



HOUSE OF REPRESENTATIVES

COMMITTEE ON ENERGY, COMMUNICATIONS, AND TECHNOLOGY

REP. HELENA SCOTT

CHAIR

COMMITTEE MEETING MINUTES

Wednesday, November 1, 2023

9:00 AM

Room 519, House Office Building

The House Committee on Energy, Communications, and Technology was called to order by Chair Scott.

The Chair requested attendance be called:

Present: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall, Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Absent: None.

Excused: None.

Representative McFall moved to adopt the meeting minutes from October 25, 2023. There being no objection, the motion prevailed by unanimous consent.

The Chair laid SB 271, SB 273, SB 502 and SB 519 before the committee:

SB 271 (Sen. Geiss)

A bill to amend 2008 PA 295, entitled "Clean and renewable energy and energy waste reduction act," by amending the title, the heading of subpart A of part 2, and sections 1, 3, 5, 7, 9, 11, 13, 22, 28, 29, 39, 45, 47, 49, 173, 177, and 191 (MCL 460.1001, 460.1003, 460.1005, 460.1007, 460.1009, 460.1011, 460.1013, 460.1022, 460.1028, 460.1029, 460.1039, 460.1045, 460.1047, 460.1049, 460.1173, 460.1177, and 460.1191), the title and sections 1, 3, 5, 7, 9, 11, 13, 29, 39, 45, 47, 49, 173, and 177 as amended and sections 22 and 28 as added by 2016 PA 342, and by adding sections 32, 51, 53, 101, and 103.

SB 273 (Sen. Singh)

A bill to amend 2008 PA 295, entitled "Clean and renewable energy and energy waste reduction act," by amending sections 5, 7, 71, 73, 75, 77, 78, 91,

and 93 (MCL 460.1005, 460.1007, 460.1071, 460.1073, 460.1075, 460.1077, 460.1078, 460.1091, and 460.1093), sections 5, 7, 71, 73, 75, 77, 91, and 93 as amended and section 78 as added by 2016 PA 342, and by adding sections 72, 80, and 80a; and to repeal acts and parts of acts.

SB 502 (Sen. Shink)

A bill to amend 1939 PA 3, entitled "An act to provide for the regulation and control of public and certain private utilities and other services affected with a public interest within this state; to provide for alternative energy suppliers; to provide for licensing; to include municipally owned utilities and other providers of energy under certain provisions of this act; to create a public service commission and to prescribe and define its powers and duties; to abolish the Michigan public utilities commission and to confer the powers and duties vested by law on the public service commission; to provide for the powers and duties of certain state governmental officers and entities; to provide for the continuance, transfer, and completion of certain matters and proceedings; to abolish automatic adjustment clauses; to prohibit certain rate increases without notice and hearing; to qualify residential energy conservation programs permitted under state law for certain federal exemption; to create a fund; to encourage the utilization of resource recovery facilities; to prohibit certain acts and practices of providers of energy; to allow for the securitization of stranded costs; to reduce rates; to provide for appeals; to provide appropriations; to declare the effect and purpose of this act; to prescribe remedies and penalties; and to repeal acts and parts of acts," by amending sections 6a, 6m, and 6t (MCL 460.6a, 460.6m, and 460.6t), sections 6a and 6m as amended and section 6t as added by 2016 PA 341, and by adding section 6aa.

SB 519 (Sen. Singh)

A bill to provide for the adjustment of transition-impacted workers into new industries; to create the community and worker economic transition office in the department of labor and economic opportunity; to allow the creation of certain advisory committees; to make certain appropriations; and to provide for the powers and duties of certain state governmental officers and entities.

Senator Singh testified in support of SB 271 and SB 273. Questions and discussion followed.

Senator Shink testified in support of SB 502.

Senator Singh testified in support of SB 519.

Nick Occhipinti, representing the Michigan League of Conservation Voters; and Derrell Slaughter, representing the Natural Resources Defense Council, testified in support of SB 271, SB 273, SB 502 and SB 519.

Justin Carpenter, representing Michigan EIBC, testified in support of SB 271, SB 273 and SB 502. Questions and discussion followed.

Melville Nickerson, representing NRG, testified in opposition to SB 271.

