If you kill the realistic and modest Net Metering allowance adopted sensibly in 2008, you (legislators) will not only revulse the Michigan market (for your lack of vision) but, economically, drive citizens into the new STORAGE (solid state) battery technologies that are on the horizon. The ill-advised protectionism of 437/438 will NOT just deny freedom and the right to both own and interconnect distributed generation, but will add bureaucracy of dubious functionality.

By driving the citizenry into dawning battery technologies (as they seek and pursue essential human freedoms), you will disrupt market forces for utilities as NAFTA did for Michigan jobs (and population). The better option is to help the marketplace work out FAIRLY the Value of Solar and the costs of distribution & transmission separate from the major changes occurring in power generation. California and other states have shown the way!

To advance 437/438 will result a sucking sound alright. Like the jobs and population that withdrew in past decades, grid and utility-dependent consumers will depart their investor-owned monopolies as soon as storage options and micro-grids allow it. YOU will have pushed the boulder off the top of the hill with SB 437 and 438.

Most Sincerely,

Dave

David R Friedrichs, Mgr / Bldr

¹ California's Assembly Bill 1890 of 1996, took effect in 1998 and foresaw the 21st century. Why not Michigan, too?

Solar Thermal • Solar Electric (PV) • Insulation (foam or ICF for new construction) • Geothermal • Small Wind