



MIDDLE MICHIGAN DEVELOPMENT CORPORATION

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Dear Senator Nofs,

I am writing to you on behalf of Middle Michigan Development Corporation in support of Senate Bills 437 (Nofs) and 438 (Proos). Even though the 2008 energy law has achieved many earlier goals, we now need an updated comprehensive energy infrastructure policy so that Michigan can meet its future energy needs.

I am sure you are aware that a number of coal-fired plants will be closing here in Michigan due to their age and federal environmental regulations. Under current law, the unregulated energy marketers, who provide 10 percent of Michigan's electricity, are not required to make long-term investments in Michigan power plants. Instead of investing in our infrastructure, these unregulated marketers have relied on excess power coming from plants owned by out-of-state utilities. But this excess is drying up.

The current system is unfair for most Michigan residents and small businesses who have paid more than \$1 billion to subsidize a handful of large business customers buying their electricity from unregulated marketers. Our power grid is an interconnected system and electricity supply shortfalls will result in higher costs and reliability concerns for all Michigan customers, not just those who use a deregulated marketer. The current system also could lead to the importing of energy from other states. Worse yet, it could lead to the exporting of Michigan jobs!

New legislation is needed to create a fair, affordable and reliable energy system to power Michigan's future! Senate Bills 437 and 438 create a comprehensive energy infrastructure policy that will:

- Ensure Michigan makes the necessary infrastructure investments in new power plants to ensure reliability.
- Require unregulated energy marketers to demonstrate they have adequate resources to meet long-term power demand.
- Require utilities to competitively bid new power plants.
- Create an open, transparent and strict new power plant approval process requiring utilities to file long-term plans to meet reliability and environmental requirements in the most affordable way for their customers.
- Ensure that all customers who use the electricity grid, including those who rely on their own generation for part of their supplies, pay for their fair share of the grid.

Please act to ensure Michigan has a sustainable energy future for years to come. Please vote "yes" on Senate Bills 437 and 438!

Sincerely,

James McBryde, President and CEO

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