The following person submitted a card with a neutral position on SB 271, but due to the time constraints was unable to speak:

Dana Adams, representing the Coalition for Renewable Natural Gas.

The following person submitted a card in support of SB 271, but due to the time constraints was unable to speak:

Angela Seligman, representing the Clean Air Task Force.

The following people submitted a card in opposition to SB 271, but due to the time constraints were unable to speak:

Robert Scott, a resident of Montcalm County.

Gary Melow, representing Michigan Biomass.

The following person submitted a card in opposition to SB 271 and SB 502, but due to the time constraints was unable to speak:

Mike Alaimo, representing the Michigan Chamber of Commerce.

The following people submitted a card in opposition to SB 271 and SB 273, but did not wish to speak:

Rod Williamson, representing ABATE.

Stephanie Kreuz, representing Heritage Action.

The following person submitted a card with a neutral position on SB 271, SB 273, SB 502 and SB 519, but did not wish to speak:

Mike O'Brien, representing the I & M Power Company.

The following people submitted a card in support of SB 271, SB 273, SB 502 and SB 519, but did not wish to speak:

Carlee Knott, representing the Michigan Environmental Council.

Martin Kushler, representing ACEEE.

Mike Spence, representing the Southeast Michigan Council of Governments.

Alexis Blizman, representing the Ecology Center.

Alli Gold Roberts, representing Ceres.

The following people submitted a card in support of SB 271, SB 273 and SB 502, but did not wish to speak:

Courtney Bourgojn, representing Evergreen Action.

Peder Mewis, representing the Clean Grid Alliance.
Ed Rivet, representing the Michigan Conservative Energy Forum.
John Fournier, representing the City of Ann Arbor.

The following people submitted a card in opposition to SB 271, SB 273 and SB 502, but did not wish to speak:

Andrew Vermeesch, representing the Michigan Farm Bureau.
Jason Hayes, representing the Mackinac Center.
Jacob Manning, representing the Small Business Association of Michigan.
Brad Williams, representing the Detroit Regional Chamber.
Tim Langholz, representing the National Federation of Independent Business.

The following person submitted a card in opposition to SB 271 and SB 502, but did not wish to speak:

Mike Johnston, representing the Michigan Manufacturers Association.

The following person submitted a card in support of SB 502, but did not wish to speak:

Kevin McKinney, representing the Citizens Utility Board.

The following person submitted a card in support of SB 519, but did not wish to speak:

Eli Isaguirre, representing the Michigan Regional Council of Carpenters and Millwrights.

The following person submitted a card in opposition to SB 519, but did not wish to speak:

Amanda Fisher, representing the NFIB.

Representative Wendzel offered the following amendment to SB 271:

1. Amend page 6, line 20, after "**51.**" by striking out the balance of the subparagraph.

Representative Wendzel moved to adopt the amendment to SB 271. The motion did not prevail 7-10-0:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.
Nays: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.
Pass: None.

Representative Prestin offered the following amendment to SB 271:

1. Amend page 14, line 19, after "**(C)** " by striking out the balance of the subparagraph and inserting "**Any other biomass.**".

Representative Prestin moved to adopt the amendment to SB 271. The motion did not prevail 7-9-1:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.
Nays: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, MacDonell, McFall.

Pass: Rep. Hill.

Representative Outman offered the following amendments to SB 271:

1. Amend page 16, line 2, by striking out "use" and inserting "uses".

2. Amend page 16, line 3, after "steam" by inserting "**and that, if installed after the effective date of the amendatory act that added section 51, was manufactured in the United States**".

Representative Outman moved to adopt the amendments to SB 271. The motion did not prevail 7-10-0:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Nays: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Pass: None.

Representative Schmaltz moved to adopt the following amendment to SB 271:

1. Amend page 59, following line 5, by inserting:

"(3) If statewide average customer electric rate increases after the effective date of the amendatory act that added this subsection exceed 30%, the commission shall by order permanently suspend the application of the amendatory act that added this subsection."

Representative Schmaltz moved to adopt the amendment to SB 271. The motion did not prevail 7-10-0:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Nays: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Pass: None.

