Bowers, Catherine @PSCES@CIS

From: Tomak, Carolyn R @PSCES@CIS
Sent: Tuesday, July 31, 2001 8:28 AM
To: Bowers, Catherine @PSCES@CIS
Subject: FW: comments on green power pricing (Case #U-13029)

You may have this already. CT

-----Original Message-----
From: Theroux, Sharon L @PSCCMSRS@CIS
Sent: Monday, July 30, 2001 9:49 AM
To: Tomak, Carolyn R @PSCES@CIS
Subject: FW: comments on green power pricing (Case #U-13029)

Here's a comment in Case 13029.
-----Original Message-----
From: Sean [mailto:mullally@msu.edu]
Sent: Tuesday, July 24, 2001 9:08 PM
To: Sharon.L.Theroux@cis.state.mi.us; William.J.Celio@cis.state.mi.us; dorothy.f.wideman@cis.state.mi.us
Subject: comments on green power pricing (Case #U-13029)

Consumers Energy recently announced a "green power" option for electricity customers. That is, we'll be able to pay a $15 surcharge to get power from an environmentally friendly source. While the development of alternative energy sources like wind and solar is commendable (in fact necessary), the scheme Consumers Energy has chosen to market them is inappropriate. It is simply a cynical attempt to profit from people's environmental concerns while ignoring basic economics and science, and will doom "green power" to a permanent niche market.

For example, imagined a highway cleanup program funded by fees levied only on motorists who refrain from littering. This program would quickly be bankrupt, and the highway dirtier than ever, as it provides a financial incentive to litter. Only an idiot would propose such an idea, but that is exactly what Consumers Energy's plan does.

The switch to alternative energy is necessary because of the emissions from traditional fuels. Its only rational that the upfront cost of the switch be attached to those fuels that cause the problem. Since we all contribute to and will suffer from the effects of global warming equally, it is ridiculous to expect an altruistic minority to bear the total cost of cleaning up our act.

Consumers Energy should use the same pricing model for "green power" they used for nuclear power. Electric companies, in order to pay for higher cost of nuclear plants, spread the expense among all their customers. Nuclear plants could never have been built without such cross-subsidizing. It's entirely appropriate we should expect Consumers Energy to fund "green power" the same way. If they can't see the reasoning in that, the Michigan Public Service Commission should explain it to them.

Thank you,

Sean Mullally
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