



MICHIGAN
HOUSE OF REPRESENTATIVES
P.O. Box 30014
LANSING, MICHIGAN 48909-7514

MINUTES OF THE STANDING COMMITTEE ON ENERGY POLICY

Wednesday, February 25, 2015 9:00 a.m. Room 519 House Office Building, Lansing

Representative Nesbitt, Chair, called the meeting to order.

MEMBERS PRESENT: Representative Nesbitt, Glenn, Jacobsen, LaFontaine, McBroom, Outman, Pettalia, Hughes, Barrett, Cole, Lucido, Maturen, Roberts, Sheppard, Webber, LaVoy, Brunner, Lane, Dianda, Kivela, Kosowski, Byrd, Garrett, Miller, Plawecki.

Representative Glenn made a motion to adopt the minutes of the meeting of February 11, 2015. No objections being offered, the minutes were accepted as presented.

Tim Sparks, Vice President of Energy Supply Operations, Consumers Energy, spoke to the Committee regarding the following topics: the territory covered by Consumers Energy; new and changing EPA regulations reshaping energy landscape; regional transmission organization territories; resource adequacy requirements; Zone 7 capacity position; Consumer's Energy Plan; and a "Michigan First" Energy Policy.

Irene Dimitry, representing DTE Energy, reviewed a number of items with the Committee, including: Michigan's Projected Capacity Shortfall; that DTE Energy has been providing Michigan's families and businesses with electric service and generation for over 100 years; that MISO sets reserve margins required to ensure electric system reliability but states are responsible for generation planning; that the Midwest is facing capacity shortfalls as early as 2016; that Michigan has the largest share of the projected 2016 capacity shortfall which places the reliability of electric supply across the state at risk; that capacity market prices have increased substantially in anticipation of shrinking reserves as coal plants are retired; DTE Electric is acquiring additional generation capacity to ensure electric supply security for its full-service, bundled customers; transforming the state's power generation portfolio will require significant investment and new generation for Michigan is needed; and that gaps in current regulatory structure must be addressed.

Subsequent to discussion, Chair Nesbitt declared the meeting adjourned, the time being 10:30 a.m.

Representative Aric Nesbitt, Chair

Catherine Petroskey, Committee Clerk (517) 373-8538