Representative BeGole offered the following amendment to SB 271:

1. Amend page 59, following line 5, by inserting:

"(3) If statewide average customer electric rate increases for 2025 or any subsequent calendar year exceed the increase in the Consumer Price Index for that year, the commission shall by order permanently suspend the application of the amendatory act that added section 51 and the amendatory act that added section 53.

(4) As used in this section, "Consumer Price Index" means the most comprehensive index of consumer prices available for this state from the Bureau of Labor Statistics of the United States Department of Labor."

Representative BeGole moved to adopt the amendment to SB 271. The motion did not prevail 7-9-1:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Nays: Reps. Scott, Andrews, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Pass: Rep. Coleman.

Representative Wendzel offered the following amendment to SB 271:

1. Amend page 59, line 6, after "effect" by striking out the balance of the bill and inserting "January 1, 2025."

Representative Wendzel moved to adopt the amendment to SB 271. The motion did not prevail 7-10-0:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Nays: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Pass: None.

Representative Aragona offered the following amendment to SB 271:

1. Amend page 59, line 7, after "law." by inserting "However, this amendatory act does not take effect until the Midcontinent Independent System Operator issues a report concluding that this amendatory act will increase or maintain grid reliability."

Representative Aragona moved to adopt the amendment to SB 271. The motion did not prevail 7-10-0:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Nays: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Pass: None.

Representative Andrews moved to report out SB 271 with recommendation. The motion prevailed 10-7-0:

FAVORABLE ROLL CALL

Yeas: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Nays: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Pass: None.

Representative McFall moved to report out SB 273 with recommendation. The motion prevailed 10-7-0:

FAVORABLE ROLL CALL

Yeas: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Nays: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Pass: None.

Representative Greene offered the following amendment to SB 502:

1. Amend page 11, following line 26, by inserting:

"(15) Beginning on the effective date of the amendatory act that added section 6aa, the commission shall not increase electric rates for public and private schools in this state until January 1, 2040." and renumbering the remaining subsections.

Representative Greene moved to adopt the amendment to SB 502. The motion did not prevail 7-2-8:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Nays: Reps. Scott, Neeley.

Pass: Reps. Andrews, Coleman, Whitsett, Byrnes, Churches, Hill, MacDonell, McFall.

Representative Prestin offered the following amendment to SB 502:

1. Amend page 2, following "**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**" by inserting:

~~"Sec. 1. (1) A commission to be known and designated as the "Michigan public service commission" is hereby created, which shall consist~~
The Michigan public service commission is created in the department of licensing and regulatory affairs.

~~(2) The commission consists of 3-6 members, not more than 2-3 of whom shall be~~
are members of the same political party, appointed by the governor with the advice and consent of the senate. **At least 1 member of the commission must be a resident of the Upper Peninsula. In addition to the 1 member who is a resident of the Upper Peninsula, at least 1 member of the commission must be a rate payer who has a residence or business with average yearly energy costs of less than \$100,000.00.**

~~(3) Each member shall of the commission must be a citizen of the United States, and of the this state. of Michigan, and no member of said~~
A member of the commission shall not be pecuniarily interested in any public utility or ~~public service~~**person** subject to the jurisdiction and control of the commission. During ~~his~~**a member's** term ~~no~~**a member of the commission** shall **not** serve as an officer or committee member of any political party organization, ~~or~~ hold any office, or be employed by any other commission, board, department, or institution in this state. ~~No commission~~

~~(4) A member of the commission shall not be retained or employed by any public utility or public service~~
person subject to the jurisdiction and control of the commission ~~during the time he while the member~~ is acting as such commissioner, ~~and a member of the commission or for 6 months thereafter, and no after that time.~~

~~(5) A member of the commission, who is a member of the bar of the state~~
State Bar of Michigan, shall **not** practice ~~his profession~~**law** or act as counselor or attorney in any court of

this state during the time he is ~~while~~ a member of said ~~the~~ commission. ~~Provided, however, This shall~~

(6) This section does not require any commissioner-member of the commission to retire from, or dissolve any partnership, of which he-the individual is a member, but said-the partnership, while he is a member of the commission, shall not engage in public utility practice while the individual is a member of the commission. Immediately upon the taking effect of this act, the offices of the present members of the Michigan public service commission are hereby abolished, and the members of the Michigan public service commission as herein created shall be appointed by the governor with the advice and consent of the senate, for terms of 6 years each: Provided, That of the members first appointed, 1 shall be appointed for a term of 2 years, 1 for a term of 4 years, and 1 for a term of 6 years. Upon the expiration of said terms successors shall be appointed with like qualifications and in like manner for terms of 6 years each, and until their successors are appointed and qualified. Vacancies shall be filled in the same manner as is provided for appointment in the first instance.

