The Honorable Senator Mike Nofs
Chair, Senate Committee on Energy and Technology
P.O. Box 30036
Lansing, Michigan 48909-7536

Re: SB 438 introduced by Senator John Proos

Dear Senator Nofs:

We wish to express our concerns on SB438. We feel it is appropriate to communicate with you as Chair of the Senate Committee on Energy and Technology. We have sent copies of this letter to our own Senator Casperson, and our own Representative Ed McBroom, as well as your other committee members last September.

We installed 12 photo voltaic panels beginning in June to help with our budget since UPPCO (Upper Peninsula Power Co.) costs to customers have been rising, now double the downstate average price of about 11.11 cents per kwh making our price 21-23 cents per kwh. (Comparison of rates in Michigan are available on internet). Our panels produce enough power to cover most of our average needs. If SB 438 passes, it eliminates net metering as well as forcing homeowners to sell their own generated power to power companies at wholesale rates of about 4 cents/kwh; then buy back power they use at retail rates,18-25 cents here in the U.P. This is very disturbing when we ourselves, not the power company, have made the investment in panels, accompanying supplies, installation, permits, inspection, and labor to produce our own power, while UPPCO has not had to increase any infrastructure.

This is like forcing us to sell our garden vegetables to supermarkets at wholesale price and then making us buy them back at retail price after we bought all the seeds and did all the work. We are trying to be financially and environmentally responsible, as are others investing in solar electric for themselves. We actually benefit power companies since most solar energy is produced during peak usage hours when it costs most for electric companies to keep up with demand (i.e. summer air conditioning).

Not only would SB438 hurt all small solar electric systems installed, but also put small start up solar installation businesses out of business. These small companies are providing jobs to certified site assessors; installers of the panels; makers of the pads, panels and racks; electricians; and state inspectors.

We are concerned for other responsible citizens who have made the investment, often using hard earned and saved retirement funds to do so, and were even encouraged by the federal government by a 30% tax credit if installation was completed before September 2016. Now you want to take all this away by SB438? Like us as retirees, age 69 and 72, other retirees, middle income, and low income people find it increasingly difficult to keep up with electric rates despite cutting back their electric use. We have invested $16,000 of our hard earned retirement savings to do this.

We should have the choice in a democracy on how we procure our energy needs, now that there are affordable choices in electric generation. We choose our fuel for winter heat. We choose bottled water, city water, or wells in the country. We all breathe common air. We all have common sunlight. These

are the commons which no one should tell us how to use them as long as we do so in a responsible manner. We all need to conserve resources for the common good.

Let's think about national homeland security. With a diversified state electrical system, including homeowners with solar power, a diversified system gives our power supply more protection from blackouts in event of attack. We know that currently small solar producers for their own use make a small fraction of Michigan's overall electric generation while even benefitting peak use times for power companies. So how is this a threat to power companies who are experiencing difficulty meeting peak time demand anyway? We want to see continued net metering long term, not just grandfathering in for 10 years.

In short we have a great need for a long term diverse energy plan in order to benefit all people in Michigan with vision and foresight for generations to come, not just natural gas and power company interests.

Thank you for hearing and acting on our concerns.

Sincerely,
Florence and Donald Cutter
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