(7) Members of the commission shall serve for terms of 6 years or until a successor is appointed, whichever is later. If a vacancy occurs on the commission, the governor shall make an appointment for the unexpired term in the same manner as the original appointment."

Representative Prestin moved to adopt the amendment to SB 502. The motion did not prevail 7-10-0:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Nays: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Pass: None.

Representative Prestin offered the following amendment to SB 502:

1. Amend page 2, following "**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**" by inserting:

"Sec. 1. **(1) A commission to be known and designated as the "Michigan public service commission" is hereby created, which shall consist The Michigan public service commission is created in the department of licensing and regulatory affairs.**

(2) The commission consists of 3-6 members, not more than 2-3 of whom shall be are members of the same political party, appointed by the governor with the advice and consent of the senate. At least 1 member of the commission must be a resident of the Upper Peninsula.

(3) Each member shall-of the commission must be a citizen of the United States, and of the this state. of Michigan, and no member of said-A member of the commission shall not be pecuniarily interested in any public utility or public service-person subject to the jurisdiction and control of the commission. During his-a member's term no-a member shall not serve as an officer or committee member of any political party organization, or hold any office, or be employed by any other commission, board, department, or institution in this state. No commission

(4) A member of the commission shall not be retained or employed by any public utility or public service person subject to the jurisdiction and control of the commission during the time he while the member is acting as such commissioner, and a member of the commission or for 6 months thereafter, and no after that time.

(5) A member of the commission, who is a member of the bar of the state State Bar of Michigan, shall not practice his profession law or act as counselor or attorney in any court of this state during the time he is while a member of said the commission. Provided, however, This shall

(6) This section does not require any commissioner member of the commission to retire from, or dissolve any partnership, of which he the individual is a member, but said the partnership, while he is a member of the commission, shall not engage in public utility practice while the individual is a member of the commission. Immediately upon the taking effect of this act, the offices of the present members of the Michigan public service commission are hereby abolished, and the members of the Michigan public service commission as herein created shall be appointed by the governor with the advice and consent of the senate, for terms of 6 years each: Provided, That of the members first appointed, 1 shall be appointed for a term of 2 years, 1 for a term of 4 years, and 1 for a term of 6 years. Upon the expiration of said terms successors shall be appointed with like qualifications and in like manner for terms of 6 years each, and until their successors are appointed and qualified. Vacancies shall be filled in the same manner as is provided for appointment in the first instance.

(7) Members of the commission shall serve for terms of 6 years or until a successor is appointed, whichever is later. If a vacancy occurs on the commission, the governor shall make an appointment for the unexpired term in the same manner as the original appointment."

Representative Prestin moved to adopt the amendment to SB 502. The motion did not prevail 7-10-0:

UNFAVORABLE ROLL CALL

Yeas: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Nays: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Pass: None.

Representative MacDonell moved to report out SB 502 with recommendation. The motion prevailed 10-7-0:

FAVORABLE ROLL CALL

Yeas: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill, MacDonell, McFall.

Nays: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Pass: None.

Representative Hill moved to report out SB 519 with recommendation. The motion prevailed 10-7-0:

FAVORABLE ROLL CALL

Yeas: Reps. Scott, Andrews, Coleman, Whitsett, Neeley, Byrnes, Churches, Hill,
MacDonell, McFall.

Nays: Reps. Wendzel, Outman, Aragona, BeGole, Greene, Prestin, Schmaltz.

Pass: None.

There being no further business before the committee, Chair Scott adjourned the meeting at 10:24 AM.

Representative Helena Scott, Chair

Molly Wingrove

Committee Clerk

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